

# Universal Music Group

Fourth Quarter & Full Year Ended  
December 31, 2024



UNIVERSAL MUSIC GROUP

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THIS PRESENTATION MAY CONTAIN STATEMENTS THAT CONSTITUTE FORWARD-LOOKING STATEMENTS RELATING TO THE BUSINESS, FINANCIAL PERFORMANCE AND RESULTS OF UNIVERSAL MUSIC GROUP N.V. (THE "COMPANY" OR "UMG") AND THE INDUSTRY IN WHICH THE COMPANY OPERATES. SUCH FORWARD-LOOKING STATEMENTS MAY BE IDENTIFIED BY THE USE OF WORDS SUCH AS "EXPECTATION", "BELIEF", "ESTIMATE", "PLAN", "TARGET", "GUIDANCE" OR "FORECAST" AND SIMILAR EXPRESSIONS OR THE NEGATIVE THEREOF; OR BY THE FORWARD-LOOKING NATURE OF DISCUSSIONS OF STRATEGY, PLANS OR INTENTIONS; OR BY THEIR CONTEXT. 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 OUR 2023 ANNUAL REPORT AND THAT WILL BE DESCRIBED IN OUR 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 PRESENTATION. 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.

# Sir Lucian Grainge

Chairman & Chief Executive Officer  
Universal Music Group

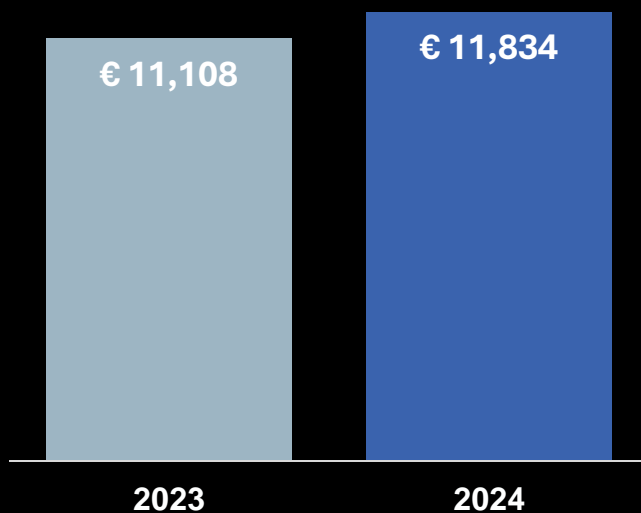


UNIVERSAL MUSIC GROUP

# FY 2024 Consolidated Results

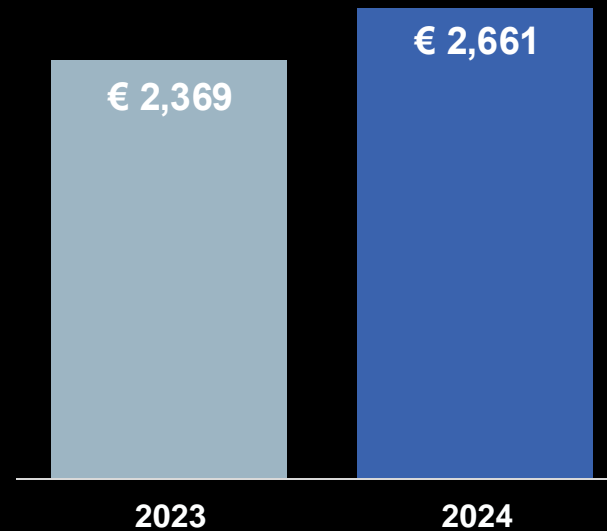
## REVENUE

+7.6%



## ADJUSTED EBITDA

+13.8%



# 9 of the Top 10 Global Recording Artists of 2024

## Top 10 Global Artists

1.	Taylor Swift *	6.	Zach Bryan
2.	Drake *	7.	The Weeknd *
3.	Seventeen	8.	Eminem *
4.	Billie Eilish *	9.	Kendrick Lamar *
5.	Stray Kids	10.	Sabrina Carpenter *

\* Universal Music Publishing Group Songwriter

# UMG Is Consistently Home to the World's Best-Selling Recording Artists

## Top 10 Global Artists (2018-2024)

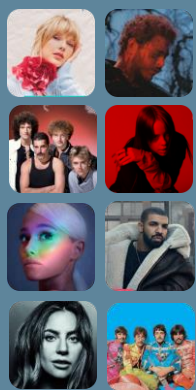
2018

7/10



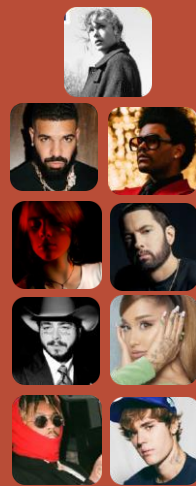
2019

8/10



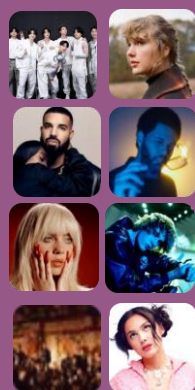
2020

9/10



2021

8/10



2022

7/10



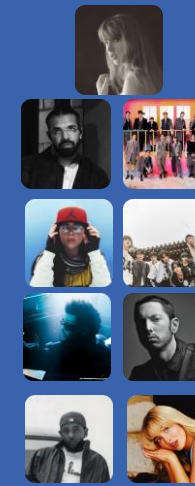
2023

9/10



2024

9/10



# 2024 Global Artist Success

## Spotify

**4 of the TOP 5**  
Global Artists

**#1** Taylor Swift  
The Weeknd  
Drake  
Billie Eilish

**8 of the TOP 10**  
Global Albums

**#1** *THE TORTURED POETS DEPARTMENT*  
*HIT ME HARD AND SOFT*  
*Short n' Sweet*  
*MAÑANA SERÁ BONITO*  
*eternal sunshine*  
*1989 (Taylor's Version)*  
*Lover*  
*Starboy*

## Apple Music

**6 of the TOP 10**  
Global Songs

**#1** Kendrick Lamar  
"Not Like Us"

Post Malone  
"I Had Some Help  
(feat. Morgan Wallen)"

Sabrina  
Carpenter  
"Espresso"

Metro Boomin,  
Kendrick Lamar  
"Like That"

Taylor Swift  
"Cruel Summer"

Billie Eilish  
"BIRDS OF A  
FEATHER"

**Artist of the Year**

**Billie Eilish**

## Amazon Music

**7 of the TOP 10**  
Most-Requested Artists  
via Alexa

**#1** Taylor Swift  
Eminem  
Morgan Wallen  
Olivia Rodrigo  
Karol G  
Billie Eilish  
Drake

# 2024 U.S. Artist Success

## Billboard

8 of the **TOP 10** Albums  
including all **TOP 5**

**#1** *THE TORTURED POETS DEPARTMENT*  
1989 (Taylor's Version)  
One Thing At A Time  
Stick Season  
For All The Dogs  
Dangerous: The Double Album  
Lover  
Midnights

4 of the **TOP 5**  
Artists

**#1** Taylor Swift • Morgan Wallen  
Drake • Sabrina Carpenter

The **TOP 3**  
Labels

**#1** REPUBLIC Collective  
Interscope Capitol Labels Group  
Universal Music Enterprises

## YouTube

6 of the **TOP 10**  
Songs

**#1** Kendrick Lamar  
"Not Like Us"

GloRilla  
"Wanna Be"

