### 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>December 26, 2020</th>
<th>December 28, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>$ 95,678</td>
<td>$ 79,104</td>
</tr>
<tr>
<td>Services</td>
<td>15,761</td>
<td>12,715</td>
</tr>
<tr>
<td>Total net sales (1)</td>
<td>111,439</td>
<td>91,819</td>
</tr>
<tr>
<td><strong>Cost of sales:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>62,130</td>
<td>52,075</td>
</tr>
<tr>
<td>Services</td>
<td>4,981</td>
<td>4,527</td>
</tr>
<tr>
<td>Total cost of sales</td>
<td>67,111</td>
<td>56,602</td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>44,328</td>
<td>35,217</td>
</tr>
<tr>
<td><strong>Operating expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>5,163</td>
<td>4,451</td>
</tr>
<tr>
<td>Selling, general and administrative</td>
<td>5,631</td>
<td>5,197</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>10,794</td>
<td>9,648</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>33,534</td>
<td>25,569</td>
</tr>
<tr>
<td><strong>Other income/(expense), net</strong></td>
<td>45</td>
<td>349</td>
</tr>
<tr>
<td>Income before provision for income taxes</td>
<td>33,579</td>
<td>25,918</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>4,824</td>
<td>3,682</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>$ 28,755</td>
<td>$ 22,236</td>
</tr>
<tr>
<td><strong>Earnings per share:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>$ 1.70</td>
<td>$ 1.26</td>
</tr>
<tr>
<td>Diluted</td>
<td>$ 1.68</td>
<td>$ 1.25</td>
</tr>
<tr>
<td><strong>Shares used in computing earnings per share:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>16,935,119</td>
<td>17,660,160</td>
</tr>
<tr>
<td>Diluted</td>
<td>17,113,688</td>
<td>17,818,417</td>
</tr>
</tbody>
</table>

(1) Net sales by reportable segment:

<table>
<thead>
<tr>
<th>Segment</th>
<th>December 26, 2020</th>
<th>December 28, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>$ 46,310</td>
<td>$ 41,367</td>
</tr>
<tr>
<td>Europe</td>
<td>27,306</td>
<td>23,273</td>
</tr>
<tr>
<td>Greater China</td>
<td>21,313</td>
<td>13,578</td>
</tr>
<tr>
<td>Japan</td>
<td>8,285</td>
<td>6,223</td>
</tr>
<tr>
<td>Rest of Asia Pacific</td>
<td>8,225</td>
<td>7,378</td>
</tr>
<tr>
<td>Total net sales</td>
<td>$ 111,439</td>
<td>$ 91,819</td>
</tr>
</tbody>
</table>

(1) Net sales by category:

<table>
<thead>
<tr>
<th>Category</th>
<th>December 26, 2020</th>
<th>December 28, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>iPhone</td>
<td>$ 65,597</td>
<td>$ 55,957</td>
</tr>
<tr>
<td>Mac</td>
<td>8,675</td>
<td>7,160</td>
</tr>
<tr>
<td>iPad</td>
<td>8,435</td>
<td>5,977</td>
</tr>
<tr>
<td>Wearables, Home and Accessories</td>
<td>12,971</td>
<td>10,010</td>
</tr>
<tr>
<td>Services</td>
<td>15,761</td>
<td>12,715</td>
</tr>
<tr>
<td>Total net sales</td>
<td>$ 111,439</td>
<td>$ 91,819</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>December 26, 2020</th>
<th>September 26, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$36,010</td>
<td>$38,016</td>
</tr>
<tr>
<td>Marketable securities</td>
<td>40,816</td>
<td>52,927</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>27,101</td>
<td>16,120</td>
</tr>
<tr>
<td>Inventories</td>
<td>4,973</td>
<td>4,061</td>
</tr>
<tr>
<td>Vendor non-trade receivables</td>
<td>31,519</td>
<td>21,325</td>
</tr>
<tr>
<td>Other current assets</td>
<td>13,687</td>
<td>11,264</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>154,106</td>
<td>143,713</td>
</tr>
<tr>
<td><strong>Non-current assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketable securities</td>
<td>118,745</td>
<td>100,887</td>
</tr>
<tr>
<td>Property, plant and equipment, net</td>
<td>37,933</td>
<td>36,766</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>43,270</td>
<td>42,522</td>
</tr>
<tr>
<td><strong>Total non-current assets</strong></td>
<td>199,948</td>
<td>180,175</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$354,054</td>
<td>$323,888</td>
</tr>
</tbody>
</table>

| LIABILITIES AND SHAREHOLDERS’ EQUITY: | | |
| Current liabilities: | | |
| Accounts payable | $63,846 | $42,296 |
| Other current liabilities | 48,504 | 42,684 |
| Deferred revenue | 7,395 | 6,643 |
| Commercial paper | 5,000 | 4,996 |
| Term debt | 7,762 | 8,773 |
| **Total current liabilities** | 132,507 | 105,392 |
| Non-current liabilities: | | |
| Term debt | 99,281 | 98,667 |
| Other non-current liabilities | 56,042 | 54,490 |
| **Total non-current liabilities** | 155,323 | 153,157 |
| **Total liabilities** | 287,830 | 258,549 |

