

2019657

DATED

1 May

2007

CERTIFIED TO BE A TRUE  
COPY OF THE ORIGINAL

BAKER & MCKENZIE LLP  
SOLICITORS

100 NEW BRIDGE STREET  
LONDON EC4V 5JA

**SONY BMG MUSIC ENTERTAINMENT B.V.**

and

**SBME HOLDINGS B.V.**

and

**SONY BMG MUSIC ENTERTAINMENT (UK Holdings) Limited**

and

**SONY BMG MUSIC ENTERTAINMENT (International) Limited**

---

**SHARE CONTRIBUTION AGREEMENT**

---

**Baker & McKenzie LLP**

London  
Ref KHW/ERC/JAXA

LONDOCS\2622968 02

FRIDAY



\*ANNW9P9N\*

A52

04/05/2007

269

COMPANIES HOUSE

## **CONTENTS**

<b>Clause</b>		<b>Page</b>
1	Definitions and Interpretation	1
2	Contribution of the SBME France Shares	2
3	Consideration	2
4	Completion	2
5	Transfer of Ownership and Further Assurances	3
6	General	3
<b>SCHEDULE 1</b>		
Contribution Shares		6

**DATE:** 1 May 2007

**PARTIES:**

- (1) **SONY BMG MUSIC ENTERTAINMENT B.V.**, a company incorporated in the Netherlands with registration number 30196957 and whose registered office is at Heuvellaan 50, 1217 JN Hilversum, The Netherlands (the "**First Transferor**"),
- (2) **SBME Holdings B.V.**, a company incorporated in the Netherlands with registration number 30196034 and whose principal place of business is at Heuvellaan 50, 1217 JN Hilversum, The Netherlands (the "**Second Transferor**"),
- (3) **SONY BMG MUSIC ENTERTAINMENT (UK Holdings) Limited**, a company incorporated in England and Wales with registration number 03185450 and whose registered office is at Bedford House, 69-79 Fulham High Street, London, SW6 3JW, United Kingdom (the "**Third Transferor**"),
- (4) **SONY BMG MUSIC ENTERTAINMENT (International) Limited**, a company incorporated in England and Wales with registration number 02019657 and whose registered office is at Bedford House, 69-79 Fulham High Street, London, SW6 3JW, United Kingdom (the "**Ultimate Transferee**")

**RECITALS:**

- (A) The First Transferor is the legal and beneficial owner of all of the issued share capital, as set out in Schedule 1, (the "**SBME France Shares**") in SONY BMG MUSIC ENTERTAINMENT (France) SAS ("**SBME France**")
- (B) The First Transferor desires to transfer and the Second Transferor desires to acquire ownership of the SBME France Shares effective as of the Effective Date upon the terms and subject to the conditions set forth in this Agreement. Immediately thereafter the Second Transferor desires to transfer and the Third Transferor desires to acquire ownership of the SBME France Shares effective as of the Effective Date upon the terms and subject to the conditions set forth in this Agreement. Immediately thereafter the Third Transferor desires to transfer and the Ultimate Transferee desires to acquire ownership of the SBME France Shares effective as of the Effective Date upon the terms and subject to the conditions set forth in this Agreement
- (C) Sony Software SCA and BMG France SAS have agreed to certain commitments required by the French tax authority in connection with the transfers of the ownership of the SBME France Shares which are contemplated in Recital B to this Agreement
- (D) The First Transferor is the ultimate parent company of the Second Transferor, the Third Transferor and the Ultimate Transferee

**TERMS AGREED:**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Agreement where the context so admits the following words and expressions shall have the following meanings

"**Contribution Value**" shall mean the fair market value of the SBME France Shares at the date of the Agreement as set out in clause 3.1 and as calculated in accordance with the Valuation Report,

"**Effective Date**" shall mean \_\_ May 2007,

**"First Consideration Shares"** shall mean the 149,668 ordinary shares of €100 each in the Second Transferor to be issued fully paid at a premium, the par value of such shares plus the premium shall equal the Contribution Value,

**"Second Consideration Shares"** shall mean the 10,160,700 ordinary shares of £1 each in the Third Transferor to be issued fully paid at a premium, the par value of such shares plus the premium shall equal the Contribution Value,

**"Third Consideration Shares"** shall mean the 10,160,700 ordinary shares of £1 each in the Ultimate Transferee to be issued fully paid at a premium, the par value of such shares plus the premium shall equal the Contribution Value, and

**"Valuation Report"** shall mean the valuation report prepared by SONY BMG MUSIC ENTERTAINMENT and dated 4 December 2006

