NEWS RELEASE

Warner/Chappell Music Launches Its Pan-European Digital Licensing (P.E.D.L.) Initiative

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New Digital Licensing Initiative Designed to Facilitate the Licensing of Musical Compositions for Digital Music Services Throughout Europe The P.E.D.L. Initiative Establishes Criteria for Collection Societies Seeking to Offer Multi-Territory, Pan-European Licenses for the Prestigious Warner/Chappell Catalog

LONDON, Jun 02, 2006 -- Warner/Chappell Music, the publishing arm of Warner Music Group Corp. (NYSE: WMG), and one of the world's largest music publishers, today announced the launch of its Pan-European Digital Licensing (P.E.D.L.) initiative that will result in simple, one-stop shopping for digital music services seeking to license Warner/Chappell's Anglo-American repertoire in multiple European territories.

Currently, digital music services wishing to license Warner/Chappell's library of musical compositions for exploitation in Europe must obtain separate licenses from at least 25 different collection societies. Under Warner/Chappell's P.E.D.L. initiative, Warner/Chappell will designate several of these European collecting societies as its non-exclusive licensing agent and will authorize each of the designees to grant pan-European digital licenses in Warner/Chappell's Anglo-American repertoire. Digital music services will be able to go to any of the collecting societies designated by Warner/Chappell to obtain these multi-territory digital licenses.

Consistent with the European Commission's 2005 Recommendation mandating rightsholders be given a choice of which European collection society may administer the rightsholders' rights across multiple territories, today's announcement will provide a dramatically simplified and comprehensive method for the user community when seeking licenses.

The P.E.D.L. initiative will be a boon to both digital music services and to Warner/Chappell's songwriters. The services will be able to obtain easy, one-stop, pan-European access to Warner/Chappell's Anglo-American repertoire, significantly reducing the administrative burden and expense of the existing local licensing regime. The P.E.D.L. initiative will also provide digital services with latitude in choosing among several collection societies from which to obtain Warner/Chappell's pan-European rights. Simplifying the licensing process will foster the growth of digital music services in Europe and increase the presence of Warner/Chappell repertoire on those services, thereby benefiting Warner/Chappell's songwriters. Warner/Chappell's songwriters will be further advantaged by virtue of the fact that those collection societies designated by Warner/Chappell for pan-European digital licensing will have the ability to comply with a strict set of common standards intended to ensure transparency, efficiency and accountability and that songwriters will be compensated appropriately and accurately for their work.

In making the announcement today, Warner/Chappell Music's Chairman and CEO, Richard Blackstone, said, "Warner/Chappell is focused on entering into expanded relationships with those collection societies who will work closely with us to administer our online and mobile rights in a manner which is consistent with agreed guidelines and which allows us to conduct business in the new competitive digital landscape. Today, we have invited all of Europe's collection societies to apply to administer our digital rights in Anglo-American repertoire on a pan-European basis. We are confident this initiative will lead to a new and evolved relationship with collection societies -- one in which our songwriters, and partners, along with digital music services, can flourish and that ultimately provides consumers with access to a wider array of digital content. Going forward, I am hopeful that this is the first of a number of initiatives that help move music publishers to the forefront of new business models in these exciting times."

Beginning today, Warner/Chappell will provide all European collection societies with criteria they must meet in order to be considered as a pan-European licensor of Warner/Chappell repertoire. After reviewing the responses and meeting with the societies, Warner/Chappell will select several collection societies to administer the digital rights for its Anglo-American repertoire on a non-exclusive basis.

While initially the P.E.D.L initiative will apply to Anglo-American repertoire, Warner/Chappell expects to expand the program in due course to include continental European repertoire either on an exclusive or non-exclusive basis.

About Warner/Chappell Music

Warner/Chappell Music is WMG's award-winning global music publishing company. The Warner/Chappell Music catalog includes standards such as "Rhapsody in Blue," "Winter Wonderland," the songs of Cole Porter and George and Ira Gershwin, as well as the music of Dido, Dr. Dre, Eric Clapton, Green Day, Led Zeppelin, Madonna, Nickelback, Red Hot Chili Peppers, Sheryl Crow, T.I. and others. Warner/Chappell Music is a leader in creating

innovative strategies for marketing and promoting its songwriters and their music. The company's extensive catalog makes it a natural first stop for A&R executives and record producers, feature film and television production companies, and others looking to record or license some of the world's greatest music.