



Electronic Arts Inc. Q4 FY 2016 Results

May 10, 2016

Safe Harbor Statement

Please review our risk factors on Form 10-Q filed with the SEC.



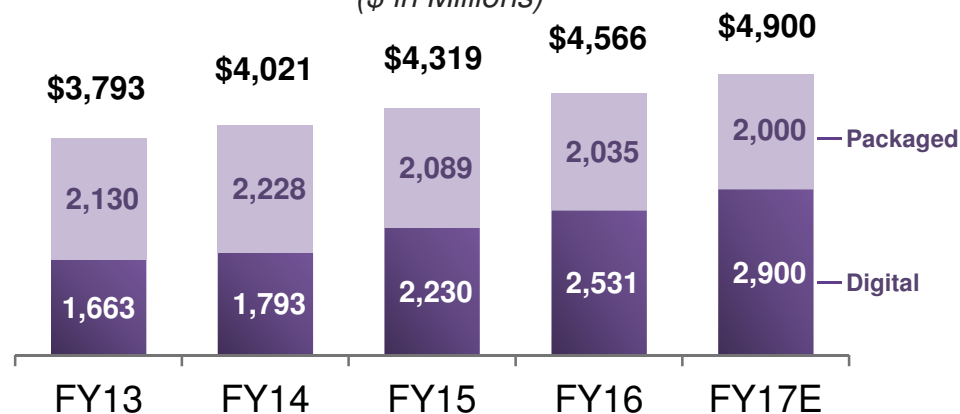
- Some statements set forth in this document, including the information relating to EA's fiscal year 2017 guidance and title slate, contain forward-looking statements that are subject to change. Statements including words such as "anticipate," "believe," "estimate" or "expect" and statements in the future tense are forward-looking statements. These forward-looking statements are preliminary estimates and expectations based on current information and are subject to business and economic risks and uncertainties that could cause actual events or actual future results to differ materially from the expectations set forth in the forward-looking statements. Some of the factors which could cause the Company's results to differ materially from its expectations include the following: sales of the Company's titles; the Company's ability to manage expenses; the competition in the interactive entertainment industry; the effectiveness of the Company's sales and marketing programs; timely development and release of Electronic Arts' products; the Company's ability to realize the anticipated benefits of acquisitions; the consumer demand for, and the availability of an adequate supply of console hardware units; the Company's ability to predict consumer preferences among competing platforms; the Company's ability to service and support digital product offerings, including managing online security; general economic conditions; and other factors described in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2015.
- These forward-looking statements are valid as of May 10, 2016 only.
- The preliminary financial results set forth in this document are estimates based on information currently available to Electronic Arts. While Electronic Arts believes these estimates are meaningful, they could differ from the actual amounts that Electronic Arts ultimately reports in its Annual Report on Form 10-K for the fiscal year ended March 31, 2016. Electronic Arts assumes no obligation and does not intend to update these estimates prior to such filing.

EA Growth Trends

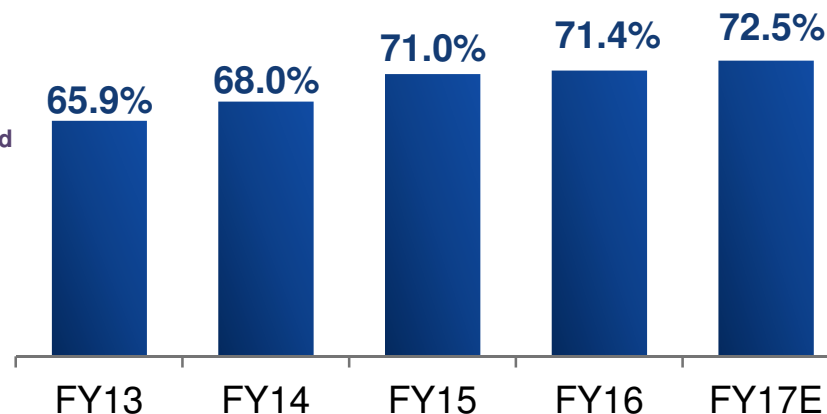


Net Revenue ¹

(\$ in Millions)

