

Company Presentation

March, 2006

YouTube Confidential



Online Video Market Trends

- Broadband has become pervasive
 - 193 million global subscribers
 - +44% Y/Y growth
 - 63 million Asia
 - 47 million N. America
- Online consumers spend as much time online as they do watching TV***
- 51% of consumers watch video online**
- Online viewers have highly desirable demographics**
 - 23% have HH income > \$100,000
 - 87% have broadband access at work
 - 76% have broadband access at home
- Video ads deliver the highest brand awareness of any online ad format*

*Taking advantage of
Broadband growth*

*** Jupiter research 2005
** online publishers association 2005
* dynamic logic study 12/04



What We Do

- YouTube is a consumer media company based on short-form video content
- Enables consumers to upload, tag, & share videos online
- Free to consumers; no limits on storage or bandwidth
- Automatically converts any uploaded video type to flash for easy playback
- No software download required
- User generated video (public or private)
 - Family, friends, travel, humor, performance, stunts, short movies



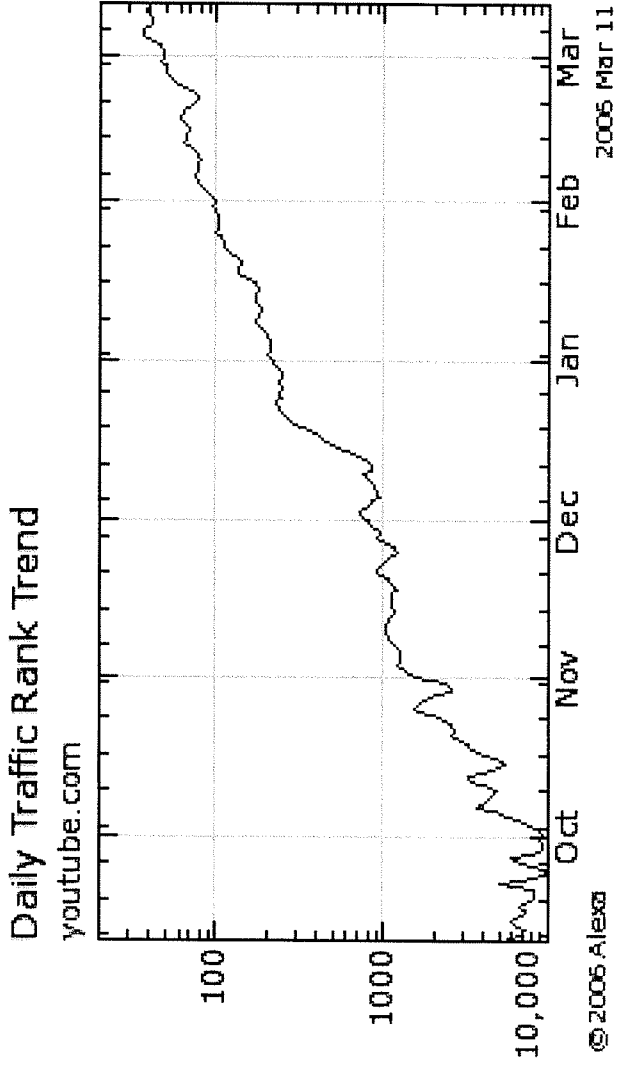
What We Do (cont)

- Short video clips are the focus
- Average video length = 2-3 minutes
- Professional & Branded video opportunities
 - Major media companies, labels, networks, studios, indie & niche providers
 - Build awareness and quickly reach a large audience of influencers
- Drive traffic to website or to transactions (iTunes, Amazon, etc.)
- Generate significant advertising revenue



