MID-YEAR 2022 RIAA REVENUE STATISTICS

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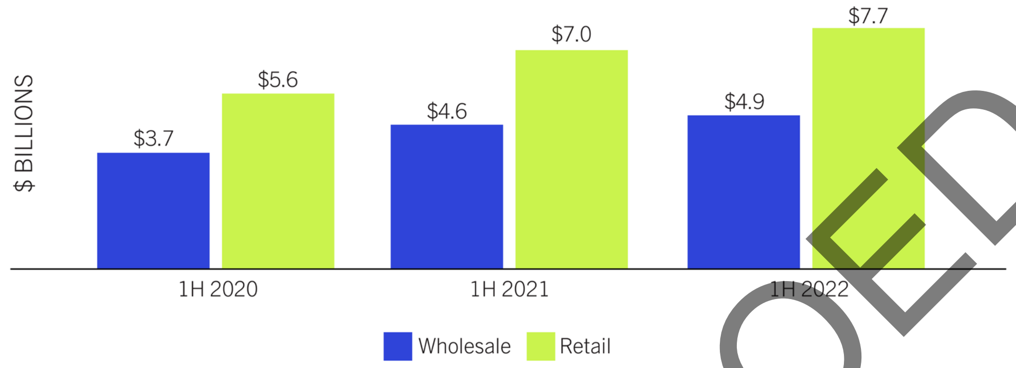
U.S. recorded music revenues in the first half of 2022 rose 9% to $7.7 billion at estimated retail value, building on the strong growth experienced the prior year. The number of paid subscriptions grew to a record high of 90 million, with revenues up 10% to $5.0 billion and comprising almost two-thirds of the first half total. At wholesale value, revenues grew 8% to $4.9 billion.

FIGURE 1

U.S. RECORDED MUSIC MID-YEAR REVENUES



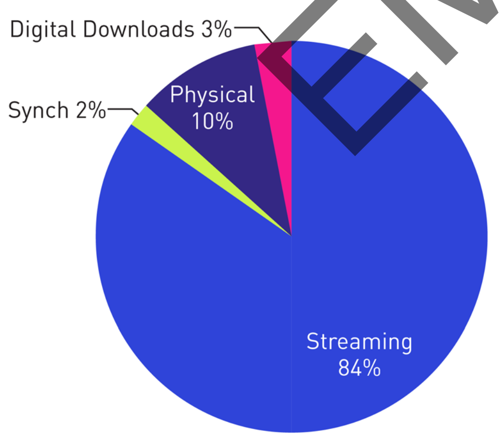
STREAMING

Revenues from streaming music, a broad category including formats such as paid subscription services, ad-supported services, digital and customized radio, and licenses for music on social media and digital fitness apps, grew 10% to $6.5 billion in the first half of 2022. The share of revenues that came from streaming was virtually flat at 84%.

FIGURE 2

U.S. RECORDED MUSIC REVENUES 1H 2022

Source: RIAA



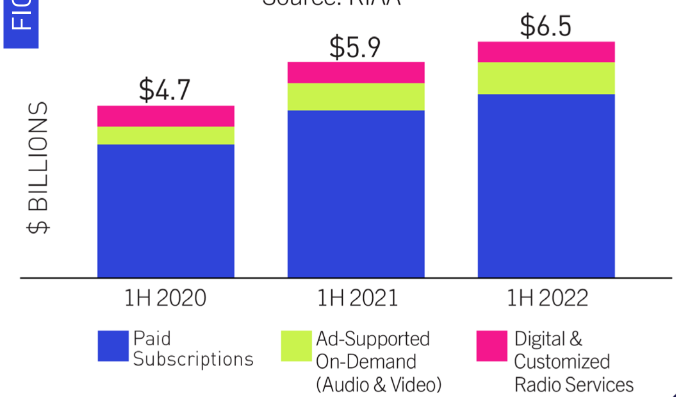
*Figures don't add to 100% due to rounding

Paid subscriptions continued to be the largest driver of music revenues, growing 10% to $5.0 billion, and by value accounting for 78% of streaming in 1H 2022. This total includes $525 million in revenues from "Limited Tier" paid subscriptions (for services limited by factors such as mobile access, catalog availability, on-demand limitations, or device restrictions). Those types of services accounted for 10% of subscription revenues, a small increase versus 1H 2021. Services like Amazon Prime, Pandora Plus, music licenses for digital fitness apps, and other subscriptions are included in this category.

