



UBISOFT REPORTS FULL-YEAR 2017-18 SALES AND EARNINGS FIGURES

Very solid performance for the fourth quarter and continued excellent execution across the board

2017-18: HIGHER-THAN-EXPECTED PERFORMANCE AND NEW RECORD-LEVEL PROFITABILITY

- Total annual sales of €1,731.9 million, up 18.6% year on year, outstripping target of around €1,640.0 million.
- Continued excellent execution across the board:
 - Far Cry® 5: Ubisoft's second biggest release ever with USD 310 million total players spending in the release week¹
 - Assassin's Creed® Origins: record performance for an Assassin's Creed game in a fourth fiscal quarter
 - Rainbow Six® Siege: more than 30 million registered players, record engagement in fourth-quarter 2017-18 and esports viewership up by approximately 300.0% for the Six Invitational²
 - The Division®: more than 20 million registered players
 - Ghost Recon® Wildlands: more than 10 million registered players
 - Record peak concurrent users for the Group in fourth-quarter 2017-18
 - Annual digital revenue up 37.8% to €1,004.7 million (representing 58.0% of total sales versus 50.0% for the previous fiscal year)
 - Sharp increase in PRI³: up 58.7% to €482.5 million (27.9% of total sales against 20.8% in 2016-17)
 - Mobile revenue up 66.2%
 - Annual back-catalog sales up 27.2% to €826.0 million (47.7% of total sales compared with 44.5% in 2016-17), confirming the increasingly recurring profile of the Group's business.
- Non-IFRS operating income up 26.2% to €300.1 million, exceeding target of €270.0 million.
 - Non-IFRS operating margin reaches a record high at 17.3% (16.3% in 2016-17)

TARGETS FOR 2018-19: THE GROUP IS STANDING BY ITS TARGETS FOR NON-IFRS OPERATING INCOME AND FREE CASH FLOW

¹ Ubisoft estimate, based on observed sales price for main game sell through WW and first parties' estimates for PRI

² Viewership for the Six Invitational – the annual esports final event for Rainbow Six Siege (held in February 2018) – versus viewership for the February 2017 final.

³ Player Recurring Investment includes sales of digital items, DLC, seasonal passes, subscriptions and advertising.

Paris, May 17, 2018 – Today, Ubisoft released its sales and earnings figures for the fiscal year ended March 31, 2018.

Yves Guillemot, Co-Founder and Chief Executive Officer stated, *"Ubisoft ended the fiscal year on a very positive note, with continued excellent execution across the board. The Group further strengthened its brands thanks to the quality of its games, strong live services and a deep commitment to player communities. During the fourth quarter, we reached a record of peak concurrent users thanks to record engagement levels and esports viewership for Rainbow Six Siege, the successful launch of Far Cry 5 – the second biggest launch in Ubisoft's history – and continued strong performance by Assassin's Creed Origins, Mario + Rabbids Kingdom Battle and our back-catalog titles. As a result, we have outperformed our financial targets, with record-high sales, digital and back-catalog revenues, and profitability.*

In the short and medium term, Ubisoft has many growth opportunities to tap and expects further profitability increases. Our digital transformation is progressing at a faster pace than we anticipated. Our potential in the PC and mobile markets is massive, notably in China. Finally, we are continuing to develop and structure our esports offering, which represents a significant opportunity.

Over the longer term, new forms of gaming, enabled notably by streaming, will allow our brands to reach a much wider audience. Consequently, we are investing in our online services platform – which boasted 88 million unique active players⁴ – as well as in artificial intelligence in order to better tailor the game experience to each player's profile and therefore offer them ever-richer experiences."

⁴ On consoles and PC in fiscal 2017-18

Note

Unless stated otherwise, all of the figures in this press release correspond to non-IFRS data, adjusted to exclude non-operating items. The Group presents these indicators – which are not prepared strictly in accordance with IFRS – as it considers that they are the best reflection of its operating and financial performance. The definitions of the non-IFRS indicators with a description of the applicable adjustments, as well as a reconciliation table between the IFRS consolidated income statement and the non-IFRS consolidated income statement are provided in an appendix to this press release.

