



ARIA releases half-yearly wholesale sales figures January – June 2009

Market holds firm year on year as digital sales continues to trend upwards

17 September 2009 (SYDNEY) – Even in the face of a challenging economic environment, the Australian recorded music business has shown real resilience in the six months to June 30 this year, new figures show. Despite another sharp decline in the CD single format, and a much shallower decline in the CD album format, digital sales have again grown dramatically. The increased value of digital sales has more than compensated for the decline in physical product, allowing for overall growth in the wholesale music market when compared with the same period last year.

Mr Ed St John, ARIA Chairman and President and CEO of Warner Music Australasia, commenting on the figures, said today “It’s extremely heartening to see the market leveling out like this when, given the economic climate, people may have expected to see a general decline. In fact it’s the most positive sign we’ve witnessed in a long time that the digital format is firmly established and well on it’s way to replacing any value lost via the physical format decline. What we’re seeing is the first tentative evidence of a return to growth. Of course, the continuation of this growth, as well as the long term health of this industry, continues to be dependent upon bringing illegal file sharing under control.”

Digital sales on the increase

Whilst physical product dropped 8% in units and nearly 7% in value, digital units grew by 30%, and 43.31% by value. Whilst digital tracks are firmly entrenched as the “single” format of choice, achieving sales of over 16 million units, the sales of digital albums nearly doubled when compared with the same period in 2008. The digital album now represents 8% of overall album sales, in comparison with 4.7% across the same period last year.

Digital album sales generally account for a greater proportion of sales earlier in an album’s release cycle, satisfying the early adopter or spontaneous purchase. For example, Eskimo Joe’s “Inshalla” and Hilltop Hoods’ “State Of The Art” both experienced digital sales of 15% of total album sales in their first week of release, and Paul Dempsey’s “Everything Is True” reached 20%, compared with a six-month average of 8%. Lily Allen’s “It’s Not Me, It’s You” is the number one digital album in Australia year to date, with 13% of all album sales coming from digital.

Australian artists fared well in the ARIA top 100 singles and album chart for the first half of the year, contributing 16 singles (13.81%) and 23 albums (21.25%) to June 30. Early indicators point to an even healthier second half for our local acts, with this figure trending much higher to the start of September.

ABN 72 002 692 944		ACN 002 692 944	
Level 4, 19 Harris Street, Pyrmont NSW 2009		PO Box Q20 QVB Post Office NSW 1230	
Tel: 61 2 8569 1144	Fax: 61 2 8569 1181	aria.mail@aria.com.au	www.aria.com.au



Big name artists set to release albums in second half of 2009

July to December 2009 will be a key period for Australian record companies, with a plethora of superstar artists set to release new albums. On the local front, Jet has just released “Shaka Rock” and new albums are scheduled from Wolfmother, Guy Sebastian, Powderfinger, Vanessa Amorosi, Kate Ceberano, Natalie Imbruglia, Damien Leith, The Veronicas (live) and Evermore (greatest hits).

International releases include albums from Robbie Williams, Pearl Jam, Rihanna, Madonna (greatest hits), Norah Jones, Whitney Houston, Rod Stewart, Mika, Eminem, Bon Jovi, Foo Fighters (greatest hits), John Mayer, Jack Johnson (live), One Republic, Ronan Keating, Leona Lewis, Barbara Streisand, Snow Patrol (greatest hits), Kings of Leon (live), Andre Rieu, Harry Connick Jr, Michael Buble, Muse, Paramore, Enya, New Moon Soundtrack, Creed, 30 Seconds To Mars, Cliff Richards & The Shadows, Snoop Dogg, Alice In Chains, and The Pope with “Alma Mater”. P!nk and Kings Of Leon, who had two of the highest selling albums of 2008, will each release a live DVD prior to Christmas.

“The figures we’re releasing today only cover the first six months of 2009,” says Ed St John. “Since then we’ve seen phenomenal sales for Michael Jackson – particularly strong in the CD format – and now it seems we’re shaping up for a bumper Christmas season. Retailers are telling us this could be the best music Christmas in years, with products for every possible demographic. Music, and the music industry, is proving very resilient in these challenging times.”

The ARIA Awards – recognising excellence in local Australian music – are to take place on 26 November, at Sydney’s Acer Arena.

About ARIA

ARIA is a national industry association representing major and independent record producers, manufacturers and distributors. It acts as an advocate for the Australian music industry, administers the labeling code of practice, provides a ‘blanket’ non-exclusive licensing function for copyright users and compiles industry information and research. For more information: <http://www.aria.com.au/>

For further information please contact:

Nicole Hart

Communications Manager, ARIA

nhart@aria.com.au

ph: 02 8569 1151 or 0418 324 312

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2009 ARIA Yearly Statistics

Australian Recording Industry Association Ltd.

January - June 2008 vs January - June 2009
Net Wholesale Sales of Sound Recordings & Music Videos

Configuration	January - June 2009			January - June 2008			Percentage Change		
	Units	Packages	Dollar Value	Units	Packages	Dollar Value	Units	Packages	Dollar Value
CD Singles	342,740	339,627	924,057	647,088	640,895	1,655,531	-47.03%	-47.01%	-44.18%
Vinyl Albums	38,364	26,193	507,057	9,680	6,084	128,543	296.32%	330.52%	294.46%
Cassette Albums	(970)	1,254	12,363	3,827	2,829	8,281	-125.35%	-55.67%	49.29%
CD Albums	15,179,688	11,378,220	125,508,524	16,131,484	11,977,043	131,396,560	-5.90%	-5.00%	-4.48%
Music Video/DVD	1,643,435	1,351,003	14,394,924	2,013,421	1,691,759	18,792,851	-18.38%	-20.14%	-23.40%
Other *	16,019	14,658	180,685	5,396	5,319	48,807	196.87%	175.58%	270.20%
Total Physical	17,219,276	13,110,955	141,527,610	18,810,896	14,323,929	152,030,573	-8.46%	-8.47%	-6.91%
Digital Track	16,740,521		18,085,070	12,144,498		13,253,070	37.84%		36.46%
Digital Album	974,167		9,277,486	593,726		5,916,413	64.08%		56.81%
Mobile Master Ringtones	1,992,231		3,430,920	2,316,864		4,028,088	-14.01%		-14.83%
Digital Other **	129,679,417		6,283,323	38,636,755		2,673,480	235.64%		135.02%
Total Digital	149,386,336		37,076,799	53,691,843		25,871,051	178.23%		43.31%
Grand Totals	166,605,612	13,110,955	178,604,409	72,502,739	14,323,929	177,901,624	129.79%	-8.47%	0.40%

* "Other" includes sales of Vinyl Singles, DVD Singles, DVD Albums, Mini Disks & SACD

** "Digital Other" includes sales of Digital Music Video, Mobile Ringback Tunes, Streams, Subscriptions and ad-supported income