FIGURE 3

U.S. STREAMING MUSIC REVENUES

Source: RIAA



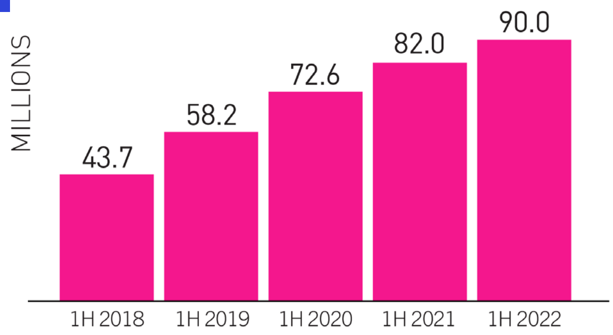
RIAA data analysis by **Joshua P. Friedlander**, Senior Vice President, and **Matthew Bass**, Manager

The number of paid subscriptions to on-demand music streaming services built on the record high levels from last year. For 1H 2022, the average number of subscriptions reached a record 90 million, up 10% compared with 82 million for 1H 2021. These figures count multi-user plans as a single subscription, and exclude limited-tier services.

FIGURE 4

U.S. PAID MUSIC SUBSCRIPTIONS (1H AVERAGE)

Source: RIAA



Advertising supported on-demand streaming music revenues (from services like YouTube, the ad-supported version of Spotify, Facebook and TikTok) grew 16% by revenue in 1H 2022 to $871 million. This growth comes on top of the strong rebound the category experienced in 2021 relative to the Covid-19 impacted comparison period the year before that.

Digital and customized radio service revenues of $566 million in 1H 2022 were 3% lower than the same period the prior year. This category includes SoundExchange distributions for services like SiriusXM and internet radio stations, as well as payments directly paid by similar services (included in this report as "other ad-supported streaming).

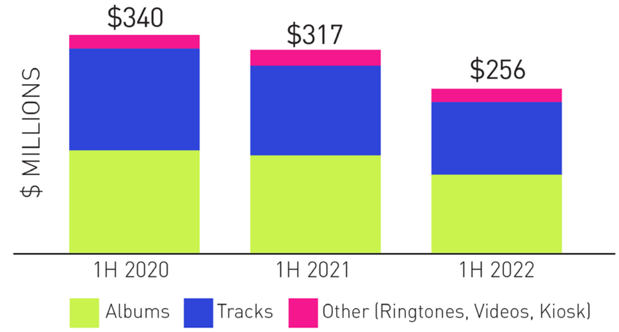
DIGITAL DOWNLOADS

Revenues from permanent downloads of tracks and albums both declined in 1H 2022. Digital track revenues fell 19% to $113 million, and digital albums declined 20% to $122 million. Along with ringtones and other digital download formats, 1H 2022 total of $256 million comprised only 3% of total recorded music revenues.

FIGURE 5

U.S. PERMANENT DIGITAL DOWNLOAD REVENUES

Source: RIAA



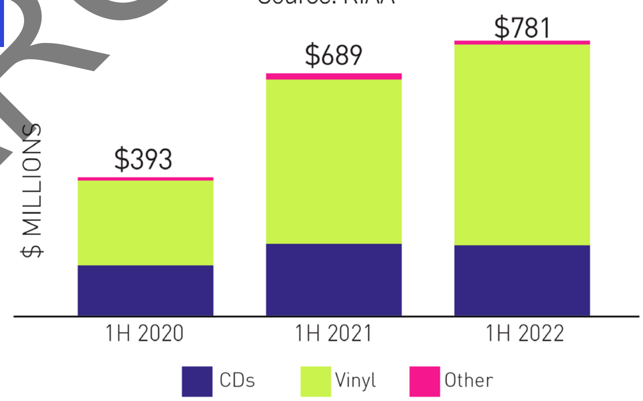
PHYSICAL PRODUCTS

After remarkable growth in 2021 compared with a Covid-19 shutdown impacted previous year, vinyl records continued to rise in the first half of 2022. Revenues from vinyl albums grew 22% to $570 million, and vinyl's share of the physical market increased from 68% to 73%. Revenues from CDs fell just 2% to $200 million, and accounted for 26% of physical revenues.

