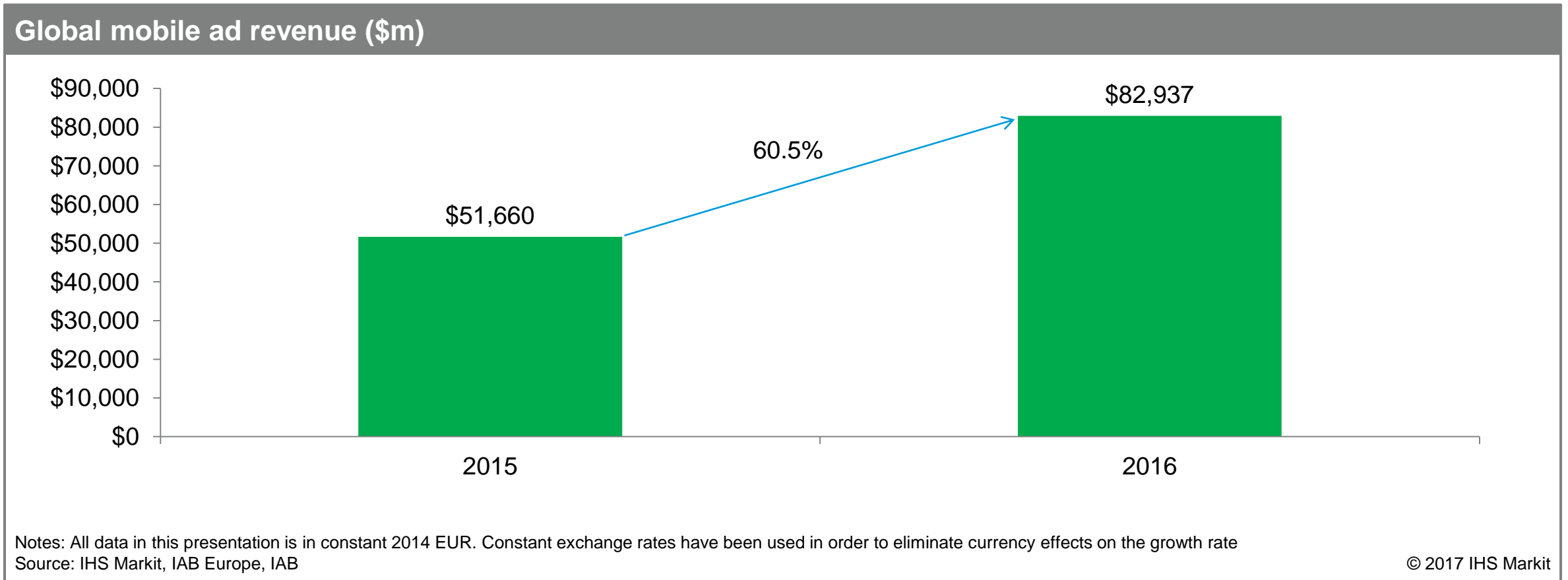


Global Mobile Advertising Revenue 2016

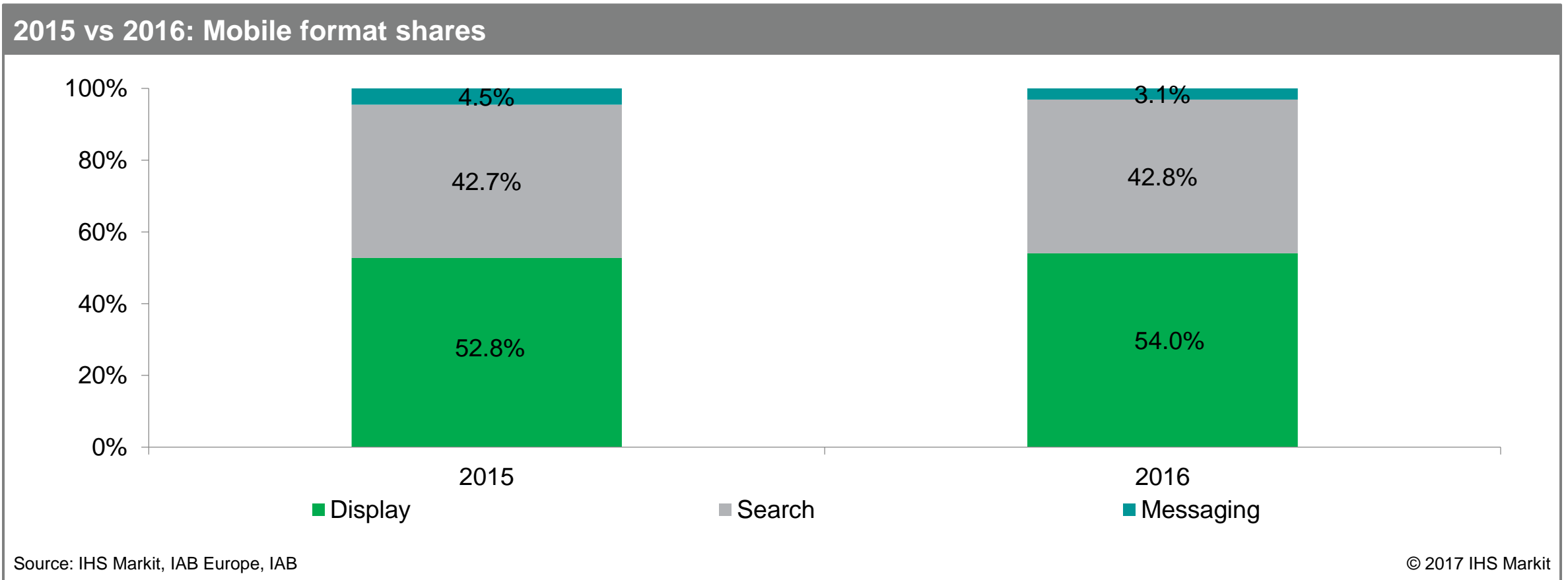
Kia Ling Teoh, Analyst, Technology, Media and Telecom

