



## Ubisoft Entertainment reports revenue for fiscal year 2005-2006

- **Fourth quarter revenue: €144m, reflecting continuous gains in key world markets**
- **Full year revenue: up 3% to €547m, driven by early positioning on next generation consoles**

**Paris – April 27, 2006** –Ubisoft Entertainment, one of the world's largest video game publishers, today reported sales for the fourth quarter ended March 31, 2006.

### **Fourth quarter sales: €144m, reflecting continuous gains in key world markets**

At 144 million euros<sup>1</sup>, sales for the fourth quarter of 2005-2006 exceed the Company's last guidance of around 130 million euros.

All platforms combined, Ubisoft's ranking therefore improved as follows:

- 4<sup>th</sup> independent publisher in the United States<sup>2</sup>: sell-through rose 22%, to be compared with an overall industry software revenue contraction of 6%. As a result, Ubisoft's market share improved to 6.1%, compared with 4.7% a year ago.
- 2<sup>nd</sup> independent publisher in the United-Kingdom<sup>3</sup>: sell-through increased 13%, to be compared with an overall industry software revenue contraction of 6%. Ubisoft's market share therefore improved to 7.5%, compared with 6.3% a year ago.
- 2<sup>nd</sup> independent publisher in France<sup>4</sup>: sell-through increased 10%, to be compared with an overall industry software revenue growth of 2%. Ubisoft's market share therefore improved to 7.0%, compared with 6.5% a year ago.

These gains were mainly driven by the successful launch of 3 titles for the recently released Microsoft Xbox 360™ on which Ubisoft ranked 1<sup>st</sup> independent publisher in France and 2<sup>nd</sup> independent publisher in the United States, the United Kingdom and Canada with market share in the range of 20% to 25%, during the fourth quarter 2005-2006.

In particular, Tom Clancy's Ghost Recon Advanced Warfighter™ sold in excess of 1.6 million units. Moreover, its Xbox 360™ version has already sold through around 800,000 units to-date<sup>5</sup>, becoming the fastest<sup>6</sup> selling game on this platform. It ranked overall top selling game in France and Canada, and second best-selling game in the United States and in the United Kingdom, in March 2006.

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<sup>1</sup> Financial statements of Ubisoft Group are prepared in accordance with the international financial reporting standard (IFRS) as of April 1<sup>st</sup>, 2005.

<sup>2</sup> Source: NPD, all platforms combined, in value, during calendar first quarter 2006.

<sup>3</sup> Source: Chart Track, all platforms combined, in value, during calendar first quarter 2006.

<sup>4</sup> Source: GFK France, all platforms combined, in value, during calendar first quarter 2006.

<sup>5</sup> Sell-through as of April 18, 2006. The game was released on March 9, 2006.

<sup>6</sup> Measured by the number of units sold during the first month following the release of the title.

## Full year revenue: up 3% to €547m, driven by early positioning on next generation consoles

Full year sales topped 547 million euros, an increase of 3% which compares favorably with an estimated worldwide market contraction<sup>7</sup> in the range of 7% to 8%, excluding Japan. This performance reflects the following positive factors:

- Early positioning on next-generation consoles which accounted for 29% of full year sales. They include:
  - Next-generation handheld consoles (15% of full year sales): overall, all handheld platforms combined, full year sales grew almost threefold.
  - The Microsoft Xbox 360™ which hit the market on November 22, 2005, accounted for 14% of full year sales.
- Success of the Group's brand strategy with 7 brands selling more than 1.3 million units and the top 5 best-sellers selling together in excess of 10 million units.
- Brand creation: on top of acquiring all the remaining intellectual property rights related to the Far Cry™ property, Ubisoft successfully launched this brand on home console with more than 1 million units sold, and also entered the flight combat segment with the creation of Blazing Angels: Squadrons of World War II.
- Market share gains in the Hollywood license segment: Peter Jackson's King Kong: The Official Game of the Movie and Star Wars: Revenge of the Sith sold in excess of 4.5 million and 1.0 million units, respectively. As a result, the group met its target for this segment to contribute in excess of 25% of consolidated revenue.
- Ubisoft's leadership on online gaming: more than 55% of players who bought Tom Clancy's Ghost Recon Advanced Warfighter™ for the Xbox 360™ play online making Ubisoft the 1<sup>st</sup> independent publisher on Xbox® Live.

**Commenting on the performance for the fourth quarter 2005-2006**, Yves Guillemot, CEO of Ubisoft Entertainment, said: "Establishing our leadership on the Microsoft Xbox 360™ is a great achievement. The tremendous success of Tom Clancy's Ghost Recon Advanced Warfighter™ confirms our ability to be at the forefront on new consoles. It should support Ubisoft's financial performance during the coming fiscal year, as we expect the Microsoft Xbox 360™, Sony PS3 and Nintendo Revolution installed base to ramp-up rapidly".

### Outlook

Ubisoft will present its fiscal year 2006-2007 line-up at the E3 exhibition which takes place in Los Angeles on May 10-12, 2006.

For fiscal year 2005-2006, the Group confirms its previous guidance of a positive current operating income, before stock-based compensation.

