



UNIVERSAL MUSIC GROUP

## Universal Music Group N.V. Reports Financial Results for the First Quarter Ended March 31, 2025

### Q1 2025 Results Highlights<sup>1</sup>

- Revenue of €2,901 million increased 11.8% year-over-year, or 9.5% in constant currency, driven by solid growth in Recorded Music and Music Publishing.
- Recorded Music subscription revenue grew 11.5% year-over-year, or 9.3% in constant currency, and streaming revenue grew 2.9% year-over-year, or 0.3% in constant currency.
- Adjusted EBITDA of €661 million increased 11.8% year-over-year, or 10.0% in constant currency, and Adjusted EBITDA margin remained consistent at 22.8%.
- Top sellers included Kendrick Lamar, Sabrina Carpenter, Lady Gaga, The Weeknd and Mrs. GREEN APPLE.

Hilversum, The Netherlands, April 29, 2025 -- Universal Music Group N.V. ("UMG" or "the Company") today announced its financial results for the first quarter ended March 31, 2025.

"Our strong results – and our confidence about the future – reflect the execution of our strategic plan, including consistently developing and breaking the world's most successful artists and songwriters by connecting them with billions of fans in new and innovative ways," said UMG's Chairman and CEO Sir Lucian Grainge.

Boyd Muir, COO and CFO of UMG, said, "2025 is off to a strong start, with multi-faceted revenue growth in recorded music and music publishing as well as healthy Adjusted EBITDA growth. Our focus on our key strategic initiatives positions us to achieve our mid-term financial objectives."

### UMG Results

(in millions of euros)	Three Months Ended March 31,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
Revenue	2,901	2,594	11.8%	9.5%
EBITDA	603	490	23.1%	21.6%
<i>EBITDA margin</i>	<i>20.8%</i>	<i>18.9%</i>	<i>1.9pp</i>	
Adjusted EBITDA	661	591	11.8%	10.0%
<i>Adjusted EBITDA margin</i>	<i>22.8%</i>	<i>22.8%</i>	<i>0.0pp</i>	

*Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency. Constant currency is calculated by taking current year results and comparing against prior year results restated at current year rates.*

<sup>1</sup> This press release includes certain alternative performance indicators which are not defined in the IFRS Accounting Standards ('IFRS') issued by the International Accounting Standards Board as endorsed by the EU. The descriptions of these alternative performance indicators and reconciliations of non-IFRS to IFRS measures are included in the Appendix to this press release.

## Q1 2025 Results

Revenue for the first quarter of 2025 was €2,901 million, an increase of 11.8% year-over-year, or 9.5% in constant currency, driven by healthy growth in Recorded Music and Music Publishing, as discussed further below.

EBITDA for the quarter grew 23.1% year-over-year, or 21.6% in constant currency, to €603 million and EBITDA margin was 20.8%, compared to 18.9% in the first quarter of 2024. The margin improvement is a result of lower non-cash share-based compensation expenses of €58 million during the first quarter of 2025, compared to €101 million during the first quarter of 2024. Excluding non-cash share-based compensation expenses, Adjusted EBITDA for the quarter was €661 million, up 11.8% year-over-year, or 10.0% in constant currency, driven by revenue growth. Adjusted EBITDA margin was 22.8%, consistent with the first quarter of 2024, as the positive impact of operating leverage and cost savings related to our previously announced strategic realignment were offset by the negative impact of revenue and repertoire mix.

## Recorded Music

(in millions of euros)	Three Months Ended March 31,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
Subscriptions and streaming revenue	1,605	1,466	9.5%	7.2%
<i>of which streaming</i>	353	343	2.9%	0.3%
<i>of which subscription</i>	1,252	1,123	11.5%	9.3%
Downloads and other digital revenue	40	46	(13.0%)	(14.9%)
Physical revenue	300	255	17.6%	15.4%
License and other revenue	296	222	33.3%	29.8%
<b>Recorded Music revenues</b>	<b>2,241</b>	<b>1,989</b>	<b>12.7%</b>	<b>10.3%</b>

*Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency.*

## Q1 2025

Recorded Music revenue for the first quarter of 2025 was €2,241 million, up 12.7% year-over-year, or 10.3% in constant currency. Subscription revenue grew 11.5% year-over-year, or 9.3% in constant currency, primarily driven by the growth in global subscribers. Streaming revenue grew 2.9% year-over-year, or 0.3% in constant currency, as consumption continues to shift from better monetized video platforms to short-form platforms, which are not yet as well monetized. Physical revenue increased by 17.6% year-over-year, or 15.4% in constant currency, driven by vinyl sales growth in the U.S. and Europe. Downloads and other digital revenue declined 13.0% year-over-year, or 14.9% in constant currency, as download sales continue their industry-wide decline. License and other revenue increased 33.3% year-over-year, or 29.8% in constant currency, driven by particularly strong live income in certain markets, as well as by growth in synchronisation income. Top sellers for the quarter included releases from Kendrick Lamar, Sabrina Carpenter, Lady Gaga, The Weeknd and Mrs. GREEN APPLE, while top sellers in the prior-year quarter included releases from Taylor Swift, Noah Kahan, Morgan Wallen, Ariana Grande and Olivia Rodrigo.

## Music Publishing

(in millions of euros)	Three Months Ended March 31,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
Performance revenue	114	114	0.0%	(1.7%)
Synchronisation revenue	64	62	3.2%	0.0%
Digital revenue	339	284	19.4%	16.9%
Mechanical revenue	26	25	4.0%	4.0%
Other revenue	12	11	9.1%	0.0%
<b>Music Publishing revenues</b>	<b>555</b>	<b>496</b>	<b>11.9%</b>	<b>9.5%</b>

Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency.

### Q1 2025

Music Publishing revenue for the first quarter of 2025 was €555 million, up 11.9% year-over-year, or 9.5% in constant currency. Digital revenue grew 19.4% year-over-year, or 16.9% in constant currency, driven by continued growth in streaming and subscription revenue. Performance revenue was flat year-over-year, but declined 1.7% in constant currency, with a difficult comparison against higher society payments in the U.S. and stronger live activity in Europe in the prior year quarter. Synchronization revenue increased 3.2% year-over-year, and was flat in constant currency. Mechanical revenue grew by 4.0% on both a reported and constant currency basis.

## Merchandising and Other

(in millions of euros)	Three Months Ended March 31,		%	%
	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>		
<b>Merchandising and other revenues</b>	<b>112</b>	<b>114</b>	<b>(1.8%)</b>	<b>(5.1%)</b>

Note: % YoY indicates % change year-over-year; % const. indicates % change year-over-year adjusted for constant currency.

### Q1 2025

Merchandising and Other revenue in the first quarter of 2025 was €112 million, a decrease of 1.8% year-over-year, or 5.1% in constant currency, as timing-related declines in touring merchandise sales were partially offset by healthy growth in direct-to-consumer sales.

## Conference Call Details

The Company will host a conference call to discuss these results on Tuesday, April 29, 2025 at 6:15PM CEST. A link to the live audio webcast will be available on [investors.universalmusic.com](https://investors.universalmusic.com) and a link to the replay will be available after the call.

While listeners may use the webcast, a dial-in telephone number is required for investors and analysts to ask questions. Investors and analysts interested in asking questions can pre-register for a dial-in line at [investors.universalmusic.com](https://investors.universalmusic.com) under the "Financial Reports" tab.

## Cautionary Notice

This press release is published by Universal Music Group N.V. and contains inside information within the meaning of article 7(1) of Regulation (EU) No 596/2014 (Market Abuse Regulation).

## Forward-looking statements

This press release may contain statements that constitute forward-looking statements with respect to UMG's financial condition, results of operations, business, strategy and plans. Such forward-looking statements may be identified by the use of words such as 'profit forecast', 'expect', 'estimate', 'project', 'anticipate', 'should', 'intend', 'plan', 'probability', 'risk', 'target', 'goal', 'objective', 'will', 'endeavour', 'optimistic', 'prospects' and similar expressions or variations on such expressions. Although UMG believes that such forward-looking statements are based on reasonable assumptions, they are not guarantees of future performance. Actual results may differ materially from such forward-looking statements as a result of a number of risks and uncertainties, many of which are related to factors that are outside UMG's control, including, but not limited to, UMG's inability to compete successfully and to identify, attract, sign and retain successful recording artists and songwriters, failure of streaming and subscription adoption or revenue to grow or to grow less rapidly than anticipated, UMG's reliance on digital service providers, UMG's inability to execute its business strategy, the global nature of UMG's operations, changes in global economic and financial conditions, UMG's inability to protect its intellectual property and against piracy, challenges related to generative AI, UMG's inability to attract and retain key personnel, UMG's restructuring and reorganization activities, UMG's acquisitions and other investments, changes in laws and regulations (and UMG's compliance therewith) and the other risks that are described in UMG's 2024 Annual Report. Accordingly, UMG cautions readers against placing undue reliance on such forward-looking statements. Such forward-looking statements are made as of the date of this press release. UMG disclaims any intention or obligation to provide, update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

