



**RANDOM HOUSE JOONGANG, HISTORIC SEOUL-BASED KOREAN
LANGUAGE BOOK PUBLISHING JOINT VENTURE,
FORMED BY RANDOM HOUSE AND JOONGANG M&B**

(Seoul and New York, January 6, 2004)—In an historic international publishing partnership, Peter Olson, Chairman and Chief Executive Officer of Random House, the world's largest trade book publisher, and Suk-Hyun Hong, Chairman of JoongAng Ilbo Publishers, a leading Korean print and broadcast media group, announced today in New York and Seoul the formation of a new Korean-language trade book publishing 50/50 joint venture. Random House JoongAng will publish adult and children's fiction and nonfiction in hardcover and paperback editions for national distribution in Korea.

The creation of Random House JoongAng is the first time a Western and an Asian publisher have joined together to publish general interest books in Korea, Asia's third-largest language market. The new company will be based in Seoul. Financial terms between the two partners, both of which are privately held, are not being disclosed.

Random House—the only global general interest trade book publisher—publishes books in local languages in sixteen countries. It is the market leader in the English- and German-language territories and the second-largest book publisher in Spain and Latin America.

For Random House, the new company is a major expansion of its publishing presence in Asia. Its year-old Tokyo-based Japanese-language joint venture, Random House Kodansha, published its first list of eight titles in November and December and expects to publish some fifty titles in 2004.

JoongAng Ilbo Publishers is part of JoongAng Ilbo Media Network, Korea's top media group. It owns the country's leading national newspaper and magazine publisher and two cable television broadcasters. It was founded in the nineteen sixties by Samsung.

Random House JoongAng was created by transforming JoongAng Ilbo Publishing's wholly owned book publishing subsidiary JoongAng M&B Publishing and Book Box Co. into a joint venture with Random House. A well-established Korean book publisher, the company will publish its first titles in its new configuration this month.

Mr. Young-Bae Kim, currently Chief Executive Officer of JoongAng M&B has been appointed CEO of Random House JoongAng. A former journalist, Mr. Kim commands great respect from the Korean publishing community for his leadership of the former company. All members of the JoongAng M&B Publishing and Book Box Co. staff will continue with Random House JoongAng.

The Random House JoongAng publishing program will focus on the adult nonfiction categories of biographies and memoirs, business and economics, self-help and self-improvement, and philosophy. It will seek to publish literary and commercial adult fiction. Its children's titles will be picture and chapter books, manga, and educational and instructional volumes.

Some eighty percent of Random House JoongAng's publishing will be original Korean writing with the remaining twenty percent translated works. The publishing house will license Random House titles published internationally that are appropriate to its publishing program and whose Korean rights are available. It will offer its Korean-language titles for which it holds world rights to Random House sister companies for potential publication in the English- German- and Spanish-language territories.

In Korea, books are primarily sold in independent and chain bookstores, discount stores, and kiosks, as well as door to door and through book clubs. Korea has one of the largest online book sales market share of any country in the world, at 12%.

S. H. Hong, Chairman of JoongAng Ilbo Publishers, said, "Having already established partnerships with world class media groups such as the *International Herald Tribune*, and *Newsweek* and *Forbes* magazines, we are extremely happy to be able to commence this partnership with Random House, the world leader in trade book publishing. This is an historic and progressive event for our country's publishing industry, which will be viewed as a positive step forward for Korean authors and readers. Random House enjoys a great international reputation for its commitment to develop local authors in every one of the countries in which it publishes. This means that Korean authors now will enjoy new potential opportunities to widen their audience beyond our own borders."

Peter Olson, Chairman and Chief Executive Officer of Random House, said, "We are honored to partner with JoongAng M&B in the creation of Random House JoongAng. Our joint venture company is fortunate to have in place a dedicated and talented group of editors and sales and marketing staff who will be working with great creativity and dedication to bring the best Korean writing to a wide national readership. Random House JoongAng and its authors will greatly benefit from being part of Random House's coordinated international publishing network and Random House's publishers around the world will now have the privilege of considering many of Random House JoongAng's authors for publication in their languages markets."

Like Random House Kodansha, Random House JoongAng will be overseen on behalf of Random House by Y.S. Chi, President, Random House Asia. Mr. Chi, who is based in New York, will spend much of each month in Tokyo and Seoul.

As a wholly owned subsidiary of JoongAng Media Networks, JoongAng M&B is a diversified contents and services group, which includes Korea's largest magazine publisher, one of the three leading trade book publishers, the #1 woman's portal Website ([www. patzzi.com](http://www.patzzi.com)), and a popular leisure information site ({ HYPERLINK "<http://www.myfriday.com>" }).

JoongAng Media Network is the leading media group in Korea with a portfolio that is comprised of newspaper, magazine, and book publishing, broadcasting and Internet businesses. It operates the leading Korean- [JoongAng Ilbo] and English-language [JoongAng Daily] daily newspapers, the latter in joint venture partnership with the International Herald Tribune. Its broadcast holdings are the History Channel and the Q-Channel, a nonfiction network. JoongAng M&B publishes general interest trade books and JoongAng Sisa Media Co. publishes professional books and current events magazines such as Newsweek Korea and Forbes Korea. JoongAng M&B.com and Joins.com, the #1 news portal, are JoongAng Media Network's Internet businesses.

Random House is the world's largest trade book publisher, publishing many of the most revered and most popular fiction and nonfiction authors in hardcover, trade and mass market paperback, audio, and electronic formats. Random House is the one truly global book publisher, the only one with an established network of leading publishers in the English- German- Spanish- and Japanese-language countries, four of the leading language groups, as well as Korea. They provide original fiction and nonfiction publishing for adult and young readers through their wholly owned Random House publishing companies in the U.S., Canada, the United Kingdom, Australia, New Zealand, South Africa, Germany, and their 50/50 joint ventures in Spain, Mexico, Argentina, Chile, Uruguay, Colombia, and Venezuela with Mondadori, with Kodansha in Japan, and with JoongAng M&B in Korea. Random House publishes the largest number of bestsellers annually in most of these countries and the greatest number of Nobel Prize winners, among them Toni Morrison, Thomas Mann, and William Faulkner.

Random House is the trade book publishing division of Bertelsmann AG, a media and entertainment company which command globally leading positions in the major media markets. Its core business is the creation of first-class media content in television and radio (RTL Group), recorded music (BMG), magazines (Gruner + Jahr), and books (Random House). Its book and music clubs (Direct Group) have more than forty million members worldwide and its Arvato division provides media and distribution services internationally. The company strives to inspire people's daily lives all over the world with its products and services.

#

(1/6/04)

SA: sm