

Online games market in China grew 25% to \$5 billion in 2010, according to Pearl Research

San Francisco, CA, April 12, 2011 – Leading business intelligence and consulting firm Pearl Research forecasts the online games market in China will exceed \$8 billion in 2014. In 2010, the online games market grew 25% to reach \$5 billion. These findings are contained in Pearl Research’s new 150-page “Online Games Market in China” study.

Pearl Research’s findings:

- Game operators in China experienced strong revenue growth in 2010. Top game operators, in descending order, are Tencent with \$1.4 billion in revenue in 2010, Netease (NASDAQ: NTES) with \$749 million in revenue, Shanda Games (NASDAQ:GAME) with \$680 million, Perfect World (NASDAQ: PWRD) with \$374 million and Changyou (NASDAQ: CYOU) with \$327 million in revenues.
- In 2010, MMORPG game operator Shenzhen ZQ Game completed an initial public offering (IPO) on the Shenzhen Stock Exchange, becoming the first China-based online game company listed domestically in China. The company was established in 2003 and has 700 employees.
- One of the most talked-about trends is the emergence of Sina’s Weibo microblogging platform, which is similar to Twitter, in that it allows online and text posts of 140 Chinese characters. Weibo’s registered users grew more than 25 times in 2010 and surpassed 100 million in February 2011. The report analyzes Weibo and its growing popularity.
- In addition, Pearl Research expects to see much more mergers and acquisitions activities in 2011, as Chinese game operators, flush with cash, seek to expand overseas and strengthen their development capabilities.

Pearl Research’s “Online Games Market in China” study provides an in-depth analysis of the Chinese games market. The report contains forecasts for MMORPG and casual games; inhibitors and drivers to growth; deep marketplace analysis; profiles of key market players; analysis of virtual currencies; and strategic conclusions. Please call (+1) 415-738-7660 or email [research \(at\) pearlresearch.com](mailto:research@pearlresearch.com) for more information about this study.

About Pearl Research

Pearl Research, a business intelligence and consulting firm, specializes in the digital entertainment and technology markets with a special focus on emerging markets and platforms. Based in the San Francisco area and China, Pearl Research publishes in-depth research reports and provides customized research and consulting services. Visit us at <http://www.pearlresearch.com>.



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