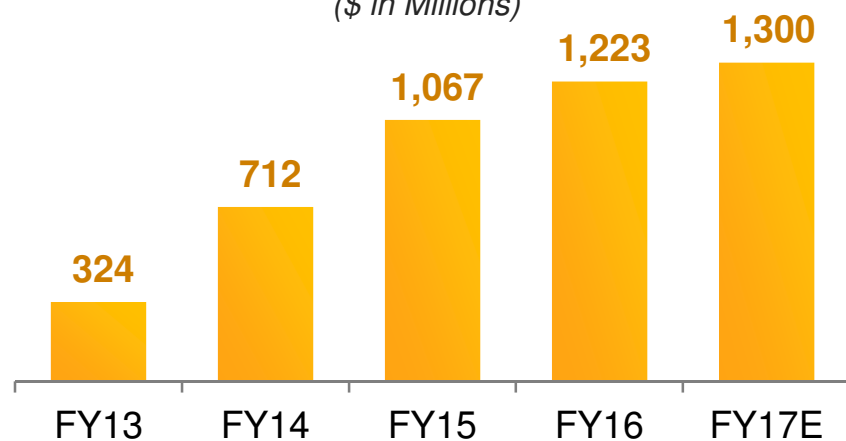


Gross Profit ¹

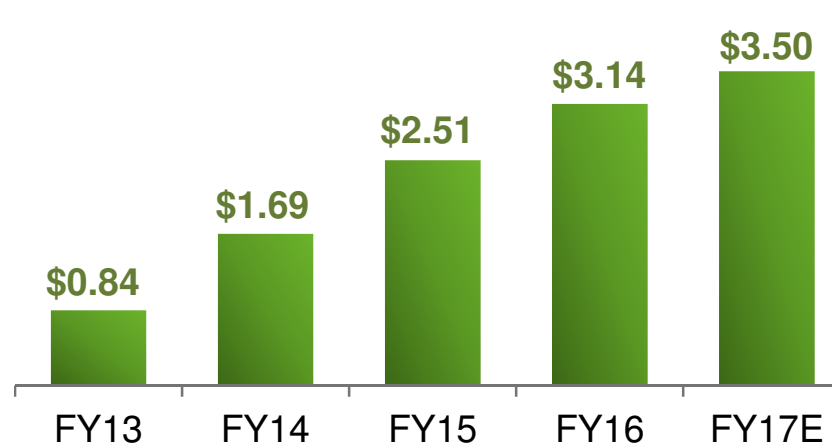


Operating Cash Flow

(\$ in Millions)



Diluted EPS ¹



¹On a non-GAAP basis. FY17E non-GAAP tax rate is 21%. FY16 non-GAAP tax rate was 22%. FY14 and FY15 non-GAAP tax rate was 25%, and FY13 non-GAAP tax rate was 28%.

Q4 FY16 Guidance vs. Actuals



	GAAP		Non-GAAP	
	Guidance	Actuals	Guidance	Actuals
Net Revenue	\$1,275	\$1,308	\$875	\$924
Gross Profit Margin	82.5%	82.7%	76.0%	76.9%
Operating Expense	\$551	\$546	\$500	\$499
Tax Expense (Benefit) ¹	\$15	(\$373)	\$37	\$46
Net Income	\$483	\$899	\$130	\$161
Diluted Earnings Per Share	\$1.46	\$2.79	\$0.40	\$0.50
Diluted Shares	330	322	325	319

In millions, except per share data.

