Entertainment Industry Market Statistics

2007

Included in this Report.......

Theatrical	2
Additional Theatrical	11
Home Video & TV	16
Additional Statistics	21

MOTION PICTURE ASSOCIATION OF AMERICA, INC.

Theatrical Market Statistics

Included in this Section......

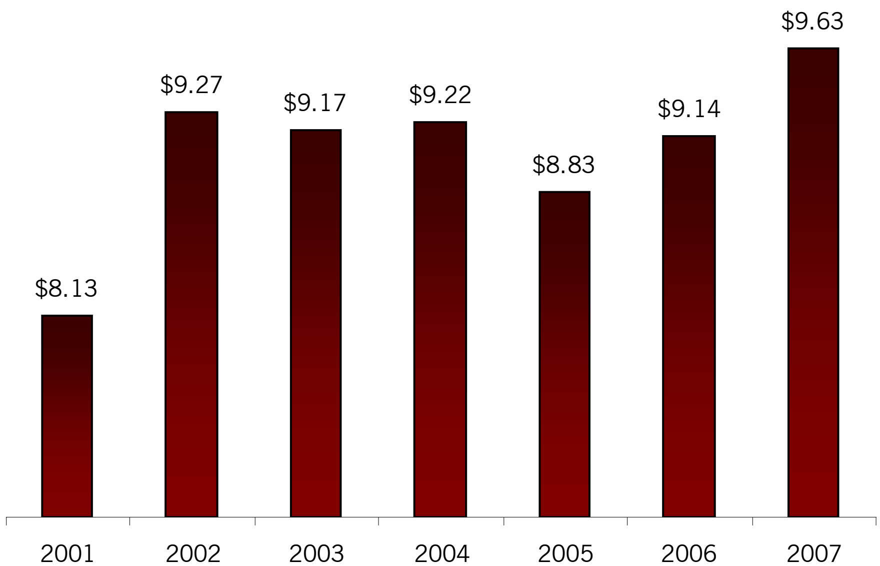
Box Office	3
The Movies	5
Movie-making	7
Movie-going	8
New Media	9

MOTION PICTURE ASSOCIATION OF AMERICA, INC.

Box Office

Domestic Box Office Continues to Grow
Domestic box office grew 5.4% in 2007, reaching $9.63 billion.

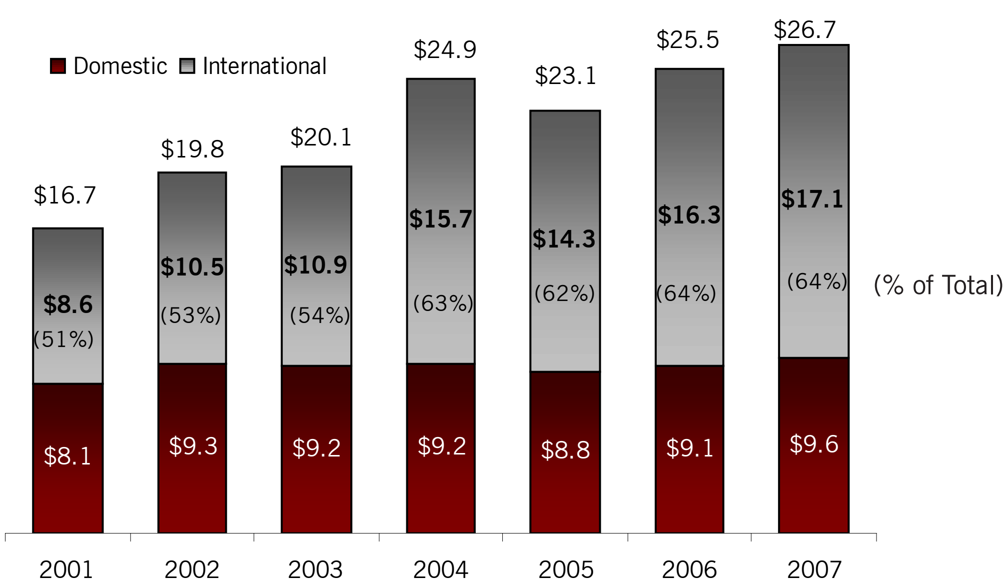
Domestic Box Office (US $ Billions): Nielsen EDI



Year	Box Office in billions	% Change vs. Prev.	% Change vs. 2007
2007	$9.629	5.4%	-
2006	$9.138	3.5%	5.4%
2005	$8.832	-4.2%	9.0%
2004	$9.215	0.5%	4.5%
2003	$9.165	-1.2%	5.1%
2002	$9.272	14.1%	3.9%
2001	$8.125	8.8%	18.5%
2000	$7.468	2.1%	28.9%
1999	$7.314	8.2%	31.7%
1998	$6.760	8.8%	42.4%
1997	$6.216	6.9%	54.9%
1996	$5.817	10.4%	65.5%
1995	$5.269	1.6%	82.7%
1994	$5.184	5.9%	85.7%
1993	$4.897	7.3%	96.6%
1992	$4.563	1.1%	111.0%

Worldwide Box Office Reaches Historic High
Worldwide box office reached another all-time high, with $26.72 billion in 2007, compared to $25.47 billion in 2006, a 4.9% increase.

Worldwide Box Office (US $ Billions): MPAA, Nielsen EDI



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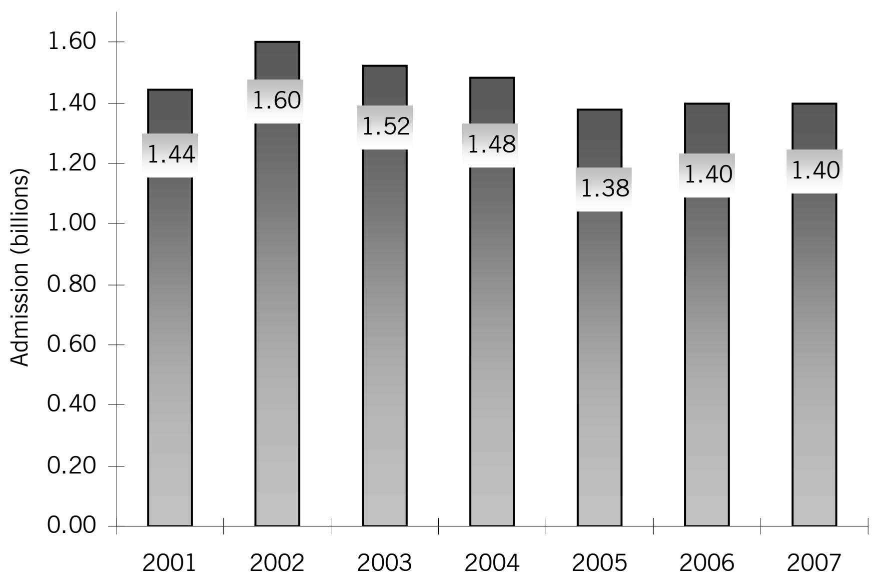
Domestic Admissions Hold Steady

Domestic moviegoers purchased 1.4 billion theater tickets in 2007, remaining on par with 2006 admissions.

Domestic Theatrical Admissions (Billions): MPAA, NATO, Nielsen EDI

	Admissions in billions	% Chg vs. Prev.	% Chg vs. 2007
2007	1.400	0.3%	-
2006	1.395	1.4%	0.3%
2005	1.376	-7.3%	1.7%
2004	1.484	-2.4%	-5.7%
2003	1.521	-4.9%	-8.0%
2002	1.599	11.2%	-12.5%
2001	1.438	4.0%	-2.7%
2000	1.383	-3.9%	1.2%
1999	1.440	0.1%	-2.8%
1998	1.438	6.2%	-2.7%
1997	1.354	2.7%	3.3%
1996	1.319	8.9%	6.1%
1995	1.211	-2.3%	15.5%
1994	1.240	4.9%	12.9%
1993	1.182	7.6%	18.4%
1992	1.099	2.6%	27.4%



The Movies

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More Films Released by Independents

While the overall number of movies released in theaters in the U.S. remained on par with 2006, non-MPAA-affiliated independents released 18 more films in 2007.

Feature Films Released in the U.S.: MPAA

	-- New Releases --					-- Reissues --		
Year	Total	MPAA	% of Total	Other	% of Total	Total	MPAA	Other
2007	590	179	30%	411	70%	13	3	10
2006	599	203	34%	396	66%	8	1	7
2005	535	190	36%	345	64%	14	4	10
2004	474	199	42%	275	58%	8	1	7
2003	459	194	42%	265	58%	14	4	10
2002	449	220	49%	229	51%	17	5	12
2001	462	188	41%	274	59%	21	8	13

More Films Reach Key Benchmarks

Nearly 50% more films reached the $100 million benchmark of domestic box office in 2007. Additionally, three more films reached the $300 million benchmark than in 2006.

Number of Films Reaching Key Domestic Box Office Benchmarks: Nielsen EDI

	-- Year of Release --		% Change
Box Office Range	2007	2006	07 vs. 06
$300 Million & Over	4	1	300.0%
$200 to $300 Million	7	5	40.0%
$100 to $199 Million	17	13	30.8%
TOTAL	***28***	***19***	***47.4%***

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Fewer PG-13 Films in Top 20

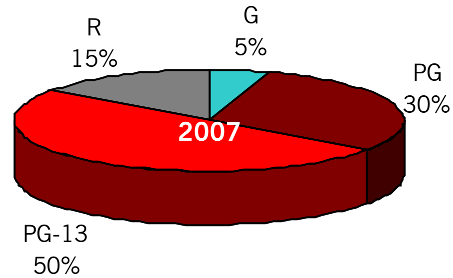
In terms of ratings, top-grossing films offered more diverse fare in 2007, with a 50% increase in both R- and PG-rated films.

