

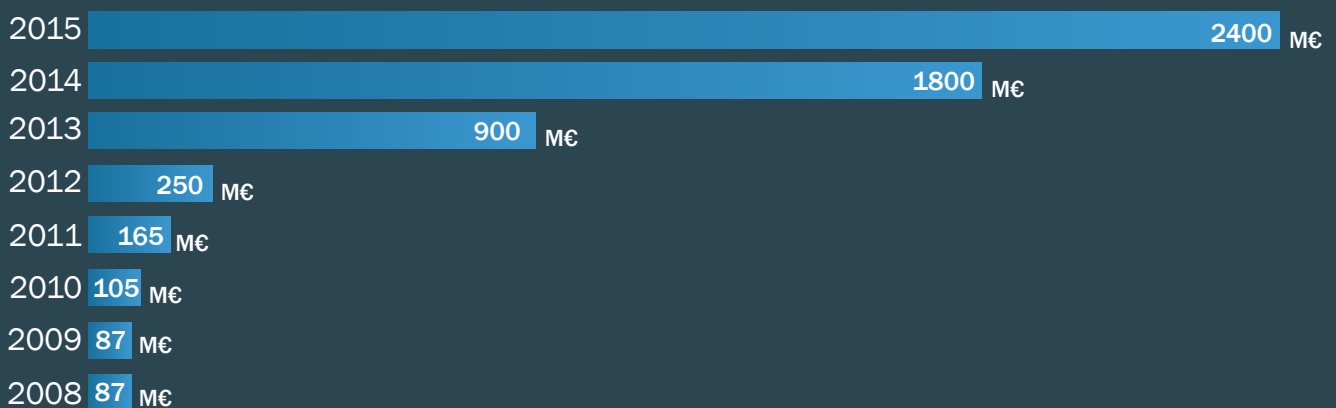
THE GAME INDUSTRY OF FINLAND 2015

2015

In 2015, the Finnish game industry grew in all indicators. The amount of games published, the amount of employees and the total turnover increased. Furthermore the public interest in games strengthened in Finland.

TURNOVER

Combined Industry Turnover



Neogames estimates that the revenue of the Finnish game industry was about 2,4 billion euros in 2015.

Compared with 2014, the industry grew 33 percent. The estimate will be specified when all studios have published their financial information from 2015. The vast majority, 95 percent of the revenue came from exports. The Finnish game industry has developed considerably with Supercell's lead, much faster than the global economy. From a national economy perspective, the industry has become a relevant export sector.

On the global level, the game industry grew nine percent in 2015 reaching 92 billion dollars (84 billion euros, source: Newzoo). Remarkable part of the growth of the global and indeed the Finnish game market, came from the Asia. In comparison, the operating income of game development in Finland is estimated to be in the top three within Europe.

INVESTMENTS

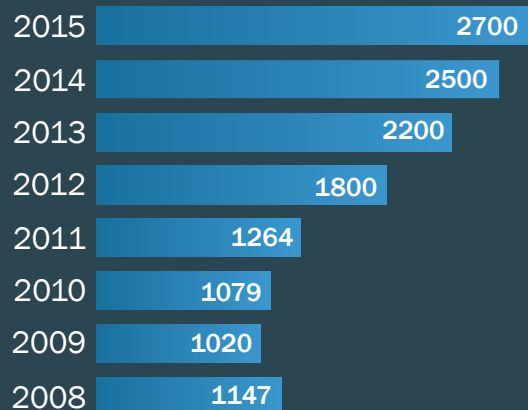
36M€

The yearly foreign investment in the industry in 2015

Eight Finnish companies received a remarkable foreign investment in 2015, for a total worth of 40 million dollars (36 million euros). The largest single investment was received by Seriously, 18 million dollars (16,4 million euros). The larger part of the investments came from the western market, but in a few cases from Asian investors as well. The amount of investments grew in comparison to 2014, but the amount of game studios invested in decreased (2014: 33 million euros and 11 game studios).

COMPANIES AND EMPLOYMENT

Employees



The Finnish game industry held a total of 290 companies in 2015: 250 limited-liability companies, 30 trader entrepreneurs and 10 cooperatives. According to Neogames' statistics, 29 new companies were founded in 2015. The amount is half of what were founded in the record year of 2012 (55). A third of the new companies were so-called Second Round Start-ups, meaning their founders have previous experience from the industry. This can be seen as a sign that the industry is now well-established. 20 of the companies were founded more than ten years ago. The vast majority, 40 percent of the companies are located in the Helsinki area and the rest in the local growth hubs around Finland.

The industry employed 2700 people at the end of 2015 and despite Rovio's lay-offs in the autumn, the amount of industry employees increased by 200. The greater part of the industry professionals work in the Helsinki area.

NEW GAMES

150

New Finnish games released in 2015

150 commercial games were published in Finland in 2015, in all the major platforms (mobile, console, PC). Furthermore, games were likewise published on new platforms: the smart watch (Apple Watch) and VR (virtual reality).

In light of the games published, the Finnish industry is still mobile driven. The absolute majority of sales and the biggest financial successes in 2015 came from mobile games. However, the mobile game market's tough competition made it difficult for new companies to emerge. The expenses of marketing and the cost of requiring new users grew and indeed the amount of investments needed increased. Globally the mobile market segment augmented 20 percent and it is expected to keep growing. According to research center Newzoo, the total net worth of the global mobile market is estimated to be around 26 billion dollars (24 billion euros). Furthermore Newzoo evaluates that the operating income will surpass 24 billion dollars (32 billion euros) in 2017.

In addition, games are being developed to other platforms as well. Especially Steam, an Internet-based digital distribution platform for PCs became a successful platform for publishing in game developers eyes. 30 PC or console games were published in Finland in 2015.

NEW GENERATION OF TALENT

689

Professional/
semiprofessional
young game
development
enthusiasts

The Finnish Game Jam and Assembly drew people interested in games as a hobby, the Finnish Game Jam's main event gathered 689 game enthusiasts, in 15 different towns. Finland is certainly one of the most active game developer countries in non-professional developers too. The same active trend can also be seen in eSports.

WHAT TO EXPECT IN 2016?

TOP 5 for 2016:

- *Clash Royale*
- *Quantum Break*
- *Alienation*
- *Angry Birds Movie*
- *Pollen*

2016 is expected to be again a successful year for the industry. *Clash Royale*, published by Supercell at the beginning of the year, is already on Apple's top grossing list. Remedy's long-awaited *Quantum Break* will be released at the beginning of April and another industry veteran's Housemarque's *Alienation* at the end of April. *Angry Birds Movie* by Rovio will premier in May. Mindfield Games' *Pollen* is the first full VR game made in Finland, it will be released in April. Additionally, several other companies that received investments last year will publish new games during 2016. In 2016 we will see also more investments in game studios.