US Gaming: A 360º View

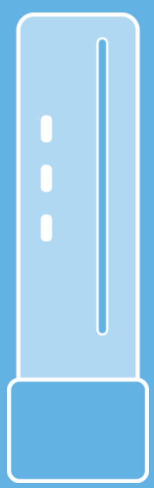
February 7, 2012

Agenda

- Background & Scope
- Today's Gaming Landscape
- Purchase Funnel
- Entertainment Hubs & Next-Gen
- Key Takeaways

Background & Scope

Gaming



- Time and money for kids, teens and adults
- Cross-console / handheld / mobile ownership and usage
- Emerging and future tech adoption / interest

TV

Online / PC

Home Entertainment

Mobile

Theatrical

Music

Print

Live Events

Other Out of Home

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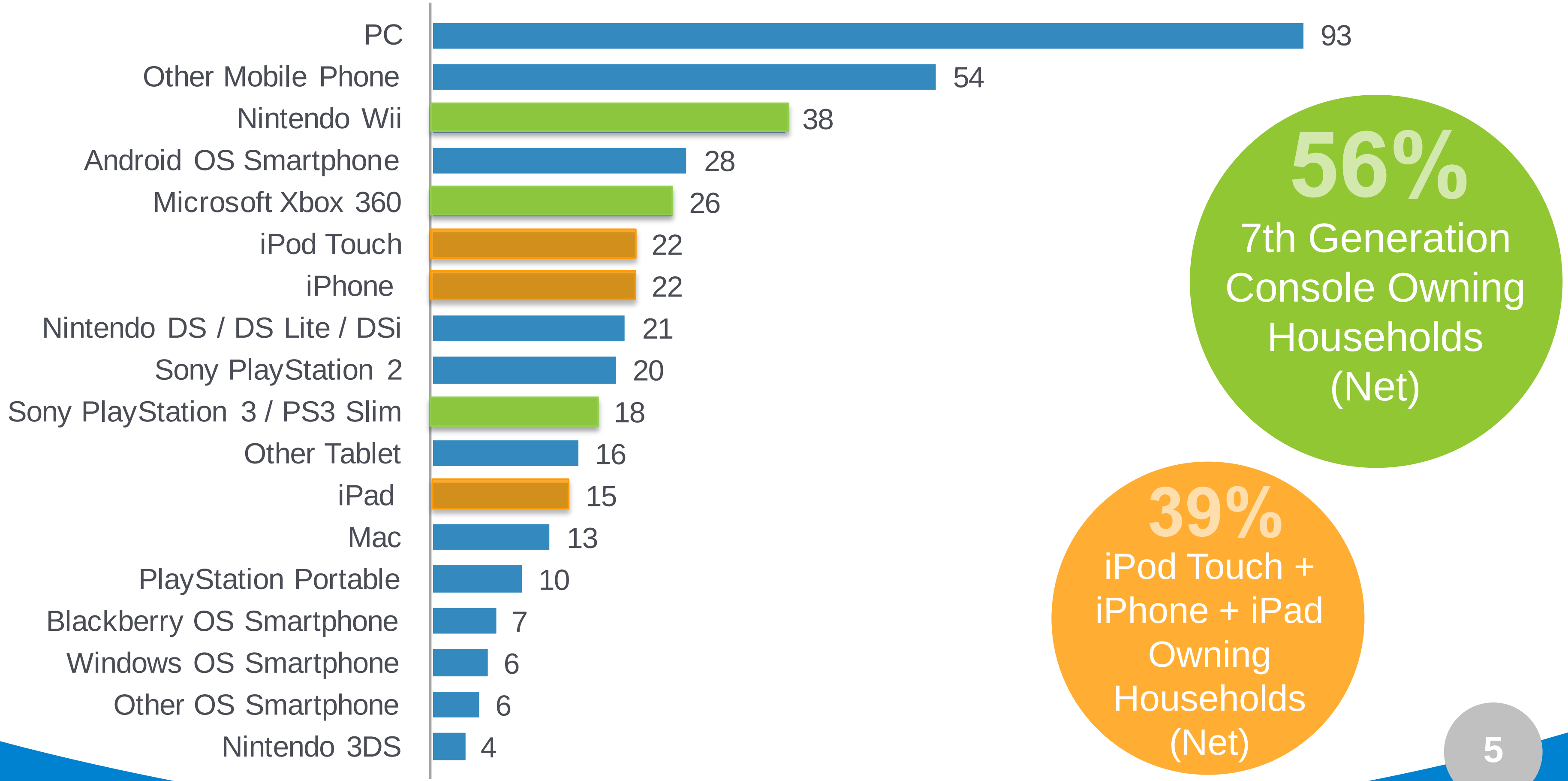
7th Generation consoles are now in over half of homes; Android OS and iPad continue to grow at fast pace