Top 20 Grossing Films by Domestic Box Office: MPAA, Nielsen EDI

Rank	Title	Distributor	Box Office (Millions)*	Rating
1	Spider-Man 3	Sony	$336.5	PG-13
2	Shrek The Third	Paramount	$322.7	PG
3	Transformers	Paramount	$319.2	PG-13
4	Pirates of the Caribbean: At World's End	Disney	$309.4	PG-13
5	Harry Potter & The Order of the Phoenix	Warner Bros.	$292.0	PG-13
6	I Am Legend	Warner Bros.	$251.7	PG-13
7	The Bourne Ultimatum	Universal	$227.5	PG-13
8	300	Warner Bros.	$210.6	R
9	Ratatouille	Disney	$206.4	G
10	National Treasure: Book of Secrets	Disney	$205.7	PG
11	Alvin & The Chipmunks	Fox	$204.1	PG
12	The Simpsons Movie	Fox	$183.1	PG-13
13	Wild Hogs	Disney	$168.3	PG-13
14	Knocked Up	Universal	$148.8	R
15	Rush Hour 3	New Line	$140.1	PG-13
16	Live Free or Die Hard	Fox	$134.5	PG-13
17	Fantastic Four: Rise of the Silver Surfer	Fox	$131.9	PG
18	American Gangster	Universal	$130.1	R
19	Bee Movie	Paramount	$126.2	PG
20	Enchanted	Disney	$124.9	PG

*Includes Box Office as of February 2008.

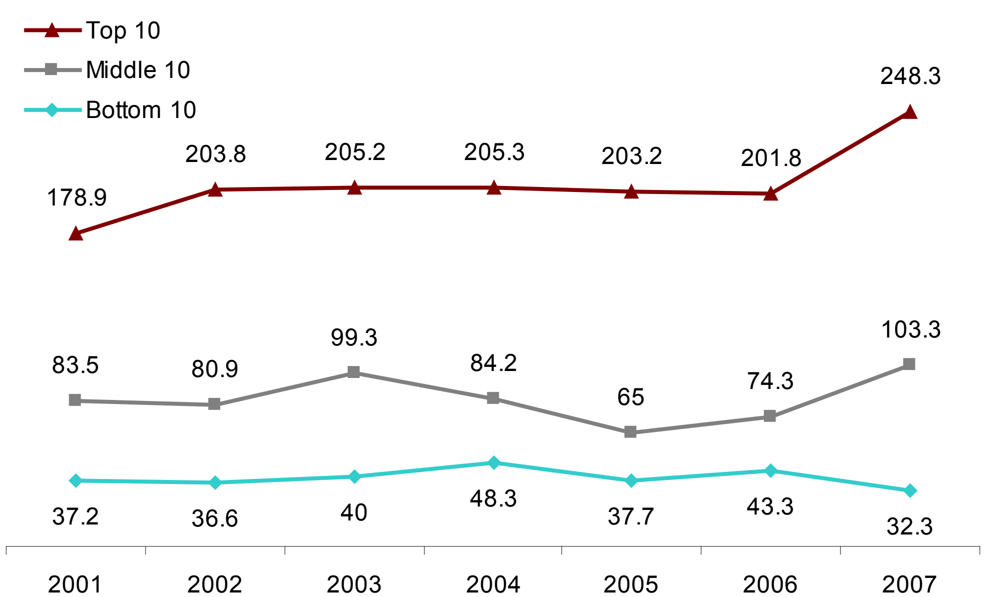
Year	G	PG	PG-13	R
2007	5%	30%	50%	15%
2006	5%	20%	65%	10%
2005	5%	25%	60%	10%
2004	5%	25%	55%	15%
2003	5%	15%	60%	20%



Top Summer Movies Outperform Prior Year

The top 10 and middle 10 summer movies performed better in 2007 than in 2006, generating an average of $248.3 million and $103.3 million of domestic box office respectively, for 23% and 39% respective gain. Conversely, the bottom 10 performed poorly as compared to 2006, with a 25% drop.

Average Cumulative Domestic Box Office for Top 30 Grossing Summer Movies (US $ Millions): Nielsen EDI



Movie-making

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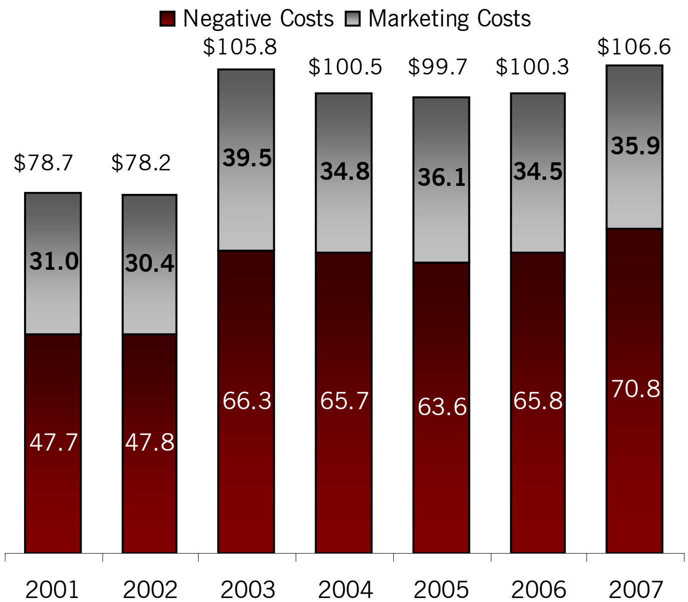
Production and Marketing Costs Increase for Studios

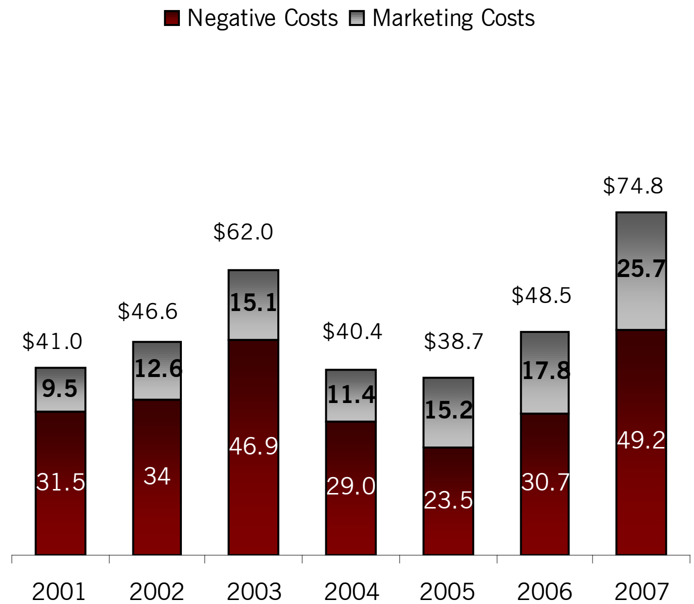
2007 saw increases in the average cost per film for both the MPAA member companies and their subsidiaries. Negative and marketing costs for MPAA member companies in the U.S. grew 8% and 4%, respectively, while costs for subsidiaries grew 60% and 44%, respectively. MPAA members include Paramount Pictures, Sony Pictures Entertainment Inc., Twentieth Century Fox Film Corporation, NBC Universal, Walt Disney Studios Motion Pictures, and Warner Bros Entertainment Inc. MGM data is not collected – historical figures have been adjusted to reflect this omission. Subsidiaries include studio “classics” and specialty divisions such as Fox Searchlight, Miramax, New Line, Sony Pictures Classics, etc.

Average U.S. Theatrical Costs ($ M): MPAA

MPAA Members



MPAA Subsidiaries/Affiliates

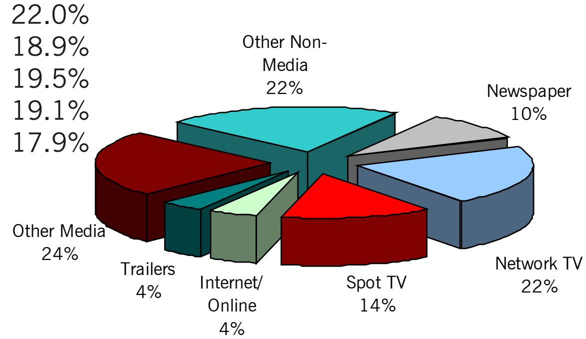


Studios Spend More on Internet Advertising

MPAA member companies’ average per-film advertising expenditures on the Internet continued to grow in 2007, reaching 4.4% of total expenditures in the U.S. The largest category of advertising expenditures - other media (24.0%) includes cable television, radio, magazines and billboards, while the second largest (21.8%) is non-media expenditures, including production/creative services, exhibitor services, promotion and publicity, as well as market research.

