



UBISOFT REPORTS FULL-YEAR 2019-20 SALES AND EARNINGS FIGURES

Company records strong execution in the fourth quarter, notably for Live games

2020-21 targets to reflect potential impact of COVID-19

Full-year performance:

	In €m 12 months 2019-20 ¹	Reported change vs. 2018-19	In % of total net bookings	
			12 months 2019-20	12 months 2018-19
IFRS 15 sales¹	1 594.8	-13.6%	NA	NA
Net bookings¹	1 534.0	-24.4%	NA	NA
Digital net bookings ¹	1 261.3	-9.7%	82.2%	68.8%
PRI net bookings ¹	702.4	+9.0%	45.8%	31.8%
Back-catalog net bookings ¹	1 115.8	-2.7%	72.7%	56.5%
IFRS operating income/(loss)	(59.5)	NA	NA	NA
Non-IFRS operating income	34.2	-92.3%	2.2%	22.0%

- **Fourth fiscal quarter:** Net bookings of €417.4 million. Excluding the reclassification of mobile revenues¹, the figure was €388.2 million, up on the Group's target of around €333.0 million.
- **Tom Clancy's Rainbow Six® Siege:**
 - 60 million registered players
 - More than one billion session days in 2019-20, representing a sharp increase
 - Record engagement levels for January, February and March months and a 26% rise in PRI over the quarter
 - Ranked the fourth "Most Impactful PC Game" by The Esports Observer for the first calendar quarter of 2020
- **Assassin's Creed® Odyssey:** Very sharp increases over past the twelve months in sell-through, daily player engagement and PRI, up by approximately 90%, 90%, and 170% respectively compared with Assassin's Creed® Origins.
- **Tom Clancy's The Division 2®:** Very strong recovery in Q4, with net bookings comparable to those for Assassin's Creed Odyssey after 13 months.
- **Just Dance® 2020:** net bookings up 156% in Q4 compared with Just Dance 2019.
- **11 titles have sold over 10 million units² in this console cycle, demonstrating the depth and strength of the Group's portfolio:** Assassin's Creed Unity - Assassin's Creed Origins - Assassin's Creed Odyssey - The Division - The Division 2 - Far Cry® 4 - Far Cry 5 - Tom Clancy's Ghost Recon® Wildlands - Rainbow Six Siege - Watch_Dogs® - Watch_Dogs 2
- **2020-21 targets updated to reflect the potential impact of COVID19:** Expected net bookings of between €2,350¹ million and €2,650¹ million and non-IFRS operating income of between €400 million and €600 million

¹ Mobile revenues are now recognized on a gross basis and include commissions paid to store operators. This has resulted in an €29.2 million increase in sales (IFRS 15 sales and net bookings) and cost of sales. This change has not affected either operating or net income. The impact on back-catalog net bookings was €24.4 million. For 2020-21, the expected impact is €50 million.

² Sell-in, since the games' releases.

Paris, May 14, 2020 – Today, Ubisoft released its sales and earnings figures for fiscal 2019-20, i.e. the twelve months ended March 31, 2020.

Yves Guillemot, Co-Founder and Chief Executive Officer, said *"In this unprecedented period, our priority has been to ensure the safety and well-being of our teams, everywhere in the world. They have shown incredible courage, commitment, adaptability and professionalism, which I would like to salute. Supported by the remote working tools that we have put in place, they have been able to continue offering exceptional games and services so that players can escape, explore and have fun with their families, friends and communities. Our mission is to enrich players' lives through memorable gaming experiences, and it is more relevant now than ever before."*

Frédéric Duguet, Chief Financial Officer, continued *"As expected, our financial results for the full year finished well below our initial expectations. However, it is important to note our strong fourth quarter performance. Starting mid-March, the lockdown led to a sharp increase in player engagement worldwide, but even at the beginning of the fourth quarter our operating trends already were higher than expected thanks to our teams' remarkable execution. The intense levels of activity for our games, in terms of both Live content and esports events, combined with highly effective acquisition strategies helped several of our titles to be remarkably successful. This is the case for Rainbow Six Siege, Assassin's Creed Odyssey, The Division 2, and Just Dance 2020. We are also encouraged to see players' excellent response to our latest updates to Ghost Recon Breakpoint."*

