DIGITAL CONTENT ~~UP~~ NEWFRONTS 2016

New York City • May 2 – May 13

Intro & IAB NewFronts Research

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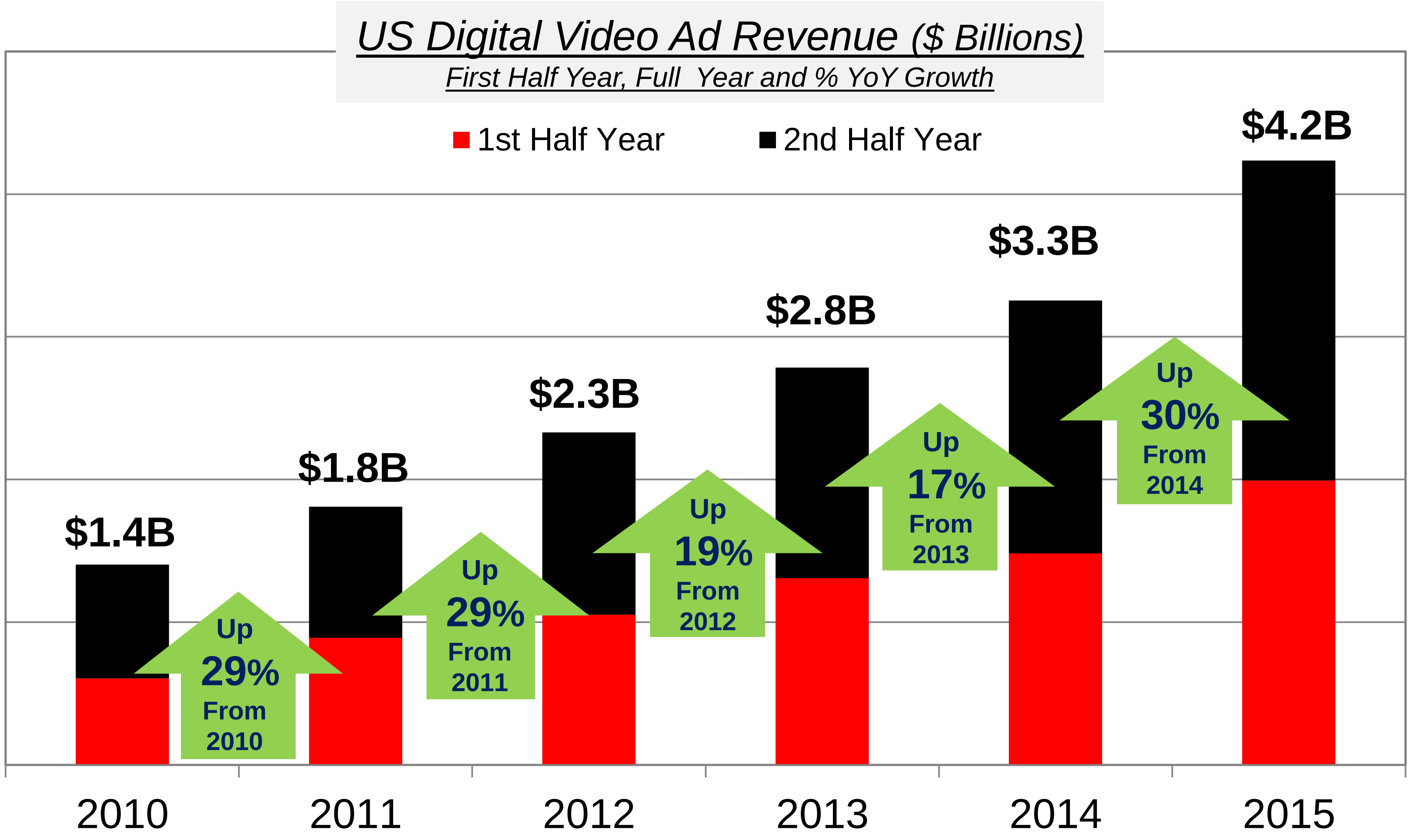
iab.

