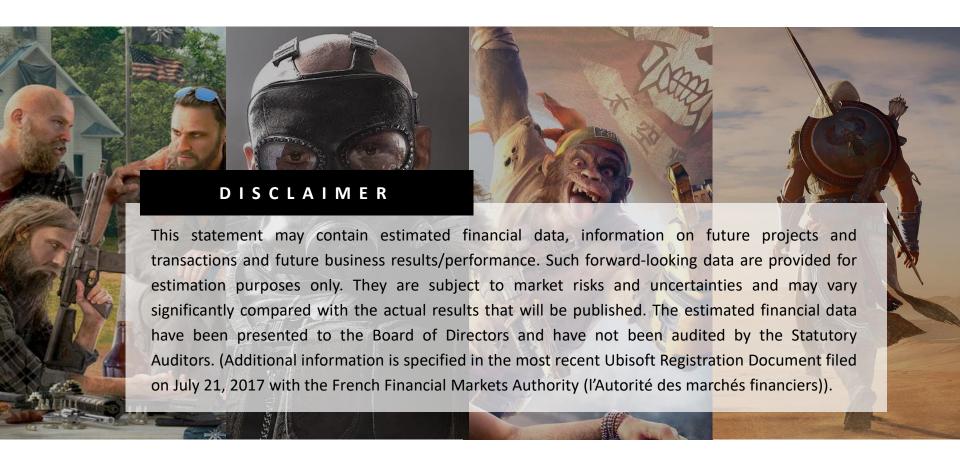


H1 FY18 EARNINGS

November 7, 2017

Yves Guillemot, President and Chief Executive Officer Alain Martinez, Chief Financial Officer



OUTPERFORMANCE DRIVEN BY HIGH QUALITY OFFERINGS & LONG TERM SUPPORT OF OUR GAMES

A LOT MORE TO COME WELL BEYOND FY19

AGENDA



MAJOR NEW RELEASES ...























... + GREAT CONTENT UPDATE ...







SUPPORTING OUR GAMES FOR THE **LONG TERM**

... AND MORE TO COME ...













... ARE DRIVING PERFORMANCE

DIGITAL TRANSFORMATION



PROFITABILITY & RECURRENCE



ADDITIONAL **MEANS** FOR CREATION



QUALITY, STRENGTH & REGULARITY OF CONTENT



PROVEN **MULTISTUDIOS** ORGANIZATION
+ LONG TERM INVESTMENT IN OUR **TEAMS** CAPABILITIES



AGENDA



ANNUAL GENERAL MEETING - SEPTEMBER 22, 2017



MASSIVE SUPPORT FROM OUR **SHAREHOLDERS**

STRONG VALUE CREATION FOR THE YEARS TO COME

TOTAL SHAREHOLDER RETURN

	Since IPO	5-year	2-year	1-year
UBISOFT	+3,337%	+814%	+140%	+111%
NASDAQ	+462%	+140%	+36%	+31%
CAC40 Net Return	+332%	+81%	+18%	+25%
Euro Stoxx Media Supersector Return	+101%	+81%	(1%)	+8%

Source: FactSet as of October 31, 2017 IPO as of July 1, 1996 *Includes net dividends (post-tax)

AGENDA



H1 FY18 PERFORMANCE

H1 SALES: 466 M€, + 66 % yoy

Q2 Sales: 264 M€ (target of 190 M€)

OUTPERFORMANCE FROM

H1 FY18







& FROM MOBILE





LONG TERM SUPPORT OF OUR GAMES & COMMUNITIES

FOR HONOR

















ACQUISITION & ENGAGEMENT CONTINUE TO GROW

Total MAUs
up 29 %
(excl. Mobile)



Viewership + 525% yoy

Top 7 most watched on Youtube

~ 25 million players



~ **300 M** weekly Ubisoft Club challenges played over the past 22 months by R6 players

Mobile DAUs up 234 %







=
Solid conversion
rate of new active
players

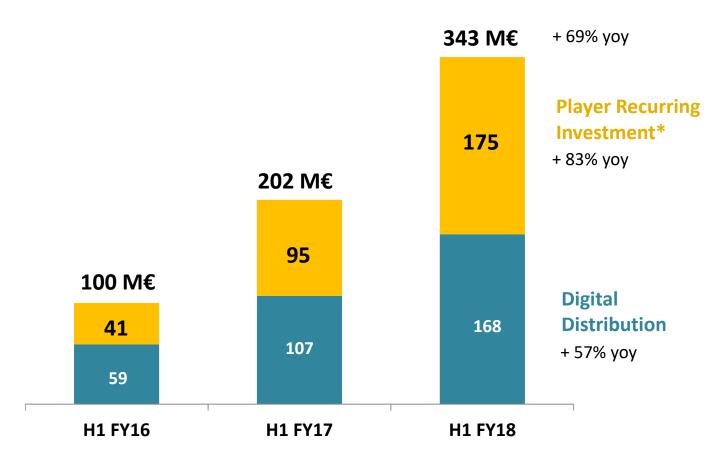
Free weekend



Free Weekend
+
Ghost War
PvP mode
=
DAUs ~ x2

H1 FY18 PERFORMANCE - DIGITAL

DIGITAL SPLIT



¹⁶

H1 FY18 PERFORMANCE

H1 FY18

VERY SOLID BACK-CATALOG:

