



Paris, August 31, 2010

Results for the first half of 2010
 11% sales growth
 Current operating income of €5.8M, up 29%
 Net profit of €5.3M, up 140%
 Net Cash of €25.9M

2010 Half-Year Results

Gameloft's financial statements for the first half-year ending June 30, 2010 breaks down as follows:

In € millions	S1 2010	S1 2009
Revenue	66.6	60.1
Other income	0.1	0.1
Cost of sales	(9.4)	(7.7)
R&D	(32.0)	(29.2)
Sales & Marketing	(13.7)	(13.8)
Administration	(5.3)	(4.3)
Other income and expenses	(0.5)	(0.6)
Current operating income	5.8	4.5
Stock-based compensation	(0.9)	(1.3)
Other operational revenues and expenses	(0.2)	0.0
Operating income	4.7	3.2
Net financial income	1.3	0.3
Tax expense	(0.7)	(1.2)
Net profit/loss (group share)	5.3	2.2

Gameloft achieved consolidated sales of €66.6 million for the first half of 2010, up by 11% from the first half of 2009. The company's growth accelerated during the second quarter of 2010. The activity continues to be driven by increased market share in traditional Java and Brew phones, as well as by the massive success enjoyed by Smartphones around the world.

The solid growth in sales and efficient cost control in the company's three departments, R&D, Sales & Marketing, and Administration, have resulted in a substantial increase in Gameloft's operating and net income in the first half of 2010. The current operating income for the first six months of fiscal year 2010 stands at €5.8 million, up 29% compared to the first half of 2009. Therefore, the operating margin stands at 8.8%, compared to 7.6% during the first half of 2009.

The half-year impact from expensing stock options is €0.9 million. This charge does not have an impact on the company's equity and cash level. Interest income amounted to €+1.3 million and is comprised of exchange gains and interest on the company's net cash.

The net half-year profit stands at €5.3 million, up 140% compared to the first half of 2009. The Group's net margin reached 7.9% which more than doubled compared to the first half of 2009. Earnings per share and fully diluted earnings per share both stand at 0.07€.

Healthy Financial Position

Gameloft's financial position was very solid on June 30, 2010. The company's equity stood at €69.6 million and net cash and cash equivalents totaled €25.9 million. Cash generation was particularly strong during the first half of the year. The company's self-financing capacity reached €6.9 million and on June 30, 2010 Gameloft's net cash increased by €6.2 million. Therefore, the company has the financial resources necessary to continue its fast growth and take market share around the world.

Outlook for 2010-2011

- Gameloft should continue to win over market share in Java and Brew phones, as a result of the progressive withdrawal of a large number of competitors.
- The recent and future releases of new high-performance Smartphones from Apple, Samsung, Nokia and Google should continue sustaining Gameloft's growth in the upcoming quarters. Gameloft has become one of the top game publishers on Apple's iPhone and iPad, and its AppStore revenues grew 82% during the first half of 2010.
- The release of new devices that are suited for video games such as Apple's iPad will allow Gameloft to continue its diversification with other formats and provide the company with interesting relays for growth. Gameloft is one of the very few players in the market that has the resources and know-how allowing it to be present systematically at the launch of all the new downloadable consoles and tablets (iPad, PlayStation Network, Nintendo DSiWare, Nintendo WiiWare, etc.).

Gameloft is renewing its growth target for sales, profitability and net cash over the full year of 2010. In the long term, Gameloft appears to be in an ideal position to benefit from the rapid emergence of the digital distribution of video games on mobile phones, tablets and consoles.

Sales for the third quarter will be published on November 3, 2010 after the market closes.

About Gameloft

Gameloft is the worldwide leader in developing and publishing downloadable video games. Gameloft is now positioned, after 10 years, as one of the most innovative companies in its field. The company designs games for mobile phones, smartphones, iPhone, iPod touch and iPad for which the number of units should exceed four billion in 2012. As a pioneer in the new downloadable game console market, Gameloft publishes games for WiiWare, DSiWare, Microsoft Xbox LIVE Arcade and PlayStation Network. Partnership agreements with major licensors allow Gameloft to associate the strongest international brands with such games as *Uno*, *Ferrari*, *Shrek*, *CSI*, *Iron Man*, *Spiderman* and *Sonic*. The company also has its own brand portfolio with established franchises such as *Real Football*, *Asphalt* and *Cerebral Challenge*. Gameloft has locations on all continents, distributes its games in 100 countries and has its own production studios with over 3,500 developers. Gameloft is listed on the Paris Stock Exchange (ISIN: FR0000079600, Bloomberg: GFT FP, Reuters: GLFT.PA).

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P&L (€K)	S1 2010	S1 2009
Revenue	66,563	60,102
Other revenue from the activity	114	137
Cost of sales	-9,420	-7,720
R&D	-31,958	-29,234
Sales and Marketing	-13,669	-13,847
Administration	-5,312	-4,310
Other income and operating expenses	-476	-587
Current operating income	5,842	4,541
Stock-based compensation	-941	-1,261
Other operating revenue and expenses	-174	-44
Operating income	4,727	3,237
Cost of net financial indebtedness	34	58
Interest income	5,772	1,965
Interest expense	-4,491	-1,739
Net financial income	1,315	284
Employee profit-sharing	-24	-78
Tax expense	-748	-1,248
Net profit/loss (group share)	5,270	2,194
Earnings per share	0.07	0.03
Fully diluted earnings per share	0.07	0.03

BALANCE SHEET (€K)	30/06/2010	31/12/2009
ASSETS		
Net intangible fixed assets	14,720	12,602
Net tangible fixed assets	5,249	4,579
Non-current financial assets	2,364	1,948
Assets from deferred assets	3,384	2,762
Total non-current assets	25,718	21,892
Inventory	60	457
Clients receivables	34,324	32,626
Cash and cash equivalents	25,985	19,804
Other current assets	8,207	8,674
Total current assets	68,577	61,562
TOTAL	94,294	83,454
LIABILITIES		
Capital	3,744	3,740
Issue premium	66,803	66,593
Reserves	-6,264	-16,368
Result	5,270	5,972
Shareholders' equity	69,552	59,936
Non-current liabilities	1,551	1,639
Current liabilities	23,191	21,878
TOTAL	94,294	83,454

Cash flow statement (€K)	S1 2010	S1 2009
Operating transactions		
Net profit/loss	5,270	2,194
Depreciation of tangible and intangible assets	6,500	5,492
Result from stocks options and assimilated	941	1,261
Tax paid	60	-190
Sales of assets	37	79
Capitalized R&D expense	-3,015	-1,784
License acquisition	-2,888	-3,214
Self-financing capacity	6,903	3,838
Change in inventories	397	1,619
Change in trade receivables	-26	7,086
Change in operating liabilities	-744	-5,154
Change in the working capital requirement	-373	3,551
Operating cash flow	6,531	7,389
Investment-related cash flow		
Acquisitions of intangible fixed assets	-313	-300
Acquisitions of tangible fixed assets	-1,643	-960
Acquisition of other fixed financial assets	-648	-27
Acquisition of controlling interests	65	4
Repayment of loans and other financial assets	51	189
Change in scope	39	45
Total transactions linked to investments	-2,450	-1,049
Total flows from financing activities	174	75
Change in cash	4,255	6,414
Net cash at the beginning of the year	19,749	10,748
Impact of conversion differentials	1,921	-262
Net cash at the end of the year	25,925	16,900