2015 Digital Video Ad Revenue: $4.2 Billion

Full Year Revenue Has Tripled Since 2010

2015
Internet Ad Revenue
$59.5B

Up 20% From 2014

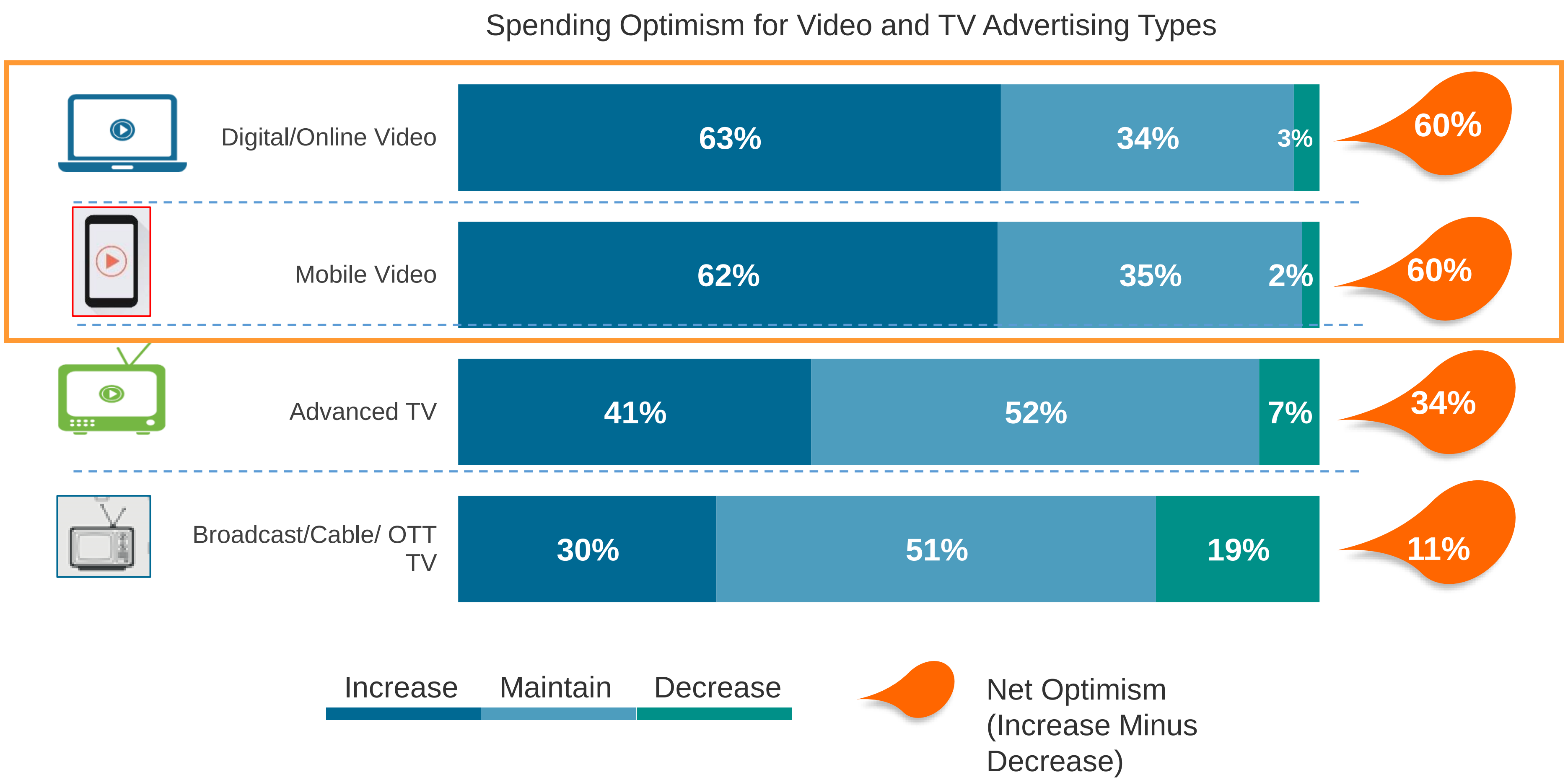


Source: IAB Internet Advertising Revenue Reports, Full and Half Year 2010-2015

http://www.IAB.com/AdRevenueReport

Nearly Two-Thirds of Buyers Plan to Spend More on Digital and Mobile Video

Highest Optimism for Digital Video and Mobile Video Advertising | Most Expecting to Maintain Current TV Spend Levels



