



Digital Audio 2006 Wrap Up

December 2006

■ National Focus

- Overall Apple accounted for 67% of digital audio devices sold in 2006
- Flash based players accounted for 74% of market
 - 34% of flash players sold in 2006 were 1GB, and 30% 2GB
 - 60% of flash players sold in 2006 were Apple
- HDD based players accounted for 26% of market
 - 80% of HDD players sold in 2006 were 30GB
 - 87% of HDD players sold in 2006 were from Apple
 - 12% of HDD players sold in Dec 2006 were from Microsoft

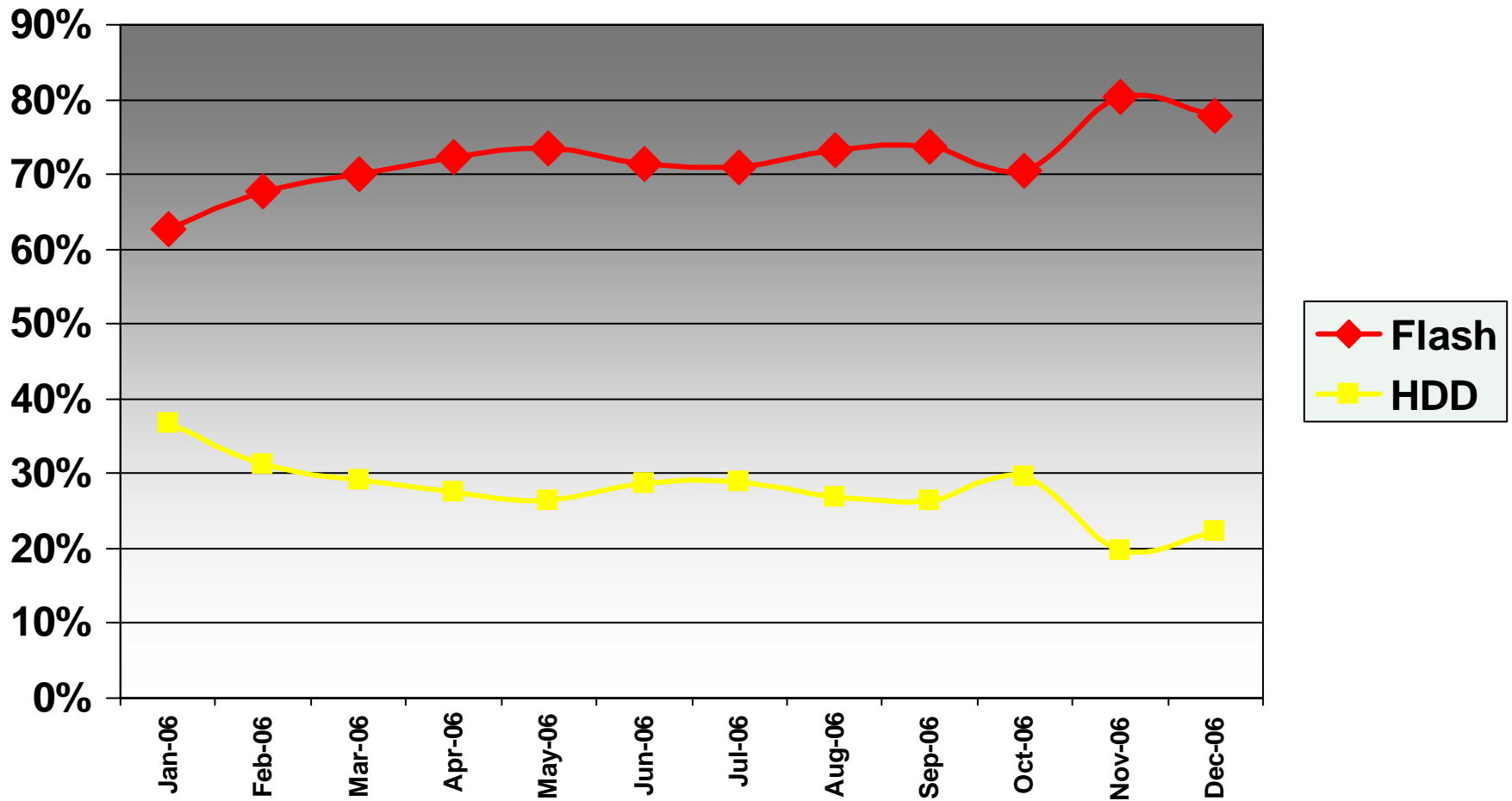
■ National Focus – Week ending 11/27/06 to 12/30/06

- Overall Apple accounted for 64% of digital audio devices sold during Holiday 2006. SanDisk accounted for 22% and Microsoft 3%.
- Eight of the top 10 devices sold during Holiday 2006 were from Apple.
 - The other two were from SanDisk
- Of HDD based players, Apple accounted for 82% during Holiday 2006 and Microsoft accounted for 12%.
- Of Flash based players, Apple accounted for 59% during Holiday 2006 and SanDisk accounted for 28%.