- 1 2 The headings in this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement

## **2. CONTRIBUTION OF THE SBME FRANCE SHARES**

- 2 1 With effect from the Effective Date, the First Transferor shall contribute and the Second Transferor shall accept the contribution of the SBME France Shares, together with all rights now or hereafter attaching to them, in particular any dividend declared on or after the Effective Date in exchange for the issuance of the First Consideration Shares

- 2 2 With effect from the Effective Date, subject to the contribution referred to in clause 2 1, the Second Transferor shall contribute and the Third Transferor shall accept the contribution of the SBME France Shares, together with all rights now or hereafter attaching to them, in exchange for the issuance of the Second Consideration Shares

- 2 3 With effect from the Effective Date, subject to the contribution referred to in clause 2 2, the Third Transferor shall contribute and the Ultimate Transferee shall accept the contribution of the SBME France Shares, together with all rights now or hereafter attaching to them, in exchange for the issuance of the Third Consideration Shares

## **3. CONSIDERATION**

- 3 1 The Contribution Value is €149,668,000

- 3 2 The consideration for the SBME France Shares shall be

- (a) the issue and allotment by the Second Transferor to the First Transferor of the First Consideration Shares credited as fully paid,
- (b) the issue and allotment by the Third Transferor to the Second Transferor of the Second Consideration Shares credited as fully paid, and
- (c) the issue and allotment by the Ultimate Transferee to the Third Transferor of the Third Consideration Shares credited as fully paid

## **4. COMPLETION**

Completion shall take place immediately following the execution of this Agreement following which all of the following shall take place

- 4 1 the First Transferor shall procure the transfer of the SBME France Shares to the Second Transferor,

- 4.2 the Second Transferor shall issue the First Consideration Shares to the First Transferor credited as fully paid by means of the execution of a notarial deed of contribution and issuance of shares before a Dutch Notary,
- 4.3 the Second Transferor shall procure the transfer of the SBME France Shares to the Third Transferor,
- 4.4 the Third Transferor shall issue the Second Consideration Shares to the Second Transferor credited as fully paid and deliver to the Second Transferor a duly executed share certificate in the name of the Second Transferor in respect of the Second Consideration Shares,
- 4.5 the Third Transferor shall procure the transfer of the SBME France Shares to the Ultimate Transferee, and
- 4.6 the Ultimate Transferee shall issue the Third Consideration Shares to the Third Transferor credited as fully paid and deliver to the Third Transferor a duly executed share certificate in the name of the Third Transferor in respect of the Third Consideration Shares

#### **5. TRANSFER OF OWNERSHIP AND FURTHER ASSURANCES**

- 5.1 The First Transferor, the Second Transferor, the Third Transferor and the Ultimate Transferee are in agreement that the performance of their respective rights and obligations regarding the contribution and transfer of the SBME France Shares under this Agreement shall be met, fulfilled and settled through the transfer of the title of the SBME France Shares from the First Transferor to the Ultimate Transferee
- 5.2 Each transfer and contribution of the SBME France Shares shall be effective as of the Effective Date, from and after which date the Ultimate Transferee shall be the beneficial and economic owner of the SBME France Shares for all purposes. Legal title to the SBME France Shares shall transfer to the Ultimate Transferee as of the Effective Date by virtue of share transfer forms ("*ordres de mouvement de titres*") between the First Transferor and the Second Transferor, the Second Transferor and the Third Transferor, and the Third Transferor and the Ultimate Transferee and to the extent legal title to the SBME France Shares is not transferred at the Effective Date, the First Transferor, Second Transferor and Third Transferor, as appropriate, shall hold all such SBME France Shares as nominee for the benefit of the Ultimate Transferee until legal title has been formally transferred
- 5.3 The First Transferor, the Second Transferor and the Third Transferor agree (at their own cost) to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as the Ultimate Transferee may reasonably require, whether on or after the Effective Date, to implement and/or give effect to this Agreement and the transaction contemplated of this Agreement and for the purpose of vesting in the Ultimate Transferee the full legal and beneficial ownership of the SBME France Shares and, in particular, the First Transferor, the Second Transferor and the Third Transferor shall execute and sign on the Effective Date share transfer forms ("*ordres de mouvement de titres*") for the transfer to the Second Transferor, the Third Transferor and the Ultimate Transferee of the SBME France Shares

