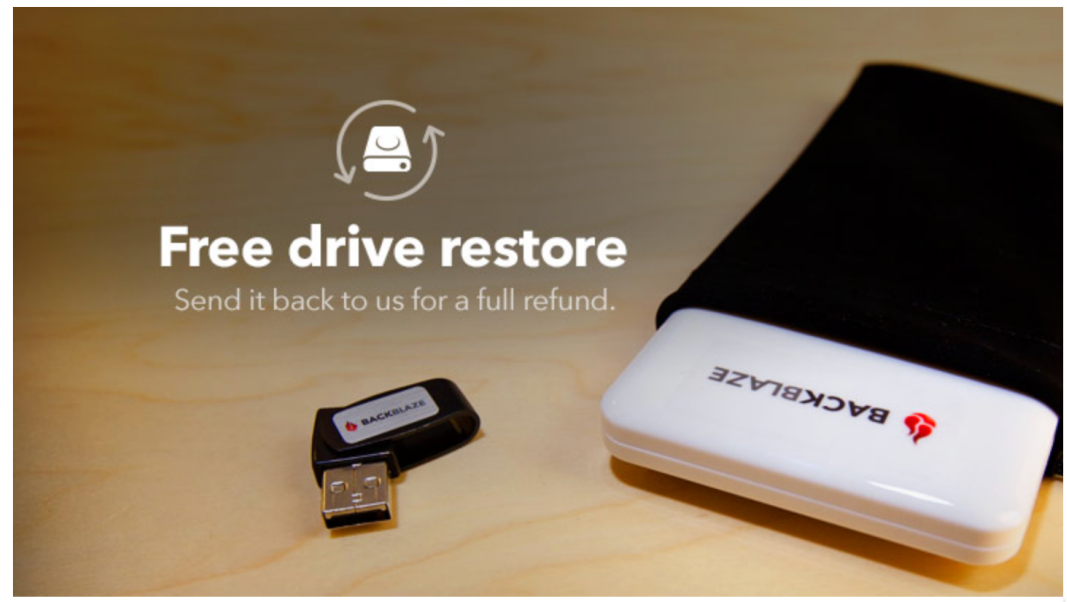


Introducing: Restore Return Refund

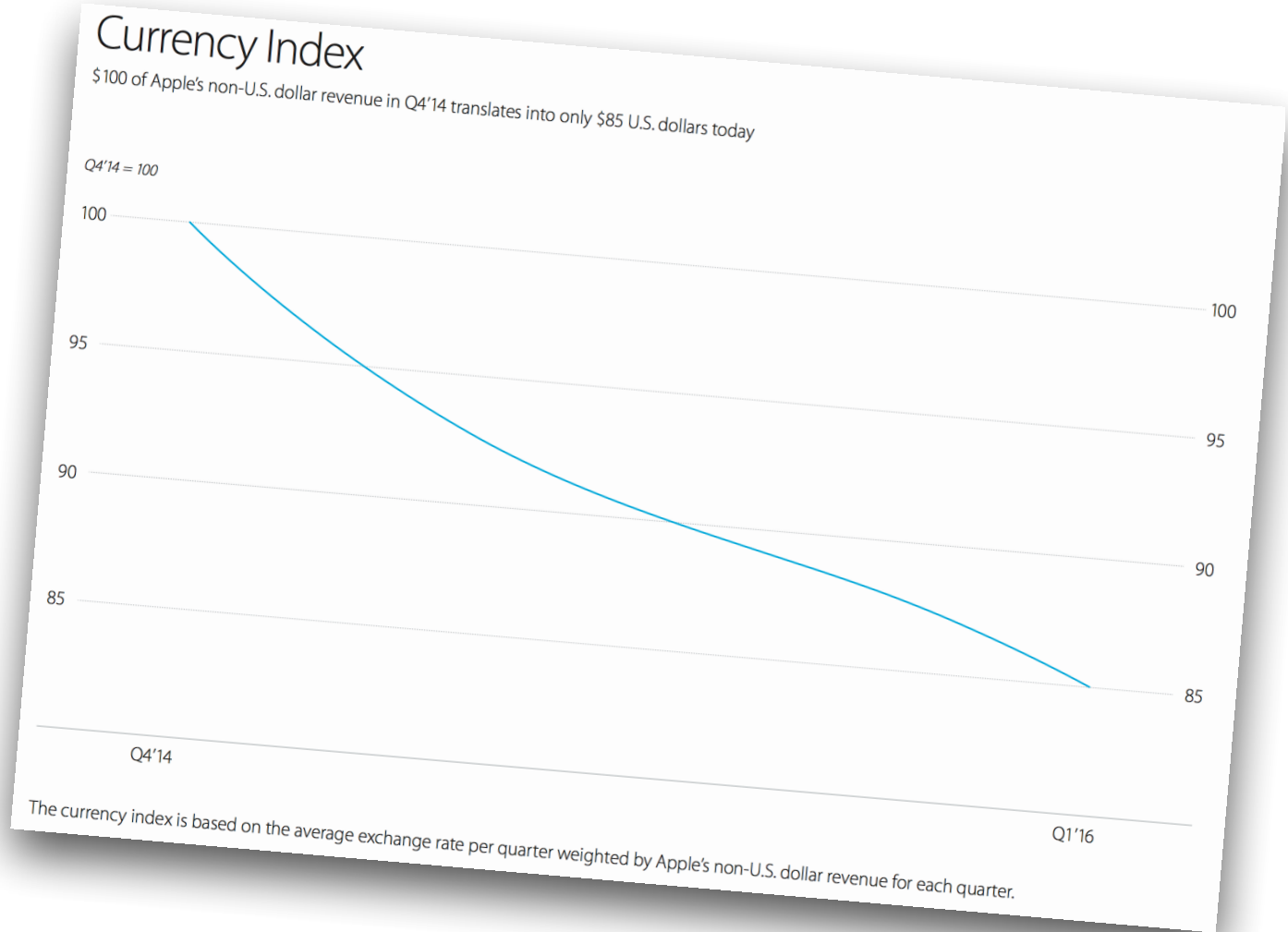
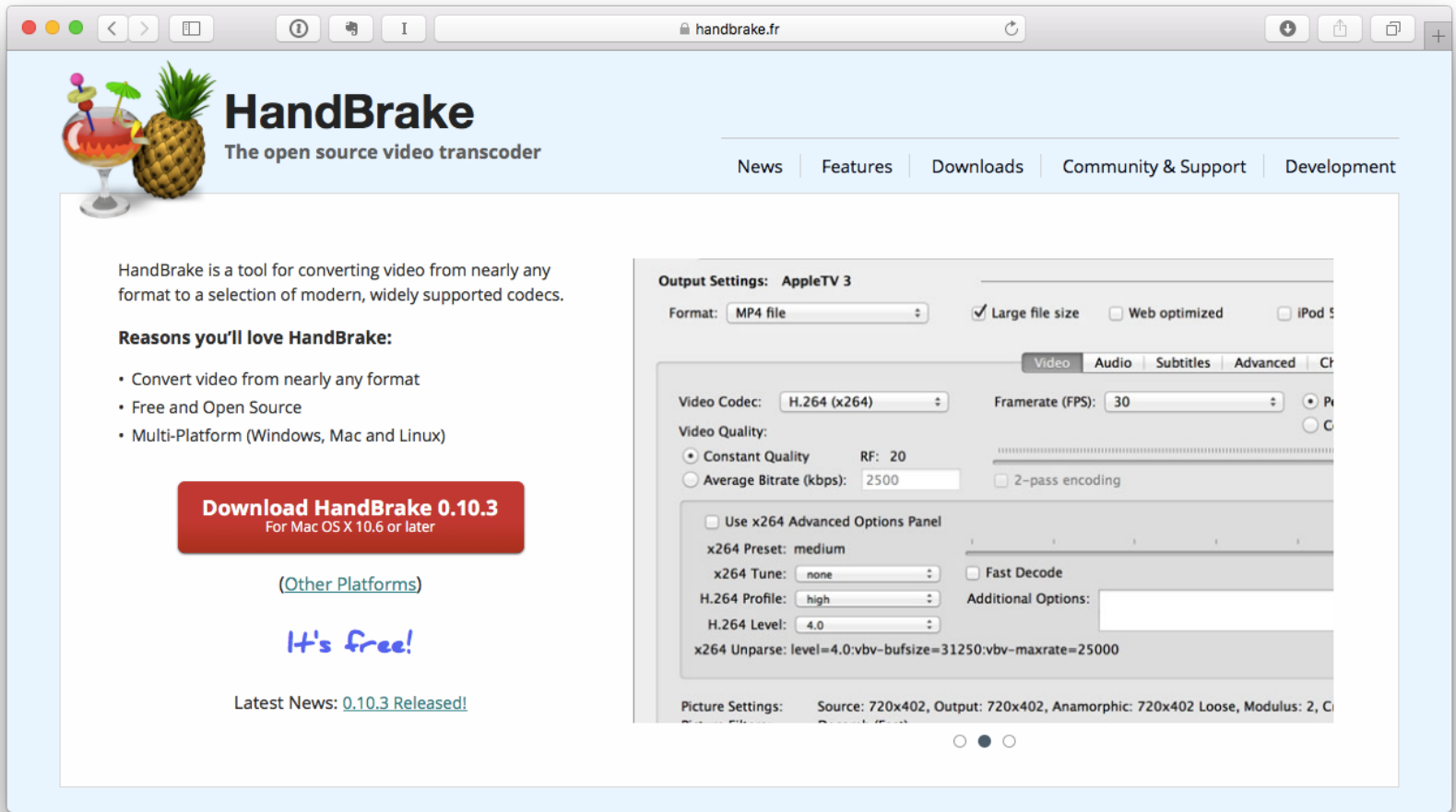
January 26th, 2016