Qingzhen Chen, Senior Analyst, Technology, Media and Telecom

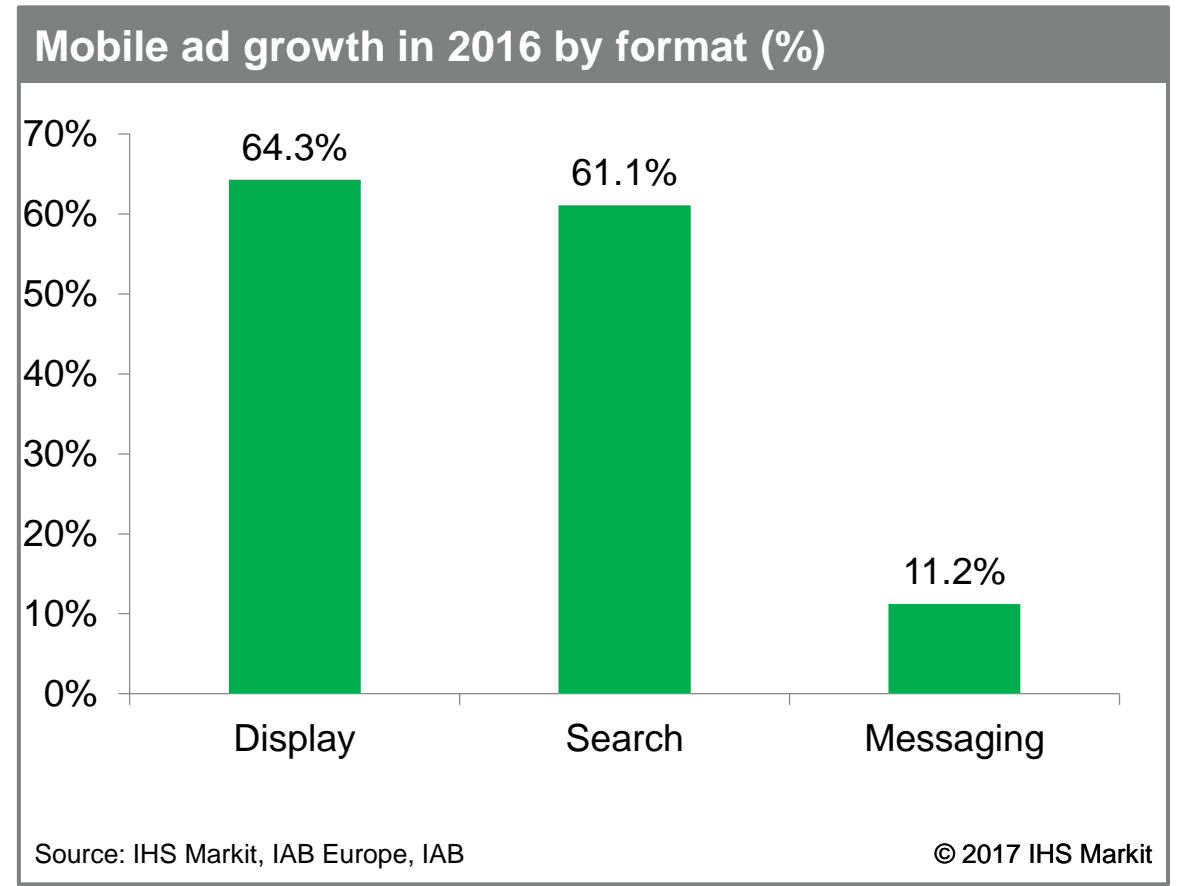