MPAA Member Company Average Distribution of U.S. Advertising Costs by Media: MPAA

Year	Avg. (Mln)	News-paper	Netwk. TV	Spot TV	Internet/ Online	Trailers	Other Media	Other Non-Media
2007	$32.17	10.1%	21.6%	13.9%	4.4%	4.2%	24.0%	21.8%
2006	$30.71	10.8%	21.2%	13.9%	3.7%	4.3%	24.4%	21.6%
2005	$32.35	12.7%	23.1%	12.8%	2.6%	4.4%	22.4%	22.0%
2004	$30.96	12.9%	23.0%	13.2%	2.4%	7.6%	22.2%	18.9%
2003	$34.34	14.0%	23.0%	15.6%	1.4%	4.5%	21.9%	19.5%
2002	$27.13	13.5%	23.0%	17.6%	0.9%	4.5%	21.4%	19.1%
2001	$27.28	13.1%	25.4%	16.9%	1.3%	5.1%	20.2%	17.9%

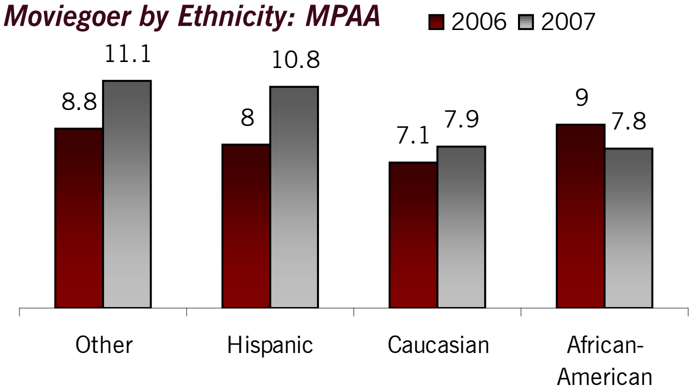


Movie-going

Moviegoing Up Among Most Ethnicities

All U.S. moviegoers, with the exception of African-Americans, went to more movies in 2007 than in 2006. This is based on survey data conducted in English. Yearly totals represent data from mid-July to mid-July of the following year – not calendar years

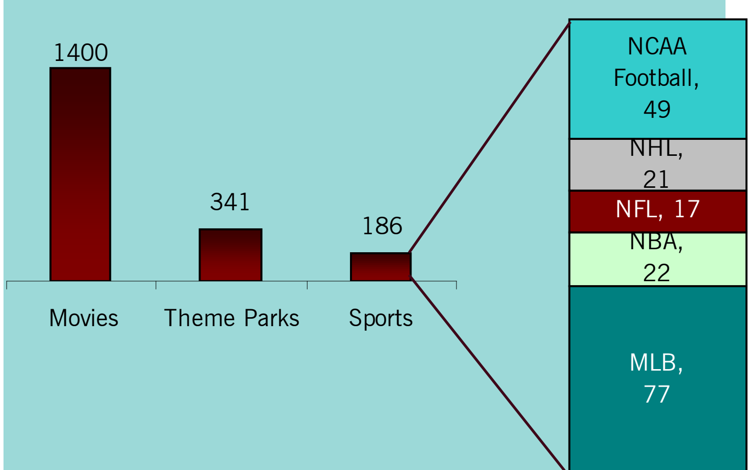
U.S. Admissions Per Moviegoer by Ethnicity: MPAA



Movies are a Major Family Activity

Movies continue to draw more people than either theme parks or the major sports combined in the U.S. Going to the movies remains an affordable outing for most families – with admission prices significantly lower than alternative entertainment options.

2007 U.S. Admissions/Attendance: MPAA, PricewaterhouseCoopers



Average Annual Cinema Admission Price (US $): NATO, Bureau of Labor Statistics

Year	(USD)	% Chg. vs. Prev.	% Chg. CPI
2007	$6.88	5.0%	4.3%
2006	6.55	2.2	3.2
2005	6.41	3.2	3.4
2004	6.21	3.0	3.3
2003	6.03	3.8	1.9
2002	5.81	2.7	2.4
2001	5.66	4.9	1.6
2000	5.39	6.1	3.4
1999	5.08	8.3	2.7
1998	4.69	2.3	1.6
1997	4.59	3.9	1.7
1996	4.42	--	3.3

2007 Average National Ticket Price: MPAA, PricewaterhouseCoopers

	2007 Admission Price		2006 Admission Price *		07 vs. 06
Event	1 Ticket	Family of 4	1 Ticket	Family of 4	% Change
Football Game	$65.25	$261.00	$62.00	$248.00	5%
Basketball Game	$46.75	$187.00	$45.92	$183.68	2%
Hockey Game	$44.60	$178.40	$42.13	$168.52	6%
Theme Park	$35.30	$141.20	$34.46	$137.84	2%
Baseball Game	$23.50	$94.00	$22.30	$89.20	5%
Movie Theater	$6.88	$27.52	$6.55	$26.20	5%

*2006 Data Updated by Source

New Media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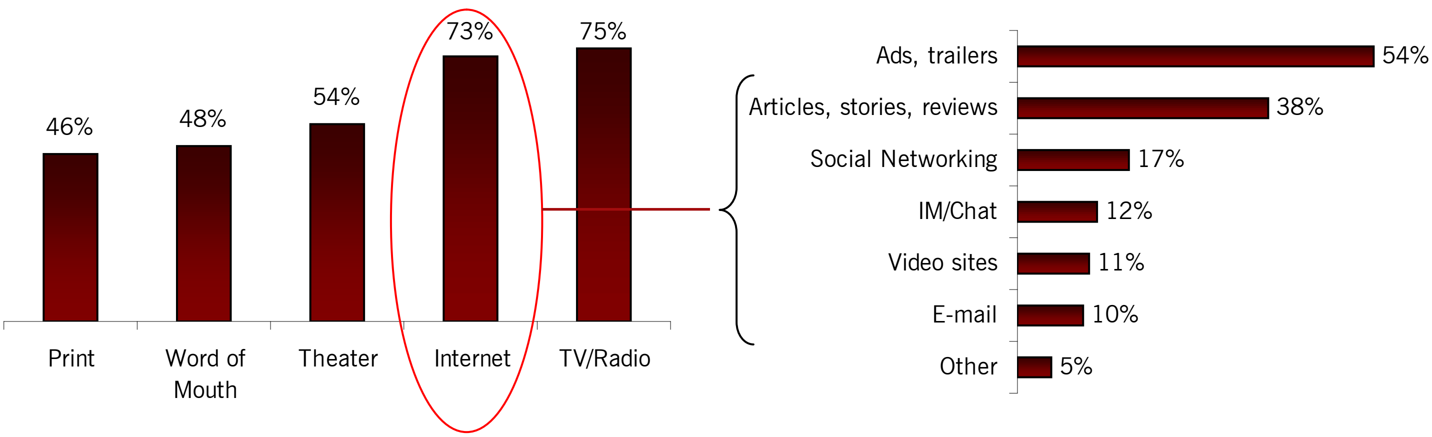
Internet Plays a Significant Role in Driving People to Movies
The Internet is an important source for movie information. A forthcoming study conducted by the MPAA and Yahoo! found that 73% of U.S. moviegoers who conduct research before going to the theater use the Internet. Also, moviegoers who research online are more likely to see a movie on opening weekend, go to the theater more often, and see some movies more than once in the theater.

[Did you use any of the following from after you first heard about the movie to before you saw it in the theater?]
Percentage of Respondents in Each Category: MPAA, Yahoo!



	Do Not Research	Research	Research Online	Do Not Rsrch. Online
First hear about a movie a few months before to seeing it	38%	42%	49%	31%
Definitely will see movie after first hearing about it	52%	64%	68%	58%
Attend movies on opening weekend	15%	26%	30%	19%
Attend movies 1+ times/month	41%	53%	57%	47%
Seen some movies more than once at the theater	18%	31%	35%	25%
Mean # of Movies/Year	12.0	16.5	18.0	14.1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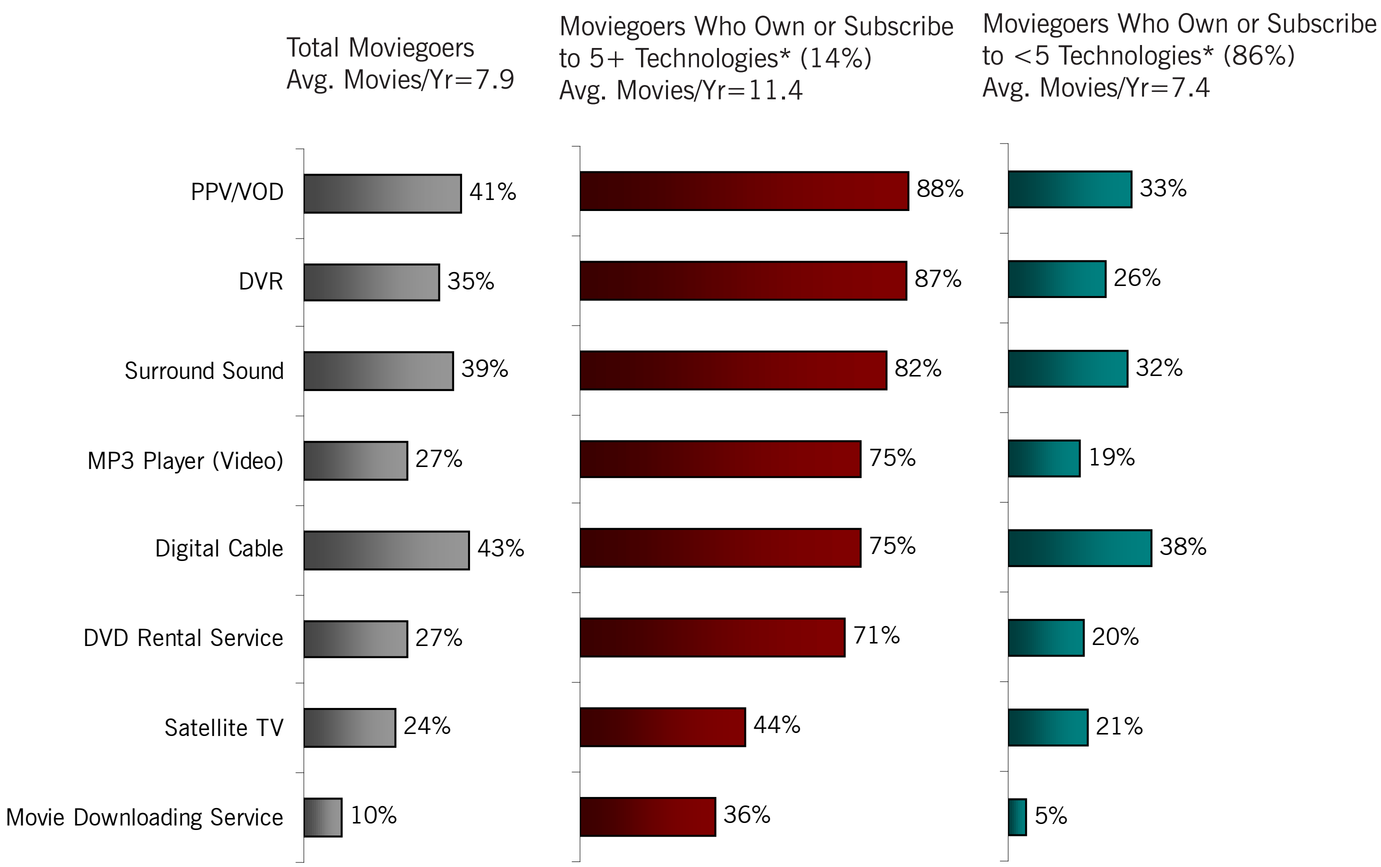
Technology Complements Moviegoing