Macintosh HD

Cove Apple Club

January 27, 2016



Tonight's Topics

- Apple in the News
- A Tale of Despair and Redemption
- DVD to iPad the Fun and Easy Way

AAPL 1Q16 Results

- Record **revenue** vs. “the mother of all compares” - last year’s monster iPhone 6 / 6 Plus intro quarter; \$75.9 billion vs. \$74.6 billion, up 1.75% YOY
- Record **profit** vs. “the mother of all compares” - last year’s monster iPhone 6 / 6 Plus intro quarter; \$18.4 billion vs. \$18 billion, up 2.22%
- Gross margin **rose** to 40.1% from 39.9%
- 66% of sales came from outside the US

“Headwinds”

- Unprecedented currency exchange pressures depressed both revenue and profits by 15% vs. year-ago period
- Cook pointed out that this amounted to a decrease of **\$5 billion** in additional ***quarterly*** sales, which is as much as the average Fortune 500 company does in a ***year***
- The forex hit on Apples' 1Q15 is greater than Facebook's ***annual revenue***
- Dollar strength meant that \$100 of sales in 1Q15 is only \$85 in sales for 1Q16

Currency & China

- Brazilian Real is down more than 40%
- Russian Ruble is down more than 50%
- Euro and British Pound are down double digits
- Canadian dollar, Australian dollar are down 20% or more
- China weakness weighing on all markets, but Apple grew China revenue by 14% YOY; now their largest single country market outside of the US, and growing 30% YOY

Apple's Business Has Never Been Stronger

- 74,779,000 iPhones sold in the quarter
 - Delivered 34,000 iPhones ***per hour***, 24/7, for 90 days — and ran out
 - That's 9.4 iPhones built, shipped, delivered and activated **per second**, up 50% vs. year-ago quarter
- Largest-ever quarterly Mac unit volume, still out-performing the industry by 8x
- App Store & services revenues hit \$9 billion, up 20% YOY

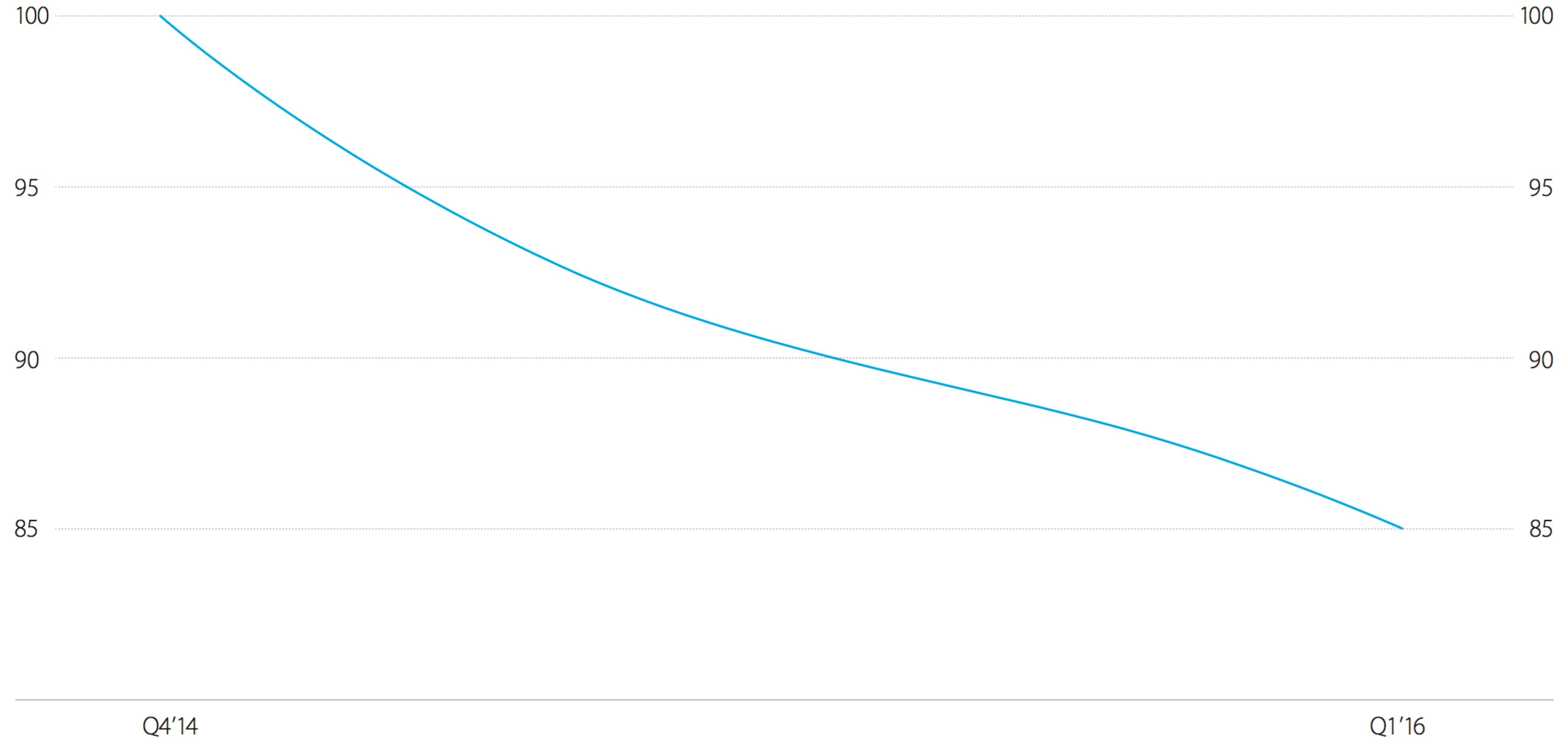
“The Mother of All Balance Sheets”

- \$215 billion in cash and no debt; that's \$39 in cash standing behind every share of common stock; almost 80% of Apple's cash is offshore
- Paid out \$37 billion in dividends, bought back \$30 billion of shares on the open market; shareholder capital return total now at \$153 billion, going to \$200 billion this year, possibly higher — largest in the history of business

Currency Index

\$100 of Apple's non-U.S. dollar revenue in Q4'14 translates into only \$85 U.S. dollars today

Q4'14 = 100



The currency index is based on the average exchange rate per quarter weighted by Apple's non-U.S. dollar revenue for each quarter.

