September 2, 2026 04:25 AM GMT

Apple, Inc.

iPhone 18 Launch Preview – Ternus, Foldables, and Pricing

This may be Apple's most consequential iPhone launch since iPhone X. Apple's first foldable and the largest iPhone price increases in years creates a critical test of pricing power. Supply chain checks show confidence in demand, but post-launch sell-through & memory supply remain the key variables.

Key Takeaways

- Apple's first foldable iPhone is the biggest iPhone form-factor change since iPhone X and could contribute ~$14B of December quarter revenue.
- We expect strong initial foldable demand and constrained supply, with 7-8M builds in C2H26 and up to 20M over the first product cycle.
- iPhone 18 Pro's key upgrade is likely the move to TSMC's 2nm process, enabling higher on-device AI performance and efficiency.
- We expect rising NAND and DRAM costs drive the largest like-for-like iPhone price increases in years, with Pro models up $200+ Y/Y.
- Apple appears more focused on securing enough components than finding enough buyers (e.g. 2nm pull-in), though memory supply may cap near-term builds.

Apple's well-anticipated Fall Product Launch event on September 9th should have a similar format to past years, but the implications from this event matter greatly for the setup into year-end. Apple's "Surprise and Shine" Product Launch event next Wednesday should follow a very similar format to past years – a 90-minute presentation of Apple's newest device introductions, namely the Apple Watch Series 12, Apple Watch Ultra 4, AirPods 5, iPhone 18 Pro/Pro Max, and, most importantly, its first foldable iPhone. As a reminder, we do not expect the base iPhone 18 or iPhone Air 2 to launch at this event – both will arrive next Spring – though this staggered release is generally well-understood by the market. However, **the event will prove to be anything but ordinary.** This is because for the first time in 15 years, Tim Cook will not headline the event; instead, new CEO John Ternus will lead the company into its first major iPhone form factor change in nearly 10 years, unveiling the much-anticipated iPhone Fold (Ultra?), alongside what are likely to be the broadest, and most significant, like-for-like iPhone price hikes in company history. These are the three details/factors we are watching most closely next week, as they will dictate how Apple trades through year-end (more at end of report) - (1) how Mr. Ternus performs in the spotlight, (2) whether the Foldable's hardware and software experience can catalyze demand, and (3) how Apple balances higher prices with affordability, margins, and demand across both new and legacy iPhones.

Erik W Woodring
Equity Analyst
Erik.Woodring@morganstanley.com +1 212 296-8083

Dylan Liu
Research Associate
Dylan.Liu@morganstanley.com +1 212 761-4519

Maya C Neuman
Research Associate
Maya.Neuman@morganstanley.com +1 212 761-1946

Rauf Ural
Research Associate
Rauf.Ural@morganstanley.com +1 212 761-5958

Apple, Inc. (AAPL.O, AAPL US)

IT Hardware | United States of America

Stock Rating	**Overweight**
Industry View	**In-Line**
Price target	**$360.00**
Shr price, close (Sep 1, 2026)	$325.13
Mkt cap, curr (mm)	$4,774,328
52-Week Range	$344.57-225.95

Fiscal Year Ending	09/25	09/26e	09/27e	09/28e
EPS ($)**	7.46	8.84	10.00	10.83
Prior EPS ($)**	-	-	-	-
P/E	34.1	36.8	32.5	30.0
EPS ($)§	-	8.86	9.55	10.69
Div yld (%)	0.4	0.3	0.3	0.4

framework
** = Based on consensus methodology
§ = Consensus data is provided by Refinitiv Estimates

QUARTERLY EPS ($)

Quarter	2025	2026e Prior	2026e Current	2027e Prior	2027e Current
Q1	2.40	-	2.84a	-	2.82
Q2	1.65	-	2.01a	-	2.42
Q3	1.57	-	2.02a	-	2.35
Q4	1.85	-	1.96	-	2.41

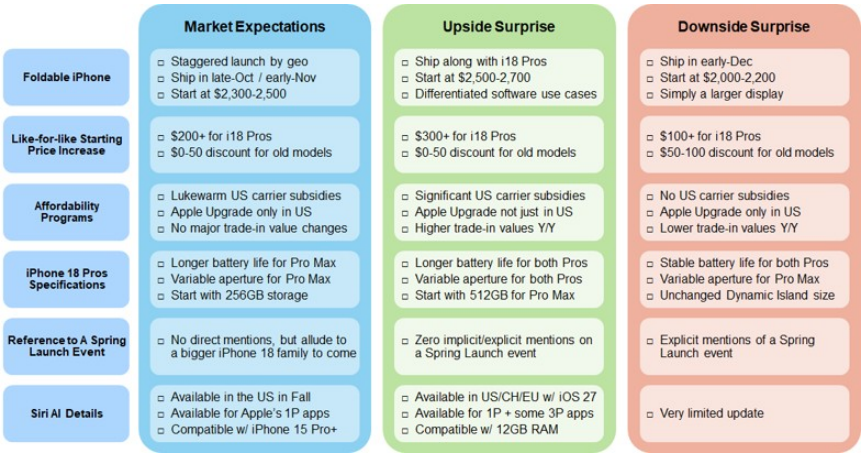
investors should be aware that th

Research as only a single factor i
decision.

**For analyst certification and oth
refer to the Disclosure Section, l
report.**



Exhibit 1: iPhone 18 Product Launch checklist: the 6 things that matter most to AAPL shares.



The foldable iPhone takes center stage next week, with meaningful financial implications and the potential to restore genuine form-factor innovation to the iPhone franchise. Apple is finally entering the foldable smartphone market, 7 years after Samsung launched the world's first foldable smartphone. We see this as the most significant iPhone hardware change since the iPhone X debuted 9 years ago. Similar to the iPhone X launch, we expect the foldable iPhone to be unveiled alongside the iPhone 18 Pro/Pro Max but begin shipping later, in late October or early November.

Apple appears to have taken its time refining the technologies behind the device. For example, the foldable iPhone is expected to be thinner than the iPhone Air when unfolded, while largely eliminating the visible crease through advanced hinge and display technologies. Our sense is that market expectations for starting price range from $2,300 to $2,500 (MSe: $2,399), implying every 1% of Foldables mix within overall iPhone shipments should represent 1.5 pts of ASP tailwinds, all else equal. Even at that premium price point, however, the device comes with some trade-offs, including the absence of Face ID in favor of a fingerprint sensor and the lack of a telephoto camera, leaving only wide (main) and ultra-wide rear cameras. That said, recent feedback on Samsung's Galaxy Z Fold 8, which starts at $1,899.99 for 256GB, suggests there is a meaningful audience for the book-style foldable form factor. Combined with our survey work indicating strong foldable interest among iPhone users, notably in China, we believe the device is likely to sell out quickly given what we expect to be strong initial demand and constrained early supply – availability by geography upon launch is also key to watch (Exhibit 2).

Speaking of supply, our checks continue to point to 7-8M foldable iPhone builds in C2H26 and up to 20M builds over the first-generation product cycle (C3Q26-C3Q27), which essentially doubles the foldable smartphone market in CY27 (Exhibit 3). While those figures may appear modest relative to total iPhone shipments, the $2K+ price point makes the category financially meaningful. We currently forecast ~6.5M foldable iPhone shipments in the December quarter, translating to ~$14B of revenue, or 16% of total December quarter iPhone revenue. Beyond the near-term financial contribution, it will be worth watching how Apple leverages the larger

form factor and whether it delivers use cases that are better on a foldable vs. simply a larger screen – and most importantly, how the device really feels in hand. If consumer reception is strong, we believe the category could ultimately become larger than current supply chain forecasts imply (Exhibit 4).

Exhibit 2: Our 2025 Smartphone Survey suggests that foldable iPhone interest is meaningful among iPhone owners, led by nearly 40% interest in China.

