

# Exhibit 5



**A D&B COMPANY**

**Hoover's Custom Report Builder  
Apple Computer, Inc.**

1 Infinite Loop  
Cupertino, CA 95014 ([Map](#))  
United States  
Phone: 408-996-1010  
Fax: 408-974-2113  
<http://www.apple.com>

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# The Basics

## Apple Computer, Inc. (NASDAQ (GS): AAPL)

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Cupertino, CA 95014 ([Map](#))  
United States  
Phone: 408-996-1010  
Fax: 408-974-2113  
<http://www.apple.com>

Computers are still an important part of its mix, but these days music-related products are at the top of Apple's playlist. Apple Computer's desktop and laptop computers — all of which feature its OS X operating system — include its Mac mini, iMac, and MacBook for the consumer and education markets, and more powerful Power Mac and MacBook Pro for high-end consumers and professionals involved in design and publishing. The company scored a runaway hit with its digital music players (iPod) and online music store (iTunes). Other products include servers (Xserve), wireless networking equipment (Airport), and publishing and multimedia software. The company's FileMaker subsidiary makes database software.

### Key Information

<b>D-U-N-S Number</b>	060704780
<b>Doing Business As</b>	"Apple"
<b>Company Type</b>	Public – NASDAQ (GS): <u>AAPL</u>
<b>Year Of Founding or Change In Control</b>	1976
<b>State of Incorporation</b>	CA
<b>Key Numbers</b>	
<b>Fiscal Year-End</b>	September
<b>Sales (mil.)</b>	\$13,931.0
<b>1-Year Sales Growth</b>	68.3%
<b>Net Income (mil.)</b>	\$1,335.0
<b>1-Year Net Income Growth</b>	383.7%
<b>2005 Employees</b>	16,820
<b>Employees At This Location</b>	2,000

### Rankings/Stock Indexes

- #159 in FORTUNE 500
- S&P 500
- #124 in FT Global 500

# Officers and Employees

## Corporate Officers

Title	Name	Age
CEO and Director	<u>Mr. Steven P. (Steve) Jobs</u>	51
COO	<u>Mr. Timothy D. (Tim) Cook</u>	46
SVP and CFO	<u>Mr. Peter Oppenheimer</u>	43
SVP, General Counsel, and Secretary	<u>Ms. Nancy R. Heinen</u>	49
SVP, Applications	<u>Mr. Sina Tamaddon</u>	48
SVP, Design	Mr. Jonathan Ive	
SVP, iPod Division	<u>Mr. Tony Fadell</u>	36
SVP, Retail	<u>Mr. Ronald B. (Ron) Johnson</u>	47
SVP, Software Engineering	<u>Mr. Bertrand Serlet</u>	45
SVP, Worldwide Product Marketing	<u>Mr. Philip W. Schiller</u>	45
VP, Americas and Asia Pacific	<u>Mr. John Brandon</u>	
VP, Applications	Eddy Cue	
VP, Applications Marketing	Mr. Rob Schoeben	
VP, iPod Marketing	Mr. Greg Joswiak	
VP, Hardware Development	Mr. David Moody	
VP, Worldwide Corporate Communications	Ms. Katie Cotton	
VP, Worldwide Marketing Communications	<u>Ms. Allison Johnson</u>	43
VP, Worldwide Developer Relations	Ron Okamoto	
Managing Director, Apple China	Mr. Simon Hong	
Director, Product Marketing, iTunes	Mr. Chris Bell	
General Manager, Apple UK	<u>Mr. Mark Rogers</u>	
Senior Director, Consumer Applications	Mr. Peter Lowe	
General Manager, Europe	Mr. Pascal Cagni	
Senior Manager, Investor Relations	Ms. Joan Hoover	

## Board

Title	Name	Age
Director	<u>Mr. William V. (Bill) Campbell</u>	65
Director	<u>Mr. Millard S. (Mickey) Drexler</u>	61
Director	<u>Mr. Albert (Al) Gore Jr.</u>	57
CEO and Director	<u>Mr. Steven P. (Steve) Jobs</u>	51

<b>Director</b>	<u>Dr. Arthur D. (Art) Levinson</u>	55
<b>Director</b>	<u>Dr. Eric E. Schmidt</u>	50
<b>Director</b>	<u>Mr. Jerome B. (Jerry) York</u>	67

# Biographies

## Overview

Computers are still an important part of its mix, but these days music-related products are at the top of Apple's playlist. Apple Computer's desktop and laptop computers — all of which feature its OS X operating system — include its Mac mini, iMac, and MacBook for the consumer and education markets, and more powerful Power Mac and MacBook Pro for high-end consumers and professionals involved in design and publishing. The company scored a runaway hit with its digital music players (iPod) and online music store (iTunes). Other products include servers (Xserve), wireless networking equipment (Airport), and publishing and multimedia software. The company's FileMaker subsidiary makes database software.

Only co-founder, CEO, and Apple crusader Steve Jobs may have expected the level of success the company's music-related products have enjoyed. In 2003 Apple announced the launch of an online music service called the iTunes Music Store that lets computer users purchase and download songs for 99 cents each. Apple has since expanded the offerings to include music videos, audiobooks, television shows, and other content. The store's catalog, which has helped spur sales of Apple's popular iPod digital music and video players, includes songs from the five largest record labels, as well as television content from ABC, NBC, and a number of cable networks. The company has launched international versions of its iTunes Music Store that serve Canada and European Union countries. Early in 2006 it began offering select television content on a subscription basis with a service called Multi-Pass. Later that year the company launched an online movie service, and previewed a device called iTV for watching downloaded content on televisions.