One in seven U.S. moviegoers have invested to a great degree in content delivery and/or hardware for their home. Contrary to conventional wisdom, this segment of moviegoers goes to the movie theater more often than their lower tech counterparts. Those with 5 or more technologies attend 4 more movies per year than those with fewer technologies.

Moviegoers and Technology: NielsenNRG



* From list of technologies shown

Additional Theatrical Statistics

Included in this Section......

Opening Weekend	12
Produced & Rated	13
Screens	14
Costs	15

MOTION PICTURE ASSOCIATION OF AMERICA, INC.

Opening Weekend

High Grossing Opening Weekend

Four of the top five openers in 2007 were sequels, with the third installment in the Spider-Man series, Spider-Man 3, taking the top spot with $151.1 million in its debut.

	2007 High Grossing Opening Weekend Films: Nielsen EDI			
	Title	***Distributor***	***Box Office*** *(MM)*	***Release Date***
1	Spider-Man 3	Sony	$151.1	May 5th
2	Pirates of the Caribbean: At World's End	Disney	$139.8	May 25th
3	Shrek The Third	Paramount	$121.6	May 18th
4	I Am Legend	Warner Bros.	$77.2	December 14th
5	Harry Potter & The Order of the Phoenix	Warner Bros.	$77.1	July 11th
6	The Simpsons Movie	Fox	$74.0	July 27th
7	300	Warner Bros.	$70.9	March 9th
8	Transformers	Paramount	$70.5	July 3rd
9	The Bourne Ultimatum	Universal	$69.3	August 3rd
10	National Treasure: Book of Secrets	Disney	$65.4	December 21st
11	Fantastic Four: Rise of the Silver Surfer	Fox	$58.1	June 15th
12	Ghost Rider	Sony	$52.0	February 16th
13	Rush Hour 3	New Line	$49.1	August 10th
14	Ratatouille	Disney	$47.0	June 29th
15	Alvin & The Chipmunks	Fox	$44.3	December 14th
16	American Gangster	Universal	$43.6	November 2nd
17	Wild Hogs	Disney	$39.7	March 2nd
18	Bee Movie	Paramount	$38.0	November 2nd
19	Ocean's Thirteen	Warner Bros.	$36.1	June 8th
20	Enchanted	Disney	$34.4	November 21st

Opening Weekend Highest Grossing Film

2007 $151.1 million
1997 $90.1 million

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Average Box Office of New Releases: Nielsen EDI		
	All New Releases	***MPAA New Releases***
2007	$16.1	$45.7
2006	$15.4	$40.2
2005	$16.7	$39.7
2004	$18.2	$43.4
2003	$19.7	$45.7

Produced & Rated

Number of Theatrical Films Produced, Rated & Released: MPAA			
	Produced	*Rated*	*Released*
2007	**453**	**839**	**603**
2006	485	853	607
2005	699	931	549
2004	611	871	528
2003	593	940	473
2002	546	786	466
2001	611	739	483
2000	683	762	478
1999	756	677	461
1998	683	661	509
1997	767	673	510

Films rated may be higher than films produced or in a given year because films may be rated or rerated months or even years after production. Films produced refers only to films that began production in the given year.

Fewer films produced and rated in 2007

There were 7% fewer films that began production in 2007, and 17% fewer films were rated. However, the number of films released theatrically stayed relatively stable at 603 films.

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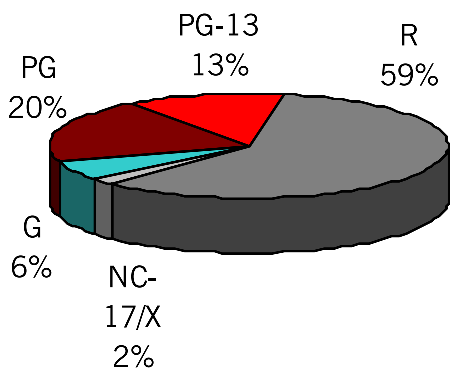
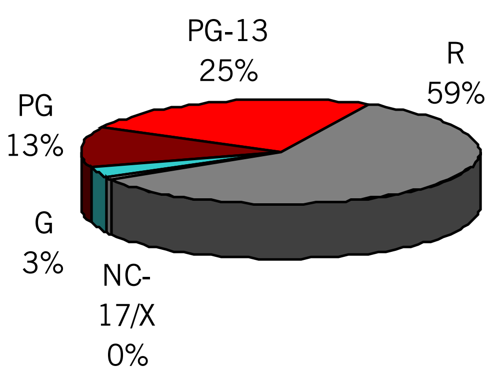
Percent of Films by Rating 1968 to 2007: MPAA



Percent of Films by Rating 2007: MPAA



Top Grossing Films by Rating 1968-2007: Nielsen EDI				
		Distributor	*Box Office (MM)*	*Release Date*
G	Finding Nemo	Disney	$339.7	May 03
	The Lion King	Disney	$328.5	Jun 94
	Monsters, Inc.	Disney	$255.9	Nov 01
	Toy Story 2	Disney	$245.9	Nov 99
	Cars	Disney	$244.1	Jun 06
PG	Star Wars	Fox	$461.0	May 77
	Shrek 2	Paramount	$436.7	May 04
	E.T.	Universal	$435.0	Jun 82
	Star Wars: Ep. I The Phantom Menace	Fox	$431.1	May 99
	Shrek The Third	Paramount	$322.7	May 07
PG-13	Titanic	Paramount	$600.8	Dec 97
	Pirates of The Caribbean: Dean Man's Chest	Disney	$423.3	Jul 06
	Spider-Man	Sony	$403.7	May 02
	Star Wars: Ep. III Revenge of the Sith	Fox	$380.2	May 05
	Lord of the Rings: Return of the King	New Line	$377.0	Dec 03
R	The Passion of The Christ	NewMarket	$370.3	Feb 04
	The Matrix: Reloaded	Warner Bros.	$281.5	May 03
	Beverly Hills Cop	Paramount	$234.8	Dec 84
	The Exorcist	Warner Bros.	$232.7	Dec 73
	Saving Private Ryan	Paramount	$216.2	Jul 98

Screens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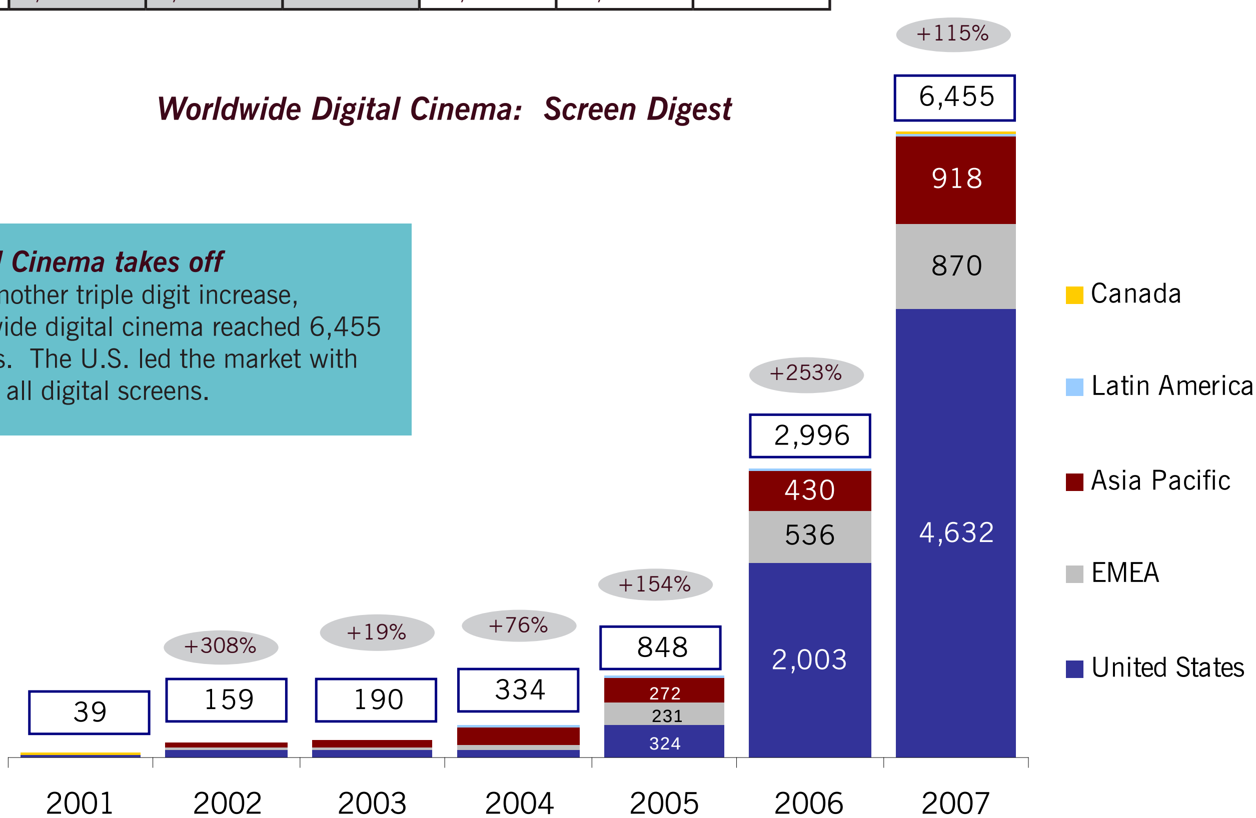
More Screens, Fewer Theaters
There was a shift toward larger theaters in 2007, as megaplexes with 16 or more screens grew 4%.

