Apple Inc.
Reconciliation of Segment Operating Income
(In millions)

	Q1'11	Q2'11	Q3'11	Q4'11	FY11	Q1'12	Q2'12	Q3'12	Q4'12	FY12
Operating Segments (As Previously Reported) (x)										
Americas	$ 2,899	$ 3,755	$ 3,596	$ 3,288	$ 13,538	$ 7,261	$ 5,606	$ 5,202	$ 5,664	$ 23,733
Europe	2,756	2,551	3,107	3,114	11,528	4,668	3,887	3,261	3,199	15,015
Japan	572	689	735	485	2,481	1,997	1,527	1,073	1,318	5,915
Asia Pacific	2,042	2,045	2,782	2,718	9,587	3,304	4,774	3,374	2,782	14,234
Retail	1,006	782	802	652	3,242	1,854	1,149	868	848	4,719
Total Segment Operating Income	**9,275**	**9,822**	**11,022**	**10,257**	**40,376**	**19,084**	**16,943**	**13,778**	**13,811**	**63,616**
Corporate Expenses	(1,448)	(1,948)	(1,643)	(1,547)	(6,586)	(1,744)	(1,559)	(2,205)	(2,867)	(8,375)
Total Apple Operating Income	**$ 7,827**	**$ 7,874**	**$ 9,379**	**$ 8,710**	**$ 33,790**	**$ 17,340**	**$ 15,384**	**$ 11,573**	**$ 10,944**	**$ 55,241**
Creation of Greater China Operating Segment (y)										
Americas	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Europe	-	-	-	-	-	-	-	-	-	-
Greater China (a)	1,035	911	1,597	1,921	5,464	1,710	3,716	2,483	2,050	9,959
Japan	-	-	-	-	-	-	-	-	-	-
Asia Pacific (a)	(1,035)	(911)	(1,597)	(1,921)	(5,464)	(1,710)	(3,716)	(2,483)	(2,050)	(9,959)
Retail	-	-	-	-	-	-	-	-	-	-
Total Segment Operating Income Adjustment from New Segment	-	-	-	-	-	-	-	-	-	-
Corporate Expenses	-	-	-	-	-	-	-	-	-	-
Total Operating Income Adjustment from New Segment	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Allocation of Corporate Expenses (z)										
Americas (b)	$ (61)	$ (239)	$ (84)	$ (43)	$ (427)	$ (28)	$ 82	$ (41)	$ (332)	$ (319)
Europe (b)	(31)	(150)	(80)	(58)	(319)	(5)	55	(32)	(164)	(146)
Greater China (b)	(22)	(80)	(63)	(53)	(218)	(4)	65	(15)	(162)	(116)
Japan (b)	(14)	(29)	(16)	(7)	(66)	(8)	16	(5)	(57)	(54)
Rest of Asia Pacific (b)	(10)	(67)	(29)	(13)	(119)	(1)	20	(13)	(28)	(22)
Retail (b)	(26)	(93)	(15)	(33)	(167)	(3)	5	(40)	(68)	(106)
Total Segment Operating Income Adjustment from Allocation of Corporate Expenses	**(164)**	**(658)**	**(287)**	**(207)**	**(1,316)**	**(49)**	**243**	**(146)**	**(811)**	**(763)**
Corporate Expenses (b)	164	658	287	207	1,316	49	(243)	146	811	763
Total Operating Income Adjustment from Allocation of Corporate Expenses	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Operating Segments (As Recasted) (x + y + z)										
Americas	$ 2,838	$ 3,516	$ 3,512	$ 3,245	$ 13,111	$ 7,233	$ 5,688	$ 5,161	$ 5,332	$ 23,414
Europe	2,725	2,401	3,027	3,056	11,209	4,663	3,942	3,229	3,035	14,869
Greater China	1,013	831	1,534	1,868	5,246	1,706	3,781	2,468	1,888	9,843
Japan	558	660	719	478	2,415	1,989	1,543	1,068	1,261	5,861
Rest of Asia Pacific	997	1,067	1,156	784	4,004	1,593	1,078	878	704	4,253
Retail	980	689	787	619	3,075	1,851	1,154	828	780	4,613
Total Segment Operating Income	**9,111**	**9,164**	**10,735**	**10,050**	**39,060**	**19,035**	**17,186**	**13,632**	**13,000**	**62,853**
Corporate Expenses	(1,284)	(1,290)	(1,356)	(1,340)	(5,270)	(1,695)	(1,802)	(2,059)	(2,056)	(7,612)
Total Apple Operating Income	**$ 7,827**	**$ 7,874**	**$ 9,379**	**$ 8,710**	**$ 33,790**	**$ 17,340**	**$ 15,384**	**$ 11,573**	**$ 10,944**	**$ 55,241**

(a) The Company manages its business primarily on a geographic basis. Prior to fiscal year 2013, the Company's reportable operating segments consisted of the Americas, Europe, Japan, Asia Pacific and Retail. The results of the geographic segments do not include the results of the Retail segment. Beginning in Q1 2013, the Company established a new reportable operating segment, "Greater China," which includes China, Hong Kong and Taiwan. The Greater China results were previously included in the Asia Pacific segment, and the Company has assigned the name "Rest of Asia Pacific" to the remainder of the former Asia Pacific segment. The segment operating income information for prior periods has been reclassified to reflect the establishment of the new Greater China and Rest of Asia Pacific segments.

(b) Operating income for each segment includes net sales to third parties, related cost of sales and operating expenses directly attributable to the segment. Advertising expenses are generally included in the geographic segment in which the expenditures are incurred. Operating income for each segment excludes other income and expense and certain expenses managed outside the operating segments. Costs excluded from segment operating income include various corporate expenses such as research and development, corporate marketing expenses, share-based compensation expense, income taxes, various nonrecurring charges, and other separately managed general and administrative costs and certain manufacturing period expenses. Prior to fiscal year 2013, the Company did not allocate certain manufacturing costs and variances, including costs related to product tooling and manufacturing process equipment, to its operating segments and instead included these expenditures in corporate expenses. Beginning in Q1 2013, the Company began allocating these costs to its operating segments, and the segment operating income information for prior periods has been reclassified to reflect this change.