



**UBISOFT**

**FY22 EARNINGS**

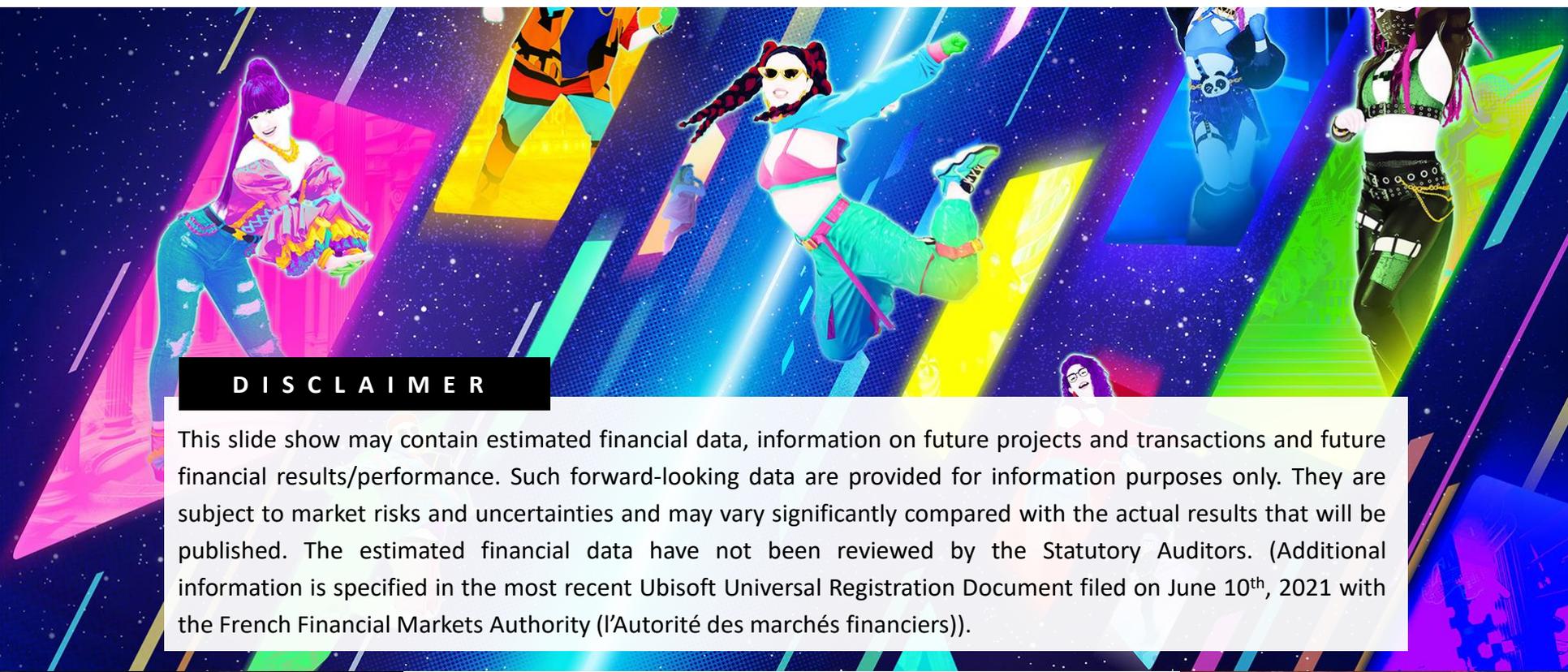
May 11, 2022



# DISCLAIMER

**Yves Guillemot, Chairman and Chief Executive Officer**

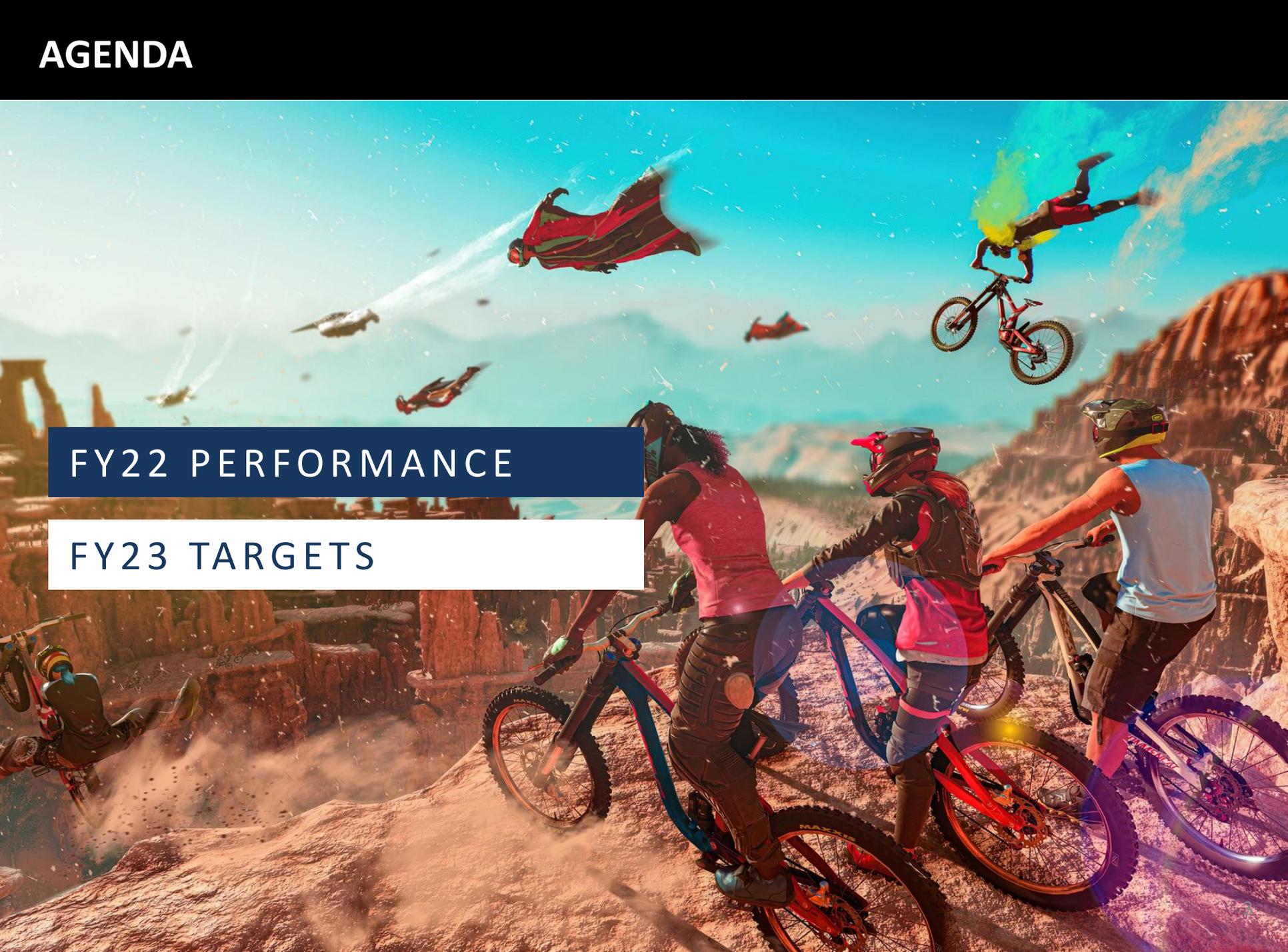
**Frédéric Duguet, Chief Corporate Finance Officer**



## DISCLAIMER

This slide show may contain estimated financial data, information on future projects and transactions and future financial results/performance. Such forward-looking data are provided for information 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 not been reviewed by the Statutory Auditors. (Additional information is specified in the most recent Ubisoft Universal Registration Document filed on June 10<sup>th</sup>, 2021 with the French Financial Markets Authority (l'Autorité des marchés financiers)).

