



## Universal Music Group N.V. Reports Financial Results for the Second Quarter and Half Year Ended June 30, 2025

### Q2 2025 Results Highlights<sup>1</sup>

- Revenue of €2,980 million increased 1.6% year-over-year, or 4.5% in constant currency, driven by growth in the Recorded Music and Music Publishing segments
- Recorded Music revenue grew 1.1% year-over-year, or 3.9% in constant currency, Music Publishing revenue grew 11.5% year-over-year, or 14.5% in constant currency, and Merchandising and Other revenue declined 15.4% or 12.7% in constant currency
- Recorded Music subscription revenue grew 5.3% year-over-year, or 8.5% in constant currency, and streaming revenue increased 4.4% year-over-year, or 9.1% in constant currency
- Adjusted EBITDA of €676 million increased 4.2% year-over-year, or 7.3% in constant currency, and Adjusted EBITDA margin expanded 0.6pp to 22.7%
- Recorded Music top sellers included Morgan Wallen, timelesz, Lady Gaga, Sabrina Carpenter and INI

### H1 2025 Results Highlights<sup>1</sup>

- Revenue of €5,881 million increased 6.4% year-over-year, or 6.9% in constant currency, driven by growth in the Recorded Music and Music Publishing segments
- Recorded Music revenue grew 6.5% year-over-year, or 7.0% in constant currency, Music Publishing grew 11.6% year-over-year, or 12.1% in constant currency, and Merchandising and Other revenue declined 10.6%, or 10.0% in constant currency
- Recorded Music subscription revenue grew 8.4% year-over-year, or 8.9% in constant currency, and streaming revenue grew 3.8% year-over-year, or 4.6% in constant currency
- Adjusted EBITDA of €1,336 million increased 7.7% year-over-year, or 8.5% in constant currency, and Adjusted EBITDA margin expanded 0.3pp to 22.7%
- EPS of €0.78 per share compared to €0.50 in the first half of 2024 and Adjusted EPS of €0.48 per share compared to €0.44 in the first half of 2024
- Interim dividend of €440 million, or €0.24 per share

**Hilversum, The Netherlands, July 31, 2025** -- Universal Music Group N.V. ("UMG" or "the Company") today announced its financial results for the second quarter and half year ended June 30, 2025.

UMG's Chairman and CEO Sir Lucian Grainge said, "It is the powerful combination of our artists' and songwriters' creative excellence with our strategic vision and execution that continues to deliver UMG's strong results."

Boyd Muir, UMG's COO, said, "The breadth and diversity of our business has positioned us to deliver solid growth in revenue and Adjusted EBITDA again this quarter. We remain confident in our growth trajectory as we continue to invest with a focus on maximizing long-term value and driving attractive returns in the coming years."

<sup>1</sup> This press release includes certain alternative performance indicators which are not defined in the International Financial Reporting 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 Interim Financial Review and Unaudited Condensed Consolidated Interim Financial Statements which is available on our website at [investors.universalmusic.com/reports](https://investors.universalmusic.com/reports).

## UMG Results

	Three Months Ended June 30,		%	%	Six Months Ended June 30,		%	%
(in millions of euros)	2025	2024	YoY	const.	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>			<i>(unaudited)</i>	<i>(unaudited)</i>		
Revenue	2,980	2,932	1.6%	4.5%	5,881	5,526	6.4%	6.9%
EBITDA	611	580	5.3%	8.5%	1,214	1,069	13.6%	14.6%
EBITDA margin	20.5%	19.8%	0.7pp		20.6%	19.3%	1.3pp	
Adjusted EBITDA	676	649	4.2%	7.3%	1,336	1,240	7.7%	8.5%
Adjusted EBITDA margin	22.7%	22.1%	0.6pp		22.7%	22.4%	0.3pp	
Operating profit					947	756	25.3%	27.5%
Net profit attributable to equity holders of the parent					1,432	914	56.7%	
Adjusted net profit					882	809	9.0%	
Net cash provided by operating activities before income tax paid					488	436	11.9%	
Free cash flow					(179)	(460)	61.1%	
Weighted average number of shares outstanding					1,831	1,825		
EPS - basic					0.78	0.50		
EPS - diluted					0.77	0.49		
Adjusted EPS - basic					0.48	0.44		
Adjusted EPS - diluted					0.48	0.44		

	As at		%
(in millions of euros)	June 30, 2025	December 31, 2024	YoY
	<i>(unaudited)</i>	<i>(audited)</i>	
Financial Net Debt	2,734	2,098	30.3%

*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.*

### Q2 2025 Results

Revenue for the second quarter of 2025 was €2,980 million, an increase of 1.6% year-over-year, or 4.5% in constant currency, driven by growth in the Recorded Music and Music Publishing segments, as discussed further below.