379 M€, + 48%

> FY16 full year back-catalog

INCREASING RECURRENCE OF OUR MODEL

H1 FY18 PERFORMANCE



NON-IFRS OPERATING INCOME: 3 M€, up 65M€ yoy

CASH FLOW FROM OPERATION: - 84 M€, up 97M€ yoy

NET DEBT: 186 M€

Working capital impact

H1 FY18: NON-IFRS P&L

€ million, except for per share data	H1 2017	H1 2017-18		H1 2016-17	
		%		%	
Sales	466,2		281,4		
Gross profit	390,1	83,7	226,4	80,5	
Non-IFRS R&D expenses	(186,5)	(40,0)	(123,8)	(44,0)	
Non-IFRS Selling expenses	(138,6)	(29,7)	(113,4)	(40,3)	
Non-IFRS G & A expenses	(61,9)	(13,3)	(51,0)	(18,1)	
Non-IFRS SG & A expenses	(200,5)	(43,0)	(164,4)	(58,4)	
Non IFRS operating income	3,1	0,7	(61,8)	(22,0)	
Net Financial Income	(7,3)		(1,6)		
Share in profit of associates	(0,1)		0,0		
Income Tax	23,7		27,4		
Non IFRS Net Income	19,4		(35,9)		
Non IFRS Diluted earnings per share	0,16		(0,32)		
Non IFRS nbr of shares fully diluted	122 554		111 393		

- Gross margin up 164 M€ & 3 points : backcatalog (physical & digital) Gross Margin up
- R&D up 63 M€ & down 4 points : Live Ops growth, Mario + Rabbids, teams bonus
- SG&A up 36 M€ & down 15 points : Mario + Rabbids & change in accounting for bonus
 - variable marketing expenses : 88 M€ (72 M€ in H1 FY17), down 7 points
 - fixed structure costs : 113 M€ (93 M€ in H1 FY17), down 9 points

H1 FY18: R&D

€ million	H1 2017-18	H1 2016-17
Depreciation of in-house software-related production	107,4	72,1
Depreciation of external software-related production and licenses	3,2	7,2
Royalties	4,9	2,8
Non Capitalized R&D & others*	70,9	41,7
Total R&D P&L	186,5	123,8
Capitalized in-house software-related production	238,9	231,0
Capitalized external software-related production and licenses (excluding future commitments)	8,0	11,2
Royalties	4,9	2,8
Non Capitalized R&D & others*	70,9	41,7
Total R&D Cash	322,8	286,7

^{*}mostly Post-Launch content

- 63 M€ increase in total R&D P&L : Mario + Rabbids, Post-Launch content, teams bonus
- 36 M€ increase in total R&D Cash : Mostly Post Launch Content, teams bonus

H1 FY18: IFRS / NON-IFRS RECONCILIATION

	H1 2017-18			H1 2016-17		
€ million, except for per share data	IFRS	Adjustment	Non IFRS	IFRS	Adjustment	Non IFRS
Sales	466,2		466,2	281,4		281,4
Total Operating expenses	(500,6)	37,5	(463,1)	(371,7)	28,5	(343,2)
Stock-based compensation	(27,8)	27,8	0,0	(24,9)	24,9	0,0
Non-current operating income and expenses	(9,7)	9,7	0,0	(3,6)	3,6	0,0
Operating Income	(34,4)	37,5	3,1	(90,3)	28,5	(61,8)
Net Financial income	(11,4)	4,1	(7,3)	(3,9)	2,3	(1,6)
Share in profit of associates	(0,1)		(0,1)	0,0		0,0
Income tax	25,1	(1,4)	23,7	28,1	(0,7)	27,4
Net Income	(20,8)	40,2	19,4	(66,1)	30,2	(35,9)
Diluted earnings per share	(0,19)	0,35	0,16	(0,59)	0,27	(0,32)

- Non-current operating expenses : 10 M€ related to brand and goodwill depreciation
- Net Financial charge adjustment : 4 M€ related to the implicit convertible bond option costs