The Leading Video Site on the Internet

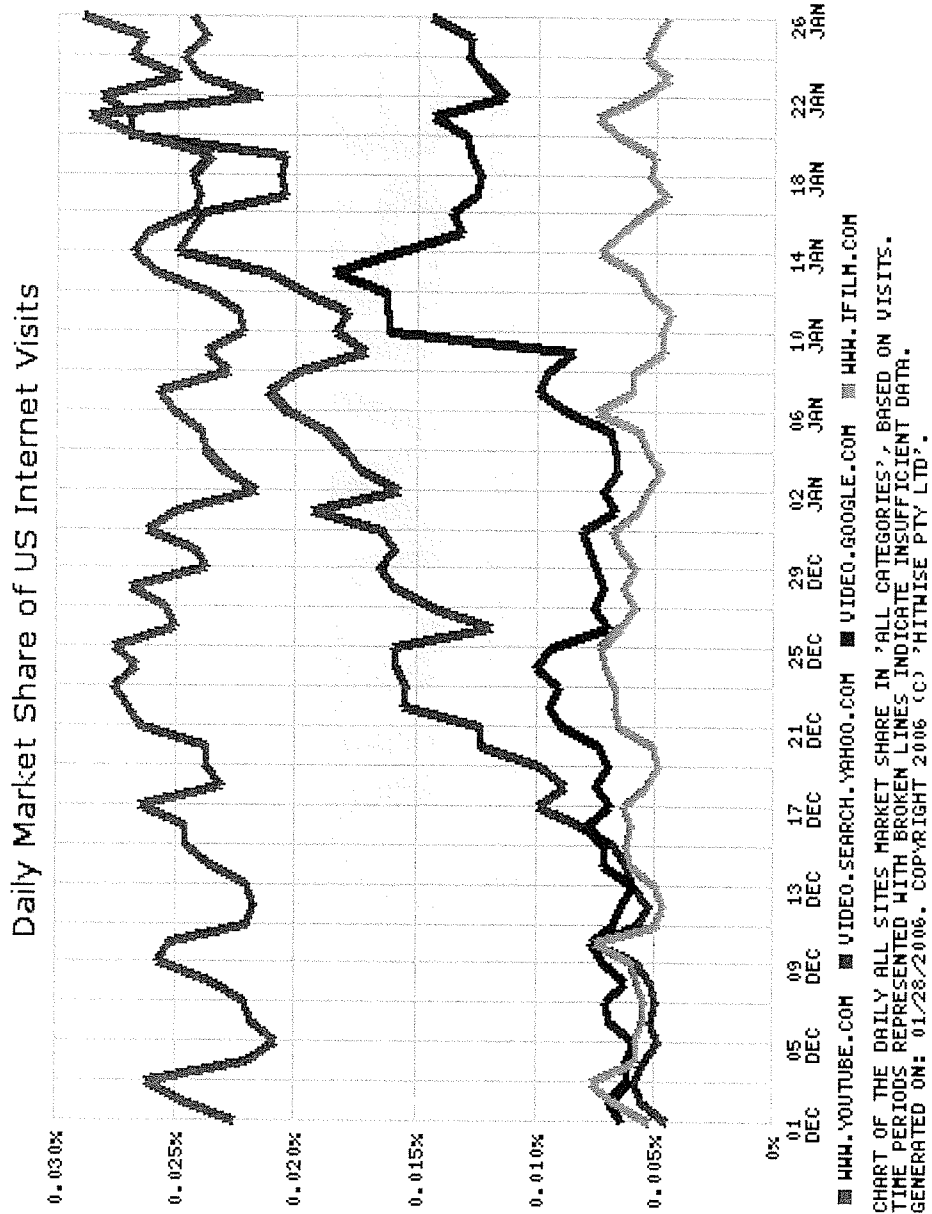
- Currently ranked as a top 40 Internet site by Alexa.com
- 30 million + video views a day
- Currently 90,000 new registered users a day
- 6 million + unique viewers a day
- Faster growth in reach and rank than MySpace
- In less than 1 year, greater market share than any competitor





