

Apple Inc.
Revised Quarterly Income Statement Information
(\$ in millions, units in thousands, except per share amounts)

	Q1 2007	Q2 2007	Q3 2007	Q4 2007	FY 2007
iPhone Unit Sales	-	-	270	1,119	1,389
New Accounting (a)					
Net Sales	\$ 7,123	\$ 5,286	\$ 5,563	\$ 6,606	\$ 24,578
Cost of Sales	<u>4,900</u>	<u>3,435</u>	<u>3,530</u>	<u>4,561</u>	<u>16,426</u>
Gross Margin	<u>2,223</u>	<u>1,851</u>	<u>2,033</u>	<u>2,045</u>	<u>8,152</u>
Operating Expenses:					
Research and Development	184	183	208	207	782
Selling, General and Administrative	<u>714</u>	<u>680</u>	<u>746</u>	<u>823</u>	<u>2,963</u>
Total Operating Expenses	<u>898</u>	<u>863</u>	<u>954</u>	<u>1,030</u>	<u>3,745</u>
Operating Income	1,325	988	1,079	1,015	4,407
Other Income and Expense	<u>126</u>	<u>148</u>	<u>155</u>	<u>170</u>	<u>599</u>
Income Before Provision for Income Taxes	1,451	1,136	1,234	1,185	5,006
Provision for Income Taxes	<u>440</u>	<u>362</u>	<u>394</u>	<u>315</u>	<u>1,511</u>
Net Income	<u>\$ 1,011</u>	<u>\$ 774</u>	<u>\$ 840</u>	<u>\$ 870</u>	<u>\$ 3,495</u>
Earnings Per Common Share:					
Basic	\$ 1.18	\$ 0.90	\$ 0.97	\$ 1.00	\$ 4.04
Diluted	\$ 1.14	\$ 0.87	\$ 0.94	\$ 0.97	\$ 3.93
Old Accounting					
Net Sales	\$ 7,115	\$ 5,264	\$ 5,410	\$ 6,217	\$ 24,006
Cost of Sales	<u>4,895</u>	<u>3,415</u>	<u>3,415</u>	<u>4,127</u>	<u>15,852</u>
Gross Margin	<u>2,220</u>	<u>1,849</u>	<u>1,995</u>	<u>2,090</u>	<u>8,154</u>
Operating Expenses:					
Research and Development	184	183	208	207	782
Selling, General and Administrative	<u>714</u>	<u>680</u>	<u>746</u>	<u>823</u>	<u>2,963</u>
Total Operating Expenses	<u>898</u>	<u>863</u>	<u>954</u>	<u>1,030</u>	<u>3,745</u>
Operating Income	1,322	986	1,041	1,060	4,409
Other Income and Expense	<u>126</u>	<u>148</u>	<u>155</u>	<u>170</u>	<u>599</u>
Income Before Provision for Income Taxes	1,448	1,134	1,196	1,230	5,008
Provision for Income Taxes	<u>444</u>	<u>364</u>	<u>378</u>	<u>326</u>	<u>1,512</u>
Net Income	<u>\$ 1,004</u>	<u>\$ 770</u>	<u>\$ 818</u>	<u>\$ 904</u>	<u>\$ 3,496</u>
Earnings Per Common Share:					
Basic	\$ 1.17	\$ 0.89	\$ 0.94	\$ 1.04	\$ 4.04
Diluted	\$ 1.14	\$ 0.87	\$ 0.92	\$ 1.01	\$ 3.93
Adjustments (a)					
Net Sales	\$ 8	\$ 22	\$ 153	\$ 389	\$ 572
Cost of Sales	<u>5</u>	<u>20</u>	<u>115</u>	<u>434</u>	<u>574</u>
Gross Margin	<u>3</u>	<u>2</u>	<u>38</u>	<u>(45)</u>	<u>(2)</u>
Operating Expenses:					
Research and Development	-	-	-	-	-
Selling, General and Administrative	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income	3	2	38	(45)	(2)
Other Income and Expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income Before Provision for Income Taxes	3	2	38	(45)	(2)
Provision for Income Taxes	<u>(4)</u>	<u>(2)</u>	<u>16</u>	<u>(11)</u>	<u>(1)</u>
Net Income	<u>\$ 7</u>	<u>\$ 4</u>	<u>\$ 22</u>	<u>\$ (34)</u>	<u>\$ (1)</u>
Earnings Per Common Share:					
Basic	\$ 0.01	\$ 0.01	\$ 0.03	\$ (0.04)	\$ -
Diluted	\$ -	\$ -	\$ 0.02	\$ (0.04)	\$ -

(a) In September 2009, the Financial Accounting Standards Board amended the accounting principles related to revenue recognition for arrangements with multiple deliverables and arrangements that include software elements. Apple adopted the new accounting principles on a retrospective basis during the first quarter of 2010. The new accounting principles significantly change how Apple accounts for certain revenue arrangements that include both hardware and software elements. The impact of the new accounting principles is reflected for all periods included in the above schedule. For additional information refer to the "Explanatory Note" in Apple's Amendment No. 1 to its Annual Report on Form 10-K for the year ended September 26, 2009.

