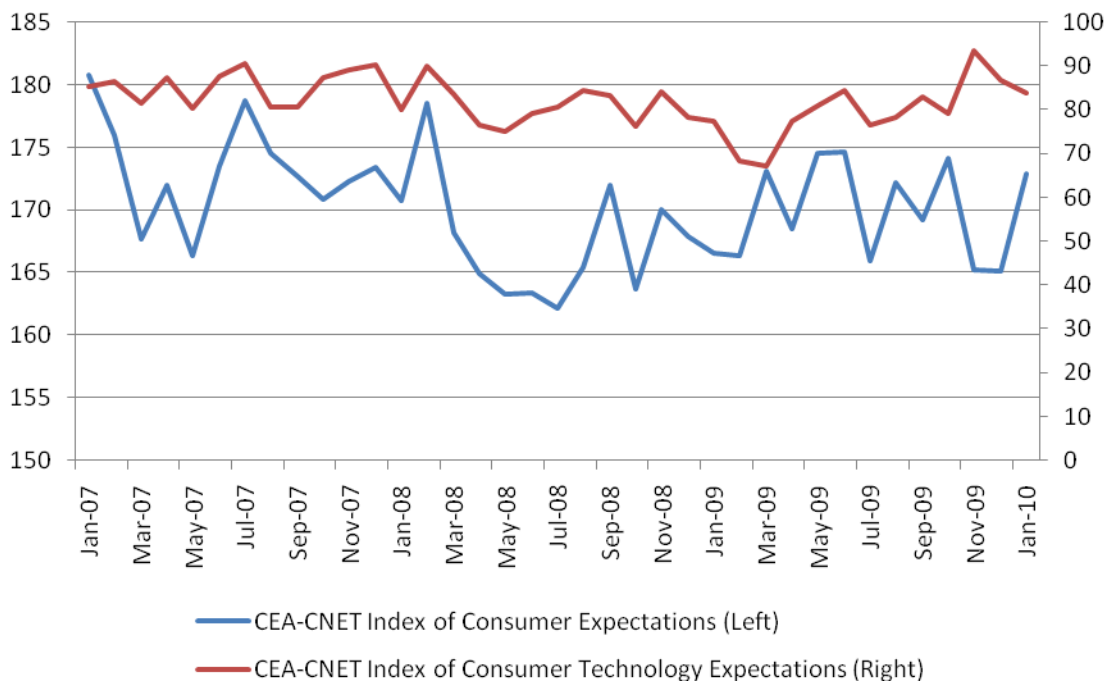


## The CEA-CNET Consumer Sentiment Indexes

The CEA-CNET Consumer Sentiment Indexes represent more than three years of research into cutting-edge methods for measuring consumer expectations about the future. The indexes measure how consumers perceive the overall health of the economy and the outlook for technology spending. Both indexes focus on consumer perceptions of the future. These forward looking expectations provide market observers valuable information into how consumers will likely behave over the pursuing months.

The CEA-CNET Consumer Sentiment Indexes were again mixed in January. Overall sentiment as measured by the CEA-CNET Index of Consumer Expectations increased by 4.7 percent and spending intentions on technology fell by 3.3 percent – roughly consistent with calendar fluctuations.

