



FOR IMMEDIATE RELEASE:

CHINESE PC ONLINE GAMES MARKET EXPECTED TO DOUBLE FROM 2013 TO 2018

Growth from \$11.9 billion to \$23.4 billion in spite of losing share to mobile games

SAN JOSE, Calif. – May 1, 2014 – Niko Partners, the leader in Asian Games Market Intelligence™, today announced the availability of Chinese PC Online & Console Games Market Report 2014, the latest market update. The report includes detailed data on the PC online games market size and forecast, current and future console hardware and games market, lists of ranked games, anticipated games, closed games, gamer behavioral data from Niko's quarterly surveys of 2,000+ gamers, usage of games in I-café from Niko's I-café PC data collection in 34 cities.

Key takeaways from Niko's Chinese PC Online and Console Games Market Report include:

- The market is expected to double from \$11.9 billion to \$23.4 billion, from 2013 to 2018.
- Growth in the PC online games segment is supported by new genres of MMOGs, continued popularity of hardcore webgames, and ongoing interest by 18-24 year old male gamers in MMO non-RPGs such as shooters and battle arena games.
- In 2014 there will be 245 million Chinese PC online gamers eager to connect with friends via digital entertainment sources – roughly equal to 78% of the current population of the United States.
- The trend to watch is digital Trading Card Games, which should pique interest both on PC and on mobile platforms.
- CrossFire gamers who play in Internet cafés spent about 50% of their gaming session time on CrossFire and the remainder on other games, most prominently League of Legends – both are Tencent games.
- A critical area to watch, now that the 13-year ban has been lifted, is console and console games, with a myriad of domestic companies entering the market to compete against Microsoft, Nintendo and Sony now.

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- Tencent holds 42% of the PC online games revenue as well as a strong footprint in mobile and other areas. Chinese online game operators face increasing competition from mobile and console games, and they worry about how to compete in an industry so heavily dominated by one company.

“Investors are embracing the mobile games space in China but there is still a lot of life left in PC online games, and now the exciting market of consoles too,” said Lisa Cosmas Hanson, managing partner and founder of Niko Partners. “We forecast the PC online games market to double in revenue from 2013-2018 going to \$23.4 billion with 341 million gamers, and in 2014 the exciting game segment to watch is digital Trading Card Games.”

The 89-slide report in PowerPoint with 51 data exhibits is available now for \$7,000 at nikopartners.com/researchstore. The report is automatically sent to Niko’s annual subscribers, who receive all of Niko’s published reports as well as consulting services. In July the company will publish 2014 China’s Mobile Games Market Report. The company also publishes a free newsletter, Niko News, a weekly digest of the most important news and analysis on the games market in Asia, culled from dozens of news sources in multiple languages. Subscribe at nikopartners.com.

ABOUT NIKO PARTNERS

Niko Partners is the leader in Asian Games Market Intelligence™, specializing in the Chinese and Southeast Asian game markets. Founded in 2002 and in its 12th year of detailed analysis on the Chinese market, the firm conducts syndicated and custom research studies on Chinese gamers, Southeast Asian gamers, online games, offline games, consoles, handhelds, regulatory issues, piracy, development, online operators, distribution, and retail. Niko Partners also offers consulting services including focus groups, partnership selection, market opportunity analysis, custom surveys in cities throughout China and the Asia-Pacific region and customized data analysis. The goal of the research and strategic advisory services is to help understand the



market, strategically enter or expand market share, and continue to profitably grow within China and Southeast Asia's impressive markets.

The company is based in Silicon Valley and Shanghai, and its clients include worldwide leaders in game software, hardware, and services, as well as hedge funds, media companies, trade associations, and management consulting firms, all of whom have a vested interest in a thorough understanding of the games industry in Southeast Asian and China.

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Contact:

Lisa Cosmas Hanson
Managing Partner
Niko Partners
+1-408-354-0888
lisa@nikopartners.com
twitter: nikochina