TV-Focused buyers show greater Spend Optimism than their Digital-Focused counterparts **across all media types**

Digital Video

- Digital-Focused: 60%
- **TV-Focused: 77%**

Mobile Video

- Digital-Focused: 60%
- **TV-Focused: 76%**

Advanced TV

- Digital-Focused: 36%
- **TV-Focused: 59%**

Broadcast TV

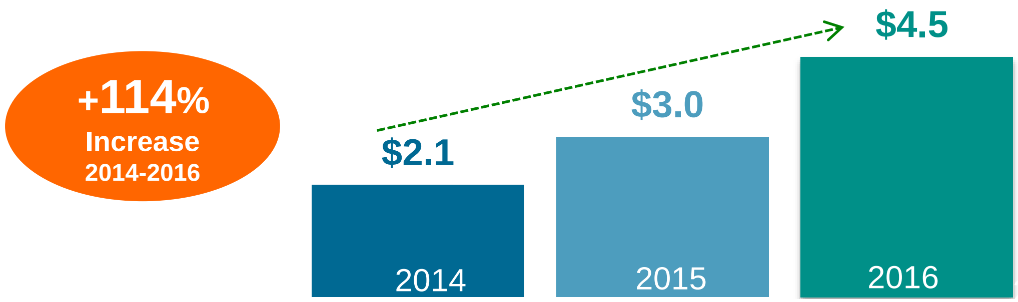
- Digital-Focused: 28%
- **TV-Focused: 41%**

Q125: In the next 12 months, would you expect the amount of [your company's/your clients'] spend on the following types of advertising to increase, stay the same or decrease?

Base: Total Respondents

Annual Average Spend on Original Digital Video Has More Than Doubled Since 2014

Average Annual Ad Dollar Amount Spent on ODV (in millions)



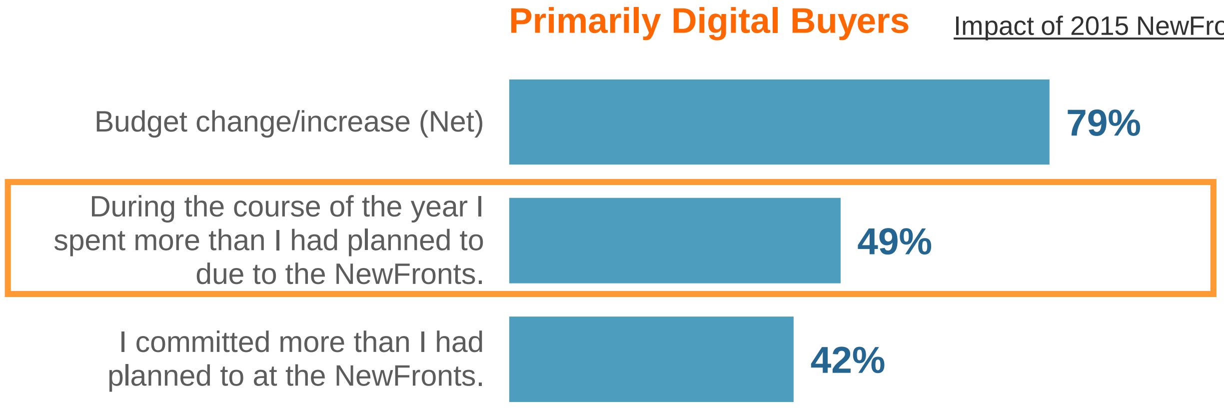
= % Change in Average Annual Ad Spend on Original Digital Video 2014 – 2016