#### **6. GENERAL**

- 6.1 Neither party shall assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party. This Agreement shall be binding upon and enure for the benefit of any successors and assignees of the parties
- 6.2 Save as expressly provided in clause 6.1, a person who is not a party to this Agreement shall not have or acquire any right to enforce any term of this Agreement (including but not limited

to any right to enforce or have the benefit of any exclusion or limitation of liability contained in this Agreement) This clause shall override any other clause in this Agreement which is or may be inconsistent with it

- 6 3 In particular but not exhaustively, contemporaneously to the Effective Date, the parties shall enter into a short-form agreement for registration purposes with the French Tax Authorities
- 6 4 The parties hereto shall each perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions completed in this Agreement
- 6 5 This Agreement (together with any documents referred to herein) constitutes the whole agreement between the parties to this Agreement
- 6 6 The Second Transferor, the Third Transferor and the Ultimate Transferee acknowledge that they have not relied in relation to the contribution of the SBME France Shares on, or been induced to enter into this Agreement by, any information (written or oral), statements or warranties or representations of any description made, supplied or given by the First Transferor, the Second Transferor, the Third Transferor or any other person in relation to SBME France or otherwise Without prejudice to the foregoing, the Second Transferor, the Third Transferor and the Ultimate Transferee irrevocably and unconditionally waive any right they might have to claim damages, or rescind this Agreement, for misrepresentation This clause 6 6 does not exclude liability for any fraudulent, dishonest or criminal act or omission
- 6 7 All of the provisions of this Agreement shall remain in full force and effect notwithstanding Completion (except insofar as they set out obligations which have been fully performed at Completion)
- 6 8 This Agreement may be executed in one or more counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart and each such counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same instrument
- 6 9 This Agreement shall be governed by and construed in accordance with English law

SIGNED by  
for and on behalf of  
**SONY BMG MUSIC ENTERTAINMENT B.V.**

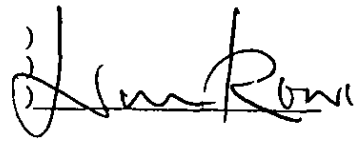
)  
)  
) \_\_\_\_\_

)  
)  
) \_\_\_\_\_

SIGNED by  
for and on behalf of  
**SBME HOLDINGS B.V.**

)  
)  
) \_\_\_\_\_

SIGNED by  
for and on behalf of  
**SONY BMG MUSIC ENTERTAINMENT (UK HOLDINGS)  
LIMITED**

)  
)   
) \_\_\_\_\_

SIGNED by  
for and on behalf of  
**SONY BMG MUSIC ENTERTAINMENT (INTERNATIONAL)  
LIMITED**

)  
)   
) \_\_\_\_\_

- 6 3 In particular but not exhaustively, contemporaneously to the Effective Date, the parties shall enter into a short-form agreement for registration purposes with the French Tax Authorities
- 6 4 The parties hereto shall each perform such acts, execute and deliver such instruments and documents, and do all such other things as may be reasonably necessary to accomplish the transactions completed in this Agreement
- 6 5 This Agreement (together with any documents referred to herein) constitutes the whole agreement between the parties to this Agreement
- 6 6 The Second Transferor, the Third Transferor and the Ultimate Transferee acknowledge that they have not relied in relation to the contribution of the SBME France Shares on, or been induced to enter into this Agreement by, any information (written or oral), statements or warranties or representations of any description made, supplied or given by the First Transferor, the Second Transferor, the Third Transferor or any other person in relation to SBME France or otherwise Without prejudice to the foregoing, the Second Transferor, the Third Transferor and the Ultimate Transferee irrevocably and unconditionally waive any right they might have to claim damages, or rescind this Agreement, for misrepresentation This clause 6 6 does not exclude liability for any fraudulent, dishonest or criminal act or omission
- 6 7 All of the provisions of this Agreement shall remain in full force and effect notwithstanding Completion (except insofar as they set out obligations which have been fully performed at Completion)
- 6 8 This Agreement may be executed in one or more counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart and each such counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same instrument
- 6 9 This Agreement shall be governed by and construed in accordance with English law

Miriam Bayteyev

Claud ~~van~~ Gresse

Gay Goodgezel Schap

)



# SCHEDULE 1

## Contribution Shares

Company Name	Country of Incorporation	Registered Company Number	Registered Office	Number of Shares	Nominal Share Value	Percentage of the issued share capital	Indicative Value
SONY BMG MUSIC ENTERTAINMENT (France) SAS	France	542 055 603 RCS Nanterre	20-26 rue Morel Clichy France	11,476	EUR220	100	€149,668,000