



Montreuil - France, April, 28<sup>th</sup> 2005

**4<sup>th</sup> quarter 2004-2005 Sales: €221 million**  
**(up by 50% at constant exchange rates)**  
**FY 2004-2005: 17 million units sold under 8 major brands,**  
**Operating cash flow\* over €50 million**

**Faster growth at the end of the financial year**

- A record 4<sup>th</sup> quarter 2004-2005:

The new brand, *Brothers In Arms Road to Hill 30™*, which has sold 1.7 million units, has made its mark as an undeniable reference for the historical shooter game segment, confirming its long-term potential. The new opus for the *Tom Clancy's Splinter Cell®* brand also saw a highly successful launch, with 2.5 million units sold. In addition, Ubisoft made major inroads into the new portable console segment with *Asphalt Urban GT™* and *Rayman 2005* on Nintendo DS™, which sold a combined 740,000 units over the financial year.

Thanks to the strong performance of these products, Ubisoft was ranked the #3 independent publisher on consoles in the United States\*\* for the month of March and in #5 for the first quarter as a whole. Over this period, the Group also placed 3<sup>rd</sup> among independent publishers in Germany and 2<sup>nd</sup> in the United Kingdom.

- Sales 2004-2005: The success of the brand creation strategy

Over the fiscal year, Ubisoft generated sales of €537 million, amounting to 8% growth at a constant exchange rate. The Group continued to pursue its brand creation strategy, and now has a portfolio of eight major brands which have sold 17 million units, accounting for 65% of all business, including:

- 5.1 million units for the *Tom Clancy's Splinter Cell®* brand
- 3 million units for the *Prince of Persia®* brand
- 2.8 million units for the *Tom Clancy's Ghost Recon®* brand
- 1.7 million units for the *Brothers in Arms Road to Hill 30™* brand

**Upward correction of the cash flow forecast for 2004-2005**

- Net free cash flow, excluding acquisitions, is now expected to exceed €50 million. This good performance stems from the generation of high cash flow from operations and continued control of the working capital requirement. Taking into account the acquisitions made during the year and increases in share capital, the net debt at 31 March 2005 should be around €82 million, compared to €119 million at 31 March 2004.

- Additionally, the Group can confirm its expected annual results for 2004-2005:
  - Earnings before interest and tax: € 40-45 million according to French accounting standards and € 38-43 million according to the pro-forma standard\*
  - Net income excluding exceptional items (before goodwill amortization and depreciation of business assets): € 18-22 million according to French accounting standards and € 17-21 million according to the pro-forma standard\*

### Medium-term prospects and targets for 2005-2006

- Ubisoft is expecting two-digit organic growth over the next few years based on the following:
  - Strengthening of its brand creation capacity through the recruitment of 600 new talents, expanding the production workforce to 2,900 by 31 March 2006.
  - Strong entries into new segments. For example, during 2005-2006:
    - The film licence segment with two of the most anticipated movies of the year
    - The Sport segment with *AND 1® Streetball* [PlayStation®2/Xbox®]
    - Stronger presence in the Strategy segment with *Heroes of Might & Magic® V* [PC]
  - Expanding capacity on next generation consoles: 7 titles will be launched on Nintendo DS™, 5 on Sony's PlayStation® Portable (PSP™) and 4 on the new Microsoft console.
- Targets for fiscal year 2005-2006
  - First half 2005-2006: net sales around €155 million (more than 20% growth at constant exchange rates) including €42 million in the first quarter
  - 12% increase in sales at constant exchange rates
  - Operating income of over €55 million according to French accounting standards
  - Net income excluding exceptional items (before goodwill amortization and depreciation of business assets) greater than €28 million under French accounting standards
  - Net free cash flow excluding acquisitions in excess of €40 million

"Ubisoft has taken itself to a new level by generating high operating cash flow for the second year running while increasing its investments in production. The Group now has the capacity to quicken the pace of its investment and brand creation strategy, guaranteeing its growing profitability over the long term. The products for the new generation of consoles presented at the international videogame trade show (E3 – Los Angeles) will be a yardstick for the new stage we have now entered" declared Yves Guillemot, president and CEO of Ubisoft.

