



Funcom – 4th Quarter 2015

29th of January 2016

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.

4Q 2015 Highlights



- 4Q FY15 revenues were USD 2,537k, with an increase of USD 342k compared to 3Q FY15.
- The EBIT improved from USD -1,754k in 3Q FY15 to USD -521k in 4Q FY15, mainly due to the increased revenues in 4Q FY15, and to the write-off of LMO in 3Q FY15.
- The impact of the costs savings continued to materialize in 4Q FY15 and quarterly operating expenses are down USD 430k compared to 4Q FY14.
- The main creditors have confirmed that they are willing to restructure the the USD 3,950k working capital loan into the existing USD 4,000k convertible loan, and to postpone the maturity date of the USD 6,200k convertible bonds and of the convertible loan to respectively December 2018 and June 2019.
- The Company entered into a partnership with Conan Properties International for the development of games on PC and Consoles based on the “Conan the Barbarian” brand
- “*Conan Exiles*” has been announced as the next title expected to be released during Summer 2016 on “Early Access” on the Steam store
- An equity issue is being planned by the Company with the goal of funding the execution of the new strategy and the securing of additional revenue streams



KEY FINANCIALS

Key Financial Summary – 4Q FY15



in K USD	4Q FY15	4Q FY14
Revenues	2,537	2,916
EBITDA	(120)	(171)
EBIT	(521)	(462)
EAT	(2,059)	354

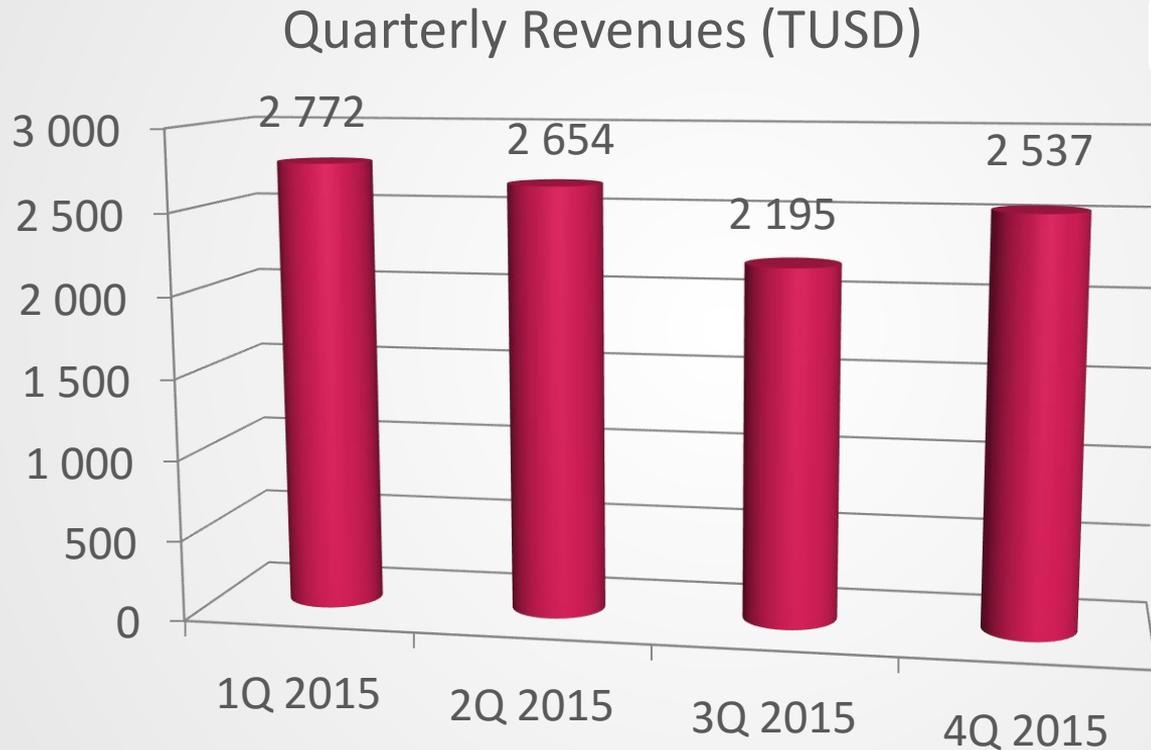
Notes

< Main sources of revenues are *The Secret World*, *Age of Conan* and *Anarchy Online*

