

UNIVERSAL MUSIC GROUP (UMG) TO INVEST WITH LOUD.COM

Deal Further Expands UMG's Portfolio of Strategic Media Investments

NEW YORK, New York, Thursday, August 9, 2007 – Universal Music Group (UMG), the world's leading music company, has made an equity investment in Loud.com, which operates the popular portals www.loud.com and www.battlerap.com. The announcement was made today by Nick Henny, Vice Chairman and Chief Financial Officer of UMG, Joseph Safina, co-Founder & co-Chief Executive Officer of Loud.com, and Steve Rifkind, Chief Executive Officer of SRC Entertainment and co-Founder & co-CEO of Loud.com.

This agreement further expands UMG's growing portfolio of strategic media investments while increasing commercial opportunities for its market-leading roster of artists and musical products.

"Universal's strategy is to become actively involved in all areas of media where our artists and our music are present," stated Mr. Henny. "Loud.com has created an incredibly vibrant and growing on-line hip-hop community that features not only compelling user-generated content, but also the means for users to create their own music and compete for a record deal. Loud.com is quickly emerging as one of the leading new online ventures that successfully reaches the new generation of international and multicultural youth."

"We are delighted that UMG is joining the Loud.com family," commented Mr. Safina. "When Steve and I started Loud.com, our hope was to create a virtual home for hip-hop fans around the world. To our delight, it has quickly evolved into an online community, competition, A&R site and marketing company all rolled into one. And with UMG now on board, we'll be able to offer even more compelling services to our members."

"Through SRC, I've enjoyed a long-standing and successful relationship with Doug Morris (Chairman & CEO, UMG), Zach Horowitz (President & COO, UMG) and Nick, and I am delighted to extend it even further with this new agreement," added Mr. Rifkind. "Loud.com is a great opportunity for hip-hop fans from around the world to showcase their creativity in a public forum. And I'm thrilled that UMG has decided to get involved in this exciting endeavor."

The Loud.com portal is a free competition open to all registered users that offers the ability to download professional beats from some of today's leading hip-hop producers at 99 cents apiece and overlay rap tracks while going head-to-head with other DJs and MCs from around the world. The series of battles will be judged by celebrity hip-hop producers such as Cool and Dre, David Banner, Midi Mafia, DJ Khaled and Sha Money, with the ultimate winner of the Showdown awarded \$100,000 in cash and a recording deal with SRC Records, Steve Rifkind's UMG-distributed label that is home to such

platinum-plus, Grammy-nominated superstars as Akon and Wu-Tang Clan. Additional judges will be announced shortly.

About Universal Music Group

Universal Music Group is the world's largest music company with wholly owned record operations or licensees in 77 countries. Its businesses also include Universal Music Publishing Group, the industry's largest global music publishing operation.

Universal Music Group consists of record labels Decca Label Group, Deutsche Grammophon, Interscope Geffen A&M Records, Island Def Jam Music Group, Lost Highway Records, Machete Music, MCA Nashville, Mercury Nashville, Mercury Records, Philips, Polydor Records, Universal Music Latino, Universal Motown Records Group, Universal Records South, and Verve Music Group as well as a multitude of record labels owned or distributed by its record company subsidiaries around the world. The Universal Music Group owns the most extensive catalog of music in the industry, which is marketed through two distinct divisions, Universal Music Enterprises (in the U.S.) and Universal Strategic Marketing (outside the U.S.). Universal Music Group also includes eLabs, a new media and technologies division, and Universal Music Mobile.

Universal Music Group is a unit of Vivendi, a global media and communications company.

About Loud.com

Loud.com puts the user at center stage, providing them with professional "beats" from leading hip-hop artists along with powerful online editing tools which will allow them to create their own raps and compete with other aspiring MCs and DJs around the world. There is no charge except the 99 cents for the downloaded beats. Each battle is officiated by a panel of celebrity hip-hop producers, with a 10-round head-to-head elimination resulting in a Loud.com Showdown final. The final winner will receive \$100,000 in cash and a recording deal with SRC Records.