



Ubisoft reports first-half 2007-08 sales

- **First-half sales up 52.0% to €261 million, outstripping targets.**
- **Strong improvement in current operating income expected for first-half 2007-08.**
- **2007-08 games release schedule updated.**
- **Outlook for full-year 2007-08 confirmed.**

Paris, October 23, 2007 – Today, Ubisoft, one of the world's largest video game publishers, reported its sales for the six months ended September 30, 2007.

Sales

Total sales for the first half of 2007-08 came to €261 million, up 51.8%, or 55.1% at constant exchange rates, compared with the €172 million recorded for the same period of 2006-07.

Sales for second-quarter 2007-08 amounted to €127 million, up 25.4%, or 27.9% at constant exchange rates, on the €102 million generated in the comparable prior-year period. This figure exceeded the forecast of approximately €105 million announced when Ubisoft reported its sales for first-quarter 2007-08. This very good performance was primarily fueled by the following:

- The launch of a diverse range of games including:
 - Tom Clancy's Ghost Recon Advanced Warfighter[®] 2 on PLAYSTATION[®]3 computer entertainment system, PSP[™] system and PC,
 - Jam Sessions[™] and Imagine : Master Chef[™] on Nintendo DS[™],
 - Blazing Angels[®] 2 on Xbox360[®] and PC, The Settlers[®] on PC, and the multi-platform release of Surf's Up[™] in Europe.
- Sustained excellent sales levels for back catalog games as well as titles released during the first quarter of the fiscal year, which accounted for almost 40% of overall sales for the second quarter.

In first-half 2007-08, 75% of the Group's sales came from games for new-generation consoles, compared with 40% one year earlier.

Yves Guillemot, CEO of Ubisoft stated *"Ubisoft has turned in a very solid first-half showing and has continued to win market share on new-generation consoles. For the first 9 months of the 2007 calendar year Ubisoft was ranked¹ as the leading independent publisher for the Nintendo DS, as well as number 2 on Wii, number 3 for the PLAYSTATION 3 system and PSP[™] system and number 4 for the Xbox360 system. The strong sales performance and our positioning on high gross margin consoles has lead to a sharp profitability improvement for the first half of 2007-08. Finally, we have a particularly strong games portfolio for the rest of the fiscal year and we expect to reap the benefits of the recent PLAYSTATION 3 and Xbox360 hardware price reductions."*

¹ Data : NPD, Chart-track, GFK,...

Outlook

Strong improvement in current operating income expected for first-half 2007-08

Based on the information currently available, Ubisoft expects to record a positive figure for current operating income before stock options in first-half 2007-08, versus a loss of €33.6 million in the first six months of 2006-07.

Third-quarter 2007-08 sales

Ubisoft has a high-quality line-up for the third quarter, including the following releases:

- The new highly-anticipated brands, Assassin's Creed™ and Haze™.
- Naruto™: Rise of a Ninja, based on the license for the popular Manga, and Beowulf, which will coincide with the release of the movie.
- Rayman Raving Rabbids® 2, the sequel to one of the best-performing games of 2006-07.
- Numerous ranges of casual games structured around three strong labels – Imagine™, Petz® and MyCoach.

In view of these releases, Ubisoft expects sales for third-quarter 2007-08 to come in at around €330 million, representing a year-on-year increase of 6%.

2007-08 games release schedule updated

As a result of the positive trends observed during the first half of the year as well as the positive outlook for the third quarter, Ubisoft has decided to postpone the release of certain games. As a result:

- 6 franchises are now scheduled for release in 2007-08 (Brothers in Arms®, Far Cry®, Rayman Raving Rabbids®, The Settlers®, Tom Clancy's Splinter Cell® and an unannounced franchise), compared with the previously announced 7.
- 3 new brands are now scheduled for release in 2007-08 (Assassin's Creed™, Haze™, Tom Clancy's End War™), compared with the previously announced 6.

The four games concerned will now strengthen fiscal 2008-09.

Outlook for full-year 2007-08 confirmed

In light of our first-half performance as well as the visibility for the second half, Ubisoft is confident of achieving its previously announced targets for full-year 2007-08, i.e. sales of approximately €825 million and current operating income before stock options representing at least 9% of sales.

Recent highlights

Market share: In the first nine calendar months of 2007, Ubisoft was the number 4 independent publisher in the United States with market share of 5.3% (compared with number 5 and 5.2% one year earlier); number two in Europe with 7.9% market share (compared with number 2 and 6.9%), number 2 in France with 7.4% market share (compared with number 2 and 6.9%); number 2 in the United Kingdom with 9% market share (compared with number 2 and 7.8%); and number 2 in Germany with 6.9% market share (compared with number 3 and 6.6%).

