

Australian Interactive Game Sales Reach \$1.7 Billion in 2010

Sydney, Australia - 9 February 2011 – Australia's interactive games and entertainment industry has recorded sales of approximately \$1.7 billion for the 2010 calendar year, a 16 per cent decline from the corresponding 2009 period.

The data compiled by independent market research group GfK Retail and Technology Australia includes all sales from hardware, gaming peripherals and traditionally boxed software sold through retail outlets, yet excludes revenue generated from online retail sales, downloadable content, online games subscriptions and games delivered to mobile devices.

Console game sales were down by 13 per cent with 16.9 million units sold in 2010 compared to 19.3 million units sold in 2009. Console sales also declined by 27 per cent with 1.6 million units sold in 2010 compared to 2.2 million units sold in 2009.

However, PC game sales increased by 7 per cent from last year with 3.1 million units sold in 2010 compared to 3 million in 2009.

Ron Curry, CEO of the Interactive Games & Entertainment Association (iGEA), says despite the dip in sales Australia's video and computer games industry remains buoyant compared to overseas gaming markets which have not witnessed sales increases, as Australia did, over the past two years due to tough economic conditions.

“Compared to the most other international territories, our local interactive entertainment market has done considerably well to weather the global economic crisis which affected a broad range of entertainment industries and what we are seeing now is a levelling or righting of the market.”

“Innovation continues to thrive and millions of Australian families are engaging with games through multiple formats whether it's on a mobile device, online subscription or in more traditional PC and console formats,” said Curry.

Despite the market slowdown, sales are forecasted to resurge to \$2.5 billion by 2014 according to the PriceWaterHouse Cooper's Australian Entertainment & Media Outlook 2010 – 2014 report. Online and mobile games are expected to drive the growth with online games forecasted to reach \$534 million by 2014 and mobile games to hit \$496 million in the same period.

“As the industry continues to evolve and interactive entertainment is delivered through increasingly diverse channels, it becomes more difficult to aggregate sales data through a single source. Anecdotally, sales of interactive entertainment products are continuing their healthy growth; however, the ways these products are being consumed and engaged with is expanding and changing dramatically, as is the industry itself.”

“Digital downloads, online subscriptions, micro and mobile games and alike are expanding consumer spend into areas that we are unable to measure in the traditional manner. 2011 will continue to see consumers investing in a wide range of interactive entertainment offerings which will further strengthen the ongoing success of the industry,” said Curry.

For the third year in a row, GfK data reveals “Family Games” were the best selling genre composing 21 per cent of the number of console game units sold followed closely by “Action Games” at 20 per cent.

GfK data in 2010 was measured against 52 weeks compared to 53 weeks in 2009.

About the iGEA

The Interactive Gaming & Entertainment Association proactively represents companies that publish, market and/or distribute interactive games and entertainment content. The iGEA aims to further advance the industry and the business interests of its members through informing and fostering relationships with the public, the business community, government and other industry stakeholders. The iGEA is administered by a Board of Directors and supported by the CEO, Ron Curry. The iGEA was formerly known as the Interactive Entertainment Association of Australia (IEAA).

For more information, please visit www.igea.net.