



REFERENCE DOCUMENT

2015



Pursuant to Article 212-13 of the General Regulations of the Autorité des Marchés Financiers (AMF), this reference document was filed with the AMF on 29 April 2016 under the number D. 16-0447. It may be used in support of a financial operation if accompanied by a "note d'opération" (securities note) approved by the AMF. This document has been authored by the issuer and is binding upon the signatories.

Pursuant to Article 28 of European Commission (EC) Regulation 809/2004, the following information is included in this reference document by way of reference:

- The consolidated and individual financial statements for the fiscal year ended 31 December 2013, as well as the related auditors' reports, appear on pages 95 to 176 of the reference document filed with the AMF on 17 April 2014 under number D. 14-0377.
- The consolidated and individual financial statements for the fiscal year ended 31 December 2014, as well as the related auditors' reports, appear on pages 95 to 181 of the reference document filed with the AMF on 24 April 2015 under number D. 15-0405.

Copies of this document are available at GAMELOFT SE's registered office: 14 rue Auber, 75009 PARIS.

Registered office: 14 rue Auber, 75009 Paris
European Company with capital of 4,352,576.10 euros
Tel.: (33) 1 58 16 20 40
Paris Corporate and Trade Register No. 429 338 130 – NAF code 5821

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1. PERSONS RESPONSIBLE FOR THE DOCUMENT AND FOR THE AUDIT OF THE FINANCIAL STATEMENTS

1.1 Person Responsible for the Reference Document

Mr Michel Guillemot

Chief Executive Officer of Gameloft SE (hereinafter the "company" or "Gameloft")

1.2 Certification of the Person Responsible for the Document

I hereby certify, after taking all reasonable measures in this respect, that the information contained in this reference document is, to my knowledge, true and correct and that there are no omissions that could impair its meaning.

I hereby certify that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and fairly reflect the assets, financial position and earnings of the company and of all the consolidated companies, and that the management report appearing on pages 12 to 101 fairly reflects changes in the business, profit and financial position of the company and of all the consolidated companies, and provides a description of the main risks and uncertainties to which they are exposed.

I have obtained from the statutory auditors, Audit AMLD and Mazars, a letter of audit completion indicating that they have audited the information concerning the financial position and financial statements presented in this reference document and have read the reference document in its entirety.

The consolidated financial statements presented in this reference document were the subject of a statutory auditors' report appearing on pages 157-158 of the current reference document for the fiscal year ended 31 December 2015. This report was issued without qualification and contains an observation on the economic situation in Argentina, in particular the impact of the difference between the use of the official and unofficial conversion rates on the principle aggregates of Gameloft's Argentina subsidiary in the Group's consolidated accounts.

The individual financial statements presented in this reference document were the subject of a statutory auditors' report appearing on pages 189-191 of the current reference document for the fiscal year ended 31 December 2015. This report was issued without qualification or comment.

The consolidated financial statements for the fiscal year ended 31 December 2014 were prepared according to IFRS standards and were the subject of a statutory auditors' report. This report was issued without qualification and contains an observation on the economic situation in Argentina, in particular the impact of the difference between the use of the official and unofficial conversion rates on the principle aggregates of Gameloft's Argentina subsidiary in the Group's consolidated accounts.

The individual financial statements for the fiscal year ended 31 December 2014, were the subject of a statutory auditors' report. This report was issued without qualification or comment.

The consolidated financial statements for the fiscal year ended 31 December 2013 were prepared according to IFRS standards and were the subject of a statutory auditors' report. This report was issued without qualification and contains observations on the economic situation in Argentina, in particular the impact of the difference between the use of the official and unofficial conversion rates on the principle aggregates of Gameloft's

Argentina subsidiary in the consolidated accounts, and on the effects of the change in method for the application of the IAS 19 amendment on defined benefit plans.

The individual financial statements for the fiscal year ended 31 December 2013 were the subject of a statutory auditors' report. This report was issued without qualification or comment.

Paris, 28 April 2016,

Mr Michel Guillemot

Chairman of the Board of Directors and Chief Executive Officer

1.3 Persons Responsible for the Audit of the Financial Statements

1.3.1 Principal Auditors

	Date of Appointment	Term and Expiration Date
Audit AMLD 106 A rue Eugène Pottier 35000 Rennes	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017
MAZARS 61 rue Henri Regnault 92 075 La Défense Cedex	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017

1.3.2 Acting Auditors

	Date of Appointment	Term and Expiration Date
Mr Benoît Flechon 16 avenue du Bel Air 75012 Paris	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017
Mr Jean-Maurice El Nouchi 61 rue Henri Regnault 92 075 La Défense Cedex	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017

The table below lists the fees of Gameloft's Auditors for services provided in 2015.

	Audit AMLD				MAZARS			
	Amount		%		Amount		%	
	2015	2014	2015	2014	2015	2014	2015	2014
Audit €K								
Audit and certification of year-end and consolidated financial statements								
• Issuer	135	115	94.3%	92.5%	135	115	35.6%	31.1%
• Fully consolidated	8.2	9.3	5.7%	7.5%	224	234.1	59.2%	63.3%

subsidiaries								
Other work and services directly related to the Auditors' duties								
• Issuer					19.8	16.8	5.2%	4.5%
• Fully consolidated subsidiaries								
Subtotal	143.2	124.3	100%	100%	378.8	370.1	100%	100%
Other services provided by the networks to fully consolidated subsidiaries								
Legal, fiscal, social								
Others (specify if > 10% higher than audit fees)								
Subtotal								
TOTAL	143.2	124.3	100%	100%	378.8	370.1	100%	100%

1.4 Person Responsible for Financial Communications

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Chief Executive Officer
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1.5 Financial Communications Schedule

Publication of 2016 first-quarter revenue: 28 April 2016.

2. MANAGEMENT REPORT

2.1. Group Activity and Earnings for Fiscal Year 2015

2.1.1 Presentation of the Group

2.1.1.1 History and Company Activity

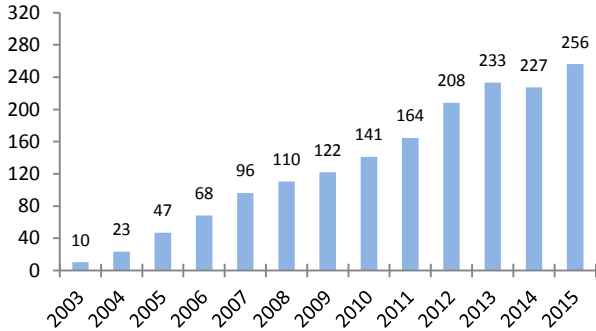
Gameloft creates and publishes downloadable video games for mobile phones, touch tablets, set-top boxes and Smart TVs.



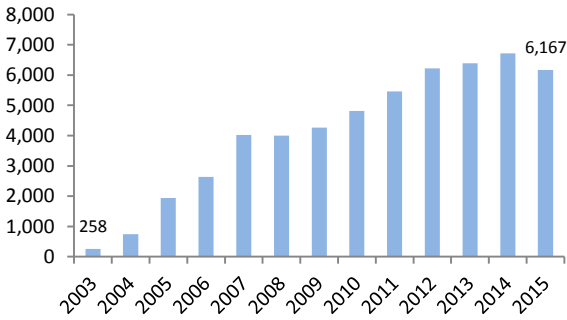
**2.8 MILLION
GAMELOFT
GAMES ARE
DOWNLOADED
EACH DAY**

A pioneer in its field since its creation in 2000, the company has asserted itself as one of the most innovative and dynamic enterprises in the sector. Gameloft develops all of its games in its internal production studios and has at its disposal a portfolio of proprietary brands including well-established franchises such as *Asphalt*, *Dungeon Hunter*, *Dragon Mania Legends*, *Modern Combat*, *Order & Chaos*, *World at Arms* and *Gangstar*. Partnership agreements with major rights holders such as Disney•Pixar, Mattel®, Hasbro®, FOX®, Universal, Marvel®, DC Comics, and Sega allow Gameloft to associate some of its games with the biggest international brands: *Spider-Man*, *Disney Magic Kingdoms*, *UNO*, *Despicable Me*, *My Little Pony*, *Cars*, *Ice Age*, etc.

Revenue (million euros)



Employees



Gameloft is a major player and key figure in an industry that is predicted to experience growth in the coming years. Today Gameloft has a studio on every continent, distributes its games in nearly 120 countries, and employs 6,167 people spread across 34 countries around the world.

2.1.1.1.1 Mobile and Tablet Games

The use of mobile telephones has spread very quickly over the last twenty years. The number of unique subscribers stood at 4.7 billion at the beginning of 2016¹, while there were only 100 million in 1996². The number of unique mobile subscribers is set to reach 5.6 billion by 2020, growing at a rate of 4% per year (CAGR) during that period. By 2020, nearly 72% of the world's population will be subscribed to mobile services¹. For a game developer and publisher, this user base represents a unique opportunity to sell its products to a population that is considerably larger than that of traditional video games. For this reason, the Gameloft Group has positioned itself in this market since 2000, where it has become a major player thanks to a high-quality, diversified game catalogue, strong licences, and the largest customer and distributor networks in the market.

The application in 2002 of Java technology to mobile telephones revolutionised the mobile phone games market by permitting three major advances:

- Consumers were able to download real video games directly to their mobile phones for a price generally between €3 and €6 in developed countries and between €0.5 and €2 in emerging countries.
- The downloading of a Java game and the quality of the game itself did not depend on the quality of the telecom networks. Telecommunications networks allowed consumers to download a Java game in less than one minute.
- Java technology quickly imposed itself on all telephone manufacturers. This standardisation allowed the market to develop rapidly. Today, 3 billion mobile phones run Java, compared to 2 billion in 2008 and 1 billion in 2006³.

A genuine pioneer in the mobile gaming industry, Gameloft was one of the very first companies in the world to develop games for Java telephones, collectively referred to as "feature phones," and has offered an extensive catalogue of downloadable games for these feature phones since 2002. This catalogue is compatible with most feature phones sold today. All in all, the company currently offers more than 385 Gameloft games that can be downloaded on 300 different models of feature phones and which are sold around the world.



In 2008, the arrival of a new generation of mobile phones, called smartphones, brought on a second major shift in the mobile video game market. Unlike Java games, smartphone games are developed natively; in other words, directly on the telephone's operating system (Apple's iOS, Google's Android, Microsoft's WP8, Samsung's Tizen, etc.). These smartphones allow for the production of games that are several hundred megabytes in size, while Java only allowed for applications of a few megabytes. Furthermore, the vast majority of smartphones have a touchscreen and motion-sensing functionality which allow for greater immersion and for a greater variety of possible game types. The gameplay experience on a smartphone is therefore appreciably better than it would be on a telephone that uses Java. For consumers, the price-quality ratio of a mobile game is therefore significantly increased thanks to the smartphone and consequently, these consumers now download three to four times more games on their smartphones than they did on their Java telephones.

¹ Source: GSMA Intelligence, February 2016

² Source: CSFB, July 2002

³ Source: Oracle, April 2016

From the feature phone to the smartphone: The evolution of the Real Football franchise from 2002 to 2013

As a result, the mobile game market witnessed a second growth phase in 2008. The smartphone is progressively replacing the feature phone around the world and is generating more game sales than feature phones, which allows the mobile gaming industry to continue to develop. In 2015, more than 1.3 billion



smartphones were sold, representing an increase of 7% as compared to 2014⁴.

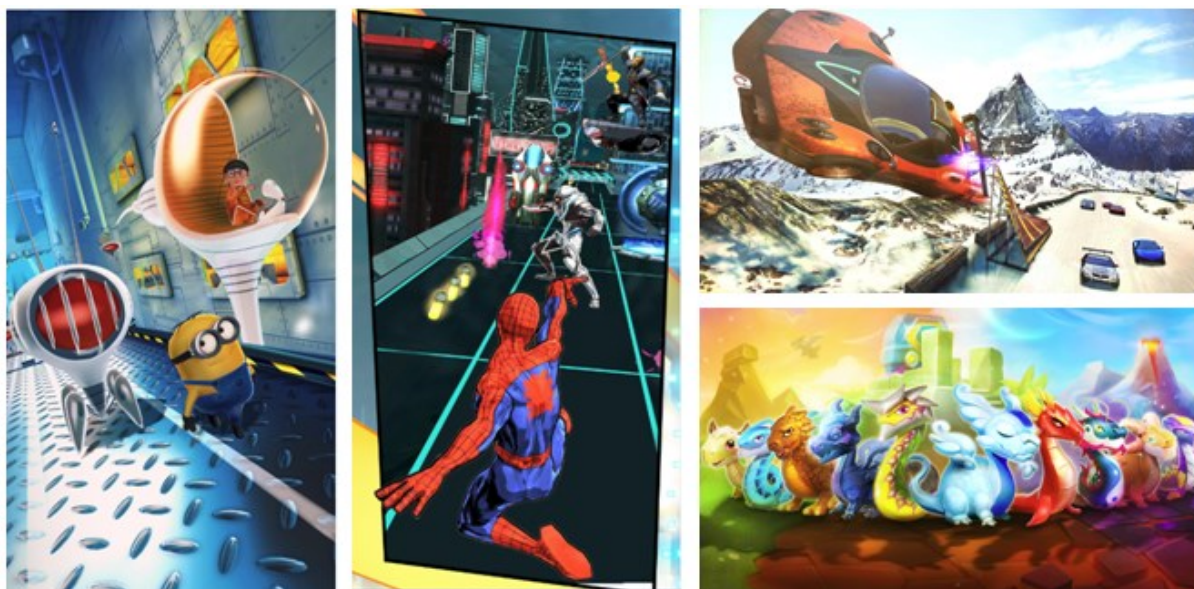
In 2008, Gameloft successfully began its shift toward smartphones and touchscreens, and produced lucrative games for Apple's iOS and Google's Android. Gameloft was the first company to launch six games on Apple's App Store when it opened on 9 July 2008. For the first time, annual revenue surpassed the 100-million-euro mark. In 2009, new franchises such as *N.O.V.A. Near Orbit Vanguard Alliance* and *Modern Combat* were released and were met with immediate success, while mobile-gaming classics such as *Real Football*, *Asphalt* and *Gangstar* won the hearts of 3D- and high-resolution-gaming enthusiasts with new smartphone incarnations that rivalled the quality of the best games on portable consoles. Licensed games such as *Spider-Man: Total Mayhem* and *UNO*, which were developed and published by Gameloft, also became bestsellers on various online application stores. To date, Gameloft has developed 175 smartphone games and more than 90% of its development teams will henceforth be working on the production of smartphone games. Presently, Gameloft develops for more than 15,000 different smartphone models.

In 2010, Gameloft achieved comparable success in the touch tablet market, and as of the following year, focused on new entertainment platforms such as Smart TVs and set-top boxes, as well as the HTML5 format for Internet browsers.

Beginning in 2011, a significant part of the new game catalogue was aimed at a broader audience, with the release of free-to-play, social and mass-market games such as *Despicable Me*, *Dragon Mania Legends*, *UNO & Friends*, and *Ice Age Village*, but without neglecting "hard-core" gamers, who enjoyed new franchises such as *Order & Chaos* and *World at Arms*, as well as the latest instalments of *Modern Combat*, *Dungeon Hunter* and *Gangstar*. The adoption of the "free-to-play" system constitutes a major development in the company's business model, since games that make use of this approach are free to download—which increases the number of downloads tenfold—and only generate revenue through the sale of virtual goods that allow the consumer to progress more quickly through the game. More than 95% of Gameloft's revenue from smartphones and touch tablets currently comes from the sale of virtual goods.

⁴ Source: GfK, March 2016

Examples of HD Gameloft Games (*Minion Rush*, *Spider-Man Unlimited*, *Asphalt 8*, *Dragon Mania Legends*)



In 2015, Gameloft implemented the internal structure for a digital advertising network, Gameloft Advertising Solutions (“GLADS”), and began selling advertising space within its games. For Gameloft, this advertising revenue serves to round out the revenue generated by the sale of virtual goods within free-to-play games. In addition to the usual advertising formats such as banners, interstitials, and videos, Gameloft Advertising Solutions offers a variety of innovative advertising formats such as mini-games, forms, and websites, as well as geo-targeting functionality that allows for the delivery of targeted content and for the study of mobile consumption to create profiles of specific consumers (travellers, online shoppers, movie buffs, etc.). In this way, the advertising campaigns that Gameloft Advertising Solutions provides are better suited to the consumer, all while guaranteeing advertisers an exceptional 100% visibility rate. Since it is the owner of its inventory, Gameloft provides an environment of brand safety that allows advertisers to benefit from a perfectly controlled advertising context. Since transparency is at the heart of advertising relationships, Gameloft Advertising Solutions is able to integrate independent tracking (Sizmek, PointRoll, DoubleClick, etc.) and visibility-measurement (Moat, Integral Ad Science) solutions in formats that meet with market standards (compatible with IAB guidelines). This advertising network is also connected to over 10 programmatic advertising partners that allow for access to advertisers around the world in a controlled and automated format.

Revenue generated by mobile games represented 99% of the total for fiscal year 2015.

2.1.1.1.2 TV Games

Gameloft creates games for the latest generation of set-top boxes and Smart TVs. Agreements have been signed with Internet service providers (ISPs) Free and Orange for their latest generation of set-top boxes, as well as with Panasonic, Samsung and Lenovo regarding new lines of Smart TVs. Thanks to new technologies embedded in set-top boxes or directly in televisions, consumers can now download video games and play them directly on their television without needing a game console. Naturally, Gameloft has taken an interest in these new platforms, which have many points in common with its existing downloadable-game activities for mobile phones and tablets.

Revenue generated by TV games represented 1% of the total for fiscal



year 2015.

2.1.1.1.3 Gameloft Game Distribution

On feature phones, smartphones and touch tablets, Gameloft has several distribution networks for its games.

1. Online stores for smartphones and touch tablets, collectively referred to as "app stores", accessible on mobile devices, tablets and PCs, represent an increasingly important part of mobile app sales around the world. In this way, Gameloft distributes its smartphone and tablet games via the online portals belonging to Apple (App Store), Google (Google Play), Microsoft (Windows Phone Store) and Amazon (Amazon Appstore). In addition, since 2012 Gameloft has distributed its games via several Asian platforms present in China, Japan and Korea: Tencent, Baidu, LINE, Kakao, etc. These online stores act as distributors for Gameloft's games, and the revenues generated are shared between the stores and Gameloft. In total, all of these online stores accounted for a little more than 57% of the company's 2015 revenue.

2. Telephone manufacturers have also created their own mobile game download portals for smartphones, touch tablets and feature phones. Gameloft distributes its games in this manner in collaboration with Nokia, Samsung, LG, ZTE, Motorola, RIM, Huawei, etc. These manufacturers act as distributors for Gameloft's games, and the revenues generated are shared between the manufacturer and Gameloft. In addition to offering downloadable games on manufacturers' portals, some manufacturers buy one or more games from Gameloft for a flat fee and integrate them directly into their telephones. The game can therefore be used by the consumer immediately at no additional cost. Gameloft estimates that the manufacturers accounted for around 15% of 2015 revenue.

3. Gameloft games are distributed by more than 200 telecom operators in nearly 120 countries worldwide. To date, none of Gameloft's competitors has put together a comparable distribution network. Mobile telephone subscribers can purchase and download Gameloft games directly onto their telephones through the operator's app store. Billing is handled by the operator with the cost of the game included in the consumer's telephone bill. In this case, the operator acts as a distributor of Gameloft games and the revenues generated are shared between the operator and the company. Gameloft estimates that the operators accounted for roughly 25% of total revenue for 2015.

4. Mobile and tablet games can also be downloaded directly from various Gameloft portals. The company estimates that a little less than 1% of its revenue for 2015 was generated through this distribution channel. The distribution of Gameloft games for set-top boxes and Smart TVs is handled through the ISPs' and television manufacturers' app stores. Billing is handled by these digital distribution platforms and revenue is shared between the ISPs and manufacturers, and Gameloft.

5. Advertising revenue generated by Gameloft Advertising Solutions represented 2% of the total for 2015.

2.1.1.1.4 Highlights of 2015

Throughout fiscal year 2015, Gameloft was the world's number-two publisher in terms of the number of games downloaded on iOS and Google Play combined, according to the rankings provided by App Annie. In total, more than 1 billion Gameloft games were downloaded across the platforms available around the world in 2015. The daily active users reached an average of 21 million in 2015, and the number of monthly active users reached an average of 166 million over the same period.

In addition, Gameloft released 16 new titles during fiscal year 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*®.

Gameloft implemented the internal structure for a digital advertising network and began to market advertising space within roughly 20 of its games. The advertising network's clients are extremely varied and include the likes of Kellogg's, McDonald's, Disney, Deezer, Chevron Texaco, Air France, Netflix, etc.

2.1.1.2 Group Strategy

Since its founding in 2000, Gameloft's highest commitment has been to the quality of its products. It is for this reason that all of Gameloft's games are developed internally and nothing is outsourced to third-party developers. In this way, the company can control the quality of its productions throughout the entirety of the creative process. Today, our 21 studios across the Americas, Europe and Asia also allow us to consolidate our leadership while combining our global vision with a local approach. By drawing from this unrivalled cultural and linguistic diversity, we adapt our games to the special features of each market.

The other key element in the company's strategy involves ensuring that its games are available to the largest number of consumers possible. Consequently, since 2002, Gameloft has put into place sizeable production teams whose role is to adapt and test the company's creations on all the phones available in the world today.

In parallel, Gameloft has put together an extended distribution network that allows it to sell all of its products worldwide. Gameloft has the most complete distribution network in the digital game industry: direct agreements with more than 200 operators in more than 120 countries; with all the major online app stores (App Store, Google Play, Windows Store and Amazon Appstore); with major mobile phone, smartphone and tablet manufacturers; with social networks; and with manufacturers of Smart TVs and set-top boxes. Gameloft also has one of the largest worldwide presences on social networks (more than 12 million fans on Facebook and 265 million views on YouTube, as of February 2016) and adapts its marketing strategy to each market. For several years now, the company has been reaping the rewards of its investments in production and distribution. These investments have allowed Gameloft to grow rapidly and to position itself as a market leader, which has also translated into the reliable profitability of the company since 2009, with the exception of the last two fiscal years.



Within the U.S. market alone, advertising investment in mobile applications is estimated at \$30 billion for 2016⁵. Gameloft has at its disposal an average daily audience of 21 million players who spend an average of 39 minutes playing its games, spread over five gaming sessions. Therefore, in 2015, the company put in place an internal structure for a digital advertising network, Gameloft Advertising Solutions ("GLADS"), in order to benefit from the expected upsurge in this business segment and use advertising revenue to round out revenue related to the sale of virtual goods within all of its games. Gameloft has since recruited 75 salespeople who are responsible for selling available inventory to advertisers around the world and who benefit from an IT infrastructure that will allow them to deliver 190 million daily impressions throughout the company's game catalogue. Gameloft Advertising Solutions recently established roughly 10 partnerships with programmatic advertising platforms, thereby increasing its access to the market's trading desks that are used by major global advertisers. Since its creation, Gameloft Advertising Solutions has successfully delivered more than 1,000 advertising campaigns to date.

At the end of 2014, Gameloft also launched an ambitious strategic plan that resulted in a comprehensive reorganisation of the company's teams and in the optimisation of its cost structure within an environment that is, on the whole, more mature and just as competitive. The company proceeded to close 10 development

⁵ Source: eMarketer, March 2015

studios between December 2014 and the end of January 2016, representing gross savings of roughly 35 million euros on a full-year basis, and a more than 10% decrease in the worldwide workforce. The second quarter of fiscal year 2015 was the first one to benefit from the effects of the restructuring, which should also allow for a significant recovery in terms of margins in 2016. The current operating income for the second quarter of 2015 therefore reached 6.1 million euros, which constitutes sequential growth of 10.1 million euros as compared to the first quarter of 2015.

As a result, today Gameloft has

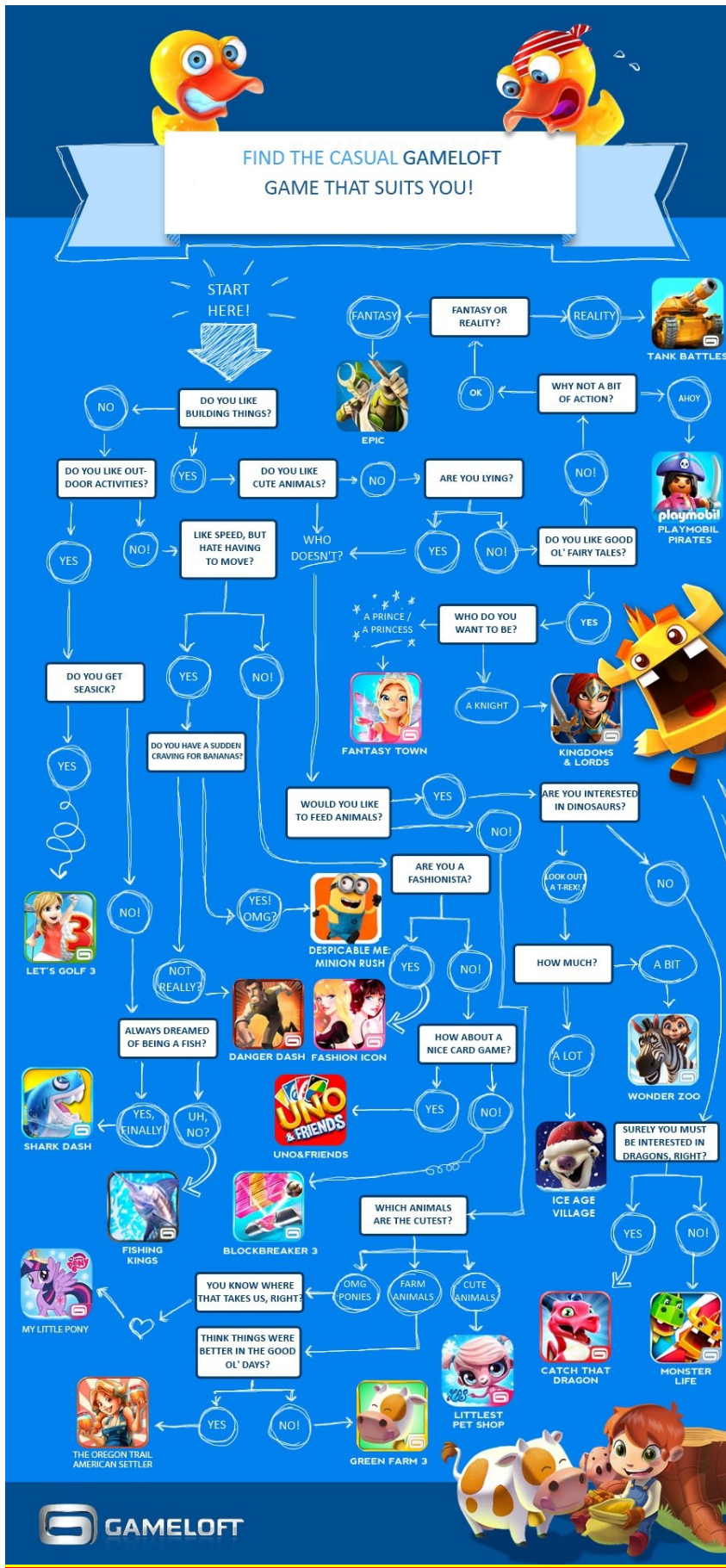
- The greatest internal development capabilities in the industry, well ahead of its competitors, with more than 5,570 employees in its production studios. The amount allocated for research and development, as well as e-commerce and business intelligence, excluding charges related to stock options, represented 59.7% of revenue in 2015.
- Unique know-how that is illustrated by the numerous awards that its mobile games have received around the world.
- A catalogue of 175 smartphone and touch tablet games spanning more than 15,000 models and 17 different languages.
- A catalogue of 385 feature phone games that generate recurring revenue on 300 models of mobile telephones.
- Internal and external licences that are known around the world, such as *Asphalt*, *Order & Chaos*, *Despicable Me*, *Dungeon Hunter*, *World at Arms*, *Gangstar*, *Ice Age*, *Brothers in Arms*, *My Little Pony*, *Modern Combat*, *Disney Magic Kingdoms*, *Spider-Man*, *UNO*, etc.
- A distribution network made up of more than 200 operators that distribute Gameloft's games in almost 120 countries around the world.
- A growing number of market opportunities for its products, as indicated by the release of Gameloft games for smartphones, for touch tablets, on Smart TVs, and on Internet service providers' set-top boxes.
- An integrated advertising network that connects its available inventory with major global advertisers as well as the major players in programmatic advertising.

2.1.1.2.1 The Only Game Catalogue of Its Kind in the World

To date, more than 5,570 Gameloft Group employees are involved in developing and porting downloadable games. This creative force, which is unparalleled in the gaming industry, has allowed the company to develop a catalogue of more than 500 games covering all genres, including mass market, action, sport, puzzle and adventure games, to name a few. The development activity includes the creation of new games, regular updates for existing games in order to prolong their lifespan, and porting, a process by which each new game is adapted to all existing platforms and models. One of the barriers to penetrating the downloadable game industry is the large number of telephone models, tablets, and consoles on the market. All mobile phone manufacturers develop their own lines of phones that differ from their competitors' models. Although the technology used is the same from one platform to another, the screens differ in size, the processors have different characteristics, and so on. Each game must therefore be adapted to many models in order to reach the largest number of consumers.

Gameloft records its mobile game development costs as expenses at the time they are incurred. Each year, the company develops and places thousands of versions of its games on various operators' sites in order to cover the more than 300 different models of feature phones and more than 15,000 models of smartphones currently on the market, as well as the 17 languages supported by the company. Given this extreme fragmentation and the more general nature of the sales-related information received from operators, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions, both in terms of the technology (the link between revenue and the game versions) and the uncertainty surrounding the success of games on the market. On this basis, the group does not meet all the capitalisation criteria set out in IAS 38; expenses are recognised as expenses. However, the company does capitalise its development costs related to the creation of games for set-top boxes and Smart TVs.





2.1.1.2.2 World-Renowned Quality

By choosing to insource all its design teams, the company places special emphasis on the quality of its productions, as is evident from the many awards and honours that the company has received from around the world:

- Gameloft won the Pocket Gamer Award for Best Publisher during the 10-year period from 2006 to 2016.
- *Asphalt 8: Airborne* was selected as “Best Apple TV Game 2015”.
- In 2016, *Despicable Me: Minion Rush* reached 680 million downloads. In addition, the game has been listed among the top five most-downloaded games of 2015 on iOS and Google Play according to the rankings established by App Annie.



- In March of 2015, *Asphalt 8: Airborne* took home the Best Mobile Game App award at the GSMA's Global Mobile Awards. Winners were chosen through a voting process featuring 170 analysts, journalists, academics and other independent experts from across the world gaming industry. The award was handed out in Barcelona during the GSMA's Global Mobile Awards at the Mobile World Congress 2015.



- *Modern Combat 5: Blackout*, *Spider-Man Unlimited*, *Rival Knights* and *Asphalt Overdrive* found themselves on the prestigious “Best of the App Store 2014” list.
- *Despicable Me: Minion Rush*, *Spider-Man Unlimited*, *Cars: Fast as Lightning*, *Rival Knights*, *Asphalt 8: Airborne* and *Ice Age Adventures* made the prestigious “Best of Google Play 2014” list.
- Gameloft won the prestigious BAFTA Kids' Vote Award 2013 in the "video game" category for its major release *Despicable Me: Minion Rush*.
- Gameloft was chosen as Best Developer of 2013 and received the ME Awards prize in London.
- *Modern Combat 5: Blackout* on iPhone/iPad won the Pocket Gamer gold medal in July 2014 with a score of 9/10.
- The game *Dungeon Hunter 4* on Windows Phone won Pocket Gamer France's gold medal in December 2013.



2.1.1.2.3 A Catalogue of Strong Licences

Gameloft has a clear positioning in a mass market. The use of world-renowned licences and brands is therefore crucial for gaining a foothold in today's mobile game market. Gameloft has entered into many licence agreements since 2004 in an effort to enhance its mobile game catalogue and ensure its leadership in this field. For example, the company owns the exclusive rights to the following licences for feature phones and/or smartphones and touch tablets:



Nearly two-thirds of sales for 2015 resulted from Gameloft's own internal brands and franchises. The company has also made its mark over the years in the mobile gaming market with its own franchises, many of which have become benchmarks in the industry, including:



2.1.1.2.4 The Most Extensive Distribution Network in the Industry

With more than 200 operators distributing its games in nearly 120 countries, Gameloft now has the most complete telecom distribution network in the mobile game sector. All major European, North and South American, and Asian operators currently work with Gameloft. As a result, the company now has a presence among all major telecom operators worldwide.

Distributorship agreements have been signed with all the major manufacturers and platforms in the industry from Apple to Microsoft Mobile (Nokia), Samsung, Amazon and Google, and strong relationships have been established over the years with these industry players. This means that Gameloft distributes its games through the biggest smartphone- and tablet-game download platforms such as Apple's App Store, Google Play, Amazon's Appstore, Microsoft's Windows Phone Store, Samsung Apps, etc. As is the case with the telecom operators, by virtue of its size and the quality of its creations, Gameloft benefits from heightened exposure on these app stores. During the launch of a new game, Gameloft often receives very prominent placement on the app stores belonging to Apple, Google, Amazon, etc.

Product Placement for the game *The Amazing Spider-Man 2* on Apple.com (July 2014)



Engineered for maximum funness.



2.1.1.3 Market Outlook

Gameloft's financial outlook was disclosed to the market on 22 March 2016. The company aims to have:

- Revenue exceeding 350 million euros in 2018
- Operating income exceeding 65 million euros in 2018, and
- More than 85 million euros in accumulated free cash flow in the period between 2016 and 2018

Revenue prospects for the next three years are notably based on developing the Gameloft game catalogue (the company plans to bring between eight and ten new smartphone games to market per year); on a decrease in feature phone revenue (23% of 2015 revenue) tied to the gradual global replacement of feature phones with smartphones; on a modest increase in revenue from "in-app purchase" activity on smartphones (74% of 2015 revenue); and on strong growth in terms of advertising revenue through the monetisation of its available inventory (2% of 2015 revenue), thanks to mobile programmatic advertising in particular. The expected advertising revenue for fiscal year 2018 is 100 million euros, which would represent nearly 30% of the company's total revenue target for that year. The assumptions used to calculate the consolidated revenue by 2018 are also based on the stabilisation of the number of daily active users at 21 million, as well as on relative stability in terms of revenue per user.

The operating income goal for fiscal year 2018 is based on a modest increase in the gross margin related to a decrease in feature phone revenue and the proportion of games with external licences, a noticeable decrease in the company's fixed cost structure following the restructuring plan put in place in 2015 that led to the closure of 10 production studios and 35 million euros in annualised gross savings, as well as a marked increase in the operating income from the company's advertising tied to the current leverage effect of this activity.

The 85-million-euro accumulated free cash flow goal for the 2016-2018 period is the result of an expected significant increase in operating margin for 2015 to 2018, combined with the stabilisation of cash flows related to investments at levels slightly below those reached during fiscal year 2015, which are themselves a 30% decrease as compared to fiscal year 2014.

However, it should be noted that:

- Today, Gameloft's games are mostly downloaded to smartphones and touch tablets; the penetration rate of these devices will determine the company's future growth rate in revenue.
- The feature phone video game market was extremely competitive between 2000 and 2006 because it was heavily financed by venture capital companies. This source of financing all but dried up in 2007, and the market then witnessed a period of rapid consolidation. Many of Gameloft's competitors have filed for bankruptcy since 2007 or been sold to other industry players, including InFusio, Oasys, Superscape, iFone, iPlay, Hands On, etc. Vivendi Games, a subsidiary of the Vivendi Group, and THQ Wireless, a subsidiary of THQ, both potentially strong competitors for Gameloft, also announced their closure during this period. Today, Gameloft and Electronic Arts⁶ share the top two spots in the feature phone market, far ahead of other competitors in an otherwise uncompetitive world market. The level of competition in terms of smartphones and touch tablets has noticeably increased in parallel with the substantial increase in fundraising, initial public offerings, and mergers-acquisitions that recently took place in this business segment. The most recent transaction was in October 2015 with Activision Blizzard's purchase of mobile social-game company King Digital Entertainment for 5.9 billion dollars, which notably produced EV/R

⁶ Source: Quarterly publications of Electronic Arts, a competing company.

multiples of 2.6x and 2.7x in years N+1 and N+2 respectively. Competition in the global mobile gaming market has now increased to levels similar to where they were in 2000 to 2006. The growth of Gameloft's operations will depend on its ability to consolidate its current position among the market leaders.

- The company's advertising network activities still do not have strong visibility due to the recentness of their launch. Reaching the company's revenue goals by 2018 depends, in no small measure, on the success of the internal advertising network, which is a burgeoning business that offers less certainty than the activities the company has taken part in throughout its history, such as the sale of virtual goods within its games. The trends recorded since the beginning of 2016 are encouraging. The company registered 2.7 million euros in advertising revenue during the first quarter of 2016, compared to 0.3 million euros during the same period last year, representing an increase of more than 800%. Nonetheless, a certain amount of uncertainty remains regarding the success of the marketing of the available inventory, the prices at which this inventory will be able to sell for in the long term, and the critical size needed to market the available inventory, before the long-term prospects of this initial satisfactory performance can be confirmed.

2.1.2 Earnings for Fiscal Year 2015

2.1.2.1 Highlights of Fiscal Year 2015

The highlights of fiscal year 2015 are described in detail in the section 3.1.5.2 of the appendix to the consolidated accounts for 2015.

2.1.2.2 Quarterly and Annual Consolidated Revenue

Revenue (million euros)*	2015	2014	Change
1 st quarter	65.6	56.2	+17%
2 nd quarter	61.9	55.0	+12%
3 rd quarter	63.3	55.8	+13%
4 th quarter	65.4	60.2	+9%
Total	256.2	227.3	+13%

* rounded figures

On the whole, the consolidated revenue for fiscal year 2015 reached 256.2 million euros, an annual increase of 13%. On a comparable exchange rate basis, the growth rate in revenue over twelve months reached 6%, compared to 1% in fiscal year 2014.

Gameloft revenue has improved in 2015, notably thanks to the performance of its back catalogue, with the new games from 2014 not contributing much. Gameloft brought 16 games to market in 2015, compared to 12 smartphone games in 2014. Gameloft plans to bring roughly 20 new smartphone games to market per year at a regular pace, as of 2015. These regular releases of new games, when combined with a back catalogue that has demonstrated its ability to make significant contributions to sales over several years, should allow Gameloft to return to solid, profitable growth.

million euros	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenue	46.8	68.4	96.1	110.3	122.0	141.0	164.4	208.3	233.3	227.3	256.1
Additional revenue	23.6	21.6	27.7	14.3	11.6	19.0	23.4	44.0	25.0	-6.0	28.8

2.1.2.3 Revenue by Business Segment

12-Month Fiscal Year	2015		2014	
	€K	%	€K	%
Mobile	253,361	99%	223,742	98%
TV	2,814	1%	3,537	2%
Total Revenue	256,175	100%	227,279	100%

2.1.2.4 Revenue by Geographic Region⁷

12-Month Fiscal Year	31/12/15		31/12/14	
	€K	%	€K	%
EMEA	76,992	30%	74,169	33%
North America	65,005	25%	63,030	28%
LATAM	38,546	15%	40,371	18%
APAC	75,633	30%	49,710	22%
Total	256,175	100%	227,279	100%

North America represented 25% of annual revenue; the EMEA region, 30%; Asia-Pacific, 30%; and Latin America, 15%.

2.1.2.5 Change in Income

INCOME STATEMENT (€K)	2015	2014
Revenue	256,175	227,279
Cost of sales	-38,626	-40,105
Gross margin	217,549	187,174
Production (1)	-152,932	-141,647
Sales and marketing (1)	-44,046	-29,888
Administration (1)	-17,388	-16,032
Other operating income and expenses	-1,108	-703
Operating income/expenses from ordinary activities	2,075	-1,095
Share-based payments	-3,273	-3,100
Other operating income and expenses	-10,279	-682
Operating income/expense	-11,477	-4,877
Cost of net financial debt	1,885	2,415
Financial income	23,235	20,685
Financial expense	-29,247	-16,441
Net financial income/expense	-4,126	6,658
Net pre-tax profit/loss	-15,603	1,781
Tax expense	8,574	8,136
Net profit	-24,177	-6,355

⁷ EMEA: Europe, the Middle East and Africa; LATAM: Latin America; APAC: Asia Pacific

This income statement differs from the consolidated income statement standardized by the IFRS because of its reclassification of Share-based payments under Operating income/expense.

(1) In 2015, the group underwent reorganisation with the goals of cost optimisation and, internally, to increase adaptation to the market. In this way, from now on Research and Development costs will include game development and player tracking across various services as well as e-commerce and business intelligence activities. The Sales & Marketing section now includes the sales force, marketing, purchasing and the licence team. For comparison purposes, the 2014 figures have been modified accordingly.

On the whole, the consolidated revenue for fiscal year 2015 reached 256.2 million euros, an annual increase of 13%. The back catalogue of games represented nearly 80% of revenue for 2015, an increase of 2%.

The monthly active users reached an average of 166 million in 2015, and the number of daily active users reached an average of 21 million during fiscal year 2015.

The company's gross margin was 217.5 million euros, an increase of 16%. It represented 85% of revenue for 2015, a relatively stable level when compared to the gross margin of 82% from fiscal year 2014. The cost of sales reached 38.6 million euros and was made up of 27.8 million euros in royalties on licences and 10.8 million euros in sales commissions.

Operating income/expense from ordinary activities reached 2.1 million euros. Research & Development costs represented 60% of revenue in 2015, compared to 62% in 2014. Sales & Marketing costs represented 17% of revenue in 2015, compared to 13% in 2014. Administrative costs represented 7% of revenue in 2015, compared to 7% in 2014. The current operating margin for fiscal year 2015 was therefore 1%, compared to -0.5% in 2014.

Share-based payments reached 3.3 million euros in 2015. This expense had no impact on the company's equity or its cash situation. Other non-recurring operating expenses in the amount of 10.3 million euros are largely related to the restructuring costs of the company's subsidiaries in the United States, Argentina, China, Korea, Mexico, Japan, France, and the Philippines. The company proceeded to restructure its production base in order to take into account the major changes that took place in its market over the last two years, and most notably the advances in feature phone and smartphone technology. In particular, the Group's needs in terms of porting and testing noticeably diminished due to the increasing standardisation of mobile phones and their operating systems.

The operating income/expense was therefore -11.5 million euros, and the operating margin was -4.5%.

Gameloft's net financial income/expense is -4.1 million euros, which fell as compared to 2014. This change is largely due to the depreciation of certain currencies as compared to the euro, as well as to the foreign-exchange losses related to currency instability in Venezuela. The net pre-tax profit/loss was therefore -15.6 million euros, compared to 1.8 million euros in 2014.

Tax expenses for 2015 were 8.6 million euros. The amount of consolidated non-capitalised losses to carry over reached 51.5 million euros, including 31.9 million euros in France, at 31 December 2015. The net annual earning was therefore -24.1 million euros.

Sound Financial Position and Future Investments

At 31 December 2015, the company's equity capital reached 114.1 million euros and the net cash and cash equivalents were at 36.9 million euros. Operating cash flow was 1.5 million euros.

2.1.2.6 Change in Working Capital Requirement (WCR) and Debt

Cash flow statement	2015	2014
Cash flow from operating activities		
Net profit	-24,177	-6,355
Depreciation of tangible and intangible assets	17,861	17,607
Change in provisions	1,110	990
Other non-disbursed expenses	13	108
Income related to stock options and similar	3,273	3,100
Change in deferred taxes	-3,036	-3,486
Sales of assets	1,451	122
Cash from operations	-3,506	12,086
Change in trade receivables	-1,465	-2,582
Change in operating liabilities	6,459	-831
Change in WCR	4,994	-3,413
Operating cash flow	1,488	8,674
Investment-related cash flow		
Purchases of intangible assets	-7,395	-6,151
Purchases of tangible assets	-7,156	-15,019
Purchases of other financial assets	-838	-1,381
Repayment of loans and other financial assets	456	1,122
Other cash flows	-47	108
Total investment-related cash flows	-14,980	-21,320
Cash flow from financing activities		
New medium- or long-term loans	49	1,444
Share capital increase	2,284	4,598
Buyback of own shares	-3,544	-1,935
Other cash flows		
Total cash flows from financing activities	1,211	4,107
Impact of translation gains and losses	-1,101	916
Change in cash and cash equivalents	-15,804	-7,623
Net cash and cash equivalents at start of fiscal year	52,706	60,329
Net cash and cash equivalents at end of fiscal year	36,903	52,706

The company's cash from operations was at -3.5 million euros compared to +12.1 million euros in 2014.

The change in the Working Capital Requirement was of 5 million euros compared to -3.4 million euros in 2014.

The company's equity capital reached 114.1 million euros and the net cash and cash equivalents were at 36.9 million euros. Gameloft therefore has at its disposal the necessary financial means to continue its growth around the world.

2.1.2.7 Policy on Financing of Assets

The company does not make use of securitisation contracts, "cession Dailly" (Dailly assignments), sales with option of repurchase, discounts or factoring.

2.1.3 Cash Assets and Capital

2.1.3.1 Change in Shareholders' Equity Capital

The company's equity capital reached 114.1 million euros and the net cash and cash equivalents were at 36.9 million euros. Operating cash flow is negative and reached -3.5 million euros for the fiscal year as a whole.

2.1.3.2 Cash Flow

Cash flows related to net development cost investments are spread out regularly over nine- to fifteen-month periods, given that all projects progressively increase in intensity but that teams are generally split up over several projects. They represented 1.4 million euros in 2015. Cash flows related to investments into the "licence acquisitions" item represented 5.2 million euros in 2015.

Cash flows related to financing activities are mostly capital increases amounting to 2.3 million euros, made up of issue premiums emanating from the conversion of stock options, and the cancellation of own-share buybacks in the amount of 3.5 million euros.

2.1.3.3 Borrowing Terms and Financing Structure

Financing is largely handled internally. The company had access to a loan at very favourable conditions in order to finance the replacement of old computer equipment within Canada as well as to cover occasional cash flow needs.

2.1.4 Sustained Development

2.1.4.1 Note on Methodology

2.1.4.1.1 Reporting Period

The reporting focuses on the period between 1 January 2015 to 31 December 2015 for all social, environmental and societal issues.

2.1.4.1.2 Reporting Scope

With regard to social reporting, the majority of indicators are available for the entirety of the Group (24 production studios and 33 trade offices). When this is not the case, the report will instead point out the limited scope by indicating the areas that are not covered, namely trade offices (which represent 3.66% of the workforce).

Environmental reporting concerns all of the production studios. When this is not the case, the report will instead point out the limited scope by indicating the areas that are not covered. Trade offices are excluded from the reporting scope, but are taken into account in the overall coverage rate and in the data related to CO₂ emissions. It is acknowledged that the creation of trade offices or production studios in 2015 is not included within the scope of the environmental reporting⁸.

⁸ The Seattle location, which in 2015 was converted from a production studio to a trade office, is considered as a trade office in the environmental reporting.

2.1.4.1.3 Reporting Principle

The Group's Human Resources Department in charge of managing and coordinating the non-financial reporting has devised a reporting framework. This framework

- Defines a list of quantitative and qualitative indicators
- Specifies the definitions of the indicators
- Outlines the rules for collecting and calculating the indicators

This reporting framework serves as a reference for the Human Resources Department, which is based at the registered office and which is responsible for this information and for its use. This Department is in charge of communicating with its local correspondents with a view to collecting the required information.

The existing procedure aims to ensure that the information collected is available, consistent and documented.

The Group's Purchasing Office is in charge of environmental reporting. They have devised a reporting framework that includes a list of qualitative and quantitative indicators to be used within the production studios. The goal of this framework is to evaluate their environmental contributions in order to distinguish the best local practices and to confirm their applicability at a Group level.

Consolidation

Social, societal and environmental indicators are sent by the Group's bodies to the Group's Human Resources Department and to the Purchasing Office, which consolidate them and ensure their consistency.

2.1.4.2 Human Resources

Thanks to the talent and passion of its teams, Gameloft is a leading global publisher of digital and social games. The continued excellence and commitment of our employees allow us to offer high-quality products to millions of players around the world.

In order to remain at the cutting edge of innovation, Gameloft has developed unique know-how for attracting and retaining the best talent in the video game industry from all over the world.

Talent recruitment and management is therefore a major concern for the Group.

2.1.4.2.1 The Market's Top Development Operation: Gameloft Employees

At 31 December 2015, Gameloft employed 6,167 people⁹ around the world.

At this point, the company has at its disposal all the internal development teams necessary to launch around a dozen high-quality games on mobile platforms each year.

During fiscal year 2015, faced with recent changes to its business model, Gameloft chose to scale back its workforce.

The company proceeded to restructure its production base (United States, Finland, Korea, Japan, China, the Philippines, Argentina, Mexico) in order to take into account the major changes that have taken place within its market over the last few years.

As a notable result of its new strategic position, Gameloft had to eliminate 535 positions in 2015.

⁹ The workforce is comprised of all employees hired to the workforce at 31 December, regardless of the length of their employment contracts. Interns, temporary workers, and employees from external companies are not taken into account.

The development studios remain subject to substantial turnover within their teams due to strong local competition for talented workers. The Group’s objective is to stabilise the teams as a whole in order to ensure its continued growth.

This year, Gameloft opened a second studio in Ukraine, which has allowed it to reinforce its international presence in terms of its locations.

Gameloft’s in-house creation teams are major assets in the Group’s strategy. The fact that it has its own development studios allows it to guarantee the quality of its games, while still maintaining its responsiveness and flexibility.

In this context of rapid growth, Gameloft seeks to promote a work environment that reflects its corporate culture, which values expertise, creativity and innovation. In the video game industry, the creation process requires a strong collaborative effort between the technical, creative, and artistic teams who interact throughout a game’s production process.

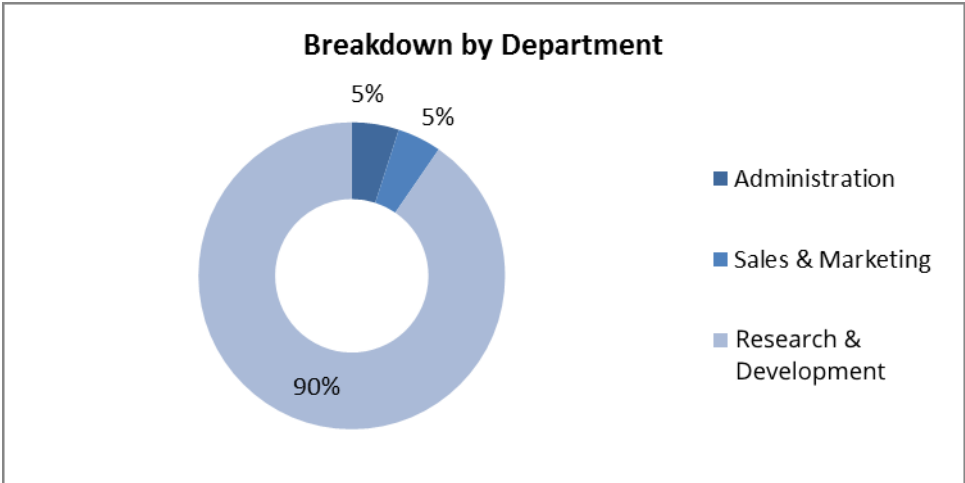
Gameloft’s strategic international presence through its production and trade office sites allows it to attract well-established industry professionals from around the world, resulting in 848 permanent hirings in 2015.

As of 31 December 2015, the worldwide workforce is divided up as follows:

• *Breakdown by department:*

	31/12/13	31/12/14	31/12/14 (Adjusted)	31/12/15
Administration	438	454	305	306
Sales & Marketing	739	776	353	281
Research & Development	5,214	5,487	6,059	5,580

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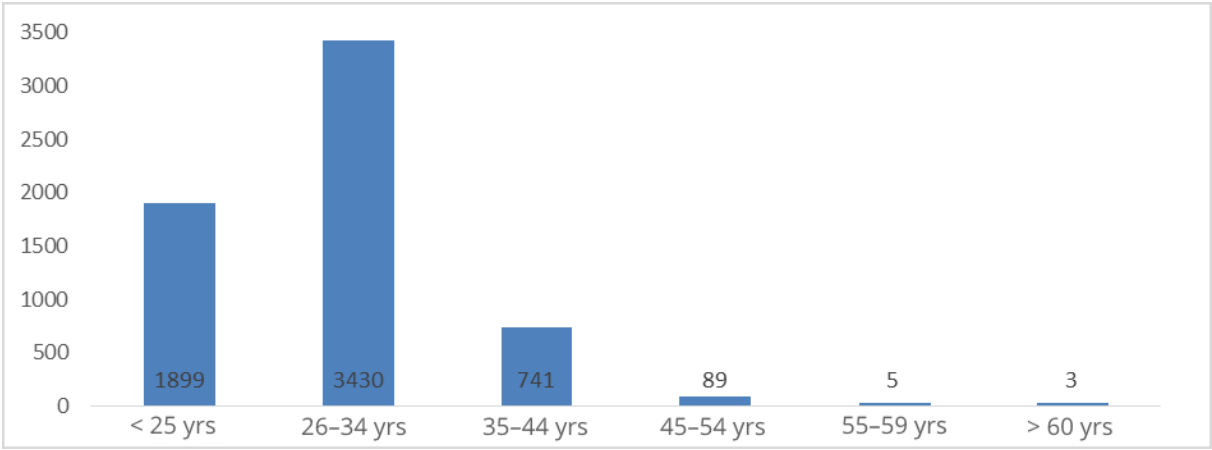


¹⁰ Following the global reorganisation of the teams as part of the 2015 strategic plan, the 2014 breakdown by Department was adjusted in order to allow comparison with the 2015 breakdown by Department. Major organisational changes regarding the BI / Customer Care / E-commerce departments and the Product/Community Managers became part of the “Production” organisational business unit (BU) instead of the “Sales & Marketing” one, as well as “GNS” and “IT & Hardware” which were historically linked to the “Administration & Finance” organisational BU and which were transferred to the “Production” organisational BU during the course of the reorganisation that took place in 2015.

The average age is 28.7 years, while the video game industry itself is barely 30 years old.

The weak representation of older age brackets is due to the recentness of the Group's founding, but also to the strong interest demonstrated by younger generations to come work in an innovative and dynamic industry.

2015 Age Bar Graph within the Gameloft Group



2.1.4.2.2 Attracting and Retaining Talent

In order to remain at the cutting edge of innovation, Gameloft strives to recruit talented employees.

2.1.4.2.2.1 School Relations and Employer Brand Representative

Gameloft's studios maintain long-term relationships with the world of education by forging partnerships with schools and higher-education institutions.

These partnerships take on a number of forms: exclusive mailing lists, open houses, employee involvement in the curriculums, participating in end-of-year juries, auditorium presentations about the company, organising contests, etc.

For example, this year the Montreal studio organised a number of events, including visits to the studio so that students could get a better understanding of the world of video games, as well as the jobs and skills that are in demand.

These school relations have also been developed through the studio's participation in school forums that allow for more informal exchanges with young graduates, where they can be made aware of available internships and jobs.

Gameloft is seeking to attract increasingly creative talent that's capable of thinking outside the box and of adapting to rapidly changing conditions. These school partnerships allow for the creation of a veritable breeding ground of talent.

2.1.4.2.2.2 Supporting Individual Development

Our growth rests in part on the development of our expertise.

Skills are generally acquired and shared through internal training and on-site exchanges, as well as external training.

In 2015, Gameloft employees¹¹ benefitted from 86,126 hours of training, representing an average of 14.5 hours of training per year, per employee. Since video game work is a recent phenomenon, certain studios have come up with one- to four-week integration programmes when someone starts at a position. These in-house training programmes aim to support new employees and allow them to start contributing as quickly as possible and adapt to the specifics of the work methods currently in place at Gameloft.

During these first weeks, these programmes allow new recruits to meet key people, acquire an understanding of the jobs, the challenges to overcome, and the company's expectations.

