

A BRIEF HISTORY OF THE FUTURE

The Outlook For Television

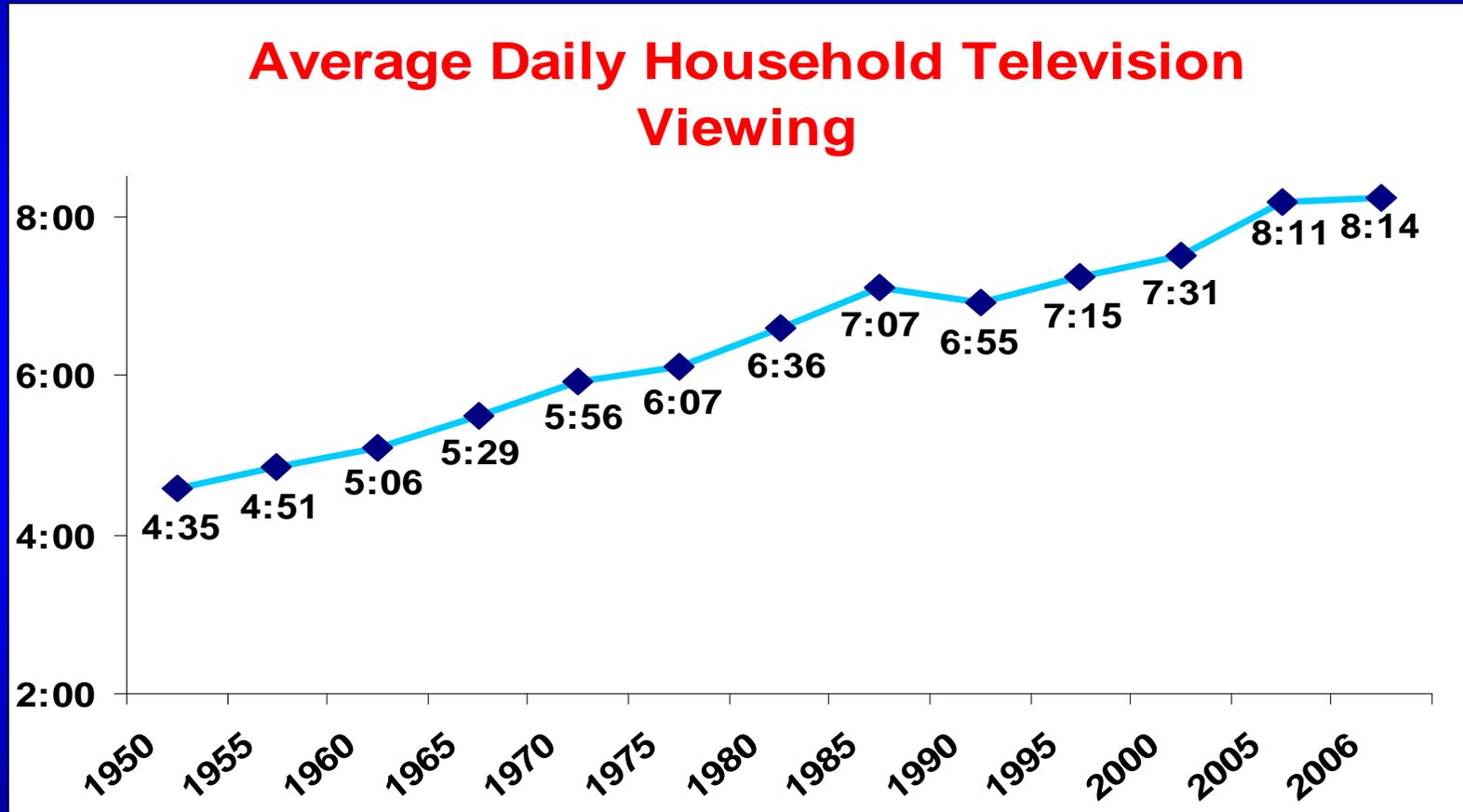
nielsen

The Nielsen logo is rendered in a light blue, serif font. Below the letters, there is a horizontal row of nine solid blue dots, each centered under a letter.

March 2008
Helsinki, Finland

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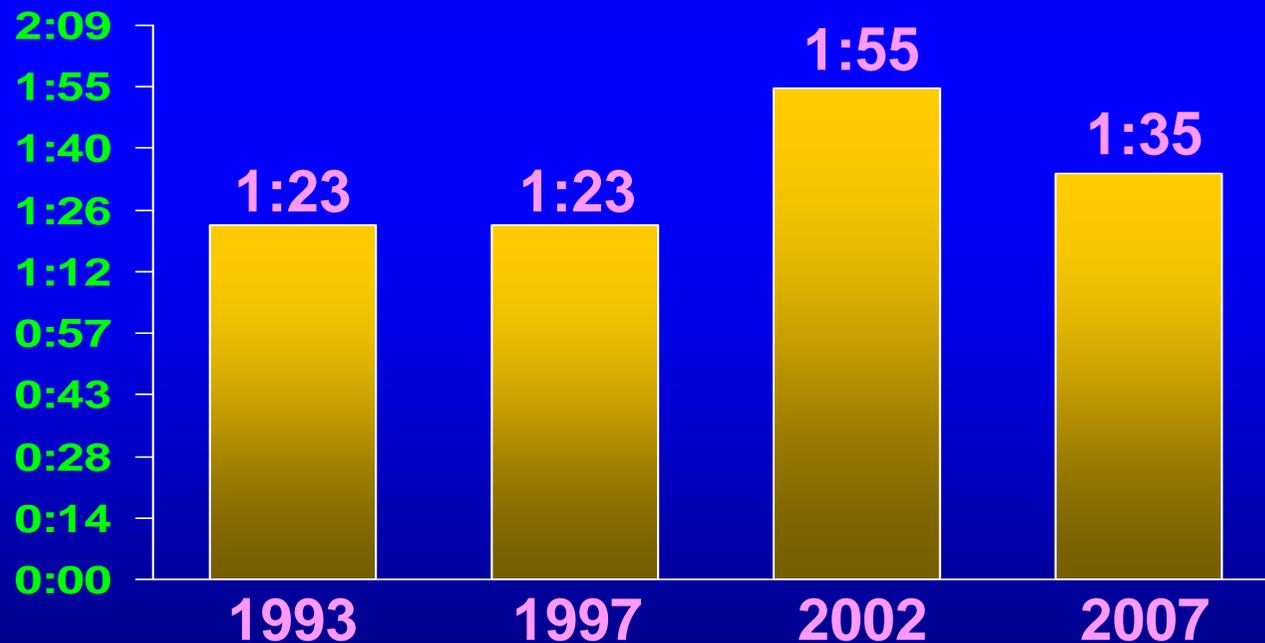
By Almost Any Measure Television is Growing