Yves Guillemot concluded *"Our initial targets for 2020-21 remain in sight as we are currently benefiting from excellent momentum, especially with stronger than anticipated performance in back catalog, digital and PRI, coupled with the most ambitious line-up of the industry for the year. However, the COVID-19 crisis calls for prudence, as numerous uncertainties have arisen. The transition to working from home has had short-term repercussions on our production, for the time being limited to few weeks. The coming months will provide more visibility on whether we can maintain our release plans. Additionally, it is unclear what effects the economic crisis is going to have on the operating conditions of our business partners and on consumer spending. For the sake of transparency and in order to reflect the potential impact of those external uncertainties, we have decided to supplement our targets with a range. The bottom range presents our estimate of the impact that these external factors could have if they were to actually materialize. It notably reflects the possibility that we decide to postpone the release of a AAA title to 2021-22, if it ensures to maximize the long-term potential of our line-up."*

We continue to draw on our solid financial structure, our increasingly recurring profile and the numerous assets we have built up over the past few years. These achievements have enabled us to radically transform the Group and create major value for our players, employees, partners and shareholders. As we enter this new console cycle, our creative and production capacity, franchise portfolio and Live operations capabilities are all significantly stronger. Going forward, we intend to continue pursuing our strategy in order to seize the many opportunities to grow our top line and increase our profitability, notably thanks to the acceleration trends towards digital and social."

Note

The Group presents 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 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.

The Group applied the new lease-accounting standard, IFRS 16, for the first time in its financial statements for the 12 months ended March 31, 2020. As the Group elected to use the modified retrospective approach on adopting IFRS 16, the comparative figures for 2018-19 have not been restated

Income statement and key financial data

In € millions	2019-20	%	2018-19	%
IFRS 15 sales	1 594.8		1 845.5	
Deferred revenues related to IFRS 15	(60.8)		183.1	
Net bookings	1 534.0		2 028.6	
Gross margin based on net bookings	1 280.9	83.5%	1 699.7	83.8%
Non-IFRS R&D expenses	(680.9)	-44.4%	(700.4)	-34.5%
Non-IFRS selling expenses	(382.2)	-24.9%	(405.2)	-20.0%
Non-IFRS G&A expenses	(183.6)	-12.0%	(148.1)	-7.3%
Total non-IFRS SG&A expenses	(565.8)	-36.9%	(553.3)	-27.3%
Non-IFRS operating income⁽¹⁾	34.2	2.2%	446.0	22.0%
IFRS operating income⁽¹⁾	(59.5)		159.0	
Non-IFRS diluted EPS (in €)⁽¹⁾	(0.09)		2.80	
IFRS diluted EPS (in €)⁽¹⁾	(1.12)		0.89	
Non-IFRS cash flows from operating activities⁽²⁾	(86.4)		384.7	
R&D investment expenditure ⁽³⁾	909.6		801.3	
Non-IFRS net cash/(debt) position	(100.6)		(293.8)	

⁽¹⁾ 2019-20 and 2018-19 are not comparable as the IFRS figures for 2019-20 include the impact of applying the new lease accounting standard, IFRS 16. This first-time application of IFRS 16 had negative impacts of €3.8 million on IFRS and non-IFRS operating income and €3.7 million on IFRS and non-IFRS attributable net income.

⁽²⁾ Based on the consolidated cash flow statement for comparison with other industry players (not audited by the Statutory Auditors).

⁽³⁾ Including royalties but excluding future commitments.

Sales and net bookings

IFRS 15 sales for the fourth quarter of 2019-20 came to €481.1 million, down 6.8% (or 7.9% at constant exchange rates³) on the €516.5 million generated in fourth-quarter 2018-19. IFRS 15 sales for full-year 2019-20 totaled €1,594.8 million, down 13.6% (or 15.1% at constant exchange rates) versus the 2018-19 figure of €1,845.5 million.

