



PC GAMING ALLIANCE RELEASES 2009 HORIZON'S REPORT HIGHLIGHTING 3% PC GAMING SOFTWARE REVENUE GROWTH

*Industry's Most Comprehensive Report Provides Detailed Sales,
Trends and Analysis of Gaming Software Market*

SAN RAMON, Calif. – March 10, 2010 – The PC Gaming Alliance (PCGA) today unveiled its 2009 Horizons Report, an exclusive research study encompassing all aspects of the PC gaming industry worldwide. Among the key findings is that PC gaming software revenue was a \$13.1 billion industry in 2009, up 3% from 2008.

The Horizon's report encompasses PC Gaming revenue from every region around the world, and from every part of the PC gaming industry including retail, online gaming, digital distribution, and online advertising. Horizon's research clearly shows that participation in PC gaming among consumers around the world continues to drive significant opportunities for PC vendors, gaming ISVs, supply-chain partners and accessory makers.

The latest figures were released in the annual PCGA Horizons software report prepared by market research firm DFC Intelligence. The report also looks at some of the key trends in the PC game market. Despite the severe worldwide recession, growth in the Asia Pacific region fueled the global PC game market.

"The most notable trend in recent years has been the movement to digital distribution and payment for subscriptions, and the growing popularity with consumers of online games as a service," said Randy Stude, PCGA president and Intel director. "In 2009 we saw North America and Europe experience a rapid uptake in purchasing virtual items. This model is what drove growth in Asia and we think it is just starting to come to Western markets."

The transition to free-to-play games and the emergence of social network sites like Facebook did cause revenue to decline in some established markets. High-end subscription games that charge a fee of \$10 a month or more suffered from the lack of major new releases and a decline in usage for some older products. However, the biggest downturn was in retail boxed sales of PC games, which now accounts for less than 20% of total revenue. Nevertheless, the downturn in established markets was largely offset by the growth of digital distribution. Most countries in North America and Europe saw revenue declines in 2009 of only 10-15% from record highs in 2008. In addition, free-to-play games and social network sites continue to draw in thousands of new game players that can be progressively monetized.

"In our surveys of PC gamers in North America and Europe we found that over 70% indicate they have bought a full game online. Furthermore, over 50% indicate that they have bought a virtual item," said DFC Analyst David Cole. "This is very positive because, when done successfully, companies in Asia have found the digital distribution model to be significantly more profitable than the traditional retail boxed goods business."

The full Horizons Report is available exclusively to PCGA members. Those interested in joining can find membership details and additional information about the PCGA and its role as the voice of the PC gaming industry at www.pcgamingalliance.org.

About the PCGA

The PC Gaming Alliance (PCGA) is a nonprofit corporation whose mission is to drive worldwide growth of PC gaming. With high-profile members such as Microsoft, Intel, AMD, Epic, NVIDIA, GameStop and Dell, the PCGA provides an open forum where companies can cooperate to develop and promote solutions that drive the PC gaming industry forward. The PCGA encourages the exchange of information and views to promote PC gaming, and shares promotional activity designed to grow the PC gaming industry.

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