



REFERENCE DOCUMENT

2014



Pursuant to Article 212-13 of the General Regulations of the Autorité des Marché Financiers (AMF), this reference document was filed with the AMF on 24 April 2015 under the number D.15-0405. It may be used in support of a financial operation if accompanied by a "note d'opération" (securities note) approved by the AMF. This document has been authored by the issuer and is binding upon the signatories.

Pursuant to Article 28 of European Commission (EC) Regulation 809/2004, the following information is included in this reference document by way of reference:

- The consolidated and individual financial statements for the fiscal year ended 31 December 2012, as well as the related auditors' reports, appear on pages 81 to 151 of the reference document filed with the AMF on 30 April 2013 under number D.13-0478.
- The consolidated and individual financial statements for the fiscal year ended 31 December 2013, as well as the related auditors' reports, appear on pages 95 to 176 of the reference document filed with the AMF on 17 April 2014 under number D.14-0377.

Copies of this document are available at GAMELOFT S.E.'s registered office: 14 rue Auber, 75009 PARIS.

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European Company with capital of 4,281,254.85 euros
Tel.: (33) 1 58 16 20 40
Paris Corporate and Trade Register No. 429 338 130 - NAF code 5821Z

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1. PERSONS RESPONSIBLE FOR THE DOCUMENT AND FOR THE AUDIT OF THE FINANCIAL STATEMENTS

1.1 Person Responsible for the Reference Document

Mr Michel Guillemot

Chief Executive Officer of Gameloft SE (hereinafter the "company" or "Gameloft")

1.2 Certification of the Person Responsible for the Document

I hereby certify, after taking all reasonable measures in this respect, that the information contained in this reference document is, to my knowledge, true and correct and that there are no omissions that could impair its meaning.

I hereby certify that, to my knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and fairly reflect the assets, financial position and earnings of the company and of all the consolidated companies, and that the management report appearing on pages 12 to 94 fairly reflects changes in the business, profit and financial position of the company and of all the consolidated companies and provides a description of the main risks and uncertainties to which they are exposed.

I have obtained from the statutory auditors, Audit AMLD and Mazars, a letter of audit completion indicating that they have audited the information concerning the financial position and financial statements presented in this reference document and have read the reference document in its entirety.

The consolidated financial statements presented in this reference document were the subject of a statutory auditors' report appearing on page 148 of the current reference document for the fiscal year ended 31 December 2014. This report was issued without qualification and contains an observation on the economic situation in Argentina, notably the impact of the difference between the use of the official and unofficial conversion rates on the principle aggregates of Gameloft's Argentina subsidiary in the Group's consolidated accounts.

The individual financial statements presented in this reference document were the subject of a statutory auditors' report appearing on page 180 of the current reference document for the fiscal year ended 31 December 2014. This report was issued without qualification or comment.

The consolidated financial statements for the fiscal year ended 31 December 2013 were prepared according to IFRS standards and were the subject of a statutory auditors' report. This report was issued without qualification and contains observations on the economic situation in Argentina, notably the impact of the difference between the use of the official and unofficial rates on the principle aggregates of Gameloft's Argentina subsidiary in the consolidated accounts, and on the effects of the change in method for the application of the IAS 19 amendment on defined benefit plans.

The individual financial statements for the fiscal year ended 31 December 2013, were the subject of a statutory auditors' report. This report was issued without qualification or comment.

The consolidated financial statements for the fiscal year ended 31 December 2012 were prepared according to IFRS standards and were the subject of a statutory auditors' report. This report was issued without qualification or comment.

The individual financial statements for the fiscal year ended 31 December 2012, were the subject of a statutory auditors' report. This report was issued without qualification or comment.

Paris, 23 April 2015,

Mr Michel Guillemot

Chairman of the Board of Directors and Chief
Executive Officer

1.3 Persons Responsible for the Audit of the Financial Statements

1.3.1 Statutory Auditors

	Date of Appointment	Term and Expiration Date
Audit AMLD 2 rue de la Paillette 35000 Rennes	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017
MAZARS 61 rue Henri Regnault 92 075 La Défense Cedex	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017

1.3.2 Acting Auditors

	Date of Appointment	Term and Expiration Date
Mr Benoît Flechon 16 Avenue du Bel Air 75012 Paris	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017
Mr Jean-Maurice El Nouchi 61 rue Henri Regnault 92 075 La Défense Cedex	19 June 2012	Six fiscal years expiring after the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2017

1.4 Person Responsible for Financial Communications

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Chief Executive Officer
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1.5 Financial Communications Schedule

Publication of 2015 first-quarter revenue: 28 April 2015.

2. MANAGEMENT REPORT

2.1. Group Activity and Earnings for Fiscal Year 2014

2.1.1 Presentation of the Group

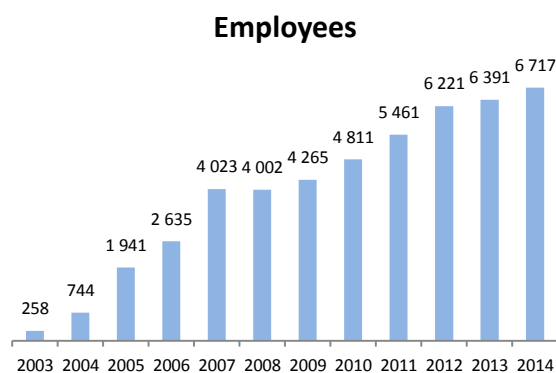
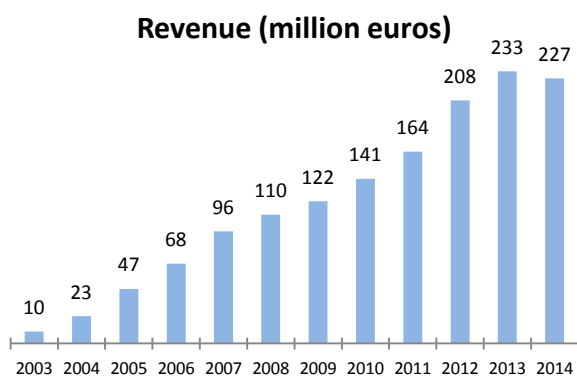
2.1.1.1 History and Company Activity

Gameloft creates and publishes downloadable video games for mobile phones, touch tablets, set-top boxes and Smart TVs.



**NEARLY 2
MILLION
GAMELOFT
GAMES ARE
DOWNLOADED
EACH DAY**

A pioneer in its field since its creation in 2000, the company has asserted itself as one of the most innovative and dynamic enterprises in the sector. Gameloft develops all of its games in its internal production studios and has at its disposal a portfolio of proprietary brands including well-established franchises such as *Asphalt*, *Modern Combat*, *Order & Chaos*, *Dungeon Hunter*, *World at Arms* and *Gangstar*. Partnership agreements with major rights holders such as Disney•Pixar, Mattel®, Hasbro®, FOX®, Universal, Marvel®, DC Comics, and Sega allow Gameloft to associate some of its games with the biggest international brands: *Spider-Man*, *Cars*, *Playmobil*, *Iron Man*, *UNO*, *Despicable Me*, *Ice Age*, *My Little Pony*, the NFL, etc.



Gameloft is a major player and key figure in an industry that is predicted to experience rapid growth in the coming years. Today Gameloft has a studio on every continent, distributes its games in nearly 120 countries and employs almost 6,700 people spread across 33 countries around the world.

2.1.1.1.1 Mobile and Tablet Games

The use of mobile telephones has spread very quickly over the last twenty years. The number of unique mobile subscribers worldwide was estimated at 3.6 billion at the end of 2014¹ compared to only 100 million in 1996². The number of unique mobile subscribers should reach 4.6 billion by 2020, growing by four percent per year (CAGR) over the course of this period. Between now and 2020, nearly 60 percent of the world population will be subscribed to a mobile service¹. For a game developer and publisher, this user base represents a unique opportunity to sell its products to a population that is considerably larger than that of traditional video games. For this reason, the Gameloft Group has positioned itself in this market since 2000, where it has become a major player thanks to a diversified game catalogue, strong licences, and the largest customer and distributor networks in the market.

The application in 2002 of Java and Brew technologies to mobile telephones revolutionised the mobile phone games market by permitting three major advances:

- Consumers were able to download real video games directly to their mobile phones for a price generally between €3 and €6 in developed countries and between €0.5 and €2 in emerging countries.
- The download of a Java or Brew game and the quality of the game itself did not depend on the quality of the telecom networks. Telecommunications networks allowed consumers to download a Java or Brew game in less than one minute.
- Java and Brew technologies quickly imposed themselves on all telephone manufacturers. This standardisation allowed the market to develop rapidly. At the beginning of 2014, the number of Java telephones worldwide reached 3 billion, compared to 2 billion in 2008 and 1 billion in 2006³.

A genuine pioneer in the mobile gaming industry, Gameloft was one of the very first companies in the world to develop games for Java and Brew telephones, collectively referred to as "feature phones," and has offered an extensive catalogue of downloadable games for these feature phones since 2002. This catalogue is compatible with most feature phones sold today. All in all, the company currently offers more than 380 Gameloft games that can be downloaded on 200 different models of feature phones and which are sold around the world.



In 2008, the arrival of a new generation of mobile phones, called smartphones, brought on a second major shift in the mobile video game market. Unlike Java and Brew, smartphone games are developed natively; in other words, directly on the telephone's operating system (Apple's iOS, Google's Android, Microsoft's WP8, Samsung's Tizen, etc.). These smartphones allow for the production of games that are several hundred megabytes in size, while Java and Brew only allowed for applications of a few megabytes. Furthermore, the vast majority of smartphones have a touchscreen and motion-sensing functionality, which allow for greater immersion and for a greater variety of possible game types. The gameplay experience on a smartphone is therefore appreciably better than it would be on a telephone that uses Java and Brew. For consumers, the price-quality ratio of a mobile game is therefore significantly increased thanks to the smartphone, and consequently these consumers now download three to four times more games on their smartphones than they did on their Java and Brew telephones.

¹ Source: GSMA Mobile Economy, March 2015

² Source: CSFB, July 2002

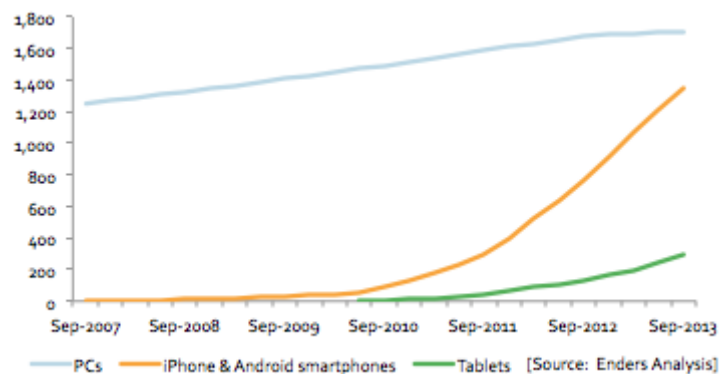
³ Source: Oracle, March 2014



From the feature phone to the smartphone: The evolution of the *Real Football* franchise from 2002 to 2013

As a result, the mobile game market witnessed a second growth phase in 2008. The smartphone is progressively replacing the feature phone around the world and is generating more game sales than feature phones, which allows the mobile gaming industry to continue to develop rapidly. In 2014, 1.3 billion smartphones were sold, compared to 1 billion in 2013⁴, and the install base of smartphones, for the first time, surpassed that of PCs over the course of fiscal year 2014.

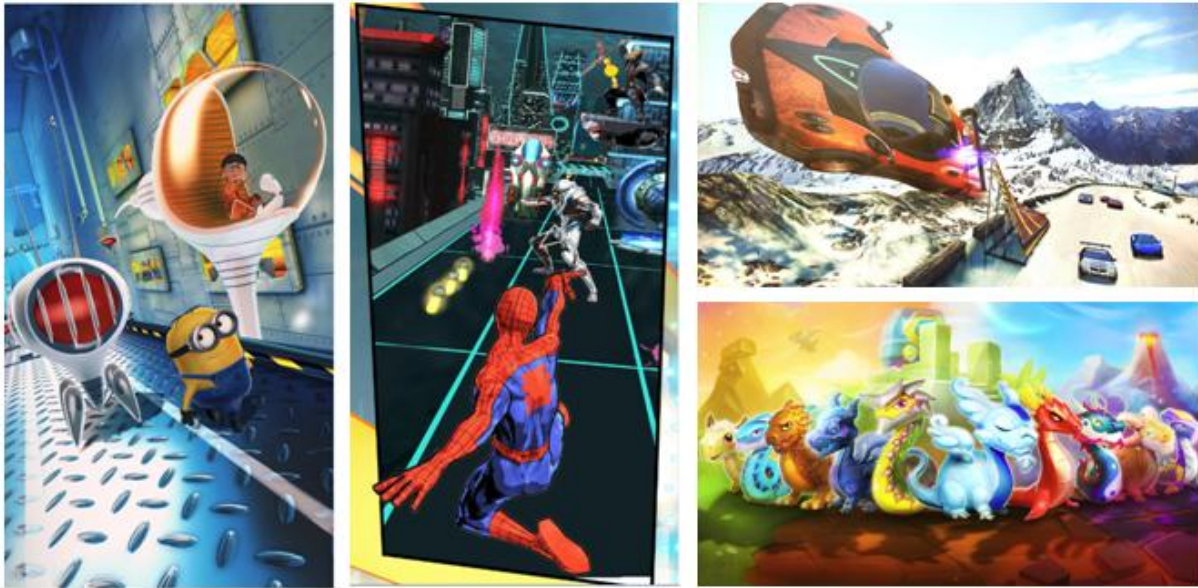
Evolution of PC, Smartphone, and Tablet Install Bases (in millions of units)



In 2008, Gameloft successfully began its shift toward smartphones and touchscreens, and produced noteworthy games for Apple's iOS and Google's Android. Gameloft was the first company to launch 6 games on Apple's App Store when it opened on 9 July 2008. For the first time, annual revenue surpassed the 100-million-euro mark. In 2009, new franchises such as *N.O.V.A. Near Orbit Vanguard Alliance* and *Modern Combat* were released and were met with immediate success, while mobile gaming classics such as *Real Football*, *Asphalt* and *Gangstar* won the hearts of 3D- and high-resolution-gaming enthusiasts with new smartphone incarnations that rivalled the quality of the best games on portable consoles. Licenced games such as *Spider-Man: Total Mayhem* and *UNO*, which were developed and published by Gameloft, also became bestsellers on various online application stores. To date, Gameloft has developed 165 smartphone games and more than 90% of its development teams will henceforth be working on the production of smartphone games. Presently, Gameloft develops for over 7,000 different smartphone models.

⁴ Source: IDC, Worldwide Quarterly Mobile Phone Tracker, January 2015

Examples of Gameloft games (*Despicable Me: Minion Rush*, *Spider-Man Unlimited*, *Asphalt 8*, *Dragon Mania Legends*)



In 2010, Gameloft achieved comparable success in the touch tablet market, and as of the following year, focused on new entertainment platforms such as Smart TVs and set-top boxes, as well as the HTML5 format for Internet browsers. Beginning in 2011, a significant part of the new game catalogue was aimed at an even broader audience, notably with the release of free-to-play, social and mass market games such as *Despicable Me*, *Dragon Mania Legends*, *UNO & Friends*, and *Ice Age Village*, but without neglecting "hard-core" gamers, who enjoyed new franchises such as *Order & Chaos* and *World at Arms*, as well as the latest instalments of *Modern Combat*, *Dungeon Hunter* and *Gangstar*. The adoption of the "free-to-play" system constitutes an important development in the company's business model, since games that make use of this approach are free to download and do not generate revenue except through the sale of virtual goods that allow the consumer to progress more quickly through the game. More than 85% of Gameloft's revenue from smartphones and touch tablets currently comes from the sale of virtual goods.

Revenue generated by mobile games represented 98% of the total for fiscal year 2014.

2.1.1.1.2 TV Games

Gameloft creates games for the latest generation of set-top boxes and Smart TVs. Agreements have been signed with Internet service providers (ISPs) Free and Orange for their latest generation of set-top boxes, as well as with Panasonic, Samsung and Lenovo regarding new lines of Smart TVs. Thanks to new technologies embedded in set-top boxes or directly in televisions, consumers can now download video games and play them directly on their television without needing a game console. Naturally, Gameloft has taken an interest in these new platforms, which have many points in common with its existing downloadable-game activities for mobile phones and tablets.



Revenue generated by TV games represented 2% of the total for fiscal year 2014.

2.1.1.1.3 Gameloft Game Distribution

On feature phones, smartphones and touch tablets, Gameloft has several distribution networks for its games.

1. Online stores for smartphones and touch tablets, collectively referred to as "app stores", accessible on mobile devices, tablets and PCs, represent an increasingly important part of mobile app sales around the world. In this way, Gameloft distributes its smartphone and tablet games via the online portals belonging to Apple (App Store), Google (Google Play), Microsoft (Windows Phone Store) and Amazon (Amazon Appstore). In addition, since 2012 Gameloft has distributed its games via several Asian platforms present in China, Japan and Korea: Tencent, Baidu, LINE, Kakao, etc. These online stores act as distributors for Gameloft's games, and the revenues generated are shared between the stores and Gameloft. In total, all of these online stores accounted for a little more than 57% of the company's 2014 revenue.

2. Telephone manufacturers have also created their own mobile game download portals for smartphones, touch tablets and feature phones. Gameloft distributes its games in this manner in collaboration with Nokia, Samsung, LG, ZTE, Motorola, RIM, Huawei, etc. These manufacturers act as distributors for Gameloft's games, and the revenues generated are shared between the manufacturer and Gameloft. In addition to offering downloadable games on manufacturers' portals, some manufacturers buy one or more games from Gameloft at a fixed price and integrate them directly into their telephones. The game can therefore be used by the consumer immediately at no additional cost. Gameloft estimates that the manufacturers accounted for around 14% of 2014 revenue.

3. Gameloft games are distributed by more than 200 telecom operators in nearly 120 countries worldwide. To date, none of Gameloft's competitors has put together a comparable distribution network. Mobile telephone subscribers can purchase and download Gameloft games directly onto their telephones through the operator's app store. Billing is handled by the operator with the cost of the game included in the consumer's telephone bill. In this case, the operator acts as a distributor of Gameloft games and the revenues generated are shared between the operator and the company. Gameloft estimates that the operators accounted for roughly 27% of total revenue for 2014.

4. Mobile and tablet games can also be downloaded directly from the various Gameloft portals. The company estimates that a little less than 1% of its revenue for 2014 was generated through this distribution channel.

The distribution of Gameloft games for set-top boxes and Smart TVs is handled through the ISPs' and television manufacturers' app stores. Billing is handled by these digital distribution platforms and revenue is shared between the ISPs and manufacturers, and Gameloft.

2.1.1.1.4 Highlights of 2014

Gameloft is the number two publisher in the world on iOS and Google Play in terms of the number of games downloaded, according to the 2014 rankings provided by App Annie. In total, 700 million Gameloft games were downloaded in 2014 on the App Store and Google Play.

Gameloft launched twelve new titles over the course of fiscal year 2014, including *Modern Combat 5: Blackout*, *Ice Age Adventures™*, *Spider-Man® Unlimited*, *Cars®: Fast as Lightning* and *Brothers in Arms® 3: Sons of War*.

The number of daily players reached an average of 21 million in the fourth quarter of fiscal year 2014. The number of monthly players reached an average of 170 million in the fourth quarter of fiscal year 2014.

Gameloft has implemented the internal structure for a digital advertising network and has begun selling advertising space within roughly 20 of its games.

2.1.1.2 Group Strategy

Since its founding in 2000, Gameloft's highest commitment has been to the quality of its products. It is for this reason that all of Gameloft's games are developed internally and nothing is outsourced to third-party developers. In this way, the company can control the quality of its productions throughout the entirety of the

creative process. Our 27 studios across the Americas, Europe and Asia also allow us to consolidate our leadership while combining our global vision with a local approach. By drawing from this unrivalled cultural and linguistic diversity, we adapt our games to the special features of each market.

The other key element in the company's strategy involves ensuring that its games are available to the largest number of consumers possible. Consequently, since 2002, Gameloft has put into place sizeable production teams whose role is to adapt and test the company's creations on all the phones available in the world today.

In parallel, Gameloft has put together an extended distribution network that allows it to sell all of its products worldwide. Gameloft has the most complete distribution network in the digital game industry: direct agreements with more than 200 operators in more than 120 countries; with all the major online app stores (App Store, Google Play, Windows Store and Amazon Appstore); with major mobile phone, smartphone and tablet manufacturers; with social networks; and with the manufacturers of Smart TVs and set-top boxes. Gameloft also has one of the largest worldwide presences on social networks (more than 11 million fans on Facebook and 210 million views on YouTube, as of February 2014) and adapts its marketing strategy to each market. For several years now, the



company has been reaping the rewards of its investments in production and distribution. These investments have allowed Gameloft to grow rapidly and to position itself as a market leader, which has also translated into the reliable profitability of the company since 2009, with the exception of fiscal year 2014.

As a result, today Gameloft has:

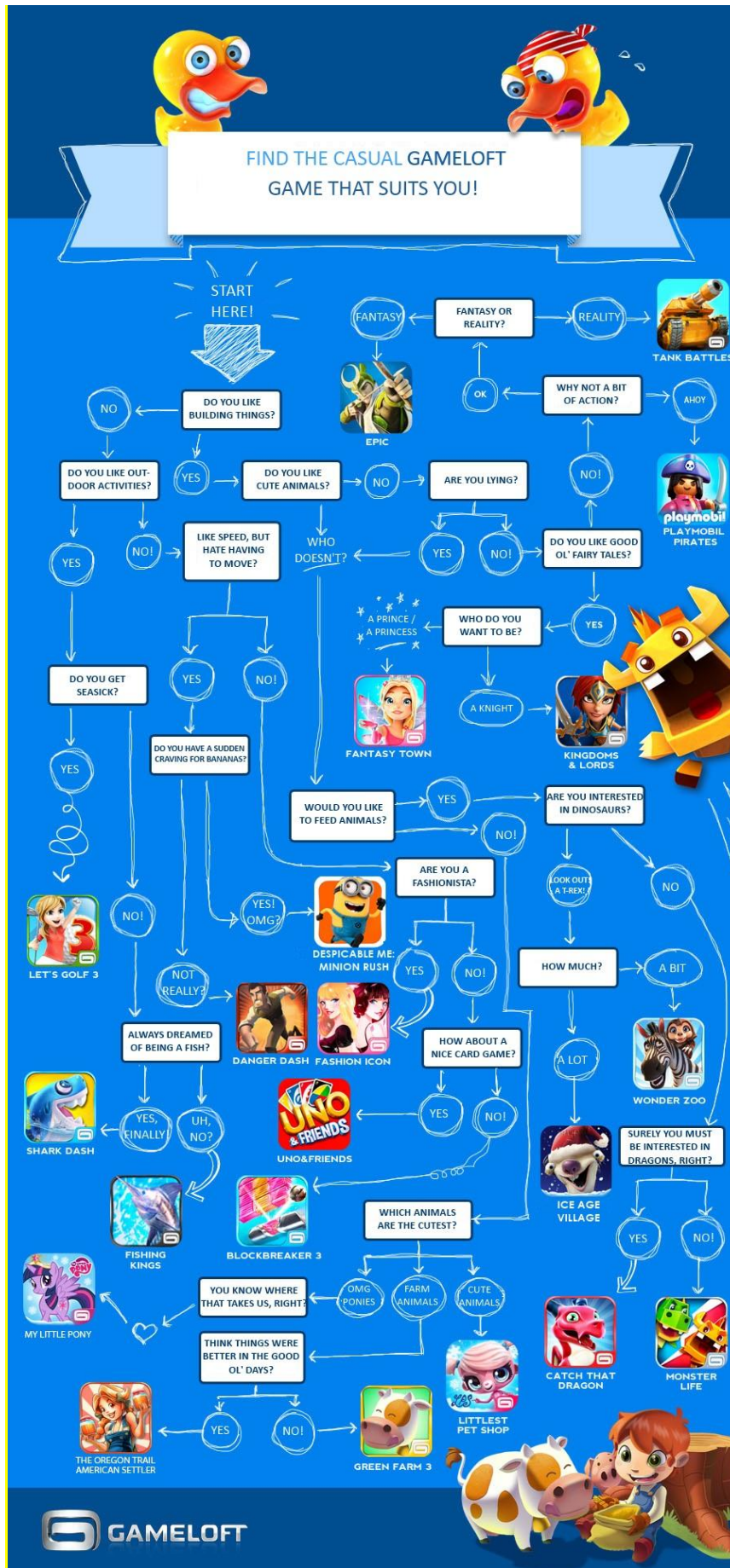
- the greatest internal development capabilities in the industry, well ahead of its competitors, with more than 5,400 employees in its production studios. The amount allocated for research and development, excluding charges related to stock options, represented 52.1% of revenue in 2014;
- unique know-how that is illustrated by the numerous awards that its mobile games have received around the world;
- a catalogue of 165 smartphone and touch tablet games spanning more than 7,000 models and 16 different languages;
- a catalogue of 380 feature phone games that generate recurring revenue on 200 models of mobile telephones;
- internal and external licences that are known around the world, such as *Asphalt*, *Order & Chaos*, *Despicable Me*, *Dungeon Hunter*, *World at Arms*, *Gangstar*, *Ice Age*, *Brothers in Arms*, *My Little Pony*, *Modern Combat*, *Littlest Pet Shop*, *Spider-Man*, *UNO*, the NFL, etc.;
- a distribution network made up of more than 200 operators that distribute Gameloft's games in almost 120 countries around the world;
- a growing number of market opportunities for its products, as indicated by the release of Gameloft games for smartphones, for touch tablets, on Smart TVs, and on Internet service providers' set-top boxes.

2.1.1.2.1 The Only Game Catalogue of Its Kind in the World

To date, more than 5,400 Gameloft Group employees are involved in developing and porting downloadable games. This creative force, which is unparalleled in the gaming industry, has allowed the company to develop a catalogue of more than 500 games covering all genres, including mass market, action, sport, puzzle and adventure games, to name a few. The development activity includes the creation of new games, regular updates for existing games in order to prolong their lifespan, and porting, a process by which each new game is adapted to all existing platforms and models. One of the barriers to penetrating the downloadable game industry is the large number of telephone models, tablets, and consoles on the market. All mobile phone manufacturers develop their own lines of phones, which differ from their competitors' models. Although the technology used is the same from one platform to another, the screens differ in size, the processors have different characteristics, and so on. Each game must therefore be adapted to many models in order to reach the largest number of consumers.



Gameloft records its mobile game development costs as expenses at the time they are incurred. Each year, the company develops and places thousands of versions of its games on various operators' sites in order to cover the more than 200 different models of feature phones and more than 7,000 models of smartphones currently on the market and the 16 languages supported by the company. Given this extreme fragmentation and the more general nature of the sales-related information received from operators, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions. On this basis, the group does not meet all the capitalisation criteria set out in IAS 38; expenses are recognised as expenses. However, the company does capitalise its development costs related to the creation of games for set-top boxes and Smart TVs.



2.1.1.2.2 World-Renowned Quality

By choosing to insource all its design teams, the company places special emphasis on the quality of its productions, as is evident from the numerous awards and the recognition received by Gameloft from around the world:

- In March of 2015, *Asphalt 8: Airborne* took home the Best Mobile Game App award at the GSMA Global Mobile Awards. Winners were chosen through a voting process featuring 170 analysts, journalists, academics and other independent experts from across the world gaming industry. The award was handed out in Barcelona during the GSMA Global Mobile Awards at the Mobile World Congress 2015.
- *Modern Combat 5: Blackout*, *Spider-Man Unlimited*, *Rival Knights* and *Asphalt Overdrive* also found themselves on the prestigious “Best of the App Store 2014” list.
- *Despicable Me: Minion Rush*, *Spider-Man Unlimited*, *Cars: Fast as Lightning*, *Rival Knights*, *Asphalt 8 Airborne* and *Ice Age Adventures* made the prestigious “Best of Google Play 2014” list.
- Gameloft won the prestigious BAFTA Kids' Vote Award 2013 in the "video game" category for its major release *Despicable Me: Minion Rush*.
- Gameloft was chosen as Best Developer of 2013 and received the ME Awards prize in London.
- *Modern Combat 5: Blackout* on iPhone/iPad won the Pocket Gamer gold medal in July 2014 with a score of 9/10.
- *Dungeon Hunter 4* on Windows Phone won Pocket Gamer France's gold medal in December 2013.
- Gameloft received the 2013 “iLounge Editor’s Choice Developer” prize for best iPhone publisher from the iLounge website.



2.1.1.2.3 A Catalogue of Strong Licences

Gameloft has a clear positioning in a mass market. The use of world-renowned licences and brands is therefore crucial for gaining a foothold in today’s mobile game market. Gameloft has entered into many licence agreements since 2004 in an effort to enhance its mobile game catalogue and ensure its leadership in this field. For example, the company owns the exclusive rights to the following licences for feature phones and/or smartphones and touch tablets:



The company has also made its mark over the years in the mobile gaming market with its own franchises, many of which have become benchmarks in the industry, including:



2.1.1.2.4 The Most Extensive Distribution Network in the Industry

With more than 200 operators distributing its games in nearly 120 countries, Gameloft now has the most complete telecom distribution network in the mobile game sector. All major European, North and South American, and Asian operators currently work with Gameloft. As a result, the company now has a presence among all major telecom operators worldwide.

Distributorship agreements have been signed with all the major manufacturers and platforms in the industry, from Apple to Nokia, Samsung, Amazon and Google, and strong relationships have been established over the years with these industry players. This means that Gameloft distributes its games through the biggest smartphone- and tablet-game download platforms like Apple's App Store, Google Play, Amazon's Appstore, Microsoft's Windows Phone Store, Samsung Apps, etc. As is the case with the telecom operators, by virtue of its size and the quality of its creations, Gameloft benefits from heightened exposure on these app stores. During the launch of a new game, Gameloft often receives very prominent placement on the app stores belonging to Apple, Google, Amazon, etc.

Product Placement for the game *The Amazing Spider-Man 2* on Apple.com (July 2014)



Engineered for maximum funness.



2.1.1.3 Market Outlook

As of 2015, Gameloft plans to bring roughly 20 new smartphone games to market per year, which should contribute to boosting the Group's sales. In addition, the key performance indicators of recently released titles such as *Spider-Man Unlimited*, *Brothers in Arms 3: Sons of War*, *Dungeon Hunter 5* and *Dragon Mania Legends* indicate a significant improvement compared to similar products released in the past few years.

Gameloft has implemented the internal structure for a digital advertising network and has begun selling advertising space within roughly 20 of its games. Advertising agencies focus an increasing share of their budgets towards mobile devices, a platform on which Gameloft is among the leaders in terms of downloads and audience size. Advertising could become a major source of growth for the company.

However, it should be noted that:

- Today, Gameloft's games are mostly downloaded to feature phones, smartphones, and touch tablets; the penetration rate of these devices will determine the company's future growth rate in revenue.
- The feature phone video game market was extremely competitive between 2000 and 2006 because it was heavily financed by venture capital companies. This source of financing all but dried up in 2007, and the market then witnessed a period of rapid consolidation. Many of Gameloft's competitors have filed for bankruptcy since 2007 or been sold to other market players, including InFusio, Oasys, Superscape, iPhone, iPlay, Hands On, etc. Vivendi Games, a subsidiary of the Vivendi Group, and THQ Wireless, a subsidiary of THQ, both potentially strong competitors for Gameloft, also announced their closure during this period. Today, Gameloft and Electronic Arts⁵ share the top two spots in the feature phone market, far ahead of other competitors in an otherwise uncompetitive world market. The level of competition in terms of smartphones and touch tablets has noticeably increased in parallel with the substantial increase in fundraising, IPOs, and mergers and acquisitions that recently took place in this business segment. Competition in the global mobile gaming market has now increased to levels similar to where they were in 2000 to 2006. The growth of Gameloft's operations will depend on its ability to consolidate its current position among the market leaders.

2.1.2 Earnings for Fiscal Year 2014

2.1.2.1 Highlights of Fiscal Year 2014

- Share capital increases:

Gameloft saw an increase of share capital through the issuance of stock options and bonus shares in the amount of €4,300,000, of which €4,205,000 were issue premiums, and a reduction of share capital through the cancellation of its own shares in the amount of €1,609,000. The share capital is currently €4,281,000.

- Change in reporting entity:

The company created four new subsidiaries in Helsinki, Finland (Gameloft Oy); Russia (Gameloft LLC); Madrid

⁵ Source: Quarterly publications of competing companies, including Electronic Arts

(Gameloft Madrid S.L.U.); and Uruguay (Gameloft Uruguay SA). The share capital of these subsidiary companies is 100% held by Gameloft SE. Gameloft SRO (Czech Republic) was liquidated on 22 September 2014.

- Impact of currency fluctuations on revenue:

A certain number of currencies, including the Brazilian real, United States dollar, Mexican peso, Argentine peso, and Indonesian rupiah fell sharply compared to the euro over the course of 2014 as compared to 2013. This impacted our consolidated financial statements, particularly in terms of revenue, with a negative exchange rate differential of €8,445,000.

2.1.2.2 Quarterly and Annual Consolidated Revenue

Revenue (million euros)*	2014	2013	Change
1 st quarter	56.2	54.2	+4%
2 nd quarter	55.0	55.2	0%
3 rd quarter	55.8	61.7	-10%
4 th quarter	60.2	62.3	-3%
Total	227.3	233.3	-3%

* rounded figures

On the whole, the consolidated revenue for fiscal year 2014 reached 227.3 million euros, an annual decrease of 3%. On a comparable exchange rate basis, the growth rate in revenue over twelve months reached 1%, compared to 16% in fiscal year 2013.

2014 was a year of mixed results for Gameloft, with the remarkable performance of the back catalogue being counterbalanced by the poor contributions of 2014's new titles. In fact, Gameloft only released 12 smartphone games in 2014, compared to the average of more than 20 in the five previous fiscal years. Gameloft plans to bring roughly 20 new smartphone games to market per year at a regular pace, as of 2015. These regular releases of new games, when combined with a back catalogue that has demonstrated its capacity to make significant contributions to sales over several years, should allow Gameloft to return to solid and profitable growth.

Million euros	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenue	23.2	46.8	68.4	96.1	110.3	122.0	141.0	164.4	208.3	233.3	227.3
Additional revenue	13.0	23.6	21.6	27.7	14.3	11.6	19.0	23.4	44.0	25.0	-6.0

2.1.2.3 Revenue by Business Segment

12-Month Fiscal Year	2014		2013	
	€K	%	€K	%
Mobile	223,742	98%	228,731	98%
TV	3,537	2%	4,565	2%
Total Revenue	227,279	100%	233,296	100%

2.1.2.4 Revenue by Geographic Region⁶

12-Month Fiscal Year	31/12/14		31/12/13	
	€K	%	€K	%
EMEA	74,169	33%	75,317	32%
North America	63,030	28%	64,393	28%
LATAM	40,371	18%	48,991	21%
APAC	49,710	22%	44,595	19%
Total	227,279	100%	233,296	100%

The EMEA region represented 33% of 2014 annual revenue; North America, 28%; Asia Pacific, 22%; and Latin America, 18%.

2.1.2.5 Change in Income

INCOME STATEMENT (€K)	2014	2013
Revenue	227,279	233,296
Cost of sales	-40,105	-40,540
Gross margin	187,174	192,756
R&D	-118,468	-106,828
Sales and marketing	-40,861	-36,138
Administration	-28,238	-20,931
Other operating income and expenses	-703	-443
Operating income/expenses from ordinary activities	-1,095	28,417
Share-based payments	-3,100	-3,520
Other operating income and expenses	-682	-1,302
Operating income/expense	-4,877	23,595
Cost of net financial debt	2,415	2,094
Financial income	20,685	7,370
Financial expense	-16,441	-16,992
Net financial income/expense	6,658	-7,529
Net pre-tax profit/loss	1,781	16,066
Tax expense	8,136	8,541
Net profit	-6,355	7,526

This income statement differs from the consolidated income statement standardized by the IFRS because of its reclassification of Share-based payments under Operating income/expense.

On the whole, the consolidated revenue for fiscal year 2014 reached 227.3 million euros, an annual decrease of 3%. Back-catalogue games represented nearly 90% of 2014 revenue, an increase of 15%.

The number of monthly players in the fourth quarter reached an average of 170 million and the number of daily players in the fourth quarter reached an average of 21 million.

⁶ EMEA: Europe, the Middle East and Africa; LATAM: Latin America; APAC: Asia Pacific

The company's gross margin was 187.1 million euros, a decrease of 3%. It represented 82% of revenue for 2014, a relatively stable level when compared to the gross margin of 83% from fiscal year 2013. The cost of sales reached 40.1 million euros and was made up of 28.2 million euros in royalties on licences and 11.9 million euros in sales commissions.

Operating income/expense from ordinary activities reached -1.1 million euros. Research & Development costs represented 52% of revenue in 2014, compared to 46% in 2013. Sales and Marketing costs represented 18% of revenue in 2014, compared to 15% in 2013. Administrative costs represented 12% of revenue in 2014, compared to 9% in 2013. The current operating margin for fiscal year 2014 is therefore -0.5%, compared to 12.2% in 2013.

Share-based payments reached 3.1 million euros in 2014. This expense had no impact on the company's equity or its cash situation. Other non-recurring operating expenses in the amount of 0.7 million euros are largely related to the restructuring costs of the company's subsidiaries in China, Korea and the Philippines. The company proceeded to restructure its production base in order to take into account the major changes that took place in its market over the last two years, and most notably the advances in feature phone and smartphone technology. In particular, the Group's needs in terms of porting and testing noticeably diminished due to the increasing standardisation of mobile phones and their operating systems.

The operating income/expense was therefore -4.9 million euros, and the operating margin was -2.1%.

Gameloft's net financial income/expense is +6.7 million euros, a substantial increase compared to 2013. This variation is largely due to interest-bearing financial investments as well as certain currencies' appreciation compared to the euro. The net pre-tax profit/loss was therefore 1.8 million euros, as compared to 16.1 million euros in 2013.

Tax expenses for 2014 were 8.1 million euros. The amount of consolidated non-capitalised losses to carry over reached 28.0 million euros, of which 11.6 million euros were in France, at 31 December 2014. The net annual earning was therefore -6.4 million euros.

Sound Financial Position and Future Investments

At 31 December 2014, the company's equity capital reached 137.8 million euros and the net cash and cash equivalents were at 52.7 million euros. Operating cash flow was 8.7 million euros.

2.1.2.6 Change in Working Capital Requirement (WCR) and Debt

Cash flow statement	2014	2013
Cash flow from operating activities		
Net profit	-6,355	7,526
Depreciation of tangible and intangible assets	17,607	13,355
Change in provisions	990	242
Other non-disbursed expenses	108	649
Income related to stock options and similar	3,100	3,520
Change in deferred taxes	-3,486	1,682
Sales of assets	122	397
Cash from operations	12,086	27,372
Change in trade receivables	-2,582	-9,680
Change in operating liabilities	-831	8,252
Change in WCR	-3,413	-1,428
Operating cash flow	8,674	25,944

Investment-related cash flow		
Purchases of intangible assets	-6,151	-8,311
Purchases of tangible assets	-15,019	-15,750
Purchases of other financial assets	-1,381	-845
Repayment of loans and other financial assets	1,122	343
Other cash flows	108	74
Total investment-related cash flows	-21,320	-24,490
Cash flow from financing activities		
New medium-term and long-term loans	1,444	
Share capital increase	4,598	10,000
Buyback of own shares	-1,935	-6,202
Other cash flows		
Total cash flows from financing activities	4,107	3,797
Impact of translation gains and losses	916	-528
Change in cash and cash equivalents	-7,623	4,723
Net cash and cash equivalents at start of fiscal year	60,329	55,606
Net cash and cash equivalents at end of fiscal year	52,706	60,329

The company's cash from operations was at +12.1 million euros compared to +27.3 million euros in 2013.

The change in the Working Capital Requirement was of -3.4 million euros compared to -1.4 million euros in 2013.

Gameloft's financial position remains particularly solid as of 31 December 2014. The company's equity capital reached 137.8 million euros and the net cash and cash equivalents were at 52.7 million euros. As a result, Gameloft has the financial means necessary to continue its development across the world.

2.1.2.7 Policy on Financing of Assets

The company does not make use of securitisation contracts, "cession Dailly" (Dailly assignments), sales with option of repurchase, discounts or factoring.

2.1.3 Cash Assets and Capital

2.1.3.1 Change in Shareholders' Equity Capital

The company's equity capital reached 137.8 million euros and the net cash and cash equivalents were at 52.7 million euros. Operating cash flow is largely positive, totalling 12.1 million euros for the fiscal year as a whole.

2.1.3.2 Cash Flow

Cash flows related to net development cost investments are spread out regularly over nine- to fifteen-month periods, given that all projects progressively increase in intensity but that teams are generally split up over several projects. They represented 1.35 million euros in 2014. Cash flows related to investments into the "licence acquisitions" item represented 3.8 million euros in 2014.