National Focus

For 2006, 74% of players were flash based and 26% HDD based

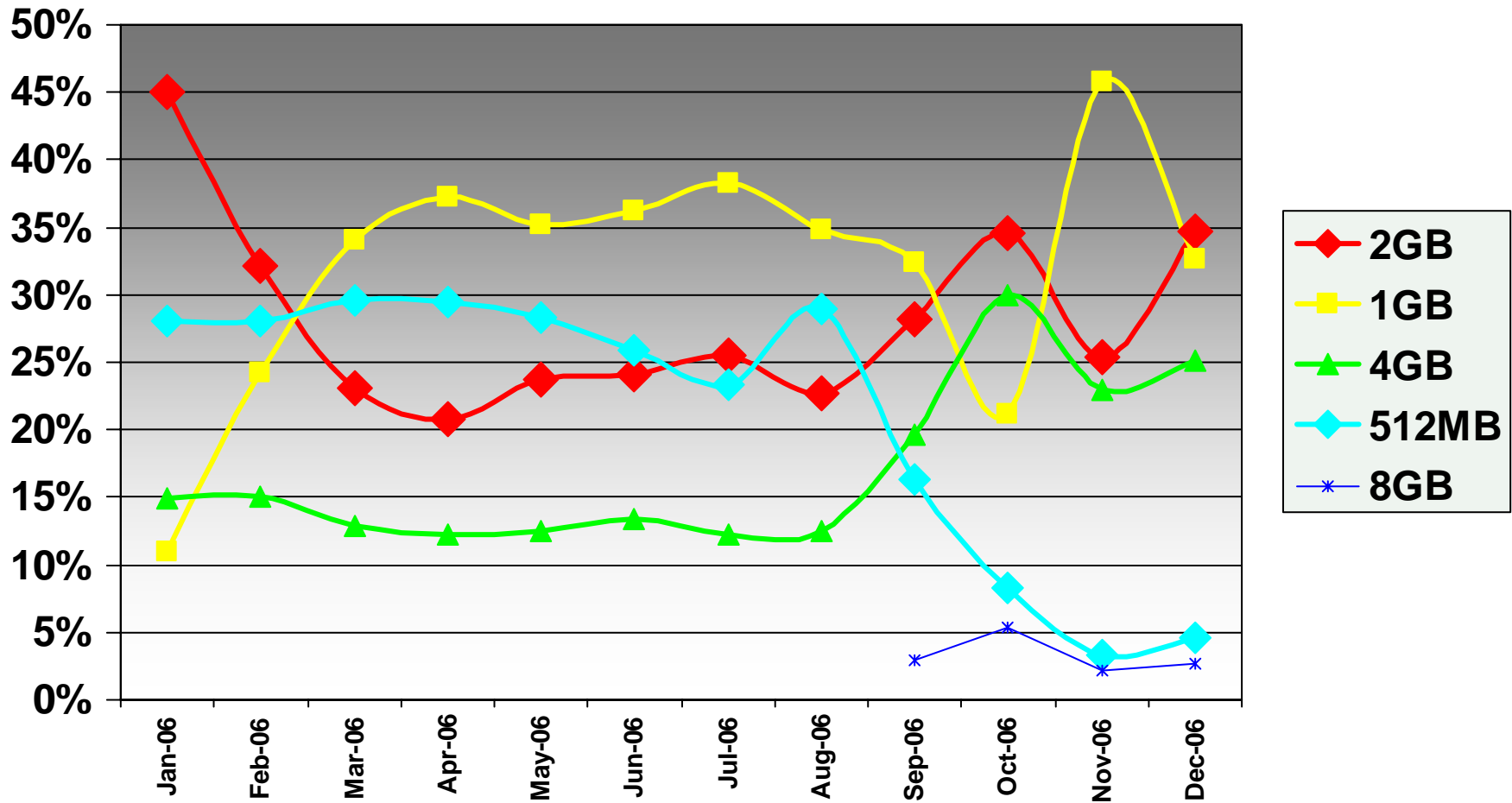
US Retail Unit Share of Digital Audio Players by Month