Total Number of Screens: Nielsen EDI						
	Total Screens	% Change vs. 2007	Indoor Screens	% Change vs. 2007	Drive-In Screens	% Change vs. 2007
2007	**40,077**	--	**39,347**	--	**730**	--
2006	39,668	1.0%	38,943	1.0%	725	0.7%
2005	38,852	2.1%	38,143	2.1%	709	2.3%
2004	36,594	8.4%	35,993	8.2%	601	20.6%
2003	35,786	10.8%	35,499	9.7%	647	12.1%
2002	35,280	12.4%	34,630	12.5%	650	11.5%
2001	36,764	7.9%	36,110	7.8%	654	10.9%
2000	37,396	6.1%	36,679	6.2%	717	1.1%

Theaters by Number of Screens: Nielsen EDI						
	Number of Theaters			Number of Screens		
	2006	2007	% Change	2006	2007	% Change
Single Screens	1,742	1,748	0.3%	1,742	1,748	0.3%
Miniplexes (2-7 Screens)	2,362	2,296	-2.8%	9,399	9,159	-2.6%
Multiplexes (8-15 Screens)	1,661	1,617	-2.6%	17,673	17,902	1.3%
Megaplexes (16+ Screens)	591	616	4.2%	10,854	11,268	3.8%
TOTAL	6,356	6,277	-1.2%	39,668	40,077	1.0%

Worldwide Digital Cinema: Screen Digest

Digital Cinema takes off
With another triple digit increase, worldwide digital cinema reached 6,455 screens. The U.S. led the market with 72% if all digital screens.



Production and Marketing Costs Increase for Studios

While the major studios spent more money on average on advertising in 2007, they spent less on prints. The specialty divisions spent more on both, with dramatic increases in advertising (+43%).

Average Negative Costs: MPAA

	MPAA Member Company			MPAA Subsidiary/Affiliate*		
	Avg. Cost per Feature (MM)	% Change vs. Previous Period	% Change vs. 2007	Avg. Cost per Feature (MM)	% Change vs. Previous Period	% Change vs. 2007
2007	$70.8	7.5%	--	$49.2	60.3%	--
2006	$65.8	3.5%	7.5%	$30.7	30.4%	60.2%
2005	$63.6	-3.3%	11.3%	$23.5	-18.8%	108.8%
2004	$65.7	-0.9%	7.7%	$29.0	-38.1%	69.5%
2003	$66.3	38.8%	6.7%	$46.9	37.7%	4.9%
2002	$47.8	0.2%	48.1%	$34.0	8.0%	44.4%
2001	$47.7	--	48.4%	$31.5	--	56.0%

Average Marketing Costs of New Feature Films: MPAA

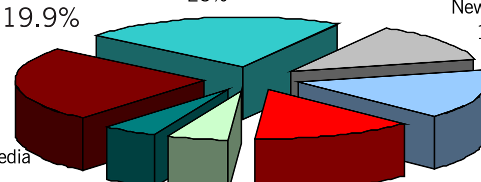
	MPAA Member Company (MM)			MPAA Subsidiary/Affiliate* (MM)		
	Print	Advertising	Total P&A	Print	Advertising	Total P&A
2007	$3.70	$32.17	$35.87	$2.50	$22.97	$25.47
2006	$3.82	$30.71	$34.53	$2.09	$15.74	$17.83
2005	$3.83	$32.36	$36.19	$1.85	$13.31	$15.16
2004	$3.75	$30.61	$34.36	$1.29	$10.13	$11.42
2003	$4.21	$34.84	$39.05	$1.89	$13.25	$15.14
2002	$3.31	$27.31	$30.62	$1.62	$10.96	$12.58
2001	$3.73	$27.28	$31.01	$1.21	$8.29	$9.50

Specialty Divisions Spend More on Internet Advertising

Similar to major member companies, their specialty divisions' spent more on average per film (+$7.23 million) as well as spending a larger share on the Internet, reaching 5.3% of their total online ad spend.

MPAA Member Subsidiary/Affiliate* Average Distribution of U.S. Advertising Costs by Media: MPAA

Year	Avg. (MM)	News-paper	Netwk. TV	Spot TV	Internet/ Online	Trailers	Other Media	Other Non-Media
2007	$22.97	12.9%	16.1%	13.7%	5.3%	4.9%	24.5%	22.6%
2006	$15.74	15.4%	18.3%	13.3%	4.5%	5.0%	22.6%	20.9%
2005	$13.31	15.5%	21.7%	12.6%	2.5%	5.6%	23.3%	18.8%
2004	$10.13	19.7%	19.9%	13.2%	2.4%	7.6%	22.2%	18.9%
2003	$13.25	18.8%	21.0%	6.5%	1.6%	4.8%	28.5%	18.8%
2002	$10.96	22.0%	25.7%	5.6%	0.9%	6.1%	21.1%	18.6%
2001	$8.29	18.6%	42.8%	3.2%	0.4%	5.2%	9.9%	19.9%



* Subsidiaries and affiliates include studio "classics" and specialty divisions such as Fox Searchlight, Miramax, New Line, Sony Pictures Classics, etc.

Other Media includes cable TV, radio, magazines, billboards.
Other Non-Media includes production/creative services, exhibitor services, promotion & publicity, market research.

Home Video & Technology Statistics

Included in this Section......

DVD & VCR 17
Television 19

MOTION PICTURE ASSOCIATION OF AMERICA, INC.

DVD & VCR

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DVD player penetration is still rising, VCR penetration still dropping
DVD penetration has doubled over the past 5 years, reaching 87% in 2007. In contrast, VCR penetration has steadily declined over the same span, hitting 79% in 2007.

DVD Player & VCR Penetration in U.S. TV Households: Nielsen Media Research									
	TV HH (MM)	***DVD HH (MM)***	***% Chg DVD HHs vs. Previous Period***	***2007***	***DVD Penetration (% of TV HHs)***	***VCR HH (MM)***	***% Chg VCR HHs vs. Previous Period***	***2007***	***VCR Penetration (% of TV HHs)***
2007	112.8	98.0	5.0%	--	86.9%	88.8	-6.8%	--	78.8%
2006	111.4	93.3	11.1%	5.0%	83.8%	95.2	-2.5%	-6.8%	85.5%
2005	110.2	84.0	28.4%	16.7%	76.2%	97.7	-1.2%	-9.1%	88.6%
2004	109.6	65.4	40.1%	49.8%	59.7%	98.9	0.5%	-10.2%	90.2%
2003	108.4	46.7	--	109.8%	43.1%	98.4	--	-9.8%	90.8%

2007 Total HDV Set-Top Console Households = 795,000
2007 Total HDV Households (including game & PC HDV-ROM) = 4,406,004

Sales of Home Entertainment to U.S. Dealers: Adams Media Research										
	Units in Millions					***Units in Millions***				
	Rental DVDs	***Sell-Through DVDs***	***Total DVDs***	***% Chg Total DVDs vs. Previous Period***	***2007***	***Rental Cassettes***	***Sell-Through Cassettes***	***Total Cassettes***	***% Chg Total Cassettes vs. Previous Period***	***2007***
2007	171.2	1,084.6	1,255.8	-4.1%	--	0.3	0.0	0.3	-95.4%	--
2006	180.2	1,129.0	1,309.2	1.2%	-4.1%	1.6	5.8	7.4	-84.8%	-95.4%
2005	179.0	1,114.5	1,293.6	6.75	-2.95	14.9	33.8	48.7	-61.0%	-99.3%
2004	149.3	1,063.3	1,212.6	38.8%	3.6%	32.3	92.5	124.8	-48.9%	-99.7%
2003	105.4	768.3	873.6	--	43.75	47.5	196.9	244.4	--	-99.9%

2007 Top 10 Home Video Sell-Through Titles: Nielsen VideoScan				
	Title	***Distributor***	***Box Office (MM)***	***Home Video Sales Index***
1	Happy Feet	Warner Bros.	$198.0	100.0
2	Transformers	Paramount	$319.2	99.0
3	Pirates of the Caribbean: At World's End	Disney	$309.4	95.8
4	300	Warner Bros.	$210.6	95.7
5	Ratatouille	Disney	$206.4	87.2
6	Shrek The Third	Paramount	$322.7	85.6
7	Harry Potter and the Order of the Phoenix	Warner Bros.	$292.0	76.0
8	The Departed	Warner Bros.	$132.4	68.3
9	Night at the Museum	Fox	$250.9	64.2
10	The Bourne Ultimatum	Universal	$227.5	56.6

DVD pricing has dropped while shipments have grown

With shipments of both DVDs and DVD players rising in 2007, prices of both have dropped, causing consumer spending on sell-through DVDs to drop to $16 million. There were fewer new titles released in DVD in 2007, possibly due to a decrease in films produced (-32 films).

