



## UBISOFT® REPORTS FIRST-QUARTER 2020-21 SALES

**Record first quarter  
with significantly higher-than expected performance  
led by the depth of the Group's catalog, quality of its Live services  
and historically high engagement levels**

- **Record net bookings of €410.0 million**, far exceeding the Group's target of around €335.0 million

	In €m Q1 2020-21	Reported change vs. Q1 2019-20	% of total net bookings	
			Q1 2020-21	Q1 2019-20
<b>IFRS 15 sales</b>	427.3	+17.6%	N/A	N/A
<b>Net bookings</b>	410.0	+30.5%	N/A	N/A
Digital net bookings	355.4	+21.5%	86.7%	93.1%
<i>PRI net bookings</i>	198.5	+32.1%	48.4%	47.8%
Back-catalog net bookings	398.2	+46.1%	97.1%	86.7%

- **Record-high levels of engagement and number of players over a quarter**
- **Tom Clancy's Rainbow Six® Siege:**
  - Very sharp increase in engagement
  - Net bookings up by more than 30% year-on-year
- **Assassin's Creed®:**
  - A more-than 60% year-on-year increase in the franchise's net bookings
- **Just Dance®:**
  - Growth of over 500% in the franchise's net bookings year-on-year
- **Hyper Scape™:**
  - Top position on Twitch on the PC Technical Test launch date
- **Powerful impact of the Ubisoft Forward event:**
  - Record-high peak concurrent views (CCV) surpassing our previous E3 conferences
- **Targets for full-year 2020-21 confirmed**

**Paris, July 22, 2020** – Today, Ubisoft released its sales figures for the first quarter of fiscal 2020-21, i.e. the three months ended June 30, 2020.

Yves Guillemot, Co-Founder and Chief Executive Officer, said *"While Ubisoft's current performance and business prospects are stronger than ever, we nonetheless face a very serious challenge following the recent allegations and accusations of misconduct and inappropriate behavior within our Group. I am determined to make profound changes in order to improve and strengthen our corporate culture. We already have acted swiftly and firmly, announcing and introducing large-scale initiatives intended to transform our organization. Our overriding aim is ensuring that all Ubisoft employees have a safe and inclusive workplace environment. As a leader in our industry, we have to be intransigent in order to create an exemplary culture where everyone feels respected and valued. This is vital to ensure that all of the talented people who make up Ubisoft feel fulfilled in their jobs."*

Commenting on the Group's financial performance, Frédéric Duguet, Ubisoft's Chief Financial Officer, said *"Our business is excellent. We achieved a record first quarter and significantly exceeded our revenue expectations, with historically high levels of engagement. This performance was driven by the depth of our catalog and the quality of our Live services, which were aided by industry momentum and strong execution from our teams. In particular, the Assassin's Creed franchise saw an impressive acceleration on the back of the Assassin's Creed Valhalla reveal. In parallel, Rainbow Six Siege continued to grow robustly despite increased competition, and the Just Dance franchise continued its solid comeback."*

*The next few weeks and months will see us release the industry's most ambitious line-up, with an unprecedented depth of both paying and Free-to-Play games. Ubisoft Forward was a major milestone and the response from our fans was very promising. We achieved record-high peak concurrent viewership (CCV) during this event, surpassing our previous E3 conferences. In recent months, the powerful impact of the Assassin's Creed Valhalla, Far Cry 6 and Hyper Scape reveals, combined with the successful return of Watch Dogs®: Legion, allows us to look at the year ahead with confidence."*

Yves Guillemot concluded by saying, *"We are investing to create significant long-term value for our teams, our players and our shareholders. We are determined to build a sustainable, inclusive and responsible business. Ubisoft has always learned from the challenges it faces, emerging better and stronger, and I am absolutely committed to making sure it does so again today."*

**Note**

The Group presents indicators which are not prepared strictly in accordance IFRS as it considers that they are the best reflection of its operating and financial performance. The definitions of the non-IFRS indicators are appended to this press release.

**Sales and net bookings**

<b>In € millions</b>	<b>Q1 2020-21</b>	<b>Q1 2019-20</b>
<b>Sales (IFRS 15)</b>	<b>427.3</b>	<b>363.4</b>
Deferred revenues related to IFRS 15	(17.3)	(49.2)
<b>Net bookings</b>	<b>410.0</b>	<b>314.2</b>

IFRS 15 sales for the first quarter of 2020-21 came to €427.3 million, up 17.6% (16.6% at constant exchange rates<sup>1</sup>) compared with the €363.4 million generated in first-quarter 2019-20.