Source: Nielsen Media Research

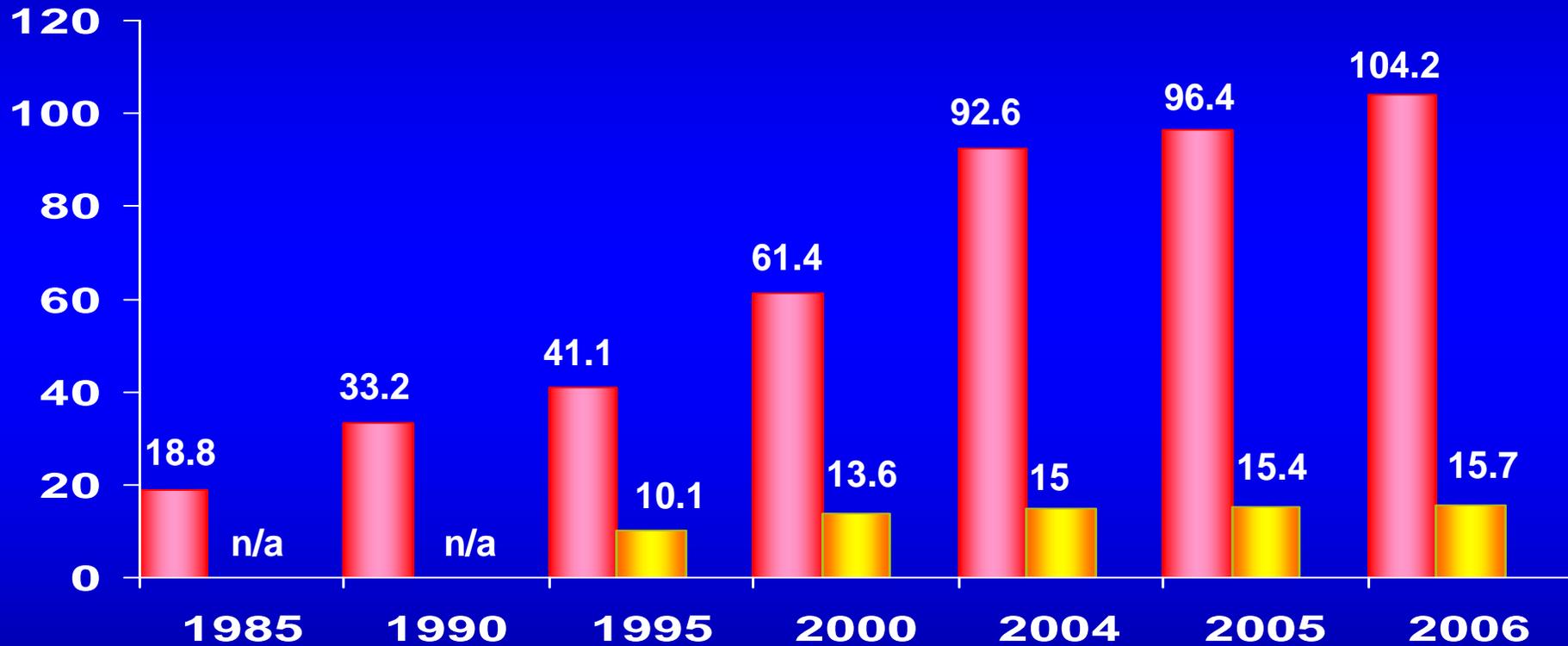
Finnish Television Consumption Remains Strong

- Household Viewing Hours Per Day Remains Constant At Approximately 2 Hours 50 minutes
- Despite Rising Internet Usage, Teenagers Watch Nearly 1,5 Hours Daily – Up 10% Vs 1997