<b>Consolidated sales</b> <i>(in millions of euros)</i>	<b>FY 2004-2005</b>	<b>FY 2003-2004</b>	<b>Change – at constant exchange rates</b>	<b>Change – at current exchange rates</b>
First quarter	62	66	-6%	-6%
Second quarter	68	62	+9%	+8%
Third quarter	186	228	-16%	-18%
<b>Fourth quarter</b>	<b>221</b>	<b>152</b>	<b>+50%</b>	<b>+45%</b>
<b>Full year</b>	<b>537</b>	<b>508</b>	<b>+8%</b>	<b>+6%</b>

*Note: the financial year runs from April 1 to March 31.*

\* *Net free cash flow is defined as the net cash flow from operating transactions minus investments related to the operating cycle (excluding financial investments and investments in external growth).*  
According to "pro forma" accounting standards, internal R&D expenses are posted as operating expenses.

\*\* *Germany: source: Gfk / United Kingdom: source: Chart Track / United States: source: NPD*

The results for financial year 2004-2005 will be published and comments provided at the meeting to be held on 16 June 2005.

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### **About Ubisoft:**

Ubisoft is a leading producer, publisher and distributor of interactive entertainment products worldwide. It is the fastest growing company in the videogame industry and has grown considerably through its strong and diversified line-up of products and partnerships. Ubisoft has offices in 21 countries and sales in more than 50 countries around the globe. It is committed to delivering high-quality, cutting-edge videogame titles to consumers. Ubisoft generated revenue of € 508 million for the 2003-2004 fiscal year, an increase of 22.5% over the previous fiscal year at constant exchange rates. To learn more, please visit [www.ubisoftgroup.com](http://www.ubisoftgroup.com).

### **Contact**

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## **Appendices**

### Geographic distribution of sales in %

	<b>% CA</b>	<b>% CA</b>	<b>% CA</b>	<b>% CA</b>	<b>Change</b>
	<b>Q4 2004/2005</b>	<b>Q4 2003/2004</b>	<b>FY 2004/2005</b>	<b>FY 2003/2004</b>	
Europe	52%	50%	53%	49%	15%
North America	43%	45%	42%	47%	-5%
ROW	5%	5%	5%	4%	32%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

### Distribution of sales by platform in %

	<b>Q4 2004/2005</b>	<b>Q4 2003/2004</b>	<b>FY 2004/2005</b>	<b>FY 2003/2004</b>	<b>Change</b>
CD-ROM PC	23%	29%	25%	24%	9%
PS2	34%	27%	37%	36%	8%
XBOX	28%	32%	25%	27%	-3%
G-CUBE	4%	5%	5%	5%	5%
PSX	0%	1%	1%	2%	-70%
DS	5%		3%		
PSP	2%		1%		
GBA	4%	5%	4%	5%	-16%
Other	0%	1%	0%	1%	-62%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

### Distribution of sales by activity in %

	<b>Q4 2004/2005</b>	<b>Q4 2003/2004</b>	<b>FY 2004/2005</b>	<b>FY 2003/2004</b>	<b>Change</b>
Development	89%	89%	87%	86%	7%
Publishing	9%	9%	10%	11%	-4%
Distribution	2%	2%	3%	3%	6%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

### **Release schedule – 1<sup>st</sup> quarter (April – June 2005)**

Tom Clancy's Splinter Cell Chaos Theory	DS
Star Wars : Revenge of the Sith	DS/GBA
Cold Fear	PC
Bomberman DS	DS
Prince of Persia Warrior Within Platinum (Europe)	PS2
Prince of Persia Warrior Within Classics (Europe)	Xbox
Tom Clancy's Ghost Recon 2 Classics (Europe)	Xbox
The Bard's Tale (Europe)	PC
Singles 2 Triple Trouble (Europe)	PC
Exclusive Range (Europe)	PC
Bomberman Hardball (Europe)	PS2
Puzzle Pirates (United States)	PC

**Release schedule – 2<sup>nd</sup> quarter (July – September 2005)**

Tom Clancy's Rainbow Six Lockdown	PS2/Xbox/GC
187 Ride or Die	Xbox/PS2
America's Army: Rise of a Soldier	Xbox/PS2
Far Cry Instincts	Xbox
Blazing Angels: Squadrons of World War II	Xbox
Myst V: End of Ages	PC
Tom Clancy's Ghost Recon 2 Multimission (working title)	Xbox
The Settlers: Heritage of Kings Expansion Disk (Europe)	PC
Lumines (Europe)	PSP
No Surrender: Battle of the Bulge (United States)	PC
Firefighter Command: Raging Inferno (United States)	PC
Lunar Genesis (United States)	DS