

Funcom

2Q 2016 - Update on the games

Disclaimer – forward looking statements



This presentation contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts are forward-looking. You should not place undue reliance on these forward-looking statements for many reasons.

These forward-looking statements reflect current views with respect to future events and are by their nature subject to significant risk and uncertainties because they relate to events and depend on circumstances that will occur in future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

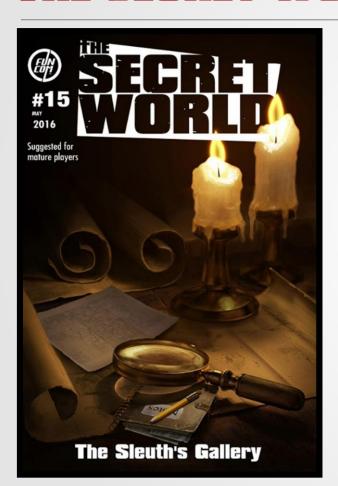
Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot assure you that our future results, level of activity or performance will meet these expectations. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Unless we are required by law to update these statements, we will not necessarily update any of these statements after the date of this presentation, either to conform them to actual results or to changes in our expectations.



GAMES IN OPERATION

THE SECRET WORLD



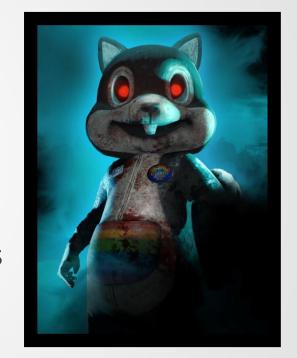


- Launched Issue 15: The Sleuth's Gallery
 - Featuring the most missions ever included in a single Issue, including all missions from Sidestories: Further Analysis, Love & Loathing, and The Last Pagan.
 - Also included a brand new investigation mission.
- Started TSW <u>4 Year Anniversary</u> event
- Released the <u>Museum of the Occult</u> allowing players to collect, display, and customize events in their own personal museum
- Ran a <u>T-Shirt competition</u> for players to get their own art in the game
- Released a new social clothing bag including several sports related items and a brand new Race Horse mount.
- Content production for TSW during Q2 was temporarily reduced due to activities for Age of Conan and the new game prototype
- A Free Trial test campaign was initiated and will continue to be expanded in upcoming months

THE PARK



- Released for Xbox One and Playstation 4 in May
- Participation in "Summer sale" events on all platforms and territories
- Sales are in line with expectations, with console sales being on par with PC sales
- The project is considered to be a success as it significantly increased the team's competence in Unreal Engine 4 and Console development



Other games in operation



Anarchy Online

- Implemented an end-game Research Perkline for end-game players
- Initiated a new system of membership rewards (1, 2, 3, 6, 12, 18 months -)
- Introduced a new series of <u>automated</u>, <u>rotating quests</u> with unique rewards and added a new currency to help support new automated events, as well as future event content
- Celebrated the 15th Anniversary!

Age of Conan

- Released the "<u>Pitmaster arena</u>"
- Revamped the Free to Play system of the game:
 - New Raid Finder, New Daily Challenge System, New Daily Login Rewards, Membership Changes, and Loyalty Rewards
- Celebrated the 8th Anniversary!
- Lego Minifigures Online
 - Servers closing down on October 1st as the license agreement with LEGO expires







GAMES IN DEVELOPMENT







- In June, the Company announced that the PC Early Access date has been moved to January 2017
- Funcom's strengthened financial situation allowed more development time to be added to the project, which should ensure a better product with higher sales potential that will serve to increase the value of the business in the long term



- Development is on track and the team is meeting the internal milestones set out for the project
- Funcom will be gearing up marketing and promotional activities for Conan Exiles a few months ahead of Early Access

Other games in development



- New "smaller" game using The Secret World IP
 - Prototyping and development continues in the North Carolina office
 - Game reveal and PR/Marketing activities to start 4-6 weeks before game release
 - Has as main goal to increase the competency of the North Carolina team in Unreal Engine 4.
 Due to this risk and the experimental nature of the title, it is not expected to have a material impact on the business
- New "smaller" game using Conan the Barbarian IP
 - Previously announced to start production in 2016 following Conan Exiles
 - Still in early concept development phase in the Oslo studio
 - Expected to go through concept review and project approval by the end of the year.
 - Production is not expected to start until after the Early Access release of Conan Exiles.



LAST SLIDE