Income statement and key financial data

In € millions	2017-18	%	2016-17	%
IFRS Sales	1,731.9		1,459.9	
IFRS Gross margin	1,435.1	82.9%	1,189.0	81.4%
Non-IFRS R&D expenses	(661.1)	(38.2)%	(521.7)	(35.7)%
Non-IFRS selling expenses	(335.9)	(19.4)%	(313.1)	(21.4)%
Non-IFRS G&A expenses	(138.0)	(8.0)%	(116.4)	(8.0)%
Total non-IFRS SG&A expenses	(473.9)	(27.4)%	(429.5)	(29.4)%
Non-IFRS operating income	300.1	17.3%	237.7	16.3%
IFRS operating income	222.3		175.8	
Non-IFRS diluted EPS (in €)	1.80		1.46	
IFRS diluted EPS (in €)	1.18		0.92	
Non-IFRS cash flows from operating activities*	169.9		149.1	
R&D investment expenditure**	720.2		610.5	
Net cash/(debt) position	(548.1)		(80.4)	

* Based on the consolidated cash flow statement for comparison with other industry players (not audited)

** Including royalties but excluding future commitments

Sales

Full-year sales for 2017-18 came to €1,731.9 million, outstripping the Group's target of around €1,640.0 million and up €18.6% (or 22.9% at constant exchange rates⁵) compared with the €1,459.9 million recorded for 2016-17.

Sales in the fourth quarter of 2017-18 – a period that saw the release of one major game, Far Cry 5 – totaled €540.7 million, exceeding the target of approximately €449.0 million. This fourth-quarter sales figure represents a 16.6% decrease (or 11.2% at constant exchange rates⁵) versus the €648.6 million recorded for the same period of 2016-17, when two major games were released (Ghost Recon Wildlands and For Honor®).

Main income statement items⁶

Gross margin rose to 82.9% of sales and €1,435.1 million in absolute value terms (compared with 81.4% and €1,189.0 million in 2016-17).

Non-IFRS operating income came in at €300.1 million, up 26.2% on the €237.7 million recorded for 2016-17.

⁵ Sales at constant exchange rates are calculated by applying to the data for the period under review the average exchange rates used for the same period of the previous fiscal year

⁶ For further information on income statement movements and cash flows see the slideshow published on the Ubisoft website.

Non-IFRS net income came in at €220.6 million, representing non-IFRS diluted earnings per share ("EPS") of €1.80, compared with non-IFRS net income of €174.3 million and non-IFRS diluted EPS of €1.46 for 2016-17.

IFRS net income for 2017-18 came to €139.5 million, representing IFRS diluted EPS of €1.18 versus IFRS net income of €107.8 million and IFRS diluted EPS of €0.92 in 2016-17.

Main cash flow statement⁷ and balance sheet items

Non-IFRS cash flows from operating activities represented a net inflow of €169.9 million against €149.1 million in 2016-17. This increase reflects higher non-IFRS cash flow from operations (€214.9 million versus €110.2 million in 2016-17) and a €45.0 million increase in non-IFRS working capital requirement (€38.9 million decrease in 2016-17).

At March 31, 2018, Ubisoft had net debt⁷ of €548.1 million versus €80.4 million one year earlier. This rise mainly reflects the purchases and binding purchase commitments of own shares for €411.5 million during the fiscal year and a €100 million deposit related to a total return swap with settlement at maturity for part of the share previously owned by Vivendi. As a reminder the Company free cash flow target stands at around €300.0 million in 2018-19.

Outlook

Full-year 2018-19

Ubisoft is standing by its 2018-19 targets for non-IFRS operating income and free cash flow. As announced on May 9, 2018, in line with the recommendations of the European regulators (ESMA) and the French Financial Markets Authority (AMF), Ubisoft is today introducing a new target for sales calculated in accordance with IFRS 15 as well as a new indicator called "Net Bookings" which corresponds to its sales figure as calculated prior to the Company's application of IFRS 15 (see Press Release in appendices):

- IFRS 15 sales of around €2,000.0 million⁸
- Net bookings of approximately €2,050.0 million compared with the previous target of €2,100.0 million, calculated based on:
 - The release of three new AAA games (The Crew[®] 2, The Division[®] 2 and an unannounced franchise title) representing 19 million units (vs the four AAA releases and 23 million units previously announced). In line with previous practices and in view of the acceleration of our digital transformation, growth in back-catalog sales and excellent momentum of recent releases, Ubisoft has decided to give itself more time to develop Skull & Bones™ to offer players an even more engaging experience. Skull & Bones is now scheduled for release in 2019-20.
 - Digital revenue is expected to represent around 65% of net bookings (compared with approximately 60% previously) and PRI should represent around 30% of net bookings (versus the previous target of over 25%).
 - Back-catalog sales are forecasted to represent approximately 50% of net bookings (versus the previous target of over 45%).
- Non-IFRS operating income (based on net bookings) of around €440.0 million.
- Free cash flow of approximately €300.0 million.