YouTube Beats Google & Yahoo in Video

- YouTube vs. Google and Yahoo video in daily market share based on visits





Fast Growing Audience & Attractive Demographic

- 6 million unique users visit YouTube every day
 - Up from 3 million per day 2 months ago
- According to Nielsen NetRatings (January 2006) typical users are:
 - < 18 years old (23%)
 - 18-34 years old (29%)
 - 35-49 years old (26%)
 - Male (51%)
 - Female (49%)
 - Affluent (Median HHI = \$75k+) = 50%
 - College Educated (61%)



Secure & Centralized Distribution Architecture

- Not peer-to-peer
- Videos are streamed, not downloaded
- YouTube maintains centralized control of video access
 - All videos reside on YouTube servers
 - Remove one link, remove all access to that video
- Lower resolution Flash files, not high resolution videos
- YouTube responds quickly to copyright violations



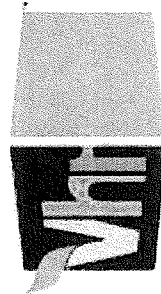
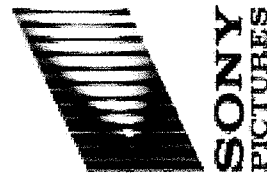
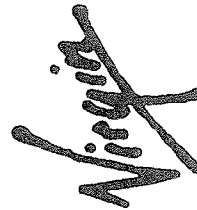
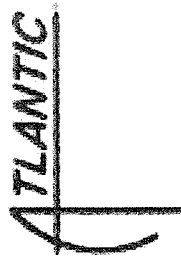
Copyright Infringement Prevention

- User education
 - Terms of Service policy re: copyright infringement
 - Warnings and notice during upload process
 - Copyright issues handbook for user reference
- Flagging & Notification tools
 - Self-service tools for rights holders
 - Automating search, flagging and DMCA notification
- Filtering Database
 - Captures unique fingerprint on infringing videos to prevent repeat uploads



A Platform for Branded Content

- Partnering with major music labels, networks, studios & advertisers





A Platform for Branded Content (cont)

- Partnering with independent providers and emerging networks





Incredible Results with Branded Video

- NBC/SNL “Lazy Sunday” clip
 - Received 5 million views in about a month
- CBS News “Autistic Basketball Player” video
 - Received 1.2 million views in just a few days
- Fox “Live Action Simpsons Opening”
 - Uploaded by Fox
 - 1 million views in first week
- Nike Soccer “Ronaldhino” video
 - Uploaded by Nike
 - Received 3 million views over 3 months



Incredible Results with Branded Video (cont)

- MTV2 “Andy Milonakis Show” clip
 - Uploaded by MTV
 - Featured by YouTube on home page
 - Received 90,000 views a day
- AtomFilms “Angry Kid” video
 - Uploaded by AtomFilms
 - Featured by YouTube on home page
 - Received 50,000 views a day
 - 4% click through rate (2,000 clicks/day) to AtomFilms.com



Unique Programming Opportunities

- Exclusive behind-the-scenes clips
- DVD extras
- Unique “coming soon” videos
 - Grassroots style, raw and uncut feel
 - New TV shows, new movies, new music
- Video Blogs from the movie set
- Celebrity home videos



Unique Programming Opportunities (cont)

- Interviews with stars, directors, etc.
- Tie-ins to reality programming
 - YouTube audience helps pick the cast (or pick the winner)
 - YouTube users participate in reality shows - upload clips
- “On Tour” with the Band
 - Video updates from different destinations
 - Clips from the shows
 - Clips from the tour bus



Wide Variety of Advertising Opportunities

- Pre-rolls on Branded Video
- Channel sponsorships
- Grassroots marketing with ads as entertainment
 - Nike soccer video/commercial
- Promotions that engage the users and invite feedback
 - Matador Records “Pretty Girls Make Graves” album release
- Opportunity to deliver contextual ads via search, channels, and usage patterns



Business Model for Content Providers

- Ad revenue share on pre-rolls
 - Partner sells ads or YouTube does
- Revenue share on transactions
 - YouTube drives users to transactions (iTunes, Amazon, etc.)
- YouTube covers hosting & bandwidth costs
- In-depth reporting tools to track performance of content and revenue