



The following chart highlights music group and label market share, along with top selling releases.

Music Marketshare: YTD Scorecard (through September):

Music Groups	Sales + Streaming	Steaming
1. Universal Music Group (UMG)	36.3%	35.8%
2. Sony Music Entertainment (SME)	26.9%	27.8%
<b>3. Warner Music</b>	<b>17.3%</b>	<b>17.9%</b>

Top Labels	Sales + Streaming	Steaming
<b>1. Atlantic (WMG)</b>	<b>10.3%</b>	<b>11.9%</b>
2. Columbia (Sony)	9.5%	8.6%
3. Republic (Universal)	8.7%	9.8%
4. IGA (Universal)	7.8%	8.1%
5. Capitol Music Group (Universal)	5.9%	4.6%
6. RCA (Sony)	5.7%	6.5%
<b>7. Warner Bros. (WMG)</b>	<b>5.3%</b>	<b>4.5%</b>
8. Epic (Sony)	3.8%	4.4%
9. Def Jam (Universal)	2.6%	3.5%
10. UMG Nashville (Universal)	2.6%	1.8%

Top Albums	Sales + Streaming	Steaming
1. Kendrick Lamar, <i>DAMN</i> (Universal)	2.23mm	1.89bn
2. Drake, <i>More Life</i> (Universal)	1.86mm	2.09bn
<b>3. Ed Sheeran, <i>Divide</i> (WMG)</b>	<b>1.83mm</b>	<b>136.0mm</b>
<b>4. Bruno Mars, <i>24K Magic</i> (WMG)</b>	<b>1.38mm</b>	<b>735.1mm</b>
5. The Weeknd, <i>Starboy</i> (Universal)	1.19mm	1.15bn

Top Singles (streaming)	Steaming
1. Luis Fonsi & Daddy Yankee ft Bieber, <i>Despacito</i> (Universal)	496.6mm
2. Kendrick Lamar, <i>Humble</i> (Universal)	465.2mm
<b>3. Lil Uzi Vert, <i>XO Tour Lif3</i> (WMG)</b>	<b>432.5mm</b>
<b>4. Ed Sheeran, <i>Shape of You</i> (WMG)</b>	<b>422.3mm</b>
5. Future, <i>Mask Off</i> (Sony)	414.9mm

Note: sales includes track and stream equivalent albums.

Source: HitsDD

On the M&A front, we expect most action to be tuck-in in nature (on both the recorded and publishing side of the business).

The trends mentioned earlier affirm that the music industry is in the midst of another transition: consumers are migrating from downloading music to streaming it. While this trend is clearly weighing on track and album unit sales, we think that over time increasing adoption of services such as Apple Music, Spotify, Pandora, Google Play, and others should play positive for the music industry.

The transition is still in its nascent stages (paying music subscribers represent just 2% of the worldwide population). Surely there will be some adjustments and tweaks to the operating models along the way (i.e., price adjustments, potential constraints and restrictions will be put on free streaming platforms to encourage the adoption of pay subscriptions, etc.). But in the end, we feel that incremental (non-pirated) consumption of music will be a plus for the music industry – the key for labels and artists will be harnessing and monetizing this consumption.