



UBISOFT

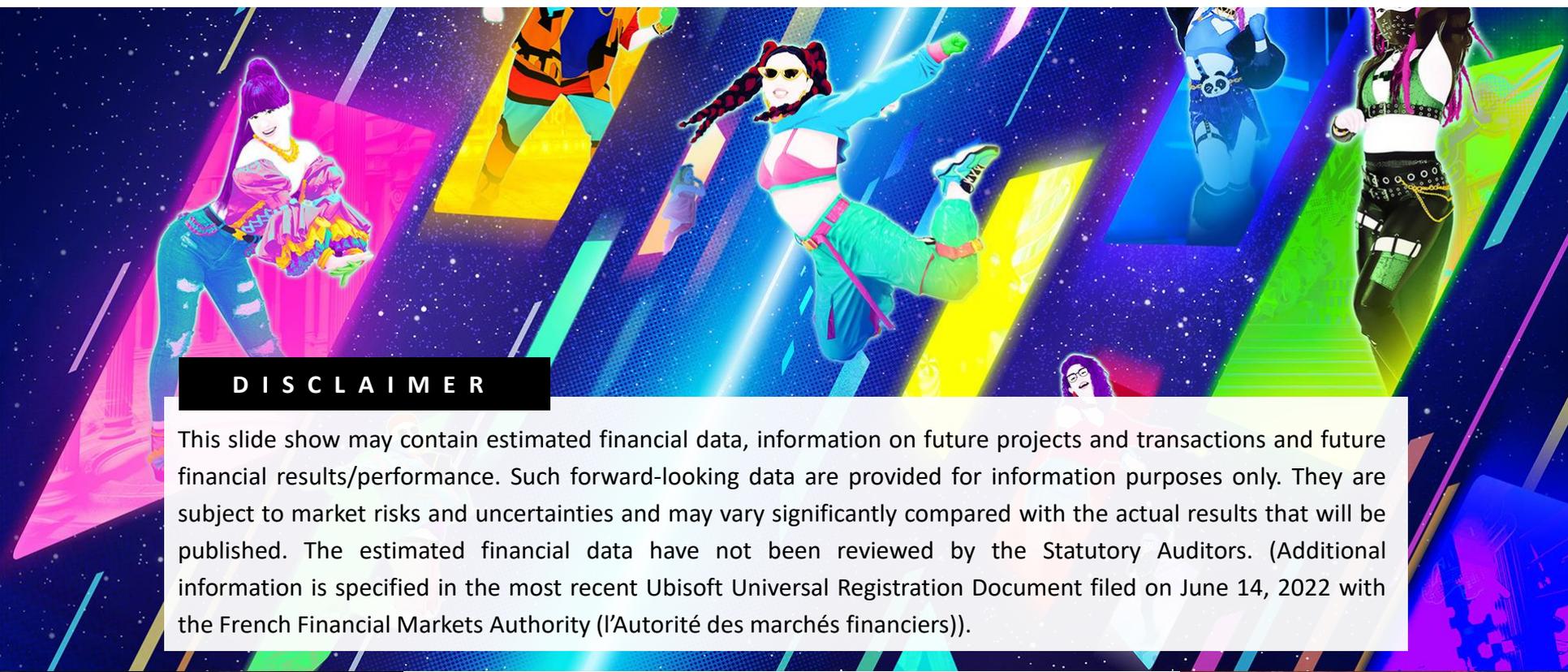
H1 FY23 EARNINGS

October 27, 2022

DISCLAIMER

Yves Guillemot, Chairman and Chief Executive Officer

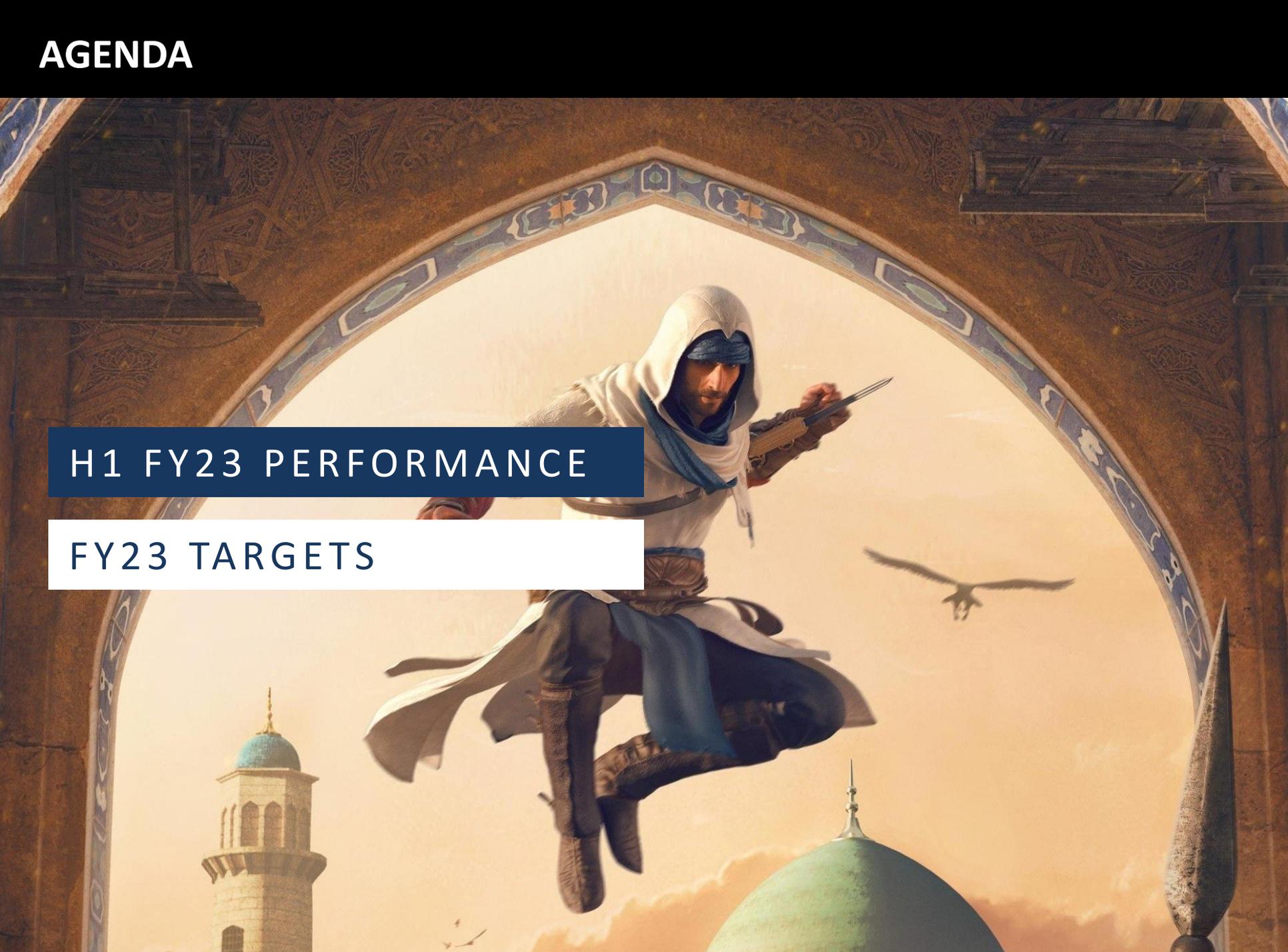
Frédéric Duguet, Chief Corporate Finance Officer



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 14, 2022 with the French Financial Markets Authority (l'Autorité des marchés financiers)).

AGENDA

A character from the Assassin's Creed series is shown in mid-air, leaping through an ornate, arched opening of a building. The character is wearing a white hooded robe with a blue sash and a blue blindfold. They are holding a hidden blade in their right hand. The background is a bright, hazy sky with a large green dome and a minaret visible in the distance. A bird is flying in the sky to the right. The archway is decorated with intricate geometric patterns in blue and gold.

H1 FY23 PERFORMANCE

FY23 TARGETS

H1 FY23 NET BOOKINGS WELL ABOVE TARGET

	6-MONTHS
NET BOOKINGS	€699m, -3% YoY
DIGITAL REVENUES	€642m, +15% YoY, 92% of total net bookings
PLAYER RECURRING INVESTMENT	€422m, +21% YoY, 60% of total net bookings
BACK-CATALOG	€505m, -15% YoY, 72% of net bookings

KEY HIGHLIGHTS

ROBUST ACTIVITY IN H1

- Unique active players and Monthly Active Users stable YoY

STRONGER-THAN-EXPECTED Q2 PERFORMANCE

- Q2 total net bookings of €406m, well above target of approximately €270m. Outperformance driven by:
 - Much stronger back-catalog
 - And, to a greater extent, from the faster revenue recognition phasing of the mobile licensing partnership
- Rainbow Six Siege bookings up 18% YoY, with increased engagement from current player base and record DARPU following a second consecutive quarter of very strong YoY growth
- Assassin's Creed strong performance across Origins, Odyssey and Valhalla. Record number of active players in Q2
- Assassin's Creed Valhalla crossed 20 million unique players