source: Apple

Q1'16 Constant Currency Revenue Growth

In constant currency, Q1'16 revenue would have been \$5 billion higher, reflecting an 8% Y/Y increase

Operating Segments	As Reported			In Constant Currency (1)	
	Q1'16 Revenue	Q1'15 Revenue	Y/Y	Q1'16 Revenue (Non-GAAP)	Y/Y (Non-GAAP)
Americas	\$29.3	\$30.6	-4%	\$30.2	-1%
Europe	17.9	17.2	4%	20.2	18%
Greater China	18.4	16.1	14%	19.0	17%
Japan	4.8	5.4	-12%	5.3	-4%
Rest of Asia Pacific	5.4	5.2	4%	6.2	19%
Total Apple	\$75.9	\$74.6	2%	\$80.8	8%

Reconciliation from GAAP Revenue to Non-GAAP Constant Currency Revenue (1)

	Americas	Europe	Greater China	Japan	Rest of Asia Pacific	Total Apple
Q1'16 Revenue (GAAP)	\$29.3	\$17.9	\$18.4	\$4.8	\$5.4	\$75.9
Foreign exchange effect on revenue	0.8	2.3	0.6	0.5	0.8	5.0
Q1'16 Constant Currency Revenue (Non-GAAP)	\$30.2	\$20.2	\$19.0	\$5.3	\$6.2	\$80.8
Q1'15 Revenue (GAAP)	\$30.6	\$17.2	\$16.1	\$5.4	\$5.2	\$74.6
Constant Currency Revenue Growth (Non-GAAP)	-1%	18%	17%	-4%	19%	8%

(1) Apple calculates non-GAAP constant currency revenue by translating current quarter local currency revenue to U.S. dollars based on prior period average exchange rates. That amount is compared to prior period GAAP revenue to derive non-GAAP constant currency revenue growth (expressed as a percentage). Apple considers non-GAAP constant

Services Revenue

Apple’s installed base drove over \$31 billion in related purchases in FY15, up 23% Y/Y, and almost \$9 billion in Q1’16, up 24% Y/Y

<i>\$ in Billions</i>	FY14	FY15	Q1’16 (1)
Services Revenue	\$18.1	\$19.9	\$5.5
Y/Y Change		10%	15%
Services Revenue Driven by Installed Base:			
iTunes Purchased Content			
Apple Music			
App Store			
Licensing			
Service Parts			
iCloud			
Apple Pay			
Installed Base Related Revenue	\$14.9	\$16.8	\$4.7
Adjustment to Reflect Certain Unrecognized Services Purchases (2)	\$10.5	\$14.3	\$4.2
Installed Base Related Purchases	\$25.3	\$31.2	\$8.9
Y/Y Change		23%	24%

(1) Amounts exclude \$548 million received from a patent infringement lawsuit.

(2) For third-party applications sold through the App Store and certain digital content sold through the iTunes Store, Apple accounts for such purchases on a net basis by recognizing in Services revenue only the commission it retains from each purchase. This non-GAAP adjustment reflects the portion of the gross amounts billed to customers that Apple remits to third-party app developers and certain digital content owners. Apple considers non-GAAP installed base related

1 Billion Devices Active Installed Base

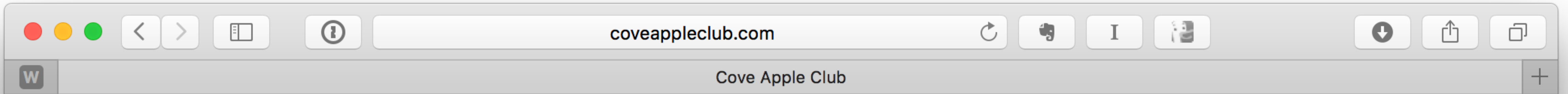
iPhone, iPad, Mac, iPod touch, Apple TV &
Apple Watch devices that have engaged with
Apple services in the past 90 days

iPhone Growth Fundamentals

- About 5,000,000,000 cell phones in the world
- Only about 2,000,000,000 of them are smartphones
- Eventually they will **all** be smartphones
- Apple's worldwide smartphone marketshare is under 15%
- Best customer sat, best repeat-buyer profile, best quarter ever for Android switchers
- Apple's ASP is rising; best margins in the industry & growing; most 4G carriers worldwide
- 50,000 Chinese citizens entering the middle class every 24 hours, a trend that should continue for at least a decade; India just as lucrative but 10 years behind China

Support the Cove Apple Club





COVE APPLE CLUB

Have fun & do more with your Apple gear!

[HOME](#)[MEETINGS](#)[EMAIL LIST](#)[SHOP](#)[ARCHIVES](#)

SHARE. LEARN. LAUGH!

Join **over 100 Cypress Cove residents and members** in the Cove Apple Club, and you'll learn more and get a lot more fun and productivity out of all your Apple gear!

We meet twice a month, year-round. Check our [upcoming meeting schedule](#) and plan to join us at our next meeting!

If you're new to the world of Apple, an old Machead from years back, or even a frustrated Windows user, you will find something interesting and entertaining at each of our meetings. Our meetings are fun and informative, with topics presented covering the range from beginner to advanced.

Our focus is on Apple products, but we often also look at other new technologies not specific to the Apple platform, ranging from computer security to Internet telephony to changes in the industry to neat new tech gadgets of interest to everyone.

All Apple products are fair game at our meetings: iPad, iPhone, iPod and Macs of all sizes, as well as the huge world of Apple software, hardware and accessories.

Find out more about the club, our meeting schedule and how you can get in on the fun. Click the links below for details, and be sure to join our [email list](#) for all the latest updates.





COVE APPLE CLUB

Have fun & do more with your Apple gear!

HOME

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SHOP

ARCHIVES

SUPPORT THE COVE APPLE CLUB WHEN YOU SHOP AT AMAZON.COM

The next time you need some new Apple or other tech gear (or anything else from the 20,000,000 items in stock!), start your online shopping session with our link to Amazon.com. Your purchase will earn a little money for the Cove Apple Club, which we save up all year for a big Holiday Party for all members of the club! We update club members on the earnings every month.

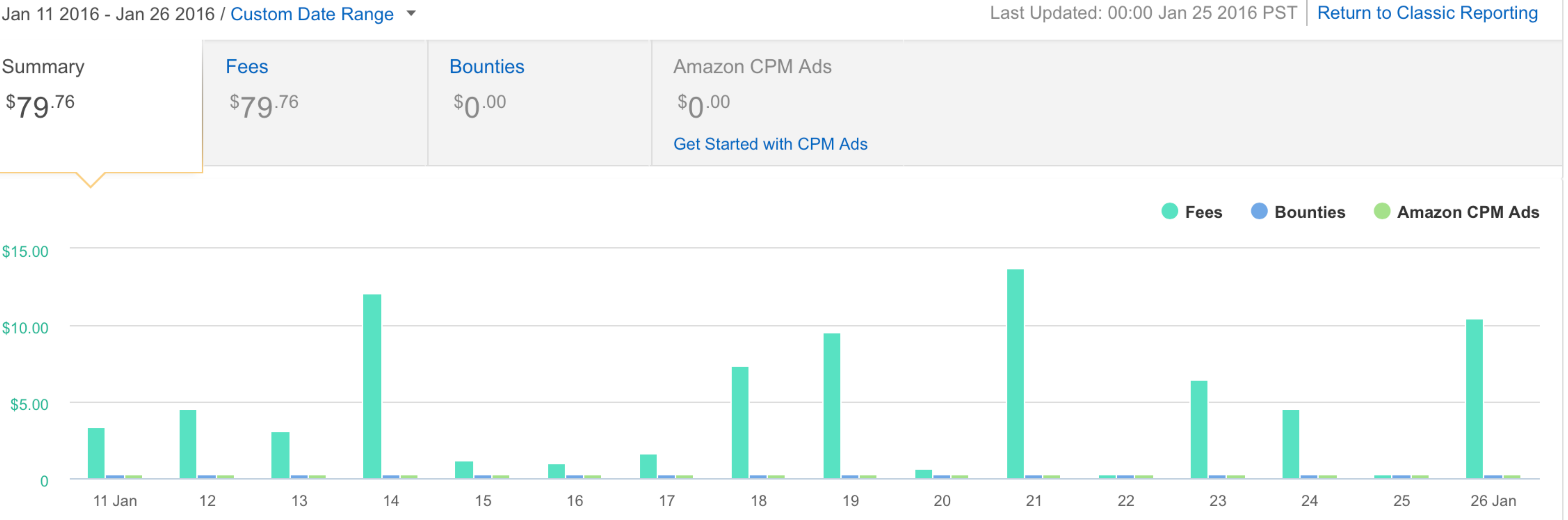
So be sure to click the Amazon logo below when you need to shop for Mac products online...and "give back" to the Cove Apple Club -- without costing you an extra cent! Thanks!

