

# Cove Apple Club

July 25, 2012

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# Tonight's Topics

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- ❖ Apple in the News
- ❖ Mountain Lion!
- ❖ Photo Stream in the Finder
- ❖ iTunes Match (time permitting!)

# Mountain Lion

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- ❖ Delivered just 13 months after Lion
- ❖ Just six months after we first heard of it in January
- ❖ Apple has shipped *every version* of Mac OS -- *28 in all*, counting Mac OS X Server -- in less time than it took Microsoft to ship just *four* versions of Windows: XP, Vista, Windows 7 and Windows 8 (coming this fall)
- ❖ \$19.99 in the Mac App Store



# Apple's 3Q12 Results

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- ❖ Revenue of \$35.0 billion vs. \$28.6 billion; up 22% YOY
- ❖ Net of \$8.8 billion vs. \$7.3 billion; up 20.5% YOY
- ❖ Gross margin grew to 42.8% vs. 41.7%; up 2.64%

# iPhone business

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- ❖ Shipped 26,000,000 iPhones in the quarter, up 27% YOY
- ❖ That's 200 iPhones shipped every minute of every day
- ❖ No new products in the quarter
- ❖ Demand and supply in balance at end of quarter
- ❖ iPhone 4 is now 25 months old; almost all early iPhone 4 buyers are now out-of-contract and are sitting on the sidelines

# iPad business

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- ❖ Shipped 17,000,000 iPads in the quarter, up 84% YOY
- ❖ No new products in the quarter
- ❖ Demand and supply in balance at end of quarter
- ❖ China only received the new iPad last Friday; China up over 100% YOY; Europe flat

# Mac business

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- ❖ Shipped 4,000,000 Macs in the quarter, up 2% YOY
- ❖ New products launched in last three weeks of the quarter; timing impacted sales growth as customers awaited new products
- ❖ New Macs selling strongly with Retina MPB on 3-week backlog
- ❖ 25th consecutive quarter in which Mac sales outgrew the PC industry.
- ❖ HP PC sales down 12.7%, Dell down 9.5%, Acer down 14.1% and Toshiba down 19.5% in the US market for the same period.
- ❖ NDC reports Apple has 26% of portable market and 47% of portable revenue share = Apple's ASP is significantly higher than the PC market

