

Δ DEFENDANT Δ	United States District Court Northern District of California
	Case No. 4:20-cv-05640-YGR
	Case Title <i>Epic Games, Inc. v. Apple, Inc.</i>
	Exhibit No. DX-4632
	Date Entered _____
	Susan Y. Soong, Clerk
	By: _____, Deputy Clerk

App Store Pricing

Decisions

Expanded Price Points for Subscriptions



Introduction

Overview

- Starting fall 2016, developers will have more capabilities to manage subscriptions, including additional pricing granularity and flexibility
 - 200 price tiers (87 existing and 113 new) across all 155 app stores (25 currencies)
 - Geo-specific market relevant pricing to allow their subscriptions to be priced consistent with other local competitive offerings and inline with their other distribution channels
 - Price preservation (aka grandfathering) for existing subscribers when prices are increased
 - Improved messaging and consents for price increases without price preservation
 - See Appendix 1 for the summary of subscription features launching

Approach

- The price points for the 200 price tiers were determined based on various factors including competition, local market conditions, current distribution (see Appendix 2) and the strategic nature of the business opportunity
- Local pricing conventions and Apple preferred price points and step changes were taken into consideration in deciding the on-store retail price points for each currency
- Tiers will no longer be globally equalized (see Appendix 3 for USD equivalents) with tools provided to developers to allow for equalized pricing
- In all territories, Apple's commission will be 30% for billings that occur in the first year of customer's paid service
 - After one year of paid service, the commission rate will be 15% for all subsequent renewals (including renewals of upgrades or downgrades)

Americas

Territory	Entry Tier	New Tiers Before Existing Tier 50 (US\$ 49.99)	New Tiers Before Existing Tier 60 (US\$ 99.99)	Pricing Summary
 United States/ Rest of World ^{1, 2}	0.49 USD	30	70	<ul style="list-style-type: none"> • \$0.50 increments to \$29.99 • \$1.00 increments to \$124.99 • \$5.00 increments to \$299.99 • Higher increments thereafter to \$999.99
 Canada	0.49 CAD	47	91	<ul style="list-style-type: none"> • \$0.50 increments to \$29.99 • \$1.00 increments to \$119.99 • \$5.00 increments to \$209.99 • Higher increments thereafter to \$1399.99
 Mexico	5 MXN	55	93	<ul style="list-style-type: none"> • "5" and "9" endings to 199 pesos • 10 peso increments to 1299 pesos • 50 peso increments to 1999 pesos • Higher increments thereafter to 18999 pesos







Notes:

1. All countries on USD pricing will share these price tiers: Albania, Algeria, Angola, Anguilla, Antigua & Barbuda, Argentina, Armenia, Azerbaijan, Bahamas, Bahrain, Barbados, Belarus, Belize, Benin, Bermuda, Bhutan, Bolivia, Botswana, Brazil, British Virgin Islands, Brunei Darussalam, Burkina Faso, Cambodia, Cape Verde, Cayman Islands, Chad, Chile, Colombia, Congo (Republic of), Costa Rica, Croatia, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Fiji, Gambia, Ghana, Grenada, Guatemala, Guinea-Bissau, Guyana, Honduras, Iceland, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Laos People's Democratic Republic, Lebanon, Liberia, Macau, Macedonia, The Former Yugoslav Republic Of, Madagascar, Malawi, Malaysia, Mali, Mauritania, Mauritius, Federated States Of Micronesia, Republic Of Moldova, Mongolia, Montserrat, Mozambique, Namibia, Nepal, Nicaragua, Niger, Nigeria, Oman, Pakistan, Palau, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Qatar, São Tomé and Príncipe, Senegal, Seychelles, Sierra Leone, Solomon Islands, South Korea, Sri Lanka, St. Kitts and Nevis, St. Lucia, St. Vincent & The Grenadines, Suriname, Swaziland, Tajikistan, United Republic Of Tanzania, Trinidad & Tobago, Tunisia, Turkmenistan, Turks and Caicos Islands, Uganda, Ukraine, United States, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen, and Zimbabwe.
2. VAT is 0% for all USD based countries except Albania (20%), Croatia (25%), Iceland (24%), and Korea (10%), where the VAT will be added on top of these prices.

