



Results for the First Half of 2015

Sales of €127.4M, up 15% YoY

Current operating income of -€4.0M

Net cash of €36.2M

Paris (France), September 9, 2015 - Gameloft's financial statements for the first half-year ending June 30, 2015; breakdown as follows:

In millions of €	H1 2015	% of sales	H1 2014	% of sales
Sales	127.4		111.3	
Cost of sales	-20.6	-16%	-19.7	-18%
Gross profit	106.8	84%	91.6	82%
R&D	-66.2	-52%	-56.1	-50%
Sales and marketing	-27.0	-21%	-20.2	-18%
Administration	-17.1	-13%	-13.2	-12%
Other operating income and expenses	-0.5	0%	-0.5	0%
Current operating income	-4.0	-3%	1.6	1%
Stock-based compensation	-1.5	-1%	-2.0	-2%
Other income and expenses	-2.5	-2%	-0.2	0%
Operating income	-8.1	-6%	-0.6	-1%
Financial income	-3.5	-3%	2.9	3%
Net income before tax	-11.5	-9%	2.3	2%
Tax expense	-5.0	-4%	-2.4	-2%
Net income	-16.6	-13%	-0.1	0%

“Strong game service sales combined with the launch of nine new games have allowed Gameloft’s revenues to grow by 15% and reach €127.4 million in the first six months of 2015. Current operating expenses stood as anticipated at €131.5 million for the same period. Current operating income therefore stood at -€4.0 million. This first-half loss is due to the seasonality of our business as well as to the disappointing level of revenues achieved by the three games developed by Gameloft specifically for the Japanese and Chinese markets. In order to return to profitability in the second half of 2015, and to past profitability levels in the medium term, Gameloft has initiated an ambitious cost reduction program since the start of the year and in the process closed seven development studios that had become unprofitable,” stated Michel Guillemot, CEO of Gameloft. *“Gameloft has a massive audience, strong brands, solid recurring revenues, growth opportunities ahead and a healthy financial situation. We therefore continue to look to the future with confidence.”*

Selected Financial Highlights and Metrics

- H1 2015 sales reached €127.4 million, up 15% year on year, and up 6% on a constant-exchange-rate basis.
- EMEA accounted for 30% of H1 2015 sales; North America, 27%; APAC, 28%; and LATAM, 15%.
- Monthly active users and daily active users averaged 172 million and 21 million respectively in H1 2015.
- Operating income stood at -€8.1 million. It includes restructuring expenses of €2.5 million and €1.5 million of stock-based compensation.
- Financial income stood at -€3.5 million and includes a one-off €3.0 million loss due to the devaluation of the Bolivar in Venezuela.
- Tax expense reached €5.0 million, of which €2.0 million consists of withholding tax. The amount of unrecognized deferred tax reached €14.7 million at the end of June 2015, compared with €8.2 million at the end of 2014.
- The balance sheet structure of the company remains sound with a net cash position of €36.2 million at the end of June 2015.

Selected Product Highlights

- Gameloft was the #1 game company worldwide in the number of downloads on iOS and Google Play combined, according to App Annie's H1 2015 index for games.
- Gameloft has released 10 new titles since the beginning of 2015: *Dragon Mania Legends*®, *Puzzle Pets*, *Immortal Odyssey*, *Age of Sparta*, *Dungeon Hunter™ 5*, *Battle Odyssey™*, *Ice Age*® *Avalanche*, *Magna Memoria*®, *Siegefall* and *March of Empires™*.
- *Dragon Mania Legends*, *Dungeon Hunter 5*, *Siegefall* and *March of Empires* are currently among the company's best-selling titles, and the key performance indicators of these titles indicate a strong improvement in monetization compared with similar products launched in previous years.
- Gameloft is set to launch three potential blockbusters in the coming weeks: *Disney Magic Kingdom*, *Order & Chaos 2: Redemption™* and *TRIVIAL PURSUIT & Friends*®.

Financial and Business Outlook

At the beginning of the year the company set up its own in-house digital ad agency, Gameloft Advertising Solutions, whose revenues have increased significantly. With a monthly audience of over 172 million users and an inventory of 9 billion impressions, Gameloft Advertising Solutions offers a unique level of visibility and engagement to advertisers. To date, over 300 campaigns have been delivered via Gameloft Advertising Solutions for prestigious brands such as FOX, Samsung, McDonald's, Coca-Cola, Kellogg's, Unilever, Netflix, Ford and Air France in more than 33 countries in the world (North America, Latin America, UAE, Europe, Asia, etc.). *"With major advertising companies now switching a larger part of their budgets to mobile and with Gameloft being one of the leading publishers by downloads and audience, we expect advertising to become a significant new line of business for the company and to unlock long-term shareholder value,"* added Michel Guillemot.