¹ Non-GAAP tax rate was 22%

Q4 FY16 Financial Summary



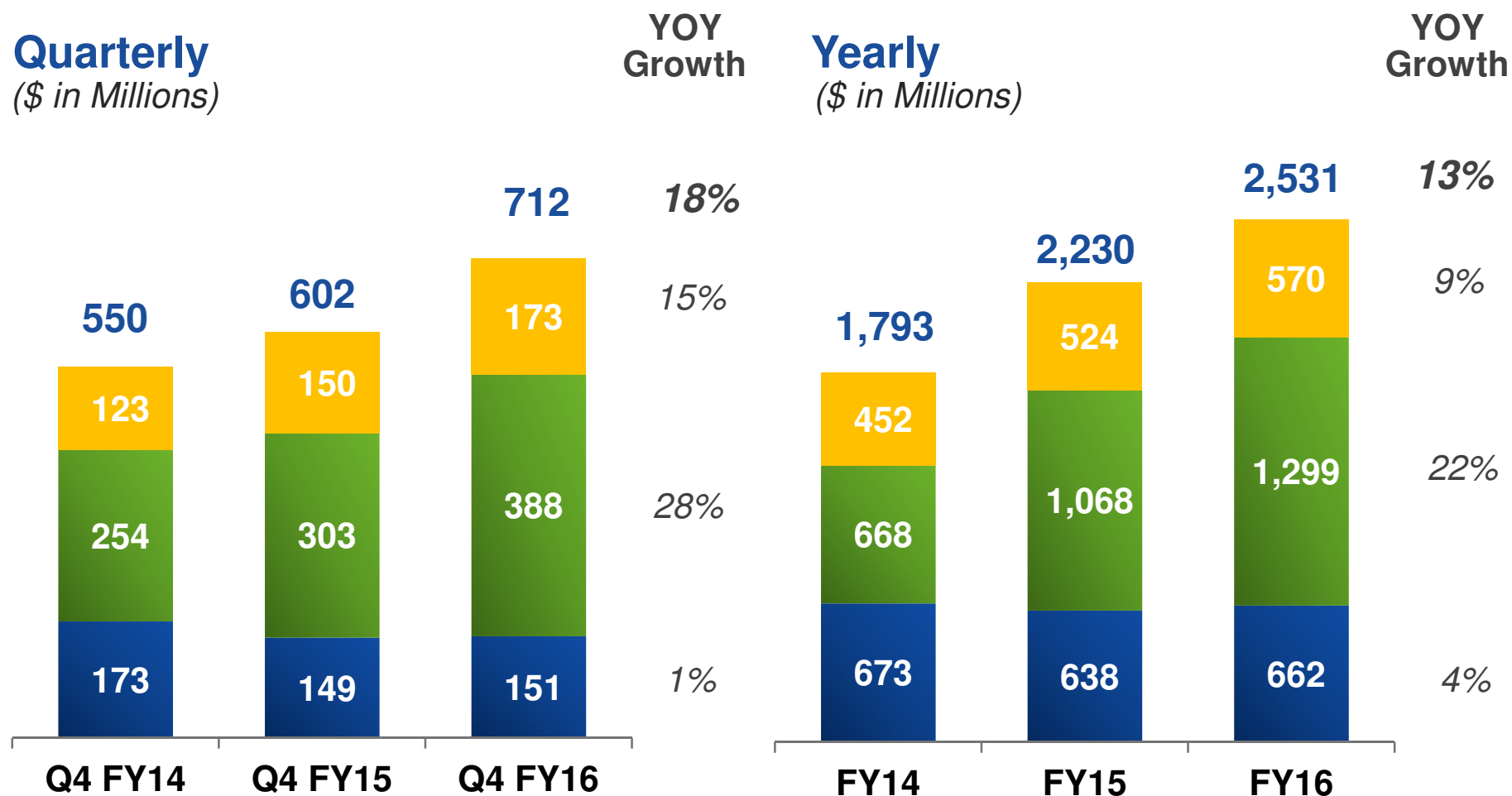
	GAAP		Non-GAAP	
	Q4 FY15	Q4 FY16	Q4 FY15	Q4 FY16
Net Revenue	\$1,185	\$1,308	\$896	\$924
Gross Profit Margin	80.3%	82.7%	75.4%	76.9%
Operating Expense	\$551	\$546	\$513	\$499
Operating Income	\$400	\$536	\$163	\$212
Operating Margin	33.8%	41.0%	18.2%	22.9%
Diluted Earnings Per Share	\$1.19	\$2.79	\$0.39	\$0.50
Operating Cash Flow	\$198	\$396		
EBITDA	\$483	\$624	\$193	\$240

In millions, except per share data.

EA Digital Net Revenue¹ by Platform



■ PC & Other ■ Console ■ Mobile²



¹ In millions, on a non-GAAP basis.

² Mobile revenue reflects the sum total of revenue from Smart Phones and Feature Phones. Handheld revenue, previously grouped with Feature Phones through Q4 FY14, is captured in PC & Other.