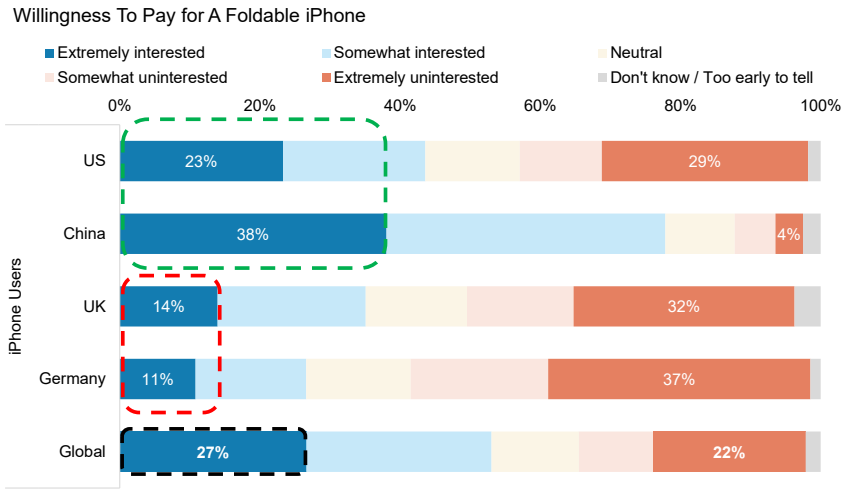


Exhibit 3: Apple's entry could nearly double the foldable smartphone market by CY27.

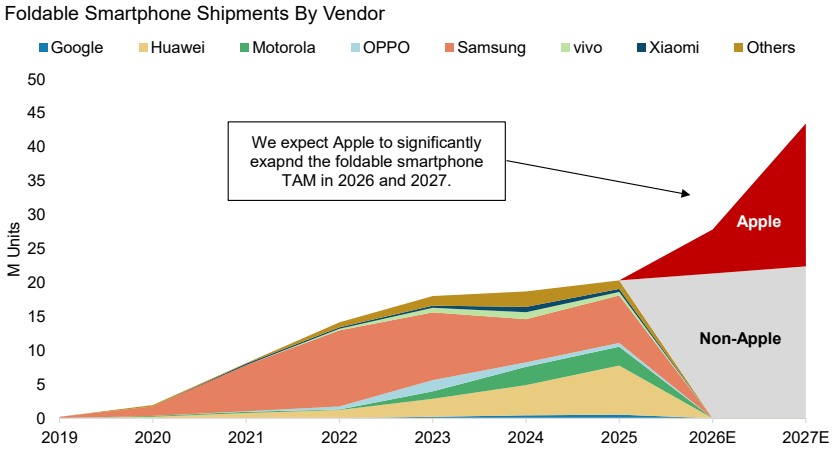
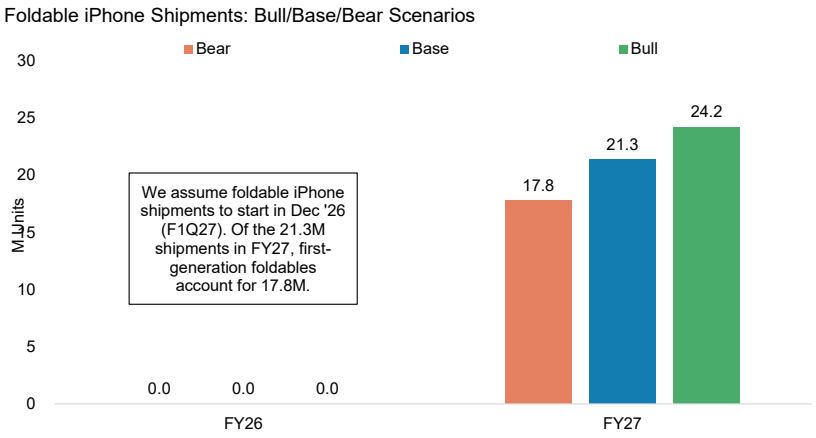


Exhibit 4: Our base case assumes ~21M annual foldable iPhone shipments in FY27, including 17.8M from first-generation models.



The iPhone 18 Pro lineup may be visually evolutionary, but a 2nm SoC gives Apple a more credible on-device AI and pricing story. We expect relatively limited hardware changes vs. last year's models, with the biggest improvement coming from the SoC (Exhibit 5). While Apple upgrades its iPhone processor annually, this marks the company's first adoption of TSMC's 2nm (N2) process technology. According to TSMC, N2 delivers up to 10-15% higher performance at the same power consumption and up to 25-30% lower power consumption at the same performance level versus N3E.

While it is not a direct proxy for the upcoming A20 Pro, the recently released M6 (Apple's first 2nm chip) provides a reference point for power efficiency. Compared with the 3nm M5, Apple's 2nm M6 for the first time adds 2 "super CPU cores" above the existing performance and efficiency tiers, 2 additional GPU cores, and up to 100% higher peak neural engine performance. While we do not yet know many details about the A20 Pro beyond the adoption of WMCM (Wafer-level Multi-Chip Module) packaging technology – which reportedly should provide greater design flexibility and improved speed and thermal management vs. InFO (Integrated Fan-Out) used on iPhones in the past decade – the shift to 2nm could enable a meaningful increase in on-device compute capability. This matters because Apple is likely to position the chip as a key enabler of Siri AI as it becomes broadly available, while also using the enhanced compute capability to support higher pricing. Beyond the processor, we expect a more power efficient LTPO+ display, Apple's in-house C2 modem across the entire lineup, and a variable aperture main camera for the iPhone 18 Pro Max (though adoption remains uncertain for the Pro model and the foldable).

Exhibit 5: We view the 2nm A20 Pro as the most consequential iPhone 18 Pro upgrade, improving on-device compute and efficiency.

	iPhone 18 Pro	iPhone 17 Pro	iPhone 18 Pro Max	iPhone 17 Pro Max	Foldable iPhone
Screen size	**6.3"**	6.3"	**6.9"**	6.9"	**5.3-5.5" / 7.7-7.8"**
Display tech/refresh rate	**120Hz (LTPO+)**	120Hz (LTPO)	**120Hz (LTPO+)**	120Hz (LTPO)	**120Hz (LTPO+)**
Case design	**Aluminum**	Aluminum	**Aluminum**	Aluminum	**Aluminum**
Wide camera (main rear)	**48MP (variable aperture?)**	48MP (fixed aperture)	**48MP (variable aperture)**	48MP (fixed aperture)	**48MP (variable aperture?)**
Ultra wide camera	**48MP**	48MP	**48MP**	48MP	**48MP**
Telescope camera	**48MP**	48MP	**48MP**	48MP	**No**
Front-facing camera	**18MP**	18MP	**18MP**	18MP	**18MP + 18MP**
Biometric Authentication	**Face ID**	Face ID	**Face ID**	Face ID	**Touch ID**
Wireless connectivity	**In-house WiFi 7**	In-house WiFi 7	**In-house WiFi 7**	In-house WiFi 7	**In-house WiFi 7**
Modem	**In-house Modem**	QCOM X80	**In-house Modem**	QCOM X80	**In-house Modem**
Action button	**Yes**	Yes	**Yes**	Yes	**No**
Camera Control button	**Yes**	Yes	**Yes**	Yes	**Yes**
Application Processor	**A20 Pro (N2)**	A19 Pro (N3P)	**A20 Pro (N2)**	A19 Pro (N3P)	**A20 Pro (N2)**
DRAM capacities	**12GB**	12GB	**12GB**	12GB	**12GB**
Apple Intelligence	**Yes**	Yes	**Yes**	Yes	**Yes**

Besides foldable, investors need to watch iPhone pricing - we expect the largest like-for-like iPhone pricing increase in years as Apple works through an ongoing memory cost squeeze. With NAND and DRAM costs rising sharply, we continue to expect Apple to raise the starting price of the iPhone 18 Pro and Pro Max by $200, with potentially larger increases at higher storage tiers (Exhibit 6). Based on our memory cost forecasts for Apple, such pricing actions would allow Apple to maintain iPhone gross margins ~40%, broadly in line with FY21-FY25 average of 39.9% (Exhibit 7). Google's recent Pixel 11 launch offers a useful reference point. The Pixel 11 family launched at generally $100 higher prices than the Pixel 10 lineup, while in some cases also removing lower-end storage tiers, effectively creating additional pricing uplift. Apple has already removed the 128GB option from the iPhone 17 lineup, and our checks do not indicate any reduction in memory content for the upcoming devices. As a result, we continue to expect true like-for-like pricing increases across the new models, though the exact magnitude will ultimately depend on Apple's balance of volume, revenue, gross margin, and profitability objectives.