Tommy Richman  
"MILLION DOLLAR BABY"

Xavi  
"La Diabla"

Metro Boomin, Kendrick Lamar  
"Like That"

Post Malone  
"I Had Some Help (Feat. Morgan Wallen)"

## Apple Music

14 of the **TOP 20**  
Songs

**#1** Kendrick Lamar  
"Not Like Us"

Morgan Wallen  
"Thinkin' Bout Me"

Metro Boomin, Kendrick Lamar  
"Like That"

Noah Kahan  
"Stick Season"

Post Malone  
"I Had Some Help  
(Feat. Morgan Wallen)"

Tommy Richman  
"MILLION DOLLAR BABY"

Morgan Wallen  
"Last Night"

Billie Eilish  
"BIRDS OF A FEATHER"

Lil Baby  
"Freestyle"

Drake  
"Best I Ever Had"

Sabrina Carpenter  
"Espresso"

Sabrina Carpenter  
"Please Please Please"

Metro Boomin, Playboi Carti  
"Type Shit"

Drake  
"Rich Baby Daddy"



# 2024 Success In Industry's Top Music Markets

## U.K.

7 of the **TOP 10** Albums  
including all **TOP 6**

**#1** *THE TORTURED POETS DEPARTMENT*  
*The Highlights*  
*Short n' Sweet*  
*Stick Season*  
*HIT ME HARD AND SOFT*  
*The Rise and Fall of a Midwest Princess*  
*GUTS*

6 of the **TOP 10**  
Songs

<b>#1</b> Noah Kahan "Stick Season"	Billie Eilish "BIRDS OF A FEATHER"
Sabrina Carpenter "Espresso"	Chappell Roan "Good Luck, Babe!"
Hozier "Too Sweet"	Sabrina Carpenter "Please Please Please"

## Japan

5 of the **TOP 10**  
Songs

Mrs. GREEN APPLE  
"Lilac"

Mrs. GREEN APPLE  
"Que Sera Sera"

Ado  
"Show"

Mrs. GREEN APPLE  
"Ao To Natsu"

Mrs. GREEN APPLE  
"Dance Hall"

4 of the **TOP 10**  
Artists

**#1** Mrs. GREEN APPLE • back number  
Yorushika • RADWIMPS

## Germany

5 of the **TOP 10** Albums  
including the **TOP 2**

**#1** Taylor Swift  
*THE TORTURED POETS DEPARTMENT*

Domestic Breakthrough  
Artists

Jazeek

1986zig

twenty4tim

Milano

Berq

# 2024 Regional Success

## Brazil

The **TOP 2**  
Songs

Felipe e Rodrigo  
Lauana Prado

**Top Artist**  
Henrique & Juliano



## Philippines

**Breakthrough Artist  
of the Year**

**Dionela**



## Vietnam

**No. 1**  
Song on Spotify

Son Tung M-TP

**No. 1**  
Song on Apple Music

Wren Evans

The **TOP 3**  
Artists

#1

Son Tung M-TP  
HIEUTHUHAI  
Wren Evans

# Global Artist Development



Chappell Roan



Sabrina Carpenter



Lola Young



Doechii



Gracie Abrams

# Streaming 2.0: Next Era of Streaming Growth

**Streaming 1.0**  
**Achieving scale**

Simple compelling proposition

Volume over value

Scale digital monetization

Established market focus

Focus on subscriber growth

**Streaming 2.0**  
**Maximizing customer value**

Segmented customer propositions

Artist-Centric principles

Broader and deeper monetization

Global focus

Focus on subscriber and ARPU growth



# Streaming 2.0: Next Era of Streaming Growth



## Universal Music Group and Spotify Strike New Multi-Year Agreement

***COMPANIES TO ACCELERATE PRODUCT INNOVATION, ADVANCE MUSIC MONETIZATION AND DEEPEN ENGAGEMENT BETWEEN ARTISTS AND FANS***

Under the new agreements, UMG and Spotify will collaborate closely to advance the next era of streaming innovation. Artists, songwriters and consumers will benefit from new and evolving offers, new paid subscription tiers, bundling of music and non-music content, and a richer audio and visual content catalog.



## Universal Music Group and Amazon Music Expand Global Relationship

***REFLECTS NEW ERA IN MUSIC STREAMING, INCLUDING ARTIST-CENTRIC PRINCIPLES THAT FURTHER AUTHENTIC ENGAGEMENT BETWEEN ARTISTS AND FANS***

This reflects the two companies' shared commitment to advancing and safeguarding human artistry and attacking fraud, while ensuring UMG's artists achieve their commercial potential through the service's continued focus on growth-promoting product enhancements.

# Why Independents Choose Virgin Music

## Standalone Global Infrastructure

Allows independent sector to benefit from expertise and resources of world's leading music company

## Run By Music Entrepreneurs

Better understanding of the needs of the independent sector

## Services To Support Independents

World-class services organization designed to “wrap around” entrepreneurs' existing structures to deliver their goals