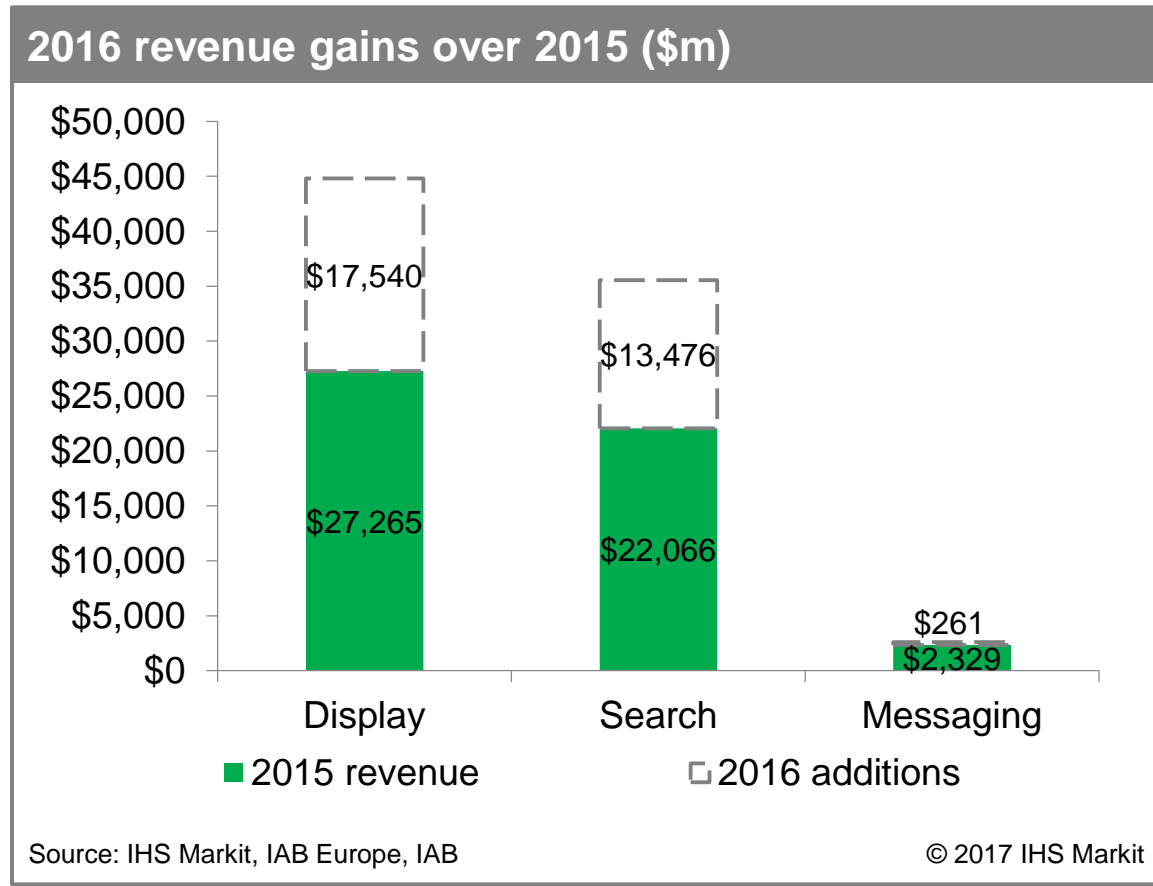
Global mobile advertising revenue up 60.5% year-on-year to \$83bn



