ELECTRONIC ARTS

Q4 FY11 PREPARED COMMENTS

MAY 4, 2011

Peter Ausnit:

Thank you.

Welcome to EA's fiscal 2011 fourth quarter earnings call.

Please note that our SEC filings and our earnings release are available at ir.ea.com. In addition, we have posted earnings slides to accompany our prepared remarks. Lastly, after the call, we will post our prepared remarks, an audio replay of this call, and a transcript.

This presentation and our comments include forward-looking statements regarding future events and the future financial performance of the Company. Actual events and results may differ materially from our expectations. We refer you to our most recent Form 10-Q for a discussion of risks that could cause actual results to differ materially from those discussed today. Electronic Arts makes these statements as of May 4th, 2011 and disclaims any duty to update them.

Throughout this call, we will discuss both GAAP and non-GAAP financial measures. Our earnings release and the earnings slides provide a reconciliation of our GAAP to non-GAAP measures. These non-GAAP measures are not intended to be considered in isolation from, as a substitute for, or superior to our GAAP results. We encourage investors to consider all measures before making an investment decision. All comparisons made in the course of this call are against the same period in the prior year unless otherwise stated.

Now, I'll turn the call over to John Riccitiello. John?

John Riccitiello:

Thanks.

I am happy to report another strong quarter to finish a strong fiscal year. In Q4, we beat the Street and hit the very high end of our expectations for total revenue, digital revenue and profits. For fiscal ’11, EA delivered on all its goals including revenue, market share, and EPS. And, perhaps most importantly, we substantially exceeded our own ambitious target for digital revenue. We set out the year with the goal of hitting $750 million. In the end, our digital non-GAAP revenue grew by 46% and exceeded $800 million.

I am particularly proud of EA’s rapid growth and scale in digital; and that our growth rate almost doubled that of the digital sector overall. We did it in a way no other competitor can and in a way that best addresses the future opportunity in the market. We did it across multiple IP, across all the relevant platforms, from social to mobile to console, and across a variety of business models.

The consumer has changed. 200 million console players have become 1.5 billion consumers gaming on multiple devices. We are the only gaming company serving this larger opportunity.

In a few moments, we will take you through our FY12 guidance. Even though most will focus on the full year EPS guidance range, I would say that the underlying assumptions are more interesting. I would draw your attention to our digital non-GAAP revenue which is expected to exceed $1 billion in fiscal ’12. And, just as importantly, it is worth noting that we expect to finish the fiscal year with our non-GAAP EPS run rate up roughly 50% from our fiscal ’11 performance.

I’d now like to outline a shift in our strategies. When we established objectives around reducing title count, cutting costs and starting a digital business, we did so recognizing that we needed to execute a turn-around and the major part of what needed to change was to reduce titles and cost. Our strategies could be defined as fundamentally “defensive”. Today, we are announcing a big shift to “offense”. Over the coming years, we will transform EA from a packaged goods company to a fully integrated digital entertainment company. We transform EA to a games-as-a-service (GAAS) model by focusing on three new strategies:

1. Intellectual Property – we believe we are driving the strongest portfolio of IP in the industry with *EA SPORTS, FIFA, Hasbro, Madden, Pogo, Battlefield, Need For Speed, The Sims, Tetris, Dragon Age, Mass Effect* – and more. We fully intend to make these properties into year-round businesses that lead their sectors across a range of platforms.

2. Platform – Increasingly, we see ourselves as a software platform every bit as much as we see ourselves as a content maker for other companies’ platforms. We have a great start

with 112 million consumers in our Nucleus registration system, up from 61 million a year ago. And, while we will continue to be a great partner to our best retail customers and first party partners, you will see the beginnings of a consumer game platform emerge at EA that complements and extends the console ecosystem and addresses the wider opportunity on other devices.

3. Talent – To deliver on the two strategies above – IP and Platform – we will expand on a model that is already working at EA – and only at EA. We are the only company with world-class teams working cross-platform on social, mobile and console development. We are integrating these teams and augmenting them with product monetization and marketing. It's a big change. As an investor, you can see this as a way to better manage our IP, and drive up the ARPU for our core properties. As a developer, you can see this as the reason EA will be the most interesting and satisfying place to work in the game industry.