2007 DVD Statistics: CEA Market Research, Digital Entertainment Group, NPD Group						
		2003	***2004***	***2005***	***2006***	***2007***
DVD	DVD Players Shipped to Dealers (MM)*	22.0	20.0	18.6	19.8	21.2
	DVD Players Shipped to Consumers (MM)*	33.7	37.1	34.4	33.9	33.5
	DVD Software Unites Shipped to Dealers (MM)**	1,023	1,518	1,657	1,657	1,688
	DVD Sell-Through Consumer Spending (Billions)	$11.6	$15.5	$16.3	$16.6	$16.0
	DVD Rental Consumer Spending (Billions)	$4.5	$5.7	$6.5	$7.5	$7.5
	Average DVD Player Price (USD)	$123	$109	$110	$100	$72

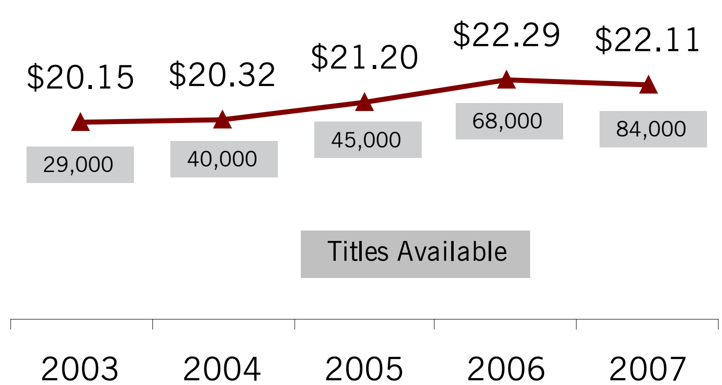
* Includes set-top and portable DVD players, Home Theater in Box systems, DVD Recorders, and TV/DVD DVD/VCR combination players.
** Includes Sell-Through and Rental DVD

DVD Player Shipments to Dealers: CEA Market Research				
	Month	***2006***	***2007***	***% Change***
DVD PLAYERS	January	686,127	1,049,870	53.0%
	February	770,132	1,117,899	45.2%
	March	1,039,752	1,217,102	17.1%
	April	872,169	1,552,641	78.0%
	May	1,441,570	1,647559	14.3%
	June	2,074,938	1,358,130	-34.5%
	July	1,458,099	2,309,692	58.4%
	August	1,451,303	2,154,745	48.4%
	September	2,706,250	2,007,635	-25.8%
	October	2,427,125	2,800,551	15.4%
	November	2,673,950	2,435,183	-8.9%
	December	2,186,864	1,597,250	-30.0%
	ANNUAL TOTAL	**19,788,279**	**21,248,257**	**7.4%**

DVD Releases: Digital Entertainment Group				
			% Change vs.	
		New Titles	***Prev. Period***	***2007***
DVD TITLES	2007	12,050	-11.4%	--
	2006	13,604	-2.3%	-11.4%
	2005	13,922	13.8%	-13.4%
	2004	12,230	18.0%	-1.5%
	2003	10,362	40.3%	16.3%
	2002	7,388	31.0%	63.1%
	2001	5,638	42.3%	113.7%
	2000	3,963	44.0%	204.1%
	1999	2,752	--	337.9%

Titles available on DVD include movies and music videos.

Average Price Per DVD Title: Digital Entertainment Group



Television

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Satellite and Video-On-Demand continue to rise in 2007

While satellite penetration has grown year after year, more households still have cable TV. Further, VOD through all sources grew 7% in 2007, eclipsing 30 million households.

TV & Cable Penetration in U.S. Households: Nielsen Media Research						
	Total HH (MM)	***TV HH (MM)***	***Television Penetration***	***Total Cable HH (MM)***	***Total Cable HH % Change***	***Total Cable Penetration***
2007	114.9	112.8	98.2%	69.3	-5.4%	61.4%
2006	113.4	111.4	98.2%	71.4	-3.4%	64.1%
2005	112.3	110.2	98.1%	73.2	-0.9%	66.8%
2004	111.3	109.6	98.5%	73.9	0.1%	68.2%
2003	110.3	108.4	98.35	73.7	2.2%	69.2%
1997	101.0	98.0	97.0%	66.0	--	68.8%

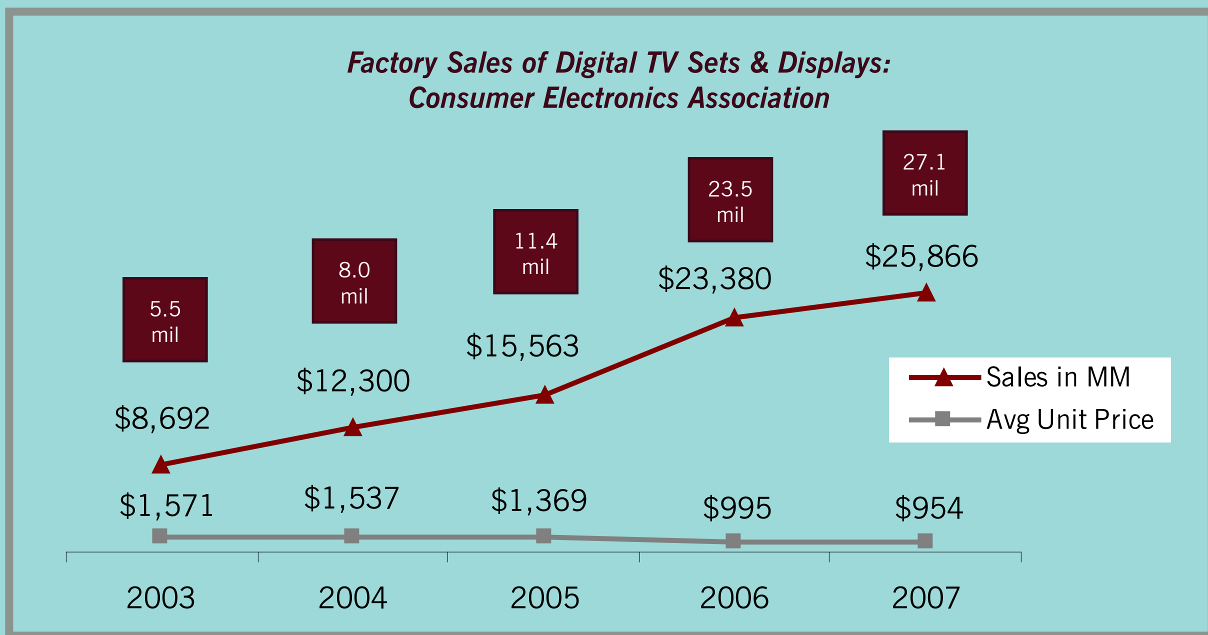
Basic & Pay Cable Penetration in U.S. Households: Nielsen Media Research						
	Basic Cable HH (MM)	***Basic Cable HH % Change***	***Basic Cable Penetration***	***Pay Cable HH (MM)***	***Pay Cable HH % Change***	***Pay Cable Penetration***
2007	34.4	-3.9%	30.5%	34.8	-2.2%	30.9%
2006	35.8	-8.7%	32.1%	35.6	4.7%	32.0%
2005	39.2	1.0%	35.6%	34.0	-3.1%	30.95
2004	38.8	14.6%	35.4%	35.1	-12.3%	32.0%
2003	33.9	-10.5%	31.2%	40.0	16.3%	36.9%
1997	31.9	--	32.5%	34.1	--	34.8%

Satellite & VOD Penetration in U.S. Households: Nielsen Media Research, Adams Media Research						
	Satellite HH (MM)	***Satellite HH % Change***	***Satellite Penetration***	***VOD HH (MM)***	***VOD HH % Change***	***VOD Penetration***
2007	29.6	8.0%	26.2%	31.0	7.3%	27.5%
2006	27.4	22.9%	24.6%	28.9	5.9%	26.0%
2005	22.3	0.5%	20.2%	27.3	59.7%	24.8%
2004	22.2	14.4%	20.3%	17.1	80.0%	15.6%
2003	19.4	10.2%	17.9%	9.5	58.3%	8.8%
1997	6.4	--	6.5%	--	--	--

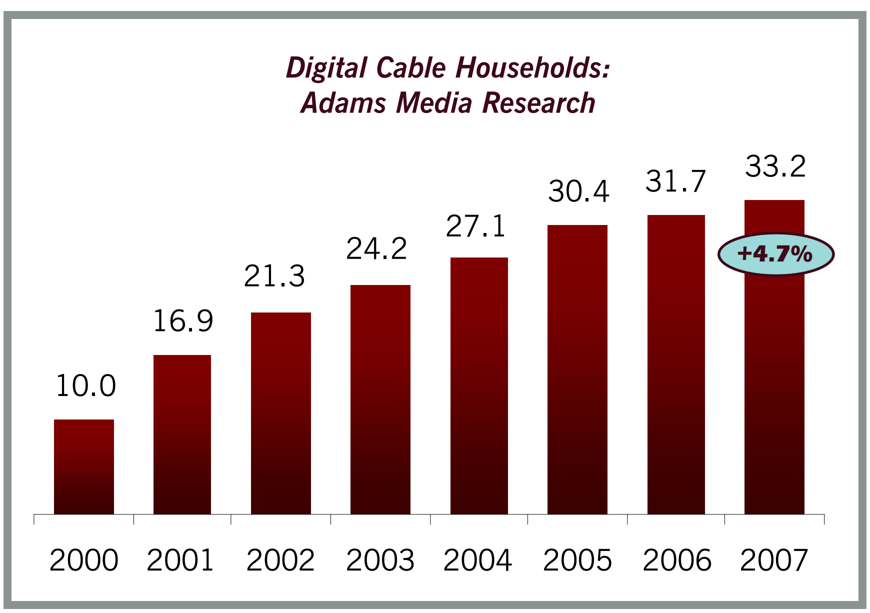
Basic cable refers to wired cable households subscribing to only basic channels.
Pay cable refers to wired cable households subscribing to basic & premium channels.
Video-On-Demand is an advanced pay-per-view programming service which enables viewers to order and watch movies on demand and to pause, rewind or fast-forward them.

