



Merlin, the Virtual Fifth Major, to Join Spotify At Launch

Merlin Signs Up To Innovative On-Demand Streaming Service

Value of Independent Music Recognised At Launch

October 7, 2008: - MERLIN, the recently formed independent global rights agency, whose membership comprises the largest basket of rights outside of the four major labels, today announced a landmark agreement with the newly launched Spotify digital music service, which has recognised the importance of independent music to its service.

Spotify offers instant access to a world of music that its users will be able to listen to without restriction, include in playlists they create and share with each other, and explore through a wide range of discovery and social features. The music will be accompanied by biographies and reviews as well as additional revenue generating opportunities for artists including merchandise and music downloads. The technology behind Spotify enables on-demand streaming of music content, offering an unparalleled user experience and allowing music to take centre stage. Spotify will be marketed as a premium product, paid for by subscriptions, alongside a free version, paid for by advertising.

Charles Caldas, CEO of Merlin comments: "We are genuinely excited at the fantastic quality and attention to detail behind the Spotify service and at the innovative business opportunity for our members. We are equally pleased that Spotify quickly recognized the true value that Merlin has brought to the market."

Daniel Ek, founder and CEO at Spotify says: "For Spotify, it was vital to ensure our customers had the widest possible choice of repertoire from the day of launch. Merlin's global reach and the incredible strength of repertoire allowed us to have immediate access to the world's most valuable independent labels and artists via a single avenue."

Spotify launches **today** in the UK, Germany, France, Italy, Spain, Finland, Norway and Sweden. Throughout the remainder of this year and into 2009 Spotify will be rolled out to further markets. Spotify will be marketed both as a premium monthly subscription service and a version which is free for consumers to use and supported by advertising. Consumers will also have the option to purchase a day pass that gives access to Spotify without advertising. Advertisers that have signed up to be included from the launch include Ford, T-Mobile and Xbox.

ABOUT SPOTIFY

Spotify is an innovative digital music service offering music fans instant access to a world of music. Spotify enables on-demand streaming of audio content and aim to combat music piracy by offering a superior user experience, while monetising licensed content with both an ad-supported, free-to-the-user model and a premium, paid model. Spotify brings fans closer to the music and artists they love, and provides a marketplace for additional products such as live events, music downloads and more.

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