For the first quarter ending June 30, 2006, the Group anticipates revenues of around 60 million euros, compared with 43 million euros for the quarter ending June 30, 2005.

### Quarterly sales

Sales (in million euros)	2005-2006	2004-2005	% change	Currency adjusted change (%)
First quarter	43	61	-29%	-29%
Second quarter	110	67	+64%	+62%
Third quarter	250	185	+35%	+31%
Fourth quarter	144	219	-34%	-37%
Full year	547	532	+3%	+1%

*NB: the fiscal year ends on March 31.*

<sup>7</sup> Ubisoft estimates, in US\$, based on sell-through panels from NPD, GFK, ChartTrack and AC Nielsen data for the period April 1, 2005 - March 31, 2006.

## 2005-2006 financial calendar

Event	Date
Annual results	Wednesday June 28, 2006
Annual shareholders meeting	Second-half of September, 2006

Note that these are tentative dates and are subject to change.

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### **About Ubisoft**

Ubisoft is a leading producer, publisher and distributor of interactive entertainment products worldwide and has grown considerably through its strong and diversified lineup of products and partnerships. Ubisoft has offices in 21 countries and sales in more than 50 countries around the globe. It is committed to delivering high-quality, cutting-edge video game titles to consumers. Ubisoft generated revenue of 547 million Euros for the 2005-2006 fiscal year. To learn more, please visit [www.ubisoftgroup.com](http://www.ubisoftgroup.com).

## **APPENDICES**

### Geographic distribution of sales

	<b>% sales</b>	<b>% sales</b>	<b>% sales</b>	<b>% sales</b>
	<b>Q4 2005/2006</b>	<b>Q4 2004/2005</b>	<b>FY 2005/2006</b>	<b>FY 2004/2005</b>
Europe	<b>43%</b>	<b>52%</b>	<b>49%</b>	<b>53%</b>
North America	<b>52%</b>	<b>43%</b>	<b>45%</b>	<b>42%</b>
ROW	<b>5%</b>	<b>5%</b>	<b>6%</b>	<b>5%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Distribution of sales by platform

	<b>Q4 2005/2006</b>	<b>Q4 2004/2005</b>	<b>FY 2005/2006</b>	<b>FY 2004/2005</b>
PS2	<b>12%</b>	<b>34%</b>	<b>27%</b>	<b>37%</b>
XBOX	<b>7%</b>	<b>28%</b>	<b>17%</b>	<b>25%</b>
G-CUBE	<b>0%</b>	<b>4%</b>	<b>3%</b>	<b>5%</b>
CD-ROM PC	<b>15%</b>	<b>23%</b>	<b>16%</b>	<b>25%</b>
XBOX 360	<b>46%</b>	<b>0%</b>	<b>14%</b>	<b>0%</b>
GBA	<b>5%</b>	<b>4%</b>	<b>7%</b>	<b>3%</b>
PSP	<b>14%</b>	<b>2%</b>	<b>9%</b>	<b>1%</b>
DS	<b>1%</b>	<b>5%</b>	<b>6%</b>	<b>3%</b>
PSX	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>1%</b>
Divers	<b>0%</b>	<b>0%</b>	<b>1%</b>	<b>0%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Distribution of sales by activity

	<b>Q4 2005/2006</b>	<b>Q4 2004/2005</b>	<b>FY 2005/2006</b>	<b>FY 2004/2005</b>
Development <sup>8</sup>	<b>83%</b>	<b>89%</b>	<b>85%</b>	<b>87%</b>
Publishing	<b>14%</b>	<b>9%</b>	<b>10%</b>	<b>10%</b>
Distribution	<b>3%</b>	<b>2%</b>	<b>5%</b>	<b>3%</b>
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

<sup>8</sup> Development activity refers to income from titles developed, produced and commercialized by Ubisoft's internal studios as well as games developed by Third Parties supervised and co-produced by Ubisoft and for which it is responsible for the quality of the final product.

## Release schedule (April – June 2006)

And 1® Streetball	PS2, Xbox
Tom Clancy's Ghost Recon Advanced Warfighter™	PC
America's Army®: Rise of a Soldier™	PS2
Astonishia Story	PSP
Heroes of Might & Magic® V	PC
Lostmagic™	DS
Paradise™ (US only)	PC
Resident Evil® 4 (Europe only)	PC
Devil May Cry® 3: Dante's Awakening Special Edition (Europe only)	PC
CSI: 3 Dimensions of Murder™ (Europe only)	PC
Pirates of the Caribbean®: The Legend of Jack Sparrow (Europe only)	PS2, PC
2 in 1 Winnie the Pooh™ & Rayman® 3 (Europe only)	GBA
2 in 1 Prince of Persia® and Tomb Raider (Europe only)	GBA
Dragon Quest™ (Europe only)	PS2
Final Fantasy® XI Treasures of Aht Urghan™ ( add-on) (Europe only)	PC
Final Fantasy® XI (Europe only)	Xbox 360™
Field Commander™ (Europe only)	PSP
Untold Legends™ the Warrior's Code (Europe only)	PSP