Display takes lions share of spend as messaging faces further pressure

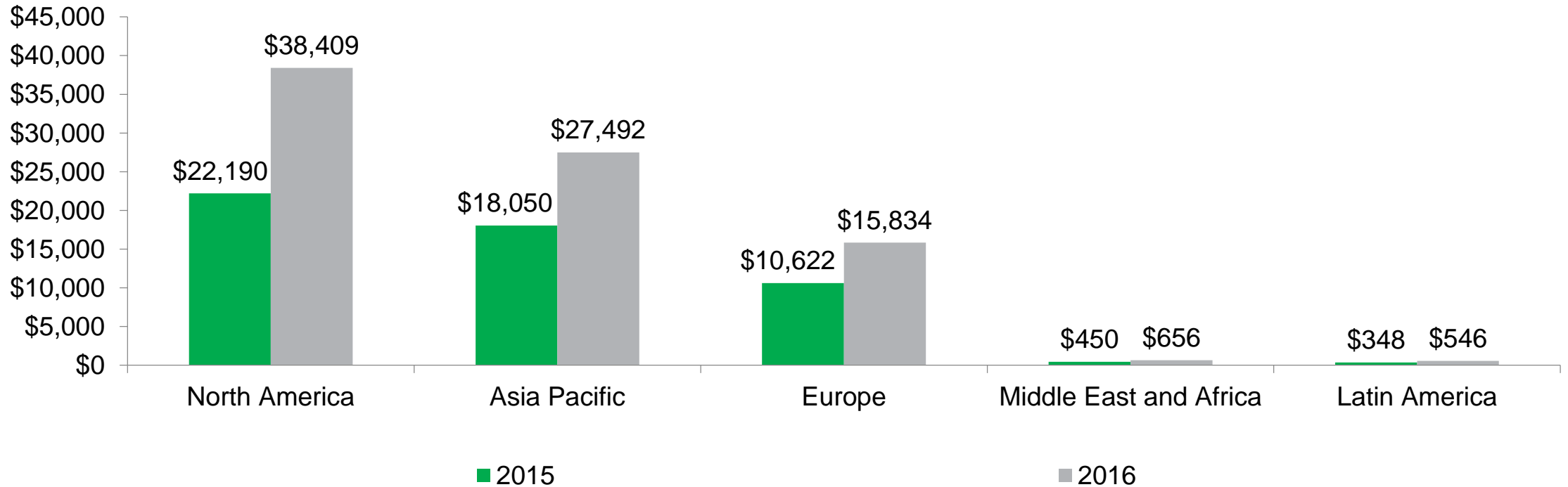


Mobile display advertising revenue growth outperforms other formats



North America remains the largest mobile advertising market

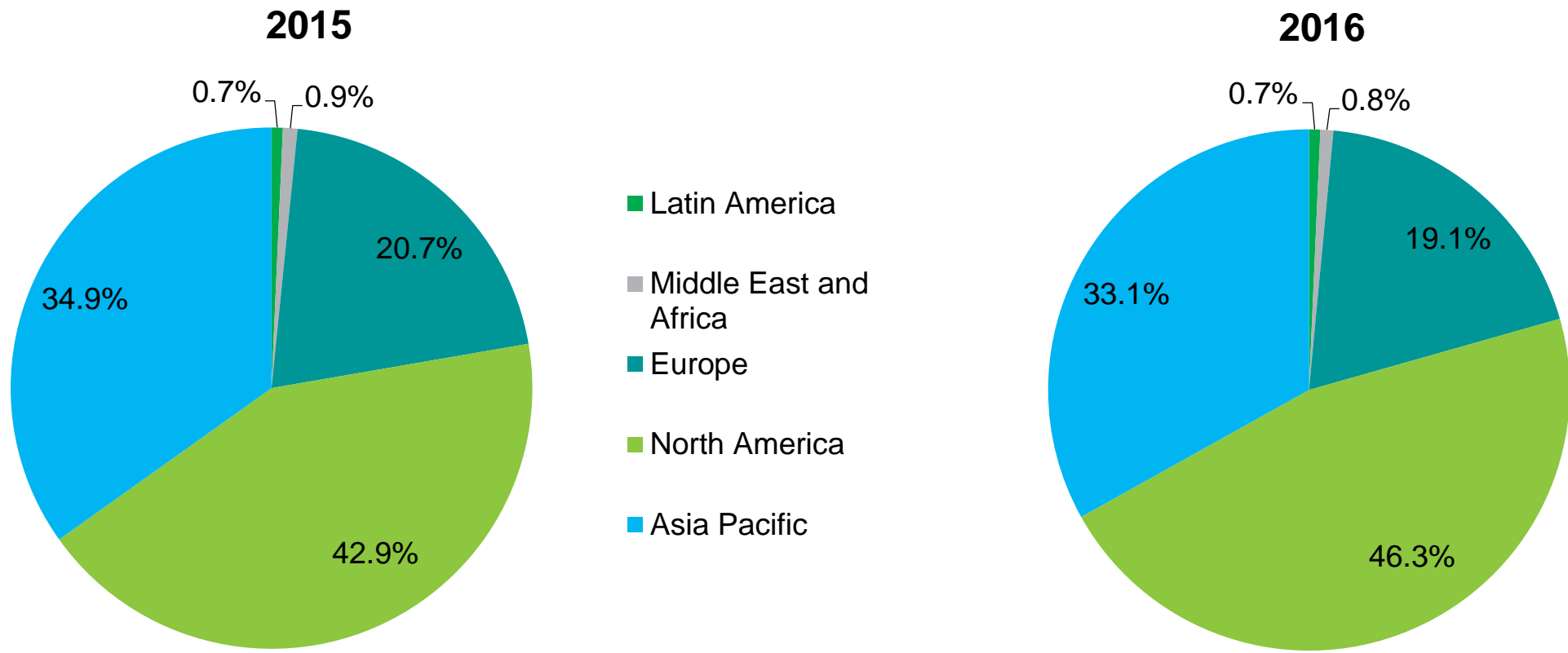
2015 vs 2016: Mobile ad revenues by region (\$m)



