



**Supplemental Information
First Quarter Fiscal 2010
June 30, 2009**

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Supplemental Information

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GAAP to Non-GAAP Results

(in millions, except per share data)

The following tables reconcile the Company's Unaudited Condensed Consolidated Statements of Operations as prepared in accordance with Generally Accepted Accounting Principles ("GAAP") to its non-GAAP Unaudited Condensed Consolidated Statements of Operations. The Company's non-GAAP results exclude the following, if any: acquired in-process technology, amortization of intangibles, certain abandoned acquisition-related costs, the impact of the change in deferred net revenue (packaged goods and digital content), goodwill impairment, income tax adjustments, losses on strategic investments, loss on licensed intellectual property commitment (COGS), restructuring charges, and stock-based compensation. The Company uses a fixed, long-term projected tax rate of 28% internally to evaluate its operating performance, to forecast, plan and analyze future periods, and to assess the performance of its management team. Accordingly, the Company has applied the same 28 percent tax rate to its non-GAAP financial results.

Q110 Reconciliation

GAAP to Non-GAAP Unaudited Condensed Consolidated Statement of Operations (in millions, except per share data)

	Three Months Ended June 30, 2009								
	GAAP Results	Acquired In- Process Technology	Amortization of Intangibles	Change in Deferred Net Revenue - Packaged Goods and Digital Content	Losses on Strategic Investments	Restructuring Charges	Stock-Based Compensation	Income Tax Adjustments	Non-GAAP Results
Net revenue	\$ 644	\$ -	\$ -	\$ 172	\$ -	\$ -	\$ -	\$ -	\$ 816
Cost of goods sold	321	-	(3)	-	-	-	(1)	-	317
Gross profit	323	-	3	172	-	-	1	-	499
Operating expenses:									
Marketing and sales	164	-	-	-	-	-	(3)	-	161
General and administrative	66	-	-	-	-	-	(5)	-	61
Research and development	312	-	-	-	-	-	(24)	-	288
Amortization of intangibles	12	-	(12)	-	-	-	-	-	-
Restructuring charges	14	-	-	-	-	(14)	-	-	-
Total operating expenses	568	-	(12)	-	-	(14)	(32)	-	510
Operating loss	(245)	-	15	172	-	14	33	-	(11)
Losses on strategic investments	(16)	-	-	-	16	-	-	-	-
Interest and other income, net	3	-	-	-	-	-	-	-	3
Loss before benefit from income taxes	(258)	-	15	172	16	14	33	-	(8)
Benefit from income taxes	(24)	-	-	-	-	-	-	22	(2)
Net loss	\$ (234)	\$ -	\$ 15	\$ 172	\$ 16	\$ 14	\$ 33	\$ (22)	\$ (6)
Loss per share									
Basic and diluted	\$ (0.72)								\$ (0.02)
Number of shares used in computation									
Basic and diluted	323								323

Q109 Reconciliation

GAAP to Non-GAAP Unaudited Condensed Consolidated Statement of Operations (in millions, except per share data)

Three Months Ended June 30, 2008

	GAAP Results	Acquired In-Process Technology	Amortization of Intangibles	Change in Deferred Net Revenue - Packaged Goods and Digital Content	Losses on Strategic Investments	Restructuring Charges	Stock-Based Compensation	Income Tax Adjustments	Non-GAAP Results
Net revenue	\$ 804	\$ -	\$ -	\$ (195)	\$ -	\$ -	\$ -	\$ -	\$ 609
Cost of goods sold	296	-	(3)	-	-	-	(1)	-	292
Gross profit	508	-	3	(195)	-	-	1	-	317
Operating expenses:									
Marketing and sales	128	-	-	-	-	-	(5)	-	123
General and administrative	84	-	-	-	-	-	(10)	-	74
Research and development	356	-	-	-	-	-	(34)	-	322
Acquired in-process technology	2	(2)	-	-	-	-	-	-	-
Amortization of intangibles	15	-	(15)	-	-	-	-	-	-
Restructuring charges	20	-	-	-	-	(20)	-	-	-
Total operating expenses	605	(2)	(15)	-	-	(20)	(49)	-	519
Operating loss	(97)	2	18	(195)	-	20	50	-	(202)
Losses on strategic investments	(6)	-	-	-	6	-	-	-	-
Interest and other income, net	15	-	-	-	-	-	-	-	15
Loss before provision for (benefit from) income taxes	(88)	2	18	(195)	6	20	50	-	(187)
Provision for (benefit from) income taxes	7	-	-	-	-	-	-	(59)	(52)
Net loss	\$ (95)	\$ 2	\$ 18	\$ (195)	\$ 6	\$ 20	\$ 50	\$ 59	\$ (135)
Loss per share									
Basic and diluted	\$ (0.30)								\$ (0.42)
Number of shares used in computation									
Basic and diluted	318								318

Trailing Twelve Month Segment Shares

North America and Europe

	FY09				FY10
	Q1	Q2	Q3	Q4	Q1
North America ⁽¹⁾					
Xbox 360™	25%	28%	29%	27%	27%
PlayStation®3	27	29	27	24	25
PlayStation®2	22	22	26	25	25
Wii™	11	12	13	14	15
NDS™	6	6	6	6	7
PSP™	22	23	21	21	22
PC	24	29	28	28	32
Total North America	19%	20%	20%	19%	20%
Europe ⁽²⁾					
Xbox 360™	17%	17%	19%	19%	21%
PlayStation®3	19	18	19	17	19
PlayStation®2	26	25	20	20	20
Wii™	11	9	7	7	8
NDS™	9	8	7	7	7
PSP™	26	25	24	24	23
PC	30	32	29	28	32
Total Europe	18%	17%	16%	15%	16%

* Trailing Twelve Months

(1) North America platform share information is based on NPD TRSTS data.