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Europe







Territory	Entry Tier	New Tiers Before Existing Tier 50 (US\$ 49.99)	New Tiers Before Existing Tier 60 (US\$ 99.99)	Pricing Summary
 Eurozone ^{1, 2}	0.49 EUR	30	70	<ul style="list-style-type: none"> • 0.50€ increments to 29.99€ • 1.00€ increments to 124.99€ • 5.00€ increments to 299.99€ • Higher increments thereafter to 999.99€
 United Kingdom	0.49 GBP	21	51	<ul style="list-style-type: none"> • £0.50 increments to £29.99 • £1.00 increments to £124.99 • £5.00 increments to £229.99 • Higher increments thereafter to £899.99
 Denmark	5 DKK	38	80	<ul style="list-style-type: none"> • 1 krone increments to 20 kroner • "5" and "9" endings to 499 kroner • 10 krone increments to 999 kroner • Higher increments thereafter to 7999 kroner
 Sweden	5 SEK	51	86	<ul style="list-style-type: none"> • 1 krona increments to 20 kronor • "5" and "9" endings to 399 kronor • 10 krona increments to 879 kronor • Higher increments thereafter to 10995 kronor
 Norway	5 NOK	67	92	<ul style="list-style-type: none"> • 1 krone increments to 20 kroner • "5" and "9" endings to 499 kroner • 10 krone increments to 799 kroner • Higher increments thereafter to 10990 kroner
 Switzerland ³	0.50 CHF	21	63	<ul style="list-style-type: none"> • 0.50 franc increments to 20 francs • 1 franc increments to 130 francs • 5 franc increments to 300 francs • Higher increments thereafter to 1100 francs

Notes:

1. All countries on EUR pricing will share these tiers: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, and Spain.
2. Two Apple TV-only subscriptions from Viaplay (Adam IDs: 984663784 and 984938808) are currently specially priced at €8.95 and €24.95 respectively for Finland. These price points will not be supported in the 200 tiers; however for launch, the subscriptions will continue to be specially priced until the developer agrees to price these at the new available price points.
3. Two subscriptions from Netflix (Adam IDs: 868447470 and 931060833) are currently specially priced at 11.90 CHF. This price point will not be supported in the 200 tiers; however the subscriptions will continue to be specially priced.

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Asia Pacific

Territory	Entry Tier	New Tiers Before Existing Tier 50 (US\$ 49.99)	New Tiers Before Existing Tier 60 (US\$ 99.99)	Pricing Summary ³
 Japan ¹	50 JPY	42	81	<ul style="list-style-type: none"> ¥50 increments to ¥2000 + other strategic ¥ ¥100 increments to ¥10000 ¥200 increments to ¥14000 Higher increments thereafter to ¥118800
 Australia ²	0.49 AUD	53	91	<ul style="list-style-type: none"> \$0.50 increments to \$29.99 \$1.00 increments to \$119.99 \$5.00 increments to \$229.99 Higher increments thereafter to \$1599.99
 New Zealand	0.49 NZD	55	96	<ul style="list-style-type: none"> \$0.50 increments to \$29.99 \$1.00 increments to \$119.99 \$5.00 increments to \$199.99 Higher increments thereafter to \$1599.99
 Indonesia	3000 IDR	41	83	<ul style="list-style-type: none"> Rp1000 increments to Rp19000 "5000" and "9000" endings to Rp 99000 Rp10000 increments to Rp1199000 Higher increments thereafter to Rp 14999000
 Singapore	0.48 SGD	37	92	<ul style="list-style-type: none"> \$0.50 increments to \$19.98 \$1.00 increments to \$129.98 "4.98" and "8.98" endings to \$198.98 Higher increments thereafter to \$1488.98
 Thailand	9 THB	72	84	<ul style="list-style-type: none"> ฿10 increments to ฿989 + certain "5" endings "20","50" and "00" endings to ฿2000 ฿100 increments to ฿4900 Higher increments thereafter to ฿34900