# Share dividend

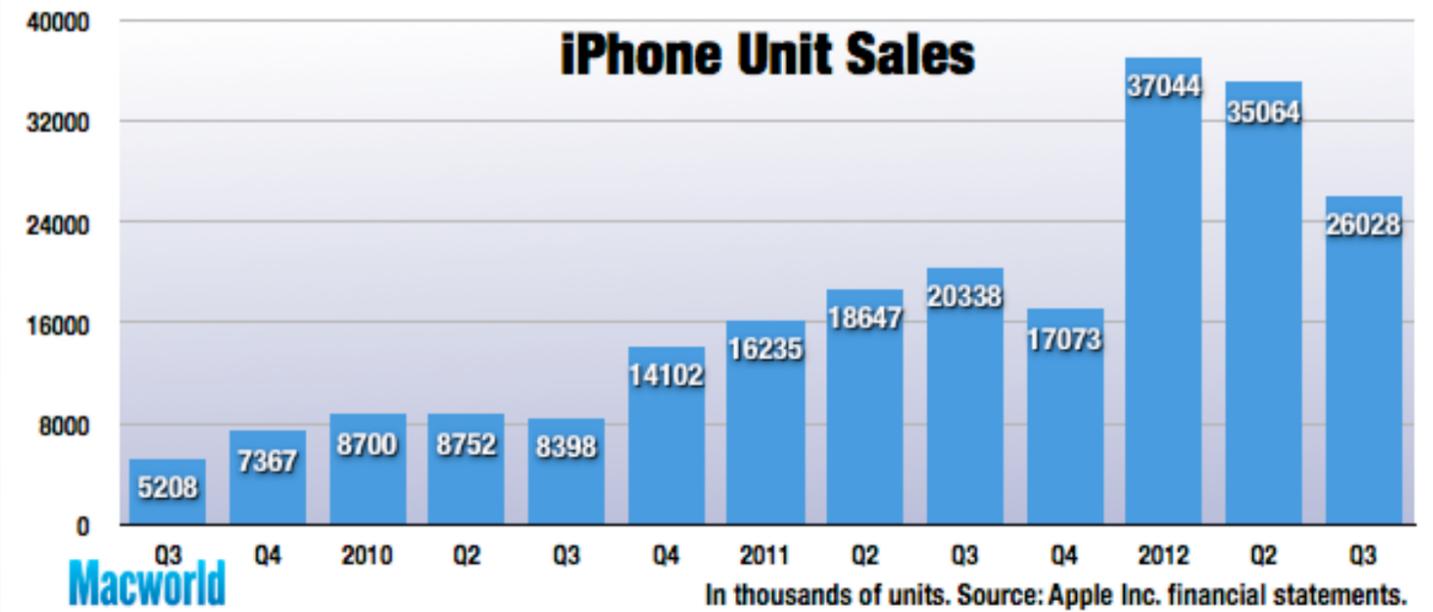
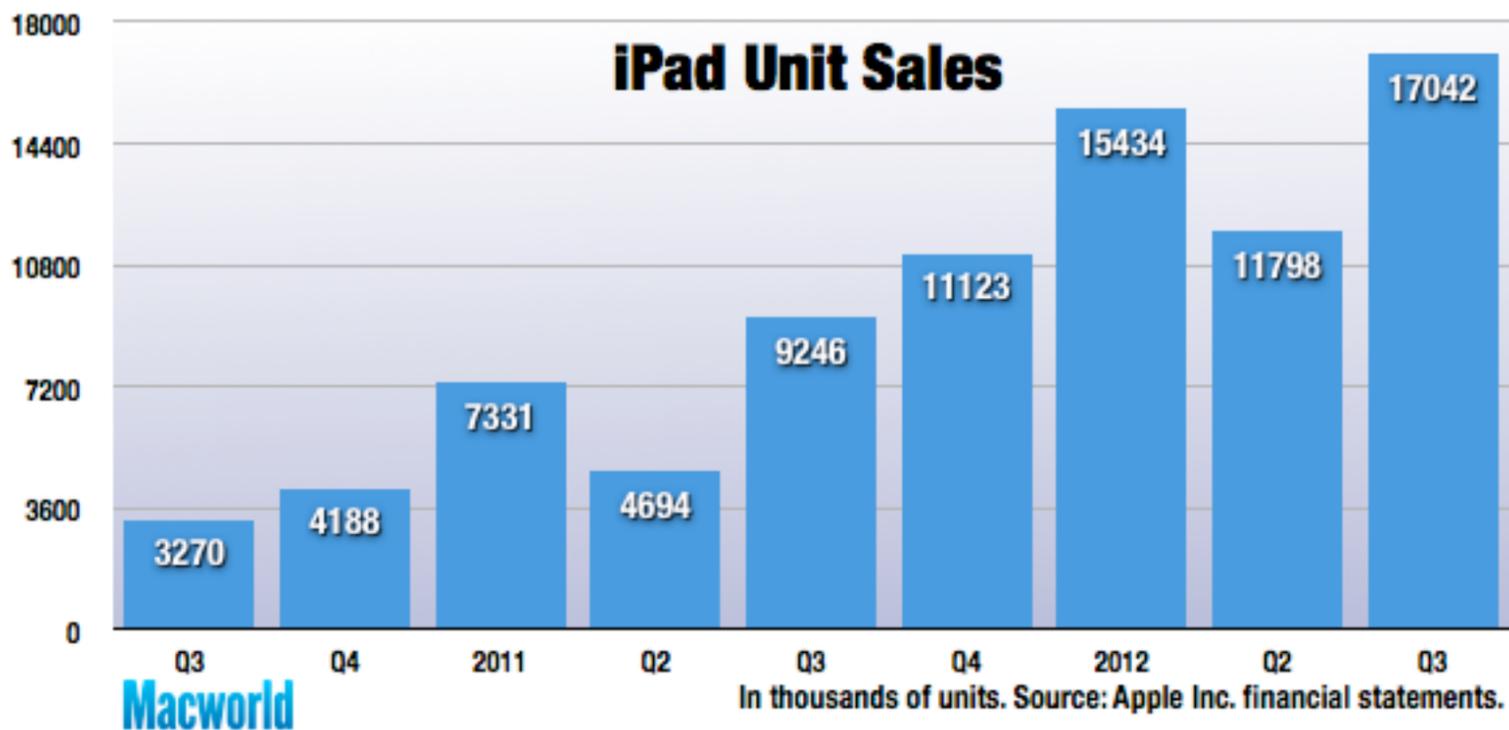
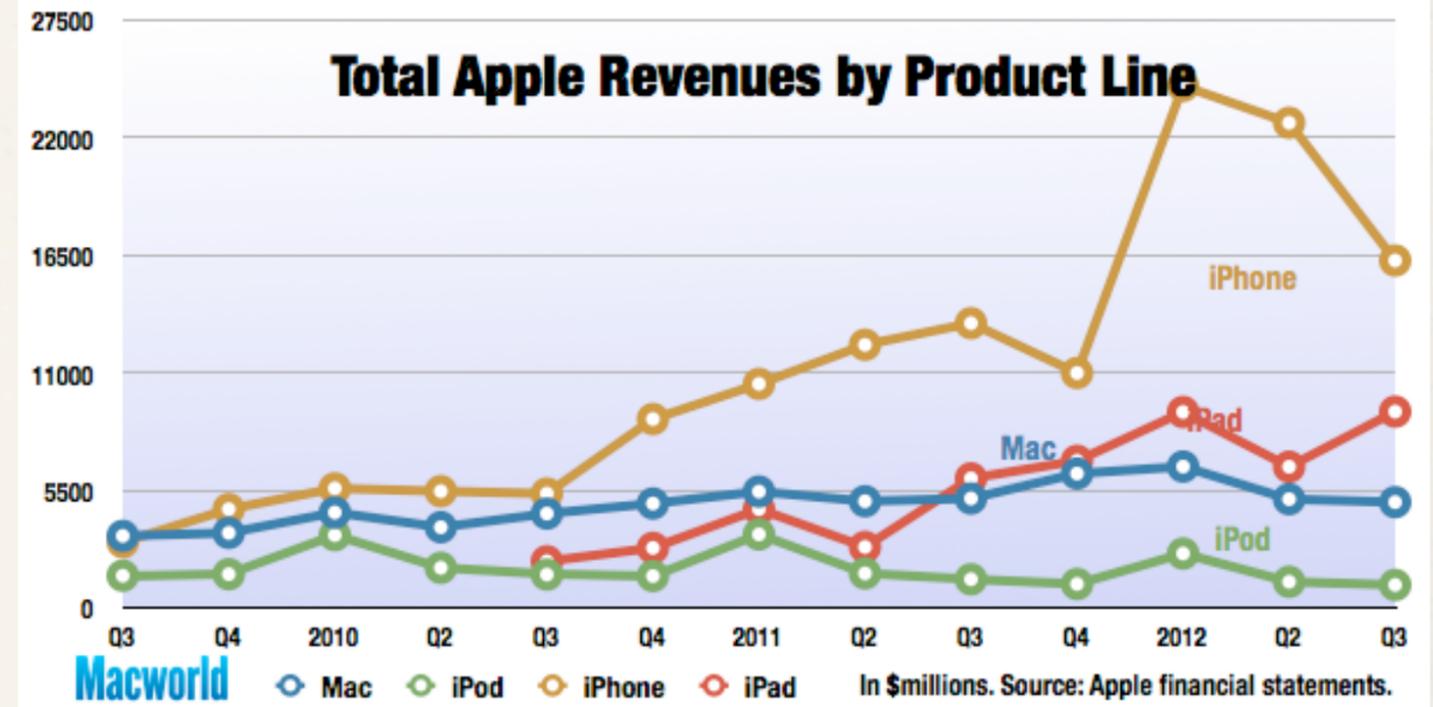
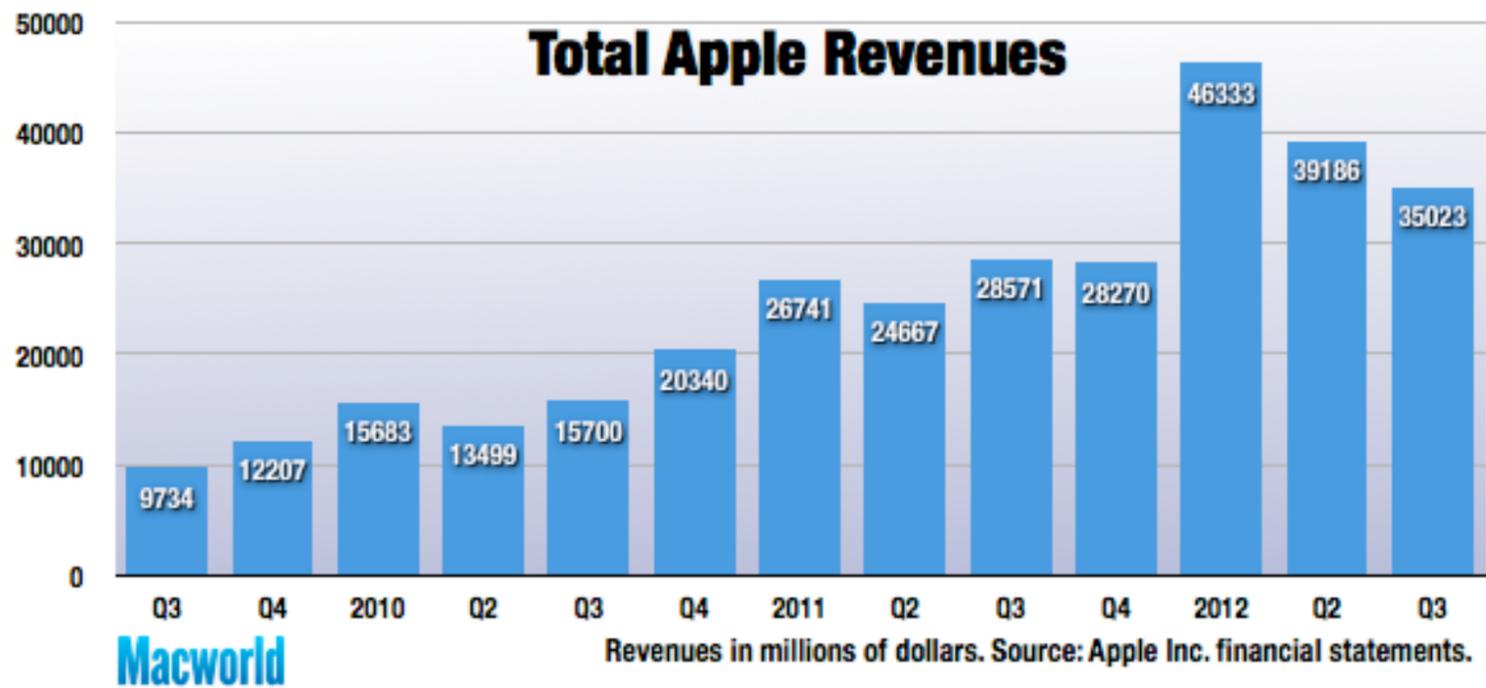
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- ❖ Quarterly dividend of \$2.64 / share
- ❖ Record date August 13; paid on August 16
- ❖ Represents a 1.77% dividend share at today's \$600 opening price