Source: IHS Markit, IAB Europe, IAB

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Minor changes in share of global mobile advertising revenue

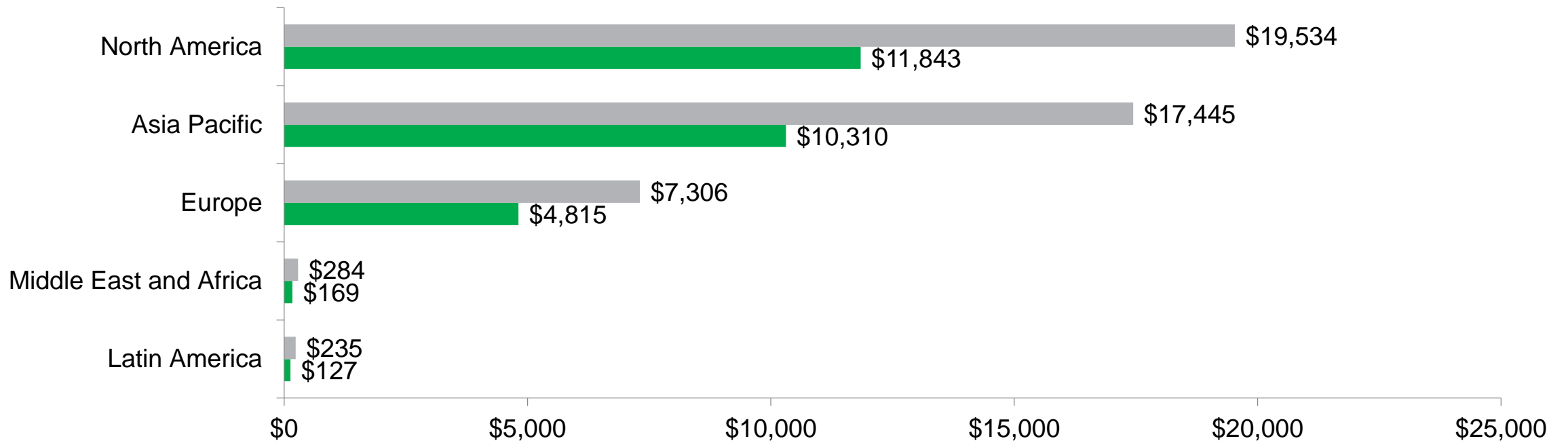


Source: IHS Markit, IAB Europe, IAB

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North America remains the largest mobile display advertising market

2015 vs 2016: Mobile display ad revenues by region (\$m)