Historically, iPhone demand has proven relatively inelastic, with our Sector Quant team's work implying elasticity of 0.2-0.5. If that relationship holds, pricing increases should drive revenue upside despite some volume pressure. Trade-in values after launch will also be worth monitoring, particularly given that installed-base-weighted average trade-in values have steadily increased over the past 4 years (Exhibit 8). US consumers now also have Apple Upgrade leasing programs available, providing another path to upgrade despite higher pricing. Based on our Smartphone Surveys, 40-50% of US iPhone buyers use leasing or installment plans to purchase an iPhone (Exhibit 9).

Exhibit 6: We expect $200-500 like-for-like Pro price increases and a $2,399 starting price for the 512GB foldable.

iPhone 18 Pricing Expectations				
Model	Storage SKU (GB)	iPhone 18 Retail Price	iPhone 17 Comparable Price	Y/Y Change
Foldable iPhone	2TB	$3,199	NA	NA
Foldable iPhone	1TB	$2,699	NA	NA
Foldable iPhone	512	$2,399	NA	NA
iPhone 18 Pro Max (6.9")	2TB	$2,499	$1,999	25.0%
iPhone 18 Pro Max	1TB	$1,999	$1,599	25.0%
iPhone 18 Pro Max	512	$1,699	$1,399	21.4%
iPhone 18 Pro Max	256	$1,399	$1,199	16.7%
iPhone 18 Pro (6.3")	2TB	$2,399	NA	NA
iPhone 18 Pro	1TB	$1,899	$1,499	26.7%
iPhone 18 Pro	512	$1,599	$1,299	23.1%
iPhone 18 Pro	256	$1,299	$1,099	18.2%

Exhibit 7: Our analysis shows that A $200 price increase offsets the memory-cost burden and preserves ~40% gross margin on the 256GB iPhone 18 Pro.

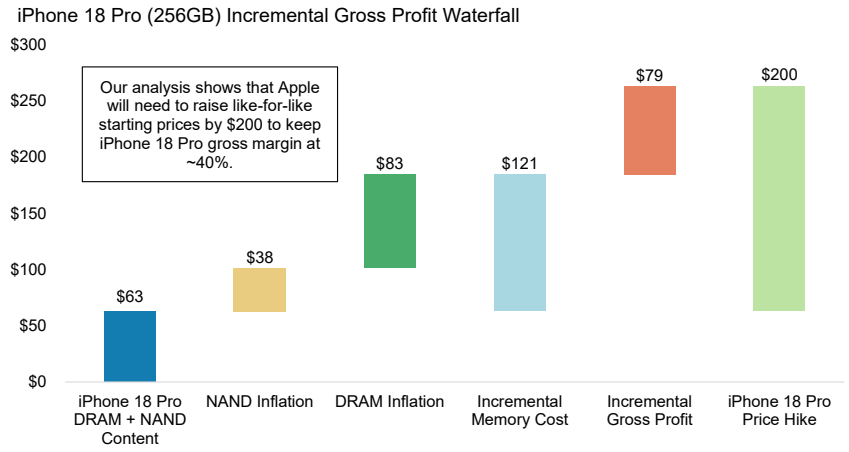


Exhibit 8: Broader eligibility for older devices has lifted installed-base-weighted trade-in values.

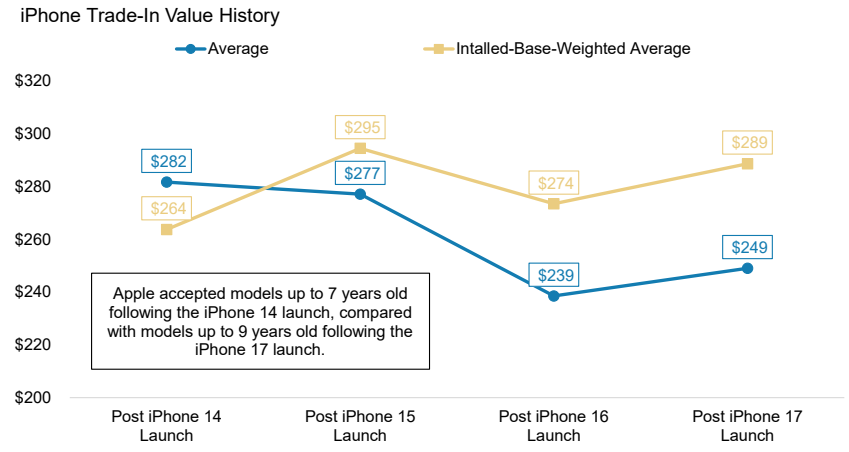
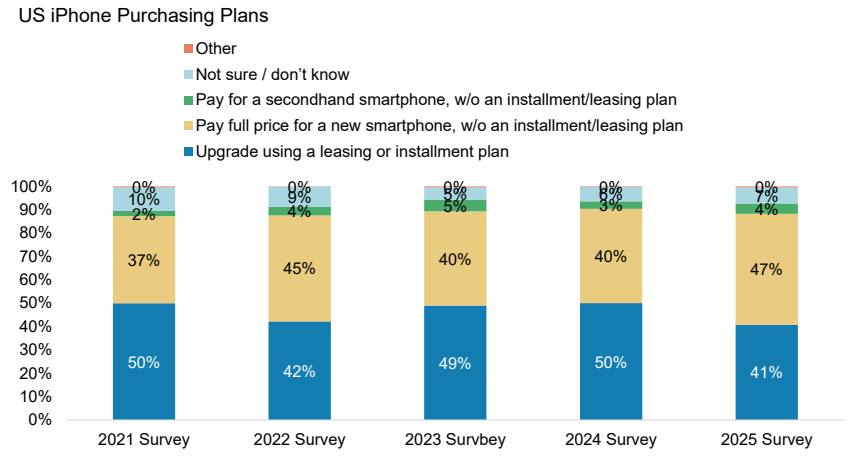


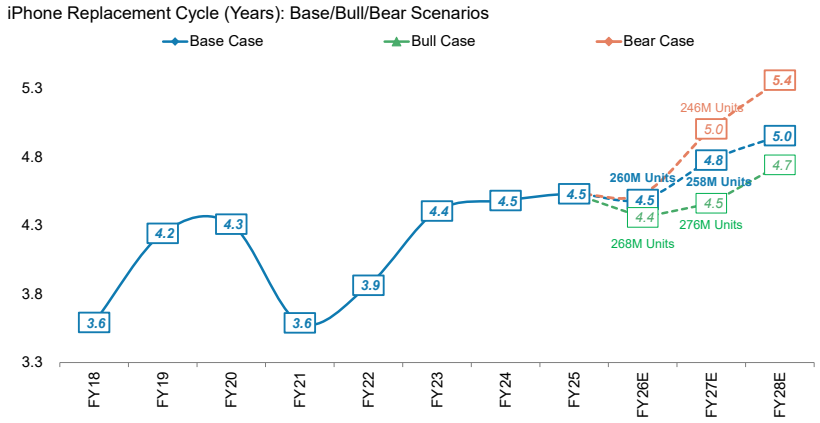
Exhibit 9: Based on our Smartphone Surveys, Leasing and installment plans remain a key affordability lever for 40-50% of prospective US buyers.



So far, Apple's supply chain plans show little concern about elasticity risk. Our recent checks point to 265-270M total iPhone component builds in CY26 (+5-7% Y/Y), including roughly 81M combined iPhone 18 Pro, Pro Max, and foldable builds in C2H. **More surprisingly, over the past week, we have seen modest increases and pull-ins in TSMC's 2nm wafer orders for Borneo (the A20 Pro application processor)**, equivalent to roughly 2-3M units of incremental iPhone production in C4Q26 and C1Q27. It is unusual for Apple to raise supply chain forecasts ahead of a major product launch, particularly when those plans already reflect the company's internal "bull case." If anything, the recent revisions suggest Apple is most concerned about securing components given recent shortages. While Apple management has highlighted supply constraints throughout the year, we will closely monitor iPhone lead times once pre-orders begin, as they reflect both supply and demand dynamics and should provide an early read on consumer interest in the new lineup.