Notes:



1. An Apple TV-only subscription from Hulu (Adam ID: 550076503) is currently specially priced at 1007 JPY. This price point will not be supported in the 200 tiers; however for launch, the subscription will continue to be specially priced until the developer agrees to price it at a supported price point.
2. An Apple TV subscription from Stan (Adam ID: 991208716) is currently specially priced at 10 AUD. This price point will not be supported in the 200 tiers; however for launch, the subscription will continue to be specially priced until the developer agrees to price it at a supported price point.

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Greater China

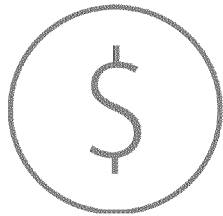
Territory	Entry Tier	New Tiers Before Existing Tier 50 (US\$ 49.99)	New Tiers Before Existing Tier 60 (US\$ 99.99)	Pricing Summary
 China	1 CNY	44	73	<ul style="list-style-type: none"> ¥1 increments to ¥28 ¥5 increments to ¥398 plus additional prices ¥10 increments to ¥798 Higher increments thereafter to ¥6498
 Hong Kong	5 HKD	31	70	<ul style="list-style-type: none"> HK\$5 increments to HK\$498 HK\$10 increments to HK\$998 "48" and "88" endings to HK\$1988 Higher increments thereafter to HK\$7888
 Taiwan	10 TWD	67	82	<ul style="list-style-type: none"> \$10 increments to \$1000 \$20, \$30, or \$40 increments to \$1990 \$100 increments to \$5690 Higher increments thereafter to \$29900

Rest of World

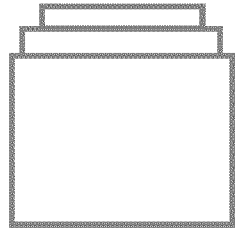
Territory	Entry Tier	New Tiers Before Existing Tier 50 (US\$ 49.99)	New Tiers Before Existing Tier 60 (US\$ 99.99)	Pricing Summary
 Russia	15 RUB	30	69	<ul style="list-style-type: none"> • 20, 30, or 50 ruble increments to 999 rubles • "50" and "90" endings to 4990 rubles • 100 ruble increments to 9990 rubles • Higher increments thereafter to 74990 rubles
 Turkey	0.59 TRY	51	74	<ul style="list-style-type: none"> • 0.50 lira increments to 10.99 liras • 1.00 lira increments to 74.99 liras • 5.00 lira increments to 299.99 liras • Higher increments thereafter to 2899.99 liras
 India	10 INR	46	74	<ul style="list-style-type: none"> • ₹10 increments to ₹200 • ₹10, ₹20, or ₹30 increments to ₹1000 • ₹50 increments to ₹4000 • Higher increments thereafter to ₹69900
 South Africa	3.99 ZAR	73	83	<ul style="list-style-type: none"> • R2 or R3 increments to R49.99 • R5 increments to R199.99 • R10 increments to R999.99 • Higher increments thereafter to R19999.99
 Israel	1.90 ILS	50	80	<ul style="list-style-type: none"> • ₪2 increments to ₪199.90 • ₪5 increments to ₪499.90 • ₪20 increments to ₪999.90 • Higher increments thereafter to ₪3999.90
 Saudi Arabia	1.99 SAR	37	67	<ul style="list-style-type: none"> • 1 riyal increments to 20.99 riyals • 2 or 3 riyal increments to 199.99 riyals • 5 riyal increments to 459.99 riyals • Higher increments thereafter to 3699.99
 UAE	1.99 AED	37	67	<ul style="list-style-type: none"> • 1 dirham increments to 20.99 dirhams • 2 or 3 dirham increments to 199.99 dirhams • 5 dirham increments to 459.99 dirhams • Higher increments thereafter to 3699.99