Apple Inc.
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(\$ in millions, units in thousands, except per share amounts)

	Q1 2008	Q2 2008	Q3 2008	Q4 2008	FY 2008
iPhone Unit Sales	2,315	1,703	717	6,892	11,627
New Accounting (a)					
Net Sales	\$ 10,430	\$ 7,980	\$ 7,561	\$ 11,520	\$ 37,491
Cost of Sales	<u>7,026</u>	<u>5,373</u>	<u>4,818</u>	<u>7,077</u>	<u>24,294</u>
Gross Margin	<u>3,404</u>	<u>2,607</u>	<u>2,743</u>	<u>4,443</u>	<u>13,197</u>
Operating Expenses:					
Research and Development	246	273	292	298	1,109
Selling, General and Administrative	<u>960</u>	<u>886</u>	<u>916</u>	<u>999</u>	<u>3,761</u>
Total Operating Expenses	<u>1,206</u>	<u>1,159</u>	<u>1,208</u>	<u>1,297</u>	<u>4,870</u>
Operating Income	2,198	1,448	1,535	3,146	8,327
Other Income and Expense	<u>200</u>	<u>162</u>	<u>118</u>	<u>140</u>	<u>620</u>
Income Before Provision for Income Taxes	2,398	1,610	1,653	3,286	8,947
Provision for Income Taxes	<u>758</u>	<u>509</u>	<u>522</u>	<u>1,039</u>	<u>2,828</u>
Net Income	<u>\$ 1,640</u>	<u>\$ 1,101</u>	<u>\$ 1,131</u>	<u>\$ 2,247</u>	<u>\$ 6,119</u>
Earnings Per Common Share:					
Basic	\$ 1.87	\$ 1.25	\$ 1.28	\$ 2.53	\$ 6.94
Diluted	\$ 1.82	\$ 1.22	\$ 1.25	\$ 2.48	\$ 6.78
Old Accounting					
Net Sales	\$ 9,608	\$ 7,512	\$ 7,464	\$ 7,895	\$ 32,479
Cost of Sales	<u>6,276</u>	<u>5,038</u>	<u>4,864</u>	<u>5,156</u>	<u>21,334</u>
Gross Margin	<u>3,332</u>	<u>2,474</u>	<u>2,600</u>	<u>2,739</u>	<u>11,145</u>
Operating Expenses:					
Research and Development	246	273	292	298	1,109
Selling, General and Administrative	<u>960</u>	<u>886</u>	<u>916</u>	<u>999</u>	<u>3,761</u>
Total Operating Expenses	<u>1,206</u>	<u>1,159</u>	<u>1,208</u>	<u>1,297</u>	<u>4,870</u>
Operating Income	2,126	1,315	1,392	1,442	6,275
Other Income and Expense	<u>200</u>	<u>162</u>	<u>118</u>	<u>140</u>	<u>620</u>
Income Before Provision for Income Taxes	2,326	1,477	1,510	1,582	6,895
Provision for Income Taxes	<u>745</u>	<u>432</u>	<u>438</u>	<u>446</u>	<u>2,061</u>
Net Income	<u>\$ 1,581</u>	<u>\$ 1,045</u>	<u>\$ 1,072</u>	<u>\$ 1,136</u>	<u>\$ 4,834</u>
Earnings Per Common Share:					
Basic	\$ 1.81	\$ 1.19	\$ 1.21	\$ 1.28	\$ 5.48
Diluted	\$ 1.76	\$ 1.16	\$ 1.19	\$ 1.26	\$ 5.36
Adjustments (a)					
Net Sales	\$ 822	\$ 468	\$ 97	\$ 3,625	\$ 5,012
Cost of Sales	<u>750</u>	<u>335</u>	<u>(46)</u>	<u>1,921</u>	<u>2,960</u>
Gross Margin	<u>72</u>	<u>133</u>	<u>143</u>	<u>1,704</u>	<u>2,052</u>
Operating Expenses:					
Research and Development	-	-	-	-	-
Selling, General and Administrative	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income	72	133	143	1,704	2,052
Other Income and Expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income Before Provision for Income Taxes	72	133	143	1,704	2,052
Provision for Income Taxes	<u>13</u>	<u>77</u>	<u>84</u>	<u>593</u>	<u>767</u>
Net Income	<u>\$ 59</u>	<u>\$ 56</u>	<u>\$ 59</u>	<u>\$ 1,111</u>	<u>\$ 1,285</u>
Earnings Per Common Share:					
Basic	\$ 0.06	\$ 0.06	\$ 0.07	\$ 1.25	\$ 1.46
Diluted	\$ 0.06	\$ 0.06	\$ 0.06	\$ 1.22	\$ 1.42

(a) In September 2009, the Financial Accounting Standards Board amended the accounting principles related to revenue recognition for arrangements with multiple deliverables and arrangements that include software elements. Apple adopted the new accounting principles on a retrospective basis during the first quarter of 2010. The new accounting principles significantly change how Apple accounts for certain revenue arrangements that include both hardware and software elements. The impact of the new accounting principles is reflected for all periods included in the above schedule. For additional information refer to the "Explanatory Note" in Apple's Amendment No. 1 to its Annual Report on Form 10-K for the year ended September 26, 2009.

