

RECORDED BOOKS, LLC

PRESS RELEASE

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FOR IMMEDIATE RELEASE

RECORDED BOOKS DOWNLOADABLE AUDIOBOOK SERVICE GAINS STRONG ACCEPTANCE

Libraries Are Quick to Adopt New Technology to Give Patrons 24x7 Ability to Download and Listen to Audiobooks

Prince Frederick, MD – August 2, 2005—Recorded Books, LLC, the premier publisher of unabridged audiobooks since 1979 and a Hights Cross Communications company, today said it is offering U.S. libraries a new downloadable audiobook subscription service. The service is the result of Recorded Books’ strategic agreement last year with NetLibrary, a division of OCLC Online Computer Library Center, Inc.

According to David Berset, Recorded Books President and CEO, “Recorded Books’ national library sales force has been presenting our new Downloadable Audiobooks service to our thousands of library customers. Their response has been overwhelmingly positive and customers are signing-on quickly. For several years now, libraries have seen growing demand for audiobooks in CD and cassette formats. Downloadable Audiobooks available through a library’s website is the ‘next big idea’ in developing exciting new approaches to win and keep a new generation of library patrons.”

Libraries signing on to the Recorded Books Downloadable Audiobooks service range from small public libraries to some of the largest metropolitan and regional library systems in the United States. “Our Downloadable Audiobooks service offers libraries of all sizes great flexibility and affordability, low start-up cost, and no new investment in staffing,” says Berset. “Our technology platform is limitlessly extensible, so we can add unlimited new titles to our digital library,” Berset said.

Rich Rosy, NetLibrary Corporate Vice President, said: “With the Downloadable Audiobooks service, a library’s patrons can simply go to the library’s website, and click-through to the Downloadable Audiobooks library. The site is easily searchable by title, author, narrator, key words, and subject matter. Library patrons can listen to an excerpt from a book and then easily download and listen to a latest best-seller, book club favorite, an award-winning author as well as a fast-growing collection of standard literary works, language education programs, and the Bible.”

Downloadable Audiobooks – Facts-at-a-Glance

- Recorded Books and NetLibrary formed their strategic alliance in October 2004.
- The Downloadable Audiobooks service went “live” in February 2005.
- The Downloadable Audiobooks library is drawn from three Recorded Books core collections:
 - Audiobooks Core Collection – over 500 titles from dozens of notable authors, such as Patricia Cornwell, Alexander McCall Smith, Carl Hiassen, Elizabeth Peters, Nevada Barr, and Pat Conroy. Additional titles are added monthly.
 - Pimsleur Language Series – world-famous language audio instruction for beginners, intermediate level speakers, and ESL students covering 39 languages.
 - Contemporary English Version Holy Bible.
- The Downloadable Audiobooks platform supports the Microsoft Windows Media Player (version 9 and above).
- Library patrons “check-out,” download, and play audiobooks on their desktop or laptop PCs. Users can also transfer their audiobooks to a wide range of portable devices, including portable music players, portable media centers, Pocket PCs, and select smart phone devices.
- Recorded Books and NetLibrary have developed a simplified annual subscription that bases collection price on the library’s overall circulation. Libraries pay once for an annual subscription and block of checkouts matched to the library’s circulation trends.
- When downloading audiobooks, patrons can select from radio-quality or CD-quality files. Radio quality provides faster download speeds and is ideal for patrons with dial-up connections. CD quality offers high-fidelity playback for patrons with high-speed Internet access.

About Recorded Books:

Recorded Books was founded in 1979 and is the world’s largest independent publisher of unabridged audiobooks. Recorded Books provides unabridged books on cassette and CD for consumer markets, libraries, and schools. For more information, visit www.recordedbooks.com.

About Hights Cross Communications:

Founded in 1997 and based in White Plains, NY, Hights Cross Communications is a premier educational and library publisher dedicated to creating the finest books, audio products, periodicals, software, and online services, serving the following markets: K-12 supplemental education, public and school library publishing, audio books, and medical continuing education publishing. Hights Cross companies include: Sundance/Newbridge Educational Publishing (Northborough, MA), Triumph Learning (New York, NY), Buckle Down Publishing (Iowa City, IA), Options Publishing (Merrimack, NH), Oakstone Publishing (Birmingham, AL), Recorded Books (Prince Frederick, MD), and Chelsea House Publishers (Northborough, MA). For more information, visit www.hightscross.com.

About NetLibrary:

NetLibrary, a division of OCLC Online Computer Library Center, Inc., helps academic, public, corporate and special libraries create a richer, more productive learning environment for their patrons. By combining the time-honored traditions of the library system with electronic publishing, NetLibrary offers an easy-to-use information retrieval system for accessing the full text of reference, scholarly, and professional books and other e-content. For more information, visit www.netlibrary.org.

About OCLC:

Headquartered in Dublin, Ohio, OCLC Online Computer Library Center is a nonprofit organization that has provided computer-based cataloging, reference, resource sharing, and preservation services to 52,000 libraries in 95 countries and territories. For more information, visit www.oclc.org.

Safe Harbor Statement: This press release contains forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “could,” “would,” “expect,” “plan,” “anticipate,” “believe,” “potential” and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. These risks, uncertainties and other factors may cause our actual results, performances or achievements to be materially different from those expressed or implied by our forward-looking statements. Factors that may cause our actual results to differ materially from our forward-looking statements include, among others, changes in external market factors, changes in our business or growth strategy, or an inability to execute our strategy due to changes in our industry or the economy generally, the emergence of new or growing competitors and various other competitive factors. In light of these risks and uncertainties, there can be no assurance that the events and circumstances described in forward-looking statements contained in this press release will in fact occur. You should read this press release completely and with the understanding that our actual results may be materially different from what we expect. We will not update these forward-looking statements, even though our situation may change in the future. We qualify all of our forward-looking statements by these cautionary statements.