⁷ Based on the consolidated cash flow statement for comparison with other industry players (not audited)

⁸ Based on our analysis to date of IFRS 15 (unaudited)

First-quarter 2018-19

For first-quarter 2018-19, the Group expects IFRS 15 sales to amount to around €350.0 million⁸ and net bookings to total approximately €350.0 million (compared with €202.0 million for the same period of 2017-18).

Recent significant events

Sale of Vivendi's entire stake in Ubisoft, with the transaction structured as follows:

- New long-term investors in Ubisoft, with Ontario Teachers' Pension Plan and Tencent acquiring 3,787,878 and 5,591,469 Ubisoft shares respectively.
- Share buybacks by Ubisoft: Ubisoft has undertaken to buy back 7,590,909 of its own shares from Vivendi through a structured transaction taking the form of (i) a forward sale of Ubisoft shares by Vivendi to Crédit Agricole Corporate and Investment Bank (CACIB), and (ii) a mechanism involving Ubisoft's forward buyback of its own shares from CACIB, enabling Ubisoft to defer its buybacks over the period from 2018 to 2021.
- Purchase of Ubisoft shares by Guillemot Brothers SE: Guillemot Brothers SE has undertaken to purchase 3,030,303 Ubisoft shares.
- An accelerated private placement of 13,376,620 Ubisoft shares among qualified investors.

Signature of a strategic partnership agreement with Tencent: Ubisoft has signed a strategic partnership agreement with Tencent which will increase Ubisoft games' exposure and engagement in China and enable the Company to reach millions of new players on mobile and PC.

Acquisition of 1492 Studio, a game development studio specialized in the development of free-to-play episodic and interactive stories on mobile.

Acquisition of Blue Mammoth Games, a game development studio specialized in free-to-play multi-player games on PC and the PS4.

Announcement of new studios openings in India, Ukraine and Canada: The Mumbai and Odessa studios will be focused on jointly developing AAA games and post-release game support. The Winnipeg studio will play a strategic role in jointly developing AAA titles and will be dedicated to developing tools and technology.

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Disclaimer

This statement may contain estimated financial data, information on future projects and transactions and future business results/performance. Such forward-looking data are provided for estimation purposes only. They are subject to market risks and uncertainties and may vary significantly compared with the actual results that will be published. The estimated financial data have been presented and approved by the Board of Directors on 05/17/18 and have not been audited by the Statutory Auditors. (Additional information is specified in the most recent Ubisoft Registration Document filed on July 21, 2017 with the French Financial Markets Authority (l'Autorité des Marchés Financiers)).

About Ubisoft

Ubisoft is a leading creator, publisher and distributor of interactive entertainment and services, with a rich portfolio of world-renowned brands, including Assassin's Creed, Just Dance, Watch_Dogs, Tom Clancy's video game series, Rayman and Far Cry. The teams throughout Ubisoft's worldwide network of studios and business offices are committed to delivering original and memorable gaming experiences across all popular platforms, including consoles, mobile phones, tablets and PCs. For the 2017-18 fiscal year Ubisoft generated sales of €1,732 million. To learn more, please visit www.ubisoftgroup.com

APPENDICES

Breakdown of sales by geographic region

	% Sales	% Sales	% Sales	% Sales
	Q4 2017/18	Q4 2016/17	12 months 2017/18	12 months 2016/17
Europe	35%	36%	37%	38%
North America	45%	48%	47%	47%
Rest of the World	20%	16%	16%	15%
TOTAL	100%	100%	100%	100%

Breakdown of sales by platform

	Q4 2017/18	Q4 2016/17	12 months 2017/18	12 months 2016/17
PLAYSTATION®4	43%	46%	42%	41%
XBOX One	23%	30%	23%	27%
PC	21%	17%	18%	18%
NINTENDO SWITCH™	5%	-	7%	-
XBOX 360, PS®3, Wii™, Wii U™	1%	2%	2%	7%
Others*	7%	5%	8%	7%
TOTAL	100%	100%	100%	100%

*Mobile, ancillaries...

