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 Mo		nths Ended			
	Sep	tember 25, 2021	Sep	otember 26, 2020	September 25, 2021		September 26, 2020	
Net sales:								
Products	\$	65,083	\$	50,149	\$	297,392	\$	220,747
Services		18,277		14,549		68,425		53,768
Total net sales ⁽¹⁾		83,360		64,698		365,817		274,515
Cost of sales:								
Products		42,790		35,197		192,266		151,286
Services		5,396		4,812		20,715		18,273
Total cost of sales		48,186		40,009		212,981		169,559
Gross margin	_	35,174		24,689	_	152,836		104,956
Operating expenses:								
Research and development		5,772		4,978		21,914		18,752
Selling, general and administrative		5,616		4,936		21,973		19,916
Total operating expenses		11,388		9,914		43,887		38,668
Operating income		23,786		14,775		108,949		66,288
Other income/(expense), net		(538)		126		258		803
Income before provision for income taxes		23,248		14,901		109,207		67,091
Provision for income taxes		2,697		2,228		14,527		9,680
Net income	\$	20,551	\$	12,673	\$	94,680	\$	57,411
	-	,	-	,	_	,	-	,
Earnings per share:								
Basic	\$	1.25	\$	0.74	\$	5.67	\$	3.31
Diluted	\$	1.24	\$	0.73	\$	5.61	\$	3.28
Shares used in computing earnings per share:								
Basic	1	6 / 97 1 2 1	1	7057622	1	6,701,272		17,352,119
Diluted	16,487,121 17,057,622 16,635,097 17,256,521		16,864,919		17,528,214			
Diluted		0,035,097	I	7,200,021	1	0,004,919	I	7,320,214
⁽¹⁾ Net sales by reportable segment:								
Americas	\$	36,820	\$	30,698	\$	153,306	\$	124,556
Europe		20,794		16,900		89,307		68,640
Greater China		14,563		7,946		68,366		40,308
Japan		5,991		5,023		28,482		21,418
Rest of Asia Pacific		5,192		4,131		26,356		19,593
Total net sales	\$	83,360	\$	64,698	\$	365,817	\$	274,515
⁽¹⁾ Net sales by category:								
iPhone	\$	38,868	\$	26,444	\$	191,973	\$	137,781
Mac		9,178		9,032		35,190		28,622
		8,252		6,797		31,862		23,724
IPad		0,202						20.724
iPad Wearables, Home and Accessories				-		-		
Pad Wearables, Home and Accessories Services		8,232 8,785 18,277		7,876 14,549		38,367 68,425		30,620 53,768

Apple Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

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

Marketable securities 27,699 5 Accounts receivable, net 26,278 1 Inventories 6,580 1 Vendor non-trade receivables 25,228 1 Other current assets 14,111 1 Total current assets 134,836 14 Non-current assets: 134,836 14 Marketable securities 127,877 10 Property, plant and equipment, net 39,440 39,440 Other non-current assets 216,166 11 Total non-current assets 216,166 11 Current liabilities: 216,166 11 Accounts payable \$ 54,763< 4 Other current liabilities 47,493 4 Other current liabilities 47,493 4 Other current liabilities 9,613 1 Total current liabilities 53,325 5 Total current liabilities 125,481 100 Non-current liabilities 126,431 11 Total current liabilities 53,325<		September 25, 2021		September 26, 2020		
Cash and cash equivalents \$ 34,940 \$ 32,269 5 Marketable securities 26,278 5 Accounts receivable, net 26,278 5 Inventories 6,580 5 Vendor non-trade receivables 25,228 5 Other current assets 14,111 1 Total current assets 134,836 14 Non-current assets: 134,836 14 Marketable securities 127,877 10 Orber non-current assets 127,877 10 Other non-current assets 216,166 11 Total non-current assets 216,166 11 Total assets 216,166 11 Current liabilities: 216,166 11 Accounts payable \$ 54,763 \$ 44 Other current liabilities 26,000 \$ 32 Current liabilities 26,000 \$ 32 Current liabilities 26,000 \$ 32 Commercial paper 6,000 \$ 33,325 Total current liabilities 125,481 </th <th>ASSETS:</th> <th></th> <th></th> <th></th> <th></th>	ASSETS:					
