



Media Release – Wednesday 29th March 2017

ARIA RELEASES 2016 WHOLESAL FIGURES

A continued uptake in streaming fuels rise for a second year running in total industry revenue – up 5.5%

The Australian Recording Industry Association (ARIA) today released its 2016 wholesale sales figures which showed another successful year for the Australian music industry with 5.5% growth generating \$352.2 million in revenue. This growth was driven by the continuing surge in streaming revenues and comes on the back of a 5% increase in 2015.

Music streaming revenue has become the dominant consumption format for Australian music fans, now accounting for 38.5% of overall market by value, and growing by 90.5% over the year. The growth driven by streaming fueled an overall 17.6% increase in total digital market, totaling \$244 million. Digital sales now account for approximately 70% of the total market.

Physical formats continue to play an important part of the music business, with revenues of \$107.9 million accounting for 30.6% of the total market. This demonstrates that many music fans still have a strong connection to their favourite albums via physical formats.

Though still niche in terms of its overall size, vinyl enjoyed another stellar year, rising 70% to over \$15.1 million in value. This represents the sixth consecutive year that the industry has seen an increase in the demand for vinyl.

Denis Handlin AM, ARIA Chairman and Chairman & CEO Australia & New Zealand and President, Asia, of Sony Music Entertainment was enthusiastic about the positive results released today:

“The industry is delighted to achieve continuing growth in 2016 building on the positive results from the previous year. This is a reflection of the industry’s innovative marketing and high level of artist development, as well as the further consumer take up of quality digital retail services.



“Although our industry is now on a pathway to recovery, it is absolutely critical that Australia retains a strong copyright framework to ensure that artists and labels can continue to invest, innovate and protect their work and earn their fair share in the growing digital market.”

2016 proved to be an outstanding year for our local artists on the ARIA Charts with a record breaking 20 Australian artists scoring Number One Albums.

Dan Rosen, Chief Executive Officer ARIA reiterated the industry’s optimism for the year ahead:

“The continued growth that we have seen in 2016 is a testament to the ongoing creativity and resilience of our local industry. To think that the dominant form of our revenue is now derived from a category that did not exist five years ago demonstrates the innovative nature of the Australian music business.

“Record labels have done a great job in supporting their artists while embracing the multitude of ways consumers can legally access the music they love.

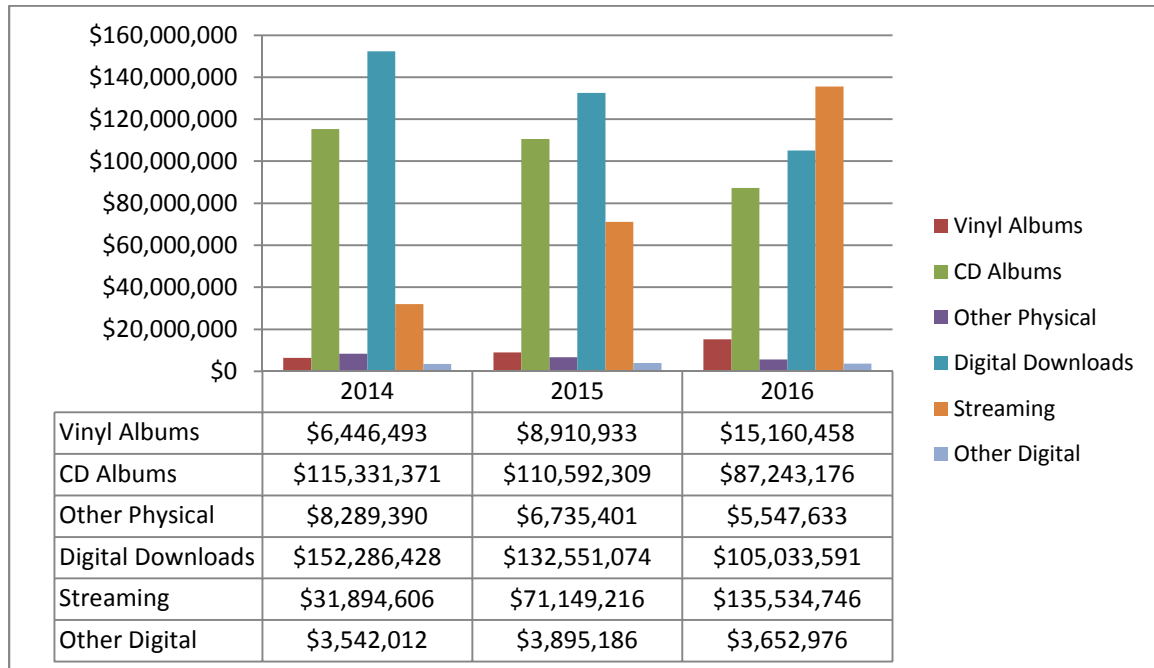
“It is truly exciting times for our local industry, with 2017 already seeing four Australian acts already having Number One Albums, multiple ARIA award winner Flume winning a Grammy, and a growing number of our local artists having success on the international stage.”