# Virgin Music Group Agrees To Acquire Downtown Music

# DOWNTOWN



**Curve**

FUGEA

**DOWNTOWN**

ARTIST & LABEL SERVICES

**DOWNTOWN**

MUSIC PUBLISHING



**SONGTRUST®**

# Expanding Global Reach

South Asia



Ghana



China



Japan





# Sir Lucian Grainge

Chairman & Chief Executive Officer  
Universal Music Group



UNIVERSAL MUSIC GROUP

# Boyd Muir

Chief Operating Officer & Chief Financial Officer  
Universal Music Group

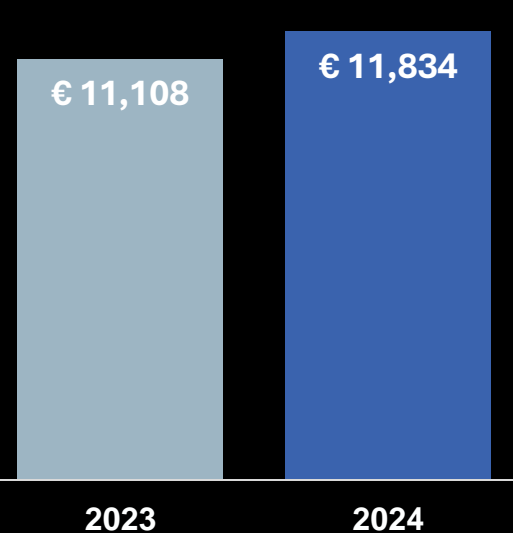


UNIVERSAL MUSIC GROUP

# FY 2024 Consolidated Results

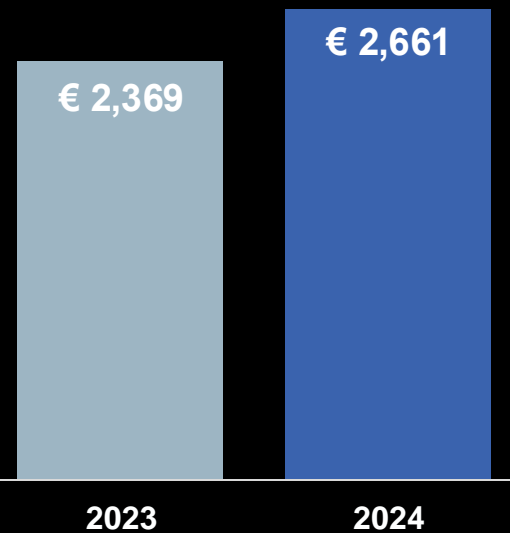
## REVENUE

+7.6%



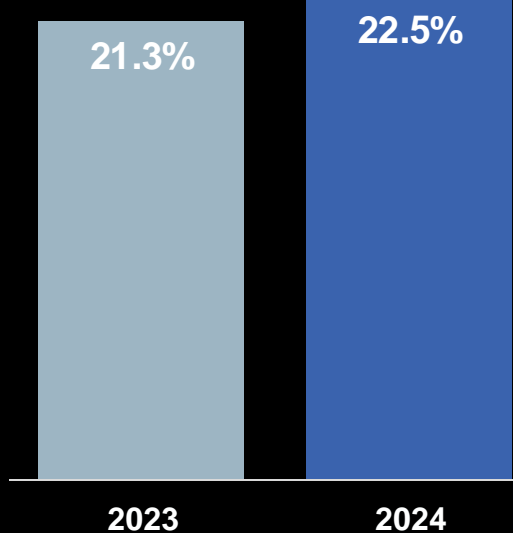
## ADJUSTED EBITDA

+13.8%



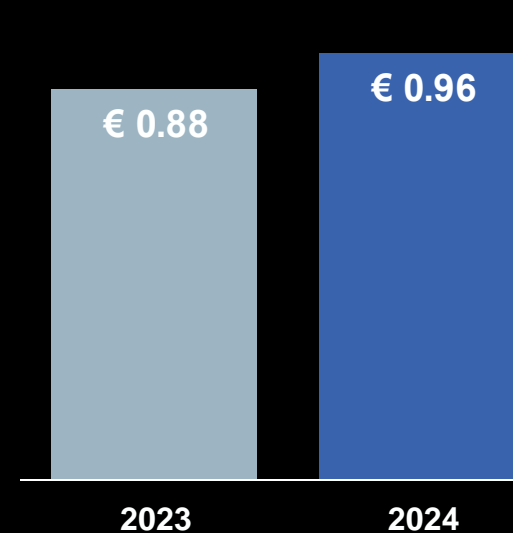
## ADJUSTED EBITDA MARGIN

+1.2pp



## ADJUSTED DILUTED EPS

+9.1%



Note: € in Millions; Revenue and Adjusted EBITDA growth shown in constant currency, Adjusted Diluted EPS as reported.

# Items Impacting Comparability

## Total UMG

	4Q24	FY24 Total	4Q23	FY23 Total
<b>Revenue</b>				
CRB Phonorecords III Accrual	-	-	-	53
DSP Catch-Up Income	20	-	-	-
Legal Settlements	40	40	-	-
<b>Adjusted EBITDA</b>				
CRB Phonorecords III Accrual	-	-	-	11
Legal Provision	-	-	(15)	(15)
DSP Catch-Up Income	12	-	-	-
Legal Settlements	29	29	-	-

## Recorded Music

	4Q24	FY24 Total	4Q23	FY23 Total
<b>Revenue</b>				
DSP Catch-Up Income	20	-	-	-
Legal Settlements	32	32	-	-
<b>Adjusted EBITDA</b>				
Legal Provision	-	-	(15)	(15)
DSP Catch-Up Income	12	-	-	-
Legal Settlements	27	27	-	-

## Music Publishing

	4Q24	FY24 Total	4Q23	FY23 Total
<b>Revenue</b>				
CRB Phonorecords III Accrual	-	-	-	53
Legal Settlements	8	8	-	-
<b>Adjusted EBITDA</b>				
CRB Phonorecords III Accrual	-	-	-	11
Legal Settlements	2	2	-	-

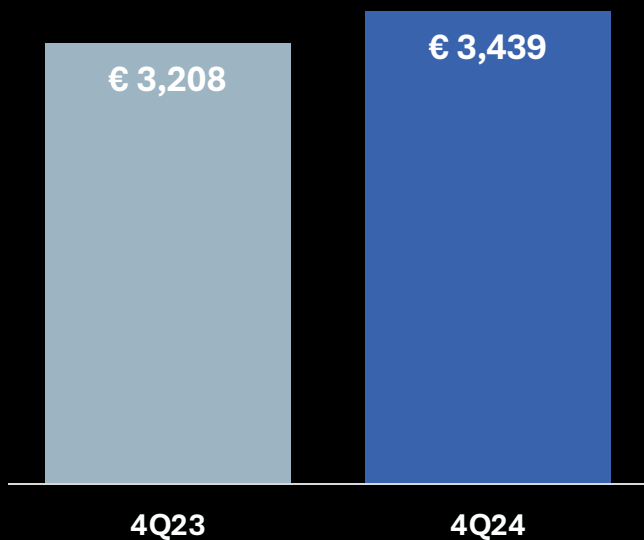
Note: € in Millions; For more information, see "Items Impacting Comparability of Results" in the 4Q and Full Year 2024 Earnings Press Release.

