

PANDORA[®]

**Copyright Royalty Board – Web IV
Conference Call**

December 16, 2015

Safe Harbor

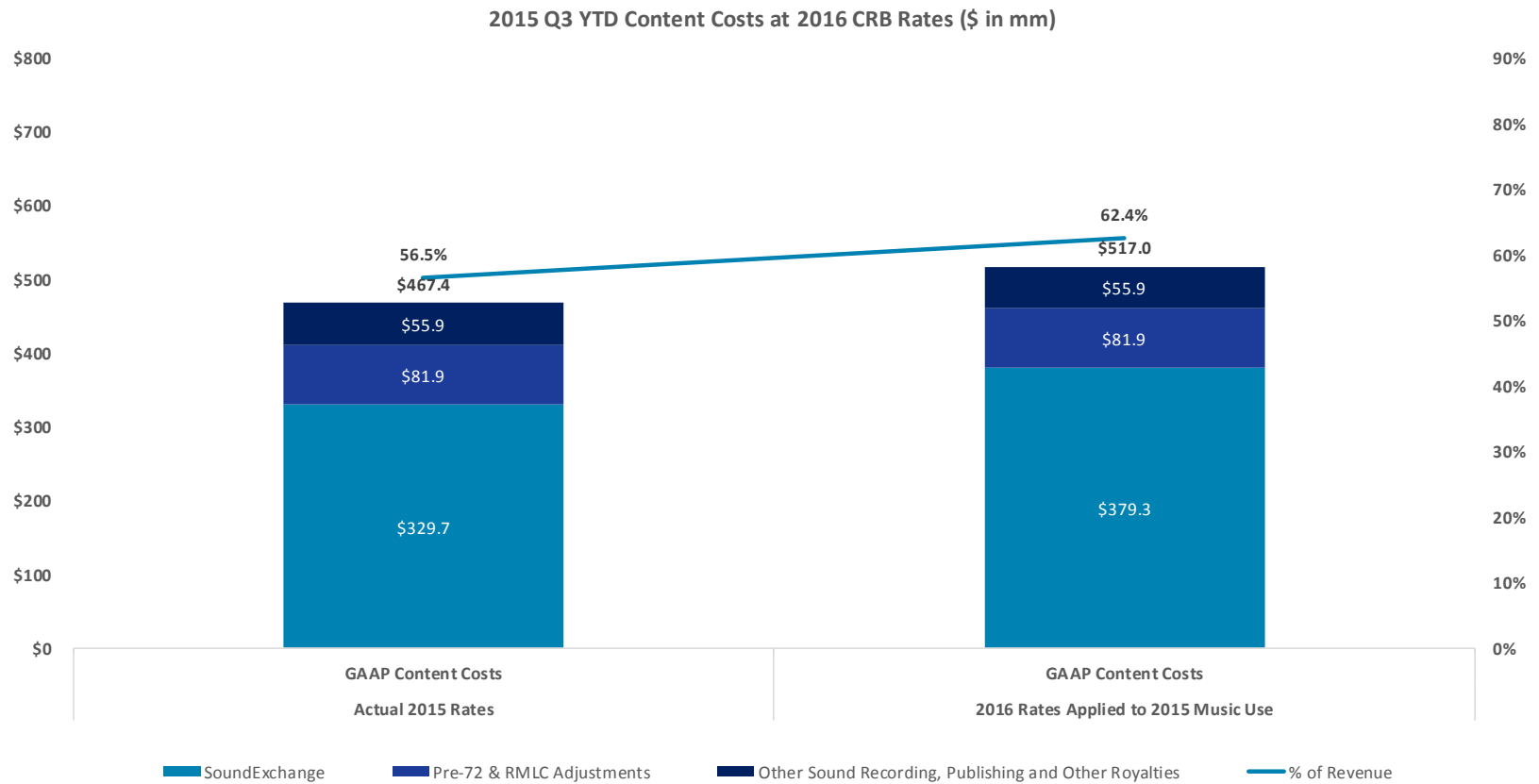
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A large crowd of people is silhouetted against a vibrant sunset sky. The sun is low on the horizon, creating a warm, golden glow that transitions into a soft purple and blue as it reaches the top of the frame. The crowd is dense and stretches across the bottom of the image, with many people looking towards the camera or slightly away. The overall mood is one of a large-scale outdoor event or festival.