# Apple “misses expectations”

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- ❖ “Looking ahead to the third fiscal quarter, we expect revenue of about \$34 billion and diluted earnings per share of about \$8.68.” ~ Peter Oppenheimer, Apple CFO, April 24, 2012
- ❖ Actual results: \$35 billion & EPS of \$9.32
- ❖ Beat their own guidance by 2.8% & 7.3%, respectively
- ❖ Lesson: listen to what Apple says, since they obviously have more information than anyone else about their next 90 days of business



# 3Q12 Tidbits

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- \* Apple sold more Apple TV units than Microsoft sold XBox 360s in the quarter; Apple TV is “still a hobby,” according to Tim
- \* Mountain Lion ship date (today) announced inside the press release
- \* Sold 2x iPads vs. Macs to institutions & education, despite record Mac sales
- \* 83,000,000 visitors to 373 Apple stores; up 17% YOY; half of buyers new to Apple
- \* Added \$7 billion to cash in quarter; now holding \$117.2 billion at end of June

# MSFT reports first-ever quarterly loss

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- ❖ “Microsoft posted its first quarterly loss in its 26 years as a public company on [July 19] as it declared a struggling online ad business a bust and prepared for one of the biggest product updates in its history.” (*source: Associated Press, 7/19/12*)
- ❖ Windows revenues declined 14% -- their *first-ever* sequential decline
- ❖ This follows the first-ever drop in sales of Windows licenses and the first-ever quarterly declines in PC unit sales in industry history
- ❖ Loss is due to a \$6.3-billion write-down of their online ad business aQuantive
- ❖ Microsoft has now lost over \$150-billion in online activities since 1994 when the online division was created

# Windows 8: Apple's Game-Changing Pricing

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- ❖ Snow Leopard: \$29.99, boxed
- ❖ Lion: \$29.99, Mac App Store
- ❖ Mountain Lion: \$19.99, Mac App Store
- ❖ “Everybody gets Ultimate”

# Windows 8: Apple's Game-Changing Pricing

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- ❖ Windows Vista: 8 versions from \$69.99 - \$229, boxed
- ❖ Windows 7: 9 versions from \$119.99 to \$319.99
- ❖ Windows 8: \$39.99 + “Media Center” add-on if you want to watch DVDs; download or \$20 more for DVD

# Mountain Lion

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# If you haven't upgraded yet:

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- ❖ New Mac buyers: Free copy of Mountain Lion under the Mac Up-to-Date Program
  - ❖ You have purchased a new Mac after June 11
  - ❖ Visit **<http://www.apple.com/osx/uptodate>**

OS X Mountain Lion released today!

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## Thank you!

The final version of OS X Mountain Lion 10.8 was released today! Your 12A269 redemption code actually purchased the final version for you! The last build we seeded, 12A269, is identical to the build that is being sold in the Mac App Store today. There is no need for you to purchase another copy in the Mac App Store.

We would like to take this opportunity to sincerely thank you for participating in the seed process. Many bugs and issues have been discovered as a result of your efforts. You have contributed to the overall quality of our product.