# AGENDA



FY22 PERFORMANCE

FY23 TARGETS

# FY22: SOLID PERFORMANCE DESPITE CHALLENGING ENVIRONMENT

	12-MONTHS
NET BOOKINGS	€2,129m, -5% YoY
DIGITAL REVENUES	€1,666m, +4% YoY, <b>78%</b> of total net bookings
PLAYER RECURRING INVESTMENT	€813m, +4% YoY, <b>38%</b> of total net bookings
BACK-CATALOG	€1,427m, +11% YoY (+29% vs. FY20), <b>67%</b> of net bookings

# KEY HIGHLIGHTS

## BUILDING MAJOR FRANCHISES

- **Ubisoft's** three largest brands each generated well over €300m net bookings
- **Assassin's Creed** net bookings nearly doubled vs. FY20, the prior release-free year
- **Far Cry's** best year ever for the brand
- **Rainbow Six** net bookings growth on the back of the brand's expansion with **Extraction**. Very positive reception for R6S Year 7 roadmap

## GROWING THE RECURRING PROFILE OF OUR BUSINESS

- **Back-catalog** up 11% and represented more than 50% of net bookings for the 4<sup>th</sup> consecutive year

## CONTINUED TRANSFORMATION OF THE ORGANIZATION

- **Expansion of the ExCo** and **new independent board member**
- **Evolved capital allocation decision-making process** with new brand, editorial, production and technology leaderships and framework
- **Attracted** numerous top-tier talents and welcomed back more than 600 talents
- **Continuous progress in D&I:**
  - 25% of Ubisoft's workforce is women vs. 22% two years ago.
  - Strong representation of women at leadership levels: respectively 42% and 45% for the Exco & the board



# FY22: NON-IFRS P&L

in € millions, except for per share data	FY 2021-22		FY 2020-21	
		%		%
<b>IFRS 15 sales</b>	<b>2,125.2</b>		<b>2,223.8</b>	
Deferred revenues related to IFRS 15 standard	3.3		16.7	
<b>Net bookings</b>	<b>2,128.5</b>		<b>2,240.6</b>	
<b>Gross profit based on Net bookings</b>	<b>1,858.8</b>	<b>87.3</b>	<b>1,914.8</b>	<b>85.5</b>
Non IFRS R&D expenses	(782.7)	(36.8)	(784.9)	(35.0)
Non IFRS Selling expenses	(408.6)	(19.2)	(438.1)	(19.6)
Non IFRS G&A expenses	(259.9)	(12.2)	(218.4)	(9.7)
Non IFRS SG&A expenses	(668.6)	(31.4)	(656.6)	(29.3)
<b>Non IFRS Operating income</b>	<b>407.6</b>	<b>19.1</b>	<b>473.3</b>	<b>21.1</b>
Net Financial Income	(17.7)		(19.1)	
Income Tax	(120.4)		(138.6)	
<b>Non IFRS consolidated net income</b>	<b>269.5</b>		<b>315.6</b>	
Net income attributable to owners of the parent company	269.0		313.5	
Net income attributable to non-controlling interests	0.4		2.1	
<b>Non IFRS Diluted earnings per share attributable to parent company</b>	<b>2.11</b>		<b>2.48</b>	
<b>Nbr of shares fully diluted, in thousands</b>	<b>127,321</b>		<b>126,287</b>	

- **SG&A breakdown:**

- Variable marketing expenses: 277 M€ or 13.0% of net bookings (307 M€ & 13.7% in FY21)
- Structure costs: 391 M€ or 18.4% of net bookings (349 M€ & 15.6% in FY21)