Marketable securities 27,699 5 Accounts receivable, net 26,278 1 Inventories 6,580 1 Vendor non-trade receivables 25,228 1 Other current assets 14,111 1 Total current assets 14,111 1 Non-current assets 134,836 14 Non-current assets 127,877 10 Property, plant and equipment, net 39,440 3 Other non-current assets 216,166 11 Total ono-current assets 216,166 11 Total assets 216,166 11 Current liabilities: 216,166 11 Accounts payable \$ 54,763 \$ 4 Other current liabilities 47,493 4 Other current liabilities 7,612 6,000 Term debt 99,613 10 Total current liabilities 125,481 10 Non-current liabilities 125,421 11 Total current liabilities 53,325 5	Current assets:					
Accounts receivable, net 26,278 Inventories 6,580 Vendor non-trade receivables 25,228 2 Other current assets 14,111 1 Total current assets 134,836 14 Non-current assets: 127,877 10 Marketable securities 127,877 10 Property.plant and equipment, net 39,440 33 Other non-current assets 48,849 4 Total non-current assets 216,166 11 Total assets 216,166 11 Total assets 2351,002 \$ 32 Current liabilities: 246,763 \$ 4 Accounts payable \$ 54,763 \$ 4 Other current liabilities 47,493 4 Other current liabilities 47,493 4 Other revenue 7,612 0 Commercial paper 6,000 109,106 \$ Total current liabilities 125,481 10 Other non-current liabilities 182,431 11 Total current liabilities 283,912 25 Comm	Cash and cash equivalents	\$	34,940	\$	38,016	
Inventories 6,580 Vendor non-trade receivables 25,228 Other current assets 14,111 Total current assets 134,836 Marketable securities 127,877 Mon-current assets: 39,440 Other non-current assets 48,849 Total non-current assets 216,166 Total anon-current assets 216,166 Total assets 216,166 Total assets 216,166 Current liabilities: 216,166 Accounts payable \$ 351,002 Current liabilities: 7,612 Accounts payable 9,613 Other current liabilities 125,481 Non-current liabilities 9,613 Total current liabilities 109,106 State non-current liabilities 28,325 Total non-current liabilities 28,325 Commercial paper 6,000 Term debt 109,106 Other current liabilities 28,7912 Total non-current liabilities 28,7912 Commitments and contingencies 28,7	Marketable securities		27,699		52,927	
Vendor non-trade receivables 25,228 2 Other current assets 14,111 - Total current assets 134,836 14 Non-current assets: 127,877 10 Property, plant and equipment, net 39,440 32 Other non-current assets 48,849 24 Total non-current assets 216,166 11 Total assets \$ 351,002 \$ 32 LIABILITIES AND SHAREHOLDERS' EQUITY: Current liabilities: 47,493 4 Accounts payable \$ 54,763 \$ 4 Other current liabilities 47,493 4 Deferred revenue 7,612 7 Commercial paper 6,000 125,481 10 Non-current liabilities 125,481 10 10 Non-current liabilities: 283,225 5 5 5 Total current liabilities 125,481 10 10 Non-current liabilities 287,912 25 5 Total non-current liabilities 287,912	Accounts receivable, net		26,278		16,120	
Other current assets 14,111 111 Total current assets 134,836 14 Non-current assets: 134,836 14 Marketable securities 127,877 10 Property, plant and equipment, net 39,440 33 Other non-current assets 48,849 4 Total non-current assets 216,166 11 Total assets \$ 351,002 \$ 32 Current liabilities: \$ 351,002 \$ 32 Current liabilities: \$ 351,002 \$ 32 Current liabilities: \$ 351,002 \$ 32 Corrent liabilities 47,493 44 Other current liabilities 47,493 44 Other current liabilities 9,613 10 Total current liabilities 9,613 10 Non-current liabilities 125,481 10 Non-current liabilities 109,106 10 Non-current liabilities 109,106 10 Other non-current liabilities 102,431 11 Total non-current liabilities <td>Inventories</td> <td></td> <td>6,580</td> <td></td> <td>4,061</td>	Inventories		6,580		4,061	
Total current assets 134,836 14 Non-current assets: 127,877 100 Marketable securities 127,877 100 Other non-current assets 48,849 42 Other non-current assets 48,849 42 Total non-current assets 216,166 111 Total assets \$ 351,002 \$ 32 Current liabilities: \$ 351,002 \$ 32 Current liabilities: \$ 364,763 \$ 44 Accounts payable \$ 54,763 \$ 44 Other current liabilities 47,493 44 Other current liabilities 47,493 44 Other current liabilities 9,613 100 Total current liabilities 9,613 100 Non-current liabilities: 125,481 100 Non-current liabilities 199,106 9 Total current liabilities 109,106 102,431 Total ion-current liabilities 162,431 111 Total liabilities 287,912 25 Commitments and contingencies	Vendor non-trade receivables		25,228		21,325	