Fourth-quarter 2019-20 net bookings totaled €417.4 million, down 38.3% (or 39.0% at constant exchange rates) on the €676.7 million recorded for fourth-quarter 2018-19.

Net bookings for full-year 2019-20 amounted to €1,534.0 million, down 24.4% (or 25.7% at constant exchange rates) on the €2,028.6 million figure for 2018-19.

³ 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.

Main income statement items⁴

Non-IFRS operating income came in at €34.2 million, versus €446.0 million in 2018-19.

Non-IFRS attributable net loss amounted to €10.2 million, representing non-IFRS diluted loss per share of €0.09, compared with non-IFRS attributable net income of €333.5 million and non-IFRS diluted earnings per share of €2.8 respectively for 2018-19.

Following the recognition of €100.8 million in goodwill impairment, IFRS attributable net loss for 2019-20 totaled €125,6 million, representing IFRS diluted loss per share of €1.12, compared with IFRS attributable net income of €100.0 million and IFRS diluted earnings per share of €0,89 respectively for 2018-19.

The Group's first-time application of IFRS 16 negatively impacted IFRS and non-IFRS operating income by €3.8 million and had a €3.7 million negative impact on IFRS and non-IFRS attributable net income.

Main cash flow statement⁵ items

Non-IFRS cash flows from operating activities represented a net cash outflow of €86.4 million in 2019-20 (versus a €384.7 million net cash inflow in 2018-19). It reflects a negative €169.9 million in non-IFRS cash flow from operations (versus a positive €300.0 million in 2018-19) and an €83.4 million decrease in non-IFRS working capital requirement (compared with an €84.7 million decrease in 2018-19).

Main balance sheet items and liquidity

At March 31, 2020, the Group's equity was €1,315 million, representing a year-on-year increase, and its non-IFRS net debt was lower, at €101 million versus €293 million at end of March 2019. IFRS net debt totaled €344 million at March 31, 2020, including €243 million related to the first time application of IFRS16. Ubisoft has access to substantial long-term financing, amounting to €1,000 million, for which the earliest repayment date is January 2023 and, if required, can also draw down on its €300 million revolving credit facility, which matures in July 2024.

Outlook

First-quarter 2020-21

Net bookings for the first quarter of 2020-21 are expected to come in at around €335.0 million⁶, versus €314.2 million in first-quarter 2019-20.

Full-year 2020-21

As of today, Ubisoft is confirming its capacity to reach its previously communicated target of €600 million for non-IFRS operating income, with the release of 5 AAA titles (Assassin's Creed Valhalla, Watch_Dogs Legion, Gods & Monsters®, Rainbow Six Quarantine and a yet to be announced franchise). In the context of the COVID-19 crisis and in order to take into account the potential impact of the current external uncertainties, Ubisoft is updating its targets. Consequently, it now expects:

- Net bookings of between €2 350 million⁶ and € 2 650 million⁶, versus the previous target of € 2 600 million
- Non-IFRS operating income of between €400 million and €600 million, versus the previous target of €600 million

⁴ See the presentation published on Ubisoft's website for further information on movements in the income and cash flow statement.

⁵ Based on the consolidated cash flow statement for comparison with other industry players

⁶ Including the impacts of the reclassification of mobile revenues, amounting to €11 million for Q1 and €50 million in the full fiscal year

Response to the COVID-19 crisis

We have taken decisive steps to support our employees, players, and communities during the COVID-19 pandemic. Their health and well-being remain our top priority.

We leveraged our IT and digital workplace infrastructure to transition the majority of teams to remote work, a challenging new context that has required all our employees to adapt quickly. As countries around the world begin to lift restrictions, we are preparing our teams for a gradual return to our offices and studios, and taking special precautions to make sure that team members who are returning to the office can do so safely.

We have continued to engage our players during this period by delivering live content, as well as special offers. In April, we launched the "Play Your Part, Play At Home" campaign, a month-long series of offers designed to give players ways to stay entertained and connected with friends. Through this campaign, we gave away three beloved games from our catalog on PC: Child of Light, Rayman Legends, and Assassin's Creed II. These giveaways were redeemed 9 million times.

