

## Economic Woes Hit "Record" Apple Q1

Written by Marco Attard  
04 February 2016

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Apple revenues reach a record \$75.9 billion with profits worth \$18.4bn on fiscal Q1 2016, with international sales accounting for 66% of the quarterly results.



“Our team delivered Apple’s biggest quarter ever, thanks to the world’s most innovative products and all-time record sales of iPhone, Apple Watch and Apple TV,” CEO Tim Cook says. “The growth of our Services business accelerated during the quarter to produce record results, and our installed base recently crossed a major milestone of one billion active devices.”

However the company does show signs of slowdown, as the aforementioned record revenues reflect an increase of just 2% Y-o-Y-- a distinct decline from the 30% Y-o-Y growth seen back in fiscal Q1 2015. The company attributes such decline to slowing iPhone sales in the mature US and Japanese markets, as well as currency woes and economic slowdown hitting the rest of the world.

iPhone sales for the holiday quarter total 74.8 million units with less than 1% Y-o-Y growth, confirming Wall Street fears of declines for Apple's main money maker. In fact, the situation appears to be bad enough for Apple to give revenue guidance for the next quarter of \$50-53bn, below analyst consensus of around \$55bn.

“We do think that iPhone units will decline in the quarter,” Cook says, even if he insists such declines will not as extreme as the -15-25% drop predicted by some analysts.

In hopes to reassure investors the Q1 2016 results have a first time revelation-- Apple device in "active" use total 1bn. The figure covers iPhones, iPads, Apple Watches, Apple TVs, Macs and

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iPods connected to Apple online services (namely the App Store, iTunes and iCloud) in the past 90 days, and shows Apple's services business is on an upwards trend, even if sales might slide down.

Go [Apple Reports Record Q1 Results](#)