

Services Drive Apple Q2 Results

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The Apple financial report for fiscal Q2 2019 marks a shift in priorities for the company-- it makes no mention of iPhone sales, instead concentrating on the growth of the company's services wing.



As such, Apple revenues for the quarter total \$58 billion, a decline of -5% Y-o-Y, with profits reaching \$11.6bn. Gross margin clocks at 37.6%, compared to 38.3% in Q1 2018, and international sales account for 61% of revenue. The company gives no iPhone or iPad sales number, instead simply stating services revenues (covering App Store, iCloud, Apple Pay and AppleCare, among others) reach an all-time high of \$11.5bn.

“Our March quarter results show the continued strength of our installed base of over 1.4bn active devices, as we set an all-time record for Services, and the strong momentum of our Wearables, Home and Accessories category, which set a new March quarter record,” CEO Tim Cook says. “We delivered our strongest iPad growth in 6 years, and we are as excited as ever about our pipeline of innovative hardware, software and services. We’re looking forward to sharing more with developers and customers at Apple’s 30th annual Worldwide Developers Conference in June.”

For fiscal Q3 2019, Apple predicts revenues of \$52.5-54.5bn, with gross margin of 37-38% and operating expenses of \$8.7-8.8bn.

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