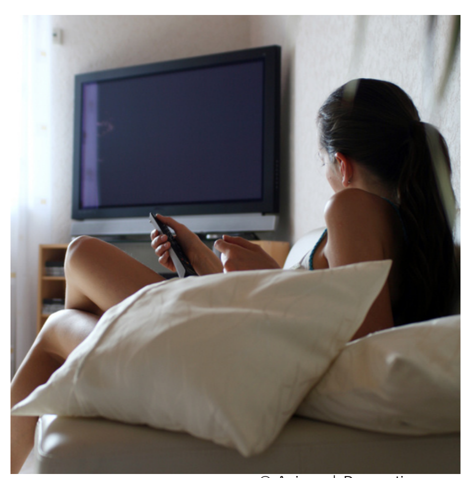
Digital TV & Cable both grow in 2007

There are more and more digital TVs sold to dealers every year, enabling prices to drop down to nearly $950 per unit. As more digital TVs are sold, more people subscribe to digital cable, which grew 5% in 2007.



Includes Digital Direct-View TV Receivers, HDTV, Flat Panel, Projection TV, and Combination TVs. 2007 figures are estimates.





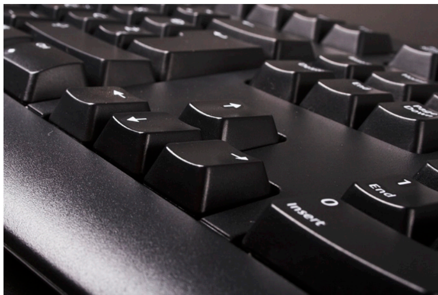
Additional Industry Statistics

Included in this Section......

Technology	22
Employment	23
Media Consumption	24

MOTION PICTURE ASSOCIATION OF AMERICA, INC.

Technology



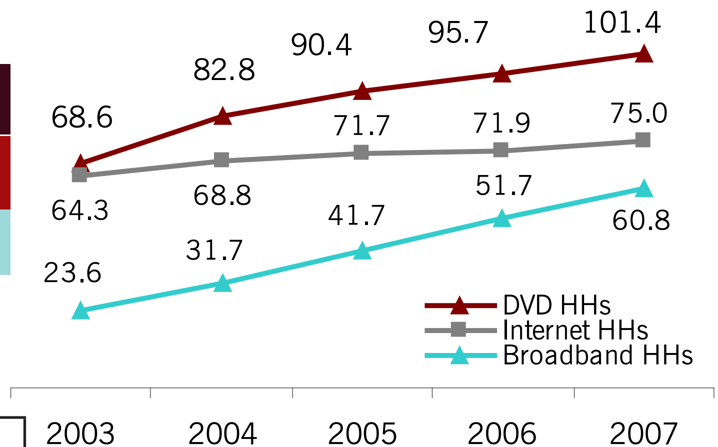
Broadband access continues to rise

With over 60 million American households using broadband to access the Internet, broadband penetration rose to 79% of households with a computer and 53% of all households. Broadband penetration is still outpacing DVD and Internet household penetration.

PC, Internet, & Broadband Penetration in U.S. Households: Nielsen Media Research, Adams Media Research

	Total HH (MM)	PC HH (MM)	PC Penetration	Internet HH (MM)	Internet Penetration % of Total HHs	Internet Penetration % of PC HHs	Broadband HH (MM)	Broadband Penetration % of Total HHs	Broadband Penetration % of PC HHs
2007	114.9	86.9	75.6%	75.0	65.3%	86.3%	60.8	52.9%	79.4%
2006	113.4	84.3	74.4%	71.9	63.4%	85.2%	51.7	45.6%	70.2%
2005	112.3	83.0	73.9%	71.7	63.9%	86.5%	41.7	37.1%	57.2%
2004	111.3	80.2	72.1%	68.8	61.9%	85.8%	31.7	28.5%	46.3%
2003	110.3	75.9	68.8%	64.3	58.3%	84.7%	23.6	21.4%	35.4%

Household Growth - Internet vs. Broadband vs. DVD: Adams Media Research



Internet Users: IDC

		2006	2007	% Change
INTERNET	Total Internet Users (MM)	362.6	405.3	11.8%
	Total Hours per Month	109.0	109.0	0.0%
	Total Internet Hours per Month (MM)	23,030.3	25,122.6	9.1%
MOBILE	Mobile Internet Users (MM)	47.9	73.0	52.4%
	Total Hours per Month	9.0	9.0	0.0%
	Total Mobile Internet Hours per Month (MM)	431.3	656.8	52.3%

INTERNET USER - a person accessing the Internet at least once per month through a PC or Internet access device. There is no age limitation for users.
MOBILE INTERNET USER - a person accessing the Internet at least once per month through a mobile device that accesses the Internet across a 2, 2.5, or 3G cellular network connection.

More and more people are accessing the Internet on the go

The number of people using mobile devices to access the Internet more than doubled in 2007, as did the time spent doing so.

Employment

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Employment levels remain steady

There were roughly 19,000 more people working in the movie industry in 2007 than ten year prior in 1998.

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U.S. Motion Picture Industry Employment Areas: Bureau of Labor Statistics

	Production & Services *(000s)*	***Video Exhibition*** *(000s)*	***Other*** *(000s)*	***Total*** *(000s)*	***Total % Change vs.*** ***Previous Period***	***2007***
2007	192.8	136.2	28.3	357.3	0.8%	--
2006	192.2	133.7	28.5	354.4	-0.8%	0.8%
2005	195.6	133.2	28.4	357.2	-1.7%	0.0%
2004	196.5	137.4	29.3	363.2	3.3%	-1.6%
2003	183.1	139.2	29.4	351.7	-2.5%	1.6%
2002	191.7	138.4	30.6	360.7	4.0%	-0.9%
2001	180.9	133.2	32.6	346.7	-1.4%	3.1%
2000	182.1	136.9	32.6	351.6	-0.7%	1.6%
1999	182.5	138.6	32.9	354.0	4.5%	0.9%
1998	172.0	135.0	31.7	338.7	--	5.5%

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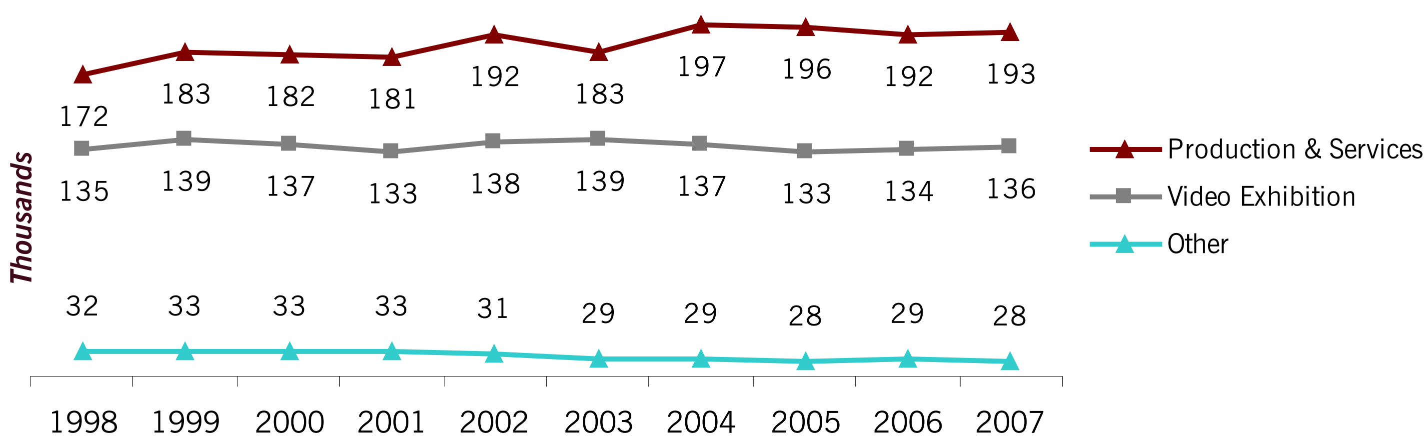
Motion Picture Industry Employment Areas: Bureau of Labor Statistics



Media Consumption

Consumers spent more time with filmed entertainment than ever before
The average American spent 1,962 hours watching movies or TV in 2007, which is 6% more time than in 2003. At the same time, they spent less time using media supported by advertising and more time with media they paid for.