Since debuting the iPod in 2001, Apple has provided regular updates to the line, including color displays and and flash memory-based models. Late in 2005 Apple, Motorola, and Cingular Wireless announced the debut of a mobile phone with iTunes functionality. Apple also unveiled the iPod nano, an updated (and even smaller) version of its miniature iPod model, as well as an iPod capable of playing video. In 2006 Apple reached a settlement in a dispute with Creative Technology over technology used in digital music players; Apple agreed to pay the company \$100 million in exchange for a license to use Creative's patent related to navigation and organization.

Once the world's top PC maker, Apple Computer has been relegated to niche status in a market dominated by "Wintel" machines (computers using Microsoft Windows software and Intel processors). Macintosh computers run Apple's own UNIX-based operating system. The uniqueness of Apple's computers is a double-edged sword for the company. The graphical interface and form factor of Macintosh computers reflect the aesthetic of Jobs, who has long championed the importance of visually attractive, user-friendly design. The features that distinguish Macs have allowed the company to maintain a loyal following willing to pay premium prices and overlook any interoperability issues with Windows (a factor that Apple largely addressed with its OS X operating system). However, Apple's market share has dwindled as prices for commoditized Windows-based machines continue to fall.

In addition to its proprietary operating system, a traditional differentiator for Apple had been its use of IBM's PowerPC processors (manufactured by IBM and Freescale). However, in 2005 Apple announced it would begin incorporating Intel chips into its PC lines. At the time of the announcement Adobe Systems and Microsoft both pledged continued development of their Macintosh applications. Apple debuted its first Intel-based computers early in 2006, and it completed the transition across its entire line later that year. The company also released software that allows its Intel-based computers to run Microsoft's XP operating system.

Apple shares a long and thorny history with Microsoft. Although it provides an alternative to Microsoft's omnipresent operating system, Apple's relative size and market share restrict its threat to the software giant's stranglehold. The companies have long maintained a working relationship; the Mac-compatible version of Microsoft's popular office suite is a key software title for Apple, and Apple has scored crossover hits with Windows-friendly editions of iPod and iTunes. Soon after Apple released its Safari Web browser, however, Microsoft announced it would cease development of the Apple version of its ubiquitous Internet Explorer.



In an effort to boost its appeal among consumers, the company has opened more than 100 Apple retail stores across the US; it also has stores in Canada, Japan, and the UK. Apple generated 17% of its sales through its retail channel in fiscal 2005.

The company remains focused on product innovations that solidify its popularity in classrooms, Web design shops, and graphic arts studios. Although more than a quarter of its sales are to schools, Apple has felt increasing pressure in that market, particularly from Dell. While Apple continues to roll out unique hardware offerings, the company has also looked to software development to drive sales. Many of the company's multimedia applications — including iTunes, iMovie, and iPhoto — are available for free, but the company charges for bundled versions of its software.

# History

College dropouts Steve Jobs and Steve Wozniak founded Apple in 1976 in California's Santa Clara Valley. After Jobs' first sales call brought an order for 50 units, the duo built the Apple I in his garage and sold it without a monitor, keyboard, or casing. Demand convinced Jobs there was a distinct market for small computers, and the company's name (a reference to Jobs' stint on an Oregon farm) and the computer's user-friendly look and feel set it apart from others.

By 1977 Wozniak added a keyboard, color monitor, and eight peripheral device slots (which gave the machine considerable versatility and inspired numerous third-party add-on devices and software). Sales jumped from \$7.8 million in 1978 to \$117 million in 1980, the year Apple went public. In 1983 Wozniak left the firm and Jobs hired PepsiCo's John Sculley as president. Apple rebounded from failed product introductions that year by unveiling the Macintosh in 1984. After tumultuous struggles with Sculley, Jobs left in 1985 and founded NeXT Software, a designer of applications for developing software. That year Sculley ignored Microsoft founder Bill Gates' appeal for Apple to license its products and make the Microsoft platform an industry standard.

In 1986 Apple blazed the desktop publishing trail with its Mac Plus and LaserWriter printers. The following year it formed the software firm that later became Claris. The late 1980s brought new competition from Microsoft, whose Windows operating system (OS) featured a graphical interface akin to Apple's. Apple sued but lost its claim to copyright protection in 1992.

In 1993 Apple unveiled the Newton handheld computer, but sales were slow. Earnings fell drastically, so the company trimmed its workforce. (Sculley was among the departed.) In 1994 Apple cried "uncle" and began licensing clones of its OS, hoping a flurry of cheaper Mac-alikes would encourage software developers. By 1996 struggling Apple realized Mac clones were stealing sales. That year it hired Gilbert Amelio, formerly of National Semiconductor, as CEO.

In 1997 Apple bought NeXT, but sales kept dropping and it subsequently cut about 30% of its workforce, canceled projects, and trimmed research costs. Meanwhile Apple's board ousted Amelio and Jobs took the position back on an interim basis. The CEO forged a surprising alliance with Microsoft, which included releasing a Mac version of Microsoft's popular office software. To protect market share, Jobs also stripped the cloning license from chief imitator Power Computing and put it out of business.

In 1998 Apple jumped back into the race with its colorful cocktail of iMacs, and its first server software, the Mac OS X. That year the company also revamped its profitable Claris unit (by cutting 300 employees, shifting most operations to Apple, and renaming it FileMaker) and stopped making its Newton handheld device and printer products.