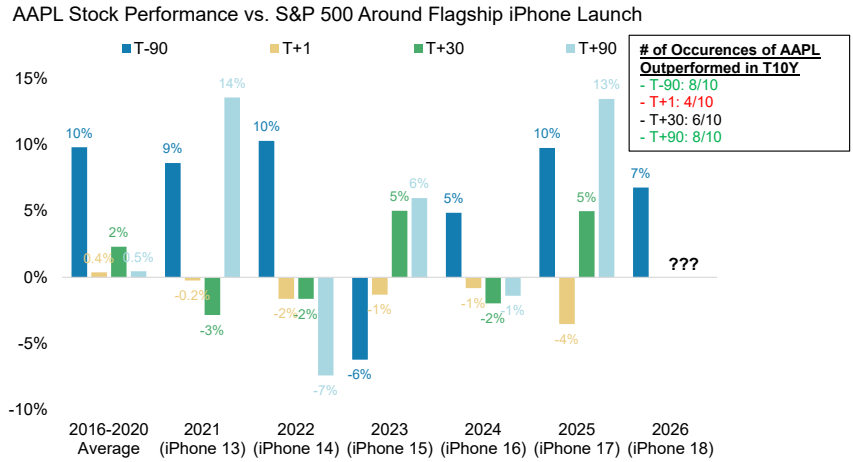
That said, memory availability remains the key variable that could ultimately dictate near-term iPhone production plans. We are not incorporating the recent wafer order increases into our iPhone shipment forecasts until we see post-launch sell-through. Separately, conversations with some single source iPhone component suppliers suggest Apple is considering shifting some volumes of iPhone 18 Pro and Pro Max production from C4Q26 into C1Q27, potentially due to memory supply constraints. For context, Apple already consumed nearly 50% more DRAM and over 30% more NAND Y/Y from iPhone production in C1H26. If the company fully executes its current CY26 "bull case" production plan, DRAM consumption would increase roughly 15% Y/Y and NAND consumption roughly 25% Y/Y in C2H26 (or 27-28% more consumption Y/Y for both DRAM and NAND in CY26), aggressive targets given today's tight consumer memory market. Following launch, aside from iPhone lead times, we will also pay particular attention to management's commentary on channel inventory and sell-through trends as key tests of whether component availability can keep pace with Apple's apparent confidence in demand (Exhibit 10).

Exhibit 10: Our base case assumes pricing elasticity extends the replacement cycle to 4.8 years in FY27 and 5.0 years in FY28.



So what do we do with the stock into the iPhone launch event and thereafter? Similar to past years, Apple has outperformed in the 3 months leading up to the iPhone launch event, despite a mixed June quarter report/September quarter guide and pressure on Services growth. For the day of the iPhone launch, we expect Apple shares to underperform, as they do in most years, reflecting a "sell the news" event. Details around the Foldable (specs, launch timing, availability, etc.) and iPhone pricing could change this cadence, but it's historically a reasonable prediction to make, especially given recent stock outperformance. The question is what happens in the 1-3 months after this launch? Given our excitement around the Foldable and ASP tailwinds more than offsetting an elasticity response - and the likelihood of a Siri AI launch in October - we lean more positively than negatively. **But we believe the key to outperformance from here - with the stock trading >30x P/E - will be positive estimate revisions.** Apple needs the iPhone models launched next week to deliver demand closer to in-line with the supply chains view of iPhone builds in C2H26 and into C1H27. If not, the next 3 months could be 2022 deja vu.

Exhibit 11: Over the past 10 years, there were 8 years where Apple outperformed 90 days after a flagship iPhone launch.



performance in 2026 is based on last close on 9/1/2026.

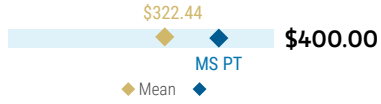
Risk Reward – Apple, Inc. (AAPL.O)

Higher Pricing, Higher Earnings Power, And A Catalyst-Laden 2H

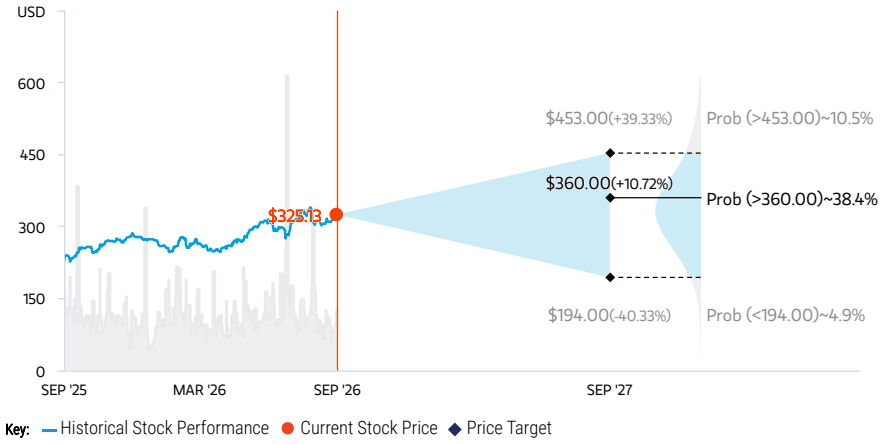
PRICE TARGET $360.00

Our $360 PT is based an 9.4x EV/Sales CY27 multiple, which is derived from a regression of tech and consumer platform peers. Our price target implies ~35x P/E on $10.30 CY27 EPS.

Consensus Price Target Distribution



RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



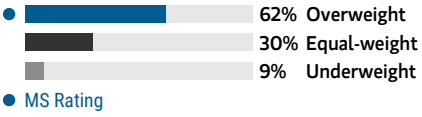
Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 1 Sep 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

OVERWEIGHT THESIS

With the most elongated iPhone replacement cycles, new AI features rolling out around the world, and a renewed focus on device form factor changes, we believe Apple can accelerate iPhone growth starting in CY26, with replacement cycles peaking as aged installed base starts to upgrade. When combined with consistent, double digit services growth and moderate operating leverage, we believe Apple can earn $10.00 in FY27 and $10.83 by FY28. Memory cost dynamic could create uncertainties in the near term. Longer-term, investments in AI, payments, cloud, health, and home, and long runway to grow spend per user from $1/day today are key arguments for sustained long-term growth and value creation.

Consensus Rating Distribution



Risk Reward Themes

Disruption:	*Positive*
New Data Era:	*Positive*
Pricing Power:	*Positive*

View descriptions of Risk Rewards Themes here

BULL CASE $453.00

11x EV/Sales FY27; ~41x Bull FY27 P/E of $11.02

iPhone replacement cycles accelerate in FY26/FY27 with Robotics as an long-term upside. Consumer demand returns, and stronger than expected iPhone 17 upgrade intentions + mix shift to higher end iPhones drives mid-teens Y/Y iPhone revenue growth, while rising component costs are mitigated given Apple's bargaining power against consumers and the supply chain. Our bull case valuation implies a 41.1x P/E multiple on FY27 Bull EPS, which embeds $22 per share of upside from its Robotics efforts.

BASE CASE $360.00

9.4x EV/Sales CY27 or ~35x CY27 EPS of $10.30

Services and margins remain resilient, while investors start to expect stronger iPhone cycles ahead. Revenue grows mid-teens % Y/Y in FY27, driven by 10%+ Services growth and mid-teens % Products growth. GM may contract Y/Y in FY27 driven by higher Product revenue mix and memory costs, while Apple leverages the supply chain and repricing to mitigate the cost impact. The iPhone replacement cycle is elongating again in FY27 due to demand elasticity amidst memory-induced pricing increases.

BEAR CASE $194.00

6.3x EV/Sales FY27; 24.6x FY27 Bear EPS of $7.89

iPhone 17 cycle disappoints as consumer spending weakens more than expected amidst synthetic price increases. Growth slows further across the portfolio as discretionary income is pressured by hard landing, leading to just LSD of Product rev growth and decelerating Services rev growth in FY26. With revenue slightly growing but margin contracting, FY26 EPS will only grow MSD to ~$7.36. Our bear case valuation implies a 24.6x FY27 P/E, below T5Y avg of 26.0x due to plateauing Services profit mix.

