

**Apple Operations International Limited**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Note	Years ended	
		26 September 2020	28 September 2019
		\$'m	\$'m
<u>Net sales</u>	3	<u>148,168</u>	<u>140,992</u>
Cost of sales		(90,227)	(86,851)
Gross margin		<u>57,941</u>	<u>54,141</u>
Operating expenses:			
Research and development		(15,489)	(7,590)
Selling, general and administrative		(9,133)	(8,501)
Total operating expenses		<u>(24,622)</u>	<u>(16,091)</u>
Operating income		33,319	38,050
Other income/(expense),net	4	489	3,636
<u>Income before provision for income taxes</u>		<u>33,808</u>	<u>41,686</u>
<u>Provision for income taxes</u>	6	<u>(6,149)</u>	<u>(6,191)</u>
Net income		<u>27,659</u>	<u>35,495</u>

See accompanying notes to consolidated financial statements.

**Apple Operations International Limited**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 2 – Other Statutory Information**

**Auditors' Remuneration**

The following table shows the fees\* paid to the independent auditor in 2020 and 2019:

	Years ended	
	26 September 2020	28 September 2019
	\$'000	\$'000
Audit of Financial Statements	846	831
Other Assurance Services	144	146
Tax Advisory Services	440	625
	<u>1,430</u>	<u>1,602</u>

\*This excludes auditors' remuneration borne by Apple Inc. on behalf of the Group.

**Staff Numbers and Costs**

The following table shows the payroll costs incurred in 2020 and 2019:

	Years ended	
	26 September 2020	28 September 2019
	\$'m	\$'m
Wages and Salaries	3,308	2,822
Social Welfare costs	418	378
Share based payments (Note 5, "Share-Based Compensation")	941	848
Pension costs	175	150
	<u>4,842</u>	<u>4,198</u>

The average number of persons employed by the Group in 2020 was 51,255 (2019: 47,337).