But Television Also is Changing

Number of Channels Available in the Average U.S. Home



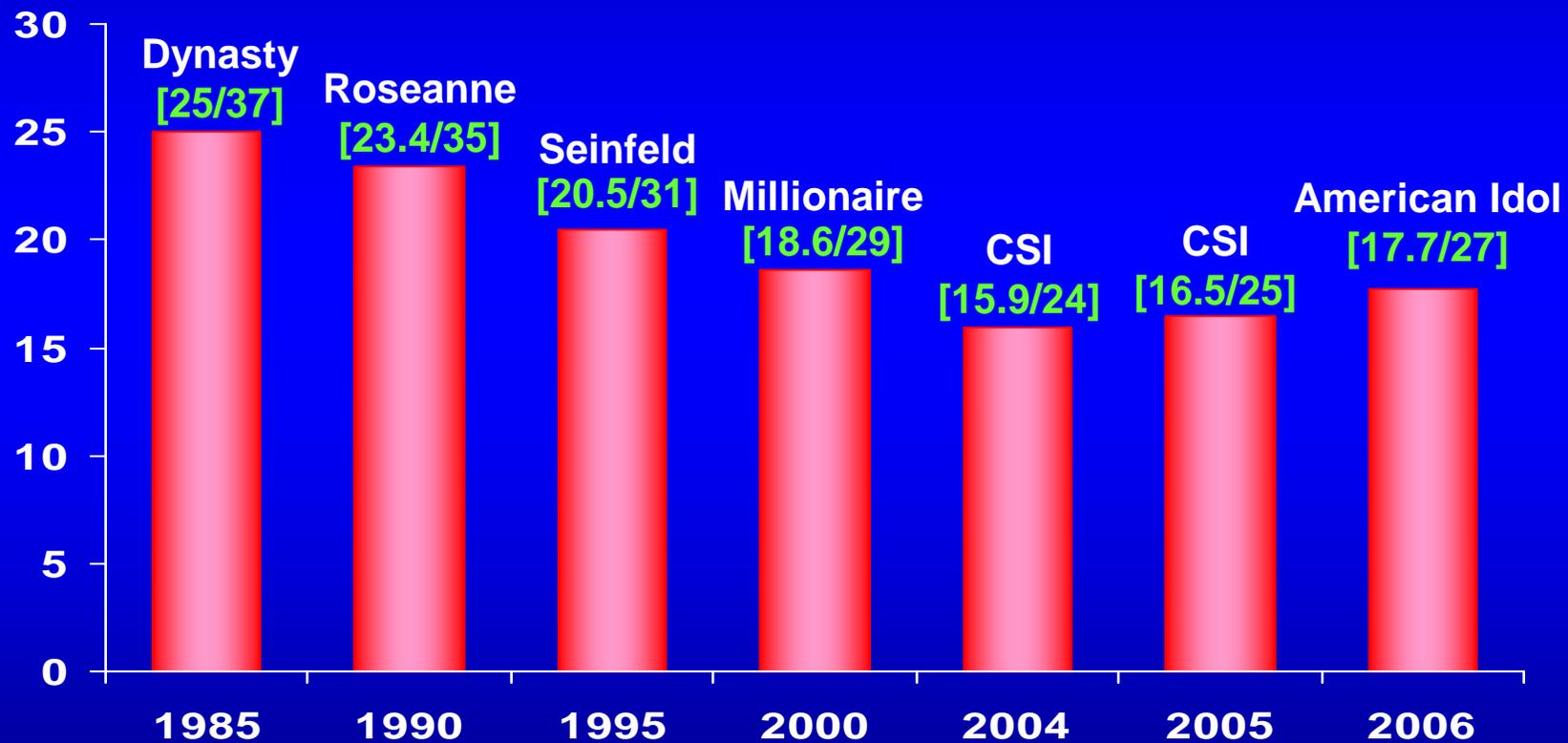
Source: Nielsen Media Research

Channels per household

of channels viewed

Audiences are Fragmenting

Highest Rated Television Shows (1985 – 2006) [Ratings/Share]



Source: Nielsen Media Research

Viewers are Taking Control – 21% Own DVRs

Top 5 "Time-Shifted" Broadcast Network Programs by Viewers 05/07/2007-05/13/2007

Rank	Program	Live Viewing (000)	Playback Viewing (000)	Gain %
1	Grey's Anatomy (ABC)	18,116	2,727	15
2	American Idol (FOX)	23,393	2,685	11.2
3	Lost (ABC)	11,167	2,476	22
4	House (FOX)	20,286	2,211	10.8
5	Desperate Housewives (ABC)	15,071	2,181	14.4

Source: Nielsen Media Research

DVRs Lift Viewing of Popular TV Programs

- Average increase among top shows >10%

Lightest TV Viewers Watch More TV Once They Have a DVR

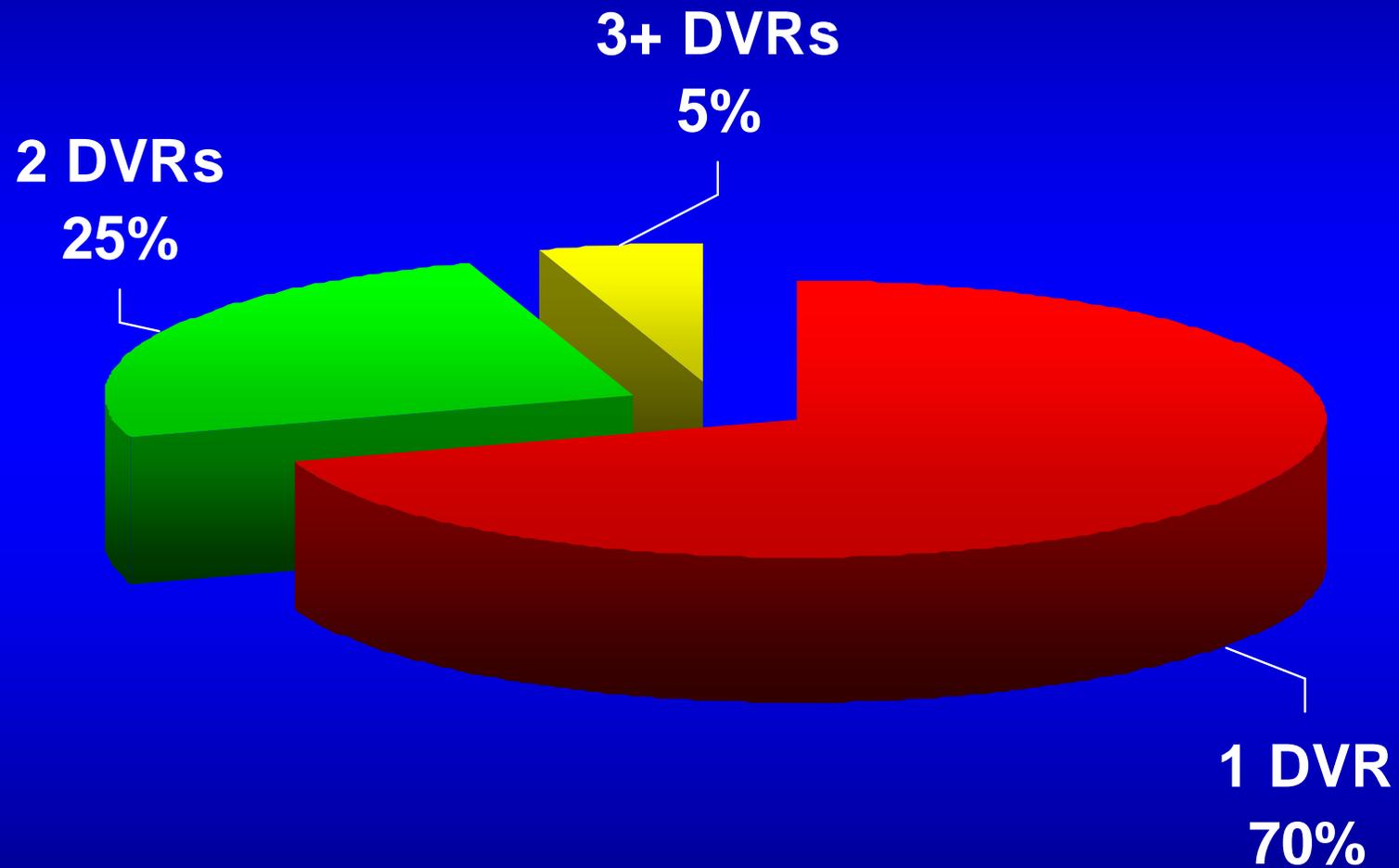
- Affluent, better-educated professionals
- 10.7 quarter hours vs.16.8 quarter hours with the DVR in their homes