Risk Reward – Apple, Inc. (AAPL.O)

KEY EARNINGS INPUTS

Drivers	Sep 2025	Sep 2026e	Sep 2027e	Sep 2028e
Total Revenue Growth (Y/Y) (%)	6.4	14.6	13.9	5.5
iPhone Revenue Growth (Y/Y) (%)	4.2	20.7	18.9	4.0
Services Revenue Growth (Y/Y) (%)	13.5	12.9	10.6	11.6
Gross Margin (%)	46.9	48.7	47.1	48.1
EPS Growth (Y/Y) (%)	10.6	18.4	13.1	8.3

INVESTMENT DRIVERS

- Positive iPhone build revisions / clearer signs of accelerating replacement cycles
- Services revenue growth reacceleration
- Apple Intelligence feature and distribution expansion
- New product launches in home, health and AI

GLOBAL REVENUE EXPOSURE



- 0-10% APAC, ex Japan, Mainland China and India
- 0-10% India
- 0-10% Japan
- 0-10% Latin America
- 0-10% MEA
- 0-10% UK
- 10-20% Europe ex UK
- 10-20% Mainland China
- 30-40% North America

View explanation of regional hierarchies here

MS ALPHA MODELS

3/5 BEST	24 Month Horizon	1/5 MOST	3 Month Horizon

the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- iPhone 18 outperforms expectations
- Apple Intelligence adoption surprises to the upside
- Apple introduces new product lines
- Services growth re-accelerates despite tougher compares
- Gross margins surprise positively

RISKS TO DOWNSIDE

- Weak consumer spending limits iPhone upgrade rates
- Higher memory input costs
- Limited progress on AI features
- Geopolitical tensions
- Increased regulation, particularly with App Store

OWNERSHIP POSITIONING

Inst. Owners, % Active	47.8%
HF Sector Long/Short Ratio	2.1x
HF Sector Net Exposure	33.6%

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

MS ESTIMATES VS. CONSENSUS

FY Sep 2027e

Sales / Revenue ($, mm)	483,496	543,285 / 523,028	555,719
EBITDA ($, mm)	156,615	187,562 / 178,890	194,509
Net income ($, mm)	119,286	145,610 / 138,077	158,312
EPS ($)	8.24	10.00 / 9.55	10.67

◆ Mean ◆

Apple (AAPL) Financial Model

Exhibit 12: Apple Income Statement

	2025A				2026E				2027E				Fiscal Year				
($ in millions)	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	2024A	2025A	2026E	2027E	2028E
Revenues	**124,300**	**95,359**	**94,036**	**102,466**	**143,756**	**111,184**	**109,417**	**112,670**	**150,095**	**130,907**	**130,427**	**131,855**	**391,035**	**416,161**	**477,027**	**543,285**	**573,412**
iPhone	69,138	46,841	44,582	49,025	85,269	56,994	54,252	56,382	87,162	72,728	70,106	70,608	201,183	209,586	252,897	300,604	312,567
iPad	8,088	6,402	6,581	6,952	8,595	6,914	6,191	7,104	8,624	6,996	6,526	7,112	26,694	28,023	28,804	29,258	29,528
Mac	8,987	7,949	8,046	8,726	8,386	8,399	10,352	8,724	9,327	9,486	10,979	8,787	29,984	33,708	35,861	38,579	37,875
Wearables, Home and Accessories	11,747	7,522	7,404	9,013	11,493	7,901	7,883	8,992	12,181	8,062	8,282	10,066	37,005	35,686	36,269	38,590	41,320
Services	26,340	26,645	27,423	28,750	30,013	30,976	30,739	31,468	32,801	33,635	34,535	35,283	96,169	109,158	123,196	136,253	152,123
Cost of Sales	**66,025**	**50,492**	**50,318**	**54,125**	**74,525**	**56,403**	**54,647**	**59,196**	**80,774**	**68,403**	**69,074**	**69,224**	**210,352**	**220,960**	**244,771**	**287,474**	**297,518**
Gross Profit	**58,275**	**44,867**	**43,718**	**48,341**	**69,231**	**54,781**	**54,770**	**53,473**	**69,321**	**62,504**	**61,354**	**62,632**	**180,683**	**195,201**	**232,255**	**255,810**	**275,894**
Gross Margin	*46.9%*	*47.1%*	*46.5%*	*47.2%*	*48.2%*	*49.3%*	*50.1%*	*47.5%*	*46.2%*	*47.7%*	*47.0%*	*47.5%*	*46.2%*	*46.9%*	*48.7%*	*47.1%*	*48.1%*
Operating Expenses	**15,443**	**15,278**	**15,516**	**15,914**	**18,379**	**18,896**	**19,075**	**19,379**	**20,488**	**20,683**	**20,868**	**21,123**	**57,467**	**62,151**	**75,729**	**83,163**	**90,299**
Research and Development	8,268	8,550	8,866	8,866	10,887	11,419	11,729	11,830	12,683	13,025	13,173	13,383	31,370	34,550	45,865	52,265	57,517
Selling, General and Administrative	7,175	6,728	6,650	7,048	7,492	7,477	7,346	7,549	7,805	7,658	7,695	7,740	26,097	27,601	29,864	30,898	32,781
Operating Income	**42,832**	**29,589**	**28,202**	**32,427**	**50,852**	**35,885**	**35,695**	**34,094**	**48,833**	**41,821**	**40,485**	**41,508**	**123,216**	**133,050**	**156,526**	**172,647**	**185,595**
PTOP Margin	*34.5%*	*31.0%*	*30.0%*	*31.6%*	*35.4%*	*32.3%*	*32.6%*	*30.3%*	*32.5%*	*31.9%*	*31.0%*	*31.5%*	*31.5%*	*32.0%*	*32.8%*	*31.8%*	*32.4%*
Total Interest & Other Income	**(248)**	**(279)**	**(171)**	**377**	**150**	**(52)**	**572**	**350**	**142**	**167**	**191**	**198**	**269**	**(321)**	**1,020**	**698**	**746**
Pretax Income	**42,584**	**29,310**	**28,031**	**32,804**	**51,002**	**35,833**	**36,267**	**34,444**	**48,974**	**41,988**	**40,676**	**41,706**	**123,485**	**132,729**	**157,546**	**173,345**	**186,342**
GAAP Income Tax Provision	6,254	4,530	4,597	5,338	8,905	6,255	6,478	5,683	7,836	6,718	6,508	6,673	29,749	20,719	27,321	27,735	29,815
Operating Tax Provision (excl one time tax ef	6,254	4,530	4,597	5,338	8,905	6,255	6,478	5,683	7,836	6,718	6,508	6,673	19,503	20,719	27,321	27,735	29,815
Effective Tax Rate	*14.7%*	*15.5%*	*16.4%*	*16.3%*	*17.5%*	*17.5%*	*17.9%*	*16.5%*	*16.0%*	*16.0%*	*16.0%*	*16.0%*	*15.8%*	*15.6%*	*17.3%*	*16.0%*	*16.0%*
Operating Net Income	**36,330**	**24,780**	**23,434**	**27,466**	**42,097**	**29,578**	**29,789**	**28,761**	**41,138**	**35,270**	**34,168**	**35,033**	**103,982**	**112,010**	**130,225**	**145,610**	**156,527**
Operating Net Income Margin	*29.2%*	*26.0%*	*24.9%*	*26.8%*	*29.3%*	*26.6%*	*27.2%*	*25.5%*	*27.4%*	*26.9%*	*26.2%*	*26.6%*	*26.6%*	*26.9%*	*27.3%*	*26.8%*	*27.3%*
Total Non-recurring Charges	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(10,246)**	**-**	**-**	**-**	**-**
GAAP Net Income	**36,330**	**24,780**	**23,434**	**27,466**	**42,097**	**29,578**	**29,789**	**28,761**	**41,138**	**35,270**	**34,168**	**35,033**	**93,736**	**112,010**	**130,225**	**145,610**	**156,527**
Fully-diluted EPS																	
EPS - ModelWare	**$2.40**	**$1.65**	**$1.57**	**$1.85**	**$2.84**	**$2.01**	**$2.02**	**$1.96**	**$2.82**	**$2.42**	**$2.35**	**$2.41**	**$6.75**	**$7.46**	**$8.84**	**$10.00**	**$10.83**
EPS - Reported	$2.40	$1.65	$1.57	$1.85	$2.84	$2.01	$2.02	$1.96	$2.82	$2.42	$2.35	$2.41	$6.08	$7.46	$8.84	$10.00	$10.83
EPS - ModelWare excl. Stock Option Expe	$2.61	$1.86	$1.78	$2.06	$3.09	$2.25	$2.26	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Dividend Payment	3,856	3,758	3,945	3,862	3,921	3,822	4,035	4,002	4,061	3,972	4,188	4,159	15,234	15,421	15,780	16,380	17,024
Dividend Per Share	$0.25	$0.25	$0.26	$0.26	$0.26	$0.26	$0.27	$0.27	$0.28	$0.27	$0.29	$0.29	$0.99	$1.03	$1.08	$1.13	$1.18
Period Ending Outstanding Shares	15,040.7	14,939.3	14,856.7	14,773.3	14,702.7	14,667.7	14,615.9	14,582.3	14,550.1	14,519.2	14,489.8	14,461.6	15,116.8	14,773.3	14,582.3	14,461.6	14,370.3
Avg Shares (Basic)	15,081.7	14,994.1	14,902.9	14,815.3	14,748.2	14,673.3	14,646.1	14,599.1	14,566.2	14,534.7	14,504.5	14,475.7	15,343.8	14,948.5	14,666.7	14,520.3	14,413.8
Avg Shares (Fully Diluted)	15,150.9	15,056.1	14,948.2	14,863.6	14,810.4	14,725.9	14,714.7	14,667.7	14,608.2	14,576.7	14,546.5	14,517.7	15,408.1	15,004.7	14,729.6	14,562.3	14,455.8