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2015 Q3 YTD Content Costs at 2016 CRB Rates



CRB Rate Scenarios	2015 Rates	2016 Rates
Advertising Rate	\$0.0014	\$0.0017
Subscription Rate	\$0.0025	\$0.0022
% of Revenue Floor	25.0%	NA

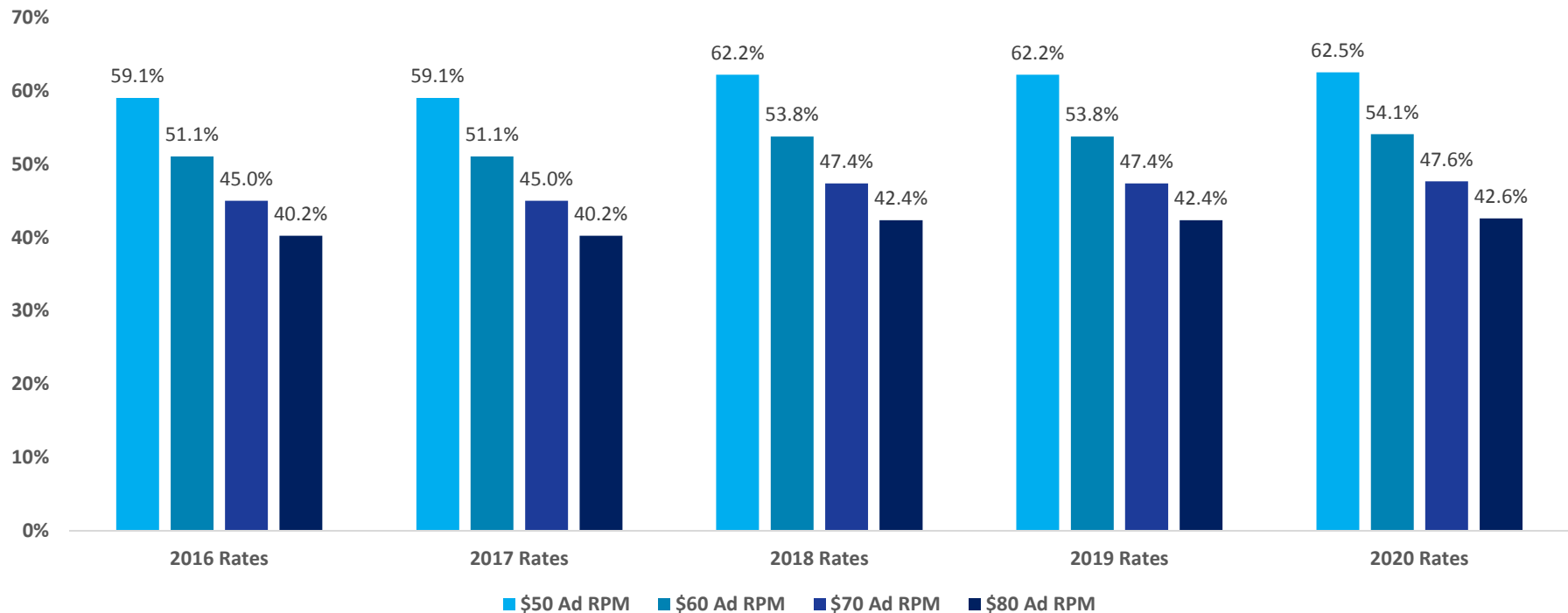
CRB Rate RPM and LPM Sensitivity

Ad vs Total RPM	
Ad RPM	Total RPM
\$50.0	\$54.0
\$60.0	\$62.6
\$70.0	\$71.2
\$80.0	\$79.8

CRB Rates 2016 - 2020					
Rate Type	2016	2017	2018	2019	2020
Ad Rate	\$0.0017	\$0.0017	\$0.0018	\$0.0018	\$0.0018
Sub Rate	\$0.0022	\$0.0022	\$0.0023	\$0.0023	\$0.0024
% of Rev. Min.	NA	NA	NA	NA	NA
Total LPM	\$32.0	\$32.0	\$33.7	\$33.7	\$33.9

Note: Rates rounded to four decimal places assuming 2.0% CPI increase per year applied to 2016 rates.

Content Costs as % of Revenue Sensitivity





Q & A

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