FIGURE 6

U.S. PHYSICAL MUSIC REVENUES 1H 2022

Source: RIAA



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NOTE – Historical data updated for 2018 - 2021. Formats with no retail value equivalent included at wholesale value. RIAA presents the most up-to-date information available in its industry revenue reports and online statistics database: https://www.riaa.com/u-s-sales-database

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For a list of authorized services see www.whymusicmatters.com

United States Estimated Retail Dollar Value (In Millions, net after returns)

DIGITAL SUBSCRIPTION & STREAMING		1H 2021	1H 2022	% CHANGE 1H '21 to 1H '22
(Units) (Dollar Value)	**Paid Subscription[1]**	82.0 $4,120.3	90.0 $4,507.9	9.8% 9.4%
	Limited Tier Paid Subscription[2]	$450.4	$525.0	16.6%
	On-Demand Streaming (Ad-Supported)[3]	$748.5	$871.5	16.4%
	SoundExchange Distributions[4]	$487.0	$464.9	-4.5%
	Other Ad-Supported Streaming[5]	$97.8	$101.5	3.8%
	Total Streaming Revenues	**$5,903.9**	**$6,470.7**	**9.6%**
DIGITAL PERMANENT DOWNLOAD				
(Units) (Dollar Value)	**Download Single**	114.6 $140.1	91.6 $113.3	-20.1% -19.1%
	Download Album	15.7 $151.8	12.4 $122.2	-21.1% -19.5%
	Ringtones & Ringbacks	3.6 $9.0	2.5 $6.2	-31.5% -31.5%
	Other Digital[6]	0.8 $15.6	0.5 $14.5	-34.6% -6.9%
	Total Digital Download Revenues	**$316.6**	**$256.2**	**-19.1%**
TOTAL DIGITAL VALUE		$6,220.5	$6,726.9	8.1%
	Synchronization Royalties[7]	$137.0	$178.0	29.9%
PHYSICAL				
(Units Shipped) (Dollar Value)	**CD**	18.4 $204.3	17.7 $199.7	-3.7% -2.2%
	LP/EP	18.8 $466.5	21.8 $570.2	15.7% 22.2%
	Music Video	0.5 $8.2	0.4 $6.9	-18.9% -16.7%
	Other Physical[8]	0.6 $10.2	0.2 $4.1	-60.2% -60.2%
	Total Physical Units **Total Physical Value**	**38.3** **$689.2**	**40.1** **$780.8**	**4.8%** **13.3%**
TOTAL DIGITAL AND PHYSICAL				
	Total Units[9] **Total Value**	**173.0** **$7,046.6**	**147.1** **$7,685.7**	**-15.0%** **9.1%**
	% of Shipments[10] Physical Digital	**1H 2021** 10% 90%	**1H 2022** 10% 90%	

EMBARGOED

Retail Value is the value of shipments at recommended or estimated list price
Formats with no retail value equivalent included at wholesale value

Note: Historical data updated for 2021

[1] Streaming, tethered, and other paid subscription services not operating under statutory licenses. Subscription volume is annual average number of subscriptions, excludes limited tier
[2] Paid streaming services with interactivity limitations by availability, device restriction, catalog limitations, on demand access, or other factors
[3] Ad-supported audio and music video services not operating under statutory licenses
[4] Estimated payments to performers and copyright holders for digital and customized radio services under statutory licenses
[5] Revenues for statutory services that are not distributed by SoundExchange and not included in other streaming categories
[6] Includes Kiosks, music video downloads, and starting in 2016 other digital music licensing
[7] Includes fees and royalties from synchronization of sound recordings with other media
[8] Includes CD Singles, Cassettes, Vinyl Singles, DVD Audio, SACD
[9] Units total includes both albums and singles, and does not include subscriptions or royalties
[10] Synchronization Royalties excluded from calculation