These actions also comply with Gameloft's desire to supplement the knowledge of candidates who were essentially recruited right after their university courses.

Gameloft actively supports the professional development of its talent by offering them numerous career opportunities.

In this framework, our managers, in association with Human Resources, play a key role in recognising and discovering talent.

The managers identify key talents in order to offer them paths and prospects that are in line with their ambitions.

One of Gameloft's challenges is to retain its key existing talent in a context where turnover is part of the culture and characteristic of the new generation. These retention efforts boil down to offering appealing prospects and to the rapid acquisition of responsibility in an international environment.

2.1.4.2.2.3 An Appealing Compensation Policy

Facing increasingly tough competition, Gameloft developed an appealing compensation policy that aims to attract and retain employees.

Compensation provided to employees factors in local market conditions, applicable legislation, and their level of performance.

Compensation is reviewed every year, a process that aims to recognize individual performance and retain the Group's employees.

Gameloft also developed an employee stock ownership plan involving stock options and bonus shares. This policy is a way of recognising the performance and contributions made by key talent to the Gameloft Group's development, as well as serving as an assurance of their future employment with the company.

The Group's payroll increased by 10.26% in 2015, going from 138,327,322 euros at 31 December 2014 to 152,529,524 euros at 31 December 2015.

2.1.4.2.3 Diversity

The diversity of our talent is one of our greatest resources and is also an opportunity for our employees to open themselves up to the world. This opening manifests itself in different forms: long-distance collaborations, cross-company teams, employee mobility, international assignments, etc.

2.1.4.2.3.1 A Multicultural Group with International Influence

International growth has always been a strong part of Gameloft's strategy.

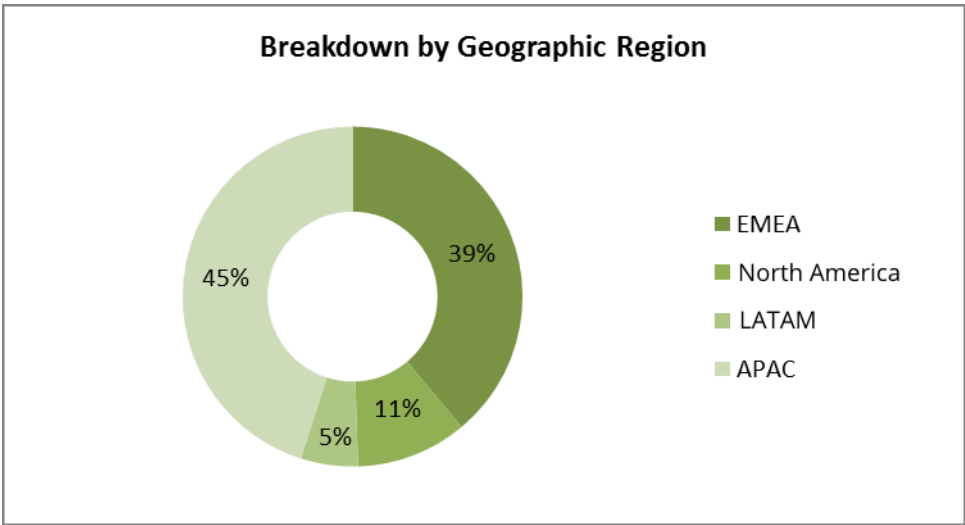
Our business has a foothold on every continent and is made up of a number of structures that bring together many nationalities.

¹¹ This figure only relates to the production studios.

As of 31 December 2015, the worldwide workforce is divided up as follows:

- Breakdown by geographic region¹²:

	31/12/13	31/12/14	31/12/15
EMEA	1,972	2,322	2,399
North America	720	737	653
LATAM	468	414	335
APAC	3,231	3,244	2,780
Total	6,391	6,717	6,167



2.1.4.2.3.2 Diversity of Women and Men at Group Level

Workforce	Women		Men		Total
	Count	Percentage	Count	Percentage	
	1,222	19.82%	4,945	80.18%	6,167

Women represent 19.82% of the Group's total workforce.

More than eight out of ten employees are men. This distribution can be explained by the large number of developers making up the Research and Development teams, who essentially come from a technical background.

Moreover, women make up 70.92% of the Administration teams and 39.15% of the Sales and Marketing teams.

Every one of our studios fights all forms of discrimination between women and men, particularly with regard to recruitment, promotions, performance evaluations and salary increases. As such, the Toronto studio has put in place a number of initiatives, notably having the studio manager take part in leading a meeting on the topic of women in the video game industry.

2.1.4.2.3.3 Non-discrimination

The diversity of its talent is one of the company's greatest resources and is also an opportunity for employees to open themselves up to the world. For this reason, Gameloft is committed to fighting discrimination in all its

¹² EMEA: Europe, Middle East and Africa

forms, whether it is during hiring or at any other point in an employee's professional career. The Group would like its teams to reflect the diversity of its consumers around the world.

Thus no person may be excluded from recruitment procedures, no employee may be sanctioned, dismissed or be the object of direct or indirect discriminatory measures, particularly with regard to compensation, training, assignment, promotion, transfer, or renewal of their contract because of their ancestry, gender, mores, sexual orientation or gender identity, age, marital status or pregnancy, genetic traits, actual or assumed membership or non-membership to an ethnic group or a nation, their political opinions, trade union or fraternal activities, religious beliefs, physical appearance, family name, or because of their health or disability.

In order to encourage the occupational integration of disabled people, Gameloft has signed several partnership agreements with the ESAT ("Etablissement et Service d'Aide par le Travail") for supply contracts in France.

All Gameloft employees (managers or members of HR) taking part in the selection of talent commit to only request information from candidates that will serve the purpose of learning more about their professional aptitudes and their motivations for becoming part of the Group.

These meetings end with tests or case studies that aim to place the candidates in professional situations. In this way, the risk of discrimination is limited even further.

Gameloft believes that the principles of human rights apply to people, nations and, by extension, companies. This is why the Group complies with the conventions of the International Labour Organization (ILO), notably in terms of the effective abolition of forced or compulsory labour and child labour, in every location in the world where it operates.

Each employee receives a salary commensurate to their work.

Gameloft Bulgaria employs a minor whose hiring was approved by that employee's parents and approved by the local employment agency.

2.1.4.2.4 Providing a Work Setting that Ensures Well-Being

Respect for diversity and human rights falls within a larger objective that aims to promote well-being in the workplace.

Gameloft is vigilant about maintaining a professional environment that ensures the health, safety and well-being of every employee.

The goal is to allow all our talent to express their passion and creativity in a setting that favours self-realisation.

To this end, the Beijing studio approached a specialist in traditional medicine in order to provide employees with advice to improve their health and well-being at work.

2.1.4.2.4.1 Maintaining Close Links with Employees

Gameloft is concerned about maintaining close links with employees.

Teams are regularly informed of company strategy and news through a variety of communication channels, including internal meetings in all subsidiaries, team seminars, etc.

In addition, all of the financial news and information documents published by the Group are available on the gameloft.com website.

Social dialogue is led on a daily basis by local management and the Human Resources managers in the various studios. It involves listening to employees and their concerns, which are provided through a variety of communication channels: email, Skype, internal meetings, organisation of seminars, etc.

Employees and managers also have opportunities to meet in a more informal setting during local social events (year-end parties, teambuilding sessions, cocktails, breakfasts, etc.).

As far as labour representative bodies are concerned, the Group's companies comply with the legislations in effect in the countries where we are present.

This year, a collective agreement on health and safety was signed.

2.1.4.2.4.2 Health: An Absolute Priority

Gameloft endeavours to protect the health, both physical and mental, of every employee.

The majority of the Group's studios organise annual messages or training sessions on well-being, health and safety at work.

In addition, complementary private health insurance is offered to employees and their families in order to cover them in the case of accident or illness.

Finally, regularly medical visits are organised in order to ensure employee health.

In collaboration with local HR departments, the health and safety committees ensure that procedures and policies related to health and safety are organised, followed and implemented.

Some of our studios are equipped with exercise facilities and relaxation rooms, which all of their employees can access for free. These facilities, which are paid for by the Group, address the employees' strong expectations of creating a friendly space at the heart of their work environment.

These priorities—workplace health, safety and well-being—have allowed the company to post exceptionally low workplace accident numbers, since only three workplace accidents not resulting in absence, one workplace accident resulting in absence (eight days), and one work-related illness were recorded across the world in 2015.

2.1.4.2.4.3 An Organisation with Flexible Work Hours

Each of the Group's subsidiaries enforces legal or contractual hours, which vary from one country to the next.

We are invested in the well-being of our employees and believe that a fulfilling personal life can lead to a fulfilling professional one. Starting from this perspective, we offer flexible working hours that allow each employee to organise their time based on their personal obligations.

As such, fewer than 2.05%¹³ of the Group's employees are part-time workers (122 employees out of 5,941).

In spite of the company's size, our priority is to maintain contact between our teams every day. We encourage simple, direct and informal communication adapted to our business segment.

Employees benefit from considerable autonomy in their work. The working methods in place encourage employees to become truly involved. Our production methods are constantly evolving and ensure a work setting that, at all levels, encourages teams to experiment, develop new ideas, and take initiative and responsibility.

This approach, which relies upon mutual trust, allows us to motivate our employees for whom their jobs are, above all, a passion.

As a result, there has been no notable absenteeism recorded, since the absenteeism rate related to work-related illnesses and accidents only reached 1%.

¹³ This figure only relates to the production studios.

Ultimately, we want to ensure that we favour close-knit organisations as much as possible. Open spaces encourage collaborative work and facilitate communication, with managers who are available for their teams and HR representatives who are close by.

2.1.4.3 Environment: Environmental Indicators

2.1.4.3.1.1 General Policy on Environmental Matters

2.1.4.3.1.1.1 General Organisation

The Gameloft Group's environmental impact can be summarised in terms of its production and publication of mobile games for iOS, Android and Java. Considering its activity, the company's impact on the environment remains low.

There is therefore no awareness programme at a Group level for environmental questions.

Thus, at present, employee awareness is organised locally, and the measures taken can be organised according to four approaches:

- 1 – Determine and identify the areas for improvement to reduce the impact of waste.
- 2 – Determine and identify the areas for improvement related to the use of sustainable resources.
- 3 – Determine and identify the areas for improvement to reduce energy consumption (electricity, heating, air conditioning).
- 4 – Determine and identify the areas for improvement to reduce greenhouse gases.

2.1.4.3.1.1.2 Local Organisation

There is no awareness programme at a Group level for environmental questions.

In fiscal year 2015, five locations had put into place such awareness programmes.

Since 30 January 2014, the Paris studio is BREEAM certified. Since 2014, the new Montreal studio's renovation project has been LEED (Leadership in Energy and Environmental Design) certified and the manufacturing of the office furniture purchased for this new studio has been GREENGUARD certified. This certification aims to minimise emissions of volatile organic compounds into the air.

In 2015, the Auckland studio created a system to encourage employees to make use of carsharing. The costs related to parking were reimbursed for each instance of carsharing. In addition, recycled-paper towels were replaced with washable cotton cloths in the common areas.

In 2015, the Indonesian studios actively took part in a "Saving Energy" campaign. As part of the campaign, a number of actions were taken in order to promote the environment and reduce energy use at both studios. For example, they had an elevator-free week and a no-air-conditioning day.

In 2015, the Cluj studio took part in the reforestation of ten hectares of land in Bistrita Nasaud.

The Paris studio will henceforth be equipped with an automatic, adjustable climate-control system.

2.1.4.3.1.1.3 Provisions and Guarantees

At present, only the Beijing studio has obtained a guarantee to cover possible environmental risks. In 2015, their insurance covered civil responsibility and goods, as well as risks related to pollution (this clause was added in 2014). The maximum value of compensation reached 5,000,000 CNY/year. The Group did not pay any indemnity in this respect during the fiscal year.

2.1.4.3.1.2 Pollution and Trash Management

2.1.4.3.1.2.1 Air, Water and Soil Emissions

As part of its activity, the risk of direct emissions by the Group into the air, water or soil that would seriously harm the environment appears to be non-existent.

2.1.4.3.1.2.2 Trash Management

Gameloft has identified four categories of trash that are linked to its activity:

- Paper
- Computer equipment
- Used telephones
- Other consumables (batteries, cartridges, plastic garbage)

For the most part, the Group's trash is thrown out or recycled.

- Paper: The majority of studios recycle paper after it has been used (13 studios in fiscal year 2015).
- Computer equipment: Gameloft participates in recycling used computers and electronic equipment. In 2015, two studios, representing 13.08% of the workforce¹⁴, made use of an external company to recycle their computer equipment. The Paris studio recycled 706 kilograms of computer equipment, and the Bucharest site recycled 990 kilograms.
- Used telephones and tablets: At 31 December 2015, Gameloft took inventory of 43,447 telephones and tablets in all of its studios. As of 2013, the Group authorises the scrapping or recycling of devices that are no longer necessary to the production process. During fiscal year 2015, no location recycled used telephones or tablets.
- Other consumables: In 2015 the Auckland studio implemented for the first time a garbage disposal unit, located in the cafeteria. Certain studios also have collection points for sorting and recycling waste. These collection points are usually situated in the common areas (cafeteria, break room).
 - ✓ Ink cartridges: 12 studios recycle their ink cartridges. These ink cartridges are either sent back to the manufacturer directly (Xerox, HP, etc.) or collected by external service providers who will recycle them.
 - ✓ Cardboard: Given its activity, the Gameloft studios ship a significant amount of telephones, tablets and computer equipment within the Group itself. As a result, collecting and recycling cardboard is an important issue. In fiscal year 2015, seven studios recycled their cardboard. Some studios prefer to keep their cardboard in their storage rooms instead of recycling it in order to use it again in future deliveries.
 - ✓ Batteries: Five studios collect and recycle their batteries using drop-off points situated in strategic locations (front desk, etc.).

2.1.4.3.1.2.3 Noise and Other Forms of Pollution

Due to its activity, Gameloft's direct impact on the environment in terms of noise, olfactory and all other forms of pollution remains low. Moreover, all of our games possess a "mute" function that allows our users to cut the sound when the game launches. During fiscal year 2015, the Group did not receive any complaints about noise pollution related to the use of our products.

¹⁴ This figure only relates to the production studios.

2.1.4.3.1.3 Use of Sustainable Resources

2.1.4.3.1.3.1 Water Consumption and Provisioning

Considering its activity, the Group did not identify any important impacts in terms of water stress. Water consumption within Gameloft remains low and is limited to domestic uses (sanitation, cleaning, cooking, etc.). Only some of the studios (representing 53.81% of the workforce¹⁵) were able to provide details related to their water consumption. For the remaining studios, their consumption is included as part of their occupancy expenses. During fiscal year 2015, water consumption reached 25,356 m³ or 7.96 m³ per employee.¹⁶

	Romania ¹⁷	Spain ¹⁸	Saigon 2	Sofia	Mexicali	Kharkov	Yogyakarta 2	Budapest
Consumption in m³ during fiscal year 2015	8,905	1,209	7,344	2,096	2,791	1,755	1,057	198
Water consumption (in %)	35.12%	4.77%	28.96%	8.27%	11.01%	6.92%	4.17%	0.78%
Consumption in m³ per employee	7.43	4.19	19.12	5.79	9.96	5.99	3.16	4
Workforce respondents (in %)¹⁹	37.61%	9.04%	12.06%	11.37%	8.79%	9.20%	10.49%	1.44%

In order to reduce their consumption, some studios put in place different measures such as the use of automatic or induction faucets, as in France and Mexico, and in Canada since 2014, as well as in New Zealand since 2015. The French, Canadian and Mexican locations have also had ecologically friendly, low-water-usage sanitary facilities since 2014.

Moreover, in a great many studios, restroom management is the responsibility of the locations' proprietors. Because of this, the studios cannot act directly to change the restroom equipment.

2.1.4.3.1.3.2 Usage and Management of Consumables

Gameloft only considers paper consumption as being sufficiently significant in terms of purchases of consumables.

Usually the Group considers that paper purchases are consumed over the period. This consumption can be attributed to bureaucratic use, excluding company brochures.

During fiscal year 2015, the Group took stock of the following paper consumption:

	Amount of waste produced (kilograms)	Number of studios concerned	Representativeness of the studios concerned in terms of the Group's workforce	Number of kilograms consumed per employee
Standard paper	4,962	21	85.67%	0.94
Recycled paper	1,282	4	12.75%	1.63

¹⁵ This figure only relates to the production studios.

¹⁶ Calculated based on the workforce of the studios that reported their water consumption, representing 3,185 employees.

¹⁷ Includes the Bucharest and Cluj studios.

¹⁸ Includes the Barcelona, Valencia, and Madrid studios.

¹⁹ Calculated based on the workforce of the studios that reported their water consumption, representing 3,185 employees.

Consumption of standard paper represents around 0.94 kg of paper per employee per year. This represents a decrease of 8.56% compared to fiscal year 2014. As a result of the increased digitisation of the accounting teams, the Paris location witnessed a 19.4% decrease in consumption. During fiscal year 2015, four studios favoured the purchase of recycled paper, including two new ones as compared to last year, namely Auckland and Montreal.

In order to encourage employees to recycle paper, the studios in Paris and Montreal have paper collectors next to the printers. The Vietnamese and Hungarian studios, on the other hand, favoured poster and email campaigns in which the goal was to limit the consumption of paper and to promote recycling.

2.1.4.3.1.3.3 Use of Soil

The Group's impact regarding the use of soil remains limited due to the fact that studios are installed vertically in mostly urban areas.

2.1.4.3.1.4 Electricity Consumption and Recourse to Renewable Energy

Given its activity, Gameloft considers electricity and gas to be its only significant energy sources.

- Electricity:

For two of the studios (New Orleans and Brisbane), electricity usage is directly included as part of their occupancy expenses. They represent 71 employees, which is 1.20% of the workforce of the production studios.

In fiscal year 2015, electricity consumption reached 8,798 MW-h, which breaks down as follows:

	Canada ²⁰	Vietnam ²¹	Romania ²²	Ukraine	Other Countries	Total
Electrical consumption in MW-h during fiscal year 2015	1,760	1,381	1,754	882	3,021	8,798
Electricity consumption (in %)	20.01%	15.69%	19.94%	10.03%	34.33%	100%
Workforce respondents (in %)	9.99%	25.58%	20.24%	5.83%	38.36%	100%

Canada, Romania, Vietnam, and Ukraine are the countries that consume the most electricity. These countries represent 20.01%, 19.94%, 15.69% and 10.03% of electricity consumption, respectively. Some studios use electricity from renewable energy sources. In 2005, a partnership between electricity supplier Hydro-Québec was launched for the Montreal location and, in 2011, for the Toronto location. Hydroelectric dams are the source of 99% of that supplier's output. To summarise, 1,760 MW-h are provided by renewable energy, which represents 20.01% of the Group's total electricity consumption.

- Gas:

In 2015, only the Bucharest, Cluj and Budapest studios (which represent 21.02% of the workforce at production studios) consumed natural gas. In fiscal year 2015, this consumption reached 246 MW-h.

²⁰ Includes the Montreal and Toronto studios.

²¹ Includes the Da Nang, Hanoi and Saigon (SAI1 + SAI2) studios.

²² Includes the Bucharest and Cluj studios.

	Romania ²³	Budapest	Total
Gas consumption in MW-h during fiscal year 2015	203	43	246

Only the Bucharest location has urban district heating. In 2015, this consumption reached 548 MW-h.

During the current fiscal year, the Group has taken stock of several measures that aim to reduce overall energy consumption.

The studios actively communicate on location to spread awareness among employees and to encourage them to save energy. Nine studios have launched email campaigns to remind employees to shut down their computers in the evening and to turn off lights in the common areas.

In order to limit energy consumption, some studios have climate control, heating, and lighting devices that are automatically shut down. The Barcelona, Montreal and Cluj locations have been equipped with motion detectors since 2014. In Paris, only the common areas have them.

The locations in Vietnam and Madrid recommend that the last employee to leave check and turn off the lights.

2.1.4.3.1.5. Climate Change

2.1.4.3.1.5.1 Greenhouse Gas Emissions

As of now, neither the Group nor its studios have put in place a process for optimising their carbon footprint or for measuring their greenhouse gas emissions.

The Group has identified three sources of greenhouse gas emissions:

- Employee travel
- Buildings' energy consumption
- Greenhouse gases emitted by servers managed by Gameloft's service providers

2.1.4.3.1.5.2 Employee Travel

Given its activity and the international nature of the Group, employees are required to travel regularly to other locations. Trade offices are included within this indicator.

In fiscal year 2015, only five studios and 11 trade offices were able to evaluate the impact of their travels and measure their greenhouse gas emissions. The information that follows was supplied by their travel agencies.

	Distance travelled (km)	CO ₂ emissions (kgCO ₂)	CO ₂ emissions (in %)	Workforce respondents (in %) ²⁴
France	1,239,909	164,398	34.56%	18.11%
Spain²⁵	876,675	69,544	14.62%	62.74%
USA²⁶	1,215,313	157,294	33.06%	13.05%
Other²⁷	368,355	84,500	17.76%	6.11%
Total	3,700,253	475,736	100%	100%

²³ Includes the Bucharest and Cluj studios.

²⁴ Based on the members of the workforce who answered, namely 475 employees.

²⁵ Includes the Barcelona, Valencia, and Madrid studios and the Madrid trade office.

²⁶ Includes the New Orleans studio, and the New York, Seattle, Los Angeles, Chicago and San Francisco trade offices.

²⁷ Includes the London, Taipei and Hong Kong trade offices.

The activities of the head office represented only 18.11% of the workforce that responded, but accounted for 34.56% of emissions.

As a result, the Group is encouraged to optimise the efficiency of their trips as much as possible by

- Limiting the amount of employee travel
- Favouring the use of video and audio conferencing as much as possible The Group created an internal communication tool, GL share, which allows employees in different studios to organise meetings and telephone conferences.

Initiatives have been put in place at the various locations to limit the greenhouse gas emissions related to employees' commutes. For instance, the Auckland studio decided on a policy of reimbursing employees for parking spaces for each one of them arriving using carsharing.

In addition, most studios are located in downtown areas, close to metro stations and bus stops. Because of this, employees can get to work using public transportation.

Finally, other studios encourage the use of bicycles by providing spaces as well as secure parking, like in Montreal since 2005 and Barcelona since 2014.

2.1.4.3.1.5.3: Building Energy Consumption

Greenhouse gas emissions related to buildings' energy consumption (electricity and gas²⁸) are estimated at 3,681 tCO₂.

2.1.4.3.1.5.4 Greenhouse Gases Emitted by Servers Managed by Gameloft's Suppliers

Due to its activity, the Group uses numerous hosting services provided by different service providers. These hosting services are located on every continent. At present, only the data centres in Montreal and Beijing are capable of measuring their greenhouse gas emissions. In 2015, the Group was able to evaluate its indirect emissions related to data centres at 402.45 tCO₂²⁹.

2.1.4.3.1.5.5 Adapting to the Consequences of Climate Change

Given its activity, we do not consider Gameloft to be directly affected by the consequences of climate change.

2.1.4.3.1.5.6: Protection of Biodiversity

Since fiscal year 2013, the manager of the Paris studio has put in motion several actions that aim to protect biodiversity: The patios have been refurbished, and aromatic plants and market gardens have been planted. In 2015, the Cluj studio took part in the reforestation of ten hectares of land in Bistrita Nasaud.

2.1.4.4 Societal

Gameloft commits itself socially by working with a variety of stakeholders to create a sustainable future for everyone.

2.1.4.4.1 A Company that Listens to Its Customers

Gameloft designs its games to offer the best experience to consumers, no matter the platform.

Within the framework of the creation process, we bring together consumers from several countries during focus groups in order to take into account their opinions.

²⁸ For the urban district heating used in Bucharest, we've used natural gas as the cause of emissions.

²⁹ Only indirect emissions related to the electrical consumption of the data centres were taken into account. The potential direct emissions were not measured.

During these test sessions, the participants have the chance to play an exclusive game that is in production. When questioned, the panel lets us know their opinions on various aspects (graphics, gameplay elements, controls, etc.) and gives the game an overall score. A report is then generated and sent to the team in charge of the relevant game's creation in order to ensure that customer expectations are met.

In terms of player relations, Gameloft strives to be present on all channels through which consumers express themselves. On social networks, the community managers create relationships by offering content that is rich, varied and exclusive, and by choosing a tone and message that is adapted to each type of player, from mass-market games to games that appeal to more seasoned players. The regular appearance of new social networks drives the company to constantly revamp its communication methods. Finally, the customer support service has many channels: a standard phone service is in place for more than 15 languages all over the world; on a daily basis, dedicated teams take charge of customer requests from online discussion forums and from emails as quickly as is possible, all while providing clear and thorough responses.

Gameloft respects the standards and legislations in force for mobile games related to keeping its customers informed and ensuring their safety. The Group respects the Children Online Privacy Protection Act (COPPA), which has as its objective to protect the collection and use of personal data belonging to minors of less than 13 years of age who reside in the United States or in one of the American territories. In order to conform to COPPA regulations, mobile games that are sold to American residents contain a pop-up that asks the game's user to specify their date of birth during the game's launch. In addition, in cases where a user is identified as a minor of less than 13 years of age, access to social networks that are available in the game will be automatically deactivated.

2.1.4.4.2 Territorial, Economic and Social Impacts

Gameloft wishes to participate in the local economic life near studios where the Group is established by recruiting the majority of its employees from the surrounding employment area. In this way, Gameloft contributes to market and employment development, and to the economic development in general, of several regions around the world.

2.1.4.4.3 Human Rights

Respect for rights and freedoms is part of Gameloft's fundamental values. The Group combats all forms of discrimination, harassment, all manner of forced labour and child labour, and all breaches of the freedom of association. Gameloft's policy aims to respect the right to work in all countries in which it is established and to take into account the fundamental conventions of the International Labour Organization (ILO) on this subject.

When they are welcomed into the company, each employee is reminded of the basic principles by bringing to their attention the fundamental texts and regulatory texts in their local context.

2.1.4.4.4 Subcontracting and Suppliers

Due to its activity and its internationalisation, purchases are usually made locally. The high technical and technological content (powerful computers) of our needs and of our purchases mean that ecological criterion cannot be held as the primary criterion when choosing a supplier.

Nonetheless, the Madrid studio signed a contract with a paper-recycling company to come to the office to pick up and dispose of unused documents.

For its part, the registered office largely chooses to use certified paper.

2.1.4.4.5 Actions Taken to Prevent Corruption

Gameloft operates in an industry in which corruption is not considered to be a major concern. No significant risk was identified. Nonetheless, certain studios have internal procedures (external or internal auditing) that allow them to verify that no acts of corruption have occurred locally.

2.1.4.4.6 Sponsorship Activities

Gameloft takes part in sponsorship activities. Along these lines, the Cluj studio collected money to benefit various non-governmental organisations throughout 2015 (building a kindergarten for children with disabilities; donations for children and families in need, accident victims, and environmental preservation; a plastic-bottle recycling campaign).

2.1.4.5 Report from the Independent Third-Party Entity on Consolidated Social, Environmental and Societal Information Appearing in the Management Report

Dear Shareholders,

In our capacity as an independent third-party entity, member of the Mazars network, and Gameloft's auditor, accredited by Cofrac under number 3-1058³⁰, we present to you our report on the consolidated social, environmental and societal information for the fiscal year ended 31 December 2015, presented in the management report (hereinafter the "CSR Information"), in application of the provisions of Article L. 225-102-1 of the French Commercial Code.

Company Responsibility

The Board of Directors must prepare a management report containing the CSR information outlined in Article R.225-105-1 of the French Commercial Code, in compliance with the company's reference sources (hereinafter "Reference Documents"), a summary of which appears in the management report and is available upon request at the company's registered office.

Independence and Quality Control

Our independence is defined by the regulatory documents, our profession's code of conduct, as well as the provisions outlined in Article L. 822-11 of the French Commercial Code. Moreover, we have put in place a system of quality control that contains documented policies and procedures that aim to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

³⁰The scope of which is available at this site: www.cofrac.fr

Independent Third-Party Entity Responsibility

It is our task, on the basis of our work:

- To attest whether the required CSR Information is present in the management report or, if not present, whether an appropriate explanation is given in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Attestation of Presence of CSR Information)
- To provide limited assurance on whether the CSR Information, taken as a whole, is fairly presented, in all significant aspects, in accordance with the Reference Documents (Limited Assurance on CSR Information)

Our work was performed by a team of five people between October 2015 and March 2016 for a period of about six weeks.

We performed the work described below in accordance with professional standards applicable in France and with the 13 May 2013 decree determining the methods by which the independent third-party entity can conduct its work and, with regard to the limited assurance, according to the ISAE 3000 international standard³¹.

I – Attestation of Presence of CSR Information

We obtained an understanding, based on interviews with the management of relevant departments, of the strategy for sustainable development in terms of the social and environmental consequences related to the company's activity and its social commitments, as well as, where appropriate, corresponding actions or programmes.

We have compared the CSR Information presented in the management report with the list provided in Article R.225-105-1 of the French Commercial Code.

In cases where certain consolidated information was absent, we have verified that explanations were provided in accordance with the provisions in Article R.225-105, paragraph 3, of the French Commercial Code.

We verified that the CSR Information covered the consolidated areas, namely the company and its subsidiaries, as outlined in Article L. 233-1, and the companies it controls, as outlined in Article L. 233-3 of the French Commercial Code, with the limitations specified in the note on methodology in paragraph "Note on Methodology" of the management report.

Based on this work, and taking into account the limitations mentioned above, we confirm the presence in the management report of the required CSR Information.

³¹ ISAE 3000 – *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

II – Limited Assurance on CSR Information

Nature and Scope of the Work

We conducted roughly ten interviews with the people responsible for the preparation of the CSR Information, with management in charge of the data collection process and, where applicable, with the people responsible for internal control processes and risk management, in order to:

- Assess the suitability of the Reference Documents in terms of their relevance, completeness, reliability, neutrality, and clarity, taking into consideration, where relevant, the industry's best practices
- Verify that a process was implemented for the collection, compilation, processing and control of the CSR Information to ensure its completeness and consistency, and identify the procedures for internal control and risk management related to the preparation of the CSR Information

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information in relation to the company's characteristics, the social and environmental issues related to its activities, its strategy for sustainable development, and the industry's best practices.

For the CSR Information that we considered the most important³²:

- At the level of the consolidated entity and entities, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report.
- At the level of the representative selection of sites that we chose³³ based on their activity, their contribution to the consolidated indicators, their location, and a risk analysis, we conducted interviews to verify the correct application of procedures, and conducted detailed tests based on samples, which consisted of verifying the calculations that were made and connecting the data to the supporting documents.

Therefore, the sample selected represented 24% of the workforce, and between 38% and 100% of quantitative environmental information.

For the other consolidated CSR Information, we assessed its consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided related to, if necessary, the total or partial absence of certain information.

We consider that the sample methods and sample sizes that we employed by exercising our professional judgement allow us to express a limited-assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

³² Workforce and breakdown by age, gender and geographic area; number of training hours; open-ended contract hirings and layoffs; percentage of part-time employees; building energy consumption; carbon emissions related to employee travel; CO₂ emissions related to buildings' consumption; CO₂ emissions related to servers; recycling of used computer equipment.

³³ Social Indicators: Indonesia, Bulgaria and Canada (Montreal).

Environmental Indicators: Paris (employee travel), Montreal (building and data-centre energy consumption), Romania (building energy consumption), and at the head office (recycling computer equipment).

Conclusion

Based on our work, we have not detected any significant anomaly that would cause us to doubt that the CSR Information, taken as a whole, has been fairly presented in compliance with the Reference Documents.

Paris La Défense, 1 April 2016

Independent Third-Party Entity

MAZARS SAS

Simon Beillevaire

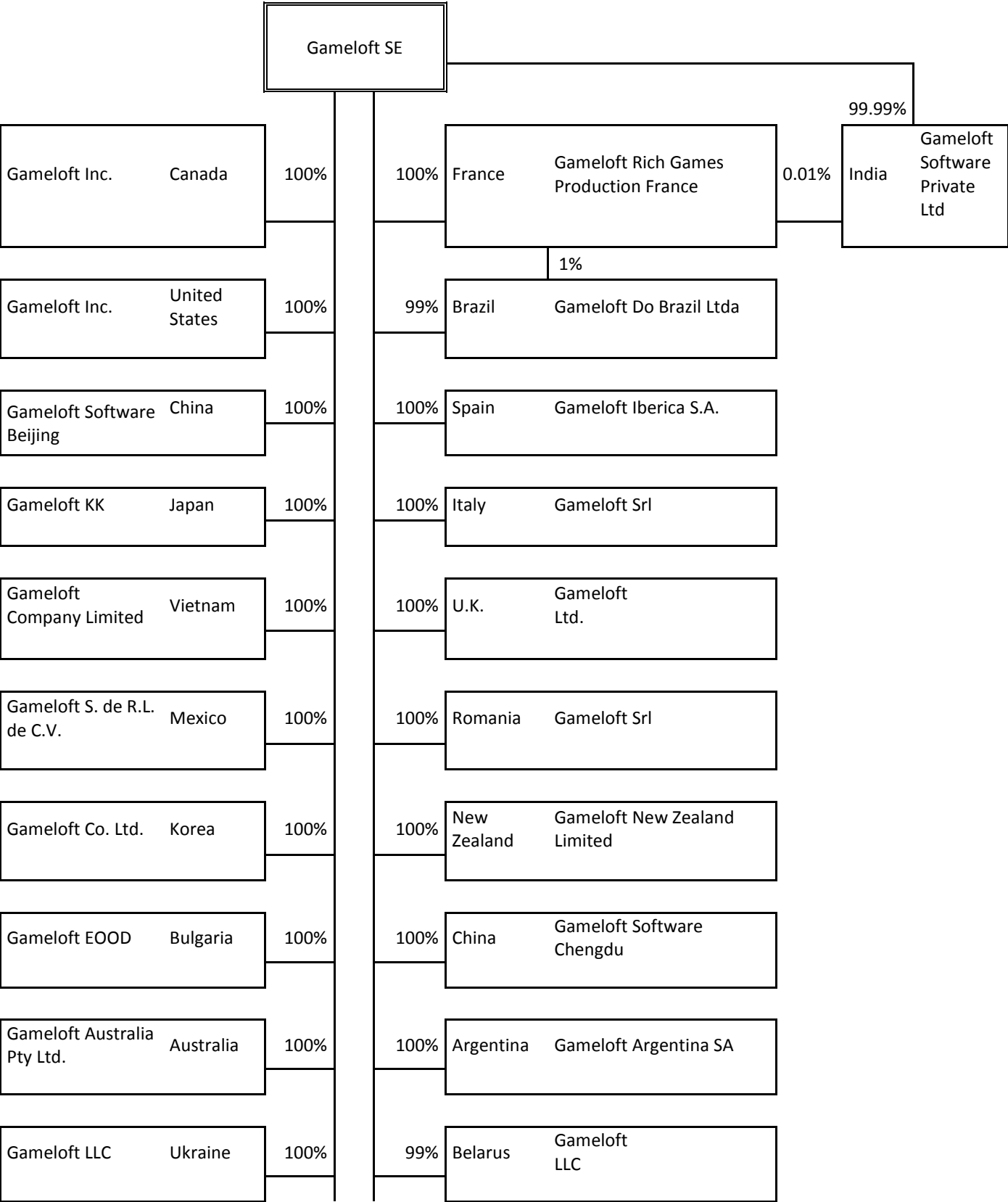
Associate

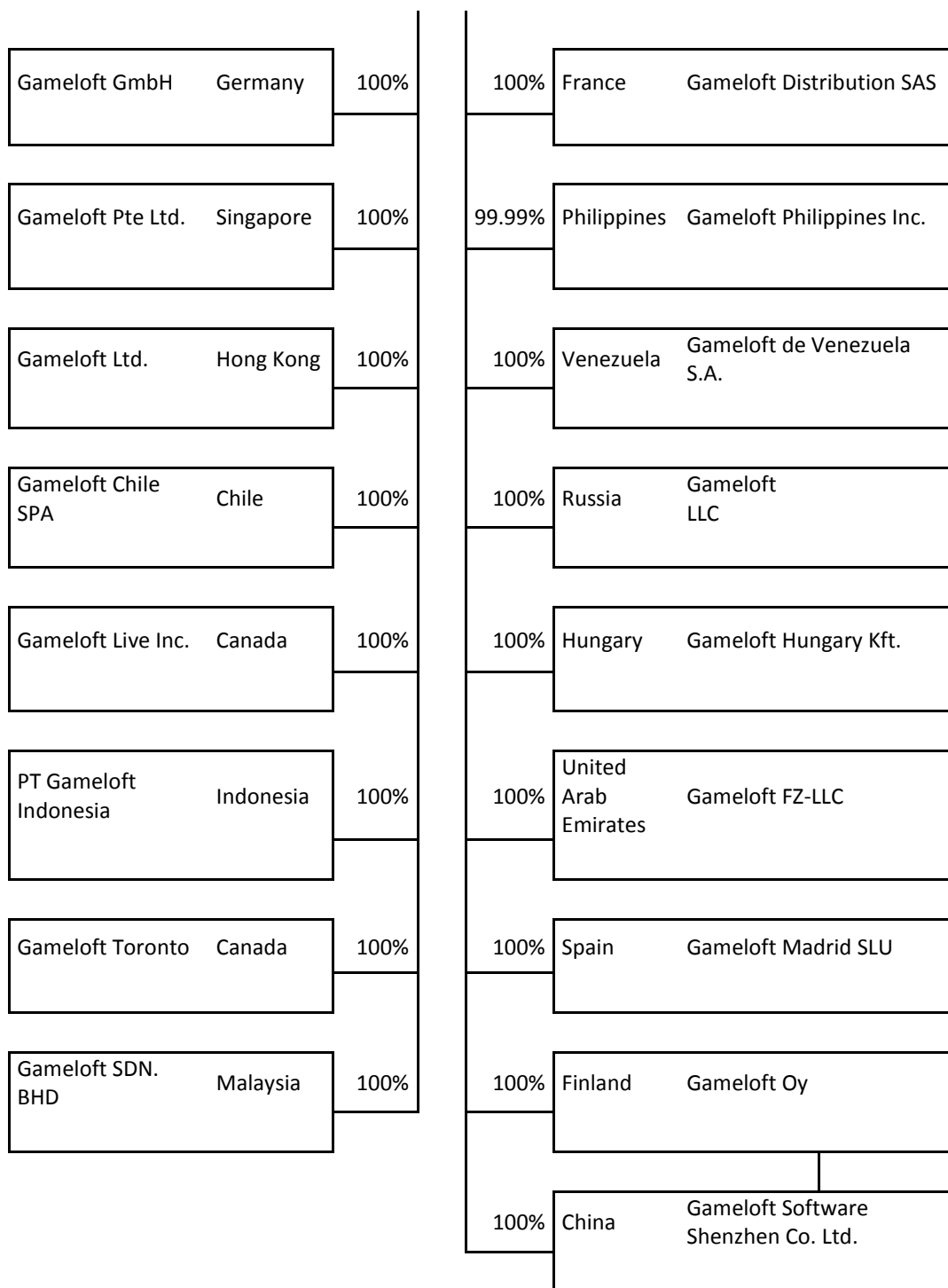
Emmanuelle Rigaudias

CSR & Sustainable Development Associate

2.1.5 Subsidiaries and Equity Capital Holdings

2.1.5.1 Organisational Chart as of 31 December 2015





2.1.5.2 Change over the Fiscal Year

- Two new companies were created over the course of 2015: one in Santiago, Chile (Gameloft Chile SPA), with 100% of its share capital held by Gameloft SE, and one in Minsk, Belarus (Gameloft LLC), with 99% of its share capital held by Gameloft SE.
- Gameloft Uruguay SA, in Uruguay, was liquidated on 10 December 2015. The assets of Gameloft Partnerships SAS and Ludigames were transferred by Gameloft SE on 6 October 2015 and 22 September 2015, respectively.

2.1.5.3 Subsidiary Activities

The group's activity is divided into two sections:

- Marketing activity and distribution of games in their respective geographical areas by the following companies: Gameloft GMBH in Germany, Gameloft LTD in the United Kingdom, Gameloft Srl in Italy, Gameloft Do Brasil Ltd in Brazil, Gameloft Pte Ltd in Singapore, Gameloft Limited in Hong Kong, Gameloft Software Private Ltd in India, Gameloft SDN. BHD in Malaysia, Gameloft KK in Japan, Gameloft Co Ltd in Korea, Gameloft Argentina in Argentina, Gameloft Chile SPA in Chile, and Gameloft France in France.
- Game creation and development activity, primarily by the following companies: Gameloft Inc. in Canada; Gameloft Software Chengdu in Shenzhen, China; Gameloft Ltd Vietnam; Gameloft LLC in Ukraine; Gameloft Madrid in Spain; Gameloft LLC in Belarus; Gameloft Hungary in Hungary; and Gameloft RGPF in France.

Some of our subsidiaries are active in both categories, such as Gameloft Inc. in the United States, Gameloft Iberica in Spain, Gameloft SRL in Romania, Gameloft R.L. de C.V. in Mexico, Gameloft Divertissements Inc. in Canada, Gameloft PT Indonesia in Indonesia, Gameloft EOOD in Bulgaria, and Gameloft Software Beijing. The parent company, located in France, coordinates activities with different subsidiaries and develops downloadable mobile phone and console games. It employs 25 people as of 31 December 2015.

2.1.6 General Information

2.1.6.1 Investment Policy

Gameloft has pursued a sustained investment policy that allows it to establish itself on new platforms, to create new licences in different genres, and more generally, to grow its market share.

Investments in non-current assets include intangible assets, tangible assets, non-current financial assets, and assets being sold or discontinued businesses.

€K	Non-current Assets		
In 2015	Intangible assets	Tangible assets	Financial assets
EMEA	6,576	2,113	571
North America	526	860	79
LATAM	9	212	13
APAC	73	4,082	239
Total	7,184	7,267	902

€K	Non-current Assets		
In 2014	Intangible assets	Tangible assets	Financial assets
EMEA	7,145	2,574	266
North America	941	7,465	268
LATAM	1	311	22
APAC	174	4,653	822
Total	8,261	15,003	1,378

Investments are completely financed internally.

Non-current assets are presented here by segment based on their geographic location:

€K	Non-current Assets	
	31/12/15	31/12/14
EMEA	13,231	11,155
North America	10,764	18,129
LATAM	615	732
APAC	7,737	7,195
Total	32,346	37,211

2.1.6.2 Research and Development Policy

Gameloft invests extensively in research and development in order to create and develop innovative, high-quality games. The share for production, not excluding charges related to stock options, represented 60.2% of revenue, compared to 63% in 2014.

Gameloft provides all necessary means to facilitate the development of its games, be it in terms of competent, motivated personnel, or in terms of infrastructure with the goal of quickly communicating with subsidiary production teams, as well as making telephony resources available to the different development teams.

Development costs for downloadable console games are capitalised once the feasibility and profitability of the project can reasonably be considered to be assured. Development costs for games on the new platforms are fixed once their technical feasibility has been established and they have been considered collectable.

For mobile phone game development, Gameloft records development costs as expenses at the time they are incurred. Each year, the company develops and places thousands of versions of its games on various operators' sites in order to cover the 300 different models of mobile phones and 15,000 models of smartphones currently on the market, as well as the 17 languages supported by the company. Given this extreme fragmentation and the more general nature of the sales-related information received from operators, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions, both in terms of the technology and the uncertainty around the success of games on the market. On this basis, the group does not meet all the capitalisation criteria set out in IAS 38; expenses are recognised as expenses.

2.1.7 Risk Factors

Gameloft carried out a review of risks that could have a significantly negative effect on its activity, its financial situation or its earnings (or its capacity to reach its goals) and deemed that there are no other significant risks other than those presented here.

Risks identified are categorised by type of risk.

2.1.7.1 Risks Related to Activity

2.1.7.1.1 Risks Related to Failure to Implement the Development Plan

Gameloft forecasts a significant increase in sales in the coming year. Failure to achieve this anticipated success within a certain time period could adversely affect the market value of Gameloft's shares.

2.1.7.1.2 Risks Related to Delays in the Release of a Major Game

In a competitive context, the announcement of a delay in the release of an anticipated game can have a negative impact not only on a company's share price but also in terms of revenue and therefore operating margin. This delay can result from a delay in the game's development or in the time needed to port it to several

types of telephones. The priority is the release of high-quality, innovative games that also comply with cost and delivery-time objectives.

2.1.7.1.3 Risks Related to Employees and to the Departure of Key Employees

The Group's success is closely linked to its ability to maintain a relationship with its key employees, especially in terms of the performance and training of its production teams.

The development of new technology and the desire to produce more creative and innovative games require specific expertise. In the event that employees leave or become unavailable for an extended period, this could have an impact on the company. The Group's future success will also depend on its ability to attract, train, retain and motivate very technically skilled employees. Gameloft could face challenges in terms of recruiting experienced individuals with specialised technical skills at its studios to ensure its growth. Losing one or more key employees or managers, or failing to attract new highly skilled staff could have a significant negative impact on the Group's revenue, earnings and financial position. The company is organised today in such a way as to minimise risk related to the departure or extended unavailability of key employees or managers. One measure aimed at reducing this risk is stock option plans and bonus share issues.

Gameloft SE has purchased an insurance policy to cover all of the Group's de jure or de facto directors in case of pecuniary liability.

In addition, due to a deliberation on 1 December 2015, the Board of Directors conferred all powers to the Chairman so that he could grant certain employees severance pay in order to ensure their continued presence within the Group, including during periods when the risk of change of control within the company is heightened and unplanned departures by these employees could risk causing prejudice against the company, and beyond in the absence of a change of control to the company.

At the date of this document, agreements were therefore finalised with the Group's employees in order to provide for the payment of compensation in the case of (i) termination of the employment contract by the company, including due to serious misconduct³⁴, **except in the case of termination due to gross misconduct, within a period of 24 months following the occurrence of a change of control within the company, or (ii) termination of the employment contract (for whatever reason) including in case of notification of the termination or request for judicial termination of the employment contract, including due to resignation resulting from a disagreement between the employee and the company's management regarding the Group's strategy within a period of 12 months following the occurrence of a change of control. The amount of the severance pay is set at twice the total of the gross annual remuneration received over the last 12 months, or if it is more favourable, the last three months preceding the occurrence of the change of control. A "change of control" within the company is defined as (i) the acquisition of control (according to the meaning set out in Article L. 233-3 of the French Commercial Code) of the company by any person other than one approved by the company's Board of Directors and/or (ii) the replacement of more than half of the members of the company's Board of Directors during a period of 12 months by persons not approved by the company's current Board of Directors. At the date of this document, these agreements relate to 14 employees and represent an estimated gross amount (excluding employer costs and payroll taxes) of 7.9 million euros.**

In addition, certain employees under an employment contract with the company's foreign subsidiaries will benefit from a reintegration agreement within the company in the case of the termination, for whatever reason, of their employment contract.

³⁴Not excluding serious misconduct allows the company to ensure that affected employees avoid changing their behaviour out of fear that later on their actions could be rebranded as serious misconduct, and thereby result in the loss of their right to the indemnity.

Finally, in order to ensure the continued presence of certain employees within the Group, including during a period when the risk of change of control within the company is heightened and unplanned departures by these employees could risk causing prejudice against the Company and the Group, certain foreign subsidiaries decided, after discussions with the affected employees, to agree on an amendment to these employees' existing employment contracts in order to provide for the payment of compensation in the case of (i) termination of the employment contract by the employer within a period of 24 months following the occurrence of a change of control within the Company, or (ii) termination of the employment contract due to the employee within a period of six months following the occurrence of a change of control. The net amount of the indemnity is set at one time the amount of annual gross remuneration. A "change of control" within the Company is defined as (i) the loss or acquisition of control (understood as the power to manage the company's affairs, either by holding shares or voting rights, either as a result of the powers conferred by the articles of association or any other similar document) by any person and/or (ii) the replacement of more than half of the members of the Company's Board of Directors, including the Chairman, during a period of 12 months by persons not approved by the Company's current Board of Directors.

These amendments also grant a notice of three months in the case of termination of the employment contract by the employer or the employee.

These amendments were agreed upon, take effect on 26 April 2016, relate to 13 employees of the Company's foreign subsidiaries, and at this date represent an estimated gross amount (excluding employer costs and payroll taxes) of 2.3 million euros.

2.1.7.1.4 Risks Related to Conducting Business in Several Countries

The Group conducts its activities in more than 34 countries around the world, and seeks to continue to increase its activities internationally.

The main risks associated with undertaking these activities abroad are the following:

- The local economic and political situation
- Fluctuations in exchange rates
- Restrictions imposed on repatriation of capital
- Changes made to the regulatory environment during the fiscal year
- The various tax systems, which can have negative financial impacts on the outcome of the Group's activities or its cash flow, notably as relates to regulations setting transfer prices, deductions at source on the repatriation of funds and other payments made by jointly owned companies and subsidiaries

The Group is undertaking a detailed review of each country in order to examine each market and define conditions for setting up a presence.

Despite procedures put in place by the Group, it is not able to guard or cover itself against these risks and may encounter difficulties during the fiscal year related to activities in these countries, which may have an impact on its earnings.

As such, litigation that may have arisen with certain local administrations is detailed in note 12 of the appendix to the consolidated accounts.

2.1.7.1.5 Risks Related to Dependence on Clients

Gameloft has several hundred partners (telecom operators and feature phone, smartphone and touch tablet manufacturers) that are responsible for distributing its games to consumers around the world. Despite this strong diversification, two Gameloft partners represented a significant part of the company's revenue in 2015. In fact, the companies Apple and Google respectively generated almost 33% and 18% of the Gameloft Group's

pre-tax revenue during fiscal year 2015. No other Gameloft client or partner made up more than 10% of the company's revenue. The top five clients and top ten clients respectively represent 60.6% and 68.3% of the Gameloft Group's pre-tax revenue for fiscal year 2015.

2.1.7.1.6 Risks Related to Dependence on Suppliers, Subcontractors and Strategic Partners

No supplier has ever represented more than 10% of the Gameloft Group's operational expenditures since its establishment. The company works with several hundred suppliers around the world and has not identified any major risks related to dependence on any supplier in particular. Gameloft also works very closely with a certain number of strategic partners who hold trademarks that the company uses for its licensed games. The company's ability to maintain good business relations with these trademark holders is important to Gameloft's future development (see 2.1.7.2.4 Risks Related to Licence Agreements and to Distribution).

The company has no significant financial dependence on its subcontractors or suppliers that is likely to affect its development plan.

2.1.7.1.7 Risks Related to Changes in Technology

Gameloft is part of a very competitive market, marked by quickly changing technologies that require serious investment in research and development and are subject to economic fluctuations.

Like all publishers, Gameloft is dependent on technological advances. In order to remain competitive, it is essential for a publisher to properly anticipate market tendencies and choose the right development format for a game. This selective and strategic choice is very important relative to the amounts invested. An inappropriate choice could have negative consequences on expected revenue. However, Gameloft still remains proficient in the necessary technologies and has the resources it needs to adapt to technological changes in its core business. Gameloft thus continues to invest in its studios in order to guarantee its mastery of future technologies, while still reinforcing its production force in new countries and limiting costs, thanks to operations in countries such as China, Romania, and Vietnam, where production costs are lower. The amount allocated by the company to production activities represents 60.2% of its revenue.

2.1.7.1.8 Risks Related to Infrastructure Failure

The rise of online games has made it increasingly critical to have properly functioning infrastructure and to plan for growth. Gameloft is determined to provide its players with the best possible online experience. Data centres and operations rely on a high level of redundancy to allow for a top-tier gaming ecosystem. Strategic partnerships have been forged in order to contend with external threats and to bring the online gaming platforms as close as possible to players. To maximise capacity, the concepts of fail-safing and elasticity are applied, most notably through a combination of internal and external cloud technologies. This has allowed Gameloft to increase or decrease the capacity of its infrastructure based on demand.

All of this is supported by a team of world-class experts spread across the globe to allow for 24-hour, seven-day-a-week operations.

2.1.7.1.9 Risks Related to Information Systems and Computer Security

Despite the many integration systems implemented, Gameloft is not entirely protected from computer abuse, intrusions, problems with network user identification, and so on. Changes in regulations, the implementation of new mobility solutions, the spread of viruses and increased use of the Internet are just a few reasons why global security solutions need to be put in place. Information is a strategic resource of considerable value and must therefore be protected in an appropriate manner.

In addition, given the increasing exchange of information within its games, the company is increasingly a storehouse of information regarding its games' users. This makes the risks related to the protection of personal data even more serious, which is why the company's Global Network Services Security Team works to

guarantee the confidentiality, integrity and availability of the information that it stores by strengthening the security of its computer systems. The company continues to invest in security systems to ensure continuous operation, reduce current risks and increase its ability to anticipate future threats.

2.1.7.1.10 Risks Related to Growth Management

The company's ability to manage its growth effectively will require it to implement, improve and make effective use of all its resources. Any significant growth in activity could subject the company, its managers and its teams to a great deal of pressure. In particular, the company must continue to develop its infrastructure and financial and operating procedures, replace or upgrade its information systems and recruit, train, motivate, manage and retain key employees. The management team's inability to manage growth effectively would have a significant negative impact on the company's revenue, earnings and financial position.

2.1.7.1.11 Risks Related to Grants and Tax Credits

Gameloft receives and recognises significant subsidies: In 2015, the amount of these subsidies reached 10.7 million euros, of which 8.7 million euros were in Canada and €777,000 were in the United States. The U.S. and Canadian subsidiaries also receive tax credits related to their activities. Any changes to government policy could have a significant impact on production costs and the profitability of the company. Gameloft makes sure to regularly renegotiate its agreements and does not anticipate any major risk in the next few years.

2.1.7.1.12 Risks Related to Accounting and Finances

The reliability of the accounting and financial data, risk management, as well as the internal control system that relates to it are outlined in the report by the Chairman of the Board of Directors on the internal control procedures put in place by the company.

2.1.7.2 Legal Risks

2.1.7.2.1 Litigation – Legal Proceedings and Arbitration

There are no government, court or arbitration proceedings, including any proceedings of which the company is aware, that are pending or with which it is threatened, that could have or have had a significant impact on the financial position or profitability of the company and/or Group during fiscal year 2015, other than those that are outlined in note 3.1.5.5.12 of the appendix to the consolidated accounts.

2.1.7.2.2 Regulatory Environment

a) Consumer protection

The company, like all game publishers, must abide by a number of national regulations, notably concerning the content of games and consumer rights. Non-compliance with these regulations can have a negative impact on sales (delayed release or recalling of products from the market, for example) and on our clients' loyalty (loss of players who are mindful of their rights and risks of complaints sent to consumer associations or administrative authorities).

Gameloft has developed tools and set up the necessary procedures to comply with local laws and regulations regarding consumer protection rights, and with regard to respecting personal information, including but not limited to informing consumers about the terms of use and content of games by referring to the age ratings that were set up by distributors, by Europe's PEGI, or by the ESRB in the United States; asking players to review and accept the Terms of Use and the Privacy Policy before beginning the game; and including notifications when a game launches, letting users know that the game may contain in-app purchases, even if the game in question is free to download. This issue appears to be an increasing risk for the Group because in-app purchases can be perceived by European and American regulatory authorities as a deceptive part of the

economy within mobile applications and games with regard to a certain category of user, specifically children. Finally, with the inclusion of advertising within its games, the company must ensure it complies with industry regulations. In this context, Gameloft modified its Terms of Use and Privacy Policy in order to ensure that consumers are made aware of the presence of advertisements and the company's practices related to targeted advertising (geolocation, age, gender), implemented internal verification procedures that the Legal department uses to vet campaigns before they are launched (advertisers, industry, target, mandatory particulars, specific rules that apply to advertising directed at children) and add specific text aiming to obtain player consent before providing them with geolocalised advertising.

b) Protecting personal information

Furthermore, the company has implemented procedures necessary to conform to local laws and regulations related to the protection of players' personal information, notably by implementing a new privacy policy accessible on the company's website as well as within all of its games. In particular, this privacy policy seeks to identify the types of information and personal data collected by the company from its users and to describe how that data is handled by the company.