US Household Penetration of Gaming Devices (%)

Q1 2012



Handheld / mobile / tablet gaming remains dynamic with varying pockets of competition

US Platform Playership By Age Group (%)

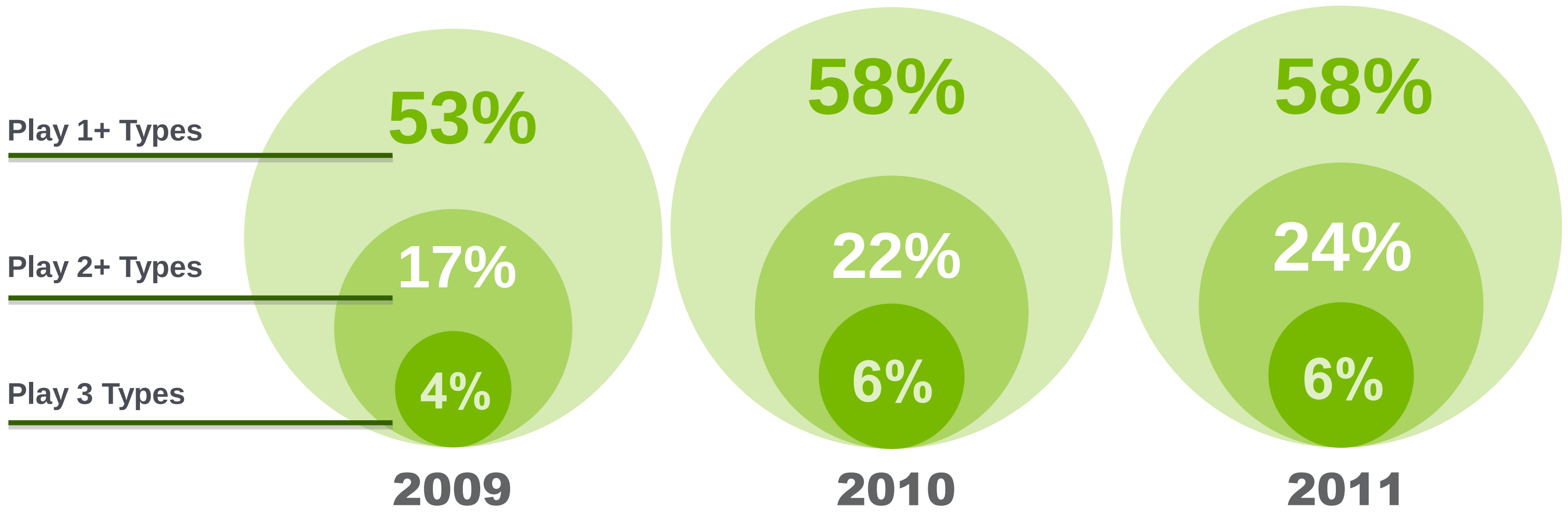
Q4 2011

	Kids 6-12	Teens 13-17	Adults 18-24	Adults 25-34	Adults 35-44
Nintendo DS / DS Lite / DSi	46	26	18	8	6
iPod Touch	14	19	12	7	6
Android Phone	11	6	10	16	9
PlayStation Portable	10	10	10	3	4
iPhone	8	8	9	9	8
iPad	8	5	8	7	7
Nintendo 3DS	3	3	1	1	2

Player growth is shifting from incremental additions to cross-platform concentration