THREE EASY WAYS TO USE THE AMAZON SHOPPING LINK

1. Just click here — you'll be sent to the Amazon.com homepage.
 1. Once you arrive at the Amazon homepage, BOOKMARK that page:
 1. In Safari on Mac, type Cmd-D
 2. In Safari on iOS, tap the Share widget, then tap Add to Favorites or Add Bookmark.
2. Drag this link to your Favorites bar in your Web browser. Then it's handy anytime you want to visit Amazon.
3. Just click the Amazon banner ad below.



Since Our Last Meeting



2016 YTD

Jan 01 2016 - Jan 26 2016 / [This Month](#) ▼

Last Updated: 00:00 Jan 25 2016 PST | [Return to Classic Reporting](#)

Summary

\$101.89

Fees

\$101.89

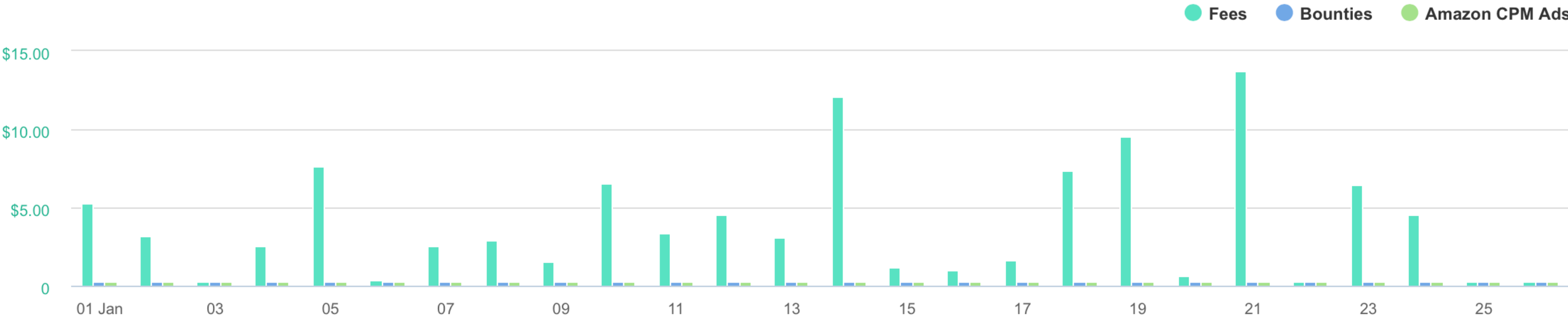
Bounties

\$0.00

Amazon CPM Ads

\$0.00

[Get Started with CPM Ads](#)



A Tale of Despair & Redemption



3-2-1 Backup Strategy

3-2-1 Backup Strategy

- **Three** independent data backups...
- on **two** different physical media...
- with **one** of them off-site

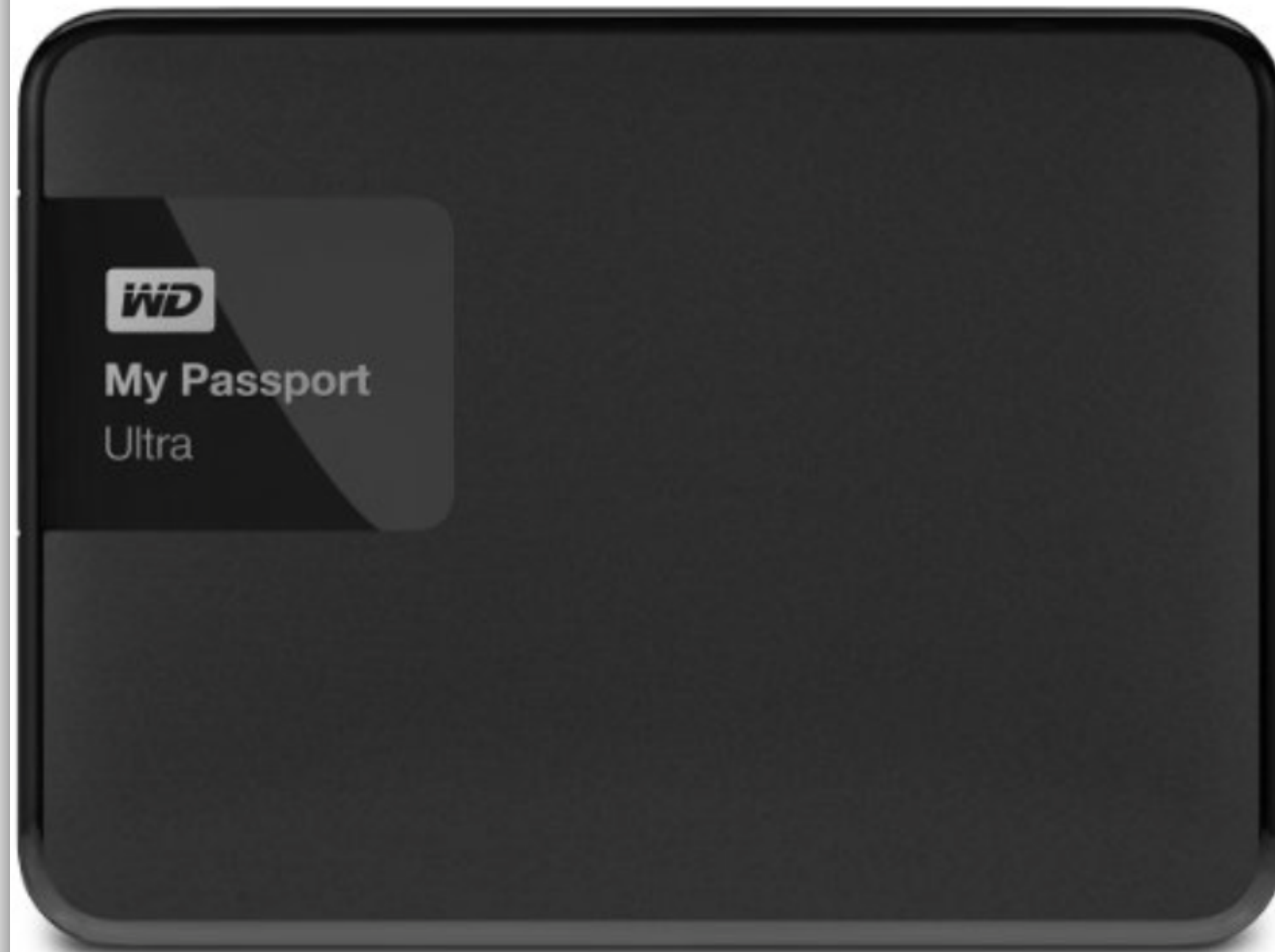
Your Backup Plan Must Be...

- **AUTOMATIC**, since even the most obsessive backer-uppers forget
- **REDUNDANT**, since only one backup is no backup at all
- **OFF-SITE**, since catastrophes are more common than you think, and
- **VERIFIED**, since your plan is worthless unless it ***actually works!***





Time Machine



WD 1TB Black My Passport Ultra Portable External Hard Drive - USB 3.0 - WDBGPU0010BBK-NESN

by [Western Digital](#)

★★★★★ 1,727 customer reviews | 175 answered questions

#1 Best Seller in [External Hard Drives](#)

List Price: ~~\$99.99~~

Price: **\$59.00** ✓ *Prime*

You Save: **\$40.99 (41%)**

In Stock.