As part of its personal-data protection efforts, particular attention is paid to protecting minors. In this regard, within its games geared towards children, the company has implemented the regulations of the Children's Online Privacy Protection Act (COPPA)—whose objective is to restrict the collection and use of personal data belonging to residents of the United States or U.S. territories who are under 13 years of age—as well as the measures recommended by the United Kingdom's Office of Fair Trading (OFT), and more generally in Europe, the recommendations that resulted from the work conducted by the European Commission.

Compliance with the regulatory environment also involves an internal policy aimed at fighting corruption in all its forms.

2.1.7.2.3 Intellectual Property Risks

Gameloft's game catalogue is protected by intellectual property rights. Gameloft's brands are protected through registrations in Europe and internationally (for France: the Institut National de la Propriété Industrielle in Paris; for Europe: the Office for Harmonisation in the Internal Market; internationally: the World Intellectual Property Organisation; and for the North American market: the US Patent and Trademark Office in Washington). This catalogue's success, however, could lead to attempts at copying and piracy. To prevent this risk, the company must implement a permanent monitoring system and act quickly when illegal copies are placed online.

2.1.7.2.4 Risks Related to Licence Agreements and to Distribution

Each year, Gameloft signs numerous partnership contracts with brands that allow it to diversify its game catalogue and increase its revenue. In this way, Gameloft benefits from these brands' reputations, which substantially increases the sales potential of associated games. The possible termination of certain partnerships for any reason—either at Gameloft's initiative or at that of its partners—could have a negative impact on the company's future revenues and operating income, to the extent that the loss is not offset by other new licences. Licences represented 36% of sales in 2015, including 2% for Ubisoft-licensed games, according to our estimates.

Some of these licence and distribution agreements contain clauses regarding change of control, and those agreements may therefore be modified or ended in the case of a change of control. The main relevant agreements are described in section 2.3.2.3.4 of this document.

2.1.7.3 Industrial Risks or Risks Related to the Environment

To date, the Group is not aware of any industrial or environmental risk. Gameloft did not set up a provision or obtain any guarantee to cover possible environmental risks (earthquake, natural disaster, etc.) and did not pay any indemnity in this respect during the fiscal year. However, the company remains attentive to regulatory changes in the countries where it has operations.

2.1.7.4 Financial Risks

Within the framework of its activity, the Group is more or less exposed to financial risk (notably with regard to foreign exchange, financing and liquidity, interest rates), and risks related to securities.

The policy of the Group consists of

- Minimizing the impact of exposure to market risk on its earnings, and to a lesser extent, on its balance sheet
- Centralised monitoring and managing of its risk exposure
- Not making use of derivatives except for economic coverage

The financial risks are detailed in note 3.1.6.6 of the appendix to the Gameloft Group's consolidated accounts.

2.1.7.5 Insurance and Risk Coverage

In order to centralise risk management, optimise guarantees and prevent losses, Gameloft put in place, effective 1 January 2008, a group insurance programme providing all its subsidiaries with professional civil liability and operational civil liability coverage.

This comprehensive programme was reworked as of 1 January 2011.

In addition, the company took out an insurance policy for the civil liability of company directors and executive directors in order to assist them in the event of claims made against them.

The overall cost of the Gameloft Group's insurance policy is €450,000.

2.1.8 Off-Balance Sheet Commitments

There is no minority interest in the Group's structure. There is therefore no risk related to the buyout of minority interests.

The Gameloft Group has commitments toward some of the group's subsidiaries as detailed in note 3.1.6 of the appendix to the 2015 consolidated accounts.

2.1.9 Events Subsequent to the Close of Year

At the date of this document, a take-over bid initiated by Vivendi for all of the company's shares is in progress. Information regarding this offer can be found in section 2.3.2.2.1 of this document.

All other significant events since the year's end are detailed in note 3.1.6.2 of the appendix to the 2015 consolidated accounts.

2.2 Year-End Individual Financial Statements at 31 December 2015

2.2.1 Individual Financial Statements of Gameloft SE at 31 December 2015

2.2.1.1 Gameloft SE Balance Sheet at 31 December 2015 (in €K)

ASSETS	31/12/15	31/12/15	31/12/15	31/12/14
	Gross €K	Amort./Dep. €K	12-Month Fiscal Year Net €K	12-Month Fiscal Year Net €K
Intangible assets	61,550	53,235	8,315	6,859
Tangible assets	3,453	2,546	907	1,140
Financial assets	13,467	4,079	9,388	10,832
Long-term assets	78,470	59,860	18,610	18,830
Trade receivables and related accounts	100,188	4,034	96,154	132,620
Other receivables	39,152	6,586	32,566	69,879
Cash on hand	19,490		19,490	16,808
Current assets	158,830	10,620	148,210	219,307
Accruals	4,013	-	4,013	7,027
Total assets	241,313	70,480	170,833	245,163

LIABILITIES	31/12/15 12-Month Fiscal Year €K	31/12/14 12-Month Fiscal Year €K
Capital	4,273	4,281
Premiums	90,575	91,165
Reserves	4,395	4,395
Accumulated losses	-23,614	
Fiscal year profit/loss	-22,079	-23,164
Shareholders' equity capital	54,000	76,677
Provisions for contingencies and charges	4,149	6,465
Misc. financial debts (1)	55	871
Trade payables and related accounts	87,385	136,340
Tax and social security liabilities	1,963	1,201
Debts on assets	8,153	5,467
Other debts	11,989	14,221
Total debts	109,545	158,100
Accruals	3,139	3,921
Total Liabilities	170,833	245,163
(1) including partners' current accounts	-	628

2.2.1.2 Gameloft SE Income Statement at 31 December 2015 (in €K)

€K	Fiscal Year 12 Months Ended 31/12/15	Fiscal Year 12 Months Ended 31/12/14
Total operating income	214,318	186,892
Total operating expense	-239,526	-212,862
Operating Profit/Loss	-25,208	-25,970
Total financial income (1)	28,687	17,943
Total financial expense (2)	-29,619	-14,759
Net financial income/expense	-932	3,184
Profit/loss from ordinary activities	-26,140	-22,786
Extraordinary profit/loss	4,954	-11
Pre-tax profit/loss	-21,186	-22,797
Income tax	-892	-367
Net fiscal year profit/loss	-22,079	-23,164
(1) Income concerning affiliates:	10,980	4,768
(2) Expenses concerning affiliates:	5,941	2,532

2.2.2 Financial Table (Art. 135 of the Decree of 23 March 1967) (€K)

Fiscal Year	31/12/11	31/12/12	31/12/13	31/12/14	31/12/15
	12 Months	12 Months	12 Months	12 Months	12 Months
Share capital (€)	3,855,299	4,090,926	4,201,441	4,281,255	4,273,256
No. of ordinary shares	77,105,980	81,818,524	84,028,824	85,625,097	85,465,122
No. of preferred shares	-	-	-	-	-
Maximum no. of shares that may be created	12,921,504	8,586,835	6,331,312	5,705,150	5,248,900
By exercised options	11,769,354	7,347,235	4,004,812	2,601,412	710,400
By bonus issues of shares	1,152,150	1,239,600	2,326,500	3,103,500	4,538,500
By BSPCE subscriptions	0	0	0	0	0
Revenue	131,787	165,160	194,854	183,551	209,080
Profit/loss before tax, profit-sharing, depreciation and provisions	21,396	10,843	20,316	-13,515	-12,414
Income tax	-212	137	-137	-367	-892
Profit-sharing	0	0	0	0	0
Profit/loss after tax, profit-sharing, depreciation and provisions	3,050	661	9,441	-23,164	-22,079
Dividend payout	0	0	0	0	0
Per share, profit/loss after tax and before depreciation and provisions (€)	0.27	0.13	0.24	-0.16	-0.15
Per share, profit/loss after tax and depreciation and provisions (€)	0.04	0.01	0.11	-0.27	-0.26
Dividend allocated to each share	-	-	-	-	-
Average number of employees	28	37	30	25	27
Total payroll	3,973	4,067	3,750	3,438	2,970
Social security taxes and benefits	1,782	2,029	1,853	1,690	1,460

2.2.3 Proposed Allocation of Profit

The accounts presented show a loss of €22,079,422.01.

We propose to allocate the entirety of the loss of 31 December 2015 as accumulated deficit.

Pursuant to the provisions of Article 243 *bis* of the French General Tax Code, no distribution of dividends has taken place in the last three fiscal years and the company has no intention of distributing dividends in the near future.

Pursuant to the provisions of Article 223 *quater* of the French General Tax Code, the amount of €6,000, corresponding to either non-deductible expenses or costs under Article 39-4 of the French General Tax Code, was registered in the current fiscal year and restated.

The company no longer holds any of its own stock at 31 December 2015.

2.2.4 The LME Law – Gameloft SE Payment Deadlines (€K)

Pursuant to Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, at the close of the fiscal year on 31 December 2015, the balance of debts to suppliers breaks down by due date as follows:

€K	Trade Payables		Trade Payables on Assets		Total	
	2014	2015	2014	2015	2014	2015
Non-Group trade payables						
Payments:						
0 to 30 days	5,256	5,022	920	486	6,176	5,508
30 to 60 days	699	3,448	0	710	699	4,158
Overdue	1,314	1,482	34	937	1,348	2,419
Total non-Group trade payables	7,269	9,952	954	2,133	8,223	12,085
Intra-group debts	101,102	57,450	154	1,467	101,256	58,917
GROUP invoices pending	15,315	8,760	0	0	15,315	8,760
Invoices pending	12,654	11,223	4,359	4,553	17,012	15,776
Total accounts payable	136,340	87,385	5,467	8,153	141,807	95,538

2.3. Information about the Company

2.3.1 General Information about the Company

Corporate name

The corporate name of the company is Gameloft SE.

Registered office

The company's registered office is located at 14 rue Auber, 75009 Paris (France).

Legal form

Gameloft is a European Company.

Applicable legislation

Company governed by the provisions of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company, the provisions of Council Directive No. 2001/86/EC of 8 October 2001, as well as the provisions of the French Commercial Code dealing with companies in general and European companies.

Date created and duration

The company was founded on 1 December 1999 for a duration of 99 years starting on the date of its registration in the French Corporate and Trade Register, i.e. until 22 February 2099, barring its extension or early dissolution.

Corporate and Trade Register

The company is registered with the Corporate and Trade Register under number 429 338 130 RCS Paris.

Location for consulting legal documents related to the company

The company's legal documents can be consulted at the following address: 14 rue Auber, 75009 Paris.

Accounting period

The accounting period, which lasts twelve months, begins on 1 January and ends on 31 December.

Managing Body of the Company

The Board of Directors, in its meeting on 3 December 2001, decided not to separate the functions of the Chairman of the Board of Directors from those of Chief Executive Officer; the general management of the company is taken on by the Chairman of the Board of Directors, Mr Michel Guillemot, Chief Executive Officer of the company.

The Chief Executive Officer of the company is assisted by Executive Vice Presidents named by the Board of Directors; the number should not exceed five people. Mr Michel Guillemot, Chief Executive Officer of the company, is assisted by four Executive Vice Presidents:

- Mr Christian Guillemot, Executive Vice President
- Mr Claude Guillemot, Executive Vice President
- Mr Yves Guillemot, Executive Vice President
- Mr Gérard Guillemot, Executive Vice President.

2.3.2 Additional Information about the Company

2.3.2.1 Memoranda of Association and Articles of Association

2.3.2.1.1 Corporate Purpose (Article 3 of the Articles of Association)

The company's purpose in France and abroad, whether direct or indirect, is as follows:

- The design, creation, publication and distribution of games and services related to video games and, more generally, of all software, products or services intended for users of digital devices, including in particular digital televisions and related activities, and mobile telephones and smart mobile electronic devices, such as mobile devices using Wireless Application Protocol or any other communication standards allowing the processing and high- and low-speed exchange of text and data

- The creation of online services and content intended for enthusiasts of video games and new technologies and all related activities
- The purchase, sale and, in general, the trade in any manner, by lease or otherwise, of all multimedia, audio-visual and computer products, as well as all image and sound reproduction products
- The company's participation in all operations related to its corporate purpose through the creation of new companies, the subscription or purchase of shares or rights of ownership, merger or other means

And more generally, all operations directly or indirectly related to the aforementioned corporate purpose or all similar or related purposes that are likely to contribute to the company's development.

2.3.2.1.2 Year-End Financial Statements – Allocation and Distribution of Profit (Article 26 of the Articles of Association)

Net profit/loss is equal to income during the fiscal year minus operating expenses, depreciation and provisions.

The following amounts are subtracted from the annual profits, less prior year losses, if any:

- Sums added to reserves as provided by law or the Articles of Association and, in particular, at least 5% to supply the legal reserve fund. This deduction ceases to be mandatory once said fund equals one-tenth of the share capital, but again becomes mandatory if the legal reserve falls below this level for any reason.
- Sums that the General Meeting, on the recommendation of the Board of Directors, considers appropriate to allocate to all extraordinary or special reserves or to carry forward.

The balance is distributed to the shareholders. However, except in case of a reduction of capital, no distribution may be made to shareholders if, following said distribution, the shareholders' equity capital is or would be less than the amount of capital plus reserves that may not be distributed under the law or the Articles of Association.

Pursuant to Article L. 232-18 of the French Commercial Code, the meeting may propose an option by which the dividend or interim dividends are paid in whole or in part through the delivery of new shares of the company.

2.3.2.1.3 General Meetings (Articles 20, 21 and 22 of the Articles of Association)

a) Convening and Holding of General Meetings

The General Meetings are convened and proceedings are held under the conditions established by law.

b) Access to Meetings – Powers

The General Meeting is made up of all shareholders, regardless of the number of shares they own, provided that the required payments have been made and that the voting rights have not been revoked.

The right to participate in the company's general meetings is evidenced by the registration of the shares in the name of the shareholder or the intermediary acting on his/her behalf (under the conditions provided by law) by 12:00 a.m. Paris time of the second business day preceding the meeting:

- For registered shareholders: in the registered securities accounts maintained by the company
- For bearer shareholders: in the bearer securities accounts maintained by the authorised intermediary, under the conditions provided by applicable regulations

In addition, owners of registered or bearer shares must, at least two days prior to the meeting, have filed a proxy form or vote-by-mail form, or the single-copy document used in lieu of it, or, if the Board of Directors has so decided, an admission card application. However, the Board of Directors will, if it deems appropriate, have the power at all times to shorten this period. It will also have the power to authorise the remote transmission

(including by electronic means) of the proxy and vote-by-mail forms to the company under the conditions provided by the laws and regulations in force.

When an electronic signature is used, said signature must be in a form that meets the conditions defined in the first sentence of paragraph two of Article 1316-4 of the French Civil Code.

c) Attendance list – Meeting committee – Minutes

An attendance list, duly signed by the shareholders in attendance and proxies, and to which are attached the powers granted to each proxy and, where applicable, the vote-by-mail ballots, is certified correct by the Meeting committee.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the Vice President or the eldest among the Vice Presidents of the Board of Directors if one or more Vice Presidents have been named, or otherwise by a Director specially designated by the board for this purpose. In the case the Vice President or Vice Presidents, if any have been named, are unable to chair the meeting or if the board hasn't designated a Director, the meeting will elect its own Chairman.

The function of vote teller is filled by the two shareholders, who are present and so accept, and who, both personally and as proxies, hold the largest number of votes.

The meeting committee thus formed designates a secretary, who may be chosen from among non-shareholders.

The minutes are drawn up and copies or excerpts of the proceedings are issued and certified in accordance with the law.

d) Ordinary and Extraordinary General Meetings

Ordinary and Extraordinary General Meetings, voting in accordance with the quorum and majority conditions required by the applicable laws and regulations, exercise the powers granted to them by law.

The same is true for incorporation-type meetings, i.e. those called to decide on the approval of a contribution in kind or the granting of a special benefit.

2.3.2.1.4 Holdings outside the Statutory Thresholds (Article 8 of the Articles of Association)

Any shareholder acting alone or in concert, without prejudice to the laws applicable to exceeding or falling below the thresholds referred to in Article L. 233-7 of the French Commercial Code, who comes to hold directly or indirectly at least 1% of the company's capital or voting rights or a multiple of this percentage up to and including 4% must inform the company within the time period stipulated in Article L. 233-7 of said code by registered letter with return receipt.

The same disclosure requirement applies, in the same time period and using the same methods, whenever the fraction of the share capital or voting rights held becomes less than one of the aforementioned thresholds.

Failure to declare the legal or statutory thresholds results in the loss of voting rights under the conditions referred to in Article L. 233-14 of the French Commercial Code, at the request of one or more shareholders who together hold at least 5% of the company's capital or voting rights.

2.3.2.1.5 Rights Attached to Shares (Articles 9 and 10 of the Articles of Association)

Each share gives a right to ownership of the corporate assets and liquidating dividend in proportion to the percentage of capital it represents.

Whenever a shareholder is required to hold several shares in order to exercise a right of any kind, such as in case of a share-for-share exchange or a consolidation or allotment of shares, or following a share capital increase or reduction regardless of the terms and conditions thereof, a merger or any other operation, the

owners of fewer shares than those required may exercise their rights only if they take it upon themselves to pool their shares and, if necessary, to purchase or sell the number of shares or rights forming the odd lot needed.

On 24 February 2000, Gameloft's Extraordinary General Meeting granted double voting rights to fully paid registered shares (Article 10 of the Articles of Association). This double voting right was granted only to shares that were shown to be registered to the same shareholder for at least two years.

This double voting right is also granted at the time of issue, in case of a share capital increase by capitalisation of reserves, earnings or issue premiums, to registered shares allotted free of charge to a shareholder in exchange for old shares for which this right was enjoyed (Article 10 of the Articles of Association).

In accordance with Article L. 225-124 of the French Commercial Code, double voting rights are automatically revoked if the share is converted to a bearer share. They are also revoked if ownership of the shares is transferred. However, transfers resulting from succession, liquidation of communal property between spouses or gifts *inter vivos* in favour of a spouse or parent who is entitled to inherit do not result in loss of the acquired right and do not interfere with the two-year period.

2.3.2.1.6 Amendments to the Articles of Association

The Articles of Association are amended upon a decision of the Extraordinary General Meeting.

2.3.2.2 Share Capital

2.3.2.2.1 Take-Over Bid

On 18 February 2016, Vivendi filed a draft of a take-over bid with the Autorité des Marchés Financiers ("AMF") for the entirety of the company's shares (the "Bid"). The Bid was presented by HSBC France ("HSBC"), acting as the Bid's presenting bank, which guarantees the content and irrevocable character of the commitments made by Vivendi within the framework of the Bid, in accordance with the provisions of article 231-13 of the general regulations of the AMF. The Bid occurred on 18 February 2016, after the share capital held by Vivendi SA rose above the company's 30% statutory threshold. This takes on a mandatory nature pursuant to the provisions of section I of Article L. 433-3 of the French Monetary and Financial Code.

On 1 March 2016, HSBC referred an amendment to the bid draft to the AMF consisting of a raise in the price at which Gameloft shares were to be tendered, from 6 euros to 7.20 euros per share, without modifying any of the other terms within the bid draft filed on 18 February 2016. On 18 March 2016, the AMF declared Vivendi's Bid to be compliant. The Bid was opened on 21 March 2016.

On 25 March 2016, before the Paris Court of Appeals, the company filed an appeal of the AMF's conformity decision, accompanied by an application for suspension of the execution of the aforementioned decision. At the date of this document, the company is not aware of the outcome of these actions or request.

The company's note in response was approved by the AMF on 8 April 2016 under number 16-129. This note in response was released the same day and is available on the websites of both Gameloft (www.gameloft.fr) and the AMF (www.amf-france.org), and may be obtained free of charge from Gameloft (14 rue Auber, 75009 Paris) and CACEIS Corporate Trust (14 rue Rouget de Lisle, 92862 Issy-les-Moulineaux). Other information mentioned in Article 231-28 of the AMF's General Regulations was filed and released on 8 April 2016.

The AMF has indicated that the application of the provisions of Article 232-2 of the General Regulations would result in a closing date for the take-over bid of 10 May 2016, but that the final date will be set after the First President of the Paris Court of Appeals has rendered their decree relative to the suspension of execution mentioned above.

2.3.2.2.2 Change in Share Capital during the Fiscal Year Ended 31 December 2015

2.3.2.2.2.1 Share Capital Increase

After exercising share rights attached to stock options, the Gameloft Group's employees applied for 842,640 shares during the fiscal year ended 31 December 2015. This capital increase was noted by the Board of Directors during their meetings on 17 July 2015 and 14 January 2016. The company's share capital therefore increased by 42,132 euros through the issue of 842,640 new shares with a par value of 0.05 euros due to the exercising of share rights attached to stock warrants by the company over the course of the fiscal year ended 31 December 2015.

2.3.2.2.2.2 Share Capital Decrease

The company's share capital was reduced by €50,130.75 following the cancellation of 1,002,615 of its own shares held by the company during the Board of Directors' meeting on 18 June 2015.

2.3.2.2.2.3 Share Capital at 31 December 2015

At 31 December 2015, Gameloft SE's share capital consisted of 85,465,122 shares, each with a par value of 0.05 euros, for a total of 4,273,256.10 euros.

2.3.2.2.3 Buyback by the Company of Its Own Shares

2.3.2.2.3.1 Governing Authority at the Date of the Current Report

The Combined General Meeting of 17 June 2015 renewed the authorisation, previously given by the Combined General Meeting of 18 June 2014, in favour of the Board of Directors allowing the company to repurchase its own shares, pursuant to Article L. 225-209 *et seq.* of the French Commercial Code (hereinafter the "Buyback Programme").

2.3.2.2.3.2 Description of the Share Buyback Programme from the Combined General Meeting of 17 June 2015

Affected shares: ordinary Gameloft SE shares listed on NYSE Euronext Paris Compartment B, ISIN code: FR 0000079600.

Objectives of the new buyback programme: The objectives of the programme are

- To cancel shares acquired by a reduction of capital within the limits established by law
- To implement any company stock option plan within the framework of the conditions of Articles L. 225-177 *et seq.* of the French Commercial Code
- To grant bonus shares within the framework of Articles L. 225-197-1 *et seq.* of the French Commercial Code
- To issue or transfer shares to employees to allow them to benefit from the company's growth or as part of the creation of an employee savings plan, under conditions provided by law
- To retain shares and deliver them in exchange or as payment for future external growth operations initiated by the company, mergers, split-ups or contributions, in accordance with recognised market practices and applicable regulations
- To ensure the liquidity of Gameloft's stock and stimulate the market on which it is traded through a liquidity contract made with an investment services provider that complies with an ethics charter recognised by the Autorité des Marchés Financiers

Maximum share capital, maximum number, and characteristics of securities: The maximum purchase price per share is set at 10 euros and the maximum number of shares that the company may purchase is set at 10% of the total number of shares comprising the capital on the date of the purchase. In theory, the maximum

number of shares that may be purchased based on the number of shares existing on 31 December 2014 is 8,562,509. The total amount that the company can spend to buy back its own shares may not exceed 85,625,097 euros.

Duration of the programme: This share buyback programme is authorised to continue for 18 months beginning from the Combined General Meeting on 17 June 2015 until 17 December 2016.

Status of the previous programme: During the course of the previous share buyback programme, the terms of which are described in the share buyback programme approved by the Combined General Meeting of 18 June 2014, the company performed the operations detailed in the table below.

Summary Statement Table

Percentage of own capital held, directly and indirectly, at 18 June 2015:	1.17%
Number of shares cancelled over the previous 24 months:	1,417,775
Number of shares held in the portfolio at 17 June 2015:	1,002,615
Portfolio's book value at 17 June 2015:	€3,870,297.09
Portfolio's market value at 17 June 2015:	€4,050,564.60

2.3.2.2.4 Unissued Authorised Capital

2.3.2.2.4.1 Delegations Granted by the General Meeting to the Board of Directors Regarding Capital Increases

1 – In its thirteenth resolution, the Combined General Meeting of 17 June 2015 approved a delegation of authority to the Board of Directors in order to allow an increase in the company's share capital, on one or more occasions, in France and abroad, up to a maximum nominal amount of 500,000 euros, through the issue of shares and/or securities of any kind granting entitlement to the company's capital or granting a right to allot debt securities, with shareholders' pre-emptive rights. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

2 – In its fourteenth resolution, the Combined General Meeting of 17 June 2015 approved a delegation of authority to the Board of Directors in order to allow an increase in the company's share capital, on one or more occasions, in France and abroad, up to a maximum nominal amount of 500,000 euros, through the issue of shares and/or securities of any kind granting entitlement to the company's capital or granting a right to allot debt securities, with the cancellation of shareholders' pre-emptive rights by public offering. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

3 – In its fifteenth resolution, the Combined General Meeting of 17 June 2015 approved a delegation of authority to the Board of Directors in order to allow an increase in the company's share capital, on one or more occasions, in France and abroad, up to a maximum nominal amount of 500,000 euros, through the issue of shares and/or securities of any kind granting entitlement to the company's capital or granting a right to allot debt securities, with the cancellation of shareholders' pre-emptive rights by way of an offer as defined in

section II of Article L. 411-2 of the French Monetary and Financial Code. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

4 – In its seventeenth resolution, the Combined General Meeting of 17 June 2015 approved a delegation with the intention of authorising the Board of Directors to issue bonus shares of the company to some of the Group's employees and managers. The number of bonus shares issued may not exceed 2% of the total number of shares comprising the company's share capital as of the date of the Board of Directors' allotment decision. The period during which this authorisation is valid was set at 38 months starting on the date of said General Meeting.

The company's Board of Directors has, as of 17 December 2015, made partial use of such a delegation within the authorised limits in order to issue Gameloft bonus shares to some paid employees and managers of the company.

5 – In its eighteenth resolution, the Combined General Meeting of 17 June 2015 approved a delegation with the intention of authorising the Board of Directors to carry out capital increases reserved for those enrolled in a group savings plan offered by the company and/or companies or groups of companies affiliated with it pursuant to the provisions of Articles L. 225-129, L. 225-129-2, L. 225-129-6 and L. 225-138-1 of the French Commercial Code and under the conditions set out in Articles L. 3332-1 *et seq.* of the French Labour Code, up to a maximum nominal amount representing 0.5% of the share capital as of the date of the Board of Directors' decision. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

2.3.2.4.2 Summary Table of Delegations Granted by the General Meeting to the Board of Directors Regarding Capital Increases

	General Meeting	Term	Authorised Amount	Usage of Delegations in Previous Years	Usage of Delegations This Fiscal Year
Delegation to allow a share capital increase by issuing shares and/or all securities providing access to share capital, while maintaining pre-emptive rights	AGM of 17 June 2015	Valid for 26 months starting on the date of said AGM, i.e. until 17 August 2017	Maximum nominal amount of shares that may be issued: €500,000	-	-
Delegation to allow the increase of share capital by issuing shares and/or all securities providing access to share capital, without maintaining pre-emptive rights by public offering	AGM of 17 June 2015	Valid for 26 months starting on the date of said AGM, i.e. until 17 August 2017	Maximum nominal amount of shares that may be issued: €500,000	-	-
Delegation to allow the increase of share capital by issuing shares and/or all securities providing access to share capital, without maintaining pre-emptive rights by way of an offer as defined in section II of Article L. 411-2 of the French Monetary and Financial Code	AGM of 17 June 2015	Valid for 26 months starting on the date of said AGM, i.e. until 17 August 2017	Maximum nominal amount of shares that may be issued: €500,000	-	-
Delegation to allow the issue of bonus shares of the company to the Group's employees and managers	AGM of 17 June 2015	Valid for 38 months starting on the date of said AGM, i.e. until 17 August 2018	The total number of shares that can be allotted as bonus shares may not exceed 2% of the shares comprising the share capital	-	The Board of Directors on 17 December 2015 approved the issue of 1,690,500 bonus shares
Delegation to allow the granting of subscription options and share purchase rights to employees and company managers	AGM of 19 June 2013	Valid for 38 months starting on the date of said AGM, i.e. until 19 August 2016	The total number of shares related to subscription options may not exceed 0.5% of the shares comprising the share capital	-	-
Delegation to decide share capital increase by issuing shares reserved for those enrolled in a group savings plan	AGM of 17 June 2015	Valid for 26 months starting on the date of said AGM, i.e. until 17 August 2017	Maximum nominal amount of the share capital increase is fixed at 0.5% of the share capital as of the date of the Board's decision	-	-

2.3.2.2.5 Potential Capital

At 31 December 2015, the number of subscription options open and not yet exercised reached 710,400 and the number of bonus share issues reached 4,538,500.

If all of these options were exercised and the performance and attendance conditions related to bonus shares were met, resulting in their final purchase by their recipient, Gameloft SE's capital would increase as follows:

	Potential Shares	Potential Capital (in €)
Stock options not exercised	710,400	35,520.00
Bonus issues of shares	4,538,500	226,925.00
Total	5,248,900	262,445.00

At 31 December 2015, the exercise of all the warrants and options and bonus shares, namely 5,248,900 shares, would result in a potential dilution of 6.14%.

2.3.2.2.6 Share Subscription Options (Plans in Effect at 31 December 2015)

Stock option plans approved in 2009:

	Managers and Employees of the Gameloft Group's Subsidiaries	
Board of Directors' meeting	14/05/09	
Number of shares eligible for subscription:	2,208,500	
Number of people concerned:	189	
of which are managers	2	
Start of exercise period	14/05/11	14/05/13
End of exercise period	14/05/15	14/05/15
Subscription price (€)	2.36	2.36
Options cancelled at 31/12/15	116,400	218,447
Options exercised at 31/12/15	987,850	885,803
Options not yet exercised at 31/12/15	0	0

Stock option plans approved in 2011:

	Managers and Employees of the Gameloft Group's Subsidiaries	
Board of Directors' meeting	20/09/2011	
Number of shares eligible for subscription:	2,245,000	
Number of people concerned:	170	
of which are managers	2 ⁽¹⁾	
Start of exercise period	20/09/2013	20/09/2014
End of exercise period	20/09/2015	20/09/2015
Subscription price (€)	3.87	3.87
Options cancelled at 31/12/15	260,000	899,000
Options exercised at 31/12/15	862,500	223,500
Options not yet exercised at 31/12/15	0	0

⁽¹⁾ The issuance of options granted to managers is subject to performance conditions that must be satisfied during the vesting period, combining internal performance conditions (goals in terms of marketing new games) and external performance conditions (development of the Gameloft Group's consolidated annual revenue, compared to the average natural growth rate of its main competitors).

Stock option plans approved in 2012:

	Managers and Employees of the Gameloft Group's Subsidiaries
Board of Directors' meeting	06/07/2012
Number of shares eligible for subscription:	1,606,000
Number of people concerned:	147
of which are managers	0
Start of exercise period	06/07/2014
End of exercise period	06/07/2016
Subscription price (€)	4.88
Options cancelled at 31/12/15	490,600
Options exercised at 31/12/15	405,000
Options not yet exercised at 31/12/15	710,400

Information on the employee stock ownership plan

Stock Options or Share Purchases Granted to and Exercised by the Top Ten Non-management Employees	Total number of options granted / shares subscribed to or purchased	Weighted Average Price	Plan Number and Expiration Date
Options granted during the fiscal year, by the issuer and any company authorised to grant the issuer's options, to ten of the issuer's employees and any company in this scope, to those holding the highest number of options thus granted (general information)	492,500	€4.35 and €4.18	Plan Number 15 of 17/12/2017
Options held for the issuer and the aforementioned companies, exercised during the fiscal year by the issuer's ten employees and companies holding the highest number of options thus purchased or subscribed to (general information)	360,540	€3.97	Plan Number 9 of 14/05/2015 Plan Number 11 of 20/09/2015 Plan Number 12 of 06/07/2016

2.3.2.2.7 Bonus Issues of Shares (Plans in Effect at 31 December 2015)

Bonus share plans approved in 2011:

	French Managers and Employees of Gameloft SE
Date of the Board of Directors' meeting	20/09/2011
Total number of shares	548,900
Total number of recipients	47
of which are managers	3
including ten top employee allottees	310,900
Date of purchase of shares	20/09/2013
Retention end date – date of transferability	20/09/2015
Performance conditions	– Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period – Proxy recipients: internal and external performance conditions ⁽¹⁾
Number of shares cancelled at 31/12/15	68,300
Number of shares allotted at 31/12/15	480,600
Total shares at 31/12/15	0

⁽¹⁾ Final issuance of 100% of the bonus shares granted to managers after meeting performance conditions, combining internal performance conditions (goals in terms of marketing new games) and external performance conditions (development of the Gameloft Group's consolidated annual revenue, compared to the average natural growth rate of its main competitors).

Bonus share plans approved in 2012:

	The Gameloft Group's Managers and Employees
Date of the Board of Directors' meeting	06/07/2012
Total number of shares	750,000
Total number of recipients	51
of which are managers	5
including ten top employee allottees	375,800
Date of purchase of shares	06/07/2014
Retention end date – date of transferability	06/07/2016
Performance conditions	– Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period – Proxy recipients: internal and external performance conditions ⁽¹⁾
Number of shares cancelled at 31/12/15	77,575
Number of shares allotted at 31/12/15	672,425
Total shares at 31/12/15	0

⁽¹⁾ Final issuance of 100% of the bonus shares granted to managers after meeting performance conditions, combining internal performance conditions (goals in terms of marketing new games) and external performance conditions (development of the Gameloft Group's consolidated annual revenue, compared to the average natural growth rate of its main competitors).

Bonus share plans approved in 2013:

	The Gameloft Group's Managers and Employees
Date of the Board of Directors' meeting	19/09/2013
Total number of shares	1,600,000
Total number of recipients	180
of which are managers	5
including ten top employee allottees	474,500
Date of purchase of shares	19/09/2016
Retention end date – date of transferability	19/09/2018
Performance conditions	– Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period – Proxy recipients: internal and external performance conditions ⁽¹⁾
Number of shares cancelled at 31/12/15	314,500
Total shares at 31/12/15	1,285,500

⁽¹⁾ Final issuance of the bonus shares granted to managers is subject to a condition requiring an uninterrupted presence within the Gameloft Group during the entirety of the vesting period, as well as performance conditions that must be satisfied during the vesting period, combining internal performance conditions (goals in terms of marketing new games) and external performance conditions (development of the Gameloft Group's consolidated annual revenue, compared to the average natural growth rate of its main competitors).

Bonus share plans approved in 2014:

	The Gameloft Group's Managers and Employees	
Date of the Board of Directors' meeting	16/12/2014	
Total number of shares	1,025,375	657,125
Total number of recipients	170	
of which are managers	5	
including ten top employee allottees	467,500	
Date of purchase of shares	16/12/2016	16/12/2018
Retention end date – date of transferability	16/12/2018	16/12/2018
Performance conditions	– Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period ⁽¹⁾ – Proxy recipients: internal performance conditions ⁽²⁾	
Number of shares cancelled at 31/12/15	14,000	106,000
Total shares at 31/12/15	1,011,375	551,125

⁽¹⁾ Barring exceptions prescribed by the plan. In particular, an employee-beneficiary (excluding executive directors) will be considered as not having ceased to fulfil the conditions of continuous employment if, during the vesting period, they ceased to work (by resignation or termination) within a six-month period following a change of control of the company.

⁽²⁾ Final issuance of the bonus shares granted to managers is subject to a condition requiring an uninterrupted presence within the Gameloft Group during the entirety of the vesting period, as well as an internal performance condition (goals in terms of marketing new games) to be satisfied during the vesting period. The final percentage to be awarded is a function of the tiers to be reached determined by the percentage representing the extent to which an objective was achieved.

Bonus share plans approved in 2015:

	The Gameloft Group's Managers and Employees	
Date of the Board of Directors' meeting	17/12/2015	
Total number of shares	1,144,875	545,625
Total number of recipients	155	
of which are managers	5	
including ten top employee allottees	492,500	
Date of purchase of shares	17/12/2017	17/12/2019
Retention end date – date of transferability	17/12/2019	17/12/2019
Performance conditions	– Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period ⁽¹⁾ – Proxy recipients: internal performance conditions ⁽²⁾	
Number of shares cancelled at 31/12/15	0	0
Total shares at 31/12/15	1,144,875	545,625

⁽¹⁾ Barring exceptions prescribed by the plan. In particular, an employee-beneficiary (excluding executive directors) will be considered as not having ceased to fulfil the conditions of continuous employment if, during the vesting period, they ceased to work (by resignation or termination) within a six-month period following a change of control of the company.

⁽²⁾ Final issuance of the bonus shares granted to managers is subject to a condition requiring an uninterrupted presence within the Gameloft Group during the entirety of the vesting period, as well as an internal performance condition (goals in terms of marketing new games) to be satisfied during the vesting period. The final percentage to be awarded is a function of the tiers to be reached determined by the percentage representing the extent to which an objective was achieved.

2.3.2.2.8 The Employee Stock Ownership Plan within the Framework of a Collective Employee Shareholding Plan (Hereinafter FCPE)

The Combined General Meeting of 17 June 2015 authorised the Board of Directors to issue, at its sole discretion, a share capital increase reserved for French employees, within a maximum limit of 0.5% of the share capital amount as of the date of the Board of Directors' decision, via the FCPE. The Board of Directors did not make use of this authorisation during the fiscal year ended 31 December 2015.

2.3.2.2.9 Change in Share Capital over the Last Three Fiscal Years

Date	Type of Operation	Number of Shares	Total Number of Shares	Share Par Value	Issue Premium	By Cash Contribution	By Contribution in Kind	Total Capital
31/12/12	Share capital increase noted after exercise of stock options and bonus shares in 2012	4,712,544	81,818,524	€0.05	€14,040,907.30	€14,276,534.50		€4,090,926.20
09/07/13	Share capital increase noted after exercise of stock options in first half of FY 2013	1,148,201	82,966,725	€0.05	€3,464,699.61	€3,522,109.66		€4,148,336.25
20/09/13	Share capital increase noted after final allotment of bonus shares in 2013	480,600	83,447,325	€0.05	-€24,030	€0		€4,172,366.25
17/12/13	Reduction of share capital noted after the cancellation of shares in 2013	1,117,473	82,329,852	€0.05	-€6,146,571.80		-€6,202,445.45	€4,116,492.60
31/12/13	Share capital increase noted after exercise of stock options in second half of FY 2013	1,698,972	84,028,824	€0.05	€5,590,021.82	€5,674,970.42		€4,201,441.20
07/07/14	Share capital increase noted after exercise of stock options in first half of FY 2014	1,068,150	85,096,974	€0.05	€3,522,975.50	€3,576,383		€4,254,848.70
07/07/14	Share capital increase noted after final allotment of bonus shares in 2014	652,125	85,749,099	€0.05	-€32,606.25	€0		€4,287,454.95
06/10/14	Share capital increase noted after final allotment of bonus shares in 2014	20,300	85,769,399	€0.05	-€1,015	€0		€4,288,469.95
16/12/14	Reduction of share capital noted after the cancellation of shares in 2014	300,302	85,469,097	€0.05	-€1,593,678.57		-€1,608,693.67	€4,273,454.85
31/12/14	Share capital increase noted after exercise of stock options in second half of FY 2014	156,000	85,625,097	€0.05	€716,110	€723,910		€4,281,254.85
18/06/15	Reduction of share capital noted after the cancellation of shares in 2015	1,002,615	84,622,482	€0.05	-€3,820,166.34		-€3,870,297.09	€4,231,124.10
17/07/15	Share capital increase noted after exercise of stock options in first half	407,640	85,030,122	€0.05	€1,330,388.40	€1,350,770.40		€4,251,506.10

	of FY 2015							
31/12/15	Share capital increase noted after exercise of stock options in second half of FY 2015	435,000	85,465,122	€0.05	€1,900,060	€1,921,810		€4,273,256.10
02/03/16	Share capital increase noted after exercise of stock options in January and February of 2016	440,900	85,906,022	€0.05	€2,129,547	€2,151,592		€4,295,301.10
01/04/16	Share capital increase noted after final allotment of bonus shares in 2016	1,006,000	86,912,022	€0.05	-€50,300	€0		€4,345,601.10
01/04/16	Share capital increase noted after exercise of stock options in March 2016	139,500	87,051,522	€0.05	€673,785	€680,760		€4,352,576.10

2.3.2.2.10 Securities Not Representing Capital

Nil.

2.3.2.2.11 Purchase Rights or Obligations Linked to Capital Subscribed but Not Paid

Nil.

2.3.2.2.12 Options or Agreements Not Conditional on a Member of the Group

Nil.

2.3.2.2.13 Identifying Security Holders

Article 7 of the Articles of Association authorises the company to implement a procedure identifying security holders.

2.3.2.2.14 Provision Causing a Delay in Change in Control

Nil.

2.3.2.2.15 Clause Establishing Approval Requirement

Nil.

2.3.2.2.16 Provision Governing Changes in Capital when These Conditions Are Stricter than Those Provided by Law

Nil.

2.3.2.2.17 Gameloft Shares

2.3.2.2.17.1 Change in Share Price

Month	Maximum Price (in euros)	Minimum Price (in euros)	Average Price (in euros)	Trading Volume
January 2012	5.40	4.79	5.03	2,962,053
February 2012	5.39	4.83	5.07	3,625,599
March 2012	5.10	4.09	4.78	6,506,432
April 2012	4.87	4.21	4.59	3,507,525
May 2012	5.08	4.43	4.81	3,159,908
June 2012	5.05	4.71	4.85	2,142,367
July 2012	5.02	4.46	4.82	2,352,842
August 2012	5.01	4.64	4.81	1,625,346
September 2012	5.28	4.65	5.00	3,846,236
October 2012	5.45	5.04	5.30	2,266,743
November 2012	5.74	5.11	5.38	3,487,809
December 2012	5.74	5.14	5.41	3,329,191
January 2013	5.45	4.90	5.18	3,532,328
February 2013	5.39	5.08	5.23	1,720,357
March 2013	5.39	5.05	5.21	1,260,814
April 2013	5.17	4.40	4.84	2,776,517
May 2013	5.68	5.06	5.42	3,492,508
June 2013	5.60	5.05	5.44	2,218,495
July 2013	6.11	5.32	5.72	4,400,717
August 2013	6.51	5.98	6.22	2,107,814
September 2013	7.82	6.48	7.00	5,171,810
October 2013	8.42	7.35	7.86	5,830,016
November 2013	8.35	7.19	7.88	5,517,978
December 2013	8.23	7.40	7.76	2,229,360
January 2014	8.42	6.58	7.79	5,757,270
February 2014	8.05	6.76	7.61	3,452,639
March 2014	7.94	6.92	7.56	3,442,748
April 2014	8.05	6.83	7.28	4,053,776
May 2014	7.25	6.73	6.99	2,576,197
June 2014	7.09	6.16	6.73	2,943,459
July 2014	6.73	4.25	5.85	6,175,556
August 2014	5.15	4.44	4.70	2,896,744
September 2014	5.62	4.81	5.19	3,249,908
October 2014	5.40	3.97	4.39	4,518,230
November 2014	4.17	3.61	3.91	4,762,341
December 2014	3.95	2.88	3.44	7,450,004
January 2015	3.37	2.86	3.14	5,957,744
February 2015	3.98	3.00	3.59	7,974,643
March 2015	5.11	3.85	4.27	8,061,820
April 2015	5.03	4.31	4.71	5,150,788
May 2015	5.00	4.40	4.72	2,895,096
June 2015	4.55	3.68	4.11	2,963,789
July 2015	4.60	3.50	4.20	4,650,363
August 2015	4.47	3.21	3.88	3,625,684
September 2015	3.85	3.10	3.42	6,122,430
October 2015	5.43	3.16	4.21	9,467,398
November 2015	5.86	4.83	5.45	8,584,250
December 2015	6.55	5.54	6.10	6,100,226

2.3.2.2.17.2 Change in Number of Shares

	Par Value in €	Number of Shares	Amount in €K
At 31/12/11	0.05	77,105,980	3,855
Exercised options on 03/01/2007	0.05	394,795	20
US options exercised on 03/01/2007	0.05	286,200	14
F options exercised on 03/01/2007	0.05	1,170,794	59
Exercised options on 11/04/2008	0.05	729,165	37
US options exercised on 11/04/2008	0.05	98,200	5
F options exercised on 11/04/2008	0.05	508,255	25
Exercised options on 14/05/2009	0.05	441,885	22
Exercised options on 01/06/2010	0.05	479,750	24
Allotment of bonus shares on 01/06/2010	0.05	603,500	30
At 31/12/12	0.05	81,818,524	4,091
US options exercised on 03/01/2007	0.05	44,600	2
W options exercised on 11/04/2008	0.05	147,550	7
US options exercised on 11/04/2008	0.05	98,800	5
F options exercised on 11/04/2008	0.05	536,145	27
W options exercised on 14/05/2009	0.05	644,078	32
W options exercised on 01/06/2010	0.05	913,000	46
W options exercised on 20/09/2011	0.05	463,000	23
Allotment of bonus shares on 20/09/2011	0.05	480,600	24
Cancellation of own shares	0.05	-1,117,473	-56
At 31/12/13	0.05	84,028,824	4,201
W options exercised on 11/04/2008	0.05	44,500	2
US options exercised on 11/04/2008	0.05	25,300	1
F options exercised on 11/04/2008	0.05	79,800	4
W options exercised on 14/05/2009	0.05	250,550	13
W options exercised on 01/06/2010	0.05	455,000	23
W options exercised on 20/09/2011	0.05	250,000	13
W options exercised on 06/07/2012	0.05	119,000	6
Allotment of bonus shares on 06/07/2012	0.05	672,425	34
Cancellation of own shares	0.05	-300,302	-15
At 31/12/14	0.05	85,625,097	4,281
W options exercised on 14/05/2009	0.05	183,640	9
W options exercised on 20/09/2011	0.05	373,000	19
W options exercised on 06/07/2012	0.05	286,000	14
Cancellation of own shares	0.05	-1,002,615	-50
At 31/12/15	0.05	85,465,122	4,273

2.3.2.2.18 Dividends

The company has not distributed any dividends in the course of the last three fiscal years and does not foresee, for the moment, distributing any in the near future.

2.3.2.2.19 Changes in Share Capital since the End of Fiscal Year 2015

2.3.2.2.19.1 Increases in Share Capital since the End of Fiscal Year 2015

After exercising share rights attached to stock options, 580,400 shares were issued between 1 January 2016 and 31 March 2016. These capital increases were noted by the Board of Directors during their meetings on 2 March 2016 and 1 April 2016. The company's share capital therefore increased by 29,020 euros through the issue of 580,400 new shares with a par value of 0.05 euros.

Moreover, the company's share capital increased by 50,300 euros through the issue of 1,006,000 new shares with a par value of 0.05 euros following the final allotment of bonus shares for the benefit of the company's employees noted during the Board of Directors' meeting on 1 April 2016.

2.3.2.2.19.2 Share Capital at 4 April 2016

At 4 April 2016, Gameloft SE's share capital consisted of 87,051,522 shares, each with a par value of 0.05 euros, for a total of 4,352,576.10 euros.

2.3.2.2.19.3 Share Subscription Options (Plans in Effect after the End of Fiscal Year 2015)

Stock option plans approved in 2012:

	Managers and Employees of the Gameloft Group's Subsidiaries
Board of Directors' meeting	06/07/2012
Number of shares eligible for subscription:	1,606,000
Number of people concerned:	147
of which are managers	0
Start of exercise period	06/07/2014
End of exercise period	06/07/2016
Subscription price (€)	4.88
Options cancelled at 31/12/15	490,600
Options exercised at 04/04/16	985,400
Options not yet exercised at 04/04/16	130,000

2.3.2.2.19.4 Bonus Issues of Shares (Plans in Effect after the End of Fiscal Year 2015)

Details of the plans for bonus issues of shares in effect after the end of fiscal year 2015

	6 July 2012 Plan	19 September 2013 Plan	16 December 2014 Plan	17 December 2015 Plan
Date of the Board of Directors' meeting	6 July 2012	19 September 2013	16 December 2014	17 December 2015
Date of purchase of shares	6 July 2014	19 September 2016 ⁽¹⁾	Plan 1: 16 December 2016 Plan 2: 16 December 2018 Plan 3: 16 December 2019	Plan 1: 17 December 2017 Plan 2: 17 December 2019
End of holding period	6 July 2016	19 September 2018 ⁽¹⁾	16 December 2018	17 December 2019
Number of shares initially allotted	750,000	1,600,000	Plan 1: 1,025,375 Plan 2: 657,125	Plan 1: 1,144,875 Plan 2: 545,625
Number of shares remaining at 4 April 2016	0	247,500	Plan 1: 994,375 Plan 2: 531,125	Plan 1: 1,137,875 Plan 2: 545,625

⁽¹⁾ By a decision reached on 23 March 2016, in order to ensure the retention of the relevant employees and in conformity with the interests of the Company, the Board of Directors decided to, within the limits established by the General Meeting of 19 June 2013 and applicable

regulations, modify the length of the vesting period that applies to shares allocated to employee-beneficiaries (excluding executive directors) on 19 September 2013 and specified that the vesting period that applies to the beneficiaries would come to an end on 1 April 2016 (with the stipulation that shares that have been definitively allocated cannot be sold or transferred for a period of two years, beginning on the registration date of their shareholder account, except as provided for by the plan).

2.3.2.2.20 Securities Services Provider

CACEIS Corporate Trust

14 rue Rouget de Lisle

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2.3.2.3 Key Shareholders

2.3.2.3.1 Changes in the Share Structure over the Last Three Fiscal Years

At 31 December 2013	<i>Capital and Voting Rights</i>			
	Number of Shares	% of Capital	Voting Rights	% of Voting Rights
Guillemot family	10,274,903	12.228%	18,904,382	20.281%
Guillemot Brothers SE	4,068,221	4.841%	8,136,442	8.729%
Claude Guillemot	2,148,333	2.557%	4,209,789	4.516%
Michel Guillemot	2,905,043	3.457%	4,957,093	4.932%
Yves Guillemot	110,736	0.132%	163,195	0.175%
G�rard Guillemot	588,525	0.7%	1,157,173	1.241%
Christian Guillemot	60,378	0.072%	71,379	0.077%
Yvette Guillemot	165,644	0.197%	331,288	0.355%
Tiphaine Guillemot	160,000	0.19%	170,000	0.182%
Guillemot Corporation S.A.	68,023	0.081%	68,023	0.073%
Treasury shares	-	0%	-	0%
FMR LLC (Fidelity)	10,186,984	12.123%	10,186,984	10.929%
DNB Asset Management	4,312,974	5.133%	4,312,974	4.627%
Cyrte Investments	3,991,584	4.75%	3,991,584	4.282%
T. Rowe Price	3,201,341	3.81%	3,201,341	3.435%
Public	52,061,038	61.956%	52,613,775	56.445%
Total	84,028,824	100%	93,211,040	100%

At 31 December 2014

Capital and Voting Rights

	Number of Shares	% of Capital	Theoretical Voting Rights	% of Theoretical Voting Rights	Voting Rights Exercisable in GM	% of Voting Rights Exercisable in GM
Guillemot family	10,873,191	12.699%	20,775,459	21.561%	20,775,459	21.583%
Guillemot Brothers SE	4,068,221	4.751%	8,136,442	8.444%	8,136,442	8.453%
Claude Guillemot	2,160,333	2.523%	4,294,166	4.457%	4,294,166	4.461%
Michel Guillemot	3,518,453	4.109%	6,423,586	6.666%	6,423,586	6.673%
Yves Guillemot	87,901	0.103%	102,902	0.107%	102,902	0.107%
G�rard Guillemot	602,025	0.703%	1,190,550	1.236%	1,190,550	1.237%
Christian Guillemot	42,501	0.05%	58,502	0.061%	42,501	0.061%
Yvette Guillemot	165,644	0.193%	331,288	0.344%	331,288	0.344%
Tiphaine Guillemot	160,000	0.187%	170,000	0.176%	170,000	0.177%
Guillemot Corporation S.A.	68,023	0.079%	68,023	0.071%	68,023	0.071%
Treasury shares	100,477	0.117%	100,477	0.104%	-	0%
FMR LLC (Fidelity)	8,573,249	10.013%	8,573,249	8.897%	8,573,249	8.907%
Allianz Global Investors	5,157,527	6.023%	5,157,527	5.353%	5,157,527	5.358%
Montanaro Asset Management	4,441,305	5.187%	4,441,305	4.609%	4,441,305	4.614%
DNB Asset Management	4,069,660	4.753%	4,069,660	4.224%	4,069,660	4.228%
FIL Limited (Fidelity)	3,428,722	4.004%	3,428,722	3.558%	3,428,722	3.562%
Public	48,980,966	57.204%	49,810,314	51.693%	49,810,314	51.748%
Total	85,625,097	100%	96,356,713	100%	96,256,236	100%

At 31 December 2015

Capital and Voting Rights

	Number of Shares	% of Capital	Theoretical Voting Rights	% of Theoretical Voting Rights	Voting Rights Exercisable in GM	% of Voting Rights Exercisable in GM
Guillemot family	14,306,967	16.74%	24,244,135	25.245%	24,244,135	25.245%
Guillemot Brothers SE	6,803,069	7.96%	10,871,290	11.32%	10,871,290	11.32%
Claude Guillemot	2,160,333	2.528%	4,308,666	4.487%	4,308,666	4.487%
Michel Guillemot	4,270,596	4.999%	7,175,639	7.472%	7,175,639	7.472%
Yves Guillemot	32,901	0.038%	53,802	0.056%	53,802	0.056%
G�rard Guillemot	603,900	0.707%	1,192,425	1.242%	1,192,425	1.242%
Christian Guillemot	42,501	0.05%	73,002	0.076%	73,002	0.076%
Yvette Guillemot	165,644	0.194%	331,288	0.345%	331,288	0.345%
Tiphaine Guillemot	160,000	0.187%	170,000	0.177%	170,000	0.177%
Guillemot Corporation S.A.	68,023	0.08%	68,023	0.071%	68,023	0.071%
Treasury shares	-	0%	-	0%	-	0%
Vivendi	24,488,458	28.653%	24,488,458	25.499%	24,488,458	25.499%
FMR LLC (Fidelity)	8,502,287	9.948%	8,502,287	8.853%	8,502,287	8.853%
Allianz Global Investors	4,730,729	5.535%	4,730,729	4.926%	4,730,729	4.926%
Amber Capital	4,543,489	5.316%	4,543,489	4.731%	4,543,489	4.731%
Public	28,893,192	33.807%	29,526,990	30.746%	29,526,990	30.746%
Total	85,465,122	100%	96,036,088	100%	96,036,088	100%

2.3.2.3.2 Distribution of Capital and Voting Rights at 4 April 2016

At 4 April 2016	<i>Capital and Voting Rights</i>					
	Number of Shares	% of Capital	Theoretical Voting Rights	% of Theoretical Voting Rights	Voting Rights Exercisable in GM	% of Voting Rights Exercisable in GM
Guillemot family	19,328,071	22.203%	28,585,239	29.588%	28,585,239	29.588%
Guillemot Brothers SE	11,799,173	13.554%	15,187,394	15.720%	15,187,394	15.720%
Claude Guillemot	2,160,333	2.482%	4,308,666	4.460%	4,308,666	4.460%
Michel Guillemot	4,295,596	4.935%	7,200,639	7.453%	7,200,639	7.453%
Yves Guillemot	32,901	0.038%	53,802	0.056%	53,802	0.056%
G�rard Guillemot	603,900	0.694%	1,192,425	1.234%	1,192,425	1.234%
Christian Guillemot	42,501	0.049%	73,002	0.076%	73,002	0.076%
Yvette Guillemot	165,644	0.19%	331,288	0.343%	331,288	0.343%
Tiphaine Guillemot	160,000	0.184%	170,000	0.176%	170,000	0.176%
Guillemot Corporation S.A.	68,023	0.078%	68,023	0.07%	68,023	0.07%
Treasury shares	-	0%	-	0%	-	0%
Vivendi	25,424,006	29.206%	25,424,006	26.316%	25,424,006	26.316%
Amber Capital	12,726,352	14.619%	12,726,352	13.173%	12,726,352	13.173%
FMR LLC (Fidelity)	7,808,783	8.97%	7,808,783	8.083%	7,808,783	8.083%
Allianz Global Investors	2,446,520	2.81%	2,446,520	2.532%	2,446,520	2.532%
Public	19,317,790	22.191%	24,128,039	25.006%	19,619,164	20.308%
Total	87,051,522	100%	96,610,064	100%	96,610,064	100%

To the company's knowledge, no other shareholder owns, directly or indirectly, alone or in concert, more than 5% of the capital or voting rights.