Apple in 1999 opened a new chapter in portable computing with the introduction of its iBook laptop and (taking a cue from Dell) began selling built-to-order systems online. In early 2000, after two-and-a-half years as the semipermanent executive in charge, Jobs took the "interim" out of his title, and revamped the company's Web site around a suite of consumer Internet services. Jobs unveiled overhauled desktop lines later that year, including an eight-inch cube-shaped G4. The company ended 2000 on a sour note, as an industrywide slowdown and poor response to the G4 cube resulted in Apple's first unprofitable quarter in years.

Apple opened 2001 with another round of product upgrades, including faster processors, components such as CD and DVD burners, and an ultraslim version of its Powerbook, called Titanium. The company also made a move to reclaim some of its slipping share in the education market, purchasing software maker PowerSchool. Soon Apple confirmed a long-rumored plan to open a small chain of retail stores in the US. The company then acquired DVD authoring software maker Spruce Technologies. In line with its strategy to market Macs as "digital hubs" for devices such as cameras and other peripherals, Apple closed the year with the introduction of a digital music player called the iPod.

In 2002 Apple introduced a new look for its iMac line; featuring a half-dome base and a flat-panel display supported by a

pivoting arm, the redesign was the first departure from the original (and, at the time, radical) all-in-one design since iMac's debut in 1998. Looking to reclaim market share in the education sector, Apple then introduced the eMac — a computer similar to the iMac to be sold only to students and educators (Apple later introduced a retail version). It continued its new product push that year with the announcement that it would begin offering a rack-mount server called Xserve. In 2004, Apple debuted a streamlined iMac design powered by its G5 processor.

# Industry Information

## Hoover's Industries

- Computer Hardware
  - ◆ Personal Computers (primary)
  - ◆ Computer Networking Equipment
    - ◇ Wireless Networking Equipment
  - ◆ Computer Peripherals
    - ◇ Computer Input Devices & Speakers
  - ◆ Mass Storage Systems
    - ◇ Magnetic Disk Storage
  - ◆ Servers & Mainframes
  - ◆ Supercomputers
  
- Media
  - ◆ Music
    - ◇ Internet Music Distribution & Downloads
  - ◆ Television
    - ◇ Television Production & Distribution
  
- Computer Software
  - ◆ Development Tools, Operating Systems & Utilities Software
  - ◆ Multimedia, Graphics & Publishing Software

## Primary SIC Code

- 3571: Electronic computers

## Primary NAICS Code

- 334111: Electronic Computer Manufacturing

# Competitors

## Top Competitors

- Dell
- Hewlett-Packard
- Microsoft

## All Competitors

- Acer
- Rose
- Creative Technology
- Dell
- EMusic.com
- Ericsson
- Fujitsu Siemens Computers
- Gateway
- Hewlett-Packard
- IBM
- Kyocera
- Lenovo
- MTV Networks
- Matsushita
- Microsoft
- MusicNet
- NEC
- Napster
- Nokia
- Palm
- RealNetworks
- Red Hat
- Reigncom
- SANYO
- SGI
- Samsung Electronics
- Samsung Group
- Sharp Electronics
- Sony
- Sun Microsystems
- Toshiba
- eMachines

## Products and Operations

2005 Sales		
	\$ mil.	% of total
US	8,194	59
Japan	1,021	7
Other countries	4,716	34
<b>Total</b>	<b>13,931</b>	<b>100</b>

2005 Sales by Operating Segment		
	\$ mil.	% of total
Americas	6,590	47
Europe	3,073	22
Retail	2,350	17
Asia/Pacific & Filemaker	998	7
Japan	920	7
<b>Total</b>	<b>13,931</b>	<b>100</b>

2005 Sales		
	\$ mil.	% of total
<b>Computers</b>		
Desktop & server	3,436	25
Portable	2,839	20
<b>Music--related products</b>		
iPod	4,540	33
iTunes Music Store & other	899	6
Peripherals & other hardware	1,126	8
Software, services & other	1,091	8
<b>Total</b>	<b>13,931</b>	<b>100</b>

## Selected Products

- Hardware
  - Desktop computers (iMac, Mac mini, Power Macintosh)
  - Portable computers (MacBook, MacBook Pro)
  - Displays (Cinema, Studio)
  - Keyboards
  - Mice (Mighty Mouse)
  - Portable digital music player (iPod, iPod nano, iPod shuffle)
  - Rack-mount servers (Xserve)
  - Stereo systems (iPod Hi-Fi)
  - Storage systems (Xserve RAID)
  - Web cams (iSight)
  - Wireless networking systems (AirPort)

- Software
  - Multimedia (DVD Studio Pro, FinalCut, GarageBand, iDVD, iLife suite, iMovie, iPhoto, iTunes, Quicktime, Soundtrack)
  - Networking (Apple Remote Desktop, AppleShare IP)
  - Operating system (OS X)
  - Personal productivity (AppleWorks, FileMaker, iWork, Keynote, Pages)
  - Server (Mac OS X Server)
  - Storage area network (SAN) file system (Xsan)
  - Web browser (Safari)
- Online Services
  - .Mac
  - Electronic greeting cards (iCard)
  - E-mail (Webmail)
  - Personal Web page creation (HomePage)
  - Remote network storage (iDisk)
  - Software (anti-virus, backup)
  - Technical support
  - iTunes Music Store

## Other Resources Available On Hoover's Online

- Industry Watch

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- ♦ [Zachary Investment Research Senior Equity Analyst Patrick Comack \(2:38\)](#)  
10/23/06 8:15AM ET --- Comack discusses AT&T's earnings and the deal with BellSouth
- [News and Press Releases for Apple Computer \(last 90 days\)](#)
- [SEC Filings](#)
  - ♦ [10-K Filings](#)
- [Stock Quote](#)
- [Stock Chart](#)
- [Earnings Estimates](#)
- [ValuEngine Analysis](#)
- [Annual Report](#)
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- [Financial Data Definitions](#)
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- [Historical Financials & Employees Definitions](#)

## Additional Reports

These reports are available for purchase from our Trusted Partners. To see more reports, try our [specialized report search](#).