Non-current assets: 127,877 10 Marketable securities 127,877 10 Property, plant and equipment, net 39,440 3 Other non-current assets 48,849 4 Total non-current assets 216,166 11 Total non-current assets \$ 351,002 \$ 32 LIABILITIES AND SHAREHOLDERS' EQUITY: Current liabilities: * * Accounts payable \$ 54,763 \$ 4 Other current liabilities 47,493 4 Other current liabilities 7,612 * Commercial paper 6,000 * * Term debt 9,613 * * Non-current liabilities: * * * Term debt 109,106 \$ * Non-current liabilities * * * Total ono-current liabilities * * * Total current liabilities * * * Total iono-current liabilities * * *<	Other current assets		14,111		11,264	
Marketable securities127,87710Property, plant and equipment, net39,4403Other non-current assets48,8494Total non-current assets216,16611Total assets\$ 351,002\$ 32LIABILITIES AND SHAREHOLDERS' EQUITY:Current liabilities:Accounts payable\$ 54,763\$ 4Other current liabilities47,4934Deferred revenue7,6126,000Term debt9,613125,481Total current liabilities:125,48110Non-current liabilities53,3255Total non-current liabilities53,3255Total non-current liabilities109,1069Other non-current liabilities53,3255Total non-current liabilities162,43111Total labilities162,43111Total labilities287,91225Total labilities287,91225Shareholders' equity:57,3655Common stock and additional paid-in capital, \$0.0001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,3655	Total current assets		134,836		143,713	
Property, plant and equipment, net 39,440 3 Other non-current assets 48,849 4 Total non-current assets 216,166 14 Total assets 351,002 \$ 32 LIABILITIES AND SHAREHOLDERS' EQUITY: Current liabilities: Accounts payable \$ 54,763 \$ 4 Other current liabilities 47,493 44 Other current liabilities 9,613 4 Commercial paper 6,000 4 Total current liabilities: 125,481 100 Total current liabilities 53,325 5 Total non-current liabilities 53,325 5 Total anon-current liabilities 125,481 11 Total liabilities 287,912 25 Commitments and contingencies 125,481 12 Common stock and additional paid-in capital, \$0,00001 par value: 50,400,000 shar	Non-current assets:					
Other non-current assets43,8494Total non-current assets216,16618Total assets\$ 351,002\$ 32LLABILITIES AND SHAREHOLDERS' EQUITY:Current liabilities:47,4934Accounts payable\$ 54,763\$ 4Other current liabilities47,4934Deferred revenue7,6126,000Commercial paper6,0009,613Total current liabilities:125,48110Non-current liabilities:125,48110Total current liabilities53,3255Total non-current liabilities53,3255Total non-current liabilities162,43111Total inon-current liabilities287,91225Commitments and contingencies555Shareholders' equity:Common stock and additional paid-in capital, \$0,00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,3655	Marketable securities		127,877		100,887	
Total non-current assets216,16611Total assets\$ 351,002\$ 32LIABILITIES AND SHAREHOLDERS' EQUITY:Current liabilities:4Accounts payable\$ 54,763\$ 4Other current liabilities47,4934Deferred revenue7,6126,000Term debt9,6131Total current liabilities125,48110Non-current liabilities:125,48110Term debt53,3255Total non-current liabilities162,43111Total non-current liabilities162,43111Total non-current liabilities162,43111Total non-current liabilities162,43111Commitments and contingencies525Shareholders' equity:550,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,3655	Property, plant and equipment, net		39,440		36,766	