US Platform Playership Size by Type (%): Ages 13+

Q4 2011, Q4 2010, Q4 2009



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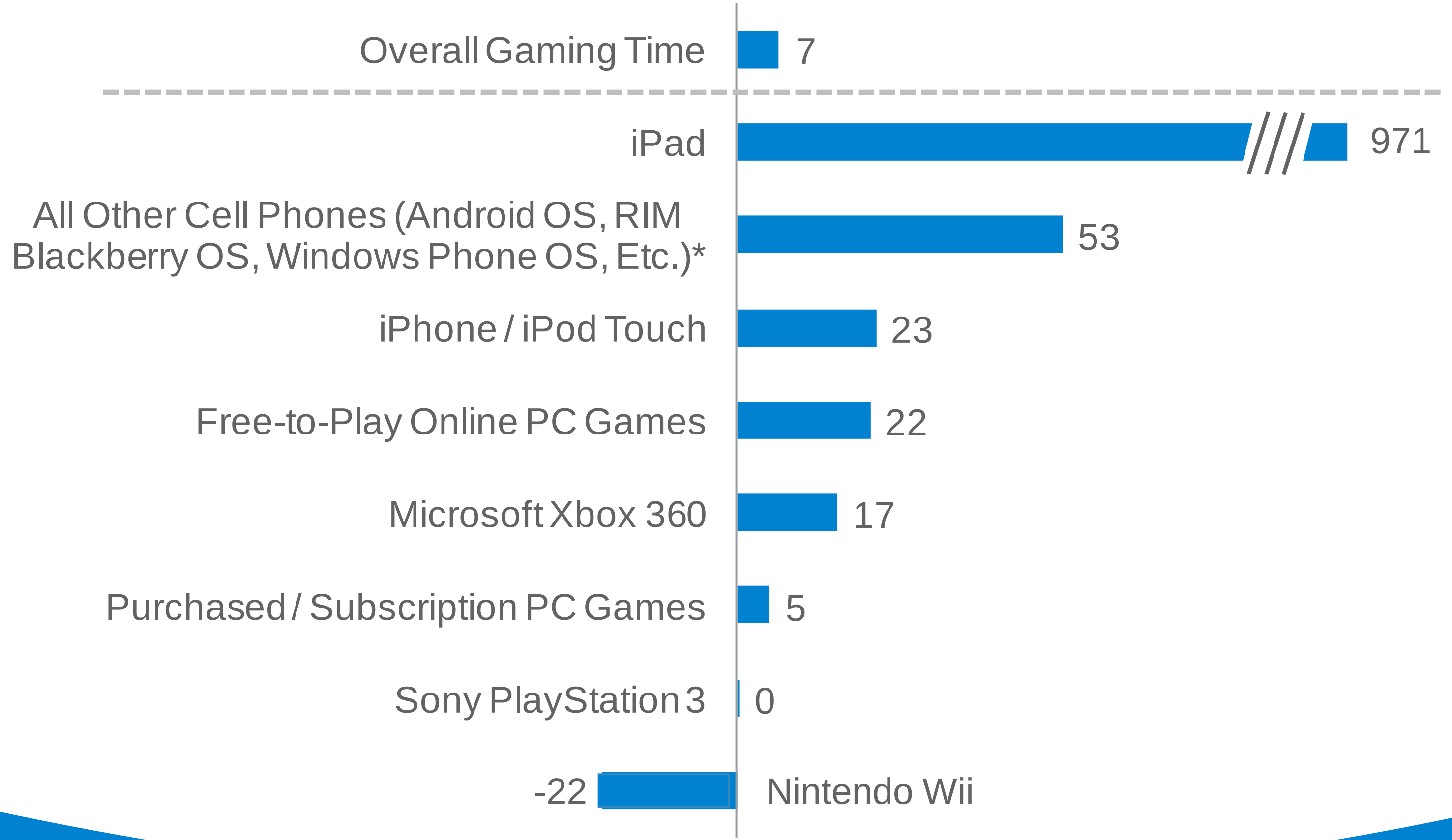
Video game time is on the rise (+7%), fueled by increases in tablet and mobile time

US Overall and by Platform Weekly Video Game Time (% Change 2011 vs. 2010): Gamers 13+

Q4 2011, Q4 2010



* Android was included within Other Cell Phones previously

Angry Birds and *Words With Friends* are leading Android apps but have slightly different user profiles

US Title Profile: Android Players 18+

Nielsen Smartphone Analytics, Device Metering Data. September 2011

	Age of Player (Average)	Gender of Player	Household Income ($000)	Ethnicity
Angry Birds	37.4	54% male	$76.6	White 66% Hispanic 20% Black 17%
Words With Friends	34.3	54% female	$79.9	White 68% Hispanic 26% Black 12%

