



## Rhapsody Teams with Universal Music Group for DRM-Free Music Test

Music from UMG's Top-Selling Artists Will Be Available for Purchase in Unrestricted MP3 Format Through Rhapsody Starting August 21

SEATTLE — August 10, 2007 — RealNetworks®, Inc. (NASDAQ: RNWK), today announced that its award-winning Rhapsody® digital music service will soon begin offering for sale thousands of DRM-free albums and tracks from artists on Universal Music Group as part of a six-month test with UMG, the world's leading music company.

Between August 21st and the end of January, Rhapsody is making a wide selection of music from UMG's digital repertoire available for purchase in open MP3 format with no rights management restrictions, including albums and songs from many of the company's top-selling artists, including 50 Cent, Amy Winehouse, The Pussycat Dolls, The Police and Johnny Cash among others.

DRM-free music from UMG will be available for the same price as protected files—89 cents per song for Rhapsody subscribers and 99 cents for non-subscribers. These 256 kbps MP3 files are compatible with every portable digital music player on the market, including the recently-released iriver clix Rhapsody, the Sansa e200R player from SanDisk, and the iPod, among others. Consumers will need the latest version of Rhapsody (available for download at [www.rhapsody.com](http://www.rhapsody.com)) to take advantage of this DRM-free music offering.

"Real is committed to giving consumers more control over where and how they enjoy the music they buy online," said Rob Glaser, chairman and chief executive officer of RealNetworks, owner of the Rhapsody music service. "We think online music is moving to a DRM-free model for music purchases, and commend UMG for launching this initiative."

Since 2004, RealNetworks has actively called attention to the issue of interoperability and the need to let consumers purchase music downloads that can be played on any MP3 player. Earlier this year, Real called on the recording industry to directly address these compatibility problems and help grow the market for legal music downloads by allowing digital music retailers to sell their music without DRM.

RealNetworks pioneered the unlimited access music service model, and currently leads the market for music subscription services with more than 2.7 million subscribers to Rhapsody and its other premium music services. Since launching in 2001, Rhapsody has received multiple industry awards and honors. In 2006, Rhapsody earned *Billboard's* Digital Entertainment Media and Marketing Excellence award for the Best Downloadable or Subscription Music Service, *Entertainment Weekly* named Rhapsody one of its "25 Best Music Websites," and *PC World* honored Rhapsody with a 2006 World Class Award in its annual list of "100 Best Products."

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#### ABOUT REALNETWORKS

RealNetworks, Inc. is providing ways for consumers to be entertained on any screen (PC, home entertainment system, portable device or mobile phone) anywhere. Its digital entertainment services include RealPlayer, the acclaimed Rhapsody® music service, one of the largest Casual Games destinations RealArcade®, and a variety of mobile entertainment services offered to consumers by leading wireless carriers around the world. RealNetworks' corporate information is located at [www.realnetworks.com/company](http://www.realnetworks.com/company).

#### ABOUT UNIVERSAL MUSIC GROUP

Universal Music Group is the world's leading music company with wholly owned record operations or licensees in 77 countries. Its businesses also include Universal Music Publishing Group, the industry's largest global music publishing operation.

Universal Music Group consists of record labels Decca Music Group, Deutsche Gramophone, Interscope Geffen A&M Records, Geffen Records, Island Def Jam Music Group, Lost Highway Records, MCA Nashville, Mercury Nashville, Mercury Records, Philips, Polydor Records, Universal Music Latino, Universal Motown Records Group, Universal South Records and Verve Music Group, as well as a multitude of record labels owned or distributed by its record company subsidiaries around the world. The Universal Music Group owns the most extensive catalog of music in the industry, which is marketed through two distinct divisions, Universal Music Enterprises (in the U.S.) and Universal Strategic Marketing (outside the U.S.). Universal Music Group also includes eLabs, a new media and technologies division, and Universal Music Mobile.

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Universal Music Group is a unit of Vivendi, a global media and communications company.