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M.10422 - WMG/BLACKROCK GROUP/INFLUENCE MEDIA/THE INITIAL FUND

SECTION 1.2

Description of the concentration

The Commission has received notification of a proposed concentration pursuant to Article 4 of Council Regulation (EC) No 139/2004 (the "**EUMR**").

The proposed transaction relates to the acquisition by Warner Music Inc. – a wholly owned subsidiary of Warner Music Group Corp. ("**WMG Corp**") and its consolidated subsidiaries (together, "**WMG**") – of joint control of Influence x Music Fund II, L.P. (the "**Initial Fund**"), together with BlackRock Financial Management, Inc. ("**BFM**") in its capacity as investment manager for certain limited partners of the Initial Fund ("**BLK-Anchor Investors**") and IMP GP, LLC ("**Influence Media**") (the "**Proposed Transaction**").

WMG, Influence Media, and BFM are, together, the "**Parties**". The concentration is accomplished by way of the granting of control rights to the Parties over the Initial Fund pursuant to the transaction documents.

Following completion of the Proposed Transaction, WMG will have joint control of the Initial Fund within the meaning of Article 3(1)(b) and Article 3(4) of the EUMR.

The areas of activities of the undertakings concerned by the notified concentration are as follows:

- a. Warner Music Inc.: Warner Music Inc. is part of WMG. WMG is a global music entertainment company headquartered in New York, U.S.A with operations or distributors/licensees in almost all EEA Member States. Its activities are in the recorded music and music publishing businesses. WMG is solely controlled by Access Industries LLC and its affiliates ("**Access**") within the meaning of the EUMR. Access comprises a group of companies ultimately solely controlled (within the meaning of the EUMR) by Sir Leonard Blavatnik, a US national, with interests principally in the chemicals, telecommunications and media, biotech / pharma, and real estate sectors globally.
- b. BFM: BFM is a Delaware corporation which offers portfolio construction, asset management and investment advisory services. BFM controls and manages investment decisions of the BLK-Anchor Investors in their capacity as investors in the Initial Fund. BFM is an indirectly wholly owned subsidiary of BlackRock, Inc., a Delaware corporation.

- c. Influence Media: Influence Media is headquartered in New York, U.S.A. and advises investment funds formed to invest capital by third parties in the acquisition of music royalty rights, primarily publishing copyrights and/or master recordings, and further strategically manages the portfolios of such investment funds, seeking to optimize their revenues and the value of such portfolios.

- d. The Initial Fund: The Initial Fund (registered in the Cayman Islands) is a partnership whose purpose is to invest in music assets, specifically recording rights and music publishing rights.