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17 October 2012

ASX RELEASE / MEDIA RELEASE

DIGITAL MUSIC JOINT VENTURE

Southern Cross Media Group Limited (**ASX: SXL**) is pleased to announce the purchase of a one third interest in Digital Music Distribution Pty Ltd (DMD), a collaboration with Sony Music Entertainment Australia (SMEA) and Universal Music Australia. SXL has paid a nominal amount of cash and will bring marketing and consumer reach to further enhance the prospects for DMD digital products.

For further information please see the attached media release or contact:

Stephen Kelly
Chief Financial Officer
Tel: 03 9922 2036

Media Release



WEDNESDAY 17 OCTOBER 2012

SOUTHERN CROSS AUSTereo JOINS SONY MUSIC AND UNIVERSAL MUSIC IN DIGITAL MUSIC JV

Sony Music Entertainment Australia (SMEA) and Universal Music Australia (UMA) have proudly announced an exciting collaborative move, partnering with Southern Cross Austereo (SCA) in their existing digital music business venture Digital Music Distribution (DMD).

The venture sees two of Australia's biggest record companies, Sony Music and Universal Music team with one of Australia's largest and most progressive national media companies, SCA, to invest in DMD and create the capacity to provide exceptional digital music opportunities to the Australian market.

DMD is a music distribution business that develops and operates digital music delivery solutions for small and large customers, and provides digital music services direct to the public, brand partners and to additional media suppliers that deliver services to commercial venues.

DMD offers linear, subscription and brand promotion services across a wide range of music catalogues from the leading major and independent record labels covering millions of tracks. DMD currently supplies the content for 29 of Foxtel's residential audio music channels as well as providing content to Satellite Music Australia for their hotel and club service and various retail outlets.

Combined with Sony and Universal's music prowess and SCA's national multimedia presence and expertise at delivering entertainment solutions to the largest listening audience in the country, the collaboration will allow DMD to create exceptional experiences through exciting and cutting edge music solutions for the Australian market.

Denis Handlin AM, Chairman & CEO Australia & New Zealand and President, Asia, Sony Music Entertainment, welcomed the new collaboration at the recent signing, *"This is a ground breaking day for the music industry and its consumers. This JV with Sony, Universal and SCA provides DMD with outstanding capacity to further develop dynamic digital music services and provide unique entertainment experiences to the Australian music public. The industry is characterized by constant innovation and Sony Music is incredibly proud of this outstanding local initiative."*

George Ash, UMA Managing Director said, *"This is a great day for the Australian music and entertainment scene. The combined expertise of Universal, Sony and SCA will bring unique approaches to music and entertainment delivery in the Australian market and we are proud to be a cornerstone in that process."*

Rhys Holleran, SCA CEO added, *"We are delighted to be able to enhance music and entertainment experiences for our audiences and introduce even more innovative solutions for our customers. We*



Media Release



have long and successful relationships with both Sony and Universal through our national radio network which has been the catalyst for us all to join forces through DMD to deliver what we plan to be Australia's best digital music entertainment experiences."

The first example of the possibilities ahead is the soon to be launched on demand digital music subscription service that has been designed and made in Australia with music lovers in mind. The service will offer subscribers the ability to have easy access to millions of tracks through a range of channels including - online, mobile, ipad, sonos and smart TV.

This will be more than just music. Get ready.



SOUTHERN CROSS AUSTEREO, SONY MUSIC AND UNIVERSAL MUSIC CELEBRATE THE JV (LEFT TO RIGHT)

- Stephen Kelly, Chief Financial Officer, **SCA**
- Emmanuel Candi – General Manager, Business Strategy & Human Resources, ANZ and EVP, Human Resources, Asia, **Sony Music**
- Denis Handlin AM –Chairman & CEO Australia & New Zealand and President, Asia, **Sony Music**
- George Ash, Managing Director, **UMA**
- Rhys Holleran, Chief Executive Officer, **SCA**
- Melanie Mercer, VP Finance and Operations Australasia, **UMA**
- Raani Costelloe – General Manager, Legal & Business Affairs, **Sony Music**
- Andrew Smith – General Manager, Finance & Operations, ANZ and EVP, Finance & Operations, Asia, **Sony Music**

Further Information:

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