H1 FY23: NON-IFRS P&L

in € millions, except for per share data	H1 2022-23		H1 2021-22	
		%		%
IFRS15 Sales	731.2		751.3	
Deferred revenue related to IFRS15 standard	(31.7)		(33.2)	
Net bookings	699.4		718.2	
Gross profit based on net bookings	618.1	88.4	614.4	85.6
Non-IFRS R&D expenses	(452.2)	(64.7)	(276.2)	(38.5)
Non-IFRS Selling expenses	(154.9)	(22.2)	(173.0)	(24.1)
Non-IFRS G&A expenses	(149.9)	(21.4)	(121.1)	(16.9)
Non-IFRS SG&A expenses	(304.8)	(43.6)	(294.0)	(40.9)
Non IFRS current operating income	(139.0)	(19.9)	44.1	6.1
Net Financial Income	(0.5)		(9.4)	
Income Tax	28.3		(4.4)	
Non IFRS consolidated net income	(111.1)		30.3	
Net income attributable to owners of the parent company	(111.0)		29.6	
Net income attributable to non-controlling interests	(0.1)		0.7	
Non IFRS Diluted earnings per share attributable to parent company	(0.93)		0.23	
Number of shares fully diluted	120,001		127,840	

- **SG&A breakdown:**

- Variable marketing expenses: 86 M€ or 12.2% of net bookings (108 M€ & 15.1% in H1 FY22)
- Structure costs: 219 M€ or 31.3% of net bookings (186 M€ & 25.8% in H1 FY22)

H1 FY23: R&D

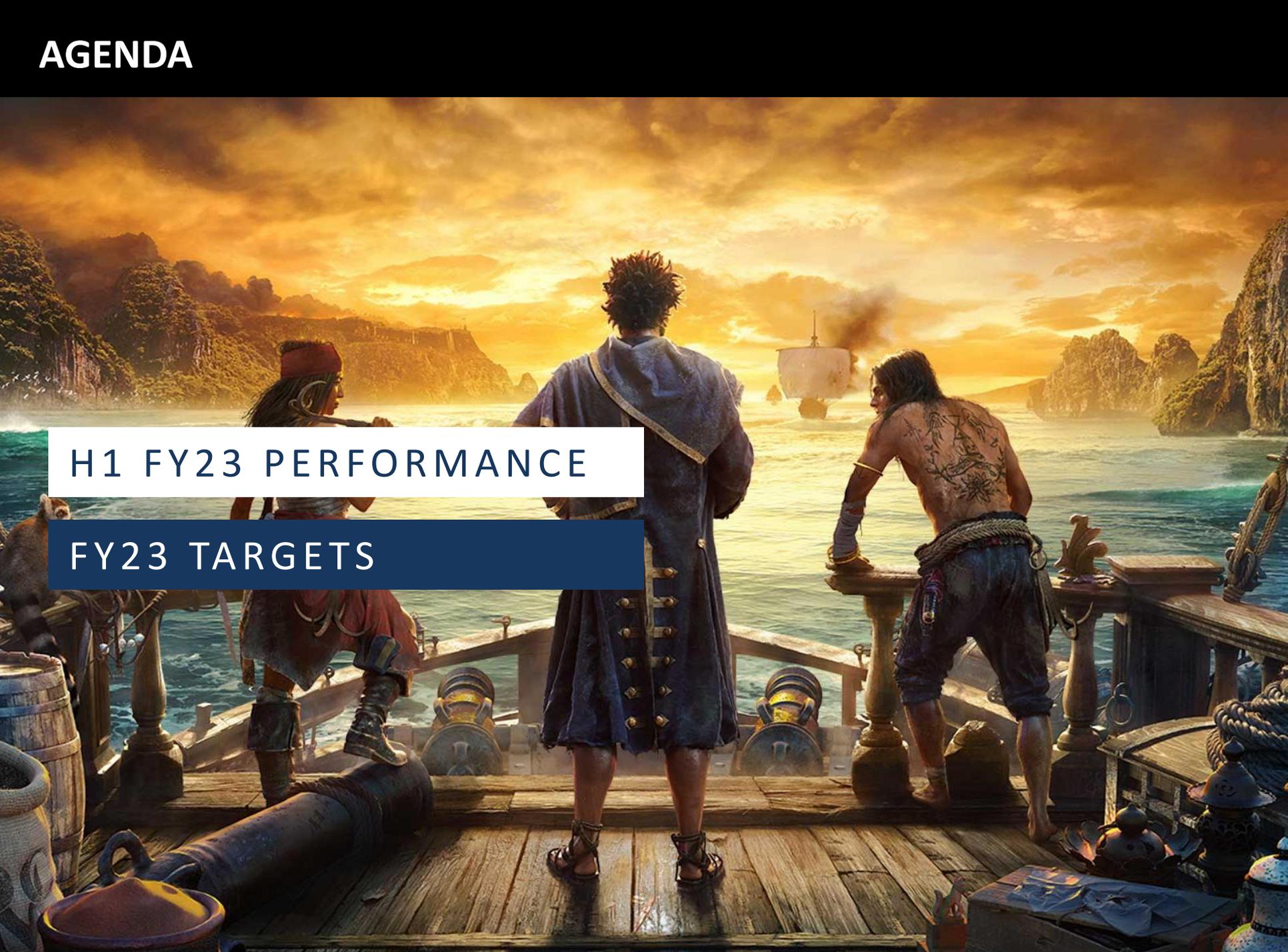
In € millions	H1 2022-23	H1 2021-22
Depreciation of in-house software-related production	273.2	99.8
Depreciation of external software-related production and licenses	2.8	1.5
Royalties	12.4	12.3
Non Capitalized R&D & others*	163.9	162.7
Total R&D P&L	452.2	276.2
Capitalized in-house software-related production	483.2	388.3
Capitalized external software-related production and licenses (excluding future commitments)	13.0	9.8
Royalties	12.4	12.3
Non Capitalized R&D & others*	163.9	162.7
Total R&D Cash	672.5	573.1