Title release schedule 1st quarter
(April – June 2018)

PACKAGED & DIGITAL

FAR CRY® 3 CLASSIC EDITION	PLAYSTATION®4, Xbox One™
MARIO + RABBIDS® KINGDOM BATTLE GOLD EDITION (retail only)	NINTENDO SWITCH™
SOUTH PARK™ THE FRACTURED BUT WHOLE™	NINTENDO SWITCH™
THE CREW® 2	PLAYSTATION®4, Xbox One™, PC

DIGITAL ONLY

FAR CRY™ 5 - HOURS OF DARKNESS	PLAYSTATION®4, Xbox One™, PC
FOR HONOR® SEASON 6 HERO'S MARCH	PLAYSTATION®4, Xbox One™, PC
MARIO + RABBIDS® KINGDOM BATTLE - DONKEY KONG ADVENTURE	NINTENDO SWITCH™
MIGHT & MAGIC® : ELEMENTAL GUARDIANS	Google play, App store
TOM CLANCY'S RAINBOW SIX® SIEGE OPERATION PARA BELLUM	PLAYSTATION®4, Xbox One™, PC

Audit procedures were carried out and audit reports are currently being issued

Consolidated income statement (IFRS, audited)

In thousands of euros	03.31.18	03.31.17
Sales	1 731 894	1 459 874
Cost of sales	-296 820	-270 887
Gross Margin	1 435 074	1 188 987
Research and Development costs	-690 592	-548 735
Marketing costs	-339 274	-316 806
General and Administrative costs	-144 649	-122 538
Current operating income	260 559	200 907
Non-current expenses and income	-38 241	-25 094
Operating income	222 317	175 813
Net borrowing costs	-15 909	-10 816
Net foreign exchange gains/losses	-5 747	-2 288
Other financial income	8 312	2 348
Other financial expenses	-56	-5 449
Net financial income	-13 400	-16 205
Share in profit of associates	-224	-338
Income tax	-69 241	-51 457
Profit for the period	139 452	107 813
Earnings per share		
Basic earnings per share (in €)	1,26	0,98
Diluted earnings per share (in €)	1,18	0,92
Weighted average number of shares in issue	110 399 832	109 887 358
Diluted weighted average number of shares in issue	122 443 961	119 676 950

Definitions of Non-IFRS Financial Indicators

Net Bookings: corresponds to the prior sales standard.

Non-IFRS operating income corresponds to operating income less the following items:

- Stock-based compensation expense arising on free share plans, group savings plans and stock options.
- Depreciation of acquired intangible assets with indefinite useful lives.
- Non-operating income and expenses resulting from restructuring operations within the Group.

Non-IFRS operating margin corresponds to the ratio between the Non-IFRS operating income and sales. This ratio reflects the economic performance.

Non-IFRS net income corresponds to net income less the following items:

- The above-described deductions used to calculate non-IFRS operating income.
- Income and expenses arising on revaluations, carried out after the measurement period, of the potential variable compensation granted in relation to business combinations.
- OCEANE bond interest expense recognized in accordance with IAS39
- The tax impacts on these adjustments.

Non-IFRS diluted EPS corresponds to Non-IFRS net income divided by the weighted average number of shares after the exercise of dilutive instruments rights.

The adjusted cash flow statement includes:

- Non-IFRS cash flow from operations which includes:
 - The costs of internal development and licenses development (presented under cash flows from investing activities in the IFRS cash flow statement) as these costs form an integral part of the Group's operations.
 - Current and deferred taxes.
- Non-IFRS change in working capital requirement which includes movements in deferred taxes, thus cancelling out the deferred tax income or expense presented in Non-IFRS cash flow from operations.
- Non-IFRS cash flows from operating activities which includes the costs of internal development and licenses development (presented under cash flows from investing activities in the IFRS cash flow statement and included in Non-IFRS cash flow from operations in the adjusted cash flow statement).
- Non-IFRS cash used by investing activities which excludes the costs of internal development and the licenses development that are presented under Non-IFRS cash flow from operations.

Free cash flow corresponds to cash flows from operating activities after cash inflows/outflows arising on the disposal/acquisition of other intangible assets and property, plant and equipment.

Free cash flow before WCR corresponds to cash flow from operations after cash inflows/outflows arising on the disposal/acquisition of other intangible assets and property, plant and equipment.

Net cash (debt) position corresponds to investments and cash and cash equivalents less financial liabilities excluding derivatives.

