

2006

SALES, DEMOGRAPHIC AND USAGE DATA

ESSENTIAL FACTS

**ABOUT THE COMPUTER
AND VIDEO GAME
INDUSTRY**



**entertainment
software
association**

“The video game industry is entering a new era, an era where technology and creativity will fuse to produce some of the most stunning entertainment of the 21st Century. Decades from now, cultural historians will look back at this time and say it is when the definition of entertainment changed forever.”

— Douglas Lowenstein, President, Entertainment Software Association

“Games are widely used as educational tools, not just for pilots, soldiers and surgeons, but also in schools and businesses.... Games require players to construct hypotheses, solve problems, develop strategies, learn the rules of the in-game world through trial and error. Gamers must also be able to juggle several different tasks, evaluate risks and make quick decisions.... Playing games is, thus, an ideal form of preparation for the workplace of the 21st century, as some forward-thinking firms are already starting to realise.”

— The Economist, August 4, 2005

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ALL DATA IN THIS DOCUMENT IS FROM THE ESA'S 2006 CONSUMER SURVEY UNLESS OTHERWISE NOTED. The Entertainment Software Association (ESA) released its 2006 Essential Facts About the Computer and Video Game Industry at E³ on May 10, 2006. The data included in 2006 Essential Facts was gathered in an annual study conducted by Ipsos-Insight for the ESA. The study is the most in-depth and targeted survey of its kind, gathering data from almost 1,700 nationally representative households that have been identified as owning either or both a video game console or a personal computer used to run entertainment software.

WHO PLAYS WHAT?

Who PLAYS Computer and Video Games?

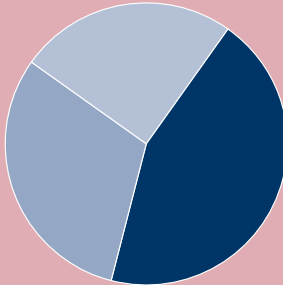
69%

of American heads of households
play computer or video games.

The average game player age is:

33

**AGE
OF GAME PLAYERS**



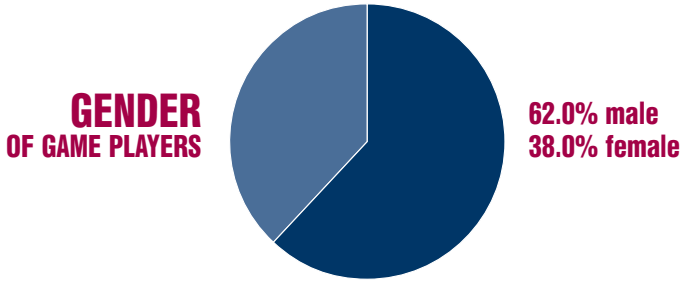
31.0% under 18 years
44.0% 18-49 years
25.0% 50+ years

In 2005,

25%

of gamers were over the age of 50.

WHO PLAYS WHAT?



WOMEN age 18 or older represent a significantly greater portion of the game-playing population (30%) than boys age 17 or younger (23%).

Who BUYS Computer and Video Games?

The average age of the most frequent game purchaser is:

40

How Long Have Gamers Been Playing?

12

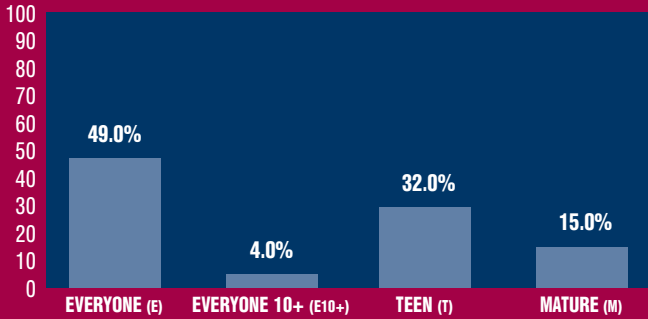
is the average number of years adult gamers have been playing computer or video games.

Among most frequent gamers, adult males average **10** years for game playing, females for **8** years.

WHO PLAYS WHAT?