**The CEA-CNET Consumer Sentiment Indexes**



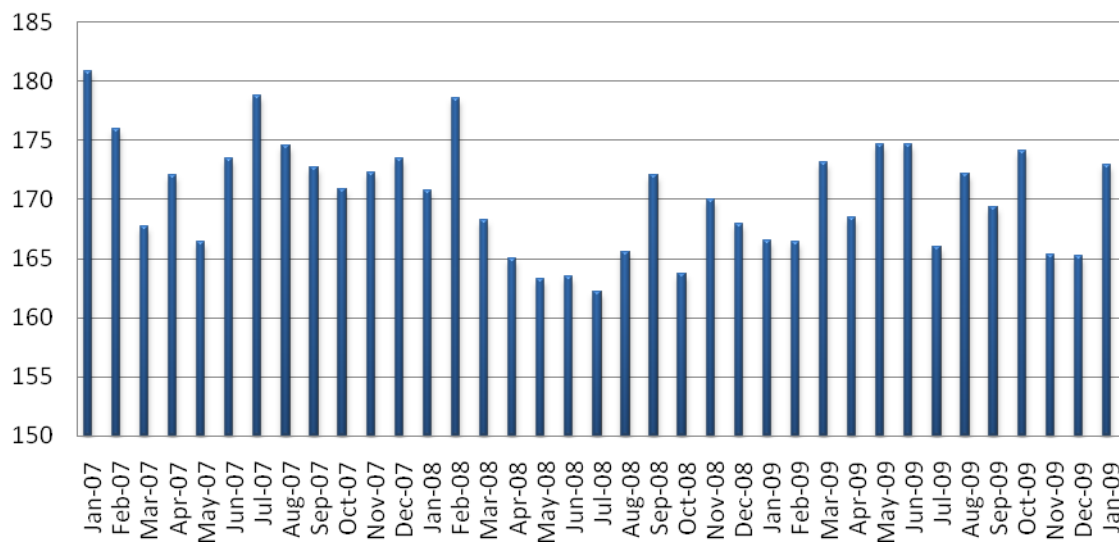
## The CEA-CNET Index of Consumer Expectations

The CEA-CNET Index of Consumer Expectations (ICE) measures consumer expectations about the broader economy. The index carries a maximum value of 300 and a minimum value of 100.

**Table 1: CEA-CNET Index of Consumer Expectations**

| 2007  |       |       |       |       |       |       |       |       |       |       |       |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sept  | Oct   | Nov   | Dec   |
| 180.8 | 176.0 | 167.7 | 172.0 | 166.4 | 173.5 | 178.7 | 174.6 | 172.7 | 170.9 | 172.3 | 173.4 |
| 2008  |       |       |       |       |       |       |       |       |       |       |       |
| 170.8 | 178.6 | 168.2 | 165.0 | 163.3 | 163.4 | 162.2 | 165.5 | 172.0 | 163.7 | 170.0 | 167.9 |
| 2009  |       |       |       |       |       |       |       |       |       |       |       |
| 166.6 | 166.4 | 173.1 | 168.5 | 174.6 | 174.7 | 165.9 | 172.2 | 169.3 | 174.1 | 165.3 | 165.2 |
| 2010  |       |       |       |       |       |       |       |       |       |       |       |
| 172.9 |       |       |       |       |       |       |       |       |       |       |       |

### CEA-CNET Index of Consumer Expectations



- In January, the CEA-CNET Index of Consumer Expectations increased 7.7 points.
- Consumer sentiment of the employment market and personal financial health improved in January.

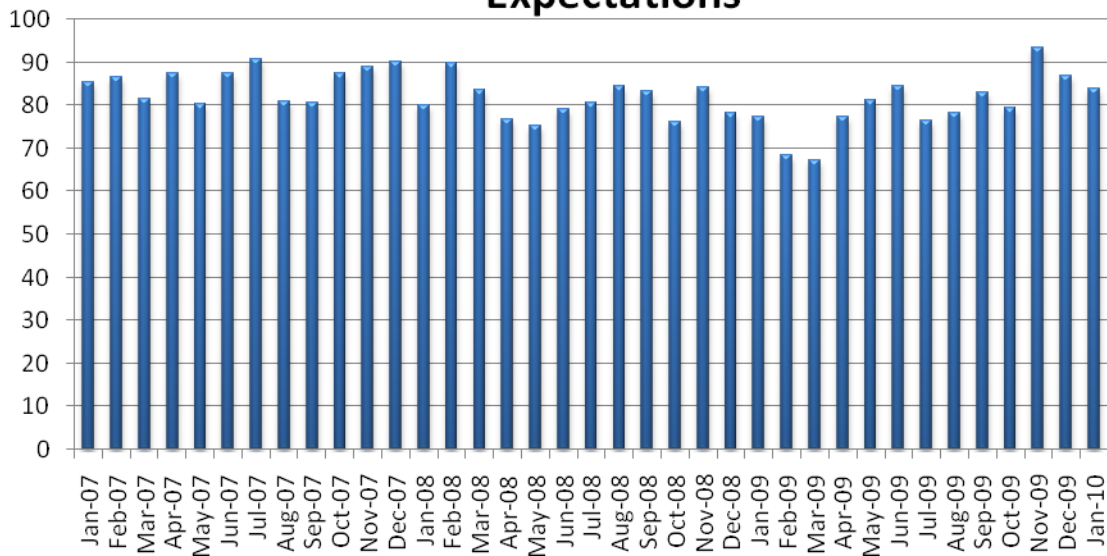
## The CEA-CNET Index of Consumer Technology Expectations

The CEA-CNET Index of Consumer Technology Expectations (ICE) measures consumer expectations about technology spending. The index carries a maximum value of 200 and a minimum value of zero.

