



2015 Annual Results

Sales of €256.2M, up 13%

Gross profit up 16%

Current operating income of €2.1M

Net cash of €36.9M

Paris (France), March 21, 2016 – Gameloft, a leading digital and social game developer, releases its annual results for the fiscal year ended December 31, 2015.

| (in millions of €) | 2015 | H2 2015 | H1 2015* | 2014* |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Sales | 256.2 | 128.7 | 127.4 | 227.3 |
| Cost of sales | -38.6 | -18.0 | -20.6 | -40.1 |
| Gross profit | 217.5 | 110.7 | 106.8 | 187.2 |
| R&D * | -152.9 | -73.0 | -79.9 | -141.6 |
| Sales and marketing * | -44.0 | -23.2 | -20.9 | -29.9 |
| Administration * | -17.4 | -7.8 | -9.5 | -16.0 |
| Other operating income and expenses | -1.1 | -0.6 | -0.5 | -0.7 |
| Current operating income | 2.1 | 6.1 | -4.0 | -1.1 |
| Stock-based compensation | -3.3 | -1.7 | -1.5 | -3.1 |
| Other income and expenses | -10.3 | -7.8 | -2.5 | -0.7 |
| Operating income | -11.5 | -3.4 | -8.1 | -4.9 |
| Financial income | -4.1 | -0.7 | -3.5 | 6.7 |
| Net income before tax | -15.6 | -4.1 | -11.5 | 1.8 |
| Tax expense | -8.6 | -3.5 | -5.0 | -8.1 |
| Net income | -24.2 | -7.6 | -16.6 | -6.4 |

* To facilitate the interpretation of the Group's performance, some consolidated financial data from fiscal year 2015 are compared to restated data (pro forma) effective as of January 1, 2014, of the effects of the reorganization that occurred during 2015.

“Driven by the strong performance of our game services and regular launches of new titles, Gameloft’s sales have increased by 13% in 2015. It is a solid performance that highlights the excellent work done by our teams and the quality of our franchises,” states Michel Guillemot, CEO of Gameloft. “Our 2015 strategic plan, which translated to a global reorganization of teams and significant cost cutting measures, has started to bear fruit. The cost of this transformation, which affected almost 20% of the company’s staff, including 850 positions closed, has weighed on the net income of the fiscal year but has allowed us to restore Gameloft’s current operating profitability as early as the second half of 2015.

Moreover, during fiscal year 2015 the company has completed the implementation of its integrated advertising agency, which is now operating at full capacity. In the early stages of a major development cycle focused on programmatic advertising, Gameloft has a new organization centered on the efficiency and creativity of its development teams and is structurally profitable.”

Selected Financial Highlights and Metrics

- Fiscal year 2015 sales reached €256.2 million, up 13% year on year, and up 6% on a constant-exchange-rate basis.
- EMEA accounted for 30% of the company's annual sales; North America, 25%; Asia-Pacific, 30%; and Latin America, 15%.
- Monthly and daily active users averaged 166 million and 21 million respectively in fiscal year 2015.
- The 2015 gross profit margin stood at 85%, up 16%. It was 82% in 2014.
- H2 2015 current operating income reached €6.1 million, up €10.1 million compared to H1 2015. The current operating profit margin in H2 reached 5%.
- The operating income in 2015 of -€11.5 million includes a restructuring cost of €10.3 million. In total, the company closed 10 development studios from December 2014 to the end of January 2016, representing gross savings of approximately €35.0 million over a full year.
- The financial income of -€4.1 million includes a one-off loss of €3.0 million due to the devaluation of the Venezuelan Bolivar.
- Tax expense in 2015 reached €8.6 million, of which €4.7 million consists of withholding tax. The amount of unrecognized deferred tax reached €16.0 million at the end of 2015, compared to €8.2 million at the end of 2014.
- The balance sheet structure of the company remains sound with a net cash position of €36.9 million on December 31, 2015, a slight increase compared to June 30, 2015.

Selected Product Highlights

- In 2015, Gameloft was ranked the #2 game developer in the world on iOS and Google Play by the number of games downloaded, according to the rankings from App Annie.
- Gameloft's own franchises accounted for nearly two thirds of sales in 2015.
- Gameloft released 16 new titles in 2015: *Dragon Mania Legends®*, *Puzzle Pets*, *Immortal Odyssey™*, *Age of Sparta™*, *Dungeon Hunter 5*, *Battle Odyssey™*, *Ice Age® Avalanche*, *Magna Memoria®*, *Siegefall®*, *March of Empires™*, *Order & Chaos 2: Redemption™*, *CSI: Slots™*, *TRIVIAL PURSUIT & Friends®*, *Country Friends*, *Sniper Fury™* and *Gods of Rome®*.
- In February 2016, Gameloft and GungHo, one of the largest mobile gaming companies in Japan, announced a strategic partnership, the first step of which is distribution in Japan of the game *Disney Magic Kingdoms* by GungHo teams.
- Gameloft Advertising Solutions has recently concluded 10 partnership agreements with programmatic platforms enabling the company to multiply its access to advertising trading desks used by main global advertisers.
- Gameloft Advertising Solutions successfully released over 1,000 advertising campaigns since its creation.