2005 Computer and Video Game Sales by Rating

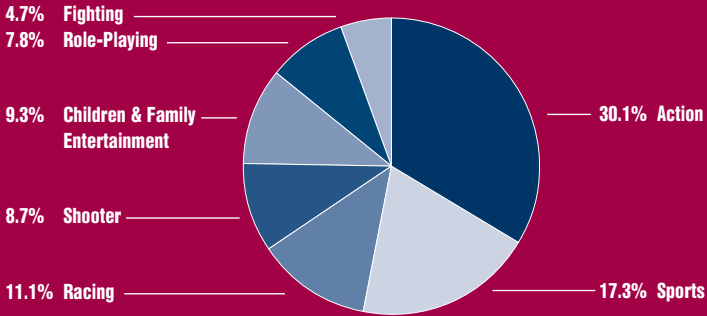
BY UNITS SOLD



Source: The NPD Group / Point-of-Sale Information

BEST-SELLING VIDEO GAME SUPER GENRES

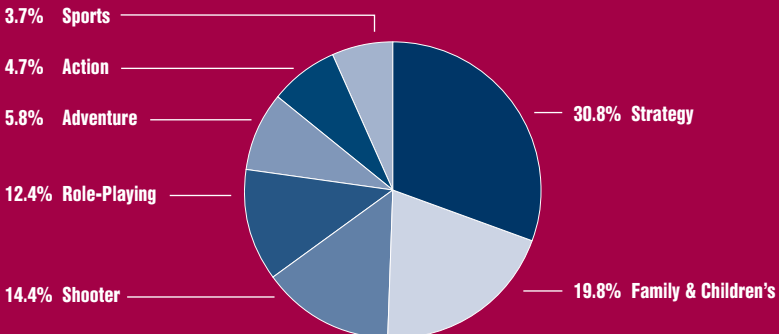
BY UNITS SOLD, 2005



Source: The NPD Group / Point-of-Sale Information

BEST-SELLING COMPUTER GAME SUPER GENRES

BY UNITS SOLD, 2005



Source: The NPD Group / Point-of-Sale Information

WHO PLAYS WHAT?

TOP 20 SELLING VIDEO GAMES OF 2005 BY UNITS SOLD

RANK	TITLE	PLATFORM	RATING
1	MADDEN NFL 06	PS2	E
2	GRAN TURISMO 4	PS2	E
3	MADDEN NFL 06	XBX	E
4	NCAA FOOTBALL 06	PS2	E
5	STAR WARS: BATTLEFRONT II	PS2	T
6	MVP BASEBALL 2005	PS2	E
7	SW EPISODE III: SITH	PS2	T
8	NBA LIVE 06	PS2	E
9	LEGO STAR WARS	PS2	E
10	STAR WARS: BATTLEFRONT II	XBX	T
11	WWE SMACKDOWN! VS RAW 2006	PS2	T
12	GOD OF WAR	PS2	M
13	MIDNIGHT CLUB 3: DUB	PS2	T
14	STAR WARS: BATTLEFRONT	PS2	T
15	NEED SPEED: MOST WANTED	PS2	T
16	SOCOM 3: US NAVY SEALS	PS2	M
17	GRAND THEFT AUTO: SAN ANDREAS	PS2	M
18	TONY HAWK AMERICAN WASTELAND	PS2	T
19	RESIDENT EVIL 4	GCN	M
20	CALL OF DUTY 2: BIG RED ONE	PS2	T

Source: The NPD Group / Point-of-Sale Information

TOP 20 SELLING COMPUTER GAMES OF 2005 BY UNITS SOLD

RANK	TITLE	RATING
1	WORLD OF WARCRAFT	T
2	THE SIMS 2: UNIVERSITY EXPANSION PACK	T
3	THE SIMS 2	T
4	GUILD WARS	T
5	ROLLER COASTER TYCOON 3	E
6	BATTLEFIELD 2	T
7	THE SIMS 2 NIGHTLIFE EXPANSION PACK	T
8	MS AGE OF EMPIRES III	T
9	THE SIMS DELUXE	T
10	CALL OF DUTY 2	T
11	CIVILIZATION IV	E10+
12	HALF-LIFE 2	M
13	MS ZOO TYCOON 2	E
14	DOOM 3	M
15	HALO: COMBAT EVOLVED	M
16	MS ZOO TYCOON: COMPLETE COLLECTION	E
17	MS FLIGHT SIMULATOR 2004: CENTURY OF FLIGHT	E
18	THE SIMS: UNLEASHED EXPANSION PACK	T
19	WARCRAFT III BATTLE CHEST	T
20	ROME: TOTAL WAR	T

Source: The NPD Group / Point-of-Sale Information

WHO PLAYS WHAT? PARENTS* AND GAMES

89%

of the time parents are present at the time games are purchased or rented.