Title	Publisher	Pages	Price	Date of Report
<a href="#">Apple Computer: Company Profile</a>	Datamonitor	N/A	\$125.00	Feb 1, 2006

### [Additional 3rd Party Libraries](#)

#### The Rich Register



Featuring information on 4,700 individuals with a net worth greater than \$25 million, The Rich Register is

available in both hardcover and CD-ROM format.

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Use Hoover's [Lead Finder](#) to create prospect and contact lists.



# Company Financials

## Financial Overview

<b>Company Type</b>	Public – NASDAQ (GS): <a href="#">AAPL</a>
<b>Fiscal Year–End</b>	Headquarters
<b>Financial Filings</b>	September
<b>2005 Sales (mil.)</b>	<a href="#">SEC</a>
<b>1–Year Sales Growth</b>	\$13,931.0
<b>2005 Net Income (mil.)</b>	68.3%
<b>1–Year Net Income Growth</b>	\$1,335.0
<b>2005 R &amp; D Expense (mil.)</b>	383.7%
<b>2005 Advertising Expense (mil.)</b>	\$534.0
<b>Auditor</b>	\$287.0
<b>Annual Report</b>	KPMG LLP
<b>Investor Relations</b>	<a href="#">Company Web Site</a>
	<a href="#">Company Web Site</a>

## Annual Income Statement

All amounts in millions of US Dollars unless otherwise noted.

	Sep 05	Sep 04	Sep 03	Sep 02	Sep 01	Sep 00	Sep 99	Sep 98	Sep 97*	Sep 88
<b>Revenue</b>	13,931.0	8,279.0	6,207.0	5,742.0	5,363.0	7,983.0	6,134.0	5,941.0	7,081.0	4,071.4
<b>Cost of Goods Sold</b>	9,888.0	6,020.0	4,499.0	4,139.0	4,128.0	5,817.0	4,438.0	4,462.0	5,713.0	---
<b>Gross Profit</b>	4,043.0	2,259.0	1,708.0	1,603.0	1,235.0	2,166.0	1,696.0	1,479.0	1,368.0	---
<b>Gross Profit Margin</b>	29.0%	27.3%	27.5%	27.9%	23.0%	27.1%	27.6%	24.9%	19.3%	0.0%
<b>SG&amp;A Expense</b>	2,214.0	1,783.0	1,596.0	1,468.0	1,477.0	1,560.0	1,252.0	1,107.0	2,320.0	---
<b>Depreciation &amp; Amortization</b>	179.0	150.0	113.0	118.0	102.0	84.0	85.0	111.0	118.0	---
<b>Operating Income</b>	1,650.0	326.0	(1.0)	17.0	(344.0)	522.0	359.0	261.0	(1,070.0)	---
<b>Operating Margin</b>	11.8%	3.9%	---	0.3%	---	6.5%	5.9%	4.4%	---	---
<b>Nonoperating Income</b>	165.0	60.0	93.0	70.0	292.0	570.0	364.0	28.0	25.0	---
<b>Nonoperating Expenses</b>	---	3.0	---	---	---	---	47.0	---	---	---
<b>Income Before Taxes</b>	1,815.0	383.0	92.0	87.0	(52.0)	1,092.0	676.0	329.0	(1,045.0)	---
<b>Income Taxes</b>	480.0	107.0	24.0	22.0	(15.0)	306.0	75.0	20.0	---	---
<b>Net Income After Taxes</b>	1,335.0	276.0	68.0	65.0	(37.0)	786.0	601.0	309.0	(1,045.0)	0.0
<b>Continuing Operations</b>	1,335.0	276.0	68.0	65.0	(37.0)	786.0	601.0	309.0	(1,045.0)	---
<b>Discontinued Operations</b>	---	---	---	---	---	---	---	---	---	---
<b>Total Operations</b>	1,335.0	276.0	68.0	65.0	(37.0)	786.0	601.0	309.0	(1,045.0)	---
<b>Total Net Income</b>	1,335.0	276.0	69.0	65.0	(25.0)	786.0	601.0	309.0	(1,045.0)	400.3
<b>Net Profit Margin</b>	9.6%	3.3%	1.1%	1.1%	---	9.8%	9.8%	5.2%	---	9.8%
<b>Diluted EPS from Continuing Operations (\$)</b>	---	---	---	---	---	---	---	---	---	---
<b>Diluted EPS from Discontinued Operations (\$)</b>	---	---	---	---	---	---	---	---	---	---
<b>Diluted EPS from Total Operations (\$)</b>	---	---	---	---	---	---	---	---	---	---
<b>Diluted EPS from Total Net Income (\$)</b>	1.56	0.35	0.09	0.09	(0.04)	1.09	0.90	0.52	(2.07)	3.08
<b>Dividends per Share</b>	---	---	---	---	---	---	---	---	---	0.32

[Data Definitions](#)

**EDGAR Online**

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## Quarterly Income Statement

All amounts in millions of US Dollars unless otherwise noted.

