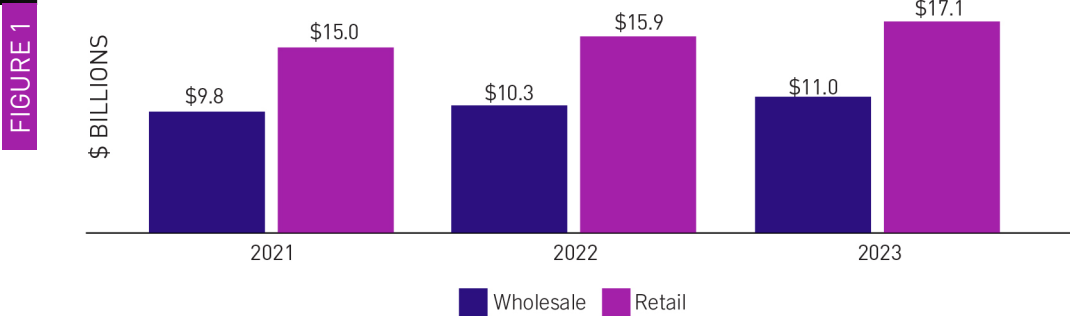


YEAR-END 2023 RIAA REVENUE STATISTICS

Matthew Bass | Director, Research and Gold & Platinum Operations

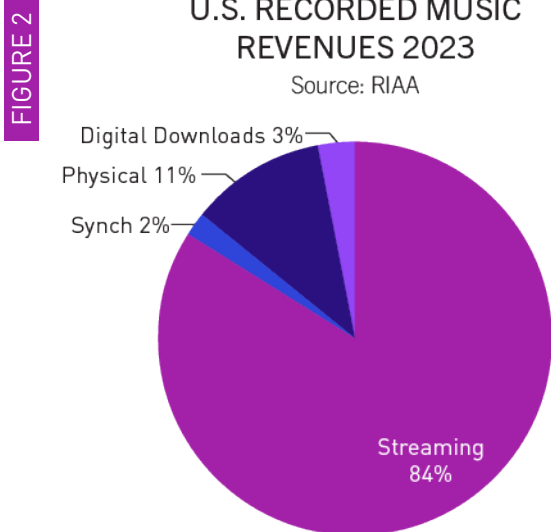
Recorded music revenues in the U.S. in 2023 continued strong growth for the eighth consecutive year. Total revenues grew 8% to a record high \$17.1 billion at estimated retail value. Streaming continued to be the biggest driver of growth with record levels of engagement in paid subscriptions, continued growth in ad-supported revenues, and growing contributions from new platforms and services. At wholesale value revenues grew 7% to a record high of \$11 billion.

U.S. RECORDED MUSIC REVENUES



U.S. RECORDED MUSIC REVENUES 2023

Source: RIAA

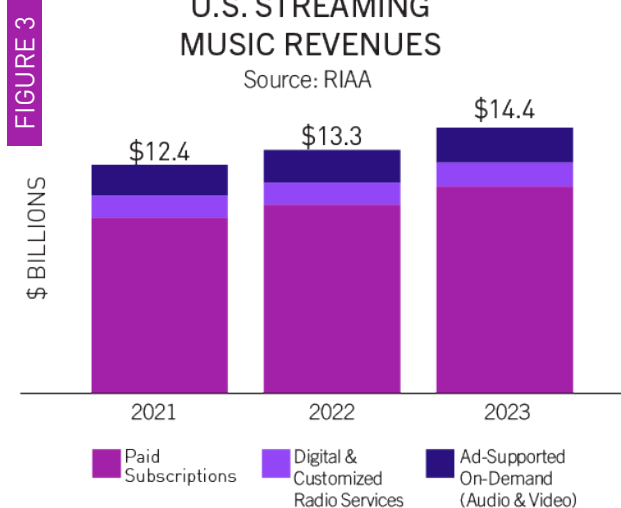


STREAMING

Streaming continued to account for the great majority of recorded music revenues in 2023. Paid subscriptions, ad-supported services, digital and customized radio, social media platforms, digital fitness apps and others grew 8% to a record high \$14.4 billion in revenue. These services collectively accounted for 84% of total revenues for the second year in a row.

U.S. STREAMING MUSIC REVENUES

Source: RIAA



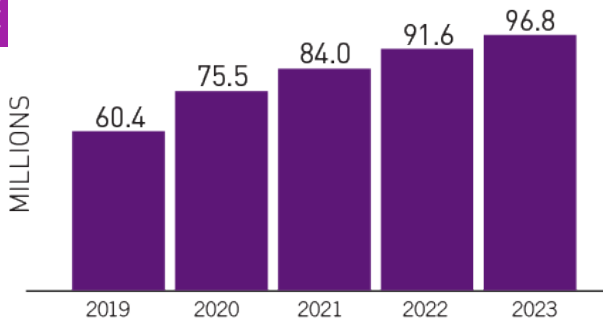
Revenues from paid subscriptions grew 9% to \$11.2 billion in 2023, accounting for 78% of streaming revenues, and nearly two-thirds of total revenues. Limited tier subscriptions (services limited by factors such as mobile access, catalog availability, product features, or device restrictions) fell 4% to \$1.0 billion. Services like Amazon Prime, Pandora Plus, music licenses for streaming fitness services, and other subscriptions are included in this category.



The number of paid subscriptions to on-demand music services continued to grow and reach new highs in 2023. The average number of subscriptions for the year grew 5.7% to 96.8 million, compared with an average of 91.6 million for 2022. These figures exclude limited-tier services, and count multi-user plans as a single subscription.