Now I'd like to outline our fiscal '12 guidance at a high level.

There are three factors that make fiscal '12 particularly challenging for EA:

1. Following a record year for revenue and profitability, our EA SPORTS business is facing two potential league lockouts and will be comparing to an fiscal '11 that included a *FIFA World Cup* title. Year over year these differences represent roughly a $250 million revenue challenge.

2. With *Battlefield 3* we are mounting the biggest launch campaign for a game in EA's history. We think the franchise is worth it. We know the opportunity is worth it. Still, this is a big commitment of resources.

3. We are preparing the launch of *Star Wars: The Old Republic*. The launch date, while in our fiscal year, is not yet certain. We see roughly $0.15 EPS variability between the potential launch windows.

Despite these investments and uncertainties, we are guiding to a non-GAAP EPS range with the midpoint up 14%, and are confident we will finish the fiscal year with an EPS run rate up 50% versus fiscal '11.

In summary, we had a strong fiscal '11 delivering on all our objectives, operational and financial. Starting now, we're shifting from defense to offense, and will be transforming EA from being a packaged goods centric company to a fully integrated digital model only EA can realize. Fiscal '12 promises to be among the most exciting in EA's history, whether considered from a consumer perspective or from a purely financial / investor perspective.

Now, I'll turn the call over to Eric.

Eric Brown:

Thank you, John.

EA had very good top and bottom-line performance in Q4, hitting the upper end of our EPS guidance and exceeding our overall and digital revenue guidance thanks to upside across our digital portfolio, and packaged goods performance, both for frontline and catalogue titles. We also met our initial full year FY11 guidance for non-GAAP revenue, non-GAAP EPS and operating cash flow.

Q4 non-GAAP revenue of $995 million was the result of both good front line title and catalogue title performance. Catalogue revenue of 17% or $168 million in Q4 was the result of strong ongoing performance on *FIFA 11, Need For Speed Hot Pursuit, Battlefield: Bad Company 2,* and *Dragon Age*. For the fiscal year, the combination of *Medal of Honor* and *Need for Speed Hot Pursuit* have sold through approximately 8.5 million units.

Q4 digital non-GAAP revenue was a record $268 million, growing 72% year-over-year. All revenue types and platforms of our digital portfolio were up double digits year over year for the quarter. Please note that we had a total of approximately $27 million in Q4 digital revenue that was either timing related or non-recurring.

Q4 non-GAAP gross profit margin was 67.3% compared to 65.2% a year ago. On a GAAP basis, gross profit margin was 69.9% compared to 69.6% last year. For the fiscal year, non-GAAP gross profit margins improved by six points, from 55.3% to 61.2% on higher digital revenue and an improved mix of EA titles compared to fiscal '10.

Q4 non-GAAP operating expenses of $559 million were slightly higher driven by increased variable compensation expenses since we exceeded plan for the year. GAAP operating expenses were $617 million in the quarter.

Q4 non-GAAP operating margin was 11.2% versus 4.0% last year. On a GAAP basis, operating margin was 13.3% for Q4 compared to 8.5% last year. For the fiscal year, non-GAAP operating margins improved by 3 1/2 points from 4.7% in fiscal ’10 to 8.2% in fiscal ’11, a function of an increase in our digital revenue mix, a more profitable packaged goods portfolio, and a year over year reduction in R&D expense.

Q4 non-GAAP earnings per share was $0.25 versus $0.07 a year ago, bringing us to a full year non-GAAP EPS of $0.70. GAAP earnings per share was $0.45 in Q4 versus $0.09 a year ago. The principal difference between our non-GAAP and GAAP EPS is the revenue deferral and we ended fiscal ’11 with more than $1 billion in GAAP deferred revenue.

Headcount – we ended the quarter with 7,645 employees versus 7,842 a year ago and 7,742 in Q3 fiscal ’11. 22% of our employees are in low cost locations and the breakdown of headcount is 5,544 in R&D, 929 in Marketing & Sales, 990 in G&A and 182 in Cost of Goods.