Financial and Business Outlook

Gameloft will be hosting a dedicated Investor Session at its London offices on March 22 at 2:30 PM GMT during which the senior management team will detail its strategic plan for the company. The details of this strategic plan will be made public in a press release that will be distributed on March 22 before the market opens. A presentation of this strategic plan will be made available online on the company's website.

The Group's first-quarter sales for 2016 will be published on April 28, 2016, 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, and with a monthly audience of 166 million unique players offers advertisers a unique level of visibility and engagement through Gameloft Advertising Solutions. 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 6,000 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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Auditing procedures on the consolidated accounts have been performed. Audit certification will be released after the annual financial report has been verified.

| PROFIT & LOSS STATEMENT (K€) | 2015 | 2014* |
|---|----------------|----------------|
| Revenue | 256,175 | 227,279 |
| Cost of sales | -38,626 | -40,105 |
| Gross margin | 217,549 | 187,175 |
| R&D * | -152,932 | -141,647 |
| Sales and Marketing * | -44,046 | -29,888 |
| Administration * | -17,388 | -16,032 |
| Other operating income and expenses | -1,108 | -703 |
| Current operating income | 2,075 | -1,095 |
| Stock-based compensation | -3,273 | -3,100 |
| Other income and expenses | -10,279 | -682 |
| Operating income | -11,477 | -4,877 |
| Cost of net financial indebtedness | 1,885 | 2,783 |
| Exchange rate gains | 23,235 | 20,316 |
| Exchange rate losses | -29,247 | -16,441 |
| Net financial income/loss | -4,126 | 6,658 |
| Net income/loss before tax | -15,603 | 1,782 |
| Tax expense | -8,574 | -8,136 |
| Net profit/loss (group share) | -24,177 | -6,355 |
| Earnings per share | -0.28 | -0.07 |
| Fully diluted earnings per share | -0.28 | -0.07 |

* To facilitate the interpretation of the Group's performance, some consolidated financial data from fiscal year 2015 are compared to restated data (pro forma) effective as of January 1, 2014, of the effects of the reorganization that occurred during 2015.

| BALANCE SHEET (K€) | 31/12/2015 | 31/12/2014 |
|---------------------------------|-------------------|-------------------|
| ASSETS | | |
| Net intangible fixed assets | 8,773 | 8,460 |
| Net tangible fixed assets | 17,933 | 22,868 |
| Other non-current assets | 5,640 | 5,883 |
| Deferred tax assets | 17,387 | 16,456 |
| Total non-current assets | 49,733 | 53,667 |
| Client receivables | 67,363 | 63,914 |
| Other receivables | 24,330 | 27,258 |
| Cash and cash equivalents | 36,968 | 56,264 |
| Total current assets | 128,661 | 147,436 |
| TOTAL | 178,394 | 201,104 |
| LIABILITIES | | |
| Capital | 4,273 | 4,281 |
| Issue premium | 90,575 | 91,165 |
| Reserves | 43,401 | 48,741 |
| Net income | -24,177 | -6,355 |
| Shareholder equity | 114,073 | 137,833 |
| Non-current liabilities | 7,194 | 8,562 |
| Current liabilities | 57,127 | 54,709 |
| TOTAL | 178,394 | 201,104 |

| CASH FLOW STATEMENT (K€) | 2015 | 2014 |
|---|----------------|----------------|
| Net income | -24,177 | -6,355 |
| Amortization and provisions | 18,971 | 18,598 |
| Income related to stock options and other | 3,273 | 3,100 |
| Other non-disbursed expenses | 13 | 108 |
| Gains on disposal of assets | 1,451 | 122 |
| Tax paid | -3,036 | -3,486 |
| Self-financing capacity | -3,506 | 12,086 |
| Change in trade receivables | -1,465 | -2,582 |
| Change in operating liabilities | 6,459 | -831 |
| Change in working capital | 4,994 | -3,413 |
| | | |
| Operating cash flow | 1,488 | 8,674 |
| Acquisitions of licenses | -5,148 | -3,810 |
| Acquisitions of intangible fixed assets | -2,247 | -2,341 |
| Acquisitions of tangible fixed assets | -7,156 | -15,019 |
| Acquisitions of other fixed financial assets | -838 | -1,381 |
| Repayment of other financial assets | 456 | 1,122 |
| Other cash flow | -47 | 109 |
| Net cash flows linked to investments | -14,980 | -21,320 |
| | | |
| Free cash flow | -13,492 | -12,646 |
| Capital increase | 2,284 | 4,598 |
| Share buyback | -3,544 | -1,935 |
| Other | 49 | 1,444 |
| Net cash flows from financing activities | -1,210 | 4,107 |
| | | |
| Effect of exchange rate fluctuations | -1,101 | 916 |
| | | |
| Change in cash and cash equivalents | -15,804 | -7,623 |
| | | |
| Net cash at the beginning of the year | 52,706 | 60,329 |
| Net cash at the end of the year | 36,903 | 52,706 |