## What’s Included

**Electronic Sell-through (EST) - Priced for Sale Unlimited Viewing**

**Video-on-Demand (VOD) - Transactional VOD, Limited Viewing Period**

<table>
<thead>
<tr>
<th>Delivered via</th>
<th>Examples</th>
<th>Included</th>
</tr>
</thead>
<tbody>
<tr>
<td>iVOD</td>
<td>Internet Service (iTunes, Amazon Prime, Google Play, FandangoNow)</td>
<td>Yes</td>
</tr>
<tr>
<td>cVOD</td>
<td>Cable/Satellite</td>
<td>Yes</td>
</tr>
<tr>
<td>pVOD</td>
<td>Internet</td>
<td>No</td>
</tr>
</tbody>
</table>

**SVOD - Monthly Fee to access content i.e. Netflix, Hulu, CBS All Access and Disney+**

**AVOD - Includes Advertising, i.e. PlutoTV, Tubi**

https://www.degonline.org/portfolio_page/deg-digital-entertainment-definitions/
U.S. Consumers Spent $15.7B in the First Half of 2021 on Home Entertainment

U.S. Consumer Home Entertainment Spending

First-Half 2021
(in billions)

- Sellthrough: $0.95
- Rental: $0.43
- Digital: $14.30

First-Half 2020
(in billions)

- Sellthrough: $1.27
- Rental: $0.57
- Digital: $13.06

Increase: 5.2%
Consumers Continue as Pandemic Restrictions Relax

- Consumers found plenty to watch buoying spending 5% for the first-half
- Demand for library product was strong
- Few new release movies debuted in first half of 2021
  - Most released in premium window
Digital Spending (EST and VOD)

- Consumers spent more than $2 billion on EST and VOD transactions in the full first-half of 2021
- Theatrical catalog growth rate strong
Electronic Sell-through (EST)
EST Down 29% at Mid-Year

Theatrical box office down 87.5% for the half
- Fewer titles to EST
- Released first in premium window
- Included as part of subscription packages
EST YOY 2021 vs 2019 Pre-pandemic

EST Year-Over-Year 2021 vs 2019

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2019</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>-18%</td>
<td>-7%</td>
</tr>
<tr>
<td>Q2</td>
<td>-38%</td>
<td>-3%</td>
</tr>
<tr>
<td>First Half</td>
<td>-29%</td>
<td>-6%</td>
</tr>
</tbody>
</table>
Video on Demand (VOD)
VOD Spending drops in First Half

VOD Year-Over-Year

-50% -40% -30% -20% -10% 0%

Q1: -27%
Q2: -39%
First Half: -33%
iVOD Spending declines in First Half

iVOD- Year-Over-Year 2021 vs 2020

-31% Q2
-8% Q1
-20% First Half
-35% -30% -25% -20% -15% -10% -5% 0%
iVOD Spending declines in First Half

iVOD- Year-Over-Year 2021 vs 2019

- Q1: 2019 -8% vs 2021 -31%
- Q2: 2019 21% vs 2021 -20%
- First Half: 2019 24% vs 2021 -40%
Streaming Gains Ground with Consumers

Subscription Streaming* - Year-Over-Year 2021 vs 2020

- Q1: 27%
- Q2: 17%
- First Half: 21%

*SVOD data sourced from Omdia (technology.informa.com). Disclaimer: The data is not an endorsement and reliance is at a third party's own risk.
Thank you!
Judith McCourt