Cash flow from operations this quarter totaled $253 million, the same as last year. Our full year fiscal ’11 operating cash flow has increased to $320 million, which is up $168 million versus fiscal ’10. Capital expenditures have declined year over year, and fiscal ’11 free cash flow of $261 million is up by $414 million versus last year and up $181 million excluding the fiscal ’10 purchase of the Redwood Shores headquarters.

EA has approximately **$6.70 per share in cash**, **short-term investments, and marketable securities** and is debt-free. At year-end, roughly 60% of our cash and short-term investments were onshore.

Inventory levels were well managed and at year-end have fallen to $77 million, the lowest level in almost four years, an indication of our success in reducing lower margin distribution inventory and the benefits of an increasing mix of digital business which has no physical inventory requirements.

Reserves for Sales Returns and Allowances, as a percentage of trailing six month non-GAAP net revenue, were 13%, up from 10% a year ago, and are up on a nine month basis to 9% from 6% last year.

Sector Performance:

Overall, the Worldwide interactive entertainment segment was up mid-single digits in the March quarter. Packaged Goods were down 14% for the quarter, but digital continues to perform well and is up over 20% for the quarter.

For the March quarter, the Western packaged goods market was down 12% comprised of a 6% decline in high definition platforms, driven by a change in Easter timing and the industry release slate, and an 18% decline in low definition platforms. EA was the #1 publisher in the Western world for the quarter**,** with 19% share in North America, 20% share in Europe and 19% share overall in the Western world versus 19% a year ago. Our share in fiscal ’11 was 17% overall with 16% in North America and 18% in Europe.

Industry software sales on high-definition consoles and PCs remain strong and play to EA’s strength on these platforms. In fiscal ’11, PC and high definition console software sales in the Western world grew by 13%. In fiscal ’11, approximately 80% of EA’s total packaged goods revenue was on these growing, high definition platforms which offer attractive digital extension opportunities for EA.

Digital Highlights for Q4 and Fiscal 2011

In Q4, non-GAAP digital revenue increased by 72% from $156 million to $268 million, comprising 27% of total revenue this quarter. This growth far outstripped sector performance. For fiscal ’11, EA generated digital revenue totaling $833 million, up 46% for the full year. DLC and free-to-play micro transaction content was $113 million in Q4, up almost 200% versus last year. Mobile and other handheld digital revenue continues to grow at or above the market and was up 25% versus last year thanks to growth in smartphone related revenue, which more than offset a reduction in feature phone related revenue. Full game downloads were $34 million, up 21% year over year. Revenue from subscriptions, digital advertising and other was $51 million, an increase of 50%.

Notable DLC contributors included the *FIFA 11* and *Battlefield: Bad Company 2* franchises which as of the end of the year posted non-GAAP digital revenue of $46 million and $48 million, respectively, with more anticipated in fiscal ’12. It is now possible for us to see more than $50 million in high margin digital revenue derived from a single core packaged goods franchise.

As of the end of Q4, we had approximately 112 million users in our Nucleus consumer registration system, up from 61 million a year ago. The number of monthly active users in Nucleus is now well past 20 million as of March, fiscal ’11. Please note that in addition to our Nucleus registered users, we have tens of millions of additional consumers playing our social and browser based games which will eventually be registered in the Nucleus system for upsell and cross sell opportunities.

Guidance.

Our fiscal ’12 non-GAAP EPS guidance of $0.70 to $0.90 shows EPS growth of more than 14% at the midpoint versus our fiscal ’11 result. This compares to the 10% plus growth we referenced on the last call. There are several key assumptions worth noting:

- we have planned our NFL business conservatively;
- there is no FIFA World Cup title compared to last year;
- we will not have an NBA simulation title in fiscal ’12;
- we continue to make investments in our digital business; and
- we assume that *Star Wars: The Old Republic* ships in the calendar year, but our guidance range accounts for a range of ship dates within the fiscal year.

Fiscal ’12 non-GAAP Revenue: On a non-GAAP basis, we expect a total of $3.75 to $3.95 billion in fiscal ’12 revenue. We expect to grow digital faster than the industry, reaching approximately $1.05 to $1.1 billion for the full year. Our non-GAAP expectations for publishing revenue range from $2.5 to $2.65 billion and our distribution revenue expectations are approximately $200 million.

