

EXHIBIT 2



FORM 10-K

APPLE INC - AAPL

Filed: November 15, 2007 (period: September 29, 2007)

Annual report which provides a comprehensive overview of the company for the past year

Net Sales

Fiscal years 2007 and 2005 spanned 52 weeks while fiscal year 2006 spanned 53 weeks. This additional week is added to the first fiscal quarter approximately every six years to realign fiscal quarters with calendar quarters.

Net sales and Mac unit sales by operating segment and net sales and unit sales by product follow (net sales in millions and unit sales in thousands):

	September 29, 2007	Change	September 30, 2006	Change	September 24, 2005
Net Sales by Operating Segment (a):					
Americas net sales	\$ 11,596	23%	\$ 9,415	41%	\$ 6,658
Europe net sales	5,460	33%	4,096	33%	3,073
Japan net sales	1,082	(11)%	1,211	31%	924
Retail net sales	4,115	27%	3,246	42%	2,278
Other Segments net sales (b)	1,753	30%	1,347	35%	998
Total net sales	\$ 24,006	24%	\$ 19,315	39%	\$ 13,931
Unit Sales by Operating Segment:					
Americas Mac unit sales	3,019	24%	2,432	11%	2,184
Europe Mac unit sales	1,816	35%	1,346	18%	1,138
Japan Mac unit sales	302	(1)%	304	(3)%	313
Retail Mac unit sales	1,386	56%	886	45%	609
Other Segments Mac unit sales (b)	528	58%	335	16%	290
Total Mac unit sales	7,051	33%	5,303	17%	4,534
Net Sales by Product:					
Desktops (c)	\$ 4,020	21%	\$ 3,319	(3)%	\$ 3,436
Portables (d)	6,294	55%	4,056	43%	2,839
Total Mac net sales	10,314	40%	7,375	18%	6,275
iPod	8,305	8%	7,676	69%	4,540
Other music related products and services (e)	2,496	32%	1,885	110%	899
iPhone and related products and services (f)	123	NM	—	NM	—
Peripherals and other hardware (g)	1,260	15%	1,100	(2)%	1,126
Software, service, and other sales (h)	1,508	18%	1,279	17%	1,091
Total net sales	\$ 24,006	24%	\$ 19,315	39%	\$ 13,931
Unit Sales by Product:					
Desktops (c)	2,714	12%	2,434	(3)%	2,520
Portables (d)	4,337	51%	2,869	42%	2,014
Total Mac unit sales	7,051	33%	5,303	17%	4,534
Net sales per Mac unit sold (i)	\$ 1,463	5%	\$ 1,391	1%	\$ 1,384
iPod unit sales	51,630	31%	39,409	75%	22,497
Net sales per iPod unit sold (j)	\$ 161	(17)%	\$ 195	(3)%	\$ 202
iPhone unit sales	1,389	NM	—	NM	—

Notes:

- (a) During 2007, the Company revised the way it measures the Retail Segment's operating results to a manner that is generally consistent with the Company's other operating segments. Prior period results have been reclassified to reflect this change to the Retail Segment's operating results along with the corresponding offsets to the other operating segments. Further information regarding the Company's operating segments may be found in Notes to Consolidated Financial Statements at Note 9, "Segment Information and Geographic Data."
- (b) Other Segments include Asia Pacific and FileMaker.
- (c) Includes iMac, eMac, Mac mini, Mac Pro, Power Mac, and Xserve product lines.
- (d) Includes MacBook, iBook, MacBook Pro, and PowerBook product lines.
- (e) Consists of iTunes Store sales, iPod services, and Apple-branded and third-party iPod accessories.

- (f)* Derived from handset sales, carrier agreements, and Apple-branded and third-party iPhone accessories.
- (g)* Includes sales of Apple-branded and third-party displays, wireless connectivity and networking solutions, and other hardware accessories.
- (h)* Includes sales of Apple-branded operating system, application software, third-party software, AppleCare, and Internet services.
- (i)* Derived by dividing total Mac net sales by total Mac unit sales.
- (j)* Derived by dividing total iPod net sales by total iPod unit sales.

NM = Not Meaningful