< Net result in 4Q FY15 impacted by foreign exchange losses on the settlement of intercompany balances. This accounting entry has no cash impact, thus not representing a cash loss



Key Financial Summary, 4Q 2015 - Revenue



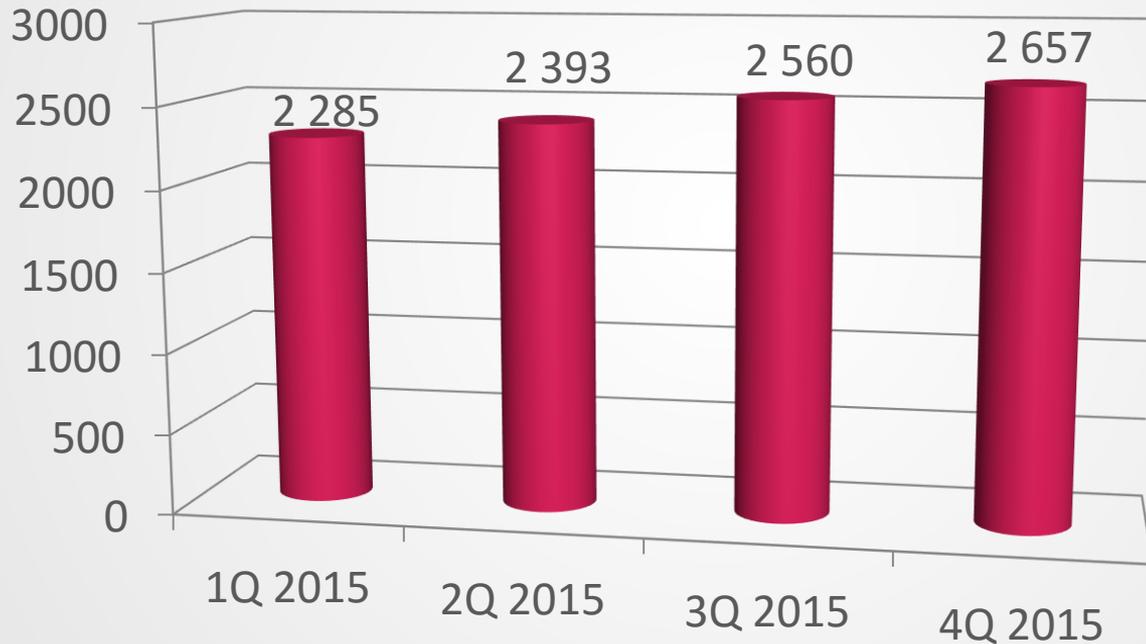
Notes

< Year on Year decrease in revenues due to ageing of the Live Games

Key Financial Summary, 2Q 2015 – Operating costs



Quarterly Operating costs (TUSD)



Notes

- < Internal operating costs show a small reduction every quarter in FY15
- < Exceptional cost items (such as but not limited to legal expenses and Økokrim fine) contributed to higher operational costs in 3Q and 4Q
- < Favorable foreign currency exchanges on the costs of European operations in FY15

4Q 2015 Summary



- Revenues and operating costs for 4Q 2015 were in line with internal forecasts
- The main creditors have confirmed that they are willing to restructure the Company's debt
- The Company entered into a partnership with Conan Properties International for the development of games on PC and Consoles based on the "Conan the Barbarian" brand
- "*Conan Exiles*" has been announced as the next title expected to be released during Summer 2016 on "Early Access" on the Steam store
- An equity issue is being planned by the Company with the goal of funding the execution of the new strategy and the securing of additional revenue streams