The Game Market in Russia:

Table of Contents

May 2012



About This Report

This report is based on a review of historical trends and opinions of leading members of the video game industry, including analysts, consultants, developers, publishers, retailers and consumers. This report has been prepared by utilizing a variety of primary and secondary research techniques including: telephone and personal interviews; analysis of market surveys, trade journals and company literature; extensive database searches; and DFC Intelligence's original compilations and analysis.

A DFC Intelligence report is more than a collection of raw statistics. We carefully scrutinize and analyze data from a variety of sources. The result is a comprehensive overview that puts facts and figures in context. Anyone who has attempted to collect figures for the online game industry knows that is difficult to obtain accurate statistics. We have studied market surveys, investment analyst reports and other sources of industry information. Our statistics and forecasts are based on the careful analysis of the available research, a great deal of which is contradictory. In many cases, we made assumptions based on the best available information. We feel our figures accurately reflect past and future market conditions. At the very least, these numbers track the industry trends and accurately estimate the market share of the various players.

Table of Contents

I.	INTRODUCTION	6
II.	EXECUTIVE SUMMARY	7
III	I. BACKGROUND INFORMATION ON COMMONWEALTH INDEP	ENDENT
ST	TATES	8
(Geography	8
	1. Russia	
	2. The Rest of the Commonwealth of Independent States	
I	ECONOMY	
	INTERNET USERS	
	BUSINESS ENVIRONMENT	
IV.	MARKET OVERVIEW	18
ľ	MARKET HISTORY	18
I	DISTRIBUTION PLATFORM DEFINITION	19
(CURRENT MARKET	20
I	KEY FINDINGS	22
	1. Dominance of the Free-to-Play Model	22
	2. Strong Browser-based Game Market	22
	3. Strong Presence of Local Companies	23
	4. Private Server	
I	PUBLISHER-FRIENDLY PAYMENT SYSTEM	24
	5. Russia Payment Methods	
	1) Terminals	
	2) Yandex Money	
	2) Web Money	
	3) SMS	
	4) Credit Cards	
5	SOCIAL NETWORK AND APPLICATION-BASED GAMES: BOOM AND BUST	28
V.	MARKET FORECAST	29
VI.	I. VENDOR PROFILE	30
I	A. 2RealLife	30
I	B. Belver	30
	C. DATCROFT CORPORATION	
I	D. DESTINY	31
I	E. EA RUSSIA	31
I	F. INNOVA SYSTEMS	32
	G. MAIL.RU	
	H. NIVAL	
I	I. SKAZKA	35
	J. SYNCOPATE	
I	K. TG Services	36
Ι	L. WARGAMING.NET	36

Index of Tables

Table 1 CIS Population by Country in 2010	9
Table 2 CIS GDP by Country in 2010	11
Table 3 Internet User Share in CIS Countries in 2010	
Table 4 Number of Internet Users by Country in 2010	13
Table 5 Internet Penetration Rate by Country in 2010	14
Table 6 Doing Business 2012 Rank: Starting a Business in Russia versus OECD	
Table 7 Incorporation Procedures in Russia	16
Table 8 Tax or Mandatory Contribution in Russia	17
Table 9 CIS PC Game Market Revenue by Distribution Platform, 2010-2011	20
Table 10 Key Payment Methods in CIS	27
Table 11 Top Russian Social Networks in 2010	28
Table 12 CIS Online Game Market Revenue Forecast, 2011-2016	29
Table 13 Mail.ru Revenue and Net Income, 2010-2011	33