Want it tomorrow, Jan. 28? Order within **4 hrs 29 mins** and choose **One-Day Shipping** at checkout.

[Details](#)

Ships from and sold by Amazon.com. Gift-wrap available.

Style: **Drive Only**

Drive Only

Fuchsia Grip

Grape Grip

Sky Grip

Slate Grip

Smoke Grip

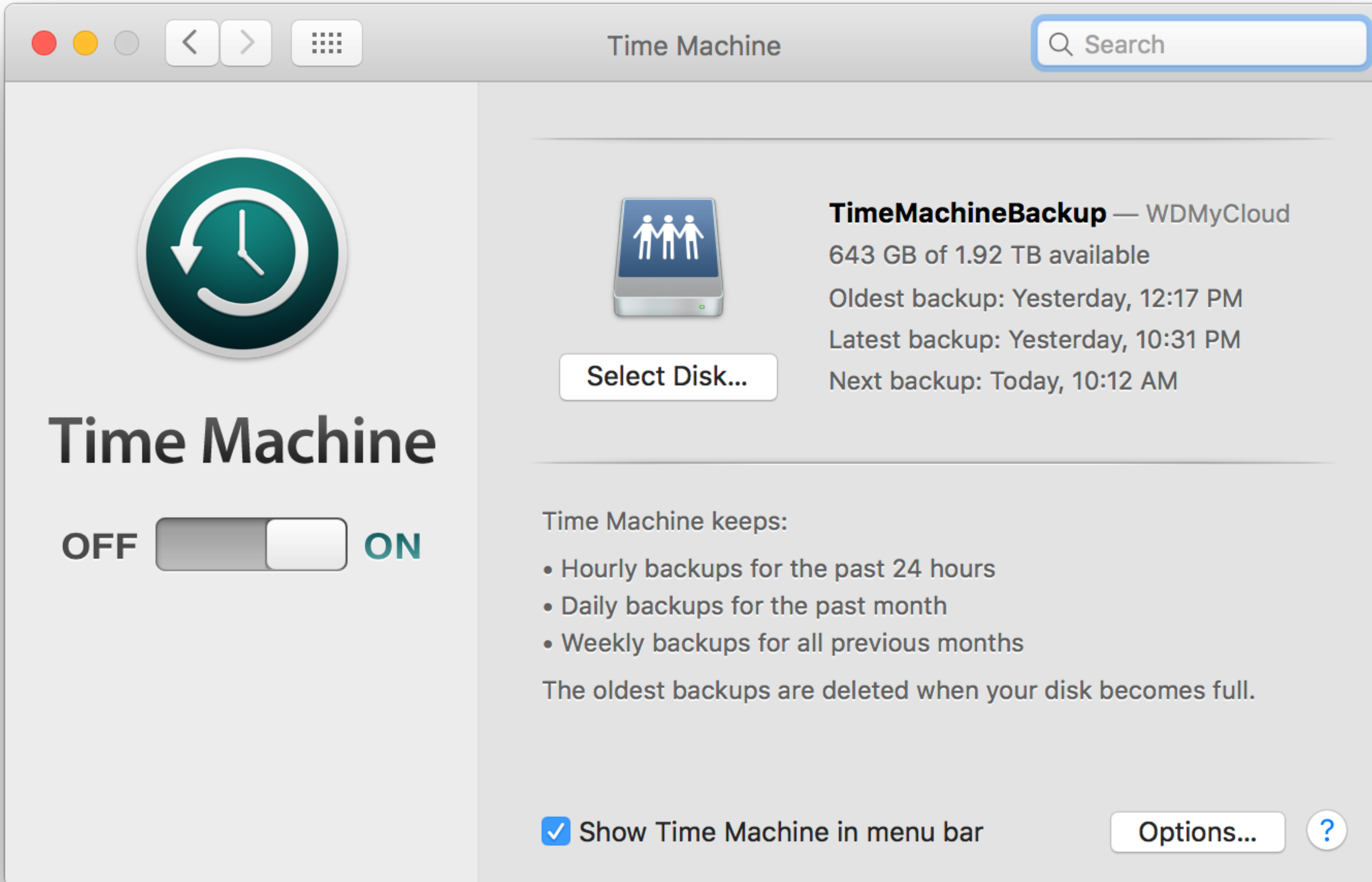
Capacity: **1 TB**

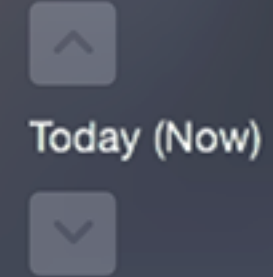
500 GB

1 TB

2 TB

3 TB



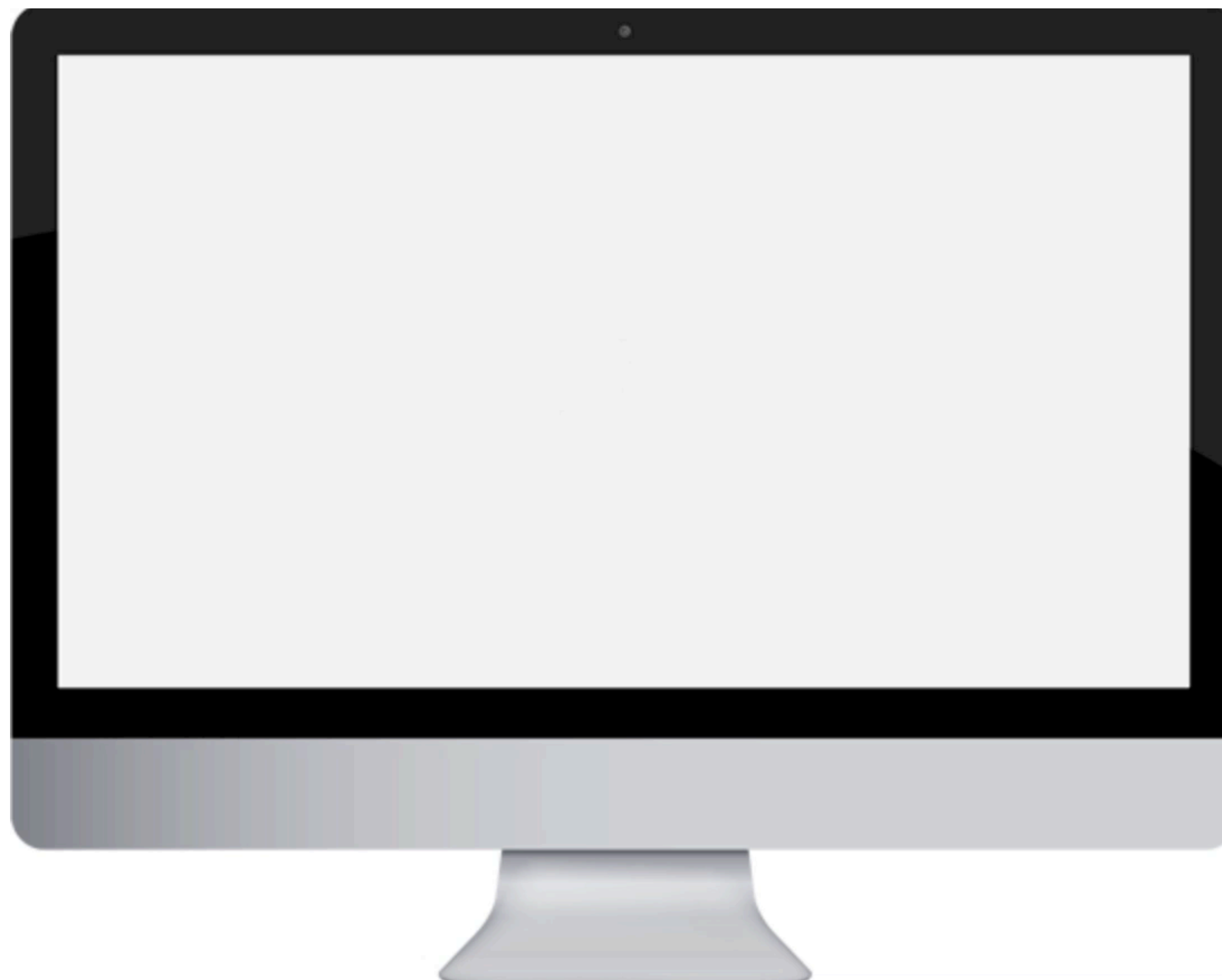




Macintosh HD







Uh-oh.



