

pple and the Euro - UK press release  
<http://www.apple.com>

### The Strategic Impact of the Euro

The Euro, the new common currency for eleven countries in the European Union (EU)-- Austria, Belgium, Finland, France, Germany, Italy, Ireland, Luxembourg, The Netherlands, Portugal and Spain--was launched January 1, 1999 and will impact over 290 million people. A united economic currency in Europe has huge implications: it creates tougher competition, improves transparency of prices and costs, and changes market conditions.

Apple Computer, Inc. has made important commitments to prepare for the introduction of the Euro, including: invoicing and payments to its suppliers, examining ways to consolidate banking relationships, adopting common European pricing, and showing Euro prices in The Apple Stores.

### Pricing Policy

Apple has adopted a policy of common European pricing to reduce back-end complexities. The Euro price, excluding value-added Tax, will be identical in all countries participating in the Euro.

### Invoicing

Apple currently uses SAP distribution and finance control software with multi-currency capability across its European offices. This will enable Apple to react quickly to the introduction of the Euro in particular invoicing and payments to its suppliers. Beginning late January 1999, internal and external payment transactions can be handled both in Euros, as well as in the local currency for all Euro-participating countries.

The legal framework for the Euro, however, will assure that contracts continue in the agreed national currencies until the contracted parties decide otherwise. Neither party will be forced to, nor be prevented from, invoicing in Euros.

### Financial Structures

Many companies see the Euro as an excellent opportunity to profit from its potential

economic advantages. Global investors will have a greater interest in the European capital market. Apple Europe, for example, is examining ways of consolidating its banking relationships. It is talking to its partner banks about possible Euro banking services and is examining all of its internal and external systems to determine whether they are ready for the conversion to the Euro.

Until January 1, 2002, individual branches of a company in the EU Member Countries may show taxes, salaries, annual reports, and other relevant reporting in either local currency or in Euros. Apple believes that immediate internal conversion to the Euro is essential, as the majority of European business is effected in countries that are, or will become, part of the economic and monetary union.

#### Business Structures

The Euro is a catalyst for companies realigning their European business strategies. All companies that adjust early will enjoy a competitive edge and growing market share in Europe. Apple has decided that based on this, its online store, The Apple Store, will show prices in Euros for all countries participating in the Euro. However, local currency prices will also be available.

#### Design

Apple has also played a role in determining the appearance of the new currency. Robert Kalina, a Viennese designer and employee at the Austrian National Bank, is responsible for designing the new Euro bills on an Apple Power Macintosh computer. As a computer manufacturer, Apple also included the Euro symbol as part of the standard character set in its current operating system.

#### More info - Helpful Web Sites

Additional details on the Euro and its impact on Apple's products and technologies may be found at <http://developer.apple.com/technotes/tn/tn1140.html>