

Australian Computer Game Sales 2006 Score \$925 million *More than 12.5 million Games Sold*

Sydney, Australia – 18 January, 2007 – The Interactive Entertainment Association of Australia (IEAA) today announced that games industry sales topped \$925 million in 2006 (calendar year) – a seven per cent increase on total figures for 2005.

Statistics compiled by independent market research group, GfK Australia, highlight that the increase in sales was driven by a rise in game hardware¹ sales, with an increase of 18 per cent on the previous year to \$329 million.

Still driving overall revenue with more than 64 per cent of total sales, game software sales hit \$596 million in 2006, a one per cent increase on 2005. In addition, a record-breaking 12.5 million games were purchased by Australian gamers.

As December sales hit \$211 million, Christmas games sales accounted for 23 per cent of total sales for 2006 and grew by eight per cent compared with 2005.

Compared with 2005, sales of handheld platforms² have increased by 11 per cent to \$210 million and static platform³ sales have risen seven per cent to \$593 million.

“The introduction of new systems to the market has undoubtedly driven sales with all formats performing really well throughout the year,” said GfK Senior Account Manager, Daniel Morse.

“Sales for 2006 show that Australian gamers are quick to embrace both new technology, as well as current generation systems,” said IEAA CEO, Chris Hanlon.

“2007 will be a considerable year for hardware sales and the Australian interactive games industry will comfortably exceed the \$1 billion mark. To ensure that the industry continues to prosper, we’re keen to attract more skilled staff, as well as access to finance to further develop IP,” said Hanlon.

“Australia is home to 40 game development companies which have produced in excess of 200 game titles. With more than 1,600 people directly involved, the Australian interactive games industry is an export industry worth more than \$110 million,” said Hanlon.

¹ Game hardware includes games consoles and gaming peripherals for the following platforms: PlayStation®2 computer entertainment system, PSP™ (PlayStation®Portable), Xbox® video game system from Microsoft, Nintendo GameCube™, Nintendo DS™ and Game Boy® Advance, Xbox 360 and PlayStation (PSone)

² Handheld consoles comprise Nintendo DS, PlayStation Portable, Game Boy Advance

³ Static consoles refers to the following platforms: PlayStation 2, Xbox, Xbox 360, Nintendo Wii, Nintendo Gamecube

The IEAA will announce the top selling games of 2006 at the annual Interactive Entertainment Awards 2007 which will be held in Sydney on Friday 23 February. For more information, please go to:

<http://ieaa.com.au/doc/IEAA%20Awards%2007%20Web%20Version.pdf>

- Ends -

About the IEAA

IEAA is a national industry association proactively representing companies in the interactive entertainment industry. Our members develop and market computer and video games software, hardware and accessories in Australia. IEAA is administered by a Board of Directors comprising senior executives from entertainment companies both large and small. The Board is supported by the CEO, Chris Hanlon. For more information, please visit www.ieaa.com.au

About GfK Research

GfK Australia is part of the Retail and Technology Division of the GfK Group, one of the largest market research organisations worldwide. We specialise in monitoring the product sales and market trends of industry sectors such as consumer electronics, entertainment media, information technology, major & small domestic appliances, photographic & imaging, telecommunications and toys.

GfK provides essential market data to over 200 organisations in Australia and New Zealand. Our client-base covers many of the leading manufacturers, vendors and distributors within their respective industries, plus the majority of the region's key retailers and resellers. Our data is provided via a range of essential online, electronic and hard copy reports that provide relevant, informative and up-to-date market intelligence. As each industry grows more competitive with each new innovation these extensive research services will give you the competitive edge.