Cash flows related to financing activities are mostly capital increases amounting to 4.6 million euros, made up of issue premiums emanating from the conversion of stock options and the awarding of bonus shares, and the cancellation of own-share buybacks in the amount of 1.9 million euros.

2.1.3.3 Borrowing Terms and Financing Structure

Financing is largely handled internally. The company made use of a loan with very favourable conditions in order to finance the replacement of its computer equipment in Canada, as well as its occasional cash flow needs.

2.1.4 Sustained Development

2.1.4.1 Note on Methodology

2.1.4.1.1 Reporting Period

The reporting focuses on the period between 1 January 2014 to 31 December 2014 for all social, environmental and societal issues.

2.1.4.1.2 Reporting Scope

As regards the social reporting, the majority of indicators are available for the entirety of the Group (31 production studios and 20 trade offices). When this is not the case, the report will instead point out the limited scope by indicating the areas not concerned, which are the trade offices (representing 1.56% of the workforce).

Environmental reporting concerns all of the production studios. When this is not the case, the report will instead point out the limited scope by indicating the areas not concerned. Trade offices are excluded from the reporting scope, but are taken into account in the overall coverage rate and in the carbon emissions report. It is acknowledged that the creation of trade offices or production studios in 2014 are not included within the scope of the environmental reporting⁷. These entities, which represent 2.64% of the Group's workforce, will follow the non-financial reporting procedures beginning in fiscal year 2015.

2.1.4.1.3 Reporting Principle

The Group's Administrative Department in charge of managing and coordinating the non-financial reporting has devised a reporting framework. This framework:

- defines a list of quantitative and qualitative indicators;
- specifies the definitions of the indicators;
- outlines the rules for collecting and calculating the indicators.

This reporting framework serves as a reference for the Administrative Department, which is based at the registered office and which is responsible for this information and its use. This Department is in charge of communicating with its local representatives or correspondents in order to collect the required information.

The existing procedure aims to ensure that the information collected is available, consistent and documented.

Clarification of Information Collection Methods:

Social and societal indicators are collected using a report in the form of an Excel spreadsheet that is sent to all local HR departments.

⁷ The site of the Seattle studio, a trade office converted into a production studio at the end of 2014, is considered a trade office in the environmental reporting.

Environmental indicators are also collected via an Excel spreadsheet report sent to various local studio managers.

Consolidation

Social, societal and environmental indicators are sent by the Group's bodies to the Group's Administrative Department, which consolidates them and ensures their consistency.

2.1.4.2 Human Resources

Thanks to the talent and passion of its teams, Gameloft is a leading global publisher of digital and social games. The continued excellence and commitment of our employees allow us to offer high-quality products to millions of players around the world.

In order to remain at the cutting edge of innovation, Gameloft has developed unique know-how for attracting and retaining the best talent in the video game industry from all over the world.

Talent recruitment and management is therefore a major concern for the Group.

2.1.4.2.1 The Market's Top Development Operation

At 31 December 2014, Gameloft employed 6,717 people⁸ around the world, of which more than 5,796 are employees that work exclusively on the production of video games for mobile phones and tablets.

At this point, the company has at its disposal all the internal development teams necessary to launch around a dozen high-quality games on mobile platforms each year.

During fiscal year 2014, confronted with new changes to its business model, Gameloft sought to stabilise its workforce.

The company proceeded to restructure its production base (China, Korea and the Philippines) in order to take into account major changes that occurred over the two preceding years, notably in terms of technological developments in feature phones and smartphones. In particular, the Group's needs in terms of porting and testing noticeably diminished due to the increasing standardisation of mobile phones and their operating systems.

The development studios remain subject to substantial turnover within their teams due to strong local competition for talented developers. The Group's objective is to stabilise the teams as a whole in order to ensure its continued development.

This year, Gameloft opened four studios (Ukraine, Finland, Spain and Australia), which has allowed it to strengthen its global expansion at a local level. To our knowledge, there is no other company in the mobile game industry that possesses a production and distribution capacity approaching that of Gameloft. These in-house creative teams are a major asset in the group's strategy. The fact that Gameloft has its own development studios allows it to guarantee the quality of its games, while still maintaining its responsiveness and flexibility.

In this context of rapid growth, Gameloft seeks to promote a work environment that reflects its corporate culture, which values expertise, creativity and innovation. In the video game industry, the creation process requires a strong collaborative effort between the various teams involved, since all the technical, creative and artistic fields interact from the beginning of a game to its final stages.

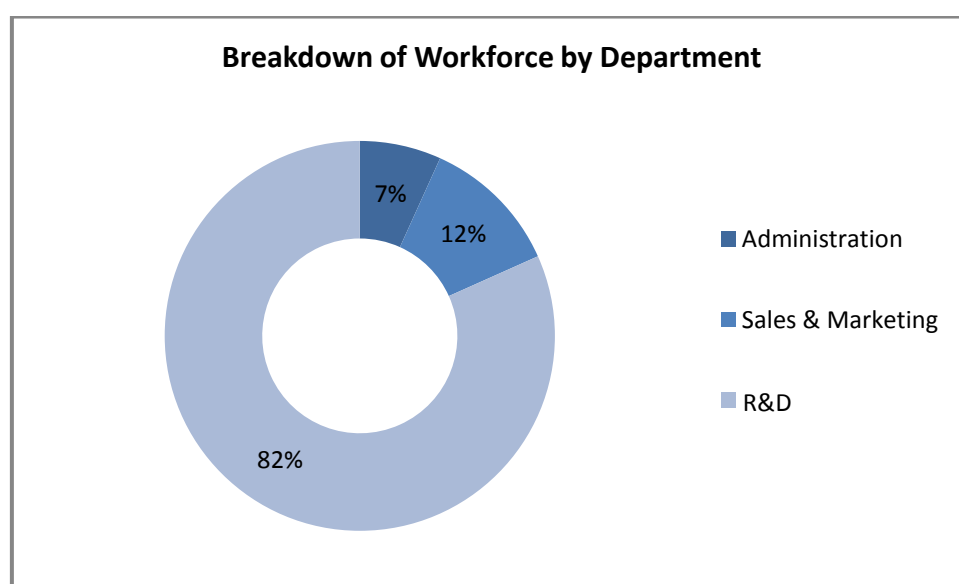
⁸ The workforce is comprised of all employees hired to the workforce at 31 December, regardless of the length of their employment contracts. Interns, temporary workers, and employees from external companies are not taken into account.

Gameloft's strategic international expansion over 31 production locations allows it to attract recognised industry experts from around the world.

As of 31 December 2014, the global workforce is divided up as follows:

- *Breakdown by department:*

	31/12/12	31/12/13	31/12/14
Administration	405	438	454
Sales & Marketing	624	739	776
Research & Development	5,192	5,214	5,487
Total	6,221	6,391	6,717



2.1.4.2.2 Attracting and Retaining Talent

In order to remain at the cutting edge of innovation, Gameloft strives to recruit talented employees.

2.1.4.2.2.1 School Relations and Employer Brand Representative

Gameloft's studios maintain long-term relationships with the educational community by forging partnerships with universities and with other higher-education institutions.

These partnerships take on a number of forms: exclusive mailing lists, open houses, employee involvement in curriculums, participating in end-of-year juries, auditorium presentations about the company, organising contests, etc.

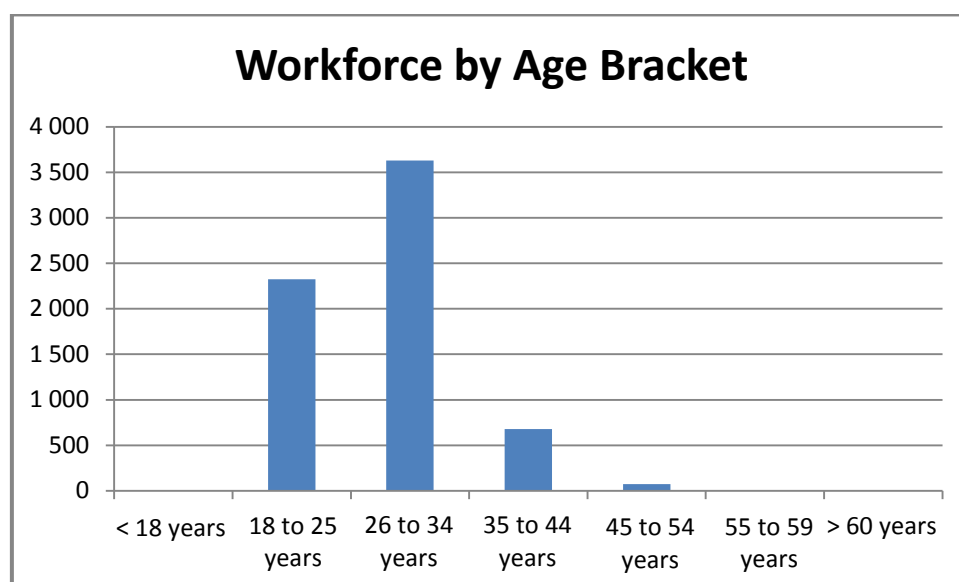
For example, the Vietnam studio builds different partnerships with schools by organising hackathons (Hackathon with Nokia, Imagine Cup Day with Microsoft) to target student developers, and by visiting universities to deliver presentations on career and job opportunities at Gameloft (by organising seminars, visits to businesses and student internships).

Gameloft is seeking to attract increasingly creative talent that is capable of thinking outside the box and adapting to rapidly changing conditions. These school partnerships allow for the creation of a veritable breeding ground of talent.

The average age is 27.4 years, while the video game industry itself is barely 30 years old.

The weak representation of older age brackets is due to the recentness of the Group's founding.

2014 Age Bar Graph within the Gameloft Group



2.1.4.2.2.2 Supporting Individual Development

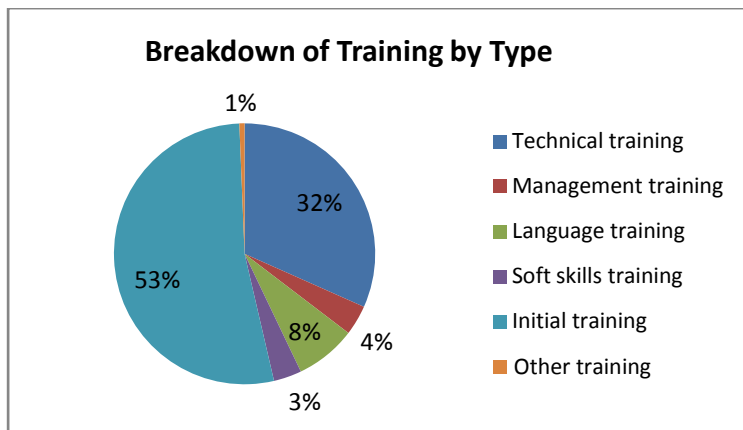
Our growth rests in part on the development of our expertise.

Skills are generally acquired and shared through internal training and on-site exchanges, as well as external training.

Gameloft employees⁹ benefited from 164,361 hours of training in 2014, divided as follows:

Technical training	52,022.5	32%
Management training	6,108.5	4%
Language training	12,389	8%
Soft skills training	5,700	3%
Initial training	87,085	53%
Other training	1,055.5	1%
Total	164,361	100%

⁹ This data relates to production studios.



On average, each Gameloft employee benefits from more than 24 hours of training per year, on topics primarily related to integration and the acquisition of technical skills.

Since video game work is a recent phenomenon, some studios have come up with one- to four-week integration programmes when someone starts at a position. These in-house training programmes aim to support new employees in order to allow them to start contributing as quickly as possible and to adapt to the specifics of the work methods currently in place at Gameloft.

During these first weeks, these programmes allow new recruits to meet key people, acquire an understanding of the jobs, the challenges to overcome, and the company's expectations.

These actions also comply with Gameloft's desire to supplement the knowledge of candidates who were essentially recruited right after their university studies.

Technical training courses also constituted a major focus in 2014, since more than 32% of training hours that year related to this field.

In fact, since the Group develops innovative games for all digital platforms of tomorrow, it is necessary for employees to have access to new technologies.

Gameloft has international influence, which requires that its employees have a good command of the English language. If this is not the case, Gameloft does not hesitate to invest in language training so that employees can learn it and be able to easily interact with anyone.

Therefore, this year more than 12,000 hours of language training courses were made available to Gameloft employees.

Gameloft actively supports the professional development of its talent by offering them numerous career opportunities.

In this framework, our managers, in association with Human Resources, play a key role in recognising and discovering talent.

The managers identify key talents in order to offer them paths and prospects that are in line with their ambitions.

One of Gameloft's challenges is to retain its key existing talent in a context where turnover is part of the culture and characteristic of the new generation. These retention efforts boil down to offering appealing prospects and to the rapid acquisition of responsibility in an international environment.

2.1.4.2.2.3 An Appealing Compensation Policy

Facing increasingly tough competition, Gameloft developed an appealing compensation policy that aims to attract and retain employees.

Compensation provided to employees factors in local market conditions, applicable legislation, and their level of performance.

Compensation is reviewed every year, a process that aims to recognize individual performance and retain the group's employees.

Gameloft also developed an employee stock ownership plan involving stock options and bonus shares. This policy is a way of recognising the performances and contributions made by key talent to the Gameloft Group's development, as well as serving as an assurance of their future employment with the company.

The Group's payroll increased by 8.68% in 2014, from 126,860,402 euros at 31 December 2013 to 137,873,545 euros at 31 December 2014.

2.1.4.2.3 Diversity

The diversity of our talent is one of our greatest resources and is also an opportunity for our employees to open themselves up to the world. This opening manifests itself in different forms: long-distance collaborations, cross-company teams, employee mobility, international assignments, etc.

2.1.4.2.3.1 A Multicultural Group with International Influence

International growth has always been a strong part of Gameloft's strategy.

Our business has a foothold on every continent and is made up of a number of structures that bring together many nationalities.

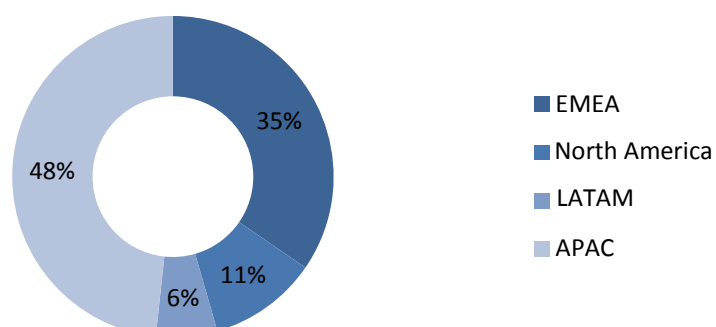
As of 31 December 2014, the worldwide workforce is divided up as follows:

• *Breakdown by geographic region¹⁰:*

	31/12/12	31/12/13	31/12/14
EMEA	1,430	1,972	2,322
North America	641	720	737
LATAM	521	468	414
APAC	3,629	3,231	3,244
Total	6,221	6,391	6,717

¹⁰ EMEA: Europe, the Middle East and Africa; LATAM: Latin America; APAC: Asia Pacific

Breakdown of the Workforce by Geographic Region



2.1.4.2.3.2 Diversity of Women and Men at Group Level

	Women		Men		Total
Workforce	1,235	18.39%	5,482	81.61%	6,717

Women represent 18.39% of the Group's total workforce.

More than eight out of ten employees are men. This distribution can be explained by the large number of developers making up the Research and Development teams, who essentially come from a technical background.

Moreover, women make up 49% of the Administration teams and 42% of the Sales and Marketing teams.

No concrete measures are yet in place to favour gender equality, but in the next few years, Gameloft hopes to increase the number of women within its creation teams. This desire falls within a larger framework that seeks to combat all forms of discrimination and ensure that the fundamental conventions of the ILO are respected.

2.1.4.2.3.3 Non-discrimination

The diversity of its talent is one of the company's greatest resources and is also an opportunity for employees to open themselves up to the world. For this reason, Gameloft is committed to fighting discrimination in all its forms, whether it is during hiring or at any other point in an employee's professional career. The group would like its teams to reflect the diversity of its consumers around the world.

Thus no person may be excluded from recruitment procedures, no employee may be sanctioned, dismissed or be the object of direct or indirect discriminatory measures, particularly with regard to compensation, training, assignment, promotion, transfer, or renewal of their contract because of their ancestry, gender, mores, sexual orientation or gender identity, age, marital status or pregnancy, genetic traits, actual or assumed membership or non-membership to an ethnic group, nation or race, their political opinions, trade union or fraternal activities, religious beliefs, physical appearance, family name, or because of their health or disability.

In order to encourage the occupational integration of disabled people, Gameloft has signed several partnership agreements with the ESAT ("Etablissement et Service d'Aide par le Travail") for supply contracts in France.

All Gameloft employees (managers or members of HR) taking part in the selection of talent commit to request candidates for information for which the sole purpose is to learn more about their professional aptitudes and their motivations for becoming part of the Group.

These meetings end with tests or case studies which aim to place the candidates in professional situations. In this way, the risk of discrimination is limited even further.

Gameloft believes that the principles of human rights apply to people, nations and, by extension, companies. This is why the Group complies with the conventions of the International Labour Organization (ILO), notably in terms of the effective abolition of forced or compulsory labour and child labour, in every location in the world where it operates.

Thus the Group does not recruit minors and each employee receives a salary commensurate to their work.

Respect for diversity and human rights falls within a larger objective that aims to promote well-being in the workplace.

2.1.4.2.4 Providing a Work Setting that Ensures Well-Being

Gameloft is vigilant about maintaining a professional environment that ensures the health, safety and well-being of every employee.

The goal is to allow all our talent to express their passion and creativity in a setting that favours self-realisation.

To this effect, Vietnam has put in place a special programme called the “Innovation Award,” the goal of which is to reward employees who come up with innovative productions and improvements.

In parallel, a second “Recognition & Reward” programme allows managers to recognise employees who have made exceptional contributions to the studio.

2.1.4.2.4.1 Maintaining Close Links with Employees

Gameloft is concerned about maintaining close links with employees.

Teams are regularly informed of company strategy and news through a variety of communication channels, including internal meetings in all subsidiaries, team seminars, etc.

In addition, all of the financial news and information documents published by the Group are available on the gameloft.com website.

Social dialogue is led on a daily basis by local management and the human resources managers in the various studios. It involves listening to employees and their concerns, which are provided through communication channels: email, Skype, internal meetings, organisation of seminars, etc.

As far as labour representative bodies are concerned, the Group's companies comply with the legislations in effect in the countries where we are present.

This year, two collective agreements regarding work times and the establishment of a health and safety committee in the workplace were signed within the Group.

Employees and managers also have opportunities to meet in a more informal setting during local social events (year-end parties, teambuilding, cocktails, breakfasts, etc.)

2.1.4.2.4.2 Health: An Absolute Priority

Gameloft endeavours to protect the health, both physical and mental, of every employee.

The majority of the Group's studios organise annual messages or training sessions on well-being, health and safety at work.

Moreover, free private insurance is offered to employees and their families to cover accidents or illness.

Finally, regular medical visits are held in order to ensure employee health.

In collaboration with local HR, the health and safety committees ensure that procedures and policies related to health and safety are organised, followed and implemented.

Some of our studios are equipped with exercise facilities and relaxation rooms, which all of their employees can access for free. These facilities, which are paid for by the Group, address the employees' strong expectations of creating a friendly space at the heart of their work environment.

The priority given to workplace health, safety and well-being allows us to publish particularly low accident numbers, since in 2014, only 75 days¹¹ for accidents or work-related illnesses were recorded around the world.

2.1.4.2.4.3 An Organisation with Flexible Work Hours

Each of the Group's subsidiaries enforces legal or contractual hours, which vary from one country to the next.

We are invested in the well-being of our employees and believe that a fulfilling personal life can lead to a fulfilling professional one. Starting from this perspective, we offer flexible working hours that allow each employee to organise their time based on their personal obligations.

As such, less than 1% of the Group's employees are part-time workers (39 employees out of 6,717).

In spite of the company's size, our priority is to maintain contact between our teams every day. We encourage simple, direct and informal communication adapted to our business segment.

Employees benefit from considerable autonomy in their work. The working methods in place encourage employees to become truly involved. Our production methods are constantly evolving and ensure a work setting that, at all levels, encourages teams to experiment, develop new ideas, and take initiative and responsibility.

This approach, which relies upon mutual trust, allows us to motivate our employees for whom their jobs are, above all, a passion.

As a result, there has been no notable absenteeism (an average of 1.38 days for illness per person¹²) within the company, and Gameloft had 12 work-related accidents in 2014.

Ultimately, we want to ensure that we favour close-knit organisations as much as possible. Open spaces encourage collaborative work and facilitate communication, with managers who are available for their teams and HR representatives who are close by.

2.1.4.3 Environment:

2.1.4.3.1 Environmental Indicators

2.1.4.3.1.1 General Policy on Environmental Matters

2.1.4.3.1.1.1 General Organisation

The Gameloft Group's environmental impact can be summarized in terms of its production and publication of mobile games for iOS, Android and Java. Considering its activity, the company's impact on the environment remains low.

This year, the Group put together an environmental report that includes a list of qualitative and quantitative indicators. This reporting framework was sent to various local sites in order to evaluate their contribution in

¹¹ This data relates to production studios.

¹² Absenteeism calculation: Number of days due to illness / Workforce at 31/12/2014 across all production studios (with the exception of Buenos Aires).

terms of the environment. The consolidated data will be analysed in order to distinguish the best practices of certain studios and to confirm their applicability at the Group level.

The measures taken locally can be organised according to 4 approaches:

- 1 - Determine and identify the areas for improvement to reduce the impact of waste
- 2 - Determine and identify the areas for improvement related to the use of sustainable resources
- 3 - Determine and identify the areas for improvement to reduce energy consumption (electricity, heating, air conditioning)
- 4 - Determine and identify the areas for improvement to reduce greenhouse gases

2.1.4.3.1.1.2 Local Organisation

There is no awareness programme at a Group level for environmental questions.

At present, employee awareness is organised locally. In fiscal year 2014, five locations implemented awareness programmes.

The Paris studio is BREEAM certified. The new Montreal studio's renovation project is LEED (Leadership in Energy and Environmental Design) certified and the new studio's office furniture is GREENGUARD certified. This certification aims to minimise emissions of volatile organic compounds into the air.

In 2012, the Auckland studio established a committee on environmental, health and safety issues. Meetings are organised every quarter in order to discuss objectives and methods that can be put in place to make employees aware of environmental issues. Email campaigns are sent out regularly in order to remind employees to turn off their computers and lights in the common areas. This year, a number of plants were added inside the studio.

In 2014, the Barcelona studio set up bicycle parking in order to encourage employees to use that method of transportation and to limit their greenhouse gas emissions.

The Shenzhen studio incorporated an environmental component into its training for new employees, in order to explain and promote recycling there.

In 2014, the New Orleans studio began selective sorting of paper, plastic and aluminium.

2.1.4.3.1.1.3 Provisions and Guarantees

To date, only the Chinese studios in Beijing, Shenzhen and Chengdu have obtained any guarantee to cover possible environmental risks. As of 2015, insurance will cover civil responsibility, goods and risks related to pollution (this clause was added in 2014). The maximum compensation is 5,000,000 Chinese yuan per year. The Group did not pay any indemnity in this respect during the fiscal year.

2.1.4.3.1.2 Pollution and Waste Management

2.1.4.3.1.2.1 Air, Water and Soil Emissions

As part of the Group's activity, the risk of direct emissions by the Group into the air, water or soil that would seriously harm the environment appears to be non-existent.

2.1.4.3.1.2.2 Waste Management

Gameloft has identified 4 categories of waste that are linked to its activity:

- Paper
- Computer equipment

- Used telephones
- Other consumables (batteries, cartridges, plastic waste)

For the most part, the Group's waste is thrown out or recycled.

- Paper: The majority of studios recycle paper after it has been used (17 studios in fiscal year 2014).
- Computer equipment: Gameloft actively participates in recycling used computers and electronic equipment. In 2014, seven studios, representing 13.91% of the Group's workforce, made use of an external company to recycle their computer equipment. The Paris studio recycled 630 kilograms of computer equipment.
- Used telephones and tablets: At 31 December 2014, Gameloft took inventory of 45,114 telephones and tablets in all of its studios. As of 2013, the Group authorises devices that are no longer necessary to the production process to be scrapped or recycled. In fiscal year 2014, nine studios, representing 27.51% of the workforce, recycled used devices. The Paris and Montreal studios respectively recycled 275 and 485 mobile phones/tablets.
- Other consumables: Certain studios have collection points for sorting and recycling waste. These collection points are usually situated in common areas (cafeteria, break room).
 - ✓ Ink cartridges: 20 studios recycle their ink cartridges. These ink cartridges are either sent back to the manufacturer directly (Xerox, HP, etc.) or collected by external service providers who will recycle them.
 - ✓ Cardboard: Given its activity, the Gameloft studios ship a significant amount of telephones, tablets and computer equipment within the Group itself. As a result, collecting and recycling cardboard is an important issue. In fiscal year 2014, 14 studios recycled their cardboard. Some studios prefer to keep their cardboard in their storage rooms instead of recycling it in order to use it again in future deliveries.
 - ✓ Batteries: 16 studios use drop-off points in strategic locations (front desk, etc.) to collect and recycle their batteries.

2.1.4.3.1.2.3 Noise and Other Forms of Pollution

Due to its activity, Gameloft's direct impact on the environment in terms of noise, olfactory and all other forms of pollution remains low. Moreover, all of our games possess a "mute" function that allows our users to cut the sound when the game launches. In fiscal year 2014, the Group received no noise-pollution complaints related to our users.

2.1.4.3.1.3 Use of Sustainable Resources

2.1.4.3.1.3.1 Water Consumption and Provisioning

Considering its activity, the Group did not identify any major impacts in terms of water stress. Water consumption within Gameloft remains low and is limited to domestic uses (sanitation, cleaning, cooking, etc.). Only some of the studios (representing 42.02% of the workforce¹³) were able to provide details related to their water consumption. For the remaining studios, their consumption is included as part of their rental expenses.

¹³ This data relates to production studios.

	Romania ¹⁴	Barcelona	Yogyakarta 2	Kharkov	Madrid 2	Sofia	Saigon 2	Total
Consumption in m³ during fiscal year 2014	12,542.97	482	1,404	1,747.20	591.70	2,136	2,449	21,352.87
Water consumption (in %)	58.74%	2.26%	6.58%	8.18%	2.77%	10.00%	11.47%	100%
Consumption in m³ per employee	10.12	3.52	4.88	6.88	5.19	5.55	7.42	100%
Share of reporting employees¹⁵ (%)	45.12%	4.99%	10.48%	9.24%	4.15%	14.01%	12.01%	100%

In 2014, the amount consumed per employee reached 7.77 cubic metres.

In order to reduce their consumption, some studios put in place different measures such as the use of automatic or induction faucets, as in France, China, Canada, and Mexico. These latter two sites also make use of ecological, low-flow toilets.

Moreover, in a great many studios, restroom management is the responsibility of the buildings' proprietors. Because of this, the studios cannot act directly to change the restroom equipment.

2.1.4.3.1.3.2 Usage and Management of Consumables

Gameloft only considers paper consumption as being sufficiently significant in terms of consumables.

Usually the Group considers that paper purchases are consumed over the period. This consumption can be summed up to bureaucratic use, excluding company brochures.

During fiscal year 2014, the Group took stock of the following paper consumption:

	Amount of waste produced in kilograms	Number of studios concerned	Representativeness of the studios concerned in terms of the Group's workforce	Number of kilograms consumed per employee
Standard paper	6,181.55	23	91.99%	1.028
Recycled paper	315.28	4	8.01%	0.602

Consumption of standard paper represents around 1.028 kilograms per employee per year. During fiscal year 2014, four studios favoured the purchase of recycled paper.

In order to encourage employees to recycle paper, the studios in New Orleans and China have paper collectors next to the printers. The Vietnamese studios, on the other hand, favoured poster campaigns in which the goal was to limit the consumption of paper and promote recycling.

2.1.4.3.1.3.3 Use of Soil

The Group's impact regarding the use of soil remains limited due to the fact that studios are installed vertically in mostly urban areas.

¹⁴ Includes the Bucharest and Cluj studios.

¹⁵ Calculated based on the workforces of the studios reporting their water consumption, namely 2,748 employees.

2.1.4.3.1.4 Electricity Consumption and Recourse to Renewable Energy

Given its activity, Gameloft considers electricity and gas to be its only significant energy sources.

- Electricity:

For three studios (Budapest, New Orleans and Seoul), electricity usage is directly included as part of their rental expenses. They represent 108 employees, or 1.65% of the workforce at production studios.

In fiscal year 2014, electricity consumption reached 8,317.70 MWh, which breaks down as follows:

	Canada ¹⁶ 17	France	China ¹⁸	Vietnam ¹⁹	Romania ²⁰	Other Countries	Total
Electrical consumption in MWh during fiscal year 2014	1,287.83	124.55	763.51	1,375.24	1,478.17	3,288.40	8,317.70
Electricity consumption (in %)	15.48%	1.50%	9.18%	16.53%	17.77%	39.53%	100%
Responding workforce²¹ (in %)	9.17%	1.18%	10.73%	24.74%	19.28%	34.90%	100%

Romania, Vietnam, Canada and China are the countries that consume the most electricity. These countries represent 17.77%, 16.53%, 15.48% and 9.18% of electrical consumption, respectively.

Some studios use electricity from renewable energy sources. 90% of the production of the Auckland studio's service provider, Mercury Energy, comes from geothermal and hydraulic sources. The studios in Canada make use of hydroelectricity: the Montreal and Toronto studios established partnerships with electricity supplier Hydro Quebec, which produces 99% of its energy from hydroelectric dams. To summarise, 1,481.58 MWh are provided by renewable energy, which represents 17.81% of the group's total electricity consumption.

- Gas:

In 2014, only the Bucharest, Cluj and Barcelona studios (which represent 21% of the workforce at production studios) consumed natural gas. In fiscal year 2014, this consumption reached 256.44 MWh.

	Romania ²²	Barcelona	Total
Gas consumption in MWh during fiscal year 2014	236.55	19.89	256.44

During the current fiscal year, the Group has taken stock of several measures that aim to reduce overall energy consumption.

The studios actively communicate on location to spread awareness among employees and to encourage them to save energy. Ten studios have launched email campaigns to remind employees to shut down their computers in the evening and to turn off lights in the common areas.

¹⁶ Includes the Montreal and Toronto studios.

¹⁷ The Montreal location changed buildings, so the consumption from September to December 2014 was estimated based on the preceding months.

¹⁸ Includes the Beijing, Chengdu and Shenzhen studios.

¹⁹ Includes the Da Nang, Hanoi and Saigon (SAI1 and SAI2) studios.

²⁰ Includes the Bucharest and Cluj studios.

²¹ Calculated based on the workforces of the studios reporting their electrical consumption, namely 6,432 employees.

²² Includes the Bucharest and Cluj studios.

In order to limit energy consumption, some studios have climate control, heating, and lighting devices that are automatically shut down at night and on weekends, as in New York and Mexicali. The Beijing studio turns off its lights each day for an hour from noon until 1 p.m. Other studios have assigned one person or team with the task of turning off lights and computers at night. In Beijing and Shenzhen, the caretaker ensures that lights are turned off during the day and that computers are shut down at night once the employees have left.

The new Montreal studio and the Cluj studio are equipped with motion sensors. In Paris, all common areas have motion sensors.

The Cluj and Chengdu studios have programmable air-conditioning units and heating systems in order to reduce energy consumption.

The Beijing studio estimates it was able to lower its energy consumption by 120 MWh after implementing these various measures.

2.1.4.3.1.5. Climate Change

2.1.4.3.1.5.1 Greenhouse Gas Emissions

As of now, neither the Group nor its studios have put in place a process for optimising their carbon footprint or measuring their greenhouse gas emissions.

The Group has identified 3 sources of greenhouse gas emissions:

- employee travel
- buildings' energy consumption
- greenhouse gases emitted by servers managed by Gameloft's service providers

2.1.4.3.1.5.2 Employee Travel

Given its activity and the international nature of the Group, employees are required to travel regularly to other locations. Trade offices are included within this indicator.

In fiscal year 2014, only four studios were able to evaluate the impact of their travels and measure their greenhouse gas emissions. The information that follows was supplied by their travel agencies.

	Distance (km travelled)	Carbon emissions (in kg)	Carbon emissions (in %)	Responding workforce²³ (in %)
France	1,406,344	173,986	75.93%	22.42%
Spain ²⁴	423,299	52,734	23.01%	75.81%
Hong Kong	24,094	2,420	1.06%	1.77%
Total	1,853,738	229,140	100%	100%

The activity of the head office represented only 22.42% of the studio workforce that responded, but accounted for 75.93% of emissions.

As a result, the Group is encouraged to optimise the efficiency of their trips as much as possible by:

- limiting the amount of employee travel

²³ Calculated based on the workforces of the studios reporting their electrical consumption, namely 339 employees.

²⁴ Includes the Barcelona and Madrid studios (production studio and trade office).

- favouring the use of video and audio conferencing as much as possible. The Group created an internal communication tool, GL share, which allows employees in different studios to organise meetings and telephone conferences.

Actions have been taken at a studio level in order to limit greenhouse gas emissions related to its employees' commutes.

Most studios are located in downtown areas, close to metro stations and bus stops. Because of this, employees can get to work using public transportation. Only the Indonesian and Vietnamese studios use motorcycles as the main form of transportation, due to the low quality of public transportation, dense traffic and regular traffic jams.

Finally, other studios encourage the use of bicycles by providing spaces as well as secure parking, like in Montreal and in Barcelona, where new bicycle parking was set up in 2014.

2.1.4.3.1.5.3 Building Energy Consumption

Greenhouse gas emissions linked to buildings' energy consumption (electricity and gas) are estimated at 3,515.70 tonnes of carbon dioxide.

2.1.4.3.1.5.4 Greenhouse Gases Emitted by Servers Managed by Gameloft's Suppliers

Due to its activity, the Group uses numerous hosting services provided by different service providers, which are located across every continent. Only the Montreal data centre is capable of measuring its greenhouse gas emissions. In 2014, the Group was able to evaluate its indirect carbon dioxide emissions²⁵ related to the Montreal data centre at 37.6 tonnes.

2.1.4.3.1.5.5 Adapting to the Consequences of Climate Change

Given its activity, we don't consider Gameloft to be directly affected by the consequences of climate change.

2.1.4.3.1.5.6 Protection of Biodiversity

During fiscal year 2013, the manager of the Paris studio put in motion several actions that aim to protect biodiversity: the patios have been refurbished, and aromatic and horticultural plants have been planted. The Cluj studio planted 800 trees over the course of fiscal year 2014.

2.1.4.4 Societal

Gameloft is socially involved by working with a variety of stakeholders to create a sustainable future for everyone.

2.1.4.4.1 A Company that Listens to Its Customers

Gameloft designs its games to offer the best experience to consumers, no matter the platform.

Within the framework of the creation process, we bring together consumers from several countries during focus groups in order to take their opinions into account.

During these test sessions, participants have the chance to play an exclusive game that's in production. When questioned, the panel lets us know their opinions on various aspects (graphics, gameplay elements, controls, etc.) and gives the game an overall score. A report is then generated and sent to the team in charge of the relevant game's creation in order to ensure that customer expectations are met.

²⁵ Only indirect emissions related to the data centre's electrical consumption were taken into account. Possible direct emissions were not taken into account.

In terms of player relations, Gameloft strives to be present on all channels through which consumers express themselves. On social networks, the community managers create relationships by offering content that is rich, varied and exclusive, and by choosing a tone and message that is adapted to each type of player, from mass-market games to games that appeal to more seasoned players. The regular appearance of new social networks drives the company to constantly revamp its communication methods. Finally, the customer support service has many channels: a standard phone service is in place for more than 15 languages all over the world; on a daily basis, dedicated teams take charge of customer requests from online discussion forums and emails as quickly as is possible, all while providing clear and thorough responses.

Gameloft respects the standards and legislations in force for mobile games related to keeping its customers informed and ensuring their safety. The Group respects the Children Online Privacy Protection Act (COPPA), which has as its objective to protect the collection and use of personal data belonging to minors of less than 13 years of age who reside in the United States or in one of the American territories. In order to conform to COPPA regulations, mobile games that are sold to American residents contain a pop-up that asks the game's user to specify their date of birth during the game's launch. In addition, in cases where a user is identified as a minor of less than 13 years of age, access to social networks that are available in the game will be automatically deactivated.

2.1.4.4.2 Territorial, Economic and Social Impacts

For a company like Gameloft, the coexistence of two contrasting macroeconomic contexts in the countries where its studios are located -- developed countries on the one hand and emerging countries on the other -- constitutes a real challenge.

Gameloft wishes to participate in the local economic life near studios where the Group is established by recruiting the majority of its employees from the surrounding employment area. In this way, Gameloft contributes to market and employment development, and to the economic development in general, of several regions around the world.

2.1.4.4.3 Human Rights

Respect for rights and freedoms is part of Gameloft's fundamental values. The Group combats all forms of discrimination, harassment, all manner of forced labour and child labour, and all breaches of freedom of association. Gameloft's policy aims to respect the right to work in all countries in which it is established and to take into account the fundamental conventions of the International Labour Organization (ILO) on this subject.

When they are welcomed into the company, each employee is reminded of the basic principles by bringing to their attention the fundamental texts and regulatory texts in their local context.

2.1.4.4.4 Subcontracting and Suppliers

Due to its activity and its internationalization, purchases are usually made locally. The high technical and technological content (powerful computers) of our needs and of our purchases mean that the ecological criterion cannot be held as the primary criterion when choosing a supplier.

On the other hand, when it comes to choosing office supplies, Gameloft mainly chooses certified paper (PEFC in the Paris studio).

2.1.4.4.5 Actions Taken to Prevent Corruption

Gameloft operates in an industry in which corruption is not considered to be a major concern. No significant risk was identified, which is why there was no action implemented to prevent corruption in 2013.

2.1.4.4.6 Sponsorship Activities

Gameloft takes part in sponsorship activities, most notably in the case of the Vietnam studio's involvement with the non-governmental organization Poussières de Vie (a French charity that has been helping the underprivileged in Vietnam since 2002) by helping them organise the annual Ho Chi Minh City bazaar, its main annual event.

2.1.4.5 Report from the Independent Third-Party Entity on Consolidated Social, Environmental and Societal Information Appearing in the Management Report

Fiscal year ended 31 December 2014

Dear Shareholders,

In our capacity as an independent third-party entity, member of the Mazars network, Gameloft's auditor, accredited by Cofrac under number 3-1058²⁶, we present to you our report on the consolidated social, environmental and societal issues for the fiscal year ended 31 December 2014, presented in the management report (hereinafter the "CSR Information"), in application of the provisions of Article L.225-102-1 of the French Commercial Code.

Company Responsibility

The Board of Directors must prepare a management report containing the CSR information outlined in Article R.225-105-1 of the French Commercial Code, in compliance with the company's reference sources (hereinafter "Reference Documents"), a summary of which appears in the management report and is available on request at the company's registered office.

Independence and Quality Control

Our independence is defined by the regulatory documents, the code of conduct of our profession, as well as the provisions outlined in Article L.822-11 of the French Commercial Code. Moreover, we have put in place a quality control system that contains documented policies and procedures that aim to ensure compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Third-Party Entity Responsibility

It is our task, on the basis of our work:

- to attest whether the required CSR Information is present in the management report or, if not present, whether an appropriate explanation is given in accordance with the third paragraph of Article R.225-105 of the French Commercial Code (Attestation of Presence of CSR Information);
- to provide limited assurance on whether the CSR Information, taken as a whole, is fairly presented, in all significant aspects, in accordance with the Reference Documents (Limited Assurance on CSR Information).

Our work was performed by a team of 4 people between January 2014 and March 2015 for a period of about 2 weeks.

²⁶ The scope of which is available at www.cofrac.fr

We performed the work described below in accordance with professional standards applicable in France and with the 13 May 2013 decree determining the methods by which the independent third-party entity can conduct its work and related to the substantiated recommendation, according to the ISAE 3000 international standard²⁷.

1. Attestation of Presence of CSR Information

We obtained an understanding, based on interviews with the management of relevant departments, of the strategy for sustainable development in terms of the social and environmental consequences related to the company's activity and its social commitments, as well as, where appropriate, corresponding actions or programmes.

We have compared the CSR Information presented in the management report with the list provided in Article R.225-105-1 of the French Commercial Code.

In cases where certain consolidated information was absent, we have verified that explanations were provided in accordance with the provisions in Article R.225-105, paragraph 3, of the French Commercial Code.

We verified that the CSR Information covered the consolidated areas, namely the company and its subsidiaries, as outlined in Article L.233-1, and the companies it controls, as outlined in Article L.233-3 of the French Commercial Code, with the limitations specified in the note on methodology in the "Note on Methodology" paragraph of the management report.

Based on this work, and taking into account the limitations mentioned above, we confirm the presence of the required CSR Information in the management report.