# 4Q24 Consolidated Results

## REVENUE

+7.9%

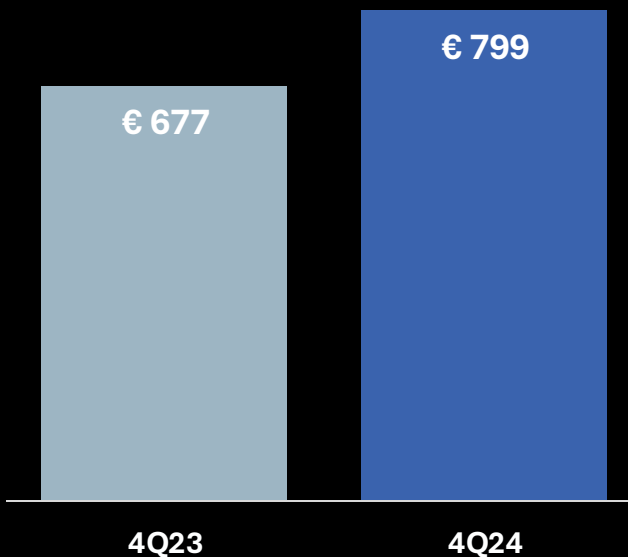
+6.1%\*



## ADJUSTED EBITDA

+19.1%

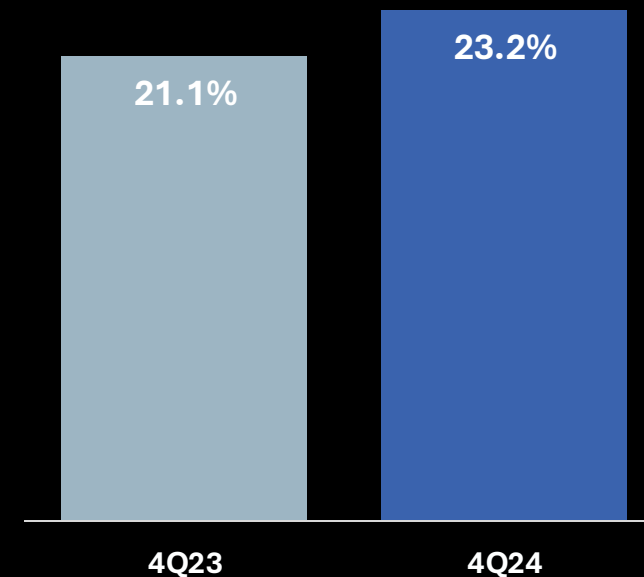
+10.5%\*



## ADJUSTED EBITDA MARGIN

+2.1pp

+0.8pp\*



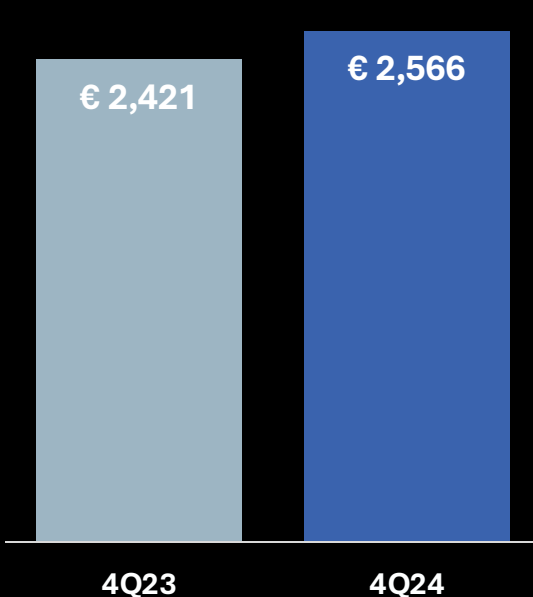
Note: € in Millions; Revenue and Adjusted EBITDA growth shown in constant currency.

\*Revenue growth is adjusted to exclude DSP Catch-Up Income and Legal Settlements in 4Q24. Adjusted EBITDA and margin growth is adjusted to exclude DSP Catch-Up Income and Legal Settlements in 4Q24 and the Legal Provision in 4Q23. For more information, see "Items Impacting Comparability of Results" in the 4Q and Full Year 2024 Earnings Press Release.

