



NEWS RELEASE

## Warner Music China and China Unicom Enter Landmark Content Agreement

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### First Major Music Company to Partner With One of World's Largest Mobile Operators

LONDON, Jun 20, 2006 -- Warner Music China (WMC) today became the first major music company to enter a direct, catalogue-wide content agreement with a mobile operator in China. Under the agreement, ringback tones, mastertones and artist greetings by Warner Music artists will be available via China Unicom's CDMA and GSM networks.

With 130 million subscribers, China Unicom is the world's third-largest mobile operator. On June 20, China Unicom will kick off its "Year of Music" campaign, where its millions of customers will be exposed to the many innovative music products available through China Unicom's advanced networks and handsets.

WMC artists will receive significant marketing support across China Unicom's network, including SMS marketing, menu listing, a dedicated Warner Music zone and cross-selling links on WAP sites.

The agreement is the latest milestone in Warner Music's global digital strategy and will make the music company's repertoire available to one of Asia's pioneering telecommunications operators. China Unicom's customers will have access to content from some of Asia Pacific's most popular artists, including Stephanie Sun, Tanya Chua, A-Mei and F.I.R. (Taiwan), Wang Jing and Paul Wong (China), Jocie Guo (Singapore), Nicholas Zhang (Malaysia), and Fiona Sit (Hong Kong).

In announcing the agreement, Alex Zubillaga, Executive Vice President, Digital Strategy and Business Development, Warner Music Group, said, "We are extremely excited to be entering into the wireless entertainment business in

China with a partner who shares our ambition to grow this important platform for music. We believe that the expansion of instant, compelling and secure mobile services in this region presents the music industry with huge opportunities, and we are proud to be at the forefront of those developments."

Ken Cheung, Vice President, New Media and Business Development, Warner Music Asia Pacific, added, "As the first direct, catalogue-wide content agreement with a Chinese mobile operator, this deal not only provides a dynamic, new distribution channel for our artists' content, but also provides an opportunity to explore innovative ways to deliver that content to the Chinese audience."

The Chinese digital music business was 3.6bn yuan (\$450m) in 2005 and is predicted to grow to 12.7bn yuan (\$1.6bn) in 2010, according to the Chinese Audio-Video Association (CAVA).

WMC was the first major label to open a dedicated Chinese office in 2000. This latest announcement further underlines the commitment of Warner Music International (WMI) to developing its digital business in the Asia Pacific region. Just two weeks ago, Warner Music Japan announced it had acquired a minority stake in FrontMedia, a leading mobile broadcasting company and developer of cutting-edge wireless applications. In May, WMI announced a joint venture with SK Telecom, Korea's foremost broadband and wireless provider, and at the end of 2005, WMI launched the first mobile content bundle with KDDI, a package of audio, video, graphic and textual products in a single, downloadable file.

#### About Warner Music Group

Warner Music Group (NYSE: WMG) became the only stand-alone music company to be publicly traded in the United States in May 2005. With its broad roster of new stars and legendary artists, Warner Music Group is home to a collection of the best-known record labels in the music industry including Asylum, Atlantic, Bad Boy, Cordless, East West, Elektra, Lava, Maverick, Nonesuch, Reprise, Rhino, Sire, Warner Bros. and Word. Warner Music International, a leading company in national and international repertoire, operates through numerous international affiliates and licensees in more than 50 countries. Warner Music Group also includes Warner/Chappell Music, one of the world's leading music publishers.