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iPhone 7, 7 Plus Sell Well in Slow Quarter

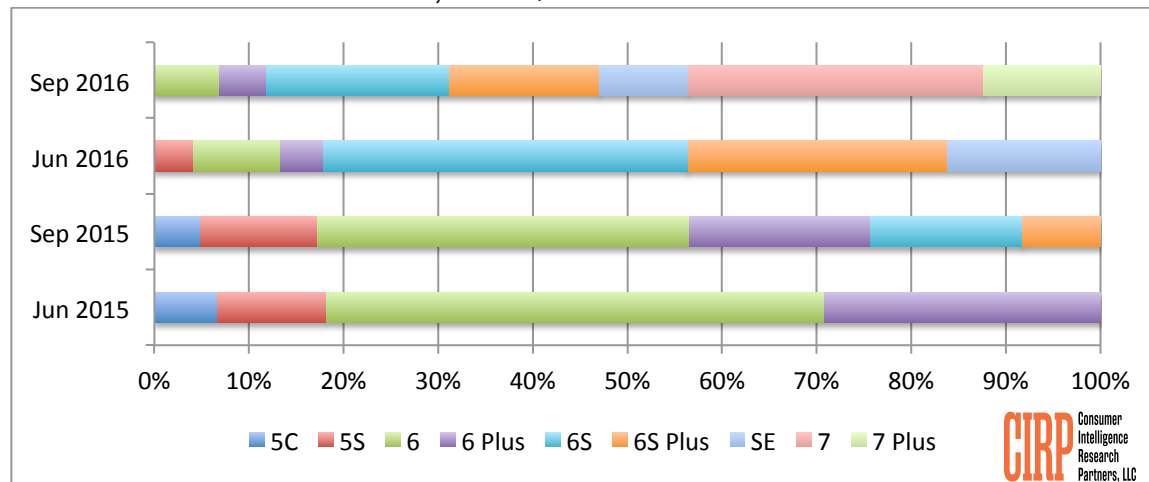
New Models Appeal to Loyal Buyers, with Few Android Switchers

CHICAGO, IL – Thursday October 20, 2016 - 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 24, 2016.

The September 2016 fiscal quarter includes two weeks' of sales of iPhone 7 and 7 Plus models.

CIRP finds that the new iPhone 7 and 7 Plus accounted for 43% of total US iPhone sales in the quarter, with iPhone 7 at 31% and iPhone 7 Plus at 12% (Chart 1). iPhone SE, in its first full quarter of availability, had a 9% share.

Chart 1: iPhone Models US Sales Mix, Fiscal Quarters

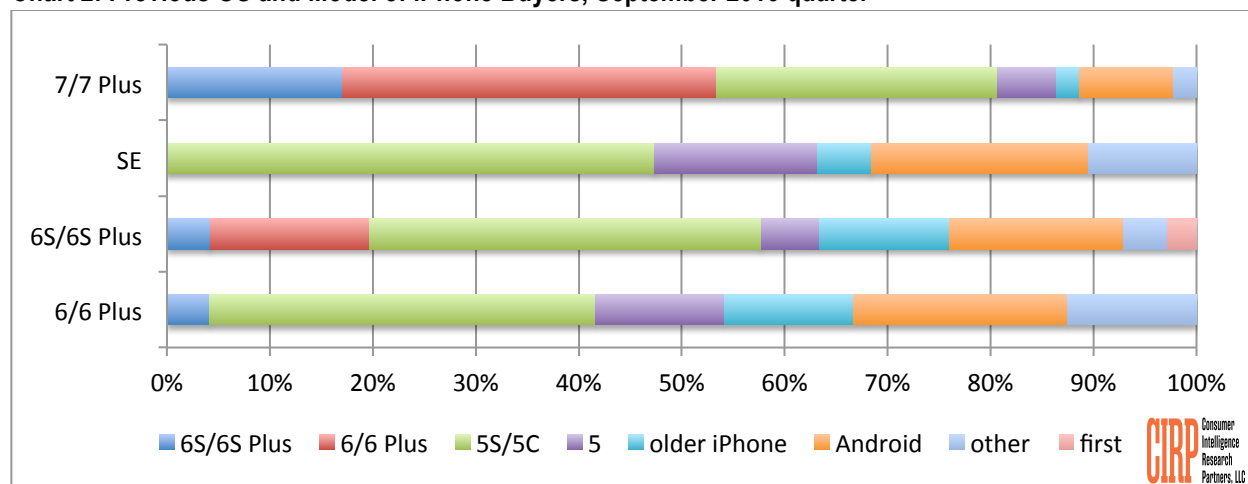


“In a quarter with only two weeks' of sales, iPhone 7 and 7 Plus grabbed significant share of iPhones sold,” said Josh Lowitz, CIRP Partner and Co-Founder. “We attribute this to slow iPhone sales in the weeks leading up to the launch of these two new models, as well as a positive reception for the new 7 and 7 Plus models. It’s difficult to compare this launch to the September 2015 launch, when the iPhone 6S and 6S Plus,

which were available for less than a week, and accounted for 24% of sales in the quarter.”

Among iPhone 7 and 7 Plus buyers, 17% upgraded from iPhone 6S and 6S Plus, and 36% upgraded from iPhone 6 and 6 Plus. In contrast, among iPhone SE buyers, almost half (47%) upgraded from iPhone 5S/5C, and another 21% from older iPhone models (Chart 2). 9% of iPhone 7 and 7 Plus buyers upgraded from an Android phone, while 17-21% of other iPhone buyers came from Android (Chart 2).

Chart 2: Previous OS and Model of iPhone Buyers, September 2016 quarter



“The new 7 and 7 Plus models attracted mostly loyal iPhone owners, rather than Android owners,” said Mike Levin, Partner and Co-Founder of CIRP. “Only 9% of 7 and 7 Plus buyers had an Android phone, while for older iPhone models, many more buyers, around 20%, came from Android. In contrast, at this time last year, when Apple launched the 6S and 6S Plus models, 17% of buyers who bought the then-new 6S and 6S Plus came from the Android operating system.”

CIRP bases its findings on its survey of 500 US Apple customers, surveyed from September 25-October 10, 2016, that purchased an iPhone, iPad, or Mac in the US in July-September 2016 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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