Source: Current Analysis US Retail Panel 2007

For 2006, 34% of flash based players were 1GB and 30% 2GB

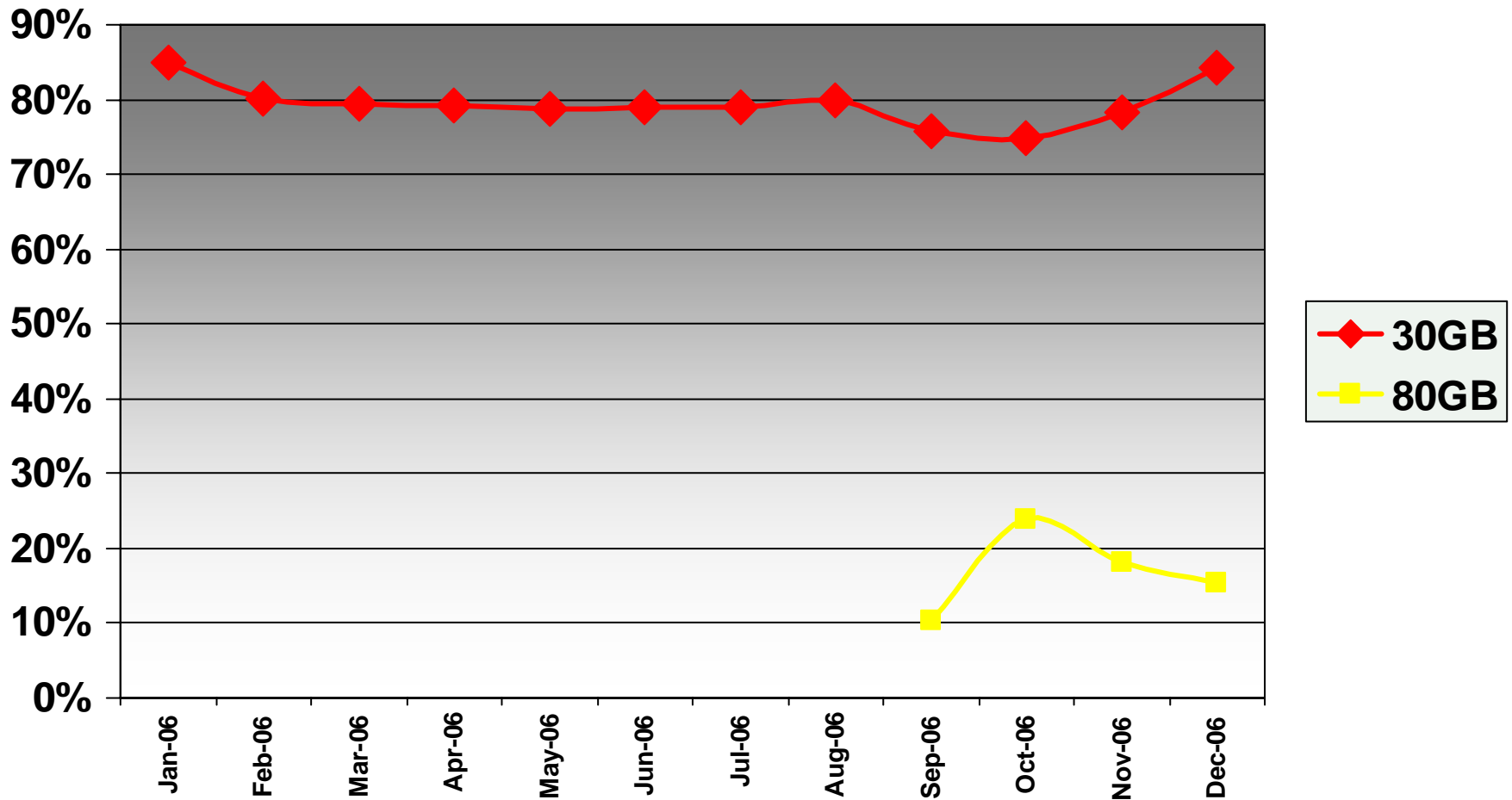
US Retail Unit Share of Digital Audio Players by Month



