### Apple Inc.

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**

(In millions, except number of shares which are reflected in thousands and per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended</th>
<th>Nine Months Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 27, 2020</td>
<td>June 29, 2019</td>
</tr>
<tr>
<td>Net sales:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>$46,529</td>
<td>$42,354</td>
</tr>
<tr>
<td>Services</td>
<td>13,156</td>
<td>11,455</td>
</tr>
<tr>
<td>Total net sales (1)</td>
<td>59,685</td>
<td>53,809</td>
</tr>
<tr>
<td>Cost of sales:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>32,693</td>
<td>29,473</td>
</tr>
<tr>
<td>Services</td>
<td>4,312</td>
<td>4,109</td>
</tr>
<tr>
<td>Total cost of sales</td>
<td>37,005</td>
<td>33,582</td>
</tr>
<tr>
<td>Gross margin</td>
<td>22,680</td>
<td>20,227</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>4,758</td>
<td>4,257</td>
</tr>
<tr>
<td>Selling, general and administrative</td>
<td>4,831</td>
<td>4,426</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>9,589</td>
<td>8,683</td>
</tr>
<tr>
<td>Operating income</td>
<td>13,091</td>
<td>11,544</td>
</tr>
<tr>
<td>Other income/(expense), net</td>
<td>46</td>
<td>367</td>
</tr>
<tr>
<td>Income before provision for income taxes</td>
<td>13,137</td>
<td>11,911</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>1,884</td>
<td>1,867</td>
</tr>
<tr>
<td>Net income</td>
<td>$11,253</td>
<td>$10,044</td>
</tr>
</tbody>
</table>

**Earnings per share:**

<table>
<thead>
<tr>
<th></th>
<th>Basic</th>
<th>Diluted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$2.61</td>
<td>$2.20</td>
</tr>
<tr>
<td>Diluted</td>
<td>$2.58</td>
<td>$2.18</td>
</tr>
</tbody>
</table>

**Shares used in computing earnings per share:**

<table>
<thead>
<tr>
<th></th>
<th>Basic</th>
<th>Diluted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,312,573</td>
<td>4,570,633</td>
</tr>
<tr>
<td>Diluted</td>
<td>4,354,788</td>
<td>4,601,380</td>
</tr>
</tbody>
</table>

(1) Net sales by reportable segment:

<table>
<thead>
<tr>
<th></th>
<th>Americas</th>
<th>Europe</th>
<th>Greater China</th>
<th>Japan</th>
<th>Rest of Asia Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$27,018</td>
<td>14,173</td>
<td>9,329</td>
<td>4,966</td>
<td>4,199</td>
</tr>
<tr>
<td>Total net sales</td>
<td>$59,685</td>
<td>$53,809</td>
<td>$209,817</td>
<td>$196,134</td>
<td></td>
</tr>
</tbody>
</table>

(1) Net sales by category:

<table>
<thead>
<tr>
<th></th>
<th>iPhone</th>
<th>Mac</th>
<th>iPad</th>
<th>Wearables, Home and Accessories</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$26,418</td>
<td>7,079</td>
<td>6,582</td>
<td>6,450</td>
<td>13,156</td>
</tr>
<tr>
<td>Total net sales</td>
<td>$59,685</td>
<td>$53,809</td>
<td>$209,817</td>
<td>$196,134</td>
<td></td>
</tr>
</tbody>
</table>
### Apple Inc.

**CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)**

(In millions, except number of shares which are reflected in thousands and par value)

<table>
<thead>
<tr>
<th>ASSETS:</th>
<th>June 27, 2020</th>
<th>September 28, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$33,383</td>
<td>$48,844</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>59,642</td>
<td>51,713</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>17,882</td>
<td>22,926</td>
</tr>
<tr>
<td>Inventories</td>
<td>3,978</td>
<td>4,106</td>
</tr>
<tr>
<td>Vendor non-trade receivables</td>
<td>14,193</td>
<td>22,878</td>
</tr>
<tr>
<td>Other current assets</td>
<td>10,987</td>
<td>12,352</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>140,065</td>
<td>162,819</td>
</tr>
<tr>
<td><strong>Non-current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketable securities</td>
<td>100,592</td>
<td>105,341</td>
</tr>
<tr>
<td>Property, plant and equipment, net</td>
<td>35,687</td>
<td>37,378</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>41,000</td>
<td>32,978</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>177,279</td>
<td>175,697</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$317,344</td>
<td>$338,516</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND SHAREHOLDERS’ EQUITY:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$35,325</td>
<td>$46,236</td>
</tr>
<tr>
<td>Other current liabilities</td>
<td>35,005</td>
<td>37,720</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>6,313</td>
<td>5,522</td>
</tr>
<tr>
<td>Commercial paper and repurchase agreements</td>
<td>11,166</td>
<td>5,980</td>
</tr>
<tr>
<td>Term debt</td>
<td>7,509</td>
<td>10,260</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>95,318</td>
<td>105,718</td>
</tr>
<tr>
<td><strong>Non-current liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Term debt</td>
<td>94,048</td>
<td>91,807</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>55,696</td>
<td>50,503</td>
</tr>
<tr>
<td><strong>Total non-current liabilities</strong></td>
<td>149,744</td>
<td>142,310</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>245,062</td>
<td>248,028</td>
</tr>
</tbody>
</table>

| Commitments and contingencies | | |
|---|---|
| Shareholders’ equity: | | |
| Common stock and additional paid-in capital, $0.00001 par value: 12,600,000 shares authorized; 4,283,939 and 4,443,236 shares issued and outstanding, respectively | 48,696 | 45,174 |
| Retained earnings | 24,136 | 45,898 |
| Accumulated other comprehensive income/(loss) | (550) | (584) |
| **Total shareholders’ equity** | 72,282 | 90,488 |
| **Total liabilities and shareholders’ equity** | $317,344 | $338,516 |
## Apple Inc.  
### CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(In millions)