2.3.2.3.3 Holdings outside Thresholds concerning Capital and Voting Rights

2.3.2.3.3.1 Gameloft SE's Holdings outside Thresholds concerning Capital and Voting Rights during Fiscal Year 2015:

- On 7 January 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center rose above the 2% statutory threshold. UBS Investment Bank, Wealth Management and Corporate Center then held 1,902,395 Gameloft shares representing as many voting rights, i.e. 2.22% of capital and 1.97% of existing voting rights.
- On 8 January 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center fell below the 2% statutory threshold. UBS Investment Bank, Wealth Management and Corporate Center then held 1,405,263 Gameloft shares representing as many voting rights, i.e. 1.64% of capital and 1.46% of existing voting rights.
- On 9 January 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center rose above the 2% statutory threshold. UBS Investment Bank, Wealth Management and Corporate Center then held 1,800,998 Gameloft shares representing as many voting rights, i.e. 2.1% of capital and 1.87% of existing voting rights.
- On 21 January 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center fell below the 2% statutory threshold. UBS Investment Bank, Wealth Management and Corporate Center then held 1,426,693 Gameloft shares representing as many voting rights, i.e. 1.67% of capital and 1.48% of existing voting rights.
- On 27 January 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center rose above the 2% statutory threshold. UBS Investment Bank, Wealth Management and

Corporate Center then held 1,888,608 Gameloft shares representing as many voting rights, i.e. 2.21% of capital and 1.96% of existing voting rights.

- On 19 February 2015, share capital held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) rose above the 4% statutory threshold. FIL Limited then held 3,560,103 Gameloft shares representing as many voting rights, i.e. 4.15% of capital and 3.69% of existing voting rights.
- On 25 February 2015, the share of voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) rose above the 4% statutory threshold. FIL Limited then held 3,855,247 Gameloft shares representing as many voting rights, i.e. 4.5% of capital and 4% of existing voting rights.
- On 17 March 2015, the share of voting rights held by INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf fell below the 2% statutory threshold. INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf then held 1,906,984 Gameloft shares representing as many voting rights, i.e. 2.23% of capital and 1.98% of existing voting rights.
- On 19 March 2015, share capital held by INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf fell below the 2% statutory threshold. INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf then held 1,553,800 Gameloft shares representing as many voting rights, i.e. 1.82% of capital and 1.61% of existing voting rights.
- On 31 March 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center fell below the 2% statutory threshold. UBS Investment Bank, Wealth Management and Corporate Center then held 1,710,836 Gameloft shares representing as many voting rights, i.e. 1.99% of capital and 1.78% of existing voting rights.
- On 10 April 2015, share capital held by Montanaro Asset Management Limited (53 Threadneedle Street, EC2R 8AR London, United Kingdom) fell below the 5% statutory threshold. Montanaro Asset Management Limited then held 4,102,070 Gameloft shares representing as many voting rights, i.e. 4.79% of capital and 4.26% of existing voting rights.
- On 29 June 2015, share capital held by Mr Michel Guillemot rose above the 5% statutory threshold. Mr Michel Guillemot then held 4,255,000 Gameloft shares representing 7,160,043 voting rights, i.e. 5% of capital and 7.51% of existing voting rights.
- On 17 July 2015, share capital held by FMR LLC (245 Summer Street, Boston, Massachusetts 02210, United States) rose above the 10% statutory threshold. FMR LLC then held 8,542,587 Gameloft shares representing as many voting rights, i.e. 10.05% of capital and 8.93% of existing voting rights.
- On 12 August 2015, share capital held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) rose above the 2% statutory threshold. Amber Capital UK LLP then held 1,850,083 Gameloft shares representing as many voting rights, i.e. 2.18% of capital and 1.93% of existing voting rights.
- On 12 August 2015, the share capital and voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) fell below the 4% statutory threshold. FIL Limited then held 2,919,889 Gameloft shares representing as many voting rights, i.e. 3.43% of capital and 3.05% of existing voting rights.
- On 17 August 2015, the share of voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) fell below the 3% statutory threshold. FIL Limited then held 2,830,944 Gameloft shares representing as many voting rights, i.e. 3.33% of capital and 2.96% of existing voting rights.
- On 26 August 2015, share capital held by Polar Capital LLP (16 Palace Street, London SW1E 5JD, United Kingdom) fell below the 2% statutory threshold. Polar Capital LLP then held 1,692,894 Gameloft shares representing as many voting rights, i.e. 1.99% of capital and 1.77% of existing voting rights.

- On 2 September 2015, share capital held by Norges Bank Investment Management fell below the 2% statutory threshold. Norges Bank Investment Management then held 1,682,089 Gameloft shares representing as many voting rights, i.e. 1.98% of capital and 1.76% of existing voting rights.
- On 3 September 2015, the share capital and voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) fell below the 2% statutory threshold. FIL Limited then held 1,430,851 Gameloft shares representing as many voting rights, i.e. 1.68% of capital and 1.5% of existing voting rights.
- On 3 September 2015, the share capital and voting rights held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) rose above the 5% statutory threshold. Amber Capital UK LLP then held 5,909,439 Gameloft shares representing as many voting rights, i.e. 6.95% of capital and 6.17% of existing voting rights.
- On 10 September 2015, share capital held by FMR LLC (245 Summer Street, Boston, Massachusetts 02210, United States) fell below the 10% statutory threshold. FMR LLC then held 8,502,987 Gameloft shares representing as many voting rights, i.e. 9.99% of capital and 8.88% of existing voting rights.
- On 16 September 2015, the share capital and voting rights held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) rose above the 10% statutory threshold. Amber Capital UK LLP then held 11,163,091 Gameloft shares representing as many voting rights, i.e. 13.13% of capital and 11.66% of existing voting rights.
- On 16 September 2015, share capital held by Montanaro Asset Management Limited (53 Threadneedle Street, EC2R 8AR London, United Kingdom) fell below the 3%, 2% and 1% statutory thresholds. Montanaro Asset Management Limited then no longer held a single Gameloft share.
- On 8 October 2015, the share capital and voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) fell below the 1% statutory threshold. FIL Limited then held 411,218 Gameloft shares representing as many voting rights, i.e. 0.48% of capital and 0.43% of existing voting rights.
- On 8 October 2015, the share capital, and on 9 October 2015, the voting rights, held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above their respective 5% statutory thresholds. Vivendi then held 5,244,945 Gameloft shares representing as many voting rights, i.e. 6.17% of capital and 5.48% of existing voting rights.
- On 19 October 2015, share capital held by INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf fell below the 1% statutory threshold. INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf then held 756,500 Gameloft shares representing as many voting rights, i.e. 0.89% of capital and 0.79% of existing voting rights.
- On 20 October 2015, share capital held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 10% statutory threshold. Vivendi then held 8,677,248 Gameloft shares representing as many voting rights, i.e. 10.2% of capital and 9.07% of existing voting rights.
- On 23 October 2015, voting rights held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 10% statutory threshold. Vivendi then held 9,947,362 Gameloft shares representing as many voting rights, i.e. 11.7% of capital and 10.34% of existing voting rights.
- On 6 November 2015, share capital held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 15% statutory threshold. Vivendi then held 13,207,079 Gameloft shares representing as many voting rights, i.e. 15.53% of capital and 13.73% of existing voting rights.
- On 12 November 2015, share capital held by Guillemot Brothers SE (2 Cresswell Gardens, London, SW5 OBJ, United Kingdom) rose above the 5% statutory threshold. Guillemot Brothers SE then held 4,263,221 Gameloft shares representing 8,331,442 voting rights, i.e. 5.01% of capital and 8.67% of existing voting rights.

- On 13 November 2015, voting rights held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 15% statutory threshold. Vivendi then held 14,745,617 Gameloft shares representing as many voting rights, i.e. 17.34% of capital and 15.34% of existing voting rights.
- On 19 November 2015, share capital held by the family-owned Guillemot Group (made up of Guillemot Brothers SE, Guillemot Corporation S.A., Ms Yvette Guillemot, Mr Claude Guillemot, Mr Michel Guillemot, Mr Yves Guillemot, Mr Gérard Guillemot, Mr Christian Guillemot, and Ms Tiphaine Guillemot) rose above the 15% statutory threshold. The family-owned Guillemot Group then held 12,957,119 Gameloft shares representing 22,902,887 voting rights, i.e. 15.24% of capital and 23.82% of existing voting rights.
- On 20 November 2015, voting rights held by Guillemot Brothers SE (2 Cresswell Gardens, London, SW5 OBJ, United Kingdom) rose above the 10% statutory threshold. Guillemot Brothers SE then held 5,738,221 Gameloft shares representing 9,806,442 voting rights, i.e. 6.75% of capital and 10.2% of existing voting rights.
- On 26 November 2015, share capital and voting rights held by Polar Capital (16 Palace Street, London SW1E 5JD, United Kingdom) fell below the 1% statutory threshold. Polar Capital LLP then held 761,704 Gameloft shares representing as many voting rights, i.e. 0.9% of capital and 0.79% of existing voting rights.
- On 30 November 2015, voting rights held by the family-owned Guillemot Group (made up of Guillemot Brothers SE, Guillemot Corporation S.A., Ms Yvette Guillemot, Mr Claude Guillemot, Mr Michel Guillemot, Mr Yves Guillemot, Mr Gérard Guillemot, Mr Christian Guillemot, and Ms Tiphaine Guillemot) rose above the 25% statutory threshold. The family-owned Guillemot Group then held 14,139,669 Gameloft shares representing 24,085,437 voting rights, i.e. 16.63% of capital and 25.11% of existing voting rights.
- On 1 December 2015, share capital and voting rights held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 20% statutory threshold. Vivendi then held 21,172,500 Gameloft shares representing as many voting rights, i.e. 24.9% of capital and 22.08% of existing voting rights.
- On 1 December 2015, the share capital and voting rights held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) fell below the 10% statutory threshold. Amber Capital UK LLP then held 7,366,514 Gameloft shares representing as many voting rights, i.e. 8.66% of capital and 7.68% of existing voting rights.
- On 3 December 2015, share capital held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 25% statutory threshold. Vivendi then held 21,288,661 Gameloft shares representing as many voting rights, i.e. 25.04% of capital and 22.20% of existing voting rights.
- On 16 December 2015, voting rights held by Vivendi (42 avenue de Friedland, 75008 Paris) rose above the 25% statutory threshold. Vivendi then held 23,978,494 Gameloft shares representing as many voting rights, i.e. 28.2% of capital and 25.01% of existing voting rights.
- On 17 December 2015, the voting rights held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) fell below the 5% statutory threshold. Amber Capital UK LLP then held 4,543,489 Gameloft shares representing as many voting rights, i.e. 5.34% of capital and 4.74% of existing voting rights.

2.3.2.3.3.2 Gameloft SE's Holdings outside Thresholds concerning Capital and Voting Rights after the Closing of Fiscal Year 2015:

- On 12 January 2016, share capital held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) fell below the 5% statutory threshold. Amber Capital UK LLP then held 4,236,782

Gameloft shares representing as many voting rights, i.e. 4.96% of capital and 4.41% of existing voting rights.

- On 20 January 2016, share capital held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) rose above the 5% statutory threshold. Amber Capital UK LLP then held 4,404,005 Gameloft shares representing as many voting rights, i.e. 5.15% of capital and 4.59% of existing voting rights.
- On 8 February 2016, share capital held by Guillemot Brothers SE (2 Cresswell Gardens, London, SW5 OBJ, United Kingdom) rose above the 10% statutory threshold. Guillemot Brothers SE then held 8,718,221 Gameloft shares representing 12,786,442 voting rights, i.e. 10.2% of capital and 13.32% of existing voting rights.
- On 19 February 2016, the voting rights held by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) rose above the 5% statutory threshold. Amber Capital UK LLP then held 5,198,076 Gameloft shares representing as many voting rights, i.e. 6.08% of capital and 5.41% of existing voting rights.
- On 18 February 2016, share capital held by Vivendi SA (42 avenue de Friedland, 75008 Paris) rose above the 30% statutory threshold. Vivendi then held 25,649,006 Gameloft shares representing as many voting rights, i.e. 30.01% of capital and 26.72% of existing voting rights.
- On 19 February 2016, share capital held by the family-owned Guillemot Group (made up of Guillemot Brothers SE, Guillemot Corporation S.A., Ms Yvette Guillemot, Mr Claude Guillemot, Mr Michel Guillemot, Mr Yves Guillemot, Mr Gérard Guillemot, Mr Christian Guillemot, and Ms Tiphaine Guillemot) rose above the 20% statutory threshold. The family-owned Guillemot Group then held 17,343,398 Gameloft shares representing 27,280,566 voting rights, i.e. 20.29% of capital and 28.42% of existing voting rights.
- On 1 March 2016, voting rights held by Guillemot Brothers SE (2 Cresswell Gardens, London, SW5 OBJ, United Kingdom) rose above the 15% statutory threshold. Guillemot Brothers SE then held 10,612,992 Gameloft shares representing 14,681,213 voting rights, i.e. 12.35% of capital and 15.24% of existing voting rights.
- On 1 March 2016, share capital held by Mr Michel Guillemot fell below the 5% statutory threshold. Mr Michel Guillemot then held 4,275,596 Gameloft shares representing 7,180,639 voting rights, i.e. 4.98% of capital and 7.46% of existing voting rights.
- On 2 March 2016, share capital held by Mr Michel Guillemot rose above the 5% statutory threshold. Mr Michel Guillemot then held 4,295,596 Gameloft shares representing 7,200,639 voting rights, i.e. 5.01% of capital and 7.48% of existing voting rights.
- On 1 March 2016, share capital held by Vivendi SA (42 avenue de Friedland, 75008 Paris) fell below the 30% statutory threshold. Vivendi then held 25,649,006 Gameloft shares representing as many voting rights, i.e. 29.86% of capital and 26.63% of existing voting rights.
- On 1 April 2016, share capital held by Mr Michel Guillemot fell below the 5% statutory threshold. Mr Michel Guillemot then held 4,295,596 Gameloft shares representing 7,200,639 voting rights, i.e. 4.93% of capital and 7.44% of existing voting rights.
- On 13 April 2016, share capital held by Allianz Global Investors GmbH (Bockenheimer Landstrasse 42-44, D-60323 Frankfurt am Main, Germany), acting on behalf of its client and fund accounts as part of its management authorisation, fell below the 5% statutory threshold. Allianz Global Investors GmbH then held 2,446,520 Gameloft shares representing as many voting rights, i.e. 2.81% of capital and 2.53% of existing voting rights.

- On 13 April 2016, the share capital and voting rights held in unison by Amber Capital UK LLP (14-17 Market Place, London, W1W 8AJ, United Kingdom) and Amber Capital Italia SGR SpA (Piazza del Carmine 4, 20121 Milan, Italy) rose above the 10% statutory threshold. Amber Capital UK LLP and Amber Capital Italia SGR SpA then held 12,726,352 Gameloft shares representing as many voting rights, i.e. 14.62% of capital and 13.17% of existing voting rights.

2.3.2.3.4 Agreements Made by the Company Which Are Amended or Terminated in Case of Change in Control

The Company is party to a variety of agreements, particularly licence agreements and distributorship agreements, which contain clauses regarding changes of control. The main agreements that the company has entered into, which could be modified or terminated in case of a change in control of the company, with the stipulation that such an occurrence is not routine and that this is merely a possibility, are the following:

- The licence agreement reached with Disney Interactive for the *Cars: Fast as Lightning* mobile game contains a clause regarding changes of control granting Disney Interactive the ability to unilaterally cancel the contract without compensation or notice once the change of control is in effect.
- The licence agreement reached with Disney Interactive for the *Disney Magic Kingdoms* mobile game contains a clause regarding changes of control granting Disney Interactive the ability to unilaterally cancel the contract without compensation or notice once the change of control is in effect.
- The distributorship agreement reached with GungHo Online Entertainment, Inc. for the distribution of the *Disney Magic Kingdoms* mobile game in Japan contains a clause regarding changes of control granting GungHo Online Entertainment, Inc. the ability to unilaterally cancel the contract without compensation and with 90 days' notice once the change of control is in effect, subject to the licence agreement reached with Disney Interactive for the mobile game *Disney Magic Kingdoms* being cancelled by Disney for the same reason.
- The licence agreement reached with Fox Digital Entertainment, Inc. for the *Ice Age Village* mobile game contains a clause regarding changes of control granting Fox Digital Entertainment, Inc. the ability to unilaterally cancel the contract without compensation and with 30 days' notice once the change of control is in effect.
- The licence agreement reached with Fox Digital Entertainment, Inc. for the *Ice Age Adventures* mobile game contains a clause regarding changes of control granting Fox Digital Entertainment, Inc. the ability to unilaterally cancel the contract without compensation and with 30 days' notice once the change of control is in effect.
- The licence agreement reached with Hasbro, Inc. for the *My Little Pony* and *Littlest Pet Shop* mobile games contains a clause regarding changes of control granting Hasbro, Inc. the ability to unilaterally cancel the contract without compensation and without notice if the Company fails to receive Hasbro, Inc.'s consent.
- The licence agreement reached with Marvel Characters B.V. for the *Iron Man 3*, *The Avengers*, *Captain America: The Winter Soldier* and *Thor: The Dark World* mobile games contains a clause regarding changes of control granting Marvel Characters B.V. the ability to either (i) unilaterally cancel the contract without compensation or notice in the case of a change of control, or (ii) allow for a change of control with the ability to request that the company pay compensation for the transfer.

- The licence agreement reached with Mattel, Inc. for the *UNO* mobile game contains a clause regarding changes of control granting Mattel, Inc. the ability to either (i) unilaterally cancel the contract without compensation or notice in the case of a change of control, or (ii) allow for a change of control with the ability to request that the company pay compensation for the transfer.
- The licence agreement reached with Universal Studios Licensing, Inc. for the *Despicable Me: Minion Rush* mobile game contains a clause regarding changes of control granting Universal Studios Licensing, Inc. the ability to unilaterally cancel the contract without compensation or notice once the change of control is in effect.
- The licence agreement reached with Ferrari S.p.A. contains a clause regarding changes of control granting Ferrari S.p.A. the ability to unilaterally cancel the contract without compensation and with 180 days' notice once the change of control is in effect.

These agreements represent roughly 19% of the Group's 2015 revenue³⁵.

Some of the company's agreements could be terminated in case of a change in control of the company, with the stipulation that such an occurrence is not routine and that this is merely a possibility.

2.3.2.3.5 Shareholders' Agreements

To the company's knowledge, there are no declared or undeclared shareholders' agreements concerning Gameloft shares.

2.4 Corporate Governance

2.4.1 Code of Corporate Governance

The company adheres to the MiddleNext corporate governance code for small and midcaps of December 2009, most notably in the creation of the report prescribed in Article L. 225-37 of the French Commercial Code.

2.4.2 Composition and Operation of the Board of Directors and Management

2.4.2.1 Composition of the Board of Directors

Name	Office Held	Start Date of Term	Expiration Date of Term
Michel Guillemot	Chairman of the Board of Directors	3 December 2001	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Christian Guillemot	Director	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018

³⁵ The company is not able to quantify the percentage of revenue that would be represented by all of the agreements that could be modified or ended due to a change of control, since the company has yet to conduct a precise audit of all of the numerous contracts to which it is a party, with the stipulation that the results of such an audit would remain uncertain, given the existing business relationships. In addition, it is specified that the entirety of the licence agreements to which the company is a party represents 36% of the Group's 2015 revenue, of which roughly 2% are for games with Ubisoft licences; though it should be mentioned that not all of these agreements contain clauses related to changes of control.

Claude Guillemot	Director	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Yves Guillemot	Director	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Gérard Guillemot	Director	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Marie-Thérèse Guiny	Director (independent member)	22 June 2011	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Odile Grandet	Director (independent member)	18 June 2014	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2019

2.4.2.2 The Group's Management

Name	Office Held	Start Date of Term	Expiration Date of Term
Michel Guillemot	Chief Executive Officer	3 December 2001	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Christian Guillemot	Executive Vice President Administration	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Claude Guillemot	Executive Vice President Technologies	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Yves Guillemot	Executive Vice President Strategy and Development	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Gérard Guillemot	Executive Vice President Strategy and Development	1 June 2008	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017

2.4.2.3 Rules Applicable to the Appointment and Replacement of the Members of the Board of Directors

During the course of the company's existence, directors are appointed, reappointed or removed by the Ordinary General Meeting.

Between two meetings, and in case of a vacancy due to death or resignation, the Board of Directors may make appointments on a temporary basis and these appointments must be approved at the next meeting.

When, pursuant to the laws and regulations in force, a director is appointed to replace another director, he holds this office only for the remainder of his predecessor's term.

Directors are appointed for four years. However, through a proposal from the Board of Directors, the General Meeting may exceptionally name or renew certain directors for a period of two or three years in order to allow for a staggered renewal of the directors' terms. These terms will come to an end at the Ordinary General Meeting called to approve the financial statements for the fiscal year just ended and held in the year in which their functions come to an end.

2.4.2.4 Operation of the Board of Directors and Management

The Board of Directors defines the company's general strategic policies, which are in turn implemented by General Management under its supervision. Subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, the Board of Directors deals with all issues affecting the company's proper functioning and, through its proceedings, handles all matters concerning the company. Independently of the Board of Directors' meetings, each Director benefits from constant information, provided by the General Management, on the company's ongoing activities and operations.

To help the Board members prepare their work and based on necessity, memoranda are sent in advance to the Directors. Minutes of the Board of Directors' meetings are prepared at the end of the meeting and sent immediately to all the Directors.

2.4.2.5 Absence of Fraud Conviction, of Association with Bankruptcy or of Incrimination and/or Public Sanction

To the company's knowledge, over the last five years:

- None of the members of the Board of Directors have been convicted of fraud.
- None of the members of the Board of Directors have been associated with a bankruptcy, receivership or court-ordered liquidation proceeding.
- No official public incrimination and/or sanction has been delivered by a statutory or regulatory authority against any of the members of the Board of Directors.

To the company's knowledge, in the last five years no member of the Board of Directors has been prohibited by a court from acting in his/her capacity as a member of an issuer's administrative, management or supervisory body or from being involved in the management or running of an issuer's business.

2.4.2.6 Loans and Guarantees Granted to the Board of Directors

The company has not extended any loan or granted any guarantee to a member of the Board of Directors.

2.4.2.7 Potential Conflicts of Interest concerning Members of the Board of Directors

To the company's knowledge, there is no potential conflict of interest between any of the members of the company's Board of Directors with regard to their obligations toward the company and their own private interests.

Messrs Michel, Claude, Yves, Gérard and Christian Guillemot are brothers and members of the Management and Board of Directors of Gameloft SE and Ubisoft Entertainment SA. As such, there may be potential conflicts of interest when these two companies have occasion to work together on certain projects.

The two companies are bound by a trademark licence contract under which Ubisoft Entertainment SA granted the company an exclusive licence permitting Gameloft SE to market and promote certain trademarks and video games owned by Ubisoft Entertainment SA on mobile feature phones as well as mobile phones and tablets running iOS and Android. The trademark licence was granted in return for the payment of royalties proportional to the sales figures posted by Gameloft SE. This agreement is one of Gameloft SE's regulated agreements, the details of which appear in §5.1 of this document.

Gérard Guillemot is a Director of Gameloft SE and President of Longtail Studios Inc. Christian Guillemot is a Director of Gameloft SE and Longtail Studios Inc. Gameloft SE distributed to its telecom operator customers the

Love Triangle mobile game developed by the design studios at Longtail Studios Inc. This agreement is one of Gameloft SE's regulated agreements, the details of which appear in §5.1 of this document.

Messrs Michel, Claude, Yves, Gérard and Christian Guillemot are Directors of Gameloft SE and Advanced Mobile Applications Limited. Gameloft SE distributed the mobile games developed by Advanced Applications Limited's design studios.

2.4.2.8 Services Contract with the Issuer and Its Subsidiaries

No services contract has been made between the members of the Board of Directors and the issuer or any of the group's subsidiaries which grants a benefit at the end of such contract.

2.4.3 Composition/Role and Functions of the Board of Directors' Committees

2.4.3.1 Composition of the Committees

Appointments and Compensation Committee	Audit Committee
Marie-Thérèse Guiny, Chairperson	Marie-Thérèse Guiny, Chairperson
Claude Guillemot, Secretary	Claude Guillemot
	Christian Guillemot

2.4.3.2 Role and Functions of the Committees of the Board

2.4.3.2.1 Appointments and Compensation Committee

The role of the Appointments and Compensation Committee is to review the compensation of the members of the Board of Directors, the Chief Executive Officer and the Executive Vice Presidents and to decide whether it is appropriate to grant them stock options. The Committee will review candidacies and make proposals to the Board of Directors regarding the appointment or reappointment of Directors and, in particular, the selection of independent directors.

2.4.3.2.2 Audit Committee

The role of the Audit Committee is to

- Examine the accounts and ensure the appropriateness and consistency of the accounting methods used to prepare the company's consolidated and individual financial statements
- Monitor the financial reporting process
- Monitor the efficiency of the internal control and risk management systems

2.4.4 Other Mandates and Functions Exercised by Members of the Administrative and Management Bodies

2.4.4.1 Mandates and Functions Exercised within the Gameloft Group

2.4.4.1.1 Mandates and Functions in Effect at 31 December 2015 within the Gameloft Group

Member	Mandates and Functions Exercised within the Gameloft Group
Michel Guillemot	<p>President: Gameloft Distribution SAS (France), Gameloft Srl (Romania), Gameloft Software (Beijing) Company Ltd (China), Gameloft Software (Chengdu) Company Ltd (China)</p> <p>President and Director: Gameloft Inc. (United States), Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada), Gameloft Entertainment Toronto Inc. (Canada), Gameloft Limited (United Kingdom), Gameloft KK (Japan),</p>

	<p>Gameloft Company Ltd. (Vietnam), Gameloft Iberica SA (Spain), Gameloft Argentina S.A. (Argentina), Gameloft Private India Ltd. (India), Gameloft Co. Ltd. (Korea), Gameloft Ltd (Hong Kong), Gameloft Philippines Inc. (Philippines), Gameloft Pte Limited (Singapore), PT Gameloft Indonesia (Indonesia), Gameloft New Zealand Ltd (New Zealand), Gameloft Hungary Software Development and Promotion kft (Hungary), Gameloft SDN. BHD (Malaysia), Gameloft FZ-LLC (United Arab Emirates), Gameloft Madrid SL (Spain), Gameloft OY (Finland), Gameloft LLC (Russia), LLC Gameloft (Belarus)</p> <p>Manager: Gameloft Rich Games Production France SARL (France), Gameloft GmbH (Germany), Gameloft Srl (Italy), Gameloft EOOD (Bulgaria), Gameloft S. de R.L. de C.V. (Mexico)</p> <p>Director: Gameloft Australia Pty. Ltd. (Australia), Gameloft de Venezuela S.A. (Venezuela)</p>
Claude Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Limited (United Kingdom), Gameloft Live Développements Inc. (Canada), Gameloft Madrid SL (Spain)
Yves Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada)
Gérard Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada)
Christian Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada), Gameloft Limited (United Kingdom)

2.4.4.1.2 Mandates and Functions Expired over the Course of the Last Five Fiscal Years within the Gameloft Group

Member	Mandates and Functions Exercised within the Gameloft Group
Michel Guillemot	<p>President: Gameloft Software (Shanghai) Company Ltd. (China), Gameloft Software (Shenzhen) Company Ltd. (China), Gameloft Partnerships SAS (France), Ludigames SAS (France)</p> <p>President and Director: Gameloft Uruguay SA (Uruguay)</p> <p>Manager: Gameloft S.P.R.L. (Belgium), Gameloft S.R.O. (Czech Republic)</p> <p>Director: Gameloft Ltd. (Malta), Gameloft Do Brasil Ltda (Brazil)</p>
Claude Guillemot	Director: Gameloft Iberica SA (Spain), Gameloft Inc. (United States)
Gérard Guillemot	Executive Vice President: Gameloft S.A. (France), Gameloft Inc. (United States)
Christian Guillemot	Director: Gameloft Iberica SA (Spain), Gameloft Inc. (United States)

2.4.4.2 Mandates and Functions Exercised outside of the Gameloft Group

2.4.4.2.1 Mandates and Functions in effect at 31 December 2015 outside of the Gameloft Group

Member	Mandates and Functions Exercised outside of the Gameloft Group
Michel Guillemot	<p>Director and Executive Vice President: Ubisoft Entertainment SA (France), Guillemot Corporation SA (France)</p> <p>Manager and Executive Vice President: Guillemot Brothers SE (United Kingdom)</p> <p>Manager: Advanced Mobile Applications Ltd. (United Kingdom)</p> <p>Chief Executive Officer: Guillemot Brothers SAS (France)</p> <p>Director: Guillemot Inc. (United States), Guillemot Limited (United Kingdom), Guillemot Inc. (Canada), Guillemot SA (Belgium), AMA SA (France)</p>
Claude Guillemot	<p>Chief Executive Officer: Guillemot Corporation SA (France)</p> <p>Director and Executive Vice President: Ubisoft Entertainment SA (France)</p> <p>Manager and Executive Vice President: Guillemot Brothers SE (United Kingdom)</p> <p>Chief Executive Officer: Guillemot Brothers SAS (France)</p> <p>Manager: Advanced Mobile Applications Ltd. (United Kingdom)</p> <p>Executive Director: Guillemot Electronic Technology (Shanghai) Co., Ltd. (China)</p> <p>President: Hercules Thrustmaster SAS (France), Guillemot Innovation Labs SAS (France)</p> <p>President and Director: Guillemot Inc. (Canada), Guillemot Recherche et Développement Inc. (Canada), Guillemot Inc. (United States)</p> <p>Manager: Guillemot GmbH (Germany)</p>

	<p>Director: Ubisoft Nordic A/S (Denmark), Ubisoft Emirates FZ-LLC (United Arab Emirates), AMA SA (France), Guillemot Limited (United Kingdom), Guillemot Corporation (HK) Limited (Hong Kong), Guillemot SA (Belgium), Guillemot SRL (Italy), Guillemot Romania SRL (Romania), Guillemot Spain SL (Spain)</p> <p>Alternate Director: Ubisoft Entertainment Sweden A/B (Sweden), RedLynx Oy (Finland)</p>
Yves Guillemot	<p>Chief Executive Officer: Ubisoft Entertainment SA (France)</p> <p>Director and Executive Vice President: Guillemot Corporation SA (France)</p> <p>Manager and Executive Vice President: Guillemot Brothers SE (United Kingdom)</p> <p>Chief Executive Officer: Guillemot Brothers SAS (France)</p> <p>President: Ubisoft France SAS (France), Ubisoft Emea SAS (France), Ubisoft International SAS (France), Ubisoft Montpellier SAS (France), Ubisoft Paris SAS (France), Ubisoft Anney SAS (France), Ubisoft Production Internationale SAS (France), Nadéo SAS (France), Owlent SAS (France), Ubisoft Motion Pictures Rabbids SAS (France), Ubisoft Motion Pictures Splinter Cell SAS (France), Ubisoft Motion Pictures Assassin's Creed SAS (France), Ubisoft Création SAS (France), Ivory Tower SAS (France)</p> <p>President and Director: Ubisoft Divertissements Inc. (Canada), Ubisoft Editions Musique Inc. (Canada), Hybride Technologies Inc. (Canada), Ubisoft Toronto Inc. (Canada), Ubisoft Nordic A/S (Denmark), Red Storm Entertainment Inc. (United States), Ubisoft Entertainment India Private Ltd. (India), Ubi Games SA (Switzerland), Ubisoft CRC Ltd (United Kingdom), Ubisoft L.A. Inc. (United States)</p> <p>Chief Executive Officer and Director: Ubisoft Emirates FZ-LLC (United Arab Emirates)</p> <p>Manager: Ubisoft Learning & Development SARL (France), Ubisoft Motion Pictures SARL (France), Ubisoft Mobile Games SARL (France), Ubisoft Paris-Mobile SARL (France), Script Movie SARL (France), Ivory Art & Design SARL (France), Ubisoft Entertainment SARL (Luxembourg), Ubisoft GmbH (Germany), Blue Byte GmbH (Germany), Ubisoft EOOD (Bulgaria), Ubisoft Studios SRL (Italy), Ubisoft SARL (Morocco)</p> <p>Vice President and Director: Ubisoft Inc. (United States)</p> <p>Executive Director: Shanghai Ubi Computer Software Company Ltd. (China), Chengdu Ubi Computer Software Co. Ltd. (China)</p> <p>Director: Rémy Cointreau SA (France), AMA SA (France), Ubisoft Pty Ltd (Australia), Ubisoft SA (Spain), Ubisoft Ltd (United Kingdom), Ubisoft Reflections Ltd (United Kingdom), Red Storm Entertainment Ltd (United Kingdom), Future Games of London Ltd (United Kingdom), Ubisoft Ltd (Hong Kong), Ubi Studios SL (Spain), Ubisoft SpA (Italy), Ubisoft KK (Japan), Ubisoft Osaka KK (Japan), Ubisoft BV (Netherlands), Ubisoft Srl (Romania), Ubisoft Singapore Pte Ltd (Singapore), Ubisoft Entertainment Sweden A/B (Sweden) , RedLynx Oy (Finland), Ubisoft Barcelona Mobile SL (Spain), Guillemot Inc. (United States), Guillemot Limited (United Kingdom), Guillemot Inc. (Canada)</p> <p>Manager: Advanced Mobile Applications Ltd. (United Kingdom), Future Games of London (United Kingdom)</p> <p>Member of the Supervisory Board: Lagardère SCA (France)</p>
Gérard Guillemot	<p>President: Longtail Studios Inc. (United States), Longtail Studios Halifax Inc. (Canada), Longtail Studios PEI Inc. (Canada)</p> <p>Director and Executive Vice President: Ubisoft Entertainment SA (France), Guillemot Corporation SA (France)</p> <p>Manager and Executive Vice President: Guillemot Brothers SE (United Kingdom)</p> <p>Chief Executive Officer: Guillemot Brothers SAS (France)</p> <p>Manager: Advanced Mobile Applications Ltd. (United Kingdom)</p> <p>Director: Guillemot Limited (United Kingdom), Guillemot Inc. (United States), Guillemot Inc. (Canada)</p>
Christian Guillemot	<p>Manager and Chief Executive Officer (CEO): Guillemot Brothers SE (United Kingdom)</p> <p>Chief Executive Officer and Director: AMA SA (France)</p> <p>Director and Executive Vice President: Ubisoft Entertainment SA (France), Guillemot Corporation SA (France)</p> <p>President and Director: Advance Mobile Advertisement Inc. (United States)</p> <p>President and Director: Advanced Mobile Applications Ltd. (United Kingdom)</p> <p>President: SAS du Corps de Garde (France), Guillemot Brothers SAS (France), SC AMA Romania S.R.L. (Romania)</p>

	<p>Manager: Guillemot Administration et Logistique SARL (France)</p> <p>Director: Ubisoft Nordic A/S (Denmark), Guillemot Inc. (United States), Guillemot Limited (United Kingdom), Guillemot Corporation (HK) Limited (Hong Kong), Guillemot SA (Belgium), Guillemot Inc. (Canada), Guillemot Recherche et Développement Inc. (Canada)</p>
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2.4.4.2.2 Mandates and Functions Expired over the Course of the Last Five Years outside of the Gameloft Group

Member	Mandates and Functions Exercised outside of the Gameloft Group
Michel Guillemot	<p>Executive Vice President and Director: Guillemot Brothers SE (France)</p> <p>Director: Chengdu Ubi Computer Software Company Ltd. (China)</p>
Claude Guillemot	<p>Executive Vice President and Director: Guillemot Brothers SE (France)</p> <p>Director: Ubisoft Sweden A/B (Sweden)</p> <p>Alternate Director: Ubisoft Norway A/S (Norway)</p> <p>Alternate Member of the Liquidation Committee and President: Ubisoft Norway A/S (Norway)</p>
Yves Guillemot	<p>President and Director: Chengdu Ubi Computer Software Co. Ltd. (China), Ubisoft Vancouver Inc. (Canada), Ubisoft Holdings Inc. (United States), Ubisoft Canada Inc. (Canada), Ubisoft Arts Numériques Inc. (Canada), L'Atelier Ubi Inc. (Canada), Quazal Technologies Inc. (Canada), Ubisoft Musique Inc. (Canada), Studio Ubisoft Saint-Antoine Inc. (Canada), 9275-8309 Québec Inc. (Canada)</p> <p>Executive Vice President and Director: Guillemot Brothers SE (France)</p> <p>President: Ludi Factory SAS (France), Ubisoft Books and Records SAS (France), Ubisoft Computing SAS (France), Ubisoft Design SAS (France), Ubisoft Development SAS (France), Ubisoft Editorial SAS (France), Ubisoft Graphics SAS (France), Ubisoft Manufacturing & Administration SAS (France), Ubisoft Marketing International SAS (France), Ubisoft Operational Marketing SAS (France), Ubisoft Organisation SAS (France), Ubisoft Support Studios SAS (France), Ubisoft World SAS (France), Tiwak SAS (France), Ubisoft Motion Pictures Far Cry SAS (France), Ubisoft Motion Pictures Ghost Recon SAS (France), Ubisoft LLC (United States)</p> <p>Manager: Ubisoft EMEA SARL (France), Ubisoft Art SARL (France), Ubisoft Castelnau SARL (France), Ubisoft Counsel & Acquisitions SARL (France), Ubisoft Gameplay SARL (France), Ubisoft Marketing France SARL (France), Ubisoft Market Research SARL (France), Ubisoft Paris Studios SARL (France), Ubisoft Production Annecy SARL (France), Ubisoft Production Internationale SARL (France), Ubisoft Studios Montpellier SARL (France), Ubisoft Production Montpellier SARL (France), Ubisoft Design Montpellier SARL (France), Ubisoft IT Project Management SARL (France), Ubisoft Innovation SARL (France), Ubisoft Créa SARL (France), Ubisoft Talent Management SARL (France), Ubisoft Services SARL (France), Max Design Entertainment Software Entwicklungs GmbH (Austria), Ubisoft GmbH (Germany), Related Designs Software GmbH (Germany), Spieleentwicklungskombinat GmbH (Germany)</p> <p>Director: Ubisoft Ltd. (Ireland), Ubisoft Sweden A/B (Sweden)</p> <p>Alternate Member of the Liquidation Committee and President: Ubisoft Norway A/S (Norway)</p>
Gérard Guillemot	<p>Executive Vice President and Director: Guillemot Brothers SE (France)</p> <p>President: Longtail Studios Quebec Inc. (Canada)</p>
Christian Guillemot	<p>Chief Executive Officer and Director: Guillemot Brothers SE (France)</p> <p>President: AMA Studios SA (Belgium), Studio AMA Bretagne SAS (France)</p> <p>Director: Ubisoft Sweden A/B (Sweden)</p> <p>Vice President: Ubisoft Holdings Inc. (United States)</p> <p>Co-manager: Studio AMA Bretagne SARL (France)</p>

2.4.5 Compensation of Senior Executives

Pursuant to Article L. 225-102-1, paragraph 1 and paragraph 2 of the French Commercial Code, presented below are the details of the total compensation and benefits of any kind paid out to company managers during the fiscal year.

The executive directors receiving the options and bonus share plans described below must keep in registered form five per cent (5%) of the shares resulting from the exercise of options or bonus shares until termination of their duties.

Exercise of the options and final awarding of bonus shares granted by the Board of Directors to the company managers are subject to performance conditions, set by the Board of Directors.

At the start of the acquisition period, the allotted bonus shares will be non-transferable and must be held by the executive directors for a minimum period of two years beginning on the date of the final allotment.

Summary Table of Compensation Granted to Each Executive Director in 2015

Amounts in Euros	Total Gross Compensation	Directors' Fees	Valuation of the Options Granted during the Fiscal Year	Number of Bonus Shares Allocated	Fair Value
Michel Guillemot	1,081,592	25,000	391,014	165,000	4.18
Claude Guillemot	31,248	25,000	51,474	20,625	4.35
G�rard Guillemot	43,711	24,826	39,578	20,625	4.43
Yves Guillemot	31,248	25,000	51,474	20,625	4.35
Christian Guillemot	31,248	25,000	51,474	20,625	4.35

SUMMARY TABLE OF COMPENSATION AND OPTIONS AND SHARES ALLOTTED TO EACH EXECUTIVE DIRECTOR		
Amounts in Euros	Fiscal Year 2015	Fiscal Year 2014
Michel Guillemot		
Compensations Owed at the Start of the Fiscal Year (in �)	1,081,592	769,415
Directors' Fees (in �)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in �)	-	-
Valuation of Bonus Shares (in �)	689,700	341,550
Total	1,796,292	1,135,965
Claude Guillemot		
Compensations Owed at the Start of the Fiscal Year (in �)	31,248	31,248
Directors' Fees (in �)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in �)		
Valuation of Bonus Shares (in �)	89,719	44,344
Total	145,967	100,592
G�rard Guillemot		
Compensations Owed at the Start of the Fiscal Year (in �)	43,711	36,500
Directors' Fees (in �)	24,826	24,161
Valuation of the Options Granted during the Fiscal Year (in �)		
Valuation of Bonus Shares (in �)	91,369	46,200
Total	159,906	106,861
Yves Guillemot		
Compensations Owed at the Start of the Fiscal Year (in �)	31,248	31,248
Directors' Fees (in �)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in �)		

Valuation of Bonus Shares (in €)	89,719	44,344
Total	145,967	100,592
Christian Guillemot		
Compensations Owed at the Start of the Fiscal Year (in €)	31,248	31,248
Directors' Fees (in €)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in €)		
Valuation of Bonus Shares (in €)	89,719	44,344
Total	145,967	100,592
GRAND TOTAL	2,394,099	1,544,602

2.4.5.1 Compensation and Benefits of Any Kind Earned by Executive Directors

The compensation of the executive directors consists of fixed compensation. The executive directors do not receive variable compensation. They may be granted stock options and performance shares. The total is determined by the Board of Directors on the recommendation of the Compensation Committee. As of 2009, stock options and performance shares granted to the executive directors are subject to performance conditions.

The table below includes the compensation and benefits of any kind due and/or paid out to the senior executives as related to their mandate by

(i) The company

(ii) The companies controlled, as per Article L. 233-16 of the French Commercial Code, by the company under which the mandate is exercised

(iii) The companies controlled, as per Article L. 233-16 of the French Commercial Code, by the company or companies that control the company under which the mandate is exercised

(iv) The company or companies that control, with respect to the same Article, the company under which the mandate is exercised

The total gross compensation issued during the fiscal year by the company, controlled companies as per Article L. 233-16 of the French Commercial Code, and by the controlling companies where they exercise their mandate, was 1,344,000 euros, of which 254,000 euros were issued by Gameloft SE.

SUMMARY TABLE OF THE COMPENSATIONS OF EACH EXECUTIVE DIRECTOR								
Amounts in Euros	Fiscal Year 2015				Fiscal Year 2014			
	Amount Owed in €		Amount Paid in €		Amount Owed in €		Amount Paid in €	
	Gameloft SE	Other Companies	Gameloft SE	Other Companies	Gameloft SE	Other Companies	Gameloft SE	Other Companies
Michel Guillemot								
Fixed Compensation	60,000	1,021,592	60,000	1,021,592	60,000	709,415	60,000	709,415
Directors' Fees	25,000		25,000		25,000		25,000	
Benefits in Kind	-	-	-	-	-	-	-	-
Total	85,000	1,021,592	85,000	1,021,592	85,000	709,415	85,000	709,415
Claude Guillemot								
Fixed Compensation	31,248	-	31,248	-	31,248	-	31,248	-
Directors' Fees	25,000	-	25,000	-	25,000	-	25,000	-
Benefits in Kind								

Total	56,248	-	56,248	-	56,248	-	56,248	-
Gérard Guillemot								
Fixed Compensation	-	43,711	-	43,711	-	36,500	-	36,500
Directors' Fees	-	24,826	-	24,826	-	24,161	-	24,161
Benefits in Kind								
Total	-	68,537	-	68,537	-	60,661	-	60,661
Yves Guillemot								
Fixed Compensation	31,248	-	31,248	-	31,248	-	31,248	-
Directors' Fees	25,000	-	25,000	-	25,000	-	25,000	-
Benefits in Kind								
Total	56,248	-	56,248	-	56,248	-	56,248	-
Christian Guillemot								
Fixed Compensation	31,248	-	31,248	-	31,248	-	31,248	-
Directors' Fees	25,000	-	25,000	-	25,000	-	25,000	-
Benefits in Kind								
Total	56,248	-	56,248	-	56,248	-	56,248	-
GRAND TOTAL	253,744	1,090,129	253,744	1,090,129	253,744	770,076	253,744	770,076

2.4.5.2 Directors' Fees and Other Compensation Received by Non-executive Directors

In consideration of the responsibilities assumed, but also of time spent preparing for Board meetings and the active participation of Directors in sessions, the company was authorised by the General Meeting of 18 June 2014 to pay to its Directors fees amounting to a maximum set at 175,000 euros per year to be distributed among the members of the Board of Directors, until determined otherwise.

TABLE FOR DIRECTORS' FEES AND OTHER COMPENSATIONS RECEIVED BY NON-EXECUTIVE DIRECTORS				
Amounts in Euros	Fiscal Year 2015		Fiscal Year 2014	
Non-executive Directors	Directors' Fees	Other Compensations	Directors' Fees	Other Compensations
Marie-Thérèse Guiny	25,000	-	25,000	-
Odile Grandet	25,000	-	12,500	-
Total	50,000	-	37,500	-

2.4.5.3 Stock Option and Subscription Plan

Stock Options Granted to Company Executive Directors by the Company during the Fiscal Year:

During the course of fiscal year 2015, no share subscription options were granted to executive directors.

Stock Options Granted to Company Executive Directors by the Company during Previous Fiscal Years

STOCK OPTIONS GRANTED TO EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS	
	Plan Number 9 of 14/05/2009
Date of the Board of Directors' meeting	14/05/2009
Total number of shares eligible for subscription by	
– Mr Michel Guillemot	300,000
– Mr Christian Guillemot	
– Mr Yves Guillemot	

– Mr Claude Guillemot	
– Mr Gérard Guillemot	37,500
Start date for exercising stock options	14/05/2011
Expiration date	14/05/2015
Subscription price	€2.36
Exercise period	50% starting 14/05/2011 through 14/05/2015 and 50% starting 14/05/2013 through 14/05/2015
Number of shares subscribed at 31 December 2015	337,500
Cumulative number of cancelled or voided share subscription options	-
Remaining share subscription options at the end of the fiscal year	0

STOCK OPTIONS GRANTED TO EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS		
	Plan Number 10 of 01/06/2010	Plan Number 11 of 20/09/2011
Date of the Board of Directors' meeting	01/06/2010	20/09/2011
Total number of shares eligible for subscription by		
– Mr Michel Guillemot	300,000	300,000
– Mr Gérard Guillemot	37,500	37,500
Start date for exercising stock options	01/06/2012	20/09/2013
Expiration date	01/06/2014	20/09/2015
Subscription price	€3.82	€3.87
Exercise period	50% starting 01/06/2012 through 01/06/2014 and 50% starting 01/06/2013 through 01/06/2014	50% starting 20/09/2013 through 20/09/2015 and 50% starting 20/09/2014 through 20/09/2015
Number of shares subscribed at 31 December 2015	270,000	150,000
Cumulative number of cancelled or voided share subscription options	67,500	187,500
Remaining share subscription options at the end of the fiscal year	0	0

Stock options exercised by the executive directors during the fiscal year

STOCK OPTIONS EXERCISED BY THE EXECUTIVE DIRECTORS DURING THE FISCAL YEAR						
Name of Executive Director	Type of Operation	Plan Number and Date	Date of Operation	Number of Shares	Exercise Price	Amount of Operation
Gérard Guillemot	Exercise of stock options	Plan Number 10 of 01/06/2010	04/05/2015	37,500	€2.36	€88,500.00

2.4.5.4 Bonus Issues of Shares

Bonus Shares Allotted to the Executive Directors by the Company during the Fiscal Year

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS BY THE COMPANY DURING THE FISCAL YEAR						
Name of Executive Director:	Plan Date	Number of Shares	Date of Acquisition	Option Fair Value	Date of Availability	Performance conditions
Michel Guillemot	17/12/2015	165,000	17/12/2017	€4.18	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
Yves Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
Christian Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
Gérard Guillemot	17/12/2015	20,625	17/12/2019	€4.43	17/12/2019	Internal performance conditions (goals in terms of marketing new games)

Claude Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
TOTAL		247,500				

Bonus Shares Allotted to the Executive Directors by the Company during Previous Fiscal Years

It should be noted that the final awarding of bonus shares by the Board of Directors to the Executive Directors over the course of previous fiscal years was subject to the acquisition conditions set by the Board of Directors.

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS				
	Plan Number 11		Plan Number 10	
Plan Date	20/09/2011		01/06/2010	
Total number of shares	Allotted	Definitively Allotted	Allotted	Definitively Allotted
	2011	2013	2010	2012
– Mr Michel Guillemot	-	-	-	
– Mr Yves Guillemot	-	-	-	
– Mr Christian Guillemot	14,500	14,500	18,750	15,000
– Mr Gérard Guillemot	14,500	14,500	18,750	15,000
– Mr Claude Guillemot	14,500	14,500	18,750	15,000
TOTAL	43,500	43,500	56,250	45,000
Date of Acquisition	20/09/2013		19/06/2012	
Option Fair Value	€2.40		€2.44	
Date of Availability	20/09/2015		20/06/2014	
Performance Conditions	Internal and external performance conditions		Internal and external performance conditions	

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS					
	Plan Number 13			Plan Number 12	
Plan Date	19/09/2013			06/07/2012	
Total number of shares		Allotted	Definitively Allotted	Allotted	Definitively Allotted
	Option Fair Value	2013	2016	2012	2014
– Mr Michel Guillemot	€4.16	165,000	-	94,000	94,000
– Mr Yves Guillemot	€4.42	20,625	-	12,000	12,000
– Mr Christian Guillemot	€4.42	20,625	-	12,000	12,000
– Mr Gérard Guillemot	€4.16	20,625	-	12,000	12,000
– Mr Claude Guillemot	€4.42	20,625	-	12,000	12,000
TOTAL		247,500	-	142,000	142,000
Date of Acquisition		19/09/2016		06/07/2014	
Option Fair Value				€3.24	
Date of Availability		19/09/2018		06/07/2016	
Performance Conditions		Internal and external performance conditions		Internal and external performance conditions	

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS						
	Plan Number 14					
Plan Date	16/12/2014					
Total number of shares	Option Fair Value	Date of Acquisition	Date of Availability	Allotted	Definitively Allotted	Definitively Allotted
				2014	2016	2018
– Mr Michel Guillemot	€2.07	16/12/2016	16/12/2018	165,000	-	
– Mr Yves Guillemot	€2.15	16/12/2016	16/12/2018	20,625	-	
– Mr Christian Guillemot	€2.15	16/12/2016	16/12/2018	20,625	-	
– Mr Gérard Guillemot	€2.24	16/12/2018	16/12/2018	20,625		-

– Mr Claude Guillemot	€2.15	16/12/2016	16/12/2018	20,625	-	
TOTAL				247,500	-	-
Performance Conditions	Internal performance conditions					

Bonus Shares That Became Available for Each Manager during the Fiscal Year

Bonus Shares That Became Available for Each Manager	Plan Date	Number of shares that became available during the fiscal year	Acquisition Conditions
Christian Guillemot	20/09/2011	14,500	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Yves Guillemot	20/09/2011	14,500	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Claude Guillemot	20/09/2011	14,500	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Total		43,500	

2.4.5.5 Compensation and Benefits Due to Termination of the Duties of the Company's Managers

Executive Directors	Employment Contract		Supplemental Retirement Plan		Indemnities or Benefits Owed or Potentially Owed as a Result of the Termination or Change in Duties		Indemnities under a Non-compete Clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Michel Guillemot		X		X		X		X
Christian Guillemot		X		X		X		X
Yves Guillemot		X		X		X		X
Claude Guillemot		X		X		X		X
G�rard Guillemot		X		X		X		X

No commitment has been made in favour of the members of the Board of Directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties.