Source: Current Analysis US Retail Panel 2007

For 2006, 80% of HDD based players were 30GB

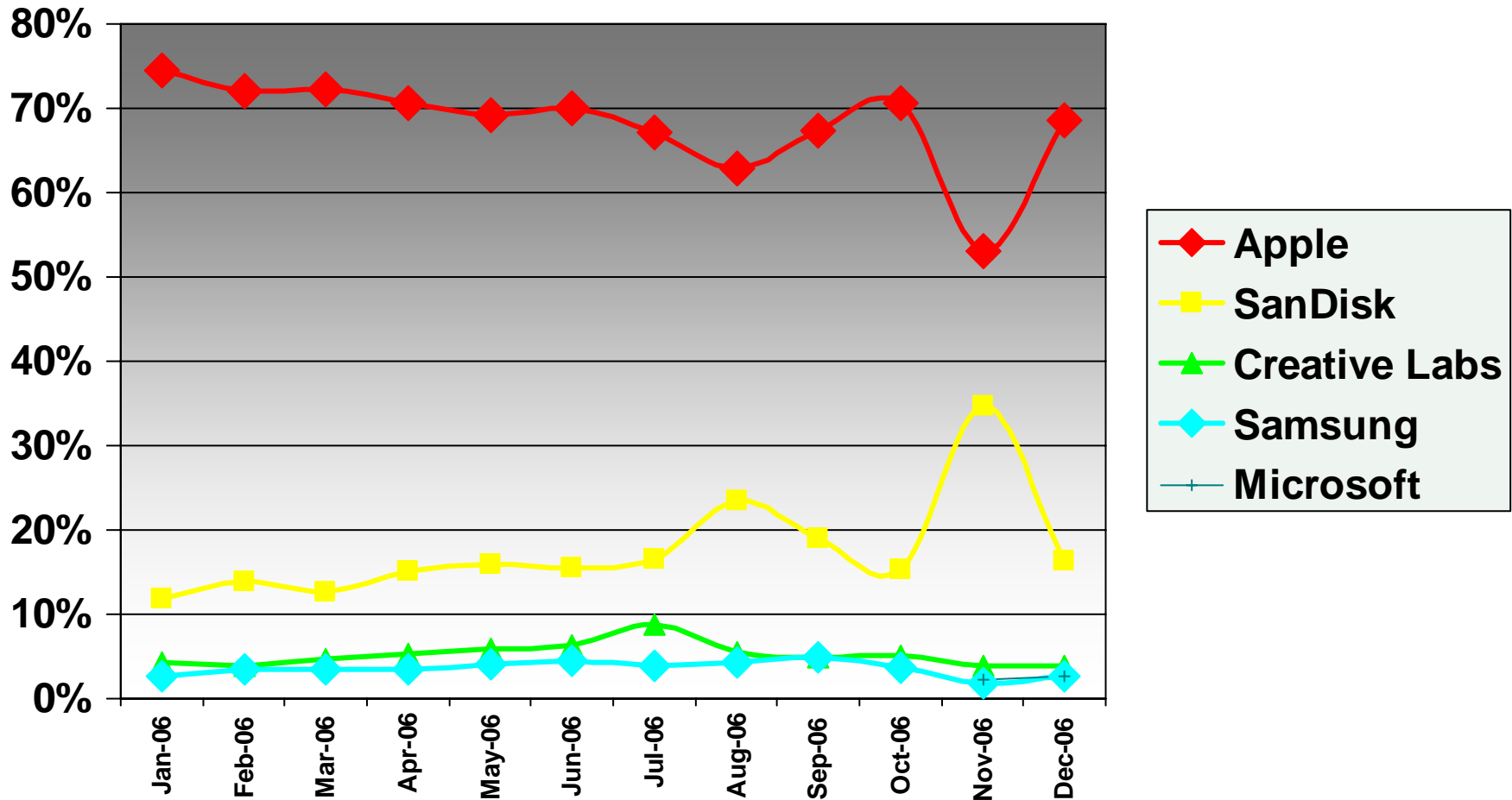
US Retail Unit Share of Digital Audio Players by Month