Development studio opened in Chengdu, China: Ubisoft Chengdu will initially focus on internal outsourcing and in time will be responsible for developing online titles for PC, consoles and handhelds. The studio's goal is to expand to 200 developers by the end of 2008.

New Tom Clancy air combat game: Ubisoft has announced the creation of a new Tom Clancy brand being developed by its Bucharest studio for next-generation consoles and PC. Scheduled for a 2008 release this will be the first aerial-based game in the Tom Clancy series.

Disclaimer

This statement may contain estimated financial data, information on future projects and transactions and future business results/performance. Such forward-looking data are provided for estimation purposes only. They are subject to market risks and uncertainties and may vary significantly compared with the actual results that will be published. The estimated financial data have been presented to the Board of Directors and have not been audited by the Statutory Auditors. (Additional information is specified in the most recent Ubisoft Registration Document filed on June 27, 2007 with the French Financial Markets Authority (*l'Autorité des marchés financiers*)).

Financial calendar

Release	Date
First-half 2007-08 results	November 20, 2007

This date is subject to change and will be confirmed at a later stage.

About Ubisoft:

Ubisoft is a leading producer, publisher and distributor of interactive entertainment products worldwide and has grown considerably through a strong and diversified line-up of products and partnerships. Ubisoft has offices in 21 countries and sales in more than 50 countries around the globe. It is committed to delivering high-quality, cutting-edge video game titles to consumers. Ubisoft generated sales of €680 million for the 2006-07 fiscal year. To learn more, please visit www.ubisoftgroup.com.

Contacts

Investor relations

Jean-Benoît Roquette
Head of Investor Relations
+ 33 1 48 18 52 39
Jean-benoit.roquette@ubisoft.com

© 2007 Ubisoft Entertainment. All Rights Reserved. Imagine, Jam Sessions, Petz, Cosmic Family, Splinter Cell, Assassin's Creed, Ghost Recon Advanced Warfighter, Blazing Angels, EndWar, Happy Cooking Ubisoft, Ubi.com, and the Ubisoft logo are trademarks of Ubisoft Entertainment in the U.S. and/or other countries. The Settlers, Red Storm and Red Storm logo are trademarks of Red Storm Entertainment in the U.S. and/or other countries. Red Storm Entertainment, Inc. is a Ubisoft Entertainment company.

Naruto™ Rise of a Ninja © 2007 Ubisoft Entertainment. All Rights Reserved. Ubisoft and the Ubisoft logo are trademarks of Ubisoft Entertainment in the US and/or other countries. © 2002 MASASHI KISHIMOTO. All rights reserved. This product is manufactured, distributed and sold under license from VIZ Media LLC and TV TOKYO CORPORATION & SHUEISHA INC. All Rights Reserved.

© 2007 Ubisoft Entertainment. All Rights Reserved. Far Cry is a trademarks of Ubisoft Entertainment in the US and/or other countries. Based on Crytek's original Far Cry directed by Cevat Yerli.

Surf's Up: TM & © 2007 Sony Pictures Animation Inc. All rights reserved. Game Software excluding Sony Elements: © 2007 Ubisoft Entertainment. All rights reserved.

TM Paramount Pictures. © 2007 Paramount Pictures and Shangri-La Entertainment, LLC. All Rights Reserved. Game Software © 2007 Ubisoft Entertainment. All Rights Reserved.

© 2007 Ubisoft Entertainment SA and Free Radical Design Limited. All Rights Reserved. Haze is a trademark of Ubisoft Entertainment and Free Radical Design. Free Radical Design and its associated logo are trademarks of Free Radical Design Limited.

© 2007 Gearbox Software, L.L.C. All rights reserved. Published and distributed by Ubisoft Entertainment under license from Gearbox Software, L.L.C. Brothers in Arms is a trademark of Gearbox Software and is used under license. Gearbox Software and the Gearbox logo are registered trademarks of Gearbox Software, LLC.

© 2007 Plato. All Rights Reserved. Published and distributed by Ubisoft Entertainment under license from Plato. Video game based on "Sing & Play DS Guitar M-06," which is a trademark of Plato. Ubisoft, Ubi.com, and the Ubisoft logo are trademarks of Ubisoft Entertainment in the U.S. and/or other countries.

© 2007 MTO Inc. All Rights Reserved. Published and distributed by Ubisoft Entertainment under license from MTO., "PlayStation", "PLAYSTATION", "PS" Family logo and "PSP" are registered trademarks of Sony Computer Entertainment Inc. PSP® system- Memory Stick Duo™ may be required (sold separately).