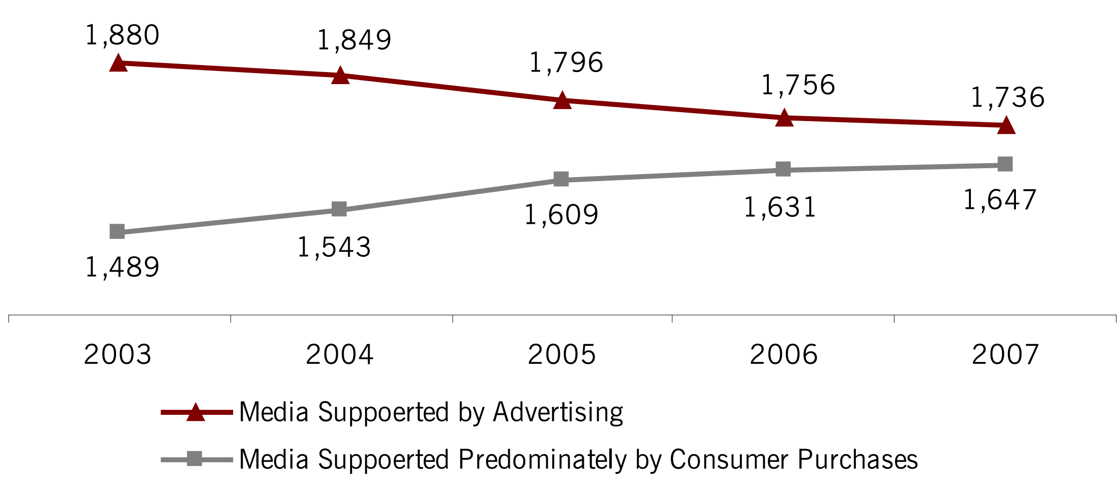
Media Consumption based on Hours per Person: Veronis Suhler Stevenson

Filmed Entertainment	2003	2004	2005	2006	2007	2007 Weekly Average	% Change vs. '06-'07	% Change vs. '03-'07p
Cable & Satellite TV	886	909	980	997	1,010	19.4	1.3%	14.0%
Broadcast TV	729	711	679	676	676	13.0	0.0%	-7.3%
Consumer Internet	153	164	169	177	181	3.5	2.3%	18.3%
*Home Video**	60	67	63	62	64	1.2	3.2%	6.7%
Box Office	13	13	12	12	13	0.3	8.3%	0.0%
In-flight Entertainment & Mobile Content	5	8	10	13	18	0.3	38.5%	260.0%
Subtotal	1,846	1,872	1,913	1,937	1,962	37.7	1.3%	6.3%

Other Entertainment	2003	2004	2005	2006	2007	2007 Weekly Average	% Change vs. '06-'07	% Change vs. '03-'07p
Broadcast & Satellite Radio	831	821	805	778	769	14.8	-1.2%	-7.8%
Recorded Music	187	196	195	186	171	3.4	-8.1%	-8.6%
Newspapers	195	192	188	178	172	3.3	-3.4%	-11.8%
Consumer Magazines	122	125	124	121	119	2.3	-1.7%	-2.5%
Consumer Books	108	108	107	108	108	2.1	0.0%	0.0%
Video Games	76	78	73	76	82	1.6	7.9%	7.9%
Subtotal	1,522	1,520	1,492	1,447	1,421	27.3	-1.8%	-6.6%
TOTAL	3,368	3,392	3,405	3,384	3,383	65.1	0.0%	0.4%

* Includes playback of prerecorded VHS cassettes and DVDs only

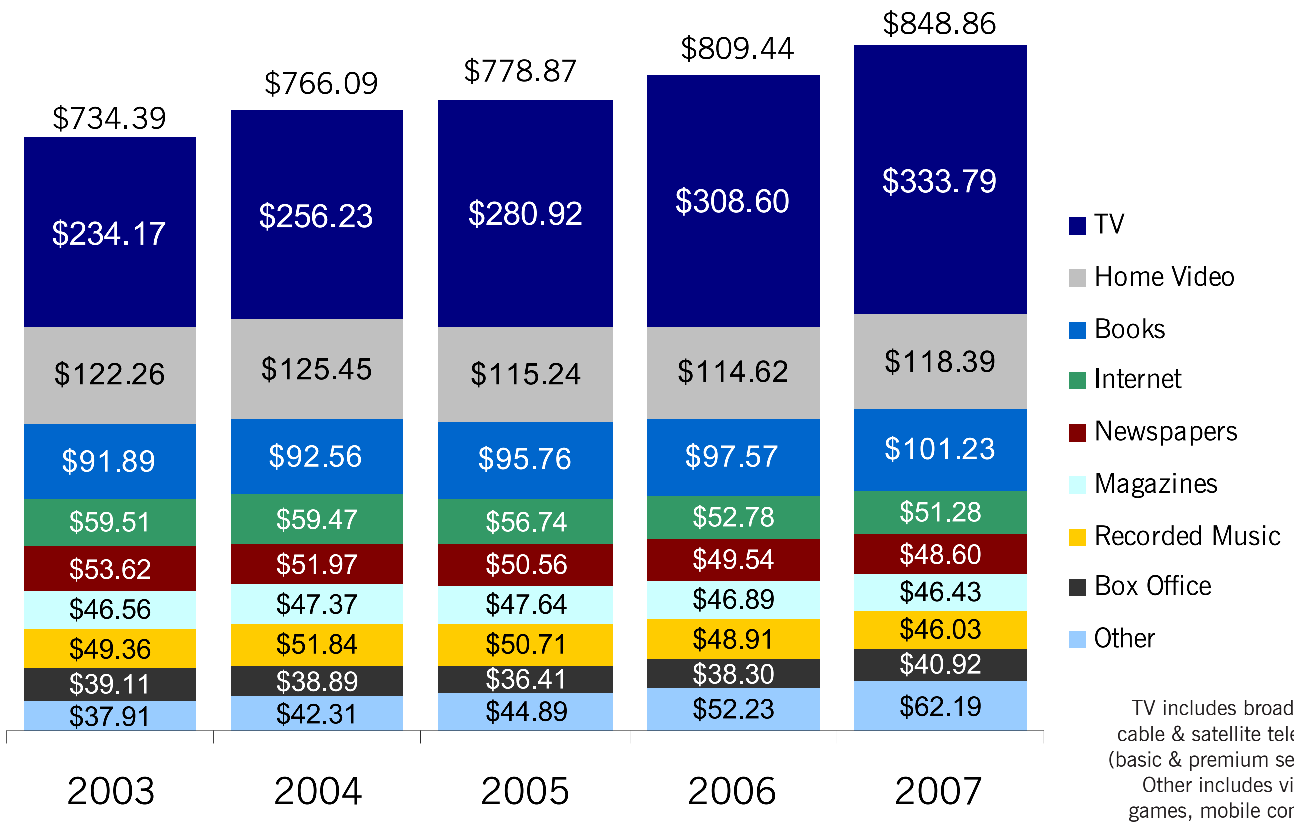
Media Consumption based on Hours per Person per Year: Veronis Suhler Stevenson



Advertising refers to broadcast television, broadcast & satellite radio, daily newspapers, and consumer magazines. Consumer purchases refer to cable & satellite television, box office, home video, recorded music, video games, consumer Internet, consumer books, and mobile.

Consumers are spending more and more on entertainment
With TV leading the way, consumers spent 6% more money on filmed entertainment in 2007 than in 2006. Recorded music has continued to decline, dropping 11% since 2004.

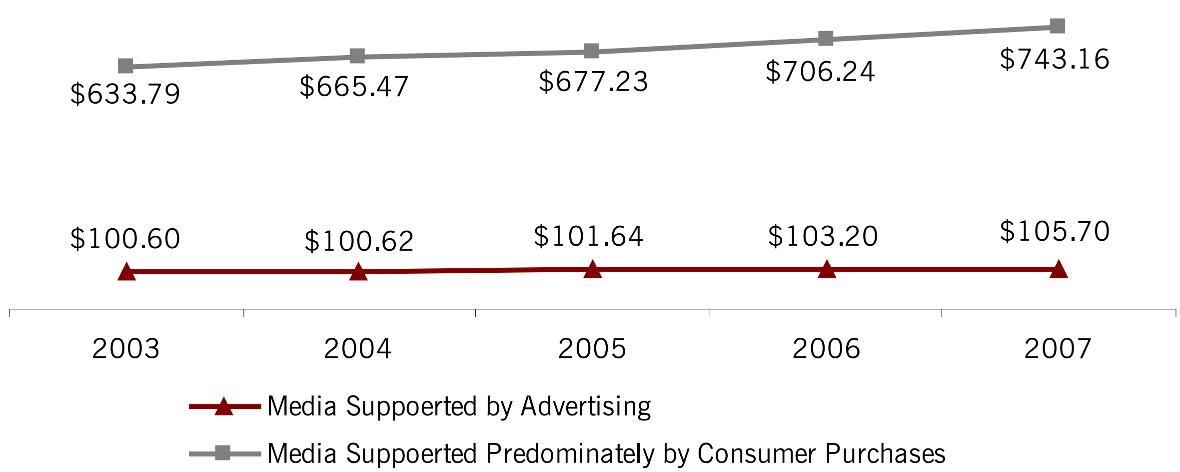
Consumer Spending per Person per Year: Veronis Suhler Stevenson



TV includes broadcast, cable & satellite television (basic & premium services). Other includes video games, mobile content, broadcast & satellite radio.

Although people are spending less time with advertising supported media, they are actually spending slightly more money on it (+2%).

Consumer Spending per Person per Year: Veronis Suhler Stevenson



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