2. Limited Assurance on CSR Information

Nature and Scope of the Work

We performed around six interviews with the people responsible for the preparation of the CSR Information, with management in charge of the data collection process and, where applicable, with the people responsible for internal control processes and risk management, in order to:

- assess the suitability of the Reference Documents in terms of their relevance, completeness, reliability, neutrality, and clarity, taking into consideration, where relevant, the industry's best practices;
- verify that a process was implemented for the collection, compilation, processing and control of the CSR Information to ensure its completeness and consistency, and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information in relation to the company's characteristics, the social and environmental issues related to its activities, its strategy for sustainable development, and the industry's best practices.

For the CSR Information that we considered the most important²⁸:

²⁷ ISAE 3000 – *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

²⁸ Workforce and breakdown by age, gender and geographic region; number of training hours; percentage of part-time employees; measures taken in favour of consumer safety; electrical consumption of buildings; carbon dioxide emissions related to employee travel; carbon dioxide emissions related to buildings' consumption; carbon dioxide emissions related to servers.

- at the level of the consolidated entity and entities, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with other information presented in the management report;
- at the level of the representative selection of sites that we chose²⁹ based on their activity, their contribution to the consolidated indicators, their location, and a risk analysis, we conducted interviews to verify the correct application of procedures, and conducted detailed tests based on samples, which consisted of verifying the calculations that were made and connecting the data to supporting documents.

Therefore, the sample selected represented 20% of the workforce, and between 12% and 100% of quantitative environmental information.

For the other consolidated CSR Information, we assessed its consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided related to, if necessary, the total or partial absence of certain information.

We consider that the sample methods and sample sizes that we employed by exercising our professional judgement allow us to express a limited-assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

Conclusion

Based on our work, and with the above reservation, we have not detected any significant anomaly that would cause us to doubt that the CSR Information, taken as a whole, has been fairly presented in compliance with the Reference Documents.

Paris La Défense, 23 April 2015

Independent Third-Party Entity

Mazars SAS

Simon Beillevaire
Associate

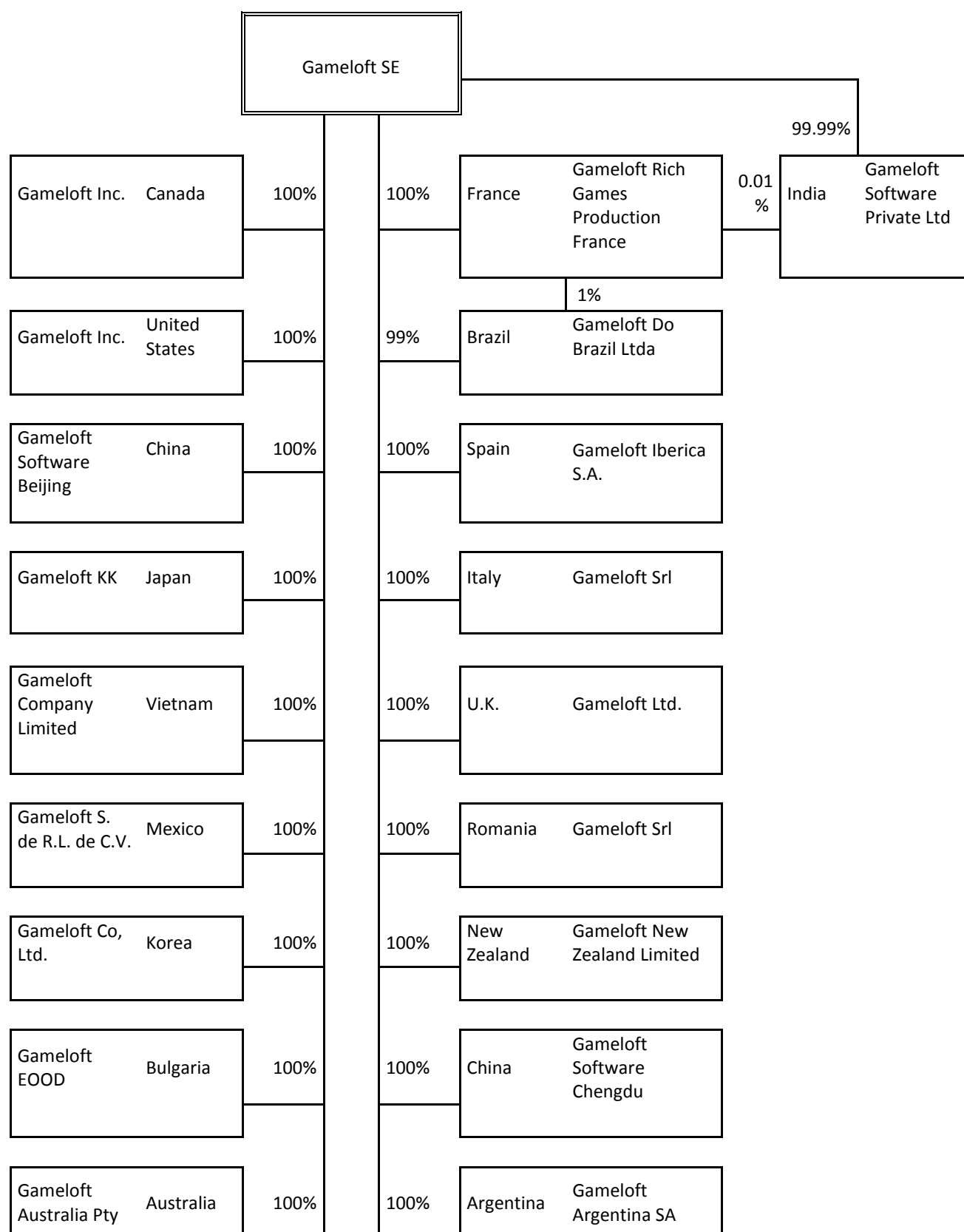
Emmanuelle Rigaudias
CSR & Sustainable
Development Associate

²⁹ Environmental indicators: Valencia, Saigon and Da Nang.

Environmental indicators: Paris (energy consumption / carbon dioxide emissions from buildings and employee travel), Saigon (energy consumption / buildings' carbon dioxide emissions) and Montreal (energy consumption / carbon dioxide emissions from buildings and servers).

2.1.5 Subsidiaries and Equity Capital Holdings

2.1.5.1 Organisational Chart as of 31 December 2014



Ltd.					
Gameloft LLC	Ukraine	100%	100%	France	Gameloft Partnerships SAS
Gameloft GmbH	Germany	100%	100%	France	Gameloft France SAS
Gameloft Pte Ltd.	Singapore	100%	99.99%	Philippines	Gameloft Philippines Inc.
Gameloft Ltd.	Hong Kong	100%	100%	Venezuela	Gameloft de Venezuela S.A.
Ludigames SAS	France	100%	100%	China	Gameloft Software Shenzhen Co. Ltd.
Gameloft Live Inc.	Canada	100%	100%	Hungary	Gameloft Hungary Kft.
PT Gameloft Indonesia	Indonesia	100%	100%	United Arab Emirates	Gameloft FZ-LLC
Gameloft Toronto	Canada	100%	100%	Spain	Gameloft Madrid S.L.U.
Gameloft SDN. BHD	Malaysia	100%	100%	Finland	Gameloft Oy
Gameloft Uruguay SA	Uruguay	100%	100%	Russia	Gameloft LLC

2.1.5.2 Change over the Fiscal Year

The company created four new subsidiaries: in Helsinki, Finland (Gameloft Oy); Russia (Gameloft LLC); Madrid (Gameloft Madrid S.L.U.); and Uruguay (Gameloft Uruguay SA). The share capital of these subsidiary companies is 100% held by Gameloft SE. Gameloft SRO (Czech Republic) was liquidated during this period.

2.1.5.3 Subsidiary Activities

Subsidiaries (in thousands of euros)	Fiscal Year Ended 31/12/14		Fiscal Year Ended 31/12/13	
	Revenue	Profit/Loss	Revenue	Profit/Loss
Production Activity				
Gameloft Rich Games Production France	3,112	95	2,709	97
Gameloft Ltd. Vietnam	13,578	1,249	12,981	454
Gameloft Software Chengdu	5,990	122	5,811	20
Gameloft Software Shenzhen Co. Ltd.	2,174	-102	1,950	-232
Gameloft Toronto	4,548	276	3,416	201
Gameloft Hungary Kft. (Hungary)	1,393	22	1,212	8
Gameloft New Zealand	7,969	405	6,054	129
Gameloft Madrid S.L.U.	2,629	60	-	-
Gameloft Oy (Finland)	674	25	-	-
Distribution Activity				
Gameloft GmbH Germany	645	-15	306	24
Gameloft SRL (Italy)	2,368	19	2,180	-22
Gameloft Partnerships	1,723	31	1,921	69
Gameloft Pte Ltd. (Singapore)	48	5	320	-2
Gameloft Software Private Ltd	5,165	241	2,232	-469
Gameloft LTD. (England)	1,691	29	2,476	64
Gameloft Limited (Hong Kong)	321	16	291	54
Gameloft Live	992	26	891	25
Gameloft Live Divertissements	810	48	903	54
Gameloft Do Brasil Ltda	8,261	644	11,083	749
Ludigames	1	-5	2	-5
Gameloft SDN. BHD	1,407	13	24	1
Gameloft FZ-LLC	206	5	-	-88
Gameloft Venezuela	1,243	-59	873	-5
Gameloft LLC (Russia)	78	-1	-	-
Gameloft Uruguay SA	14	-2	-	-
Mixed Activity				
Gameloft Inc. – Canada	30,403	1,612	24,248	1,384
Gameloft Inc. United States	64,550	2,106	51,163	-216
Gameloft Iberica SA (Spain)	13,272	10	11,845	226
Gameloft SRL (Romania)	21,091	551	18,299	467
Gameloft Software Beijing (China)	14,108	1,298	11,479	301
Gameloft WSH T	1,312	61	1,248	-10
PT Gameloft Indonesia	4,150	57	4,079	232
Gameloft KK (Japan)	1,465	-3,249	1,867	-1,915
Gameloft Australia Ltd.	1,410	47	727	7
Gameloft EOOD – Bulgaria	6,122	216	4,777	218
Gameloft Argentina	12,064	6,790	14,282	7,274
Gameloft Co, Ltd. – Korea	3,201	152	4,717	28
Gameloft R.L. de C.V.	18,968	2,369	20,830	816

Gameloft LLC	3,794	209	3,467	169
Gameloft Philippines	1,592	165	2,375	80

The group's activity is divided into two sections:

- Marketing activity and distribution of games in their respective geographical areas, by the following companies: Gameloft GmbH in Germany, Gameloft LTD in the United Kingdom, Gameloft Srl in Italy, Gameloft Venezuela, Gameloft Do Brasil Ltda. in Brazil, Gameloft Pte Ltd. in Singapore, Gameloft Limited in Hong Kong, Gameloft France and Gameloft Partnerships in France.
- Game creation and development activity, primarily by the following companies: Gameloft SRL in Romania, Gameloft Inc. in Canada, Gameloft Software Chengdu and Shenzhen in China, Gameloft Ltd. Vietnam, Gameloft LLC in Ukraine, and Gameloft RGPF in France.

Some of our subsidiaries are active in both categories, such as Gameloft Inc. in the United States, Gameloft Iberica in Spain, Gameloft R.L de C.V. in Mexico, Gameloft Divertissements Inc., Gameloft Argentina and Gameloft Software Beijing. The parent company, located in France, coordinates activities with different subsidiaries and develops downloadable mobile phone and console games. It employs 25 people as of 31 December 2014.

2.1.6 General Information

2.1.6.1 Investment Policy

Gameloft has pursued a sustained investment policy which allows it to establish itself on new platforms, to create new licences in different genres, and more generally, to grow its market share.

Investments in non-current assets include intangible assets, tangible assets, non-current financial assets, and assets being sold or discontinued businesses.

€K	Non-current Assets		
In 2014	Intangible assets	Tangible assets	Financial assets
EMEA	7,145	2,574	266
North America	941	7,465	268
LATAM	1	311	22
APAC	174	4,653	822
Total	8,261	15,003	1,378

€K	Non-current Assets		
In 2013	Intangible assets	Tangible assets	Financial assets
EMEA	2,669	1,590	242
North America	2,907	12,333	449
LATAM	18	444	19
APAC	40	1,247	556
Total	5,635	15,614	1,267

Investments are completely financed internally.

Non-current assets are presented here by segment based on their geographic location.

€K	Non-current Assets	
	31/12/14	31/12/13
EMEA	11,155	7,792
North America	18,129	18,776
LATAM	732	763
APAC	7,195	4,009
Total	37,211	31,340

2.1.6.2 Research and Development Policy

Gameloft invests extensively in research and development in order to create and develop innovative, high-quality games. The amount allocated for research and development, not excluding charges related to stock options, represents 52.8% of revenue.

Gameloft provides all necessary means to facilitate the development of its games, be it in terms of competent, motivated personnel, or in terms of infrastructure with the goal of quickly communicating with subsidiary production teams, as well as making telephony resources available to the different development teams.

Development costs for downloadable console games are capitalised once the feasibility and profitability of the project can reasonably be considered to be assured. Development costs for games on the new platforms are fixed once their technical feasibility has been established and they have been considered collectable.

For mobile phone game development, Gameloft records development costs as expenses at the time they are incurred. Each year, the company develops and places on various operators' sites thousands of versions of its games in order to cover the more than 200 different models of feature phones and 16 languages supported by the company, as well as the 7,000 models of smartphones. Given this extreme fragmentation and the more general nature of sales-related information received from operators, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions. On this basis, the group does not meet all the capitalisation criteria set out in IAS 38; expenses are recognised as expenses.

2.1.7 Risk Factors

Gameloft carried out a review of risks that could have a significantly negative effect on its activity, its financial situation or its earnings (or its capacity to reach its goals) and deemed that there are no other significant risks other than those presented here.

Risks identified are categorised by type of risk.

2.1.7.1 Risks Related to Activity

2.1.7.1.1 Risks Related to Failure to Implement the Development Plan

Gameloft forecasts a significant increase in sales in the coming year. Failure to achieve this anticipated success within a certain time period could adversely affect the market value of Gameloft's shares.

2.1.7.1.2 Risks Related to Delays in the Release of a Major Game

In a competitive context, the announcement of a delay in the release of an anticipated game can have a negative impact not only on a company's share price but also in terms of revenue and therefore operating margin. This delay can result from a delay in the game's development or in the time needed to port it to several types of telephones. The priority is the release of high-quality, innovative games that also comply with cost and delivery-time objectives.

2.1.7.1.3 Risks Related to Employees

The group's success hinges on such factors as the performance and training of its production teams. The development of new technology and the desire to produce more creative and innovative games require specific expertise. Gameloft could face challenges in terms of recruiting experienced individuals with specialised technical skills at its studios to ensure its growth. Gameloft SE has purchased an insurance policy to cover all of the group's de jure or de facto directors in case of pecuniary liability.

2.1.7.1.4 Risks Related to the Departure of Key Employees

The Group's success is closely linked to its ability to maintain a relationship with its key employees. If, for whatever reason, they leave or become unavailable for an extended period, this could have an impact on the company. The Group's future success will also depend on its ability to attract, train, retain and motivate very technically skilled employees. Losing one or more key employees or managers, or failing to attract new highly skilled staff could have a significant negative impact on the Group's revenue, earnings and financial position. The company is organised today in such a way as to minimise risk related to the departure or extended unavailability of key employees or managers. One measure aimed at reducing this risk is stock option plans and bonus share issues.

2.1.7.1.5 Risks Related to Conducting Business in Several Countries

The Group's activities extend across more than 30 countries around the world, with the intent of pursuing its international expansion.

The main risks in conducting these activities internationally relate to:

- the local economic and political situation
- fluctuations in exchange rates
- restrictions imposed on repatriation of capital
- changes to environmental regulations made during the fiscal year
- the various tax systems, which can have negative financial impacts on the Group's earnings or its cash flow, notably as relates to regulations setting transfer prices, deductions at source on the repatriation of funds and other payments made by participating companies and by subsidiaries

The group is undertaking a detailed review of each country in order to examine each market and define conditions for setting up a presence.

Despite procedures put in place by the Group, it is not able to guard or cover itself against risks and may encounter difficulties during the fiscal year related to activities in these countries, which may have an impact on its earnings.

As such, litigation that emerged with certain local administrations are detailed in note 12 of the appendix to the consolidated accounts.

2.1.7.1.6 Risks Related to Dependence on Clients

Gameloft has several hundred partners (telecom operators and feature phone, smartphone and touch tablet manufacturers) that are responsible for distributing its games to consumers around the world. Despite this strong diversification, two Gameloft partners represented a significant part of the company's revenue in 2014. In fact, the companies Apple and Google generated almost 32% and 18%, respectively, of the Gameloft Group's pre-tax revenue during fiscal year 2014. No other Gameloft client or partner made up more than 10% of the company's revenue. The top five clients and top ten clients respectively represent 59% and 66% of the Gameloft Group's pre-tax revenue for fiscal year 2014.

2.1.7.1.7 Risks Related to Dependence on Suppliers, Subcontractors and Strategic Partners

No supplier has ever represented more than 10% of the Gameloft Group's operational expenditures since its establishment. The company works with several hundred suppliers around the world and has not identified any major risks related to dependence on any supplier in particular. Gameloft also works very closely with a certain number of strategic partners who hold trademarks that the company uses for its licensed games. The company's ability to maintain good business relations with these trademark holders is important to Gameloft's future development (see 2.1.7.2.4 Risks Related to Licence Agreements).

The company has no significant financial dependence on its subcontractors or suppliers that is likely to affect its development plan.

2.1.7.1.8 Risks Related to Changes in Technology

Gameloft is part of a very competitive market, marked by quickly changing technologies that require serious investment in research and development and are subject to economic fluctuations.

Like all publishers, Gameloft is dependent on technological advances. In order to remain competitive, it is essential for a publisher to properly anticipate market tendencies and choose the right development format for a game. This selective and strategic choice is very important relative to the amounts invested. An inappropriate choice could have negative consequences on expected revenue. However, Gameloft still remains proficient in the necessary technologies and has the resources it needs to adapt to technological changes in its core business. Gameloft thus continues to invest in its studios in order to guarantee its mastery of future technologies, while still reinforcing its production force in new countries and limiting costs, thanks to operations in countries such as China, Romania, and Vietnam, where production costs are lower. The amount allocated for research and development by the company represents 46.6% of its revenue.

2.1.7.1.9 Risks Related to Infrastructure Failure

The rise of online games has made it increasingly critical to have properly functioning infrastructure and to plan for growth. Gameloft is determined to provide its players the best possible online experience. Data centres and operations rely on a high level of redundancy to allow for a top-tier gaming ecosystem. Strategic partnerships have been forged in order to contend with external threats and to bring the online gaming platforms as close as possible to players. To maximize capacity, the concepts of fail-safing and elasticity have been applied, most notably through a combination of internal and external cloud technologies. This has allowed Gameloft to increase or decrease its infrastructure's capacity based on demand.

All of this is supported by a team of world-class experts spread across the globe to allow for 24-hour, seven-day-a-week operations.

2.1.7.1.10 Risks Related to Information Systems and Computer Security

Despite the many integration systems implemented, Gameloft is not entirely protected from computer abuse, intrusions, problems with network user identification, and so on. Changes in regulations, the implementation of new mobility solutions, the spread of viruses and increased use of the Internet are just a few reasons why global security solutions need to be put in place. Information is a strategic resource of considerable value and must therefore be protected in an appropriate manner.

In addition, because of the rise of information sharing within its games, the company finds itself with more and more information pertaining to the users of its games. This makes the risks related to protecting personal data even more serious, which is why the company's Global Network Services Security Team does their utmost to protect the confidentiality, integrity and availability of information it is charged with safeguarding by strengthening its digital security systems. The company continues to invest in security systems to ensure that

activity continues unabated, that current risks are mitigated and that it is increasingly able to anticipate future threats.

2.1.7.1.11 Risks Related to Growth Management

The company's ability to manage its growth effectively will require it to implement, improve and make effective use of all its resources. Any significant growth in activity could subject the company, its managers and its teams to a great deal of pressure. In particular, the company must continue to develop its infrastructure and financial and operating procedures, replace or upgrade its information systems and recruit, train, motivate, manage and retain key employees. The management team's inability to manage growth effectively would have a significant negative impact on the company's revenue, earnings and financial position.

2.1.7.1.12 Risks Related to Grants and Tax Credits

Gameloft receives and recognises significant grants: In 2014 these grants rose to 7.7 million euros in Canada, 1.3 million euros in New Zealand, €662,000 in the United States, and €50,000 in Argentina. The Canadian and American subsidiaries also receive tax credits related to their activities. Any changes to government policy could have a significant impact on production costs and the profitability of the company. Gameloft makes sure to regularly renegotiate its agreements and does not anticipate any major risk in the next few years.

2.1.7.1.13 Risks Related to Accounting and Finances

The reliability of accounting and financial data, and the internal control risk management that refers to it, are outlined in the Chairman's report on internal controls that was put in place by the company.

2.1.7.2 Legal Risks

2.1.7.2.1 Litigation – Legal Proceedings and Arbitration

There are no government, court or arbitration proceedings, including any proceedings of which the company is aware, which are pending or with which it is threatened, that could have or have had a significant impact on the financial position or profitability of the company and/or Group during fiscal year 2014, other than those which are outlined in note 3.1.5.5.12 of the appendix to the consolidated accounts.

2.1.7.2.2 Regulatory Environment

a) Consumer protection

The company, like all game publishers, must abide by a number of national regulations, notably concerning the content of games and consumer protection. Non-compliance with these regulations can have a negative impact on sales (delayed release or recalling of products from the market, for example).

Gameloft has developed tools and set up the necessary procedures to comply with local laws and regulations regarding consumer protection, including but not limited to making information on usage rules and on game content accessible to consumers, on one hand by referring to the "age rating" as defined by distributors, by Europe's PEGI, or by the ESRB in the United States, and on the other hand by a notification that opens when the games are launched, warning that the games may contain in-app purchases, even if the games in question can be downloaded free of charge. This issue appears to be an increasing risk for the Group because in-app purchases can be perceived by European and American regulatory authorities as a deceptive part of the economy within mobile applications and games regarding a certain category of user, specifically children.

For this reason, the Group was the subject of an inquiry by the Italian Competition Authority during fiscal year 2014; this inquiry also targeted Apple, Google and Amazon. The companies that were incriminated were suspected of having encouraged children too forcefully to make mobile game in-app purchases, while the games had initially been available to download free of charge. The Italian Competition Authority dropped its

proceedings against these companies following their commitment to make several modifications to their mobile games, notably by removing the word “free” from mobile games likely to offer in-app purchases, and by clarifying the terms and conditions when users who are European Union residents wish to make in-app purchases within a game.

b) Protecting personal information

Furthermore, the company has implemented procedures necessary to conform to local laws covering the protection of players’ personal information, notably by implementing a new privacy policy accessible from the company’s website as well as within all of its games. This charter seeks to outline the types of information and personal data collected by the company from its users and to describe how that data is handled by the company.

As part of its personal-data protection efforts, particular attention is paid to protecting minors. In this regard, within its games geared towards children, the company has implemented the rules of the Children's Online Privacy Protection Act (COPPA) – whose objective is to restrict the collection and use of the personal information of residents of the United States or U.S. territories who are under 13 years of age – as well as the measures recommended by the United Kingdom’s Office of Fair Trading (OFT), and in a more general sense in Europe, the recommendations derived from the work of the European Commission.

Compliance with the regulatory environment also involves an internal policy aimed at fighting corruption in all its forms.

2.1.7.2.3 Intellectual Property Risks

Gameloft's game catalogue is protected by intellectual property rights. Gameloft’s brands are protected through registrations in Europe and internationally (for France: the Institut National de la Propriété Industrielle in Paris; for Europe: the Office for Harmonisation in the Internal Market; internationally: the World Intellectual Property Organisation; and for the North American market: the US Patent and Trademark Office in Washington). This catalogue's success, however, could lead to attempts at copying and piracy. To prevent this risk, the company must implement a permanent monitoring system and act quickly when illegal copies are placed online.

2.1.7.2.4 Risks Related to Licence Agreements

Each year, Gameloft signs numerous partnership contracts with brands that allow it to diversify its game catalogue and increase its revenue. In this way, Gameloft benefits from these brands' reputations, which substantially increases the sales potential of associated games. The possible termination of certain partnerships for any reason – either at Gameloft’s initiative or that of its partners – could have a negative impact on the company's future revenues and operating income, to the extent that the loss is not offset by other new licences. Licences represented 41% of sales in 2014, including 3% for Ubisoft-licensed games.

2.1.7.3 Industrial Risks or Risks Related to the Environment

To date, the group is not aware of any industrial or environmental risks. Gameloft did not set up a provision or obtain any guarantee to cover possible environmental risks (earthquake, natural disaster, etc.) and did not pay any indemnity in this respect during the fiscal year. However, the company remains attentive to regulatory changes in the countries where it has operations.

2.1.7.4 Financial Risks

Within the framework of its activity, the group is more or less exposed to financial risk (notably in regards to foreign exchange, financing and liquidity, interest rates), and risks related to securities.

The policy of the group consists of:

- minimizing the impact of exposure to market risk on its earnings, and to a lesser extent, on its balance sheet;
- centralised monitoring and managing of its risk exposure;
- not making use of derivatives except for economic coverage.

The financial risks are detailed in note 3.1.6.6 of the appendix to the Gameloft group's consolidated accounts.

2.1.7.5 Insurance and Risk Coverage

In order to centralise risk management, to optimise guarantees, and to prevent losses, Gameloft put in place, as of 1 January 2008, a group insurance programme providing all its subsidiaries with professional civil liability and operational civil liability coverage.

This comprehensive programme was reworked as of 1 January 2011.

In addition, the company took out an insurance policy for the civil liability of company directors and executive directors in order to assist them in the event of claims made against them.

The overall cost of the Gameloft Group's insurance policy is €408,000.

2.1.8 Off-balance Sheet Commitments

There is no minority interest in the Group's structure. There is therefore no risk related to the buyout of minority interests.

The Gameloft Group has commitments toward some of the group's subsidiaries:

- The operating commitments related to rental expenditures through all of the Gameloft Group's subsidiaries total €40,291,000 on all current leases.
- Gameloft Divertissements Inc. put in place a line of credit for CAD 4,000,000 with HSBC.
- A commitment from the Government of Ontario in the form of a grant agreement with hiring and spending conditions over 5 years amounting to CAD 1,725,000 to benefit Gameloft Entertainment Inc. Toronto.
- Secured credit facilities amounting to CAD 1,000,000 for Gameloft Entertainment Toronto Inc., from HSBC Bank Canada.
- Gameloft SE has a liquidity commitment toward HSBC with a deal made by mutual agreement and dated 16 January 2015 for exchange transactions of US dollars against euros (USD 5,400,000).
- Gameloft SE has various liquidity commitments toward HSBC with deals made by mutual agreement:

* purchase for future delivery of Canadian dollars against the euro in January, February and March 2015 in the amount of 1.5 million euros

* purchase for future delivery of Canadian dollars against the US dollar in February, March and April 2015 in the amounts of \$884,000, \$707,000 and \$2,738,000

* purchase for future delivery of Chinese yuan against the US dollar in January 2015 in the amount of \$1,897,000.

* forward sale of Pounds sterling against the euro in January, March, April and May 2015 in the amounts of £480,000, £270,000, £235,000 and £235,000.

2.1.9 Events Subsequent to the Close of Year

Significant events that occurred since closing are described in note 3.1.6.2 of the appendix to the 2014 consolidated accounts.

2.2 Year-End Individual Financial Statements at 31 December 2014

2.2.1 Individual Financial Statements of Gameloft SE at 31 December 2014

2.2.1.1 Gameloft SE Balance Sheet at 31 December 2014 (in €K)

ASSETS	31/12/14	31/12/14	31/12/14	31/12/13
	Gross €K	Amort./Dep. €K	12-Month Fiscal Year Net €K	12-Month Fiscal Year Net €K
Intangible assets	63,164	56,304	6,859	4,455
Tangible assets	7,232	6,092	1,140	1,160
Financial assets	13,614	2,782	10,832	11,972
Long-term assets	84,010	65,179	18,830	17,587
Trade receivables and related accounts	137,238	4,618	132,620	127,570
Other receivables	71,835	1,956	69,879	44,240
Short-term investment securities	-	-	-	-
Cash on hand	16,808	-	16,808	21,674
Current assets	225,881	6,574	219,307	193,484
Accruals	7,027	-	7,027	8,732
Total assets	316,917	71,753	245,163	219,803

LIABILITIES	31/12/14	31/12/13
	12-Month Fiscal Year €K	12-Month Fiscal Year €K
Capital	4,281	4,201
Premiums	91,165	88,553
Reserves	4,395	-5,046
Fiscal year profit/loss	-23,164	9,441
Shareholders' equity capital	76,677	97,150
Provisions for contingencies and charges	6,465	7,760
Misc. financial debts (1)	871	726
Trade payables and related accounts	136,340	104,307
Tax and social security liabilities	1,201	1,428
Debts on assets	5,467	3,239
Other debts	14,221	3,272
Total debts	158,100	112,973
Accruals	3,921	1,920
Total Liabilities	245,163	219,803
(1) including partners' current accounts	628	628

2.2.1.2 Gameloft SE Income Statement at 31 December 2014 (in €K)

€K	Fiscal Year 12 Months Ended 31/12/14	Fiscal Year 12 Months Ended 31/12/13
Total operating income	186,892	198,949
Total operating expense	-212,862	-187,256
Operating Profit/Loss	-25,970	11,693
Total financial income (1)	17,943	14,538
Total financial expense (2)	-14,759	-16,485
Net financial income/expense	3,184	-1,948
Profit/loss from ordinary activities	-22,786	9,745
Extraordinary profit/loss	-11	-167
Pre-tax profit/loss	-22,797	9,578
Income tax	367	137
Net fiscal year profit/loss	-23,164	9,441
(1) Income concerning affiliates:	4,768	6,544
(2) Expenses concerning affiliates:	2,532	421

2.2.2 Financial Table (Art. 135 of the Decree of 23 March 1967) (€K)

Fiscal Year	31/12/10	31/12/11	31/12/12	31/12/13	31/12/14
	12 Months	12 Months	12 Months	12 Months	12 Months
Share capital (€)	3,754,146	3,855,299	4,090,926	4,201,441	4,281,255
No. of ordinary shares	75,082,924	77,105,980	81,818,524	84,028,824	85,625,097
No. of preferred shares	-	-	-	-	-
Maximum no. of shares that may be created	13,933,150	12,921,504	8,586,835	6,331,312	5,705,150
By exercised options	12,486,150	11,769,354	7,347,235	4,004,812	2,601,412
By bonus issues of shares	1,447,000	1,152,150	1,239,600	2,326,500	3,103,500
By BSPCE subscriptions	0	0	0	0	0
Revenue	111,121	131,787	165,160	194,854	183,551
Profit/loss before tax, profit-sharing, depreciation and provisions	22,200	21,396	10,843	20,316	-13,515
Income tax	-10	-212	137	-137	-367
Profit-sharing	0	0	0	0	0
Profit/loss after tax, profit-sharing, depreciation and provisions	9,815	3,050	661	9,441	-23,164
Dividend payout	0	0	0	0	0
Per share, profit/loss after tax and before depreciation and provisions (€)	0.30	0.27	0.13	0.24	-0.16
Per share, profit/loss after tax and depreciation and provisions (€)	0.13	0.04	0.01	0.11	-0.27
Dividend allocated to each share	-	-	-	-	-
Average number of employees	30	28	37	30	25
Total payroll	3,760	3,973	4,067	3,750	3,438

Social security taxes and benefits	1,758	1,782	2,029	1,853	1,690
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2.2.3 Proposed Allocation of Profit

The accounts presented show a loss of €23,164,357.06.

We propose to allocate the entirety of the loss of 31 December 2014 as accumulated deficit.

Pursuant to the provisions of Article 243 *bis* of the French General Tax Code, no distribution of dividends has taken place in the last three fiscal years and the company has no intention of distributing dividends in the near future.

Pursuant to the provisions of Article 223 *quater* of the French General Tax Code, the amount of €6,000, corresponding to either non-deductible expenses or costs under Article 39-4 of the French General Tax Code, was registered in the current fiscal year and restated.

At 31 December 2014, the company holds its own stock in the amount of €326,218.82, for a total of 100,477 shares.

2.2.4 The LME Law – Gameloft SE Payment Deadlines (€K)

Pursuant to Articles L. 441-6-1 and D. 441-4 of the French Commercial Code, at the close of the fiscal year on 31 December 2014, the balance of debts to suppliers breaks down by due date as follows:

€K	Trade Payables		Trade Payables on Assets		Total	
	2014	2013	2014	2013	2014	2013
Non-group trade payables						
Payments:						
0 to 30 days	5,256	3,404	920	499	6,176	3,903
30 to 60 days	699	742	0	11	699	753
Overdue	1,314	707	34	8	1,348	715
Non-group trade payables	7,269	4,853	954	518	8,223	5,371
Intra-group debts	101,102	72,751	154	189	101,256	72,940
GROUP invoices pending	15,315	11,924	0	0	15,315	11,924
Invoices pending	12,654	14,779	4,359	2,532	17,012	17,311
Total accounts payable	136,340	104,307	5,467	3,239	141,807	107,546

2.3 Information about the Company

2.3.1 General Information about the Company

Corporate name

The corporate name of the company is Gameloft SE.

Registered office

The company's registered office is located at 14 rue Auber, 75009 Paris (France).

Legal form

Gameloft is a European Company.

Applicable legislation

Company governed by the provisions of Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company, the provisions of Council Directive No. 2001/86/EC of 8 October 2001, as well as the provisions of the French Commercial Code dealing with companies in general and European companies.

Date created and duration

The company was founded on 1 December 1999 for a duration of 99 years starting on the date of its registration in the French Corporate and Trade Register, i.e. until 22 February 2099, barring its extension or early dissolution.

Corporate and Trade Register

The company is registered with the Corporate and Trade Register under number 429 338 130 RCS Paris.

Location for consulting legal documents related to the company

The company's legal documents can be consulted at the following address: 14 rue Auber, 75009 Paris.

Accounting period

The accounting period, which lasts twelve months, begins on 1 January and ends on 31 December.

Managing Body of the Company

The Board of Directors, in its meeting on 3 December 2001, decided not to separate the functions of the Chairman of the Board of Directors from those of Chief Executive Officer; the general management of the company is taken on by the Chairman of the Board of Directors, Mr Michel Guillemot, Chief Executive Officer of the company.

The Chief Executive Officer of the company is assisted by Executive Vice Presidents named by the Board of Directors; the number should not exceed 5 people. Mr Michel Guillemot, Chief Executive Officer of the company, is assisted by four Executive Vice Presidents:

- Mr Christian Guillemot, Executive Vice President
- Mr Claude Guillemot, Executive Vice President
- Mr Yves Guillemot, Executive Vice President
- Mr Gérard Guillemot, Executive Vice President.

2.3.2 Additional Information about the Company**2.3.2.1 Memoranda of Association and Articles of Association****2.3.2.1.1 Corporate Purpose (Article 3 of the Articles of Association)**

The company's purpose in France and abroad, whether direct or indirect, is as follows:

- The design, creation, publication and distribution of games and services related to video games and, more generally, of all software, products or services intended for users of digital devices, including in particular digital televisions and related activities, and mobile telephones and smart mobile electronic devices, such as

mobile devices using Wireless Application Protocol or any other communication standards allowing the processing and high- and low-speed exchange of text and data;

- The creation of online services and content intended for enthusiasts of video games and new technologies and all related activities;
- The purchase, sale and, in general, the trade in any manner, by lease or otherwise, of all multimedia, audio-visual and computer products, as well as all image and sound reproduction products;
- The company's participation in all operations related to its corporate purpose through the creation of new companies, the subscription or purchase of shares or rights of ownership, merger or other means;

And more generally, all operations directly or indirectly related to the aforementioned corporate purpose or all similar or related purposes which are likely to contribute to the company's development.

2.3.2.1.2 Year-End Financial Statements – Allocation and Distribution of Profit (Article 26 of the Articles of Association)

Net profit/loss is equal to income during the fiscal year minus operating expenses, depreciation and provisions.

The following amounts are subtracted from the annual profits, less prior year losses, if any:

- Sums added to reserves as provided by law or the Articles of Association and, in particular, at least 5% to supply the legal reserve fund. This deduction ceases to be mandatory once said fund equals one-tenth of the share capital, but again becomes mandatory if the legal reserve falls below this level for any reason.
- Sums which the General Meeting, on the recommendation of the Board of Directors, considers appropriate to allocate to all extraordinary or special reserves or to carry forward.

The balance is distributed to the shareholders. However, except in case of a reduction of capital, no distribution may be made to shareholders if, following said distribution, the shareholders' equity capital is or would be less than the amount of capital plus reserves which may not be distributed under the law or the Articles of Association.

Pursuant to Article L. 232-18 of the French Commercial Code, the meeting may propose an option by which the dividend or interim dividends are paid in whole or in part through the delivery of new shares of the company.

2.3.2.1.3 General Meetings (Articles 20, 21 and 22 of the Articles of Association)

a) Convening and Holding of General Meetings

The General Meetings are convened and proceedings are held under the conditions established by law.

b) Access to Meetings - Powers

The General Meeting is made up of all shareholders, regardless of the number of shares they own, provided that the required payments have been made and that the voting rights have not been revoked.

The right to participate in the company's general meetings is evidenced by the registration of the shares in the name of the shareholder or the intermediary acting on his/her behalf (under the conditions provided by law) by 12:00 a.m. Paris time of the third business day preceding the meeting:

- for registered shareholders: in the registered securities accounts maintained by the company;
- for bearer shareholders: in the bearer securities accounts maintained by the authorised intermediary, under the conditions provided by applicable regulations.

In addition, owners of registered or bearer shares must, at least three days prior to the meeting, have filed a proxy form or vote-by-mail form, or the single-copy document used in lieu of it, or, if the Board of Directors has

so decided, an admission card application. However, the Board of Directors will, if it deems appropriate, have the power at all times to shorten this period. It will also have the power to authorise the remote transmission (including by electronic means) of the proxy and vote-by-mail forms to the company under the conditions provided by the laws and regulations in force.

When an electronic signature is used, said signature must be in a form that meets the conditions defined in the first sentence of paragraph two of Article 1316-4 of the French Civil Code.

c) Attendance list - Meeting committee - Minutes

An attendance list, duly signed by the shareholders in attendance and proxies, and to which are attached the powers granted to each proxy and, where applicable, the vote-by-mail ballots, is certified correct by the Meeting committee.

Meetings are chaired by the Chairman of the Board of Directors or, in his absence, by the Vice President or the eldest among the Vice Presidents of the Board of Directors if one or more Vice Presidents have been named, or otherwise by a Director specially designated by the board for this purpose. In the case the Vice President or Vice Presidents, if any have been named, are unable to chair the meeting or if the board hasn't designated a Director, the meeting will elect its own Chairman.

The function of vote teller is filled by the two shareholders, who are present and so accept, and who, both personally and as proxies, hold the largest number of votes.

The meeting committee thus formed designates a secretary, who may be chosen from among non-shareholders.

The minutes are drawn up and copies or excerpts of the proceedings are issued and certified in accordance with the law.

d) Ordinary and Extraordinary General Meetings

Ordinary and Extraordinary General Meetings, voting in accordance with the quorum and majority conditions required by the applicable laws and regulations, exercise the powers granted to them by law.

The same is true for incorporation-type meetings, i.e. those called to decide on the approval of a contribution in kind or the granting of a special benefit.

2.3.2.1.4 Holdings outside the Statutory Thresholds (Article 8 of the Articles of Association)

Any shareholder acting alone or in concert, without prejudice to the laws applicable to exceeding or falling below the thresholds referred to in Article L. 233-7 of the French Commercial Code, who comes to hold directly or indirectly at least 1% of the company's capital or voting rights or a multiple of this percentage up to and including 4% must inform the company within the time period stipulated in Article L. 233-7 of said code by registered letter with return receipt.

The same disclosure requirement applies, in the same time period and using the same methods, whenever the fraction of the share capital or voting rights held becomes less than one of the aforementioned thresholds.

Failure to declare the legal or statutory thresholds results in the loss of voting rights under the conditions referred to in Article L. 233-14 of the French Commercial Code, at the request of one or more shareholders who together hold at least 5% of the company's capital or voting rights.

2.3.2.1.5 Rights Attached to Shares (Articles 9 and 10 of the Articles of Association)

Each share gives a right to ownership of the corporate assets and liquidating dividend in proportion to the percentage of capital it represents.

Whenever a shareholder is required to hold several shares in order to exercise a right of any kind, such as in case of a share-for-share exchange or a consolidation or allotment of shares, or following a share capital increase or reduction regardless of the terms and conditions thereof, a merger or any other operation, the owners of fewer shares than those required may exercise their rights only if they take it upon themselves to pool their shares and, if necessary, to purchase or sell the number of shares or rights forming the odd lot needed.