*mostly Post-Launch content

H1 FY23: CASH FLOWS & CLOSING CASH POSITION

In € millions	H1 2022-23	H1 2021-22
Non-IFRS Opening cash position	(282.7)	79.2
Cash flows from operation	(292.5)	(225.1)
Change in WCR	224.1	(63.5)
Cash flows from operating activities	(68.3)	(288.6)
Net investment in capital assets	(41.7)	(44.5)
Net free cash flow	(110.0)	(333.1)
Net acquisitions/disposals	(30.7)	(25.0)
Proceeds from issue of capital and other financial flows	(3.8)	61.9
Net acquisitions/disposals of own shares	100.4	(40.1)
Equity component (OCEANE)	(2.7)	(2.7)
Effect of exchange rate fluctuations	(1.7)	(0.9)
Decrease/(increase) in net debt	(48.6)	(339.8)
Closing cash position	(331.3)	(260.6)

AGENDA



H1 FY23 PERFORMANCE

FY23 TARGETS

FY23 TARGETS

Q3 FY23e

NET BOOKINGS: approximately €830m

FY23e

NET BOOKINGS: Significant growth

NON-IFRS OPERATING INCOME: Approximately €400m

OpenCritic
score

Mario + Rabbids Sparks of Hope

Ubisoft Paris, Ubisoft Milan
Oct 20, 2022 - Nintendo Switch



OpenCritic
Rating



Top Critic
Average



Critics
Recommend

Source	Score
Eurogamer	Recommended
IGN	9 / 10
GamesRadar+	4.5 / 5
Metro GameCentral	9 / 10
Easy Allies	8.5 / 10
Game Informer	9 / 10
GameSpot	9 / 10
Giant Bomb	4 / 5



APPENDIX

H1 FY23: IFRS / NON-IFRS RECONCILIATION

In € millions except for per share data	H1 2022-23			H1 2021-22		
	IFRS	Adjustments	Non-IFRS	IFRS	Adjustments	Non-IFRS
IFRS 15 Sales	731.2			751.3		
Deferred revenues related to IFRS 15		(31.7)			(33.2)	
Net bookings			699.4			718.2
Total Operating expenses	(946.5)	108.1	(838.4)	(725.4)	51.4	(674.0)
Stock-based compensation	(46.3)	46.3	0.0	(40.8)	40.8	0.0
Non current operating income & expense	(61.8)	61.8	0.0	(10.7)	10.7	0.0
Operating Income	(215.3)	76.4	(139.0)	25.9	18.3	44.1
Net Financial income	(3.2)	2.7	(0.5)	(12.1)	2.7	(9.4)
Income tax	28.3	0.0	28.3	(12.2)	7.8	(4.4)
Consolidated Net Income	(190.2)	79.1	(111.1)	1.6	28.7	30.3
Net income attributable to owners of the parent company	(190.1)		(111.0)	0.9		29.6
Net income attributable to non-controlling interests	(0.1)		(0.1)	0.7		0.7
Weighted average number of shares in issue	120,001,344		120,001,344	123,478,324		127,840,183
Diluted earnings per share attributable to parent company (in €)	(1.58)	0.66	(0.93)	0.01	0.22	0.23