Exhibit 13: Apple Income Statement Analysis

	2025A				2026E				2027E				Fiscal Year				
($ in millions)	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	2024A	2025A	2026E	2027E	2028E
Margin Analysis																	
Gross Margin	**46.9%**	**47.1%**	**46.5%**	**47.2%**	**48.2%**	**49.3%**	**50.1%**	**47.5%**	**46.2%**	**47.7%**	**47.0%**	**47.5%**	**46.2%**	**46.9%**	**48.7%**	**47.1%**	**48.1%**
Product	39.3%	35.9%	34.5%	36.2%	40.7%	38.7%	40.1%	36.8%	37.9%	37.9%	36.6%	37.1%	37.2%	36.8%	39.2%	37.4%	37.9%
iPhone	42.8%	39.3%	37.4%	40.0%	44.5%	43.0%	45.0%	40.5%	41.5%	41.5%	40.0%	40.5%	40.6%	40.2%	43.4%	40.9%	41.1%
iPad	29.7%	27.5%	26.8%	26.8%	28.0%	28.0%	28.0%	27.0%	27.0%	26.0%	27.0%	27.0%	28.6%	27.8%	27.8%	26.8%	27.9%
Mac	32.3%	28.5%	30.0%	30.0%	31.0%	28.0%	30.0%	29.0%	27.0%	26.8%	26.8%	27.1%	30.3%	30.3%	29.5%	26.9%	28.3%
Wearables, Home and Accessories	30.8%	29.9%	28.9%	28.9%	28.8%	28.3%	28.8%	28.8%	28.5%	28.5%	28.5%	29.0%	30.6%	29.7%	28.7%	28.6%	29.0%
Services	75.0%	75.7%	75.6%	75.3%	76.5%	76.7%	75.6%	75.0%	75.7%	76.3%	76.0%	76.0%	73.9%	75.4%	75.9%	76.0%	76.5%
R&D	6.7%	9.0%	9.4%	8.7%	7.6%	10.3%	10.7%	10.5%	8.5%	10.0%	10.1%	10.2%	8.0%	8.3%	9.6%	9.6%	10.0%
SG&A	5.8%	7.1%	7.1%	6.9%	5.2%	6.7%	6.7%	6.7%	5.2%	5.9%	5.9%	5.9%	6.7%	6.6%	6.3%	5.7%	5.7%
Operating Expenses	12.4%	16.0%	16.5%	15.5%	12.8%	17.0%	17.4%	17.2%	13.7%	15.8%	16.0%	16.0%	14.7%	14.9%	15.9%	15.3%	15.7%
EBITDA Margin	36.9%	33.8%	33.0%	34.7%	37.6%	35.4%	35.7%	33.5%	35.0%	34.8%	33.9%	34.3%	34.4%	34.8%	35.7%	34.5%	35.1%
PTOP Margin	34.5%	31.0%	30.0%	31.6%	35.4%	32.3%	32.6%	30.3%	32.5%	31.9%	31.0%	31.5%	31.5%	32.0%	32.8%	31.8%	32.4%
Pretax Margin	34.3%	30.7%	29.8%	32.0%	35.5%	32.2%	33.1%	30.6%	32.6%	32.1%	31.2%	31.6%	31.6%	31.9%	33.0%	31.9%	32.5%
Net Income	29.2%	26.0%	24.9%	26.8%	29.3%	26.6%	27.2%	25.5%	27.4%	26.9%	26.2%	26.6%	26.6%	26.9%	27.3%	26.8%	27.3%
Year-Over-Year Growth (%)																	
Revenue	**4%**	**5%**	**10%**	**8%**	**16%**	**17%**	**16%**	**10%**	**4%**	**18%**	**19%**	**17%**	**2%**	**6%**	**15%**	**14%**	**6%**
iPhone	-1%	2%	13%	6%	23%	22%	22%	15%	2%	28%	29%	25%	0%	4%	21%	19%	4%
iPad	15%	15%	-8%	0%	6%	8%	-6%	2%	0%	1%	5%	0%	-6%	5%	3%	2%	1%
Mac	16%	7%	15%	13%	-7%	6%	29%	0%	11%	13%	6%	1%	2%	12%	6%	8%	-2%
Wearables, Home and Accessories	-2%	-5%	-9%	0%	-2%	5%	6%	0%	6%	2%	5%	12%	-7%	-4%	2%	6%	7%
Services	14%	12%	13%	15%	14%	16%	12%	9%	9%	9%	12%	12%	13%	14%	13%	11%	12%
Gross Margin	**6%**	**6%**	**10%**	**10%**	**19%**	**22%**	**25%**	**11%**	**0%**	**14%**	**12%**	**17%**	**7%**	**8%**	**19%**	**10%**	**8%**
iPhone	0%	0%	10%	7%	28%	33%	46%	16%	-5%	23%	15%	25%	1%	3%	30%	12%	5%
iPad	14%	13%	-12%	-5%	0%	10%	-2%	3%	-3%	-6%	2%	0%	-3%	2%	3%	-2%	5%
Mac	17%	4%	15%	13%	-10%	4%	29%	-3%	-3%	8%	-5%	-6%	5%	12%	4%	-2%	3%
Wearables, Home and Accessories	-5%	-4%	-12%	-4%	-8%	-1%	6%	-1%	5%	3%	4%	13%	-5%	-6%	-2%	6%	8%
Services	17%	13%	16%	17%	16%	18%	12%	9%	8%	8%	13%	14%	18%	16%	14%	11%	12%
R&D	**7%**	**8%**	**11%**	**14%**	**32%**	**34%**	**32%**	**33%**	**16%**	**14%**	**12%**	**13%**	**5%**	**10%**	**33%**	**14%**	**10%**
SG&A	**6%**	**4%**	**5%**	**8%**	**4%**	**11%**	**10%**	**7%**	**4%**	**2%**	**5%**	**3%**	**5%**	**6%**	**8%**	**3%**	**6%**
Operating Expenses	**7%**	**6%**	**8%**	**11%**	**19%**	**24%**	**23%**	**22%**	**11%**	**9%**	**9%**	**9%**	**5%**	**8%**	**22%**	**10%**	**9%**
PTOP Margin	6%	6%	11%	10%	19%	21%	27%	5%	-4%	17%	13%	22%	8%	8%	18%	10%	7%
Pretax Margin	6%	4%	10%	11%	20%	22%	29%	5%	-4%	17%	12%	21%	9%	7%	19%	10%	7%
Net Income	7%	5%	9%	10%	16%	19%	27%	5%	-2%	19%	15%	22%	7%	8%	16%	12%	7%
ModelWare EPS	**10%**	**8%**	**12%**	**13%**	**19%**	**22%**	**29%**	**6%**	**-1%**	**20%**	**16%**	**23%**	**10%**	**11%**	**18%**	**13%**	**8%**
Sequential Growth (%)																	
Revenue	**31%**	**-23%**	**-1%**	**9%**	**40%**	**-23%**	**-2%**	**3%**	**33%**	**-13%**	**0%**	**1%**					
iPhone	50%	-32%	-5%	10%	74%	-33%	-5%	4%	55%	-17%	-4%	1%					
iPad	16%	-21%	3%	6%	24%	-20%	-10%	15%	21%	-19%	-7%	9%					
Mac	16%	-12%	1%	8%	-4%	0%	23%	-16%	7%	2%	16%	-20%					
Wearables, Home and Accessories	30%	-36%	-2%	22%	28%	-31%	0%	14%	35%	-34%	3%	22%					
Services	5%	1%	3%	5%	4%	3%	-1%	2%	4%	3%	3%	2%					
Gross Margin	**33%**	**-23%**	**-3%**	**11%**	**43%**	**-21%**	**0%**	**-2%**	**30%**	**-10%**	**-2%**	**2%**					
iPhone	61%	-38%	-9%	18%	93%	-35%	0%	-6%	58%	-17%	-7%	2%					
iPad	23%	-27%	0%	6%	29%	-20%	-10%	11%	21%	-22%	-3%	9%					
Mac	25%	-22%	7%	8%	-1%	-10%	32%	-19%	0%	1%	16%	-19%					
Wearables, Home and Accessories	33%	-38%	-5%	22%	27%	-33%	2%	14%	34%	-34%	3%	24%					
Services	7%	2%	3%	4%	6%	3%	-2%	2%	5%	3%	2%	2%					
R&D	6%	3%	4%	0%	23%	5%	3%	1%	7%	3%	1%	2%					
SG&A	10%	-6%	-1%	6%	6%	0%	-2%	3%	3%	-2%	0%	1%					
Operating Expenses	**8%**	**-1%**	**2%**	**3%**	**15%**	**3%**	**1%**	**2%**	**6%**	**1%**	**1%**	**1%**					
PTOP Margin	45%	-31%	-5%	15%	57%	-29%	-1%	-4%	43%	-14%	-3%	3%					
Pretax Margin	44%	-31%	-4%	17%	55%	-30%	1%	-5%	42%	-14%	-3%	3%					
Net Income	45%	-32%	-5%	17%	53%	-30%	1%	-3%	43%	-14%	-3%	3%					
ModelWare EPS	**46%**	**-31%**	**-5%**	**18%**	**54%**	**-29%**	**1%**	**-3%**	**44%**	**-14%**	**-3%**	**3%**					
Revenue Mix																	
iPhone	56%	49%	47%	48%	59%	51%	50%	50%	58%	56%	54%	54%	51%	50%	53%	55%	55%
iPad	7%	7%	7%	7%	6%	6%	6%	6%	6%	5%	5%	5%	7%	7%	6%	5%	5%
Mac	7%	8%	9%	9%	6%	8%	9%	8%	6%	7%	8%	7%	8%	8%	8%	7%	7%
Wearables, Home and Accessories	9%	8%	8%	9%	8%	7%	7%	8%	8%	6%	6%	8%	9%	9%	8%	7%	7%
Services	21%	28%	29%	28%	21%	28%	28%	28%	22%	26%	26%	27%	25%	26%	26%	25%	27%