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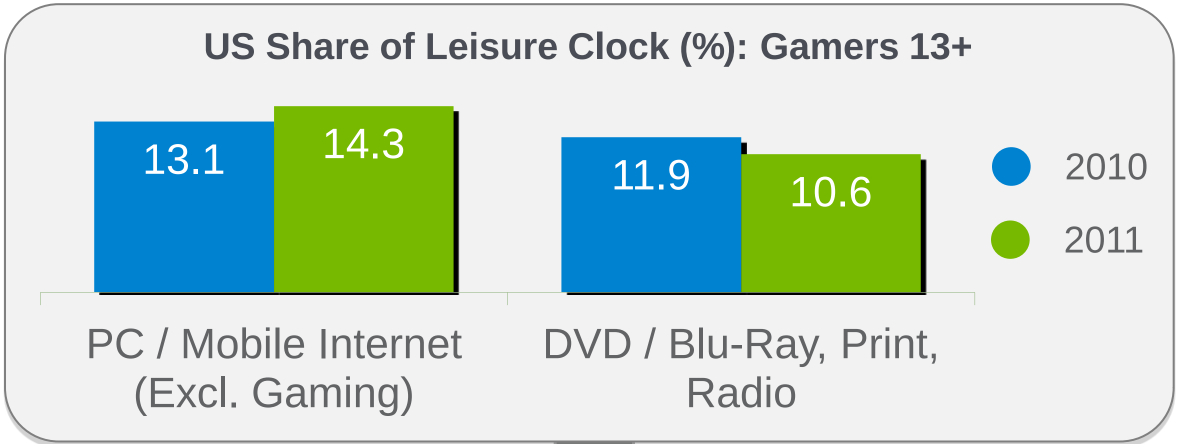
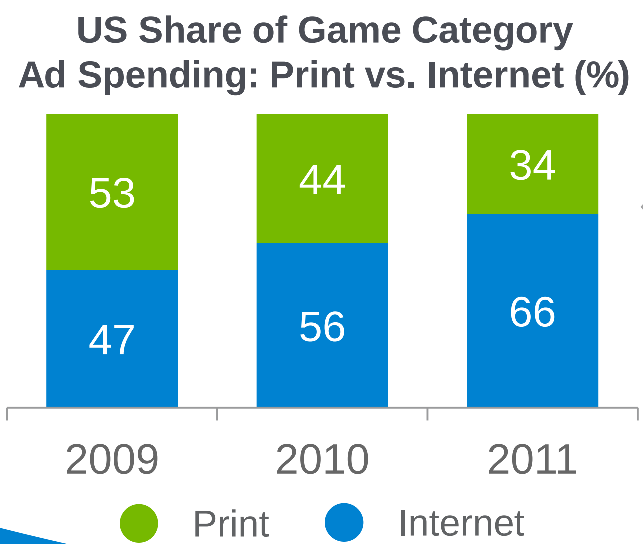
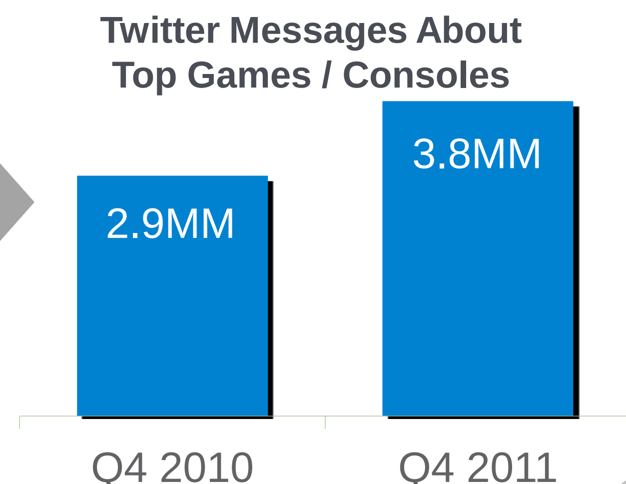
Digital is increasingly important in generating awareness for gaming product launches