First-quarter 2020-21 net bookings totaled €410.0 million, exceeding the target of around €335.0 million and up 30.5% (29.3% at constant exchange rates) on the €314.2 million figure for the first quarter of 2019-20.

**Outlook**Second-quarter 2020-21

Net bookings for the second quarter of 2020-21 are expected to come in at around €290.0 million, approximately 16% lower than in second-quarter 2019-20, when performance was significantly boosted by early physical shipments of Tom Clancy's Ghost Recon® Breakpoint.

Full-year 2020-21

The Company is standing by its targets for full-year 2020-21, which reflect both its current strong performance and the external uncertainties related to the Covid-19 crisis. These targets are:

- Net bookings of between €2,350 million and €2,650 million
- Non-IFRS operating income of between €400 million and €600 million

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<sup>1</sup> 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.

## **Major changes following harassment allegations within the Group**

Since late June 2020, allegations of inappropriate behavior and harassment have been made against certain Group employees. The Group reacted immediately and has been carrying out a rigorous inquiry in order to take all the necessary actions. As a result, the Group has already made some major changes to its senior management team and has drawn up an action plan based on the following five areas:

1. A series of investigations led by independent external consultants is being carried out on the allegations with all the necessary rigor. In addition, a confidential third-party managed listening and alert platform has been put in place to enable employees as well as external individuals to anonymously report any harassment, discrimination or other inappropriate behavior. Based on the findings of these investigations, all appropriate measures are being and will be taken. The external company will issue regular reports to Ubisoft's Board of Directors. To date, several people, including senior managers, have left the Group or stepped down from their role within the Company, some of whom have been dismissed or have resigned and others who have been suspended.

A support and recovery unit has also been put in place, which will be overseen by an organization specialized in helping victims of harassment.

2. A review of the composition and reorganization of the editorial department has been undertaken under the leadership of Yves Guillemot, with an overhaul of the way in which the teams work together.
3. The Group has embarked on a transformation of its HR processes in order to better prevent, detect and sanction inappropriate behavior. For that purpose, it has selected a leading consultancy firm to perform an external audit.

It has also been decided that a portion of team leads' bonuses will be tied to their ability to create a positive and inclusive workplace environment.

And lastly, the Group intends to launch a harassment awareness-raising campaign among all of its employees which will take the form of training modules.

4. Ubisoft has launched a group-wide questionnaire to obtain their feedback on a totally anonymous basis, and has put in place talking and listening sessions for employees on all of its sites with the aim of addressing their suggestions and concerns and identifying areas for improvement.
5. A Head of Workplace Culture has been appointed and a new position of Head of Diversity and Inclusion has been created, open to both internal and external candidates. Both of these roles will report directly to Yves Guillemot.

## Conference call

Ubisoft will hold a conference call today, Wednesday July 22, 2020, at 6:15 p.m. Paris time/5:15 p.m. London 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/xdsswt8z>

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## 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 not been audited by the Statutory Auditors. (Additional information is provided in the most recent Ubisoft Registration Document filed on June 5, 2020 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, and 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](http://www.ubisoftgroup.com).

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## **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.

### **Breakdown of net bookings by geographic region**

	<b>Q1 2020-21</b>	<b>Q1 2019-20</b>
Europe	32%	33%
North America	52%	46%
Rest of the world	16%	21%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

### **Breakdown of net bookings by platform**

	<b>Q1 2020-21</b>	<b>Q1 2019-20</b>
PLAYSTATION®4	34%	31%
XBOX One™	19%	18%
PC	20%	34%
NINTENDO SWITCH™	11%	5%
MOBILE	12%	7%
Others*	4%	5%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>

\*Ancillaries, etc.

**Title release schedule**  
**2<sup>nd</sup> quarter (July – September 2020)**

**DIGITAL ONLY**

HYPERSCAPE™	PC, PLAYSTATION®4, Xbox One
TOM CLANCY'S GHOST RECON® BREAKPOINT EPISODE 3	PC, PLAYSTATION®4, Xbox One
TOM CLANCY'S RAINBOW SIX® SIEGE YEAR 5 SEASON 3	PC, PLAYSTATION®4, Xbox One
FOR HONOR® BATTLE PASS YEAR 4 SEASON 3	PC, PLAYSTATION®4, Xbox One
UNO®	STADIA
TRACKMANIA®	PC
ANNO 1800® – A DAY AT THE AMUSEMENT PARK	PC
IS IT LOVE: SECRET PALACE JAMES	IOS, ANDROID
TOM CLANCY'S ELITE SQUAD™	IOS, ANDROID
BRAWLHALLA®	IOS, ANDROID