Exhibit 14: Apple Balance Sheet

($ in millions)	2025A				2026E				2027E				Fiscal Year				
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	2024A	2025A	2026E	2027E	2028E
Assets																	
Current Assets:																	
Cash and cash equivalents	30,299	28,162	36,269	35,934	45,317	45,572	39,544	40,059	60,246	79,578	85,271	94,574	29,943	35,934	40,059	94,574	157,349
Short-term investments	111,069	104,760	96,717	96,486	99,478	101,023	106,973	106,973	106,973	106,973	106,973	106,973	126,707	96,486	106,973	106,973	106,973
Accounts receivable	29,639	26,136	27,557	39,777	39,921	30,339	31,398	42,864	35,892	36,363	40,132	45,863	33,410	39,777	42,864	45,863	37,777
Inventories	6,911	6,269	5,925	5,718	5,875	6,747	11,092	10,295	12,292	11,400	11,386	12,039	7,286	5,718	10,295	12,039	8,557
Deferred tax assets	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546	5,546
Other current assets	37,369	32,225	28,091	42,219	39,855	32,975	39,383	46,713	44,705	36,900	41,584	49,500	41,574	42,219	46,713	49,500	49,500
Total Current Assets	**220,833**	**203,098**	**200,105**	**225,680**	**235,992**	**222,202**	**233,936**	**252,450**	**265,654**	**276,760**	**290,891**	**314,495**	**244,466**	**225,680**	**252,450**	**314,495**	**365,702**
Property, Plant & Equipment, ne	46,069	46,876	48,508	49,834	50,159	50,116	51,431	50,780	50,384	49,980	49,984	50,280	45,680	49,834	50,780	50,280	54,248
Acquired Intangible Assets	29,043	30,577	31,188	31,506	35,050	37,164	36,839	36,182	35,569	34,997	34,463	33,965	28,160	31,506	36,182	33,965	32,105
Other assets	48,140	50,682	51,694	52,221	58,096	61,600	61,060	57,443	63,905	67,760	67,166	63,188	46,674	52,221	57,443	63,188	69,506
Non-current debt and equity inve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fixed Assets	**123,252**	**128,135**	**131,390**	**133,561**	**143,305**	**148,880**	**149,330**	**144,406**	**149,859**	**152,737**	**151,614**	**147,433**	**120,514**	**133,561**	**144,406**	**147,433**	**155,860**
Total Assets	**344,085**	**331,233**	**331,495**	**359,241**	**379,297**	**371,082**	**383,266**	**396,856**	**415,513**	**429,497**	**442,505**	**461,928**	**364,980**	**359,241**	**396,856**	**461,928**	**521,561**
Liabilities																	
Current Liabilities:																	
Accounts payable	61,910	54,126	50,374	69,860	70,587	57,349	64,525	73,995	70,238	72,203	69,833	86,530	68,960	69,860	73,995	86,530	89,456
Accrued expenses	69,612	70,825	71,478	75,442	77,956	66,985	71,797	73,469	80,060	81,889	88,355	81,998	86,553	75,442	73,469	81,998	85,196
Current Debt	12,843	19,620	19,268	20,329	13,824	10,307	13,004	13,004	13,004	13,004	13,004	13,004	20,879	20,329	13,004	13,004	13,004
Other current liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	**144,365**	**144,571**	**141,120**	**165,631**	**162,367**	**134,641**	**149,326**	**160,469**	**163,302**	**167,096**	**171,192**	**181,532**	**176,392**	**165,631**	**160,469**	**181,532**	**187,656**
Non-Current Liabilities																	
Long-term debt	83,956	78,566	82,430	78,328	76,685	74,404	71,340	71,340	71,340	71,340	71,340	71,340	85,750	78,328	71,340	71,340	71,340
Deferred revenue - non-curren	3,199	2,747	2,851	2,731	3,457	3,772	3,805	2,763	2,845	3,073	3,339	2,881	2,960	2,731	2,763	2,881	2,809
Deferred tax liabilities	44,957	37,703	38,414	37,968	47,748	50,924	50,425	50,425	50,425	50,425	50,425	50,425	42,078	37,968	50,425	50,425	50,425
Other non-current liabilities	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850	850
Total Non-Current Liabilities	**132,962**	**119,866**	**124,545**	**119,877**	**128,740**	**129,950**	**126,420**	**125,378**	**125,460**	**125,688**	**125,954**	**125,496**	**131,638**	**119,877**	**125,378**	**125,496**	**125,424**
Total Liabilities	**277,327**	**264,437**	**265,665**	**285,508**	**291,107**	**264,591**	**275,746**	**285,847**	**288,762**	**292,784**	**297,146**	**307,028**	**308,030**	**285,508**	**285,847**	**307,028**	**313,080**
Series A preferred stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Shareholder's Equity	**66,758**	**66,796**	**65,830**	**73,733**	**88,190**	**106,491**	**107,520**	**111,009**	**126,751**	**136,713**	**145,359**	**154,900**	**56,950**	**73,733**	**111,009**	**154,900**	**208,482**
Total Liabilities and Shareholde	**344,085**	**331,233**	**331,495**	**359,241**	**379,297**	**371,082**	**383,266**	**396,856**	**415,513**	**429,497**	**442,505**	**461,928**	**364,980**	**359,241**	**396,856**	**461,928**	**521,561**