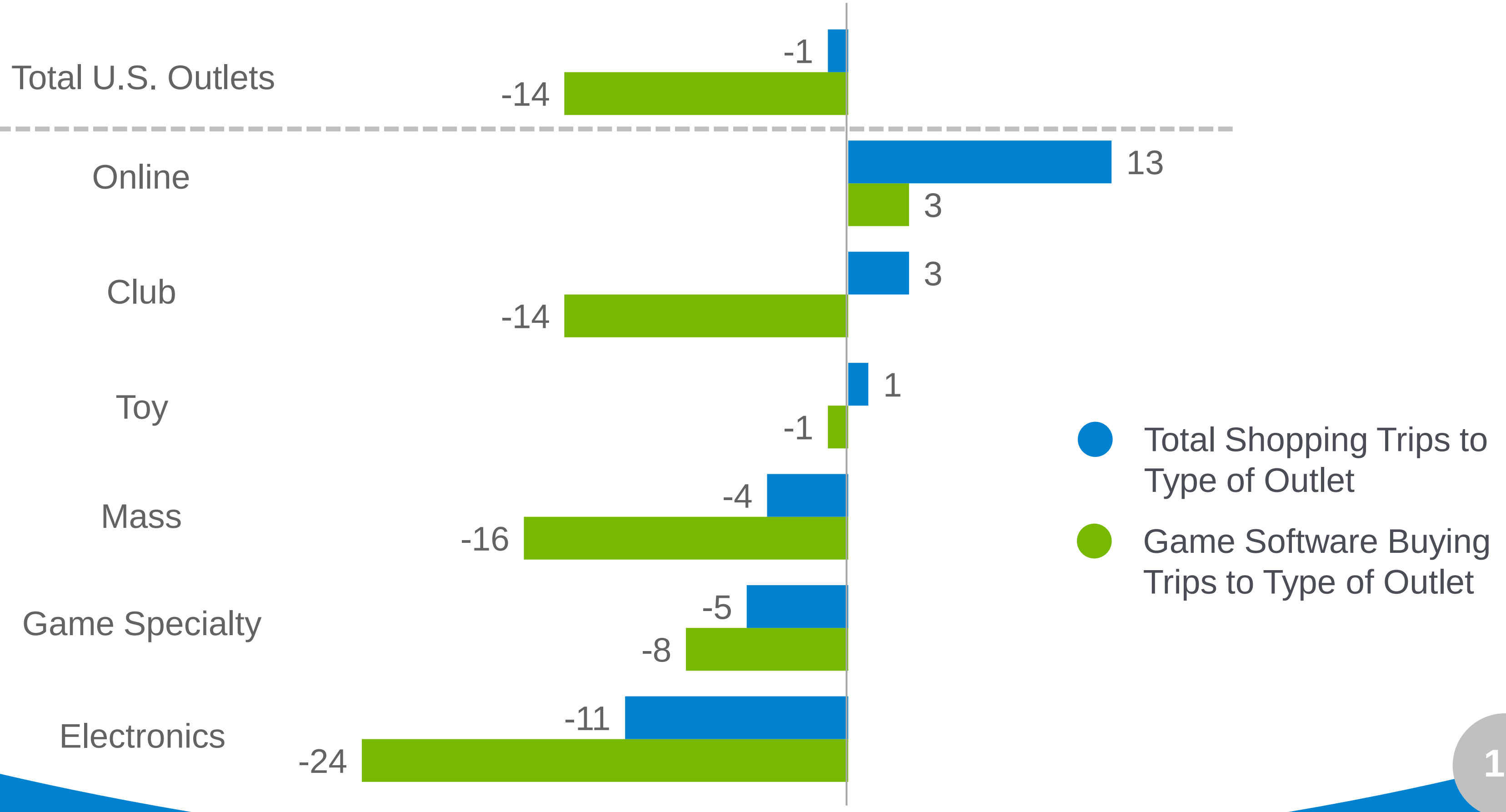


US Share of Leisure Clock (%): Gamers 13+
US Ad Spending for Computerized Games & Accessories Category (MonitorPlus)
Top Games / Console Social Media Buzz (NMIncite)
Q4 2011, Q4 2010; CY2011 – CY2009; Q4 2011, Q4 2010