Total assets\$ 351,002\$ 32LIABILITIES AND SHAREHOLDERS' EQUITY:Current liabilities:Accounts payable\$ 54,763\$ 4Other current liabilities47,4934Deferred revenue7,6126,000Term debt9,613Total current liabilities125,481100Non-current liabilities:125,481100Term debt53,3255Total non-current liabilities162,43111Total non-current liabilities162,43111Total non-current liabilities287,912255Commitments and contingencies555Shareholders' equity:550,00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,3655	Other non-current assets		48,849		42,522	
LIABILITIES AND SHAREHOLDERS' EQUITY: Current liabilities: Accounts payable \$ 54,763 \$ 4 Other current liabilities 47,493 4 Deferred revenue 7,612 Commercial paper 6,000 Term debt 9,613 Total current liabilities 125,481 Non-current liabilities: 125,481 Term debt 53,325 Total non-current liabilities 53,325 Total non-current liabilities 162,431 Total liabilities 287,912 Commitments and contingencies 287,912 Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365	Total non-current assets		216,166		180,175	
Current liabilities: \$ 54,763 \$ 44 Other current liabilities 47,493 44 Deferred revenue 7,612 Commercial paper 6,000 Term debt 9,613 Total current liabilities 125,481 Non-current liabilities: 109,106 Term debt 53,325 Other non-current liabilities 53,325 Total non-current liabilities 162,431 Total liabilities 287,912 Commitments and contingencies 287,912 Shareholders' equity: Common stock and additional paid-in capital, \$0.0001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365	Total assets	\$	351,002	\$	323,888	
Accounts payable\$ 54,763\$ 44Other current liabilities47,49344Deferred revenue7,6126,000Term debt9,613102Total current liabilities125,481102Non-current liabilities:109,1069Term debt53,32555Total non-current liabilities162,431113Total liabilities162,431113Total liabilities287,912255Total liabilities287,912255Shareholders' equity:Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,36555	LIABILITIES AND SHAREHOLDERS' EQUITY:					
Other current liabilities47,4934Deferred revenue7,612Commercial paper6,000Term debt9,613Total current liabilities125,481Non-current liabilities:109,106Term debt53,325Total non-current liabilities53,325Total non-current liabilities162,431Total liabilities287,912Commitments and contingencies5Shareholders' equity:Common stock and additional paid-in capital, \$0.0001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,365	Current liabilities:					
Deferred revenue7,612Commercial paper6,000Term debt9,613Total current liabilities125,481Non-current liabilities:109,106Term debt109,106Other non-current liabilities53,325Total non-current liabilities162,431Total liabilities287,912Commitments and contingencies287,912Shareholders' equity:Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,365	Accounts payable	\$	54,763	\$	42,296	
Commercial paper6,000Term debt9,613Total current liabilities125,481Non-current liabilities:109,106Term debt109,106Other non-current liabilities53,325Total non-current liabilities162,431Total liabilities287,912Commitments and contingencies287,912Shareholders' equity:Common stock and additional paid-in capital, \$0.0001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,365	Other current liabilities		47,493		42,684	
Term debt9,613Total current liabilities125,481100Non-current liabilities:109,1069Term debt109,1069Other non-current liabilities53,3255Total non-current liabilities162,43114Total non-current liabilities287,91225Commitments and contingencies55Shareholders' equity:Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,3655	Deferred revenue		7,612		6,643	
Total current liabilities 125,481 100 Non-current liabilities: 109,106 9 Other non-current liabilities 53,325 5 Total non-current liabilities 162,431 11 Total liabilities 287,912 25 Commitments and contingencies Shareholders' equity: 2000000000000000000000000000000000000	Commercial paper		6,000		4,996	
Non-current liabilities: 109,106 9 Term debt 109,106 9 Other non-current liabilities 53,325 5 Total non-current liabilities 162,431 19 Total liabilities 287,912 25 Commitments and contingencies 5 5 Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365 5	Term debt		9,613		8,773	