2.4.6 Operations Referred to in Article L. 621-18-2 of the French Monetary and Financial Code and 223-26 of the General Regulations of the AMF

Reported by:		Mr Michel Guillemot		
Title:		Director and Chief Executive Officer		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Acquisition	03/02/2015	30,000	€3.36	€100,800.00
Acquisition	04/02/2015	15,000	€3.30	€49,500.00
Acquisition	05/02/2015	34,759	€3.33	€115,747.47
Acquisition	06/02/2015	25,000	€3.43	€85,750.00
Acquisition	09/02/2015	30,241	€3.38	€102,214.58
Acquisition	11/02/2015	10,000	€3.20	€32,000.00
Acquisition	28/05/2015	16,051	€4.48	€71,908.48
Acquisition	29/05/2015	18,949	€4.48	€84,891.52
Acquisition	01/06/2015	15,000	€4.52	€67,800.00
Acquisition	04/06/2015	40,000	€4.3776	€175,104.00
Acquisition	05/06/2015	40,000	€4.3011	€172,044.00
Acquisition	08/06/2015	40,000	€4.2065	€168,260.00
Acquisition	09/06/2015	40,000	€4.0627	€162,508.00
Acquisition	10/06/2015	40,000	€4.1656	€166,624.00
Acquisition	11/06/2015	40,000	€4.2051	€168,204.00
Acquisition	18/06/2015	50,000	€4.0022	€200,110.00
Acquisition	19/06/2015	51,456	€3.98	€204,794.80
Acquisition	22/06/2015	50,000	€4.0606	€203,030.00
Acquisition	23/06/2015	46,849	€4.0908	€191,649.88
Acquisition	24/06/2015	26,087	€4.0957	€106,844.52
Acquisition	25/06/2015	27,064	€4.0859	€110,580.79
Acquisition	26/06/2015	10,000	€3.98	€39,800.00
Acquisition	29/06/2015	40,001	€3.79	€151,603.79
Acquisition	02/07/2015	5,000	€3.70	€18,500.00
Acquisition	03/07/2015	10,000	€3.63	€36,300.00
Acquisition	06/07/2015	596	€3.50	€2,086.00

Reported by:		Mr Yves Guillemot		
Title:		Director and Executive Vice President		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Transfer	15/12/2015	55,000	€5.7432	€315,876.00

Reported by:		Mr Gérard Guillemot		
Title:		Director and Executive Vice President		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Exercise of stock options	04/05/2015	37,500	€2.36	€88,500.00
Transfer	04/05/2015	35,625	€4.8362	€172,289.62

Reported by:		Guillemot Brothers European Company		
Person related to:		Mr Christian Guillemot Title: Director and Chief Executive Officer		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Acquisition	10/11/2015	9,941	€5.1601	€51,296.55
Acquisition	10/11/2015	100,000	€5.2865	€528,650.00
Acquisition	11/11/2015	30,000	€5.2223	€156,669.00
Acquisition	12/11/2015	55,059	€5.2113	€286,928.96
Acquisition	13/11/2015	5,000	€5.192	€25,960.00
Acquisition	13/11/2015	62,747	€5.2949	€332,239.09
Acquisition	16/11/2015	170,000	€5.4229	€921,893.00
Acquisition	16/11/2015	137,253	€5.4263	€744,775.95
Acquisition	17/11/2015	164,000	€5.5062	€903,016.80
Acquisition	18/11/2015	200,000	€5.5843	€1,116,860.00
Acquisition	18/11/2015	166,000	€5.5427	€920,088.20
Acquisition	19/11/2015	230,000	€5.462	€1,256,260.00
Acquisition	20/11/2015	340,000	€5.7381	€1,950,954.00
Acquisition	23/11/2015	90,939	€5.7158	€519,789.13
Acquisition	24/11/2015	123,101	€5.6699	€697,970.35
Acquisition	25/11/2015	230,000	€5.6188	€1,292,324.00
Acquisition	25/11/2015	15,960	€5.677	€90,604.92
Acquisition	26/11/2015	215,000	€5.6432	€1,213,288.00
Acquisition	27/11/2015	13,414	€5.75	€77,130.50
Acquisition	30/11/2015	154,136	€5.7893	€892,339.54
Acquisition	03/12/2015	87,450	€6.0772	€531,451.14
Acquisition	03/12/2015	11,379	€6.0076	€68,360.48
Acquisition	04/12/2015	3,610	€5.9911	€21,627.87
Acquisition	07/12/2015	30,000	€6.2419	€187,257.00
Acquisition	14/12/2015	25,193	€5.6694	€142,829.19
Acquisition	14/12/2015	55,011	€5.8127	€319,762.44
Acquisition	18/12/2015	9,655	€5.9452	€57,400.90

3. FINANCIAL STATEMENTS

3.1 Consolidated Financial Statements at 31 December 2015

3.1.1 Statement of Consolidated Financial Position at 31 December 2015 (€K)

ASSETS	Notes	Net	
		12-Month Fiscal Year 31/12/15	12-Month Fiscal Year 31/12/14
Intangible assets	3.1.5.5.1	8,773	8,460
Tangible assets	3.1.5.5.2	17,933	22,868
Non-current financial assets	3.1.5.5.3	3,307	2,827
Deferred tax assets	3.1.5.5.4	17,387	16,456
Other non-current receivables	3.1.5.5.5	<u>2,333</u>	<u>3,056</u>
Non-current Assets		49,733	53,667
Trade receivables and related accounts	3.1.5.5.6	67,363	63,914
Other current assets	3.1.5.5.7	24,121	27,067
Other current financial assets	3.1.5.5.8	209	191
Cash and cash equivalents	3.1.5.5.10	<u>36,968</u>	<u>56,264</u>
Current assets		128,661	147,436
Total assets		178,394	201,104

LIABILITIES	Notes	12-Month Fiscal Year	
		31/12/15	31/12/14
Capital		4,273	4,281
Premiums		90,575	91,165
Consolidated reserves, and translation gains and losses		43,401	48,742
Consolidated profit/loss		<u>-24,177</u>	<u>-6,355</u>
Shareholders' equity capital (group share)	3.1.4	114,073	137,833
Non-controlling interests			
Total shareholders' equity capital		114,073	137,833
Provisions for contingencies and charges	3.1.5.5.12	1,184	541
Employee benefits	3.1.5.5.13	1,675	1,259
Long-term financial debts	3.1.5.5.15	1,187	1,506
Deferred tax liabilities	3.1.5.5.14	<u>3,148</u>	<u>5,256</u>
Non-current liabilities		7,194	8,562
Financial debts	3.1.5.5.15	325	3,558
Trade payables and related accounts	3.1.5.5.16	35,385	33,591
Other debts and current liabilities	3.1.5.5.17	21,169	17,467
Other current financial liabilities	3.1.5.5.17	<u>249</u>	<u>93</u>
Current liabilities		57,127	54,709

Total Liabilities	178,394	201,104
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3.1.2 Consolidated Statement of Comprehensive Income at 31 December 2015 (€K)

3.1.2.1 Consolidated Income Statement

	Notes	12-Month Fiscal Year 31/12/15	12-Month Fiscal Year 31/12/14 Adjusted	12-Month Fiscal Year 31/12/14 Published
Revenue	3.1.5.5.18	256,175	227,279	227,279
Cost of sales	3.1.5.5.19	-38,626	-40,105	-40,105
Research & Development costs*	3.1.5.5.20	-154,352	-143,112	-119,933
Commercial expenses*	3.1.5.5.21	-44,867	-30,629	-41,602
Overhead costs*	3.1.5.5.22	-18,420	-16,926	-29,132
Net amortisation and provisions	3.1.5.5.23	-867	-398	-398
Other operating income	3.1.5.5.24	942	761	761
Other operating expenses	3.1.5.5.24	<u>-1,183</u>	<u>-1,066</u>	<u>-1,066</u>
Operating income/expenses from ordinary activities		-1,198	-4,195	-4,195
Other operating expenses	3.1.5.5.25	<u>-10,279</u>	<u>-682</u>	<u>-682</u>
Operating income/expense		-11,477	-4,877	-4,877
Cost of net financial debt		1,885	2,415	2,415
Other financial income		23,235	20,685	20,685
Other financial expenses		<u>-29,247</u>	<u>-16,441</u>	<u>-16,441</u>
Net financial income/expense	3.1.5.5.26	-4,126	6,658	6,658
Tax expense	3.1.5.5.27	-8,574	-8,136	-8,136
Net profit/loss for the period		-24,177	-6,355	-6,355
• Share attributable to non-controlling interests		0	0	0
• Share attributable to Gameloft SE shareholders		-24,177	-6,355	-6,355
Basic earnings per share	3.1.5.3.2	-0.28	-0.08	-0.08
Diluted earnings per share		-0.28	-0.07	-0.07

* Following the internal reorganisation that took place in 2015, some consolidated financial data from fiscal year 2015 was compared to adjusted data ("pro forma") from 1 January 2014.

3.1.2.2 Consolidated Statement of Net Profit/Loss and Accrued Gains and Losses of Shareholder Equity Capital

in thousands of euros	31/12/15	31/12/14
Net profit/loss (group share)	-24,177	-6,355
Other parts of the comprehensive income		
<u>Parts that can later be reclassified as net profit:</u>		
• Translation gains/losses, net of tax	-2,620	2,961
• Revaluation of derivative instrument coverage		
• Other, net of tax	-35	-19
<u>Parts not reclassified later as net profit:</u>		
• Actuarial gains and losses related to provisions for retirement benefits, net of tax	71	-473

Other parts of the comprehensive income (recorded under shareholder's equity capital and net of tax)	-2,584	2,469
<ul style="list-style-type: none"> • of which are group share • of which are non-controlling interests 	-2,584	2,469
Comprehensive consolidated income	-26,761	-3,886
<ul style="list-style-type: none"> • Share attributable to non-controlling interests • Share attributable to Gameloft SE shareholders 	-26,761	3,886

3.1.3 Consolidated Cash Flow Statements at 31 December 2015 (€K)

€K		12-Month Fiscal Year	12-Month Fiscal Year
	Notes	31/12/15	31/12/14
Cash flow from operating activities			
Net profit		-24,177	-6,355
Depreciation of tangible and intangible assets		17,861	17,607
Change in provisions		1,110	990
Change in deferred taxes		-3,036	-3,486
Share-Based Payments	3.1.5.5.22	3,273	3,100
Other non-disbursed expenses		13	108
Capital gains and losses	3.1.5.5.24	1,451	122
Cash from operations		-3,506	12,086
Change in trade receivables		-1,465	-2,582
Change in operating liabilities		6,459	-831
Change in operating working capital		4,994	-3,413
Total net cash flow from operating activities		1,488	8,674
Investment-related cash flow			
Purchases of intangible assets		-2,247	-2,341
Acquisition of advances on licences		-5,148	-3,810
Purchases of tangible assets		-7,156	-15,019
Purchases of other financial assets		-838	-1,381
Sales of assets		128	82
Repayment of deposits, guarantees, and other financial assets		456	1,122
Change in reporting entity		-140	
Other cash flows		-35	26
Total net investment-related cash flows		-14,980	-21,320
Cash flow from financing activities			
Share capital increase related to employee exercise of options	3.1.5.5.11	2,284	4,598
Buyback of own shares		-3,544	-1,935
New medium-term and long-term loans		49	1,444
Total net cash flows from financing activities		-1,210	4,107
Impact of translation gains and losses		-1,101	916
Change in net cash		-15,804	-7,623
Net cash and cash equivalents at start of fiscal year		52,706	60,329

Net cash and cash equivalents at end of fiscal year	36,903	52,706
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The net cash and cash equivalents at the end of the fiscal year are detailed below:

	31/12/15	31/12/14
Cash and cash equivalents	36,968	56,264
Bank overdrafts (included in the current financial debts)	-65	-3,558
Net cash	36,903	52,706

3.1.4 Statement of Changes in Consolidated Shareholders' Equity Capital at 31 December 2015 (€K)

	Capital	Premiums	Consolidated Profit/Loss	Consolidated Reserves (excluding reserves related to stock options)	Consolidated Reserves Stock Options	Consolidated Reserves Stock Options	Translation Gains and Losses	Shareholders' Equity Capital (Group Share)	Minority Interests	Total Shareholders' Equity Capital
Position at 31 December 2013	4,201	88,553	7,525	18,568	27,200	-9,796	0	136,253	-	136,253
Consolidated fiscal year profit/loss			-6,355					-6,355		-6,355
Other parts of the comprehensive income				-492		2,961		2,469		2,469
Total Comprehensive Income			-6,355	-492	-	2,961		-3,886	-	-3,886
Share capital increase of the consolidating company	80	2,612						2,692		2,692
Consolidated N-1 income statement			-7,526	7,526						0
Translation Gains and Losses							-326	-326		-326
Benefits to employees on stock and bonus share subscription					3,100			3,100		3,100
Position at 31 December 2014	4,281	91,165	-6,355	25,601	30,301	-6,835	-326	137,833	-	137,833
Consolidated fiscal year profit/loss			-24,177					-24,177		-24,177
Other parts of the comprehensive income				36		-2,620		-2,584		-2,584
Total Comprehensive Income			-24,177	36	-	-2,620		-26,761	-	-26,761
Share capital increase/decrease of the consolidating company	-8	-590						-598		-598
Consolidated N-1 income statement			6,355	-6,355				0		0
Translation Gains and Losses							326	326		326
Benefits to employees on stock and bonus share subscription					3,273			3,273		3,273
Position at 31 December 2015	4,273	90,575	-24,177	19,283	33,573	-9,455	0	114,073	-	114,073

The "translation gains and losses" item includes exchange differentials from conversion of the financial statements of non-Eurozone subsidiaries.

Changes in translation gains and losses for fiscal year 2015 mainly consist of:

Currency	Interest Rate at 31/12/2014	Interest Rate at 31/12/2015	Impact on Equity Capital (€K)
US dollar	1.2141	1.0887	-1,483
Canadian dollar	1.4063	1.5116	1,041
Vietnamese dong	25,794.77	24,436.00	-169
Argentine peso	10.39920	14.0471	875
Ukrainian hryvnia	19.232391	26.0877	136
Chinese yuan	7.5358	7.0608	-864
Pound sterling	0.7789	0.7339	137
Brazilian real	3.2207	4.3117	230
Mexican peso	17.8679	18.9145	526
Japanese yen	145.23	131.07	590

3.1.5 Notes to the Consolidated Financial Statements

The following notes and tables are presented in thousands of euros.

3.1.5.1 Introduction

Gameloft SE is located in France.

Gameloft is listed on the CAC SMALL 90 on the Paris stock exchange (ISIN: FR0000079600, Bloomberg: GFT FP, Reuters: GFT).

The consolidated financial statements of the Gameloft Group, which include Gameloft SE and its subsidiaries, have been approved by the Board of Directors on 21 March 2016.

3.1.5.2 Highlights

- Share capital increases:

Gameloft saw an increase of share capital through the issuance of stock options in the amount of €3,273,000, of which €3,231,000 were issue premiums, and a reduction of share capital through the cancellation of its own shares in the amount of €3,870,000. The share capital reached €4,273,000 at the end of December 2015.

- Change in reporting entity:

During fiscal year 2015, two new companies were created: one in Santiago, Chile (Gameloft Chile SPA) and one in Minsk, Belarus (Gameloft LLC).

Gameloft Uruguay SA, in Uruguay, was liquidated on 10 December 2015. The assets of Gameloft Partnerships SAS and Ludigames were transferred by Gameloft SE on 6 October 2015 and 22 September 2015, respectively.

Gameloft PT Indonesia performed a share capital increase to render it compliant with local provisions.

- Impact of currency fluctuations on revenue:

Certain currencies including the United States dollar, Chinese yuan, British pound sterling, Hong Kong dollar, and Indian rupee appreciated relative to the euro in 2015, as compared to 2014. This impacted the Group's consolidated financial statements, particularly in terms of revenue, with a positive exchange rate differential of €15,984,000.

- Venezuela:

Venezuela's standing fell markedly over the course of 2015. The measures taken by the Venezuelan government in February 2015 notably included the creation of a new official exchange rate, SIMADI. The rate is more in harmony with the economic realities of the country and Gameloft decided to use it as its new exchange rate while preparing its consolidated financial statements, replacing the rate of the Venezuelan bolivar. This rate change had the significant negative impact of producing a financial loss of €2,957,000 in the consolidated financial statements for fiscal year 2015. At 31 December 2015, the official Venezuelan rate compared to the euro was 7.65, and the SIMADI rate compared to the euro was 215.76.

- Activity in Argentina:

The measures taken by the Argentine government regarding the control of exchange operations resulted in the devaluation of its own currency on 24 January 2014 (20% devaluation by the end of January 2014). The economic situation in Argentina continued to degrade over the course of 2014 and 2015. In December 2015, after the country's change of government, the decision was taken to lift the foreign exchange control. In this way, the official exchange rate at 31 December 2015 for converting accounts within the Argentinean subsidiary and the official exchange rate converge towards the same level. The average rate used to convert the Argentinean subsidiary's income statement took into account the official exchange rate under the currency control, up until the date of the devaluation and the lifting of that control, which took place on 16 December 2015 (a 40% devaluation of the Argentine peso as compared to the United States dollar).

In the absence of any reliable information concerning the unofficial exchange rate for 2015, the Group continued to use the official exchange rate for the conversion of its Argentine subsidiary's accounts at 31 December 2015. The impact of the discrepancy between the official conversion rate and the unofficial conversion rate on the Group's main aggregates at 31 December 2015 is presented below:

€K	Impact of the discrepancy between official and unofficial conversion rates		
	-20%	-30%	-40%
Revenue	-2,059	-2,851	-3,529
Net profit	-956	-1,324	-1,639

3.1.5.3 Accounting Principles and Methods

3.1.5.3.1 General Principles – Primary Basis of Accounting

3.1.5.3.1.1 Basis for the Preparation of Financial Statements

The Gameloft Group's consolidated financial statements at 31 December 2015 are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union as of the balance sheet date.

The IFRS as adopted by the European Union may be consulted on the website of the European Commission: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The Group did not apply in advance standards, amendments and interpretations for which application was not mandatory as of 1 January 2015.

The IFRS as adopted by the European Union differ from the IFRS published by the IASB in several respects. Nevertheless, the Group has made sure that the financial information presented would not have been substantially different if it had applied the IFRS as published by the IASB.

The consolidated financial statements are presented in thousands of euros, noted as €K, the parent company's functional currency.

The Group's consolidated financial statements were drawn up on the basis of historical cost, with the exception of derivative instruments and financial assets held for transaction purposes or classified as available for sale, which are measured at their fair value.

Non-current assets are measured at the lower end of their book value or fair value minus selling costs.

3.1.5.3.1.2 Effects of the IFRS Accounting Standards and Interpretations Applicable as of 1 January 2015

Standards, amendments and interpretations adopted by the European Union for which application is mandatory starting on 31 December 2015

- Annual improvements of IFRS international standards for financial information, 2011-2013 cycle
- IFRIC 21 – Levies

The application of these standards and interpretations, particularly IFRIC 21, which relates to the recognition of levies, had no significant impact on the Group's financial statements.

Standards, amendments and interpretations adopted by the European Union for which application is optional for fiscal years starting on 1 January 2015

- Annual improvements of IFRS, 2010-2012 cycle (application is optional for fiscal years starting on 1 February 2015)
- Amendments to IAS 19 – Defined Benefit Plans: Employee Contributions (application is optional for fiscal years starting on 1 February 2015)
- Amendments to IAS 1 – Disclosure Initiative (application is optional for fiscal years starting on 1 January 2016)
- Amendments to IFRS 11 – Accounting for Acquisitions of Interests in Joint Operations (application is optional for fiscal years starting on 1 January 2016)
- Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortization (application is optional for fiscal years starting on 1 January 2016)
- Annual improvements of IFRS, 2012-2014 cycle (application is optional for fiscal years starting on 1 January 2016)

The application of these amendments should have no significant impact on the Group's financial statements.

Standards, amendments and interpretations published by the IASB and not yet adopted by the European Union at 1 January 2015

- The IFRS 9 – Financial Instruments standard and the amendments to IFRS 9, IFRS 7 and IAS 39 – General Hedge Accounting, whose mandatory application is set to begin on 1 January 2018, according to the IASB
- The IFRS 15 – Revenue from Contracts with Customers standard, whose mandatory application is set to begin on 1 January 2018, according to the IASB
- The IFRS 16 – Leases standard, whose mandatory application is set to begin on 1 January 2019, according to the IASB
- Amendments to IAS 12 – Recognition of Deferred Tax Assets for Unrealized Losses (application will be made mandatory starting on 1 January 2017 according to the IASB)

- Amendments to IAS 7 – Disclosure Initiative (application will be made mandatory starting on 1 January 2017 according to the IASB)

3.1.5.3.1.3 Consolidation Principles

The Group's subsidiaries are fully consolidated once the Group exercises control over them. Control is exercised when the Group is exposed to, or has rights to, variable returns, and when it has the ability to exercise its own power in order to influence these returns. To assess control, potential voting rights that are currently exercisable are taken into account, as well as the power to appoint or remove the members of the managing bodies and to have this body hold the majority of voting rights.

Subsidiaries' financial statements are included in the consolidated financial statements from the date on which control begins until the date on which it ends.

Ad hoc entities are consolidated if, on the basis of a substantial analysis of the relationship with the group and the expected risks and benefits, the group concludes that it has control over it.

Companies that are not significant to the group are not consolidated. At 31 December 2015, there was no exclusion from the scope of consolidation.

Earnings of companies that have become part of the consolidated group are consolidated as of each company's acquisition date or creation date. Liquidated companies and companies in the process of liquidation or whose criteria are insignificant are not included in the scope of consolidation.

- Transactions eliminated in the consolidated financial statements

Balance sheet balances, unrealised gains and losses and income and expenses resulting from intra-group transactions are eliminated when the consolidated financial statements are prepared, in accordance with the applicable rules regarding consolidation.

Unrealised gains resulting from transactions with affiliates and jointly controlled entities are eliminated in proportion to the Group's percentage of interest in the entity.

Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that they do not represent an impairment.

All significant transactions between the consolidated companies as well as unrealised inter-company earnings included in fixed assets have been eliminated.

Conversion of foreign-currency operations into euros:

Income and expenses from transactions in foreign currencies are converted at the exchange rate in effect on the transaction date.

Monetary assets and liabilities, excluding derivatives, are converted at the closing rate, and exchange differentials resulting from this conversion are entered on the income statement.

Derivatives are evaluated and recorded in accordance with the methods described in the note on financial instruments.

Conversion of financial statements of foreign subsidiary companies:

The Group's entities generally use their local currency as their functional currency. Transactions in foreign currencies are converted to their functional currency at the exchange rate in effect on the transaction date.

Foreign entities' accounts are converted to euros as follows:

Assets and liabilities (including goodwill, if any, and value adjustments as of the acquisition date) are converted based on the official exchange rates in effect on the balance sheet date.

The income and expenses from these companies, as well as their cash flow, are converted using the average exchange rate for the fiscal year. The gains and losses that result from the conversion are recorded directly as part of the consolidated equity capital, in a separate component.

Shareholders' equity capital is kept at the historical rate. Translation gains and losses are recorded under shareholders' equity capital. Translation gains and losses are entered on the income statement when the subsidiary is sold.

Foreign exchange gains and losses related to loans or borrowings with a foreign subsidiary which, in substance, are an integral part of the net investment in this subsidiary, are recognised directly in shareholders' equity capital until the date of sale of the net investment, at which time they are transferred to profit or loss.

3.1.5.3.1.4 Change in Method and/or Estimate

During the second quarter of 2015, the company decided to modify the amortisation term of its game servers in order to better reflect the duration of their use. Going forward, this estimate change will lead the Group to amortise its assets over a period of four years beginning on 1 July 2015, instead of three years as before.

This change had a positive impact estimated at €1,510,000 on the consolidated income statement for this year.

3.1.5.3.1.5 Estimates and Judgement

Preparation of the consolidated financial statements according to IFRS standards requires that the Group's management use judgement and make estimates and assumptions that have an impact on the application of accounting methods and on the amounts shown in the financial statements. These underlying estimates and assumptions are made and reviewed continuously based on past experience and other factors regarded as reasonable in light of the circumstances. They serve as the basis for the exercise of judgement necessary in determining the book values of assets and liabilities, which cannot be obtained from other sources. Actual values may differ from estimated values. Significant judgements made by management to implement the Group's accounting methods and analyse the main sources of uncertainty relating to estimates are identical to those described in the financial statements for the fiscal year ended 31 December 2015. The accounting methods described below were applied continuously to all the periods presented in the consolidated financial statements and uniformly to the group's entities.

Summary of the main estimates:

Note	Estimate	Type of Information Disclosed
§ 3.1.5.3.2.1	Impairment losses	Principal hypotheses used to determine the recoverable value of assets
§ 3.1.5.3.2.12 & Note 11	Share-based payments	Model, underlying assumptions for determining fair values
§ 3.1.5.3.2.12 & Note 13	Employee benefits	Actuarial assumptions, notably in terms of discount rate, inflation, and changes in salary
§ 3.1.5.3.2.14 & Note 18	Revenue	Assumptions made for services contracts, based on the estimates made by the Group, particularly with regard to long-term contracts
§ 3.1.5.3.2.14 & Note 18	Revenue	Assumptions used to recognise gross/net revenue for distribution activity
§ 3.1.5.3.2.11 & Note 12	Provisions	Underlying assumptions for assessing and estimating risks
§ 3.1.5.3.2.1 and 2 & Notes 1 and 2	Amortisation	Assumptions used for the duration of use of operational assets
§ 3.1.5.3.2.3	Finance leases	Assumption used to determine assets and liabilities resulting from

		finance-lease contracts
Note 27	Corporate income tax	Assumptions used for recognition of deferred tax assets and notably for deferrable losses

3.1.5.3.1.6 Segment Information

In light of the Group's organisational structure and the commercial links among the various subsidiaries, we proceed on the basis that the Group operates in a single market in several geographic regions (EMEA, North America, Latin America and Asia-Pacific).

In accordance with IFRS 8 – Operating Segments, the segment information by geographic region presented in point 3.1.5.6 is the information used by the Group's management, and particularly by its Chief Executive Officer, in order to make decisions in terms of resources and evaluate the company's performance.

3.1.5.3.2 Valuation Rules and Methods Applied by the Group

3.1.5.3.2.1 Intangible Assets

In accordance with IAS 38 "Intangible Assets", only those assets whose cost can be measured reliably and for which it is probable that future economic benefits exist are recognised as assets.

These costs are measured based on the acquisition cost if acquired from a third party, and based on production costs if internally generated.

- Brands

Brands acquired by the Group are valued at the end of each year based on their contribution to commercial activity. This contribution is measured using criteria such as presence among the top-selling brands in the market and revenue likely to be generated in the future.

At year-end, if their valuation is less than their book value, a provision for impairment is recorded.

Expenses related to brands created in-house are recognised as expenses, as are expenses incurred to renew their protection.

- Development costs:

Gameloft draws a distinction between two types of activity in order to recognise its development costs:

- For console games, PC games and TV games:

Development costs for game consoles, whether for PC or TV, are capitalised on the balance sheet when the criteria set out in IAS 38 have been met:

- 1) Technical feasibility needed to complete the intangible asset for its use or sale
- 2) The company's intention to complete the intangible asset and to use or sell it
- 3) The company's ability to use or sell the intangible asset
- 4) The intangible asset's ability to generate future economic benefits
- 5) The fact that the company has the appropriate technical, financial and other resources to complete the development and to use or sell the intangible asset
- 6) The company's ability to reliably measure the costs attributable to the intangible asset during its development

Development costs that do not meet these criteria are recorded as expenses during the fiscal year in which they were incurred.

These costs are measured based on direct salary costs; social security charges according to time spent on projects on one hand and operating costs, such as committed costs directly related to development costs, on the other.

Development costs are first recognised as intangible assets in progress over the course of development. They are then transferred to the "other intangible assets" account when the game is completed.

These costs are amortised over 18 months on a straight-line basis once the product is released on the market. Technical feasibility is determined on a product-by-product basis. At the end of the fiscal year, and for each software product, a value test is performed and the amount not yet amortised is compared to future sales forecasts. If these sales forecasts are insufficient, a provision for impairment is entered accordingly.

The companies do not conduct basic research.

- On mobile phones and tablets:

For mobile phone and tablet games, Gameloft currently records development costs as expenses at the time they are incurred. Each year, the company develops and places thousands of versions of its games on various operators' and manufacturers' sites and on digital distribution platforms in order to cover the 300 different models of feature phones and 15,000 models of smartphones, as well as the 17 languages that the company supports. Given this extreme fragmentation, the uncertainty around the success of games after their launch, and the more general nature of the sales-related information received from distribution partners, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions, both in terms of the technology (the link between revenue and the game versions) and the uncertainty around the success of games on the market. On this basis, the Group does not meet all the capitalisation criteria set out in IAS 38; expenses are recognised as expenses.

- Licences

Licences cover distribution and reproduction rights acquired from third-party publishers. The signing of licence agreements results in the payment of guaranteed amounts. These amounts are recognised in an "advances on licences" account. All commitments (guaranteed amounts stipulated in the contract) are recognised in the accounts. The useful life of licences depends on the duration of these contracts (duration of usage rights).

These advances are reduced based on the amount of royalties due in connection with sales or are amortised on a straight-line basis for flat fees.

At the end of the fiscal year, the remaining net book value is compared to the future sales forecasts to which the terms of the contract are applied. If these sales forecasts are insufficient, an additional provision for impairment is then entered accordingly.

- Office Software

Office software is amortised over 12 months on a straight-line basis.

3.1.5.3.2.2 Tangible Assets

Expenses related to tangible assets are recorded as assets at their acquisition cost when the following criteria are met:

- It is probable that future economic benefits are associated with this asset.
- The acquisition cost can be reliably measured.

Tangible assets are shown on the balance sheet at their purchase price less accumulated amortisation and accumulated impairment losses, if any. Assets are shown on the balance sheet at their acquisition cost less cash

discounts and any investment subsidies granted. Given the types of assets owned, no component separate from the principal assets has been identified. The residual values are considered zero.

The depreciation calculated on the basis of rates consistent throughout the Group is determined according to the following methods and useful life:

Description	Amortisation Term
Fixtures and facilities	5 years (straight-line method)
Transportation equipment	5 years (straight-line method)
Computer equipment	Between 2 and 4 years (straight-line method)
Furniture	10 years (straight-line method)

The residual values and useful lives of the assets are reviewed and, where applicable, adjusted annually or when operating conditions are subject to long-term changes.

3.1.5.3.2.3 Assets Acquired through Direct Financing Leases

Lease contracts that transfer nearly all risks and benefits inherent to ownership of the asset are considered direct financing leases.

Assets financed through direct financing leases are restated in the consolidated financial statements as if the company had acquired them directly and financed them through loans.

The amount recorded on the asset side is equal to the lower end of the fair value of the leased asset or the present value of the minimum lease payments, less amortisation cost and total impairment.

3.1.5.3.2.4 Non-current Financial Assets

Equity holdings and long-term investments are recorded as “non-consolidated companies” since they are not held for the purpose of realising short-term profits. These assets are shown on the balance sheet at their fair value. Changes in fair value are recorded under shareholders' equity capital.

Other securities are valued at their historical cost, exclusive of incidental expenses.

Deposits and guarantees are recorded under “Loans and receivables”.

3.1.5.3.2.5 Deferred Tax and Current Tax

Income tax: Expense or income that includes the current tax expense/income and the deferred tax expense/income. Tax is recognised in profit or loss unless it pertains to items that are recognised directly in shareholders' equity capital, in which case it is recognised in shareholders' equity capital.

Current tax is

- The estimated amount of tax due on taxable profit for a period. It is calculated using the tax rates adopted or substantively adopted as of the balance sheet date.
- Any adjustment to the amount of current tax for previous periods

Taxes were calculated for all companies reporting a profit based on the tax rates in effect in each country.

In France, deductions at source are attributable to taxes the year the deduction is reported when a financial agreement exists between the countries concerned. Starting in fiscal year 2012, the company decided to apply the following priority rule according to these scenarios:

- Existence of a financial agreement between the two countries: The amount paid to foreign financial authorities is equitable to a prepaid tax and is therefore classified as tax expenses.
- No financial agreement between the two countries: The amount paid to foreign financial authorities is

equitable to a tax and must be recognised as operating expenses.

It should be noted that as far as Gameloft is concerned, a financial agreement exists between France and the principal countries in which the Group is present.

Deferred tax is determined and recognised based on the balance sheet approach of the liability method for all temporary differences between the book value of the assets and liabilities and their tax basis. The following items do not result in recognition of deferred tax:

- Initial recognition of goodwill
- Initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting income nor taxable income

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period in which the asset is realised and the liability is settled based on the tax laws that have been adopted or substantively adopted by the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that the Group will have future taxable income on which the temporary differences can be applied. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available.

Deferred taxes are shown on the balance sheet separately from payable tax assets and liabilities and are recorded as non-current items.

Capitalisation of deferred tax by the Group is a function of the particular situation of the entity, or of the group of entities (tax integration) in each country, as well as of the expiration period of tax losses to be carried over and of tax credits. In this way, tax losses and tax credits are not capitalised except to the extent that it is likely that the taxable income the group in question will generate will allow for their allocation within a reasonable time horizon.

According to IAS 12, §74 and §75, an entity shall offset deferred tax assets and deferred tax liabilities if, and only if:

- The entity has a legally enforceable right to set off the recognised amounts; and
- The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.1.5.3.2.6 Other Non-current Receivables

Other non-current receivables include Research and Development tax credits from prior fiscal years. They are recorded when they are definitively accepted from the local bodies and their expiration period is of 20 years. These tax credits are mainly operating subsidies.

3.1.5.3.2.7 Trade Receivables and Related Accounts

Trade receivables and related accounts were measured at their fair value at the time they were recorded. Since receivables are due in less than one year, they are not discounted. Where applicable, a provision for impairment is set up based on the expected collectability of the receivables at year's end.

3.1.5.3.2.8 Financial Instruments

The Group only holds derivative financial instruments in the interest of managing its exposure to foreign exchange risks. Gameloft covers risk of foreign exchange fluctuations through purchase for delivery or forward sale contracts, and through swaps.

Derivatives are initially recorded at fair value; associated transaction fees are recorded when they're incurred. After the initial recognition, the derivatives are evaluated at their fair value and the variations that result are recorded in the manner outlined below.

Cash Flow Hedge

When the Group can document coverage, it applies hedge accounting (the cash flow hedge model) to the operations meeting the criteria listed below.

Hedge accounting applies if:

- The hedging relationship is clearly defined and documented on the date of its implementation
- The efficacy of the hedging relationship is demonstrated from its beginnings, and for as long as it continues

The use of hedge accounting for cash flow carries the following consequences:

- The efficient part of the variation in the fair value of the hedging instrument is recorded in other parts of the comprehensive income, and the item is not registered in the balance sheet
- The inefficient part of the variation in the fair value is recorded in the net financial income/expense

When the hedging instrument no longer meets the criteria of hedge accounting, expires, or is sold, cancelled or put into use, the Group prospectively stops using hedge accounting. The accumulated profit or loss at this date is kept in the "Other Parts of the Comprehensive Income" until the intended transaction is completed. When the hedged item is a non-financial asset, the accumulated profit or loss is removed from the "Other Parts of the Comprehensive Income" and is included within the initial cost. In other cases, the associated profit or loss that has been directly recorded in the "Other Parts of the Comprehensive Income" is reclassified as profit/loss for the period during which the hedged item affects the profit/loss.

Other Derivatives

Derivatives for which the documentation of the hedging relationship does not meet the standards of IAS 39 are not recognised as hedging instruments from an accounting perspective. Changes in the fair value of these instruments are recorded in the income statement, in accordance with the IAS 39 standard. This also applies to certain types of derivatives (options) that do not allow for hedge accounting. The fair value of assets, liabilities and derivatives is determined on the basis of the market price at the closing date.

3.1.5.3.2.9 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits and cash equivalents as defined by IAS 7: short-term investments that are easily cashable or sellable in very little time, convertible to an amount of cash and not subject to a significant risk of changes in value through the income statement. They are entered on the balance sheet at their fair value and changes are recorded in net financial income/expense.

The cash assets and cash equivalents are made up of investments that are immediately available and free of charge. These cash equivalents are term deposits with first-class banks kept in order to cope with short-term liquidity commitments, with the following characteristics:

- The initial capital and interest accumulated during previous quarters are guaranteed.
- The term deposits provide, from the outset, opt-outs that can be exercised every three months, maximum (taking into account the notice period).
- Early opt-outs can be exercised at any time without penalty, other than a diminished compensation for the quarter in progress at the date of withdrawal.

3.1.5.3.2.10 Share Capital

Ordinary shares:

Incidental costs directly attributable to the issue of ordinary shares or stock options are recognised as a deduction from shareholders' equity capital, net of tax effects.

Treasury shares:

Shares of the parent company that are held by the parent company or one of its consolidated subsidiaries are recognised as a reduction of shareholders' equity at their acquisition cost. Changes in fair value during the holding period are not recognised. Gains or losses on disposal of these securities are charged to shareholders' equity capital, net of tax effects.

3.1.5.3.2.11 Provisions for Contingencies and Charges

The judgement of the Group's management is required for the analysis of contingencies and litigation, including estimates of the probability of the various outcomes of litigation that is in progress or is upcoming, which by their very nature, depend on future events that are necessarily uncertain.

In order to determine the possible outcomes of litigation and contingencies, management relies on the evaluations conducted by external consultants that are familiar with each case, as well as with relevant jurisprudence.

A provision is recorded when:

- The company has a present obligation (legal or constructive) resulting from a past event.
- It is probable that an outflow of resources representing economic benefits will be needed to settle the obligation.
- The amount of the obligation can be measured reliably.

If these conditions are not met, no provision is recorded.

3.1.5.3.2.12 Employee Benefits

- Post-employment benefits and retirement indemnities

In accordance with each country's laws and practices, Gameloft participates in retirement, social security and pension plans, the benefits of which depend on various factors, such as seniority, salaries and payments made to mandatory public plans.

These may be defined contribution plans or defined benefit plans:

- For defined contribution plans, the pension supplement is determined by the accumulated capital resulting from the contributions made by the employee and the company to external funds, which are generally public pension plans or specific defined contribution plans. Expenses correspond to the contributions made during the fiscal year. The Group has no subsequent obligation to its employees. For Gameloft, this generally means public pension plans or specific defined contribution plans.
- For defined benefit schemes (or plans), the employee receives from the Group a payment on retirement determined according to parameters such as age, length of employment and salary. Within the Group, this is primarily the practice applied in France and Mexico.

Based on the way each plan works and the data provided by each country, an actuarial calculation called "projected unit credit method" has been used to measure the employer's future obligations according to the provisions of the revised IAS 19 standard.

This method consists of determining, separately for each plan, the amount of future benefits gained by the employee in exchange for services rendered over the course of the current and prior periods, while taking into

account actuarial assumptions, notably the probable turnover of beneficiaries, salary increases, predicted life expectancy and the probable length of employment for employees; this amount is updated in order to determine its present value.

The Group immediately recognises the entirety of actuarial gains and losses for defined benefit plans as other parts of the comprehensive income.

Within the Gameloft Group, defined benefit plans are not funded by any investments in various instruments, equity capital securities or bond investments, with the exception of Korea. The hedge asset put in place is invested in a safe investment policy, with short-term interest-bearing deposits.

The fair value of plan assets is, where necessary, deducted from the amount of the commitment.

The provision for end-of-employment contract indemnities for employees, primarily in Vietnam, includes the accumulated benefits acquired by the employees during their years of service. The indemnities are paid to the employee upon his/her termination and the group has no further debts toward the employee once the indemnity is paid. Rights are updated annually based on the provisions that apply. Within the Group, cash-outs are recognised as expenses if the Group made an offer encouraging voluntary termination of employment and if that offer is accepted in a reliable fashion by the employees.

- Stock options and bonus shares

The benefit granted to employees at the time of issuance of stock options (value of the option as of the date of issuance) and bonus shares constitutes additional compensation recorded as a payroll expense and spread out over the benefit vesting period.

For stock-option and bonus-share plans, the accounting expense represents the valuation of the options as of the grant date of each plan. The fair value of the options therefore depends on the date on which they are allotted to the beneficiary. The recognition of this deferred compensation as loss is spread out over the vesting period.

Stock-option and bonus-share plans are measured based on Gameloft's share price on the day of the Board of Directors meeting that decided on the awarding of those stock options and bonus shares, bearing in mind the period during which the shares will be non-assignable after the acquisition of the awaited rights or dividend. The fair value of these instruments, determined at the grant date, is recognised as an expense in compensation for the equity capital and spread over the period during which the beneficiaries acquire their rights. The evaluation of the expense takes into account the probability of meeting the performance and attendance conditions.

In accordance with IFRS 2, only plans issued after 7 November 2002 and for which vesting had not occurred on 1 January 2005 are measured and recorded as payroll expenses. Prior plans are not measured and not recorded.

The volatility criteria were set by the determination of the historical volatility of the share price over a period commensurate with the term of the option.

The factors taken into account are:

- The risk-free rate, which applies to the yield of a French fungible Treasury bond at three, five or seven years.
- A yield assumption of the share established by the distribution of dividends.

The method used to value stock options and bonus shares is based on the binomial model.

The bonus shares and stock options allotted are subject to internal and external performance conditions being met by managers. For employees, exercising stock options requires that their employment contract still be in force on the exercise date and throughout the duration of the plans, and for the awarding of bonus shares, the employee's employment contract must be in force and uninterrupted by the company throughout the two-year period following the grant date during which the shares will be non-assignable. This obligation is integrated in the valuation of the option by means of a valuation based on the cost of the financial arrangement corresponding to line-of-credit loans intended to cover the share's absence of liquidity during this period, in accordance with the Conseil National de la Comptabilité (CNC) report of December 2004.

Plans in effect as of 31 December 2015:

	2010 Stock Options and Bonus Shares Plan	2011 Stock Options and Bonus Shares Plan	2012 Stock Options and Bonus Shares Plan
Volatility	55% (1)	53.8% (2)	45.8% (3)
Turnover rate linked to termination from the Group	6% per year for France 8% per year for the rest of the world	6% per year for France 8% per year for the rest of the world	6% per year for France 8% per year for the rest of the world
Assumptions regarding distributions of dividends	None	None	None
Risk-free rate	Average between the 3-year constant maturity rate and the 5-year constant maturity rate	Average between the 3-year constant maturity rate and the 5-year constant maturity rate	Average between the 3-year constant maturity rate and the 5-year constant maturity rate
	1.36%	1.52%	1.094%

(1) Volatility was determined by using Gameloft's historical share price from June 2007 to June 2010.

(2) Volatility was determined by using Gameloft's historical share price from September 2008 to September 2011.

(3) Volatility was determined by using Gameloft's historical share price from July 2008 to July 2012.

	2013 Bonus Shares Plan	2014 Bonus Shares Plan			2015 Bonus Shares Plan	
Volatility	29.5% (4)	29.2% (5)			39.7% (6)	33.8% (7)
Turnover rate linked to termination from the Group	6% per year for France 8% per year for the rest of the world	7.54% per year for France 11.16% per year for the rest of the world			7.52% per year for France 11.15% per year for the rest of the world	
Assumptions regarding distributions of dividends	1.9%	None			None	
Risk-free rate	3-year constant maturity rate	2-year constant maturity rate	2-year constant maturity rate	Average between the 3-year and 5-year constant maturity rates	2-year constant maturity rate	Average between the 3-year and 5-year constant maturity rates
	0.61%	0%	0%	0.16%	0%	0%

(4) Volatility was determined by using Gameloft's historical share price from September 2010 to September 2013.

(5) Volatility was determined by using Gameloft's historical share price from December 2011 to December 2014.

(6) Volatility was determined by using Gameloft's historical share price from December 2013 to December 2015.

(7) Volatility was determined by using Gameloft's historical share price from December 2011 to December 2015.

3.1.5.3.2.13 Trade Payables and Related Accounts

Trade payables and related accounts are valued at the amortised cost.

3.1.5.3.2.14 Revenue

Distribution and sale of games

According to IAS 18-7/18-8, a business that is acting as a principal in a transaction recognises the amounts billed to the end client as revenue. In order to determine if a business is acting as a principal or as an agent, the

risks and responsibilities taken by the business to deliver the goods or render the services should be evaluated. In this regard, Gameloft referred to paragraph 21 of the appendix to the IAS 18 standard, in the context of applying IFRS, which provides a list of indicators to determine whether a business is acting as a principal or an agent.

Revenue from mobile game activity is the company's core business, thanks in particular to innovations by long-time telephone manufacturers and the arrival of powerful newcomers. Revenue is determined via information from our distribution network (operators, affiliates, manufacturers, etc.) showing the number of downloads of our games to their various servers and based on the terms of the contract.

Console revenue comes from home console game download services (Xbox LIVE Arcade, 3DS, PS Vita, and PlayStation(R)Network), the latest generation of set-top boxes, and Smart TVs. For this revenue, we use the same accounting method as for mobile game activity.

For every contract signed, Gameloft examines its characteristics in order to determine whether it is appropriate to recognise the net or gross revenue from services rendered by agents:

- Responsibility during the transaction
- Storage risk
- Freedom to determine the price
- Determination of the good's specifications
- Credit Risk

On the basis of these criteria, and in accordance with the IAS 18 standard, all revenue is measured at the fair value of the compensation received or that will be received, net of VAT and other taxes.

Services contract

Revenue corresponding to development and publication services carried out for third-party accounts includes licence fees and other remunerations received, which are considered as gains and recognised as revenue as soon as the service is rendered.

The state of progress is determined according to the contracts by milestones certifying its execution in physical terms, or else via the progress of costs budgeted for the contract.

The IFRS 15 standard, the application date of which is expected to be 1 January 2018, pending its adoption by the European Union, is currently being analysed by the company.

3.1.5.3.2.15 Cost of Sales

Cost of sales includes console game cartridge or disc production costs excluding change in inventory, royalties and costs related to the sale of games based on the various download options.

3.1.5.3.2.16 Operating Income/Expense from Ordinary Activities and Total Operating Income/Expense

Operating income/expense from ordinary activities is defined as all income and expenses not resulting from financial activities, equity-accounted companies, businesses discontinued or being sold, and taxes.

Total operating income/expense includes operating income/expense from ordinary activities and other operating income and expenses.

Other operating income and expenses are few in number and correspond to litigation, and very unusual, abnormal and infrequent events of a significant amount.

Notably included in the above definition are major or unusual capital gains and losses and depreciations of non-current assets, be they tangible or intangible; expenses related to restructuring plans that have been the subject of a formal announcement; and other operating expenses and income including provisions related to highly important litigation.

The group believes that the “Operating income/expense from ordinary activities” subtotal presented separately in the income statement makes recurrent operational performance easier to understand and gives users of the financial statements useful information for analysing this performance.

3.1.5.3.2.17 Cost of Financing and Other Financial Income and Expenses

Net financial income/expense consists of the cost of net financial debt and other financial income and expenses.

The cost of net financial debt includes:

- Cash and cash equivalents income, which includes gains/losses on disposals of short-term investment securities and interest income
- The cost of gross financial debt, which includes all interest expense on financing operations

Other financial income and expenses include gains/losses on disposals of non-consolidated shares, changes in fair value of financial instruments (assets, liabilities and derivatives), foreign exchange gains and losses and other financial income and expenses.

3.1.5.3.2.18 Cash Flow Statement

The cash flow statement is presented according to the indirect method (on the basis of net profit/loss) in accordance with IAS 7.

Cash flows for the fiscal year are broken down into flows generated by operating activities, investment operations and financing activities.

The net impact of changes in reporting entity is presented in a special section on cash flows related to investment operations. Receipts related to different subsidiaries are recognised as changes in the operational working capital requirement in correlation with the type of expense they are intended to finance.

The cash assets shown in the cash flow statement include cash, short-term investment securities, cash equivalents and cash credit.

No parent company dividends were paid at 31 December 2015 with regard to 2014 profit.

3.1.5.3.2.19 Related Parties

The Group’s related parties include companies over which the Group exercises control (i.e. the power to guide an entity’s financial and operational policies in order to obtain benefits from its activities), joint control or significant influence; shareholders who exercise joint control over the Group’s joint ventures; minority shareholders who exercise significant influence over the Group’s subsidiaries; the Group’s company managers, executives and directors; persons having the authority and responsibility for the planning, management and control of the entity’s activities, either directly or indirectly; and companies in which these persons exercise control, joint control or significant influence or hold a significant voting right.

3.1.5.3.2.20 Earnings Per Share

The Group calculates earnings per share using, on the one hand, net profit and, on the other hand, net profit of the consolidated group before taxes and minority interests.

Basic net earnings per share after dilution are calculated based on the weighted average number of outstanding shares, less the weighted average number of dilutive items.

Calculation of earnings per share after dilution takes into account the potential impact of the exercise of dilutive instruments (such as subscription options and share purchase rights, convertible loans, etc.) of the theoretical number of shares. When funds are raised on the date of the exercise of the rights associated to dilutive instruments, the "buyback" method is used to determine the theoretical number of shares to take into account.

- Basic earnings per share:

This is the ratio of net profit to the weighted average number of outstanding shares.

- Diluted earnings per share:

These earnings are calculated by dividing:

– Net profit before dilution plus the after-tax amount of savings in financial costs resulting from the conversion of the dilutive instruments

– By the weighted average number of outstanding ordinary shares, plus the number of shares that would be created as a result of the conversion of the convertible instruments into shares and the exercise of rights

	31/12/15	31/12/14
Net profit/loss, group share (€) – A	-24,177,172	-6,354,703
Number of weighted ordinary shares – B	85,247,762	84,730,832
Basic earnings per share – C = A/B	-0.2836	-0.075
Number of weighted ordinary shares after inclusion of potentially diluting instruments – D	86,796,113	87,636,627
Net profit/loss (€) – E	-24,177,172	-6,354,703
Net earnings per diluted share – F = E/D	-0.2785	-0.073
Operating income/expense from ordinary activities (€)	-1,197,525	-4,194,925
Operating income/expense from ordinary activities per share	-0.014	-0.05
Operating income/expense from ordinary activities per diluted share	-0.0138	-0.048

The number of diluted shares related to stock options is 124,137 shares and the number of diluted shares related to bonus share plans is 1,424,214 shares.

3.1.5.4 Scope of Consolidation

3.1.5.4.1 Companies Included in the Gameloft Group's Consolidated Financial Statements at 31 December 2015

Only significant entities are presented in the table below. The materiality of an entity is assessed in terms of its contribution to the group's Research & Development costs and to sales figures. Other subsidiaries whose contributions are insignificant are not included in this list.

Company	Country	Acquisition/ Creation Date	Activity	Percentage of Interest	Percentage of Control	Consolidation Method
Gameloft SE 429 338 130	France	1999	Distribution/Pro duction	-	Parent company	Full Consolidation
Gameloft Inc.	USA	2000	Distribution/Pro duction	100%	100%	Full Consolidation
Gameloft Inc.	Canada	2000	Distribution/Pr	100%	100%	Full

Divertissements			roduction			Consolidation
Gameloft Ltd.	United Kingdom	2001	Distribution	100%	100%	Full Consolidation
Gameloft Iberica S.A.	Spain	2001	Distribution/Pr oduction	100%	100%	Full Consolidation
Gameloft SRL	Italy	2001	Distribution	100%	100%	Full Consolidation
Gameloft SRL	Romania	2001	Production/Di stribution	100%	100%	Full Consolidation
Gameloft Software Beijing Ltd.	China	2003	Production/Di stribution	100%	100%	Full Consolidation
Gameloft KK	Japan	2004	Distribution	100%	100%	Full Consolidation
Gameloft Ltd. Vietnam	Vietnam	2004	Production	100%	100%	Full Consolidation
Gameloft EOOD Bulgaria	Bulgaria	2004	Production	100%	100%	Full Consolidation
Gameloft S. de R.L. de C.V.	Mexico	2005	Production/Di stribution	100%	100%	Full Consolidation
Gameloft Private Ltd.	India	2005	Distribution	100%	100%	Full Consolidation
Gameloft Co. Ltd.	Korea	2005	Distribution	100%	100%	Full Consolidation
Gameloft Argentina	Argentina	2005	Distribution	95%	100%	Full Consolidation
Gameloft Do Brasil Ltda	Brazil	2007	Distribution	100%	100%	Full Consolidation
Gameloft LLC	Ukraine	2007	Distribution/Pr oduction	100%	100%	Full Consolidation
Gameloft Australia Pty Ltd.	Australia	2007	Distribution/Pr oduction	100%	100%	Full Consolidation
Gameloft Philippines	Philippines	2009	Production/Di stribution	100%	100%	Full Consolidation
PT Gameloft Indonesia	Indonesia	2010	Production/Di stribution	100%	100%	Full Consolidation
Gameloft Toronto	Canada	2011	Production	100%	100%	Full Consolidation
Gameloft New Zealand	New Zealand	2012	Production	100%	100%	Full Consolidation
Gameloft Madrid	Spain	2014	Production	100%	100%	Full Consolidation
Gameloft LLC	Belarus	2015	Production	100%	100%	Full Consolidation

The annual balance sheet date for consolidated companies is 31 December.

3.1.5.4.2 Change in Reporting Entity

The consolidation scope used for 2015 differs from the one used during fiscal year 2014 due to the inclusion within the consolidation scope of two new subsidiaries created during the fiscal year, Gameloft LLC in Belarus and Gameloft Chile SPA in Chile, and the exclusion from the scope of Gameloft Uruguay, which was liquidated on 10 December 2015, as well as Gameloft Partnerships SAS and Ludigames, which were the objects of an asset transfer on 6 October 2015 and 22 September 2015, respectively, by Gameloft SE.

3.1.5.5 Notes to the Balance Sheet and Income Statement

Balance Sheet

1. INTANGIBLE ASSETS

Intangible assets at 31 December 2015 were as follows:

Assets	At 31/12/14 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/15 (Cumulative)
Software	4,147	827	-706	-149		-71	4,048
Marketed games	30,700	749	-13	242			31,678
Advances on licences	34,798	4,957	-8,280			558	32,034
Games in production	79	664		-242			501
Gross Total	69,724	7,197	-8,999	-149		487	68,260
Amortisation	At 31/12/14 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/15 (Cumulative)
Software	3,712	740	-617	-96		-43	3,695
Marketed games	29,040	1,462		66			30,569
Advances on licences	26,436	4,788	-8,280			458	23,402
Subtotal	59,188	6,990	-8,897	-30		415	57,666
Provisions							
Marketed games	340	133		-66			407
Games in production	2	44					46
Advances on licences	1,733	832	-1,212			15	1,368
Subtotal	2,076	1,009	-1,212	-66		15	1,821
Total of depreciations and amortisations	61,264						59,487
Net intangible assets	8,460						8,773

Development costs are defined as the costs required to develop games that have been completed or are already marketed on new platforms such as consoles, Smart TVs and set-top boxes, as well as other platforms.

The increase in development costs for completed or marketed games on new platforms such as Smart TVs and set-top boxes was €749,000 in fiscal year 2015.

Games in production include development costs of games not yet completed as of the balance sheet date. In 2015, the cost of games in production represented €664,000, of which €242,000 were for games marketed during that period. Self-constructed assets are €1,413,000.

In 2015, Gameloft conducted a review of its current projects. Based on these analyses, the company recorded as an expense cancelled development in the amount of €13,000.

Advances on licences pertain to licence agreements signed with various automobile manufacturers and FIFPro (International Federation of Professional Footballers).

During 2015, new games were released following the signing of licensing contracts (primarily with Fox for *Ice Age Avalanche*, Hasbro for *Trivial Pursuit & Friends*, CBS Interactive for *CSI: Slots*), or were to be released (with Disney for *Disney Magic Kingdoms*, etc.). Also during this period, Gameloft reiterated its desire to work with

prestigious partners by renewing licence agreements such as Mattel's UNO, as well as Hasbro's *My Little Pony* and *Littlest Pet Shop*.

These contracts are a continuation of agreements from the preceding years, such as

- *Captain America: The Winter Soldier* (Marvel)
 - *The Amazing Spider-Man* (a licence of Spider-Man Merchandising)
 - *Ice Age Adventures* (Fox)
 - *Iron Man 3* (Marvel)
 - *Fast & Furious 6* (Universal), a film released in May of 2013
 - *Despicable Me 2* (Universal), a film released in June of 2013
 - Playmobil
 - *Men In Black 3* (Sony Pictures), a film released in April of 2012
 - *Ice Age: Continental Drift* (Fox), a film also released in April of 2012
 - DC Comics for *The Dark Knight Rises*
 - Films and games that were released in 2011, namely: *The Adventures of Tintin* (Paramount) in October, *The Avengers* (Marvel), *Unreal* by Epic Games, *Where's Waldo Now?* (Classic Media) and *Spider-Man* (Marvel)
- Gameloft also signed licence agreements related to board games, TV series, and game shows such as UNO and CSI.

The increase in amortisations for marketed games and games in development is €1,528,000. The amortisations correspond to an amortisation plan over 18 months of development costs as of the game's release date. Impairment loss tests were conducted on all marketed games and games in development at the end of the period, consequently resulting in a depreciation of €176,000 and a write-up of €66,000.

The increase in amortisation for advances on licences resulted from the rise of sales, which led to an increase in royalties prorated based on the sales of various licensed products in the amount of €4,788,000 and a decrease of €8,280,000 related to the end of the lifespan of licence agreements with various partners.

In light of the weak sales outlook for certain licences, an additional amortisation in the amount of €832,000 was recorded at 31 December 2015.

In comparison, intangible assets at 31 December 2014 were as follows:

Assets	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Software	3,725	810	-520	36		96	4,147
Marketed games	29,125	1,350		226			30,700
Advances on licences	30,783	6,021	-2,571			566	34,798
Games in production	224	81		-226			79
Gross Total	63,857	8,262	-3,091	36		662	69,724
Amortisation	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Software	3,379	742	-451	8		35	3,712
Marketed games	27,485	1,555					29,040
Advances on licences	23,126	5,468	-2,569			411	26,436
Games in production							
Subtotal	53,990	7,765	-3,020	8	-	446	59,188
Provisions							
Marketed games	319	59	-100	63			340
Games in production	86	48	-69	-63			2
Advances on licences	1,316	802	-399			14	1,733
Subtotal	1,721	909	-568	-	-	14	2,076

Total of depreciations and amortisations	55,711	8,674	-3,588	8	-	460	61,264
Net intangible assets	8,146						8,460

2. TANGIBLE ASSETS

Tangible assets are as follows:

Assets	At 31/12/14 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differenti al	At 31/12/15 (Cumulative)
Plant and machinery	5,189	34	-2,466	2,096		-122	4,731
Transportation equipment							
Computer equipment and furniture	42,945	7,091	-8,568	201	-16	-699	40,954
Leased computer equipment	85	101	-14	106		-13	264
Tangible assets in progress	1,749	41		-1,935		149	4
TOTAL	49,968	7,267	-11,048	468	-16	-685	45,953

Amortisation	At 31/12/14 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Plant and machinery	2,100	1,700	-2,294	474		-88	1,892
Transportation equipment							
Computer equipment and furniture	24,871	9,088	-7,247	-13	-16	-636	26,047
Leased computer equipment	84	16	-14			-5	81
Tangible assets in progress	45			-49		4	-
Total of depreciations and amortisations	27,100	10,804	-9,555	412	-16	-725	28,020
Net tangible assets	22,868						17,933

The increase in tangible assets was due to

- The fixtures in the new sites of various studios, particularly the one in New York
- The purchase of dedicated servers for downloading and hosting games
- The development of different production studios with the replacement of certain equipment
- The purchase of mobile telephones for the purpose of creating games

The decreases in computer equipment are related to sales and disposals related to restructuring and to equipment becoming obsolete.