# If you haven't upgraded yet:

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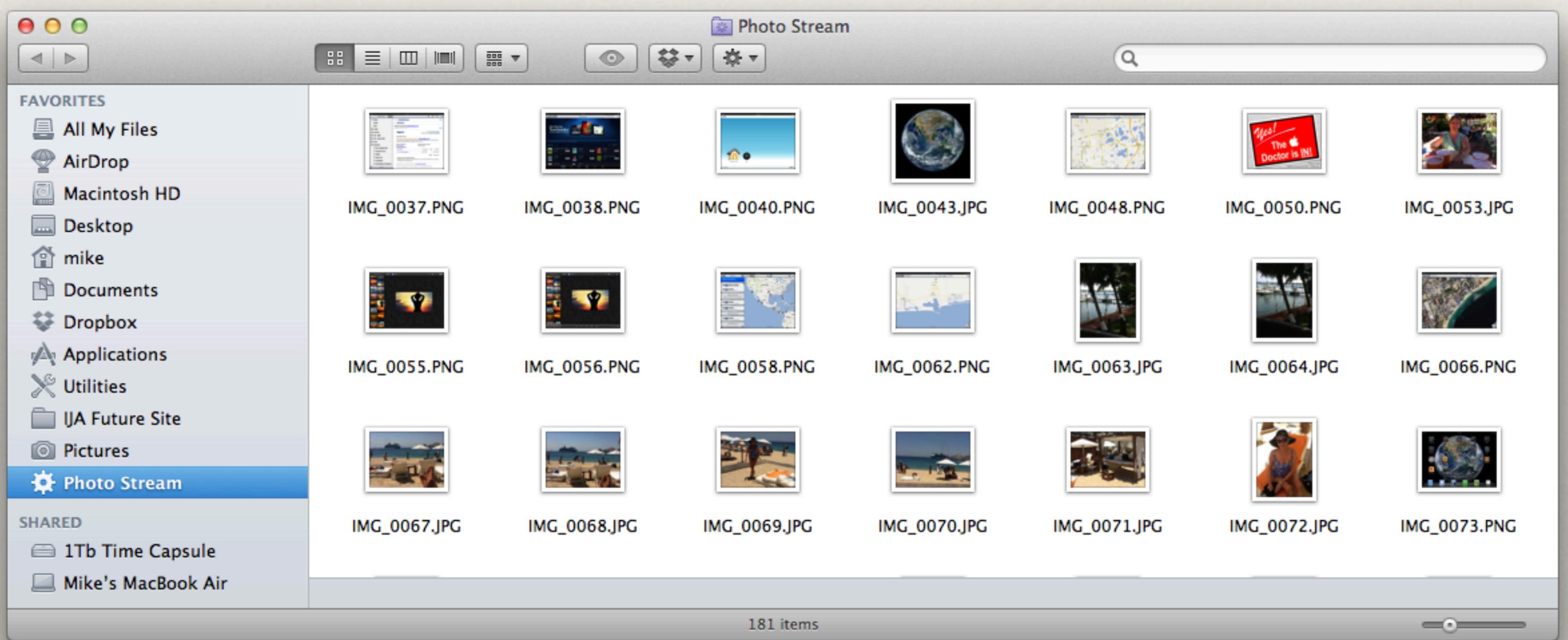
- ❖ Confirm System Requirements
  - ❖ <http://www.apple.com/osx/how-to-upgrade>
- ❖ Run Software Update
- ❖ **Backup, backup, backup!** Time Machine or Carbon Copy Cloner
- ❖ Run Disk Utility → Verify / Repair Disk Permissions

# Demo

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- ❖ Dictation
- ❖ AirPlay
- ❖ Notification Center
- ❖ Reminders / Notes
- ❖ Safari
- ❖ Mail
- ❖ iCloud integration into 3rd-party apps