More Than Half of All DVR Playback Occurs the Same Day the Show is Recorded

Advertising Exposure Rises in DVR Homes

- Primetime broadcast commercials gain 16% within first 27 hours of being recorded
- Total increase reaches 22% after seven days

DVR Ownership Profile October 2007

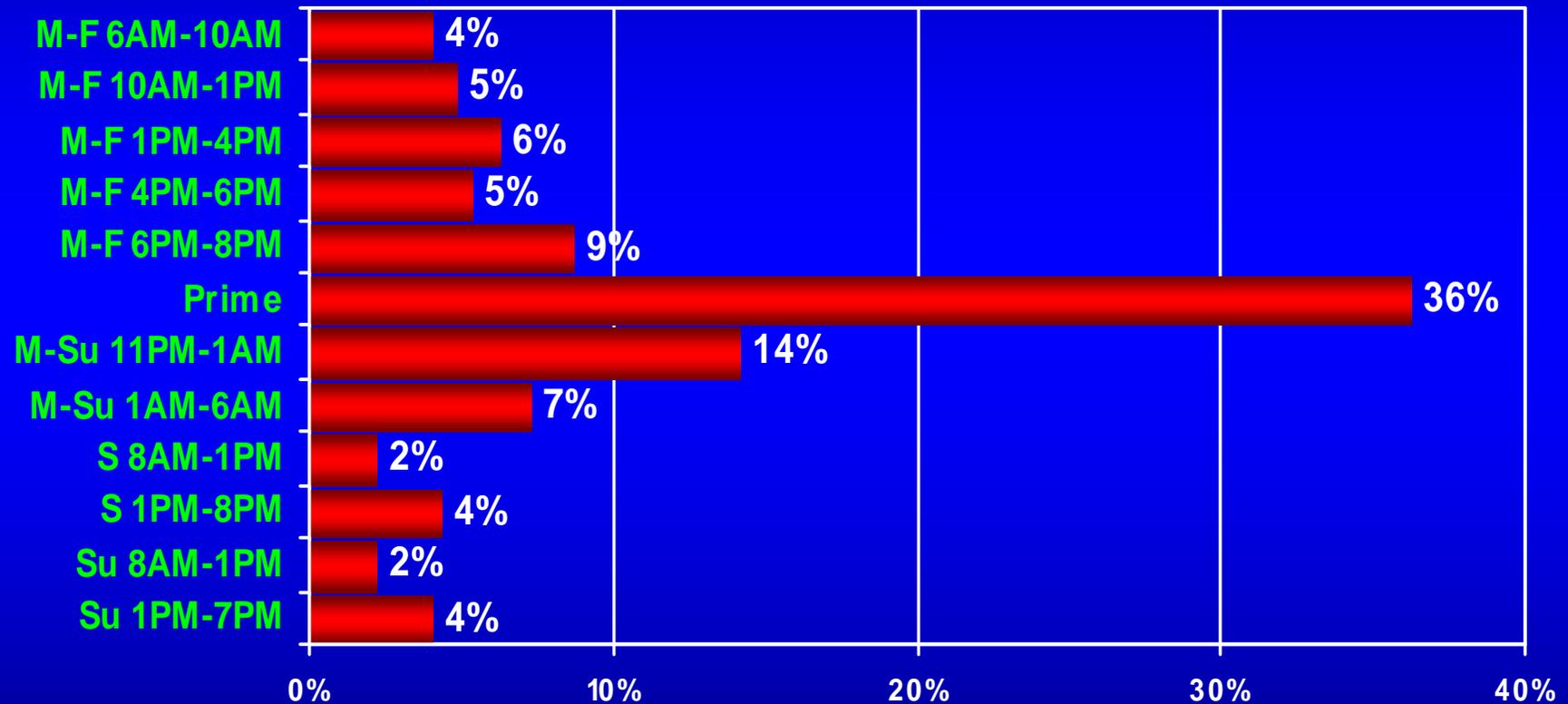


DVR Ownership Profile

- **More Than 21% of U.S. Homes Have a DVR**
- **DVR Households Are Typically:**
 - ❖ Upper income
 - ❖ Higher education
 - ❖ Without children
- **Younger Household Skew is Decreasing**
- **DVR Households with HOH 55+ Increasing**
- **30% Have More Than One DVR**