Our fiscal ’12 plan currently includes a total of 22 primary titles down from 36 in fiscal ’11. Please note that we have included a fiscal ’12 title plan in our press release that details our principal titles to be launched by quarter; however, this list does NOT include *Star Wars: The Old Republic* which we will launch as a digital service.

GAAP Revenue and EPS: Our expected fiscal ’12 GAAP net revenue guidance is $3.7 to $3.9 billion, our fiscal ’12 GAAP EPS guidance range is break even to $0.28 per share, and GAAP tax expense is expected to be approximately $50 million.

GAAP Gross Profit Margins: We expect GAAP gross profit margins of approximately 62% and we expect full year non-GAAP gross profit margins of approximately 62% to 63%.

Operating Expenses: We expect fiscal ’12 non-GAAP operating expenses to be slightly greater than fiscal ’11 given current FX rates but essentially flat versus fiscal ’11 in constant currency. GAAP operating expenses are expected to be approximately $2.25 billion.

Our fiscal ’12 non-GAAP EPS guidance range corresponds to a **non-GAAP operating income margin** of approximately 8% to 10%, with approximately $5 million in Other Income and Expense, a full year non-GAAP tax rate of 28%, and a reduction in share count due to repurchase activity resulting in an estimated 329 million diluted shares for the year.

Q1 and Full Year Phasing

For Q1 fiscal ’12 we expect the following for non-GAAP results: Revenue between $460 million and $500 million and a non-GAAP loss per share of ($0.44) to ($0.49). Non-GAAP gross profit margin is expected to be approximately 54%, operating expense is expected to be roughly $470 million, and share count is an estimated 330 million.

For GAAP results we expect the following for Q1 fiscal ’12: Revenue between $910 million and $950 million and GAAP earnings per share of $0.44 to $0.53. Gross profit margin is expected to be approximately 75 to 76%, operating expense is expected to be approximately $530 million, and share count is an estimated 334 million.

For full year phasing please consider the following:

The first half of fiscal ’12 represents a continuation of fiscal ’11 phasing trends – with our P&L driven by the timing of individual packaged titles and digital growth. In the second half, we expect to begin seeing a more ratable and profitable P&L based on subscription revenue growth from *Star Wars: the Old Republic* and leverage from higher unit sales of key owned IP.

We expect fiscal ’12’s quarterly revenue phasing to be similar to fiscal ’11, with non-GAAP revenue distributed as follows:

- Q1: approximately 13%
- Q2: approximately 24%,
- Q3: approximately 38%,
- Q4: approximately 25%

We expect to incur approximately 49% of our non-GAAP operating expenses in the first half of fiscal ’12 and the balance in the second half. In terms of splits between R&D, Marketing &

Sales and G&A for the year, we expect to incur roughly similar amounts for each category as we incurred in fiscal ’11.

In terms of non-GAAP earnings phasing for fiscal ’12 versus fiscal ’11, the first half of the fiscal year will be down versus last year but we expect year over year earnings growth at the mid-point of our guidance to be approximately 44% in the second half of fiscal ’12 compared to fiscal ’11. While we fully anticipate launching *Star Wars: The Old Republic* in Q2 or Q3, the low end of our guidance range assumes the outside possibility of a January launch.

Cash Flow: We expect fiscal ’12 operating cash flow to be $250 to $300 million, down primarily due to the timing of certain license payments in fiscal ’12. We expect fiscal ’12 capital spending of $125 million to $150 million. EA is making three significant infrastructure investments in fiscal ’12: server infrastructure for *Star Wars: The Old Republic*, direct to consumer infrastructure, and related information technology systems.

Foreign Exchange: Our guidance assumes the following FX rates for the fiscal year: $1.38 USD to the Euro, $1.01 USD to the Canadian Dollar, and $1.62 USD to the British Pound.

