**Apple Inc.**

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**   
(In millions, except number of shares which are reflected in thousands and per share amounts)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Net sales:  Products  Services | **Three Months Ended** | | | | | **Twelve Months Ended** | | |
| **September 24, 2022** | | **September 25, 2021** | | **September 24, 2022** | | **September 25, 2021** | |
| � | 70,958 � 19,188 | | 65,083 � 18,277 | | 316,199 � 78,129 | | 297,392 68,425 |
| Total net sales (1)  Cost of sales:  Products  Services | 90,146 | | | 83,360 | | 394,328 | | 365,817 |
| 46,387  5,664 | | | 42,790  5,396 | | 201,471 22,075 | | 192,266 20,715 |
| Total cost of sales   Gross margin | 52,051  38,095 | | | 48,186  35,174 | | 223,546 170,782 | | 212,981 152,836 |
| Operating expenses:   Research and development   Selling, general and administrative Total operating expenses  Operating income  Other income/(expense), net  Income before provision for income taxes Provision for income taxes  Net income | 6,761  6,440  13,201 | | | 5,772  5,616  11,388 | | 26,251  25,094  51,345 | | 21,914 21,973 43,887 |
| � | 24,894   (237)  24,657  3,936  20,721 � | | 23,786 (538)  23,248 2,697  20,551 � | | 119,437   (334)  119,103  19,300  99,803 � | | 108,949 258 109,207 14,527 94,680 |
| Earnings per share:   Basic   Diluted  Shares used in computing earnings per share: | �  � | 1.29 � 1.29 � | | 1.25 � 1.24 � | | 6.15 � 6.11 � | | 5.67  5.61 |
| Basic  Diluted | 16,030,382 16,118,465 | | | 16,487,121  16,635,097 | | 16,215,963 16,325,819 | | 16,701,272 16,864,919 |
| (1) Net sales by reportable segment: Americas | � | 39,808 � 22,795  15,470  5,700  6,373  90,146 � | | 36,820 � 20,794  14,563  5,991  5,192  83,360 � | | 169,658 � 95,118  74,200  25,977  29,375  394,328 � | | 153,306 89,307 68,366 28,482 26,356 365,817 |
| Europe  Greater China  Japan  Rest of Asia Pacific   Total net sales | � |
| (1) Net sales by category:   iPhone | � | 42,626 � 11,508  7,174  9,650  19,188  90,146 � | | 38,868 � 9,178  8,252  8,785  18,277  83,360 � | | 205,489 � 40,177  29,292  41,241  78,129  394,328 � | | 191,973 35,190 31,862 38,367 68,425 365,817 |
| Mac  iPad  Wearables, Home and Accessories Services   Total net sales | � |

**Apple Inc.**

**CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)**   
(In millions, except number of shares which are reflected in thousands and par value)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **ASSETS:** | **September 24, 2022** | | **September 25, 2021** | |
| Current assets:  Cash and cash equivalents Marketable securities  Accounts receivable, net  Inventories  Vendor non-trade receivables Other current assets |  | � | 23,646 � 24,658  28,184   4,946  32,748  21,223  135,405 | | 34,940 27,699 26,278 6,580 25,228 14,111  134,836 |
| Total current assets |  |
|  |
| Non-current assets:   Marketable securities   Property, plant and equipment, net Other non-current assets   Total non-current assets   Total assets |  | � | 120,805  42,117  54,428  217,350  352,755 � | | 127,877 39,440 48,849 216,166 351,002 |
| Current liabilities:   Accounts payable   Other current liabilities   Deferred revenue   Commercial paper   Term debt   Total current liabilities | **LIABILITIES AND SHAREHOLDERS’ EQUITY:** | � | 64,115 � 60,845   7,912   9,982  11,128  153,982 | | 54,763 47,493 7,612 6,000 9,613 125,481 |
|  |
| Non-current liabilities:   Term debt   Other non-current liabilities Total non-current liabilities Total liabilities |  | 98,959  49,142  148,101  302,083 | | | 109,106 53,325 162,431 287,912 |
|  |  |

Commitments and contingencies

|  |  |  |  |
| --- | --- | --- | --- |
| Shareholders’ equity:   Common stock and additional paid-in capital, �0.00001 par value: 50,400,000 shares authorized; 15,943,425 and 16,426,786 shares issued and outstanding, respectively Retained earnings/(Accumulated deficit)   Accumulated other comprehensive income/(loss) |  | 64,849  (3,068)  (11,109) | 57,365 5,562  163 |
| Total shareholders’ equity   Total liabilities and shareholders’ equity | � | 50,672  352,755 � | 63,090 351,002 |

**Apple Inc.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)** (In millions)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Cash, cash equivalents and restricted cash, beginning balances   |  | | --- | | Operating activities: | | **Twelve Months Ended**  **September 24,**  **September 25,**  **2022**  **2021**  � 35,929 � 39,789 | | |
| Net income  Adjustments to reconcile net income to cash generated by operating activities: Depreciation and amortization   Share-based compensation expense   Deferred income tax expense/(benefit)   Other | 99,803 | | 94,680 |
| 11,104  9,038   895   111 | | 11,284 7,906 (4,774) (147) |
| Changes in operating assets and liabilities:  Accounts receivable, net  Inventories  Vendor non-trade receivables  Other current and non-current assets  Accounts payable  Deferred revenue  Other current and non-current liabilities | (1,823)   1,484  (7,520)  (6,499)   9,448   478   5,632 | | (10,125) (2,642) (3,903) (8,042) 12,326 1,676  5,799 |
| Cash generated by operating activities   |  | | --- | | Investing activities: |   Purchases of marketable securities  Proceeds from maturities of marketable securities  Proceeds from sales of marketable securities  Payments for acquisition of property, plant and equipment Payments made in connection with business acquisitions, net Other   Cash used in investing activities | 122,151 | | 104,038 |
| (76,923)   29,917   37,446  (10,708)   (306)   (1,780)  (22,354) | | (109,558) 59,023  47,460  (11,085)  (33)  (352)  (14,545) |
| |  | | --- | | Financing activities: |   Payments for taxes related to net share settlement of equity awards Payments for dividends and dividend equivalents  Repurchases of common stock  Proceeds from issuance of term debt, net  Repayments of term debt  Proceeds from commercial paper, net  Other   Cash used in financing activities | (6,223)  (14,841)  (89,402)  5,465  (9,543)  3,955  (160)  (110,749) | | (6,556) (14,467) (85,971) 20,393 (8,750) 1,022 976 (93,353) |
| Decrease in cash, cash equivalents and restricted cash | (10,952) | | (3,860) |
| Cash, cash equivalents and restricted cash, ending balances | � | 24,977 � | 35,929 |
| Supplemental cash flow disclosure:  Cash paid for income taxes, net  Cash paid for interest | �  � | 19,573 � 2,865 � | 25,385 2,687 |