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eMusic Licenses ChoiceStream's MyBestBets Personalization Platform® to Power Groundbreaking "Neighbors" and "Top Fans" Features

Powerful Personalization Capabilities Simplify the Music Discovery Process by Creating Strong Communities of Music Lovers Who Share Similar Tastes in Music

– Meet your musical neighbor and "Choose to Discover" –

Cambridge, MA / New York, NY, September 22, 2004 – eMusic, the world's largest independent music service, serving more than 1 million MP3 downloads per month, and ChoiceStream, Inc., the leading provider of personalization solutions for online consumer services, search services, e-retailers and iTV providers, today announced that eMusic has licensed the ChoiceStream MyBestBets Personalization Platform® to power the eMusic Neighbors and eMusic Fans areas of its new service launching today at www.emusic.com.

eMusic Neighbors and eMusic Fans represent the first online tools to use sophisticated personalization technology to enable users to easily find other users who share their tastes and interests in music. The sense of community enabled by the ChoiceStream MyBestBets Personalization Platform greatly enhances the online experience for eMusic users, making it easier for users to share and discuss their music preferences, which are critical components of the discovery process for independent music.

"Word-of-mouth is an incredibly powerful discovery tool for music fans," said David Pakman, COO of eMusic. "Our new 'neighbors' and 'top fans' features deliver the virtual equivalent of that. For the first time, a music service will introduce you to your musical 'neighbors' and kick-off a more personal way to discover new music. That's what makes the addition of ChoiceStream and its ability to help users easily find other users who share their tastes so very important. ChoiceStream personalization ultimately makes it easier for subscribers to find and download songs that they'll truly enjoy. We're very excited to unveil this critical new element of our service to our subscriber base and believe it will have a tremendous impact on our business going forward."

As the only digital music service truly focused on the discovery of both established and emerging new artists, eMusic's new service introduces many new features to assist subscribers in the process of music discovery. The ChoiceStream platform was incorporated to capitalize on the vast knowledge and diverse tastes of the eMusic subscriber community.

To find communities of subscribers who share their interests, eMusic users simply navigate to the "Neighbors" page within their account. This page automatically displays a list of other eMusic users, along with their recent downloads, who appear to share the user's tastes based on their preference profiles created by ChoiceStream. Profiles are created by ChoiceStream in real time by using proprietary, patent-pending technology to analyze a user's download history and determine the key attributes and characteristics that underlie the user's choice of music.

Through eMusic Fans, ChoiceStream identifies users who are particularly fond of the artists downloaded by a user. Each artist or album selected by an eMusic user has a list of "fans" associated with it. Users can review fans' download lists to identify other songs they might enjoy. Fans are selected based on statistical analysis of a variety of factors including the total number of songs a user has downloaded by an artist, the number of songs by 'similar' artists the user has downloaded, as well as many others. Determination of 'similarity' is made by ChoiceStream's patent-pending preference engine.

ChoiceStream Chosen for Accuracy and Flexibility

ChoiceStream's MyBestBets technology is the first, and only, solution to provide an effective, consumer-friendly, fully scalable way to achieve true personalization and help consumers navigate huge content spaces, such as the universe of music lovers, to find the people and content that are the best match for them. The superior relevance offered by the MyBestBets Platform stems from ChoiceStream's breakthrough approach to personalization.

Instead of focusing on traditional collaborative filtering, clickstream or activity analysis techniques, which are notoriously unreliable predictors of behavior and require extremely large volumes of data in order to make meaningful predictions, ChoiceStream focuses on understanding the underlying attributes of the content being personalized as well as each user's preferences for those attributes. Armed with this insight, the MyBestBets Platform matches each individual with the people and content best suited to his particular tastes and preferences.

"The partnership with eMusic demonstrates the real power and flexibility of the MyBestBets Platform. Given virtually any type of content area, the Platform can easily learn a user's tastes and preferences for that content and apply that knowledge to dramatically enhance the user's online experience," said Steve Johnson, CEO of ChoiceStream. "For eMusic, having knowledge and insight into its members' music preferences will greatly assist the discovery process, a vital component of their service. By providing subscribers with music 'neighbors' and 'fans' that closely match their individual preferences, eMusic will dramatically enhance the user experience while motivating additional downloads that drive revenue."

About eMusic

eMusic (www.emusic.com) stands alone as the only digital music service that is 100% focused on serving the needs of independent music fans and independent labels. Delivering more than one million downloads each month; eMusic is among the top digital music services, offering a diverse catalog of 500,000 tracks from established and emerging artists in every genre from the world's top independent labels. eMusic was not only the first service to sell songs and albums in the popular MP3 format, it was the first company to launch a digital music subscription service. Unlike other services that severely restrict portability, eMusic allows members complete flexibility to burn CDs, transfer to MP3 devices and make multiple copies for personal use.

eMusic also offers access to exclusive recordings from eMusicLive's network of premier music venues across the country. eMusic subscription plans start at \$9.99 per month for 40 downloads. A free trial is available to all new users. Based in New York and San Diego, eMusic is wholly owned by Dimensional Associates, Inc., the private equity arm of JDS Capital management, Inc.

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About ChoiceStream

ChoiceStream develops personalization solutions for online consumer services, search services, e-retailers and iTV providers. Relied on by the world's largest online services providers including AOL, ChoiceStream's patent-pending technology helps companies increase customer retention and drive sales by automatically delivering the most relevant content and products to each consumer. For additional information, please visit our Web site at www.choicestream.com.

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