Apple Recovery Boot

Re-Install El Capitan from bootable micro SD card

Transcend

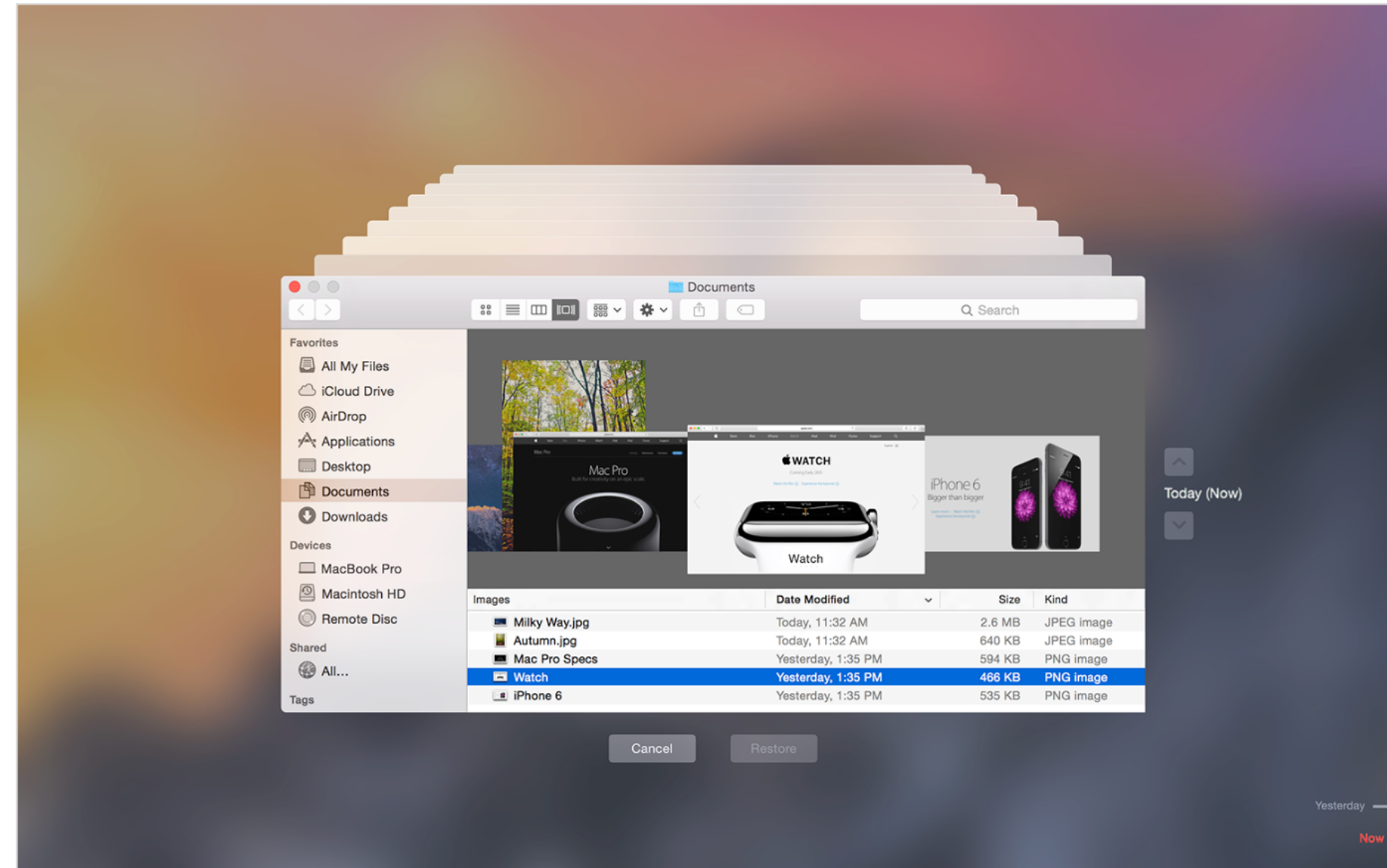
Ultimate 600x

32GB © **micro** **U**
SD **I**

Restore from a Time Machine backup

Restore specific files:

1. Choose Enter Time Machine from the Time Machine menu 🕒, or click Time Machine in the Dock.



2. Find the files to restore:

- Use the timeline on the edge of the screen to see the files in your Time Machine backup as they were at that date and time. The timeline may also include [local snapshots](#).
- Use the onscreen up and down arrows to jump to the last time the contents of the window changed. You can also use the search field in a window to find a file, then move through time while focused on changes to that file.
- Select a file and press Space Bar to preview the file and make sure it's the one you want.

3. Click Restore to restore the selected file, or Control-click the file for other options.

Restore everything:

- To restore everything in your Time Machine backup, use [OS X Recovery](#).
- To copy the files, settings, and OS X user accounts in your backup to another Mac, use [Migration Assistant](#).



Bootable Backup Clone

- A second external HD connected to your Mac
- Run SuperDuper or Carbon Copy Cloner automatically every day
- Creates a **bootable** whole-disk bit-for-bit **clone** of your Mac's internal HD
- This is your reserve parachute for when your internal HD honks the bobo



Backup Clone

Unlimited Off-Site Backup

- BackBlaze, Carbonite, Mozy, Amazon Cloud Drive, etc.
- Continuous, automatic, unlimited backups of all user data on your Mac
- This is your “Abandon Ship!” lifeboat



