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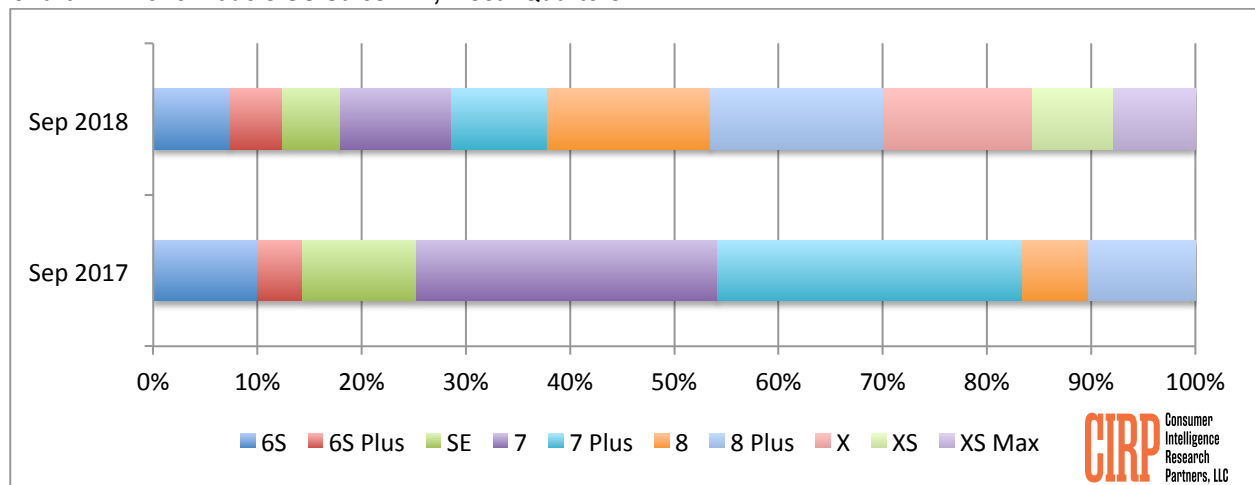
Strong Launch for iPhone XS, XS Max

Highest-ever US-WARP Reflects Highest iPhone Prices Ever

CHICAGO, IL – Thursday, October 18, 2018: Consumer Intelligence Research Partners, LLC (CIRP), today released analysis of the results from its research on Apple, Inc. (NASDAQ:AAPL) for the fiscal quarter that ended September 29, 2018.

In the ten days that they were available in the quarter, CIRP finds that the new iPhone XS and XS Max models each accounted for 8% of US iPhone sales for the entire quarter. iPhone X, available from the beginning of the quarter, accounted for 14% of sales (Chart 1). iPhone 8 and 8 Plus were the best-selling models, with 16% and 17% of sales, respectively.

Chart 1: iPhone Models US Sales Mix, Fiscal Quarters

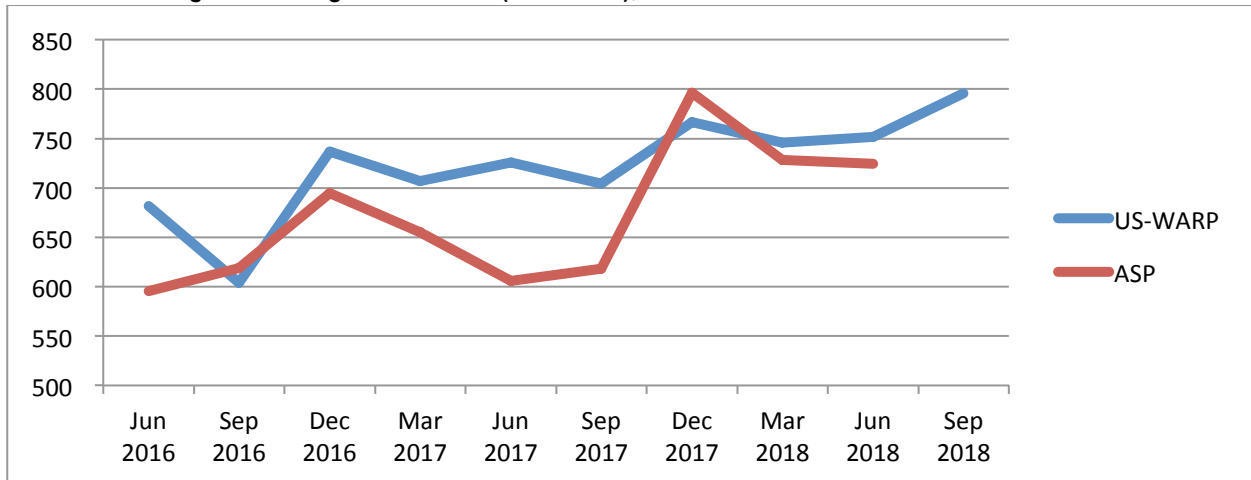


“The iPhone launch quarter is always tricky to understand, and this one is trickier than others” said Josh Lowitz, CIRP Partner and Co-Founder. “This year, Apple launched iPhone XS and XS Max, the two most-expensive models, at the end of the quarter. Last year, Apple launched the more-expensive iPhone X in the following quarter. So, during the quarter ending September 29, 2018, Apple had an unprecedented ten models to track. The iPhone XS and XS Max performed similarly to the iPhone 8 and 8 Plus did in their similar launch quarter last year.”

CIRP converts model shares to a US Weighted Average Retail Price (US-WARP), an analogue to Average Selling Price (ASP) that investors can estimate using unit sales and revenues that Apple discloses each quarter. US-WARP and ASP differ because ASP includes international results, and also reflects wholesale discounts and other promotional pricing that Apple may offer to carriers and other retailers. US-WARP generally tracks and anticipates ASP.

In the September 2018 quarter, CIRP calculates US-WARP at \$796. This is up from \$751 in the June 2018 quarter, and from \$705 in the September 2017 quarter.

Chart 2: US-Weighted Average Retail Price (US-WARP), Fiscal Quarters



“US-WARP increased significantly in this quarter, which suggests ASP will, too,” said Mike Levin, CIRP Partner and Co-Founder. “Apple priced iPhone XS and XS Max at the highest levels ever, with even higher premiums for larger storage capacities. The first nearly \$1,000 iPhone did not arrive until the following quarter last year, which widens the gap this quarter. In addition, this year’s product line-up contributes to the difference. This year, the most expensive iPhone XS and XS Max models captured early premium demand, while other upgraders may wait a month for iPhone XR, possibly moderating US-WARP in the December 2018 quarter.”

CIRP bases its findings on its survey of 500 US Apple customers that purchased an iPhone, iPad, Mac computer, or Apple Watch in the July-September 2018 period. For additional information, please contact Mike Levin (mike@cirpllc.com) or Josh Lowitz (josh@cirpllc.com) at 312.344.3664. Further information on CIRP, which provides securities research to the investment community using advanced consumer market research strategies, methods, and techniques, is at www.cirpllc.com.

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