

Digital shift upends Warner Music in Q2

The shift in demand from CDs to downloads is taking its toll on Warner Music Group, which reported a loss of US\$37 million in the second quarter.

By [Alex Veiga](#) ^{12 May 2008}

Warner Music, whose artists include R.E.M., Madonna and Green Day, said Thursday, 8 May 2008, that higher costs and a shift to digital music resulted in a wider second-quarter loss, and it suspended dividend

Shares tumbled more than 20%, or \$1.87, to \$7.18 in morning trading.

For the period ended 31 March, the New York-based recording company reported a loss of \$37 million, or 25 cents per share, compared with a loss of \$27 million, or 19 cents per share, a year earlier. Losses from continuing operations totaled 23 cents per share in the latest period.

Revenue grew 2% to \$800 from \$784 million a year earlier.

[Read the full article here](#)