With many children unable to attend school due to the pandemic, the educational virtues of our games have seen renewed interest among our communities. Teachers are using the Discovery Tour Ancient Greece from Assassin's Creed Odyssey to give their students virtual history lessons, while our free Rabbids Coding game provides a fun way for kids to learn to code.

In addition to these efforts, we partnered with other actors in the video game industry to support the "Play Apart Together" initiative to encourage players to respect social distancing guidelines.

In response to increased Internet use around the world, we acted preemptively to preserve Internet access and stability for all by implementing measures to adjust bandwidth usage.

On March 28, we participated in the Twitch Stream Aid fundraiser for the COVID-19 Solidarity Response Fund for the WHO. Our studios and offices have also donated to a variety of local organizations, such as hospitals and food banks, to help the communities where we do business.

Conference call

Ubisoft will hold a conference call today, Thursday May 14, 2020, at 6:15 p.m. Paris time/12:15 p.m. New York time. The conference call will take place in English and can be accessed live and via replay by clicking on the following link: <https://edge.media-server.com/mmc/p/c85corcu>.

Contacts

Investor Relations

Jean-Benoît Roquette
SVP Investor Relations
+ 33 1 48 18 52 39

Jean-benoit.roquette@ubisoft.com

Press Relations

Michael Burk
Senior Director of Corporate Public Relations
+ 33 1 48 18 24 03

Michael.burk@ubisoft.com

Disclaimer

This press release 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 been approved by the Supervisory Board on May 14, 2020, and have not been audited by the Statutory Auditors. (Additional information is provided in the most recent Ubisoft Registration Document filed on June 7, 2019 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, Far Cry, For Honor, Just Dance, Watch_Dogs, Tom Clancy's video game series including Ghost Recon, Rainbow Six and The Division. 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 2019-20 fiscal year, Ubisoft generated net bookings of €1,534 million. To learn more, please visit: www.ubisoftgroup.com.

© 2020 Ubisoft Entertainment. All Rights Reserved. Ubisoft and the Ubisoft logo are registered trademarks in the US and/or other countries.

APPENDICES

Definition of non-IFRS financial indicators

Net bookings corresponds to the "Sales" indicator used prior to fiscal 2018-19 (i.e. sales excluding the impacts of applying IFRS 15).

Player Recurring Investment (PRI) corresponds to sales of digital items, DLC, season passes, subscriptions and advertising.

Non-IFRS operating income calculated based on net bookings corresponds to operating income less the following items:

- Stock-based compensation expense arising on free share plans, group savings plans and/or 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 non-IFRS operating income expressed as a percentage of net bookings. This ratio is an indicator of the Group's financial 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 consideration granted in relation to business combinations.
- OCEANE bonds' interest expense recognized in accordance with IFRS9.
- The tax impacts on these adjustments.

Non-IFRS attributable net income corresponds to non-IFRS net income attributable to owners of the parent.

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

The adjusted cash flow statement includes:

- Non-IFRS cash flow from operations which comprises:
 - The costs of internally developed software and external developments (presented under cash flows from investing activities in the IFRS cash flow statement) as these costs are an integral part of the Group's operations.
 - The restatement of impacts (after tax) related to the application of IFRS 15.
 - The restatement of commitments related to leases due to the application of IFRS 16.
 - Current and deferred taxes.
- Non-IFRS change in working capital requirement which includes movements in deferred taxes and restates the impacts (after tax) related to the application of IFRS 15, thus cancelling out the income or expenses presented in non-IFRS cash flow from operations.
- Non-IFRS cash flows from operating activities which includes:
 - the costs of internal and external 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);
 - the restatement of lease commitments relating to the application of IFRS 16 presented under IFRS in cash flow from financing activities.
- Non-IFRS cash flows from investing activities which excludes the costs of internal and external licenses development that are presented under non-IFRS cash flow from operations.

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

Free cash flow before working capital requirement corresponds to cash flow from operations after cash inflows/outflows arising on (i) the disposal/acquisition of other intangible assets and property, plant and equipment and (ii) commitments related to leases recognized on the application of IFRS 16.

Cash flow from non-IFRS financing activities, which excludes lease commitments relating to the application of IFRS16 presented in non-IFRS cash flow from operation.

