

AOL ANNOUNCES iTUNES ALLIANCE WITH APPLE IN EUROPE

Submitted by: AOL UK

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AOL Members to Have Direct Access to the iTunes Music Store in the UK, France and Germany

Integration of the iTunes Music Store to Expand AOL's Comprehensive Music Offerings

London – June 15, 2004 – AOL announced today it has teamed up with Apple to integrate the popular iTunes Music Store throughout AOL Music channels in the UK, France and Germany, providing AOL Members with instant, one-click registration to the popular online music store in each of the three countries. The iTunes Music Store, which launched in the UK, France and Germany today, offers users the ability to preview, purchase and download music from a catalogue of more than 700,000 songs.

When iTunes is fully integrated, AOL members in the three countries will be able to directly access the iTunes Music Store by clicking on iTunes buttons integrated throughout AOL Music. AOL members will be able to use their AOL screennames and passwords to access the iTunes Music Store where they can search, preview and buy music as well as browse exclusive AOL/iTunes programming pages in the iTunes Music Store. Special offers from AOL for free iTunes downloads and iPods™ giveaways will be available to AOL Members as well. For more information, AOL members can go to AOL Keyword: iTunes.

“We are delighted that Apple has chosen AOL as its partner at the launch of the iTunes Music Store for the UK, France and Germany,” said Philip Rowley, President, AOL Europe. “AOL is committed to providing our members the best and most comprehensive music services and exclusive content. With the integration of iTunes, they will have one-click access to the pioneering iTunes Music Store.”

“As we roll out the iTunes Music Store in the UK, France and Germany, we are also pleased to be expanding our relationship with AOL,” said Rob Schoeben, Apple's vice president of Applications Marketing. “By joining forces, we are making it easy for AOL Members to preview and buy music from the iTunes Music Store as a natural extension of their AOL Music experience.”

Over the course of the next several weeks, AOL UK, AOL France and AOL Germany will conduct promotional sweepstakes giving members the chance to win iPods and free downloads from the iTunes Music Store. AOL UK members, for example, will have the chance to win one of 29 iPod minis, and a grand prize 40-gigabyte iPod with a certificate code for 1,000 free songs, as well as giveaways to AOL members of tens of thousands of iTunes Music Store tracks.

This alignment comes as interest in legitimate music download services has skyrocketed. According to Nielsen SoundScan data, digital singles beat physical single sales by a margin of more than 6 to 1 by the end of last year. iTunes Music Store customers have downloaded more than 85 million songs from the iTunes Music Store since its launch in the U.S. last April.

Specific comments on the integration from AOL UK, AOL Germany and AOL France:

AOL UK

AOL's agreement with Apple builds on the strong heritage of the AOL Music channel in the UK, which attracts more than one million unique visitors on a monthly basis. Recent exclusives from groups such as the Sugababes and the Scissor Sisters performing in intimate surroundings for Sessions@AOL, and a deal to stream footage from the Carling Weekend: Reading Festival, have further strengthened AOL's position in the market.

AOL Germany

AOL Germany sees the integration of iTunes as an ideal complement to its existing Music channel. iTunes will be integrated both throughout AOL's Music channel and in the Computer & Technology channel. AOL's exclusive collaboration with iTunes underscores its proficiency in matters of music and entertainment.

AOL France

The integration of iTunes into AOL France is another milestone in our commitment to provide our AOL France members with a wide range of legal music services and content to meet their needs. The iTunes integration is part of a series of new services that AOL France will be announcing, which will change the online music experience for our French members.

About AOL Europe

AOL Europe, a business unit of America Online, Inc., which is the world's leading interactive services company with more than 32 million members worldwide. America Online, Inc. is a wholly owned subsidiary of Time Warner Inc. America Online is the world's leader in interactive services, Web brands, Internet technologies and e-commerce services.

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