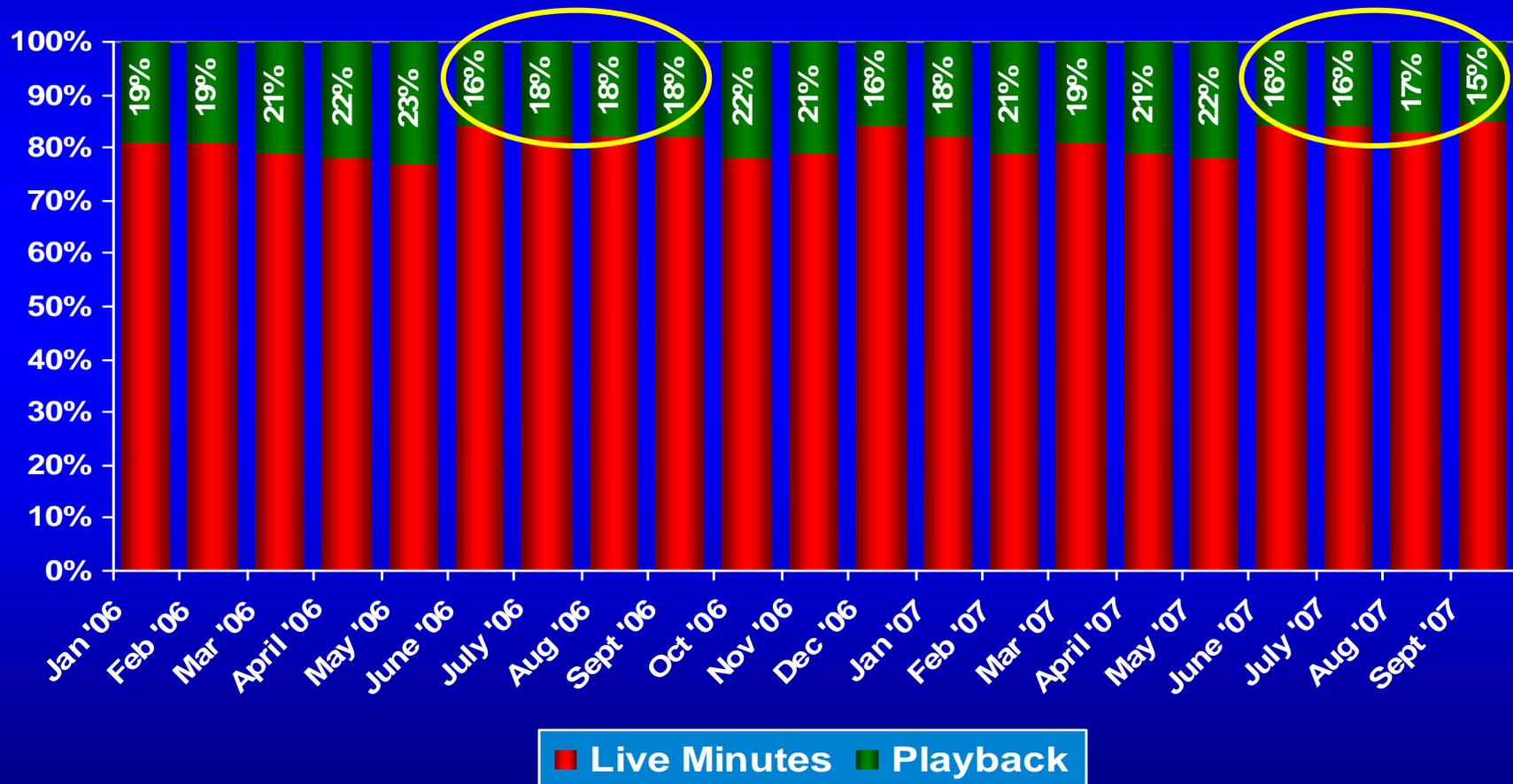
DVR Playback by Daypart

Persons 18-49, May 2007



Live vs. Playback Viewing Prime Usage

P18-49 Playback Among DVR Households



Program Rankings

Broadcast Prime – P18-49 (Oct 2007)

<u>Program Name</u>	<u>Originator</u>	<u>Live</u>	<u>Live+SD</u>	<u>Live+7</u>	<u>7-Day Lift</u>
GREY'S ANATOMY-THU	ABC	6.73	7.60	8.71	1.98
HOUSE	FOX	6.61	7.43	8.36	1.74
HEROES	NBC	4.35	5.19	6.01	1.66
OFFICE	NBC	3.93	4.60	5.47	1.54
DESPERATE HOUSEWIVES	ABC	6.38	7.17	7.81	1.44
SURVIVOR: CHINA	CBS	3.85	4.56	5.02	1.17
CSI	CBS	5.18	5.73	6.34	1.15
PRIVATE PRACTICE	ABC	4.14	4.57	5.09	0.95
BIONIC WOMAN	NBC	3.39	3.70	4.25	0.86
PRISON BREAK	FOX	2.63	3.05	3.49	0.86

Ranked on Largest 7-day Playback Lift

Program Rankings

Cable Prime – P18-49 (Oct 2007)

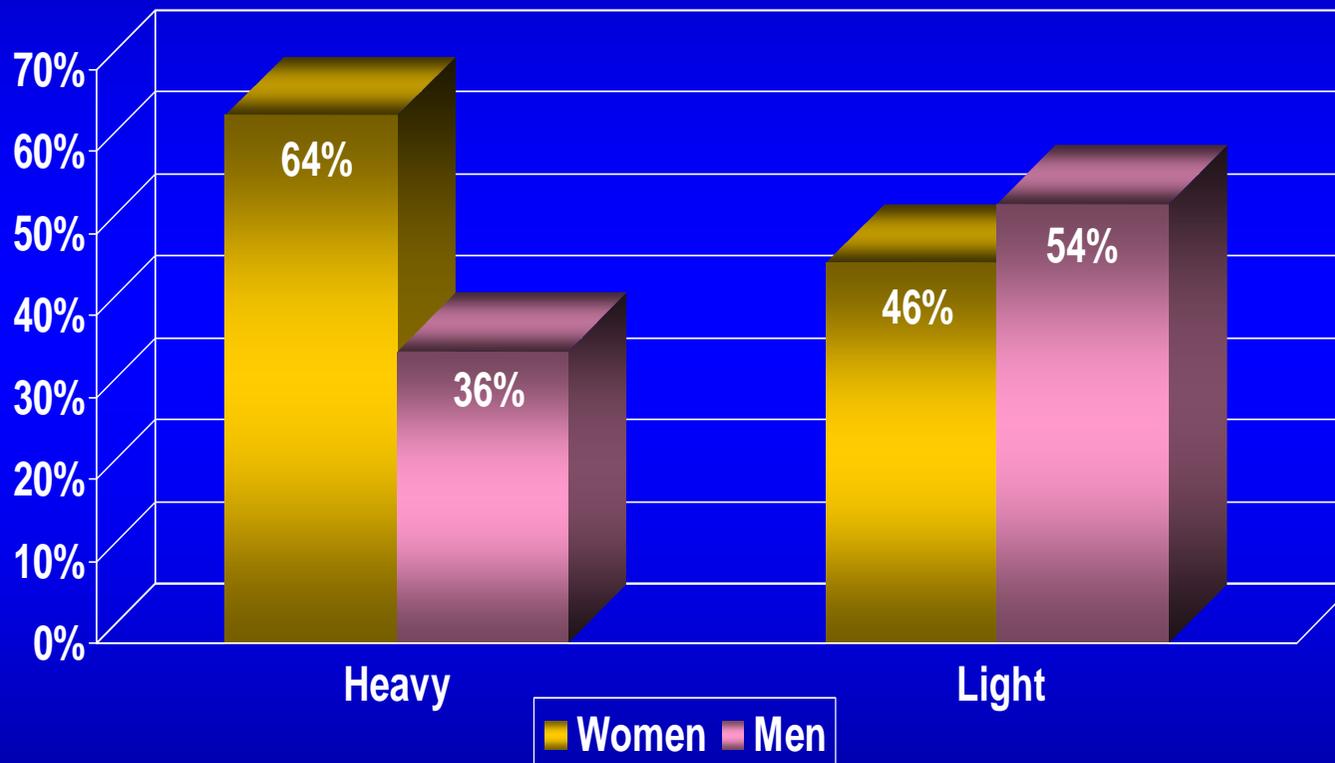
<u>Program Name</u>	<u>Originator</u>	<u>Live</u>	<u>Live+SD</u>	<u>Live+7</u>	<u>7-Day Lift</u>
STARGATE ATLANTIS	SCI-FI	0.47	0.58	0.73	0.27
THE SOUP	E!	0.47	0.54	0.69	0.22
MIAMI/LA INK	TLC	0.73	0.81	0.94	0.21
DOCTOR WHO	SCI-FI	0.45	0.55	0.66	0.21
ALWAYS SUNNY IN PHILADELPHIA	FX	0.63	0.67	0.79	0.17
LINCOLN HEIGHTS	ABC FAM	0.36	0.43	0.52	0.16
SIDE ORDER OF LIFE	LIFETIME	0.33	0.39	0.48	0.15
HILLS, THE	MTV	0.76	0.84	0.91	0.14
WWE ENTERTAINMENT	USA	1.75	1.81	1.89	0.14
LITTLE PEOPLE, BIG WORLD	TLC	0.73	0.77	0.85	0.12

