

PR*S* for Music headline results

Royalty revenue, costs and net distributable revenue:

£ Million	2013	2012	%
Revenue - royalties	665.7	641.8	3.7
Interest and other income	5.0	4.6	8.7
Costs	73.2	72.6	0.8
Charitable donations	1.5	1.5	-
Net Distributable Revenue	596.0	572.3	4.1

Royalty revenue by source:

£ Million	2013	2012	%
Broadcast	160.4	153.0	4.8
Online	61.2	51.7	18.3
International	201.1	180.1	11.7
Public Performance (inc Live)	162.3	154.7	4.9
Recorded Media	80.7	102.3	-21.1
Total	665.7	641.8	3.7

2013 Highlights:

- £665.7m revenue for songwriter, composer and music publisher members, a 3.7% increase on 2012.
- International revenue exceeded £200m for the first time.
- Market growth and a net increase in mandates from members meant online income reached £61.2m, up 18.3 % on 2012.

Royalties received from music usage outside the UK

£ Million	2013	2012	%
Europe	126.1	109.7	14.9
North America	38.3	34.6	10.7
Latin America and Caribbean	5.4	6.9	-21.7
Asia-Pacific	22.1	20.3	8.9
Africa/Middle East	2.6	2.2	18.2
Other including Cruise Lines	6.6	6.5	1.5
Total	201.1	180.1	11.7

- International royalties have grown by 11.7% (£21m) to a record £201.1m. This translates to growth of 8.6% on a constant currency basis. Television remained the largest single source of International income.
- North America delivered strong (10.7%) growth for PRS for Music members due to the growing cable TV market and internet streaming services.
- Australia also saw strong growth (18%) thanks to improved deals with local television.
- Despite an ongoing challenging climate in Europe, a strong performance resulted in 14.9% revenue growth overall due to a variety of reasons including legal settlements and increased distribution frequency. Germany, the Netherlands, Ireland, Denmark, Russia, Romania and Poland were key areas for income owing to growth in cable TV, live concerts and more frequent distributions from societies.
- Results in the Asia-Pacific region exceeded expectations across the board with 8.9% growth.
- In Asia, PRS for Music secured a licence agreement with BBC Worldwide for its regional satellite service uplinked from Singapore. We also saw the first payments coming through from the iTunes stores which launched in several countries across the region in 2012.
- Latin America saw some disappointments with fewer live tours and changes in copyright law in Brazil having a negative impact.

Royalties from UK broadcasters

£ Million	2013	2012	%
TV	113.0	106.0	6.6
Radio	47.4	47.0	0.9
Total	160.4	153.0	4.8

- Broadcast revenues from TV and radio reached £160.4m, an increase of 4.8% (£7.4m).
- Blanket licences were renewed with a number of key licensees including Sky.
- New licences for four new channels, including BT Sport.
- A strong year for the sale of TV productions using PRS for Music repertoire.

Royalties from online services

£ Million	2013	2012	%
Total Online	61.2	51.7	18.3

Includes subscription streaming, advertiser-funded streaming, downloads, mobile services and ringtones

- Online revenues reached £61.2m in 2013, an increase of 18.3%.
- A combination of key licence renewals and new licences, including Deezer and YouTube, and some new mandates, have all contributed to growth in this area.
- Clear signs of a market shift from downloads to streaming were seen.
- Carlin Music Corporation, Wixen Music UK, Ole, Warp and Nettwerk One joined IMPEL, the one stop shop collective licensing body for independent publishers managed by PRS for Music. IMPEL now has 26 publisher members.

Royalties from UK public performance

£ Million	2013	2012	%
Pubs and clubs	38.5	37.7	2.1
Live	25.7	20.7	24.2
Hotels and restaurants	20.6	19.8	4.0
Shops	19.1	18.5	3.2
Industrial premises	17.7	17.1	3.5
Cinemas	8.2	7.5	9.3
Other	32.5	33.4	-2.7
Total	162.3	154.7	4.9

- Revenue from the pub sector has grown after a number of challenging years. Increase in the number of pubs and more music usage, contributed to 2.1% growth.
- After a dip in 2012, live music recovered after the return of Glastonbury and the full availability of certain venues which had previously been deployed as Olympic venues. Concerts by The Rolling Stones, Bruce Springsteen, Madonna and Andre Rieu also contributed to revenues of £25.7m.
- The exceptional success of the 23rd James Bond film, *Skyfall*, contributed to 9.3% growth in income from cinemas. (Cinema royalties recognised in 2013 from the 2012 box office.)
- ‘Other’ included one-off income associated with London 2012. It also includes income from various sources, including music on hold, health and beauty, holiday centres, and educational premises.

Royalties from recorded media

£ Million	2013	2012	%
Audio products (CDs)	60.8	80.0	-24.0
General Entertainment / DVD	8.5	10.9	-22.0
Covermounts	1.0	0.9	11.1
Other	10.4	10.5	-1.0
Total	80.7	102.3	-21.1

- Against an inevitable and expected physical market decline, Recorded Media continued to provide a significant contribution to overall revenue figures.
- The continued contraction of the music retail landscape, notably with the administration of HMV in 2013, contributed to further pressure on CD and DVD revenues.
- The sale of EMI Music saw a reduction in revenues generated from our EMI European Central Licensing Agreement.
- DVD declines largely fell into step with those noted in the audio market.

For further information

Gill Corish

Head of Communications

gill.corish@prsformusic.com

Olivia Chapman

Media Relations Manager

olivia.chapman@prsformusic.com

www.prsformusic.com / www.m-magazine.co.uk