



Press release
June 27, 2019

FOCUS HOME INTERACTIVE

(FR0012419307 ALFOC)

A record year for the Group:
Solid business and profit levels

2018/2019 revenue: €126m
Operating income: €14.1m

Increase in Sales Guidance for March 2022:
€150m - €200m

French video games publisher, **FOCUS HOME INTERACTIVE** (FR0012419307 ALFOC), has reported its annual earnings for its fiscal year 2018-2019. The Management Board met on June 24, 2019 to approve the financial statements for the fiscal year ended March 31, 2019. The audit procedures were duly completed and the auditors' report is in the process of being issued.

Income statement in €m	March 31, 2019	March 31, 2018	March 31, 2018
<i>Consolidated financial statements under French GAAP</i>	(*) 12 months	15 months Audited	(**) 12 months
Revenue	126.0	89.9	75.9
Studio royalties	-73.9	-49.7	-41.1
Manufacturing and ancillary costs	-15.5	-13.0	-10.8
Gross margin	36.6	27.2	24.0
% of revenue	29%	30%	32%
Personnel expenses	-8.3	-8.7	-7.2
Other operating costs	-14.2	-9.0	-7.2
Operating income	14.1	9.5	9.6
% of revenue	11%	11%	13%
Group net income	8.0	6.5	
% of revenue	6%	7%	

(*) The audit procedures were duly completed. The reports will be issued once the procedures required for the purposes of publishing the annual financial report have been finalised.

(**) As the Group changed its tax period, the financial statements at March 31, 2018 were presented for a 15-month period. Accordingly, a comparative is presented for the 12-month period from 01/04/2017 to 31/03/2018).

A record year for the Group

With a turnover of €126M exceeding by more than 20% the guidance announced by the management, 2018-2019 was remarkable for the Group, which once again demonstrated its breadth of expertise in establishing successful new brands and continuing to operate and generate profits from strong product licences.

The year got off to an excellent start with the release of DONTNOD studio's **Vampyr**, which met with worldwide commercial and critical success, and sold more than one million copies. These excellent sales figures put the game at the top of the best physical and digital sales in major territories in North America and Europe. The Group recently announced the renewal of its partnership with DONTNOD for a project that promises to be the most ambitious to date for both players.

Focus also generated record sales from **Farming Simulator 19**, which has sold more than two million copies to date and tops best-seller rankings in various countries around the globe. The "Farming" experience will be enriched over the coming months with the release of several additional content items and a new Switch version.

On the tails of the success of the million seller **MudRunner**, this year saw the release of an **American Wilds** edition offering further enhancements to this ultimate off-road experience.

New content, new American settings, and well-known vehicle have attracted a growing and loyal audience base to this Saber franchise.

December saw the release of **Insurgency: Sandstorm**. In only a few weeks, New World Interactive's hardcore title sold more than half a million copies on Steam, with regular updates, additional content and new game modes attracting more and more devoted fans.

Finally, the Group ended the year with the release of **Battlefleet Gothic: Armada 2**, the highly anticipated continuation of the successful Games Workshop franchise, showcasing some epic space battles in the Warhammer 40k universe.

Over the fiscal year, the back-catalogue accounts for 25% of total sales, with 90% of sales generated internationally and digital sales representing 66%.

Sharp increase in operating income (+47.6%) and net income (+23.6%)

The Group's unprecedented level of business has gone hand in hand with growth in its earnings. The gross margin came out to €36.6m, or 29% of revenues, compared to €27.2m at March 31, 2018, a fiscal year that was exceptionally 15 months long due the change in the Group's balance sheet date. This increase in business did not come at the expense of profitability, as the Group's operating margin held steady from the previous year at 11%, thereby illustrating its excellent control of operating expenses. Operating income was €14.1m, up 47.6%.

Group net income totalled €8.0m and included net financial items of -€0.1m, exceptional income of -€2.0m (primarily due to severance payments linked to the departure of the former chairman) and an income tax expense of €4.0m.

Equity was stable overall at €44.6m. With net debt of -€18.8m compared to -€7.8m previously, the Group's balance sheet is solid.

The Management Board will be proposing a dividend of €0.30 per share at the AGM on September 24, 2019.