EBITDA for the quarter improved 5.3% year-over-year, or 8.5% in constant currency, to €611 million. EBITDA margin expanded 0.7pp year-over-year to 20.5%, compared to 19.8% in the second quarter of 2024. EBITDA and EBITDA margin were impacted by non-cash share-based compensation expense of €53 million as well as U.S. listing preparation costs and certain M&A advisory costs of €12 million during the second quarter of 2025, compared to non-cash share-based compensation expense of €69 million during the second quarter of 2024. Excluding these items, Adjusted EBITDA for the quarter was €676 million, up 4.2% year-over-year, or 7.3% in constant currency, and Adjusted EBITDA margin improved 0.6pp to 22.7%, compared to 22.1% in the second quarter of 2024, as a result of revenue growth, operating leverage and cost savings from the previously announced strategic organizational redesign.

### H1 2025 Results

In the half year ended June 30, 2025 ("H1 2025"), UMG's revenue increased to €5,881 million, up 6.4%, or 6.9% in constant currency, compared to the half year ended June 30, 2024 ("H1 2024"). This increase was driven by improvements across the Recorded Music and Music Publishing segments, as discussed further below.

Cost of revenues, consisting of artist and product costs, increased by €228 million to €3,341 million in H1 2025, reflecting higher revenue and revenue mix. Cost of revenue as a percentage of revenue increased to 56.8% in H1 2025 from 56.3% in H1 2024 primarily driven by higher artist costs. Artist costs increased by €211 million to €2,795 million in H1 2025 from €2,584 million in H1 2024 and increased as a percentage of revenues to 47.5% in

H1 2025 from 46.8% in H1 2024 driven by a greater proportion of Music Publishing revenues, which have higher relative artist costs compared to Recorded Music. Product costs increased by €17 million to €546 million in H1 2025 from €529 million in H1 2024 while product costs as a percentage of revenues decreased to 9.3% from 9.6% driven primarily by the lower proportion of physical and merchandising sales.

EBITDA of €1,214 million improved 13.6% year-over-year, or 14.6% in constant currency, and EBITDA margin expanded 1.3pp to 20.6% compared to 19.3% in H1 2024. EBITDA and EBITDA margin were impacted by non-cash share-based compensation expense of €110 million as well as U.S. listing preparation costs and certain M&A advisory costs of €12 million during H1 2025 compared to non-cash share-based compensation expense of €171 million during H1 2024. Excluding these items, Adjusted EBITDA was €1,336 million, up 7.7% year-over-year, or 8.5% in constant currency, and Adjusted EBITDA margin expanded 0.3pp year-over-year to 22.7% driven by revenue growth, operating leverage and cost savings from the previously announced strategic organizational redesign, partially offset by the higher cost of revenues discussed above.

Operating profit improved 25.3% year-over-year, or 27.5% in constant currency, to €947 million due to the increase in revenues, lower non-cash share-based compensation expense and the decrease in restructuring charges, which amounted to €49 million in H1 2025 compared to €113 million in H1 2024.

Net profit attributable to equity holders of the parent in H1 2025 amounted to €1,432 million compared to €914 million in H1 2024, resulting in EPS of €0.78 in H1 2025, compared to €0.50 in H1 2024. The improvement in net profit attributable to equity holders of the parent was due to the improvement in operating profit and the variance in revaluation of investments in listed and other companies (including Spotify and Tencent Music Entertainment, among others) that resulted in net income in H1 2025 of €1,067 million compared to net income in H1 2024 of €566 million. Adjusted net profit, which adjusts for the revaluation of investments, non-cash share-based compensation expense, amortization of catalogues, restructuring charges and other items, amounted to €882 million in H1 2025, compared to €809 million in H1 2024, resulting in Adjusted EPS of €0.48 in H1 2025, compared to €0.44 in H1 2024.

Net cash provided by operating activities before income tax paid increased to €488 million in H1 2025 compared to €436 million in H1 2024 due to the improvement in operating profit, partly offset by the increase in royalty advance payments, net of recoupments, which were €377 million in H1 2025 compared to €315 million in H1 2024, due to the timing of certain major artist deal renewals and extensions.

Cash paid for catalogue acquisitions was €149 million in H1 2025 compared to €96 million in H1 2024, while other strategic investments were meaningfully lower year-over-year. Free cash flow improved to a €179 million outflow in H1 2025 compared to a €460 million outflow in H1 2024.