Ranked on Largest 7-day Playback Lift

DVR Seasonal Usage Trends

- **The Amount of Playback Continues to Grow, as More Homes Acquire a DVR**
- **The Amount of Playback in DVR Homes for Persons 18-49 Relative to Live is About 28% Except in the Summer**
- **Broadcast TV Accounts for Almost 70 Percent of Playback in Winter and Then Drops to Less Than 40% in Summer When Ad Supported Cable Accounts for the Most Playback by Source**

Profile Heavy vs. Light DVR Shifters Gender



Summary: Heavy and Light Shifters

Heavy

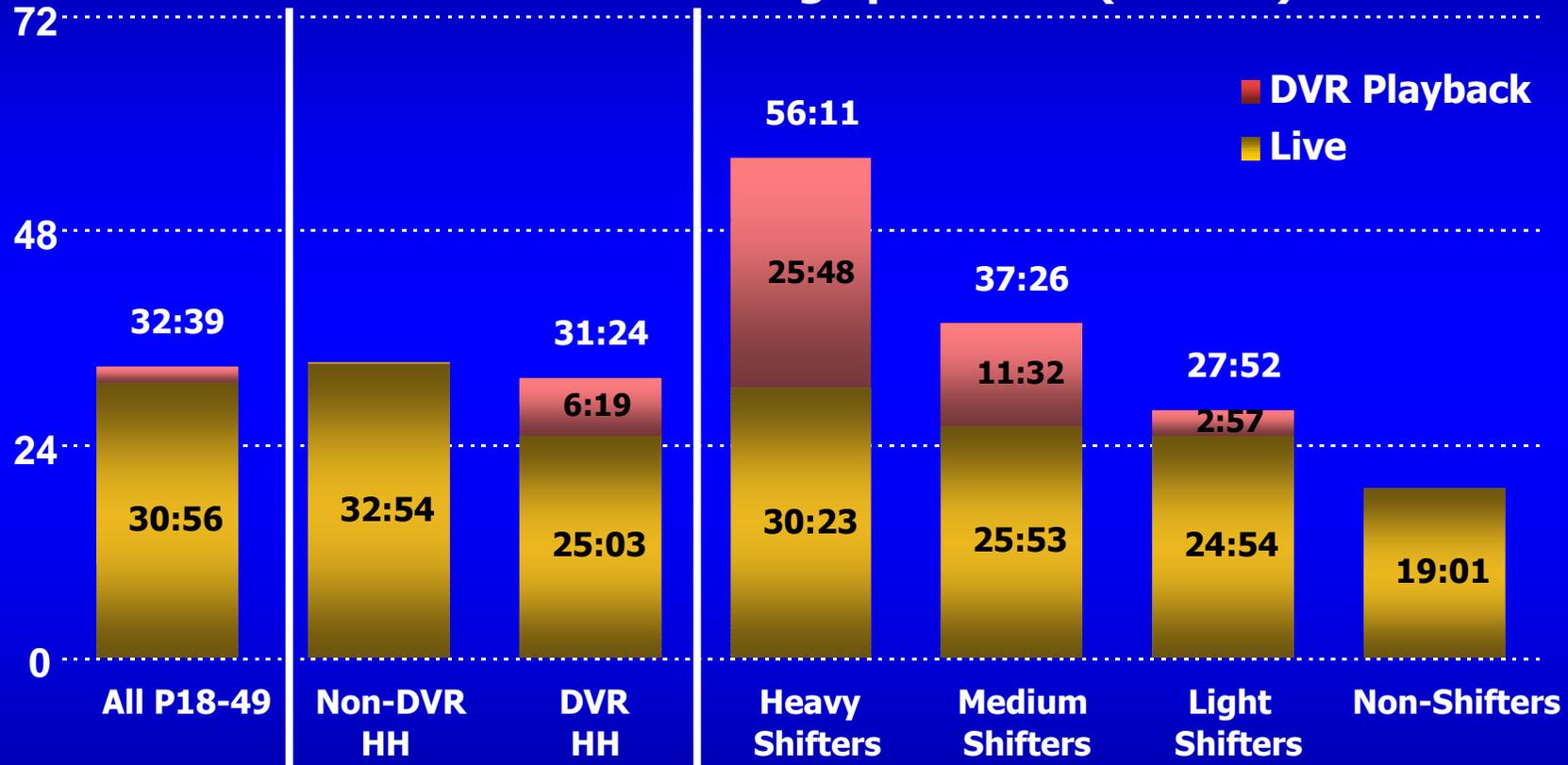
- 10% of Time Shifters Account for 38% of all Time Shifting
- 26 Hours of Time Shifting per Week
- Mostly Women -- Few Younger Men
- Multiple DVRs
- Middle Income
- Fewer High Definition Sets
- Less Likely to Have Children