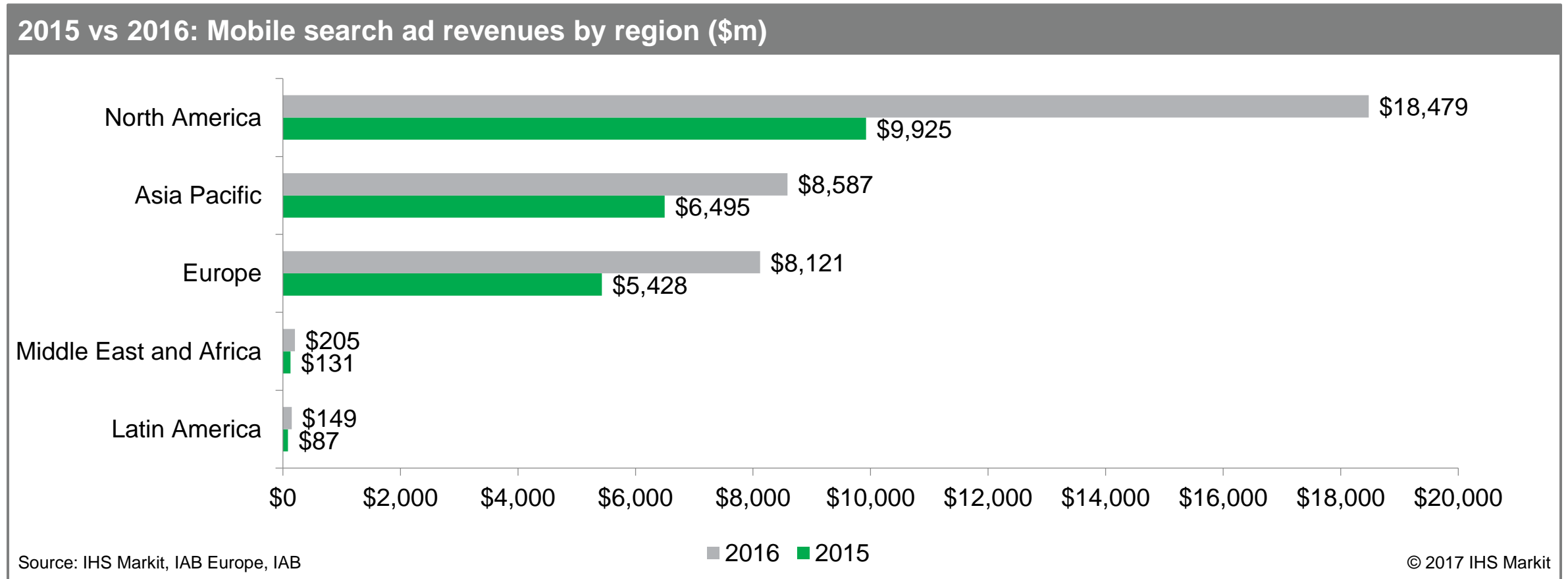


Source: IHS Markit, IAB Europe, IAB

■ 2016 ■ 2015

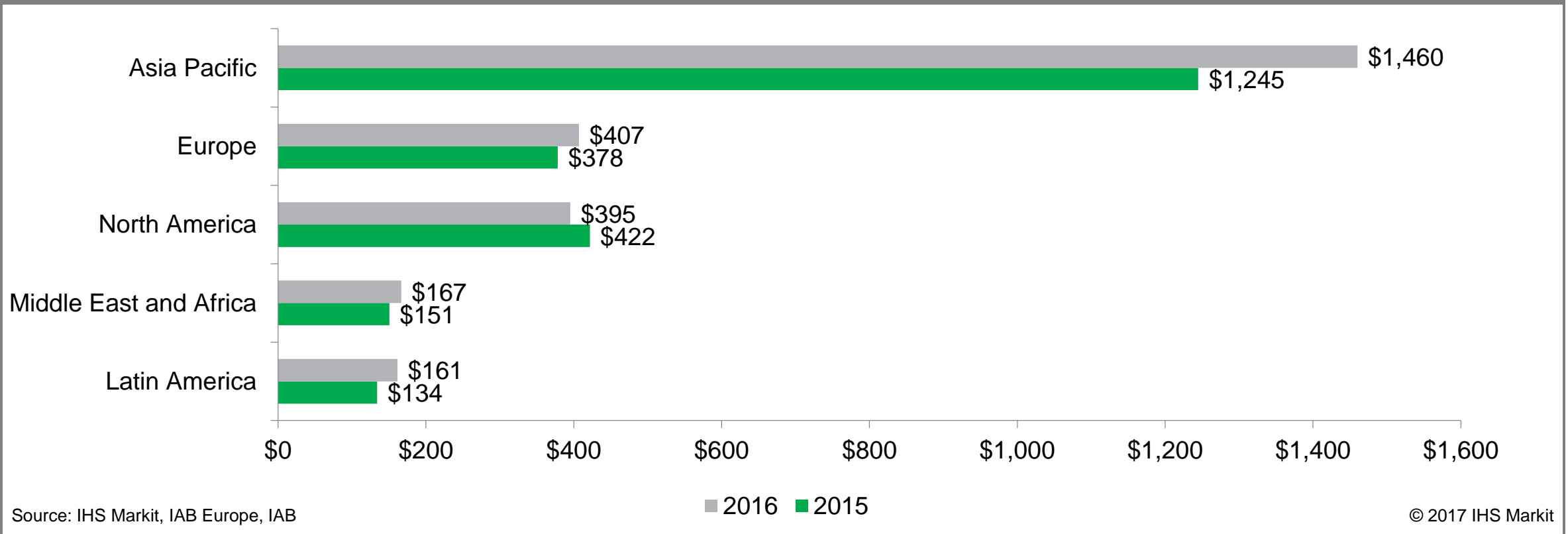
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Unchanged regional ranking in mobile search advertising