Reconciliation of IFRS Net income and non-IFRS Net income

In million of euros, except for per share data	2017-18			2016-17		
	IFRS	Adjustments	Non-IFRS	IFRS	Adjustments	Non-IFRS
Sales	1 731,9		1 731,9	1 459,9		1 459,9
Total Operating expenses	(1 509,6)	77,8	(1 431,8)	(1 284,1)	61,9	(1 222,2)
Stock-based compensation	(39,6)	39,6	0	(36,8)	36,8	0,0
Non-current expenses and income	(38,2)	38,2	0	(25,1)	25,1	0,0
Operating Income	222,3	77,8	300,1	175,8	61,9	237,7
Net Financial income	(13,4)	7,7	(5,7)	(16,2)	7,2	(9,0)
Share in profit of associates	(0,2)	-	(0,2)	(0,3)	-	(0,3)
Income tax	(69,2)	(4,4)	(73,6)	(51,4)	(2,6)	(54,0)
Net Income	139,5	81,1	220,6	107,8	66,5	174,3
Diluted earnings per share	1,18	0,62	1,80	0,92	0,54	1,46

Consolidated balance sheet (IFRS, audited)

ASSETS	Net	Net
In thousands of euros	03.31.18	03.31.17
Goodwill	259 462	180 735
Other intangible assets	782 402	736 465
Property, plant and equipment	114 116	106 375
Investments in associates	-289	-68
Other financial assets	106 895	5 478
Deferred tax assets	84 181	88 831
Non-current assets	1 346 767	1 117 815
Inventory	20 264	25 359
Trade receivables	435 573	405 557
Other receivables	208 778	146 467
Other current financial assets	8 320	1 131
Current tax assets	38 481	32 967
Cash and cash equivalents	746 939	852 699
Current assets	1 458 356	1 464 180
Total assets	2 805 122	2 581 995

LIABILITIES AND EQUITY	Net	Net
In thousands of euros	03.31.18	03.31.17
Capital	8 652	8 752
Premiums	234 123	280 975
Consolidated reserves	507 102	736 276
Consolidated earnings	139 452	107 813
Total equity	889 330	1 133 816
Provisions	3 074	4 246
Employee benefit	10 289	9 079
Long-term borrowings	933 629	640 705
Deferred tax liabilities	96 047	72 773
Non-current liabilities	1 043 039	726 803
Short-term borrowings	361 538	293 403
Trade payables	176 613	178 282
Other liabilities	321 935	219 817
Current tax liabilities	12 667	29 872
Current liabilities	872 753	721 376
Total liabilities	1 915 792	1 448 179
Total liabilities and equity	2 805 122	2 581 995

Consolidated cash flow statement for comparison with other industry players (non audited)

In thousands of euros	03.31.18	03.31.17
Cash flows from non-IFRS operating activities		
Consolidated earnings	139 452	107 813
+/- Share in profit of associates	224	338
+/- Net depreciation on internal & external games & movies	462 207	407 816
+/- Other depreciation on fixed assets	81 824	66 819
+/- Net Provisions	4 052	-2 563
+/- Cost of share-based payments	39 558	36 836
+/- Gains / losses on disposals	308	408
+/- Other income and expenses calculated	8 578	-10 655
+/- Cost of internal development and license development	-521 290	-496 588
CASH FLOW FROM NON-IFRS OPERATION	214 914	110 223
Inventory	229	-5 381
Trade receivables	-61 544	31 934
Other assets	-78 567	3 113
Trade payables	15 243	-45 082
Other liabilities	79 591	54 315
+/- Change in working capital from non-IFRS operating activities	-45 048	38 899
TOTAL CASH FLOW GENERATED BY NON-IFRS OPERATING ACTIVITIES	169 865	149 122
- Payments for the acquisition of intangible assets and property, plant and equipment	-59 366	-62 914
+ Proceeds from the disposal of intangible assets and property, plant and equipment	20	603
+/- Other cash flows from investing activities	-131 493	-44 374
+ Repayment of loans and other financial assets	29 790	43 322
+/- Changes in scope ⁽¹⁾	-77 589	-105 642
CASH USED BY NON-IFRS INVESTING ACTIVITIES	-238 638	-169 005
Cash flows from financing activities		
+ New borrowings	894 598	669 147
+ New finance leases	5 054	1 416
- Repayment of finance leases	-1 672	-898
- Repayment of borrowings	-487 677	-214 663
+ Proceeds from shareholders in capital increases	48 951	9 465
+/- Sales / purchases of own shares	-411 498	-67 844
CASH GENERATED (USED) BY FINANCING ACTIVITIES	47 756	396 623
Net change in cash and cash equivalents	-21 017	376 740
Cash and cash equivalents at the beginning of the fiscal year	632 314	255 688
Foreign exchange gains/losses	-27 943	-114
Cash and cash equivalents at the end of the fiscal year⁽¹⁾	583 354	632 314
⁽¹⁾ Including cash in companies acquired and disposed of	4 738	26 421
RECONCILIATION OF NET CASH POSITION		
Cash and cash equivalents at the end of the period	583 354	632 314
Bank borrowings and from the restatement of finance leases	-1 005 431	-646 752
Commercial papers	-126 000	-66 000
NET CASH POSITION	-548 077	-80 438