## Alternative Performance Indicators

This press release includes certain alternative performance indicators which are not defined in IFRS Accounting Standards issued by the International Accounting Standards Board as endorsed by the EU. The descriptions of these alternative performance indicators and reconciliations of non-IFRS to IFRS measures are included in the Appendix to this press release.

## About Universal Music Group

At Universal Music Group (EURONEXT: UMG), we exist to shape culture through the power of artistry. UMG is the world leader in music-based entertainment, with a broad array of businesses engaged in recorded music, music publishing, merchandising and audiovisual content. Featuring the most comprehensive catalogue of recordings and songs across every musical genre, UMG identifies and develops artists and produces and distributes the most critically acclaimed and commercially successful music in the world. Committed to artistry, innovation and entrepreneurship, UMG fosters the development of services, platforms and business models in order to broaden artistic and commercial opportunities for our artists and create new experiences for fans. For more information on Universal Music Group N.V. visit [www.universalmusic.com](http://www.universalmusic.com).

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## Upcoming Calendar

Annual General Meeting of Shareholders: May 14, 2025

## Appendix

# Non-IFRS Alternative Performance Indicators and Reconciliations

## Reconciliation of Adjusted EBITDA

(in millions of euros)	Three Months Ended March 31,		%
	2025	2024	YoY
	<i>(unaudited)</i>	<i>(unaudited)</i>	
EBITDA	603	490	23.1%
Non-cash share-based compensation expenses	58	101	
Adjusted EBITDA	661	591	11.8%

## Definitions

In this press release, UMG presents certain financial measures when discussing UMG's performance that are not measures of financial performance or liquidity under IFRS ("non-IFRS"). These non-IFRS measures (also known as alternative performance indicators) are presented because management considers them important supplemental measures of UMG's performance and believes that they are widely used in the industry in which UMG operates as a means of evaluating a company's operating performance and liquidity. UMG believes that an understanding of its sales performance, profitability, financial strength and funding requirements is enhanced by reporting the following non-IFRS measures. All non-IFRS measures should be considered in addition to, and not as a substitute for, other IFRS measures of operating and financial performance as described in this press release. In addition, it should be noted that other companies may have definitions and calculations for these non-IFRS measures that differ from those used by UMG, thereby affecting comparability.

### EBITDA and EBITDA margin

UMG considers EBITDA and EBITDA margin, non-IFRS measures, to be relevant measures to assess its operating performance and the performance of its operating segments as reported in the segment data. It enables UMG to compare the operating performance of operating segments regardless of whether their performance is driven by the operating segment's organic growth or by acquisitions. It excludes restructuring expenses, which may impact period-to-period comparability. EBITDA margin is EBITDA divided by revenue.

To calculate EBITDA, the accounting impact of the following items is excluded from the Operating Profit:

- i. amortization of intangible assets;
- ii. impairment of goodwill and other intangibles;
- iii. depreciation of tangible assets including right of use assets;
- iv. (gains)/losses on the sale of tangible assets, including right of use assets and intangible assets; and
- v. restructuring expenses.

### Adjusted EBITDA and Adjusted EBITDA margin

The difference between EBITDA and Adjusted EBITDA consists of non-cash share-based compensation expenses and certain one-time items when applicable, that are deemed by management to be significant and incidental to normal business activity. Adjusted EBITDA margin is Adjusted EBITDA divided by revenue.

UMG considers Adjusted EBITDA and Adjusted EBITDA margin, non-IFRS measures, to be relevant measures to assess performance of its operating activities excluding items that may be incidental to normal business activity and excluding non-cash share based compensation which may impact period-to-period comparability.