**HOOVERS™**  
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	Quarter Ending Mar 06	Quarter Ending Dec 05	Quarter Ending Sep 05	Quarter Ending Jun 05	Quarter Ending Mar 05
<b>Revenue</b>	4,359.0	5,749.0	3,678.0	3,520.0	3,243.0
<b>Cost of Goods Sold</b>	3,062.0	4,185.0	2,643.0	2,476.0	2,275.0
<b>Gross Profit</b>	1,297.0	1,564.0	1,035.0	1,044.0	968.0
<b>Gross Profit Margin</b>	29.8%	27.2%	28.1%	29.7%	29.8%
<b>SG&amp;A Expense</b>	718.0	762.0	566.0	571.0	525.0
<b>Depreciation &amp; Amortization</b>	50.0	52.0	51.0	46.0	41.0
<b>Operating Income</b>	529.0	750.0	418.0	427.0	402.0
<b>Operating Margin</b>	12.1%	13.0%	11.4%	12.1%	12.4%
<b>Nonoperating Income</b>	76.0	81.0	60.0	46.0	33.0
<b>Nonoperating Expenses</b>	—	—	—	—	—
<b>Income Before Taxes</b>	605.0	831.0	478.0	473.0	435.0
<b>Income Taxes</b>	195.0	266.0	48.0	153.0	145.0
<b>Net Income After Taxes</b>	410.0	565.0	430.0	320.0	290.0
<b>Continuing Operations</b>	410.0	565.0	430.0	320.0	290.0
<b>Discontinued Operations</b>	—	—	—	—	—
<b>Total Operations</b>	410.0	565.0	430.0	320.0	290.0
<b>Total Net Income</b>	410.0	565.0	430.0	320.0	290.0
<b>Net Profit Margin</b>	9.4%	9.8%	11.7%	9.1%	8.9%
<b>Diluted EPS from Continuing Operations (\$)</b>	—	—	—	—	—
<b>Diluted EPS from Discontinued Operations (\$)</b>	—	—	—	—	—
<b>Diluted EPS from Total Operations (\$)</b>	—	—	—	—	—
<b>Diluted EPS from Total Net Income (\$)</b>	0.46	0.65	0.50	0.37	0.34
<b>Dividends per Share</b>	—	—	—	—	—

Data Definitions

**EDGAR**Online

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## Annual Balance Sheet

All amounts in millions of US Dollars unless otherwise noted.

Assets	Sep 05	Sep 04	Sep 03	Sep 02	Sep 01	Sep 00	Sep 99	Sep 98	Sep 97*	Sep 88
<b>Current Assets</b>										
Cash	8,261.0	5,464.0	4,566.0	4,337.0	4,336.0	4,027.0	3,226.0	2,300.0	1,459.0	545.7
Net Receivables	1,226.0	1,005.0	956.0	731.0	635.0	1,115.0	824.0	1,137.0	1,294.0	—
Inventories	4,043.0	2,259.0	1,708.0	1,603.0	1,235.0	2,166.0	1,696.0	1,479.0	1,368.0	—
Other Current Assets	648.0	485.0	309.0	275.0	161.0	252.0	215.0	183.0	234.0	—
<b>Total Current Assets</b>	<b>10,300.0</b>	<b>7,055.0</b>	<b>5,887.0</b>	<b>5,388.0</b>	<b>5,143.0</b>	<b>5,427.0</b>	<b>4,285.0</b>	<b>3,698.0</b>	<b>3,424.0</b>	<b>1,783.0</b>
Net Fixed Assets	817.0	707.0	669.0	621.0	564.0	313.0	318.0	348.0	486.0	—
Other Noncurrent Assets	434.0	288.0	259.0	289.0	314.0	1,063.0	558.0	243.0	323.0	—
<b>Total Assets</b>	<b>11,551.0</b>	<b>8,050.0</b>	<b>6,815.0</b>	<b>6,298.0</b>	<b>6,021.0</b>	<b>6,803.0</b>	<b>5,161.0</b>	<b>4,289.0</b>	<b>4,233.0</b>	<b>2,082.1</b>
<b>Liabilities and Shareholder's Equity</b>										
	<b>Sep 05</b>	<b>Sep 04</b>	<b>Sep 03</b>	<b>Sep 02</b>	<b>Sep 01</b>	<b>Sep 00</b>	<b>Sep 99</b>	<b>Sep 98</b>	<b>Sep 97</b>	<b>Sep 88</b>
<b>Current Liabilities</b>										
Accounts Payable	3,484.0	2,680.0	2,053.0	1,658.0	1,518.0	1,933.0	1,549.0	1,520.0	1,395.0	—
Short-Term Debt	—	—	304.0	—	—	—	—	—	—	—
Other Current Liabilities	—	—	—	—	—	—	—	—	423.0	—
<b>Total Current Liabilities</b>	<b>3,484.0</b>	<b>2,680.0</b>	<b>2,357.0</b>	<b>1,658.0</b>	<b>1,518.0</b>	<b>1,933.0</b>	<b>1,549.0</b>	<b>1,520.0</b>	<b>1,818.0</b>	<b>827.1</b>
Long-Term Debt	—	—	—	316.0	317.0	300.0	300.0	954.0	951.0	0.0
Other Noncurrent Liabilities	601.0	294.0	235.0	229.0	266.0	463.0	208.0	173.0	264.0	—
<b>Total Liabilities</b>	<b>4,085.0</b>	<b>2,974.0</b>	<b>2,592.0</b>	<b>2,203.0</b>	<b>2,101.0</b>	<b>2,696.0</b>	<b>2,057.0</b>	<b>2,647.0</b>	<b>3,033.0</b>	<b>—</b>
<b>Shareholder's Equity</b>										
Preferred Stock Equity	—	—	—	—	—	76.0	150.0	150.0	150.0	—
Common Stock Equity	7,466.0	5,076.0	4,223.0	4,095.0	3,920.0	4,031.0	2,954.0	1,492.0	1,050.0	—
<b>Total Equity</b>	<b>7,466.0</b>	<b>5,076.0</b>	<b>4,223.0</b>	<b>4,095.0</b>	<b>3,920.0</b>	<b>4,107.0</b>	<b>3,104.0</b>	<b>1,642.0</b>	<b>1,200.0</b>	<b>1,003.4</b>
Shares Outstanding (mil.)	835.0	391.4	366.7	359.0	350.9	335.7	160.8	135.2	128.0	0.1