Source: Current Analysis US Retail Panel 2007

For 2006, 67% of Digital Audio Players were Sold by Apple

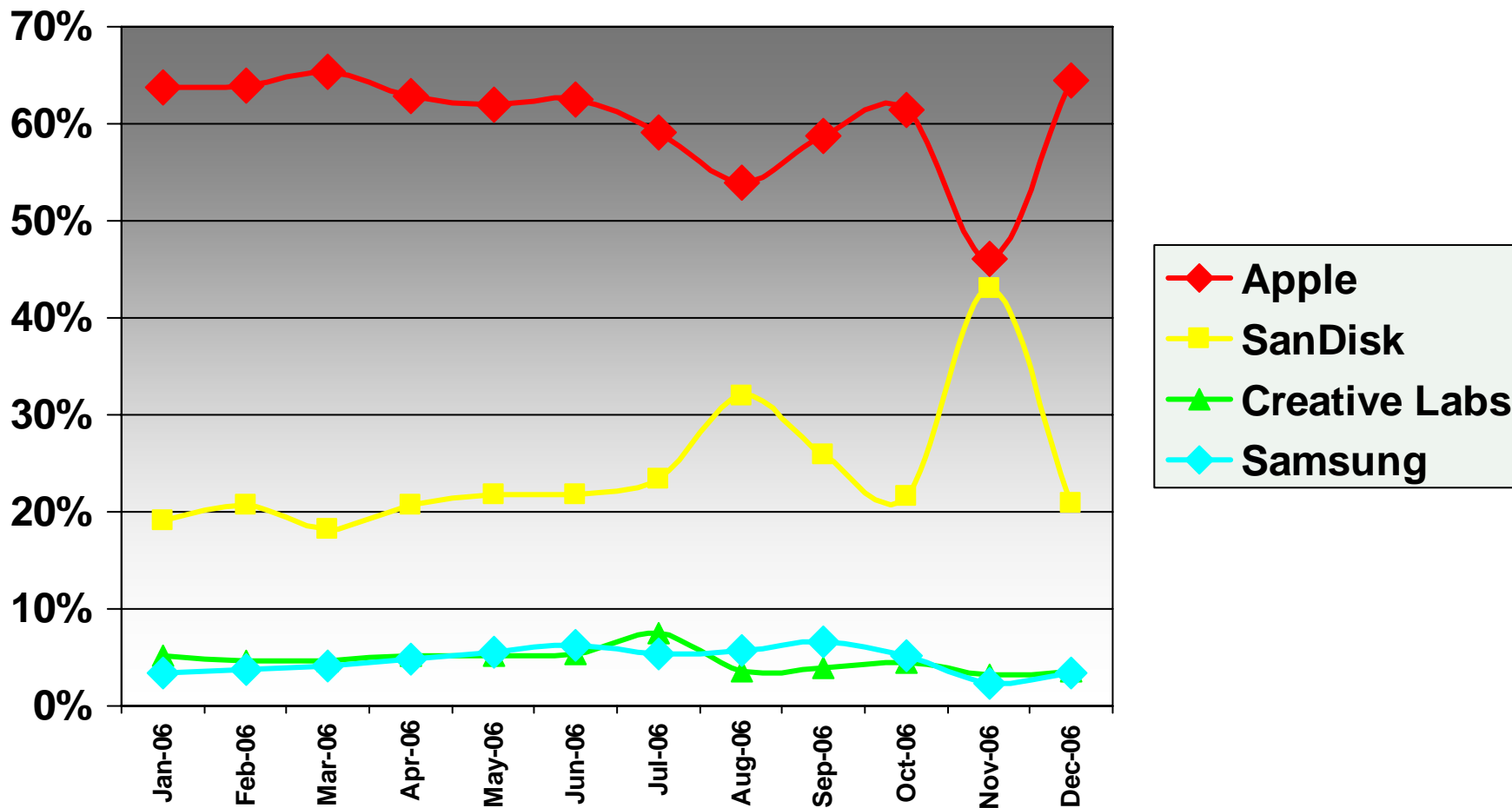
US Retail Unit Share of All Digital Audio Players by Month