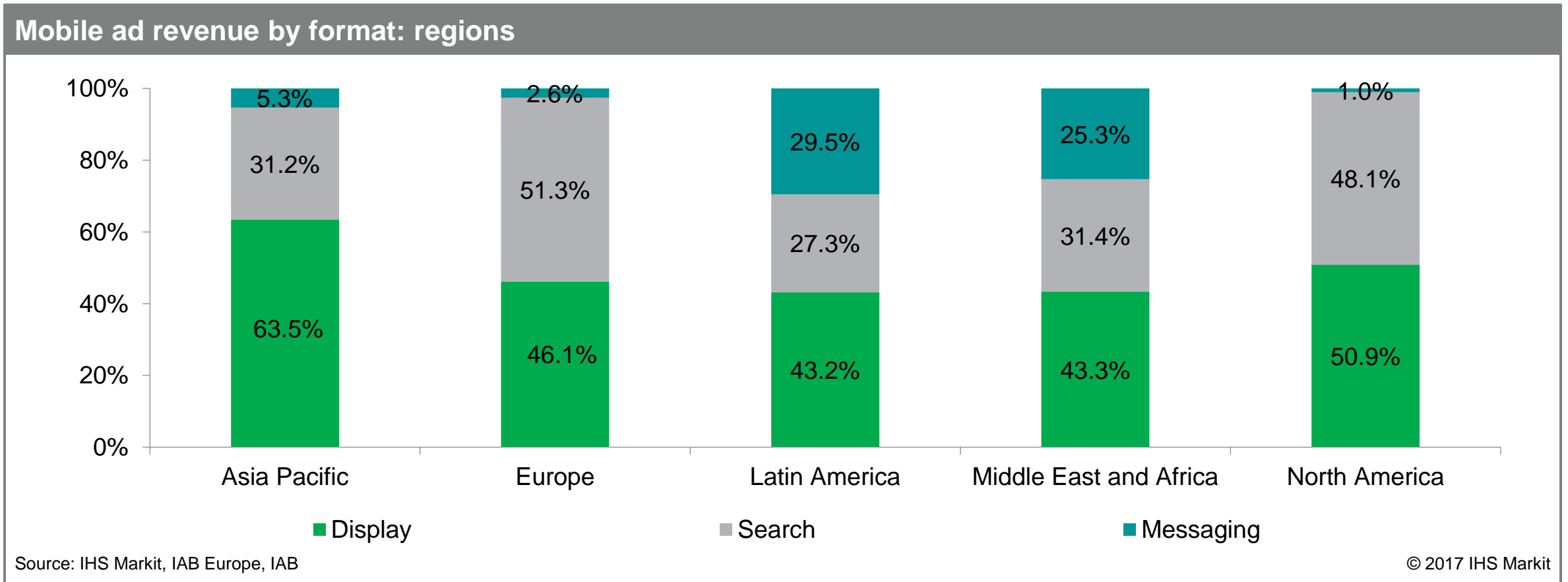


Robust growth in Asia Pacific mobile messaging advertising

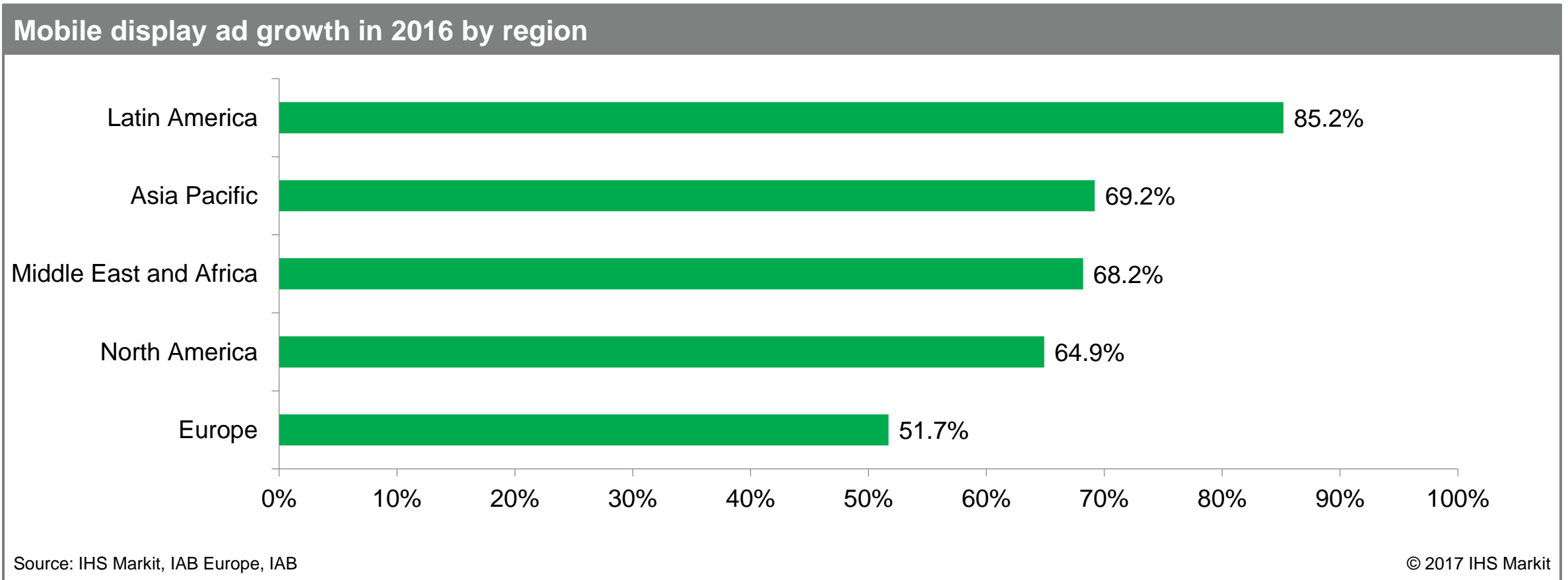
2015 vs 2016: Mobile messaging ad revenues by region (\$m)