Data Definitions

**EDGAR**Online

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## Quarterly Balance Sheet

All amounts in millions of US Dollars unless otherwise noted.

Assets	Quarter Ending Mar 06	Quarter Ending Dec 05	Quarter Ending Sep 05	Quarter Ending Jun 05	Quarter Ending Mar 05
<b>Current Assets</b>					
Cash	8,226.0	8,707.0	8,261.0	7,526.0	7,057.0

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Net Receivables	1,320.0	2,884.0	1,226.0	1,161.0	1,539.0
Inventories	1,297.0	1,564.0	1,035.0	1,044.0	968.0
Other Current Assets	1,536.0	327.0	648.0	496.0	247.0
<b>Total Current Assets</b>	<b>11,286.0</b>	<b>12,162.0</b>	<b>10,300.0</b>	<b>9,376.0</b>	<b>9,007.0</b>
Net Fixed Assets	1,005.0	855.0	817.0	764.0	742.0
Other Noncurrent Assets	1,620.0	1,164.0	434.0	348.0	362.0
<b>Total Assets</b>	<b>13,911.0</b>	<b>14,181.0</b>	<b>11,551.0</b>	<b>10,488.0</b>	<b>10,111.0</b>
<b>Liabilities and Shareholder's Equity</b>	<b>Quarter Ending Mar 06</b>	<b>Quarter Ending Dec 05</b>	<b>Quarter Ending Sep 05</b>	<b>Quarter Ending Jun 05</b>	<b>Quarter Ending Mar 05</b>
	<b>Current Liabilities</b>				
Accounts Payable	4,456.0	3,264.0	3,484.0	3,123.0	3,352.0
Short-Term Debt	—	—	—	—	—
Other Current Liabilities	—	1,796.0	—	—	—
<b>Total Current Liabilities</b>	<b>4,456.0</b>	<b>5,060.0</b>	<b>3,484.0</b>	<b>3,123.0</b>	<b>3,352.0</b>
Long-Term Debt	—	—	—	—	—
Other Noncurrent Liabilities	773.0	741.0	601.0	544.0	373.0
<b>Total Liabilities</b>	<b>5,229.0</b>	<b>5,801.0</b>	<b>4,085.0</b>	<b>3,667.0</b>	<b>3,725.0</b>
	<b>Shareholder's Equity</b>				
Preferred Stock Equity	—	—	—	—	—
Common Stock Equity	8,682.0	8,380.0	7,466.0	6,821.0	6,386.0
<b>Total Equity</b>	<b>8,682.0</b>	<b>8,380.0</b>	<b>7,466.0</b>	<b>6,821.0</b>	<b>6,386.0</b>
Shares Outstanding (mil.)	849.2	845.6	835.0	828.0	823.1

Data Definitions

**EDGAR**Online

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## Annual Cash Flow Statement

All amounts in millions of US Dollars unless otherwise noted.

	Sep 05	Sep 04	Sep 03	Sep 02	Sep 01	Sep 00	Sep 99	Sep 98	Sep 97*	Sep 88
Net Operating Cash Flow	2,535.0	934.0	289.0	89.0	185.0	826.0	798.0	775.0	188.0	—
Net Investing Cash Flow	(2,556.0)	(1,488.0)	828.0	(252.0)	892.0	(930.0)	(964.0)	(543.0)	(533.0)	—
Net Financing Cash Flow	543.0	127.0	27.0	105.0	42.0	(31.0)	11.0	19.0	23.0	—
Net Change in Cash	522.0	(427.0)	1,144.0	(58.0)	1,119.0	(135.0)	(155.0)	251.0	(322.0)	—
Depreciation & Amortization	179.0	150.0	113.0	118.0	102.0	84.0	85.0	111.0	118.0	—
Capital Expenditures	(260.0)	(176.0)	(164.0)	(174.0)	(232.0)	(107.0)	(47.0)	(46.0)	(437.0)	—
Cash Dividends Paid	—	—	—	—	—	—	—	—	—	—

Data Definitions

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## Quarterly Cash Flow Statement

All amounts in millions of US Dollars unless otherwise noted.