Commitments and contingencies

Shareholders’ equity:

- Common stock and additional paid-in capital, $0.00001 par value: 50,400,000 shares authorized; 16,823,263 and 16,976,763 shares issued and outstanding, respectively | 51,744 | 50,779 |
- Retained earnings | 14,301 | 14,966 |
- Accumulated other comprehensive income/(loss) | 179 | (406) |
| **Total shareholders’ equity** | 66,224 | 65,339 |
| **Total liabilities and shareholders’ equity** | $354,054 | $323,888 |
### Apple Inc.

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

*(In millions)*

<table>
<thead>
<tr>
<th>Three Months Ended</th>
<th>December 26, 2020</th>
<th>December 28, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents and restricted cash, beginning balances</td>
<td>$39,789</td>
<td>$50,224</td>
</tr>
<tr>
<td><strong>Operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>28,755</td>
<td>22,236</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>2,666</td>
<td>2,816</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>2,020</td>
<td>1,710</td>
</tr>
<tr>
<td>Deferred income tax benefit</td>
<td>(58)</td>
<td>(349)</td>
</tr>
<tr>
<td>Other</td>
<td>25</td>
<td>(142)</td>
</tr>
<tr>
<td><strong>Changes in operating assets and liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>(10,945)</td>
<td>2,015</td>
</tr>
<tr>
<td>Inventories</td>
<td>(950)</td>
<td>(28)</td>
</tr>
<tr>
<td>Vendor non-trade receivables</td>
<td>(10,194)</td>
<td>3,902</td>
</tr>
<tr>
<td>Other current and non-current assets</td>
<td>(3,526)</td>
<td>(7,054)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>21,670</td>
<td>(1,089)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>1,341</td>
<td>985</td>
</tr>
<tr>
<td><strong>Other current and non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash generated by operating activities</strong></td>
<td>38,763</td>
<td>30,516</td>
</tr>
<tr>
<td><strong>Investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of marketable securities</td>
<td>(39,800)</td>
<td>(37,416)</td>
</tr>
<tr>
<td>Proceeds from maturities of marketable securities</td>
<td>25,177</td>
<td>19,740</td>
</tr>
<tr>
<td>Proceeds from sales of marketable securities</td>
<td>9,344</td>
<td>7,280</td>
</tr>
<tr>
<td>Payments for acquisition of property, plant and equipment</td>
<td>(3,500)</td>
<td>(2,107)</td>
</tr>
<tr>
<td>Payments made in connection with business acquisitions, net</td>
<td>(9)</td>
<td>(958)</td>
</tr>
<tr>
<td>Other</td>
<td>204</td>
<td>(207)</td>
</tr>
<tr>
<td><strong>Cash used in investing activities</strong></td>
<td>(8,584)</td>
<td>(13,668)</td>
</tr>
<tr>
<td><strong>Financing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of common stock</td>
<td>—</td>
<td>2</td>
</tr>
<tr>
<td>Payments for taxes related to net share settlement of equity awards</td>
<td>(2,861)</td>
<td>(1,379)</td>
</tr>
<tr>
<td>Payments for dividends and dividend equivalents</td>
<td>(3,613)</td>
<td>(3,539)</td>
</tr>
<tr>
<td>Repurchases of common stock</td>
<td>(24,775)</td>
<td>(20,706)</td>
</tr>
<tr>
<td>Proceeds from issuance of term debt, net</td>
<td>—</td>
<td>2,210</td>
</tr>
<tr>
<td>Repayments of term debt</td>
<td>(1,000)</td>
<td>(1,000)</td>
</tr>
<tr>
<td>Proceeds from/(Repayments of) commercial paper, net</td>
<td>22</td>
<td>(979)</td>
</tr>
<tr>
<td>Other</td>
<td>(22)</td>
<td>(16)</td>
</tr>
<tr>
<td><strong>Cash used in financing activities</strong></td>
<td>(32,249)</td>
<td>(25,407)</td>
</tr>
<tr>
<td><strong>Decrease in cash, cash equivalents and restricted cash</strong></td>
<td>(2,070)</td>
<td>(8,559)</td>
</tr>
<tr>
<td><strong>Cash, cash equivalents and restricted cash, ending balances</strong></td>
<td>$37,719</td>
<td>$41,665</td>
</tr>
</tbody>
</table>

**Supplemental cash flow disclosure:**

<table>
<thead>
<tr>
<th></th>
<th>December 26, 2020</th>
<th>December 28, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash paid for income taxes, net</td>
<td>$1,787</td>
<td>$4,393</td>
</tr>
<tr>
<td>Cash paid for interest</td>
<td>$619</td>
<td>$771</td>
</tr>
</tbody>
</table>