IFRS net cash/(debt) position corresponds to cash and cash equivalents less financial liabilities excluding derivatives.

Non-IFRS net cash/(debt) position corresponds to the net cash/(debt) position as adjusted for commitments related to leases (IFRS 16).

Breakdown of net bookings by geographic region

	T4 2019-20	T4 2018-19	12 mois 2019-20	12 mois 2018-19
Europe	31%	33%	33%	36%
Northern America	49%	45%	49%	44%
Rest of the world	20%	22%	18%	20%
TOTAL	100%	100%	100%	100%

Breakdown of net bookings by platform

	T4 2019-20	T4 2018-19	12 mois 2019-20	12 mois 2018-19
PLAYSTATION®4	26%	34%	30%	36%
XBOX One™	14%	18%	16%	20%
PC	26%	33%	26%	26%
NINTENDO SWITCH™	10%	3%	9%	6%
MOBILE	16%	6%	11%	7%
Others*	8%	6%	8%	5%
TOTAL	100%	100%	100%	100%

*Ancillaries, etc.

Title release schedule
1st quarter (April - June 2020)

DIGITAL ONLY

FOR HONOR® YEAR 4 – SEASON 2	PC, PLAYSTATION®4, Xbox One
MONOPOLY®	STADIA
TOM CLANCY'S RAINBOW SIX® SIEGE YEAR 5 SEASON 2	PC, PLAYSTATION®4, Xbox One

**EXTRACTS FROM THE CONSOLIDATED FINANCIAL STATEMENTS AT
MARCH 31, 2020**

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

Consolidated income statement (IFRS, extract from the accounts audited by the statutory auditors).

The two periods presented are not comparable because IFRS data for 2019-20 includes the impacts of the Group's first-time application of IFRS 16.

In thousands of euros	03.31.2020	03.31.2019
IFRS15 Sales	1 594 831	1 845 522
Cost of sales	(253 077)	(328 972)
Gross Margin	1 341 754	1 516 550
Research and Development costs	(720 829)	(740 969)
Marketing costs	(386 604)	(410 070)
General and Administrative costs	(193 011)	(157 295)
Current operating income	41 311	208 216
Other non current operating income & expense	(100 806)	(49 231)
Operating income	(59 496)	158 985
Net borrowing costs	(13 932)	(18 140)
Net foreign exchange gains/losses	(3 787)	(5 311)
Other financial income	132	36 515
Other financial expenses	(1 474)	(23 941)
Net financial income	(19 061)	(10 877)
Share in profit of associates	0	294
Income tax	(45 685)	(48 418)
Profit for the period	(124 242)	99 985
Net income attributable to owners of the parent company	(125 624)	99 985
Net income attributable to non-controlling interests	1 382	0
Earnings per share attributable to parent company		
Basic earnings per share (in €)	(1.12)	0.93
Diluted earnings per share (in €)	(1.12)	0.89
Weighted average number of shares in issue	112 050 132	107 226 498
Diluted weighted average number of shares in issue	112 050 132	119 330 277

Reconciliation of IFRS Net income and non-IFRS Net income

In millions of euros, except for per share data	2019-20			2018-19		
	IFRS	Adjustment	Non-IFRS	IFRS	Adjustment	Non-IFRS
IFRS15 Sales	1 594.8		1 594.8	1 845.5		1 845.5
Deferred services/other differences between the 2 standards		(60.8)	(60.8)		183.1	183.1
Net bookings			1 534.0			2 028.6
Total Operating expenses	(1 654.3)	154.6	(1 499.7)	(1 686.5)	103.9	(1 582.6)
Stock-based compensation	(53.8)	53.8	0.0	(54.7)	54.7	0.0
Non-current operating income & expense	(100.8)	100.8	(0.0)	(49.2)	49.2	0.0
Operating Income	(59.5)	93.7	34.2	159.0	287.0	446.0
Net Financial income	(19.1)	8.2	(10.9)	(10.9)	8.4	(2.4)
Share in profit of associates	0.0		0.0	0.3		0.3
Income tax	(45.7)	13.5	(32.2)	(48.4)	(61.9)	(110.4)
Consolidated Net Income	(124.2)	115.5	(8.8)	100.0	233.6	333.5
Net income attributable to owners of the parent company	(125.6)		(10.2)	100.0		333.5
Net income attributable to non-controlling interests	1.4		1.4	0.0		0.0
Weighted average number of shares in issue	112 050 132		112 050 132	119 330 277		119 330 277
Diluted earnings per share	(1.12)	1.03	(0.09)	0.89	1.91	2.80