In line with UMG's dividend policy to pay a dividend of at least 50% of adjusted net profit, UMG's Board of Directors declared an interim dividend for H1 2025 of €440 million, or €0.24 per share. The ex-dividend date will be on October 6, 2025, the record date will be on October 7, 2025 and the payment date will be on October 28, 2025.

Net debt at the end of H1 2025 was €2,734 million compared to €2,098 million at the end of 2024. The increase in net debt was primarily used to fund investing activities and dividends, partially offset by cash generated by operating activities.

## Recorded Music

	Three Months Ended June 30,		%	%	Six Months Ended June 30,		%	%
(in millions of euros)	2025	2024	YoY	const.	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>			<i>(unaudited)</i>	<i>(unaudited)</i>		
Subscriptions and streaming	1,555	1,480	5.1%	8.7%	3,160	2,945	7.3%	7.9%
of which streaming	358	343	4.4%	9.1%	711	685	3.8%	4.6%
of which subscription	1,197	1,137	5.3%	8.5%	2,449	2,260	8.4%	8.9%
Downloads and other digital	69	48	43.8%	50.0%	109	94	16.0%	17.2%
Physical	310	357	(13.2%)	(12.4%)	611	612	(0.2%)	(0.5%)
License and other	290	315	(7.9%)	(6.5%)	584	539	8.3%	8.6%
<b>Recorded Music revenues</b>	<b>2,224</b>	<b>2,200</b>	<b>1.1%</b>	<b>3.9%</b>	<b>4,464</b>	<b>4,190</b>	<b>6.5%</b>	<b>7.0%</b>
EBITDA					1,092	959	13.9%	14.9%
EBITDA margin					24.5%	22.9%	1.6pp	
Adjusted EBITDA					1,163	1,065	9.2%	9.9%
Adjusted EBITDA margin					26.1%	25.4%	0.7pp	

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

### Q2 2025

Recorded Music revenue for the second quarter of 2025 was €2,224 million, up 1.1% compared to the second quarter of 2024, or 3.9% in constant currency. Subscription revenue grew 5.3% year-over-year, or 8.5% in constant currency, driven primarily by the growth in global subscribers. Streaming revenue increased 4.4% year-over-year, or 9.1% in constant currency, supported by growth on several major platforms and an easier comparison. Physical revenue decreased by 13.2% year-over-year, or 12.4% in constant currency, due to a difficult comparison against last year's strong release schedule. Downloads and other digital revenue grew 43.8% year-over-year, or 50.0% in constant currency, due to a settlement with an internet service provider. License and other revenue decreased 7.9% year-over-year, or 6.5% in constant currency, on a difficult comparison against strong live and audiovisual revenue in the second quarter of 2024. Top sellers for the quarter included releases from Morgan Wallen, timelesz, Lady Gaga, Sabrina Carpenter and INI, while top sellers in the prior-year quarter included Taylor Swift, Billie Eilish, SEVENTEEN, Morgan Wallen and Ae! group.

### H1 2025

Recorded Music revenue in H1 2025 was €4,464 million, up 6.5% compared to H1 2024, or 7.0% in constant currency.

Subscription revenue grew 8.4% year-over-year, or 8.9% in constant currency. Streaming revenue grew 3.8% year-over-year, or 4.6% in constant currency. Physical revenue declined 0.2% year-over-year, or 0.5% in constant currency. Downloads and other digital revenue increased by 16.0% year-over-year, or 17.2% in constant currency. License and other revenue improved 8.3% year-over-year, or 8.6% in constant currency. Top sellers for H1 2025 included Lady Gaga, Morgan Wallen, Sabrina Carpenter, Kendrick Lamar and The Weeknd, while top sellers for H1 2024 included Taylor Swift, Morgan Wallen, Noah Kahan, Billie Eilish and Ariana Grande.

Recorded Music EBITDA of €1,092 million improved 13.9% year-over-year, or 14.9% in constant currency, while Recorded Music EBITDA margin increased 1.6pp to 24.5% in H1 2025 from 22.9% in H1 2024. Recorded Music EBITDA and EBITDA margin were impacted by non-cash share-based compensation expense of €69 million as well as certain M&A advisory costs of €2 million in H1 2025 compared to non-cash share-based compensation expense of €106 million in H1 2024. Excluding these items, Recorded Music Adjusted EBITDA in H1 2025 was €1,163 million, up 9.2% year-over-year, or 9.9% in constant currency, and Recorded Music Adjusted EBITDA margin improved 0.7pp to 26.1% from 25.4% in H1 2024, driven by revenue growth, cost savings from the previously announced strategic organizational redesign and operating leverage.