The decreases in general facilities are mainly due to disposals related to relocations following the various instances of restructuring, notably those within the New York studio.

No borrowing costs are added to the costs of the assets.

In comparison, tangible assets were as follows at 31 December 2014:

Assets	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differenti al	At 31/12/14 (Cumulat ive)
Plant and machinery	4,458	1,641	-1,272	80		283	5,189
Transportation equipment							
Computer equipment and furniture	32,381	11,566	-2,572	4		1,566	42,945
Leased computer equipment	81					4	85
Tangible assets in progress	219	1,796		-402		136	1,749
TOTAL	37,139	15,003	-3,844	-318		1,989	49,968

Amortisation	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differenti al	At 31/12/14 (Cumulat ive)
Plant and machinery	2,705	718	-1,295	-161		132	2,100
Transportation equipment							
Computer equipment and furniture	17,909	8,871	-2,377	-18		485	24,871
Leased computer equipment	79	1				4	84
Tangible assets in progress	-	41				4	45
TOTAL	20,694	9,631	-3,672	-178		625	27,100
Net tangible assets	16,445						22,868

3. NON-CURRENT FINANCIAL ASSETS

Assets	At 31/12/14 (Cumulative)	Increases	Decreases	Reclassifications	Change in Reporting Entity	Exchange Differential	At 31/12/15 (Cumulative)
Deposits and guarantees	2,827	902	-456	-69	-4	107	3,307
TOTAL	2,827	902	-456	-69	-4	107	3,307

The increases in deposits and guarantees primarily relate to Gameloft UK (€299,000), Gameloft France (€141,000), Gameloft Bulgaria (€86,000), Gameloft New York (€79,000), Gameloft Korea (€74,000) and Beijing WSHT (€46,000).

The decreases primarily relate to Gameloft New York (€116,000), Gameloft France (€71,000), Gameloft Chengdu (€61,000), Gameloft Australia (€61,000), Gameloft UK (€38,000) and Gameloft Shenzhen (€37,000).

In comparison, non-current financial assets were as follows at 31 December 2014:

Assets	At 31/12/13 (Cumulative)	Increases	Decreases	Reclassifications	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Deposits and guarantees	2,573	1,376	-1,122	-169		170	2,827
TOTAL	2,573	1,376	-1,122	-169		170	2,827

4. DEFERRED TAX ASSETS

	31/12/15	31/12/14
Capitalised losses	11,322	11,340
Timing differences	6,065	5,116
TOTAL	17,387	16,456

Deferred tax assets are recorded if they are likely to be recovered, in particular if taxable income is expected during the period in which the deferred tax assets are valid. The forecast period used to determine the amount of taxes on capitalised losses is set at a time horizon of five years, which was deemed by the management to be a reasonable length.

At 31 December 2015, capitalised losses reached €11,322,000, of which €10,826,000 came from Gameloft SE.

Timing differences are mainly related to provisions for accrued expenses and deferred depreciation.

The tax on capitalised and non-capitalised losses among the Group's various subsidiaries was as follows:

€K	31/12/15		31/12/14	
	Capitalised Losses	Non-capitalised Losses	Capitalised Losses	Non-capitalised Losses
Gameloft Beijing	260			
Gameloft Hong Kong		316		349
Gameloft Iberica				76
Gameloft Australia				55
Gameloft SE	10,826	10,624	10,828	3,872
Gameloft Singapore		155		171
Gameloft Divertissements Live		24		
Gameloft Finland		35		
Gameloft Toronto	214		512	
Gameloft Ltd. UK		573		510
Gameloft Ltd. Co.		576		534
Gameloft GmbH		641		642
Gameloft Russia	22			
Gameloft Shenzhen		160		90
Gameloft India				180
Gameloft KK		2,829		1,685
Gameloft Xing Fu		89		78
TOTAL	11,322	16,022	11,340	8,243

The expiration periods of the capitalised tax losses are as follows:

- 5 years: €260,000
- 10 years: €22,000
- 20 years: €214,000
- Unlimited: €10,826,000

The expiration due dates of the non-capitalised tax losses are as follows:

- At 5 years: €249,000
- At 9 years: €2,829,000
- At 10 years: €611,000
- At 99 years: €641,000
- Unlimited: €11,692,000

5. OTHER NON-CURRENT RECEIVABLES

	31/12/15	31/12/14
R&D tax credits	2,331	3,054
Other	2	2
TOTAL	2,333	3,056

These research and development tax credits correspond to tax receivables held by the Canadian subsidiaries from 2010 through 2015 chargeable to taxes due for a period of 20 years.

6. TRADE RECEIVABLES AND RELATED ACCOUNTS

	31/12/15	31/12/14
Trade receivables and related accounts	68,760	64,803
Impairment of accounts receivable and related accounts	1,397	-889
Total	67,363	63,914

The average settlement period for Gameloft Group clients was 91 days, which is an improvement of four days compared to the figure for 2014, which was 95 days.

Most trade receivables are due in less than one year and the impact of discounting is not significant and not recorded.

The net trade receivables item is 5.4% higher than it was at 31 December 2014 due to revenue increases.

7. OTHER CURRENT ASSETS

Other assets are as follows:

	31/12/15	31/12/14
VAT	4,045	3,866
Other tax and social security receivables	16,308	19,513
Receivables from suppliers & credits to be received	562	711
Other receivables	514	447
Pre-paid expenses	1,705	2,530
Called-up share capital	988	-
TOTAL	24,121	27,067

Almost all other receivables are payable within a period of less than one year.

Tax receivables in the amount of €16,246,000 are primarily made up of subsidies for the U.S. and Canadian subsidiaries in the amount of €11,556,000 (fiscal years 2014 and 2015).

Social security claims represented €62,000.

8. OTHER CURRENT FINANCIAL ASSETS

	31/12/15	31/12/14
Derivatives from current exchange transactions	209	191
TOTAL	209	191

The other current financial assets are made up of derivatives, for which the market value was positive at the end of the fiscal year. They are recorded at fair value (level 2 in the IFRS 7 hierarchy); see note 3.1.6 §6.

9. STATUS OF EXPIRED/UNEXPIRED RECEIVABLES

STATUS OF RECEIVABLES	Net amount	0 to 3 months	3 to 6 months	6 months to 1 year	More than 1 year
Receivables on current assets					
Trade receivables and related accounts	67,363	63,662	1,777	1,259	665
VAT	4,045	2,944	325	556	220
Other tax and social security receivables	16,308	6,402	2,381	5,856	1,669
Receivables from suppliers & credits to be received	562	301	80	89	92
Other receivables	514	339	28	66	80
Pre-paid expenses	1,705	1,078	166	386	75
Called-up share capital	988	988			
	91,485	75,714	4,758	8,212	2,801

The Group depreciates its receivables in accordance with an analysis of their precedence.

10. CASH AND CASH EQUIVALENTS

The "cash and cash equivalents" item includes bank account balances and allocations for €36,968,000 at 31 December 2015 compared to €56,264,000 at 31 December 2014.

The change in net cash breaks down as follows:

Cash Detail	31/12/15	31/12/14
Cash on hand	33,262	16,939
Cash equivalents	3,706	39,326
Gross cash total	36,968	56,264
Bank overdrafts and short-term credit	-65	-3,558
Net cash total	36,903	52,706
<i>Cash assets whose use is limited (1)</i>	<i>3,984</i>	<i>11,032</i>

(1) Given the current restrictions in Argentina, Venezuela and Belarus regarding the repatriation of cash assets and on international payments, the use of available cash at the level of the subsidiary is limited to local payments only.

At 31 December 2015 there was a net financial surplus of €36,903,000 compared to €52,706,000 at 31 December 2014.

The cash assets and cash equivalents items are related to the following countries:

- France in the amount of €19,435,000
- Argentina in the amount of €3,848,000
- India in the amount of €3,558,000
- Vietnam in the amount of €2,116,000
- The United States in the amount of €1,050,000
- Indonesia for €849,000

- Malaysia for €518,000

11. SHAREHOLDERS' EQUITY CAPITAL

Capital

At 31 December 2015, Gameloft SE's share capital consisted of 85,465,122 shares, each with a par value of 0.05 euros, for a total of 4,273,256.10 euros.

The company benefited from an increase of share capital through the issuance of stock options and bonus shares in the amount of €3,273,000 and a reduction of share capital through the cancellation of its own shares in the amount of €3,870,000. Shareholders' equity capital is positive at €114,073,000 compared to €137,833,000 in 2014.

In fiscal year 2015, the amount collected from share capital increases was €2,284,000.

Each share gives a right to ownership of the corporate assets and liquidating dividend in proportion to the percentage of capital it represents.

A voting right double that granted to other shares, based on the percentage of share capital they represent, is attached to all fully paid-up shares that are proven to be registered in the same shareholder's name for at least two years.

This right is also granted at the time of issue, in case of a share capital increase by capitalisation of reserves, earnings or issue premiums, to registered shares allotted free of charge to a shareholder in exchange for old shares for which this right was enjoyed.

Number of Gameloft SE Shares

	Par Value in €	Number of Shares	Amount in €K
At 31/12/11	0.05	77,105,980	3,855
Exercised options on 03/01/2007	0.05	394,795	20
US options exercised on 03/01/2007	0.05	286,200	14
F options exercised on 03/01/2007	0.05	1,170,794	59
Exercised options on 11/04/2008	0.05	729,165	37
US options exercised on 11/04/2008	0.05	98,200	5
F options exercised on 11/04/2008	0.05	508,255	25
Exercised options on 14/05/2009	0.05	441,885	22
Exercised options on 01/06/2010	0.05	479,750	24
Allotment of bonus shares on 01/06/2010	0.05	603,500	30
At 31/12/12	0.05	81,818,524	4,091
US options exercised on 03/01/2007	0.05	44,600	2
W options exercised on 11/04/2008	0.05	147,550	7
US options exercised on 11/04/2008	0.05	98,800	5
F options exercised on 11/04/2008	0.05	536,145	27
W options exercised on 14/05/2009	0.05	644,078	32
W options exercised on 01/06/2010	0.05	913,000	46
W options exercised on 20/09/2011	0.05	463,000	23
Allotment of bonus shares on 20/09/2011	0.05	480,600	24
Cancellation of own shares	0.05	-1,117,473	-56
At 31/12/13	0.05	84,028,824	4,201
W options exercised on 11/04/2008	0.05	44,500	2

US options exercised on 11/04/2008	0.05	25,300	1
F options exercised on 11/04/2008	0.05	79,800	4
W options exercised on 14/05/2009	0.05	250,550	13
W options exercised on 01/06/2010	0.05	455,000	23
W options exercised on 20/09/2011	0.05	250,000	13
W options exercised on 06/07/2012	0.05	119,000	6
Allotment of bonus shares on 06/07/2012	0.05	672,425	34
Cancellation of own shares	0.05	-300,302	-15
At 31/12/14	0.05	85,625,097	4,281
W options exercised on 14/05/2009	0.05	183,640	9
W options exercised on 20/09/2011	0.05	373,000	19
W options exercised on 06/07/2012	0.05	286,000	14
Cancellation of own shares	0.05	-1,002,615	-50
At 31/12/15	0.05	85,465,122	4,273

Stock Options and Bonus Shares

As a reminder, the conditions under which stock options and bonus shares may be exercised are as follows:

Stock Options	14/05/2009	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Number of shares eligible for subscription:	2,208,500	2,130,900	2,003,800	1,539,800	1,093,990	441,312	190,762	0
Number of shares cancelled:		77,600	204,700	315,200	319,125	327,725	327,725	334,847
Number of people concerned:	189							
of which are managers	2							
Start of exercise period	14/05/2011							
End of exercise period	14/05/2015							
Subscription price	2.36 euros							

Stock Options	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Number of shares eligible for subscription:	2,245,000	2,235,000	2,155,000	1,539,500	1,236,250	0
Number of shares cancelled:		10,000	90,000	242,500	295,750	1,159,000
Number of people concerned:	170					
of which are managers	2					
Start of exercise period	20/09/2013					
End of exercise period	20/09/2015					
Subscription price	3.87 euros					

Stock Options	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Number of shares eligible for subscription:	1,606,000	1,590,900	1,385,400	1,174,400	710,400
Number of shares cancelled:		15,100	220,600	312,600	490,600
Number of people concerned:	147				
of which are managers	0				
Start of exercise period	06/07/2014				
End of exercise period	06/07/2016				
Subscription price	4.88 euros				

Allotment of Bonus Shares	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	20/09/2011					
Maturity – Vesting period	2 years – 20/09/2013					
End of holding period	2 years – 20/09/2015					
Number of instruments allotted	548,900	527,400	494,300	0	0	0
Number of shares cancelled:	-	21,500	54,600	68,300	68,300	68,300
Number of people concerned:	47					
of which are managers	3					

Allotment of Bonus Shares	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	06/07/2012				
Maturity – Vesting period	2 years – 06/07/2014				
End of holding period	2 years – 06/07/2016				
Number of instruments allotted	750,000	745,300	732,500	0	0
Number of shares cancelled:	-	4,700	17,500	77,575	77,575
Number of people concerned:	51				
of which are managers	5				

Allotment of Bonus Shares	19/09/2013	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	19/09/2013			
Maturity – Vesting period	3 years – 19/09/2016			
End of holding period	2 years – 19/09/2018			
Number of instruments allotted	1,600,000	1,594,000	1,421,000	1,285,500
Number of shares cancelled:	-	6,000	179,000	314,500
Number of people concerned:	180			
of which are managers	5			

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	16/12/2014		
Maturity – Vesting period	2 years – 16/12/2016		
End of holding period	2 years – 16/12/2018		
Number of instruments allotted	1,025,375	845,375	1,011,375
Number of shares cancelled:	-	-	14,000
Number of people concerned:	72		
of which are managers	4		

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors'	16/12/2014		
Maturity – Vesting period	4 years – 16/12/2018		
End of holding period	4 years – 16/12/2018		
Number of instruments allotted	657,125	672,125	551,125
Number of shares cancelled:	-	-	106,000
Number of people concerned:	98		
of which are managers	1		

Allotment of Bonus Shares	17/12/2015	Balance at 31/12/15
Date of the Board of Directors' meeting	17/12/2015	
Maturity – Vesting period	2 years – 17/12/2017	
End of holding period	2 years – 17/12/2019	
Number of instruments allotted	1,144,875	1,144,875
Number of shares cancelled:	-	-
Number of people concerned:	90	
of which are managers	4	

Allotment of Bonus Shares	17/12/2015	Balance at 31/12/15
Date of the Board of Directors'	17/12/2015	
Maturity – Vesting period	4 years – 17/12/2019	
End of holding period	4 years – 17/12/2019	
Number of instruments allotted	545,625	545,625
Number of shares cancelled:	-	-
Number of people concerned:	65	
of which are managers	1	

The bonus shares allotted, which are subject to performance conditions being met by managers only, are unavailable for four years following the allotment date. Since the shares allotted are ordinary shares and belong to the same category as the old shares that comprise the company's share capital, the shareholder employee receives the dividends and voting rights attached to all his/her shares at the end of the vesting period. By a decision reached on 30 October 2015, the Board of Directors granted two of the Group's employees, as part of the 16 December 2014 Plan, a reduction in their vesting periods, down to two years instead of four years.

In total, at 31 December 2015, the maximum number of shares that may be created through the exercise of stock options and bonus shares is 710,400 and 4,538,500, respectively.

The cancellations recorded during the year are the result either of terminations of recipients prior to the start of the period in which they could exercise their rights or the expiration of plans under market conditions making it impossible to exercise all the rights.

Since April 2013, Gameloft SE has had a share buyback programme in place and in the first quarter of 2015, cancelled 1,002,615 own shares in the amount of €3,870,000.

12. PROVISIONS FOR CONTINGENCIES AND CHARGES

Provisions for Contingencies and Charges	At 31/12/14	Allocations for the Year	Write-Backs for the Year		Exchange Differential	At 31/12/15
			used	unused		
Tax risks	491	393			29	913
Other risks	50	314	-40		-53	271
Total	541	707	-40		-24	1,184

As part of its current activities, the Group may be subject to legal proceedings and tax or administrative audits, and is subject to regulatory changes in terms of intellectual property rights, competition and fiscal issues.

The judgement of the Group's management is required for the analysis of contingencies and litigation, including estimates of the probability of the various outcomes of litigation that is in progress or is upcoming, which by their very nature, depend on future events that are necessarily uncertain.

In order to determine the possible outcomes of litigation and contingencies, management relies on the evaluations conducted by external consultants that are familiar with each case, as well as with relevant jurisprudence.

Tax Risks:

During fiscal year 2015 and the fiscal years that preceded it, the Group's subsidiaries have been the subject of tax audits, and in some cases, reassessment proposals. The financial consequences of these tax paybacks are recorded as amounts that were notified and approved, or considered as presenting a likely outflow of resources that can be reliably determined.

The Group periodically reviews its assessment of this risk with regard to changes to auditing and disputes, and is of the opinion that no audit in progress will have a significant impact on its financial position or liquidity.

Tax adjustment proceedings are in progress with two of the Group's subsidiaries, in India and Indonesia.

In India, this is related to taxation within the companies and deductions at source. Given the advanced state of these proceedings, a provision in the amount of €822,000, of which €414,000 is for depreciation of tax receivables, was recorded at the end of 2015, corresponding to a better estimate of the Group's risk. At the end of the first quarter of 2016, a notice of reassessment was received for an additional amount related to fiscal years 2012-2013, totalling €440,000. Given the advanced state of these proceedings, Gameloft did not record a provision in its 2015 financial statements.

In Indonesia, the adjustment is primarily related to the VAT on foreign operations. A provision in the amount of €465,000 was recorded, in particular, on the basis of an appreciation of risk, as expressed by the Group's local counsel.

Other Risks:

Other risks were recorded, notably for lawsuits with employees for €271,000.

Following the restructuring that took place in 2015, the company has identified a potential labour-relations risk relating to three employees, including two former managers of a subsidiary. Altogether, their claims total 1.1 million euros at this stage.

A provision in the amount of €136,000 was recognised at the end of fiscal year 2015, in particular, on the basis of an appreciation of risk, as expressed by the Group's local counsel.

In July 2015, the company received a summons from a client for patent infringement, related to a mechanism for the purchasing and billing of "in-app items". Gameloft considers that this patent was developed internally

and without reference to that client's technology. The compensation requested reaches a total of 5 million euros. The Group's management, in conjunction with its counsel, undertook a thorough examination of the risks associated with this procedure and remains confident in the absence of significant risk, though it is not able to address the summons at this point.

In view of the analysis of these legal proceedings, and pursuant to the criteria of the IAS 37 standard, no provision was recorded in the financial statements at 31 December 2015.

There are no other government, court, labour tribunal or arbitration proceedings in progress that could have or have had a significant impact on the financial position or profitability of the company and/or Group over the past 12 months.

13. EMPLOYEE BENEFITS

The assumptions made as of 31 December 2015 are as follows:

	France	Philippines	Indonesia	Mexico	Korea
Rate of growth in salaries	5%	6.5%	6%	5%	4.67%
Basis of calculation	Annual salary	Annual salary	Annual salary	Annual salary	Monthly salary
Specific calculation conditions	-	-	-	-	-
Discount rate	2.05%	5.4%	8.85%	6.5%	2.97%
Retirement initiated by the employee	65 years	60 years	55 years	65 years	55 years

The assumption concerning changes in the workforce is based on the prospective life table established by the INSEE for France, and on a turnover rate resulting from statistical observation.

The amount of the provision recorded for the balance sheet corresponds to the value of the current debt related to the defined benefit plans, reduced by the market value of the assets covering these commitments.

Change in Actuarial Debt	Post-employment Benefits	Retirement Indemnities	Gross Commitments
At 31/12/14	513	1,064	1,577
Cost of services rendered	70	1,028	1,098
Interest charges	16	21	37
Benefits/contributions paid	-10	-930	-940
Actuarial gains/losses	-46	-34	-80
Exchange differentials	4	18	22
Reclassifications	36		36
At 31/12/15	583	1,167	1,750

Change in Hedge Assets	Post-employment Benefits	Retirement Indemnities	Hedge Assets
At 31/12/14	0	318	318
Cost of services rendered			
Interest charges		12	12
Contributions paid by the employer		73	73
Benefits paid by hedge assets		-332	-332
Actuarial gains/losses		-8	-8
Exchange differentials		11	11
At 31/12/15	0	74	74

The provision for post-employment benefits at 31 December 2015 primarily concerns France for €333,000 and Indonesia for €124,000.

Net commitments for retirement benefits primarily concern the following countries:

- Vietnam for €503,000
- Mexico for €495,000
- Hong Kong for €77,000
- Korea for €92,000

In Korea, the Group has recourse to a hedge asset whose fair value is €74,000 at the end of 2015, and for which the expected return in 2016 is €13,000.

14. DEFERRED TAX LIABILITIES

	31/12/15	31/12/14
Subsidies to be received	3,063	5,220
Miscellaneous	85	36
TOTAL	3,148	5,256

The Canadian subsidiaries receive multimedia credits. As these credits are taxable in the year in which they are received but recorded on a fiscal year basis for the year to which they're connected, the company must recognise a deferred tax liability.

15. FINANCIAL DEBTS

The Gameloft Group's financial debts are as follows:

	31/12/15	31/12/14
Non-current financial debts	1,187	1,506
Long-term financial debts	1,187	1,506
Short-term financial debts	260	-
Bank overdrafts	65	3,558
Current financial debts	325	3,558

	Less than 1 Year	1 Year to 5 Years	More than 5 Years
Amounts still due at 31/12/15	325	1,187	-

Gameloft Divertissements received a loan from a public organisation in Canada, with the aim of financing the acquisition of servers.

The short-term financial debts are made up of the loan received in Canada, which will be reimbursed during fiscal year 2016.

Bank overdrafts are used to fund occasional cash flow shortages.

16. TRADE PAYABLES AND RELATED ACCOUNTS

	31/12/15	31/12/14
Trade Payables	28,516	26,823
Trade payables on assets	6,869	6,768
Total	35,385	33,591

Most of the trade payables are due in less than one year. Given this short period, they are not subject to significant interest rate risk.

17. OTHER DEBTS, CURRENT LIABILITIES & OTHER CURRENT FINANCIAL LIABILITIES

Other debts and current liabilities are as follows:

	31/12/15	31/12/14
Customer credit balances and payments received	495	197
Other debts	311	640
Unearned income	1,220	1,285
Social security liabilities	10,904	8,057
Tax liabilities	8,238	7,288
TOTAL	21,169	17,467

Unearned income is primarily related to advances on subsidies received from the American subsidiary.

Social security liabilities primarily concern Gameloft Divertissements Inc. for €1,809,000, Gameloft Srl Romania for €1,519,000, Gameloft SE for €1,487,000, Gameloft Vietnam for €1,323,000, Gameloft Beijing for €802,000, Gameloft Distribution for €738,000 and Gameloft Rich Games for €594,000.

The tax liabilities primarily concern Gameloft Argentina for €1,535,000, Gameloft Inc. for €1,251,000, Gameloft S. de R.L. de C.V. for €1,015,000, Gameloft India for €676,000, Gameloft Divertissement Inc. for €654,000, and Gameloft SE for €476,000.

Other current financial liabilities are as follows:

	31/12/15	31/12/14
Other current financial liabilities	249	93
TOTAL	249	93

Other current financial liabilities are made up of financial instruments (swaps and forward sales), for which the market value at closing resulted in a loss in value. They are recognised at fair value (level 2 in the IFRS 7 hierarchy); see note 3.1.6 §6.

INCOME STATEMENT

Profit/loss from ordinary activities includes all ordinary activities carried out by Gameloft as part of its business, as well as any related activities undertaken by it that are incidental to or in line with its ordinary activities.

18. REVENUE

The breakdown of revenue by geographic region is as follows:

12-Month Fiscal Year	31/12/2015		31/12/2014	
	€K	%	€K	%
EMEA	76,992	30%	74,169	32%
North America	65,005	25%	63,030	28%
APAC	75,633	30%	49,710	19%
LATAM	38,545	15%	40,371	21%
Total	256,175	100%	227,279	100%

North America represented 25% of annual revenue; the EMEA region, 30%; Asia-Pacific, 30%; and Latin America, 15%.

The breakdown of revenue by activity is as follows:

12-Month Fiscal Year	31/12/2015		31/12/2014	
	€K	€K	€K	%
Mobile	253,361	99%	223,742	98%
TV	2,814	1%	3,537	2%
Total Revenue	256,175	100%	227,279	100%

On the whole, the consolidated revenue for fiscal year 2015 reached 256.2 million euros. The Group's operations were shaped by the tremendous success experienced by Gameloft's games on the smartphone and touch tablet markets, which represent 99% of its total revenue.

19. COST OF SALES

The cost of sales includes commission fees incurred during the download of our games, licence costs related to certain games as well as the amortisation of licences and the eventual depreciation of licences. They are as follows:

	31/12/15	31/12/14
Expenses related to cost of sales	10,805	11,881
Costs of royalties	23,413	22,354
Depreciation expenses	4,788	5,468
Net provisions for licences	-380	402
TOTAL	38,626	40,105

"Expenses related to cost of sales" pertain to all costs related to the sale of games that use the various available download options.

"Costs of royalties" pertain to the sale of licensed games.

Provisions for asset impairment represented €832,000 of licence depreciation, determined based on the profitability of games to recoup the guaranteed amounts before the expiry of various contracts. The write-backs of provisions for licences represented €1,212,000 for the year and concern licenses for which the contracts expired during 2015.

20. RESEARCH & DEVELOPMENT COSTS

Research & Development costs are as follows:

	31/12/15	31/12/14 Adjusted	31/12/14 Published
Other external charges	27,758	25,036	18,774
Self-constructed R&D assets	-1,413	-1,538	-1,538
Employee compensation	104,165	96,111	86,586
Operating subsidy	-10,268	-9,236	-8,471
Social security charges	21,444	20,663	18,535
Taxes	733	719	600
Amortisation expense on capital assets	11,823	11,420	5,509
Net provisions for R&D assets	110	-63	-63
TOTAL	154,352	143,112	119 932

The 2015 strategic plan resulted in the global reorganisation of the teams in order to better adapt to the market, and with the goal of cost optimisation. And so from now on Research and Development costs will include game development and player tracking across various services as well as e-commerce and business intelligence activities. For comparison purposes, the 2014 figures have been adjusted accordingly.

At 31 December 2015, R&D included 5,572 employees. On 1 July 2015, during the internal reorganisation, 375 people were reassigned to the R&D department, of which 220 had come from the Sales & Marketing department, and 155 were from Administration. In addition, E-Commerce and Business Intelligence departments were combined with the R&D department. For comparison purposes, the costs are provided for the entire years of 2015 and 2014.

The "employee compensation" and "social security charges" items increased by 8% as compared to 2014 adjusted. The "employee compensation" item also includes payroll expenses related to stock options and bonus issues of shares in the amount of €1,420,000 at 31 December 2015.

The amount of subsidies received in Canada, the United States and New Zealand is calculated based on Gameloft Canada's and Gameloft New Zealand's payroll for R&D department employees.

The "amortisation expense on capital assets" item increased following the reorganisation of the administrative teams, which included the addition and maintenance of servers to allow for the downloading and hosting of our games.

Provisions for asset impairment are determined based on the profitability of console games, Smart TV games, or set-top box games already marketed or still in production. At 31 December 2015, provisions represented €176,000 and write-backs of provisions were €66,000, being a net provision of €110,000 on depreciation of games that have been marketed or are in production, compared to -€63,000 in December 2014.

21. COMMERCIAL EXPENSES

Sales & Marketing costs are as follows:

	31/12/15	31/12/14 Adjusted	31/12/14 Published
Other external charges	25,208	16,515	17,782
Employee compensation	15,662	11,449	19,232
Operating subsidy	-201	-194	-462
Social security charges	2,931	2,265	4,063
Taxes	587	212	327
Amortisation expense on capital assets	679	382	660
TOTAL	44,867	30,629	41,602

Following the reorganisation described above, Sales & Marketing costs going forward will include the sales force, marketing, the acquisition teams (purchasing ad space) and licences team.

At 31 December 2015, the Sales & Marketing department had 286 employees. This decrease is a result of the addition of the E-Commerce (120 people) and Business Intelligence (76 people) teams, and 220 members of the Sales & Marketing teams to the R&D department. For comparison purposes, the adjusted Sales & Marketing department would have had 353 members at 31 December 2014.

The advertising, marketing and conference expenses from 2015 reached €17,771,000, compared to €10,591,000 in 2014. In 2015, these expenses represent 6.94% of revenue, compared with 4.66% in 2014. This increase is related to the Group's strategic policy.

The "employee compensation" and "social security charges" items increased by 35% compared to 2014 adjusted. The "employee compensation" item also includes payroll expenses related to stock options and bonus issues of shares in the amount of €820,000 at 31 December 2015.

Operating subsidies include multimedia credits issued by the Canadian government for certain types of positions, including the Sales & Marketing function.

22. ADMINISTRATIVE COSTS

Administrative costs are as follows:

	31/12/15	31/12/14 Adjusted	31/12/14 Published
Other external charges	6,016	5,380	10,374
Employee compensation	9,580	8,869	10,611
Operating subsidy	-267	-253	-751
Social security charges	2,021	2,070	2,400
Taxes	584	522	527
Amortisation expense on capital assets	486	338	5,971
TOTAL	18,420	16,926	29,132

Administrative costs are made up of expenses related to the company's accounting, legal and human resources teams.

At 31 December 2015, the Administrative segment had 309 employees. At 1 July 2015, 155 people were reassigned from the Administration department to the Research and Development department.

The "employee compensation" and "social security charges" items increased by 6% compared to 2014 adjusted. The "employee compensation" item also includes payroll expenses related to stock options and bonus issues of shares in the amount of €1,032,000 at 31 December 2015.

Operating subsidies include multimedia credits issued by the Canadian government for certain types of positions, including the administrative function. These subsidies are recognised in the income statement as soon as the salary expenditures are entered and the calculation is made with respect to each employee in order to determine the percentage of the subsidy.

The depreciation expenses decreased due to the reassignment of the administrative workforce and the amortisation of the servers that were reclassified under Research and Development costs.

Information regarding pensions and similar benefits and share-based payments:

	31/12/15	31/12/14
Pensions and similar benefits	1,088	360
Share-based payments	3,273	3,100

23. NET AMORTISATION AND PROVISIONS

	31/12/15	31/12/14
Provisions on current assets	757	483
Provisions	1,248	369
Write-backs of provisions on current assets	-237	-264
Write-backs of provisions	-900	-189
TOTAL	867	398

The allocations and write-backs on depreciations of current assets primarily relate to the recognition of provisions for trade receivables in the amount of €757,000 and write-backs for €237,000.

The provisions and write-backs of provisions include the recognition of retirement commitments and end-of-contract indemnities (€1,088,000) and a write-back (€860,000), as well as a provision for risks concerning labour-related lawsuits (€125,000) and a write-back (€40,000), and a provision for taxes (€34,000) following tax audits of Gameloft SE in 2012 and 2013.

24. OTHER OPERATING EXPENSES AND INCOME

Other operating income and expenses are as follows:

	31/12/15	31/12/14
Gain/loss on disposal of assets	-133	-122
Other income	814	679
Other expenses	-922	-862
TOTAL	-241	-305

The "gain/loss on disposal of assets" item includes the sale of computer equipment as well as equipment that was disposed.

"Other income" mainly includes repayment of the local VAT (€339,000).

The "other expenses" are related to bad debts (€286,000) and directors' fees (€175,000).

25. OTHER OPERATING INCOME AND EXPENSES

Other operating expenses are exclusively related to the restructuring costs for Argentina, China, the United States, Mexico, Finland, Korea, the Philippines, Japan, New Zealand, and France for a total of €10,279,000.

In 2014, the other operating expenses primarily consisted of restructuring costs for subsidiaries in the Philippines, Korea and China for a total of €682,000.

26. NET FINANCIAL INCOME/EXPENSE

Net financial income/expense breaks down as follows:

	31/12/15	31/12/14
Cost of net financial debt	1,885	2,415
<i>Interest on financing activities</i>	-113	-110
<i>Other financial expenses</i>	-	-361
<i>Income related to cash and cash equivalents</i>	1,998	2,886
Financial income	23,235	20,685
<i>Foreign exchange gains</i>	23,235	20,316
<i>Other financial income</i>	-	368
Financial expense	29,247	16,441
<i>Foreign exchange losses</i>	29,247	16,441
TOTAL	-4,126	6,658

The company has financial debts in euros and Canadian dollars.

"Income related to cash and cash equivalents" is investment income from the various interest-bearing accounts, of which €532,000 is in Argentinean investments, €78,000 is in Brazilian investments, and €383,000 is

in Vietnamese investments, and €412,000 is in interest-bearing accounts in France.

The “interest on financing activities” item includes the financial expenses (€74,000) related to the short-term loan financed by HSBC in Canada to fund Gameloft Divertissements Inc.’s occasional cash flow shortages.

Gameloft's net financial income/expense is negative compared to 2014 following:

- The strong appreciation of certain foreign currencies (the United States dollar, Chinese yuan, Hong Kong dollar, British pound sterling, etc.) compared to the euro in unrealised foreign-exchange positions on receivables and intra-group debts
- Cash repatriation from Argentina, which took place in June and July 2015 (amounting to €7,365,000) for exchange losses (€2,789,000)
- Exchange losses (€2,957,000) related to currency instability in Venezuela (see 3.1.5.2 “Highlights”).

27. INCOME TAX

Income tax consists of the following:

	31/12/15	31/12/14
Current tax	11,610	11,636
Deferred tax	-3,036	-3,500
Total	8,574	8,136

“Current tax” primarily relates to the following subsidiaries:

- Gameloft Argentina for €1,629,000
- Gameloft Brazil for €848,000
- Gameloft Canada for €1,801,000
- Gameloft SE for €4,612,000
- Gameloft Mexico for €864,000
- Gameloft Vietnam for €327,000

Since 1 January 2009, a tax consolidation agreement between the French companies is in place.

Tax reconciliation:

	31/12/2015	31/12/2014
Pre-tax profit/loss	-15,603	1,782
Notional tax expense calculated at the tax rate of the parent company	-5,201	594
Effect of tax losses		
Losses used during the fiscal year not previously capitalised	-650	-111
Deferred taxation not recorded in the losses for the period	7,862	5,252
Effect of differential between tax rates	-673	-1,120
Differences between corporate income and consolidated income	7,237	3,522
<i>of which are share-based payments</i>	1,029	851
<i>of which are intra-group provisions</i>	287	22
<i>of which are unused deductions at source</i>	4,772	1,521
<i>of which are provisions for tax disputes</i>	470	732
<i>Other differences</i>	221	-49
Actual tax expense	8,574	8,136

The tax difference related to intra-group provisions is the result of write-backs of provisions for non-deductible intra-group debts in the amount of €287,000.

Since the losses for the fiscal year were not the subject of capitalisation in 2015, they are essentially projected by the tax consolidation for the group in France (€6,603,000) and Japan (€1,014,000).

The deductions at source reported by the Group's different subsidiaries are definitively lost once fiscal benefits are not sufficient to absorb them. In 2015, the tax expense related to unused deductions at source totalled €4,772,000.

3.1.5.6 Segment Information

In accordance with IFRS 8 – Operating Segments, the information presented below for the only operating segment is identical to the one presented to the chief operating decision maker (Chief Executive Officer) in order to make decisions regarding the allocation of resources to a segment of the company and to evaluate its performance.

The Gameloft company is organised into three departments: R&D, Sales & Marketing and Administration. Since fiscal year 2006, the tracking of the company's costs has been organised by function; that is to say, in relation to these three departments. These costs per department are detailed at the end of each quarter and allow for the precise tracking of changes in the company's profitability and current strategic priorities. On the other hand, the company is not organised according to market technologies.

- These technologies change so rapidly that organising the company by technological platform would be destabilising and destructive to its value.
- Moreover, each of the three departments works in a cross-disciplinary fashion on all of the technological platforms for which Gameloft markets products. Several R&D, Sales & Marketing and Administration teams are thus regularly called upon to work on cross-disciplinary projects that involve at once feature phones, smartphones and televisions. This renders a distinction of costs by technological platform unreliable, indeed simply impossible in most cases.
- Finally, as mentioned in the past, it is increasingly difficult to draw a distinction between feature phones and smartphones. Therefore, the company has decided to no longer provide separate information about these two activities as of 2014, in order to follow market changes. Today, Gameloft develops for more than 15,000 different smartphone models and 300 different feature phone models. With the arrival of, on one hand, entry-level smartphones by Chinese manufacturers, and on the other, launches of increasingly sophisticated feature phone models, the distinction between feature phones and smartphones is gradually losing its meaning.

However, an analysis by geographic sector can be presented as follows:

€K	Revenue	
	31/12/15	31/12/14
EMEA	76,992	74,169
North America	65,005	63,030
LATAM	38,546	40,371
APAC	75,633	49,710
Total	256,175	227,279

Concerning income from ordinary activities, based on information available to telephone operators and manufacturers, the company is not in a position to distinguish the origin for significant countries.

Moreover, as detailed below, Gameloft now has two clients that generate at least 10% of total revenue:

€K	Revenue			
	31/12/15		31/12/14	
	Amount	%	Amount	%
Apple	85,243	33.28%	71,371	31.4%
Google	44,892	17.52%	41,061	18.07%
Total	130,136	50.8%	112,432	49.47%

For the purpose of presenting information by geographic segment, revenue is determined on the basis of the customers' geographic location. Non-current assets are allocated to the segments based on their geographic location.

Non-current assets include intangible assets, tangible assets, non-current financial assets, other non-current receivables and assets being sold or discontinued businesses. Deferred tax assets are excluded in compliance with the standard.

Non-current assets in the countries of origin and by significant countries are as follows:

€K	Non-current Assets	
	31/12/15	31/12/14
Canada	9,946	14,638
France	9,571	8,278
United States	818	3,490
China	3,548	2,339
Hong Kong	1,595	1,774
Spain	1,204	1,252
Vietnam	828	899
Romania	778	873
Mexico	451	554
Korea	539	544
Indonesia	365	389
Japan	268	360
Other	2,435	1,821
Total	32,346	37,211

3.1.6 Additional Information

1. Off-balance Sheet Commitments

Guarantees given: none

Collateral provided: none

Off-balance sheet commitments:

Off-balance sheet commitments related to operating activities	Characteristics		At 31/12/15
	Description	Commitment End Date	
	Business leases		€33,351
	A commitment from the Government of Ontario in the form of a grant agreement with hiring and spending conditions over 5 years to benefit Gameloft Entertainment Inc. Toronto.		CAD 1,725,000
Commitments related to the implementation of operating agreements	Guarantor on behalf of Gameloft Toronto for a line of credit with HSBC.		
	Guarantor on behalf of Gameloft Divertissements Inc. for a line of credit with HSBC.		CAD 1,000,000
			CAD 2,150,000
Guaranteed commitments, mortgages, etc.			

Cash credits: Gameloft Divertissements Inc. received a line of credit for CAD 2,150,000 from HSBC.

Secured credit facilities amounting to CAD 1,000,000 for Gameloft Entertainment Toronto Inc., from HSBC Bank Canada.

Discounted bills not due: none

Financial leases: none

Off-balance sheet commitments relating to key employees:

At the date of this document, agreements were therefore finalised with the group's employees in order to provide for the payment of indemnities in the case of (i) termination of the employment contract by the company, including due to serious misconduct³⁷, except in the case of termination due to gross misconduct, within a period of 24 months following the occurrence of a change of control within the company, or (ii) termination of the employment contract (for whatever reason) including in case of notification of the termination or request for judicial termination of the employment contract, including due to resignation resulting from a disagreement between the employee and the company's management regarding the group's strategy within a period of 12 months following the occurrence of a change of control. The amount of the retirement benefit is set at twice the total of the gross annual remuneration received over the last 12 months, or if it's more favourable, the last three months preceding the occurrence of the change of control. A "change of control" within the company is defined as (i) the acquisition of control (according to the meaning set out in Article L. 233-3 of the French Commercial Code) of the company by any person other than one approved by the company's Board of Directors and/or (ii) the replacement of more than half of the members of the company's Board of Directors during a period of 12 months by persons not approved by the company's current Board of Directors. At the date of this document, these agreements relate to 14 employees and represent a gross estimated amount (excluding employer costs and payroll taxes) of 7.9 million euros.

³⁷Not excluding serious misconduct allows the company to ensure that affected employees avoid changing their behaviour out of fear that later on their actions could be rebranded as serious misconduct, and thereby result in the loss of their right to the indemnity.

In addition, certain employees under an employment contract with the company's foreign subsidiaries will benefit from a reintegration agreement within the company in the case of the termination, for whatever reason, of their employment contract.

Finally, in order to ensure the continued presence of certain employees within the group, including during a period when the risk of change of control within the company is heightened and unplanned departures by these employees could risk causing prejudice against the Company and the Group, certain foreign subsidiaries decided, after discussions with the affected employees, to agree on an amendment to these employees' existing employment contracts in order to provide for the payment of an indemnity in the case of (i) termination of the employment contract by the employer within a period of 24 months following the occurrence of a change of control within the Company, or (ii) termination of the employment contract due to the employee within a period of six months following the occurrence of a change of control. The net amount of the indemnity is set at one time the amount of annual gross remuneration. A "change of control" within the Company is defined as (i) the loss or acquisition of control (understood as the power to manage the company's affairs, either by holding shares or voting rights, either as a result of the powers conferred by the articles of association or any other similar document) by any person and/or (ii) the replacement of more than half of the members of the Company's Board of Directors, including the Chairman, during a period of 12 months by persons not approved by the Company's current Board of Directors.

These amendments also grant a notice of three months in the case of termination of the employment contract by the employer or the employee.

These amendments were agreed upon, take effect on 26 April 2016, relate to 13 employees of the Company's foreign subsidiaries, and at this date represent a gross estimated amount (excluding employer costs and payroll taxes) of 2.3 million euros.

Other commitments:

The company's management has made no other firm commitments on future investments.

There are no other significant off-balance sheet commitments.

2. Events subsequent to year's end

At the beginning of 2016, the company decided to close its New Zealand subsidiary. Asset impairments were recorded in 2015 (€1,123,000), and the restructuring costs related to the closure of the local subsidiary will be recorded in 2016 (roughly €1,000,000).

The group is the target of a hostile take-over bid launched by the Vivendi Group on 18 February 2016 (see section 2.3.2.2.1 of the reference document).

3. Compensation of the Group's senior executives

The total gross compensation granted to senior executives in 2015, by both the company and its subsidiaries, was €1,929,000, of which €585,000 was for share-based payments in application of the IFRS 2 standard.

During the fiscal year ended 31 December 2015, Gameloft SE decided to compensate its directors with directors' fees.

	2015	2014
Salaries, misc. charges and benefits	€1,344,000	€1,024,000
Share-based payments	€585,000	€509,000
Total pensions and other post-employment benefits		
Severance pay		
Total compensation	€1,929,000	€1,533,000
Stock options and bonus shares issued during the year	247,500	247,500

4. Loans extended to the Group's senior executives

At 31 December 2015, no advance or credit was extended to the Group's senior executives pursuant to Article L. 225-43 of the French Commercial Code.

5. Workforce

The workforce at 31 December 2015 breaks down as follows:

a) Breakdown by geographic region:

	31/12/2015	31/12/2014 Adjusted	31/12/2014 Published	31/12/2013
EMEA	2,399	2,322	2,322	1,972
North America	653	737	737	720
LATAM	335	414	414	468
APAC	2,780	3,244	3,244	3,231
Total	6,167	6,717	6,717	6,391

b) Breakdown by department:

	31/12/2015	31/12/2014 Adjusted	31/12/2014 Published	31/12/2013
Administration	306	305	454	438
Sales & Marketing	281	353	776	739
Research & Development	5,580	6,059	5,487	5,214
Total	6,167	6,717	6,717	6,391

c) Average number of employees

	31/12/2015	31/12/2014 Adjusted	31/12/2014 Published	31/12/2013
Administration	307	371	446	421
Sales & Marketing	319	546	758	693
Research & Development	5,815	5,638	5,351	5,046
Total	6,441	6,555	6,555	6,160

6. Financial Risks and IFRS 7 – Financial instruments

Within the framework of its activity, the Group may more or less be exposed to interest-rate, liquidity and financing, and foreign-exchange risks, as well as counterparty and credit risk. The Group has put in place a risk-management policy, described below, for each of its risks.

Interest Rate Risk

The Group does not rely on credit institutions to finance itself; instead, it uses short- and medium-term financing that charge fixed interest and invests its available cash in investment products that bear interest based on short-term variable rates. In this context, the Group is subject to changes in variable rates and assesses this risk on a regular basis.

Liquidity Risks

As part of its operational activity, the Group did not amass a recurring or significant debt. Operating cash flows have been sufficient since fiscal year 2009 to self-finance operational activity and organic growth. However, the Group may have to increase its debt by using lines of credit to finance developments. The Group's cash assets and portfolio of short-term investment securities available for sale enable it to meet its commitments without any liquidity risk.

The Group has no significant risk on financial debts and its short-term investment securities (available for sale or cash equivalents). The Group's short-term investment security portfolio consists mainly of short-term money market investments with guaranteed rates and capital. Additionally, the Group runs certain liquidity risks associated with commercial activity on an international level, notably risks related to capital and exchange controls, and restrictions imposed on the repatriation of funds.

Foreign Exchange Risk

Given the Group's international presence, it can be subject to fluctuations in exchange rates in the following three cases:

- Concerning its operational activity: Sales and operating expenses of the Group's subsidiaries are primarily issued in the currency of their country. Nonetheless, certain transactions such as distribution contracts and the billing of benefits between companies can be issued in another currency. The operating margin of the subsidiaries in question can then be exposed to fluctuations in exchange rates relative to their functional currency.
- Concerning its financing activity: In applying its risk centralisation policy, the Group manages multicurrency financing and cash and cash equivalents.
- During the process of converting into euros its subsidiaries' accounts that were issued in foreign currency: The operating income/expense from ordinary activities can be carried out in currencies other than the euro. Therefore, the exchange rates of foreign currencies can have an impact on the Group's income statement. These fluctuations also cause variation in the book value of assets and liabilities denominated in currencies found in the consolidated balance sheet.

Change in exchange rates of the Group's principal currencies:

	31/12/15		31/12/14	
	Average Rate	Closing Rate	Average Rate	Closing Rate
US dollar	1.109	1.089	1.329	1.214
Canadian dollar	1.418	1.512	1.467	1.406
Pound sterling	0.726	0.734	0.806	0.779
Japanese yen	134.286	131.07	140.377	145.23
Argentine peso	10.279	14.047	10.783	10.3992
Mexican peso	17.599	18.915	17.662	17.868
Brazilian real	3.692	4.312	3.123	3.221
Korean won	1,255.741	1,280.78	1,399.03	1,324.8
Australian dollar	1.476	1.489	1.472	1.483

Profit/Loss Risk

Impact on sales figures of the variation in exchange rates during the year:

€K	31/12/15	31/12/14
US dollar	+4,195	-3,123
Indonesian rupiah	+1,220	-66
Mexican peso	+708	-343
Chinese yuan	+496	-21
Pound sterling	+157	+90
Hong Kong dollar	+95	+5
Indonesian rupiah	+78	-142
Malaysian ringgit	-68	-27
Ukrainian hryvnia	-102	-75
Argentine peso	-136	-3,700
Russian ruble	-197	0
Brazilian real	-1,142	-764

Balance Sheet Position Risk

The Group owns assets, collects revenue and incurs expenses and commitments directly and through subsidiaries in a large number of foreign currencies; however, accounts are presented in euros. Consequently, when financial statements are prepared, values of assets, liabilities, revenue and expenses are converted from other currencies to euros, according to the exchange rates applicable on that date. Therefore, increases and decreases in the value of the euro in relation to these other currencies will affect the value of these elements in financial statements, even if their value has not changed in their original currency.

The Group only protects its positions regarding operating cash flows in the principle important currencies (US dollar, Canadian dollar). The strategy is to cover a single fiscal year at a time, with the time horizon for coverage not exceeding 12 months.

From an accounting perspective, derivatives for which documentation of the hedging relationship does not meet the requirements of the IAS 39 standard are not deemed to be hedging instruments. Coverage agreements are handled by treasury services in France. No coverage has been taken for the subsidiaries, be they French or foreign.

The Group only works with foreign exchange derivatives measured at fair value in its accounts through its usual financial institutions. These are top-ranked institutions. In addition, given the seasonal nature of activities, positions that are open on the closing date are limited. As a result, the debit value adjustment is not deemed to be significant.

At closing, foreign exchange derivatives' fair value breaks down as follows:

	31 December 2015					31 December 2014			
€K	USD	CAD	AUD	GBP	CNY	USD	CAD	GBP	CNY
Swap									
Net foreign currency options									
Foreign exchange derivatives deemed to be coverage									
Swap	161					87			
Net foreign currency options		-204	2	-	-		2	12	-3

Foreign exchange derivatives not deemed to be coverage	161	-204	2	-	-	87	2	12	-3
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Exposure of operating assets and liabilities in the main currencies:

31/12/15 Currency	Assets (1) (€K)	Liabilities (2) (€K)	Net Exposure before Hedging (€K)	Foreign- Currency Hedging Instruments (3)	Net Exposure after Hedging (€K)
Euro	44,063	34,629	9,433		9,433
USD	9,874	4,871	5,003		5,003
CAD	9,966	4,853	5,113		5,113
Argentine peso	5,367	1,655	3,712		3,712
MYR	1,077	16	1,060		1,060
Mexican peso	3,608	1,773	1,835		1,835
Indian rupee	7,462	786	6,675		6,675
Hong Kong dollar	1,163	127	1,036		1,036
CNY	2,257	1,144	1,113		1,113
Brazilian real	1,278	423	854		854
GBP	911	203	708		708
Other currencies	4,458	6,072	-1,610		-1,610
Total	91,484	56,552	34,932		34,932

- (1) Operating assets include accounts receivable net of provisions as well as other receivables
(2) Operating liabilities includes supplier debt, tax and social security liabilities, and other debts
(3) The instruments contractualised by the Group and described above have not been qualified, from an accounting perspective, as foreign currency hedging at the end of December 2015.

The breakdown of financial debts by currency is as follows:

	31/12/15	31/12/14
Euros	63	256
Argentine peso	2	1
Canadian dollar	0	3,265
Australian dollar	0	37
Financial debts	65	3,558

Foreign exchange risk-sensitivity of the company's investments:

No significant investments in currencies at the end of 2015.

Counterparty and Credit Risk

Credit risk represents the Group's risk of financial loss in the event that a client or a counterparty to a financial asset fails to make its payment.

Given the large number of clients spread across many countries and the profile of its main distribution clients (Apple, Google, Amazon), the company considers the counterparty risk related to clients to be limited.

At 31 December 2015, the amount of past due trade receivables not yet amortised was not significant.

31/12/2015					Amount of Assets by Maturity Not Amortised				
€K	Note	Book Value	Provision	Net Profit/Loss	Amount of Assets Not Yet Due	0-3 Months	3-6 Months	6 Months – 1 Year	More than 1 Year
Non-current and current operating financial assets									
Trade receivables	6	68,760	1,398	67,363		63,662	1,777	1,259	665
Other current trade receivables	7	24,318	197	24,121		12,052	2,980	6,953	2,137
Other financial assets in loans and receivables									
LOANS AND RECEIVABLES									
Other non-current financial assets									
Other current financial assets									
		93,078	1,595	91,484		75,714	4,757	8,212	2,802

With regard to investments, the financial crisis of the last few years has significantly altered the banking landscape and calls for more restraint and dynamic risk management in the Group's investment policy. The vast majority of the Group's cash flow goes through HSBC, known on the market for its financial solidity. All cash assets must remain readily available by limiting risk-taking on capital as much as possible. They tend to be invested in products that have a high degree of safety and very low volatility.

At 31 December 2015, financial investments consisted of interest-bearing accounts.

Risk Related to the Company's Shares

Given its share repurchase policy and the authority given by the General Meeting, the company can end up buying its own shares. Fluctuations in share prices purchased this way have no impact on the Group's earnings.

At 31 December 2015, the company no longer holds any own shares. Own shares are presented as a deduction from shareholders' equity capital amounting to their cost.

Presentation Financial Assets and Liabilities by Class and Accounting Category

The following table shows the net book value by category and the fair value of the Group's financial instruments (according to the definitions provided by IAS 32) at 31 December 2015 and 31 December 2014:

ASSETS		Fair Value Category	December 2015		December 2014	
Net Book Value in €K	IAS 39 Category		Book Value	Fair Value	Book Value	Fair Value
Non-current financial assets (excluding securities)	Loans and receivables at amortised cost	Level 2	3,307		2,827	
Non-current financial assets (securities)	Assets available for sale at fair value through equity capital					
Other non-current receivables	Loans and receivables at amortised cost	Level 2	2,333		3,056	
Trade receivables and related accounts	Loans and receivables at amortised cost	Level 2	67,363		63,914	
Other receivables and accruals	Loans and receivables at amortised cost	Level 2	24,121		27,067	
Other current financial assets	Financial assets at fair value through profit or loss	Level 2	209	209	191	191
Cash and cash equivalents	Financial assets at fair value through profit or loss	Level 1	36,968	36,968	56,264	56,264

LIABILITIES		Fair Value Category	December 2015		December 2014	
Net Book Value in €K	IAS 39 Category		Book Value	Fair Value	Book Value	Fair Value
Non-current financial debts	Financial liabilities at amortised cost		1,187		1,506	
Financial debts	Financial liabilities – Fair value through profit or loss	Level 1	65	65	3,558	3,558
	Financial liabilities at amortised cost		260			
Trade payables	Financial liabilities at amortised cost		35,385		33,591	
Other debts and current liabilities	Financial liabilities at amortised cost		21,131		17,467	
Other current financial liabilities	Financial liabilities – Fair value through profit or loss	Level 2	249	249	93	93

In accordance with the amendment to IFRS 7 – “Financial Instruments: Disclosures”, the following table shows the distribution among the three hierarchy levels for the financial assets and liabilities measured at fair value:

- Level 1: For financial assets listed on an active market, fair value corresponds to the listed price
- Level 2: For financial assets not listed on an active market and for which observable market data exists that the Group can use to measure their fair value
- Level 3: For financial assets not listed on an active market and for which no observable market data exists to measure their fair value

As a reminder, the other financial instruments valued at amortised cost are not included in the following table:

Item	31/12/2015			
	Level 1	Level 2	Level 3	Total
Non-current financial assets (securities)				
Other current financial assets		209		209
Cash and cash equivalents	36,968			36,968
Total assets at fair value	36,968	209		37,177
Other current financial liabilities		249		287
Financial debts	65			65
Total liabilities at fair value	65	249		352

Item	31/12/2014			
	Level 1	Level 2	Level 3	Total
Non-current financial assets (securities)				0
Other current financial assets		191		191
Cash and cash equivalents	56,264			56,264
Total assets at fair value	56,264	191		56,455
Other current financial liabilities		93		93
Financial debts	3,558			3,558
Total liabilities at fair value	3,558	93		3,651

7. Information regarding related parties

In accordance with IAS 24, transactions carried out with companies owned and controlled by common senior executives and transactions carried out with subsidiaries not included in the Group's consolidated financial statements are considered transactions with related parties.

In application of the IAS 24.16 standard, presented below are the details of the total compensation and benefits of any kind issued to company managers during the fiscal year.

I. Compensation and Benefits of Any Kind Earned by Executive Directors

The compensation of the executive directors consists of fixed compensation. The executive directors do not receive variable compensation. They may be granted stock options and bonus shares. The total is determined by the Board of Directors on the recommendation of the Compensation Committee. As of 2009, stock options and performance shares granted to the executive directors are subject to performance conditions.