<table>
<thead>
<tr>
<th>Nine Months Ended</th>
<th>June 27, 2020</th>
<th>June 29, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents and restricted cash, beginning balances</td>
<td>$50,224</td>
<td>$25,913</td>
</tr>
<tr>
<td>Operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>44,738</td>
<td>41,570</td>
</tr>
<tr>
<td>Adjustments to reconcile net income to cash generated by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>8,354</td>
<td>9,368</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>5,105</td>
<td>4,569</td>
</tr>
<tr>
<td>Deferred income tax expense/(benefit)</td>
<td>182</td>
<td>(38)</td>
</tr>
<tr>
<td>Other</td>
<td>(94)</td>
<td>(340)</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>5,149</td>
<td>9,013</td>
</tr>
<tr>
<td>Inventories</td>
<td>10</td>
<td>496</td>
</tr>
<tr>
<td>Vendor non-trade receivables</td>
<td>8,685</td>
<td>13,483</td>
</tr>
<tr>
<td>Other current and non-current assets</td>
<td>(6,760)</td>
<td>693</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(10,787)</td>
<td>(19,804)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>1,649</td>
<td>(776)</td>
</tr>
<tr>
<td>Other current and non-current liabilities</td>
<td>3,867</td>
<td>(8,753)</td>
</tr>
<tr>
<td>Cash generated by operating activities</td>
<td>60,098</td>
<td>49,481</td>
</tr>
<tr>
<td>Investing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of marketable securities</td>
<td>(96,606)</td>
<td>(21,902)</td>
</tr>
<tr>
<td>Proceeds from maturities of marketable securities</td>
<td>54,865</td>
<td>26,783</td>
</tr>
<tr>
<td>Proceeds from sales of marketable securities</td>
<td>39,760</td>
<td>49,516</td>
</tr>
<tr>
<td>Payments for acquisition of property, plant and equipment</td>
<td>(5,525)</td>
<td>(7,718)</td>
</tr>
<tr>
<td>Payments made in connection with business acquisitions, net</td>
<td>(1,473)</td>
<td>(611)</td>
</tr>
<tr>
<td>Purchases of non-marketable securities</td>
<td>(210)</td>
<td>(632)</td>
</tr>
<tr>
<td>Proceeds from non-marketable securities</td>
<td>58</td>
<td>1,526</td>
</tr>
<tr>
<td>Other</td>
<td>(689)</td>
<td>(268)</td>
</tr>
<tr>
<td>Cash generated by/(used in) investing activities</td>
<td>(9,820)</td>
<td>46,694</td>
</tr>
<tr>
<td>Financing activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of common stock</td>
<td>430</td>
<td>391</td>
</tr>
<tr>
<td>Payments for taxes related to net share settlement of equity awards</td>
<td>(3,234)</td>
<td>(2,626)</td>
</tr>
<tr>
<td>Payments for dividends and dividend equivalents</td>
<td>(10,570)</td>
<td>(10,640)</td>
</tr>
<tr>
<td>Repurchases of common stock</td>
<td>(55,171)</td>
<td>(49,453)</td>
</tr>
<tr>
<td>Proceeds from issuance of term debt, net</td>
<td>10,635</td>
<td>—</td>
</tr>
<tr>
<td>Repayments of term debt</td>
<td>(12,629)</td>
<td>(5,500)</td>
</tr>
<tr>
<td>Proceeds from/(Repayments of) commercial paper, net</td>
<td>31</td>
<td>(2,026)</td>
</tr>
<tr>
<td>Proceeds from repurchase agreements</td>
<td>5,165</td>
<td>—</td>
</tr>
<tr>
<td>Other</td>
<td>(120)</td>
<td>(83)</td>
</tr>
<tr>
<td>Cash used in financing activities</td>
<td>(65,463)</td>
<td>(69,937)</td>
</tr>
<tr>
<td>Increase/(Decrease) in cash, cash equivalents and restricted cash</td>
<td>(15,185)</td>
<td>26,238</td>
</tr>
<tr>
<td>Cash, cash equivalents and restricted cash, ending balances</td>
<td>$35,039</td>
<td>$52,151</td>
</tr>
</tbody>
</table>

### Supplemental cash flow disclosure:

<table>
<thead>
<tr>
<th></th>
<th>June 27, 2020</th>
<th>June 29, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash paid for income taxes, net</td>
<td>$8,410</td>
<td>$11,795</td>
</tr>
<tr>
<td>Cash paid for interest</td>
<td>$2,275</td>
<td>$2,563</td>
</tr>
</tbody>
</table>