## Music Publishing

(in millions of euros)	Three Months Ended June 30,		%	%	Six Months Ended June 30,		%	%
	2025	2024	YoY	const.	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>			<i>(unaudited)</i>	<i>(unaudited)</i>		
Performance	111	100	11.0%	13.3%	225	214	5.1%	5.1%
Synchronisation	66	61	8.2%	11.9%	130	124	4.8%	5.7%
Digital	351	311	12.9%	16.2%	690	595	16.0%	16.6%
Mechanical	28	26	7.7%	7.7%	54	51	5.9%	5.9%
Other	14	13	7.7%	7.7%	26	24	8.3%	8.3%
<b>Music Publishing revenues</b>	<b>570</b>	<b>511</b>	<b>11.5%</b>	<b>14.5%</b>	<b>1,125</b>	<b>1,008</b>	<b>11.6%</b>	<b>12.1%</b>
EBITDA					252	229	10.0%	10.5%
EBITDA margin					22.4%	22.7%	(0.3pp)	
Adjusted EBITDA					259	241	7.5%	7.9%
Adjusted EBITDA margin					23.0%	23.9%	(0.9pp)	

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

### Q2 2025

Music Publishing revenue in the second quarter of 2025 was €570 million, up 11.5% year-over-year, or 14.5% in constant currency. Digital revenue improved 12.9% year-over-year, or 16.2% in constant currency due to the growth in streaming and subscription revenue. Performance revenue grew 11.0% year-over-year, or 13.3% in constant currency. Synchronization revenue improved 8.2% year-over-year, or 11.9% in constant currency. Mechanical revenue increased 7.7% on both a reported and constant currency basis.

### H1 2025

Music Publishing revenue amounted to €1,125 million in H1 2025, up 11.6% year-over-year, or 12.1% in constant currency, as a result of the continued growth in streaming and subscription revenue and improvement in performance, synchronisation and mechanical revenue.

Music Publishing EBITDA of €252 million improved 10.0% year-over-year, or 10.5% in constant currency, while Music Publishing EBITDA margin decreased 0.3pp to 22.4% from 22.7% in H1 2024. Music Publishing EBITDA and EBITDA margin were impacted by non-cash share-based compensation expense of €7 million in H1 2025 and €12 million in H1 2024. Excluding non-cash share-based compensation expense, Music Publishing Adjusted EBITDA was €259 million in H1 2025, up 7.5% year-over-year, or 7.9% in constant currency. Music Publishing Adjusted EBITDA margin declined 0.9pp to 23.0% from 23.9% in H1 2024 driven by revenue and repertoire mix.

## Merchandising and Other

	Three Months Ended June 30,		%	%	Six Months Ended June 30,		%	%
(in millions of euros)	2025	2024	YoY	const.	2025	2024	YoY	const.
	<i>(unaudited)</i>	<i>(unaudited)</i>			<i>(unaudited)</i>	<i>(unaudited)</i>		
<b>Merchandising and other revenues</b>	<b>192</b>	<b>227</b>	<b>(15.4%)</b>	<b>(12.7%)</b>	<b>305</b>	<b>341</b>	<b>(10.6%)</b>	<b>(10.0%)</b>
EBITDA					(4)	18	(122.2%)	(122.2%)
EBITDA margin					(1.3%)	5.3%	(6.6pp)	
Adjusted EBITDA					(3)	18	(116.7%)	(116.7%)
Adjusted EBITDA margin					(1.0%)	5.3%	(6.3pp)	

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

### Q2 2025

Merchandising and Other revenue in the second quarter of 2025 was €192 million, down 15.4% year-over-year, or 12.7% in constant currency, on a difficult comparison that in the prior year benefited from very strong, release-driven direct-to-consumer sales.

### H1 2025

Merchandising and Other revenue declined to €305 million in H1 2025, down 10.6% year-over-year, or 10.0% in constant currency, due largely to lower second quarter direct-to-consumer sales as mentioned above.

Merchandising and Other EBITDA was -€4 million in H1 2025 compared to €18 million in H1 2024 while Merchandising and Other EBITDA margin declined 6.6pp to -1.3% from 5.3% in H1 2024. Merchandising and Other EBITDA and EBITDA margin were impacted by non-cash share-based compensation expense of €1 million H1 2025. Excluding non-cash share-based compensation expense, Merchandising and Other Adjusted EBITDA in H1 2025 was -€3 million compared to H1 2024 Adjusted EBITDA of €18 million and Merchandising and Other Adjusted EBITDA margin decreased by 6.3pp to -1.0% as a result of higher manufacturing and distribution costs related to product mix and a greater proportion of lower-margin touring merchandise sales.

## Conference Call Details

The Company will host a conference call to discuss these results on July 31, 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

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## 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](https://www.universalmusic.com).

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