# FY22: R&D

In € millions	FY 2021-22	FY 2020-21
Depreciation of in-house software-related production	433.3	427.9
Depreciation of external software-related production and licenses	9.8	5.5
Royalties	28.1	34.1
Non Capitalized R&D & others*	311.5	317.5
<b>Total R&amp;D P&amp;L</b>	<b>782.7</b>	<b>784.9</b>
Capitalized in-house software-related production	835.5	737.8
Capitalized external software-related production and licenses (excluding future commitments)	20.4	14.8
Royalties	28.1	34.1
Non Capitalized R&D & others*	311.5	317.5
<b>Total R&amp;D Cash</b>	<b>1,195.6</b>	<b>1,104.2</b>

\*mostly Post-Launch content

# FY22: CASH FLOWS & CLOSING CASH POSITION

In € millions	FY 2021-22	FY 2020-21
<b>Non-IFRS Opening cash position</b>	<b>79.2</b>	<b>(100.6)</b>
<b>Cash flows from operation</b>	<b>(55.0)</b>	<b>64.6</b>
<b>Change in WCR</b>	<b>(136.6)</b>	<b>104.5</b>
<b>Cash flows from operating activities</b>	<b>(191.6)</b>	<b>169.0</b>
Net investment in capital assets	(90.4)	(96.7)
<b>Net free cash flow</b>	<b>(282.0)</b>	<b>72.3</b>
Net acquisitions/disposals	(26.5)	(16.0)
Proceeds from issue of capital and other financial flows	39.3	78.5
Net acquisitions/disposals of own shares	(117.0)	25.8
Equity component (OCEANE)	(5.6)	(5.5)
Effect of exchange rate fluctuations	29.8	24.7
<b>Decrease/(increase) in net debt</b>	<b>(361.9)</b>	<b>179.9</b>
<b>Closing cash position</b>	<b>(282.7)</b>	<b>79.2</b>
IFRS16 Debt Opening		
<b>Non-IFRS Closing cash position</b>	<b>(282.7)</b>	<b>79.2</b>

# AGENDA



FY22 PERFORMANCE

FY23 TARGETS

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Q1 FY23e

Q1 FY23 NET BOOKINGS: around €280m

FY23e

FY23 NET BOOKINGS: Significant growth

FY23 NON-IFRS OPERATING INCOME: Approximately €400m



# APPENDIX

# FY22: IFRS / NON-IFRS RECONCILIATION

In € millions except for per share data	FY 2021-22			FY 2020-21		
	IFRS	Adjustments	Non-IFRS	IFRS	Adjustments	Non-IFRS
<b>IFRS 15 Sales</b>	<b>2,125.2</b>			<b>2,223.8</b>		
Deferred revenues related to IFRS 15		3.3	3.3		16.7	16.7
<b>Net bookings</b>			<b>2,128.5</b>			<b>2,240.6</b>
<b>Total Operating expenses</b>	<b>(1,883.7)</b>	<b>162.8</b>	<b>(1,720.9)</b>	<b>(1,934.5)</b>	<b>167.2</b>	<b>(1,767.2)</b>
Stock-based compensation	(54.1)	54.1	0.0	(56.8)	56.8	0.0
Non current operating income & expense	(108.7)	108.7	0.0	(110.4)	110.4	0.0
<b>Operating Income</b>	<b>241.5</b>	<b>166.1</b>	<b>407.6</b>	<b>289.4</b>	<b>184.0</b>	<b>473.3</b>
Net Financial income	(48.4)	30.7	(17.7)	(51.6)	32.4	(19.1)
Income tax	(113.6)	(6.8)	(120.4)	(132.6)	(5.9)	(138.6)
<b>Consolidated Net Income</b>	<b>79.5</b>	<b>190.0</b>	<b>269.5</b>	<b>105.2</b>	<b>210.4</b>	<b>315.6</b>
Net income attributable to owners of the parent company	79.1		269.0	103.1		313.5
Net income attributable to non-controlling interests	0.4		0.4	2.1		2.1
Weighted average number of shares in issue	127,320,735		127,320,735	126,286,728		126,286,728
Diluted earnings per share attributable to parent company (in €)	0.65	1.46	2.11	0.85	1.63	2.48