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 please visit www.aria.com.au

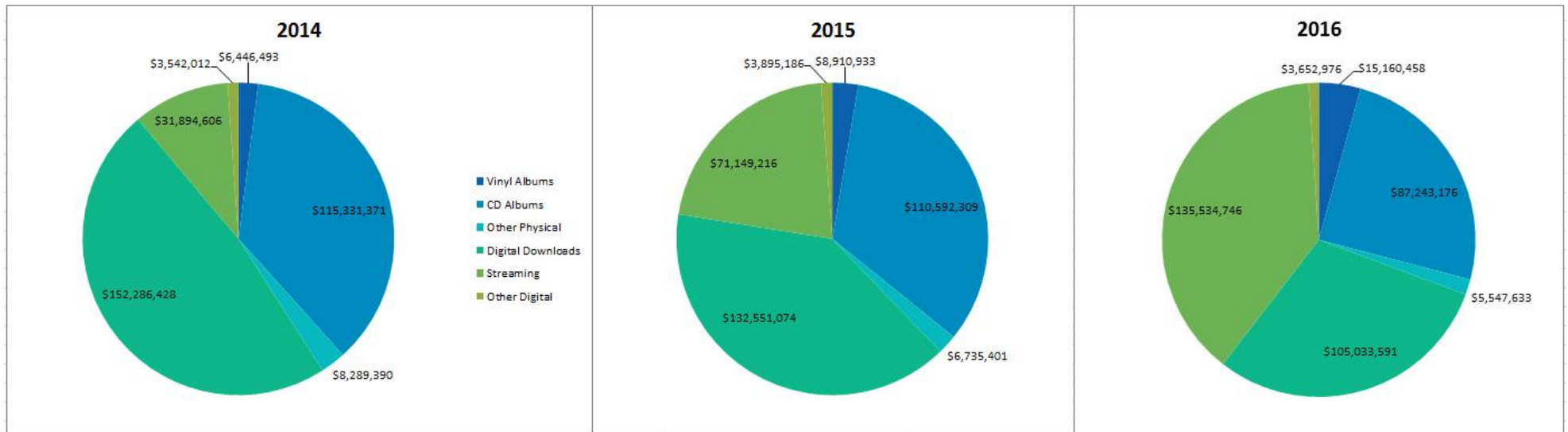


ARIA Total Market Value - 2014 - 2016





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AUSTRALIAN RECORDING
INDUSTRY ASSOCIATION

2016 ARIA Yearly Statistics						
Australian Recording Industry Association Ltd.						
January - December 2015 vs January - December 2016						
Net Wholesale Sales of Sound Recordings & Music Videos						
	January - December 2016		January - December 2015		Percentage Change	
Configuration	Quantity [₳]	Dollar Value	Quantity [₳]	Dollar Value	Quantity [₳]	Dollar Value
Singles	72,345	419,632	66,538	302,790	8.73%	38.59%
Vinyl Albums	655,301	15,160,458	374,097	8,910,933	75.17%	70.13%
CD Albums	9,152,722	87,243,176	11,317,489	110,592,309	-19.13%	-21.11%
Music Video/DVD	489,056	5,109,149	699,299	6,391,654	-30.06%	-20.07%
Other *	2,690	18,852	4,837	40,957	-44.39%	-53.97%
Total Physical	10,372,114	107,951,267	12,462,260	126,238,643	-16.77%	-14.49%
Digital Track		51,784,682		70,850,598		-26.91%
Digital Album		53,248,909		61,700,476		-13.70%
Ad Supported Models & Video Streaming		27,801,188		24,822,611		12.00%
Subscription Services Income		107,733,558		46,326,605		132.55%
Digital Other **		3,652,976		3,895,186		-6.22%
Total Digital	-	244,221,313	-	207,595,476		17.64%
Grand Totals	10,372,114	352,172,580	12,462,260	333,834,119	-16.77%	5.49%
* "Other" includes sales of DVD Albums, Mini Disks & SACD						
** "Digital Other" includes sales of Digital Music Video, Mobile Master Ringtones, Mobile Ringback Tunes, Bundles, Unearned advances and one-off payments						
₳ "Quantity" refers to to unit of sale (eg a double CD is one sale)						