EA Digital Net Revenue¹ by Type



Full Game Downloads

Extra Content

Subs / Ads / Other

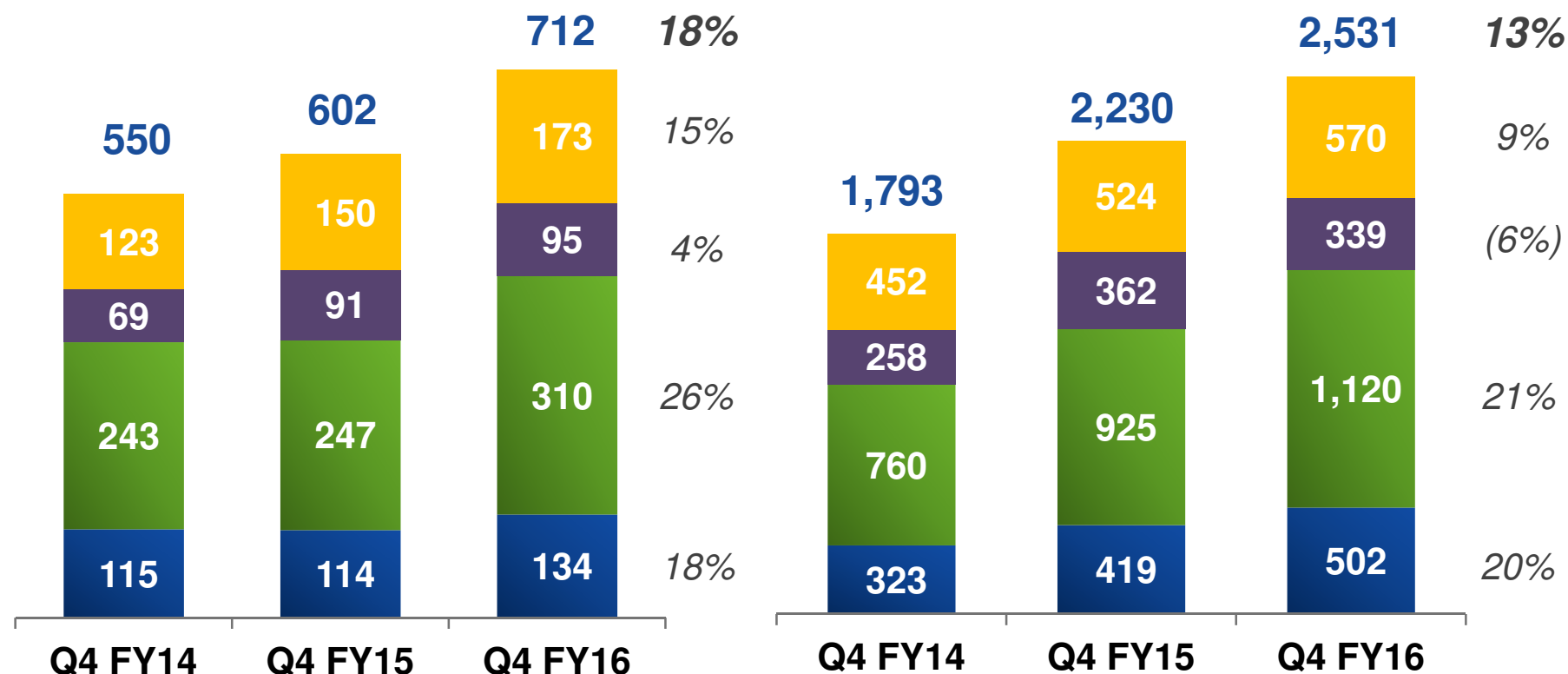
Mobile²

Quarterly
(\$ in Millions)

YOY Growth

Trailing 12 Months
(\$ in Millions)

YOY Growth









¹ In millions, on a non-GAAP basis.

² Handheld revenue is included within each respective category of Full Game Downloads, Extra Content and Subscriptions, Advertising and Other. Handheld revenue was previously grouped with Mobile and presented as Mobile and Handheld through Q4 FY14.

FY17 Announced Console/PC Titles



Launch	Title	Platform(s)	
Q1	 MIRROR'S EDGE™ CATALYST	Console	PC
Q2	 FIFA 17 <small>FIFA Official Licensed Product</small>	Console	PC
	 MADDEN  17	Console	
	 NHL 17	Console	
Q3	BATTLEFIELD 1	Console	PC
	TITANFALL 2	Console	PC
Q4	 NBA LIVE	Console	
	MASS EFFECT ANDROMEDA	Console	PC

Note: Represents publicly announced titles only. Titles above are shown in alphabetical order. All launch dates are subject to change.



Select Live Services and Mobile¹

Console/PC

Mobile

Active Q4'16



¹ Live services encompasses micro-transactions, subscriptions, and downloadable content. Includes announced titles only.

Guidance – Q1 FY17

Ending June 30, 2016



	GAAP	Non-GAAP
Net Revenue	\$1,250	\$640
Gross Profit Margin	85.9%	74.5%
Operating Expense	\$532	\$485
Tax Expense (Benefit)	\$111	(\$4)
Net Income (Loss)	\$418	(\$15)
Diluted Earnings (Loss) Per Share	\$1.30	(\$0.05)
Diluted Shares (Basic for Loss)	321	303

In millions, except per share data.

FY17 non-GAAP tax rate is 21%.

These forward-looking statements are valid as of May 10, 2016 only. Electronic Arts assumes no obligation to update these forward-looking statements.

Guidance – Full Year FY17

Ending March 31, 2017



	GAAP	Non-GAAP
Digital Net Revenue	\$2,800	\$2,900
Packaged Goods and Other	\$1,950	\$2,000
Total Net Revenue	\$4,750	\$4,900
Gross Profit Margin	71.0%	72.5%
Operating Expense	\$2,306	\$2,100
Tax Expense	\$215	\$297
Net Income	\$809	\$1,117
Diluted Earnings Per Share	\$2.53	\$3.50
Diluted Shares	320	319
Operating Cash Flow	\$1,300	

In millions, except per share data.

FY17 non-GAAP tax rate is 21%.