Light

- 70% of Time Shifters Account for 29% of Time Shifting
- 3 Hours of Time Shifting per Week
- No Gender Difference
- Single DVR
- Higher Income
- More High Definition Sets
- More Children

Average Hours: Minutes Viewed

Persons 18-49 TV Usage per Week (hh:mm) Nov 2007



DVR Playback

Distribution Across Dayparts

Daypart	DVR Playback Distribution			
	All DVR Households	Heavy Shifters	Medium Shifters	Light Shifters
M-F 6A-10A	4.4%	5.0%	4.5%	3.3%
M-F 10A-4P	11.5%	12.8%	11.1%	9.7%
M-Su 8P-11P	33.2%	27.8%	34.5%	39.9%
M-Su 11P-1A	12.4%	11.8%	12.4%	12.5%
M-Su 1A-6A	7.2%	9.1%	6.5%	4.4%
Sat 1P-8P	5.0%	5.4%	4.9%	4.5%

Percent of Viewing by Genre Among DVR Households

	Percentage of Live Viewing	Percentage of 7 Day Playback Viewing	Difference
Sports	14%	7%	-50%
Feature Film	11%	7%	-38%
General Drama	9%	34%	268%
Situation Comedy	6%	8%	21%
News	6%	3%	-50%
Documentary/Music	10%	9%	-13%
Reality/Variety	4%	10%	135%
Daytime Television	<u>3%</u>	<u>9%</u>	<u>183%</u>
TOTAL	64%	86%	

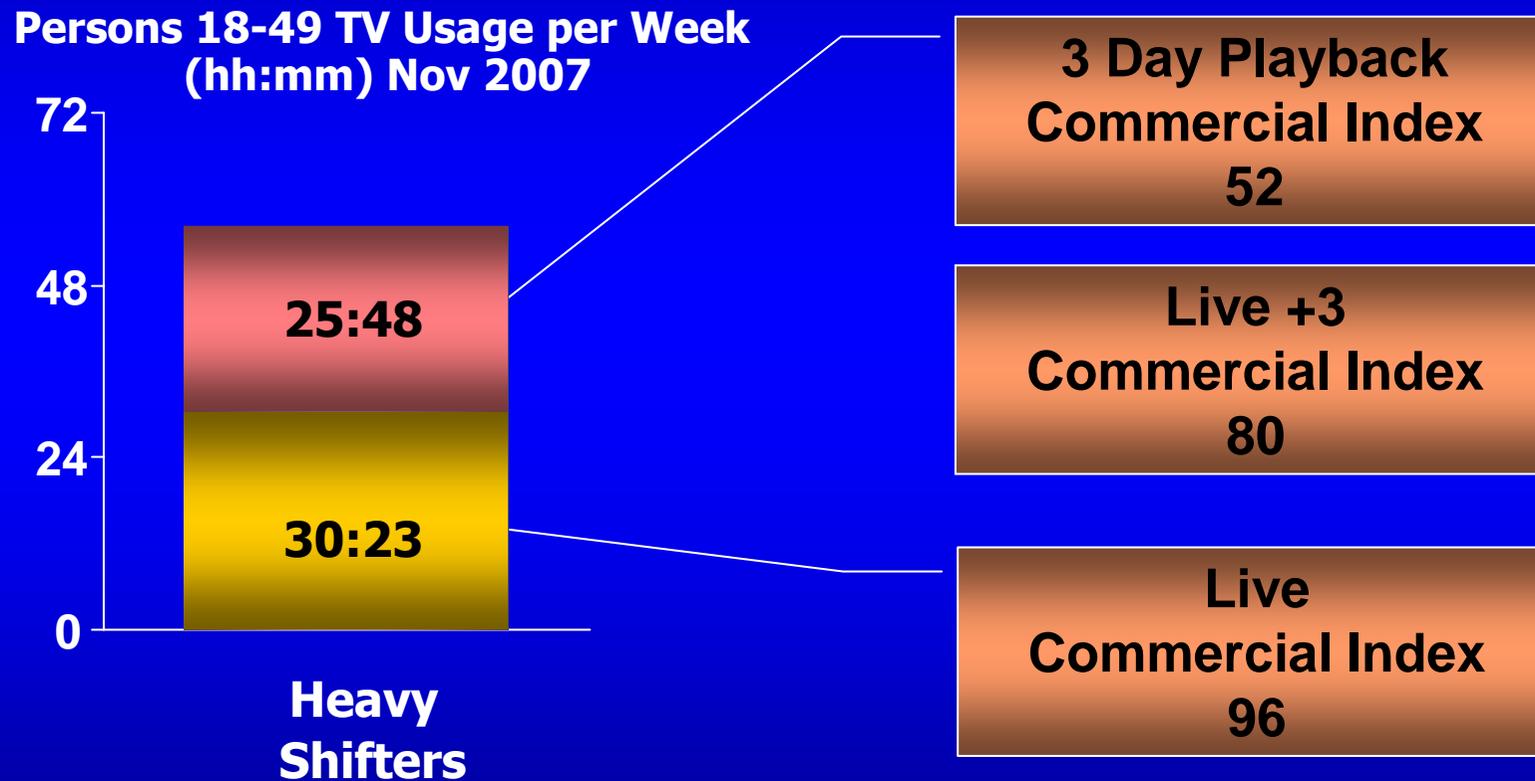
Summary: Time Shifting Habits

- **The Heaviest Time Shifters are Extremely Heavy Viewers – They View Twice as Much as Others**
- **A Small Number of Programs Account for Almost 25% of All Time Shifting**
- **Scripted Television Programs and General Dramas Are by Far The Most Time Shifted**
- **Sports and News Are Far Less Time Shifted**