Exhibit 15: Apple Statement of Cash Flows

($ in millions)	2025A				2026E				2027E				Fiscal Year				
	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	2024A	2025A	2026E	2027E	2028E
Cash Flow Statement (Non Cumulative)																	
Operating activities:																	
Net Income / (Loss)	**36,330**	**24,780**	**23,434**	**27,466**	**42,097**	**29,578**	**29,789**	**28,761**	**41,138**	**35,270**	**34,168**	**35,033**	**93,736**	**112,010**	**130,225**	**145,610**	**156,527**
Cumulative effect of accounting change	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments to reconcile net income:	-	-	-	-	-	-	-										
Depreciation & Amortization	3,080	2,661	2,830	3,127	3,214	3,439	3,320	3,647	3,692	3,713	3,739	3,772	11,445	11,698	13,620	14,915	15,859
Stock based compensation expense	3,286	3,226	3,168	3,183	3,594	3,528	3,401	-	-	-	-	-	11,688	12,863	10,523	-	-
Provision for (benefit from) deferred inc	(2,009)	(208)	469	1,659	(528)	(1,189)	(320)	-	-	-	-	-	(2,266)	(89)	(2,037)	-	-
Gain on non-current investments, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain on short-term investments, net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized loss on conv. securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on sale of PP&E	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-cash restructuring	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
In-Process R&D	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax benefit from ESO	-	-	-	-	-	-	-	699	633	633	633	633	-	-	699	2,532	1,937
Changes in Operating Assets and Liabilities:																	
Accounts receivable	3,597	3,669	(1,581)	(12,367)	(153)	9,448	(979)	(11,466)	6,971	(471)	(3,768)	(5,731)	(3,788)	(6,682)	(3,150)	(2,999)	8,085
Inventories	215	643	365	177	(211)	(873)	(4,377)	797	(1,997)	891	15	(653)	(1,046)	1,400	(4,664)	(1,744)	3,482
Other current assets	3,166	6,005	4,384	(13,902)	2,781	7,227	(4,337)	(7,330)	2,008	7,805	(4,684)	(7,916)	(11,731)	(347)	(1,659)	(2,787)	-
Other assets	939	(5,310)	(1,745)	(3,081)	(10,250)	(4,079)	(1,937)	3,617	(6,462)	(3,854)	593	3,979	(1,356)	(9,197)	(12,649)	(5,744)	(6,319)
Accounts payable	(6,671)	(7,933)	(3,875)	19,381	848	(13,145)	7,094	9,470	(3,757)	1,964	(2,370)	16,697	6,020	902	4,267	12,534	2,926
Deferred revenue	-	-	-	-	-	-	-	(1,042)	82	228	267	(458)	-	-	(1,042)	118	(72)
Accrued restructuring costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current liabilities	(11,998)	(3,581)	418	4,085	12,533	(5,232)	2,715	1,672	6,590	1,830	6,466	(6,357)	15,552	(11,076)	11,688	8,529	3,198
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Provided by Operating Activities	**29,935**	**23,952**	**27,867**	**29,728**	**53,925**	**28,702**	**34,369**	**28,827**	**48,899**	**48,009**	**35,058**	**38,998**	**118,254**	**111,482**	**145,823**	**170,963**	**185,624**
Investing activities:																	
Purchase of short-term investments	(6,124)	(6,318)	(5,149)	(6,816)	(12,693)	(19,739)	(16,320)	-	-	-	-	-	(48,656)	(24,407)	(48,752)	-	-
Proceeds from maturities of short-term inv	15,967	10,620	8,449	5,871	7,510	11,181	7,813	-	-	-	-	-	51,211	40,907	26,504	-	-
Proceeds from sales of short-term investm	3,492	1,718	5,575	2,105	2,824	5,791	3,401	-	-	-	-	-	11,135	12,890	12,016	-	-
Purchases of long-term investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Proceeds from sale of PP&E	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of PP&E	(2,940)	(3,071)	(3,462)	(3,242)	(2,373)	(1,971)	(2,455)	(2,340)	(2,683)	(2,736)	(3,210)	(3,569)	(9,447)	(12,715)	(9,139)	(12,198)	(17,967)
Cash paid for acquisition of technology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of ARM shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	(603)	(32)	(340)	(505)	(154)	(1,430)	(196)	-	-	-	-	-	(1,308)	(1,480)	(1,780)	-	-
Net cash used in investing activities	**9,792**	**2,917**	**5,073**	**(2,587)**	**(4,886)**	**(6,168)**	**(7,757)**	**(2,340)**	**(2,683)**	**(2,736)**	**(3,210)**	**(3,569)**	**2,935**	**15,195**	**(21,151)**	**(12,198)**	**(17,967)**
Financing activities:																	
Proceeds from issuance of common stock	-	-	-	-	-	-	-	31	31	32	33	34	-	-	31	130	141
Excess tax benefits from stock-based com	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes paid related to net share settlement	(2,921)	(284)	(2,514)	(241)	(2,922)	(330)	(3,210)	-	-	-	-	-	(5,441)	(5,960)	(6,462)	-	-
Dividends and dividend equivalent rights pa	(3,856)	(3,758)	(3,945)	(3,862)	(3,921)	(3,822)	(4,035)	(4,002)	(4,061)	(3,972)	(4,188)	(4,159)	(15,234)	(15,421)	(15,780)	(16,380)	(17,024)
Repurchase of common stock	(23,606)	(25,898)	(21,075)	(20,132)	(24,701)	(12,288)	(25,105)	(22,000)	(22,000)	(22,000)	(22,000)	(22,000)	(94,949)	(90,711)	(84,094)	(88,000)	(88,000)
Increase (decrease) in long-term borrowing	(1,009)	1,009	4,481	-	(2,164)	2,164	-	-	-	-	-	-	-	4,481	-	-	-
Increase (decrease) in notes payable to ba	(7,979)	(75)	(1,780)	(3,241)	(5,948)	(8,003)	(290)	-	-	-	-	-	(6,359)	(13,075)	(14,241)	-	-
Net Cash used in Financing Activities	**(39,371)**	**(29,006)**	**(24,833)**	**(27,476)**	**(39,656)**	**(22,279)**	**(32,640)**	**(25,971)**	**(26,029)**	**(25,940)**	**(26,155)**	**(26,125)**	**(121,983)**	**(120,686)**	**(120,546)**	**(104,250)**	**(104,883)**
Increase/(decrease) in Cash and Cash Equ	**356**	**(2,137)**	**8,107**	**(335)**	**9,383**	**255**	**(6,028)**	**515**	**20,187**	**19,332**	**5,693**	**9,304**	**(794)**	**5,991**	**4,125**	**54,515**	**62,775**
Adjustments for restatements	-	-	-	-	-	-	-	-	-	-	-	-	772	-	-	-	-
Cash and Cash Equivalents at Beginning of P	29,943	30,299	28,162	36,269	35,934	45,317	45,572	39,544	40,059	60,246	79,578	85,271	29,965	29,943	35,934	40,059	94,574
Cash and Cash Equivalents at End of Peri	**30,299**	**28,162**	**36,269**	**35,934**	**45,317**	**45,572**	**39,544**	**40,059**	**60,246**	**79,578**	**85,271**	**94,574**	**29,943**	**35,934**	**40,059**	**94,574**	**157,349**

Risk Reward Reference links

1. View explanation of Options Probabilities methodology - Options_Probabilities_Exhibit_Link.pdf

2. View descriptions of Risk Rewards Themes - RR_Themes_Exhibit_Link.pdf

3. View explanation of regional hierarchies - GEG_Exhibit_Link.pdf

4. View explanation of Theme/Exposure methodology - ESG_Sustainable_Solutions_External_Link.pdf

5. View explanation of HERS methodology - ESG_HERS_External_Link.pdf