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Guidance – Phasing

FY17 Quarterly Revenue¹



Net Revenue	Q1E	Q2E	Q3E	Q4E
Non-GAAP	13%	22%	42%	23%
GAAP	26%	19%	23%	32%

¹ These forward-looking statements are valid as May 10, 2016 only. Electronic Arts assumes no obligation to update these forward-looking statements. The difference in GAAP and non-GAAP quarterly phasing is due to the change in deferred net revenue (online enabled games).



Supplemental Financial Information

Currency Assumptions¹



- **Current FX assumptions²:**

USD/	FY16A	FY17E
EUR	1.107	1.099
GBP	1.513	1.395
CAD	1.284	1.384
SEK	8.490	8.526

- **Rule of thumb for FY17E non-GAAP financials**

- If the U.S. dollar strengthens 10% against the Euro and British pound sterling:
 - With hedging, total net revenue decreases 1.6% and EPS decreases 1.4%
- If the U.S. dollar strengthens 10% against the Canadian dollar and Swedish krona:
 - With hedging, Company operating expenses decrease 1.0%, but impact to EPS is immaterial

Note: Our financial guidance and the rule of thumb include the forecasted impact of the FX cash flow hedging program.

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² For FY16A, FX rates are EA's weighted average actual P&L rates based on EA's monthly operating income. For FY17E, the same FX rates are used for all forecast periods.

Non-GAAP Financial Measures



To supplement the Company's unaudited condensed consolidated financial statements presented in accordance with GAAP, Electronic Arts uses certain non-GAAP measures of financial performance. The presentation of these non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP. The non-GAAP financial measures used by Electronic Arts include: non-GAAP net revenue, non-GAAP gross profit, non-GAAP operating income (loss), non-GAAP net income (loss) and non-GAAP diluted earnings (loss) per share and non-GAAP diluted shares. These non-GAAP financial measures are adjusted for the items referenced below, as applicable in a given reporting period, from the Company's unaudited condensed consolidated statements of operations. The adjustments to the non-GAAP financial measures exclude the following items (other than shares from the Convertible Bond Hedge, which are included):

- Acquisition-related expenses
- Amortization of debt discount and loss on conversion of notes
- Change in deferred net revenue (online-enabled games)
- College football settlement expenses
- Income tax adjustments
- Loss on licensed intellectual property commitment (COGS)
- Shares from convertible bond hedge
- Stock-based compensation

The Company uses a fixed, long-term projected tax rate internally to evaluate its operating performance, to forecast, plan and analyze future periods, and to assess the performance of its management team. Accordingly, the Company applies the same tax rate to its non-GAAP financial results. During fiscal year 2016, the Company applied a tax rate of 22 percent to its non-GAAP financial results. For fiscal years 2014 and 2015, a 25 percent tax rate was applied, and during fiscal year 2013 the Company applied a 28 percent tax rate. Based on a re-evaluation of the Company's fixed, long-term projected tax rate, beginning in fiscal year 2017, the Company will apply a tax rate of 21 percent to its non-GAAP financial results.

Electronic Arts may consider whether other significant non-recurring items that arise in the future should also be adjusted in calculating the non-GAAP financial measures it uses. Electronic Arts believes that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provide meaningful supplemental information regarding the Company's performance by adjusting for certain items that may not be indicative of the Company's core business, operating results or future outlook. Electronic Arts' management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing the Company's operating results both as a consolidated entity and at the business unit level, as well as when planning, forecasting and analyzing future periods. The Company's management team is evaluated on the basis of non-GAAP financial measures and these measures also facilitate comparisons of the Company's performance to prior periods. In its earnings press release dated May 10, 2016 and in the following slides, Electronic Arts has provided a reconciliation of the most comparable GAAP financial measures to the non-GAAP financial measures.

Q4 FY16 Reconciliation



GAAP to Non-GAAP Unaudited Condensed Consolidated Statement of Operations

Three Months Ended March 31, 2016

	GAAP Results	Acquisition- related expenses	Shares from convertible bond hedge	Amortization of debt discount and loss on conversion of notes	Change in deferred net revenue (online- enabled games)	Stock-based compensation	Income tax adjustments	Non-GAAP Results
Net revenue	\$ 1,308	\$ -	\$ -	\$ -	\$ (384)	\$ -	\$ -	\$ 924
Cost of revenue	226	(12)	-	-	-	(1)	-	213
Gross profit	1,082	12	-	-	(384)	1	-	711
Operating expenses:								
Research and development	282	-	-	-	-	(26)	-	256
Marketing and sales	153	-	-	-	-	(7)	-	146
General and administrative	110	-	-	-	-	(13)	-	97
Amortization of intangibles	1	(1)	-	-	-	-	-	-
Total operating expenses	546	(1)	-	-	-	(46)	-	499
Operating income	536	13	-	-	(384)	47	-	212
Interest and other income (expense), net	(10)	-	-	5	-	-	-	(5)
Income before provision for (benefit from) income taxes	526	13	-	5	(384)	47	-	207
Provision for (benefit from) income taxes	(373)	-	-	-	-	-	419	46
Net income	\$ 899	13	\$ -	5	(384)	47	(419)	\$ 161
Earnings per share								
Basic	\$ 2.93							\$ 0.52
Diluted	\$ 2.79							\$ 0.50
Number of shares used in computation								
Basic	307	-	-	-	-	-	-	307
Diluted	322	-	(3)	-	-	-	-	319

In millions, except per share data.