H1 FY18: CASH FLOWS & CLOSING CASH POSITION

€ million	H1 2017-18	H1 2016-17
Opening cash position	(80,4)	(41,7)
Cash flows from operations	(83,6)	(180,2)
Change in WCR	2,3	189,5
Cash flows from operating activities	(81,3)	9,2
Net investment in capital assets	(28,3)	(27,0)
Net free cash flow	(109,7)	(17,7)
Net acquisitions/disposals	0,0	0,0
Proceeds from issue of capital and other financial flows	45,2	5,2
Net acquisitions/disposals of own shares	(23,3)	54,1
Effect of exchange rate fluctuations	(4,1)	39,6
Equity component	(13,9)	(1,8)
Decrease/(increase) in net debt	(105,7)	79,4
Closing cash position	(186,2)	37,7

- 97 M€ increase in CF from operations : EBIT improvement + narrowing of R&D P&L/Cash gap
- 2 M€ improvement in WCR : Lower improvement vs last year H1 due mostly to
 - Trade Receivables: strong revenue growth & end of August release of Mario + Rabbids Kingdom Battle
 - Inventories: End of August Release of Mario + Rabbids Kingdom Battle & mid October release of South
 Park the Fractured but Whole
 - Other Receivables : no factoring of Quebec subsidies in H1

AGENDA



FY18: FURTHER EARNINGS GROWTH

REVENUES: 1 700 M€, +16%

Q3: 630 M€

NON-IFRS OPERATING INCOME: 270 M€

FY18

Growth driven by:

Stronger new releases











Stronger Player Recurring Investment

6 Live games operated Full Year (vs. 3)

Digital: > 50% of total rev.

Back-Catalog: > 40% of total rev.

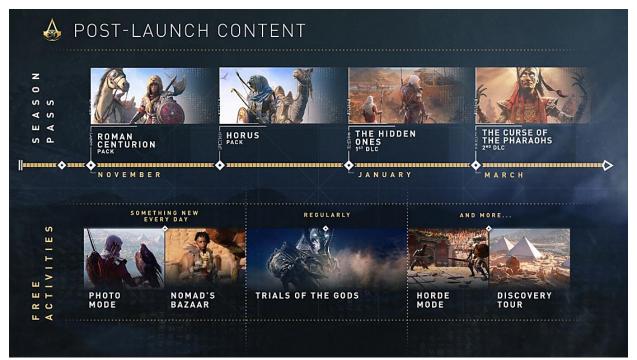
FY18: THE ASSASSIN'S CREED FRANCHISE IS OFFICIALLY BACK



FIRST 10 DAYS UNIT SALES X2 VS SYNDICATE*

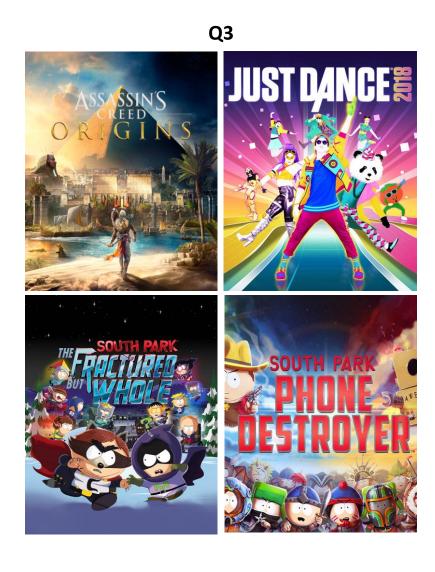
DIGITAL DISTRIBUTION UP 20 POINTS

PRI TRENDING VERY NICELY

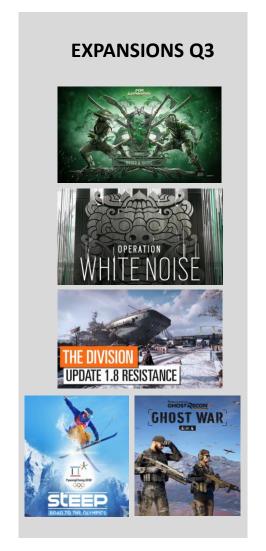


BIGGESTPOST LAUNCH CONTENT **EVER**

FY18: H2 LINE-UP







FY19: STRONG YEAR CONFIRMED

FY19

REVENUES: ~ 2.1BN€

NON-IFRS OPERATING INCOME: ~ 440 M€

21% MARGIN

FREE CASH FLOW: ~ 300M€

We are delighted that the 3-year plan we presented to you back in February 2016 is going so well thanks to the strong outperformance from our teams and the humbling support of our growing player communities.

We continue to do what we do best. That is building Ubisoft step by step, with a long term view of what is in the best interest for our players, employees and shareholders.

You can be assured that we will not stop there and that there is a lot more to come well beyond 2019. We are indeed committed to create great value over the long term.

Yves Guillemot, President and Chief Executive Officer

THANK YOU

