The State of Play:
The most accurate market data available for the app stores

appannie.com/intelligence
Apps, downloads and revenue.

Google Play’s phenomenal growth over the last year.
• There are now over 1.5 million apps available on Google Play
• The number of apps grew by around 60% between July 2013 and June 2014
Quarterly app downloads from Google Play grew approximately 50% from Q1 2013 to Q1 2014.
Google Play quarterly app revenue more than doubled from Q1 2013 to Q1 2014.

Growth in Google Play downloads and revenue presents an expanding opportunity for app publishers.
Worldwide opportunities.

Google Play has expanded rapidly across a range of markets over the past year.
• All the largest Google Play markets experienced growth in the past year
• Brazil made significant gains to become the second largest market for Google Play downloads
Quarterly Google Play app revenue by country

Top 5 countries by Q1 2014 revenue

- Japan continues to dominate Google Play revenue
- After trailing South Korea since Q1 2013, growth in the United States propelled it back to second position for Google Play revenue in Q1 2014
Rapidly emerging markets offer new opportunities for publishers

<table>
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<th>Rank Q1 2014</th>
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<th>Rank Change vs. Q1 2013</th>
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</table>

- Brazil, Mexico, Turkey and Indonesia experienced phenomenal growth in downloads, driving them up the rankings
- Taiwan and Hong Kong showed significant potential for generating Google Play revenue

* Paid apps returned to Google Play in Taiwan in February 2013
Category growth.
Games dominate Google Play, but opportunities outside of Games are expanding.
In Q1 2014, Games accounted for almost 90% of Google Play app revenue, up from around 80% in Q1 2013.

Apps outside of Games provided about 60% of Google Play app downloads in Q1 2014.
Although Games dominate revenue gains, growth is almost universal across categories. Messaging apps supported high revenue growth for Communication and Social. Tools and Communication categories displayed particularly rapid download growth.
Freemium on the rise.
The freemium business model continues to grow across Google Play.
• Freemium apps contributed almost half of Google Play downloads in May 2014
• Revenue from freemium apps grew to around 98% of total worldwide Google Play revenue in May 2014
Asian markets lead the way, but freemium dominates all major markets.

- Asian markets have a exceptionally high proportion of revenue from freemium apps.
- Emerging Google Play markets such as Brazil, Mexico and Turkey tend to have a slightly lower proportion of revenue from freemium apps.

**Monthly Google Play app revenue by country, May 2014**

- South Korea: 100%
- Japan: 99%
- United States: 97%
- Russia: 96%
- Brazil: 95%

- Freemium
- Paid
- Paid with In-App Purchases
Key Takeaways.
• An ever-increasing number of app publishers are utilizing Google Play
  - There are now well over 1 million apps available on Google Play

• App downloads and revenue from Google Play increased dramatically over the past year
  - Markets such as Brazil, Russia, Mexico, Turkey and Indonesia are driving growth in app downloads from Google Play
  - Google Play is experiencing rapid expansion of monetization in established markets such as Japan, the United States and South Korea

• Games played a major role in the acceleration of Google Play revenue growth, but almost all app categories experienced expansion
  - Games accounted for almost 90% of revenue in Q1 2014

• The freemium business model advanced its domination of Google Play app revenue, and represents a growing proportion of downloads
  - Asian markets lead the way in generating freemium revenue
Thank you.