Q4 FY15 Reconciliation



GAAP to Non-GAAP Unaudited Condensed Consolidated Statement of Operations

Three Months Ended March 31, 2015

	GAAP Results	Acquisition- related expenses	Shares from convertible bond hedge	Amortization of debt discount	Change in deferred net revenue (online- enabled games)	Stock-based compensation	Income tax adjustments	Non-GAAP Results
Net revenue	\$ 1,185	\$ -	\$ -	\$ -	\$ (289)	\$ -	\$ -	\$ 896
Cost of revenue	234	(14)	-	-	-	-	-	220
Gross profit	951	14	-	-	(289)	-	-	676
Operating expenses:								
Research and development	285	-	-	-	-	(21)	-	264
Marketing and sales	165	-	-	-	-	(5)	-	160
General and administrative	99	-	-	-	-	(10)	-	89
Acquisition-related contingent consideration	(1)	1	-	-	-	-	-	-
Amortization of intangibles	3	(3)	-	-	-	-	-	-
Total operating expenses	551	(2)	-	-	-	(36)	-	513
Operating income	400	16	-	-	(289)	36	-	163
Interest and other income (expense), net	(3)	-	-	6	-	-	-	3
Income before provision for income taxes	397	16	-	6	(289)	36	-	166
Provision for income taxes	2	-	-	-	-	-	39	41
Net income	\$ 395	\$ 16	\$ -	\$ 6	\$ (289)	\$ 36	\$ (39)	\$ 125
Earnings per share								
Basic	\$ 1.27							\$ 0.40
Diluted	\$ 1.19							\$ 0.39
Number of shares used in computation								
Basic	310	-	-	-	-	-	-	310
Diluted	332	-	(8)	-	-	-	-	324

In millions, except per share data.

FY16 Reconciliation



GAAP to Non-GAAP Unaudited Condensed Consolidated Statement of Operations

Trailing Twelve Months Ended March 31, 2016

	GAAP Results	Acquisition- related expenses	Shares from convertible bond hedge	Amortization of debt discount and loss on conversion of notes	Change in deferred net revenue (online- enabled games)	Stock-based compensation	Income tax adjustments	Non-GAAP Results
Net revenue	\$ 4,396	\$ -	\$ -	\$ -	\$ 170	\$ -	\$ -	\$ 4,566
Cost of revenue	1,354	(47)	-	-	-	(2)	-	1,305
Gross profit	3,042	47	-	-	170	2	-	3,261
Operating expenses:								
Research and development	1,109	-	-	-	-	(103)	-	1,006
Marketing and sales	622	-	-	-	-	(24)	-	598
General and administrative	406	-	-	-	-	(49)	-	357
Amortization of intangibles	7	(7)	-	-	-	-	-	-
Total operating expenses	2,144	(7)	-	-	-	(176)	-	1,961
Operating income	898	54	-	-	170	178	-	1,300
Interest and other income (expense), net	(21)	-	-	27	-	-	-	6
Income before provision for (benefit from) income taxes	877	54	-	27	170	178	-	1,306
Provision for (benefit from) income taxes	(279)	-	-	-	-	-	567	288
Net income	\$ 1,156	\$ 54	\$ -	\$ 27	\$ 170	\$ 178	\$ (567)	\$ 1,018
Earnings per share								
Basic	\$ 3.73							\$ 3.28
Diluted	\$ 3.50							\$ 3.14
Number of shares used in computation								
Basic	310	-	-	-	-	-	-	310
Diluted	330	-	(6)	-	-	-	-	324