Commercial Indices by DVR User

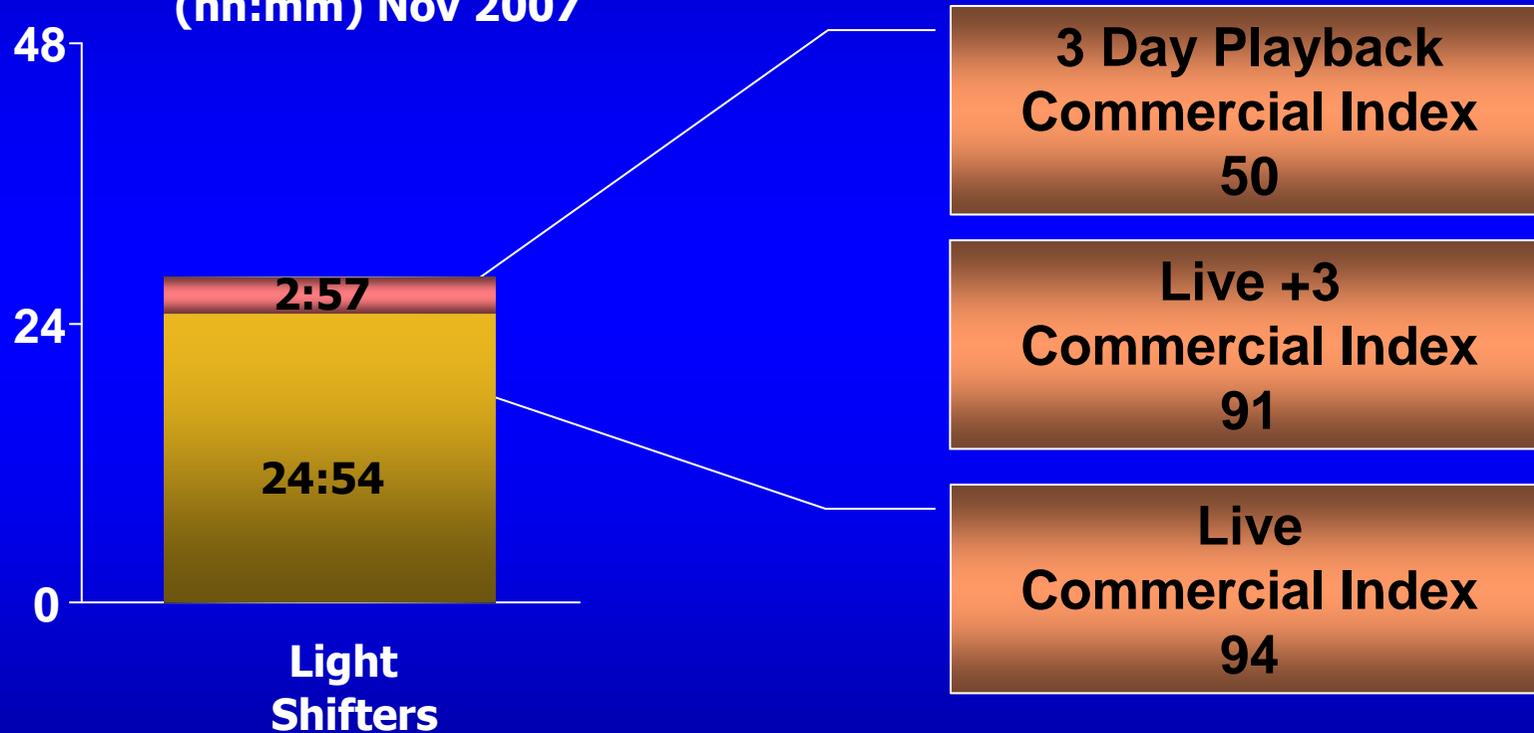
M-Su 6A-6A	Commercial Index		
	Live	3 Day Playback	Live+3
Total US	94	50	92
Non-DVR HH	94		
DVR HH	95	50	88
Heavy Shifters	96	52	80
Medium Shifters	95	48	83
Light Shifters	94	50	91

Commercial Exposure: Heavy Shifters



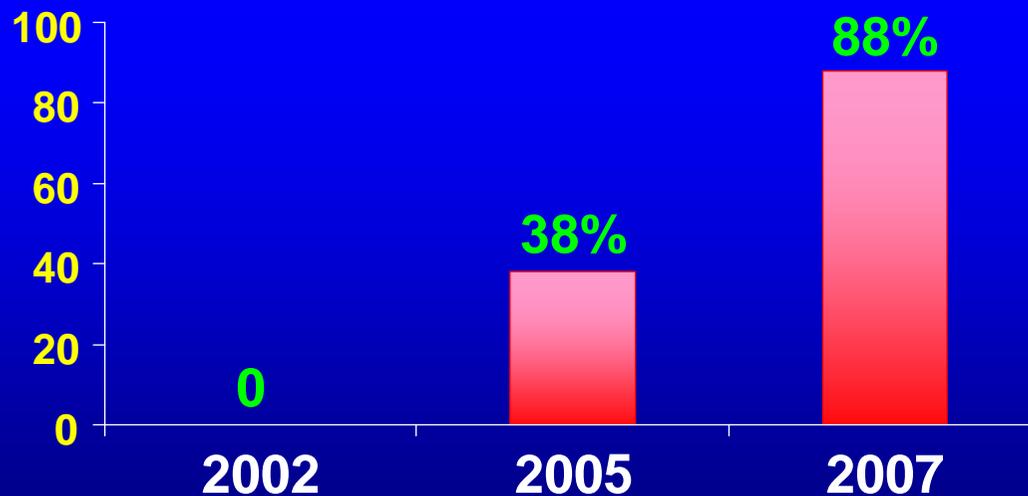
Commercial Exposure: Light Shifters

Persons 18-49 TV Usage per Week
(hh:mm) Nov 2007



Digital Video Is Changing The Landscape

- In the U.S., 81 Million People Watch Video Online at Home or Work
- In the U.S. Mobile Internet has 77 Million Subscribers
- In Finland, Penetration of Digital Has Reached Almost 100 %



The Importance of Digital Measurement

- Beginning in 2003, Finnpanel Launched Digital Measurement in Finland
- In 2007 Finnpanel implemented UNITAM Technologies to measure Time-Shifted Viewing
- The Finnish Media Industry is Facing A More Complex Media Landscape
- Finnpanel Backed by The Nielsen Company is Here to Help!

THANK YOU

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March 2008
Helsinki, Finland

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