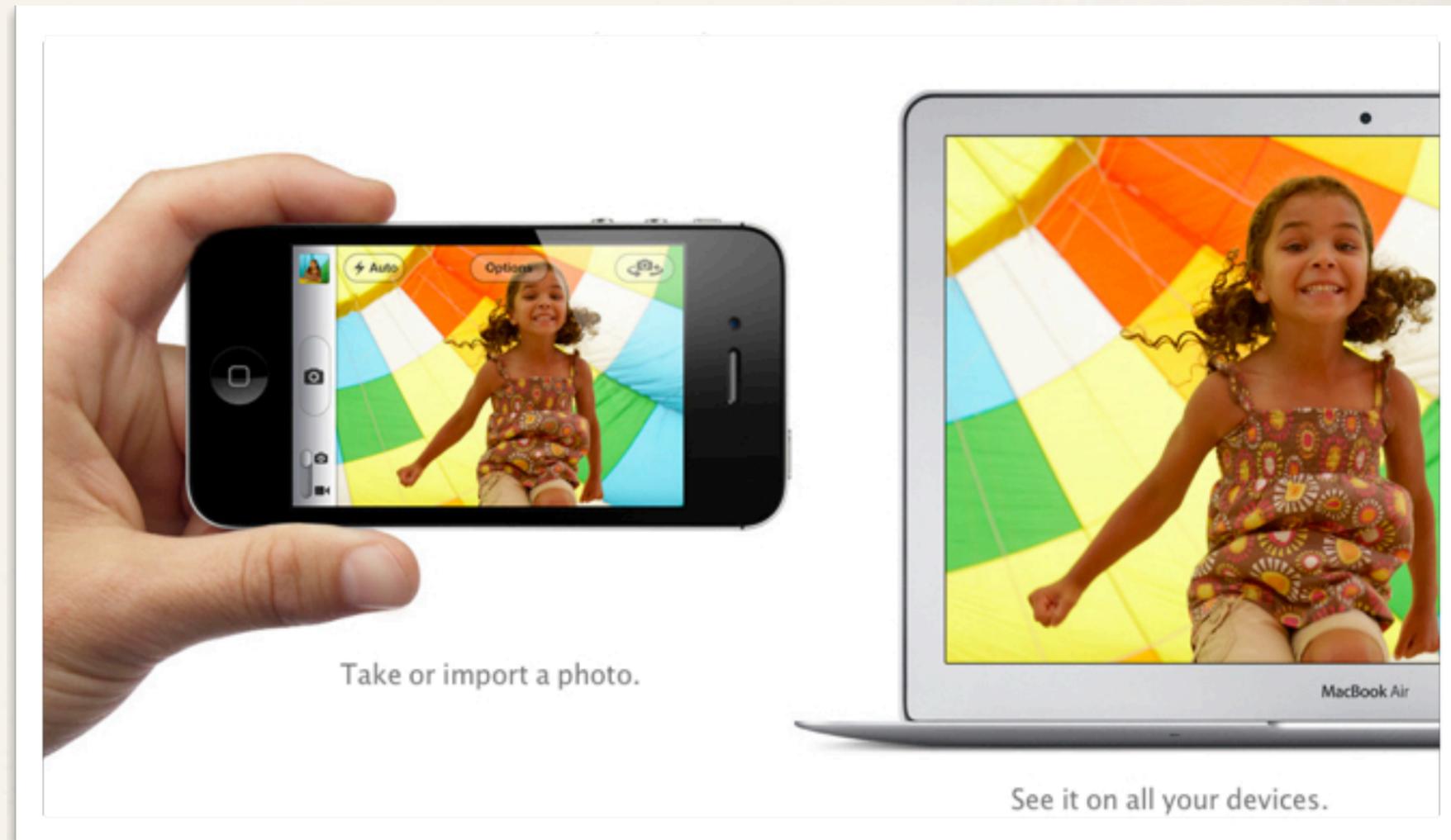


# Photo Stream in the Finder

# Photo Stream in the Finder

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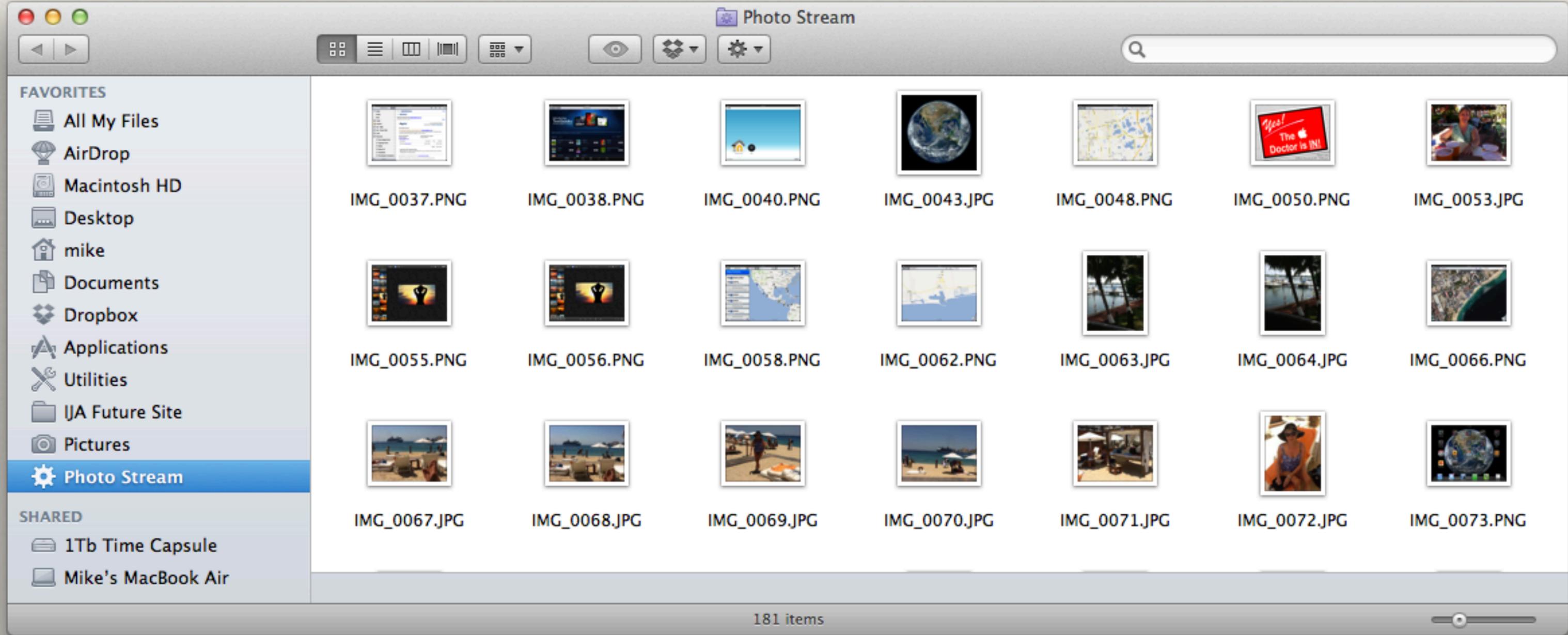
- ❖ Photo Stream makes all your new photos available on all your devices
- ❖ Take a photo on an iPhone or iPad, and it is pushed via iCloud to all your other iOS devices and Macs
- ❖ Works with iPhoto, Photos, Aperture, AppleTV
- ❖ Photo Stream keeps your last 1,000 photos; great in case of lost/broken device



# But...

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- ❖ Wouldn't it be great to also have Photo Stream photos available in the Finder?
- ❖ Since iCloud does push them to your Mac for use in iPhoto / Aperture, they do exist...*somewhere*
- ❖ Here's a trick to make them easily available in your Finder