In millions

FY15 Reconciliation



GAAP to Non-GAAP Unaudited Condensed Consolidated Statement of Operations

Trailing Twelve Months Ended March 31, 2015

	GAAP Results	Acquisition- related expenses	Shares from convertible bond hedge	Amortization of debt discount	Change in deferred net revenue (online- enabled games)	Loss on licensed intellectual property commitment (COGS)	College football settlement expenses	Stock-based compensation	Income tax adjustments	Non-GAAP Results
Net revenue	\$ 4,515	\$ -	\$ -	\$ -	\$ (196)	\$ -	\$ -	\$ -	\$ -	\$ 4,319
Cost of revenue	1,429	(52)	-	-	-	(122)	-	(2)	-	1,253
Gross profit	3,086	52	-	-	(196)	122	-	2	-	3,066
Operating expenses:										
Research and development	1,094	-	-	-	-	-	-	(82)	-	1,012
Marketing and sales	647	-	-	-	-	-	-	(21)	-	626
General and administrative	386	-	-	-	-	-	5	(39)	-	352
Acquisition-related contingent consideration	(3)	3	-	-	-	-	-	-	-	-
Amortization of intangibles	14	(14)	-	-	-	-	-	-	-	-
Total operating expenses	2,138	(11)	-	-	-	-	5	(142)	-	1,990
Operating income	948	63	-	-	(196)	122	(5)	144	-	1,076
Interest and other income (expense), net	(23)	-	-	22	-	-	-	-	-	(1)
Income before provision for income taxes	925	63	-	22	(196)	122	(5)	144	-	1,075
Provision for income taxes	50	-	-	-	-	-	-	-	219	269
Net income	\$ 875	\$ 63	\$ -	\$ 22	\$ (196)	\$ 122	\$ (5)	\$ 144	\$ (219)	\$ 806
Earnings per share										
Basic	\$ 2.81									\$ 2.59
Diluted	\$ 2.69									\$ 2.51
Number of shares used in computation										
Basic	311	-	-	-	-	-	-	-	-	311
Diluted	325	-	(4)	-	-	-	-	-	-	321

In millions

Q4 FY16 EBITDA Reconciliation



The following table provides a reconciliation of the non-GAAP financial measures regarding Electronic Arts' Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-based Compensation ("EBITDA") to the nearest comparable GAAP financial measures.

	Three Months Ended March 31, 2016						
	GAAP Results	Acquisition- related expenses	Amortization of debt discount and loss on conversion of notes	Change in deferred net revenue (online- enabled games)	Stock-Based compensation	Income tax adjustments	Non-GAAP Results
Net income	\$ 899	\$ 13	\$ 5	\$ (384)	\$ 47	\$ (419)	\$ 161
Adjustments:							
Stock-based compensation	47	-	-	-	(47)	-	-
Depreciation	28	-	-	-	-	-	28
Amortization of acquisition-related intangibles	13	(13)	-	-	-	-	-
Interest and other (income) expense, net	10	-	(5)	-	-	-	5
Provision for (benefit from) income taxes	(373)	-	-	-	-	419	46
Total adjustments	(275)	(13)	(5)	-	(47)	419	79
EBITDA	\$ 624	\$ -	\$ -	\$ (384)	\$ -	\$ -	\$ 240

Q4 FY15 EBITDA Reconciliation



The following table provides a reconciliation of the non-GAAP financial measures regarding Electronic Arts' Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-based Compensation ("EBITDA") to the nearest comparable GAAP financial measures.

	Three Months Ended March 31, 2015						
	GAAP Results	Acquisition- related expenses	Amortization of debt discount	Change in deferred net revenue (online- enabled games)	Stock-Based compensation	Income tax adjustments	Non- GAAP Results
Net income	\$ 395	\$ 16	\$ 6	\$ (289)	\$ 36	\$ (39)	\$ 125
Adjustments:							
Stock-based compensation	36	-	-	-	(36)	-	-
Depreciation	30	-	-	-	-	-	30
Amortization of acquisition-related intangibles	17	(17)	-	-	-	-	-
Interest and other (income) expense, net	3	-	(6)	-	-	-	(3)
Provision for income taxes	2	-	-	-	-	39	41
Total adjustments	88	(17)	(6)	-	(36)	39	68
EBITDA	\$ 483	\$ (1)	\$ -	\$ (289)	\$ -	\$ -	\$ 193

FY16 EBITDA Reconciliation



The following table provides a reconciliation of the non-GAAP financial measures regarding Electronic Arts' Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-based Compensation ("EBITDA") to the nearest comparable GAAP financial measures.

	Twelve Months Ended March 31, 2016						
	GAAP Results	Acquisition- related expenses	Amortization of debt discount and loss on conversion of notes	Change in deferred net revenue (online- enabled games)	Stock-Based compensation	Income tax adjustments	Non-GAAP Results
Net income	\$ 1,156	\$ 54	\$ 27	\$ 170	\$ 178	\$ (567)	\$ 1,018
Adjustments:							
Stock-based compensation	178	-	-	-	(178)	-	-
Depreciation	119	-	-	-	-	-	119
Amortization of acquisition-related intangibles	54	(54)	-	-	-	-	-
Interest and other (income) expense, net	21	-	(27)	-	-	-	(6)
Provision for (benefit from) income taxes	(279)	-	-	-	-	567	288
Total adjustments	93	(54)	(27)	-	(178)	567	401
EBITDA	\$ 1,249	\$ -	\$ -	\$ 170	\$ -	\$ -	\$ 1,419

FY15 EBITDA Reconciliation



The following table provides a reconciliation of the non-GAAP financial measures regarding Electronic Arts' Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-based Compensation ("EBITDA") to the nearest comparable GAAP financial measures.