	Quarter Ending Mar 06	Quarter Ending Dec 05	Quarter Ending Sep 05	Quarter Ending Jun 05	Quarter Ending Mar 05
Net Operating Cash Flow	(125.0)	283.0	752.0	472.0	536.0
Net Investing Cash Flow	2,462.0	93.0	(429.0)	305.0	(909.0)
Net Financing Cash Flow	(141.0)	283.0	74.0	63.0	152.0
Net Change in Cash	2,196.0	659.0	397.0	840.0	(221.0)
Depreciation & Amortization	50.0	52.0	51.0	46.0	41.0
Capital Expenditures	(193.0)	(82.0)	(96.0)	(63.0)	(43.0)
Cash Dividends Paid	—	—	—	—	—

Data Definitions

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## Historical Financials

Year	Income Statement			Employees
	Revenue (\$ mil.)	Net Income (\$ mil.)	Net Profit Margin	
Sep 2005	13,931.0	1,335.0	9.6%	16,820
Sep 2004	8,279.0	276.0	3.3%	13,426
Sep 2003	6,207.0	69.0	1.1%	10,912
Sep 2002	5,742.0	65.0	1.1%	10,211
Sep 2001	5,363.0	(25.0)	—	9,603
Sep 2000	7,983.0	786.0	9.8%	8,568
Sep 1999	6,134.0	601.0	9.8%	9,736
Sep 1998	5,941.0	309.0	5.2%	9,663

### 2005 Year-End Financials

Debt Ratio	—
Return on Equity	17.9%
Cash (\$ mil.)	8,261.0
Current Ratio	2.96
Long-Term Debt (\$ mil.)	—
Shares Outstanding (mil.)	835.0
Dividend Yield	—
Dividend Payout	—
Market Cap (\$ mil.)	60,029.5

## Historical Auditors

Auditor Name	Year
KPMG LLP	2005
KPMG LLP	2004
KPMG LLP	2003

[Data Definitions](#)

## Market Data

### Current Information

Last Close (30-Oct-2006)	\$80.42	Price/Sales Ratio	3.96
52-Week High	\$86.40	Price/Book Ratio	7.90
52-Week Low	\$50.16	Price/Earnings Ratio	38.48
60-Month Beta	1.5	Price/Cash Flow Ratio	49.64
Market Cap (mil.)	\$68,291.7	Return on Assets	14.4%
Shares Outstanding (mil.)	849.2	Return on Equity	22.9%
Dividend Rate	—	Current Ratio	2.53
Dividend Yield	—	Long-Term Debt/Equity	—
# of Institutional Holders	836	% Owned by Institutions	69.0%
Latest Short Interest Ratio	1.31	Latest Net Insider Transactions	—

<b>Growth Rates</b>	<b>12 Month</b>	<b>36 Month</b>	<b>60 Month</b>
Revenue Growth	56.0%	197.4%	182.2%
EPS Growth	120.0%	0.0%	500.6%
Dividend Growth	0.0%	0.0%	0.0%

### Data Definitions



## Comparison Data

	<b>Company</b>	<b>Industry<sup>1</sup></b>	<b>Market<sup>2</sup></b>
<b>Profitability</b>			
Gross Profit Margin	28.50%	34.30%	51.50%
Pre-Tax Profit Margin	13.80%	4.00%	6.30%
Net Profit Margin	10.00%	2.80%	4.80%
Return on Equity	22.9%	10.4%	9.3%
Return on Assets	14.4%	3.3%	1.6%
Return on Invested Capital	21.3%	5.9%	4.2%
<b>Valuation</b>	<b>Company</b>	<b>Industry<sup>1</sup></b>	<b>Market<sup>2</sup></b>
Price/Sales Ratio	3.96	1.44	2.23
Price/Earnings Ratio	38.48	21.00	19.32
Price/Book Ratio	7.90	2.52	2.15
Price/Cash Flow Ratio	49.64	16.91	13.41
<b>Operations</b>	<b>Company</b>	<b>Industry<sup>1</sup></b>	<b>Market<sup>2</sup></b>
Days of Sales Outstanding	27.84	71.01	57.70
Inventory Turnover	67.2	4.8	5.6
Days Cost of Goods Sold in Inventory	5	75	65
Asset Turnover	1.4	1.1	0.6
Net Receivables Turnover Flow	12.1	5.5	6.5
Effective Tax Rate	27.7%	27.7%	30.1%
<b>Financial</b>	<b>Company</b>	<b>Industry<sup>1</sup></b>	<b>Market<sup>2</sup></b>
Current Ratio	2.53	2.00	1.70
Quick Ratio	2.5	1.4	1.2
Leverage Ratio	—	0.18	0.24
Total Debt/Equity	—	0.36	0.61
Interest Coverage	—	10.27	5.45
<b>Per Share Data (\$)</b>	<b>Company</b>	<b>Industry<sup>1</sup></b>	<b>Market<sup>2</sup></b>
Revenue Per Share	20.29	7.58	5.40
Fully Diluted Earnings Per Share from Total Operations	—	—	—
Dividends Per Share	—	0.43	0.63
Cash Flow Per Share	1.62	0.24	0.44
Working Capital Per Share	8.01	2.37	0.64
Long-Term Debt Per Share	—	0.99	2.42

Book Value Per Share	10.18	3.93	5.02
Total Assets Per Share	16.31	6.74	10.29
<b>Growth</b>	<b>Company</b>	<b>Industry<sup>1</sup></b>	<b>Market<sup>2</sup></b>
12-Month Revenue Growth	56.0%	11.2%	11.9%
12-Month Net Income Growth	129.4%	21.8%	11.5%
12-Month EPS Growth	120.0%	20.0%	11.8%
12-Month Dividend Growth	0.0%	0.0%	0.0%
36-Month Revenue Growth	197.4%	43.0%	36.9%
36-Month Net Income Growth	0.0%	109.7%	48.9%
36-Month EPS Growth	0.0%	101.2%	42.6%
36-Month Dividend Growth	0.0%	0.0%	0.0%

<sup>2</sup> Public companies trading on the New York Stock Exchange, the American Stock Exchange, and the NASDAQ National Market.