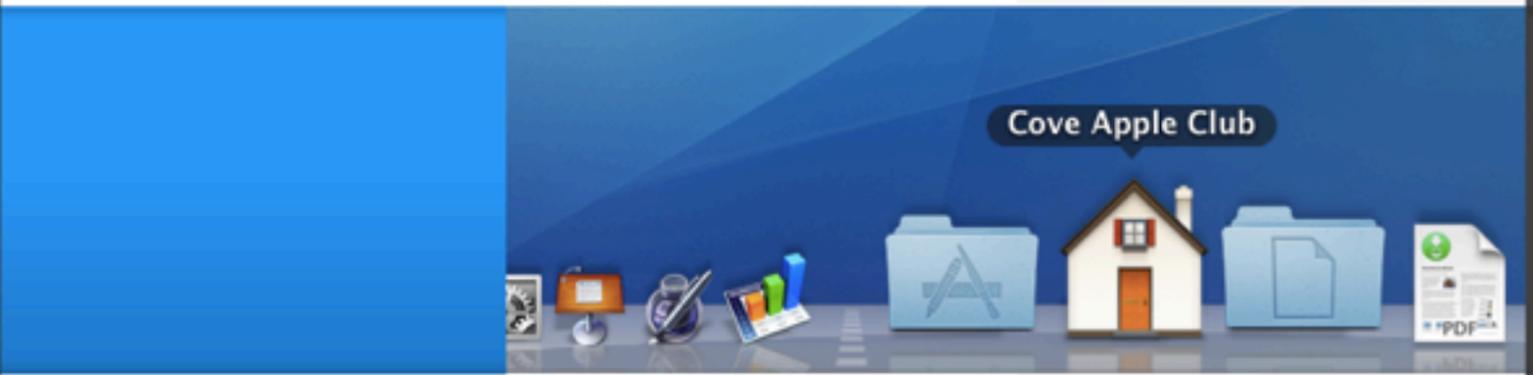


# Demo

Date

# Cove Apple Club

Have fun & do more with your Mac!



The next time you need some new Mac gear, start your online shopping session with the link to Amazon on this page. Your purchase will earn a little money for the Cove Apple Club, which we'll use to buy a new widescreen video projector for the club! We'll also update club members on the earnings every month.

So be sure to click the Amazon logo below when you need to shop for Mac products online...and "give back" to the Cove Apple Club -- without costing you an extra cent! Thanks!

An Amazon.com banner. At the top is the Amazon logo and the text 'amazon.com' with a link to 'Shop Amazon.com'. Below this are two HDTV screens. The left screen shows a fireplace with a fire, and the right screen shows a snowy winter scene. Below the screens is the text 'HDTVs for under \$400' and a small 'privacy' link.

- Cove Apple Club
- Meeting Schedule
- Past Meeting Archives
- Products from our meetings
- Shop the Cove Apple Club!**
- Bulletin Board
- Join the Mailing List
- Contact Us

On an iPhone or iPad? Amazon Banner above not displaying?  
[Click this link instead.](#)

## Earnings Report Totals

[Glossary](#)

July 10, 2012 to July 24, 2012

	Items Shipped	Revenue	Advertising Fees
Total Amazon.com Items Shipped	1	\$40.16	\$2.41
Total Third Party Items Shipped 	2	\$61.80	\$3.71
<b>Total Items Shipped</b>	<b>3</b>	<b>\$101.96</b>	<b>\$6.12</b>
<b>Total Items Returned</b>	<b>0</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Refunds</b>	<b>0</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL ADVERTISING FEES</b>	<b>3</b>	<b>\$101.96</b>	<b>\$6.12</b>

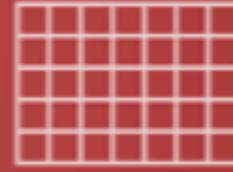
## Earnings Report Totals

[Glossary](#)