**Table 2: CEA-CNET Index of Consumer Technology Expectations (ICTE)**

| 2007 |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|------|------|------|------|------|------|------|------|------|
| Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sept | Oct  | Nov  | Dec  |
| 85.4 | 86.5 | 81.4 | 87.4 | 80.4 | 87.6 | 90.7 | 80.8 | 80.6 | 87.4 | 89.1 | 90.2 |
| 2008 |      |      |      |      |      |      |      |      |      |      |      |
| 79.0 | 89.9 | 83.5 | 76.7 | 75.2 | 79.2 | 80.7 | 84.4 | 83.2 | 76.2 | 84.2 | 78.3 |
| 2009 |      |      |      |      |      |      |      |      |      |      |      |
| 77.3 | 68.4 | 67.2 | 77.4 | 81.1 | 84.4 | 76.6 | 78.2 | 83.0 | 79.3 | 93.5 | 86.8 |
| 2010 |      |      |      |      |      |      |      |      |      |      |      |
| 83.9 |      |      |      |      |      |      |      |      |      |      |      |

### CEA-CNET Index of Consumer Technology Expectations



- In January, the CEA-CNET Index of Consumer Technology Expectations (ICTE) decreased 3.3 percent – consistent with seasonal fluctuations.

## **About the CEA-CNET Consumer Sentiment Indexes**

The CEA-CNET Consumer Sentiment Indexes are a joint effort of CEA and CNET. The Indexes are published monthly on the fourth Tuesday of each month. The survey data are collected each month by random-digit-dial for 1,000 respondents and weighted to be representative of the U.S. population.

For an in-depth analysis of the methodology used in the CEA-CNET Consumer Sentiment Index see the whitepaper “The CEA-CNET Consumer Sentiment Indexes.”

## **About CEA**

The Consumer Electronics Association (CEA) is the preeminent trade association promoting growth in the \$173 billion U.S. consumer electronics industry. More than 2,200 companies enjoy the benefits of CEA membership, including legislative advocacy, market research, technical training and education, industry promotion and the fostering of business and strategic relationships. CEA also sponsors and manages the International CES – Where Entertainment, Technology and Business Converge.

## **About CNET**

CNET ([www.cnet.com](http://www.cnet.com)), a property of CBS Interactive, is where people go to discover the latest in tech and consumer electronics. Driven by a trusted voice and a passionate community, CNET creates an open environment for people to find and use the best products to fit their lifestyle. The powerful combination of CNET's award-winning news, lab-tested product reviews, safe and spyware-free downloads, and user-generated content give people information and inspiration to live and thrive in a life gone digital.

**Appendix I: Composition of the CEA-CNET Index of Consumer Expectations**

The CEA-CNET Index of Consumer Expectations is derived from three components – Expectations for the U.S. Economy, Expectations for the Job Market, and Expectations for Personal Financial Health. The CEA-CNET Index of Consumer Technology Expectations is derived from two components – Expectations for Purchasing CE and Expectations for Purchasing More CE.

**Table 3: Expectations for the U.S. Economy**

| 2007 |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|------|------|------|------|------|------|------|------|------|
| Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sept | Oct  | Nov  | Dec  |
| 39.9 | 37.4 | 36.9 | 35.6 | 32.5 | 38.1 | 39.7 | 39.8 | 35.3 | 35.4 | 34.9 | 36.4 |
| 2008 |      |      |      |      |      |      |      |      |      |      |      |
| 38.2 | 40.6 | 39.5 | 36.5 | 33.6 | 33.6 | 34.9 | 35.1 | 38.5 | 39.7 | 41.3 | 42.0 |
| 2009 |      |      |      |      |      |      |      |      |      |      |      |
| 41.2 | 38.7 | 44.1 | 43.7 | 46.8 | 47.8 | 42.7 | 43.7 | 44.8 | 42.1 | 38.2 | 41.3 |
| 41.5 |      |      |      |      |      |      |      |      |      |      |      |