	Twelve Months Ended March 31, 2015								
	GAAP Results	Acquisition- related expenses	Amortization of debt discount	Change in deferred net revenue (online- enabled games)	College football settlement expenses	Loss on licensed intellectual property commitment (COGS)	Stock-Based compensation	Income tax adjustments	Non-GAAP Results
Net Income	\$ 875	\$ 63	\$ 22	\$ (196)	\$ (5)	\$ 122	\$ 144	\$ (219)	\$ 806
Adjustments:									
Stock-based compensation	144	-	-	-	-	-	(144)	-	-
Depreciation	126	-	-	-	-	-	-	-	126
Amortization of acquisition-related intangibles	66	(66)	-	-	-	-	-	-	-
Interest and other (income) expense, net	23	-	(22)	-	-	-	-	-	1
Provision for income taxes	50	-	-	-	-	-	-	219	269
Total adjustments	409	(66)	(22)	-	-	-	(144)	219	396
EBITDA	\$ 1,284	\$ (3)	\$ -	\$ (196)	\$ (5)	\$ 122	\$ -	\$ -	\$ 1,202

Q1 FY17 Guidance Reconciliation



The following table provides a reconciliation of the non-GAAP financial measures regarding Electronic Arts' Q1 FY17 guidance to the nearest comparable GAAP financial measures. These are preliminary estimates and expectations based on current information as of May 10, 2016 and are subject to business and economic risks and uncertainties that could cause actual events or actual future results to differ materially from the expectations set forth herein. The reconciliation provided below reflects rounding and other approximations.

	GAAP Guidance	Acquisition- related expenses	Amortization of Debt Discount and Loss on Conversion of Notes	Change in Deferred Net Revenue (online- enabled games)	Shares from Convertible Bond Hedge	Stock-Based Compensation	Tax Adjustments	Non-GAAP Guidance
Approximate Net Revenue	\$ 1,250	-	-	(610)	-	-	-	\$ 640
Approximate Gross Margin %	85.9%	1.0%	-	(12.4%)	-	-	-	74.5%
Approximate Operating Expense	\$ 532	(2)	-	-	-	(45)	-	\$ 485
Approximate Tax Expense (Benefit)	\$ 111	-	-	-	-	-	(115)	\$ (4)
Net Income (Loss)	\$ 418	15	2	(610)	-	45	115	\$ (15)
Earnings (Loss) Per Share	\$ 1.30							\$ (0.05)
Number of shares used in computation								
Basic	303							303
Diluted	321	-	-	-	(3)	-	-	318

In millions, except per share data.

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FY17 Guidance Reconciliation



The following table provides a reconciliation of the non-GAAP financial measures regarding Electronic Arts' FY17 guidance to the nearest comparable GAAP financial measures. These are preliminary estimates and expectations based on current information as of May 10, 2016 and are subject to business and economic risks and uncertainties that could cause actual events or actual future results to differ materially from the expectations set forth herein. The reconciliation provided below reflects rounding and other approximations.

	<u>GAAP Guidance</u>	<u>Acquisition- related expenses</u>	<u>Amortization of Debt Discount and Loss on Conversion of Notes</u>	<u>Change in Deferred Net Revenue (online- enabled games)</u>	<u>Shares from Convertible Bond Hedge</u>	<u>Stock-Based Compensation</u>	<u>Tax Adjustments</u>	<u>Non-GAAP Guidance</u>
<i>Approximate Digital Net Revenue</i>	\$ 2,800			100				\$ 2,900
<i>Approximate Packaged Goods & Other Net Revenue</i>	\$ 1,950			50				\$ 2,000
<i>Approximate Net Revenue</i>	\$ 4,750	-	-	150	-	-	-	\$ 4,900
<i>Approximate Gross Margin %</i>	71.0%	0.7%	-	0.8%	-	-	-	72.5%
<i>Approximate Operating Expense</i>	\$ 2,306	(6)	-	-	-	(200)	-	\$ 2,100
<i>Approximate Tax Expense</i>	\$ 215	-	-	-	-	-	82	\$ 297
Net Income	\$ 809	38	2	150	-	200	(82)	\$ 1,117
Earnings Per Share	\$ 2.53							\$ 3.50
Number of shares used in computation								
Diluted	320	-	-	-	(1)	-	-	319

In millions, except per share data.

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