

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name REALNETWORKS, INC.		2 Issuer's employer identification number (EIN) 91-1628146	
3 Name of contact for additional information LAURIE DEITZ BLAIN	4 Telephone No. of contact (206) 674-2423	5 Email address of contact LAURIED@REALNETWORKS.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 2601 ELLIOTT AVENUE SUITE 100		7 City, town, or post office, state, and Zip code of contact SEATTLE, WA 98121	
8 Date of action AUGUST 30, 2011		9 Classification and description REVERSE STOCK SPLIT	
10 CUSIP number 75605L10, now 75605L708	11 Serial number(s)	12 Ticker symbol RNWK	13 Account number(s)

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On August 30, 2011, RealNetworks, Inc. effected a one-for-four reverse stock split of RealNetworks, Inc.'s common stock for the shareholders of record on August 30, 2011. Four shares of issued and outstanding common stock were automatically combined into one issued and outstanding share of common stock without any change in the par value per share as part of the reverse stock split.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The shareholder's tax stock basis in the one share of RealNetworks, Inc. common stock resulting from the reverse stock split is equal to the shareholder's basis in the four shares of common stock held prior to the reverse stock split. The shareholder's total aggregate basis in the shares of RealNetwork's, Inc. stock held prior to the reverse stock split should be equal to the total aggregate basis the shareholder had in the shares held prior to the reverse stock split minus any cash received in lieu of fractional shares.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Each shareholder must determine the basis it had in each of its RealNetwork, Inc. shares immediately before the one-for-four reverse stock split. The total basis in every four shares held prior to the reverse stock split will become the basis in the one share resulting from the reverse stock split.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

Section 368(a)(1)(E) - Tax-free recapitalization

Section 354 - Exchanges of stock and securities in certain reorganizations

Section 1036 - Stock for stock of same corporation

18 Can any resulting loss be recognized? ▶ This reverse stock split would not create a loss.

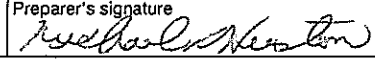
19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The adjustment to basis would be taken into account in the tax year of the shareholder during which the exchange occurred (e.g., 2011 for calendar year taxpayers). It is the shareholder's responsibility to properly track the basis in his or her RealNetworks, Inc. shares.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 1/13/2012

Print your name ▶ Michael Eggers Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Michael Huston		1/13/12		P00634208
	Firm's name ▶ DELOITTE TAX LLP	Firm's EIN ▶ 86-1065772		Phone no. 312-486-1000	
	Firm's address ▶ 111 SOUTH WACKER DRIVE, CHICAGO, IL 60606				

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054