On 24 February 2000, Gameloft's Extraordinary General Meeting granted double voting rights to fully paid registered shares (Article 10 of the Articles of Association). This double voting right was granted only to shares that were shown to be registered to the same shareholder for at least two years.

This double voting right is also granted at the time of issue, in case of a share capital increase by capitalisation of reserves, earnings or issue premiums, to registered shares allotted free of charge to a shareholder in exchange for old shares for which this right was enjoyed (Article 10 of the Articles of Association).

In accordance with Article L. 225-124 of the French Commercial Code, double voting rights are automatically revoked if the share is converted to a bearer share. They are also revoked if ownership of the shares is transferred. However, transfers resulting from succession, liquidation of communal property between spouses or gifts inter vivos in favour of a spouse or parent who is entitled to inherit do not result in loss of the acquired right and do not interfere with the two-year period.

2.3.2.1.6 Amendments to the Articles of Association

The Articles of Association are amended upon a decision of the Extraordinary General Meeting.

2.3.2.2 Share Capital

2.3.2.2.1 Change in Share Capital during the Fiscal Year Ended 31 December 2014

2.3.2.2.1.1 Share Capital Increase

After exercising share rights attached to stock options, the Gameloft Group's employees applied for 1,224,150 shares during the fiscal year ended 31 December 2014. This capital increase was noted by the Board of Directors during their meetings on 7 July 2014 and 16 January 2015. The company's share capital therefore increased by 61,207.50 euros through the issue of 1,224,150 new shares with a par value of 0.05 euros due to the exercising of share rights attached to stock warrants by the company over the course of the fiscal year ended 31 December 2014.

Moreover, the company's share capital increased by 33,621.25 euros through the issue of 672,425 new shares with a par value of 0.05 euros following the final allotment of bonus shares for the benefit of the company's employees recorded during the Board of Directors' meeting on 7 July 2014 and 6 October 2014.

2.3.2.2.1.2 Share Capital Decrease

The company's share capital was reduced by €15,015.10 following the cancellation of 300,302 of its own shares held by the company during the Board of Directors' meeting on 16 December 2014.

2.3.2.2.1.3 Share Capital at 31 December 2014

At 31 December 2014, Gameloft SE's share capital consisted of 85,625,097 shares, each with a par value of 0.05 euros, for a total of 4,281,254.85 euros.

2.3.2.2.2 Buyback by the Company of Its Own Shares

2.3.2.2.2.1 Governing Authority at the Date of the Current Report

The Combined General Meeting of 18 June 2014 renewed the authorisation, previously given by the Combined General Meeting of 19 June 2013, in favour of the Board of Directors allowing the company to repurchase its own shares, pursuant to Article L. 225-209 et seq. of the French Commercial Code (hereinafter the "Buyback Programme").

2.3.2.2.2 Description of the Share Buyback Programme from the Combined General Meeting of 18 June 2014

Affected shares: ordinary Gameloft SE shares listed on NYSE Euronext Paris Compartment B, ISIN code: FR 0000079600.

Objectives of the new buyback programme: The objectives of the programme are:

- to cancel shares acquired by a reduction of capital within the limits established by law;
- to implement any company stock option plan within the framework of the conditions of Articles L. 225-177 et seq. of the French Commercial Code;
- to grant bonus shares within the framework of Articles L. 225-197-1 et seq. of the French Commercial Code;
- to issue or transfer shares to employees to allow them to benefit from the company's growth or as part of the creation of an employee savings plan, under conditions provided by law;
- to retain shares and deliver them in exchange or as payment for future external growth operations initiated by the company, mergers, split-ups or contributions, in accordance with recognised market practices and applicable regulations;
- to ensure the liquidity of Gameloft's stock and stimulate the market on which it is traded through a liquidity contract made with an investment services provider that complies with an ethics charter recognised by the Autorité des Marchés Financiers.

Maximum share capital, maximum number, and characteristics of securities: The maximum purchase price per share is set at 10 euros and the maximum number of shares which the company may purchase is set at 10% of the total number of shares comprising the capital on the date of the purchase. In theory, the maximum number of shares that may be purchased based on the number of shares existing on 31 December 2013 is 8,402,882. The total amount that the company can spend to buy back its own shares may not exceed 84,028,824 euros.

Duration of the programme: This share buyback programme is authorised to continue for eighteen months beginning from the Combined General Meeting on 18 June 2014 until 18 December 2015.

Status of the previous programme: During the course of the previous share buyback programme, the terms of which are described in the share buyback programme approved by the Combined General Meeting of 18 June 2013, the company performed the operations detailed in the table below.

Summary Statement Table

Percentage of own capital held, directly and indirectly, at 19 June 2014:	0.072%
Number of shares cancelled over the previous 24 months:	1,417,775
Number of shares held in the portfolio at 19 June 2014:	61,000
Portfolio's book value at 19 June 2014:	€411,799.02
Portfolio's market value at 19 June 2014:	€406,260

2.3.2.2.3 Unissued Authorised Capital

2.3.2.2.3.1 Delegations Granted by the General Meeting to the Board of Directors Regarding Capital Increases

1 - In its ninth resolution, the Combined General Meeting of 18 June 2014 approved a delegation of authority to the Board of Directors in order to allow an increase in the company's share capital, on one or more occasions, in France and abroad, up to a maximum nominal amount of 500,000 euros, through the issue of shares and/or securities of any kind granting entitlement to the company's capital or granting a right to allot debt securities, with shareholders' pre-emptive rights. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

2 - In its tenth resolution, the Combined General Meeting of 18 June 2014 approved a delegation of authority to the Board of Directors in order to allow an increase in the company's share capital, on one or more occasions, in France and abroad, up to a maximum nominal amount of 500,000 euros, through the issue of shares and/or securities of any kind granting entitlement to the company's capital or granting a right to allot debt securities, with the cancellation of shareholders' pre-emptive rights by public offering. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

3 - In its eleventh resolution, the Combined General Meeting of 18 June 2014 approved a delegation of authority to the Board of Directors in order to allow an increase in the company's share capital, on one or more occasions, in France and abroad, up to a maximum nominal amount of 500,000 euros, through the issue of shares and/or securities of any kind granting entitlement to the company's capital or granting a right to allot debt securities, with the cancellation of shareholders' pre-emptive rights by way of an offer as defined in section II of Article L. 411-2 of the French Monetary and Financial Code. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

4 - In its thirteenth resolution, the Combined General Meeting of 18 June 2014 approved a delegation with the intention of authorising the Board of Directors to issue bonus shares of the company to some of the Group's employees and managers. The number of bonus shares issued may not exceed 2% of the total number of shares comprising the company's share capital as of the date of the Board of Directors' allotment decision. The period during which this authorisation is valid was set at 38 months starting on the date of said General Meeting.

The company's Board of Directors has, as of 16 December 2014, made partial use of such a delegation within the authorised limits in order to issue Gameloft bonus shares to some paid employees and managers of the company.

5 - In its fourteenth resolution, the Combined General Meeting of 18 June 2014 approved a delegation with the intention of authorising the Board of Directors to carry out capital increases reserved for those enrolled in a group savings plan offered by the company and/or companies or groups of companies affiliated with it

pursuant to the provisions of Articles L. 225-129, L. 225-129-2, L. 225-129-6 and L. 225-138-1 of the French Commercial Code and under the conditions set out in Articles L. 3332-1 et seq. of the French Labour Code, up to a maximum nominal amount representing 0.5% of the share capital as of the date of the Board of Directors' decision. The period during which this authorisation is valid was set at 26 months starting on the date of said General Meeting.

This authorisation caused prior authorisations granted by the General Meeting to become null and void, including the undrawn portions, previous authorisations having the same purpose.

The company's Board of Directors has not, to date, made use of such a delegation in order to increase the company's share capital.

2.3.2.2.3.2 Summary Table of Delegations Granted by the General Meeting to the Board of Directors Regarding Capital Increases

	General Meeting	Term	Authorised Amount	Usage of Delegations in Previous Years	Usage of Delegations This Fiscal Year
Delegation to allow a share capital increase by issuing shares and/or all securities providing access to share capital, while maintaining pre-emptive rights	AGM of 18 June 2014	Valid for 26 months starting on the date of said AGM, i.e. until 18 August 2016	Maximum nominal amount of shares that may be issued: €500,000	-	-
Delegation to allow the increase of share capital by issuing shares and/or all securities providing access to share capital, without maintaining pre-emptive rights by public offering	AGM of 18 June 2014	Valid for 26 months starting on the date of said AGM, i.e. until 18 August 2016	Maximum nominal amount of shares that may be issued: €500,000	-	-
Delegation to allow the increase of share capital by issuing shares and/or all securities providing access to share capital, without maintaining pre-emptive rights by way of an offer as defined in section II of Article L.411-2 of the French Monetary and Financial Code	AGM of 18 June 2014	Valid for 26 months starting on the date of said AGM, i.e. until 18 August 2016	Maximum nominal amount of shares that may be issued: €500,000	-	-
Delegation to allow the issue of bonus shares of the company to the group's employees and managers	AGM of 18 June 2014	Valid for 38 months starting on the date of said AGM, i.e. until 18 August 2017	The total number of shares that can be allotted as bonus shares may not exceed 2% of the shares comprising the share capital	-	On 16 December 2014, the Board of Directors approved the issue of 1,682,500 bonus shares
Delegation to allow the granting of subscription options and share purchase rights to employees and company managers	AGM of 19 June 2013	Valid for 38 months starting on the date of said AGM, i.e. until 19 August 2016	The total number of shares related to subscription options may not exceed 0.5% of the shares comprising the share capital	-	-
Delegation to decide share capital increase by issuing shares reserved for those enrolled in a group savings plan	AGM of 18 June 2014	Valid for 26 months starting on the date of said AGM, i.e.	Maximum nominal amount of the share capital increase is fixed at	-	-

		until 18 August 2017	0.5% of the share capital as of the date of the Board's decision		
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2.3.2.2.4 Potential Capital

At 31 December 2014, the number of subscription options open and not yet exercised reached 2,601,412 and the number of bonus share issues reached 3,103,500.

If all of these options were exercised and the performance and attendance conditions related to bonus shares were met, resulting in their final purchase by their recipient, Gameloft SE's capital would increase as follows:

	Potential Shares	Potential Capital (in €)
Stock options not exercised	2,601,412	130,070.60
Bonus issues of shares	3,103,500	155,175.00
Total	5,704,912	285,245.60

At 31 December 2014, the exercise of all the warrants and options and bonus shares, namely 5,704,912 shares, would result in a potential dilution of 6.66%.

2.3.2.2.5 Share Subscription Options (Plans in Effect at 31 December 2014)

Stock option plans approved in 2009:

	Managers and Employees of the Gameloft Group's Subsidiaries	
Board of Directors' meeting	14/05/09	
Number of shares eligible for subscription:	2,208,500	
Number of people concerned:	189	
of which are managers	2	
Start of exercise period	14/05/11	14/05/13
End of exercise period	14/05/15	14/05/15
Subscription price (€)	2.36	2.36
Options cancelled at 31/12/14	116,400	211,325
Options exercised at 31/12/14	911,731	778,282
Options not yet exercised at 31/12/14	76,119	114,643

Stock option plans approved in 2010:

	Managers and Employees of the Gameloft Group's Subsidiaries	
Board of Directors' meeting	01/06/2010	
Number of shares eligible for subscription:	2,240,000	
Number of people concerned:	189	
of which are managers	2	
Start of exercise period	01/06/2012	01/06/2013
End of exercise period	01/06/2014	01/06/2014
Subscription price (€)	3.82	3.82
Options cancelled at 31/12/14	144,500	247,750
Options exercised at 31/12/14	975,500	872,250
Options not yet exercised at 31/12/14	0	0

Stock option plans approved in 2011:

	Managers and Employees of the Gameloft Group's Subsidiaries	
Board of Directors' meeting	20/09/2011	
Number of shares eligible for subscription:	2,245,000	
Number of people concerned:	170	
of which are managers	2	
Start of exercise period	20/09/2013	20/09/2014
End of exercise period	20/09/2015	20/09/2015
Subscription price (€)	3.87	3.87
Options cancelled at 31/12/14	114,250	181,500
Options exercised at 31/12/14	676,000	37,000
Options not yet exercised at 31/12/14	332,250	904,000

Stock option plans approved in 2012:

	Managers and Employees of the Gameloft Group's Subsidiaries	
Board of Directors' meeting	06/07/2012	
Number of shares eligible for subscription:	1,606,000	
Number of people concerned:	147	
of which are managers	0	
Start of exercise period	06/07/2014	
End of exercise period	06/07/2016	
Subscription price (€)	4.88	
Options cancelled at 31/12/14	312,600	
Options exercised at 31/12/14	119,000	
Options not yet exercised at 31/12/14	1,174,400	

Information on the employee stock ownership plan

Stock Options or Share Purchases Granted to and Exercised by the Top 10 Non-management Employees	Total number of options granted / shares subscribed to or purchased	Weighted Average Price	Plan Number and Expiration Date
Options granted during the fiscal year, by the issuer and any company authorised to grant the issuer's options, to ten of the issuer's employees and any company in this scope, to those holding the highest number of options thus granted (general information)	467,500	€2.15, €2.24 and €2.16	Plan Number 14 of 16/12/2016 Plan Number 14 of 16/12/2018 Plan Number 14 of 01/08/2019
Options held for the issuer and the aforementioned companies, exercised during the fiscal year by the issuer's ten employees and companies holding the highest number of options thus purchased	366,300	€3.55	Plan Number 8 of 11/04/2014 Plan Number 9 of 14/05/2015 Plan Number 10 of 01/06/2014 Plan Number 11 of 20/09/2015 Plan Number 12 of 06/07/2014

or subscribed to (general information)			
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2.3.2.2.6 Bonus Issues of Shares (Plans in Effect at 31 December 2014)

Bonus share plans approved in 2010:

	French Managers and Employees of Gameloft SE
Date of the Board of Directors' meeting	01/06/2010
Total number of shares	733,250
Total number of recipients	60
of which are managers	3
including 10 top employee allottees	417,000
Date of purchase of shares	01/06/2012
Retention end date – date of transferability	01/06/2014
Performance conditions	- Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period. - Proxy recipients: internal and external performance conditions.
Number of shares cancelled at 31/12/14	129,750
Number of shares allotted at 31/12/14	603,500
Total shares at 31/12/14	0

Bonus share plans approved in 2011:

	French Managers and Employees of Gameloft SE
Date of the Board of Directors' meeting	20/09/2011
Total number of shares	548,900
Total number of recipients	47
of which are managers	3
including 10 top employee allottees	310,900
Date of purchase of shares	20/09/2013
Retention end date – date of transferability	20/09/2015
Performance conditions	- Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period. - Proxy recipients: internal and external performance conditions.
Number of shares cancelled at 31/12/14	68,300
Number of shares allotted at 31/12/14	480,600
Total shares at 31/12/14	0

Bonus share plans approved in 2012:

	The Gameloft Group's Managers and Employees
Date of the Board of Directors' meeting	06/07/2012
Total number of shares	750,000

Total number of recipients	51
of which are managers	5
including 10 top employee allottees	375,800
Date of purchase of shares	06/07/2014
Retention end date – date of transferability	06/07/2016
Performance conditions	- Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period. - Proxy recipients: internal and external performance conditions.
Number of shares cancelled at 31/12/14	77,575
Number of shares allotted at 31/12/14	672,425
Total shares at 31/12/14	0

Bonus share plans approved in 2013:

	The Gameloft Group's Managers and Employees		
Date of the Board of Directors' meeting	19/09/2013		
Total number of shares	1,600,000		
Total number of recipients	180		
of which are managers	5		
including 10 top employee allottees	474,500		
Date of purchase of shares	19/09/2016		
Retention end date – date of transferability	19/09/2018		
Performance conditions	- Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period. - Proxy recipients: internal and external performance conditions.		
Number of shares cancelled at 31/12/14	179,000		
Total shares at 31/12/14	1,421,000		

Bonus share plans approved in 2014:

	The Gameloft Group's Managers and Employees		
Date of the Board of Directors' meeting	16/12/2014		
Total number of shares	845,375	672,125	165,000
Total number of recipients	170		
of which are managers	5		
including 10 top employee allottees	467,500		
Date of purchase of shares	16/12/2016	16/12/2018	01/08/2019
Retention end date – date of transferability	16/12/2018	16/12/2018	01/08/2019
Performance conditions	- Employee recipients: continuous presence in the Gameloft Group during the entirety of the vesting period. - Proxy recipients: internal performance conditions.		
Number of shares cancelled at 31/12/14	0		
Total shares at 31/12/14	845,375	672,125	165,000

2.3.2.2.7 The Employee Stock Ownership Plan within the Framework of a Collective Employee Shareholding Plan (Hereinafter FCPE)

The Combined General Meeting of 19 June 2013 authorised the Board of Directors to issue, at its sole discretion, a share capital increase reserved for French employees, within a maximum limit of 0.5% of the share capital amount as of the date of the Board of Directors' decision, via the FCPE. The Board of Directors did not make use of this authorisation during the fiscal year ended 31 December 2014.

2.3.2.2.8 Change in Share Capital over the Last Three Fiscal Years

Date	Type of Operation	Number of Shares	Total Number of Shares	Share Par Value	Issue Premium	By Cash Contribution	By Contribution in Kind	Total Capital
31/12/12	Share capital increase noted after exercise of stock options and bonus shares in 2012	4,712,544	81,818,524	€0.05	€14,040,907.30	€14,276,534.50		€4,090,926.20
09/07/13	Share capital increase noted after exercise of stock options in first quarter of 2013	1,148,201	82,966,725	€0.05	€3,464,699.61	€3,522,109.66		€4,148,336.25
20/09/13	Share capital increase noted after final allotment of bonus shares in 2013	480,600	83,447,325	€0.05	-€24,030	€0		€4,172,366.25
17/12/13	Reduction of share capital noted after the cancellation of shares in 2013	1,117,473	82,329,852	€0.05	-€6,146,571.80		-€6,202,445.45	€4,116,492.60
31/12/13	Share capital increase noted after exercise of stock options in second quarter of 2013	1,698,972	84,028,824	€0.05	€5,590,021.82	€5,674,970.42		€4,201,441.20
07/07/14	Share capital increase noted after exercise of stock options in first quarter of 2014	1,068,150	85,096,974	€0.05	€3,522,975.50	€3,576,383		€4,254,848.70
07/07/14	Share capital increase noted after final allotment of bonus shares in 2014	652,125	85,749,099	€0.05	€-32,606.25	€0		€4,287,454.95
06/10/14	Share capital increase noted after final allotment of bonus shares in 2014	20,300	85,769,399	€0.05	-€1,015	€0		€4,288,469.95
16/12/14	Reduction of share capital noted after the cancellation of shares in 2014	300,302	85,469,097	€0.05	-€1,593,678.57		-€1,608,693.67	€4,273,454.85
31/12/14	Share capital increase noted after exercise of stock	156,000	85,625,097	€0.05	€716,110	€723,910		4,281,254.85

	options in second quarter of 2014							
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2.3.2.2.9 Securities Not Representing Capital

Nil.

2.3.2.2.10 Purchase Rights or Obligations Linked to Capital Subscribed but Not Paid

Nil.

2.3.2.2.11 Options or Agreements Not Conditional on a Member of the Group

Nil.

2.3.2.2.12 Identifying Security Holders

Article 7 of the Articles of Association authorises the company to implement a procedure identifying security holders.

2.3.2.2.13 Provision Causing a Delay in Change in Control

Nil.

2.3.2.2.14 Clause Establishing Approval Requirement

Nil.

2.3.2.2.15 Provision Governing Changes in Capital when These Conditions Are Stricter than Those Provided by Law

Nil.

2.3.2.2.16 Gameloft Shares

2.3.2.2.16.1 Change in Share Price

Month	Maximum Price (in euros)	Minimum Price (in euros)	Average Price (in euros)	Trading Volume
January 2011	5.28	4.76	4.97	4,202,473
February 2011	4.75	4.47	4.62	6,015,561
March 2011	4.19	4.67	4.61	7,451,640
April 2011	4.92	4.42	4.58	4,290,665
May 2011	5.14	4.84	5.04	3,727,124
June 2011	5.27	4.87	5.00	2,599,910
July 2011	4.59	5.02	4.82	1,835,818
August 2011	3.72	4.84	4.02	3,880,946
September 2011	3.92	3.58	3.70	2,670,903
October 2011	4.11	3.21	4.03	3,900,309
November 2011	4.76	3.90	4.76	6,975,501
December 2011	5.04	4.48	4.84	4,616,441
January 2012	5.40	4.79	5.03	2,962,053
February 2012	5.39	4.83	5.07	3,625,599
March 2012	5.10	4.09	4.78	6,506,432
April 2012	4.87	4.21	4.59	3,507,525
May 2012	5.08	4.43	4.81	3,159,908
June 2012	5.05	4.71	4.85	2,142,367

July 2012	5.02	4.46	4.82	2,352,842
August 2012	5.01	4.64	4.81	1,625,346
September 2012	5.28	4.65	5.00	3,846,236
October 2012	5.45	5.04	5.30	2,266,743
November 2012	5.74	5.11	5.38	3,487,809
December 2012	5.74	5.14	5.41	3,329,191
January 2013	5.45	4.90	5.18	3,532,328
February 2013	5.39	5.08	5.23	1,720,357
March 2013	5.39	5.05	5.21	1,260,814
April 2013	5.17	4.40	4.84	2,776,517
May 2013	5.68	5.06	5.42	3,492,508
June 2013	5.60	5.05	5.44	2,218,495
July 2013	6.11	5.32	5.72	4,400,717
August 2013	6.51	5.98	6.22	2,107,814
September 2013	7.82	6.48	7.00	5,171,810
October 2013	8.42	7.35	7.86	5,830,016
November 2013	8.35	7.19	7.88	5,517,978
December 2013	8.23	7.40	7.76	2,229,360
January 2014	8.42	6.58	7.79	5,757,270
February 2014	8.05	6.76	7.61	3,452,639
March 2014	7.94	6.92	7.56	3,442,748
April 2014	8.05	6.83	7.28	4,053,776
May 2014	7.25	6.73	6.99	2,576,197
June 2014	7.09	6.16	6.73	2,943,459
July 2014	6.73	4.25	5.85	6,175,556
August 2014	5.15	4.44	4.70	2,896,744
September 2014	5.62	4.81	5.19	3,249,908
October 2014	5.40	3.97	4.39	4,518,230
November 2014	4.17	3.61	3.91	4,762,341
December 2014	3.95	2.88	3.44	7,450,004

2.3.2.2.16.2 Change in Number of Shares

	Par Value in €	Number of Shares	Amount in €K
At 31/12/10	0.05	75,082,924	3,754
Exercised options on 11/01/2006	0.05	10,000	0
Exercised options on 03/01/2007	0.05	271,405	14
US options exercised on 03/01/2007	0.05	87,200	4
F options exercised on 03/01/2007	0.05	188,206	9
Exercised options on 11/04/2008	0.05	221,895	11
US options exercised on 11/04/2008	0.05	130,600	7
F options exercised on 11/04/2008	0.05	43,000	2
Exercised options on 14/05/2009	0.05	353,500	18
Allotment of bonus shares on 21/04/2009	0.05	717,250	36
At 31/12/11	0.05	77,105,980	3,855
Exercised options on 03/01/2007	0.05	394,795	20
US options exercised on 03/01/2007	0.05	286,200	14
F options exercised on 03/01/2007	0.05	1,170,794	59
Exercised options on 11/04/2008	0.05	729,165	37
US options exercised on 11/04/2008	0.05	98,200	5
F options exercised on 11/04/2008	0.05	508,255	25
Exercised options on 14/05/2009	0.05	441,885	22
Exercised options on 01/06/2010	0.05	479,750	24
Allotment of bonus shares on 01/06/2010	0.05	603,500	30

At 31/12/12	0.05	81,818,524	4,091
US options exercised on 03/01/2007	0.05	44,600	2
W options exercised on 11/04/2008	0.05	147,550	7
US options exercised on 11/04/2008	0.05	98,800	5
F options exercised on 11/04/2008	0.05	536,145	27
W options exercised on 14/05/2009	0.05	644,078	32
W options exercised on 01/06/2010	0.05	913,000	46
W options exercised on 20/09/2011	0.05	463,000	23
Allotment of bonus shares on 20/09/2011	0.05	480,600	24
Cancellation of own shares	0.05	-1,117,473	-56
At 31/12/13	0.05	84,028,824	4,201
W options exercised on 11/04/2008	0.05	44,500	2
US options exercised on 11/04/2008	0.05	25,300	1
F options exercised on 11/04/2008	0.05	79,800	4
W options exercised on 14/05/2009	0.05	250,550	13
W options exercised on 01/06/2010	0.05	455,000	23
W options exercised on 20/09/2011	0.05	250,000	13
W options exercised on 06/07/2012	0.05	119,000	6
Allotment of bonus shares on 06/07/2012	0.05	672,425	34
Cancellation of own shares	0.05	-300,302	-15
At 31/12/14	0.05	85,625,097	4,281

2.3.2.2.17 Dividends

The company has not distributed any dividends in the course of the last three fiscal years and does not foresee, for the moment, distributing any in the near future.

2.3.2.2.18 Securities Services Provider

CACEIS Corporate Trust

14 rue Rouget de Lisle

92862 Issy-les-Moulineaux Cedex 09

2.3.2.3 Key Shareholders

2.3.2.3.1 Changes in the Share Structure over the Last Three Fiscal Years

At 31 December 2012	<i>Capital and Voting Rights</i>			
	Number of Shares	% of Capital	Voting Rights	% of Voting Rights
Guillemot family	10,662,832	13.032%	19,825,899	21.725%
Guillemot Brothers S.A.	4,398,221	5.376%	8,796,442	9.639%
Claude Guillemot	2,113,956	2.584%	4,156,662	4.555%
Michel Guillemot	2,885,165	3.526%	4,568,215	5.006%
Yves Guillemot	216,359	0.264%	390,068	0.427%
Gérard Guillemot	568,648	0.695%	1,137,296	1.246%
Christian Guillemot	55,453	0.068%	77,156	0.085%
Yvette Guillemot	170,030	0.208%	340,060	0.373%
Marcel Guillemot	95,000	0.116%	190,000	0.208%
Tiphaine Guillemot	160,000	0.196%	170,000	0.186%
Guillemot Corporation S.A.	68,023	0.083%	68,023	0.075%
Treasury shares	-	0.000%	-	0.000%

FMR LLC (Fidelity)	8,853,946	10.821%	8,853,949	9.702%
Cyrte Investments	4,288,319	5.241%	4,288,319	4.699%
T. Rowe Price	3,936,233	4.811%	3,936,233	4.313%
Amiral Gestion	3,168,076	3.872%	3,168,076	3.472%
Public	50,841,095	62.139%	51,116,479	56.014%
Total	81,818,524	100%	91,256,975	100%

At 31 December 2013		<i>Capital and Voting Rights</i>		
	Number of Shares	% of Capital	Voting Rights	% of Voting Rights
Guillemot family	10,206,880	12.147%	18,836,359	20.208%
Guillemot Brothers S.E.	4,068,221	4.841%	8,136,442	8.729%
Claude Guillemot	2,148,333	2.557%	4,209,789	4.516%
Michel Guillemot	2,905,043	3.457%	4,957,093	4.932%
Yves Guillemot	110,736	0.132%	163,195	0.175%
Gérard Guillemot	588,525	0.700%	1,157,173	1.241%
Christian Guillemot	60,378	0.072%	71,379	0.077%
Yvette Guillemot	165,644	0.197%	331,288	0.355%
Tiphaine Guillemot	160,000	0.190%	170,000	0.182%
Guillemot Corporation S.A.	68,023	0.081%	68,023	0.073%
Treasury shares	-	0.000%	-	0.000%
FMR LLC (Fidelity)	10,186,984	12.123%	10,186,984	10.929%
DNB Asset Management	4,312,974	5.133%	4,312,974	4.627%
Cyrte Investments	3,991,584	4.750%	3,991,584	4.282%
T. Rowe Price	3,201,341	3.810%	3,201,341	3.435%
Public	52,061,038	61.956%	52,613,775	56.445%
Total	84,028,824	100%	93,211,040	100%

At 31 December 2014		<i>Capital and Voting Rights</i>				
	Number of Shares	% of Capital	Theoretical Voting Rights	% of Theoretical Voting Rights	Voting Rights Exercisable in GM	% of Voting Rights Exercisable in GM
Guillemot family	10,805,168	12.620%	20,707,436	21.490%	20,707,436	21.512%
Guillemot Brothers SE	4,068,221	4.751%	8,136,442	8.444%	8,136,442	8.453%
Claude Guillemot	2,160,333	2.523%	4,294,166	4.457%	4,294,166	4.461%
Michel Guillemot	3,518,453	4.109%	6,423,586	6.666%	6,423,586	6.673%
Yves Guillemot	87,901	0.103%	102,902	0.107%	102,902	0.107%
Gérard Guillemot	602,025	0.703%	1,190,550	1.236%	1,190,550	1.237%
Christian Guillemot	42,501	0.050%	58,502	0.061%	42,501	0.061%
Yvette Guillemot	165,644	0.193%	331,288	0.344%	331,288	0.344%
Tiphaine Guillemot	160,000	0.187%	170,000	0.176%	170,000	0.177%
Guillemot Corporation S.A.	68,023	0.079%	68,023	0.071%	68,023	0.071%
Treasury shares	100,477	0.117%	100,477	0.104%	-	0.000%
FMR LLC (Fidelity)	8,573,249	10.013%	8,573,249	8.897%	8,573,249	8.907%
Allianz Global Investors	5,157,527	6.023%	5,157,527	5.353%	5,157,527	5.358%
Montanaro Asset Management	4,441,305	5.187%	4,441,305	4.609%	4,441,305	4.614%
DNB Asset Management	4,069,660	4.753%	4,069,660	4.224%	4,069,660	4.228%
FIL Limited (Fidelity)	3,428,722	4.004%	3,428,722	3.558%	3,428,722	3.562%
Public	48,980,966	57.204%	49,810,314	51.693%	49,810,314	51.748%

Total	85,625,097	100%	96,356,713	100%	96,256,236	100%
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2.3.2.3.2 Distribution of Capital and Voting Rights at 28 February 2015

At 28 February 2015			<i>Capital and Voting Rights</i>			
	Number of Shares	% of Capital	Theoretical Voting Rights	% of Theoretical Voting Rights	Voting Rights Exercisable in GM	% of Voting Rights Exercisable in GM
Guillemot family	10,950,168	12.789%	20,852,436	21.641%	20,852,436	21.765%
Guillemot Brothers SE	4,068,221	4.751%	8,136,442	8.444%	8,136,442	8.492%
Claude Guillemot	2,160,333	2.523%	4,294,166	4.457%	4,294,166	4.482%
Michel Guillemot	3,663,543	4.279%	6,568,586	6.817%	6,568,586	6.856%
Yves Guillemot	87,901	0.103%	102,902	0.107%	102,902	0.107%
Gérard Guillemot	602,025	0.703%	1,190,550	1.236%	1,190,550	1.243%
Christian Guillemot	42,501	0.050%	58,502	0.061%	42,501	0.061%
Yvette Guillemot	165,644	0.193%	331,288	0.344%	331,288	0.346%
Tiphaine Guillemot	160,000	0.187%	170,000	0.176%	170,000	0.177%
Guillemot Corporation S.A.	68,023	0.079%	68,023	0.071%	68,023	0.071%
Treasury shares	544,071	0.635%	544,071	0.565%	-	0.000%
FMR LLC (Fidelity)	8,573,249	10.013%	8,573,249	8.898%	8,573,249	8.948%
Allianz Global Investors	5,157,527	6.023%	5,157,527	5.353%	5,157,527	5.383%
Montanaro Asset Management	4,441,305	5.187%	4,441,305	4.609%	4,441,305	4.636%
DNB Asset Management	4,069,660	4.753%	4,069,660	4.224%	4,069,660	4.248%
FIL Limited (Fidelity)	3,855,247	4.502%	3,855,247	4.001%	3,855,247	4.024%
Public	47,965,847	56.018%	48,791,195	50.638%	48,247,124	50.358%
Total	85,625,097	100%	96,352,713	100%	95,808,642	100%

To the company's knowledge, no other shareholder owns, directly or indirectly, alone or in concert, more than 5% of the capital or voting rights.

2.3.2.3.3 Holdings outside Thresholds concerning Capital and Voting Rights

3.2.3.3.1 Gameloft SE's Holdings outside Thresholds concerning Capital and Voting Rights during Fiscal Year 2014:

- On 19 February 2014, share capital and voting rights held by Covéa Finance SAS (8-12 rue de Boissy d'Anglas, 75008 Paris, France) fell below the 2% statutory threshold. Covéa Finance SAS, acting on behalf of the fund account it manages, then held 1,604,032 Gameloft shares representing as many voting rights, i.e. 1.91% of capital and 1.72% of existing voting rights.
- On 11 March 2014, the share of voting rights held by Mr Michel Guillemot rose above the 5% statutory threshold. Mr Michel Guillemot then held 2,905,043 Gameloft shares representing 5,221,479 voting rights, i.e. 3.46% of capital and 5.56% of existing voting rights.
- On 23 April 2014, the share of voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) rose above the 3% statutory threshold. FIL Limited then held 2,893,324 Gameloft shares representing as many voting rights, i.e. 3.44% of capital and 3.08% of existing voting rights.
- On 2 June 2014, share capital held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) rose above the 4% statutory threshold. FIL Limited then held 3,569,363 Gameloft shares representing as many voting rights, i.e. 4.24% of capital and 3.78% of existing voting rights.

- On 30 June 2014, share capital held by DNB Asset Management AS (Dronning Eufemias gate 30, M-12N, 0191 Oslo, Norway), a company subject to Norwegian law, fell below the 5% statutory threshold. DNB Asset Management AS, acting on behalf of the fund account it manages, then held 4,069,660 Gameloft shares representing as many voting rights, i.e. 4.82% of capital and 4.27% of existing voting rights.
- On 7 July 2014, share capital held by Mr Michel Guillemot fell below the 4% statutory threshold. Mr Michel Guillemot then held 3,403,543 Gameloft shares representing 6,308,586 voting rights, i.e. 3.67% of capital and 6.54% of existing voting rights.
- On 29 July 2014, share capital held by Montanaro Asset Management Limited (53 Threadneedle Street, EC2R 8AR London, United Kingdom), a company subject to British law, rose above the 5% statutory threshold. Montanaro Asset Management Limited, acting on behalf of clients and of the fund account it manages, then held 4,441,305 Gameloft shares representing as many voting rights, i.e. 5.18% of capital and 4.60% of existing voting rights.
- On 29 July 2014, the share of voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) rose above the 4% statutory threshold. FIL Limited then held 4,065,545 Gameloft shares representing as many voting rights, i.e. 4.74% of capital and 4.21% of existing voting rights.
- On 30 September 2014, the share capital and voting rights held by Allianz Global Investors Europe GmbH (Bockenheimer Landstrasse 42-44, D-60323 Frankfurt/Main, Germany) rose above the 3% and 2% statutory thresholds. Allianz Global Investors Europe GmbH, acting on behalf of clients and of the fund account it manages, then held 2,575,651 Gameloft shares representing as many voting rights, i.e. 3.00% of capital and 2.67% of existing voting rights.
- On 9 October 2014, the share capital and voting rights held by Allianz Global Investors Europe GmbH (Bockenheimer Landstrasse 42-44, D-60323 Frankfurt/Main, Germany) rose above the 4% and 3% statutory thresholds. Allianz Global Investors Europe GmbH, acting on behalf of clients and of the fund account it manages, then held 3,501,708 Gameloft shares representing as many voting rights, i.e. 4.08% of capital and 3.63% of existing voting rights.
- On 10 October 2014, share capital held by INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf, a subsidiary of HSBC Holdings plc, rose above the 2% statutory threshold. INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf then held 1,920,900 Gameloft shares representing as many voting rights, i.e. 2.24% of capital and 1.99% of existing voting rights.
- On 23 October 2014, share capital held by Allianz Global Investors Europe GmbH (Bockenheimer Landstrasse 42-44, D-60323 Frankfurt/Main, Germany), rose above the 5% statutory threshold. Allianz Global Investors Europe GmbH, acting on behalf of clients and of the fund account it manages, then held 4,617,046 Gameloft shares representing as many voting rights, i.e. 5.38% of capital and 4.79% of existing voting rights.
- On 27 October 2014, share capital held by INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf, a subsidiary of HSBC Holdings plc, rose above the 2% statutory threshold. INKA Internationale Kapitalanlagegesellschaft mbH Düsseldorf then held 1,931,800 Gameloft shares representing as many voting rights, i.e. 2.25% of capital and 2.00% of existing voting rights.
- On 12 November 2014, the voting rights held by Allianz Global Investors Europe GmbH (Bockenheimer Landstrasse 42-44, D-60323 Frankfurt/Main, Germany) rose above the 5% statutory threshold. Allianz Global Investors Europe GmbH, acting on behalf of clients and of the fund account it manages, then held 5,157,527 Gameloft shares representing as many voting rights, i.e. 6.01% of capital and 5.34% of existing voting rights.

- On 12 December 2014, share capital held by Mr Michel Guillemot rose above the 4% statutory threshold. Mr Michel Guillemot then held 3,453,543 Gameloft shares representing 6,358,586 voting rights, i.e. 4.03% of capital and 6.59% of existing voting rights.
- On 17 December 2014, the voting rights held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) fell below the 4% statutory threshold. FIL Limited then held 3,771,566 Gameloft shares representing as many voting rights, i.e. 4.41% of capital and 3.92% of existing voting rights.
- On 22 December 2014, share capital held by FIL Limited (P.O. Box HM 670, Hamilton HMCX, Bermuda) fell below the 4% statutory threshold. FIL Limited then held 3,428,722 Gameloft shares representing as many voting rights, i.e. 3.99% of capital and 3.56% of existing voting rights.
- On 23 December 2014, share capital held by FMR LLC (245 Summer Street, Boston, Massachusetts 02210, United States) fell below the 10% statutory threshold. FMR LLC, acting on behalf of the fund account it manages, commonly referred to as “Fidelity Investments”, then held 8,573,249 Gameloft shares representing as many voting rights, i.e. 9.99% of capital and 8.88% of existing voting rights.

3.2.3.3.2 Gameloft SE's Holdings outside Thresholds concerning Capital and Voting Rights after the Closing of Fiscal Year 2014:

- On 7 January 2015, share capital held by UBS Investment Bank, Wealth Management and Corporate Center rose above the 2% statutory threshold. UBS Investment Bank, Wealth Management and Corporate Center then held 1,902,395 Gameloft shares representing as many voting rights, i.e. 2.22% of capital and 1.97% of existing voting rights.

2.3.2.3.4 Agreements Made by the Company Which Are Amended or Terminated in Case of Change in Control

Some of the company's agreements could be terminated in case of a change in control of the company, with the stipulation that such an occurrence is not routine and that this is merely a possibility.

2.3.2.3.5 Shareholders' Agreements

To the company's knowledge, there are no declared or undeclared shareholders' agreements concerning Gameloft shares.

2.4 Corporate Governance

2.4.1 Code of Corporate Governance

The company adheres to the MiddleNext corporate governance code for small and midcaps of December 2009, most notably in the creation of the report prescribed in Article L. 225-37 of the French Commercial Code.

2.4.2 Composition and Operation of the Board of Directors and Management

2.4.2.1 Composition of the Board of Directors

Name	Start Date of Term	Expiration Date of Term
Michel Guillemot Chairman of the Board of Directors	3 December 2001	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Christian Guillemot Director	Incorporation meeting of 1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014

Claude Guillemot Director	Incorporation meeting of 1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Yves Guillemot Director	Incorporation meeting of 1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Gérard Guillemot Director	Incorporation meeting of 1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Marie-Thérèse Guiny Director	General Meeting of 22 June 2011	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2016
Odile Grandet Director	General Meeting of 18 June 2014	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2019

2.4.2.2 The Group's Management

Name	Start Date of Term	Expiration Date of Term
Michel Guillemot Chief Executive Officer	3 December 2001	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Christian Guillemot Executive Vice President Administration	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Claude Guillemot Executive Vice President Technologies	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Yves Guillemot Executive Vice President Strategy and Development	1 December 1999	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Gérard Guillemot Executive Vice President Strategy and Development	1 June 2008	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014

2.4.2.3 Rules Applicable to the Appointment and Replacement of the Members of the Board of Directors

During the course of the company's existence, directors are appointed, reappointed or removed by the Ordinary General Meeting.

Between two meetings, and in case of a vacancy due to death or resignation, the Board of Directors may make appointments on a temporary basis and these appointments must be approved at the next meeting.

When, pursuant to the laws and regulations in force, a director is appointed to replace another director, he holds this office only for the remainder of his predecessor's term.

Directors are appointed for six years. Their terms of office expire at the end of the Ordinary General Meeting called to approve the financial statements of the preceding fiscal year and held during the year in which their terms expire.

