

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		Nine Months Ended	
	June 27, 2026	June 28, 2025	June 27, 2026	June 28, 2025
Net sales:				
Products	\$ 78,678	\$ 66,613	\$ 272,629	\$ 233,287
Services	30,739	27,423	91,728	80,408
Total net sales ⁽¹⁾	109,417	94,036	364,357	313,695
Cost of sales:				
Products	47,153	43,620	163,810	147,097
Services	7,494	6,698	21,765	19,738
Total cost of sales	54,647	50,318	185,575	166,835
Gross margin	54,770	43,718	178,782	146,860
Operating expenses:				
Research and development	11,729	8,866	34,035	25,684
Selling, general and administrative	7,346	6,650	22,315	20,553
Total operating expenses	19,075	15,516	56,350	46,237
Operating income	35,695	28,202	122,432	100,623
Other income/(expense), net	572	(171)	670	(698)
Income before provision for income taxes	36,267	28,031	123,102	99,925
Provision for income taxes	6,478	4,597	21,638	15,381
Net income	\$ 29,789	\$ 23,434	\$ 101,464	\$ 84,544
Earnings per share:				
Basic	\$ 2.03	\$ 1.57	\$ 6.91	\$ 5.64
Diluted	\$ 2.02	\$ 1.57	\$ 6.88	\$ 5.62
Shares used in computing earnings per share:				
Basic	14,656,110	14,902,886	14,692,515	14,992,898
Diluted	14,714,676	14,948,179	14,750,302	15,051,726
⁽¹⁾ Net sales by reportable segment:				
Americas	\$ 45,781	\$ 41,198	\$ 149,403	\$ 134,161
Europe	29,395	24,014	95,596	82,329
Greater China	18,816	15,369	64,839	49,884
Japan	6,554	5,782	24,368	22,067
Rest of Asia Pacific	8,871	7,673	30,151	25,254
Total net sales	\$ 109,417	\$ 94,036	\$ 364,357	\$ 313,695
⁽¹⁾ Net sales by category:				
iPhone	\$ 54,252	\$ 44,582	\$ 196,515	\$ 160,561
Mac	10,352	8,046	27,137	24,982
iPad	6,191	6,581	21,700	21,071
Wearables, Home and Accessories	7,883	7,404	27,277	26,673
Services	30,739	27,423	91,728	80,408
Total net sales	\$ 109,417	\$ 94,036	\$ 364,357	\$ 313,695

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CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

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

	June 27, 2026	September 27, 2025
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 39,544	\$ 35,934
Marketable securities	22,855	18,763
Accounts receivable, net	31,398	39,777
Vendor non-trade receivables	27,509	33,180
Inventories	11,092	5,718
Other current assets	17,420	14,585
Total current assets	149,818	147,957
Non-current assets:		
Marketable securities	84,118	77,723
Property, plant and equipment, net	51,431	49,834
Intangible assets, net	20,342	11,093
Other non-current assets	77,557	72,634
Total non-current assets	233,448	211,284
Total assets	\$ 383,266	\$ 359,241
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 64,525	\$ 69,860
Other current liabilities	62,259	66,387
Deferred revenue	9,538	9,055
Commercial paper	1,997	7,979
Term debt	11,007	12,350
Total current liabilities	149,326	165,631
Non-current liabilities:		
Term debt	71,340	78,328
Other non-current liabilities	55,080	41,549
Total non-current liabilities	126,420	119,877
Total liabilities	275,746	285,508
Commitments and contingencies		
Shareholders' equity:		
Common stock and additional paid-in capital, \$0.00001 par value: 50,400,000 shares authorized; 14,608,963 and 14,773,260 shares issued and outstanding, respectively	100,702	93,568
Retained earnings/(Accumulated deficit)	11,326	(14,264)
Accumulated other comprehensive loss	(4,508)	(5,571)
Total shareholders' equity	107,520	73,733
Total liabilities and shareholders' equity	\$ 383,266	\$ 359,241

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(In millions)

	Nine Months Ended	
	June 27, 2026	June 28, 2025
Cash, cash equivalents, and restricted cash and cash equivalents, beginning balances	\$ 35,934	\$ 29,943
Operating activities:		
Net income	101,464	84,544
Adjustments to reconcile net income to cash generated by operating activities:		
Depreciation and amortization	9,973	8,571
Share-based compensation expense	10,523	9,680
Other	(2,037)	(1,748)
Changes in operating assets and liabilities:		
Accounts receivable, net	8,316	5,685
Vendor non-trade receivables	5,671	13,555
Inventories	(5,461)	1,223
Other current and non-current assets	(16,266)	(6,116)
Accounts payable	(5,203)	(18,479)
Other current and non-current liabilities	10,016	(15,161)
Cash generated by operating activities	116,996	81,754
Investing activities:		
Purchases of marketable securities	(48,752)	(17,591)
Proceeds from maturities of marketable securities	26,504	35,036
Proceeds from sales of marketable securities	12,016	10,785
Payments for acquisition of property, plant and equipment	(6,799)	(9,473)
Other	(1,780)	(975)
Cash generated by/(used in) investing activities	(18,811)	17,782
Financing activities:		
Payments for taxes related to net share settlement of equity awards	(6,462)	(5,719)
Payments for dividends and dividend equivalents	(11,778)	(11,559)
Repurchases of common stock	(62,094)	(70,579)
Proceeds from issuance of term debt, net	—	4,481
Repayments of term debt	(8,146)	(9,682)
Repayments of commercial paper, net	(5,911)	(65)
Other	(184)	(87)
Cash used in financing activities	(94,575)	(93,210)
Increase in cash, cash equivalents, and restricted cash and cash equivalents	3,610	6,326
Cash, cash equivalents, and restricted cash and cash equivalents, ending balances	\$ 39,544	\$ 36,269
Supplemental cash flow disclosure:		
Cash paid for income taxes, net	\$ 26,555	\$ 37,332