(2) Europe platform share information is based on EA estimates as no services comparable to NPD TRSTS exist in Europe.

Financial Guidance Summary

FY10 Guidance Summary

(\$ in Millions, except per share data)

	GAAP	Non-GAAP
Net Revenue	\$3.7 to \$3.85BN	\$4.3BN
Gross Margin - %	51% to 53%	58% to 59%
Operating Expenses	~ \$2.4BN	~ \$2.1BN
Operating Margins	Not provided	~ 10%
Other Income & Expense	Not provided	~ \$15M
Income Tax Expense (Benefit)	(\$25M)	28%
Diluted EPS (Loss per share)	(\$0.85) to (\$1.35)	\$1.00
Share Count (MM)	323	325

Q210 Slate

	PS2	PS3	XB2	Wii	PC	PSP	NDS	Total
Battlefield 1943 Pacific		X	X		X			3
Command & Conquer Red Alert 3: Commander's Challenge		X	X					2
Dead Space Extraction				X				1
FIFA Soccer 10 (Europe Only)	X	X	X	X	X	X	X	7
G.I. JOE The Rise of the Cobra	X	X	X	X		X	X	6
LITTLEST PET SHOP ONLINE					X			1
Madden NFL 10	X	X	X	X		X		5
MySims Agents				X			X	2
NCAA Football 10	X	X	X			X		4
Need for Speed SHIFT		X	X		X	X		4
NHL 10		X	X					2
Total EA SKUs	4	8	8	5	4	5	3	37

Non-GAAP Financial Measures

To supplement the Company's unaudited condensed consolidated financial statements presented in accordance with GAAP, Electronic Arts uses certain non-GAAP measures of financial performance. The presentation of these non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP, and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP. The non-GAAP financial measures used by Electronic Arts include: non-GAAP net revenue, non-GAAP gross profit, non-GAAP operating income (loss), non-GAAP net income (loss) and historical and estimated non-GAAP diluted earnings (loss) per share. These non-GAAP financial measures exclude the following items, as applicable in a given reporting period, from the Company's unaudited condensed consolidated statements of operations:

- Acquired in-process technology
- Amortization of intangibles
- Certain abandoned acquisition-related costs
- Change in deferred net revenue (packaged goods and digital content)
- Goodwill impairment
- Income tax adjustments
- Losses (gains) on strategic investments
- Loss on lease termination and facilities acquisition
- Loss on licensed intellectual property commitment
- Restructuring charges
- Stock-based compensation

Electronic Arts may consider whether other significant non-recurring items that arise in the future should also be excluded in calculating the non-GAAP financial measures it uses.

Electronic Arts believes that these non-GAAP financial measures, when taken together with the corresponding GAAP financial measures, provide meaningful supplemental information regarding the Company's performance by excluding certain items that may not be indicative of the Company's core business, operating results or future outlook. Electronic Arts' management uses, and believes that investors benefit from referring to, these non-GAAP financial measures in assessing the Company's operating results both as a consolidated entity and at the business unit level, as well as when planning, forecasting and analyzing future periods. These non-GAAP financial measures also facilitate comparisons of the Company's performance to prior periods. In its earnings press release dated August 4, 2009, Electronic Arts has provided a reconciliation of the most comparable GAAP financial measure to the historical non-GAAP financial measures.

Safe Harbor Statement

Some statements set forth in this document, including the estimates relating to EA's fiscal year 2010 guidance information contain forward-looking statements that are subject to change. Statements including words such as "anticipate", "believe", "estimate" or "expect" and statements in the future tense are forward-looking statements. These forward-looking statements are preliminary estimates and expectations based on current information and are subject to business and economic risks and uncertainties that could cause actual events or actual future results to differ materially from the expectations set forth in the forward-looking statements. Some of the factors which could cause the Company's results to differ materially from its expectations include the following: sales of the Company's titles during fiscal year 2010; the general health of the U.S. and global economy and the related impact on discretionary consumer spending; fluctuations in foreign exchange rates; consumer spending trends; the Company's ability to manage expenses; the competition in the interactive entertainment industry; the effectiveness of the Company's sales and marketing programs; timely development and release of Electronic Arts' products; the consumer demand for, and the availability of an adequate supply of console hardware units (including the Xbox 360® video game and entertainment system, the PLAYSTATION®3 computer entertainment system and the Wii™); consumer demand for software for the PlayStation 2; the Company's ability to predict consumer preferences among competing hardware platforms; the financial impact of potential future acquisitions by EA; the Company's ability to realize the anticipated benefits of acquisitions; the seasonal and cyclical nature of the interactive game segment; the Company's ability to attract and retain key personnel; changes in the Company's effective tax rates; the performance of strategic investments; the impact of certain accounting requirements, such as the Company's ability to estimate and recognize goodwill impairment charges and make tax valuation allowances; adoption of new accounting regulations and standards; potential regulation of the Company's products in key territories; developments in the law regarding protection of the Company's products; the Company's ability to secure licenses to valuable entertainment properties on favorable terms; the stability of the Company's key customers, and other factors described in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2009. These forward-looking statements speak only as of August 4, 2009. Electronic Arts assumes no obligation and does not intend to update these forward-looking statements. In addition, the preliminary financial results set forth in this document are estimates based on information currently available to Electronic Arts. While Electronic Arts believes these estimates are meaningful, they could differ from the actual amounts that Electronic Arts ultimately reports in its Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2009. Electronic Arts assumes no obligation and does not intend to update these estimates prior to filing its Form 10-Q for the fiscal quarter ended June 30, 2009.