Microsoft, Xbox, Xbox 360, Xbox LIVE, and the Xbox logos are trademarks of the Microsoft group of companies. Nintendo DS, and the Wii logo are trademarks of Nintendo. © 2006 Nintendo.

APPENDICES

Breakdown of sales by geographic region

	% sales	% sales	% sales	% sales
	Q2 2007/08	Q2 2006/07	6 months 2007/08	6 months 2006/07
Europe	56%	49%	52%	47%
North America	36%	43%	40%	46%
Rest of world	8%	7%	9%	7%
TOTAL	100%	100%	100%	100%

Breakdown of sales by platform

	Q2 2007/08	Q2 2006/07	6 months 2007/08	6 months 2006/07
Nintendo DS™	23%	6%	20%	5%
Game Boy Advance	3%	12%	4%	10%
Nintendo GameCube™	0%	2%	0%	1%
PC	18%	19%	12%	29%
PlayStation®2	8%	28%	9%	20%
PLAYSTATION®3	20%	-	21%	-
PSP™	8%	6%	10%	7%
Wii™	6%	-	10%	-
XBOX®	0%	0%	0%	0%
XBOX 360™	13%	26%	15%	28%
Other	0%	0%	0%	0%
TOTAL	100%	100%	100%	100%

Breakdown of sales by business line

	Q2 2007/08	Q2 2006/07	6 months 2007/08	6 months 2006/07
Development	80%	57%	77%	58%
Publishing	17%	33%	19%	31%
Distribution	3%	10%	5%	11%
TOTAL	100%	100%	100%	100%

Games Release Schedule

Third quarter (October – December 2007)

IMAGINE™ : ANIMAL DOCTOR	Nintendo DS™
ASSASSIN'S CREED™	Xbox 360™, PLAYSTATION®3
IMAGINE™ : BABYZ®	Nintendo DS™
BEOWULF™	PLAYSTATION®3, Xbox 360™, PC, PSP™
BLAZING ANGELS® 2 : SECRET MISSIONS OF WWII	PLAYSTATION®3
PETZ® : CATZ® 2	Nintendo DS™, Wii™, PC, PlayStation®2
CHESSMASTER® : GRAND MASTER EDITION	PC
CHESSMASTER® : THE ART OF LEARNING	Nintendo DS™
CRANIUM® KABOOKII	Wii™
CSI : DARK MOTIVES	Nintendo DS™
PETZ® : DOGZ® 2	Nintendo DS™, Wii™, PC, PlayStation®2
PETZ® WILD ANIMALS : DOLPHINZ	Nintendo DS™
FINAL FANTASY TACTICS®: THE WAR OF LIONS™ (Europe only)	PSP™
IMAGINE™: FASHION DESIGNER	Nintendo DS™, PC
PETZ® : HAMSTERZ™ (US only)	Game Boy Advance
PETZ®: HAMSTERZ™ 2	Nintendo DS™
IMAGINE™: MASTER CHEF (US only)	Nintendo DS™
HAZE™	PLAYSTATION®3
HEROES OF MIGHT AND MAGIC® V: TRIBES OF THE EAST	PC
PETZ® : HORSEZ® 2	Nintendo DS™, Wii™, PC, PlayStation®2
MY FRENCH COACH	Nintendo DS™
MY SPANISH COACH	Nintendo DS™, Wii™ (Europe only)
MY ENGLISH COACH (Europe and Canada only)	Nintendo DS™, Wii™
MY WORD COACH	Nintendo DS™, Wii™
NARUTO™ : RISE OF A NINJA	Xbox 360™
PET VET : ZOO (Europe only)	PC
PET VET : MY ANIMAL HOSPITAL IN AUSTRALIA (Europe only)	PC
RAYMAN RAVING RABBIDS® 2	Nintendo DS™, Wii™
REAL FOOTBALL 2008 (Europe only)	Nintendo DS™
SURF'S UP™ (France/Nordic)	Nintendo DS™, Wii™, PC, PlayStation®3, PlayStation®2, Xbox 360™, PSP™
THE ELDER SCROLLS IV : OBLIVION® GOTY (Europe only)	PLAYSTATION®3
THE ELDER SCROLLS® IV : THE SHIVERING ISLES™ (Europe only)	Xbox 360™
TOTALLY SPIES (Europe only)	PC, PlayStation®2
AMERICA'S ARMY : TRUE SOLDIERS (US only)	Xbox 360™
WHO WANTS TO BE A MILLIONAIRE (Europe only)	Nintendo DS™, Wii™