# Recorded Music

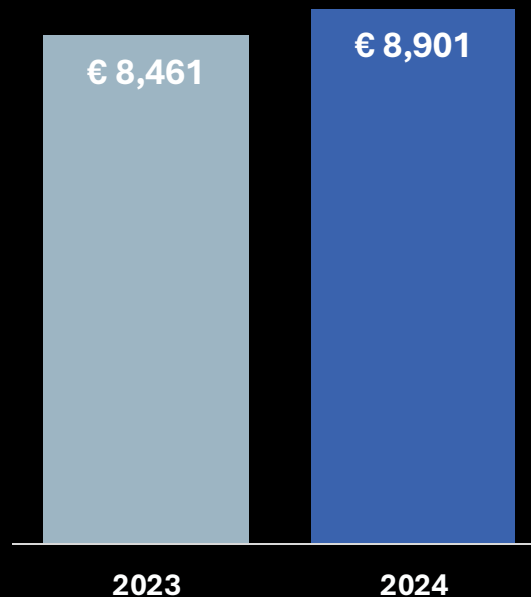
## 4Q REVENUE

+6.8%    +4.6%\*



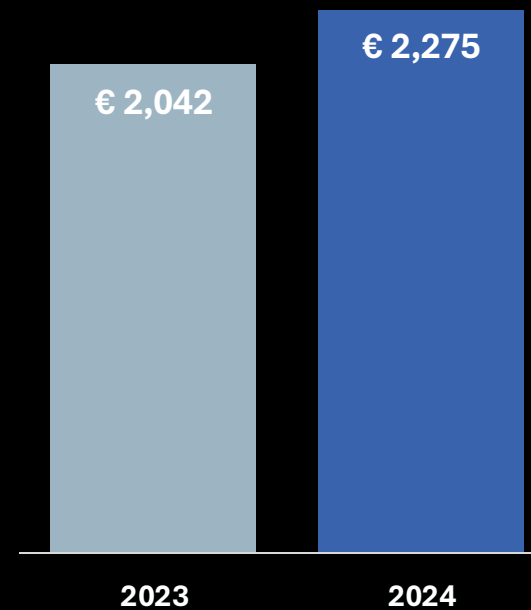
## FULL YEAR REVENUE

+6.4%    +6.0%\*



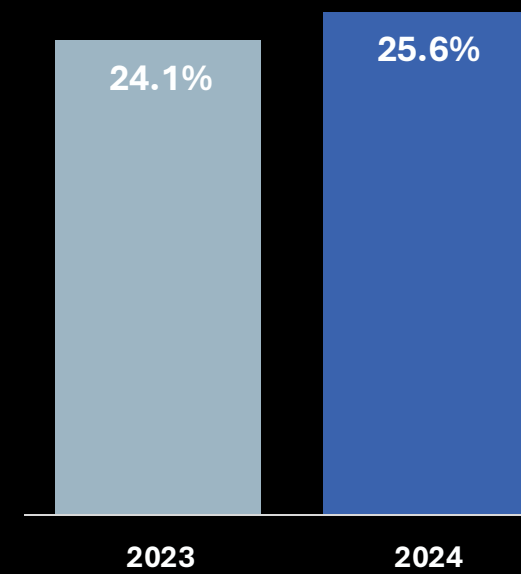
## FULL YEAR ADJUSTED EBITDA

+12.9%    +10.7%\*



## FULL YEAR ADJUSTED EBITDA MARGIN

+1.5pp    +1.0pp\*

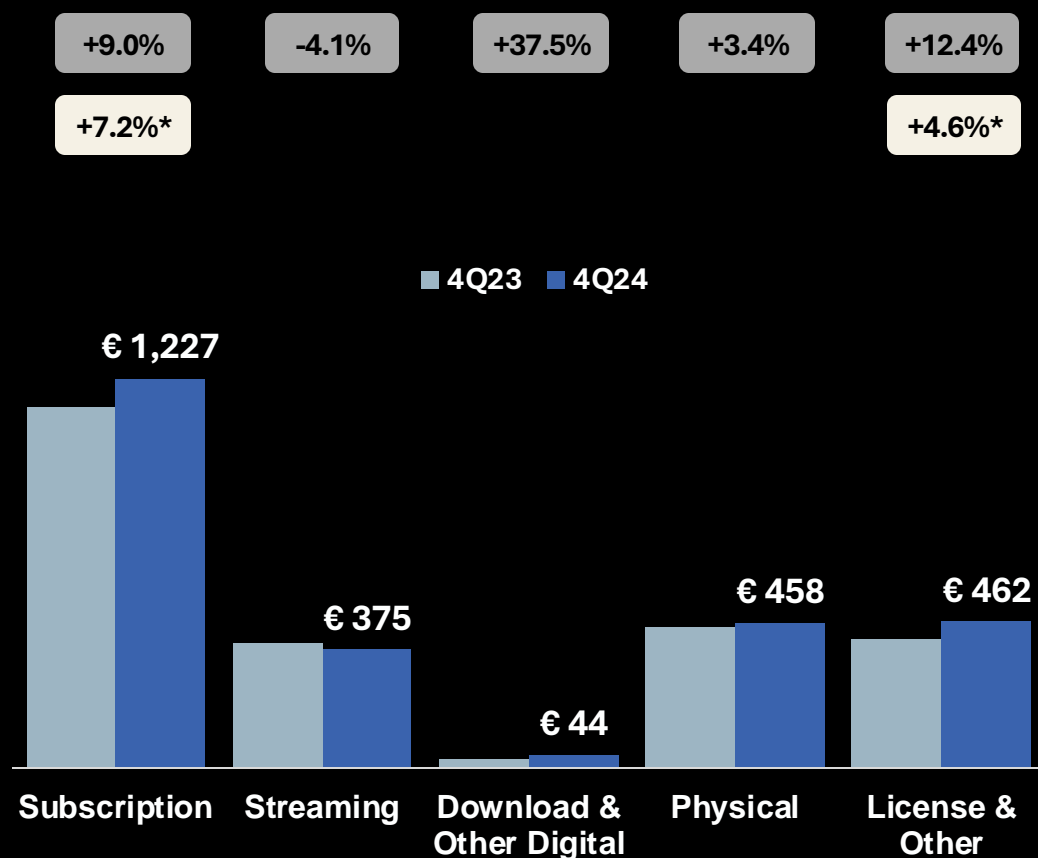


Note: € in Millions; All growth rates are in constant currency.

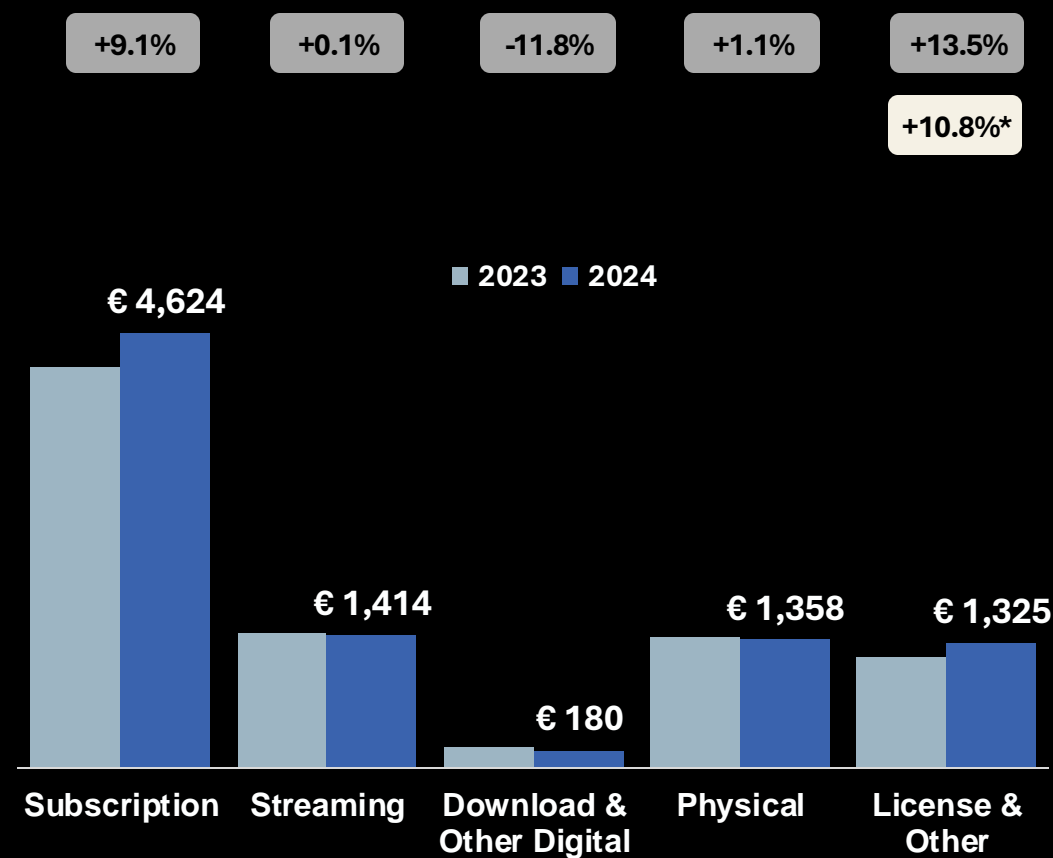
\*4Q revenue growth is adjusted to exclude DSP Catch-Up Income and Legal Settlements in 4Q24. Full year revenue growth is adjusted to exclude Legal Settlements in 2024. Full Year Adjusted EBITDA and margin growth is adjusted to Legal Settlements in 2024 and the Legal Provision in 2023. For more information, see "Items Impacting Comparability of Results" in the 4Q and Full Year 2024 Earnings Press Release.

# Recorded Music Revenue

## 4Q Recorded Music Revenue Breakdown



## Full Year Recorded Music Revenue Breakdown

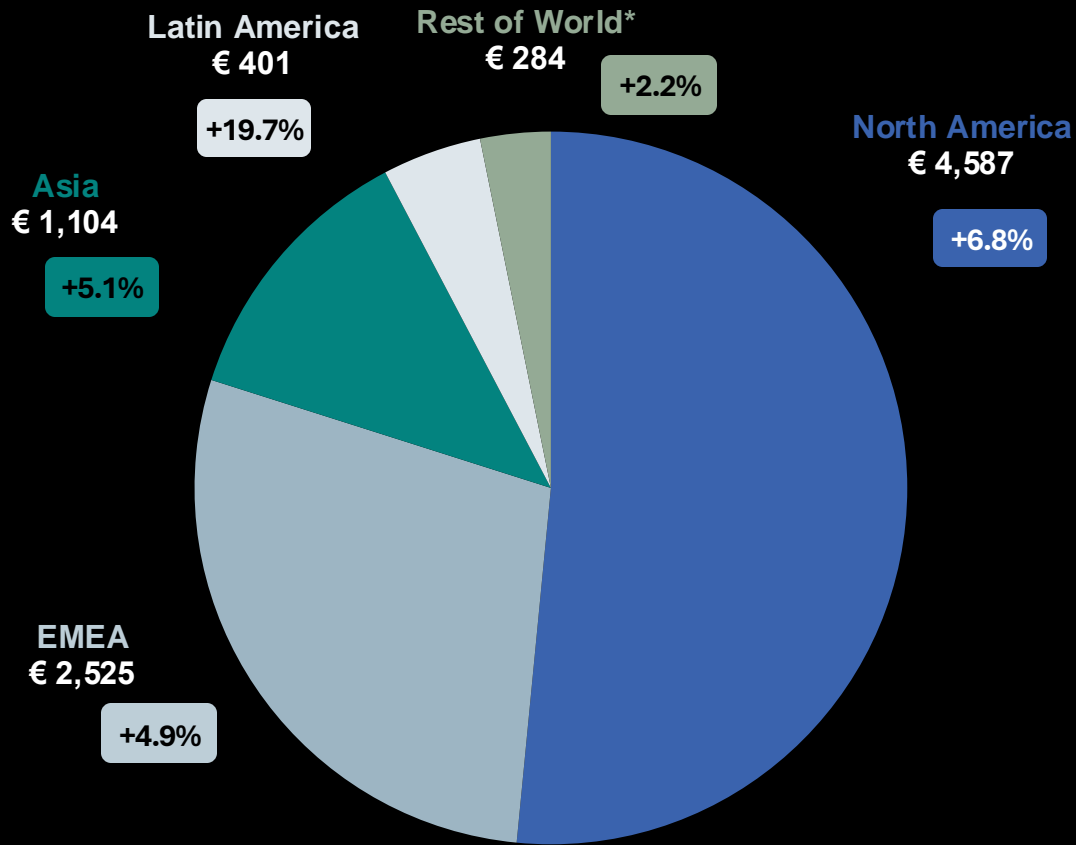


Note: € in Millions.

