



MORE THAN A THIRD OF MOBILE GAME DOWNLOADS ARE FREE, WITH THE OTHER TWO-THIRDS BEING REVENUE-GENERATING PURCHASES, ACCORDING TO TELEPHIA

Mobile Game Pricing and Promotional Strategies Vary By Genre, with Puzzle/Strategy and Card/Casino Games Having the Highest Percent of Free Trials

SAN FRANCISCO—September 26, 2005—Telephia, the leading provider of performance measurement information to the mobile industry, reports that 64 percent of all games downloaded in Q2 2005 are revenue-generating purchases while the remaining 36 percent are free. According to Telephia’s Mobile Game Report, Puzzle/Strategy mobile games have the highest percentage of free game downloads (48%), and shows the strongest revenue performance with a 27 percent share of revenue among the top mobile game categories (see Table 1). Mobile consumers paid an average price of \$4.27 for a Puzzle/Strategy game.

Promotion strategies vary by mobile game genre. In contrast to the high free trial rate of 48 percent for Puzzle/Strategy games, only 18 percent of Classic/Arcade game downloads are free. However, Classic/Arcade games posted a 14 percent share of revenue, nearly half that of Puzzle/Strategy games. At the same time, Sports/Racing games had the second highest share of revenue at 16 percent with only 25 percent free downloads—almost half the free trial rate of Puzzle/Strategy games.

According to Telephia’s Mobile Game Report, pricing also varies significantly from one genre to another. Action/Adventure and Puzzle/Strategy genres lead with the highest average price paid, with mobile users paying \$4.29 and \$4.27 respectively, while Sports/Racing, Card/Casino and Classic/Arcade genres all have average price paid under four dollars.

“At this early stage of the game, publishers are employing different strategies with pricing and promotional incentives to learn what will gain the most traction with consumers and deliver the best revenue performance outcome,” said Kanishka Agarwal, Vice President of New Products, Telephia. “Accurate data on adoption and price elasticity will play an important role in these pricing strategy decisions.”

Table 1: Revenue Share and Pricing Data for Mobile Games by Category Genre

Category	Share of Revenue (%)	% of Downloads w/No Charge	Average Price Paid
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1. Puzzle/Strategy	27.1%	48%	\$	4.27
2. Sports/Racing	15.8%	25%	\$	3.67
3. Action/Adventure	15.6%	32%	\$	4.29
4. Card/Casino	14.2%	44%	\$	3.57
5. Classic/Arcade	13.6%	18%	\$	3.93

Source: Telephia Mobile Game Report, Q2 2005

Note: Cingular data includes former AT&T subs only

The Mobile Game Report is part of Telephia's Audience Metrics product suite that is the industry's only source for *actual* measurement of mobile content sales volume and market share, denominated in both units and revenue dollars. The Telephia Audience Metrics suite tracks games, ringtones/audio, wallpapers/screensavers, application downloads, premium SMS, and internet/email/IM. The company's proprietary tracking technology gathers and analyzes detailed audience and revenue metrics each month directly from a panel of 30,000 mobile consumers who have given Telephia access to their wireless bills.

Visit Telephia at CTIA Wireless & IT 2005

Telephia will demonstrate its On-Device Meter (ODM) at 2005 CTIA Wireless & IT (September 27-29, San Francisco Moscone Center, Booth 1202). Continuing Telephia's track record of pioneering technology-based research platforms, the On-Device Meter is the foundation for the company's next generation mobile audience measurement platform.

Kanishka Agarwal, Vice President of New Products at Telephia, will be moderating a panel discussion at CTIA on the best ways of maximizing the wireless channel as a direct line to the wireless gamer.

Time: Sep. 27, 2005 from 2:25 PM to 3:25 PM

Location: Room 2004

About Telephia

Founded in 1999, Telephia provides syndicated performance measurement information to the leaders of the mobile industry. Telephia serves more than 50 mobile industry clients, including carriers, device manufacturers, content and application providers, retailers, infrastructure vendors and investment analysts. Telephia is the industry standard measure of subscriber share, customer satisfaction, device share, network quality, revenue share, advertising effectiveness, content audience and many other key performance indicators.

For further information, please visit our website at www.telephia.com or call 415-395-0500.

Sourcing guidelines: All Telephia charts, data tables and analysis must be cited as, "Source: Telephia Audience Metrics" or "According to Telephia..."

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Press Contact: Maria Bumatay
e: mbumatay@telephia.com
p: 415.637.4904