Consolidated balance sheet (IFRS, extract from the accounts which have undergone an audit by Statutory Auditors)

ASSETS	Net	Net
In thousands of euros	03.31.2020*	03.31.2019
Goodwill	334 558	290 721
Other intangible assets	1 115 283	882 925
Property, plant and equipment	174 393	159 958
Right of use assets	229 906	-
Investments in associates	7	7
Non-current financial assets	13 710	8 660
Deferred tax assets	169 338	168 443
Non current assets	2 037 195	1 510 714
Inventory	12 446	31 880
Trade receivables	307 060	476 641
Other receivables	127 457	179 982
Other current financial assets	453	184
Current tax assets	41 034	39 555
Cash and cash equivalents	1 079 197	1 049 803
Current assets	1 567 646	1 778 045
Total assets	3 604 841	3 288 759

LIABILITIES AND EQUITY	Net	Net
In thousands of euros	03.31.2020*	03.31.2019
Capital	9 374	8 650
Premiums	863 547	335 759
Consolidated reserves	567 256	475 624
Consolidated earnings	(125 624)	99 985
Equity attributable to owners of the parent company	1 314 553	920 018
Non-controlling interests	7 190	0
Total equity	1 321 743	920 018
Provisions	3 091	2 469
Employee benefit	15 769	14 382
Long-term borrowings and other financial liabilities	1 176 198	890 366
Deferred tax liabilities	109 531	127 903
Non-current liabilities	1 364 157	1 035 119
Short-term borrowings and other financial liabilities	246 863	453 298
Trade payables	139 208	188 787
Other liabilities	517 730	664 617
Current tax liabilities	15 140	26 918
Current liabilities	918 940	1 333 620
Total liabilities	2 283 098	2 368 739
Total liabilities and equity	3 604 841	3 288 759

* Consolidated financial statements include cumulative impacts of IFRS 16 as at April 1, 2019.

** Lease liabilities related to the application of IFRS 16 are included in the « Non-current liabilities » and « Current liabilities » items for €201.8 million and €41.2 million respectively.

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

In thousands of euros	03.31.2020	03.31.2019
Non-IFRS Cash flows from operating activities		
Consolidated earnings	(124 242)	99 985
+/- Share in profit of associates	0	(294)
+/- Net Depreciation on internal & external games & movies	422 531	485 928
+/- Other depreciation on fixed assets	196 898	98 330
+/- Net Provisions	2 265	22 039
+/- Cost of share-based compensation	53 772	54 686
+/- Gains / losses on disposals	682	261
+/- Other income and expenses calculated	10 653	(5 401)
+/- Cost of internal development and license development	(651 202)	(587 699)
+/- Impact IFRS15	(45 633)	132 165
+/- Impact IFRS16	(35 577)	0
NON-IFRS CASH FLOW FROM OPERATION	(169 854)	300 000
Inventory	20 186	(31 326)
Trade receivables	182 891	(18 031)
Other assets	24 983	29 647
Trade payables	(49 199)	3 181
Other liabilities	(95 426)	101 203
+/- Non-IFRS Change in working capital	83 436	84 674
Non-IFRS CASH FLOW GENERATED BY OPERATING ACTIVITIES	(86 418)	384 675
- Payments for the acquisition of intangible assets and property, plant and equipment	(104 909)	(74 403)
+ Proceeds from the disposal of intangible assets and property, plant and equipment	179	25
<i>Free Cash-Flow</i>	<i>(191 148)</i>	<i>310 297</i>
+/- Payments for the acquisition of financial assets	(216 737)	(43 816)
+ Refund of loans and other financial assets	211 538	142 057
+/- Changes in scope ⁽¹⁾	(143 735)	(84 327)
NON-IFRS CASH GENERATED BY INVESTING ACTIVITIES	(253 664)	(60 464)
Cash flows from financing activities		
+ New borrowings	935 213	603 661
+ New leases	0	21
- Refund of leases	0	(1 300)
- Refund of borrowings	(584 908)	(572 177)
+ Funds received from shareholders in capital increases	81 466	131 910
+/- Sales / purchases of own shares	35 348	(201 899)
CASH GENERATED BY FINANCING ACTIVITIES	467 119	(39 784)
Net change in cash and cash equivalents	127 037	284 427
Cash and cash equivalents at the beginning of the fiscal year	878 613	583 354
Foreign exchange losses/gains	(18 720)	10 831
Cash and cash equivalents at the end of the period	986 930	878 612
⁽¹⁾ Including cash in companies acquired and disposed of	20 165	(2 254)
RECONCILIATION OF NET CASH POSITION		
Cash and cash equivalents at the end of the period	986 930	878 612
Bank borrowings and from the restatement of leases	(1 220 557)	(946 385)
Commercial papers	(110 000)	(226 000)
IFRS 16	242 995	0
NON IFRS NET CASH POSITION	(100 632)	(293 773)