Term debt109,1069Other non-current liabilities53,3255Total non-current liabilities162,43111Total liabilities287,91225Commitments and contingencies5162,431Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,3655	Total current liabilities		125,481		105,392	
Other non-current liabilities53,3255Total non-current liabilities162,43114Total liabilities287,91225Commitments and contingencies287,91225Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively57,36555	Non-current liabilities:					
Total non-current liabilities 162,431 19 Total liabilities 287,912 25 Commitments and contingencies 162,431 19 Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365 55	Term debt		109,106		98,667	
Total liabilities 287,912 25 Commitments and contingencies Shareholders' equity: Shareholders'equity:	Other non-current liabilities		53,325		54,490	
Commitments and contingencies Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365 5	Total non-current liabilities		162,431		153,157	
Shareholders' equity: Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365 5	Total liabilities		287,912		258,549	
Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365 5	Commitments and contingencies					
Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365 5						
authorized; 16,426,786 and 16,976,763 shares issued and outstanding, respectively 57,365	Shareholders' equity:					
Retained earnings 5.562 1			57,365		50,779	
	Retained earnings		5,562		14,966	
Accumulated other comprehensive income/(loss) 163	-				(406)	
			63,090		65,339	
		\$	351,002	\$	323,888	

Apple Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(In millions)

		Twelve Mo	nths Ended		
		otember 25, 2021	Sej	September 26, 2020	
Cash, cash equivalents and restricted cash, beginning balances	\$	39,789	\$	50,224	
Operating activities:					
Net income		94,680		57,411	
Adjustments to reconcile net income to cash generated by operating activities:		,		,	
Depreciation and amortization		11,284		11,056	
Share-based compensation expense		7,906		6,829	
Deferred income tax benefit		(4,774)		(215)	
Other		(147)		(97)	
Changes in operating assets and liabilities:					
Accounts receivable, net		(10,125)		6,917	
Inventories		(2,642)		(127)	
Vendor non-trade receivables		(3,903)		1,553	
Other current and non-current assets		(8,042)		(9,588)	
Accounts payable		12,326		(4,062)	
Deferred revenue		1,676		2,081	
Other current and non-current liabilities		5,799		8,916	
Cash generated by operating activities		104,038		80,674	
Investing activities:					
Purchases of marketable securities		(109,558)		(114,938)	
Proceeds from maturities of marketable securities		59,023		69,918	
Proceeds from sales of marketable securities		47,460		50,473	
Payments for acquisition of property, plant and equipment		(11,085)		(7,309)	
Payments made in connection with business acquisitions, net		(33)		(1,524)	
Other		(352)		(909)	
Cash used in investing activities		(14,545)		(4,289)	
Financing activities:					
Proceeds from issuance of common stock		1,105		880	
Payments for taxes related to net share settlement of equity awards		(6,556)		(3,634)	
Payments for dividends and dividend equivalents		(14,467)		(14,081)	
Repurchases of common stock		(85,971)		(72,358)	
Proceeds from issuance of term debt, net		20,393		16,091	
Repayments of term debt		(8,750)		(12,629)	
Proceeds from/(Repayments of) commercial paper, net		1,022		(963)	
Other		(129)		(126)	
Cash used in financing activities		(93,353)		(86,820)	
Decrease in cash, cash equivalents and restricted cash		(3,860)		(10,435)	
Cash, cash equivalents and restricted cash, ending balances	\$	35,929	\$	39,789	
Supplemental cash flow disclosure:					
Cash paid for income taxes, net	\$	25,385	\$	9,501	
Cash paid for interest	\$	2,687	\$	3,002	