Appendices

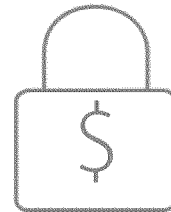
Appendix 1: 2016 Subscriptions Features



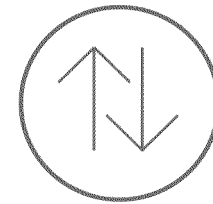
Increased Proceeds
After One Year



Expand to All
Categories



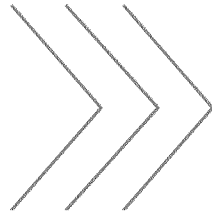
Price
Preservation



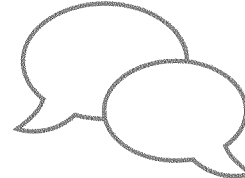
Upgrades,
Downgrades,
Crossgrades



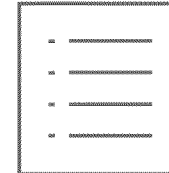
Territory Pricing



Subscription
Pricing Tiers

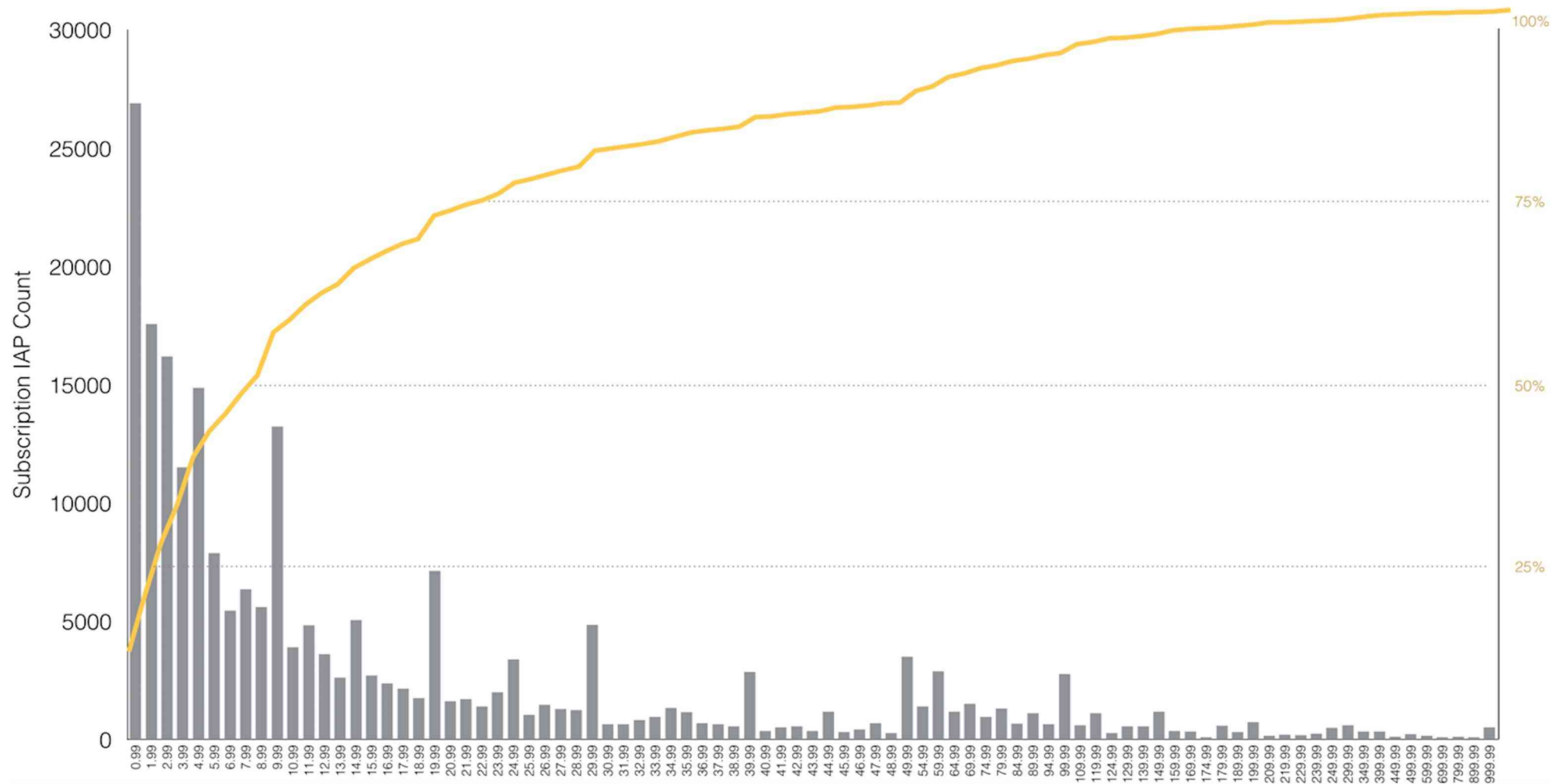


Improved Consent
for Price Increases



Manage Subscriptions
Page Enhancements

Appendix 2: Existing Tier Distribution



Notes:

For the purposes of this graph, each of the existing 87 tiers are represented by their associated USD retail price.

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Appendix 3: USD Equivalents

Tier FX Rate Per Currency - Summary

	Tiers (USD Equivalents Before Taxes)					
	1	10	50	100	150	200
North America						
USD	0.49	4.99	24.99	69.99	119.99	999.99
CAD	0.37	2.66	20.58	58.70	96.83	1067.47
MXN	0.27	2.45	15.72	42.92	70.11	1033.42
Europe						
EUR	0.46	4.64	27.86	74.32	120.78	929.12