2.4.2.4 Operation of the Board of Directors and Management

The Board of Directors defines the company's general strategic policies, which are in turn implemented by General Management under its supervision. Subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, the Board of Directors deals with all issues affecting the company's proper functioning and, through its proceedings, handles all matters concerning the company. In addition to the Board of Directors' meetings, each director receives information on a regular basis from General Management regarding the company's business and current operations.

To help the Board members prepare their work and based on necessity, memoranda are sent in advance to the Directors. Minutes of the Board of Directors' meetings are prepared at the end of the meeting and sent immediately to all the Directors.

2.4.2.5 Absence of Fraud Conviction, of Association with Bankruptcy or of Incrimination and/or Public Sanction

To the company's knowledge, over the last five years:

- none of the members of the Board of Directors has been convicted of fraud;
- none of the members of the Board of Directors has been associated with a bankruptcy, receivership or court-ordered liquidation proceeding;
- no official public incrimination and/or sanction has been delivered by a statutory or regulatory authority against any of the members of the Board of Directors.

To the company's knowledge, in the last five years no member of the Board of Directors has been prohibited by a court from acting in his capacity as a member of an issuer's administrative, management or supervisory body or from being involved in the management or running of an issuer's business.

2.4.2.6 Loans and Guarantees Granted to the Board of Directors

The company has not extended any loan or granted any guarantee to a member of the Board of Directors.

2.4.2.7 Potential Conflicts of Interest concerning Members of the Board of Directors

To the company's knowledge, there is no potential conflict of interest between any of the members of the company's Board of Directors' obligations toward the company and their own private interests.

Messrs Michel, Claude, Yves, Gérard and Christian Guillemot are brothers and members of the Management and Board of Directors of Gameloft SE and Ubisoft Entertainment SA. As such, there may be potential conflicts of interest when these two companies have occasion to work together on certain projects.

The two companies are bound by a trademark licence contract under which Ubisoft Entertainment SA granted the company an exclusive licence permitting Gameloft SE to market and promote certain trademarks and video games owned by Ubisoft Entertainment SA on mobile feature phones as well as mobile phones and tablets running iOS and Android. The trademark licence was granted in return for the payment of royalties proportional to the sales figures posted by Gameloft SE. This agreement is one of Gameloft SE's regulated agreements, the details of which appear in §5.1 of this document.

Gérard Guillemot is a Director of Gameloft SE and President of Longtail Studios Inc. Christian Guillemot is a Director of Gameloft SE and Longtail Studios Inc. Gameloft SE distributed to its telecom operator customers the

Love Triangle mobile game developed by the design studios at Longtail Studios Inc. This agreement is one of Gameloft SE's regulated agreements, the details of which appear in §5.1 of this document.

Messrs Michel, Claude, Yves, Gérard and Christian Guillemot are Directors of Gameloft SE and Advanced Mobile Applications Limited. Gameloft SE distributed the mobile games developed by Advanced Applications Limited's design studios.

2.4.2.8 Services Contract with the Issuer and Its Subsidiaries

No services contract has been made between the members of the Board of Directors and the issuer or any of the group's subsidiaries that grants a benefit at the end of such a contract.

2.4.3 Composition/Role and Functions of the Board of Directors' Committees

2.4.3.1 Composition of the Committees

Appointments and Compensation Committee	Audit Committee
Marie-Thérèse Guiny, Chairperson	Marie-Thérèse Guiny, Chairperson
Claude Guillemot, Secretary	Claude Guillemot
	Christian Guillemot

2.4.3.2 Role and Functions of the Committees of the Board

2.4.3.2.1 Appointments and Compensation Committee

The role of the Appointments and Compensation Committee is to review the compensation of the members of the Board of Directors, the Chief Executive Officer and the Executive Vice Presidents, and to decide whether it is appropriate to grant them stock options. The Committee will review candidacies and make proposals to the Board of Directors regarding the appointment or reappointment of Directors and, in particular, the selection of independent directors.

2.4.3.2.2 Audit Committee

The role of the Audit Committee is to:

- examine the accounts and ensure the appropriateness and consistency of the accounting methods used to prepare the company's consolidated and individual financial statements;
- monitor the financial reporting process;
- monitor the efficiency of the internal control and risk management systems.

2.4.4 Other Mandates and Functions Exercised by Members of the Administrative and Management Bodies

2.4.4.1 Mandates and Functions Exercised within the Gameloft Group

2.4.4.1.1 Mandates and Functions in Effect at 31 December 2014 within the Gameloft Group

Member	Mandates and Functions Exercised within the Gameloft Group
Michel Guillemot	<p>President: Gameloft Partnerships SAS (France), Gameloft France SAS (France), Ludigames SAS (France), Gameloft SRL (Romania), Gameloft Software (Beijing) Company Ltd. (China), Gameloft Software (Chengdu) Company Ltd. (China), Gameloft Software (Shenzhen) Company Ltd.</p> <p>President and Director: Gameloft Inc. (United States), Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada), Gameloft</p>

	<p>Entertainment Toronto Inc. (Canada), Gameloft Limited (United Kingdom), Gameloft KK (Japan), Gameloft Company Ltd. (Vietnam), Gameloft Iberica SA (Spain), Gameloft Argentina S.A. (Argentina), Gameloft Private India Ltd. (India), Gameloft Co. Ltd. (Korea), Gameloft Ltd. (Hong Kong), Gameloft Philippines Inc. (Philippines), Gameloft Pte Limited (Singapore), PT Gameloft Indonesia (Indonesia), Gameloft New Zealand Ltd. (New Zealand), Gameloft Hungary Software Development and Promotion Kft. (Hungary), Gameloft SDN. BHD. (Malaysia), Gameloft FZ-LLC (United Arab Emirates), Gameloft Madrid S.L.U. (Spain), Gameloft Uruguay SA (Uruguay), Gameloft Oy (Finland), Gameloft LLC (Russia)</p> <p>Manager: Gameloft Rich Games Production France SARL (France), Gameloft GmbH (Germany), Gameloft SRL (Italy), Gameloft EOOD (Bulgaria), Gameloft S. de R.L. de C.V. (Mexico)</p> <p>Director: Gameloft Australia Pty. Ltd. (Australia), Gameloft de Venezuela S.A. (Venezuela)</p>
Claude Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Limited (United Kingdom), Gameloft Live Développements Inc. (Canada), Gameloft Madrid S.L.U. (Spain)
Yves Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada)
Gérard Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada)
Christian Guillemot	Director: Gameloft Divertissements Inc. (Canada), Gameloft Live Développements Inc. (Canada), Gameloft Limited (United Kingdom)

2.4.4.1.2 Mandates and Functions Expired over the Course of the Last Five Fiscal Years within the Gameloft Group

Member	Mandates and Functions Exercised within the Gameloft Group
Michel Guillemot	<p>President: Gameloft Software (Shanghai) Company Ltd. (China)</p> <p>Manager: Gameloft S.P.R.L. (Belgium), Gameloft S.R.O. (Czech Republic)</p> <p>Director: Gameloft Ltd. (Malta), Gameloft Do Brasil Ltda (Brazil)</p>
Claude Guillemot	Director: Gameloft Iberica SA (Spain), Gameloft Inc. (United States)
Yves Guillemot	Director: Gameloft Inc. (United States)
Gérard Guillemot	Executive Vice President: Gameloft S.A. (France), Gameloft Inc. (United States)
Christian Guillemot	Director: Gameloft Iberica SA (Spain), Gameloft Inc. (United States)

2.4.4.2 Mandates and Functions Exercised outside of the Gameloft Group

2.4.4.2.1 Mandates and Functions in effect at 31 December 2014 outside of the Gameloft Group

Member	Mandates and Functions Exercised outside of the Gameloft Group
Michel Guillemot	<p>Director and Executive Vice President: Ubisoft Entertainment SA (France), Guillemot Corporation SA (France)</p> <p>Manager and Executive Vice President: Guillemot Brothers SE (United Kingdom)</p> <p>Manager: Advanced Mobile Applications Ltd. (United Kingdom)</p> <p>Director: Guillemot Inc. (United States), Guillemot Limited (United Kingdom), Guillemot Inc. (Canada), Guillemot SA (Belgium)</p>
Claude Guillemot	<p>Chief Executive Officer: Guillemot Corporation SA (France)</p> <p>Director and Executive Vice President: Ubisoft Entertainment SA (France)</p> <p>Manager and Executive Vice President: Guillemot Brothers SE (United Kingdom)</p> <p>Manager: Advanced Mobile Applications Ltd. (United Kingdom)</p> <p>President: Hercules Thrustmaster SAS (France), Guillemot Innovation Labs SAS (France)</p> <p>President and Director: Guillemot Inc. (Canada), Guillemot Recherche et Développement Inc. (Canada), Guillemot Inc. (United States)</p> <p>Manager: Guillemot GmbH (Germany)</p>

	<p><u>Director:</u> Ubisoft Nordic A/S (Denmark), Ubisoft Emirates FZ-LLC (United Arab Emirates), Guillemot Limited (United Kingdom), Guillemot Corporation (HK) Limited (Hong Kong), Guillemot SA (Belgium), Guillemot SRL (Italy), Guillemot Romania SRL (Romania), Guillemot Spain SL (Spain)</p> <p><u>Alternate Director:</u> Ubisoft Entertainment Sweden A/B (Sweden), Redlynx Oy (Finland)</p>
Yves Guillemot	<p><u>Chief Executive Officer:</u> Ubisoft Entertainment SA (France)</p> <p><u>Director and Executive Vice President:</u> Guillemot Corporation SA (France)</p> <p><u>Manager and Executive Vice President:</u> Guillemot Brothers SE (United Kingdom)</p> <p><u>President:</u> Ubisoft France SAS (France), Ubisoft Emea SAS (France), Ubisoft International SAS (France), Ubisoft Montpellier SAS (France), Ubisoft Paris SAS (France), Ubisoft Annecy SAS (France), Ubisoft Production Internationale SAS (France), Nadéo SAS (France), Owlent SAS (France), Ubisoft Motion Pictures Rabbids SAS (France), Ubisoft Motion Pictures Splinter Cell SAS (France), Ubisoft Motion Pictures Assassin's Creed SAS (France), Ubisoft Motion Pictures Far Cry SAS (France), Ubisoft Motion Ghost Recon SAS (France), Ubisoft LLC (United States)</p> <p><u>President and Director:</u> Ubisoft Divertissements Inc. (Canada), Ubisoft Musique Inc. (Canada), Ubisoft Editions Musique Inc. (Canada), Hybride Technologies Inc. (Canada), Ubisoft Toronto Inc. (Canada), Studio Ubisoft Saint-Antoine Inc. (Canada), 9275-8309 Québec Inc. (Canada), Ubisoft Nordic A/S (Denmark), Red Storm Entertainment Inc. (United States), Ubisoft Entertainment India Private Ltd. (India), Ubi Games SA (Switzerland), Ubisoft CRC Ltd (United Kingdom)</p> <p><u>Chief Executive Officer and Director:</u> Ubisoft Emirates FZ-LLC (United Arab Emirates)</p> <p><u>Manager:</u> Ubisoft Learning & Development SARL (France), Ubisoft Motion Pictures SARL (France), Ubisoft Mobile Games SARL (France), Ubisoft Paris-Mobile SARL (France), Script Movie SARL (France), Ubisoft Entertainment SARL (Luxemburg), Ubisoft GmbH (Germany), Blue Byte GmbH (Germany), Related Designs Software GmbH (Germany), Ubisoft EOOD (Bulgaria), Ubisoft Studios SRL (Italy), Ubisoft SARL (Morocco)</p> <p><u>Vice President and Director:</u> Ubisoft Inc. (United States)</p> <p><u>Executive Director:</u> Shanghai Ubi Computer Software Company Ltd. (China), Chengdu Ubi Computer Software Co. Ltd. (China)</p> <p><u>Director:</u> Rémy Cointreau SA (France), Ubisoft Pty. Ltd. (Australia), Ubisoft SA (Spain), Ubisoft Ltd. (United Kingdom), Ubisoft Reflections Ltd. (United Kingdom), Red Storm Entertainment Ltd. (United Kingdom), Ubisoft Ltd. (Hong Kong), Ubi Studios SL (Spain), Ubisoft SpA (Italy), Ubisoft KK (Japan), Ubisoft Osaka KK (Japan), Ubisoft BV (Netherlands), Ubisoft SRL (Romania), Ubisoft Singapore Pte Ltd. (Singapore), Ubisoft Entertainment Sweden A/B (Sweden), Redlynx Oy (Finland), Ubisoft Barcelona Mobile SL (Spain), Future Games of London Ltd (United Kingdom), Guillemot Inc. (United States), Guillemot Limited (United Kingdom), Guillemot Inc. (Canada)</p> <p><u>Manager:</u> Advanced Mobile Applications Ltd. (United Kingdom), Future Games of London (United Kingdom)</p>
Gérard Guillemot	<p><u>President:</u> Longtail Studios Inc. (United States), Longtail Studios Halifax Inc. (Canada), Longtail Studios PEI Inc. (Canada), Longtail Studios Quebec Inc. (Canada)</p> <p><u>Director and Executive Vice President:</u> Ubisoft Entertainment SA (France), Guillemot Corporation SA (France)</p> <p><u>Manager and Executive Vice President:</u> Guillemot Brothers SE (United Kingdom)</p> <p><u>Manager:</u> Advanced Mobile Applications Ltd. (United Kingdom)</p> <p><u>Director:</u> Guillemot Limited (United Kingdom), Guillemot Inc. (United States), Guillemot Inc. (Canada)</p>
Christian Guillemot	<p><u>Manager and Chief Executive Officer (CEO):</u> Guillemot Brothers SE (United Kingdom)</p> <p><u>Director and Executive Vice President:</u> Ubisoft Entertainment SA (France), Guillemot Corporation SA (France)</p> <p><u>President and Director:</u> Advanced Mobile Applications Ltd. (United Kingdom)</p> <p><u>President:</u> Studio AMA Bretagne SAS (France), SAS du Corps de Garde (France), SC AMA Romania S.R.L. (Romania)</p> <p><u>Manager:</u> Guillemot Administration et Logistique SARL (France)</p> <p><u>Director:</u> Ubisoft Nordic A/S (Denmark), Guillemot Inc. (United States), Guillemot Limited</p>

	(United Kingdom), Guillemot Corporation (HK) Limited (Hong Kong), Guillemot SA (Belgium), Guillemot Inc. (Canada), Guillemot Recherche et Développement Inc. (Canada)
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2.4.4.2.2 Mandates and Functions Expired over the Course of the Last Five Years outside of the Gameloft Group

Member	Mandates and Functions Exercised outside of the Gameloft Group
Michel Guillemot	Executive Vice President and Director: Guillemot Brothers SE (France) Director: Chengdu Ubi Computer Software Company Ltd. (China)
Claude Guillemot	Executive Vice President and Director: Guillemot Brothers SE (France) Director: Ubisoft Sweden A/B (Sweden) Alternate Director: Ubisoft Norway A/S (Norway) Alternate Member of the Liquidation Committee and President: Ubisoft Norway A/S (Norway)
Yves Guillemot	President and Director: Chengdu Ubi Computer Software Co. Ltd. (China), Ubisoft Vancouver Inc. (Canada), Ubisoft Holdings Inc. (United States), Ubisoft Canada Inc. (Canada), Ubisoft Arts Numériques Inc. (Canada), L'Atelier Ubi Inc (Canada), Quazal Technologies Inc (Canada) Executive Vice President and Director: Guillemot Brothers SE (France) President: Ludi Factory SAS (France), Ubisoft Books and Records SAS (France), Ubisoft Computing SAS (France), Ubisoft Design SAS (France), Ubisoft Development SAS (France), Ubisoft Editorial SAS (France), Ubisoft Graphics SAS (France) Ubisoft Manufacturing & Administration SAS (France), Ubisoft Marketing International SAS (France), Ubisoft Operational Marketing SAS (France), Ubisoft Organisation SAS (France), Ubisoft Support Studios SAS (France), Ubisoft World SAS (France), Tiwak SAS (France), Ubisoft Finland OY (Finland) Manager: Ubisoft EMEA SARL (France), Ubisoft Art SARL (France), Ubisoft Castelnau SARL (France), Ubisoft Counsel & Acquisitions SARL (France), Ubisoft Gameplay SARL (France), Ubisoft Marketing France SARL (France), Ubisoft Market Research SARL (France), Ubisoft Paris Studios SARL (France), Ubisoft Production Annecy SARL (France), Ubisoft Production Internationale SARL (France), Ubisoft Studios Montpellier SARL (France), Ubisoft Production Montpellier SARL (France), Ubisoft Design Montpellier SARL (France), Ubisoft IT Project Management SARL (France), Ubisoft Innovation SARL (France), Ubisoft Créa SARL (France), Ubisoft Talent Management SARL (France), Ubisoft Services SARL (France), Max Design Entertainment Software Entwicklungs GmbH (Austria), Ubisoft GmbH (Germany), Spieleentwicklungskombinat GmbH (Germany) Director: Ubisoft Norway A/S (Norway), Ubisoft Ltd. (Ireland), Ubisoft Sweden A/B (Sweden) Sole Member of the Liquidation Committee and President: Ubisoft Norway A/S (Norway)
Gérard Guillemot	Executive Vice President and Director: Guillemot Brothers SE (France)
Christian Guillemot	Chief Executive Officer and Director: Guillemot Brothers SE (France) President: AMA Studios SA (Belgium) Director: Ubisoft Sweden A/B (Sweden) Vice President: Ubisoft Holdings Inc. (United States) Co-manager: Studio AMA Bretagne SARL (France)

2.4.5 Compensation of Senior Executives

Pursuant to Article L. 225-102-1, paragraph 1 and paragraph 2 of the French Commercial Code, presented below are the details of the total compensation and benefits of any kind paid out to company managers during the fiscal year.

The executive directors receiving the options and bonus share plans described below must keep in registered form five per cent (5%) of the shares resulting from the exercise of options or bonus shares until termination of their duties.

Exercise of the options and final awarding of bonus shares granted by the Board of Directors to company managers are subject to the following conditions, set by the Board of Directors:

- a continuous presence in the Gameloft Group during the entirety of the vesting period, and
- performance conditions that must be satisfied during the vesting period, combining internal performance conditions (goals in terms of marketing new games) and external performance conditions (development of the Gameloft Group's consolidated annual revenue, compared to the average natural growth rate of its main competitors).

At the start of the acquisition period, the allotted bonus shares will be non-transferable and must be held by the executive directors for a minimum period of two years beginning on the date of the final allotment.

Furthermore, and considering the familial structure of the company's shareholders, the Board of Directors has fixed at 1% the net gain after taxes earned by each of the managers, the amount of company shares that each of them will be entitled to acquire during the availability of bonus shares, and has placed conditions on the purchase of shares by these same executive directors for an amount equal to 1% of the net gain after taxes earned by each during the exercise of stock options.

Summary Table of Compensation Granted to Each Executive Director in 2014

Amounts in Euros	Total Gross Compensation	Directors' Fees	Valuation of the Options Granted during the Fiscal Year	Number of Bonus Shares Allocated	Fair Value
Michel Guillemot	769,415	25,000	341,550	165,000	2.07
Claude Guillemot	31,248	25,000	44,344	20,625	2.15
G�rard Guillemot	36,500	24,161	46,200	20,625	2.24
Yves Guillemot	31,248	25,000	44,344	20,625	2.15
Christian Guillemot	31,248	25,000	44,344	20,625	2.15

SUMMARY TABLE OF COMPENSATION AND OPTIONS AND SHARES ALLOTTED TO EACH EXECUTIVE DIRECTOR		
Amounts in Euros	Fiscal Year 2014	Fiscal Year 2013
Michel Guillemot		
Compensations Owed at the Start of the Fiscal Year (in �)	769,415	761,655
Directors' Fees (in �)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in �)	-	-
Valuation of Bonus Shares (in �)	341,550	686,895
Total	1,135,965	1,473,550
Claude Guillemot		
Compensations Owed at the Start of the Fiscal Year (in �)	31,248	31,248
Directors' Fees (in �)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in �)	-	-
Valuation of Bonus Shares (in �)	44,344	91,183
Total	100,592	147,431

Gérard Guillemot		
Compensations Owed at the Start of the Fiscal Year (in €)	36,500	36,520
Directors' Fees (in €)	24,161	25,373
Valuation of the Options Granted during the Fiscal Year (in €)		-
Valuation of Bonus Shares (in €)	46,200	85,862
Total	106,861	147,755
Yves Guillemot		
Compensations Owed at the Start of the Fiscal Year (in €)	31,248	31,248
Directors' Fees (in €)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in €)		-
Valuation of Bonus Shares (in €)	44,344	91,183
Total	100,592	147,431
Christian Guillemot		
Compensations Owed at the Start of the Fiscal Year (in €)	31,248	31,248
Directors' Fees (in €)	25,000	25,000
Valuation of the Options Granted during the Fiscal Year (in €)		-
Valuation of Bonus Shares (in €)	44,344	91,183
Total	100,592	147,431
GRAND TOTAL	1,544,602	2,063,598

2.4.5.1 Compensation and Benefits of Any Kind Earned by Executive Directors

The compensation of the executive directors consists of fixed compensation. The executive directors do not receive variable compensation. They may be granted stock options and performance shares. The total is determined by the Board of Directors on the recommendation of the Compensation Committee. As of 2009, stock options and performance shares granted to the executive directors are subject to performance conditions.

The table below includes the compensation and benefits of any kind due and/or paid out to the senior executives as related to their mandate by:

- (i.) the company;
- (ii.) the companies controlled, as per Article L. 233-16 of the French Commercial Code, by the company under which the mandate is exercised;
- (iii.) the companies controlled, as per Article L. 233-16 of the French Commercial Code, by the company or companies that control the company under which the mandate is exercised;
- (iv.) the company or companies that control, with respect to the same Article, the company under which the mandate is exercised.

The total gross compensation issued during the fiscal year by the company, controlled companies as per Article L 233-16 of the French Commercial Code, and by the controlling companies where they exercise their mandate, was 1,024,000 euros, of which 254,000 euros were issued by Gameloft SE.

SUMMARY TABLE OF THE COMPENSATIONS OF EACH EXECUTIVE DIRECTOR								
Amounts in Euros	Fiscal Year 2014				Fiscal Year 2013			
	Amount Owed in €		Amount Paid in €		Amount Owed in €		Amount Paid in €	
	Gameloft SE	Other Compa- nies	Gameloft SE	Other Compa- nies	Gameloft SE	Other Compa- nies	Gameloft SE	Other Compa- nies
Michel Guillemot								
Fixed Compensation	60,000	709,415	60,000	709,415	60,000	701,655	60,000	701,655
Directors' Fees	25,000		25,000		25,000	-	25,000	-
Benefits in Kind	-	-	-	-	-	-	-	-
Total	85,000	709,415	85,000	709,415	85,000	701,655	85,000	701,655
Claude Guillemot								
Fixed Compensation	31,248	-	31,248	-	31,248	-	31,248	-
Directors' Fees	25,000	-	25,000	-	25,000	-	25,000	-
Benefits in Kind								
Total	56,248	-	56,248	-	56,248	-	56,248	-
G�rard Guillemot								
Fixed Compensation	-	36,500	-	36,500	-	36,520	-	36,520
Directors' Fees	-	24,161	-	24,161		25,373		25,373
Benefits in Kind								
Total	-	60,661	-	60,661	-	61,893	-	61,893
Yves Guillemot								
Fixed Compensation	31,248	-	31,248	-	31,248	-	31,248	-
Directors' Fees	25,000	-	25,000	-	25,000	-	25,000	-
Benefits in Kind								
Total	56,248	-	56,248	-	56,248	-	56,248	-
Christian Guillemot								
Fixed Compensation	31,248	-	31,248	-	31,248	-	31,248	-
Directors' Fees	25,000	-	25,000	-	25,000	-	25,000	-
Benefits in Kind								
Total	56,248	-	56,248	-	56,248	-	56,248	-
GRAND TOTAL	253,744	770,076	253,744	770,076	253,744	763,548	253,744	763,548

2.4.5.2 Directors' Fees and Other Compensation Received by Non-Executive Directors

In consideration of the responsibilities assumed, but also of time spent preparing for Board meetings and the active participation of Directors in sessions, the company was authorised by the General Meeting of 18 June 2014 to pay to its Directors fees amounting to a maximum set at 175,000 euros per year to be distributed among the members of the Board of Directors, until determined otherwise.

TABLE FOR DIRECTORS' FEES AND OTHER COMPENSATIONS RECEIVED BY NON-EXECUTIVE DIRECTORS				
Amounts in Euros	Fiscal Year 2014		Fiscal Year 2013	
Non-executive Directors	Directors' Fees	Other Compensations	Directors' Fees	Other Compensations
Marie-Thérèse Guiny	25,000	-	25,000	-
Odile Grandet	12,500	-	-	-
Total	37,500	-	25,000	-

2.4.5.3 Stock Option and Subscription Plan

Stock Options Granted to Company Executive Directors by the Company during the Fiscal Year:

During the course of fiscal year 2014, no share subscription options were granted to company managers.

Stock Options Granted to Company Executive Directors by the Company during Previous Fiscal Years

STOCK OPTIONS GRANTED TO EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS				
	Plan Number 8 of 11/04/2008			Plan Number 9 of 14/05/2009
Date of the Board of Directors' meeting	11/04/2008			14/05/2009
Total number of shares eligible for subscription by:				
- Mr Michel Guillemot		300,000		300,000
- Mr Christian Guillemot	37,500			
- Mr Yves Guillemot	37,500			
- Mr Claude Guillemot	37,500			
- Mr Gérard Guillemot			37,500	37,500
Start date for exercising stock options	11/04/2012	11/04/2010	11/04/2010	14/05/2011
Expiration date	11/04/2014	11/04/2014	11/04/2014	14/05/2015
Subscription price	€2.80	€2.80	€2.95	€2.36
Exercise period	From 11/04/2012 through 11/04/2014	1/3 per year starting 11/04/2010 through 11/04/2014	1/3 per year starting 11/04/2010 through 11/04/2014	50% starting 14/05/2011 through 14/05/2015 and 50% starting 14/05/2013 through 14/05/2015
Number of shares subscribed at 31 December 2014	112,500	300,000	37,500	300,000
Cumulative number of cancelled or voided share subscription options	-	-	-	-
Remaining share subscription options at the end of the fiscal year	-	-	-	37,500

STOCK OPTIONS GRANTED TO EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS		
	Plan Number 10 of 01/06/2010	Plan Number 11 of 20/09/2011
Date of the Board of Directors' meeting	01/06/2010	20/09/2011
Total number of shares eligible for subscription by:		
- Mr Michel Guillemot	300,000	300,000
- Mr Gérard Guillemot	37,500	37,500
Start date for exercising stock options	01/06/2012	20/09/2013
Expiration date	01/06/2014	20/09/2015
Subscription price	€3.82	€3.87
Exercise period	50% starting 01/06/2012	50% starting 20/09/2013

	through 01/06/2014 and 50% starting 01/06/2013 through 01/06/2014	through 20/09/2015 and 50% starting 20/09/2014 through 20/09/2015
Number of shares subscribed at 31 December 2014	270,000	150,000
Cumulative number of cancelled or voided share subscription options	67,500	-
Remaining share subscription options at the end of the fiscal year	-	187,500

Stock options exercised by the executive directors during the fiscal year

STOCK OPTIONS EXERCISED BY THE EXECUTIVE DIRECTORS DURING THE FISCAL YEAR						
Name of Executive Director	Type of Operation	Plan Number and Date	Date of Operation	Number of Shares	Exercise Price	Amount of Operation
Michel Guillemot	Exercise of stock options	Plan Number 10 of 01/06/2010	27/05/2014	90,000	€3.82	€343,800.00
Michel Guillemot	Transfer	Plan Number 10 of 01/06/2010	27/05/2014	85,000	€6.7979	€581,220.45
Michel Guillemot	Exercise of stock options	Plan Number 11 of 20/09/2011	03/06/2014	150,000	€3.87	€580,500.00
Michel Guillemot	Exercise of stock options	Plan Number 9 of 14/05/2009	03/06/2014	150,000	€2.36	€354,000.00
Yves Guillemot	Exercise of stock options	Plan Number 8 of 11/04/2008	26/03/2014	37,500	€2.80	€105,000.00
Gérard Guillemot	Exercise of stock options	Plan Number 10 of 01/06/2010	14/05/2014	30,000	€3.82	€114,600.00
Gérard Guillemot	Transfer	Plan Number 10 of 01/06/2010	14/05/2014	28,500	€7.1766	€204,533.10

2.4.5.4 Bonus Issues of Shares

Bonus Shares Allotted to the Executive Directors by the Company during the Fiscal Year

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS BY THE COMPANY DURING THE FISCAL YEAR						
Name of Executive Director:	Plan Date	Number of Shares	Date of Acquisition	Option Fair Value	Date of Availability	Performance conditions
Michel Guillemot	16/12/2014	165,000	16/12/2016	€2.07	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Yves Guillemot	16/12/2014	20,625	16/12/2016	€2.15	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Christian Guillemot	16/12/2014	20,625	16/12/2016	€2.15	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Gérard Guillemot	16/12/2014	20,625	16/12/2018	€2.24	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Claude Guillemot	16/12/2014	20,625	16/12/2016	€2.15	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
TOTAL		247,500				

Bonus Shares Allotted to the Executive Directors by the Company during Previous Fiscal Years

It should be noted that the final awarding of bonus shares by the Board of Directors to the Executive Directors over the course of previous fiscal years was subject to the acquisition conditions set by the Board of Directors.

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS				
	Plan Number 11		Plan Number 10	
Plan Date	20/09/2011		01/06/2010	
Total number of shares	Allotted	Definitively Allotted	Allotted	Definitively Allotted

	2011	2013	2010	2012
- Mr Michel Guillemot	-	-	-	
- Mr Yves Guillemot	-	-	-	
- Mr Christian Guillemot	14,500	14,500	18,750	15,000
- Mr Gérard Guillemot	14,500	14,500	18,750	15,000
- Mr Claude Guillemot	14,500	14,500	18,750	15,000
TOTAL	43,500	43,500	56,250	45,000
Date of Acquisition	20/09/2013		19/06/2012	
Option Fair Value	€2.40		€2.44	
Date of Availability	20/09/2015		20/06/2014	
Performance Conditions	Internal and external performance conditions		Internal and external performance conditions	

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS DURING PREVIOUS FISCAL YEARS					
	Plan Number 13			Plan Number 12	
Plan Date	19/06/2013			06/07/2012	
Total number of shares		Allotted	Definitively Allotted	Allotted	Definitively Allotted
	Option Fair Value	2013	2016	2012	2014
- Mr Michel Guillemot	€4.16	165,000	-	94,000	94,000
- Mr Yves Guillemot	€4.42	20,625	-	12,000	12,000
- Mr Christian Guillemot	€4.42	20,625	-	12,000	12,000
- Mr Gérard Guillemot	€4.16	20,625	-	12,000	12,000
- Mr Claude Guillemot	€4.42	20,625	-	12,000	12,000
TOTAL		247,500	-	142,000	142,000
Date of Acquisition		19/09/2016		06/07/2014	
Option Fair Value				€3.24	
Date of Availability		19/09/2018		06/07/2016	
Performance Conditions		Internal and external performance conditions		Internal and external performance conditions	

Bonus Shares That Became Available for Each Manager during the Fiscal Year

Bonus Shares That Became Available for Each Manager	Plan Date	Number of shares that became available during the fiscal year	Acquisition Conditions
Christian Guillemot	01/06/10	15,000	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Yves Guillemot	01/06/10	15,000	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Claude Guillemot	01/06/10	15,000	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Total		45,000	

2.4.5.5 Compensation and Benefits Due to Termination of the Duties of the Company's Managers

Executive Directors	Employment Contract		Supplemental Retirement Plan		Indemnities or Benefits Owed or Potentially Owed as a Result of the Termination or Change in Duties		Indemnities under a Non-compete Clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Michel Guillemot		X		X		X		X
Christian Guillemot		X		X		X		X
Yves Guillemot		X		X		X		X
Claude Guillemot		X		X		X		X
G�rard Guillemot		X		X		X		X

No commitment has been made in favour of the members of the Board of Directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties.

2.4.6 Operations Referred to in Article L. 621-18-2 of the French Monetary and Financial Code and 223-26 of the General Regulations of the AMF

Reported by:		Mr Michel Guillemot		
Title:		Director and Chief Executive Officer		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Exercise of stock options	27/05/2014	90,000	�3.82	�343,800.00
Transfer	27/05/2014	85,500	�6.7979	�581,220.45
Acquisition	28/05/2014	35,000	�6.7727	�237,044.50
Acquisition	29/05/2014	2,707	�6.80	�18,407.60
Exercise of stock options	03/06/2014	150,000	�3.87	�580,500.00
Exercise of stock options	03/06/2014	150,000	�2.36	�354,000.00
Acquisition	09/06/2014	45,470	�6.7919	�308,827.69
Acquisition	10/06/2014	16,823	�6.80	�114,396.40
Sold/Bought	23/06/2014	1,178,886	�6.73	�7,933,903.00
Acquisition	11/12/2014	20,000	�3.301	�66,020.00
Acquisition	12/12/2014	30,000	�3.20	�96,000.00
Acquisition	15/12/2014	40,000	�3.09	�123,600.00
Acquisition	16/12/2014	25,000	�3.07	�76,750.00

Reported by:		Mr Christian Guillemot		
Title:		Director and Executive Vice President		
Description of the financial instrument:		Shares		
Place of operation:		Paris		

Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Transfer	19/05/2014	29,877	€7.0005	€209,153.93

Reported by:		Mr Yves Guillemot		
Title:		Director and Executive Vice President		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Exercise of stock options	26/03/2014	37,500	€2.80	€105,000.00
Transfer	29/04/2014	30,000	€7.2332	€216,996.00
Transfer	30/04/2014	20,000	€7.1276	€142,552.00
Transfer	02/05/2014	10,456	€7.1133	€74,376.66
Transfer	05/05/2014	11,879	€7.128	€84,673.51

Reported by:		Mr Gérard Guillemot		
Title:		Director and Executive Vice President		
Description of the financial instrument:		Shares		
Place of operation:		Paris		
Type of Operation	Date of Operation	Number of Shares	Price	Amount of Operation
Exercise of stock options	14/05/2014	30,000	€3.82	€114,600.00
Transfer	14/05/2014	28,500	€7.1766	€204,533.10

3. FINANCIAL STATEMENTS

3.1 Consolidated Financial Statements at 31 December 2014

3.1.1 Statement of Consolidated Financial Position at 31 December 2014 (€K)

ASSETS	Notes	Net	Net
		12-Month Fiscal Year	12-Month Fiscal Year
		31/12/14	31/12/13
Intangible assets	3.1.5.5.1	8,460	8,146
Tangible assets	3.1.5.5.2	22,868	16,445
Non-current financial assets	3.1.5.5.3	2,827	2,573
Deferred tax assets	3.1.5.5.4	16,456	11,163
Other non-current receivables	3.1.5.5.5	<u>3,056</u>	<u>4,177</u>
Non-current Assets		53,667	42,503
Trade receivables and related accounts	3.1.5.5.6	63,914	62,802
Other current assets	3.1.5.5.7	27,067	20,572
Other current financial assets	3.1.5.5.8	191	
Cash and cash equivalents	3.1.5.5.10	<u>56,264</u>	<u>61,797</u>
Current assets		147,436	145,171
Total assets		201,104	187,675

LIABILITIES	Notes	12-Month Fiscal Year	12-Month Fiscal Year
		31/12/14	31/12/13
Capital		4,281	4,201
Premiums		91,165	88,553
Consolidated reserves, and translation gains and losses		48,742	35,973
Consolidated profit/loss		<u>-6,355</u>	<u>7,526</u>
Shareholders' equity capital (group share)	3.1.4	137,833	136,253
Minority interests			
Total shareholders' equity capital		137,833	136,253
Provisions for contingencies and charges	3.1.5.5.12	541	112
Employee benefits	3.1.5.5.13	1,259	622
Long-term financial debts	3.1.5.5.15	1,506	-
Deferred tax liabilities	3.1.5.5.14	<u>5,256</u>	<u>3,553</u>
Non-current liabilities		8,562	4,287
Financial debts	3.1.5.5.15	3,558	1,468
Trade payables and related accounts	3.1.5.5.16	33,591	29,079
Other debts and current liabilities	3.1.5.5.17	17,467	16,588
Other current financial liabilities	3.1.5.5.17	<u>93</u>	<u>0</u>
Current liabilities		54,709	47,135

Total Liabilities	201,104	187,675
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3.1.2 Consolidated Statement of Comprehensive Income at 31 December 2014 (€K)

3.1.2.1 Consolidated Income Statement

	Notes	12-Month Fiscal Year 31/12/14	12-Month Fiscal Year 31/12/13
Revenue	3.1.5.5.18	227,279	233,296
Cost of sales	3.1.5.5.19	-40,105	-40,540
Research & Development costs	3.1.5.5.20	-119,933	-108,650
Commercial expenses	3.1.5.5.21	-41,602	-36,952
Overhead costs	3.1.5.5.22	-29,132	-21,813
Net amortisation and provisions	3.1.5.5.23	-398	-146
Other operating income	3.1.5.5.24	761	1,066
Other operating expenses	3.1.5.5.24	<u>-1,066</u>	<u>-1,364</u>
Operating income/expenses from ordinary activities		-4,195	24,897
Other operating expenses	3.1.5.5.25	<u>-682</u>	<u>-1,302</u>
Operating income/expense		-4,877	23,595
Cost of net financial debt		2,415	2,094
Other financial income		20,685	7,370
Other financial expenses		<u>-16,441</u>	<u>-16,992</u>
Net financial income/expense	3.1.5.5.26	6,658	-7,529
Tax expense	3.1.5.5.27	-8,136	-8,541
Net profit/loss for the period		-6,355	7,526
• <i>Share attributable to minority interests</i>		0	0
• <i>Share attributable to the owners of the Group's parent company</i>		-6,355	7,526
Basic earnings per share	3.1.5.3.2	-0.08	0.09
Diluted earnings per share		-0.07	0.09

3.1.2.2 Consolidated Statement of Net Profit/Loss and Accrued Gains and Losses of Shareholder Equity Capital

in thousands of euros	31/12/14	31/12/13
Net profit/loss (group share)	-6,355	7,526
Other parts of the comprehensive income		
<u>Parts that can later be reclassified as net profit:</u>		
• Translation gains/losses, net of tax	2,961	-5,276
• Revaluation of derivative instrument coverage		
• Other, net of tax	-19	-31
<u>Parts not reclassified later as net profit:</u>		
• Actuarial gains and losses related to provisions for retirement benefits, net of tax	-473	-38
Other parts of the comprehensive income (recorded under shareholder's equity capital and net of tax)	2,469	-5,345
• of which are group share	2,469	-5,345

• of which are minority interests		
Comprehensive consolidated income	-3,886	2,181
• <i>Share attributable to minority interests</i>		0
• <i>Share attributable to the owners of the Group's parent company</i>	3,886	2,181

3.1.3 Consolidated Cash Flow Statements at 31 December 2014 (€K)

€K		12-Month Fiscal Year	12-Month Fiscal Year
	Notes	31/12/14	31/12/13
Cash flow from operating activities			
Net profit		-6,355	7,526
Depreciation of tangible and intangible assets		17,607	13,355
Change in provisions		990	242
Change in deferred taxes		-3,486	1,682
Share-Based Payments	3.1.5.5.22	3,100	3,520
Other non-disbursed expenses		108	649
Capital gains and losses	3.1.5.5.24	122	397
Cash from operations		12,086	27,372
Change in trade receivables		-2,582	-9,680
Change in operating liabilities		-831	8,252
Change in operating working capital		-3,413	-1,428
Net cash flow from operating activities		8,674	25,944
Investment-related cash flow			
Purchases of intangible assets		-2,341	-2,197
Purchases of tangible assets		-15,019	-15,750
Purchases of other financial assets		-1,381	-845
Acquisition of advances on licences		-3,810	-6,114
Sales of assets		82	77
Repayment of deposits, guarantees, and other financial assets		1,122	343
Other cash flows		26	-3
Total net investment-related cash flows		-21,320	-24,490
Cash flow from financing activities			
Share capital increase related to employee exercise of options	3.1.5.5.11	4,598	10,000
Buyback of own shares		-1,935	-6,202
New medium-term and long-term loans		1,444	
Total net cash flows from financing activities		4,107	3,797
Impact of translation gains and losses		916	-528
Change in net cash		-7,623	4,723
Net cash and cash equivalents at start of fiscal year		60,329	55,606
Net cash and cash equivalents at end of fiscal year		52,706	60,329

The net cash and cash equivalents at the end of the fiscal year are detailed below:

	31/12/14	31/12/13
Cash and cash equivalents	56,264	61,797
Bank overdrafts (included in the current financial debts)	-3,558	-1,468
Net cash	52,706	60,329

3.1.4 Statement of Changes in Consolidated Shareholders' Equity Capital at 31 December 2014 (€K)

	Capital	Premiums	Consolidated Profit/Loss	Consolidated Reserves (excluding reserves related to stock options)	Consolidated Reserves Stock Options	Consolidated Reserves Stock Options	Translation Gains and Losses	Shareholders' Equity Capital (Group Share)	Non-controlling Interests	Total Shareholders' Equity Capital
Position at 31 December 2012	4,091	85,669	9,280	9,357	23,681	-4,101	0	127,977	-	127,977
Consolidated fiscal year profit/loss			7,525					7,525		7,525
Other parts of the comprehensive income				-69		-5,695		-5,764		-5,764
Total Comprehensive Income			7,525	-69		-5,695		1,761	-	1,761
Share capital increase of the consolidating company	110	2,884						2,994		2,994
Consolidated N-1 income statement			-9,280	9,280						-
Benefits to employees on stock and bonus share subscription					3,519			3,519		3,519
Position at 31 December 2013	4,201	88,553	7,526	18,568	27,200	-9,796	0	136,253	-	136,253
Consolidated fiscal year profit/loss			-6,355					-6,355		-6,355
Other parts of the comprehensive income				-492		2,961		2,469		2,469
Total Comprehensive Income			-6,355	-492	-	2,961		-3,886	-	-3,886
Share capital increase of the consolidating company	80	2,612						2,692		2,692
Consolidated N-1 income statement			-7,526	7,526						
Translation Gains and Losses							-326	-326		-326
Benefits to employees on stock and bonus share subscription					3,100			3,100		3,100
Position at 31 December 2014	4,281	91,165	-6,355	25,601	30,301	-6,835	-326	137,833	-	137,833

The “translation gains and losses” item includes exchange differentials from conversion of the financial statements of non-eurozone subsidiaries.