Consolidated cash flow statement IFRS (audited)

In thousands of euros	03.31.18	03.31.17
Cash flows from operating activities adjusted		
Consolidated earnings	139 452	107 813
+/- Share in profit of associates	224	338
+/- Net Depreciation	544 031	474 635
+/- Net Provisions	4 052	-2 563
+/- Cost of share-based payments	39 558	36 836
+/- Gains / losses on disposals	308	408
+/- Other income and expenses calculated	8 578	-10 655
+/- Tax Expense	69 241	51 457
TOTAL CASH FLOW FROM OPERATIONS	805 445	658 269
Inventory	229	-5 381
Trade receivables	-61 544	31 934
Other assets	-87 590	11 854
Trade payables	15 243	-45 082
Other liabilities	52 832	30 256
+/- Change in working capital from operating activities adjusted	-80 830	23 582
+/- Payable tax expense	-33 460	-36 140
TOTAL CASH FLOW GENERATED BY OPERATING ACTIVITIES	691 155	645 711
- Payments for the acquisition of internal & external games	-521 290	-496 588
- Payments for the acquisition of intangible assets and property, plant and equipment	-59 366	-62 914
+ Proceeds from the disposal of intangible assets and property, plant and equipment	20	603
+/- Other cash flows from investing activities	-131 493	-44 374
+ Repayment of loans and other financial assets	29 790	43 322
+/- Changes in scope ⁽¹⁾	-77 589	-105 642
CASH USED BY INVESTING ACTIVITIES ADJUSTED	-759 928	-665 594
Cash flows from financing activities		
+ New borrowings	894 598	669 147
+ New finance leases	5 054	1 416
- Repayment of finance leases	-1 672	-898
- Repayment of borrowings	-487 677	-214 663
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⁽¹⁾ Including cash in companies acquired and disposed of	4 738	26 421

APPLICATION OF IFRS 15*

Impact on Financial Communications

Paris, May 9, 2018 – As from fiscal 2018-19, Ubisoft will apply IFRS 15 (the new revenue recognition standard) for the first time. The main impacts that this new standard will have on the recognition of the Group's sales and on its financial communications are presented below.

Accounting impacts of IFRS 15

The main impact of IFRS 15 for Ubisoft concerns the recognition of sales of games with a service component, i.e. "Live Services" games, which give players access to online services. Under IFRS 15, all of these services – which are accessible at no extra cost for users – constitute a distinct obligation for which the consideration received on the initial delivery of the original game must be recognized in revenue over the estimated period of time that the players use the service.

Under the currently-applicable revenue recognition standard (IAS 18**), the service component is not separated out and the full amount of the revenue received for the game is recognized when the game is delivered. Consequently, the application of IFRS 15 will result in a portion of the revenue generated on these games being deferred beyond their initial delivery date.

Impacts on financial communications

The Group will apply IFRS 15's revenue recognition rules for the first time as from fiscal 2018-19. In addition to its financial statements prepared in accordance with IFRSs as adopted by the European Union, Ubisoft will continue to report alternative performance indicators (non-IFRS), with the same level of detail as previously. In order to enable meaningful comparisons with prior-period sales figures, Ubisoft will introduce a new alternative performance indicator in its financial communications called "Net bookings". This indicator is used by Ubisoft to oversee and measure its business and commercial performance.

Timeline

As recommended by the European regulators (ESMA) and the French Financial Markets Authority (AMF), Ubisoft will issue sales figures that are compliant with IFRS 15 as from the press release on its first-quarter 2018-19 sales.

When it publishes its full-year results for fiscal 2017-18 on May 17, 2018, Ubisoft will report on the following targets:

- 2018-19 sales in IFRS 15 format
- Net Bookings for 2018-19
- Non-IFRS operating income for 2018-19
- Free Cash Flow for 2018-19

* International Financial Reporting Standard 15 – equivalent to US GAAP ISC 606

** International Accounting Standards