Online is an increasingly important channel for game software browsing and sales

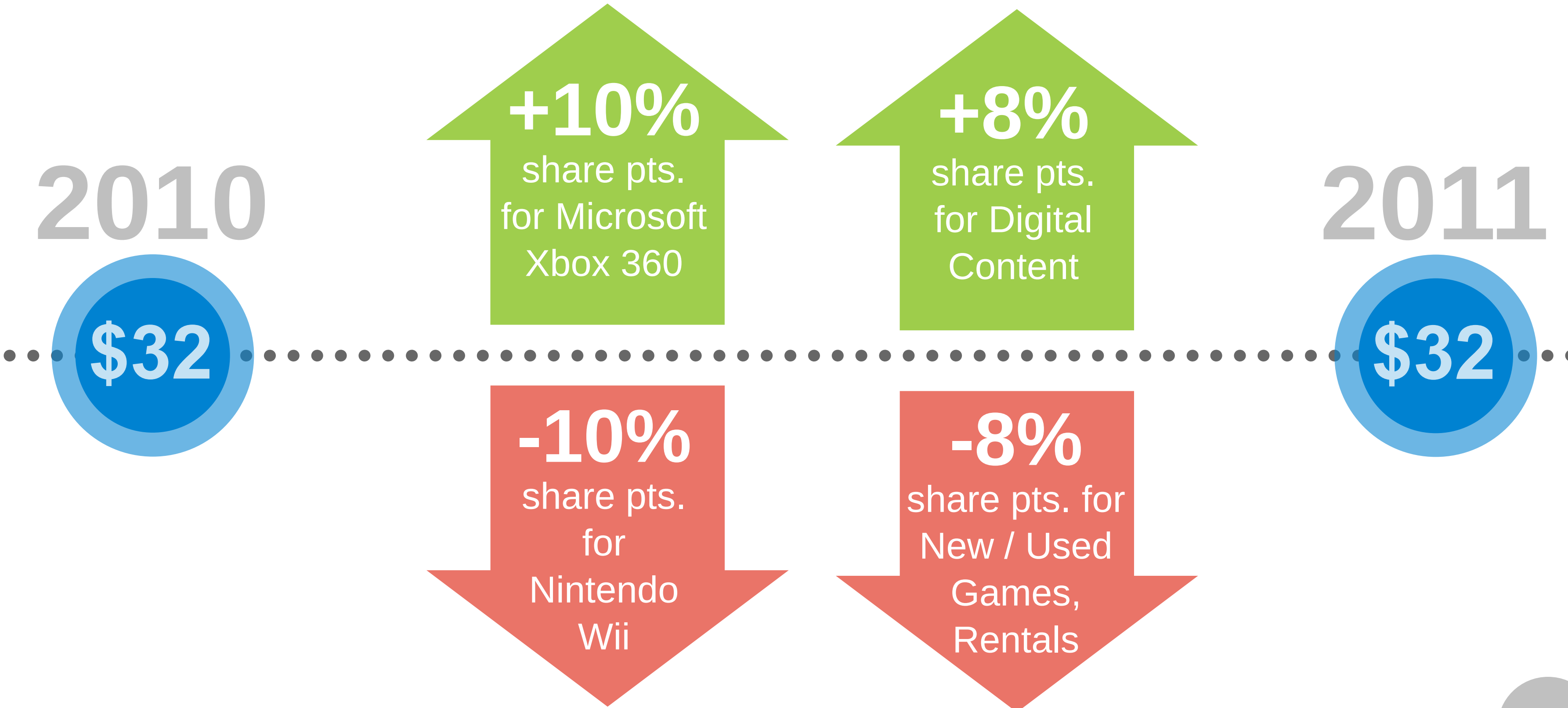
US Total Shopping Trips and Game Software Buying Trips by Outlet (% Change 2011 vs. 2010)

Nielsen HomeScan, 52 Weeks Ending 9/24/11



Core consumers' gaming spend mix is shifting but total value is unchanged

US Non-Hardware Game Spending per Month:
Households Spending $1+ per Month on Gaming Excluding Hardware
Q4 2011, Q4 2010



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Kinect is pushing Xbox 360s into communal spaces