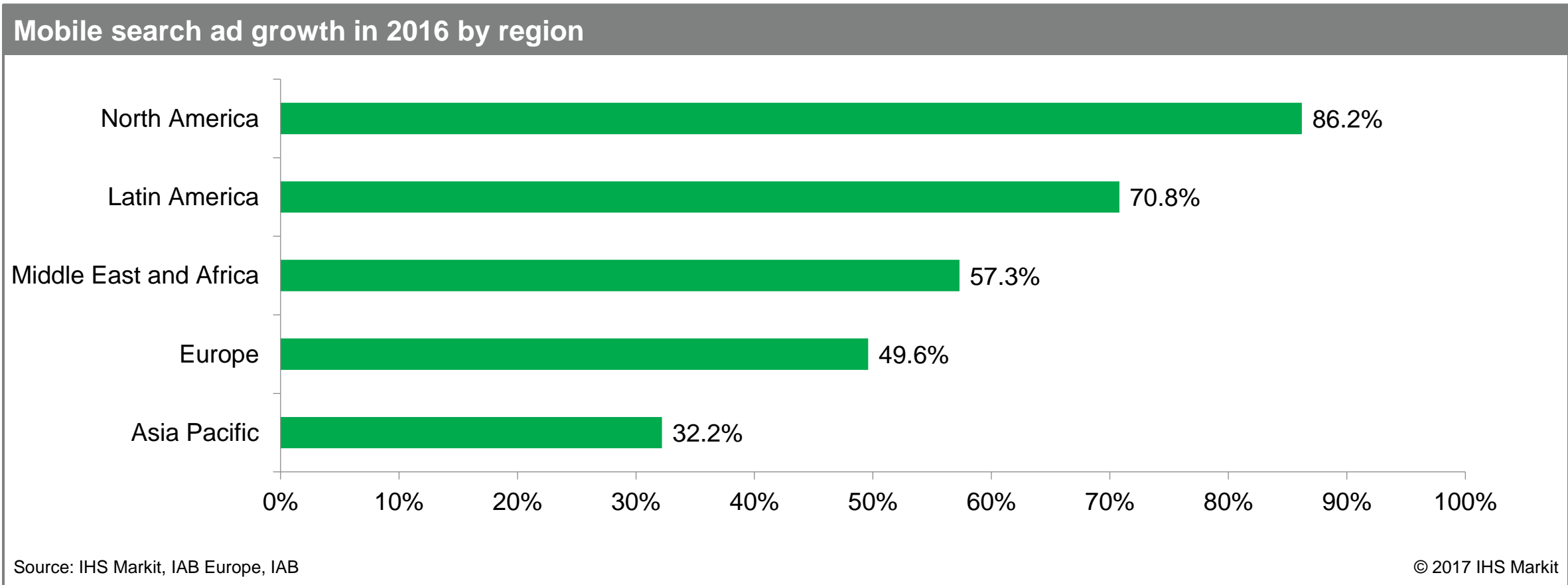
Strong differences across format distribution globally



Latin America mobile display market grows the fastest



North America search growth takes lead on Latin America



Definition of Mobile Advertising Formats

- **Display:** Any display advertising viewed or read on a mobile phone including rich media and video advertising. This could be browser-based as well as in-app.
- **Search:** Advertising appearing on specific word requests on search engines, viewed on a mobile device.
- **Messaging (SMS/MMS):** 3rd party ads in SMS and outbound SMS only - this includes advertising either within the body copy of an SMS/MMS message, or outbound messaging.

Methodology

- Market size is based on gross numbers, defined as after discounts, before agency commissions. Global market sizing and format split are based on reported data by local IABs from around the world—each using their own methodologies—and a statistical and econometric model that synthesizes the data. Reported data has been harmonized to adjust for discounts and agency commissions. Modeled data is based on variables such as smartphone penetration, 3G subscriptions, and messaging volume. The model has been refined based on benchmarking variables such as ad spend per capita, mobile subscriptions, and 3G/4G penetration as well as through interviews with key players across the mobile advertising ecosystem. The model also takes into account the typology of mobile ad markets in terms of maturity and format proliferation.
- All data is expressed in constant 2013 USD. Conversions into EUR are based on 2013 USD-EUR foreign exchange rates.
- Constant currency is used to eliminate exchange rate effects on growth rates. In addition, Mexico is included in Latin America rather than North America.

Thanks

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