**Table 4: Expectations for the Job Market**

| 2007 |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|------|------|------|------|------|------|------|------|------|
| Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sept | Oct  | Nov  | Dec  |
| 83.5 | 85.2 | 80.0 | 84.5 | 82.9 | 82.5 | 84.1 | 84.5 | 85.8 | 83.6 | 84.8 | 83.3 |
| 2008 |      |      |      |      |      |      |      |      |      |      |      |
| 83.5 | 83.4 | 81.1 | 82.5 | 81.7 | 81.6 | 80.7 | 82.3 | 81.8 | 78.8 | 81.9 | 79.6 |
| 2009 |      |      |      |      |      |      |      |      |      |      |      |
| 80.5 | 82.6 | 78.8 | 78.5 | 78.2 | 77   | 77.5 | 81.4 | 76.2 | 81.9 | 78.0 | 78.0 |
| 2010 |      |      |      |      |      |      |      |      |      |      |      |
| 81.0 |      |      |      |      |      |      |      |      |      |      |      |

**Table 5: Expectations for Personal Financial Health**

| 2007 |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|------|------|------|------|------|------|------|------|------|
| Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sept | Oct  | Nov  | Dec  |
| 57.3 | 53.4 | 50.8 | 52.0 | 51.1 | 53.0 | 54.9 | 50.3 | 51.5 | 51.9 | 52.6 | 53.7 |
| 2008 |      |      |      |      |      |      |      |      |      |      |      |
| 49.1 | 54.6 | 47.7 | 46.0 | 48.1 | 48.3 | 46.6 | 48.1 | 51.7 | 45.2 | 46.8 | 46.3 |
| 2009 |      |      |      |      |      |      |      |      |      |      |      |
| 44.9 | 45.1 | 50.2 | 46.4 | 49.6 | 49.8 | 45.7 | 47.1 | 48.3 | 50.1 | 49.0 | 45.9 |
| 2010 |      |      |      |      |      |      |      |      |      |      |      |
| 50.5 |      |      |      |      |      |      |      |      |      |      |      |

**Table 6: Expectations for Buying CE**

| 2007 |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|------|------|------|------|------|------|------|------|------|
| Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sept | Oct  | Nov  | Dec  |
| 48.8 | 50.3 | 47.1 | 50.9 | 46.4 | 50.0 | 52.4 | 46.5 | 46.7 | 51.3 | 51.7 | 50.5 |
| 2008 |      |      |      |      |      |      |      |      |      |      |      |
| 46.3 | 52.5 | 47.4 | 44.4 | 43.9 | 46.6 | 47.8 | 49.7 | 49.7 | 45.3 | 50.3 | 47.4 |
| 2009 |      |      |      |      |      |      |      |      |      |      |      |
| 45.7 | 41.0 | 40.6 | 45.1 | 46.5 | 49.6 | 45.4 | 45.6 | 49.7 | 48.1 | 54.3 | 52.5 |
| 2010 |      |      |      |      |      |      |      |      |      |      |      |
| 50.0 |      |      |      |      |      |      |      |      |      |      |      |

**Table 7: Expectations for Spending More on CE**

| 2007 |      |      |      |      |      |      |      |      |      |      |      |
|------|------|------|------|------|------|------|------|------|------|------|------|
| Jan  | Feb  | Mar  | Apr  | May  | Jun  | Jul  | Aug  | Sept | Oct  | Nov  | Dec  |
| 36.6 | 36.1 | 34.3 | 36.5 | 34.0 | 37.6 | 38.2 | 34.3 | 33.9 | 36.1 | 37.4 | 39.7 |
| 2008 |      |      |      |      |      |      |      |      |      |      |      |
| 33.7 | 37.4 | 36.1 | 32.3 | 31.3 | 32.5 | 33.0 | 34.7 | 33.6 | 30.9 | 33.8 | 30.8 |
| 2009 |      |      |      |      |      |      |      |      |      |      |      |
| 31.6 | 27.5 | 26.6 | 32.3 | 34.5 | 34.8 | 31.2 | 32.6 | 33.4 | 31.2 | 39.2 | 34.3 |
| 2010 |      |      |      |      |      |      |      |      |      |      |      |
| 33.9 |      |      |      |      |      |      |      |      |      |      |      |