Gameloft expects to release around eight new titles in the second half of 2015. In total, the company will have released around 17 new games in 2015, compared with 12 in 2014.

The Group's third-quarter sales will be published on November 5, 2015, after the market closes.

About Gameloft

A leading publisher of digital and social games, Gameloft® has established itself as one of the top innovators in its field since 2000. Gameloft creates games for all digital platforms, including feature phones, smartphones, tablets (including Apple® iOS, Android® and Windows® devices), set-top boxes and connected TVs. Gameloft operates its own established franchises such as Asphalt®, Order & Chaos, Modern Combat and Dungeon Hunter and also partners with major rights holders including Universal, Illumination Entertainment, Disney®, Marvel®, Hasbro®, Fox Digital Entertainment, Mattel® and Ferrari®. Gameloft is present on all continents, distributes its games in over 100 countries and employs 5,000 developers.

Gameloft is listed on NYSE Euronext Paris (NYSE Euronext: GFT.PA, Bloomberg: GFT FP, Reuters: GLFT.PA). Gameloft's sponsored Level 1 ADR (ticker: GLOFY) is traded OTC in the US.

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PROFIT & LOSS STATEMENT (K€)	H1 2015	H1 2014
Revenue	127,436	111,277
Cost of sales	-20,612	-19,705
Gross margin	106,824	91,572
R&D	-66,198	-56,085
Sales and Marketing	-27,025	-20,200
Administration	-17,116	-13,177
Other operating income and expenses	-522	-518
Current operating income	-4,037	1,593
Stock-based compensation	-1,538	-1,974
Other income and expenses	-2,480	-206
Operating income	-8,054	-587
Cost of net financial indebtedness	972	1,362
Exchange rate gains	17,296	2,680
Exchange rate losses	-21,743	-1,187
Net financial income/loss	-3,475	2,855
Net income/loss before tax	-11,529	2,268
Tax expense	-5,044	-2,410
Net profit/loss (group share)	-16,573	-142
Earnings per share	-0,19	0,00
Fully diluted earnings per share	-0,19	0,00

BALANCE SHEET (K€)	30/06/2015	31/12/2014
ASSETS		
Net intangible fixed assets	9,926	8,460
Net tangible fixed assets	23,278	22,868
Other non-current assets	6,077	5,883
Deferred tax assets	17,769	16,456
Total non-current assets	57,051	53,667
Client receivables	69,647	63,914
Other receivables	26,518	27,258
Cash and cash equivalents	36,266	56,264
Total current assets	132,431	147,436
TOTAL	189,482	201,104

LIABILITIES		
Capital	4,252	4,281
Issue premium	88,675	91,165
Reserves	46,878	48,741
Net income	-16,573	-6,355
Shareholder equity	123,232	137,833
Non-current liabilities	7,402	8,562
Current liabilities	58,847	54,709
TOTAL	189,482	201,104

CASH FLOW STATEMENT (K€)	H1 2015	H1 2014
Net income	-16,573	-142
Depreciation, amortization and provisions	9,232	8,032
Stock-based compensation	1,538	1,974
Deferred tax	-1,851	-2,083
Gains on disposal of assets	244	36
Other	0	56
Self-financing capacity	-7,410	7,872
Change in trade receivables	-2,913	1,062
Change in operating liabilities	6,828	-303
Change in working capital	3,915	759
Operating cash flow	-3,494	8,631
Acquisitions of licenses	-3,786	-3,912
Acquisitions of intangible fixed assets	-1,220	-1,090
Acquisitions of tangible fixed assets	-5,741	-9,084
Acquisitions of other fixed financial assets	-590	-723
Repayment of other financial assets	167	567
Proceeds from sale of assets	23	34
Net cash flows linked to investments	-11,147	-14,208
Free cash flow	-14,641	-5,576
Proceeds from loans and borrowings	25	1,414
Capital increase related to stock options and bonus shares	1,239	2,920
Share buyback	-3,544	-522
Net cash flows from financing activities	-2,280	3,812
Effect of exchange rate fluctuations	438	-23
Change in cash and cash equivalents	-16,484	-1,787
Net cash at the beginning of the year	52,706	60,329
Net cash at the end of the year	36,223	58,542