Changes in translation gains and losses for fiscal year 2014 mainly consist of:

Currency	Exchange Rate at 31/12/2013	Exchange Rate at 31/12/2014	Impact on Equity Capital (€K)
US dollar	1.379	1.214	+2,771
Canadian dollar	1.467	1.406	+501
Vietnamese dong	29,010.75	25,794.77	+308
Argentine peso	8.984	10.399	-1,229
Ukrainian hryvnia	11.0415	19.232	-242
Korean won	1,450.93	1,324.8	-174
Pound sterling	0.834	0.779	-148
Hong Kong dollar	10.693	9.417	-117
Japanese yen	144.72	145.23	+115

3.1.5 Notes to the Consolidated Financial Statements

The following notes and tables are presented in thousands of euros.

3.1.5.1 Introduction

Gameloft SE is located in France.

Gameloft is listed on the CAC Small 90 of the Paris Stock Exchange (ISIN: FR0000079600, Bloomberg: GFT FP, Reuters: GFT).

Gameloft SE's consolidated financial statements include Gameloft SE and its subsidiaries.

The Gameloft Group's consolidated accounts at 31 December 2014 have been approved by the Board of Directors on 18 March 2015.

3.1.5.2 Highlights

- Share capital increases:

Gameloft saw an increase of share capital through the issuance of stock options and bonus shares in the amount of €4,300,000, of which €4,205,000 were issue premiums, and a reduction of share capital through the cancellation of its own shares in the amount of €1,609,000. The share capital reached 4,281,000 euros at the end of December 2014.

- Change in reporting entity:

Four new subsidiaries were created and consolidated during fiscal year 2014: in Helsinki, Finland (Gameloft Oy); Uruguay (Gameloft Uruguay SA); Madrid, Spain (Gameloft Madrid S.L.U.); and Moscow, Russia (Gameloft LLC).

Gameloft SRO, in the Czech Republic, was liquidated on 22 September 2014.

- Impact of currency fluctuations on revenue:

In 2014, certain currencies such as the Brazilian real, Argentine peso, Mexican peso, United States dollar, Ukrainian hryvnia and Indonesian rupiah fell sharply as compared to the euro as compared to 2013. This impacted our consolidated financial statements, particularly in terms of revenue, with a negative exchange rate differential of €8,445,000.

- Activity in Argentina:

Given the restrictions in Argentina regarding the repatriation of cash assets and on international payments, the use of available cash at the level of the subsidiary is limited to local payments only. In this context, the Group had already identified, on 31 December 2012 and 31 December 2013, the part of its cash flow in Argentina that could be put to limited use (see note 3.1.5.5.8 in the appendix to the consolidated accounts of 31 December 2012).

The measures taken by the Argentine government regarding the control of exchange operations resulted in the devaluation of its own currency on 24 January 2014 (20% devaluation by the end of January 2014). The economic situation in Argentina continued to degrade over the course of fiscal year 2014 and the beginning of 2015.

In the absence of any reliable information concerning the unofficial exchange rate for fiscal year 2014, the Group continued to use the official exchange rate for the conversion of its Argentine subsidiary's accounts at 31 December 2014.

The impact of the discrepancy between the official conversion rate and the unofficial conversion rate on the Group's main aggregates at 31 December 2014 is presented below:

In €K	Impact of the discrepancy between official and unofficial conversion rates			
	-30%	-40%	-50%	-60%
Revenue	-2,201	-2,725	-3,179	-3,576
Net profit	-1,264	-1,565	-1,826	-2,055
Cash assets	-2,006	-2,484	-2,898	-3,260
Net asset	-2,021	-2,502	-2,919	-3,284

3.1.5.3 Accounting Principles and Methods

3.1.5.3.1 General Principles – Primary Basis of Accounting

3.1.5.3.1.1 Basis for the Preparation of Financial Statements

The Gameloft Group's consolidated financial statements at 31 December 2014 are prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union as of the balance sheet date.

The IFRS as adopted by the European Union may be consulted on the website of the European Commission: http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm.

The group did not apply in advance standards, amendments and interpretations for which their application was not mandatory as of 1 January 2014.

The IFRS as adopted by the European Union differ from the IFRS published by the IASB in several respects. Nevertheless, the group has made sure that the financial information presented would not have been substantially different if it had applied the IFRS as published by the IASB.

The consolidated financial statements are presented in thousands of euros, noted as €K, the parent company's functional currency.

The group's consolidated financial statements were drawn up on the basis of historical cost, with the exception of derivative instruments and financial assets held for transaction purposes or classified as available for sale, which are measured at their fair value.

Non-current assets are measured at the lower of their book value or fair value minus selling costs.

3.1.5.3.1.2 Effects of the IFRS Accounting Standards and Interpretations Applicable as of 1 January 2014

Standards, amendments and interpretations adopted by the European Union for which application is mandatory starting on 1 January 2014

- IFRS 10 – Consolidated Financial Statements
- IFRS 11 – Joint Arrangements
- IFRS 12 – Disclosure of Interests in Other Entities
- Amendments to IFRS 10, IFRS 11 and IFRS 12 – Transition Guidance
- Amendments to IFRS 10, IFRS 12 and IAS 27 – Investment Entities
- IAS 27R – Separate Financial Statements
- IAS 28R – Investments in Associates and Joint Ventures

- Amendment to IAS 32 – "Financial Instruments – Presentation": Offsetting Financial Assets and Financial Liabilities
- Amendment to IAS 36 – Recoverable Amount Disclosures for Non-Financial Assets
- Amendment to IAS 39 – Novation of Derivatives and Continuation of Hedge Accounting

Standards, amendments and interpretations adopted by the European Union for which application is mandatory starting on 1 July 2014

- Amendment to IAS 19 – Defined Benefit Plans: Employee Contributions

Standards, amendments and interpretations adopted by the European Union for which application is optional for fiscal years starting on 1 January 2014

- Annual improvements of IFRS international standards for financial information, 2011-2013 and 2010-2012 cycles – applicable as of 1 February 2015.
- IAS 19 – Defined Benefit Plans: Employee Contributions – applicable as of 1 February 2015.
- IFRIC 21 – Levies

The application of these texts had no significant consequence on the consolidation method for the entities included in the consolidation scope, or the presentation of the consolidated financial statements.

These standards or amendments are applicable to reporting periods as of 1 January 2014 and were not foreseen by Gameloft.

Standards, amendments and interpretations published by the IASB and not yet adopted by the European Union at 1 January 2014

- Amendment to IAS 1 – "Presentation of Financial Statements": Disclosure Initiative
- Amendment to IAS 16 and 38 – Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendment to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendment to IFRS 11 – Acquisition of an interest in a joint operation
- Annual improvements of IFRS international standards for financial information, 2012-2014 cycle.
- Amendment to IAS 16 and IAS 41: Agriculture
- IFRS 9 – Financial Instruments (final version according to the IASB)
- IFRS 14 – "Regulatory Deferral Accounts": Rate-regulated activities – Interim standard
- IFRS 15 – "Revenue from Contracts with Customers": Standard on revenue recognition

3.1.5.3.1.3 Consolidation Principles

The group's subsidiaries are fully consolidated once the group exercises control over them. Control is exercised when the Group is exposed to, or has rights to, variable returns, and when it has the ability to exercise its own power in order to influence these returns. To assess control, potential voting rights that are currently exercisable are taken into account, as well as the power to appoint or remove the members of the managing bodies and to have this body hold the majority of voting rights.

Subsidiaries' financial statements are included in the consolidated financial statements from the date on which control begins until the date on which it ends.

Ad hoc entities are consolidated if, on the basis of a substantial analysis of the relationship with the group and the expected risks and benefits, the group concludes that it has control over it.

Companies that are not significant to the group are not consolidated. At 31 December 2014, there was no exclusion from the scope of consolidation.

Earnings of companies that have become part of the consolidated group are consolidated as of each company's acquisition date or creation date. Liquidated companies and companies in the process of liquidation or whose criteria are insignificant are not included in the scope of consolidation.

- Transactions eliminated in the consolidated financial statements

Balance sheet balances, unrealised gains and losses and income and expenses resulting from intra-group transactions are eliminated when the consolidated financial statements are prepared, in accordance with the applicable rules regarding consolidation.

Unrealised gains resulting from transactions with affiliates and jointly controlled entities are eliminated in proportion to the group's percentage of interest in the entity.

Unrealised losses are eliminated in the same manner as unrealised gains, but only to the extent that they do not represent an impairment.

All significant transactions between the consolidated companies as well as unrealised inter-company earnings included in fixed assets have been eliminated.

Conversion of foreign-currency operations into euros:

Income and expenses from transactions in foreign currencies are converted at the exchange rate in effect on the transaction date.

Monetary assets and liabilities, excluding derivatives, are converted at the closing rate, and exchange differentials resulting from this conversion are entered on the income statement.

Derivatives are evaluated and recorded in accordance with the written terms and conditions described in the note on financial instruments.

Conversion of financial statements of foreign subsidiary companies:

The group's entities generally use their local currency as their functional currency. Transactions in foreign currencies are converted to their functional currency at the exchange rate in effect on the transaction date.

Foreign entities' accounts are converted to euros as follows:

Assets and liabilities (including goodwill, if any, and value adjustments as of the acquisition date) are converted based on the official exchange rates in effect on the balance sheet date.

These companies' income and expenses, as well as their cash flow, are converted based on the average exchange rate during the fiscal year. The gains and losses that result from the conversion are recorded directly as part of the consolidated equity capital, in a separate component.

Shareholders' equity capital is kept at the historical rate. Translation gains and losses are recorded under shareholders' equity capital. Translation gains and losses are entered on the income statement when the subsidiary is sold.

Foreign exchange gains and losses related to loans or borrowings with a foreign subsidiary which, in substance, are an integral part of the net investment in this subsidiary, are recognised directly in shareholders' equity capital until the date of sale of the net investment, at which time they are transferred to profit or loss.

3.1.5.3.1.4 Change in Method

No change in method was made in the accounts at 31 December 2014.

3.1.5.3.1.5 Estimates and Judgement

Preparation of the consolidated financial statements according to IFRS standards requires that the group's management use judgement and make estimates and assumptions which have an impact on the application of accounting methods and on the amounts shown in the financial statements. These underlying estimates and assumptions are made and reviewed continuously based on past experience and other factors regarded as reasonable in light of the circumstances. They serve as the basis for the exercise of judgement necessary in determining the book values of assets and liabilities, which cannot be obtained from other sources. Actual values may differ from estimated values. Significant judgements made by management to implement the Group's accounting methods and analyse the main sources of uncertainty relating to estimates are identical to those described in the financial statements for the fiscal year ended 31 December 2014. The accounting methods described below were applied continuously to all the periods presented in the consolidated financial statements and uniformly to the group's entities.

Summary of the main estimates:

Note	Estimate	Type of Information Disclosed
§ 3.1.5.3.2.1	Impairment losses	Principal hypotheses used to determine the recoverable value of assets
§ 3.1.5.3.2.12 & Note 11	Share-based payments	Model, underlying assumptions for determining fair values
§ 3.1.5.3.2.12 & Note 13	Employee benefits	Actuarial assumptions, including discount rate, inflation, wage trends.
§ 3.1.5.3.2.14 & Note 18	Revenue	Assumptions made for services contracts, based on estimates made by the Group, including long-term contracts.
§ 3.1.5.3.2.11 & Note 12	Provisions	Underlying assumptions for assessing and estimating risks
Note 27	Corporate income tax	Assumptions used for recognition of deferred tax assets and conditions for applying tax legislation

3.1.5.3.1.6 Segment Information

In light of the group's organisational structure and the commercial links among the various subsidiaries, we proceed on the basis that the group operates in a single market in several geographic regions (EMEA, North America, Latin America and Asia-Pacific).

In accordance with IFRS 8 - Operating Segments, the segment information by geographic region presented in point 3.1.5.6 is the information used by the group's management, and particularly by its Chief Executive Officer, in order to make decisions in terms of resources and evaluate the company's performance.

3.1.5.3.2 Valuation Rules and Methods Applied by the Group

3.1.5.3.2.1 Intangible Assets

In accordance with IAS 38 "Intangible Assets", only those assets whose cost can be measured reliably and for which it is probable that future economic benefits exist are recognised as assets.

These costs are measured based on the acquisition cost if acquired from a third party, and based on production costs if internally generated.

- Brands

Brands acquired by the Group are valued at the end of each year based on their contribution to commercial activity. This contribution is measured using criteria such as presence among the top-selling brands in the market and revenue likely to be generated in the future.

At year-end, if their valuation is less than their book value, an impairment loss is recorded.

Expenses related to brands created in-house are recognised as expenses, as are expenses incurred to renew

their protection.

- Development costs:

Gameloft draws a distinction between two types of activity in order to recognise its development costs:

- For console games, PC games and TV games:

Development costs for game consoles, whether for PC or TV, are capitalised on the balance sheet when the criteria set out in IAS 38 have been met:

- 1) Technical feasibility needed to complete the intangible asset for its use or sale;
- 2) The company's intention to complete the intangible asset and to use or sell it;
- 3) The company's ability to use or sell the intangible asset;
- 4) The intangible asset's ability to generate future economic benefits;
- 5) The fact that the company has the appropriate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- 6) The company's ability to reliably measure the costs attributable to the intangible asset during its development.

Development costs that do not meet these criteria are recorded as expenses during the fiscal year in which they were incurred.

These costs are measured based on direct salary costs; social security charges according to time spent on projects on one hand and operating costs, such as committed costs directly related to development costs, on the other.

Development costs are first recognised as intangible assets in progress over the course of development. They are then transferred to the "other intangible assets" account when the game is completed.

These costs are amortised over 18 months on a straight-line basis once the product is released on the market. Technical feasibility is determined on a product-by-product basis. At the end of the fiscal year, and for each software product, a value test is performed and the amount not yet amortised is compared to future sales forecasts. If these sales forecasts are insufficient, a provision for impairment is entered accordingly.

The companies do not conduct basic research.

- On mobile phones and tablets:

For mobile phone and tablet games, Gameloft currently records development costs as expenses at the time they are incurred. Each year, the company develops and places thousands of versions of its games on the sites belonging to various operators, manufacturers, and digital distribution platforms in order to cover the more than 200 different models of feature phones, 7,000 models of smartphones, and 16 languages supported by the company. Given this extreme fragmentation and the more general nature of the sales-related information received from distribution partners, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions. On this basis, the group does not meet all the capitalisation criteria set out in IAS 38; expenses are recognised as expenses.

- Licences

Licences cover distribution and reproduction rights acquired from third-party publishers. The signing of licence agreements results in the payment of guaranteed amounts. These amounts are recognised in an "advances on

licences” account. All commitments (guaranteed amounts stipulated in the contract) are recognised in the accounts. The useful life of licences depends on the duration of these contracts (duration of usage rights).

These advances are reduced based on the amount of royalties due in connection with sales or are amortised on a straight-line basis for flat fees.

At the end of the fiscal year, the remaining net book value is compared to the future sales forecasts to which the terms of the contract are applied. If these sales forecasts are insufficient, an additional provision for impairment is then entered accordingly.

- Office Software

Office software is amortised over 12 months on a straight-line basis.

3.1.5.3.2.2 Tangible Assets

Expenses related to tangible assets are recorded as assets at their acquisition cost when the following criteria are met:

- It is probable that future economic benefits are associated with this asset;
- The acquisition cost can be reliably measured.

Tangible assets are shown on the balance sheet at their cost price less accumulated amortisation and accumulated impairment losses, if any. Assets are shown on the balance sheet at their acquisition cost less cash discounts and any investment subsidies granted. Given the types of assets owned, no component separate from the principal assets has been identified. The residual values are considered zero.

The depreciation calculated on the basis of rates consistent throughout the group is determined according to the following methods and useful life:

Description	Duration of amortisation
Fixtures and facilities	5 years (straight-line method)
Transportation equipment	5 years (straight-line method)
Computer equipment	3 years (straight-line method)
Phone	2 years (straight-line method)
Furniture	10 years (straight-line method)

The residual values and useful lives of the assets are reviewed and, where applicable, adjusted annually or when operating conditions are subject to long-term changes.

3.1.5.3.2.3 Assets Acquired through Direct Financing Leases

Lease contracts that transfer nearly all risks and benefits inherent to ownership of the asset are considered direct financing leases.

Assets financed through direct financing leases are restated in the consolidated financial statements as if the company had acquired them directly and financed them through loans.

The amount recorded on the asset side is equal to the lower of the fair value of the leased asset or the present value of the minimum lease payments, less amortisation cost and total impairment.

3.1.5.3.2.4 Non-current Financial Assets

Equity holdings and long-term investments are recorded as “non-consolidated companies” since they are not held for the purpose of realising short-term profits. These assets are shown on the balance sheet at their fair value. Changes in fair value are recorded under shareholders' equity capital.

Other securities are valued at their historical cost, exclusive of incidental expenses.

Deposits and guarantees are recorded under “Loans and receivables”.

3.1.5.3.2.5 Deferred Tax and Current Tax

Income tax: Expense or income that includes the current tax expense/income and the deferred tax expense/income. Tax is recognised in profit or loss unless it pertains to items that are recognised directly in shareholders' equity capital, in which case it is recognised in shareholders' equity capital.

Current tax is:

- The estimated amount of tax due on taxable profit for a period. It is calculated using the tax rates adopted or substantively adopted as of the balance sheet date.
- Any adjustment to the amount of current tax for previous periods.

Taxes were calculated for all companies reporting a profit based on the tax rates in effect in each country.

In France, deductions at source are attributable to taxes the year the deduction is reported when a financial agreement exists between the countries concerned. Starting in fiscal year 2012, the company decided to apply the following priority rule according to these scenarios:

- Existence of a financial agreement between the two countries: The amount paid to foreign financial authorities is equitable to a prepaid tax and is therefore classified as a tax expense.
- No financial agreement between the two countries: The amount paid to foreign financial authorities is equitable to a tax and must be recognised as an operating expense.

It should be noted that as far as Gameloft is concerned, a financial agreement exists between France and the principal countries in which the Group is present.

Deferred tax is determined and recognised based on the balance sheet approach of the liability method for all temporary differences between the book value of the assets and liabilities and their tax basis. The following items do not result in recognition of deferred tax:

- initial recognition of goodwill
- initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting income nor taxable income.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period in which the asset is realised and the liability is settled based on the tax laws that have been adopted or substantively adopted by the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that the Group will have future taxable income on which the temporary differences can be applied. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available.

Deferred taxes are shown on the balance sheet separately from payable tax assets and liabilities and are recorded as non-current items.

Capitalisation of deferred tax by the Group is a function of the particular situation of the entity, or of the group of entities (tax integration) in each country, as well as of the expiration period of tax losses to be carried over and of tax credits. In this way, tax losses and tax credits are not capitalised except to the extent that it is likely that the taxable income the group in question will generate will allow for their allocation within a reasonable time horizon.

According to IAS 12, §74 and §75, an entity shall offset deferred tax assets and deferred tax liabilities if, and only if:

- the entity has a legally enforceable right to set off the recognised amounts; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.1.5.3.2.6 Other Non-current Receivables

Other non-current receivables include Research and Development tax credits from prior fiscal years. They are recorded when they are definitively accepted from the local bodies and their expiration periods are of 10 and 20 years. These tax credits are mainly operating subsidies.

3.1.5.3.2.7 Trade Receivables and Related Accounts

Trade receivables and related accounts were measured at their fair value at the time they were recorded. Since receivables are due in less than one year, they are not discounted. Where applicable, a provision for impairment is set up based on the expected collectability of the receivables at year's end.

3.1.5.3.2.8 Financial Instruments

The group only holds derivative financial instruments in the interest of managing its exposure to foreign exchange risks. Gameloft covers risk of foreign exchange fluctuations through purchase for delivery or forward sale contracts, and through swaps.

Derivatives are initially recorded at fair value; associated transaction fees are recorded when they're incurred. After the initial recognition, the derivatives are evaluated at their fair value and the variations that result are recorded in the manner outlined below.

Cash Flow Coverage

When the Group can document coverage, it applies hedge accounting (the cash flow hedge model) to the operations meeting the criteria listed below. Management is of the opinion that this method better reflects its coverage policy for financial statements.

Hedge accounting applies if:

- the hedging relationship is clearly defined and documented on the date of its implementation;
- the efficacy of the hedging relationship is demonstrated from its beginnings, and for as long as it continues.

The use of hedge accounting for cash flow carries the following consequences:

- the efficient part of the variation in the fair value of the hedging instrument is recorded in other parts of the comprehensive income, and the item is not registered in the balance sheet;
- the inefficient part of the variation in the fair value is recorded in the net financial income/expense.

When the hedging instrument no longer meets the criteria of hedge accounting, expires, or is sold, cancelled or put into use, the Group prospectively stops using hedge accounting. The accumulated profit or loss at this date is kept in the other parts of the comprehensive income until the intended transaction is completed. When the item covered is a non-financial asset, the accumulated profit or loss is removed from the other parts of the comprehensive income and is included in the initial cost. In other cases, associated profit or loss that has been directly recorded in the other parts of the comprehensive income is reclassified as profit/loss for the period during which the covered item affects the profit/loss.

Other derivatives:

Derivatives for which the documentation of the hedging relationship does not meet the standards of IAS 39 are not recognised as hedging instruments from an accounting perspective. Changes in the fair value of these instruments are recorded in the income statement, in accordance with the IAS 39 standard. This also applies to certain types of derivatives (options) that do not allow for hedge accounting. The fair value of assets, liabilities and derivatives is determined on the basis of the market price on the closing date.

3.1.5.3.2.9 Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits and cash equivalents as defined by IAS 7: short-term investments that are easily cashable or sellable in very little time, convertible to an amount of cash and not subject to a significant risk of changes in value through the income statement. They are entered on the balance sheet at their fair value and changes are recorded in net financial income/expense.

The cash assets and cash equivalents are made up of investments that are immediately available and free of charge. These cash equivalents are term deposits with first-class banks kept in order to cope with short-term liquidity commitments, with the following characteristics:

- The initial capital and interest accumulated during previous quarters are guaranteed;
- The term deposits provide, from the outset, opt-outs that can be exercised every three months, maximum (taking into account the notice period);
- Early opt-outs can be exercised at any time without penalty, other than a diminished compensation for the quarter in progress at the date of withdrawal.

3.1.5.3.2.10 Share Capital

Ordinary shares:

Incidental costs directly attributable to the issue of ordinary shares or stock options are recognised as a deduction from shareholders' equity capital, net of tax effects.

Treasury shares:

Shares of the parent company that are held by the parent company or one of its consolidated subsidiaries are recognised as a reduction of shareholders' equity at their acquisition cost. Changes in fair value during the holding period are not recognised. Gains or losses on disposal of these securities are charged to shareholders' equity capital, net of tax effects.

3.1.5.3.2.11 Provisions for Contingencies and Charges

The judgement of the Group's management is required for the analysis of contingencies and litigation, including estimations on the probability of the various outcomes of litigation that is in process or is upcoming, which by their very nature, depend on future events that are necessarily uncertain.

In order to determine the possible outcomes of litigation or contingencies, management relies on the evaluations conducted by external consultants that are familiar with each case, as well as with relevant jurisprudence.

A provision is recorded when:

- the company has a present obligation (legal or constructive) resulting from a past event;
- it is probable that an outflow of resources representing economic benefits will be needed to settle the obligation;

the amount of the obligation can be measured reliably.

If these conditions are not met, no provision is recorded.

3.1.5.3.2.12 Employee Benefits

- Post-employment benefits and retirement indemnities

In accordance with each country's laws and practices, Gameloft participates in retirement, social security and pension plans, the benefits of which depend on various factors, such as seniority, salaries and payments made to mandatory public plans.

These may be defined contribution plans or defined benefit plans:

- For defined contribution plans, the pension supplement is determined by the accumulated capital resulting from the contributions made by the employee and the company to external funds, which are generally public pension plans or specific defined contribution plans. Expenses correspond to the contributions made during the fiscal year. The group has no subsequent obligation to its employees. For Gameloft, this generally means public pension plans or specific defined contribution plans
- For defined benefit schemes (or plans), the employee receives from the group a payment on retirement determined according to parameters such as age, length of employment and salary. Within the Group, this is primarily the practice applied in France and Mexico.

Based on the way each plan works and the data provided by each country, an actuarial calculation called "projected unit credit method" has been used to measure the employer's future obligations according to the provisions of the revised IAS 19 standard.

This method consists of determining, separately for each plan, the amount of future benefits gained by the employee in exchange for services rendered over the course of the current and prior periods, while taking into account actuarial assumptions, notably the probable turnover of beneficiaries, salary increases, predicted life expectancy and the probable length of employment for employees; this amount is updated in order to determine its present value.

The Group immediately recognises the entirety of actuarial gains and losses for defined benefit plans as other parts of the comprehensive income.

Within the Gameloft Group, defined benefit plans are not funded by any investments in various instruments, equity capital securities or bond investments, with the exception of Korea. The hedge asset put in place is invested in a safe investment policy, with short-term interest-bearing deposits.

The fair value of plan assets is, where necessary, deducted from the amount of the commitment.

The provision for end-of-employment contract indemnities for employees, primarily in Vietnam, includes the accumulated benefits acquired by the employees during their years of service. The indemnities are paid to the employee upon his/her termination and the group has no further debts toward the employee once the indemnity is paid. Rights are updated annually based on the provisions that apply. Within the Group, cash outs are recognised as expenses if the Group made an offer encouraging voluntary termination of employment and if that offer is accepted in a reliable fashion by the employees.

- Stock options and bonus shares

The benefit granted to employees at the time of issuance of stock options (value of the option as of the date of issuance) and bonus shares constitutes additional compensation recorded as a payroll expense and spread out over the benefit vesting period.

For stock option and bonus share plans, the accounting expense represents the valuation of the options as of the grant date of each plan. The fair value of the options therefore depends on the date on which they are allotted to the beneficiary. The recognition of this deferred compensation as loss is spread out over the vesting period.

Stock option and bonus share plans are measured based on Gameloft's share price on the day of the Board of Directors meeting that decided on the awarding of those stock options and bonus shares, bearing in mind the period during which the shares will be non-assignable after the acquisition of the awaited rights or dividend. The fair value of these instruments, determined at the grant date, is recognised as an expense in compensation for the equity capital and spread over the period during which the beneficiaries acquire their rights. The evaluation of the expense takes into account the probability of meeting the performance and attendance conditions.

In accordance with IFRS 2, only plans issued after 7 November 2002 and for which vesting had not occurred on 1 January 2005 are measured and recorded as payroll expenses. Prior plans are not measured and not recorded.

The volatility criteria were set by the determination of the historical volatility of the share price over a period commensurate with the term of the option.

The factors taken into account are:

- The risk-free rate, which applies to the yield of a French fungible Treasury bond at 3, 5 or 7 years.
- A yield assumption of the share established by the distribution of dividends.

The method used to value stock options and bonus shares is based on the binomial model.

The bonus shares and stock options allotted are subject to internal and external performance conditions being met by managers. For employees, exercising stock options requires that their employment contract still be in force on the exercise date and throughout the duration of the plans, and for the awarding of bonus shares, the employee's employment contract must be in force and uninterrupted by the company throughout the two-year period following the grant date during which the shares will be non-assignable. This obligation is integrated in the valuation of the option by means of a valuation based on the cost of the financial arrangement corresponding to line-of-credit loans intended to cover the share's absence of liquidity during this period, in accordance with the Conseil National de la Comptabilité (CNC) report of December 2004.

Plans in effect at 31 December 2014:

	2009 Stock Options and Bonus Shares Plan		2010 Stock Options and Bonus Shares Plan	2011 Stock Options and Bonus Shares Plan
Volatility	44% (1)		55% (2)	53.8% (3)
Turnover rate linked to termination from the group	5.5% per year for France 8% per year for the USA – Canada 8% per year for the rest of the world		6% per year for the rest of the world 8% per year for the rest of the world	6% per year for France 8% per year for the rest of the world
Assumptions regarding distributions of dividends	None		None	None
Risk-free rate	Average between the 5-year constant maturity rate and the 7-year constant maturity rate		Average between the 3-year constant maturity rate and the 5-year constant maturity rate	Average between the 3-year constant maturity rate and the 5-year constant maturity rate
	2.95%	2.39% for the bonus shares allotted	1.36%	1.52%

(1) Volatility was determined by using Gameloft's historical share price from April 2004 to April 2009.

(2) Volatility was determined by using Gameloft's historical share price from June 2007 to June 2010.

(3) Volatility was determined by using Gameloft's historical share price from September 2008 to September 2011.

	2012 Stock Options and Bonus Shares Plan	2013 Bonus Shares Plan	2014 Bonus Shares Plan		
Volatility	45.8% (4)	29.5% (5)	29.2% (6)		
Turnover rate linked to termination from the group	6% per year for France 8% per year for the rest of the world	6% per year for France 8% per year for the rest of the world	7.54% per year for France 11.16% per year for the rest of the world		
Assumptions regarding distributions of dividends	None	1.9%	None		
Risk-free rate	Average between the 3-year constant maturity rate and the 5-year constant maturity rate	The 3-year constant maturity rate	2-year constant maturity rate	Average between the 3-year constant maturity rate and the 5-year constant maturity rate	Linear interpolation between 3-year constant maturity rate and the 5-year constant maturity rate
	1.094%	0.61%	0%	0.16%	0.24%

(4) Volatility was determined by using Gameloft's historical share price from July 2008 to July 2012.

(5) Volatility was determined by using Gameloft's historical share price from September 2010 to September 2013.

(6) Volatility was determined by using Gameloft's historical share price from September 2011 to December 2014.

▪ Individual Right to Training (DIF)

The law of 4 May 2004 gives French employees an individual right to training ("droit individuel à la formation" - DIF). This new right entitles them, at their request but with the employer's approval, to take part in training courses.

Each year, based on the agreements applicable at the company, full-time personnel employed under open-ended contracts who have at least one year of seniority at the company acquire a right to 20 hours of training. Employees with one year of seniority as of 7 May 2005 may benefit from this law.

The rights acquired annually may be accumulated over a six-year period, i.e. a maximum of 120 hours.

The total amount of DIF hours accumulated at 31 December 2014 was 4,311 hours.

3.1.5.3.2.13 Trade Payables and Related Accounts

Trade payables and related accounts are valued at the amortised cost.

3.1.5.3.2.14 Revenue

Distribution and sale of games

According to IAS 18-7/18-8, a business that is acting as a principal in a transaction recognises the amounts billed to the end client as revenue. In order to determine if a business is acting as a principal or as an agent, the risks and responsibilities taken by the business to deliver the goods or render the services should be evaluated. In this regard, Gameloft referred to paragraph 21 of the appendix to the IAS 18 standard, in the context of applying IFRS, which provides a list of indicators to determine whether a business is acting as a principal or an agent.

Revenue from mobile game activity is the company's core business, thanks in particular to innovations by long-time telephone manufacturers and the arrival of powerful newcomers. Revenue is determined via information from our distribution network (operators, affiliates, manufacturers, etc.) showing the number of downloads of our games to their various servers and based on the terms of the contract.

Console revenue comes from home console game download services (Xbox LIVE Arcade, 3DS, PS Vita, and PlayStation(R)Network), the latest generation of set-top boxes, and Smart TVs. For this revenue, we use the same accounting method as for mobile game activity.

For every contract signed, Gameloft examines its characteristics in order to determine whether it is appropriate to recognise the net or gross revenue from services rendered by agents:

- Responsibility during the transaction
- Storage risk
- Freedom to determine the price
- Determination of the good's specifications
- Credit risk

On the basis of these criteria, and in accordance with the IAS 18 standard, all revenue is measured at the fair value of the compensation received or that will be received, net of VAT and other taxes.

Services contract

Revenue corresponding to development and publication services carried out for third-party accounts includes licence fees and other remunerations received, which are considered as gains and recognised as revenue as soon as the service is rendered.

The state of progress is determined according to the contracts by milestones certifying its execution in physical terms, or else via the progress of costs budgeted for the contract.

3.1.5.3.2.15 Cost of Sales

Cost of sales includes console game cartridge or disc production costs excluding change in inventory, royalties and costs related to the sale of games based on the various download options.

3.1.5.3.2.16 Operating Income/Expense from Ordinary Activities and Total Operating Income/Expense

Operating income/expense from ordinary activities is defined as all income and expenses not resulting from financial activities, equity-accounted companies, businesses discontinued or being sold and taxes.

Total operating income/expense includes operating income/expense from ordinary activities and other operating income and expenses.

Other operating income and expenses are few in number and correspond to litigation, and very unusual, abnormal and infrequent events of a significant amount.

They are notably included within the definition stated before “Capital gains and losses” and major depreciations and unusual elements of the non-current assets, be they tangible or intangible, related charges to restructuring plans that have been the subject of a formal communication, and other operating expenses and income including provisions related to highly important litigation.

The group believes that the “Operating income/expense from ordinary activities” subtotal presented separately in the income statement makes recurrent operational performance easier to understand and gives users of the financial statements useful information for analysing this performance.

3.1.5.3.2.17 Cost of Financing and Other Financial Income and Expenses

Net financial income/expense consists of the cost of net financial debt and other financial income and expenses.

The cost of net financial debt includes:

- cash and cash equivalents income, which includes gains/losses on disposals of short-term investment securities and interest income;
- the cost of gross financial debt, which includes all interest expense on financing operations.

Other financial income and expenses include gains/losses on disposals of non-consolidated shares, changes in fair value of financial instruments (assets, liabilities and derivatives), foreign exchange gains and losses and other financial income and expenses.

3.1.5.3.2.18 Cash Flow Statement

The cash flow statement is presented according to the indirect method (on the basis of net profit/loss) in accordance with IAS 7.

Cash flows for the fiscal year are broken down into flows generated by operating activities, investment operations and financing activities.

The net impact of changes in reporting entity is presented in a special section on cash flows related to investment operations. Receipts related to different grants are recognised as changes in the operational working capital requirement in correlation with the type of expense they are intended to finance.

The cash assets shown in the cash flow statement include cash, short-term investment securities, cash equivalents and cash credit.

No parent company dividends were paid at 31 December 2014 with regard to 2013 profit.

3.1.5.3.2.19 Related Parties

The group's related parties include companies over which the group exercises control (i.e. the power to guide an entity's financial and operational policies in order to obtain benefits from its activities), joint control or significant influence; shareholders who exercise joint control over the group's joint ventures; minority shareholders who exercise significant influence over the group's subsidiaries; the group's company managers, executives and directors; persons having the authority and responsibility for the planning, management and control of the entity's activities, either directly or indirectly; and companies in which these persons exercise control, joint control or significant influence or hold a significant voting right.

3.1.5.3.2.20 Earnings per Share

The group calculates earnings per share using, on the one hand, net profit and, on the other hand, net profit of the consolidated group before taxes and minority interests.

Basic net earnings per share after dilution are calculated based on the weighted average number of outstanding shares, less the weighted average number of dilutive items.

Calculation of earnings per share after dilution takes into account the potential impact of the exercise of dilutive instruments (such as subscription options and share purchase rights, convertible loans, etc.) of the theoretical number of shares. When funds are raised on the date of the exercise of the rights associated with dilutive instruments, the "buyback" method is used to determine the theoretical number of shares to take into account.

- Basic earnings per share:

This is the ratio of net profit to the weighted average number of outstanding shares.

- Diluted earnings per share:

These earnings are calculated by dividing:

- net profit before dilution plus the after-tax amount of savings in financial costs resulting from the conversion

of the diluting instruments;

- by the average weighted number of outstanding ordinary shares, plus the number of shares that would be created as a result of the conversion of the convertible instruments into shares and the exercise of rights.

	31/12/14	31/12/13
Net profit/loss, group share (€) – A	-6,354,703	7,525,658
Number of weighted ordinary shares – B	84,730,832	82,694,908
Basic earnings per share – C = A/B	-0.075	0.091
Number of weighted ordinary shares after inclusion of potentially diluting instruments – D	87,636,627	86,330,341
Net profit/loss (€) – E	-6,354,703	7,525,658
Net earnings per diluted share – F = E/D	-0.073	0.087
Operating income/expense from ordinary activities (€)	-4,194,925	24,896,830
Operating income/expense from ordinary activities per share	-0.050	0.301
Operating income/expense from ordinary activities per diluted share	-0.048	0.288

The number of diluted shares related to stock options is 909,078 shares and the number of diluted shares related to bonus share plans is 1,996,716 shares.

3.1.5.4 Scope of Consolidation

3.1.5.4.1 Companies Included in the Gameloft Group's Consolidated Financial Statements at 31 December 2014

Only significant entities are presented in the table below. The materiality of an entity is assessed in terms of its contribution to the group's Research & Development costs and to sales figures. Other subsidiaries whose contributions are insignificant are not included in this list.

Company	Country	Acquisition / Creation Date	Activity	Percentage of Interest	Percentage of Control	Consolidation Method
Gameloft SE	France	1999	Distribution/	-	Parent	Full
429 338 130			Production		company	Consolidation
Gameloft Inc.	USA	2000	Distribution/	100.00%	100%	Full
			Production			Consolidation
Gameloft Inc.	Canada	2000	Distribution/	100.00%	100%	Full
Divertissements			Production			Consolidation
Gameloft Ltd.	United Kingdom	2001	Distribution	100.00%	100%	Full
						Consolidation
Gameloft Iberica S.A.	Spain	2001	Distribution/	100.00%	100%	Full
			Production			Consolidation
Gameloft SRL	Italy	2001	Distribution	100.00%	100%	Full
						Consolidation
Gameloft SRL	Romania	2001	Production/	100.00%	100%	Full
			Distribution			Consolidation
Gameloft Software Beijing Ltd.	China	2003	Production/	100.00%	100%	Full
			Distribution			Consolidation
Gameloft KK	Japan	2004	Production/	100.00%	100%	Full
			Distribution			Consolidation
Gameloft Ltd. Vietnam	Vietnam	2004	Production	100.00%	100%	Full
						Consolidation
Gameloft S. de R.L. de C.V.	Mexico	2005	Production/	100.00%	100%	Full
			Distribution			Consolidation
Gameloft Private Ltd.	India	2005	Distribution	100.00%	100%	Full
						Consolidation
Gameloft Co. Ltd.	Korea	2005	Distribution/	100.00%	100%	Full
			Production			Consolidation
Gameloft Argentina	Argentina	2005	Distribution/	100.00%	100%	Full

Gameloft Do Brasil Ltda	Brazil	2007	Production Distribution	100.00%	100%	Consolidation Full
Gameloft Australia Pty Ltd.	Australia	2007	Distribution/ Production	100.00%	100%	Consolidation Full
Gameloft Philippines	Philippines	2009	Production/ Distribution	100.00%	100%	Consolidation Full
Gameloft Software Shenzhen Co. Ltd.	China	2010	Production	100.00%	100%	Consolidation Full
PT Gameloft Indonesia	Indonesia	2010	Production/ Distribution	100.00%	100%	Consolidation Full
Gameloft Toronto	Canada	2011	Production	100.00%	100%	Consolidation Full
Gameloft New Zealand	New Zealand	2012	Production	100.00%	100%	Consolidation Full

The annual balance sheet date for consolidated companies is 31 December.

3.1.5.4.2 Change in Reporting Entity

The consolidation scope used for fiscal year 2014 differs from that of 2013 with the inclusion of four new subsidiaries created during the fiscal year – Gameloft Madrid, Gameloft LLC Russia, Gameloft Oy and Gameloft Uruguay – as well as with the liquidation of Gameloft SRO (Czech Republic) on 22 September 2014.