61%

of parents believe games are a positive part of their children's lives.

87%

of the time children receive their parents' permission before purchasing or renting a game.

*Parents with kids under 18 who also own a game console and/or computer used to play games.

The Top Four Reasons Parents Play Video Games With Their Children:

Because They're Asked To **79%**

It's Fun For The Entire Family **75%**

It's A Good Opportunity To Socialize With The Child **71%**

It's A Good Opportunity To Monitor Game Content **62%**

WHO PLAYS WHAT? PARENTS PLAY GAMES

35%

of American parents say they play computer and video games.

The typical gamer parent is **37** years old.

47%

of gamer parents are women.

Gamer parents have been playing games for an average of **13** years, with one-third reporting having played for **20** years or more.

Among gamer parents, **80%** report that they play video games with their children, and **66%** feel that playing games has brought their families closer together.

Gamer parents spend **19** hours a month playing games. Those with child gamers in their household spend **9.1** hours a month playing games with their kids.

73%

of gamer parents say they are regular voters.

Source: Peter D. Hart Research Associates

WHAT ELSE ARE GAMERS DOING?

Gamers devote more than triple the amount of time spent playing games each week to exercising or playing sports, volunteering in the community, religious activities, creative endeavors, cultural activities, and reading.

In total, gamers spend 23.4 hours per week on these activities, compared to 6.8 hours per week playing games.

79%

of game players of all ages report exercising or playing sports an average of 20 hours a month.

45%

of gamers volunteer an average 5.4 hours per month.

93%

of game players also report reading books or daily newspapers on a regular basis, while 62% consistently attend cultural events, such as concerts, museums, or the theater.

Source: Peter D. Hart Research Associates, 2004

51%

of all gamers play games in-person with other players at least one hour a week, and a quarter (25%) of gamers play games with others online for at least an hour per week.

WHO PLAYS WHAT? ONLINE AND WIRELESS GAMES

How Many Gamers Play Games Online?

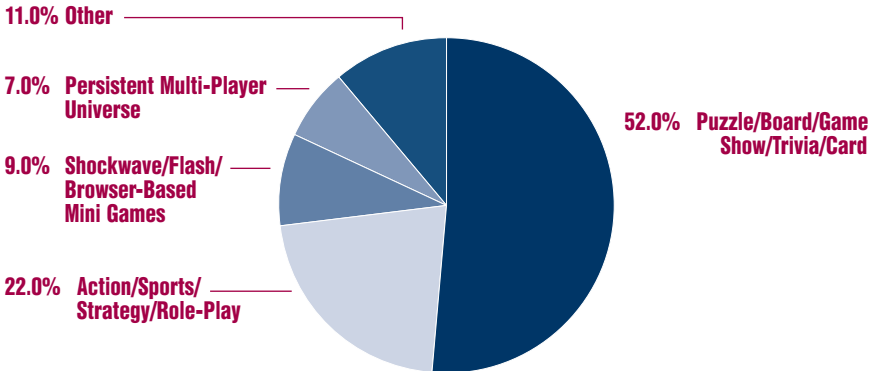
44% of most frequent game players say they play games online, up from **19%** in 2000.

Who Plays Games Online?

58%
of online game
players are male.

42%
of online game
players are female.

What Kind of Games Are Played Online Most Often?



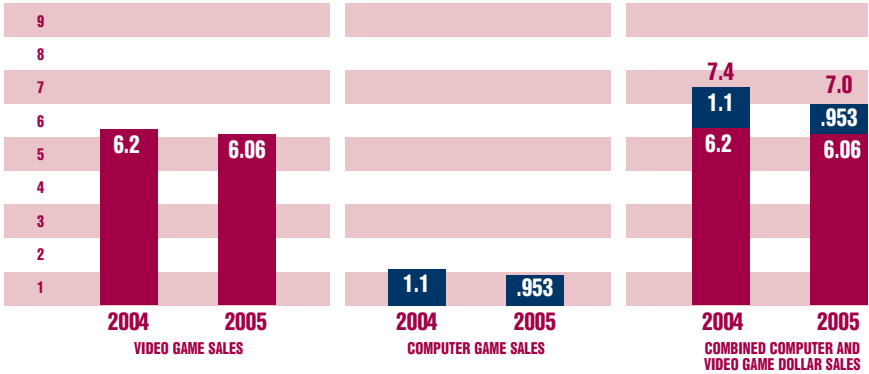
How Many Americans Play Games on Wireless Devices?

