Apple and Pepsi to Give Away 100 Million Free Songs

SAN FRANCISCO—October 16, 2003—Apple® and Pepsi-Cola North America today announced a historic promotion to legally give away 100 million free songs to Mac® and Windows PC users from Apple's iTunes® Music Store. Beginning February 1, 100 million winning codes will be randomly seeded in 20 ounce and 1 liter bottles of Pepsi, Diet Pepsi and Sierra Mist, and the winning codes will be redeemable for a free song from the iTunes Music Store. Winners will simply go to Apple's iTunes Music Store (www.iTunes.com), enter the code found under the bottle cap and choose any 99 cent song from the online store's vast catalog of over 400,000 songs. The Pepsi iTunes promotion will kick-off with a Super Bowl ad on February 1, 2004, and will run until March 31, 2004.

"iTunes has revolutionized the way we buy music," said Dawn Hudson, president of Pepsi-Cola North America. "iTunes provides music fans with a fast, reliable and easy way to get the music they want, when they want it. During the Pepsi iTunes promotion, they will be able to get more of their favorite music for free."

"This historic promotion to legally give away 100 million free songs will go down in history as igniting the legal download market," said Steve Jobs, Apple's CEO. "Pepsi has marketed their products through music for generations, and this is going to be another one that is remembered for decades."

Apple's iTunes Music Store revolutionized the online music industry with its groundbreaking personal use rights and one-click download directly into iTunes, Apple's integrated digital jukebox software—all for just 99 cents per song. Since its launch six months ago, music fans have purchased and downloaded more than 13 million songs from the iTunes Music Store, making it the number one download music service. Apple today launched its second generation iTunes Music Store for both Mac and Windows PC users. With music from all five major music companies and over 200 independent music labels, the iTunes Music Store is growing every day and will offer more than 400,000 songs.

The Pepsi iTunes promotion complements Pepsi's music initiatives. Pepsi has a long history of integrating music as a core platform in their marketing programs. From Michael Jackson and Madonna to Shakira and Beyoncé, Pepsi has featured the biggest recording artists and a diverse range of chart-topping music in marketing campaigns for decades. PEPSI SMASH, a one-hour wall-to-wall music television show that debuted last summer on the WB TV network and featured live musical performances, is one of Pepsi's ongoing music initiatives.

Purchase, N.Y.-based Pepsi-Cola North America (www.pepsi.com) is the \$4 billion refreshment beverage unit of PepsiCo Inc. in the United States and Canada. Its U.S. brands include Pepsi, Diet Pepsi, Pepsi ONE, Wild Cherry Pepsi, Pepsi Twist, Pepsi Blue, Pepsi Vanilla, Mountain Dew, Mountain Dew Code Red, Mountain Dew LiveWire, Sierra Mist, Mug, Slice, Aquafina, FruitWorks, Dole single-serve juices and SoBe. The company also makes and markets North America's best-selling ready-to-drink iced teas and coffees, respectively, via joint ventures with Lipton and Starbucks.

Apple ignited the personal computer revolution in the 1970s with the Apple II and reinvented the personal computer in the 1980s with the Macintosh. Apple is committed to bringing the best personal computing experience to students, educators, creative professionals and consumers around the world through its innovative hardware, software and Internet offerings.

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