3.1.5.5 Notes to the Balance Sheet and Income Statement

Balance Sheet

1. INTANGIBLE ASSETS

Intangible assets at 31 December 2014 were as follows:

Assets	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Software	3,725	810	-520	36		96	4,147
Marketed games	29,125	1,350		226			30,700
Advances on licences	30,783	6,021	-2,571			566	34,798
Games in production	224	81		-226			79
Gross Total	63,857	8,262	-3,091	36	-	662	69,724
Amortisation	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Software	3,379	742	-451	8		35	3,712
Marketed games	27,485	1,555					29,040
Advances on licences	23,126	5,468	-2,569			411	26,436
Games in production							
Subtotal	53,990	7,765	-3,020	8	-	446	59,188
Provisions							
Marketed games	319	59	-100	63			340
Games in production	86	48	-69	-63			2
Advances on licences	1,316	802	-399			14	1,733
Subtotal	1,721	909	-568	-		14	2,076
Total of depreciations and amortisations	55,711	8,674	-3,588	8	-	460	61,264
Net intangible assets	8,146						8,460

Development costs are defined as the costs required to develop games that have been completed or are already marketed on new platforms such as consoles (Nintendo DSi, 3DS, Sony's PSN and the PS Vita, Apple's iPad), Smart TVs and set-top boxes (Freebox Revolution, Orange Box and others, Samsung TV, Panasonic, Lenovo) and other platforms (Apple's Mac, Windows 8).

The increase in development costs for completed or marketed games on new platforms such as Smart TVs and set-top boxes was €1,350,000 in fiscal year 2014. Games in production include development costs of games not yet completed as of the balance sheet date. In 2014, the cost of games in production represented €81,000, as well as €226,000 for games marketed during that period. Self-constructed assets are €1,538,000.

The company performs feasibility tests of projects and their marketing. In 2014, Gameloft conducted a review of its current projects. Based on these analyses, the company decided to record as expenses cancelled development in the amount of €108,000.

Advances on licences pertain to licence agreements signed with various automobile manufacturers, golf courses, top-ranked athletes such as Steven Gerrard and Robinho, FIFPro (International Federation of Professional Footballers), the NFL and so on.

In fiscal year 2013, new games were released following the signing of licence agreements, mainly with Marvel for the game *Captain America: The Winter Soldier*; with Spider-Man Merchandising for *The Amazing Spider-*

Man 2; with Disney for *Cars*; with Fox for *Ice Age Adventures*; etc. Also during this period, Gameloft reiterated its desire to work with prestigious partners by renewing licence agreements such as Classic Spider-Man from Marvel. These contracts are a continuation of those from years past, such as:

- *Iron Man 3* (Marvel)
- *Fast & Furious 6* (Universal), a film that came out in May 2013
- *Despicable Me 2* (Universal), a film that came out in June 2013
- *My Little Pony* and *Littlest Pet Shop* (Hasbro)
- Playmobil
- *Men In Black 3* (Sony Pictures), a film that came out in April 2012
- *Ice Age: Continental Drift* (Fox), which also came out in April 2012
- DC Comics for *The Dark Knight Rises*
- films and games released in 2011: *Tintin* (Paramount) in October, *Fast & Furious 5* (Universal) in May, *The Avengers* (Marvel), *Lego Batman* (TT Games), *Unreal* by Epic Games, *Where's Waldo?* (Classic Media), *Harry Potter and the Deathly Hallows* (Warner Bros), *Iron Man 2* and *Spider-Man* (Marvel).

Gameloft also signed licence agreements related to board games, TV series, and game shows such as UNO, *Topa ou Não Topa* (the Brazilian version of Deal or No Deal), and *CSI*.

The increase in amortisation for marketed games and games in development was €1,555,000. The amortisations correspond to an amortisation plan over 18 months of development costs as of the game's release date. Impairment loss tests were conducted on all marketed games and games in development at the end of the period, consequently resulting in a depreciation of €107,000 and a write-up of €169,000.

The increase in amortisation for advances on licences resulted from the rise of sales, which led to an increase in royalties prorated based on the sales of various licensed products in the amount of €5,468,000, a decrease of €2,569,000.

In light of the weak sales outlook for certain licences, an additional amortisation in the amount of €802,000 was recorded at 31 December 2014.

In comparison, intangible assets at 31 December 2013 were as follows:

Assets	At 31/12/12 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/13 (Cumulative)
Software	3,418	774	-234			-233	3,725
Marketed games	27,742	881		502			29,125
Advances on licences	27,513	3,429				-159	30,783
Games in production	824	551	-649	-502			224
Gross Total	59,497	5,635	-884	0		-392	63,857

Amortisation	At 31/12/12 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/13 (Cumulative)
Software	3,054	709	-207			-176	3,379
Marketed games	25,657	1,326		502			27,485
Advances on licences	18,526	4,681				-81	23,126
Games in production	-						
Subtotal	47,237	6,716	-207	502		-257	53,990

Provisions							
Marketed games	756	65		-502			319
Games in production	112		-26				86
Advances on licences	910	472	-66				1,316
Subtotal	1,778	537	-92	-502			1,721

Total of depreciations and amortisations	49,015	7,683	-729	-	-257	55,711
Net intangible assets	10,482					8,146

2. TANGIBLE ASSETS

Tangible assets are as follows:

Assets	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Plant and machinery	4,458	1,641	-1,272	80		283	5,189
Transportation equipment							
Computer equipment and furniture	32,381	11,566	-2,572	4		1,566	42,945
Leased computer equipment	81					4	85
Tangible assets in progress	219	1,796		-402		136	1,749
TOTAL	37,139	15,003	-3,844	-318		1,989	49,968

Amortisation	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Plant and machinery	2,705	718	-1,295	-161		132	2,100
Transportation equipment							
Computer equipment and furniture	17,909	8,871	-2,377	-18		485	24,871
Leased computer equipment	79	1				4	84
Tangible assets in progress	-	41				4	45
Total of depreciations and amortisations	20,694	9,631	-3,672	-178		625	27,100
Net tangible assets	16,445						22,868

The increase in tangible assets was due to:

- the development of different production studios with hiring in 2014 and the replacement of certain equipment;
- the purchase of new dedicated servers for downloading and hosting games;
- the purchase of mobile telephones for the purpose of creating games.

The reductions in computer equipment are related to sales and disposals.

The reductions in general facilities are mainly due to disposals following changes to the trade offices and production studios.

No borrowing costs are added to the costs of the assets.

In comparison, tangible assets were as follows at 31 December 2013:

Assets	At 31/12/12 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/13 (Cumulative)
Plant and machinery	4,695	738	-609		-19	-346	4,458
Transportation equipment							
Computer equipment and furniture	22,117	14,654	-2,334			-2,056	32,381
Leased computer equipment	100		-9			-10	81
Tangible assets in progress		222				-3	219
TOTAL	26,911	15,614	-2,952		-19	-2,415	37,139

Amortisation	At 31/12/12 (Cumulative)	Increases	Decreases	Book Transfer	Change in Reporting Entity	Exchange Differential	At 31/12/13 (Cumulative)
Plant and machinery	2,586	667	-358	3	-13	-180	2,705
Transportation equipment							
Computer equipment and furniture	15,131	5,543	-2,139			-626	17,909
Leased computer equipment	97	1	-9			-10	79
TOTAL	17,813	6,211	-2,506	3	-13	-816	20,694
Net tangible assets	9,098						16,445

3. NON-CURRENT FINANCIAL ASSETS

Assets	At 31/12/13 (Cumulative)	Increases	Decreases	Reclassifications	Change in Reporting Entity	Exchange Differential	At 31/12/14 (Cumulative)
Deposits and guarantees	2,573	1,376	-1,122	-169		170	2,827
TOTAL	2,573	1,376	-1,122	-169		170	2,827

The increases in deposits and guarantees mainly concern Gameloft Korea for €490,000, Gameloft New York for €268,000, Gameloft Beijing for €232,000, Gameloft Australia for €82,000, Gameloft Iberica for €82,000 and Gameloft Madrid for €69,000.

The decreases mainly concern Gameloft Korea for €322,000, Gameloft Beijing for €203,000, Gameloft India for €186,000, Gameloft Iberica for €154,000, Gameloft Japan for €78,000 and Gameloft SE for €61,000.

In comparison, non-current financial assets were as follows at 31 December 2013:

Assets	At 31/12/12 (Cumulative)	Increases	Decreases	Reclassifications	Change in Reporting Entity	Exchange Differential	At 31/12/13 (Cumulative)
Deposits and guarantees	2,397	667	-343			-148	2,573
TOTAL	2,397	667	-343			-148	2,573

4. DEFERRED TAX ASSETS

	31/12/14	31/12/13
Capitalised losses	11,340	9,262
Timing differences	5,116	1,901
TOTAL	16,456	11,163

Deferred tax assets are recorded if they are likely to be recovered, in particular if taxable income is expected during the period in which the deferred tax assets are valid. The forecast period used to determine the amount of taxes on capitalised losses is set at a time horizon of five years, which was deemed by the management to be a reasonable length.

At 31 December 2014, capitalised losses reached €11,340,000, of which €10,828,000 came from Gameloft SE.

Timing differences are mainly related to provisions for accrued expenses and deferred depreciation.

The tax on capitalised and non-capitalised losses among the Group's various subsidiaries was as follows:

€K	31/12/14		31/12/13	
	Capitalised Losses	Non-capitalised Losses	Capitalised Losses	Non-capitalised Losses
Gameloft Hong Kong		349		62
Gameloft Canada				
Gameloft Iberica		76		76
Gameloft Brazil				
Gameloft Australia		55		57
Gameloft SE	10,828	3,872	8,923	
Gameloft Singapore		171		10
Gameloft Divertissements Live			44	
Gameloft Czech Republic				9
Gameloft Toronto	512		270	
Gameloft Ltd. UK		510		562
Gameloft Ltd. Co.		534		505
Gameloft GmbH		642		631
Gameloft Shenzhen		90		63
Gameloft Inc.			26	
Gameloft India		180		148
Gameloft KK		1,685		622
Gameloft Xing Fu		78		65
TOTAL	11,340	8,243	9,262	2,811

The expiration periods of the capitalised tax losses are as follows:

- 20 years: €512,000
- Unlimited: €10,828,000

The expiration due dates of the non-capitalised tax losses are as follows:

- At 5 years: €168,000
- At 8 years: €180,000
- At 9 years: €1,685,000
- At 10 years: €534,000
- At 18 years: €76,000
- At 99 years: €642,000
- Unlimited: €4,957,000

5. OTHER NON-CURRENT RECEIVABLES

	31/12/14	31/12/13
R&D tax credits	3,054	4,170
Other	2	7
TOTAL	3,056	4,177

These research and development tax credits correspond to tax receivables held by the Canadian subsidiaries from 2006 through 2014.

As a result of a legislative change, the receivables for 2006 are chargeable to taxes due for a period of 20 years, like the receivables of the following years.

6. TRADE RECEIVABLES AND RELATED ACCOUNTS

	31/12/14	31/12/13
Trade receivables and related accounts	64,803	63,336
Impairment of accounts receivable and related accounts	-889	-534
Total	63,914	62,802

The average term of payment of the Gameloft Group's customers is 95 days, which represents a slight increase of six days as compared to 2013.

Most trade receivables are due in less than one year and the impact of discounting is not significant and not recorded.

At 1.8%, the net trade receivables item is higher than it was at 31 December 2013.

7. OTHER CURRENT ASSETS

Other assets are as follows:

	31/12/14	31/12/13
VAT	3,866	2,223
Other tax and social security receivables	19,513	14,814
Receivables from suppliers & credits to be received	711	324
Other receivables	447	301
Pre-paid expenses	2,530	2,612
Called-up share capital	-	298
TOTAL	27,067	20,572

Almost all other receivables are payable within a period of less than one year.

Tax receivables in the amount of €19,493,000 are primarily made up of subsidies due to Canadian and American subsidiaries, in the amounts of €15,873,000 (fiscal years 2013 and 2014) and €709,000 (fiscal year 2014).

Social security claims represented €20,000.

8. OTHER CURRENT FINANCIAL ASSETS

	31/12/14	31/12/13
Derivatives from current exchange transactions	191	-
TOTAL	191	-

The other current financial assets are made up of derivatives, for which the market value at closing is positive. They are recorded at fair value (level 2 in the IFRS 7 hierarchy); see note 3.1.6.6.

9. STATUS OF EXPIRED RECEIVABLES

STATUS OF EXPIRED RECEIVABLES	Net amount	0 to 3 months	3 to 6 months	6 months to 1 year	More than 1 year
Receivables on current assets					
Trade receivables and related accounts	63,914	60,062	2,515	917	419
VAT	3,866	2,970	315	435	146
Other tax and social security receivables	19,513	3,322	2,362	5,514	8,315
Receivables from suppliers & credits to be received	711	622	41	-	47
Other receivables	447	126	20	231	71
Pre-paid expenses	2,530	1,788	155	481	107

	90,982	68,891	5,408	7,578	9,104
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The Group depreciates its receivables in accordance with an analysis of their precedence.

10. CASH AND CASH EQUIVALENTS

The “cash and cash equivalents” item includes bank account balances and allocations for €56,264,000 at 31 December 2014 compared to €61,797,000 at 31 December 2013.

The change in net cash breaks down as follows:

Cash Detail	31/12/14	31/12/13
Cash on hand	16,939	28,079
Cash equivalents	39,326	33,718
Gross cash total	56,264	61,797
Bank overdrafts and short-term credit	-3,558	-1,468
Net cash total	52,706	60,329
<i>Cash assets whose use is limited (1)</i>	<i>11,032</i>	<i>6,327</i>

(1) Given the current restrictions in Argentina and Venezuela regarding the repatriation of cash assets and on international payments, the use of available cash at the level of the subsidiary is limited to local payments only.

At 31 December 2014 there was a net financial surplus of €52,706,000, compared to €60,329,000 at 31 December 2013.

The cash assets and cash equivalents items are related to the following countries:

- France in the amount of €16,563,000
- Vietnam in the amount of €11,993,000
- Argentina in the amount of €10,103,000
- Brazil in the amount of €4,899,000
- India in the amount of €4,082,000
- Venezuela for €2,325,000
- Malaysia for €862,000

11. SHAREHOLDERS' EQUITY CAPITAL

Capital

At 31 December 2014, Gameloft SE's share capital consisted of 85,625,097 shares, each with a par value of 0.05 euros, for a total of 4,281,254.85 euros.

In 2014, Gameloft proceeded to increase its share capital through the issuance of stock options and bonus shares, resulting in a share capital increase of €4,300,000, of which €4,205,000 were issue premiums, and a reduction of share capital through the cancellation of its own shares in the amount of €1,609,000, of which €1,594,000 were issue premiums. In fiscal year 2014, the amount collected from share capital increases was €4,598,000.

Each share gives a right to ownership of the corporate assets and liquidating dividend in proportion to the percentage of capital it represents.

A voting right double that granted to other shares, based on the percentage of share capital they represent, is attached to all fully paid-up shares that are proven to be registered in the same shareholder's name for at least two years.

This right is also granted at the time of issue, in case of a share capital increase by capitalisation of reserves, earnings or issue premiums, to registered shares allotted free of charge to a shareholder in exchange for old shares for which this right was enjoyed.

Number of Gameloft SE Shares

	Par Value in €	Number of Shares	Amount in €K
At 31/12/10	0.05	75,082,924	3,754
Exercised options on 11/01/2006	0.05	10,000	0
Exercised options on 03/01/2007	0.05	271,405	14
US options exercised on 03/01/2007	0.05	87,200	4
F options exercised on 03/01/2007	0.05	188,206	9
Exercised options on 11/04/2008	0.05	221,895	11
US options exercised on 11/04/2008	0.05	130,600	7
F options exercised on 11/04/2008	0.05	43,000	2
Exercised options on 14/05/2009	0.05	353,500	18
Allotment of bonus shares on 21/04/2009	0.05	717,250	36
At 31/12/11	0.05	77,105,980	3,855
Exercised options on 03/01/2007	0.05	394,795	20
US options exercised on 03/01/2007	0.05	286,200	14
F options exercised on 03/01/2007	0.05	1,170,794	59
Exercised options on 11/04/2008	0.05	729,165	37
US options exercised on 11/04/2008	0.05	98,200	5
F options exercised on 11/04/2008	0.05	508,255	25
Exercised options on 14/05/2009	0.05	441,885	22
Exercised options on 01/06/2010	0.05	479,750	24
Allotment of bonus shares on 01/06/2010	0.05	603,500	30
At 31/12/12	0.05	81,818,524	4,091
US options exercised on 03/01/2007	0.05	44,600	2
W options exercised on 11/04/2008	0.05	147,550	7
US options exercised on 11/04/2008	0.05	98,800	5
F options exercised on 11/04/2008	0.05	536,145	27
W options exercised on 14/05/2009	0.05	644,078	32
W options exercised on 01/06/2010	0.05	913,000	46
W options exercised on 20/09/2011	0.05	463,000	23
Allotment of bonus shares on 20/09/2011	0.05	480,600	24
Cancellation of own shares	0.05	-1,117,473	-56
At 31/12/13	0.05	84,028,824	4,201
W options exercised on 11/04/2008	0.05	44,500	2
US options exercised on 11/04/2008	0.05	25,300	1
F options exercised on 11/04/2008	0.05	79,800	4
W options exercised on 14/05/2009	0.05	250,550	13
W options exercised on 01/06/2010	0.05	455,000	23
W options exercised on 20/09/2011	0.05	250,000	13
W options exercised on 06/07/2012	0.05	119,000	6
Allotment of bonus shares on 06/07/2012	0.05	672,425	34
Cancellation of own shares	0.05	-300,302	-15
At 31/12/14	0.05	85,625,097	4,281

Stock Options and Bonus Shares

As a reminder, the conditions under which stock options and bonus shares may be exercised are as follows:

Date of the Board of Directors' meeting	11/04/2008	Balance at 31/12/08	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	3,110,250	3,015,000	2,850,600	2,595,350	2,059,465	811,995	128,300	0

Number of shares cancelled:		95,250	259,650	369,950	640,940	650,990	650,990	654,990
Number of people concerned:	199							
of which are managers	4							

Start of exercise period	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010
End of exercise period	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014
Subscription price	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros

Date of the Board of Directors' meeting	11/04/2008	Balance at 31/12/08	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	534,300	525,300	508,200	398,900	244,900	136,100	37,300	0
Number of shares cancelled:		9,000	26,100	41,300	64,700	75,300	75,300	87,300
Number of people concerned:	48							
of which are managers	1							
Start of exercise period	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010
End of exercise period	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014
Subscription price	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros

Date of the Board of Directors' meeting	14/05/2009	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	2,208,500	2,130,900	2,003,800	1,539,800	1,093,990	441,312	190,762
Number of shares cancelled:		77,600	204,700	315,200	319,125	327,725	327,725
Number of people concerned:	189						
of which are managers	2						
Start of exercise period	14/05/2011	14/05/2011	14/05/2011	14/05/2011	14/05/2011	14/05/2011	14/05/2011
End of exercise period	14/05/2015	14/05/2015	14/05/2015	14/05/2015	14/05/2015	14/05/2015	14/05/2015
Subscription price	2.36 euros	2.36 euros	2.36 euros	2.36 euros	2.36 euros	2.36 euros	2.36 euros

Date of the Board of Directors' meeting	01/06/2010	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	2,240,000	2,200,200	2,010,000	1,428,250	473,000	0
Number of shares cancelled:		39,800	230,000	332,000	374,250	392,250
Number of people concerned:	189					
of which are managers	2					
Start of exercise period	01/06/2012	01/06/2012	01/06/2012	01/06/2012	01/06/2012	01/06/2012
End of exercise period	01/06/2014	01/06/2014	01/06/2014	01/06/2014	01/06/2014	01/06/2014
Subscription price	3.82 euros	3.82 euros	3.82 euros	3.82 euros	3.82 euros	3.82 euros

Date of the Board of Directors' meeting	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	2,245,000	2,235,000	2,155,000	1,539,500	1,236,250
Number of shares cancelled:		10,000	90,000	242,500	295,750
Number of people concerned:	170				
of which are managers	2				
Start of exercise period	20/09/2013	20/09/2013	20/09/2013	20/09/2013	20/09/2013
End of exercise period	20/09/2015	20/09/2015	20/09/2015	20/09/2015	20/09/2015
Subscription price	3.87 euros	3.87 euros	3.87 euros	3.87 euros	3.87 euros

Date of the Board of Directors' meeting	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	1,606,000	1,590,900	1,385,400	1,174,400
Number of shares cancelled:		15,100	220,600	312,600
Number of people concerned:	147			
of which are managers	0			

Start of exercise period	06/07/2014	06/07/2014	06/07/2014	06/07/2014
End of exercise period	06/07/2016	06/07/2016	06/07/2016	06/07/2016
Subscription price	4.88 euros	4.88 euros	4.88 euros	4.88 euros

Allotment of Bonus Shares	01/06/2010	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	01/06/2010					
Maturity - vesting period	2 years – 01/06/2012					
End of holding period	2 years – 01/06/2014					
Number of instruments allotted	733,250	729,750	624,750	0	0	0
Number of shares cancelled:	-	3,500	108,500	129,750	129,750	129,750
Number of people concerned:	60					
of which are managers	3					

Allotment of Bonus Shares	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	20/09/2011				
Maturity - vesting period	2 years – 20/09/2013				
End of holding period	2 years – 20/09/2015				
Number of instruments allotted	548,900	527,400	494,300	0	0
Number of shares cancelled:	-	21,500	54,600	68,300	68,300
Number of people concerned:	47				
of which are managers	3				

Allotment of Bonus Shares	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	06/07/2012			
Maturity - vesting period	2 years – 06/07/2014			
End of holding period	2 years – 06/07/2016			
Number of instruments allotted	750,000	745,300	732,500	0
Number of shares cancelled:	-	4,700	17,500	77,575
Number of people concerned:	51			
of which are managers	5			

Allotment of Bonus Shares	19/09/2013	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	19/09/2013		
Maturity - vesting period	3 years – 19/09/2016		
End of holding period	2 years – 19/09/2018		
Number of instruments allotted	1,600,000	1,594,000	1,421,000
Number of shares cancelled:	-	6,000	179,000
Number of people concerned:	180		
of which are managers	5		

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14
Date of the Board of Directors' meeting	16/12/2014	
Maturity - vesting period	2 years – 16/12/2016	
End of holding period	2 years – 16/12/2018	
Number of instruments allotted	845,375	845,375
Number of shares cancelled:	-	-
Number of people concerned:	70	
of which are managers	4	

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14
Date of the Board of Directors'	16/12/2014	
Maturity - vesting period	4 years – 16/12/2018	
End of holding period	4 years – 16/12/2018	
Number of instruments allotted	672,125	672,125
Number of shares cancelled:	-	-
Number of people concerned:	99	
of which are managers	1	

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14
Date of the Board of Directors' meeting	16/12/2014	
Maturity - vesting period	5 years – 16/12/2019	
End of holding period	5 years – 16/12/2019	
Number of instruments allotted	165,000	165,000
Number of shares cancelled:	-	-
Number of people concerned:	1	
of which are managers	0	

The bonus shares allotted, which are subject to performance conditions being met by managers only, are unavailable for four years following the allotment date. Since the shares allotted are ordinary shares and belong to the same category as the old shares that comprise the company's share capital, at the end of the vesting period the shareholder employee receives the dividends and voting rights attached to all his/her shares.

In total, at 31 December 2014, the maximum number of shares that may be created through the exercise of stock options and bonus shares is 2,601,412 and 3,103,500, respectively.

The cancellations recorded during the year are the result either of terminations of recipients prior to the start of the period in which they could exercise their rights, or the expiration of plans under market conditions making it impossible to exercise all the rights.

Since April 2013, Gameloft SE has put in place a share buyback programme and, at the closing date, holds 100,477 of its own shares in the amount of €326,000.

12. PROVISIONS FOR CONTINGENCIES AND CHARGES

Provisions for Contingencies and Charges	At 31/12/13	Allocations for the Year	Write-Backs for the Year	Exchange Differential	At 31/12/14
			used	unused	
Tax risks	-	465		26	491
Other risks	112	9		-4	49
Total	112	474		22	541

As part of its current activities, the Group may be subject to legal proceedings, tax audits or administrative checks, and is subject to regulatory changes in regards to law covering intellectual property, competition and financial issues.

Tax risks:

During fiscal years 2014 and prior, the Group's subsidiaries have been the subject of tax audits, and occasionally correction proposals. The financial consequences of these tax paybacks are recorded as amounts that were notified and approved, or considered as presenting a likely outflow of resources that can be reliably determined.

The Group periodically reviews its assessment of this risk in regards to changes to auditing and disputes, and is of the opinion that no audit in progress will have a significant impact on its financial position or liquidity.

Tax adjustment proceedings, related to taxation in the company and to deductions at source, are in progress with one of the Group's subsidiaries. Given the advanced state of the proceedings, a provision of €732,000, of which €282,000 are provisions for tax receivables, was recorded at the end of 2014, corresponding to the upper range of the estimated risk.

Other risks

In particular, the other risks concern employee litigation in the amount of €50,000.

13. EMPLOYEE BENEFITS

The assumptions made as of 31 December 2014 are as follows:

	France	Philippines	Indonesia	Mexico	Korea
Rate of growth in salaries	5%	6.50%	6%	4.5%	Varies based on age
Basis of calculation	Annual salary	Annual salary	Annual salary	Annual salary	Monthly salary
Specific calculation conditions	-	-	-	-	-
Discount rate	1.50%	6.38%	9%	7%	3.19%
Retirement initiated by the employee	65 years	60 years	55 years	65 years	55 years

The assumption concerning changes in the workforce is based on the prospective life table established by the INSEE for France, and on a turnover rate resulting from statistical observation.

The amount of the provision recorded for the balance sheet corresponds to the value of the current debt related to the defined benefit plans, reduced by the market value of the assets covering these commitments.

Change in Actuarial Debt	Post-employment Benefits	Retirement Indemnities	Gross Commitments
At 31/12/13	275	536	811
Cost of services rendered	168	338	506
Interest charges	17	20	37
Benefits/contributions paid	-207	-138	-345
Actuarial gains/losses	322	186	508
Exchange differentials	-11	74	63
Reclassifications	-51	51	-
At 31/12/14	513	1,064	1,577

Change in Hedge Assets	Post-employment Benefits	Retirement Indemnities	Hedge Assets
At 31/12/13	0	189	189
Cost of services rendered			
Interest charges		10	10
Contributions paid by the employer		163	163
Benefits paid by hedge assets		-57	-57
Actuarial gains/losses		-6	-6
Exchange differentials		18	18
At 31/12/14	0	318	318

The provision for post-employment benefits at 31 December 2014 primarily concerns France for €324,000 and Indonesia for €82,000.

Net commitments for retirement benefits primarily concern the following countries:

- Vietnam for €390,000
- Mexico for €154,000
- Hong Kong for €79,000
- Korea for €123,000

In Korea, the Group has recourse to a hedge asset whose fair value is €318,000 at the end of 2014, and for which the expected return in 2015 is €10,000.

For its main subsidiaries, the Group has established a sensitivity of roughly 0.5% of the discount rate. With a discount rate that varies by more than 0.5%, the sensitivity would have an impact of -€38,000 for France. With a discount rate that varies by less than 0.5%, the sensitivity would have an impact of +€44,000 on the accounts.

14. DEFERRED TAX LIABILITIES

	31/12/14	31/12/13
Subsidies to be received	5,220	3,352
Miscellaneous	36	201
TOTAL	5,256	3,553

The Canadian subsidiaries receive multimedia credits. As these credits are taxable in the year in which they are received but recorded on a fiscal year basis for the year to which they're connected, the company must recognise a deferred tax liability.

15. FINANCIAL DEBTS

The Gameloft Group's financial debts are as follows:

	31/12/14	31/12/13
Other financial debts	1,506	-
Long-term financial debts	1,506	-

	Less than 1 Year	1 Year to 5 Years	More than 5 Years
Amounts still due at 31/12/14	-	1,120	386

Gameloft Divertissements has taken on a loan from a public organization in Canada. It aims to finance the acquisition of servers.

Current financial debts are as follows:

	31/12/14	31/12/13
Bank overdrafts	3,558	1,468
Current financial debts	3,558	1,468

	Less than 1 Year	1 Year to 5 Years	More than 5 Years
Amounts still due at 31/12/14	3,558		

Bank overdrafts are used to fund occasional cash flow shortages.

16. TRADE PAYABLES AND RELATED ACCOUNTS

	31/12/14	31/12/13
Trade payables	26,823	24,684
Trade payables on assets	6,768	4,395
Total	33,591	29,079

Most of the trade payables are due in less than one year. Given this short period, they are not subject to significant interest rate risk.

17. OTHER DEBTS, CURRENT LIABILITIES & OTHER CURRENT FINANCIAL LIABILITIES

Other current debts and liabilities are as follows:

	31/12/14	31/12/13
Customer credit balances and payments received	197	888
Other debts	640	322
Unearned income	1,285	810
Social security liabilities	8,057	8,296
Tax liabilities	7,288	6,272
TOTAL	17,467	16,588

Unearned income is primarily related to advances on subsidies received from the American subsidiary.

Social security liabilities primarily concern Gameloft Divertissements Inc. for €1,642,000, Gameloft SRL Romania for €932,000, Gameloft SE for €916,000, Gameloft Vietnam for €815,000, Gameloft Software Beijing for €670,000, Gameloft Rich Games for €362,000 and Gameloft Inc for €351,000.

The tax liabilities primarily concern Gameloft S. de R.L. de C.V for €1,310,000, Gameloft Inc for €1,289,000, Gameloft Argentina for €1,132,000, Gameloft do Brasil for €507,000, Gameloft Software Beijing for €500,000, Gameloft India for €374,000, Gameloft SE for €285,000 and Gameloft Rich Games for €269,000.

Other current financial liabilities are as follows:

	31/12/14	31/12/13
Other current financial liabilities	93	-
TOTAL	93	-

The other current financial liabilities are made up of financial instruments (swaps and forward sales), for which the market value at closing results in a depreciation in value. They are recorded at fair value (level 2 in the IFRS 7 hierarchy); see note 3.1.6.6.

INCOME STATEMENT

Profit/loss from ordinary activities includes all ordinary activities carried out by Gameloft as part of its business, as well as any related activities undertaken by it that are incidental to or in line with its ordinary activities.

18. REVENUE

The breakdown of revenue by geographic region is as follows:

12-Month Fiscal Year	31/12/2014		31/12/2013	
	€K	%	€K	%
EMEA	74,169	33%	75,317	32%
North America	63,030	28%	64,393	28%
APAC	49,710	22%	44,595	19%
LATAM	40,371	18%	48,991	21%
Total	227,279	100%	233,296	100%

North America represented 28% of annual revenue; the EMEA region, 33%; Asia Pacific, 22%; and Latin America, 18%.

The breakdown of revenue by activity is as follows:

12-Month Fiscal Year	31/12/2014		31/12/2013	
	€K	%	€K	%
Mobile	223,742	98%	228,731	98%
TV	3,537	2%	4,565	2%
Total Revenue	227,279	100%	233,296	100%

On the whole, the consolidated revenue for fiscal year 2014 reached 227.3 million euros. The group's operations were shaped by the tremendous success experienced by Gameloft's games on the smartphone and touch tablet markets, which represent 98% of its total revenue.

19. COST OF SALES

The cost of sales includes commission fees incurred during the download of our games, licence costs related to certain games, as well as the amortisation of licences and the eventual depreciation of licences. They are as follows:

	31/12/14	31/12/13
Expenses related to cost of sales	11,881	11,205
Costs of royalties	22,354	24,248
Depreciation expenses	5,468	4,681
Net provisions for licences	402	406
TOTAL	40,105	40,540

"Expenses related to cost of sales" pertain to all costs related to the sale of games that use the various available download options.

"Costs of royalties" pertain to the sale of licensed games.

Provisions for asset impairment represented €802,000 of licence depreciation, determined based on the profitability of games to recoup the guaranteed amounts before the expiry of various contracts. The write-backs of provisions for licences represented €399,000 for the year.

20. RESEARCH & DEVELOPMENT COSTS

Research & Development costs are as follows:

	31/12/14	31/12/13
Other external charges	18,774	17,835
Self-constructed R&D assets	-1,538	-1,431
Employee compensation	86,586	79,337
Operating subsidy	-8,471	-8,334
Social security charges	18,535	15,189
Taxes	600	828
Amortisation expense on capital assets	5,509	5,617
Net provisions for R&D assets	-63	-391
TOTAL	119,933	108,650

Research & Development costs pertain to the costs related to game development.

At 31 December 2014, R&D included 5,487 employees.

The "employee compensation" and "social security charges" items increased by 11% during the year. The "employee compensation" item also includes payroll expenses related to stock options and bonus issues of shares in the amount of €1,465,000 at 31 December 2014.

The amount of subsidies received in Canada, New Zealand and Argentina is calculated based on Gameloft Canada's, Gameloft New Zealand's and Gameloft Argentina's payroll for R&D department employees. In 2014, the Canadian government reviewed its budgetary policy on subsidies and lowered the rate of salary subsidies from 37.5% to 30%.

Provisions for asset impairment are determined based on the profitability of console games, Smart TV games, or set-top box games already marketed or still in production. At 31 December 2014, provisions represented €107,000 and write-backs of provisions were €170,000, being a net provision of -€63,000 on depreciation of games that have been marketed or are in production, compared to -€391,000 in December 2013.

21. COMMERCIAL EXPENSES

Sales & Marketing costs are as follows:

	31/12/14	31/12/13
Other external charges	17,782	14,786
Employee compensation	19,232	17,743
Operating subsidy	-462	-348
Social security charges	4,063	3,755
Taxes	327	529
Amortisation expense on capital assets	660	487
TOTAL	41,602	36,952

Commercial expenses are made up of all expenses related to the marketing and sale of the company's mobile and console games (marketing, B2B sales teams, B2C, Business Intelligence teams, E-commerce, purchasing advertising space, trade shows, etc.).

At 31 December 2014, the Sales & Marketing department had 776 employees, which marks a 5% increase.

Advertising, marketing and trade show expenses for 2014 totalled €10,591,000 compared to €7,733,000 in 2013. In 2014, these expenses represent 4.66% of revenue, compared with 3.31% in 2013. This increase is related to the Group's strategic policy.

The "employee compensation" and "social security charges" items increased by 8%. The "employee compensation" item also includes payroll expenses related to stock options and bonus issues of shares in the amount of €741,000 at 31 December 2014.

Operating subsidies include multimedia credits granted by the Canadian government for certain types of functions, including the Sales & Marketing function, and subsidies received from the Argentine government. In 2014, the Canadian government reviewed its budgetary policy on subsidies and lowered the rate of salary subsidies from 37.5% to 30%.

22. ADMINISTRATIVE COSTS

Administrative costs are as follows:

	31/12/14	31/12/13
Other external charges	10,374	7,876
Employee compensation	10,611	9,843
Operating subsidy	-751	-933
Social security charges	2,400	1,905
Taxes	527	552
Amortisation expense on capital assets	5,971	2,571
TOTAL	29,132	21,813

Administrative costs are made up of expenses related to the company's accounting, legal, information technology and human resources teams.

At 31 December 2014, the Administrative segment had 454 employees, which was a 4% increase compared to 2013.

The increase in external charges is also related to the implementation and development of Internet network lines in order to facilitate the downloading of our games, constituting a total increase of 32%.

The "employee compensation" and "social security charges" items increased by 11%. The "employee compensation" item also includes payroll expenses related to stock options and bonus issues of shares in the amount of €894,000 at 31 December 2014.

Operating subsidies include multimedia credits granted by the Canadian government for certain types of functions, including the Administrative function, and subsidies received from the Argentine government. These subsidies are recognised in the income statement as soon as the salary expenditures are entered and the calculation is made with respect to each employee in order to determine the percentage of the subsidy. In 2014, the Canadian government reviewed its budgetary policy on subsidies and lowered the rate of salary subsidies from 37.5% to 30%.

The depreciation expenses increase with the growth of the administrative workforce between the two periods being compared and with the purchase of a substantial amount of computer equipment, including several servers for downloading and hosting our games.

Information regarding pensions and similar benefits and share-based payments:

	31/12/14	31/12/13
Pensions and similar benefits	360	449
Share-based payments	3,100	3,519

23. NET AMORTISATION AND PROVISIONS

	31/12/14	31/12/13
Provisions on current assets	483	118
Provisions	369	527
Write-backs of provisions on current assets	-264	-199
Write-backs of provisions	-189	-301
TOTAL	398	146

The allocations and write-backs on depreciations of current assets primarily relate to the recognition of provisions for trade receivables in the amount of €483,000 and write-backs for €248,000.

The provisions and write-backs of provisions include the recognition of retirement commitments and end-of-contract indemnities (€360,000), and a write-back (€123,000), as well as a provision for labour-related lawsuits (€9,000) and a write-back (€67,000).

24. OTHER OPERATING EXPENSES AND INCOME

Other operating income and expenses are as follows:

	31/12/14	31/12/13
Gain/loss on disposal of assets	-122	-396
Other income	679	989
Other expenses	-862	-891
TOTAL	-305	-298

The "gain/loss on disposal" item includes the sale of computer equipment as well as equipment that was disposed.

Other income is largely made up of help from local governments in the amount of €346,000.

The "other expenses" are related to bad debts (€211,000) and the payment of directors' fees (€150,000).

25. OTHER OPERATING INCOME AND EXPENSES

Other operating income and expenses are as follows:

	31/12/14	31/12/13
Net amortisation, depreciation and provisions	-	-296
Other operating expenses	-682	-1,006
TOTAL	-682	-1,302

The other operating expenses are exclusively linked to restructuring costs in the Philippines, Korea and China.

In 2013, other operating expenses consisted largely of restructuring costs related to companies in India and the Philippines.

26. NET FINANCIAL INCOME/EXPENSE

Net financial income/expense breaks down as follows:

	31/12/14	31/12/13
Cost of net financial debt	2,415	2,094
<i>Interest on financing activities</i>	<i>-110</i>	<i>-89</i>
<i>Other financial expenses</i>	<i>-361</i>	<i>-</i>
<i>Income related to cash and cash equivalents</i>	<i>2,886</i>	<i>2,183</i>
Financial income	20,685	7,370

<i>Foreign exchange gains</i>	20,316	7,370
<i>Other financial income</i>	368	-
Financial expense	16,441	16,992
<i>Foreign exchange losses</i>	16,441	16,992
TOTAL	6,658	-7,529

The company has financial debts in euros and Canadian dollars.

"Income related to cash and cash equivalents" is investment income from the various interest-bearing accounts, of which €1,100,000 is in Argentinean investments, €565,000 is in Brazilian investments, and €777,000 is in Vietnamese investments, and €322,000 is in interest-bearing accounts in France.

The "interest on financing activities" item includes the financial expenses (€16,000) related to the short-term loan financed by HSBC in Canada to fund Gameloft Divertissements Inc.'s occasional cash flow shortages.

The net financial income is strongly positive as compared to 2013, following the good standing of certain currencies (the US dollar, the Canadian dollar, the Japanese yen, etc.) as compared to the euro in our underlying foreign exchange and intra-group debt positions, which was partially counterbalanced by the repatriation of cash from Argentina in June and July 2014 (in the amount of €3,320,000) as well as by highly productive financial investments.

27. INCOME TAX

Income tax consists of the following:

	31/12/14	31/12/13
Current tax	11,636	6,858
Deferred tax	-3,500	1,683
Total	8,136	8,541

Current tax mainly concerns the following subsidiaries:

- Gameloft Argentina for €2,247,000
- Gameloft Brazil for €1,332,000
- Gameloft Canada for €1,583,000
- Gameloft SE for €1,744,000
- Gameloft New York for €1,489,000
- Gameloft India for €732,000
- Gameloft Mexico for €800,000

Since 1 January 2009, a tax consolidation agreement between the French companies is in place.

Tax reconciliation:

	31/12/2014	31/12/2013
Pre-tax profit/loss	1,782	16,066
Notional tax expense calculated at the tax rate of the parent company	594	5,355
Effect of tax losses		
Losses used during the fiscal year not previously capitalised	-111	-52
Deferred taxation not recorded in the losses for the period	5,252	936
Effect of differential between tax rates	-1,120	-874
Differences between corporate income and consolidated income	3,522	3,176

<i>of which are share-based payments</i>	851	842
<i>of which are intra-group provisions</i>	22	355
<i>of which are unused deductions at source</i>	1,521	1,482
<i>of which are provisions for tax disputes</i>	732	-
<i>Other differences</i>	-49	497
Actual tax expense	8,136	8,541

The tax difference related to intra-group provisions is the result of write-backs of provisions for non-deductible intra-group debts in the amount of €22,000.

The deductions at source reported by the Group's different subsidiaries are definitively lost once fiscal benefits are not sufficient to absorb them. In 2014, the tax expense related to unused deductions at source totalled €1,521,000.