For the sector: We expect the worldwide interactive entertainment segment will grow 5% to 10% in calendar ’11 versus calendar 10’, with more than 20% growth in digital and an approximate 5% decrease in packaged goods. We expect the packaged goods segment to remain bifurcated, with stronger growth of approximately 4% in high definition-consoles and PC offsetting 15% declines in standard definition-consoles and dedicated handheld devices.

We also want to provide increased investor visibility into three important financial considerations: (1) capital allocation strategy, (2) return on investment measures and (3) our fiscal ’12 exit earnings model.

Let me start with our capital allocation. We will remain focused on efficient capital allocation, ensuring that we remain well-capitalized, with adequate cash on hand to fund operations in light of highly seasonal cash flows. As of March 31, 2011, EA had $2.2 billion in cash, short term investments and marketable securities, or approximately $6.70 per share. Of that, $1.4 billion in cash, short term investments and marketable securities was onshore. We felt that onshore cash was greater than our foreseeable needs, so in February this year, we announced a $600 million repurchase program. In Q4 fiscal ’11, EA repurchased 3.1 million shares at a cost of $58 million. $542 million remains authorized for the repurchase program over the next fifteen months.

EA takes into account its Weighted Average Cost of Capital of approximately 10% when reviewing investment proposals, including the green light process for major game titles.

While we have several financial hurdles for our investments, one good reference point is the number of titles that achieve a greater than 20% IRR on a stand-alone basis. On this basis, the percentage of EA titles exceeding the financial target increased from approximately 50% in fiscal '10 to 70% in fiscal '11. This improvement was driven by continued cost control in our title development, hitting target ship windows, and getting more units and revenue, including digital revenues, from each of our major titles.

And finally, we expect that EA will exit fiscal '12 with a non-GAAP EPS run rate and operating margin greater than what is indicated by our full year guidance range. The principal driver here is the ship date of *Star Wars*. We open the year with *Star Wars* in development and incurring expense; we close the year with *Star Wars* in operation, generating high margin, ratable, digital revenue and profits.

Now, I'll turn the call over to Frank Gibeau.

Frank Gibeau:

Thanks Eric, I'm going to review some highlights from our fiscal '11 performance and then provide some detail on three of our most exciting launches in fiscal '12 – *Battlefield 3, Need For Speed The Run,* and *Star Wars: The Old Republic.*

The EA Games Label delivered a record year for quality, schedule predictability and, best of all, profitability – significantly exceeding our internal plan.

A key goal we set out for the year was to increase the strength of our wholly-owned IP over multiple platforms. We delivered on this with *Need for Speed Hot Pursuit, Medal of Honor, Mass Effect 2* and *Dragon Age*. The big driver in this success was a measurable improvement in quality. The quality average across our entire portfolio of nine games was an average of 84 Metacritic. High quality on core games is key to our strategy to extend our properties to new platforms.

Schedule predictability was another big win for us: 100 percent of our internally-developed games hit their launch date.

The Games Label also nailed our goal for delivering digital revenue. On a full-year basis, our downloadable content – from console and PC combined – was triple our fiscal ’10 results. These digital extensions have played a major role in increasing our profitability.

One of our digital offerings is *Dragon Age Legends*, a free-to-play game currently on Facebook. This one is attracting a good fan base and monetizing nicely.

Dragon Age: Legends offers a lens into the future where a game franchise with a large and loyal fan base can attract new players and new revenue streams without cannibalizing the core product. In fact, our research on player telemetry shows that people who first experience this franchise on the Facebook platform show strong intent to purchase the core game on PC and console.

This is a win-win-win. The free-to-play Facebook game generates incremental revenue, introduces new players to the franchise, and drives purchase-intent for the higher-priced, disc-based game. Free-to-play is additive, not cannibalistic.

In addition to *Dragon Age: Legends* we have six free-to-play services live and in beta based on big franchises like *Battlefield* and *Need for Speed*. These services are scaling fast with nearly 15 million registered users to date and strong revenue and profit growth.

This model is also working at EA SPORTS and EA PLAY which have launched *Madden Superstars, FIFA Superstars* and *Monopoly Millionaires* on Facebook, with many more to come.

EA is uniquely suited to this multi-platform strategy – no other game company has the deep IP portfolio and the cross platform capability to capture this.