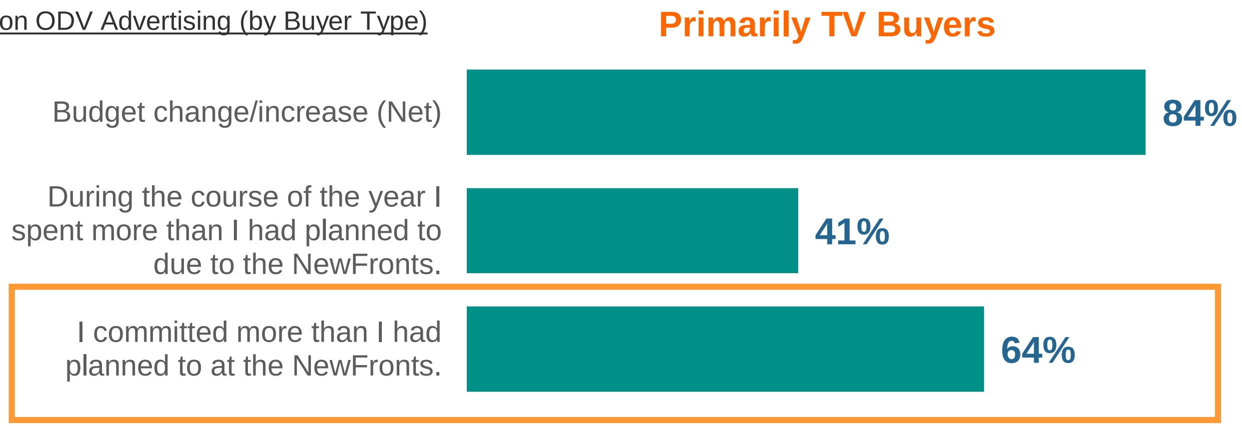
8 in 10 Advertisers Increased Original Digital Video Budgets as a Result of Attending the NewFronts

Digital-Focused Buyers Spend More Throughout the Year

TV-Focused Buyers Commit More than Planned at the NewFronts

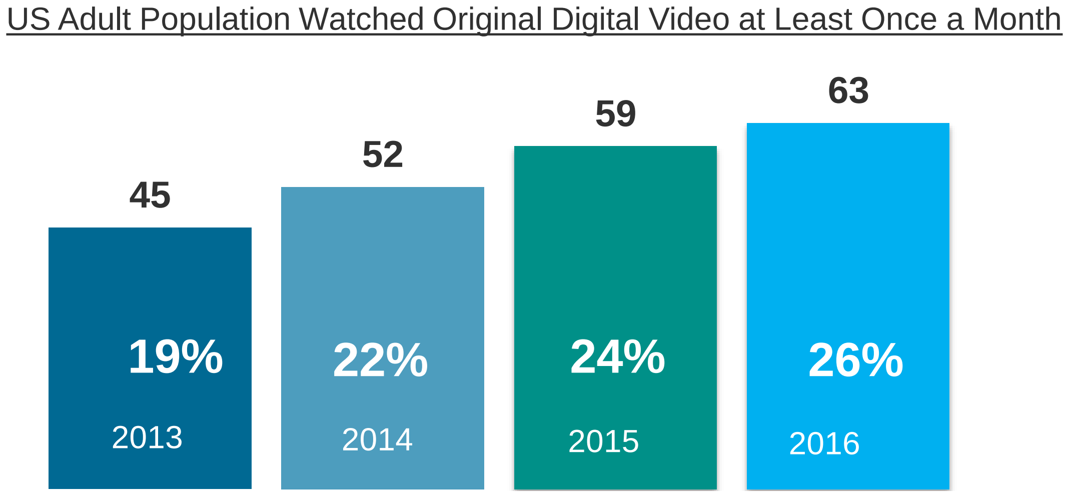
Impact of 2015 NewFronts on ODV Advertising (by Buyer Type)