Backblaze

Introducing: Restore Return Refund

January 26th, 2016

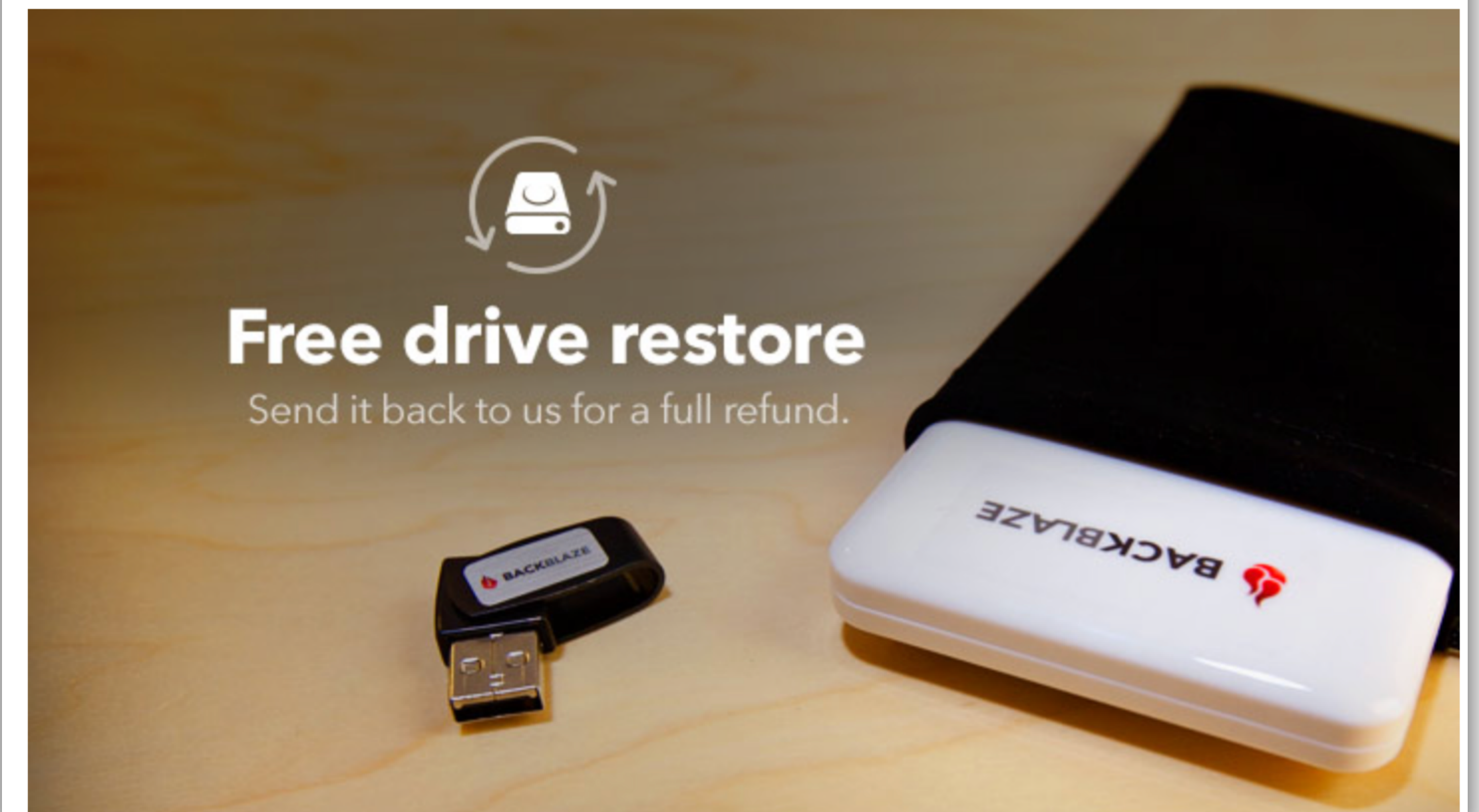


BackBlaze's New Restore Return Refund

- In case of catastrophe, you purchase a Restore by Mail service for \$99 to \$189, depending on drive size
- BackBlaze ships you an HD or flash drive with your data on it
- You restore your data, erase the restore drive & send it back within 30 days
- BackBlaze refunds your Restore by Mail fee — you only pay for return shipping

Introducing: Restore Return Refund

January 26th, 2016



DVD to iPad / iPhone



DVD Video Conversion

- You bought a DVD (movie, educational, entertainment, exercise, etc.)
- You want to enjoy the content on your device (Mac, iPhone, iPad, iPod touch)
- What do you do?

Do you....

- ...re-purchase a digital download version of the DVD you already own to get the movie onto your device?
- ...find & download a pirated version of the video from a video “sharing” site?
- How do you look in an orange jumpsuit?
- Do you know how to pick up soap with your toes?
- ...point your iPhone camera at the TV, play the DVD and make a movie of the DVD being played on the TV screen?

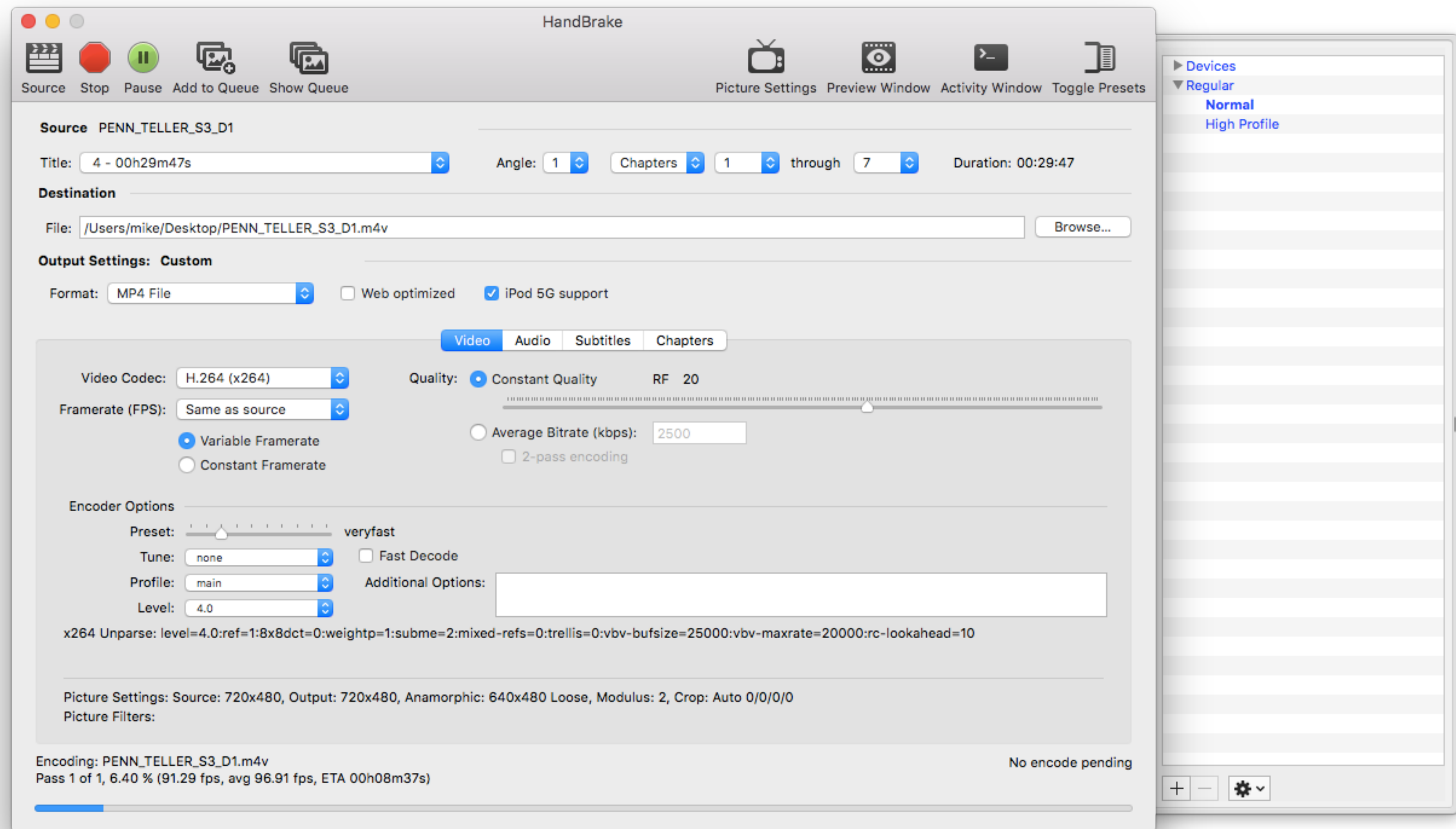
Or...

- ...create your own original digital file from the DVD using free software on your Mac!
- This re-locating of the fully-licensed content you purchased is protected under the “fair use” provisions of US copyright law

What We Need

- Your purchased licensed content DVD
- Your Mac with a DVD drive (internal or external)
- A free app called Handbrake
 - Download ONLY from **handbrake.fr**
- iTunes on your Mac
- Your iPad, iPhone & sync cable