\*4Q Subscription growth is adjusted to exclude DSP Catch-Up Income in 4Q24; 4Q Licensing & Other is adjusted to exclude Legal Settlements in 4Q24; Full Year License & Other growth is adjusted to exclude Legal Settlements in 2024. For more information, see "Items Impacting Comparability of Results" in the 4Q and Full Year 2024 Earnings Press Release.

# Recorded Music Revenue

## FY24 Recorded Music Regional Breakdown



Note: € in Millions; All growth rates are in constant currency.  
 \*Rest of World growth rate is adjusted to exclude intercompany allocations.

## Top Sellers

2024



Taylor Swift  
*The Tortured Poets Department*



Billie Eilish



Sabrina Carpenter



Morgan Wallen



Taylor Swift  
*1989 (Taylor's Version)*



Taylor Swift  
*Lover*



Chappell Roan



Noah Kahan



Ariana Grande



Taylor Swift  
*Midnights*

2023



Taylor Swift  
*1989 (Taylor's Version)*



Morgan Wallen



Taylor Swift  
*Midnights*



Taylor Swift  
*Speak Now (Taylor's Version)*



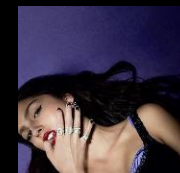
King & Prince  
*Mr. 5*



Taylor Swift  
*Lover*



King & Prince  
*First Dome Tour 2022*



Olivia Rodrigo



Karol G



Taylor Swift  
*Folklore*



# Music Publishing

## 4Q REVENUE

## FULL YEAR REVENUE

## FULL YEAR ADJUSTED EBITDA

## FULL YEAR ADJUSTED EBITDA MARGIN

+7.0%

+5.6%\*

+9.0%

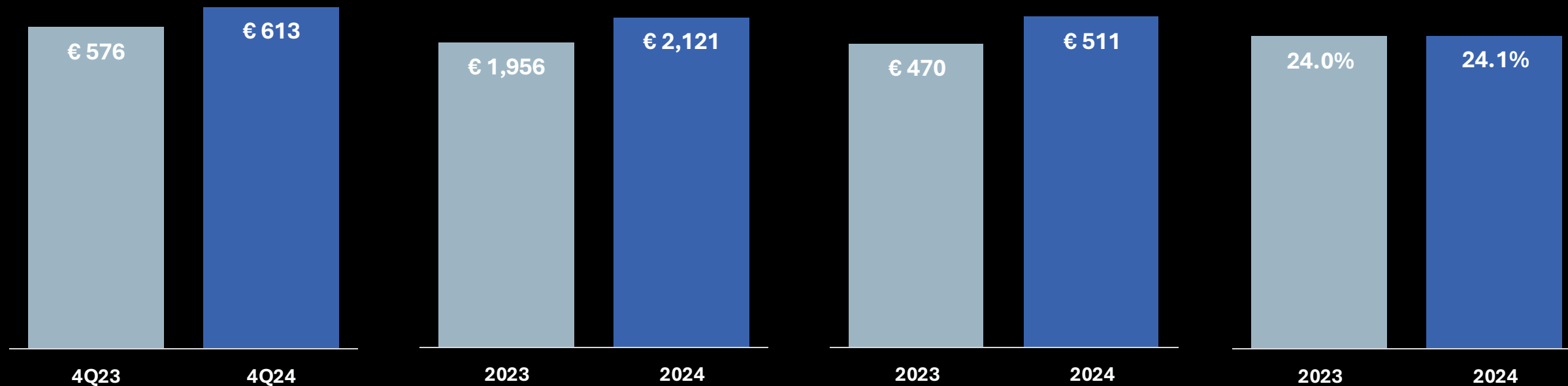
+11.7%\*

+9.2%

+11.5%\*

+0.1pp

+0.0pp\*



Note: € in Millions; All growth rates are in constant currency.

\*4Q revenue growth is adjusted to exclude Legal Settlements in 4Q24. Full year Revenue, Adjusted EBITDA and margin growth is adjusted to exclude Legal Settlements in 2024 and the Copyright Royalty Board Phonorecords III Accrual in 2023. For more information, see "Items Impacting Comparability of Results" in the 4Q and Full Year 2024 Earnings Press Release.

# Merchandising & Other

## 4Q REVENUE

## FULL YEAR REVENUE

## FULL YEAR ADJUSTED EBITDA

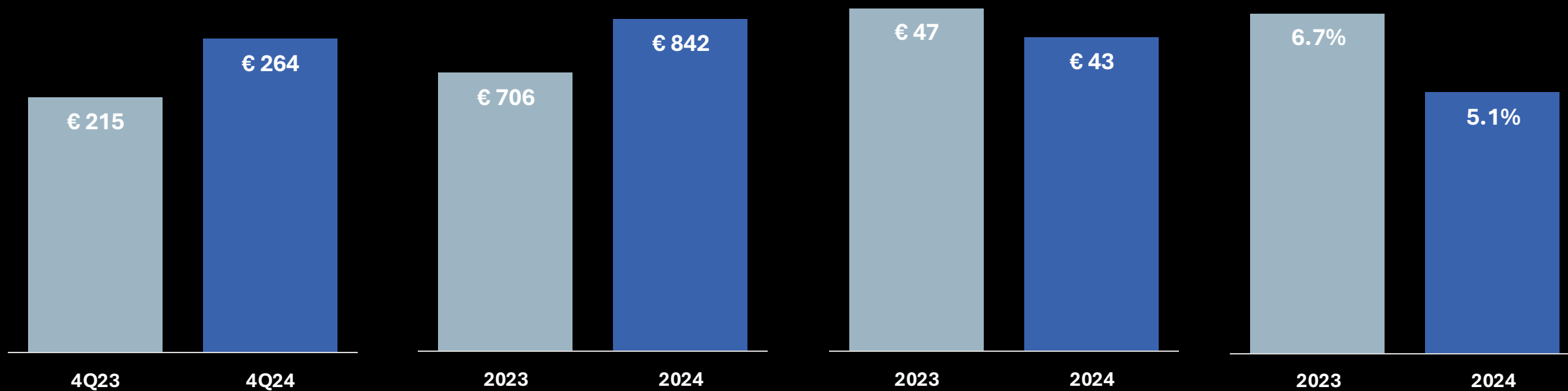
## FULL YEAR ADJUSTED EBITDA MARGIN

+23.4%

+19.3%

-6.5%

-1.6pp

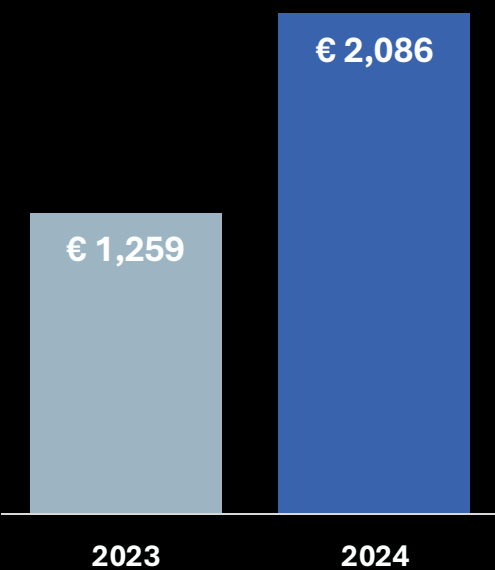


Note: € in Millions; All growth rates are in constant currency.