GBP	0.54	3.10	24.99	72.21	127.77	999.99
DKK	0.60	1.68	23.38	53.35	106.57	958.90
SEK	0.48	3.37	21.67	52.88	124.74	1059.12
NOK	0.48	3.17	21.59	45.59	129.57	1054.77
CHF	0.47	4.67	24.28	69.11	115.80	1027.25
Australia, New Zealand, and Japan						
AUD	0.32	3.27	19.63	52.36	85.08	1047.27
NZD	0.29	2.64	14.39	40.52	69.89	939.82
JPY	0.45	2.72	13.61	54.42	108.84	1077.55
Greater China						
CNY	0.15	1.49	13.89	50.46	116.16	970.18
HKD	0.64	4.89	30.65	62.85	125.97	1015.97
TWD	0.31	3.06	15.30	30.61	116.01	915.21
Asia-Pacific						
IDR	0.22	0.95	20.47	57.16	117.33	1100.60
SGD	0.35	3.60	21.69	57.87	94.05	1077.41
THB	0.25	1.65	12.83	26.80	100.59	975.16
Rest of World						
RUB	0.23	2.57	27.20	65.19	130.53	1139.49
TRY	0.20	1.52	12.55	35.61	105.13	983.55
INR	0.15	1.48	11.86	44.48	103.78	1036.32
ZAR	0.22	1.40	11.19	39.16	111.89	1118.92
ILS	0.49	5.17	25.97	51.96	116.95	1039.72
AED	0.54	2.45	23.96	61.26	133.40	1007.35
SAR	0.53	2.40	23.46	59.99	130.65	986.53
Min	0.15	0.95	11.19	26.80	69.89	915.21
Max	0.64	5.17	30.65	74.32	133.40	1139.49
Average	0.38	2.88	20.15	53.19	111.14	1022.44