32%
of heads of households report they play
games on wireless devices such as a
cell phone or PDA, up from 20% in 2002.

WHAT'S THE BOTTOM LINE? RECENT SALES INFORMATION

U.S. COMPUTER AND VIDEO GAME DOLLAR SALES: 2004 AND 2005

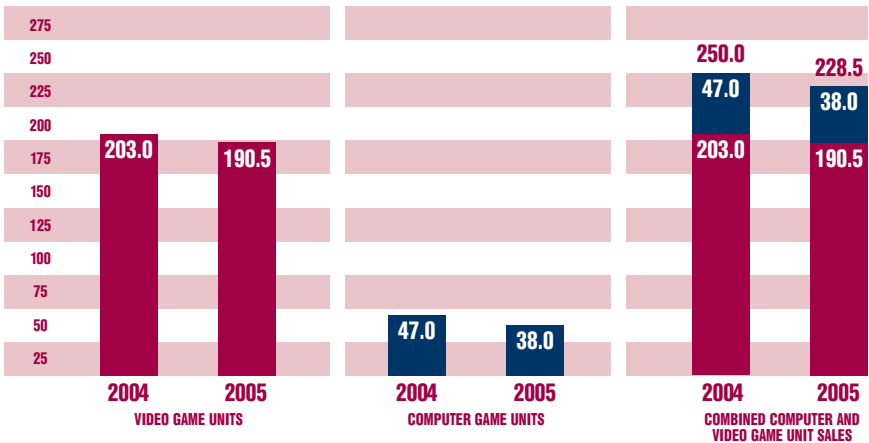
DOLLARS IN BILLIONS



Source: The NPD Group / Point-of-Sale Information

U.S. COMPUTER AND VIDEO GAME UNIT SALES: 2004 AND 2005

UNITS IN MILLIONS

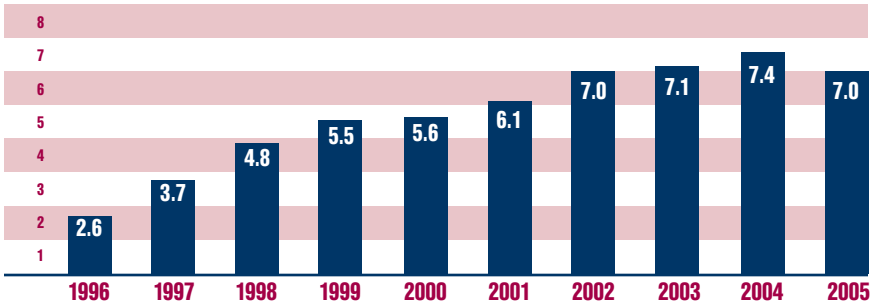


Source: The NPD Group / Point-of-Sale Information

WHAT'S THE BOTTOM LINE? HISTORICAL SALES INFORMATION

U.S. COMPUTER AND VIDEO GAME DOLLAR SALES GROWTH

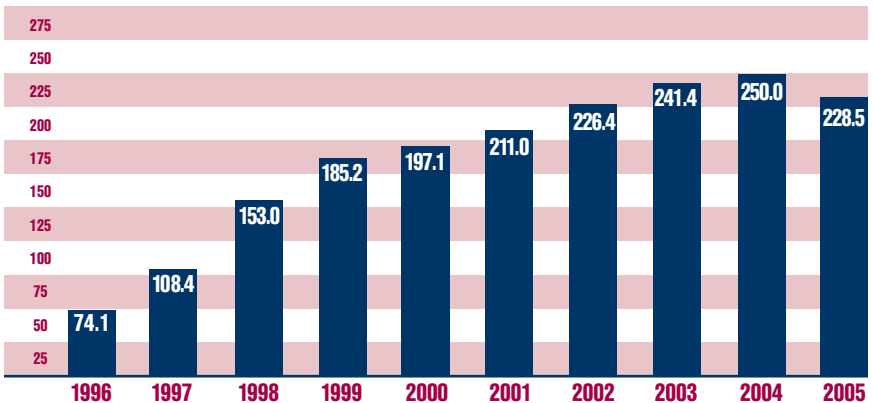
DOLLARS IN BILLIONS



Source: The NPD Group / Point-of-Sale Information

U.S. COMPUTER AND VIDEO GAME UNIT SALES GROWTH

UNITS IN MILLIONS



Source: The NPD Group / Point-of-Sale Information

How Many Americans Expect to Buy Games?