Next, let me outline three world-class launches we have planned for fiscal ’12.

I’ll start with *Battlefield 3* from our DICE Studio in Stockholm.

The game is built on our brand new Frostbite 2 Engine. It takes the battle to an urban landscape with dynamic weapons, destructible environments, vehicular warfare and a team-oriented multiplayer that provides a highly competitive social experience. *Battlefield 3* absolutely blew away critics when unveiled at the Game Developers Conference in March.

Pre-orders tell a compelling story. Pre-orders for *Battlefield 3* are up more than 700 percent versus the same period before the launch of *Battlefield: Bad Company 2*. A lot of people are telling us they want to play this game on Day One. We know we have a big competitor. But head-to-head with *Call of Duty* in Q3, we have the superior game engine, a superior development studio, and a flat out superior game. Our goal is to significantly gain share in the huge FPS category and to put the other team on defense.

Come and see for yourself. We'll be showing brand new code and features at E3 in June -- I encourage everyone to make time for *Battlefield 3*.

Our second blockbuster, ***Need for Speed The Run*** was announced last week with a trailer that revealed another spectacular game in this globally recognized franchise. Developed by the Black Box team in Vancouver, and built on our proprietary game engine, Frostbite 2, *Need for Speed The Run* offers an edgier experience that takes players on an action-packed, high-stakes race from San Francisco to New York.

And finally, the biggest event of the year will be *Star Wars: The Old Republic* -- a jaw-dropping subscription-based MMO that is captivating critics and fans in the beta test. We currently have over one million double-opt-in beta testers for the world's first story-driven, fully voiced MMO.

Everyone is waiting for us to announce the ship date… Sorry, but that's not going to happen today. We're holding the date for two reasons – first, we don't want to tip off the competition; second, we want more data from the beta test to guarantee a spectacular experience at launch.

At the EA Games Label, we couldn't be more proud of fiscal '11 or more excited about fiscal '12. No other company can connect gamers to so many great titles on so many platforms.

Now, I'll turn the call back over to John Riccitiello.

John Riccitiello:

Thanks, Frank.

Fiscal ’11 was a very good year for EA overall. You have heard from Frank on the record year his team delivered at the EA Games label and EA SPORTS had a record year for revenue and profitability. We are particularly proud of delivering the very high end of our financial guidance and exceeding our $750 million digital non-GAAP revenue goal.

Today, we are a very different company. We have strengthened our IP portfolio, our quality and, importantly, extended our franchises onto new and fast growing digital platforms.

From here, it is about building a better, more predictable, and more profitable business.

We will continue to build the game industry’s most powerful collection of globally recognized intellectual properties. We will build and launch a direct to consumer software platform while supporting the great hardware from the key first parties and the retail operations of our largest customers. We will extend our hugely talented teams to create and manage IP across the entire spectrum of console, social and mobile platforms.

This is all about building shareholder value. We’re expanding our earnings power while building a more predictable, less seasonal, less cyclical business. A business that is less dependent on individual hits and more deeply anchored in the ongoing monetization of game franchises.

We’re shifting to offense and running plays no other company can. This is how we create greater shareholder value.

With that, we are happy to take your questions.

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:

- Acquisition-related expenses
- Change in deferred net revenue (packaged goods and digital content)
- Gain (loss) on strategic investments
- Loss on lease obligation and facilities acquisition
- Loss on licensed intellectual property commitment
- Restructuring charges
- Stock-based compensation
- Income tax adjustments

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 May 4, 2011, Electronic Arts has provided a reconciliation of the most comparable GAAP financial measure to the historical non-GAAP measures.

Forward-Looking Statements

Some statements set forth in this document, including the estimates relating to EA's fiscal year 2012 guidance information and the fiscal year 2012 key title slate, 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; 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™); the Company's ability to predict consumer preferences among competing platforms; the financial impact of 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 determine deferred 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 Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2010.

These forward-looking statements are current as of May 4, 2011. 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 Annual Report on Form 10-K for the fiscal year ended March 31, 2011. Electronic Arts assumes no obligation and does not intend to update these estimates prior to filing its Form 10-K for the fiscal year ended March 31, 2011.