

Pearl Research forecasts Korean online games to exceed \$1.7 billion by 2009

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San Francisco, CA, September 2, 2008, - Pearl Research forecasts the online games market in South Korea will exceed \$1.7 billion by 2009, driven by new releases and a fervent gaming culture. These findings are contained in business intelligence and consulting firm Pearl Research's new "Games Market in Korea" study. One of the fastest growing segments is casual games, that are free-to-play, easy-to-learn and can be played in "micro-slices" of time of ten minutes or less.

Pearl Research's key findings:

- + South Korea has a sophisticated information technology (IT) infrastructure with 80% of households connected to the Internet.

- + South Korea has one of the highest adoption rates of purchasing virtual items and micro-transactions. Approximately 67% of those in the 20-30 age cohort purchased online paid content. Of those who have purchased digital content, 91% purchased music while 39% purchased community and avatar items from online services.

- + A common strategy in Korea is the operation of large game portals that provide a wide selection of games, including massively-multiplayer online role-playing games (MMORPGs), casual, and web board games all within one convenient site. Top game portals such as CJ Internet's Netmarble, NHN's Hangame, and Neowiz's Pmang can attract 500,000 to 1 million unique visitors a day. More than 12 million Korean adults visit game portals every month, according to estimates by Pearl Research.

While South Korea has a robust games market, critical challenges include intense domestic competition; prevalence of "me-too" or derivative titles; challenges in expanding overseas to the US and China; and rising development costs.

The "Games Market in Korea" report provides an in-depth analysis of the Korean online games market and contains an executive summary; 2007 to 2011 forecasts for the online games platforms; inhibitors and drivers to growth; deep marketplace analysis; discussion of key market players, and strategic conclusions. To purchase this report, please call (+1) 415-738-7660 or email research@pearlresearch.com.

About Pearl Research

Pearl Research, a business intelligence and consulting firm, specializes in the Internet and technology markets with a special focus on emerging markets and platforms. Based in San Francisco and China, Pearl Research publishes in-depth research reports and provides customized research and consulting services. Visit <http://www.pearlresearch.com> or call 415-738-7660 for more information.

Contact

pr@pearlresearch.com

(+1) 415-738-7660 x4