Data Definitions

## Competitive Landscape

KEY: Best of Group. Companies listed are Top Competitors.

Key Numbers	Apple Computer	Dell	Hewlett-Packard	Microsoft		
Annual Sales (\$ mil.)	13,931.0	55,908.0		86,696.0	44,282.0	— —
Employees	16,820	66,100		150,000	71,000	— —
Market Cap (\$ mil.)	68,291.7	53,283.6		106,485.1	280,164.6	— —
Profitability	Apple Computer	Dell	Hewlett-Packard	Microsoft	Industry <sup>2</sup>	Market <sup>3</sup>
Gross Profit Margin	28.50%	17.50%		24.30%	<b>82.20%</b>	34.30% 51.50%
Pre-Tax Profit Margin	13.80%	7.60%		6.10%	<b>41.30%</b>	4.00% 6.30%
Net Profit Margin	10.00%	6.00%		5.50%	<b>28.50%</b>	2.80% 4.80%
Return on Equity	22.9%	<b>75.6%</b>		13.3%	30.6%	10.4% 9.3%
Return on Assets	14.4%	14.9%		6.4%	<b>18.9%</b>	3.3% 1.6%
Return on Invested Capital	21.3%	<b>45.8%</b>		10.4%	25.5%	5.9% 4.2%
Valuation	Apple Computer	Dell	Hewlett-Packard	Microsoft	Industry <sup>2</sup>	Market <sup>3</sup>
Price/Sales Ratio	3.96	<b>0.94</b>		1.18	6.18	1.44 2.23
Price/Earnings Ratio	38.48	<b>16.23</b>		22.24	22.46	21.00 19.32
Price/Book Ratio	7.90	15.73		<b>2.93</b>	7.77	2.52 2.15
Price/Cash Flow Ratio	49.64	11.36		<b>10.66</b>	19.84	16.91 13.41
Operations	Apple Computer	Dell	Hewlett-Packard	Microsoft	Industry <sup>2</sup>	Market <sup>3</sup>
Days of Sales Outstanding	<b>27.84</b>	37.20		49.44	72.01	71.01 57.70
Inventory Turnover	67.2	<b>83.7</b>		9.7	5.0	4.8 5.6
Days Cost of Goods Sold in Inventory	5	4		38	73	75 65
Asset Turnover	1.4	<b>2.5</b>		1.2	0.7	1.1 0.6
Net Receivables Turnover Flow	<b>12.1</b>	11.3		7.7	5.6	5.5 6.5
Effective Tax Rate	27.7%	21.7%		<b>10.1%</b>	31.0%	27.7% 30.1%
Financial	Apple Computer	Dell	Hewlett-Packard	Microsoft	Industry <sup>2</sup>	Market <sup>3</sup>
Current Ratio	<b>2.53</b>	1.07		1.27	2.06	2.00 1.70
Quick Ratio	<b>2.5</b>	1.0		1.1	1.9	1.4 1.2
Leverage Ratio	—	—		<b>0.08</b>	—	0.18 0.24

Total Debt/Equity	—	—	<b>0.19</b>	—	0.36	0.61
Interest Coverage	—	<b>156.00</b>	24.07	—	10.27	5.45
<b>Per Share Data (\$)</b>	<b>Apple Computer</b>	<b>Dell</b>	<b>Hewlett-Packard</b>	<b>Microsoft</b>	<b>Industry<sup>2</sup></b>	<b>Market<sup>3</sup></b>
Revenue Per Share	20.29	24.98	<b>32.86</b>	4.61	7.58	5.40
Fully Diluted Earnings Per Share from Total Operations	—	—	—	—	—	—
Dividends Per Share	—	—	0.32	<b>0.35</b>	0.43	0.63
Cash Flow Per Share	1.62	2.06	<b>3.65</b>	1.44	0.24	0.44
Working Capital Per Share	<b>8.01</b>	0.47	3.41	2.38	2.37	0.64
Long-Term Debt Per Share	—	<b>0.22</b>	0.90	—	0.99	2.42
Book Value Per Share	10.18	1.48	<b>13.27</b>	3.67	3.93	5.02
Total Assets Per Share	16.31	10.07	<b>28.91</b>	6.65	6.74	10.29
<b>Growth</b>	<b>Apple Computer</b>	<b>Dell</b>	<b>Hewlett-Packard</b>	<b>Microsoft</b>	<b>Industry<sup>2</sup></b>	<b>Market<sup>3</sup></b>
12-Month Revenue Growth	<b>56.0%</b>	11.1%	5.7%	12.4%	11.2%	11.9%
12-Month Net Income Growth	<b>129.4%</b>	4.7%	60.0%	0.5%	21.8%	11.5%
12-Month EPS Growth	<b>120.0%</b>	10.8%	65.1%	6.7%	20.0%	11.8%
12-Month Dividend Growth	0.0%	0.0%	0.0%	<b>9.4%</b>	0.0%	0.0%
36-Month Revenue Growth	<b>197.4%</b>	53.9%	26.3%	38.9%	43.0%	36.9%
36-Month Net Income Growth	0.0%	50.2%	<b>137.9%</b>	30.9%	109.7%	48.9%
36-Month EPS Growth	0.0%	65.5%	<b>133.3%</b>	88.1%	101.2%	42.6%
36-Month Dividend Growth	0.0%	0.0%	0.0%	<b>45.8%</b>	0.0%	0.0%

<sup>1</sup> Data unavailable.

Data Definitions