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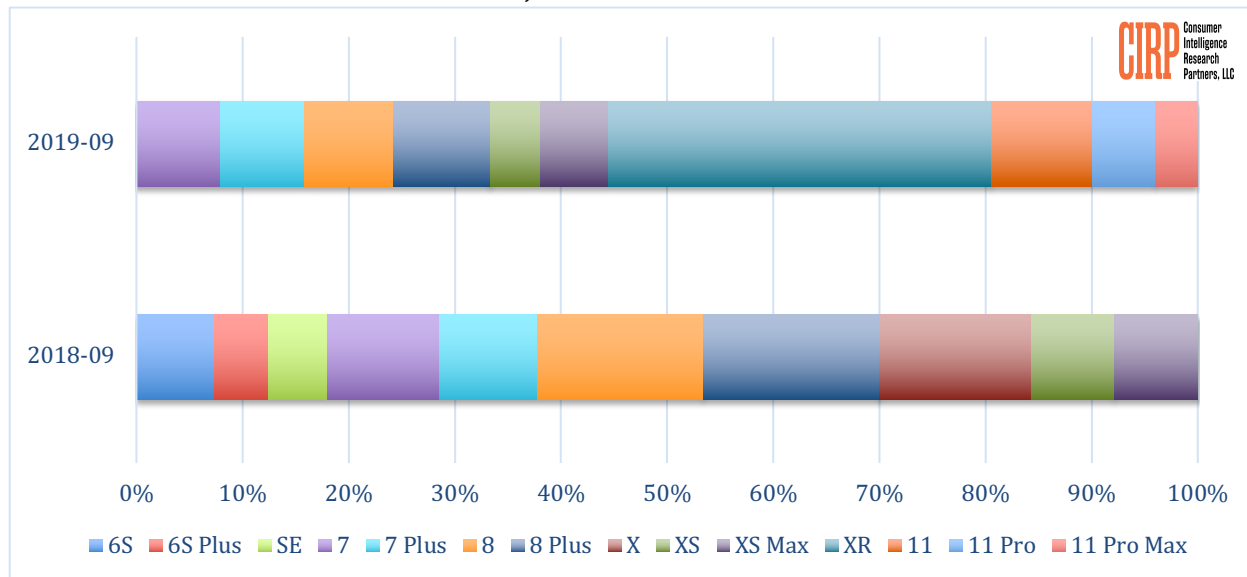
iPhone 11 Leads the Launch

US-WARP Declines as Cheaper Models Remain Popular

CHICAGO, IL – Thursday, October 24, 2019: 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 28, 2019.

CIRP finds that the new iPhone 11 and 11 Pro/Pro Max models accounted for 20% of US iPhone sales with two weeks of availability at the end of Apple's fourth fiscal quarter. iPhone XR accounted for 36% of US iPhone sales during the quarter (Chart 1).

Chart 1: iPhone Models US Sales Mix, Fiscal Quarters

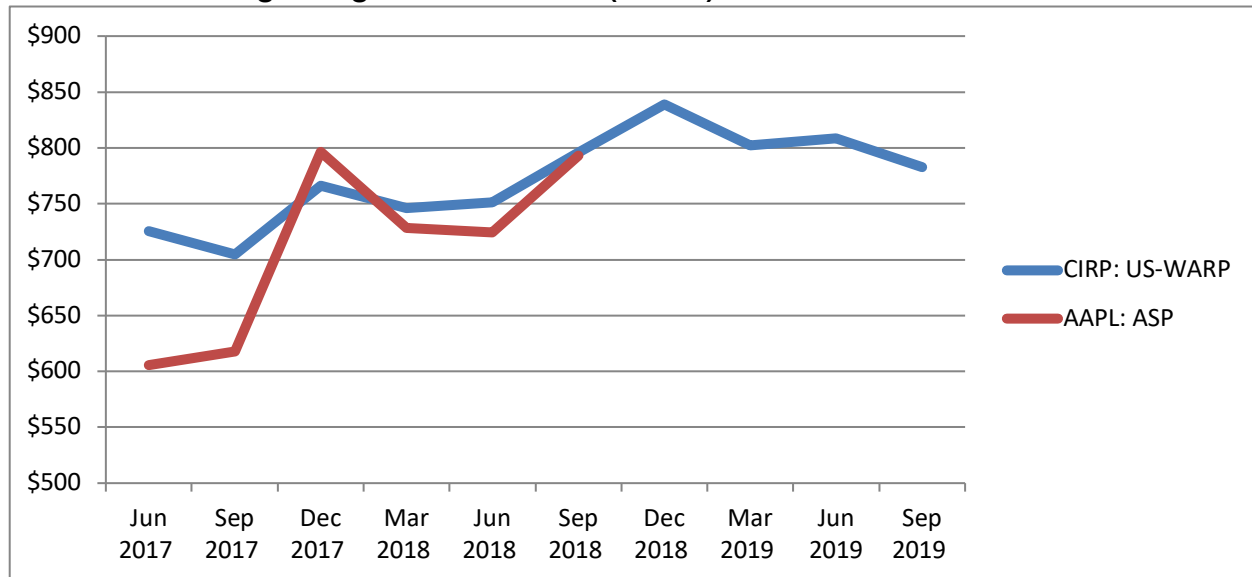


“iPhone 11 represented half of the sales of the three newly launched iPhone models,” said Josh Lowitz, CIRP Partner and Co-Founder. “Combined with iPhone XR, which was similarly positioned in the line-up and shares many of the same features, these two models account for almost half of US iPhone sales in the quarter. The premium priced iPhone 11 Pro and Pro Max models together represent 10% of sales, and 21% when combined with similarly positioned and recently discontinued iPhone XS and XS Max. It

seems that iPhone customers consumers have a greater appetite for the historic flagship priced phone, with fewer paying up for the new top-of-the-line models.”

CIRP estimates the weighted average retail price for iPhones in the US (US-WARP) at \$783, down from \$808 in the June 2019 quarter and off its peak of \$839 in the December 2018 quarter (Chart 2).

Chart 2: US Average Weighted Retail Price (WARP)



“US-WARP continues to trend downward,” said Mike Levin, CIRP Partner and Co-Founder. “We use it as a proxy for Average Selling Price, which Apple no longer discloses. While the oldest and lowest price phones have roughly the same share as before, iPhone XR and 11 have dominated sales, at the expense of the more costly XS and XS Max, and 11 Pro and 11 Pro Max models. And, iPhone 11 is priced \$50 below the similarly positioned iPhone XR at launch last year. This represents a change for Apple, which usually increases prices on new phones relative to older ones.”

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 2019 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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