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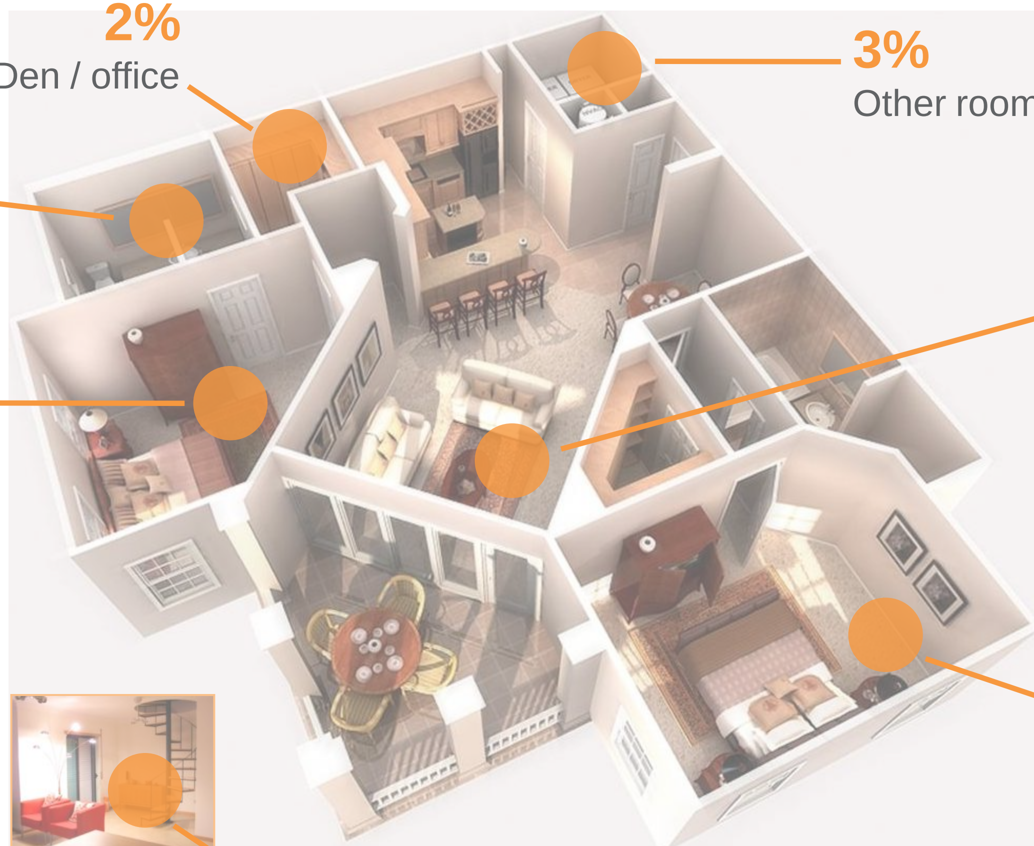

2%
Den / office

3%
Other room

4%
Spare / guest bedroom

65%
Living / family room

Wii = 75%

PS3 = 56%

Xbox 360 = 56%
Kinect = 59%
Non-Kinect = 55%

13%
Kids bedroom

Wii = 9%

PS3 = 15%

Xbox 360 = 18%
Kinect = 13%
Non-Kinect = 19%

7%
Master bedroom

5%
Basement

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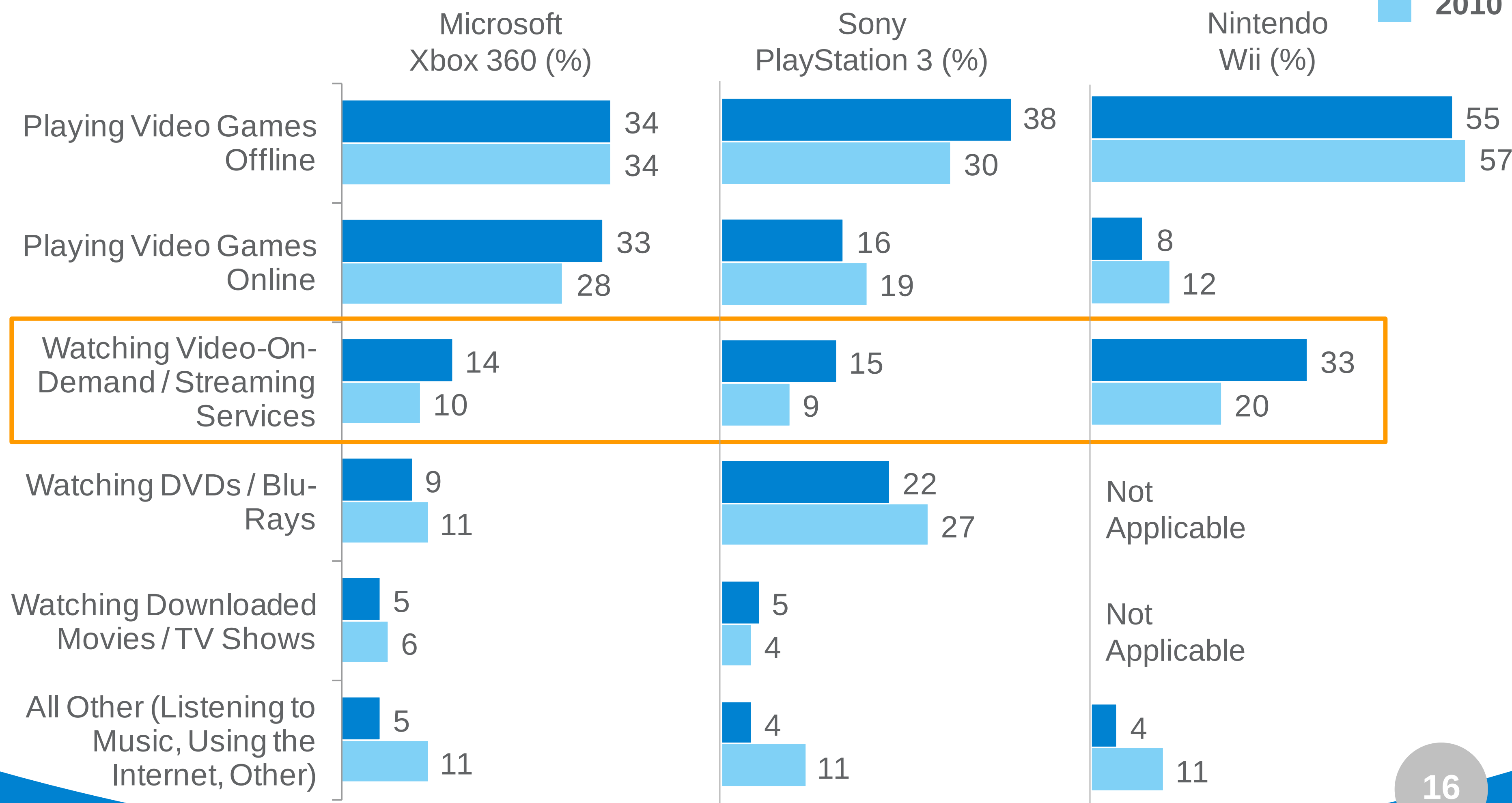
Streaming is an increasing share of game console usage