FIGURE 4 U.S. PAID MUSIC SUBSCRIPTIONS

Source: RIAA



Music revenues from advertising supported on-demand services (such as YouTube, the ad-supported version of Spotify, Facebook, and others) grew at a slower pace than previous recent years, up 2% to \$1.9 billion. Ad supported services contributed 11% of total 2023 recorded music revenues.

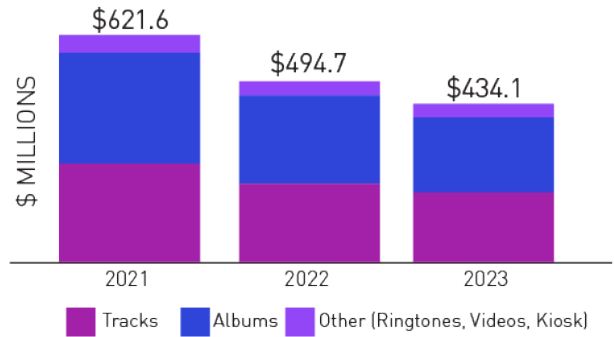
Digital and customized radio music revenues grew 8% to \$1.3 billion in 2023. The category includes SoundExchange distributions for revenues from services like SiriusXM and Internet radio stations, as well as payments directly paid by similar services, included in this report as “other ad-supported streaming”. SoundExchange distributions grew 5% to \$1.0 billion, while other ad-supported streaming revenues of \$318 million were up 22%.

DIGITAL DOWNLOADS

Revenues from digitally downloaded music continued to decline in 2023, down 12% to \$434 million. Both digital album sales and individual track sales were down double digits to \$205 and \$191 million respectively. Downloads accounted for just 3% of U.S. recorded music revenues in 2023, down from a peak of 43% of revenues in 2012.

FIGURE 5 U.S. PERMANENT DIGITAL DOWNLOAD REVENUES

Source: RIAA

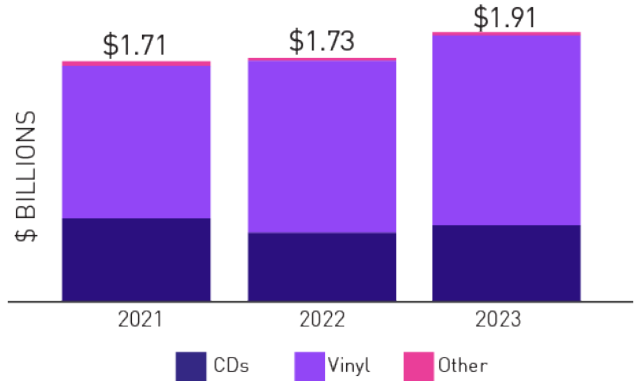


PHYSICAL PRODUCTS

Revenues from physical music formats continued to grow after their remarkable resurgence in 2021. Total physical revenues of \$1.9 billion were up 11% versus the prior year. Revenues from vinyl records grew 10% to \$1.4 billion – the seventeenth consecutive year of growth – and accounted for 71% of physical format revenues. For the second time since 1987, vinyl albums outsold CDs in units (43 million vs 37 million), even as revenues from CDs also show growth, up 11% to \$537 million in 2023.

FIGURE 6 U.S. PHYSICAL MUSIC REVENUES

Source: RIAA



NOTE – Updates were incorporated for historical data for 2019 – 2022. 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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YEAR-END 2023 RIAA REVENUE STATISTICS

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

DIGITAL SUBSCRIPTION & STREAMING		2022	2023	% CHANGE '22 to '23
(Units) (Dollar Value)	Paid Subscription¹	91.6 \$9,179.0	96.8 \$10,149.7	5.7% 10.6%
	Limited Tier Paid Subscription²	\$1,063.0	\$1,021.4	-3.9%
	On-Demand Streaming (Ad-Supported)³	\$1,822.1	\$1,864.5	2.3%
	SoundExchange Distributions⁴	\$959.4	\$1,004.8	4.7%
	Other Ad-Supported Streaming⁵	\$261.5	\$317.7	21.5%
	Total Streaming Revenues	\$13,285.0	\$14,358.1	8.1%

DIGITAL PERMANENT DOWNLOAD

(Units) (Dollar Value)	Download Single	172.5 \$214.1	142.0 \$190.8	-17.7% -10.9%
	Download Album	24.5 \$241.9	20.5 \$204.7	-16.3% -15.4%
	Ringtones & Ringbacks	4.4 \$11.0	4.1 \$10.1	-8.0% -8.0%
	Other Digital⁶	1.0 \$27.7	0.8 \$28.5	-20.4% 3.1%
	Total Digital Download Revenues	\$494.7	\$434.1	-12.2%

TOTAL DIGITAL VALUE

		\$13,779.7	\$14,792.2	7.3%
	Synchronization Royalties⁷	\$382.5	\$410.9	7.4%

PHYSICAL

(Units Shipped) (Dollar Value)	CD	37.7 \$482.6	37.0 \$537.1	-1.9% 11.3%
	LP/EP	40.5 \$1,224.4	43.2 \$1,350.2	6.6% 10.3%
	Music Video	0.8 \$11.3	0.6 \$10.7	-26.1% -5.7%
	Other Physical⁸	0.7 \$12.7	0.9 \$14.0	17.2% 10.5%
	Total Physical Units	79.8	81.7	2.4%
	Total Physical Value	\$1,731.0	\$1,912.0	10.5%

TOTAL DIGITAL AND PHYSICAL

	Total Units⁹	282.1	249.0	-11.7%
	Total Value	\$15,893.2	\$17,115.1	7.7%
	% of Shipments¹⁰	2022	2023	
	Physical	11%	11%	
	Digital	89%	89%	

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

Note: Historical data updated for 2022

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

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