Consolidated cash flow statement (IFRS, extract from the accounts which have undergone an audit by Statutory Auditors)

In thousands of euros	03.31.2020	03.31.2019
Cash flows from operating activities		
Consolidated earnings	(124 242)	99 985
+/- Share in profit of associates	0	(294)
+/- Net amortization and depreciation on property, plant and equipment and intangible assets	619 429	584 259
+/- Net Provisions	2 265	22 039
+/- Cost of share-based compensation	53 772	54 686
+/- Gains / losses on disposals	682	261
+/- Other income and expenses calculated	10 653	(5 401)
+/- Income Tax Expense	45 685	48 418
TOTAL CASH FLOW FROM OPERATING ACTIVITIES	608 243	803 952
Inventory	20 186	(31 326)
Trade receivables	182 891	(18 031)
Other assets	49 168	28 408
Trade payables	(49 199)	3 181
Other liabilities	(139 304)	254 772
+/- Change in working capital	63 742	237 005
+/- Current Income tax expense	(71 625)	(68 582)
TOTAL CASH FLOW GENERATED BY OPERATING ACTIVITIES	600 361	972 375
Cash flows from investing activities		
- Payments for the acquisition of internal & external developments	(651 202)	(587 699)
- Payments for the acquisition of intangible assets and property, plant and equipment	(104 909)	(74 403)
+ Proceeds from the disposal of intangible assets and property, plant and equipment	179	25
+/- Payments for the acquisition of financial assets	(215 697)	(43 816)
+ Refund of loans and other financial assets	210 498	142 057
+/- Changes in scope ⁽¹⁾	(143 735)	(84 327)
CASH GENERATED BY INVESTING ACTIVITIES	(904 866)	(648 163)
Cash flows from financing activities		
+ New borrowings	935 213	603 661
+ New leases	0	21
- Refund of leases	(35 577)	(1 300)
- Refund of borrowings	(584 908)	(572 177)
+ Funds received from shareholders in capital increases	81 466	131 910
+/- Sales / purchases of own shares	35 348	(201 899)
CASH GENERATED BY FINANCING ACTIVITIES	431 542	(39 784)
Net change in cash and cash equivalents	127 037	284 427
Cash and cash equivalents at the beginning of the fiscal year	878 613	583 354
Foreign exchange losses/gains	(18 720)	10 831
Cash and cash equivalents at the end of the period	986 930	878 612
⁽¹⁾ Including cash in companies acquired and disposed of	20 165	(2 254)
RECONCILIATION OF NET CASH POSITION		
Cash and cash equivalents at the end of the period	986 930	878 612
Bank borrowings and from the restatement of leases	(1 220 557)	(965 718)
Commercial papers	(110 000)	(226 000)
IFRS NET CASH POSITION	(343 627)	(313 105)