The total gross compensation issued during the fiscal year by the company, controlled companies as defined by IAS 24.16, and by the controlling company where they exercise their mandate, was €1,929,000, of which €839,000 was issued by Gameloft SE.

Amounts in Euros		Michel Guillemot	Claude Guillemot	G�rard Guillemot	Yves Guillemot	Christian Guillemot	Total Compensation for 2015
Gameloft SE	Gross Fixed Compensation	60,000	31,248		31,248	31,248	153,744
	Directors' Fees	25,000	25,000		25,000	25,000	100,000
	Share-Based Payments	391,014	51,474	39,578	51,474	51,474	585,014
Gameloft Inc.	Gross Fixed Compensation			43,711			43,711

	Directors' Fees			24,826			24,826
Gameloft Ltd.	Gross Fixed Compensation	243,910					243,910
Gameloft HK	Gross Fixed Compensation	287,644					287,644
Gameloft Dubai	Gross Fixed Compensation	404,012					404,012
Gameloft PTE	Gross Fixed Compensation	86,026					86,026
Total		1,497,606	107,722	108,115	107,722	107,722	1,928,887

For 2015, the total gross compensation issued to the executive directors, and for which a provision was set up, reached 1,928,887 euros.

II. Bonus issues of shares

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS BY THE COMPANY DURING THE FISCAL YEAR						
Name of Executive Director	Plan Date	Number of Shares	Date of Acquisition	Option Fair Value	Date of Availability	Performance conditions
Michel Guillemot	17/12/2015	165,000	17/12/2017	€4.18	17/12/2019	Internal performance conditions
Yves Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions
Christian Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions
G�rard Guillemot	17/12/2015	20,625	17/12/2019	€4.43	17/12/2019	Internal performance conditions
Claude Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions
TOTAL		247,500				

III. Compensation and Benefits Due to Termination of the Duties of the Company's Managers

Executive Directors	Employment Contract		Supplemental Retirement Plan		Indemnities or Benefits Owed or Potentially Owed as a Result of the Termination or Change in Duties		Indemnities under a Non-compete Clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Michel Guillemot		X		X		X		X
Christian Guillemot		X		X		X		X
Yves Guillemot		X		X		X		X
Claude Guillemot		X		X		X		X
G�rard Guillemot		X		X		X		X

No commitment has been made in favour of the members of the Board of Directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties.

IV. Transactions carried out with companies owned by common senior executives:

a) With Ubisoft Group:

Operating expenses:

Re-invoicing of services provided on behalf of Gameloft SE by Ubisoft Nordics for €87,000, by Ubisoft Sweden for €48,000, by Ubisoft BV for €2,000, and Ubisoft EMEA for Gameloft SE for €1,000.

Re-invoicing of services provided by Ubisoft Divertissements on behalf of Gameloft Divertissements Inc. for €5,000.

Royalties under a licence agreement with Ubisoft Entertainment by which Gameloft SE is authorised to use their brand reached €359,000 for 2015, compared to €574,000 for 2014.

Operating income:

Re-billing of services provided by Gameloft SE on behalf of Ubisoft Entertainment for €46,000 in 2015 compared to €106,000 in 2014.

b) With AMA:

Transactions relate to re-invoicing of royalties for the marketing of games produced by AMA in the amount of €2,508,000 in 2015, compared to €685,000 in 2014.

	31/12/15	31/12/14
Assets (in €K)		
Equity capital holdings		
Trade receivables and related accounts	6	-
Debts (in €K)		
Trade payables and related accounts	1,128	672
Customer credit balances		
Operating profit/loss (in €K)	-2,966	-1,332
Operating income	46	106
Operating expenses	-3,012	-1,438

8. Market risk

Interest rate risk: Since Gameloft SE's debts are at a fixed rate, except for occasional cash flow needs, its income is not impacted by rate variations.

Foreign exchange risk: Gameloft has not implemented a foreign currency hedging system.

3.1.7 Auditors' Report on the Consolidated Financial Statements

Dear Shareholders,

In performing the duties entrusted to us by your General Meeting, we present to you our report for the fiscal year ended 31 December 2015 regarding:

- The audit of the consolidated financial statements of Gameloft SE, as attached to this report
- The basis for our assessments
- The specific verification required by law

The consolidated financial statements were approved by the Board of Directors. It is our task, on the basis of our audit, to express an opinion on these financial statements.

I – Opinion regarding the consolidated financial statements

We have conducted our audit in accordance with the standards of professional practice applicable in France. These standards require the use of due diligence to provide reasonable assurance that the consolidated financial statements do not contain any significant misstatements. An audit consists of verifying, through audit testing or other selection methods, the elements justifying the amounts and information contained in the consolidated financial statements. It also entails assessing the accounting principles applied, the significant estimates used and the overall presentation of the financial statements. We deem that the information we have collected is sufficient and appropriate to form our opinion.

We certify that the consolidated financial statements are, from the standpoint of IFRS standards as adopted in the European Union, true and in good order and fairly present the assets, financial situation and profits of the group comprised of the persons and entities included in the consolidation scope.

Without calling into question the opinion expressed above, we draw your attention to paragraph 4 of note 3.1.5.2 "Highlights", which details the economic situation in Argentina, notably the impact of the difference between the use of the official and unofficial exchange rates on the principle aggregates of Gameloft's Argentina subsidiary in the Group's consolidated accounts.

II – Basis for the assessments

Pursuant to Article L. 823-9 of the French Commercial Code in regard to the basis for our assessments, we wish to bring the following points to your attention:

- As indicated in note 3.1.5.3.2.1 and paragraph 1 of note 3.1.5.5 of the consolidated accounts, the intangible assets include development costs of games that have been marketed or are in production, and of licences. Impairment tests are conducted on these intangible assets at each balance sheet date. We have assessed the capitalisation of development costs and licences, verified the implementation

methods of the impairment tests, and assessed the reasonableness of the forecasts and assumptions in use. We also verified that the financial statements provided appropriate information.

- As specified in paragraph 4, "Deferred tax assets", of note 3.1.5.5 of the consolidated accounts, your company records deferred tax assets as losses carried forward if taxable income is expected during the period in which the deferred tax assets are valid. We have assessed the reasonableness of estimates used and verified that the financial statements provided appropriate information.
- As detailed in paragraph 12, "Provisions for Contingencies and Charges", of note 3.1.5.5, provisions were taken to cover risks and claims, and are recorded in accordance with the Group's regulations and accounting methods. Based on the elements available to date, we examined the conditions used to determine provisions for litigation and claims and have verified that the financial statements provide appropriate information.

Our assessments were made within the context of our audit of the consolidated financial statements as a whole, and have thus contributed to our opinion expressed in the first part of this report.

III – Specific verification

In accordance with the standards of professional practice applicable in France, we have also conducted the specific verification required by law of the information provided regarding the Group, which is provided in the Group's management report.

We have no comments regarding the truthfulness and consistency of the information with the consolidated financial statements.

Paris La Défense and Rennes, 28 April 2016

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulois

3.2 Financial Statements at 31 December 2015

3.2.1 Balance Sheet at 31 December 2015 (€K) (12-Month Fiscal Year)

ASSETS	Notes	31/12/15	31/12/15	31/12/15	31/12/14
		Gross €K	Amort./Dep. €K	12-Month Fiscal Year Net €K	12-Month Fiscal Year Net €K
Intangible assets	3.2.3.5.1	61,550	53,235	8,315	6,859
Tangible assets	3.2.3.5.2	3,453	2,546	907	1,140
Financial assets	3.2.3.5.3	13,467	4,079	9,388	10,832
Long-term assets		78,470	59,860	18,610	18,831
Trade receivables and related accounts	3.2.3.5.4	100,188	4,034	96,154	132,620
Other receivables	3.2.3.5.5	39,152	6,586	32,566	69,878
Cash on hand	3.2.3.5.9	19,490		19,490	16,808
Current assets		158,830	10,620	148,210	219,306
Accruals	3.2.3.5.10	4,013	-	4,013	7,027
Total assets		241,313	70,480	170,833	245,163

LIABILITIES	Notes	31/12/15	31/12/14
		12-Month Fiscal Year €K	12-Month Fiscal Year €K
Share capital		4,273	4,281
Issue and merger premiums		90,575	91,165
Reserves		4,395	4,395
Accumulated losses		-23,164	-23,164
Fiscal year profit/loss		-22,079	-23,164
Shareholders' equity capital	3.2.3.5.11	54,000	76,677
Provisions for contingencies and charges	3.2.3.5.14	4,149	6,465
Misc. financial debts (1)	3.2.3.5.15	55	871
Trade payables and related accounts	3.2.3.5.16	87,385	136,340
Tax and social security liabilities	3.2.3.5.17	1,963	1,201
Debts on assets	3.2.3.5.18	8,153	5,467
Other debts	3.2.3.5.19	11,989	14,221
Total debts		109,545	158,100
Accruals	3.2.3.5.20	3,139	3,921
Total Liabilities		170,833	245,163
(1) Debts of Group's current accounts		-	628

3.2.2 Income Statement at 31 December 2015 (€K)

	Notes	12-Month Fiscal Year Ended 31/12/15	12-Month Fiscal Year Ended 31/12/14
Output sold during the fiscal year	3.2.3.5.21	209,080	183,552
Self-constructed assets during the fiscal year	3.2.3.5.21	1,413	1,538
Other operating income and transfers of expenses	3.2.3.5.22	<u>3,825</u>	<u>1,803</u>
Total operating income		214,318	186,893
Purchases and other supplies	3.2.3.5.23	174,861	151,457
Other operating purchases and external charges	3.2.3.5.24	46,305	44,496
Taxes		717	448
Personnel expenses	3.2.3.5.25	4,430	5,128
Other expenses		4,288	2,019
Depreciation and provisions	3.2.3.5.26	<u>8,925</u>	<u>9,314</u>
Total operating expense		239,526	212,862
Operating Profit/Loss		-25,208	-25,969
Income from other securities and receivables from long-term assets (1)		9,699	4,061
Other interest and similar income (1)		1,471	1,019
Write-backs of provisions (1)		6,910	7,919
Foreign exchange gains		<u>10,607</u>	<u>4,943</u>
Total financial income		28,687	17,942
Provisions (2)		9,688	8,754
Other interest and similar expenses (2)		43	362
Foreign exchange losses		<u>19,888</u>	<u>5,643</u>
Total financial expense		29,619	14,759
Net financial income/expense	3.2.3.5.27	-932	3,183
Profit/loss from ordinary activities		-26,140	-22,786
Extraordinary profit/loss	3.2.3.5.28	4,954	-11
Pre-tax profit/loss		-21,186	-22,797
Income tax	3.2.3.5.29	-892	-367
Net fiscal year profit/loss		-22,079	-23,164
(1) Income concerning affiliates:		10,980	4,768
(2) Expenses concerning affiliates:		5,941	2,532

3.2.3 Notes to Individual Financial Statements

The following notes and tables, presented in thousands of euros, are an integral part of the year-end financial statements for the year ended 31 December 2015 and constitute the appendix to the balance sheet before distribution of earnings, the total of which is €170.8 million, showing a loss of €22.1 million. The fiscal year is 12 months long and covers the period from 1 January 2015 to 31 December 2015.

3.2.3.1 Highlights of the Fiscal Year

- Creation and capital increase of the subsidiaries:

During fiscal year 2015, two new companies were created: one in Santiago, Chile (Gameloft Chile SPA) and one in Minsk, Belarus (Gameloft LLC).

Gameloft Uruguay SA, in Uruguay, was liquidated on 10 December 2015. The assets of Gameloft Partnerships SAS and Ludigames were transferred by Gameloft SE on 6 October 2015 and 22 September 2015, respectively.

Gameloft PT Indonesia performed a share capital increase in order to comply with local standards.

- Increase and decrease of share capital:

Gameloft saw an increase of share capital through the issuance of stock options in the amount of €3,273,000, of which €3,231,000 were issue premiums, and a reduction of share capital through the cancellation of its own shares in the amount of €3,870,000. The share capital reached 4,273,000 euros at the end of December 2015.

3.2.3.2 Comparability of Accounts and Change in Estimate

No reclassification was made on the individual financial statements of 31 December 2015.

3.2.3.3 Accounting Principles

General accounting rules were applied while respecting the conservatism principle in accordance with the basic rules below:

- Continuity of operation
- Consistency of accounting methods from one fiscal year to the next
- Faithful representation, consistency, and truthfulness
- Time period concept

and in accordance with the general rules regarding the preparation and presentation of year-end financial statements.

The basic method used to determine the value of booked items is the historical cost method.

The accounting methods used conform to industry practices, and no future change in method is planned at this time.

Gameloft SE's year-end financial statements were established in accordance with the General Chart of Accounts and in compliance with the legal and regulatory texts in force in France; Regulation 2000-06 regarding liabilities, adopted by the French Accounting Regulations Committee (CRC); Regulation R 2002-10 regarding assets, applicable since 1 January 2003; and Regulation CRC 2004-06 regarding the definition, recognition and valuation of assets.

Gameloft SE applies the benchmark treatment of recognising as assets the development costs of its games on new platforms such as Apple's Mac, Smart TVs and the new generation of set-top boxes.

Gameloft SE is the parent company of the consolidated group.

3.2.3.4 Accounting Rules and Methods

3.2.3.4.1 Intangible Assets

- Brands

Brands acquired by the company are valued at the end of each year based on their contribution to commercial activity. This contribution is measured using criteria such as presence among the top-selling brands in the market and revenue likely to be generated in the future.

At year's end, if their valuation is less than their book value, a provision for impairment is recorded.

Expenses related to brands created in-house are recognised as expenses, as are expenses incurred to renew their protection.

These costs are measured based on the acquisition cost if acquired from a third party, and based on production costs if internally generated.

- Development costs:

Gameloft draws a distinction between two types of activity in order to recognise its development costs:

- For console games, PC games and TV games:

Under French standards, the conditions for capitalising commercial software are as follows:

According to the General Chart of Accounts (PCG Art. 311-3.2), all the following criteria must be met:

- 1) Technical feasibility needed to complete the intangible asset for its use or sale
- 2) The intention to complete the intangible asset and to use or sell it
- 3) The ability to use or sell the intangible asset
- 4) The asset's ability to generate probable future economic benefits
- 5) The availability of the appropriate technical, financial and other resources to complete the development and to use or sell the intangible asset
- 6) The ability to reliably measure the costs attributable to the intangible asset during its development

Development costs that do not meet these criteria, and for which Gameloft is unable to evaluate the future success of the related games, are recorded as expenses during the fiscal year in which they were incurred.

These costs are measured based on direct salary costs plus social security charges and operating costs, such as committed costs.

Development costs are first recognised as intangible assets in progress over the course of development. They are then transferred to the "other intangible assets" account when the game is marketed.

These costs are amortised over 18 months on a straight-line basis once the product is released on the market. Technical feasibility is determined on a product-by-product basis. At the end of the fiscal year, and for each software product, a value test is performed and the amount not yet amortised is compared to future sales forecasts. If these sales forecasts are insufficient, additional depreciation is applied accordingly.

The company does not conduct basic research.

- On mobile phones and tablets:

For mobile phone games, Gameloft currently records development costs as expenses at the time they are incurred.

Each year, the company develops and places thousands of versions of its games on various operators' and manufacturers' sites and on digital distribution platforms in order to cover the 300 different models of feature phones and 15,000 models of smartphones, as well as the 17 languages that the company supports. Given this extreme fragmentation, the uncertainty around the success of games after their launch, and the more general nature of the sales-related information received from distribution partners, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions. On this basis, the group does not meet all the capitalisation criteria set out in Article 311-3.2 of the General Chart of Accounts; expenses are recognised as expenses.

- Licences

Licences cover distribution and reproduction rights acquired from third-party publishers. The signing of licence agreements results in the payment of guaranteed amounts. These amounts are recognised in an "advances on licences" account. All commitments (guaranteed amounts stipulated in the contract) are recognised in the accounts.

These advances are reduced based on the amount of royalties due in connection with sales or are amortised on a straight-line basis for flat fees.

At the end of the fiscal year, the net book value is compared to the future sales forecasts to which the terms of the contract are applied. If these sales forecasts are insufficient, additional depreciation is then applied accordingly.

- Office Software

Office software is amortised over 12 months on a straight-line basis.

3.2.3.4.2 Tangible Assets

Expenses related to tangible assets are recorded as assets at their acquisition cost when the following criteria are met:

- It is probable that future economic benefits are associated with this asset.
- The acquisition cost can be reliably measured.

These are booked at their historical cost.

Long-term assets must be identifiable, and be used over a period of time. Assets are shown on the balance sheet at their acquisition cost less cash discounts and any investment subsidies granted. Given the types of assets owned, no component separate from the principal assets has been identified. The company regards the practical life of the assets as their useful life.

The following depreciation rates are applied:

- Fixtures and facilities: 5 years (straight-line method)
- Transportation equipment: 5 years (straight-line method)
- Computer and telephone equipment: between 2 and 4 years (straight-line method)
- Furniture: 10 years (straight-line method)

The residual values and useful lives of the assets are reviewed and, where applicable, adjusted annually or when operating conditions are subject to long-term changes.

3.2.3.4.3 Financial Assets

Equity capital holdings are recorded at their historical cost, exclusive of incidental expenses.

If this value is less than the value in use, a provision for impairment is set up to cover the difference. A provision for current accounts and loans is set up in the case of a net negative share position. In addition, a provision for trade receivables and/or contingencies is set up for the surplus of a residual net negative share position.

The value in use takes into account the share of equity capital that the securities represent, adjusted to reflect the potential for development and income for the distribution and production subsidiaries.

Unaffected own shares are recorded as financial assets and priced according to the General Chart of Accounts' rules on the matter.

3.2.3.4.4 Trade Receivables and Revenue

Trade receivables are measured at their face value. Where applicable, receivables are depreciated through a provision for impairment based on the likelihood of their collection at the balance sheet date.

The recognition of revenue is measured according to the nature of the service conducted:

Distribution and sale of games

For every contract signed, Gameloft examines its characteristics in order to determine whether it is appropriate to recognise the net or gross revenue from services rendered by agents:

- Responsibility during the transaction
- Storage risk
- Freedom to determine the price
- Determination of the good's specifications
- Credit Risk

On the basis of these criteria, all revenue is measured at the fair value of the compensation received or that will be received, net of VAT and other taxes.

Services contract

Revenue corresponding to development and publication services carried out for third-party accounts includes licence fees and other remunerations received, which are considered as gains and recognised as revenue as soon as the service is rendered.

The state of progress is determined according to the contracts by milestones certifying its execution in physical terms, or else via the progress of costs budgeted for the contract.

3.2.3.4.5 Transactions in Foreign Currencies

Income and expenses in foreign currencies are recognised on the basis of monthly exchange rates.

Receivables, debts and cash assets in foreign currencies are converted to euros at the rate in effect on 31 December 2015. Unrealised gains and losses on long-term receivables and debts are reported on the balance sheet as translation gains and losses. A provision for foreign exchange losses is set up for unrealised unhedged losses.

Translation gains and losses on cash assets and current accounts in foreign currencies are recognised immediately as foreign exchange income/expense.

3.2.3.4.6 Other Receivables

These are primarily current account advances made to the group's subsidiaries. A provision is set up for these advances if the subsidiary's re-valued net position, reduced to the percentage owned, becomes negative. The provision would then be equal to the negative amount obtained.

3.2.3.4.7 Cash on Hand

Cash on hand consists of bank account balances and term deposits that can be released at any time.

3.2.3.4.8 Provisions for Contingencies and Charges

A provision is recorded when:

- The company has a present obligation (legal or constructive) resulting from a past event.
- It is probable that an outflow of resources representing economic benefits will be needed to settle the obligation.
- The amount of the obligation can be measured reliably.

If these conditions are not met, no provision is recorded.

At 31 December 2015, provisions for contingencies and charges relate to:

- Foreign exchange risk related to the discounting of receivables and debts denominated in foreign currencies
- Foreign exchange risk related to the discounting of unrealised cash positions
- Labour-relations litigation risks towards former employees
- Provisions for taxes related to tax audits in 2012 and 2013
- Provisions for retirement benefits

An actuarial calculation called a "projected unit credit method" has been used to measure the employer's future obligations. This method entails determining the value of each employee's probable and discounted future benefits at the time of his/her retirement. The provision is recorded according to the recommendations of ANC 2013-02.

The assumptions made as of 31 December 2015 are as follows:

	France
Rate of growth in salaries	5%
Discount rate	2.05%
Retirement initiated by the employee	65 years

The assumption concerning changes in the workforce is based on the prospective life table established by the INSEE, TG 2005, and on a turnover rate resulting from statistical observation.

3.2.3.4.9 Extraordinary Profit/Loss

Extraordinary income and expenses include extraordinary items and items that, by their nature, are considered extraordinary by accounting law (sale of assets, loss or gain on sales of treasury shares, etc.).

3.2.3.4.10 Crédit d'impôt pour la compétitivité et l'emploi

The *crédit d'impôt pour la compétitivité et l'emploi* (CICE) is recognised as a reduction of personnel expenses in the amount of €13,000 for the fiscal year ended 31 December 2015.

3.2.3.5 Notes to the Balance Sheet and Income Statement

Balance Sheet

1. Intangible assets

Intangible assets are as follows:

Assets						
	At 31/12/14					At 31/12/15
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	623	168				791
Brands	1,829					1,829
Development costs	30,700	749	-13	242		31,678
Development costs in progress	79	664		-242		501
Advances on licences	29,933	4,880	-8,062			26,751
TOTAL	63,164	6,461	-8,075	-		61,550
Amortisation and provisions						
Amortisation	At 31/12/14					At 31/12/15
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	564	136				700
Development costs	29,040	1,462		66		30,569
Advances on licences	22,959	3,384	-8,062		35	18,316
Subtotal	52,563	4,982	-8,062	66	35	49,585
Provisions	At 31/12/14					At 31/12/15
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Brands	1,829					1,829
Development costs	342	176		-66		453
Advances on licences	1,568	832	-1,032			1,368
Subtotal	3,740	1,008	-1,032	-66		3,650
TOTAL	56,304					53,235
Net intangible assets	6,859					8,315

Development costs are defined as the costs required to develop games that have been completed or are already marketed on new platforms such as consoles, Smart TVs and set-top boxes, as well as other platforms.

The increase in development costs for completed or marketed games on new platforms such as Smart TVs and set-top boxes was €749,000 in fiscal year 2015.

Games in production include development costs of games not yet completed as of the balance sheet date. In 2015, the cost of games in production represented €664,000, of which €242,000 were for games marketed during that period. Self-constructed assets are €1,413,000.

In 2015, Gameloft conducted a review of its current projects. Based on these analyses, the company recorded €13,000 for cancelled development.

Advances on licences pertain to licence agreements signed with various automobile manufacturers and FIFPro (International Federation of Professional Footballers).

During 2015, new games were released following the signing of licensing contracts (primarily with Fox for *Ice Age Avalanche*, Hasbro for *Trivial Pursuit & Friends*, CBS Interactive for *CSI: Slots*), or were to be released (with Disney for *Disney Magic Kingdoms*, etc.). Also during this period, Gameloft reiterated its desire to work with prestigious partners by renewing licence agreements such as Mattel's UNO, as well as Hasbro's *My Little Pony* and *Littlest Pet Shop*.

These contracts are a continuation of agreements from the preceding years, such as

- *Captain America: The Winter Soldier* (Marvel)
 - *The Amazing Spider-Man* (a licence of Spider-Man Merchandising)
 - *Ice Age Adventures* (Fox)
 - *Iron Man 3* (Marvel)
 - *Fast & Furious 6* (Universal), a film released in May of 2013
 - *Despicable Me 2* (Universal), a film released in June of 2013
 - Playmobil
 - *Men In Black 3* (Sony Pictures), a film released in April of 2012
 - *Ice Age: Continental Drift* (Fox), a film also released in April of 2012
 - DC Comics for *The Dark Knight Rises*
 - Films and games that were released in 2011, namely: *The Adventures of Tintin* (Paramount) in October, *The Avengers* (Marvel), *Unreal* by Epic Games, *Where's Waldo Now?* (Classic Media) and *Spider-Man* (Marvel)
- Gameloft also signed licence agreements related to board games, TV series, and game shows such as UNO and *CSI*.

The increase in amortisations for marketed games and games in development is €1,528,000. The amortisations correspond to an amortisation plan over 18 months of development costs as of the game's release date. Impairment loss tests were conducted on all marketed games and games in development at the end of the period, consequently resulting in a depreciation of €176,000 and a write-up of €66,000.

The increase in amortisation for advances on licences resulted from the rise of sales, which led to an increase in royalties prorated based on the sales of various licensed products in the amount of €3,384,000 and a decrease of €8,062,000 related to the end of the lifespan of licence agreements with various partners.

In light of the weak sales outlook for certain licences, an additional amortisation in the amount of €832,000 was recorded at 31 December 2015, as well as a write-up in the amount of €1,032,000 following the end of the term of the licence agreements.

As a reminder, intangible assets were as follows at 31 December 2014:

Assets

	At 31/12/13					At 31/12/14
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	527	96				623
Brands	1,829					1,829
Development costs	29,125	1,350		226		30,700
Development costs in progress	224	188	-107	-226		79
Advances on licences	26,934	5,570	-2,571			29,933
TOTAL	58,639	7,204	-2,678	-		63,164

Amortisation and provisions

	At 31/12/13					At 31/12/14
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	466	98				564
Development costs	27,485	1,455		100		29,040

Advances on licences	22,683	2,751	-2,569		94	22,959
Subtotal	50,634	4,304	-2,569	100	94	52,563

Provisions	At 31/12/13					At 31/12/14	
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross	
Brands	1,829					1,829	
Development costs	405	107	-69	-100		342	
Advances on licences	1,316	651	-399			1,568	
Subtotal	3,550	758	-468	-100	-	3,740	
TOTAL	54,184	5,062	-3,037	-	94	56,304	
Net intangible assets	4,455					6,859	

2. Tangible assets

Tangible assets are as follows:

Assets

	At 31/12/14				At 31/12/15	
	Gross	Increases	Decreases	Book Transfer	Gross	
Plant and machinery	383				383	
Computer equipment and furniture	6,849	602	-4,381		3,070	
TOTAL	7,232	602	-4,381		3,453	

Amortisation

	At 31/12/14				At 31/12/15	
	(Cumulative)	Increases	Decreases	Book Transfer	(Cumulative)	
Plant and machinery	189	77			266	
Computer equipment and furniture	5,903	754	-4,377		2,280	
TOTAL	6,092	831	-4,377		2,546	
Net tangible assets	1,140				907	

The increases in tangible assets pertain to the purchase of mobile telephones and the replacement of computer equipment.

Decreases in computer equipment and furniture are the result of disposals of old equipment that had become obsolete and due to the replacement of equipment.

As a reminder, tangible assets were as follows at 31 December 2014:

Assets

	At 31/12/13				At 31/12/14	
	Gross	Increases	Decreases	Book Transfer	Gross	
Plant and machinery	383				383	
Computer equipment and furniture	6,039	824	-13		6,849	
TOTAL	6,422	824	-13		7,232	

Amortisation

	At 31/12/13				At 31/12/14	
	(Cumulative)	Increases	Decreases	Book Transfer	(Cumulative)	
Plant and machinery	113	76			189	
Computer equipment and furniture	5,149	760	-6		5,903	
TOTAL	5,262	836	-6		6,092	
Net tangible assets	1,160				1,140	

3. Financial assets

Financial assets are as follows:

Assets

	Gross At 31/12/14	Increases	Decreases	Gross At 31/12/15
Equity capital holdings	12,860	184	-75	12,969
Other long-term investments	476		-326	150
Deposits and guarantees	278	141	-71	348
TOTAL	13,614	325	-472	13,467

Provisions

	At 31/12/14 (Cumulative)	Increases	Decreases	At 31/12/15 (Cumulative)
Equity capital holdings	2,782	1,362	-65	4,079
Total provisions	2,782	1,362	-65	4,079
Net financial assets	10,832			9,388

The increase in equity capital holdings is due to the creation of two new companies during 2015, one in Santiago, Chile (Gameloft Chile SpA) for €10,000 and one in Minsk, Belarus (Gameloft LLC) for €5,000, as well as to Gameloft PT Indonesia, which performed a share capital increase in order to comply with local standards, for €169,000.

The decrease of the equity holdings is related to the liquidation of Gameloft Uruguay SA for €1,000, and two French companies, Gameloft Partnerships SAS for €37,000 and Ludigames for €37,000.

The decrease of other long-term investments are the own shares that Gameloft SE held at the end of fiscal year 2014.

At 31 December 2015, Gameloft no longer holds any own shares. During that period, it cancelled 1,002,615 shares in the amount of €3,870,000, including 902,138 shares acquired during fiscal year 2015.

The increase in security deposits is due mainly to the indexing of Gameloft SE's rent and the contractual guarantee on behalf of one of our suppliers.

The provisions pertain to the shares of Gameloft Korea (€1,362,000).

The write-backs of provisions pertain to the equity capital holdings of Ludigames (€10,000) following its liquidation on 22 September 2015, as well as of Gameloft Singapore (€54,000) and Gameloft Hong Kong (€1,000).

As a reminder, financial assets were as follows at 31 December 2014:

Assets

	Gross At 31/12/13	Increases	Decreases	Gross At 31/12/14
Equity capital holdings	12,796	73	-9	12,860
Other long-term investments	150	326		476
Deposits and guarantees	304	35	-61	278
TOTAL	13,250	434	-70	13,614

Provisions

	At 31/12/13 (Cumulative)	Increases	Decreases	At 31/12/14 (Cumulative)
Equity capital holdings	1,277	1,523	-17	2,782
Total provisions	1,277	1,523	-17	2,782
Net financial assets	11,973			10,832

Subsidiaries and equity capital holdings:

€K	Subsidiaries		Equity Capital Holdings	
	French	Foreign	French	Foreign
Book value of shares held:				
– gross	45	12,924	-	-
– net	45	8,845	-	-
Total loans and advances granted		27,512	-	-
Total dividends collected		9,699	-	-

Subsidiaries and equity capital holdings:

	Currency	Capital in Foreign Currencies	SE Other than Capital in Foreign Currencies	Share of Capital Held (%)	Book Value of Shares (Gross in €)	Book Value of Shares (Net in €)	Total Loans and Advances Granted in € in €	Total Securities & Guarantees Provided in Foreign Currencies	Revenue at 31/12/15 in Foreign Currencies	Profit/Loss at 31/12/15 in Foreign Currencies	Dividends Distributed in €
SUBSIDIARIES CAPITAL HELD AT LEAST 50%											
Gameloft Inc. Divertissements (Canada)	CAD	3,971,142	15,570,761	100%	2,855,807	2,855,807	12,393,377	CAD 2,774,658	47,292,144	4,133,132	
Gameloft Inc (USA)	USD	2,001,000	13,309,328	99.99%	2,316,726	2,316,726			84,299,492	3,216,639	
Gameloft Ltd.	£	1,000	-1,790,715	99.5%	1,666	-	1,469,396		1,444,866	-45,602	
Gameloft GmbH	€	25,000	-2,068,985	100%	25,000	-	1,468,875		749,237	5,188	
Gameloft Iberica S.A. (Spain)	€	560,161	809,383	100%	560,162	560,162	95,280		13,936,098	185,775	
Gameloft S.R.L. (Romania)	RON	191,600	10,626,640	100%	106,259	106,259			102,792,802	3,178,369	
Gameloft S.R.L. (Italy)	€	96,900	535,440	99.74%	97,870	97,870			2,906,103	27,053	
Gameloft Software Beijing Ltd.	CNY	1,655,360	80,544,772	100%	173,340	173,340			115,263,852	-7,602,648	
Gameloft KK	YEN	10,000,000	-1,081,067,571	100%	78,720	-	3,424,974		155,564,253	-369,469,313	
Gameloft Software Chengdu	CNY	1,603,220	-2,362,665	100%	155,678	155,678			49,097,955	2,417,209	
Gameloft Ltd. (Vietnam)	VND	1,051,800,000	101,941,640,813	100%	40,318	40,318	101,038		390,523,550,093	20,315,423,274	
Gameloft EOOD (Bulgaria)	€	52,510	927,195	100%	53,000	53,000			6,608,062	281,952	
Gameloft S. de R.L. de C.V.	\$ PESO	1,997,000	157,708,344	99.95%	140,028	140,028			326,316,797	38,460,350	
Gameloft Private Ltd.	INR	100,000	-15,047,456	100%	1,977	1,977			748,347,729	524,501	
Gameloft Co. Ltd.	KRW	5,875,987,490	-8,414,751,214	100%	3,973,597	-	3,006,327		1,740,447,794	-558,278	
Gameloft Argentina	ARS	1,200,000	33,817,181	95%	939,037	939,037			127,404,398	25,315,937	9,699,461
Gameloft LLC (Ukraine)	UAH	2,921,164	11,766,368	100%	280,000	280,000			132,507,930	6,005,378	
Gameloft Do Brasil Ltda	BRL	478,918	2,890,956	99%	163,350	163,350			24,717,381	871,516	
Gameloft Australia Pty Ltd.	AUD	5,000	-90,210	100%	2,936	2,936			4,696,293	106,718	
Gameloft LLC (Russia)	RUB	900,000	-8,371,777	100%	19,028	19,028	405,898		39,503,552	-12,133,538	
Gameloft Singapore Ltd.	SGD	100,000	-167,635	100%	56,436	56,436	509,418		202,525	8,778	
Gameloft Venezuela	VEF	275,392	20,425,804	100%	78,104	78,104			10,880,185	20,853,164	

SUBSIDIARIES – CAPITAL HELD AT LEAST 50%	Currency	Capital in Foreign Currencies	SE Other than Capital in Foreign Currencies	Share of Capital Held (%)	Book Value of Shares (Gross in €)	Book Value of Shares (Net in €)	Total Loans and Advances Granted in € in €	Total Securities & Guarantees Provided in Foreign Currencies	Revenue at 31/12/15 in Foreign Currencies	Profit/Loss at 31/12/15 in Foreign Currencies	Dividends Distributed in €
Gameloft Philippines Inc.	PHP	9,000,000	6,563,271	100%	141,975	141,975			90,702,383	3,856,240	
Gameloft Hong Kong Ltd.	HKD	10,000	-8,976,694	100%	869	869	3,310,748		23,009,044	212,023	
PT Gameloft Indonesia	IDR	3,430,296,000	7,348,818,002	99%	241,933	241,933			73,469,942,977	2,397,039,187	
Gameloft Shenzhen	CNY	1,347,560	-5,973,580	100%	157,518	157,518			9,186,528	-1,972,027	
Gameloft Developpements Live Inc.	CAD	150,000	467,093	100%	94,215	94,215			1,079,020	111,294	
Gameloft Toronto	CAD	10,000	1,525,892	100%	7,483	7,483		CAD 2,725,000	8,163,900	453,700	
Gameloft Hungary	HUF	500,000	26,903,987	100%	1,756	1,756			515,720,125	13,653,689	
Gameloft New Zealand	NZD	100	1,426,589	100%	63	-			15,500,673	298,952	
Gameloft FZ-LLC Dubai	AED	50,000	-804,980	100%	10,295	10,295	1,138,520		5,749,398	-394,449	
Gameloft SDN. BHD (Malaysia)	MYR	350,000	-183,207	100%	81,426	81,426	3,272		9,678,607	-241,877	
Gameloft Oy (Finland)	€	2,500	121,085	100%	2,500	2,500			1,352,494	95,807	
Gameloft Madrid	€	50,000	209,577	100%	50,000	50,000			5,417,528	149,713	
Gameloft Chile	CLP	7,500,000	-1,324,932	100%	10,426	10,426	185,245		102,804,893	-1,474,932	
Gameloft LLC (Minsk)	BYR	100,000,000	26,860,438	100%	5,000	5,000			1,404,695,824	26,860,438	
Gameloft Rich Games Production France SARL 75001 Paris – 450 415 237 00012	€	7,500	741,010	99.8%	7,485	7,485			4,016,382	125,927	
Gameloft France SAS 75008 Paris – 500 819 537 00019	€	37,000	217,053	100%	37,000	37,000			2,627,056	54,052	
EQUITY CAPITAL HOLDINGS – CAPITAL HELD BETWEEN 10 AND 50%											
TOTAL	€				12,968,982	8,889,937	27,512,368				

4. Trade receivables and related accounts

	31/12/15	31/12/14
Trade receivables and related accounts	100,188	137,238
Impairment of accounts receivable and related accounts	-4,034	-4,618
Total	96,154	132,620

At 31 December 2015, the impairment of accounts item is for third-party clients for €473,000. Intra-group impairment of accounts receivable notably concerns Gameloft KK for €3,560,000 and Gameloft New Zealand for €2,000, for their negative share positions.

The marked decrease in accounts receivable is primarily related to intra-group compensation and to improved management of external clients' credit, as compared to 2014. The average period for collection of our non-group debts is 98 days, a marked improvement as compared to 2014. 62% of the trade receivables item is comprised of intra-group receivables, which totalled €62,672,000 in 2015, as compared to 72% at 31 December 2014, which totalled €98,448,000.

Most non-group accounts receivable are due in less than one year.

5. Other receivables

	31/12/15	31/12/14
Government (VAT credit, etc.)	2,236	2,282
Group and partners	27,781	47,767
Receivables from suppliers & credits to be received	8,102	20,391
Other corporate receivables	8	3
Called-up share capital	988	-
Other miscellaneous debtors	37	1,391
TOTAL	39,152	71,835

Generally suppliers come under the intra-group suppliers item (€7,842,000 as compared to €20,040,000 at 31 December 2014).

	31/12/15	31/12/14
Provisions for group and partners	5,911	1,956
Third-party provisions/write-backs	675	-
TOTAL	6,586	1,956

Provisions in the amount of €5,911,000 were recorded on 31 December 2015 for current account advances of subsidiaries and relate to advances issued for Gameloft KK (€3,425,000), Gameloft Ltd. Co. (€623,000), Gameloft Ltd. UK (€468,000), Gameloft Vietnam (€101,000) and Gameloft GmbH (€1,295,000).

Provisions for impairment are related to the New Zealand subsidiary (€675,000).

6. Due dates of receivables and debts

STATUS OF RECEIVABLES	Gross Amount	Less than 1 year	More than 1 year
Receivables on current assets			
Accounts receivable and related accounts	100,188	100,188	
Government (VAT credit, etc.)	2,236	2,236	
Group and partners	27,781	9,880	17,901
Receivables from suppliers & credits to be received	8,102	8,102	

Other corporate receivables	8	8	
Other miscellaneous debtors	37	37	
Called-up share capital	<u>988</u>	<u>988</u>	-
TOTAL	139,340	121,439	17,901

STATUS OF DEBTS	Gross Amount	Less than 1 year	1 to 5 years	More than 5 years
Financial debts	55	55		
Trade payables and related accounts	87,385	87,385		
Tax and social security liabilities	1,963	1,963		
Other debts	11,989	11,989		
Debts on assets	8,153	8,153		
Group and partners	-	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	109,545	109,545	0	0

7. Accrued assets

	31/12/15	31/12/14
Credit notes from suppliers	5,595	3,089
Unbilled assets from customers	53,614	31,013
Accrued assets from social welfare bodies	-	-
Accrued assets from the government	113	421
TOTAL	59,322	34,523

At 31 December, the amount of the unbilled assets from customers was €53,614,000, of which €26,076,000 was from intra-group billing.

8. Cash on hand

The "cash on hand" item represents the bank account balances at 31 December 2015 (€19,490,000), compared to those at 31 December 2014 (€16,808,000), including the accounts that are immediately available and free of charge at the end of December 2015 (€2,015,000).

9. Accruals

	31/12/15	31/12/14
Pre-paid expenses	515	898
Asset translation adjustments	3,498	6,129
Total	4,013	7,027

The asset translation adjustments pertain mainly to the update of trade receivables (€1,750,000) and trade payables (€1,748,000).

10. Shareholders' equity capital

	Balance at 31/12/14	Share Capital Increase	Change in Share Capital	Profit/Loss 31/12/14	Profit/Loss 31/12/15	Balance at 31/12/15
Share capital	4,281	42	-50			4,273
Issue premium	90,541	3,231	-3,820			89,952
Merger premium	624					624
Legal reserves	215					215

Other reserves	4,180				4,180
Carried forward	-		-23,164		-23,164
Fiscal year profit/loss	-23,164		23,164	-22,079	-22,079
TOTAL	76,677	3,273	-3,870	-	-22,079

The company benefited from an increase of share capital through the issuance of stock options and bonus shares in the amount of €3,273,000 and a reduction of share capital through the cancellation of its own shares in the amount of €3,870,000. Shareholders' equity capital is positive at €54,000,000 compared to €76,000,000 in 2014.

In fiscal year 2015, the amount collected from share capital increases was €2,284,000.

Number of Gameloft SE Shares

	Par Value in €	Number of Shares	Amount in €K
At 31/12/11	0.05	77,105,980	3,855
Exercised options on 03/01/2007	0.05	394,795	20
US options exercised on 03/01/2007	0.05	286,200	14
F options exercised on 03/01/2007	0.05	1,170,794	59
Exercised options on 11/04/2008	0.05	729,165	37
US options exercised on 11/04/2008	0.05	98,200	5
F options exercised on 11/04/2008	0.05	508,255	25
Exercised options on 14/05/2009	0.05	441,885	22
Exercised options on 01/06/2010	0.05	479,750	24
Allotment of bonus shares on 01/06/2010	0.05	603,500	30
At 31/12/12	0.05	81,818,524	4,091
US options exercised on 03/01/2007	0.05	44,600	2
W options exercised on 11/04/2008	0.05	147,550	7
US options exercised on 11/04/2008	0.05	98,800	5
F options exercised on 11/04/2008	0.05	536,145	27
W options exercised on 14/05/2009	0.05	644,078	32
W options exercised on 01/06/2010	0.05	913,000	46
W options exercised on 20/09/2011	0.05	463,000	23
Allotment of bonus shares on 20/09/2011	0.05	480,600	24
Cancellation of own shares	0.05	-1,117,473	-56
At 31/12/13	0.05	84,028,824	4,201
W options exercised on 11/04/2008	0.05	44,500	2
US options exercised on 11/04/2008	0.05	25,300	1
F options exercised on 11/04/2008	0.05	79,800	4
W options exercised on 14/05/2009	0.05	250,550	13
W options exercised on 01/06/2010	0.05	455,000	23
W options exercised on 20/09/2011	0.05	250,000	13
W options exercised on 06/07/2012	0.05	119,000	6
Allotment of bonus shares on 06/07/2012	0.05	672,425	34
Cancellation of own shares	0.05	-300,302	-15
At 31/12/14	0.05	85,625,097	4,281
W options exercised on 14/05/2009	0.05	183,640	9
W options exercised on 20/09/2011	0.05	373,000	19
W options exercised on 06/07/2012	0.05	286,000	14
Cancellation of own shares	0.05	-1,002,615	-50
At 31/12/15	0.05	85,465,122	4,273

Stock Options and Bonus Shares

As a reminder, the conditions under which stock options and bonus shares may be exercised are as follows:

Stock Options	14/05/2009	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Number of shares eligible for subscription:	2,208,500	2,130,900	2,003,800	1,539,800	1,093,990	441,312	190,762	0
Number of shares cancelled:		77,600	204,700	315,200	319,125	327,725	327,725	334,847
Number of people concerned:	189							
of which are managers	2							
Start of exercise period	14/05/2011							
End of exercise period	14/05/2015							
Subscription price	2.36 euros							

Stock Options	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Number of shares eligible for subscription:	2,245,000	2,235,000	2,155,000	1,539,500	1,236,250	0
Number of shares cancelled:		10,000	90,000	242,500	295,750	1,159,000
Number of people concerned:	170					
of which are managers	2					
Start of exercise period	20/09/2013					
End of exercise period	20/09/2015					
Subscription price	3.87 euros					

Stock Options	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Number of shares eligible for subscription:	1,606,000	1,590,900	1,385,400	1,174,400	710,400
Number of shares cancelled:		15,100	220,600	312,600	490,600
Number of people concerned:	147				
of which are managers	0				
Start of exercise period	06/07/2014				
End of exercise period	06/07/2016				
Subscription price	4.88 euros				

Allotment of Bonus Shares	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	20/09/2011					
Maturity – Vesting period	2 years – 20/09/2013					
End of holding period	2 years – 20/09/2015					
Number of instruments allotted	548,900	527,400	494,300	0	0	0
Number of shares cancelled:	-	21,500	54,600	68,300	68,300	68,300
Number of people concerned:	47					
of which are managers	3					

Allotment of Bonus Shares	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	06/07/2012				
Maturity – Vesting period	2 years – 06/07/2014				
End of holding period	2 years – 06/07/2016				
Number of instruments allotted	750,000	745,300	732,500	0	0
Number of shares cancelled:	-	4,700	17,500	77,575	77,575
Number of people concerned:	51				
of which are managers	5				

Allotment of Bonus Shares	19/09/2013	Balance at 31/12/13	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	19/09/2013			
Maturity – Vesting period	3 years – 19/09/2016			
End of holding period	2 years – 19/09/2018			
Number of instruments allotted	1,600,000	1,594,000	1,421,000	1,285,500
Number of shares cancelled:	-	6,000	179,000	314,500
Number of people concerned:	180			
of which are managers	5			

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	16/12/2014		
Maturity – Vesting period	2 years – 16/12/2016		
End of holding period	2 years – 16/12/2018		
Number of instruments allotted	1,025,375	845,375	1,011,375
Number of shares cancelled:	-	-	14,000
Number of people concerned:	72		
of which are managers	4		

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14	Balance at 31/12/15
Date of the Board of Directors' meeting	16/12/2014		
Maturity – Vesting period	4 years – 16/12/2018		
End of holding period	4 years – 16/12/2018		
Number of instruments allotted	657,125	672,125	551,125
Number of shares cancelled:	-	-	106,000
Number of people concerned:	98		
of which are managers	1		

Allotment of Bonus Shares	17/12/2015	Balance at 31/12/15
Date of the Board of Directors' meeting	17/12/2015	
Maturity – Vesting period	2 years – 17/12/2017	
End of holding period	2 years – 17/12/2019	
Number of instruments allotted	1,144,875	1,144,875
Number of shares cancelled:	-	-
Number of people concerned:	90	
of which are managers	4	

Allotment of Bonus Shares	17/12/2015	Balance at 31/12/15
Date of the Board of Directors'	17/12/2015	
Maturity – Vesting period	4 years – 17/12/2019	
End of holding period	4 years – 17/12/2019	
Number of instruments allotted	545,625	545,625
Number of shares cancelled:	-	-
Number of people concerned:	65	
of which are managers	1	

The bonus shares allotted, which are subject to performance conditions being met by managers only, are unavailable for four years following the allotment date. Since the shares allotted are ordinary shares and belong to the same category as the old shares that comprise the company's share capital, the shareholder employee receives the dividends and voting rights attached to all his/her shares at the end of the vesting period. By a decision reached on 30 October 2015, the Board of Directors granted two of the Group's employees, as part of the 16 December 2014 Plan, a reduction in their vesting periods, down to two years instead of four years.

In total, at 31 December 2015, the maximum number of shares that may be created through the exercise of stock options and bonus shares is 710,400 and 4,538,500, respectively.

The cancellations recorded during the year are the result either of terminations of recipients prior to the start of the period in which they could exercise their rights or the expiration of plans under market conditions making it impossible to exercise all the rights.

Since April 2013, Gameloft SE has had a share buyback programme in place and in the first quarter of 2015, cancelled 1,002,615 own shares in the amount of €3,870,000.

11. Accrued expenses

	31/12/15	31/12/14
Suppliers, invoices pending	19,983	27,970
Suppliers, invoices pending intangible assets	4,553	4,358
Credit notes issued	7,770	12,950
Tax liabilities	182	101
Social security liabilities	735	400
TOTAL	33,223	45,779

Credit notes issued are the result of a transfer price policy implemented on 1 January 2010.

Invoices pending represent €8,760,000 of intra-group debts, €3,905,000 of debts from royalties on sales of licensed games, €6,384,000 of trade payables, and €4,545,000 for debts related to licence acquisitions.

12. Items pertaining to affiliates

The transactions made with the subsidiaries of the Gameloft group are as follows:

	31/12/15	31/12/14
Assets		
Intangible assets	89	46
Tangible assets	60	131
Equity capital holdings	12,969	12,861
Other financial assets	150	150
Trade receivables and related accounts	62,672	98,448
Prov. on accounts receivable	-3,560	-4,072

Other receivables – Current accounts	27,512	47,478
Other receivables – Tax integration	216	289
Prov. on other receivables	-6,586	-1,956
Receivables from suppliers	7,842	20,040
Other miscellaneous receivables	-	1,388
Debts		
Provisions for Contingencies and Charges	-	-
Trade payables and related accounts	67,677	116,571
Financial debts	-	628
Unearned income	4	113
Customer credit balances	11,380	13,652
Profit/Loss		
Operating income	82,822	69,140
Operating expenses	181,233	157,791
Financial income	10,991	4,768
Financial expense	5,967	2,532

Transactions carried out with companies owned by common senior executives concerning operations with Guillemot Brothers, the Ubisoft group, AMA and Longtail Studios are as follows:

	31/12/15	31/12/14
Assets		
Trade receivables and related accounts	6	-
Liabilities		
Trade payables and related accounts	1,124	672
Customer credit balances	-	-
Profit/Loss		
Operating income	46	106
Operating expenses	3,006	1,415

13. Provisions recorded on the balance sheet

	At 31/12/14	Allocations for the Year	Write-Backs for the Year		Transfer	At 31/12/15
			Used	Unused		
Provisions for contingencies and charges						
For foreign exchange risks	6,222	3,747	-	6,222		3,747
For risks	243	125	-	43	42	367
For charges	-	34	-	0	0	34
Total	6,465	3,906	-	6,265	42	4,148
Provisions for valuation						
On brands	1,829					1,829
On marketed games	342	176		-66		453
On advances/licences	1,568	832		-1,032		1,368
On equity capital holdings	2,782	1,362		-65		4,079
On stocks	-					-

On accounts receivable	4,618	1,205	-1,789	4,034
On other receivables	<u>1,956</u>	<u>5,253</u>	<u>-623</u>	<u>6,586</u>
Total	13,095	8,828	-3,575	18,349
Total	19,560	12,734	-9,840	42
				22,497

The provisions for contingencies are provisions for labour-relations litigation towards two former employees for €125,000 and provisions for employee benefits:

Change in Actuarial Debt	Retirement Indemnities	Gross Commitments
At 31/12/14	243	243
Cost of services rendered	20	20
Interest charges	3	3
Benefits/contributions paid		
Reclassifications	43	43
Actuarial gains/losses	-67	-67
At 31/12/15	242	242

The provision for charges pertains to the accounting correction notice (€34,000) related to the fiscal years ended in 2012 and 2013, of which Gameloft SE was the subject during 2015.

In light of business prospects, a depreciation on marketed games in the amount of €176,000 was recorded for the fiscal year. Based on tests regarding the recovery of unhedged loans, a depreciation of €832,000 was recorded at 31 December 2015.

The provisions pertain to the shares of Gameloft Korea (€1,362,000).

The "provisions on accounts receivable" item pertains to non-group receivables (€114,000) and intra-group receivables (€1,091,000), of which €1,089,000 was for Gameloft KK and €2,000 was for Gameloft New Zealand.

The "provisions on other receivables" item pertains to advances granted to Gameloft Vietnam (€10,000), Gameloft GmbH (€996,000), Gameloft Korea (€623,000), Gameloft UK (€468,000) and Gameloft KK (€2,481,000), as well as other advances to be received by Gameloft New Zealand (€675,000).

The write-backs of provisions pertain to R&D expenses recorded on 31 December 2015 for €66,000, of which €66,000 was transferred to the "depreciation expense" item, and for €1,032,000 for advances on licences.

The write-backs of provisions pertain to the equity capital holdings of Ludigames (€10,000), as well as of Gameloft Singapore (€54,000) and Gameloft Hong Kong (€1,000).

The write-backs of provisions for trade receivables reached €1,789,000 in total. €1,601,000 concerns intra-group receivables, of which €1,115,000 was from Gameloft GmbH and €486,000 was from Gameloft UK; the remaining €188,000 was receivables from third parties.

The write-backs of provisions for valuation on other receivables total €623,000 for Gameloft Hong Kong.

14. Financial debts

Financial debts are as follows:

	31/12/15	31/12/14
Loans and similar accounts	55	244
Current account advances	-	628
Financial debts	55	871
Net financial surplus		
	31/12/15	31/12/14
Financial debts	55	244
Cash on hand	19,490	16,808
Net financial surplus	-19,435	-16,564

At 31 December 2015 there was a net financial surplus of €19,435,000 compared to €16,564,000 at 31 December 2014.

All of Gameloft's debts are based on a fixed rate and are in euros. Strictly speaking, the company has no foreign exchange hedging strategy.

15. Trade payables and related accounts

	31/12/15	31/12/14
Trade Payables	87,385	136,340
Total	87,385	136,340

The average period for paying our non-group suppliers is less than 90 days.

The "trade payables" item decreased sharply due to intra-group compensations throughout the year. The debts of the Group's subsidiaries total €66,200,000 compared to €116,400,000 in 2014.

16. Tax and social security liabilities

	31/12/15	31/12/14
Tax liabilities	476	285
Social security liabilities	1,487	916
Total	1,963	1,201

The "tax liabilities" item is primarily made up of VAT debts in the amount of €227,000.

The social security liabilities are primarily made up of €752,000 in debts to social welfare bodies, and €735,000 in salary debts related to leave benefits and to various salary debts.

17. Debts on assets

	31/12/15	31/12/14
Debts on assets	8,153	5,467
Total	8,153	5,467

Debts from suppliers on assets increased and are mainly due to debts on advances on licences in the amount of €6,512,000.

18. Other debts

	31/12/15	31/12/14
Credits not issued & credit balances of customer accounts	11,756	13,838
Other debts	233	383
Total	11,989	14,221

"Credits not issued" concern intra-group clients for €11,380,000.

19. Accruals

	31/12/15	31/12/14
Unearned income	3	145
Translation adjustments	3,136	3,776
Total	3,139	3,921

The "unearned income" item consists of client billing related to services not yet provided at the year-end closing.

The "translation adjustments" liability is mostly related to the discounting of debt from suppliers (€1,857,000) and accounts receivable (€1,278,000).

Income Statement:

Profit/loss from ordinary activities includes all ordinary activities carried out by Gameloft as part of its business, as well as any related activities undertaken by it that are incidental to or in line with its ordinary activities.

Mobile game development costs are recorded as expenses over the entire year. As described above, development costs of games for new platforms are capitalised when they meet the capitalisation criteria.

Production cost consists of the cost of "supplies" (other materials and supplies) plus other costs incurred by the company in the course of game production.

20. Consolidated revenue, self-constructed assets and inventoried production

The breakdown of revenue by business activity at 31 December 2015 is as follows:

	31/12/15		31/12/14	
	€K	%	€K	%
Mobile	207,385	99%	181,322	99%
TV	1,695	1%	2,229	1%
Total Revenue	209,080	100%	183,552	100%
Self-constructed assets	1,413	-	1,538	-
Total	210,493	-	185,090	-

The company's operations were carried by the success experienced by Gameloft's games on the mobile market, which includes smartphones, feature phones and touch tablets.

The breakdown of revenue by geographic area at 31 December 2015 is as follows:

	31/12/15		31/12/14	
	€K	%	€K	%
EMEA	44,391	21%	46,263	25%
<i>including France</i>	8,392	4%	8,236	4%
North America	85,050	41%	84,055	46%
APAC	56,712	27%	32,659	18%
LATAM	22,927	11%	20,575	11%
Total Revenue	209,080	100%	183,552	100%
Self-constructed assets	1,413	-	1,538	-
Total	210,493	-	185,090	-

North America represented 41% of annual revenue; the EMEA region, 21%; Asia-Pacific, 27%; and Latin America, 11%.