A very promising 2019-20 catalogue

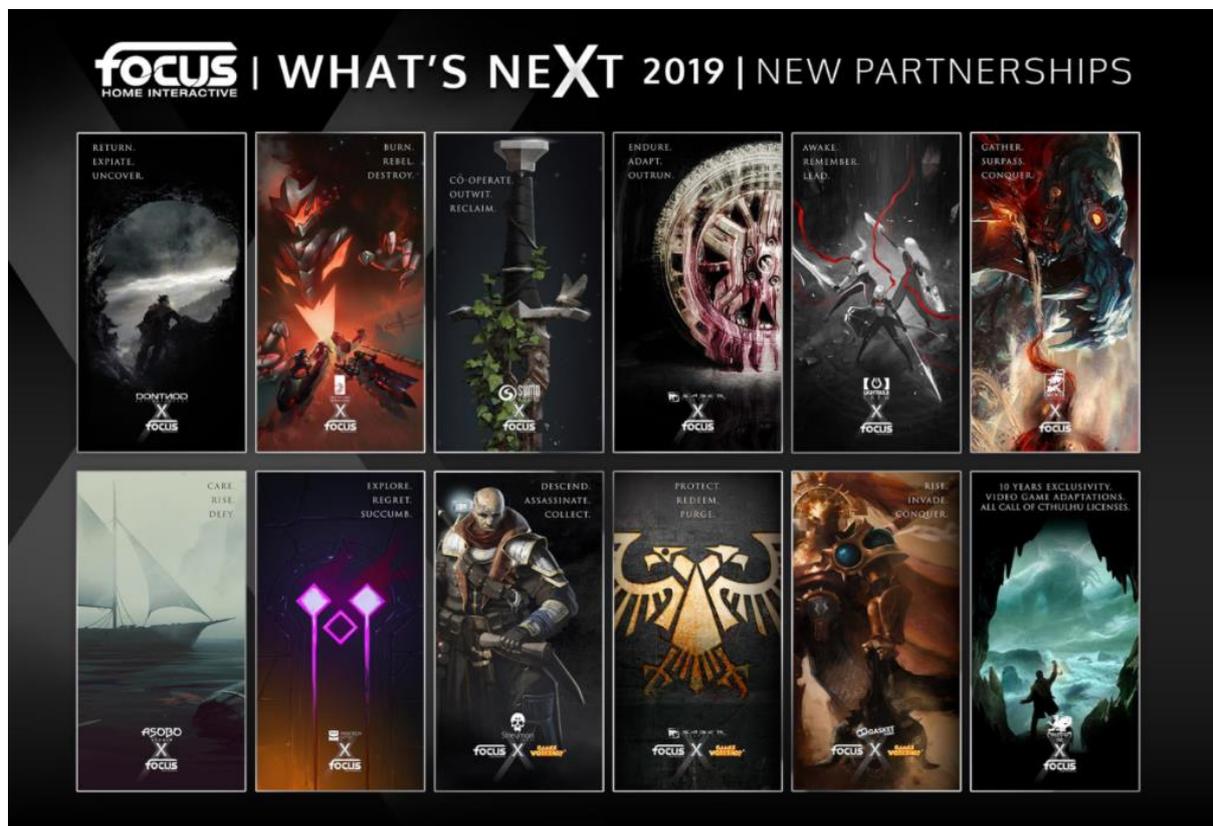
Fiscal year 2019-20 kicked off with the launch of Saber's **World War Z**, adapted from the Paramount film of the same name, the cooperative shooter inspired by Paramount Pictures' blockbuster film, which exceeded 2 million copies sold a few weeks after its release.

A Plague Tale: Innocence of Asobo released on May 14, 2019 also kept its promises with an excellent commercial launch and a unanimous critical welcome. It was also voted by the players "May's Best New Game" on Playstation.us.blog, the official US portal dedicated to the Playstation universe.

The year-end will bring the release of blockbusters such as **GreedFall** and eagerly awaited sequels **The Surge 2** and **MudRunner 2** developed by Spiders, Deck13 and Saber respectively, which have already garnered a huge following. These were presented to the global media at the Focus What's Next 2019 event held on 10 and 11 April, where they impressed journalists and visitors alike.

12 new projects signed by Focus

Held in the heart of Paris, the Group's annual What's Next event brought together global media, studios, and partners over two days to reveal more details of the Focus 2019 catalogue. Following announcements on the Group's strategy, attendees discovered 12 new partnerships signed by Focus for titles that will be developed and released over the next three years.



Focus is proud to renew key partnerships with talented players such as **DONTNOD** Entertainment (Vampyr), **SABER Interactive** (MudRunner, World War Z), **DECK13** (The Surge), **ASOBO** (A Plague Tale), **STREUM ON** (Space Hulk: Deathwing), and **PASSTECH Games** (Space Run). It will embark on new partnerships with industry veterans such as **SUMO Digital** (Eve: Valkyrie), **GASKET Games** (former members of Relic Games– Dawn of War), and promising new studios such as **LIMESTONE Games** and **LIGHTBULB Crew**. The Group also announced an agreement with historical partner **Games Workshop** for the development of three new **Warhammer** games, and a partnership with **Chaosium** for the exclusive operation of a series of **Call of Cthulhu** video games over the next ten years.

Drawing on the momentum of market growth, the Company's expanding influence and future deals, the Group also announces (like-for-like) that it is raising its guidance for sales at the end of March 2022: €150m - €200m.

About Focus Home Interactive

Focus Home Interactive is a French publisher based in Paris, France. Known for the quality, diversity and originality of its catalogue, Focus has published and distributed original titles (Vampyr, Farming Simulator, Call of Cthulhu, Insurgency: Sandstorm) that have become benchmark titles worldwide, available both in store and for download across the world. Focus publishes games on all major platforms, consoles and PC. The publisher's catalogue will get even richer in the coming months and years with eagerly awaited games such as A Plague Tale: Innocence, World War Z, The Surge 2, MudRunner 2, GreedFall and many more. The Group generated revenues of €126m in 2018-19. FOCUS HOME INTERACTIVE generates 90% of its sales internationally.

Upcoming events

Q1 2019/2020 revenue

July 25, 2019

General Assembly

September 24, 2019

Get all the latest financial information on FOCUS HOME INTERACTIVE
at www.focus-home.com



Financial Communication contacts

FOCUS HOME INTERACTIVE

Deborah Bellangé

Tel: + 33 (0) 1 55 26 85 00

Email: dirgen@focus-home.com

Investor Relations – ACTIFIN

Benjamin Lehari

Tel: + 33 (0) 1 56 88 11 25

Email: blehari@actifin.fr

Press Relations – ACTIFIN

Jennifer Jullia

Tel: + 33 (0) 1 56 88 11 19

Email: jjullia@actifin.fr