# Net Profit & EPS

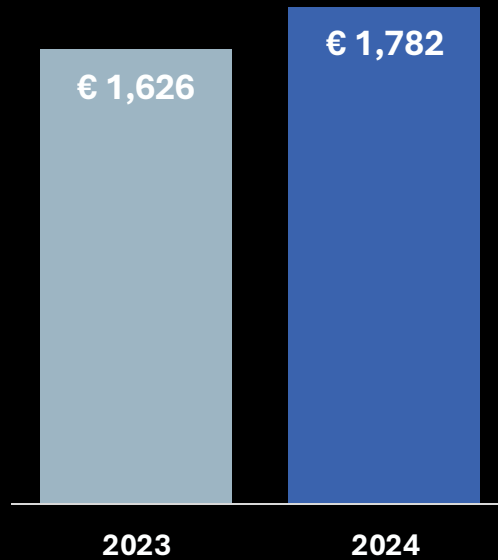
## NET PROFIT

+65.7%



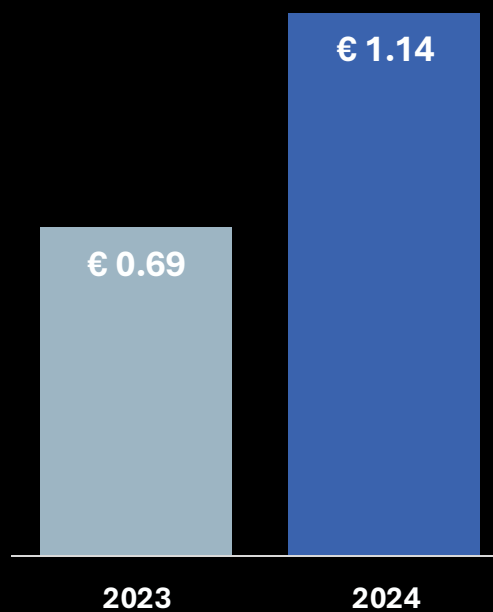
## ADJUSTED NET PROFIT

+9.6%



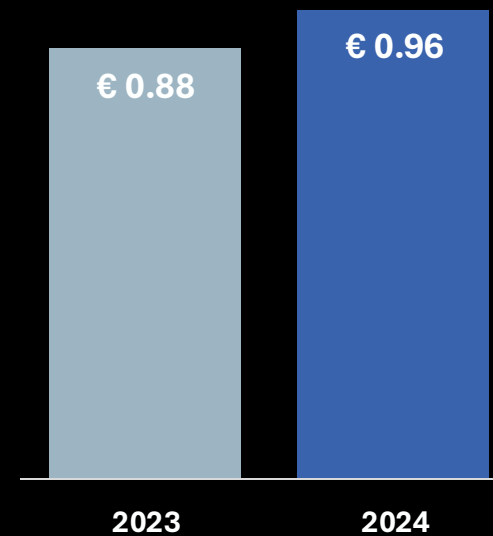
## EPS - BASIC

+65.2%



## ADJUSTED EPS - DILUTED

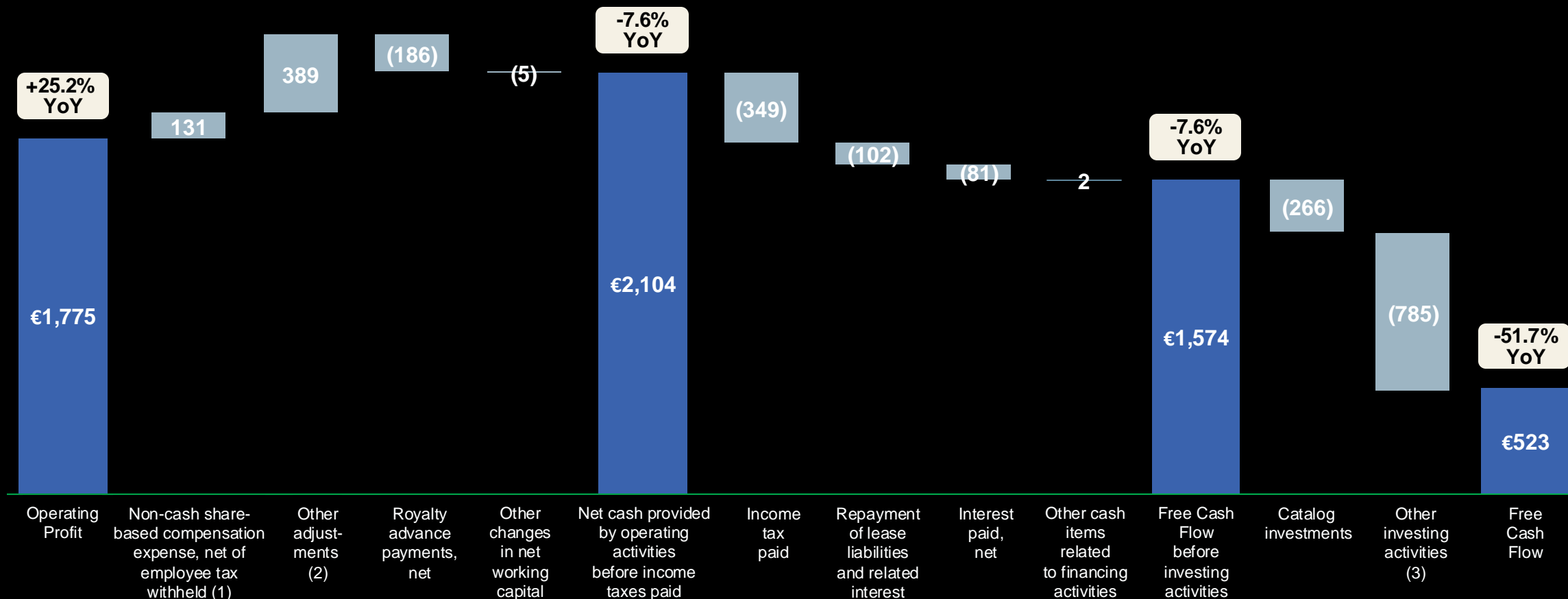
+9.1%



Note: Net Profit € Millions; All growth rates are as reported.