Source: Current Analysis US Retail Panel 2007

For 2006, 60% of Flash Based Digital Audio Players were Sold by Apple

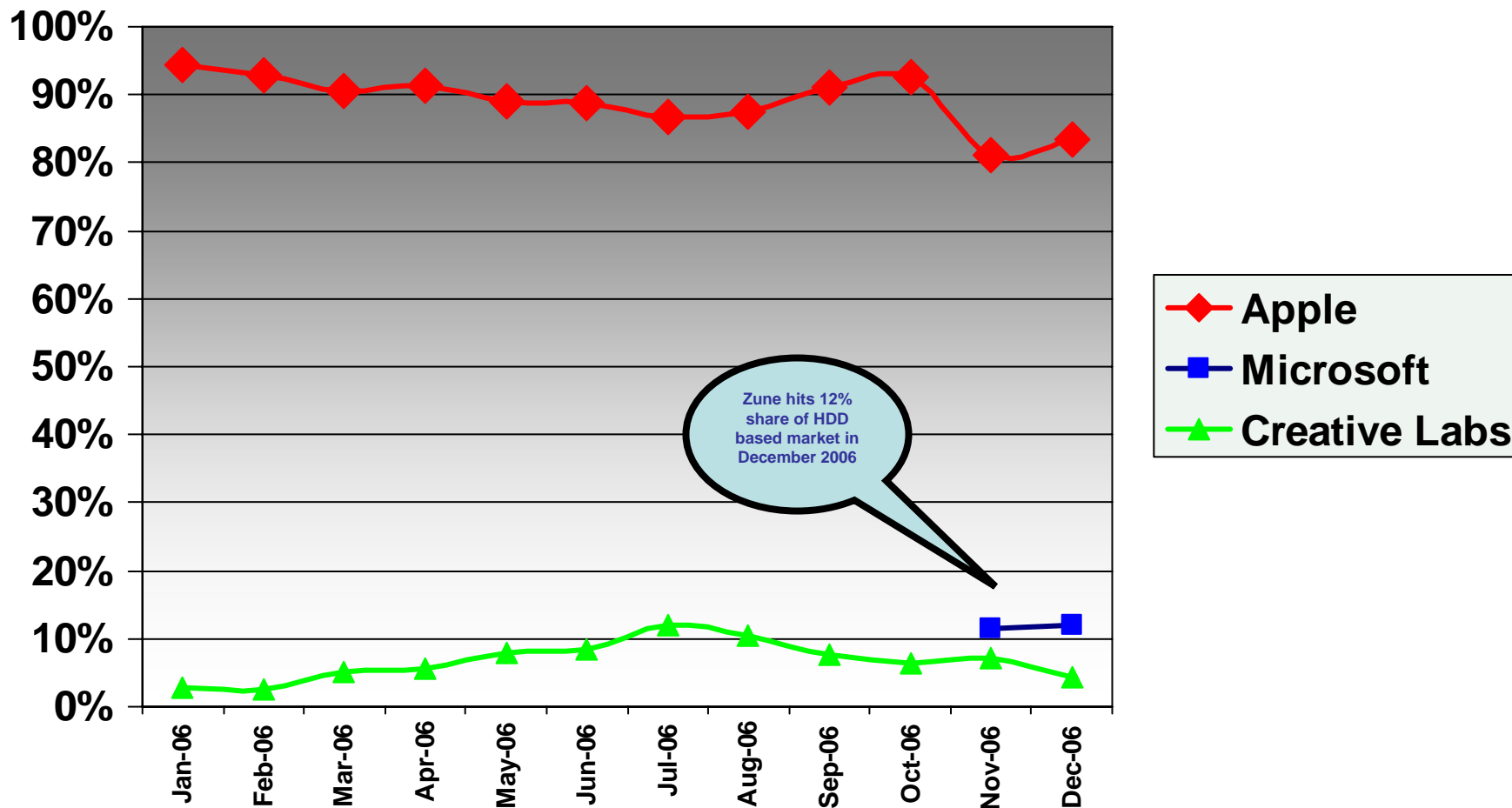
US Retail Unit Share of Flash Based Digital Audio Players by Month



Source: Current Analysis US Retail Panel 2007

For 2006, 87% of HDD Based Digital Audio Players were Sold by Apple

US Retail Unit Share of Hard Drive Based Digital Audio Players by Month



Source: Current Analysis US Retail Panel 2007

Top Selling Models, Holiday 2006

| | Holiday 2006 Totals |
|------------------------|---------------------|
| Apple 2GB Silver Nano | 16.89% |
| Apple 2nd Gen Shuffle | 11.17% |
| SanDisk Sansa 1GB m240 | 10.88% |
| Apple 30GB Black iPod | 10.61% |
| Apple 4GB Pink Nano | 5.41% |
| Apple 4GB Silver Nano | 4.54% |
| Apple 4GB Blue Nano | 4.05% |
| SanDisk Sansa 2GB e250 | 3.36% |
| Apple 30GB White iPod | 3.35% |
| Apple 4GB Green Nano | 2.84% |

Source: Current Analysis US Retail Panel 2007

■ National Focus

- Includes sales from Best Buy, Circuit City, CompUSA, Staples, RadioShack
- Is not projected to total retail market
- Data does not include Wal-Mart or Apple Stores

■ Regional Focus

- For more information on the Current Analysis Territory Performance Measurement (TPM) solution for digital audio, please contact us directly.

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