

## **MusicNet selects MediaBay to Serve as its Exclusive Spoken Word Content Aggregator**

### **Leading Business-to-Business Digital Music Service Provider Will Distribute Thousands of Best-Selling Audiobooks Through Some of the Web's Biggest Music Services**

**CEDAR KNOLLS, NJ – January 4, 2006** – MediaBay, Inc. (NASDAQ: MBAYD), a leading digital media and publishing company specializing in spoken word and premium audio entertainment, today announced that it has signed an agreement with MusicNet, the world's foremost business-to-business digital music service provider, to serve as the provider's exclusive spoken word content aggregator.

Through the new deal, consumers visiting MusicNet-enabled digital music services will have access to the best of MediaBay's extensive library of more than 75,000 hours of audiobooks and other spoken word content available on Windows Media. MusicNet's distribution partners include a wide array of subscription-based digital music services such as Yahoo!, HMV, Virgin Digital, Synacor and Cdigix. MusicNet offers these companies and others a suite of fully customized digital music experiences, enabling consumers to buy digital music subscriptions, portable subscriptions and a la carte downloads. MusicNet has licensed two million tracks and offers the largest catalog available in the industry today for subscription and purchase. This catalog will grow even more now as it incorporates MediaBay's spoken word content.

The partnership will allow millions of new consumers to enjoy the best of MediaBay's spoken word digital content while taking advantage of the Windows Media functionality that enables direct downloads to the PC or transfer to dozens of portable media players that support WMA audio files including devices by Creative, i-River, Dell, HP and all of the Microsoft "Playsforsure"™ device partners.

"We are tremendously excited to join the MusicNet digital content catalog and provide millions of new consumers with the high caliber of programming available in our spoken word audio entertainment library," said Jeffrey Dittus, CEO of MediaBay. "MusicNet works with many of the world's leading digital music stores and its commitment to providing consumers with a diverse selection of listening experiences will now expand even more to include our selection of award-winning and best-selling spoken word content."

"As consumers continue to expand their use and discovery of digital entertainment, it is increasingly important to provide them with the content they want most," added Alan McGlade, President and CEO of MusicNet. "MediaBay possesses a rich spoken word library that is sure to enhance the user experience."

#### **About MediaBay, Inc.**

MediaBay Inc. (NASDAQ: MBAYD) is a leading digital media and publishing company specializing in spoken word and premium audio entertainment. The company maintains a library consisting of more than 75,000 hours of content, including audiobooks from best-selling authors and the history of American Radio. Some of MediaBay's digital content partners include BBC, Blackstone, Brilliance Audio, CBS Radio, Harper Collins, Hay House, Oasis, Penguin Group USA Audio, Random House, Simon & Schuster, Sound Room Publishers, Time Warner Audio and Zondervan. In addition to its popular Audio Book Club, MediaBay distributes its content through proprietary web sites soundsgood.com and radiospirits.com as well as through partner channels including Loudeye, MSN Music, Sirius Satellite Radio and XM Satellite Radio. For more

information on MediaBay, please visit [www.soundsgood.com](http://www.soundsgood.com), [www.mediabay.com](http://www.mediabay.com), [www.audiobookclub.com](http://www.audiobookclub.com), [www.radiospirits.com](http://www.radiospirits.com).

**About MusicNet**

MusicNet is the world's leading business-to-business digital music service provider. The top U.S. and global consumer brands private label MusicNet's comprehensive suite of digital music services. MusicNet enables its partners to offer their customers a fully customized experience, including the ability to buy music downloads and subscriptions, choose from more than 2.0 million tracks (the industry's largest catalog of licensed music), explore engaging editorial programming and enjoy an easy-to-use interface. Headquartered in New York, MusicNet is wholly-owned by Baker Capital, a New York-based private equity firm with \$1.5 billion under management. For more information, please visit [www.musicnet.com](http://www.musicnet.com).

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