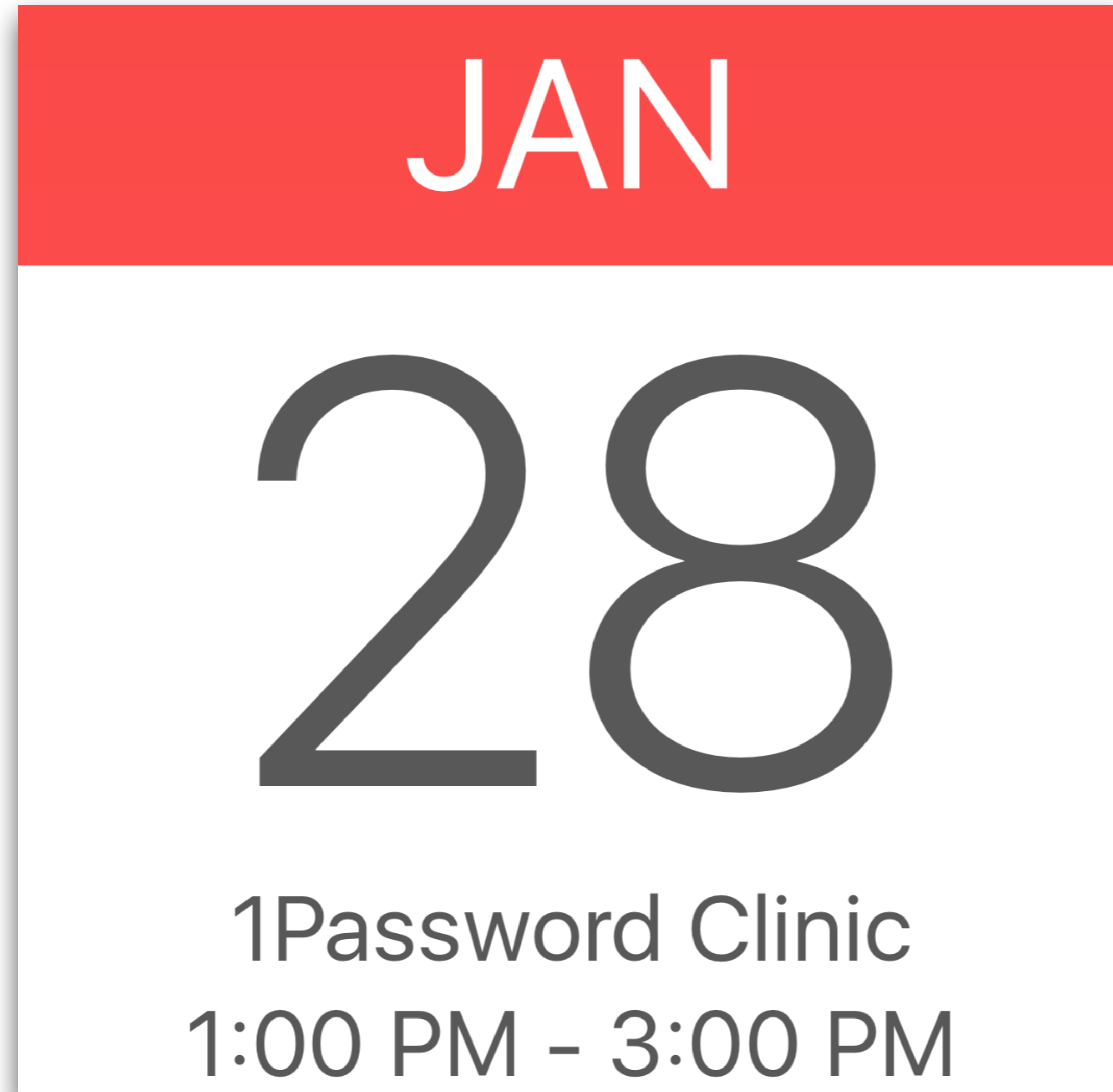
Demo!

Handbrake Caveats

- Fastest operation on desktop machines (faster CPU, GPU & more RAM)
- Works best on non-Hollywood studio DVDs
- Many DVDs cannot be ripped (yet) — stronger encryption by MPAA & Hollywood, but the developers are working on it
- It's free! Give it a try!

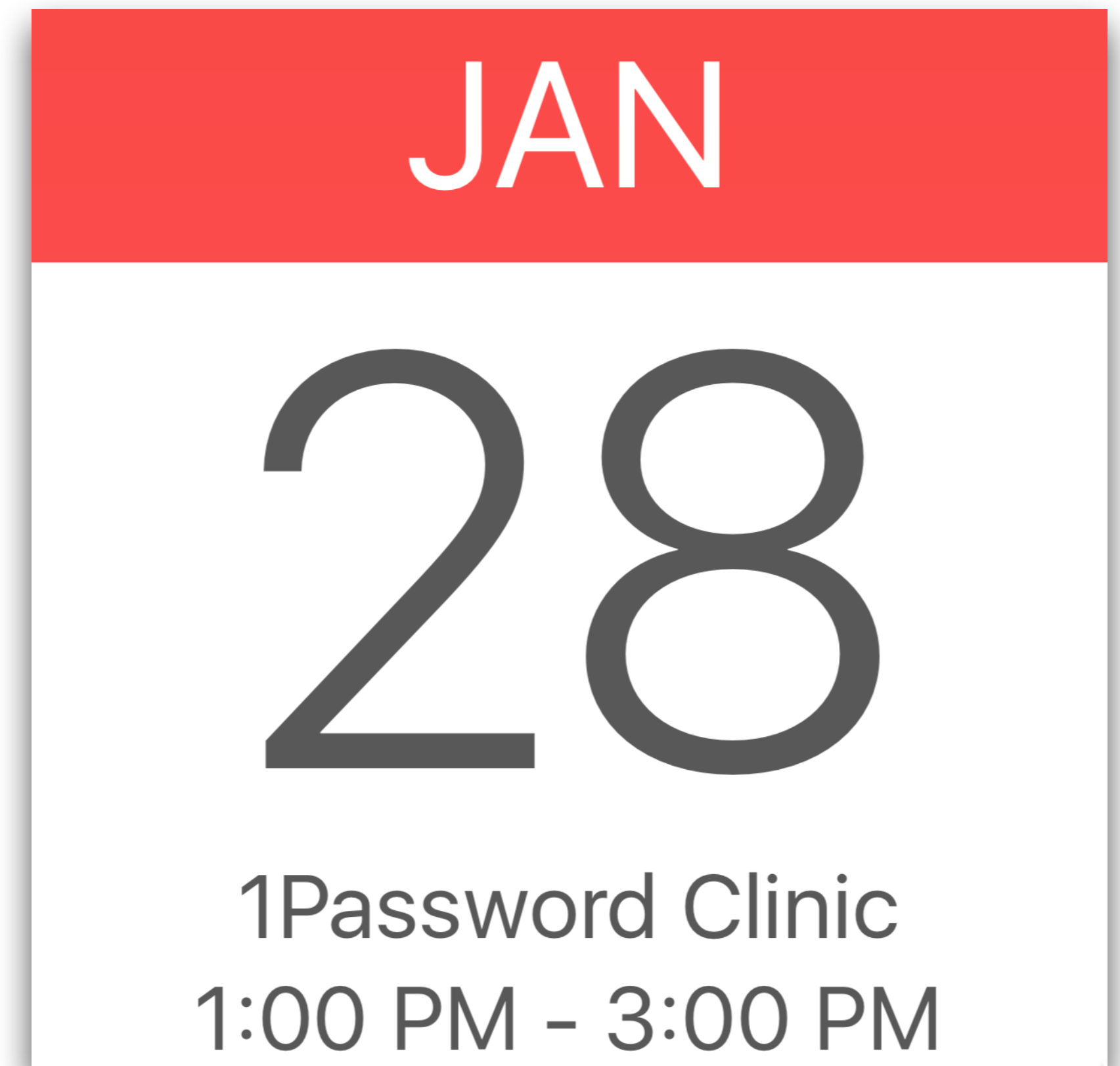


1Password Clinic Tomorrow!



1Password Clinic Tomorrow!

- Open lab from 1-3 PM; **Terrace Room**
- Only for those **ALREADY COMMITTED** to the 1Password app / system / lifestyle / cult
- Bring your iPad, iPhone or Mac for one-on-one help, tips, tune-ups and handy hints
- *Bring your passwords!*
- Free handouts, How-To guides, refreshments and snacks!














February 2016





















< Today >

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31	Feb 1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	Mar 1	2	3	4	5

February 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31	Feb 1	2	3	4	5	6 
7 	8 	9 	10 	11 	12 	13 
14 	15 	16 	17	18	19	20
21	22	23	24	25	26	27
28	29	Mar 1	2	3	4	5

February 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
31	Feb 1	2	3	4	5	6 
7 	8 	9 	10 	11 	12 	13 
14 	15 	16 	17 	18 	19 	20 
21 	22 	23 	24 	25 	26	27
28	29	Mar 1	2	3	4	5



Stuck on this tub for three weeks

No Cove Apple Club Meetings
In February!



Our Next Meeting

MAR

9

Cove Apple Club
7:00 PM - 8:15 PM

Let's Adjourn
to Cheeks!