# FY24 Free Cash Flow

- Dividend policy: 50% of adjusted net income
  - 2H24 final dividend proposal: €512 million (€0.28/share)
  - FY24 dividend proposal: €951 million (€0.52/share)



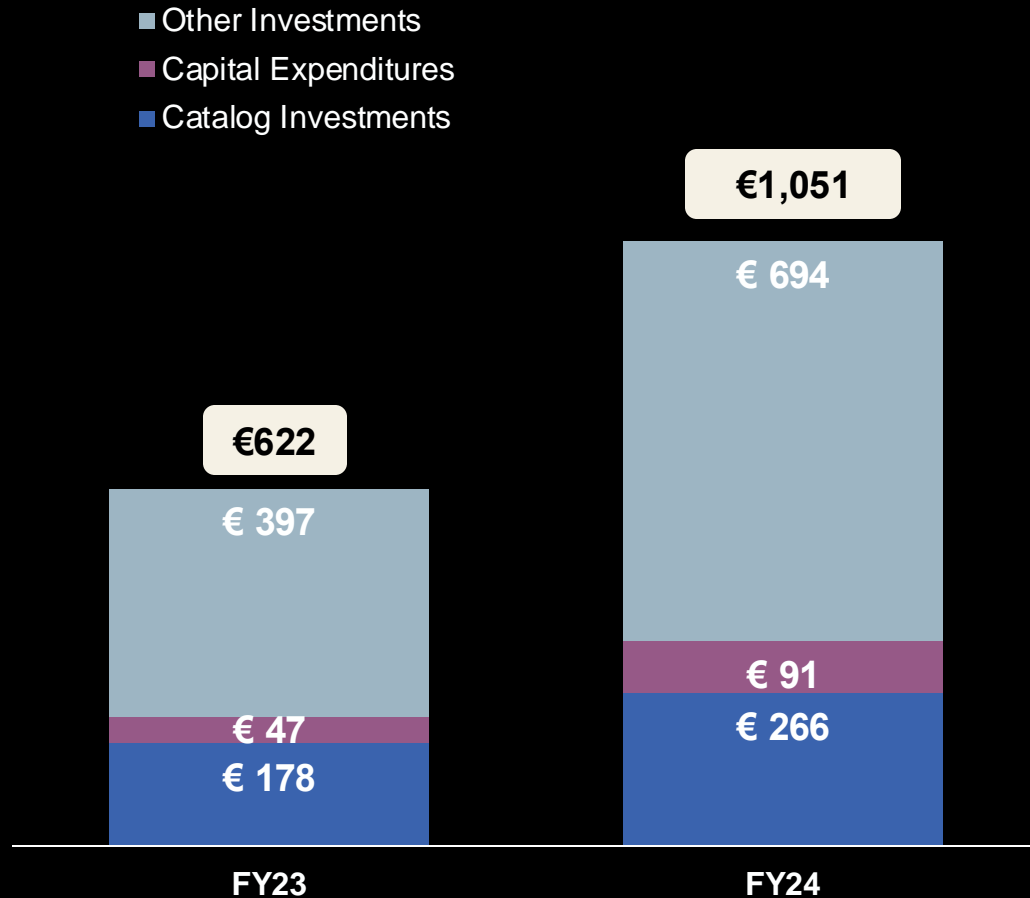
Note: € in Millions; YoY growth rates as reported.

(1) Non-cash share-based compensation expense of €329m less €198m cash costs primarily to cover employee withholding tax on equity grants.

(2) Other adjustments include amortization and depreciation expense, Impairments of intangibles, Changes in provisions, net, and Gain/(loss) on sale of assets.

(3) Other investing activities includes Other intangible assets investments, Capital Expenditures, Purchases of consolidated companies, Investments in equity affiliates, Purchase of financial assets, Divestitures and Dividends received.

# Investing Activity



## Catalog Investments

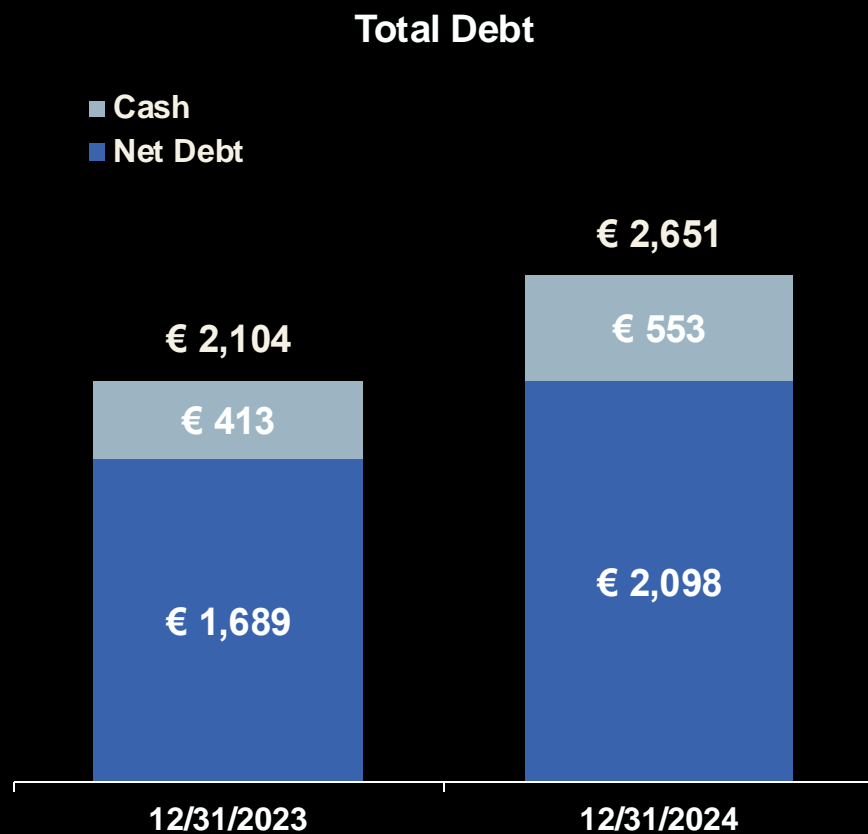
- **Not required investment, opportunistic like M&A**
- **Multiple ways to finance: Chord Music Partners, operating cash flow, balance sheet capacity**
- **2024 catalog acquisitions include: a 2023 catalog acquisition that was held in escrow until 1Q24, and the remaining 30% stake in RS Group in Thailand, among others**

## Other Investing Activities

- **Low capital intensity business: Capex €91m in 2024**
- **M&A focused on high-growth music market expansion, superfan engagement and building the label of the future**
- **2024 investments include: Minority stakes in Chord Music Partners and Complex / NTWRK; majority stake in Mavin Global; and the acquisitions of [PIAS] Group and Outdustry, among others**

Note: € in Millions; Other Investments in both years includes: Other intangible asset investments; Purchases of consolidated companies, after acquired cash; Investments in equity affiliates; Purchase of financial assets; Proceeds from sales of property, plant, equipment and intangible assets; Proceeds from sales of consolidated companies, after divested cash; Proceeds from sale of financial assets; Dividends received from equity affiliates; and Dividends received from investments.

# Balance Sheet & Liquidity



## Strong Balance Sheet Provides Strategic Flexibility

- Net Debt / EBITDA <1x
- Investment grade rating
- Average debt maturity: 4.5 years
- 68% of gross debt at fixed rate

## Capital Allocation Priorities

- Investing in core business
- Strategic initiatives (M&A, including catalog acquisitions)
- Returning capital to shareholders (currently through dividends)

# Q&A

**Sir Lucian Grainge** Chairman & Chief Executive Officer

**Boyd Muir** Chief Operating Officer & Chief Financial Officer

**Michael Nash** Executive Vice President & Chief Digital Officer



**UNIVERSAL MUSIC GROUP**