

MAS Consumer Media

Sales News

SONY™

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SUBJECT: MiniDisc™ Media for Hi-MD™ Recorders

Sony recently announced the launch of a new line of Hi-MD Walkman® digital music players. This exciting evolution of the MiniDisc format allows users to record up to 45 hours of music on just one Hi-MD disc, and 13.5 hours of music on one standard MiniDisc. The increased recording time enabled by Hi-MD recorders provides music lovers with virtually unlimited storage capacity to build a library of their favorite songs.

Hi-MD recorders will ship bundled with one piece of Hi-MD media in each unit. Aftermarket media sales will be supported in store by our current line-up of standard MiniDisc multipacks, which offer 13.5 hours of music storage on each disc. Each MD multipack will feature a sticker promoting the increased music storage capacity possible with Hi-MD recorders. A limited supply of single Hi-MD discs will be available during the launch of Hi-MD to support an on-line sales strategy through key retailer web sites and sonystyle.com. Allocations will be determined upon confirmation of exact available quantities and will be communicated shortly.

Following is the model set up information for Hi-MD media. Pricing detail is on the attached price list.

| Model | Description | SRP | Master Carton | | Sub Carton | |
|-------|-------------------|--------|---------------|-------------------------|------------|-----------------------|
| | | | Pcs | Dimensions (HxWxD) | Pcs | Dimensions (HxWxD) |
| HMD1G | Single Hi-MD Disc | \$6.99 | 100 | 10.35" x 14.96" x 5.31" | 5 | 2.95" x 3.89" x 2.44" |

Pictured below is the new Hi-MD media single disc and an example of our current multipacks featuring the new Hi-MD sticker. If you have any questions, please contact Shane Higby.



Single Hi-MD Disc



Example of standard MD 8-pack with Hi-MD Sticker