42%

of Americans have purchased or plan to purchase one or more games in 2006.

WHO ARE WE?

About The Entertainment Software Association

Formed in 1994, the Entertainment Software Association (ESA) is the U.S. association dedicated to serving the business and public affairs needs of companies that publish video and computer games for video game consoles, personal computers, and the Internet.

Association members include the nation's leading interactive entertainment software publishers, which collectively accounted for more than 90 percent of the \$7 billion in entertainment software revenues generated in the United States in 2005, and billions more in export sales of U.S.-made entertainment software.

The ESA offers a range of services to its members including operating a global anti-piracy program, staging the Electronic Entertainment Expo trade show, fielding business and consumer research, and representing the industry at the federal, state and local levels on a wide range of policy issues.

For more information about the ESA and its programs, please visit www.theESA.com.

ESA Members

as of May 2006

Activision, Inc.	www.activision.com
Atari, Inc.	www.atari.com
Buena Vista Games	www.buenavistagames.go.com
Capcom USA, Inc.	www.capcom.com
Crave Entertainment	www.cravegames.com
Eidos Interactive	www.eidosinteractive.com
Electronic Arts	www.ea.com
Her Interactive, Inc.	www.herinteractive.com
id Software	www.idsoftware.com
Konami Digital Entertainment America	www.konami.com
LucasArts	www.lucasarts.com
Mad Catz, Inc.	www.madcatz.com
Microsoft Corporation	www.microsoft.com
Midway Games, Inc.	www.midway.com
Namco Hometek, Inc.	www.namco.com
Nintendo of America Inc.	www.nintendo.com
NovaLogic, Inc.	www.novalogic.com
SEGA of America, Inc.	www.sega.com
Sony Computer Entertainment America	www.us.playstation.com
Take-Two Interactive Software, Inc.	www.take2games.com
THQ, Inc.	www.thq.com
Ubisoft Entertainment	www.ubi.com
Vivendi Universal Games	www.vivendiuniversal.com
Warner Bros. Interactive Entertainment Inc.	www.wbie.com
Wild Tangent	www.wildtangent.com

OTHER RESOURCES

For more information on the ESA and its programs, please visit:

www.theESA.com

Entertainment Software Rating Board (ESRB) www.esrb.org

The Entertainment Software Rating Board (ESRB) is a self-regulatory body established in 1994 by the Entertainment Software Association (ESA). ESRB independently applies and enforces ratings, advertising guidelines, and online privacy principles adopted by the industry.

Academy of Interactive Arts and Sciences www.interactive.org

Located in Los Angeles, CA, the Academy of Interactive Arts & Sciences (AIAS) is an official professional academy of the \$7+ billion interactive entertainment software industry. AIAS is supported by the industry's leading companies.

E³ www.e3expo.com, www.e3insider.com

The Electronic Entertainment Expo (E³), "Where Business Gets Fun," is the world's premiere trade event exclusively dedicated to showcasing interactive entertainment and educational software and related products. The show's website for consumers, E3Insider, can be found at www.e3insider.com.

International Game Developers Association (IGDA) www.igda.org

The International Game Developers Association (IGDA) is a non-profit membership organization that advocates globally on issues related to digital game creation. The IGDA's mission is to strengthen the international game development community and effect change to benefit that community.

The NPD Group, Inc. www.npd.com

Since 1967, The NPD Group has provided reliable and comprehensive consumer and retail information for a wide range of industries. Today, more than 1,400 manufacturers and retailers rely on NPD to help them better understand their customers, product categories, distribution channels, and competition in order to help guide their businesses.

Video Game Voters Network www.videogamevoters.org

The Video Game Voters Network, a project of the Entertainment Software Association, is a means by which American adults who play computer and video games can organize and take action on important policy issues affecting the computer and video game industry.



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association**

www.theESA.com

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