US Share of Console Time Among Users (%): Ages 13+

Q4 2011, Q4 2010



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Current console owners are the majority of those interested in next-gen systems

US Profile of Interested in Next-Gen Consoles: Ages 13+(%)

Q4 2011

	Interested in Purchasing		
	Wii U	Next-Gen Xbox	Next-Gen PlayStation
% Own Any 7th Gen Console	79	83	77
% Own Nintendo Wii	70	54	48
% Own Xbox 360	30	64	34
% Own PlayStation 3	23	24	50
% Own Kinect for Xbox 360	13	28	16
% Own PlayStation Move	4	4	6
Mean Age	35.9	33.3	32.7
% Male	42	51	59
% Female	58	49	41
% With Teens 13-17 in HH	32	38	33
% With Kids 12 & Under in HH	46	41	39
Mean Family Income ($000s)	$52.8	$52.2	$48.7

Indexing vs. Total 13+

- 125% +
- 110-124%
- 90-109%
- 75-89%
- <75%

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Key Takeaways

Digital increasingly important across game value chain

What's your strategy for the cross-platform gamer?

Consoles make living room inroads ahead of transition

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Q&A

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Methodology

- Data for the 2011, 2010 and 2009 waves of the *360⁰ Gaming Report* was collected via consumer online surveys using Nielsen's proprietary, high-quality ePanel in the United States.
  - Data collection period for post-holiday 2012: 1/11/2012 – 1/17/2012
  - Data collection period for 2011: 10/13/2011 – 10/17/2011
  - Data collection period for post-holiday 2011: 1/6/2011 – 1/12/2011
  - Data collection period for 2010: 10/7/2010 – 10/11/2010
  - Data collection period for 2009: 9/28/2009 – 10/3/2009
- Groups surveyed in 2011, 2010 and 2009:
  - Adults Ages 18+ ("Total Households"): 2000+ interviews among 50% Male / 50 % Female sample
  - Teens Ages 13-17: 700+ interviews among 50% Male / 50% Female sample
  - Kids Ages 6-12: 300+ interviews while paired with parent among 50% Male / 50% Female sample
- Post-survey, raw data was weighted to ensure representation of the US General Population based on US Census data for 2011, 2010 and 2009, respectively.
- Additional data sources include Nielsen Video Game Tracking, NMIncite, Nielsen HomeScan, Nielsen MonitorPlus and Nielsen Smartphone Analytics.