21. Other operating income and transfer of charges

Other operating income is as follows:

	31/12/15	31/12/14
Write-backs of provisions	2,930	866
Transfer of charges	723	807
Other income	172	130
Total	3,825	1,803

The “transfer of charges” item concerns the re-invoicing of overhead costs (€639,000).

The “write-backs of provisions” item relates to provisions for asset depreciation in the amount of €1,098,000 (of which €1,032,000 is depreciation of advances on licences and €66,000 is depreciation of development costs), provisions for trade receivables in the amount of €1,789,000, and €43,000 in provisions for pension plans.

Other income is primarily a repayment of the social security related to an employee and the amount incorrectly paid by our clients and not claimed.

22. Purchases and other supplies

Cost of goods sold consists of development costs on mobile games (€173,768,000) and related overhead costs (€1,541,000).

23. Other operating purchases and external charges

Other operating purchases are as follows:

	31/12/15	31/12/14
Comm. and brokerage fees on sales and administrative subcontracting and marketing	8,311	8,629
Telecommunication and small equipment costs	218	324
Advertising and marketing expenses	8,793	6,676
Conference and trade fair expenses	121	36
Travel expenses	647	627
Professional expenses	1,276	538
Royalties	23,501	24,519
Other	3,438	3,147
Total	46,305	44,496

24. Personnel expenses

At 31 December 2015, the company had 29 employees, of which four were managers.

The amount of personnel expenses corresponding to game production is €1,866,000.

25. Operating amortisations, depreciations and provisions

Allocations are as follows:

	31/12/15	31/12/14
Amortisation of intangible assets	136	98
Amortisation of intangible assets: development costs		
	1,528	1,555
Licences	3,384	2,751
Depreciation of tangible assets	830	837
Provisions	3,048	4,072
TOTAL	8,925	9,314

The "amortisation of intangible assets" item concerns the amortisation of software and development costs, as well as advances on licences amortised according to sales volume or on a straight-line basis for flat fees, depending on the contracts.

Intangible development costs are amortised on a straight-line basis over 18 months for games on the market. At 31 December 2015, Gameloft had more than 350 games capitalised and commercially available on various digital platforms, such as the Mac, iPad, DSi, 3DS, PSN, set-top boxes and Smart TVs.

The "provisions" item mainly concerns depreciations on development costs (€176,000), on trade receivables (€1,205,000), on advances on other receivables (€674,000), on labour-relations litigation (€125,000), and on asset impairments (€832,000) relating to advances on licences.

26. Net financial income/expense

Net financial income/expense breaks down as follows:

	31/12/15	31/12/14
Financial income:		
Income from other securities and receivables from long-term assets	9,699	4,061
Other interest and similar income	1,470	1,019
Write-backs of provisions	6,910	7,919
Foreign exchange gains	<u>10,607</u>	<u>4,943</u>
	28,686	17,942
Financial expense:		
Provisions	9,688	8,754
Other interest and similar expenses	43	362
Foreign exchange losses	<u>19,888</u>	<u>5,643</u>
	29,619	14,759
Net financial income/expense	-932	3,183

The write-backs of provisions in the amount of €6,910,000 are as follows:

- €623,000 for current account advances for Gameloft Hong Kong
- €65,000 for equity holdings, of which €11,000 were for Ludigames, following its liquidation in which its assets were transferred, and €54,000 for Gameloft Singapore

- €6,222,000 for foreign exchange losses

"Other financial income" is interest derived from investments from interest-bearing contracts, as well as €697,000 for the re-invoicing of interest on current account advances.

The provisions in the amount of €9,688,000 are as follows:

- €4,578,000 on current account advances, of which €996,000 were for Gameloft GmbH, €10,000 were for Gameloft Vietnam, €623,000 were for Gameloft Korea, €2,481,000 were for Gameloft KK, and €468,000 were for Gameloft UK
- €1,362,000 for equity holdings, of which €1,362,000 were for Gameloft Korea Ltd.
- €3,747,000 for foreign exchange losses

Gameloft SE only protects its positions regarding operating cash flows in the principle important currencies (US dollar, Canadian dollar, Pound sterling). The strategy is to cover a single fiscal year at a time, with the time horizon for coverage not exceeding 12 months.

On 31 December 2015, the company implemented foreign currency hedging for the Canadian dollar, US dollar and Australian dollar.

The earnings were negative as compared to 2014, following the strong appreciation of certain foreign currencies (the United States dollar, Chinese yuan, Hong Kong dollar, British pound sterling, etc.) as compared to the euro in unrealised foreign-exchange positions on receivables and intra-group debts, emphasized by the cash repatriation from Argentina that took place in June and July 2015 (reaching €7,365,000) for €2,789,000 in foreign-exchange losses, and also includes foreign-exchange losses amounting to €2,957,000 related to currency instability in Venezuela.

27. Extraordinary profit/loss

Extraordinary items are income or expenses resulting from events or transactions that are clearly distinct from the company's ordinary activities and are therefore not expected to recur on a frequent or regular basis.

Extraordinary profit/loss is as follows:

	31/12/15	31/12/14
Extraordinary income:		
Write-backs of provisions	-	-
Extraordinary income from capital transactions	1	7
Extraordinary income from management operations	<u>5,470</u>	-
	5,471	7
Extraordinary expenses:		
Extraordinary expenses on management operations	438	
Extraordinary expenses on capital transactions	79	18
Depreciation and provisions	<u>0</u>	-
	517	18
Total extraordinary profit/loss	4,954	-11

The "extraordinary expenses on capital transactions" item pertains to the net book value of financial assets in the amount of €75,000, of which €1,000 were for Gameloft Uruguay, €37,000 were for Ludigames and €37,000 were for Gameloft Partnerships following their liquidations, as well as €4,000 for the net book value of tangible and intangible assets.

The extraordinary income and expenses on management operations concern the regularisation of our transfer price policy as relates to one of our subsidiaries.

28. Corporate income tax

Following article 24 of French Law 2012-1509 of 29 December 2012, losses can be carried over in the amount of €1,000,000, plus 50% of earnings exceeding that threshold.

The portion of carry-over losses within Gameloft SE not yet used at 31 December 2015:

	31/12/12	31/12/08	31/12/07	31/12/06	31/12/05	31/12/04	31/12/03	31/12/02	31/08/01
Carry-over losses *	-	2,586	3,064	-	-	-	-	13,996	7,043
TOTAL	-	2,586	3,064	-	-	-	-	13,996	7,043

* non-cumulative data

The portion of carry-over losses within Gameloft SE's tax consolidation for the Group not yet used at 31 December 2015:

	31/12/15	31/12/14	31/12/13	31/12/12	31/12/11
Carry-over losses *	19,809	17,779	80	-	-
TOTAL	19,809	17,779	80	-	-

* non-cumulative data

In fiscal year 2015, the reductions and increases in the future tax burden were as follows:

Future Tax Burden	Basis	Tax
Tax on tourism vehicles	5	2
Unrealised foreign exchange gains	3,136	1,045
TOTAL REDUCTIONS	3,141	1,047

The tax rate in effect at 31 December 2015 was 33.33%.

Income tax consists of the following:

At 31/12/15	Accounting Basis	Corporate Tax
Pre-tax profit/loss on ordinary activities	-26,140	-
Extraordinary profit/loss	4,954	-
Pre-tax profit/loss	-21,186	-

At 1 January 2016, there were €26,688,000 in non-lapsing losses carried forward for Gameloft SE and €37,664,000 in losses carried forward indefinitely in terms of tax consolidation for the group.

Income tax consists of the following:

	31/12/15	31/12/14
Current tax	-892	-367
Total	-892	-367

Gameloft SE and its French subsidiaries, Gameloft Rich Games Production France, Gameloft Partnerships, Gameloft France and Ludigames opted to adopt a tax consolidation agreement starting on 1 January 2009. Gameloft Partnerships and Ludigames will leave the scope of the tax integration due to their liquidation through the asset transfer to Gameloft SE.

The parent company, Gameloft SE, alone assumes responsibility for tax liability.

3.2.3.6 Additional Information

1. Parent company

Gameloft SE – 14 rue Auber, 75009 Paris

2. Personnel

In fiscal year 2015, the average workforce at Gameloft SE was 25 employees, 14 men and 11 women.

All of Gameloft SE's employees are management, with the exception of one.

3. Off-balance sheet commitments:

Off-balance sheet commitments related to operating activities	Description	At 31/12/15
	Business Leases: End of commitment: 31/12/2020	€2,974,000
Commitments related to the implementation of operating agreements	A commitment from the Government of Ontario in the form of a grant agreement with hiring and spending conditions over 5 years to benefit Gameloft Entertainment Inc. Toronto.	CAD 1,725,000
	Guarantor on behalf of Gameloft Toronto for a line of credit with HSBC.	CAD 1,000,000
	Guarantor on behalf of Gameloft Divertissements Inc. for a line of credit with HSBC.	CAD 2,150,000
	Gameloft SE has two liquidity commitments toward HSBC with deals made by mutual agreement:	
	<ul style="list-style-type: none"> • Purchase for future delivery of CAD against euros: 01, 03, 04, 05, 06 and 07/2016 	€871K, €2.017M, €2.561M, €2.462M, €3.525M, €266K
	<ul style="list-style-type: none"> • Purchase for future delivery of AUD against USD: 01/2016 	\$247K
	<ul style="list-style-type: none"> • Purchase for future delivery of USD against euros: 01, 02, 03, 04 and 06/2016 	\$6M, \$2M, \$5M, \$2M, \$3M
Guaranteed commitments, mortgages, etc.		

Off-balance sheet commitments received related to operating activities	Description	At 31/12/15
Commitments related to the implementation of operating agreements	Commitment towards Gameloft GmbH following its debt write-off authorised by Gameloft SE with a clawback provision for five financial years and accumulated net income exceeding €800,000.	€748,755

Purchase for future delivery of CAD against euros: 01, 03, 04, 05, 06 and 07/2016	€871K, €2.017M, €2.561M, €2.462M, €3.525M, €266K
Purchase for future delivery of AUD against USD: 01/2016	\$247K
Purchase for future delivery of USD against euros: 01, 02, 03, 04 and 06/2016	\$6M, \$2M, \$5M, \$2M, \$3M

As a shareholder, Gameloft SE issued letters of support to the subsidiaries in Singapore and the United Kingdom at 31 December 2015 to ensure the continued operation of these struggling companies.

Discounted bills not due: none

Collateral provided: none

Cash credits: none

Guarantees received: none

Financial leases: none

Off-balance sheet commitments relating to key employees:

At the date of this document, agreements were therefore finalised with the group's employees in order to provide for the payment of indemnities in the case of (i) termination of the employment contract by the company, including due to serious misconduct³⁷, except in the case of termination due to gross misconduct, within a period of 24 months following the occurrence of a change of control within the company, or (ii) termination of the employment contract (for whatever reason) including in case of notification of the termination or request for judicial termination of the employment contract, including due to resignation resulting from a disagreement between the employee and the company's management regarding the group's strategy within a period of 12 months following the occurrence of a change of control. The amount of the retirement benefit is set at twice the total of the gross annual remuneration received over the last 12 months, or if it's more favourable, the last three months preceding the occurrence of the change of control. A "change of control" within the company is defined as (i) the acquisition of control (according to the meaning set out in Article L. 233-3 of the French Commercial Code) of the company by any person other than one approved by the company's Board of Directors and/or (ii) the replacement of more than half of the members of the company's Board of Directors during a period of 12 months by persons not approved by the company's current Board of Directors. At the date of this document, these agreements relate to seven employees and represent a gross estimated amount (excluding employer costs and payroll taxes) of 2.6 million euros.

Other commitments:

At 31 December 2014, the Individual Right to Training (DIF) hours totalled 2,008 for all employees present at this date.

Beginning on 1 January 2015, the Individual Right to Training (DIF) was replaced by the CPF (*compte personnel de formation* – personal training account) and takes over training rights through 31 December 2020.

4. Events Subsequent to the Close of Year

On 28 January 2016, Gameloft SE decided to close its New Zealand subsidiary.

³⁷Not excluding serious misconduct allows the company to ensure that affected employees avoid changing their behaviour out of fear that later on their actions could be rebranded as serious misconduct, and thereby result in the loss of their right to the indemnity.

5. Compensation of the Group's senior executives

The total gross compensation paid by the company to executives during the year 2015 was €254,000.

As a result, the seven company managers were entitled to the maximum amount of directors' fees in 2015.

Amounts in Euros	Gameloft SE			Total Compensation for 2015
	Gross Fixed Compensation	Benefits in Kind	Directors' Fees	
Michel Guillemot	60,000		25,000	85,000
Claude Guillemot	31,248		25,000	56,248
G�rard Guillemot				-
Yves Guillemot	31,248		25,000	56,248
Christian Guillemot	31,248		25,000	56,248
Total	153,744	-	100,000	253,744

	2015	2014
Salaries, misc. charges and benefits	�254K	�254K
Total pensions and other post-employment benefits		
Severance pay		
Total stock options and bonus shares issued	247,500	247,500

No commitment has been made in favour of the members of the Board of Directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties.

6. Loans extended to the Group's senior executives

At 31 December 2015, no advance or credit was extended to the Group's senior executives pursuant to Article L. 225-43 of the French Commercial Code.

3.2.4 Auditors' Report on the Financial Statements Ended 31 December 2015

Dear Shareholders,

In performing the duties entrusted to us by your General Meeting, we present to you our report for the fiscal year ended 31 December 2015 regarding:

- The audit of the year-end financial statements of Gameloft SE, as attached to this report
- The basis for our assessments
- The specific verifications and information required by law

The year-end financial statements were approved by the Board. It is our task, on the basis of our audit, to express an opinion on these financial statements.

I – Opinion regarding the year-end financial statements

We have conducted our audit in accordance with the standards of professional practice applicable in France. These standards require the use of due diligence to provide reasonable assurance that the year-end financial statements do not contain any significant misstatements. An audit entails examining, on a test basis or by other selection methods, the evidence supporting the amounts and information contained in the year-end financial statements. It also entails assessing the accounting principles applied, the significant estimates used and the overall presentation of the financial statements. We deem that the information we have collected is sufficient and appropriate to form our opinion.

We certify that the year-end financial statements are, from the standpoint of French accounting rules and principles, true and in good order and fairly present the company's net profit from operations during the previous fiscal year, as well as its financial position and assets at the end of said year.

II – Basis for the assessments

Pursuant to Article L. 823-9 of the French Commercial Code in regard to the basis for our assessments, we wish to bring the following points to your attention:

- As indicated in note 3.2.3.4.1 and paragraph 1 of note 3.2.3.5 of the year-end financial statements, the intangible assets include development costs of games that have been marketed or are in production, and of licences. Impairment tests are conducted on these intangible assets. We have assessed the capitalisation of development costs and licences, verified the implementation methods of the impairment tests, and assessed the reasonableness of the forecasts and assumptions in use. We also verified that the financial statements provided appropriate information.
- Your company recognises provisions for impairment of equity holdings in the manner laid down in note 3.2.3.4.3 "Financial assets" of the year-end financial statements. We have undertaken an assessment of the approach taken by your company and have conducted tests to ensure the application of these methods. As part of our assessment, we verified the reasonableness of these estimates.

Our assessments were made within the context of our audit of the year-end financial statements as a whole, and therefore provided a basis for the opinion expressed by us in the first part of this report.

III – Specific verifications and information

In accordance with the professional standards applicable in France, we also conducted the specific verifications required by law.

We have no observation to make regarding the fairness and consistency with the year-end financial statements of the information provided in the Board of Directors' management report and in the documents sent to the shareholders pertaining to the financial position and year-end financial statements.

With regard to the information provided pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code regarding the compensation and benefits paid to the company managers and the commitments made to them, we have verified its consistency with the financial statements or with the data used to prepare these financial statements and, where applicable, with the information compiled by your

company from the companies that control your company or are controlled by it. Based on this work, we certify that this information is true and accurate.

In accordance with the law, we have verified that all the information relative to equity investments and control, and relative to the identity of holders of capital and voting rights, was provided to you in the management report.

Paris La Défense and Rennes, 28 April 2016

The Auditors

MAZARS

Simon Beillevaire

AUDIT AMLD

Eric Moulouis

4. GOVERNANCE AND INTERNAL CONTROL

4.1 Report by the Chairman of the Board of Directors on Corporate Governance and Internal Controls

This report, prepared in accordance with Article L. 225-37 of the French Commercial Code and Article L. 621-18-3 of the French Monetary and Financial Code, details the composition of the Board and the equal representation of women and men within it, as well as the application of the conditions under which the Board of Directors' work is prepared and organised, in addition to the internal control and risk management procedures implemented by the company.

It describes the key components of the system implemented by the company in terms of organisation and procedures applicable to the company and to its subsidiaries whose financial statements are consolidated based on the full consolidation method. This report was prepared with the help of the company's Legal and Finance department and presented to the Board of Directors on 21 March 2016.

In putting together the current report, the company, following the Board of Directors' decision of 7 February 2014, adheres henceforth to the MiddleNext Corporate Governance Code for small and midcaps of December 2009, which seems better suited to the company with regard to its size and the structure of its shareholding. This code is available on the MiddleNext website (www.middlenext.com).

4.1.1 Corporate Governance

In its 7 February 2014 session, the company's Board of Directors decided to adopt the MiddleNext corporate governance code for small and midcaps of December 2009 (the "MiddleNext code") as the code to be referred to by the company in matters of corporate governance, deeming it best suited to the company's size and the structure of its shareholding. This code is available on the MiddleNext website (www.middlenext.com).

The MiddleNext code contains points of vigilance that recall the questions the Board of Directors must ask itself in order to further the proper functioning of governance. The company's Board of Directors took note of these key points during its 7 February 2014 session.

At the date of the current report's publication, the company has not complied with the entirety of the recommendations decreed by the MiddleNext code. In accordance with the provisions in paragraph 7 of Article L. 225-37 of the French Commercial Code, the current report specifies the MiddleNext code provisions that were dismissed and explains the reasons why.

The company does not consider itself to be in compliance with the following recommendations:

- Compensation of directors:

The total amount of directors' fees is allotted equally to the directors. Indeed, the company considers that, even if a director cannot participate in a Board meeting, they remain committed to their responsibilities. Moreover, the directors devote time to their duties outside of meetings.

4.1.1.1 Conditions under Which the Board of Directors' Work Is Prepared and Organised

4.1.1.1.1 Organisation and Operation of the Board of Directors

a) Board Members

At 31 December 2015, the Board of Directors consisted of seven members, four of whom are also executive vice presidents and assist the chief executive officer.

Name	Age and Nationality	Start Date of Term	Expiration Date of Term
Michel Guillemot Chief Executive Officer	57 years French	3 December 2001	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Christian Guillemot Executive Vice President Administration	50 years French	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Claude Guillemot Executive Vice President Technologies	59 years French	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Yves Guillemot Executive Vice President Strategy and Development	55 years French	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
G�rard Guillemot Executive Vice President Strategy and Development	54 years French	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2017
Marie-Th�r�se Guiny	69 years French	22 June 2011	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2018
Odile Grandet	49 years French	18 June 2014	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2019

In accordance with recommendation no. 7 of the MiddleNext code, the managing directors do not hold more than three other directorial mandates for listed companies outside of the Gameloft Group.

In accordance with legal and statutory provisions, directors are appointed, reappointed or removed by the General Meeting. During the appointment or renewal of each director's term, information regarding their experience and competence is conveyed in the annual report and to the General Meeting. The appointment of each director is the subject of a separate resolution, in accordance with recommendation no. 9 of the MiddleNext code. Each director must own at least one share in the company.

The term for directors of the company is set in the articles of association at four years. However, through a proposal from the Board of Directors, the General Meeting may exceptionally name or renew certain directors for a period of two or three years in order to allow for a staggered renewal of the directors' terms. This duration is in compliance with recommendation no. 10 of the MiddleNext code, which advises that the statutory duration of the directors' terms be adapted to the company's specific features within the limits of the law.

Given the lack of a work committee and the fact that the employees do not hold a significant percentage of capital, no employee representative is involved in the Board's work.

b) Independent Director

The Board of Directors is made up of five members of the Guillemot family, as well as two independent directors: Ms Marie-Th r se Guiny as well as Ms Odile Grandet. Ms Marie-Th r se Guiny and Ms Odile Grandet

are independent directors as defined by recommendation no. 8 of the MiddleNext corporate governance code, bearing in mind that an independent administrator must meet the following criteria:

- Must not be an employee or executive director of the company or of a company in its group, and must not have been in such a position for the previous three years
- Must not be a customer, supplier, or banker that is material to the company or its group, or for whom the company or its group accounts for a significant part of their business
- Must not be a key shareholder in the company
- Must not be related by close family ties to an executive director or to a key shareholder
- Must not have been an Auditor of the company within the previous three years

The composition of the Board is therefore in accordance with recommendation no. 8 of the MiddleNext code, which advises that the Board include at least two independent members.

c) Equal Representation of Women and Men on the Board of Directors

As of 1 January 2017, a measure will be put in place by law, establishing a minimum threshold of representation of 40% for members of the Board of Directors and supervisory boards for companies whose securities are admitted to trading on a regulated market. As a transitional measure, Article 5-II of law no. 2011-103 of 27 January 2011 requires that listed companies not have a proportion of directors or supervisory board members of either gender of less than 20% upon the first Ordinary General Meeting after 1 January 2014.

The current composition of the company's Board of Directors is in compliance with the provisions of law no. 2011-103 of 27 January 2011 relating to the equal representation of women and men on boards of directors and supervisory boards, and professional equality. The company plans to continue to comply with the law and, in so doing, reach the 40% minimum threshold for women's representation on the Board of Directors by 1 January 2017.

d) Ethics of the Directors

In compliance with recommendation no. 7 of the MiddleNext code, each director is made aware of the responsibilities incumbent upon them at the moment of their appointment and is encouraged to observe the code of ethics related to their mandate.

Directors must comply with legal rules governing the holding of multiple appointments, inform the Board of any conflict of interest arising after their appointment, show proof of attendance at Board meetings and General Meetings, and ensure that they have all the necessary information about the Board meetings' agendas before making any decisions.

Directors are required to not disclose confidential information given to them as such by the Chairman of the Board of Directors.

e) Powers and Duties of the Board of Directors

The Board meets and deliberates on questions relevant to its competence in virtue of legal and statutory provisions, and in accordance with the provisions of its internal rules, which defines, in compliance with recommendation no. 6 of the MiddleNext code, the Board's role, make-up, and its main operating guidelines, as well as the duties of its members and the rules that determine the members' compensations. The Board's internal rules are available on the Company's website, in accordance with recommendation no. 6 of the MiddleNext code.

The Board of Directors determines the company's general strategic policies, which are in turn implemented by General Management under its supervision. Subject to the powers expressly granted to shareholders' meetings by law and the Articles of Association and within the limits of the corporate purpose, the Board of Directors deals with all issues affecting the company's proper functioning and, through its proceedings, handles all matters concerning the company.

The Board of Directors therefore:

- Defines the Group's objectives and strategy in accordance with its corporate culture and values
- Chooses the way in which General Management is organised (whether to separate or combine the functions of Chairman and Chief Executive Officer)
- Exercises, as it deems appropriate, the authorisations granted to it by the General Shareholders' Meeting
- Examines and approves the financial statements
- Oversees the management and ensures the quality of information provided to shareholders and the markets via the financial statements or during major transactions

f) Information Provided to the Directors

The Chief Executive Officer provides the directors with the necessary information and documentation to perform their duties and prepare the proceedings as provided by Article L. 225-35 of the French Commercial Code.

In compliance with recommendation no. 11 of the MiddleNext code, all documents and information necessary to the duties of the directors were given to them or put at their disposal within a sufficient period of time before Board meetings. Moreover, each director may obtain additional information on his or her own initiative and the Chief Executive Officer is always available to provide explanations and important information to the Board of Directors.

g) Chairman of the Board of Directors and Chief Executive Officer

Pursuant to the provisions of the French law on new economic regulations of 15 May 2001 (NRE law), the company's Articles of Association provide the ability to separate the functions of Chairman of the Board of Directors from those of Chief Executive Officer.

However, in accordance with a deliberation at 3 December 2001, the Board of Directors decided not to separate the functions of Chairman of the Board of Directors from those of Chief Executive Officer and consequently opted to combine the functions of Chairman of the Board of Directors and Chief Executive Officer of the company, with the Chairman of the Board of Directors also assuming responsibility for the company's general management. It was decided that this arrangement was the most favourable to the proper functioning of the company and the efficiency of the decision-making process.

The Chairman represents the Board of Directors. He organises and directs the Board's work and reports on it to the General Meeting. He ensures that the governing bodies (Board of Directors and General Meeting) over which he presides function properly. The Chief Executive Officer directs the company and represents it vis-à-vis third parties. He is vested with the fullest powers to act on the company's behalf.

h) Limits Placed by the Board of Directors on the Powers of the Chief Executive Officer

The powers of the Chief Executive Officer and the Executive Vice Presidents are not subject to any statutory limitation or limitation imposed by the Board.

i) Board of Directors' Meetings

The Board of Directors meets as often as the company's interests require, and at a minimum of four times per year in compliance with recommendation no. 13 of the MiddleNext code.

Board meetings are held at the registered office or any other place indicated in the meeting notice. For calculating the quorum and majority, directors participating in the Board meeting via videoconference or telecommunications media are deemed to be present. However, the actual presence or presence by representation will be required for all Board proceedings related to the closing of the year-end and consolidated financial statements, as well as the drafting of the management report and the report on the Group's management. Pursuant to Article L. 225-38 of the French Commercial Code, the auditors are called to Board meetings at which the year-end financial statements are reviewed and approved.

The decisions of the Board of Directors are taken as a simple majority of the present or represented members, with a tie-breaking vote cast by the Chairman in the case of a split vote.

The Board met 11 times in 2015. The directors attended the Board meetings regularly, with an overall attendance rate of 87.01% in 2015.

They participated actively and freely in the proceedings and contributed their knowledge and professional expertise in an effort to promote the general interest of the shareholders and the company.

Following are the main agendas of the meetings:

- Share capital increase following the exercising of share rights attached to stock warrants during fiscal year 2014.
- Review and approval of the individual and consolidated financial statements for the fiscal year ended 31 December 2014. Proposed allocation of profit. Preparation of the annual financial report. Evaluation of the Board's operations and preparation of its tasks.
- Analysis and approval of the report on the projected management documents for 2015. Preparation and notice to attend the Annual Ordinary General Meeting.
- Availability of share purchase options for Group employees. Guarantee in favour of the Gameloft New Zealand Limited subsidiary company. Review of the draft to create a new company subsidiary in Chile.
- Share capital decrease due to the cancellation of own shares. Renewal of the terms of the Chief Executive Officer and the Executive Vice Presidents.
- Share capital increase following the exercising of share rights attached to stock warrants during the first half of fiscal year 2015.
- Review and approval of the half-year accounts at 30 June 2015. Preparation of the half-year financial report.
- Review of the draft to create a new company subsidiary in Belarus.
- Update of the report on the projected management documents for 2015.
- Bonus issue of shares to employees and executive directors.
- Availability of share purchase options for Group employees.

j) Evaluation of the Board of Directors' Work

As advised by recommendation no. 15 of the MiddleNext code, at its meeting of 18 March 2015 the Board of Directors invited the directors to express themselves with regard to the operation of the Board and the preparation of its duties by using a self-evaluation questionnaire for the Board of Directors and its committees, which was sent to each director.

The self-evaluation primarily concerned the composition of the Board, its operation, the frequency and duration of meetings, subjects covered, the nature of the discussions, information provided to the directors, and duties of its specialised committees. What emerged was a positive appraisal of the Board's ability to carry out its mandate. It was also emphasized that the organisation and operation of the Board of Directors have been satisfactory, particular given the context of the take-over bid in progress, especially in terms of the availability of the Board of Directors members and the quality of discussion.

4.1.1.1.2 The Board of Directors' Committees

In accordance with recommendation no. 12 of the MiddleNext code, we are making you aware of the company's choice with regard to specialised committees.

Considering the company's situation, the Board of Directors decided to create two specialised committees: the Appointments and Compensation Committee and the Audit Committee.

These two committees are comprised exclusively of directors. Their members are appointed by the Board of Directors, which also appoints their chairmen.

These committees' specific powers and rules of operation were defined by the Board at the time of their creation and integrated into the internal rules.

a) Appointments and Compensation Committee

This Committee is made up of Ms Marie-Thérèse Guiny, Chairperson, who is assisted by Claude Guillemot.

- *Mission:* The role of the Appointments and Compensation Committee is to review the compensation of the members of the Board of Directors, the Chief Executive Officer and the Executive Vice Presidents and to decide whether it is appropriate to grant them stock options. The Committee will review candidacies and make proposals to the Board of Directors regarding the appointment or reappointment of directors and, in particular, the selection of independent directors.

The Appointments and Compensations Committee provides the Board with data for comparison and evaluation, particularly for practices related to:

- Studying and making proposals regarding the compensation of company managers
- Suggesting rules to the Board regarding the distribution of directors' fees and the individual amounts of payments to be made in this regard to directors, taking into account the directors' attendance at the Board
- Suggesting to the Board the total amount for directors' fees to be proposed to the company's General Meeting
- Providing the Board of Directors with an opinion on the general policy regarding the awarding of stock options that must be reasonable and appropriate and on a plan regarding options established by the group's General Management, indicating to the Board of Directors its proposal covering stock options and subscriptions by listing the reasons behind its choice as well as the consequences, setting the frequency of allotments
- Looking into all questions submitted by the Chairperson related to the points laid out above and, where appropriate, projects related to the employee stock ownership plan

b) Audit Committee

- *Composition:* This committee is made up of Ms Marie-Thérèse Guiny, Mr Claude Guillemot, and Mr Christian Guillemot. This committee is chaired by Ms Marie-Thérèse Guiny.

- *Mission:* The role of the Audit Committee is to

- Examine the accounts and ensure the appropriateness and consistency of the accounting methods used to prepare the company's consolidated and individual financial statements
- Monitor the financial reporting process
- Monitor the efficiency of the internal control and risk management systems

4.1.1.1.3 Compensation of the Executive Directors

The policy for compensation and benefits of all types awarded to the company's executive directors complies with recommendation no. 2 of the MiddleNext code. Indeed, the principles used to determine compensation correspond to the following criteria: completeness, balance, benchmark, consistency, readability, worth and transparency.

The compensation of the executive directors consists of fixed compensation and benefits in kind. The executive directors do not receive variable compensation. They may be granted stock options and bonus shares. The total is determined by the Board of Directors on the recommendation of the Compensation Committee. Stock options and performance shares granted to the executive directors are subject to performance conditions.

The total gross compensation paid by the company to members of the Board of Directors over the course of the fiscal year reached €1,393,873.

In accordance with recommendation no. 2 of the MiddleNext code, information on compensation of executive directors is detailed in the corresponding tables of the company's Management Report.

4.1.1.1.4 Directors' Fees

In consideration of the responsibilities assumed, but also of time spent preparing for Board meetings and of active participation, the company was authorised by the General Meeting of 18 June 2014 to pay to its directors fees amounting to a maximum set at €175,000 per year.

In compliance with recommendation no. 14 of the MiddleNext code, it is specified that each of Gameloft's executive directors were granted 25,000 euros in directors' fees over the course of the fiscal year ended 31 December 2015.

4.1.1.1.5 Stock Options Plan

Stock options are granted to employees and the executive directors by the Board of Directors on the recommendation of the Compensation Committee. Awarding stock options is a way of recognising the recipient's performance and contribution to the Gameloft Group's development as well as an assurance of his/her future employment with the Group.

At the time of each plan, the Compensation Committee and the Board assess the nature of the options to be granted—subscription or purchase—based primarily on financial considerations. A list of recipients is proposed by General Management to the Compensation Committee, which reviews it and submits it to the Board of Directors, which issues the stock options. The Board also determines the conditions under which the options may be exercised, the exercise price and the vesting period. The exercise price is based on the average share price during the 20 trading days preceding the date of the grant decision, during which no discount is provided. The plans generally provide for a four-year vesting period. In addition, the executive directors receiving options must keep in registered form five per cent (5%) of the shares resulting from the exercise of options until termination of their duties.

In accordance with recommendation no. 5 of the MiddleNext code regarding the compensation of executive directors, the awarding of stock options to, and purchase of shares by, executive directors are subject to relevant performance conditions reflecting the company's medium- and long-term interest.

4.1.1.1.6 Stock Options Exercised during the Fiscal Year by the Executive Directors

STOCK OPTIONS EXERCISED BY THE EXECUTIVE DIRECTORS DURING THE FISCAL YEAR						
Name of Executive Director:	Type of Operation	Plan Number and Date	Date of Operation	Number of Shares	Exercise Price	Amount of Operation
Gérard Guillemot	Exercise of stock options	Plan Number 9 of 14/05/2009	04/05/2015	37,500	€2.36	€88,500.00
Gérard Guillemot	Transfer	Plan Number 9 of 14/05/2009	04/05/2015	35,625	€4.836	€172,289.62

4.1.1.1.7 Bonus Issues of Shares

The bonus shares issued to the paid employees and executive directors of the company and of the companies or groups of companies related to it within the meaning of Article L. 225-197-2 of the French Commercial Code are approved by the Board of Directors on the recommendation of the Compensation Committee. Bonus shares are a way of recognising the recipient's performance and contribution to the company's development as well as an assurance of his/her future employment with the company.

A list of recipients is proposed by General Management to the Compensation Committee, which reviews it and submits it to the Board of Directors, which issues the bonus shares. The Board, with the authorisation of the general meeting, establishes the conditions and criteria that must be met by the recipients of new shares allotted free of charge, decides on the number of shares to be issued and notes the definitive allotment dates and the dates from which the shares may be freely sold, in light of legal restrictions.

In addition, the executive directors receiving bonus shares must keep in registered form five per cent (5%) of the shares allotted until termination of their duties.

In accordance with recommendation no. 5 of the MiddleNext code regarding the compensation of executive directors, the awarding of bonus shares to executive directors is subject to relevant performance conditions reflecting the company's medium- and long-term interest.

4.1.1.1.8 Bonus Shares Allotted to the Executive Directors

Bonus Shares Allotted to the Executive Directors by the Company during the Fiscal Year

	BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS BY THE COMPANY DURING THE FISCAL YEAR					
Name of Executive Director:	Plan Date	Number of Shares	Date of Acquisition	Option Fair Value	Date of Availability	Performance conditions
Michel Guillemot	17/12/2015	165,000	17/12/2017	€4.18	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
Yves Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
Christian Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
G�rard Guillemot	17/12/2015	20,625	17/12/2019	€4.43	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
Claude Guillemot	17/12/2015	20,625	17/12/2017	€4.35	17/12/2019	Internal performance conditions (goals in terms of marketing new games)
TOTAL		247,500				

No bonus shares became available to managers during the fiscal year.

4.1.1.1.9 Employment Contract, Retirement Benefits and Supplementary Retirement Plans Offered to the Executive Directors

None of the executive directors are under an employment contract, as endorsed by recommendation no. 1 of the MiddleNext code. No commitment has been made in favour of the executive directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties, as endorsed by recommendation no. 3 of the MiddleNext

code. Executive directors do not benefit from any additional retirement commitments, as endorsed by recommendation no. 4 of the MiddleNext code.

4.1.1.2 Terms and Conditions of Shareholders' Participation in General Meetings

Pursuant to Article 20 of the Articles of Association and Article R. 225-85 of the French Commercial Code, all shareholders are entitled to participate in the meetings, upon proof of identity, by attending the meeting in person, returning a vote-by-mail ballot or designating a proxy in accordance with the applicable laws and regulations, upon their registration of the securities account in the name of the shareholder or broker registered for the account on the second business day preceding the meeting at 12:00 a.m., Paris time, either in the registered share accounts or the bearer share accounts held by an authorised intermediary.

Shareholders who wish to attend the meeting in person must request to do so by returning their voting form either directly to CACEIS (registered shareholders) or to their financial broker (bearer shareholders). They will then receive an admission card.

A meeting notice, along with a vote-by-mail ballot or proxy form, will be sent automatically to registered shareholders. Bearer shareholders must contact the financial broker who manages their shares in order to obtain the vote-by-mail ballot or proxy form.

In order to be honoured, requests for vote-by-mail ballots or proxy forms must be received at least five days prior to the meeting date at Gameloft – Service Assemblées – 14 rue Auber – 75009 Paris.

4.1.2 Internal Control and Risk Management Procedures

General Management expresses its clear, on-going commitment to maintain and improve a reliable, effective system of internal control built on a strong ethical foundation, an appropriate organisation, defined responsibilities and proven competencies in order to ensure transparent management and well-informed shareholders, all key components of good governance.

4.1.2.1 Definitions and Objectives of Internal Control

In order to prepare this report on fiscal year 2015, Gameloft chose to draw on the internal control reference framework and the recommendations published by the AMF.

According to this framework, internal control is defined as a system that seeks to ensure:

- Compliance with laws and regulations
- The implementation of the instructions and policies defined by General Management
- Proper functioning of the company's internal processes, particularly those that help to protect its assets
- The reliability of financial reporting

This system must also facilitate control of the company's activities, the effectiveness of its operations and the efficient use of its resources, as well as allowing the company to take significant operational, financial or compliance risks into consideration. The internal control system also plays a key role in management and oversight of the company's activities.

The aim of internal control is therefore to

- Ensure that management activities, transactions carried out and employee behaviour are in line with the guidelines issued by the Board

- Ensure that transactions comply with applicable laws and regulations
- Prevent and manage risks inherent to the company's activity and risks of errors or fraud, particularly in the accounting and finance areas

Internal control procedures related to preparing and processing accounting and financial information include those that allow the company to produce the financial statements and information concerning the company's financial situation.

As such, Gameloft has taken significant steps toward assessing the appropriateness of its internal control system and evaluating its effectiveness on an on-going basis. The internal control system will therefore continue to be adapted to the specific needs and requirements of the Group and its subsidiaries and to changes in its external environment.

However, the Group is aware that the internal control system cannot provide an absolute guarantee that the objectives will be attained and that all the risks that the company may face will be managed.

4.1.2.2 Scope of the Internal Control System

This report covers all controlled companies included in the group's scope of consolidation and describes the internal control system put in place by Gameloft to ensure the reliability of its individual and consolidated financial statements.

Each company applies the procedures, the main characteristics of which are summarised below. This internal control is based on the following key principles:

- Recognition of the full responsibility of the directors of the Group's companies
- A system of regular financial reporting
- A regular and/or occasional review of key points and of the company's activity

4.1.2.3 Risk Management

In carrying out its activities, the Group is exposed to a number of risks that can impact its performance and its ability to attain its strategic and financial objectives. In order to identify and analyse these risks and the measures taken to manage them, the company has developed a risk map that is updated annually and is the product of a dynamic approach spearheaded by management teams and followed up by operational and functional teams.

The following steps were taken in mapping these risks:

- Identification of all the company's activities
- Evaluation and classification of the risks and of their impact on each of the company's activities
- Evaluation of the quality of the controls and preventive measures

The procedures put in place form an operational framework within the company. They are updated regularly in order to eventually become real risk management tools that can be used at all levels of the organisation, in particular for analysis of computer and non-financial risks.

The company's goal is therefore to strengthen its systematic approach toward risk analysis, thanks in particular to the creation of risk indicators. It intends to rely as much as possible on existing guidelines in order to improve its evaluation methods, further identify and document control procedures and better monitor its action plans.

An analysis of the key risks, their impact on the company's financial statements and the principal measures taken to manage them are described in the chapter of the management report entitled "Risk Factors."

4.1.2.4 General Organisation of Internal Control

a) The key players or departments involved in internal control activities

(i) Organisation:

The following are involved in the internal control system:

Chief Executive Officer: He defines and guides the Group's strategy. He is responsible for developing the procedures and the measures taken to ensure the operation and monitoring of internal control.

Board of Directors: It determines the policies that guide the company's activity and ensures that they are implemented. It oversees the company's management, particularly by approving the year-end financial statements and reviewing the half-year financial statements. The Board of Directors represents, as a group, all shareholders and is required to act at all times in the Group's best corporate interest. Its proceedings cover all issues vital to the Group, including in particular general strategic policies. It therefore has access to all the necessary documents and reports to fulfil this purpose. Moreover, each director may obtain additional information on his or her own initiative and the Chief Executive Officer is always available to provide explanations and important information to the Board of Directors.

Audit Committee: As part of its responsibilities, the Audit Committee prepares the decisions of the Board of Directors and makes recommendations or issues notices to the Board on a variety of topics, including:

- The review of the company's individual and consolidated financial statements
- The review of the company's cash flows
- The accounting measures and principles taken to draw up financial statements
- The preparation of financial information
- The consistency and effectiveness of the internal control and risk management systems

Other key players in internal control: Gameloft is organised into game development subsidiaries and marketing subsidiaries. The Gameloft Group's management, based in France, informs its subsidiaries of the strategic directions to follow and oversees their implementation.

The organisation of internal control is centred on four international departments:

- Development
- Sales and Marketing
- Finance and Accounting
- Legal and Human Resources

These four central departments are overseen by Gameloft's Chief Executive Officer, whose powers are derived from certain laws and regulations. The company has introduced a procedures manual and conducts application tests on a regular basis.

• **Development**

The Development department oversees the activity of the mobile game development studios located in France, Spain, Canada, the United States, Romania, Bulgaria, China, Vietnam, Mexico, the Philippines, Indonesia,

Hungary, Ukraine and Belarus. The studios report weekly to the Development department on the progress of the games currently under development. Publishing decisions for the development of new games are made by the Development department together with the Sales and Marketing department.

• ***Sales and Marketing***

The Sales and Marketing department oversees the activity of the mobile game marketing teams located in France, Germany, the United Kingdom, Spain, Italy, the United States, Canada, Japan, South Korea, China, India, Mexico, Argentina, Brazil, Hong Kong, Singapore, Malaysia, Indonesia, Australia, South Africa, the United Arab Emirates, Chile and Russia. These marketing teams handle the distribution and marketing of mobile games in the geographic areas for which they are responsible. The managers of these departments have broad latitude in terms of seeking out new partners to distribute the games. However, all partnership and game distribution agreements are approved by the Sales and Marketing department located in France, which facilitates monitoring and minimises risk. Each marketing subsidiary sends a detailed weekly account of its sales and marketing activity (new contacts, report of customer meetings, etc.) to the Sales and Marketing department.

• ***Finance and Accounting***

The Finance and Accounting department's areas of responsibility include cash flow management, monitoring of accounting and management rules, identifying external growth investments, finance, and relations with the financial community and shareholders. It also coordinates the company's corporate policy. The administrative departments at the registered office may be consulted by the company's subsidiaries outside of management channels. Each manager of a development or marketing subsidiary is a signatory on the subsidiary's bank account and independently manages its expenses and physical investments (limited for the most part to computer equipment). Every month, however, each subsidiary manager sends a detailed monthly income statement and a cash flow report to the Financial and Accounting department, which can then closely monitor changes in income and expenses on a global scale. These monthly income statements are then sent immediately to the company's two other departments, thus enabling them to monitor changes in the subsidiaries for which they are responsible.

• ***Legal Department and Human Resources***

The Group's Legal department ensures the legal certainty of the Group and its managers. The Legal department's duties include the formalisation and drafting of all contracts. It monitors laws and regulations in order to identify and anticipate changes to them. In addition, all legal proceedings and pre-litigation disputes are monitored by the Legal department in close collaboration with law firms.

The task of the subsidiaries' human resource teams is to develop and implement the necessary policies, programmes and tools to meet the recruitment objectives defined at the Group level, while also ensuring the development of each employee's potential and skills. These teams also ensure compliance with local regulations and implementation of the Group's policies regarding overall and individual performance improvement through regular evaluations, a development plan, customised training, the granting of stock options, enrolment in savings plans, etc.

(ii) Tools and operating methods:

The IT teams, which are part of the Information Systems department, ensure that teams have the appropriate tools to do their jobs. Together with the operational and functional teams, they determine the information systems required for information production and secure management of operations. A wide range of tools is used by the Group, including commercial software and tools developed in-house. These tools are constantly updated to meet the growing needs of information management and analysis.

b) Control activities

In addition to the risk management system, the Group has also implemented numerous control processes at all levels of the company. The functional departments at the registered office play a key role in this area by ensuring that the subsidiaries' activities adhere to Group guidelines and by assisting them with risk management, such as when local teams do not have sufficient qualifications:

- **The management control department** monitors the company's performance by tracking operations via monthly reports submitted by all the Group's subsidiaries. Given the Group's small size, there is no "Internal Audit" system. The "Management Control" department is part of the Development department. The Group's management control is the management control coordination unit that monitors all activity of the mobile game development studios at the Group level. Prior to starting development on each new game, forecasts are made regarding the composition of the development team, the amount of time allocated to development and the number of devices on which the game will be developed. This work method makes it possible to determine with the greatest accuracy the projected development cost of each game and serves as an efficient alert system in case of a delay in game development. Any variance between estimated and actual costs is analysed and subsequent games benefit from the lessons learned. The financial controllers monitor the entire financial reporting cycle and regularly audit the subsidiaries on their performance, results and activity.
- **The consolidation department** prepares the Group's consolidated financial statements and provides all the expertise required to prepare and analyse the monthly financial statements. It issues the accounting procedures applicable within the Group. It ensures compliance with the rules and regulations in force in order to fairly present the Group's activity and financial position.
- **The cash management department** coordinates the cash management of the French and foreign subsidiaries by, among other things, overseeing projected cash flows. It ensures that the foreign exchange and liquidity risk management policies are consistent with the financial information published and manages off-balance sheet commitments.
- **The legal department**, which specialises in corporate law, contract law, legal proceedings and intellectual property, assists and advises the subsidiaries on legal matters. It coordinates joint studies or studies of interest to the Group and offers legislative support to local entities in order to manage risk in different areas.
- **The information systems department** collaborates on the choice of computer tools and ensures consistency at both the technical and functional level. It also tracks the progress of IT projects on a regular basis and ensures they meet the needs defined by the functional teams and the budgets approved by management. The security department is responsible for ensuring and organising the protection of the information system, whether this entails the security of the various applications, the server architecture, the computer rooms or the organisation at the Group level.

c) Internal control related to the preparation and processing of financial and accounting information

Internal control procedures related specifically to the preparation and processing of financial and accounting information are designed to define and implement the accounting policy and manage resources and constraints in order to meet the company's objectives. Preparing and processing financial and accounting information is primarily the responsibility of the Finance and Accounting department.

In terms of financial information, Gameloft has a decentralised organisation. Each subsidiary's financial statements are prepared by the local accounting and financial teams under the supervision of the subsidiary's managers.

Preparation of the individual financial statements

The Finance and Accounting department is responsible for preparing Gameloft's financial statements in a manner that ensures accuracy and compliance with the regulations of the market on which the company is listed: Euronext Paris – Segment B.

The accounting procedures are in line with the key objectives of completeness, precision, compliance of transaction recording with the applicable rules, and consistency of the recording method with the Group's rules.

Specific procedures apply to the recording of entries that affect the main balance sheet, income statement and off-balance sheet items.

The financial statements of each subsidiary are prepared under the supervision of their manager by the local accounting services, which ensure compliance with the tax and regulatory restrictions of their respective countries. These statements are subject to a limited review on the half-year financial statements and an audit by the auditors of each entity for the year-end closing.

Preparation of the consolidated financial statements

The consolidated financial statements are prepared by the Finance and Accounting department based on data collected from the information systems and the financial statements prepared by the subsidiaries.

Since 2005, the Group's consolidated financial statements have been drawn up in accordance with international standards (IFRS). They are prepared quarterly based on a schedule established by the Finance and Accounting department at the time of each closing.

The entities' consolidation reporting packages are completed by the subsidiaries' accountants. The Financial and Accounting department produces the consolidated financial statements for the entire Group. It ensures that the source data submitted by the subsidiaries is consistent and that the consolidated financial statements are prepared in accordance with the rules and regulations in force and fairly present the Group's activity and financial position.

Each quarter, the Group announces its consolidated revenue. The Group's consolidated financial statements are published twice a year. They are audited annually and undergo a limited review twice a year, as required by law. They are approved by the Board of Directors and then by the general shareholders' meeting. Each year, the Group also publishes financial documentation.

Collection procedures and off-balance sheet commitments

During half-year and year-end account closings, the information needed to prepare consolidated off-balance sheet commitments is collected by the Finance and Accounting department from all departments in the company and subsidiaries of the Group.

Off-balance sheet commitments are ultimately validated by the Auditors as part of their audit on the financial statements.

Procedures for monitoring operational assets

The Group uses software to monitor assets for accounting purposes. During each closing, the information from these applications is reconciled with the accounting records.

Financial communication

Aside from the Chief Executive Officer, the Financial and Accounting department is solely authorised to release financial information concerning the Group and its strategy outside the company, with the Board of Directors responsible for final approval.

Under the supervision of the Administrative and Financial Director, the Group's Finance and Accounting Director, in collaboration with the Legal department, drafts the following documents:

- Financial press releases
- Half-year management report
- Reference document
- Presentation for the General Meeting

Financial information is released in strict compliance with the market operating rules and the principle of equal treatment of investors.

Audit performed by the Auditors

The on-going and independent mission of the Auditors of the company and its subsidiaries is to verify the company's book values and accounting documents, ensure that the accounting records comply with the rules in force, and verify consistency with the year-end financial statements and the truthfulness of the information provided in the Board of Directors' management report and in the documents sent to shareholders regarding the financial position and financial statements of the Group and its subsidiaries.

The Auditors perform their work twice a year when certifying the half-year financial statements and the year-end and consolidated financial statements. They are routinely informed of specific significant operations.

The Auditors are informed prior to the preparation of the financial statements and present a summary of their work to the group's Finance and Accounting department at the time of half-year and year-end closings.

4.1.2.5 Action Plan for Improving Internal Control

Gameloft's general management is mindful of changes in the legal and regulatory framework of corporate governance and internal control.

In collaboration with the Board of Directors, it is introducing more stringent measures in both these areas while endeavouring to ensure that all of the company's management levels remain flexible and responsive.

The Group has maintained light management structures during fiscal year 2015 while ensuring the observance of policy principles based on the autonomy of operational entities in order to

- Ensure the proper application of rules and procedures
- Monitor changes in regulatory requirements
- Maintain efficient management of key risks
- Guarantee reliable, regular and high-quality financial information

Generally speaking, continuous improvement of the procedures, standards and information systems remains one of the primary objectives and is in line with a three-fold commitment to efficiency, management and control.

Paris, 21 March 2016,

Chairman of the Board of Directors

4.2 Auditors' Report Prepared in Accordance with Article L. 225-235 of the French Commercial Code on the Report of the Chairman of the Board of Directors of Gameloft SE

Dear Shareholders,

In our capacity as auditors of Gameloft SE and in accordance with the provisions of Article L. 225-235 of the French Commercial Code, we present to you our report on the report prepared by your company's Chairman of the Board, pursuant to the provisions of Article L. 225-37 of the French Commercial Code for the fiscal year ended 31 December 2015.

The Chairman is responsible for preparing and submitting to the Board of Directors for approval a report that details the internal control and risk management procedures implemented at the company and provides the additional information required by Article L. 225-37 of the French Commercial Code relative to, among other things, the system of corporate governance.

It is our responsibility to

- Provide our observations based on the information contained in the Chairman's report concerning the internal control and risk management procedures related to the preparation and processing of accounting and financial information
- Certify that the report contains the additional information required by Article L. 225-37 of the French Commercial Code, with the stipulation that it is not our responsibility to verify the truthfulness of this additional information

We have performed our work in accordance with the professional standards applicable in France.

Information concerning the internal control and risk management procedures related to the preparation and processing of accounting and financial information

Professional standards require that we follow certain procedures to assess the truthfulness of the information concerning the internal control and risk management procedures related to the preparation and processing of accounting and financial information contained in the Chairman's report. These procedures consist of

- Acquiring an understanding of the internal control and risk management procedures related to the preparation and processing of the accounting and financial information underlying the information presented in the Chairman's report as well as the existing documentation
- Acquiring an understanding of the work involved in preparing this information and of the existing documentation
- Determining whether major weaknesses in internal control related to the preparation and processing of accounting and financial information detected by us during our audit are appropriately reported in the Chairman's report

Based on this work, we have no observation regarding the information about the company's internal control and risk management procedures related to the preparation and processing of accounting and financial information, as contained in the Chairman of the Board of Directors' report, which was prepared in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

Additional information

We certify that the report of the Chairman of the Board of Directors contains the additional information required by Article L. 225-37 of the French Commercial Code.

Rennes and Paris La Défense, 28 April 2016

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulois

5. LEGAL INFORMATION

5.1 Special Auditors' Report on Regulated Agreements and Commitments

General Meeting called to approve the accounts for the fiscal year ended 31 December 2015

Dear Shareholders,

In our capacity as your company's Auditors, we present to you our report on regulated agreements and commitments.

It is also our responsibility to inform you, based on the information provided to us, of the characteristics and essential terms and conditions of the agreements and commitments that have been brought to our attention or that we may have found during our audit, without our being required to comment on their usefulness or relevance, nor to search for the existence of other agreements and commitments. According to the provisions of Article R. 225-31 of the French Commercial Code, it is your responsibility to assess whether it is in your interest to enter into these agreements and commitments before approving them.

Moreover, it is our responsibility to inform you where appropriate of the information pursuant to Article R. 225-31 of the French Commercial Code related to the authorisation during the fiscal year just ended of agreements and commitments already approved by the General Meeting.

We have followed the procedures that we deemed necessary based on the accounting standards of the Compagnie nationale des commissaires aux comptes (French National Association of Auditors) relative to this audit. These procedures involved verifying the consistency of the information provided to us with the source documents from which it was derived.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

I- AGREEMENTS AND COMMITMENTS APPROVED DURING THE FISCAL YEAR JUST ENDED

We inform you that, during the fiscal year just ended, no notice was provided to us of an authorised agreement to be submitted for approval by the General Meeting, in application of the provisions of Article L. 225-38 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

II- AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR FISCAL YEARS THAT REMAINED EXTANT DURING THE FISCAL YEAR JUST ENDED

Pursuant to Article R. 225-30 of the French Commercial Code, we have been advised that the following agreements and commitments, approved in prior fiscal years, were performed during the fiscal year just ended.

1 – Licence agreement with Ubisoft Entertainment S.A.

- *Directors concerned:*

Messrs Christian, Claude, Gérard, Michel and Yves Guillemot

- *Nature and purpose:*

On 9 December 2013, your Board of Directors authorised the signing of a licence agreement with Ubisoft Entertainment S.A., under which Ubisoft Entertainment granted to your company an exclusive licence permitting Gameloft SE to market and promote certain trademarks and video games owned by Ubisoft Entertainment S.A. on mobile feature phones as well as mobile phones and tablets running iOS and Android. This licence contract took effect retroactively as of 1 April 2013.

This trademark licence contract was transferred by Ubisoft Entertainment S.A. to Ubisoft Mobile Games SARL.

- *Terms and conditions:*

This licence was granted in return for the payment of royalties proportional to the sales figures posted by Gameloft SE. During the fiscal year, the total royalties amounted to 196,238 euros.

2 – Distribution contract signed with Longtail Studios Inc.

- *Directors concerned:*

Messrs Christian and Gérard Guillemot

- *Nature and purpose:*

On 20 January 2006, your Board of Directors authorised the signing of a contract with Longtail Studios Inc. for the distribution of *Love Triangle: Dating Challenge*, a video game for mobile telephones. Under the terms of this contract, Longtail Studios Inc. grants worldwide distribution rights to the *Love Triangle: Dating Challenge* mobile game to Gameloft SE in return for the payment of a royalty equal to 50% of the revenues earned by Gameloft SE on sales of the game. This distribution contract took effect retroactively as of 1 July 2005.

- *Terms and conditions:*

During the fiscal year, no royalties were recorded with regard to this distribution contract.

Rennes and Paris La Défense, 28 April 2016

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulouis

5.2 Annual General Meeting

The Annual General Meeting of shareholders will be held on 29 June 2016.