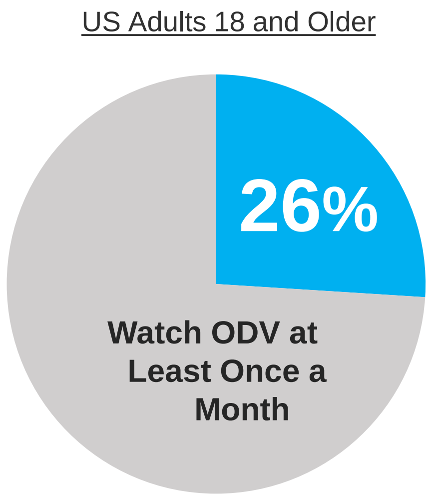




Q143. Previously you said your company will spend [INSERT RANGE] on digital/mobile video in 2016. We'd like to get a bit more detail on that and prior year's spending. To the best of your knowledge, what exactly was that spending amount in 2014 and 2015? What do you anticipate spending in 2016? **Q145** What portion of your total digital video advertising budget for [your company's/your client's] biggest most important product or service in the [INSERT ASSIGNED MARKET SECTOR] market was spent advertising on each type of content in 2014 and 2015? And what do you anticipate those shares will be in 2016? Your column totals should add to 100%. **Base:** Total Respondents
Q163b In which of these ways did the 2015 Digital Content NewFronts affect your advertising on original digital programming content? **Base:** Respondents who Participated in 2015 Digital Content NewFronts

26% of US Adults Watch Original Digital Video Monthly

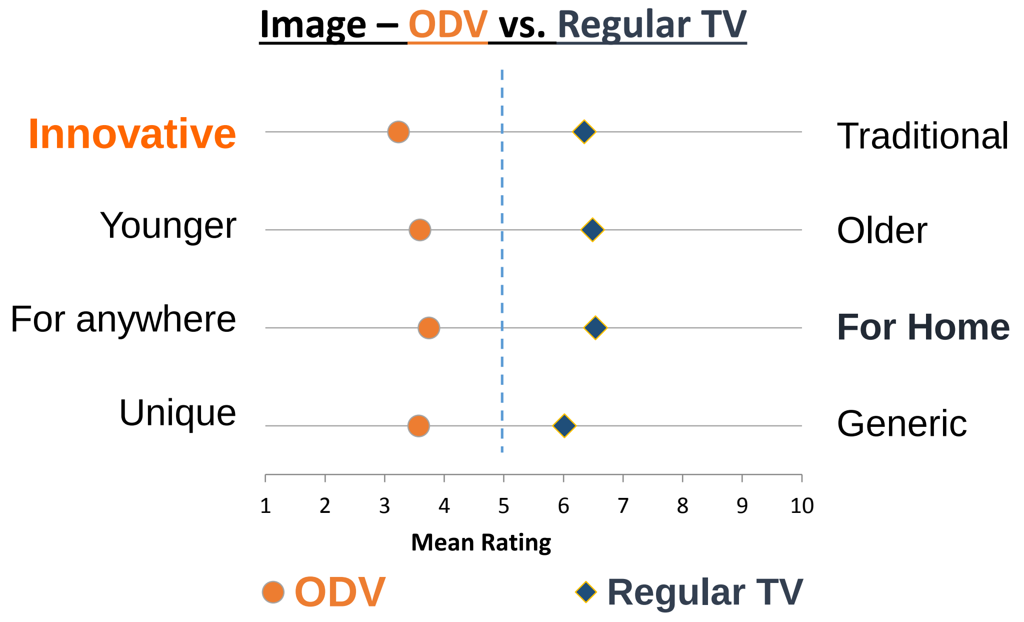




Original Digital Video is More Innovative and its Ads are More Memorable and Fun

38% Say They Tend to Remember Ads in Original Digital Video

36% Find Ads in Original Digital Video to be "More Interesting" or "Fun"



http://www.IAB.com/OriginalVideo

IAB 2016 Original Digital Video Consumer Insights Study