

Electronic Arts CEO John Riccitiello Leaving

Barbara Ortutay, AP Technology Writer

NEW YORK (AP) — Video game publisher Electronic Arts Inc. said Monday that its CEO, John Riccitiello, will step down on March 30.

The company has named Larry Probst as executive chairman while it searches for Riccitiello's replacement. Probst has been chairman since 1994 and served as CEO from 1991 to 2007, when Riccitiello took over.

"My decision to leave EA is really all about my accountability for the shortcomings in our financial results this year," Riccitiello wrote in a message to EA employees. "It currently looks like we will come in at the low end of, or slightly below, the financial guidance we issued to the Street, and we have fallen short of the internal operating plan we set one year ago. And for that, I am 100 percent accountable."

EA and other traditional video game companies have been trying to adjust to a changing world where consumers are turning to mobile devices and cheap —or free— online games instead of buying expensive packaged titles.

Electronic Arts reported adjusted revenue of \$1.18 billion for the last three months of 2012, a 28 percent drop from the same period a year earlier. The figure was below Wall Street's expectations of \$1.29 billion.

"John has worked hard to lead the company through challenging transitions in our industry, and was instrumental in driving our very significant growth in digital revenues," Probst said in a statement.

Earlier this month, EA fumbled the launch of a new edition of its iconic "SimCity" franchise. Many gamers were unable to log in to the online game, which prompted some retailers to stop selling it. EA said more players logged in than expected and it offered players a free PC game to compensate.

In a note to investors last week, Pacific Crest Securities analyst Evan Wilson said EA has had its "worst stretch of execution ever" recently. He said holiday season sales of its "Medal of Honor" game were disappointing, and high-profile games released this year have received poor reviews.

Redwood City, Calif.-based EA's stock price took a nosedive in the late summer and fall of 2008 during the financial crisis and has not recovered since. The stock went from trading as high as \$61.62 in October 2007 to Monday's close of \$18.71. After

Electronic Arts CEO John Riccitiello Leaving

Published on Wireless Week (<http://www.wirelessweek.com>)

EA announced Riccitiello's departure, the stock rose 67 cents, or 3.6 percent, to \$19.38.

Source URL (retrieved on 06/11/2013 - 3:37pm):

<http://www.wirelessweek.com/news/2013/03/electronic-arts-ceo-john-riccitiello-leaving>