Apple Inc.

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

	Three Months Ended		Twelve Months Ended	
	September 26, 2026	September 27, 2025	September 26, 2026	September 27, 2025
Net sales:				
Products	$ 82,904	$ 73,716	$ 355,533	$ 307,003
Services	31,573	28,750	123,301	109,158
Total net sales [1]	114,477	102,466	478,834	416,161
Cost of sales:				
Products	52,064	47,019	215,874	194,116
Services	7,593	7,106	29,358	26,844
Total cost of sales	59,657	54,125	245,232	220,960
Gross margin	54,820	48,341	233,602	195,201
Operating expenses:				
Research and development	11,730	8,866	45,765	34,550
Selling, general and administrative	7,459	7,048	29,774	27,601
Total operating expenses	19,189	15,914	75,539	62,151
Operating income	35,631	32,427	158,063	133,050
Other income/(expense), net	504	377	1,174	(321)
Income before provision for income taxes	36,135	32,804	159,237	132,729
Provision for income taxes	5,424	5,338	27,062	20,719
Net income	$ 30,711	$ 27,466	$ 132,175	$ 112,010
Earnings per share:				
Basic	$ 2.11	$ 1.85	$ 9.01	$ 7.49
Diluted	$ 2.10	$ 1.85	$ 8.98	$ 7.46
Shares used in computing earnings per share:				
Basic	14,570,195	14,815,307	14,661,935	14,948,500
Diluted	14,630,318	14,863,609	14,720,306	15,004,697
[1] Net sales by reportable segment:				
Americas	$ 48,680	$ 44,192	$ 198,083	$ 178,353
Europe	32,008	28,703	127,604	111,032
Greater China	17,539	14,493	82,378	64,377
Japan	6,540	6,636	30,908	28,703
Rest of Asia Pacific	9,710	8,442	39,861	33,696
Total net sales	$ 114,477	$ 102,466	$ 478,834	$ 416,161
[1] Net sales by category:				
iPhone	$ 57,583	$ 49,025	$ 254,098	$ 209,586
Mac	10,792	8,726	37,929	33,708
iPad	6,229	6,952	27,929	28,023
Wearables, Home and Accessories	8,300	9,013	35,577	35,686
Services	31,573	28,750	123,301	109,158
Total net sales	$ 114,477	$ 102,466	$ 478,834	$ 416,161

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

	September 26, 2026	September 27, 2025
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 36,305	$ 35,934
Marketable securities	20,417	18,763
Accounts receivable, net	43,817	39,777
Vendor non-trade receivables	39,896	33,180
Inventories	14,541	5,718
Other current assets	18,881	14,585
Total current assets	173,857	147,957
Non-current assets:		
Marketable securities	80,213	77,723
Property, plant and equipment, net	52,084	49,834
Intangible assets, net	20,278	11,093
Other non-current assets	78,116	72,634
Total non-current assets	230,691	211,284
Total assets	$ 404,548	$ 359,241
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	$ 82,252	$ 69,860
Other current liabilities	66,124	66,387
Deferred revenue	9,636	9,055
Commercial paper	1,997	7,979
Term debt	9,906	12,350
Total current liabilities	169,915	165,631
Non-current liabilities:		
Term debt	68,208	78,328
Other non-current liabilities	54,332	41,549
Total non-current liabilities	122,540	119,877
Total liabilities	292,455	285,508
Commitments and contingencies		
Shareholders' equity:		
Common stock and additional paid-in capital, $0.00001 par value: 50,400,000 shares authorized; 14,532,259 and 14,773,260 shares issued and outstanding, respectively	104,815	93,568
Retained earnings/(Accumulated deficit)	13,700	(14,264)
Accumulated other comprehensive loss	(6,422)	(5,571)
Total shareholders' equity	112,093	73,733
Total liabilities and shareholders' equity	$ 404,548	$ 359,241

Apple Inc.

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

	Twelve Months Ended	
	September 26, 2026	**September 27, 2025**
Cash, cash equivalents, and restricted cash and cash equivalents, beginning balances	$ 35,934	$ 29,943
Operating activities:		
Net income	132,175	112,010
Adjustments to reconcile net income to cash generated by operating activities:		
Depreciation and amortization	13,423	11,698
Share-based compensation expense	13,789	12,863
Other	568	(89)
Changes in operating assets and liabilities:		
Accounts receivable, net	(3,994)	(6,682)
Vendor non-trade receivables	(6,716)	(347)
Inventories	(8,905)	1,400
Other current and non-current assets	(21,117)	(9,197)
Accounts payable	12,171	902
Other current and non-current liabilities	13,703	(11,076)
Cash generated by operating activities	145,097	111,482
Investing activities:		
Purchases of marketable securities	(54,945)	(24,407)
Proceeds from maturities of marketable securities	34,815	40,907
Proceeds from sales of marketable securities	14,280	12,890
Payments for acquisition of property, plant and equipment	(9,041)	(12,715)
Other	(2,389)	(1,480)
Cash generated by/(used in) investing activities	(17,280)	15,195
Financing activities:		
Payments for taxes related to net share settlement of equity awards	(6,793)	(5,960)
Payments for dividends and dividend equivalents	(15,721)	(15,421)
Repurchases of common stock	(86,390)	(90,711)
Proceeds from issuance of term debt, net	—	4,481
Repayments of term debt	(12,396)	(10,932)
Repayments of commercial paper, net	(5,911)	(2,032)
Other	(235)	(111)
Cash used in financing activities	(127,446)	(120,686)
Increase in cash, cash equivalents, and restricted cash and cash equivalents	371	5,991
Cash, cash equivalents, and restricted cash and cash equivalents, ending balances	$ 36,305	$ 35,934