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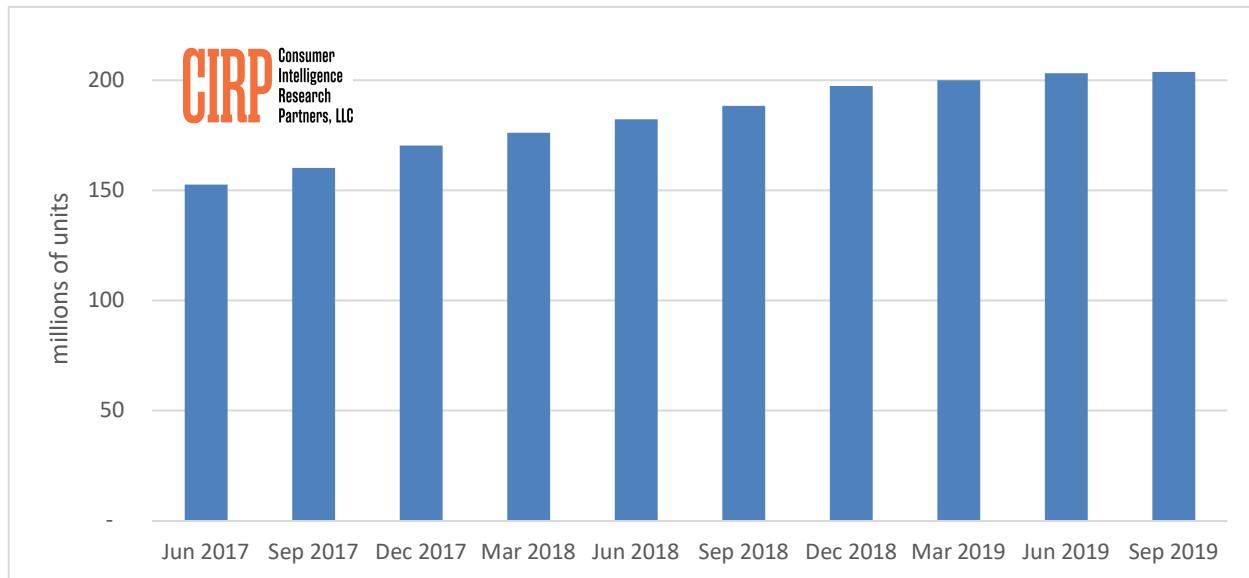
Slow Sales Flatten US iPhone Base Growth

Apple Watch Leads Other Products into Installed Base

CHICAGO, IL – Monday, November 4, 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 analysis indicates the iPhone US installed base reached 204 million units as of September 28, 2019 (Chart 1). CIRP bases this estimate on an estimated global sales of 43 million iPhones, which is in turn derived from an estimated Average Selling Price (ASP) of \$783 and Apple, Inc. disclosed iPhone revenues.

Chart 1: US Installed Based of iPhones

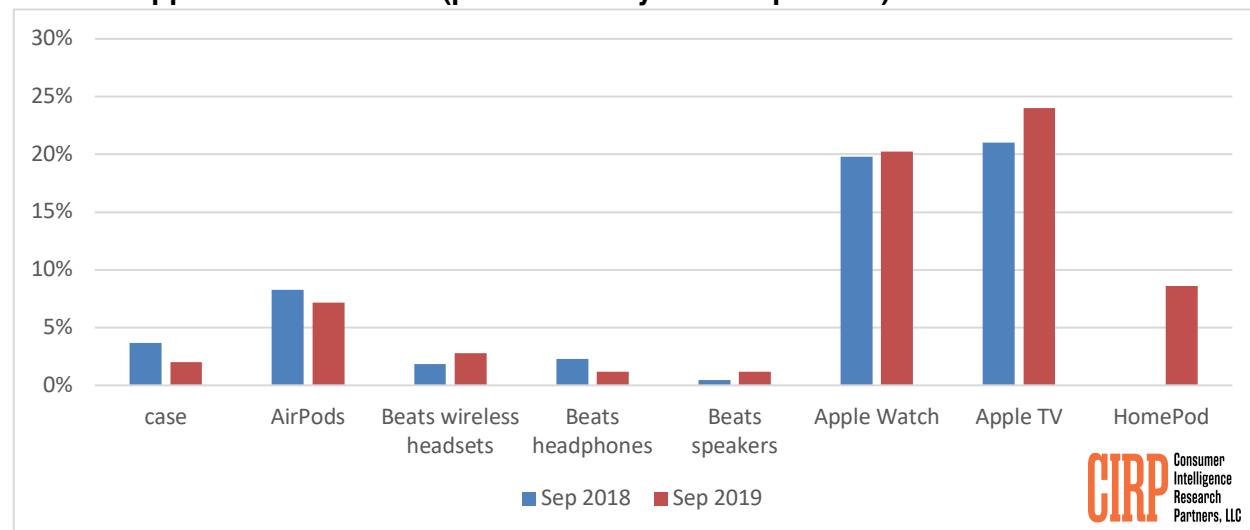


“Apple added the fewest number of iPhones to the US installed base in a quarter in six years,” said Josh Lowitz, CIRP Partner and Co-Founder. “Both quarterly and annual growth have slowed to the lowest levels we’ve seen since we started tracking iPhone sales and retirements in 2012. A number of factors explain this, including fewer first time smartphone buyers, and fewer Android owners switching to iOS. The trend toward

keeping old phones longer protects the size of the installed base, however. Every iPhone that isn't retired is one that remains active, and isn't a candidate to switch to an Android phone, though platform switching in both directions is down."

CIRP also analyzes devices Apple groups as Other Products, which includes Apple Watch, AirPods, cases, Beats products, Apple TV, and HomePod (Chart 2).

Chart 2: Apple Other Products (percent of buyers with product)



"Apple TV is the most popular of the gadgets among the Other Products, with about one-quarter of current customers owning one," said Mike Levin, CIRP Partner and Co-Founder. "Apple TV has been around for many years, so we're not surprised that it has achieved this penetration. Apple Watch has become almost as prevalent, after only a few years of availability. AirPods and HomePod show measurable, if lower penetration rates. AirPods is now one of the leading Bluetooth headsets among Apple customers, but HomePod trails both Amazon Echo and Google Home, even among Apple customers. Overall, the various products in the Other Products segment have varying penetration into the installed base, reflecting differences in how long they have been available, and the kind of competition in each segment."

CIRP bases its findings on its survey of 500 US Apple customers, surveyed from September 29 – October 10, 2019 that purchased an iPhone, iPad, or Mac in the US in 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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