January 1, 2012 to July 24, 2012

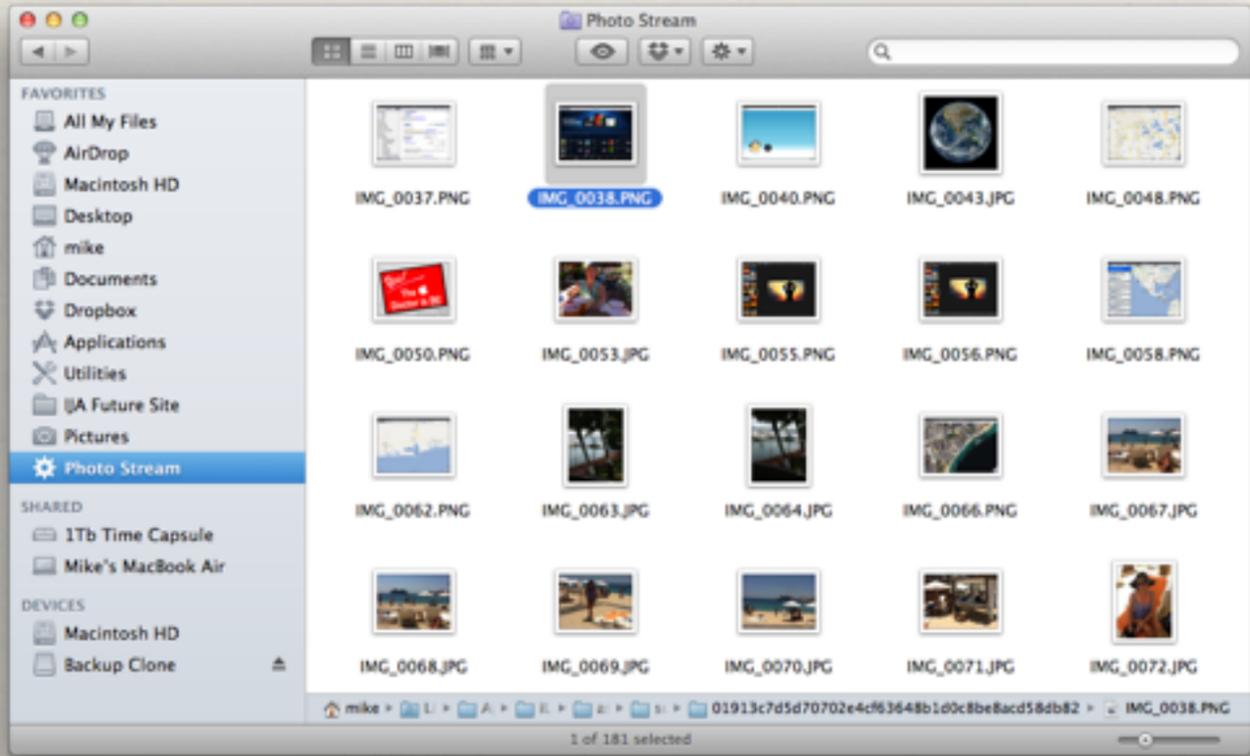
	Items Shipped	Revenue	Advertising Fees
Total Amazon.com Items Shipped	85	\$11,143.16	\$482.02
Total Third Party Items Shipped 	58	\$1,818.25	\$103.64
<b>Total Items Shipped</b>	<b>143</b>	<b>\$12,961.41</b>	<b>\$585.66</b>
<b>Total Items Returned</b>	<b>-2</b>	<b>-\$200.00</b>	<b>-\$8.00</b>
<b>Total Refunds</b>	<b>0</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>TOTAL ADVERTISING FEES</b>	<b>141</b>	<b>\$12,761.41</b>	<b>\$577.66</b>

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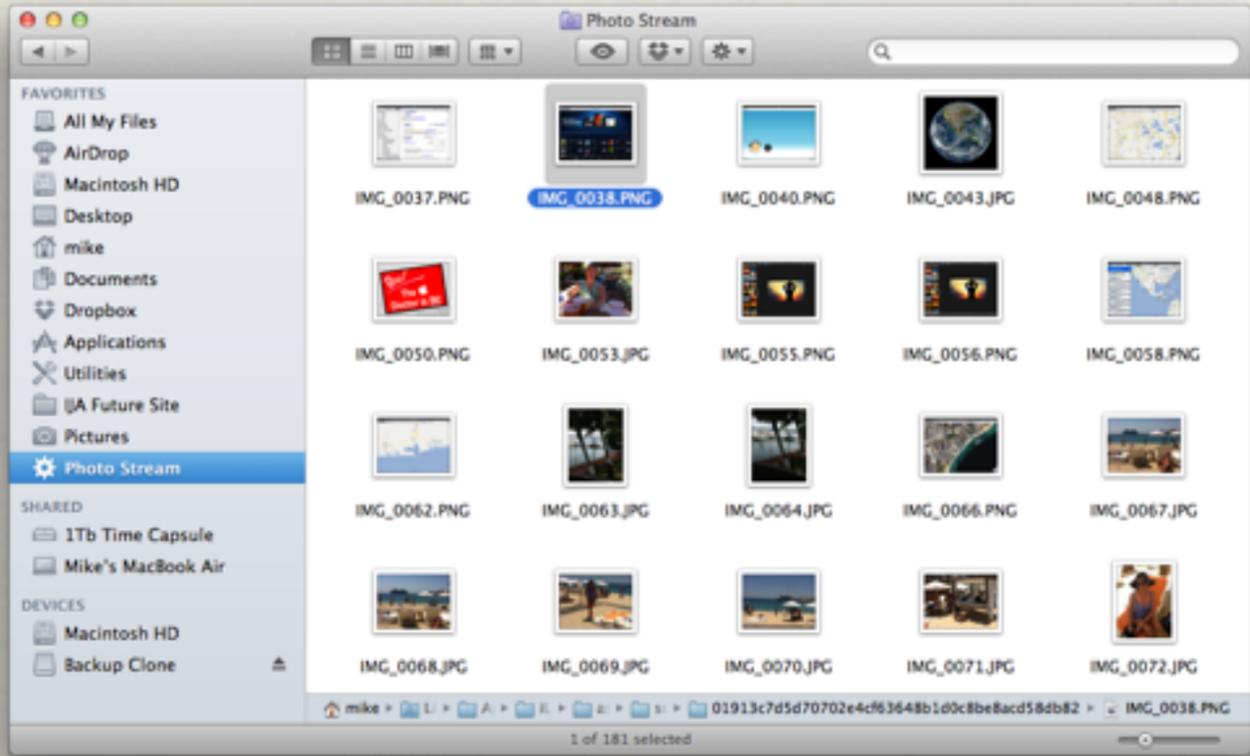
**Cove Apple Club**  
**7:00 PM - 8:00 PM**



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*Date*



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