Apple Inc.
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	Q1 2009	Q2 2009	Q3 2009	Q4 2009	FY 2009
iPhone Unit Sales	4,363	3,793	5,208	7,367	20,731
New Accounting (a)					
Net Sales	\$ 11,880	\$ 9,084	\$ 9,734	\$ 12,207	\$ 42,905
Cost of Sales	<u>7,373</u>	<u>5,457</u>	<u>5,751</u>	<u>7,102</u>	<u>25,683</u>
Gross Margin	<u>4,507</u>	<u>3,627</u>	<u>3,983</u>	<u>5,105</u>	<u>17,222</u>
Operating Expenses:					
Research and Development	315	319	341	358	1,333
Selling, General and Administrative	<u>1,091</u>	<u>985</u>	<u>1,010</u>	<u>1,063</u>	<u>4,149</u>
Total Operating Expenses	<u>1,406</u>	<u>1,304</u>	<u>1,351</u>	<u>1,421</u>	<u>5,482</u>
Operating Income	3,101	2,323	2,632	3,684	11,740
Other Income and Expense	<u>158</u>	<u>63</u>	<u>60</u>	<u>45</u>	<u>326</u>
Income Before Provision for Income Taxes	3,259	2,386	2,692	3,729	12,066
Provision for Income Taxes	<u>1,004</u>	<u>766</u>	<u>864</u>	<u>1,197</u>	<u>3,831</u>
Net Income	<u>\$ 2,255</u>	<u>\$ 1,620</u>	<u>\$ 1,828</u>	<u>\$ 2,532</u>	<u>\$ 8,235</u>
Earnings Per Common Share:					
Basic	\$ 2.54	\$ 1.82	\$ 2.05	\$ 2.82	\$ 9.22
Diluted	\$ 2.50	\$ 1.79	\$ 2.01	\$ 2.77	\$ 9.08
Old Accounting					
Net Sales	\$ 10,167	\$ 8,163	\$ 8,337	\$ 9,870	\$ 36,537
Cost of Sales	<u>6,635</u>	<u>5,192</u>	<u>5,314</u>	<u>6,256</u>	<u>23,397</u>
Gross Margin	<u>3,532</u>	<u>2,971</u>	<u>3,023</u>	<u>3,614</u>	<u>13,140</u>
Operating Expenses:					
Research and Development	315	319	341	358	1,333
Selling, General and Administrative	<u>1,091</u>	<u>985</u>	<u>1,010</u>	<u>1,063</u>	<u>4,149</u>
Total Operating Expenses	<u>1,406</u>	<u>1,304</u>	<u>1,351</u>	<u>1,421</u>	<u>5,482</u>
Operating Income	2,126	1,667	1,672	2,193	7,658
Other Income and Expense	<u>158</u>	<u>63</u>	<u>60</u>	<u>45</u>	<u>326</u>
Income Before Provision for Income Taxes	2,284	1,730	1,732	2,238	7,984
Provision for Income Taxes	<u>679</u>	<u>525</u>	<u>503</u>	<u>573</u>	<u>2,280</u>
Net Income	<u>\$ 1,605</u>	<u>\$ 1,205</u>	<u>\$ 1,229</u>	<u>\$ 1,665</u>	<u>\$ 5,704</u>
Earnings Per Common Share:					
Basic	\$ 1.81	\$ 1.35	\$ 1.38	\$ 1.85	\$ 6.39
Diluted	\$ 1.78	\$ 1.33	\$ 1.35	\$ 1.82	\$ 6.29
Adjustments (a)					
Net Sales	\$ 1,713	\$ 921	\$ 1,397	\$ 2,337	\$ 6,368
Cost of Sales	<u>738</u>	<u>265</u>	<u>437</u>	<u>846</u>	<u>2,286</u>
Gross Margin	<u>975</u>	<u>656</u>	<u>960</u>	<u>1,491</u>	<u>4,082</u>
Operating Expenses:					
Research and Development	-	-	-	-	-
Selling, General and Administrative	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Operating Expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income	975	656	960	1,491	4,082
Other Income and Expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income Before Provision for Income Taxes	975	656	960	1,491	4,082
Provision for Income Taxes	<u>325</u>	<u>241</u>	<u>361</u>	<u>624</u>	<u>1,551</u>
Net Income	<u>\$ 650</u>	<u>\$ 415</u>	<u>\$ 599</u>	<u>\$ 867</u>	<u>\$ 2,531</u>
Earnings Per Common Share:					
Basic	\$ 0.73	\$ 0.47	\$ 0.67	\$ 0.97	\$ 2.83
Diluted	\$ 0.72	\$ 0.46	\$ 0.66	\$ 0.95	\$ 2.79

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