3.1.5.6 Segment Information

In accordance with IFRS 8 - Operating Segments, the information presented below for the only operating segment is identical to the one presented to the chief operating decision maker (Chief Executive Officer) in order to make decisions regarding the allocation of resources to a segment of the company and to evaluate its performance.

The Gameloft company is organised into three departments: R&D, Sales & Marketing and Administration. Since fiscal year 2006, the tracking of the company's costs has been organised by function; that is to say, in relation to these three departments. These costs per department are detailed at the end of each quarter and allow for the precise tracking of changes in the company's profitability and current strategic priorities. On the other hand, the company is not organised according to market technologies.

- These technologies change so rapidly that organising the company by technological platform would be destabilising and destructive to its value.
- Moreover, each of the three departments works in a cross-disciplinary fashion on all of the technological platforms for which Gameloft markets products. Several R&D, Sales & Marketing and Administration teams are thus regularly called upon to work on cross-disciplinary projects that involve feature phones, smartphones and televisions at the same time. This renders a distinction of costs by technological platform unreliable, indeed simply impossible in most cases.
- Finally, as mentioned last year, it is increasingly difficult to draw a distinction between feature phones and smartphones. Therefore, the company has decided to no longer provide separate information about these two activities as of 2014, in order to follow market changes. Today, Gameloft develops for over 7,000 different smartphone models and 200 different feature phone models. With the arrival of, on one hand, entry-level smartphones by Chinese manufacturers, and on the other, launches of increasingly sophisticated feature phone models, the distinction between feature phones and smartphones is gradually losing its meaning.

However, an analysis by geographic sector can be presented as follows:

€K	Revenue	
	31/12/14	31/12/13
EMEA	74,169	75,317
North America	63,030	64,393
LATAM	40,371	48,991

APAC	49,710	44,595
Total	227,279	233,296

Concerning income from ordinary activities, the company is not in a position to distinguish the origin for significant countries based on information available to telephone operators and manufacturers.

Moreover, as detailed below, Gameloft now has two clients that generate at least 10% of total revenue:

€K	Revenue			
	31/12/14		31/12/13	
	Amount	%	Amount	%
Apple	71,371	31.40%	74,543	31.95%
Google	41,061	18.07%	29,978	12.85%
Total	112,432	49.47%	104,521	44.80%

For the purpose of presenting information by geographic segment, revenue is determined on the basis of the customers' geographic location. Non-current assets are allocated to the segments based on their geographic location.

Non-current assets include intangible assets, tangible assets, non-current financial assets, other non-current receivables and assets being sold or discontinued businesses. Deferred tax assets are excluded in compliance with the standard.

Non-current assets in the countries of origin and by significant countries are as follows:

€K	Non-current Assets	
	31/12/14	31/12/13
Canada	14,638	15,008
France	8,278	5,955
United States	3,490	3,769
China	2,339	1,128
Hong Kong	1,774	61
Spain	1,252	722
Vietnam	899	945
Romania	873	511
Mexico	554	496
Korea	544	413
Indonesia	389	412
Japan	360	267
Other	1,821	1,714
Total	37,211	31,340

3.1.6 Additional Information

1. Off-balance Sheet Commitments

Guarantees given: none

Collateral provided: none

Cash credits: Gameloft Divertissements Inc. received a line of credit for CAD 4,000,000 from HSBC.

Secured credit facilities amounting to CAD 1,000,000 for Gameloft Entertainment Toronto Inc., from HSBC Bank Canada.

Off-balance sheet commitments:

Off-balance sheet commitments related to operating activities	Characteristics		At 31/12/14
	Description	Commitment End Date	
	Business leases		€40,291
Commitments related to the implementation of operating agreements	A commitment from the Government of Ontario in the form of a grant agreement with hiring and spending conditions over 5 years to benefit Gameloft Entertainment Inc. Toronto.		CAD 1,725,000
Guaranteed commitments, mortgages, etc.	Gameloft SE has a liquidity commitment toward HSBC with a deal made by mutual agreement and dated 16 January 2015 for exchange transactions of US dollars against euros.		USD 5.4M
	Gameloft SE has various liquidity commitments toward HSBC with deals made by mutual agreement:		
	* purchase for future delivery of Canadian dollars against the euro	01, 02 and 03 of 2015	€1.5M \$884K, \$707K,
	* purchase for future delivery of Canadian dollars against the US dollar	02, 03 and 04 of 2015	\$2.738M, \$1.897M £480K, £270K,
	* purchase for future delivery of Chinese yuan against the US dollar	January 2015	£235K and £235K
	* forward sale of Pounds sterling against the euro	01, 03, 04 and 05 of 2015	

Discounted bills not due: none

Financial leases: none

Other commitments:

The company's management has made no other firm commitments on future investments.

There are no other significant off-balance sheet commitments.

2. Events subsequent to year's end

At the beginning of 2015, the company decided to close one of its studios in Mexico and Argentina.

No other event is likely to have an impact on the financial statements.

3. Compensation of the group's senior executives

The total gross compensation granted to senior executives in 2014, by both the company and its subsidiaries, was €1,533,000, of which €509,000 was for share-based payments in application of the IFRS 2 standard.

During the fiscal year ended 31 December 2014, Gameloft SE decided to compensate its directors with directors' fees.

	2014	2013
Salaries, charges and misc. benefits	€1,024,000	€1,017,000
Share-based payments	€509,000	€499,000
Total pensions and other post-employment benefits		
Severance pay		
Total compensation	€1,533,000	€1,516,000
Stock options and bonus shares issued during the year	247,500	247,500

4. Loans extended to the group's senior executives

At 31 December 2014, no advance or credit was extended to the group's senior executives pursuant to Article L. 225-43 of the French Commercial Code.

5. Workforce

The workforce at 31 December 2014 breaks down as follows:

a) Breakdown by geographic region:

	31/12/2014	31/12/2013	31/12/2012
EMEA	2,322	1,972	1,430
North America	737	720	641
LATAM	414	468	521
APAC	3,244	3,231	3,629
Total	6,717	6,391	6,221

b) Breakdown by department:

	31/12/2014	31/12/2013	31/12/2012
Administration	454	438	405
Sales & Marketing	776	739	624
Research & Development	5,487	5,214	5,192
Total	6,717	6,391	6,221

c) Average number of employees

	31/12/2014	31/12/2013	31/12/2012
Administration	446	421	368
Sales & Marketing	758	693	581
Research & Development	5,351	5,046	4,892
Total	6,555	6,160	5,841

6. Financial Risks and IFRS 7 – Financial Instruments

Within the framework of its activity, the group may more or less be exposed to risk related to interest rates, liquidity and financing, and foreign exchange, in addition to counterparty and credit risk. The Group has put into place a risk-management policy described below for each risk.

Interest Rate Risk

The group does not rely on credit institutions to finance itself; instead, it uses short- and medium-term financing that charges interest and places its available cash and cash equivalents in investment products bearing fixed interest based on short-term variable rates. In this context, the group is subject to changes in variable rates and assesses this risk on a regular basis.

Liquidity Risks

As part of its operational activity, the group did not amass a recurring or significant debt. Operating cash flows have been sufficient since fiscal year 2009 to self-finance operational activity and organic growth. However, the group may have to increase its debt by using lines of credit to finance developments. The group's cash assets and portfolio of short-term investment securities available for sale enable it to meet its commitments without any liquidity risk.

The group has no significant risk on financial debts and its short-term investment securities (available for sale or cash equivalents). The group's short-term investment security portfolio consists mainly of short-term money

market investments with guaranteed rates and capital. Additionally, the group runs certain liquidity risks associated with commercial activity on an international level, notably risks related to capital and exchange controls, and restrictions imposed on the repatriation of funds.

Foreign Exchange Risk

Given the Group's international presence, it can be subject to fluctuations in exchange rates in the following three cases:

- Concerning its operational activity: sales and operating expenses of the group's subsidiaries are primarily issued in the currency of their country. Nonetheless, certain transactions, such as distribution contracts and the billing of benefits between companies, can be issued in another currency. The operating margin of the subsidiaries in question can then be exposed to fluctuations in exchange rates relative to their functional currency.
- Concerning its financing activity: In applying its risk centralisation policy, the group manages multicurrency financing and cash and cash equivalents;
- During the process of converting into euros its subsidiaries' accounts that were issued in foreign currency: The operating income/expense from ordinary activities can be carried out in currencies other than the euro. Therefore, the exchange rates of foreign currencies can have an impact on the group's income statement. These fluctuations also cause variation in the book value of assets and liabilities denominated in currencies found in the consolidated balance sheet.

Change in exchange rates of the Group's principal currencies:

	31/12/14		31/12/13	
	Average Rate	Closing Rate	Average Rate	Closing Rate
US dollar	1.329	1.214	1.328	1.379
Canadian dollar	1.467	1.406	1.368	1.467
Pound sterling	0.806	0.779	0.849	0.834
Japanese yen	140.377	145.230	129.660	144.720
Argentine peso	10.783	10.3992	7.279	8.984
Mexican peso	17.662	17.868	16.964	18.073
Brazilian real	3.123	3.221	2.867	3.258
Korean won	1,399.030	1,324.800	1,453.856	1,450.93
Australian dollar	1.472	1.483	1.377	1.542

Profit/Loss Risk

Impact on sales figures of the variation in exchange rates during the year:

€K	31/12/14	31/12/13
Argentine peso	-3,700	-3,115
US dollar	-3,123	-1,575
Brazilian real	-764	-1,550
Mexican peso	-343	-26
Indonesian rupiah	-142	-182
Canadian dollar	-99	-108
Ukrainian hryvnia	-75	-
Australian dollar	-69	-85
Indian rupee	-66	-
Venezuelan bolívar	-56	-404
Japanese yen	-50	-454
Malaysian ringgit	-27	-

Chinese yuan	-21	-3
Pound sterling	+90	-118

Balance Sheet Position Risk

The group owns assets, collects revenue and incurs expenses and commitments directly and through subsidiaries in a large number of foreign currencies; however, accounts are presented in euros. Consequently, when financial statements are prepared, values of assets, liabilities, revenue and expenses are converted from other currencies to euros, according to the exchange rates applicable on that date. Therefore, increases and decreases in the value of the euro in relation to these other currencies will affect the value of these elements in financial statements, even if their value has not changed in their original currency.

The Group only protects its positions regarding operating cash flows in the principal important currencies (US dollar, Canadian dollar, Pound sterling). The strategy is to cover a single fiscal year at a time, with the time horizon for coverage not exceeding 12 months.

Derivatives for which the documentation of the hedging relationship does not meet the standards of IAS 39 are not recognised as hedging instruments from an accounting perspective. Coverage agreements are handled by treasury services in France. No coverage has been taken for the subsidiaries, be they French or foreign.

The Group does not work with foreign exchange derivatives evaluated at fair value in its accounts, except through its usual financial institutions. These are top-ranked institutions. In addition, given the seasonal nature of activities, positions that are open on the closing date are limited. In consequence, the debit value adjustment is not deemed significant.

At closing, foreign exchange derivatives' fair value breaks down as follows:

	31 December 2014				31 December 2013			
€K	USD	CAD	GBP	CNY	USD	CAD	GBP	CNY
Swap								
Net foreign currency options								
Foreign exchange derivatives deemed to be coverage								
Swap	87							
Net foreign currency options		2	12	-3				
Foreign exchange derivatives not deemed to be coverage	87	2	12	-3	-	-	-	-

Exposure of operating assets and liabilities in the main currencies:

31/12/14 Currency	Assets (1) (€K)	Liabilities (2) (€K)	Net Exposure before Hedging (€K)	Rate-Hedging Instruments	Net Exposure after Hedging (€K)
Euro	32,439	27,177	5,262	98	5,360
USD	13,772	7,391	6,381	-	6,381
CAD	17,473	3,594	13,879	-	13,879
Argentine peso	3,535	1,401	2,134	-	2,134
Brazilian real	1,669	591	1,078	-	1,078
Mexican peso	3,792	2,246	1,546	-	1,546
Indian rupee	4,530	418	4,112	-	4,112
RON	1,495	1,297	198	-	198

CNY	2,934	1,837	1,097	-	1,097
Pound sterling	1,409	268	1,141	-	1,141
VND	2,793	1,054	1,739	-	1,739
Other currencies	5,140	2,500	2,640	-	2,733
Total	90,981	49,774	41,207	98	41,305

- (1) Operating assets include accounts receivable net of provisions as well as other receivables
(2) Operating liabilities includes supplier debt, tax and social security liabilities, and other debts

The breakdown of financial debts by currency is as follows:

	31/12/14	31/12/13
Euros	256	100
Canadian dollar	3,265	1,365
UAE dirham	-	3
Australian dollar	37	-
Argentine peso	1	-
Financial debts	3,558	1,468

Sensitivity of foreign exchange risks on company investments:

31/12/2014 (in €K)	Impact on Profit/Loss before Tax		Impact on Equity Capital before Taxes	
Investments	Increase of 1%	Decrease of 1%	Increase of 1%	Decrease of 1%
Brazilian real	-1	1	-38	39
Argentine peso	-1	1	-75	77
Malaysian ringgit	0	0	-5	5
Indian rupee	0	0	-27	28
Venezuelan bolívar	0	0	-19	20
Vietnamese dong	-4	4	-101	103
Total	-7	7	-266	271

Counterparty and Credit Risk

Credit risk represents the group's risk of financial loss in the event that a client or a counterparty to a financial asset fails to make its payment.

Given the large number of clients spread across many countries and the profile of its main distribution clients (Apple, Google, Amazon), the company considers the counterparty risk related to clients to be limited.

At 31 December 2014, the amount of past due trade receivables not yet amortised was not significant.

31/12/14					Amount of Past Due Assets Not Amortised				
€K	Note	Book Value	Provision	Net Profit/Loss	Amount of Assets Not Yet Due	0-3 Months	3-6 Months	6 Months - 1 Year	More than One Year
Non-current and current operating financial assets									
Trade receivables	6	64,803	889	63,914		60,062	2,515	917	419
Other current trade receivables	7	27,331	264	27,067		8,829	2,893	6,661	8,685
Other financial assets in									

loans and receivables									
LOANS AND RECEIVABLES									
Other non-current financial assets									
Other current financial assets									
		92,134	1,153	90,982		68,891	5,408	7,578	9,104

Regarding investments, the financial crisis of the last few years has significantly altered the banking landscape and calls for more restraint and dynamic risk management in the Group's investment policy. The vast majority of the Group's cash flow goes through HSBC, known on the market for its financial solidity. All cash assets must remain readily available by limiting risk-taking on capital as much as possible. They tend to be invested in products that have a high degree of safety and very low volatility.

At 31 December 2014, financial investments consisted of interest-bearing accounts.

Risk related to the company's shares

Given its share repurchase policy and the authority given by the General Meeting, the company can end up buying its own shares. Fluctuations in share prices purchased this way have no impact on the group's earnings.

At 31 December 2014, the company held 100,477 of its own shares, valued at €326,000. Own shares are presented as a deduction of equity capital amounting to their cost.

Presentation of financial assets and liabilities by class and accounting category

The following table shows the net book value by category and the fair value of the group's financial instruments (according to the definitions provided by IAS 32) at 31 December 2014 and 31 December 2013:

ASSETS		Fair Value Category	December 2014		December 2013	
Net Book Value in €K	IAS 39 Category		Book Value	Fair Value	Book Value	Fair Value
Non-current financial assets (excluding securities)	Loans and receivables at amortised cost		2,827		2,573	
Non-current financial assets (securities)	Assets available for sale at fair value through equity capital				0	
Other non-current receivables	Loans and receivables at amortised cost		3,056		4,176	
Trade receivables and related accounts	Loans and receivables at amortised cost		63,914		62,802	
Other receivables and accruals	Loans and receivables at amortised cost		27,067		20,572	
Other current financial assets	Financial assets at fair value through profit or loss	Level 2	191	191		
Cash and cash equivalents	Financial assets at fair value through profit or loss	Level 1	56,264	56,264	61,797	61,797

LIABILITIES		Fair Value Category	December 2014		December 2013	
Net Book Value in €K	IAS 39 Category		Book Value	Fair Value	Book Value	Fair Value
Non-current financial debts	Financial liabilities at amortised cost		1,506		0	

Financial debts	Financial liabilities – Fair value through profit or loss	Level 1	3,558	3,558	1,468	1,468
Trade payables	Financial liabilities at amortised cost		33,591		29,079	
Other debts and current liabilities	Financial liabilities at amortised cost		17,467		16,588	
Other current financial liabilities	Financial liabilities – Fair value through profit or loss	Level 2	93	93		

In accordance with the amendment to IFRS 7 – “Financial Instruments: Disclosures”, the following table shows the distribution among the three hierarchy levels for the financial assets and liabilities measured at fair value:

- level 1: for financial assets listed on an active market, fair value corresponds to the listed price;
- level 2: for financial assets not listed on an active market and for which observable market data exists which the group can use to measure their fair value;
- level 3: for financial assets not listed on an active market and for which no observable market data exists to measure their fair value.

As a reminder, the other financial instruments valued at amortised cost are not included in the following table:

Item	31/12/2014			
	Level 1	Level 2	Level 3	Total
Non-current financial assets (securities)				0
Other current financial assets		191		191
Cash and cash equivalents	56,264			56,264
Total assets at fair value	56,264	191		56,455
Other current financial liabilities		93		93
Financial debts	3,558			3,558
Total liabilities at fair value	3,558	93		3,651

Item	31/12/2013			
	Level 1	Level 2	Level 3	Total
Non-current financial assets (securities)				0
Cash and cash equivalents	61,797			61,797
Total assets at fair value	61,797			61,797
Financial debts	1,468			1,468
Total liabilities at fair value	1,468	0	0	1,468

7. Information regarding related parties

In accordance with IAS 24, transactions carried out with companies owned and controlled by common senior executives and transactions carried out with subsidiaries not included in the group's consolidated financial statements are considered transactions with related parties.

In application of the IAS 24.16 standard, presented below are the details of the total compensation and benefits of any kind issued to company managers during the fiscal year.

I. Compensation and Benefits of Any Kind Earned by Executive Directors

The compensation of the executive directors consists of fixed compensation. The executive directors do not receive variable compensation. They may be granted stock options and bonus shares. The total is determined by the Board of Directors on the recommendation of the Compensation Committee. As of 2009, stock options and performance shares granted to the executive directors are subject to performance conditions.

The total gross compensation issued during the fiscal year by the company, controlled companies as defined by IAS 24.16, and by the controlling company where they exercise their mandate, was €1,533,000, of which €754,000 was issued by Gameloft SE.

Amounts in Euros		Michel Guillemot	Claude Guillemot	G�rard Guillemot	Yves Guillemot	Christian Guillemot	TOTAL Compensation for 2014
Gameloft SE	Gross Fixed Compensation	60,000	31,248		31,248	31,248	153,744
	Directors' Fees	25,000	25,000		25,000	25,000	100,000
	Share-Based Payments	343,007	41,218	42,701	41,218	41,218	509,362
Gameloft Inc.	Gross Fixed Compensation			36,500			36,500
	Directors' Fees			24,161			24,161
Gameloft Ltd.	Gross Fixed Compensation	219,612					219,612
Gameloft HK	Gross Fixed Compensation	240,113					240,113
Gameloft PTE	Gross Fixed Compensation	249,690					249,690
Total		1,137,422	97,466	103,362	97,466	97,466	1,533,182

For 2014, the total gross compensation issued to the executive directors, and for which a provision was set up, reached 1,533,182 euros.

II. Bonus issues of shares

BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS BY THE COMPANY DURING THE FISCAL YEAR						
Name of Executive Director	Plan Date	Number of Shares	Date of Acquisition	Option Fair Value	Date of Availability	Performance conditions
Michel Guillemot	16/12/2014	165,000	16/12/2016	�2.07	16/12/2018	Internal performance conditions
Yves Guillemot	16/12/2014	20,625	16/12/2016	�2.15	16/12/2018	Internal performance conditions
Christian Guillemot	16/12/2014	20,625	16/12/2016	�2.15	16/12/2018	Internal performance conditions
G�rard Guillemot	16/12/2014	20,625	16/12/2018	�2.24	16/12/2018	Internal performance conditions
Claude Guillemot	16/12/2014	20,625	16/12/2016	�2.15	16/12/2018	Internal performance conditions
TOTAL		247,500				

III. Compensation and Benefits Due to Termination of the Duties of the Company's Managers

Executive Directors	Employment Contract		Supplemental Retirement Plan		Indemnities or Benefits Owed or Potentially Owed as a Result of the Termination or Change in Duties		Indemnities under a Non-compete Clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Michel Guillemot		X		X		X		X
Christian Guillemot		X		X		X		X
Yves Guillemot		X		X		X		X
Claude Guillemot		X		X		X		X
G�rard Guillemot		X		X		X		X

No commitment has been made in favour of the members of the Board of Directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties.

IV. Transactions carried out with companies owned by common senior executives:

a) With Ubisoft Group:

Operating expenses:

Re-invoicing of services provided by Ubisoft Nordics on behalf of Gameloft SE for €154,000, and by Ubisoft EMEA on behalf of Gameloft SE for €3,000.

Re-billing of services rendered by Ubisoft Divertissements on behalf of Gameloft Divertissements Inc. for €22,000.

Royalties under a licence agreement with Ubisoft Entertainment by which Gameloft SE is authorised to use their brand reached €574,000 for 2014, compared to €1,147,000 for 2013.

Operating income:

Re-billing of services provided by Gameloft SE on behalf of Ubisoft Entertainment for €106,000 in 2014 compared to €142,000 in 2013.

b) With AMA:

Transactions relate to re-invoicing of royalties for the marketing of games produced by AMA in the amount of €685,000 in 2014, compared to €451,000 in 2013.

	31/12/14	31/12/13
Assets (in €K)		
Equity capital holdings		
Trade receivables and related accounts	-	192
Debts (in €K)		
Trade payables and related accounts	672	1,091
Customer credit balances		
Operating profit/loss (in €K)	-1,332	-1,750
Operating income	106	198
Operating expenses	-1,438	-1,948

8. Market risk

Interest rate risk: Since Gameloft SE's debts are at a fixed rate, except for occasional cash flow needs, its income is not impacted by rate variations.

Foreign exchange risk: Gameloft has not implemented a foreign currency hedging system.

9. Auditors' fees

The table below lists the fees of Gameloft's Auditors for services provided in 2014.

	Audit AMLD				MAZARS			
	Amount		%		Amount		%	
	2013	2014	2013	2014	2013	2014	2013	2014
Audit €K								
Audit and certification of								

year-end and consolidated financial statements								
• Issuer	110	115	93.1%	92.5%	110	115	44.9%	31.1%
• Fully consolidated subsidiaries	7.5	9.3	6.9%	7.5%	120	234.1	49.0%	63.3%
Other work and services directly related to the Auditors' duties								
• Issuer					15	16.8	6.1%	4.5%
• Fully consolidated subsidiaries								
Subtotal	117.5	124.3	100%	100%	245	370.1	100%	100%
Other services provided by the networks to fully consolidated subsidiaries								
Legal, fiscal, social								
Others (specify if >10% higher than audit fees)								
Subtotal								
TOTAL	117.5	124.3	100%	100%	245	370.1	100%	100%

3.1.7 Auditors' Report on the Consolidated Financial Statements

Dear Shareholders,

In performing the duties entrusted to us by your General Meeting, we present to you our report for the fiscal year ended 31 December 2014 regarding:

- the audit of the consolidated financial statements of Gameloft SE, as attached to this report;
- the basis for our assessments;
- the specific verification required by law.

The consolidated financial statements were approved by the Board of Directors. It is our task, on the basis of our audit, to express an opinion on these financial statements.

I - Opinion regarding the consolidated financial statements

We have conducted our audit in accordance with the standards of professional practice applicable in France. These standards require the use of due diligence to provide reasonable assurance that the consolidated financial statements do not contain any significant misstatements. An audit consists of verifying, through audit testing or other selection methods, the elements justifying the amounts and information contained in the consolidated financial statements. It also entails assessing the accounting principles applied, the significant estimates used and the overall presentation of the financial statements. We deem that the information we have collected is sufficient and appropriate to form our opinion.

We certify that the consolidated financial statements are, from the standpoint of IFRS standards as adopted in the European Union, true and in good order and fairly present the assets, financial situation and profits of the group comprised of the persons and entities included in the consolidation scope.

Without calling into question the opinion expressed above, we draw your attention to Paragraph 4 of note 3.1.5.2 "Highlights", which details the economic situation in Argentina, notably the impact of the difference between the use of the official and unofficial exchange rates on the principle aggregates of Gameloft's Argentina subsidiary in the Group's consolidated accounts.

II - Basis for the assessments

Pursuant to Article L 823-9 of the French Commercial Code in regard to the basis for our assessments, we wish to bring the following points to your attention:

- As indicated in note 3.1.5.3.2.1 and paragraph 1 of note 3.1.5.5 of the consolidated accounts, the intangible assets include development costs of games that have been marketed or are in production, and of licences. Impairment tests are conducted on these intangible assets at the time of each closing. We have assessed the capitalisation of development costs and licences, verified the implementation methods of the impairment tests, and assessed the reasonableness of the forecasts and assumptions in use. We also verified that the financial statements provided appropriate information.

- As specified in paragraph 4, "Deferred tax assets", of note 3.1.5.5 of the consolidated accounts, your company records deferred tax assets as losses carried forward if taxable income is expected during the period in which the deferred tax assets are valid. We have assessed the reasonableness of estimates used and verified that the financial statements provided appropriate information.
- As detailed in paragraph 12, "Provisions for Contingencies and Charges", of note 3.1.5.5, provisions were taken to cover risks and claims, and are recorded in accordance with the Group's regulations and accounting methods. Based on the elements available to date, we examined the conditions used to determine provisions for litigation and claims and have verified that the financial statements provide appropriate information.

Our assessments were made within the context of our audit of the consolidated financial statements as a whole, and have thus contributed to our opinion expressed in the first part of this report.

III - Specific verification

In accordance with the standards of professional practice applicable in France, we have also conducted the specific verification required by law of the information provided regarding the Group, which is provided in the Group's management report.

We have no comments regarding the truthfulness and consistency of the information with the consolidated financial statements.

Courbevoie and Rennes, 23 April 2015

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulois

3.2 Financial Statements at 31 December 2014

3.2.1 Balance Sheet at 31 December 2014 (€K) (12-Month Fiscal Year)

ASSETS	Notes	31/12/14	31/12/14	31/12/14	31/12/13
		Gross €K	Amort./Dep. €K	12-Month Fiscal Year Net €K	12-Month Fiscal Year Net €K
Intangible assets	3.2.3.5.1	63,164	56,304	6,859	4,455
Tangible assets	3.2.3.5.2	7,232	6,092	1,140	1,160
Financial assets	3.2.3.5.3	13,614	2,782	10,832	11,972
Long-term assets		84,010	65,179	18,831	17,587
Trade receivables and related accounts	3.2.3.5.4	137,238	4,618	132,620	127,570
Other receivables	3.2.3.5.5	71,835	1,956	69,878	44,240
Cash on hand	3.2.3.5.9	16,808		16,808	21,674
Current assets		225,881	6,574	219,306	193,484
Accruals	3.2.3.5.10	7,027	-	7,027	8,732
Total assets		316,917	71,753	245,163	219,803

LIABILITIES	Notes	31/12/14	31/12/13
		12-Month Fiscal Year €K	12-Month Fiscal Year €K
Share capital		4,281	4,201
Issue and merger premiums		91,165	88,553
Reserves		4,395	-5,046
Fiscal year profit/loss		-23,164	9,441
Shareholders' equity capital	3.2.3.5.11	76,677	97,150
Provisions for contingencies and charges	3.2.3.5.14	6,465	7,760
Misc. financial debts (1)	3.2.3.5.15	871	726
Trade payables and related accounts	3.2.3.5.16	136,340	104,307
Tax and social security liabilities	3.2.3.5.17	1,201	1,428
Debts on assets	3.2.3.5.18	5,467	3,239
Other debts	3.2.3.5.19	14,221	3,272
Total debts		158,100	112,973
Accruals	3.2.3.5.20	3,921	1,920
Total Liabilities		245,163	219,803
(1) Debts of group current accounts		628	628

3.2.2 Income Statement at 31 December 2014 (€K)

	Notes	12-Month Fiscal Year Ended 31/12/14	12-Month Fiscal Year Ended 31/12/13
Output sold during the fiscal year	3.2.3.5.21	183,552	194,854
Self-constructed assets during the fiscal year	3.2.3.5.21	1,538	1,431
Other operating income and transfers of expenses	3.2.3.5.22	<u>1,803</u>	<u>2,664</u>
Total operating income		186,893	198,949
Purchases and other supplies	3.2.3.5.23	151,457	128,229
Other operating purchases and external charges	3.2.3.5.24	44,496	43,468
Taxes		448	1,369
Personnel expenses	3.2.3.5.25	5,128	5,603
Other expenses		2,019	1,196
Depreciation and provisions	3.2.3.5.26	<u>9,314</u>	<u>7,391</u>
Total operating expense		212,862	187,256
Operating Profit/Loss		-25,969	11,693
Income from other securities and receivables from long-term assets (1)		4,061	5,928
Other interest and similar income (1)		1,019	783
Write-backs of provisions (1)		7,919	3,639
Foreign exchange gains		<u>4,943</u>	<u>4,187</u>
Total financial income		17,942	14,538
Provisions (2)		8,754	7,960
Other interest and similar expenses (2)		362	2
Foreign exchange losses		<u>5,643</u>	<u>8,524</u>
Total financial expense		14,759	16,485
Net financial income/expense	3.2.3.5.27	3,183	-1,948
Profit/loss from ordinary activities		-22,786	9,745
Extraordinary profit/loss	3.2.3.5.28	-11	-167
Pre-tax profit/loss		-22,797	9,578
Income tax	3.2.3.5.29	-367	-137
Net fiscal year profit/loss		-23,164	9,441
(1) Income concerning affiliates:		4,768	6,544
(2) Expenses concerning affiliates:		2,532	421

3.2.3 Notes to Individual Financial Statements

The following notes and tables, presented in thousands of euros, are an integral part of the year-end financial statements for the year ended 31 December 2014 and constitute the appendix to the balance sheet before distribution of earnings, the total of which is €245.2 million, showing a profit of €23.2 million. The fiscal year is 12 months long and covers the period from 1 January 2014 to 31 December 2014.

3.2.3.1 Highlights of the Fiscal Year

- Creation and capital increase of the subsidiaries:

Four new subsidiaries were created during fiscal year 2014: in Helsinki, Finland (Gameloft Oy); Uruguay (Gameloft Uruguay SA); Madrid, Spain (Gameloft Madrid S.L.U.); and Moscow, Russia (Gameloft LLC).

Gameloft SRO, in the Czech Republic, was liquidated on 22 September 2014.

- Increase and decrease of share capital:

Gameloft saw an increase of share capital through the issuance of stock options and bonus shares in the amount of €4,300,000, of which €4,205,000 were issue premiums, and a reduction of share capital through the cancellation of its own shares in the amount of €1,609,000. The share capital reached 4,281,000 euros at the end of December 2014.

3.2.3.2 Comparability of Accounts and Change in Estimate

No reclassification was made on the individual financial statements of 31 December 2014.

3.2.3.3 Accounting Principles

General accounting rules were applied while respecting the conservatism principle in accordance with the basic rules below:

- continuity of operation;
- consistency of accounting methods from one fiscal year to the next;
- faithful representation, consistency, and truthfulness;
- time period concept;

and in accordance with the general rules regarding the preparation and presentation of year-end financial statements.

The basic method used to determine the value of booked items is the historical cost method.

The accounting methods used conform to industry practices, and no future change in method is planned at this time.

Gameloft SE's year-end financial statements were established in accordance with the General Chart of Accounts and respects the legal and regulatory texts in force in France; Regulation 2000-06 regarding liabilities, adopted by the French Accounting Regulations Committee (CRC); Regulation R 2002-10 regarding assets, applicable since 1 January 2003; and Regulation CRC 2004-06 regarding the definition, recognition and valuation of assets.

Gameloft SE applies the benchmark treatment of recognising as assets the development costs of its games on new platforms such as Apple's Mac, Smart TVs and the new generation of set-top boxes.

Gameloft SE is the parent company of the consolidated group.

3.2.3.4 Accounting Rules and Methods

3.2.3.4.1 Intangible Assets

- Brands

Brands acquired by the company are valued at the end of each year based on their contribution to commercial activity. This contribution is measured using criteria such as presence among the top-selling brands in the market and revenue likely to be generated in the future.

At year's end, if their valuation is less than their book value, a provision for impairment is recorded.

Expenses related to brands created in-house are recognised as expenses, as are expenses incurred to renew their protection.

These costs are measured based on the acquisition cost if acquired from a third party, and based on production costs if internally generated.

- Development costs:

Gameloft draws a distinction between two types of activity in order to recognise its development costs:

- For console games, PC games and TV games:

Under French standards, the conditions for capitalising commercial software are as follows:

According to the General Chart of Accounts (PCG Art. 311-3.2), all the following criteria must be met:

- 1) Technical feasibility needed to complete the intangible asset for its use or sale;
- 2) The intention to complete the intangible asset and to use or sell it;
- 3) The ability to use or sell the intangible asset;
- 4) The asset's ability to generate probable future economic benefits;
- 5) The availability of the appropriate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- 6) The ability to reliably measure the costs attributable to the intangible asset during its development.

Development costs that do not meet these criteria are recorded as expenses during the fiscal year in which they were incurred.

These costs are measured based on direct salary costs plus social security charges and operating costs, such as committed costs.

Development costs are first recognised as intangible assets in progress over the course of development. They are then transferred to the "other intangible assets" account when the game is marketed.

These costs are amortised over 18 months on a straight-line basis once the product is released on the market. Technical feasibility is determined on a product-by-product basis. At the end of the fiscal year, and for each software product, a value test is performed and the amount not yet amortised is compared to future sales forecasts. If these sales forecasts are insufficient, additional depreciation is applied accordingly.

The company does not conduct basic research.

- On mobile phones and tablets:

For mobile phone games, Gameloft currently records development costs as expenses at the time they are incurred.

Each year, the company develops and places on the sites of various operators, manufacturers, and digital distribution platforms thousands of versions of its games in order to cover the more than 200 different models of feature phones, 7,000 models of smartphones, and 16 languages supported by the company. Given this extreme fragmentation and the more general nature of sales-related information received from distribution partners, Gameloft is not in a position to reliably calculate the development costs of different versions of its mobile phone games and the future economic benefits of each of these versions. On this basis, the group does not meet all the capitalisation criteria set out in Article 311-3.2 of the General Chart of Accounts; expenses are recognised as expenses.

- Licences

Licences cover distribution and reproduction rights acquired from third-party publishers. The signing of licence agreements results in the payment of guaranteed amounts. These amounts are recognised in an “advances on licences” account. All commitments (guaranteed amounts stipulated in the contract) are recognised in the accounts.

These advances are reduced based on the amount of royalties due in connection with sales or are amortised on a straight-line basis for flat fees.

At the end of the fiscal year, the net book value is compared to the future sales forecasts to which the terms of the contract are applied. If these sales forecasts are insufficient, additional depreciation is then applied accordingly.

- Office Software

Office software is amortised over 12 months on a straight-line basis.

3.2.3.4.2 Tangible Assets

Expenses related to tangible assets are recorded as assets at their acquisition cost when the following criteria are met:

- It is probable that future economic benefits are associated with this asset;
- The acquisition cost can be reliably measured.

These are recorded at their historical cost.

Long-term assets must be identifiable, and be used over a period of time. Assets are shown on the balance sheet at their acquisition cost less cash discounts and any investment subsidies granted. Given the types of assets owned, no component separate from the principal assets has been identified. The company regards the practical life of the assets as their useful life.

The following depreciation rates are applied:

- | | |
|-------------------------------------|--------------------------------------|
| - Fixtures and facilities: | 5 years (straight-line method) |
| - Transportation equipment: | 5 years (straight-line method) |
| - Computer and telephone equipment: | 2 and 3 years (straight-line method) |
| - Furniture: | 10 years (straight-line method) |

The residual values and useful lives of the assets are reviewed and, where applicable, adjusted annually or when operating conditions are subject to long-term changes.

3.2.3.4.3 Financial Assets

Equity capital holdings are recorded at their historical cost, exclusive of incidental expenses.

If this value is less than the value in use, a provision for impairment is set up to cover the difference. A provision for current accounts and loans is set up in the case of a net negative share position. In addition, a provision for trade receivables and/or contingencies is set up for the surplus of a residual net negative share position.

The value in use takes into account the share of equity capital that the securities represent, adjusted to reflect the potential for development and income for the distribution and production subsidiaries.

Unaffected own shares are recorded as financial assets and priced according to the General Chart of Accounts' rules on the matter.

3.2.3.4.4 Trade Receivables and Revenue

Trade receivables are measured at their face value. Where applicable, receivables are depreciated through a provision for impairment based on the likelihood of their collection at the balance sheet date.

The recognition of revenue is measured according to the nature of the service conducted:

Distribution and sale of games

For every contract signed, Gameloft examines its characteristics in order to determine whether it is appropriate to recognise the net or gross revenue from services rendered by agents:

- Responsibility during the transaction
- Storage risk
- Freedom to determine the price
- Determination of the good's specifications
- Credit risk

On the basis of these criteria, all revenue is measured at the fair value of the compensation received or that will be received, net of VAT and other taxes.

Services contract

Revenue corresponding to development and publication services carried out for third-party accounts includes licence fees and other remunerations received, which are considered as gains and recognised as revenue as soon as the service is rendered.

The state of progress is determined according to the contracts by milestones certifying its execution in physical terms, or else via the progress of costs budgeted for the contract.

3.2.3.4.5 Transactions in Foreign Currencies

Income and expenses in foreign currencies are recognised on the basis of monthly exchange rates.

Receivables, debts and cash assets in foreign currencies are converted to euros at the rate in effect on 31 December 2014. Unrealised gains and losses on long-term receivables and debts are reported on the balance sheet as translation gains and losses. A provision for foreign exchange losses is set up for unrealised unhedged losses.

Translation gains and losses on cash assets and current accounts in foreign currencies are recognised immediately as foreign exchange income/expense.

3.2.3.4.6 Other Receivables

These are primarily current account advances made to the group's subsidiaries. A provision is set up for these advances if the subsidiary's re-valued net position, reduced to the percentage owned, becomes negative. The provision would then be equal to the negative amount obtained.

3.2.3.4.7 Cash on Hand

Cash on hand consists of bank account balances and term deposits that can be released at any time.

3.2.3.4.8 Provisions for Contingencies and Charges

A provision is recorded when:

- the company has a present obligation (legal or constructive) resulting from a past event;
- it is probable that an outflow of resources representing economic benefits will be needed to settle the obligation;
- the amount of the obligation can be measured reliably.

If these conditions are not met, no provision is recorded.

At 31 December 2014, provisions for contingencies and charges concern:

- foreign exchange risk related to the discounting of receivables and debts denominated in foreign currencies;
- Foreign exchange risk related to the discounting of underlying cash asset positions;
- provisions for retirement benefits.

An actuarial calculation called a "projected unit credit method" has been used to measure the employer's future obligations. This method entails determining the value of each employee's probable and discounted future benefits at the time of his/her retirement. The provision is recognised according to the recommendations of ANC 2013-02.

The assumptions made as of 31 December 2014 are as follows:

	France
Rate of growth in salaries	5%
Discount rate	1.5%
Retirement initiated by the employee	65 years

The assumption concerning changes in the workforce is based on the prospective life table established by the INSEE, TG 2005, and on a turnover rate resulting from statistical observation.

3.2.3.4.9 Extraordinary Profit/Loss

Extraordinary income and expenses include extraordinary items and items which, by their nature, are considered extraordinary by accounting law (sale of assets, loss or gain on sales of treasury shares, etc.).

3.2.3.4.10 *Crédit d'impôt pour la compétitivité et l'emploi*

The *crédit d'impôt pour la compétitivité et l'emploi* (CICE) is recognised as a reduction of personnel expenses in the amount of €15,000 during the fiscal year ended 31 December 2014.

3.2.3.5 Notes to the Balance Sheet and Income Statement

Balance Sheet

1. Intangible assets

Intangible assets are as follows:

Assets

	At 31/12/13					At 31/12/14
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	527	96				623
Brands	1,829					1,829
Development costs	29,125	1,350		226		30,700
Development costs in progress	224	188	-107	-226		79
Advances on licences	26,934	5,570	-2,571			29,933
TOTAL	58,639	7,204	-2,678	-		63,164

Amortisation and provisions

Amortisation	At 31/12/13					At 31/12/14
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	466	98				564
Development costs	27,485	1,455		100		29,040
Advances on licences	22,683	2,751	-2,569		94	22,959
Subtotal	50,634	4,304	-2,569	100	94	52,563

Provisions	At 31/12/13					At 31/12/14
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Brands	1,829					1,829
Development costs	405	107	-69	-100		342
Advances on licences	1,316	651	-399			1,568
Subtotal	3,550	758	-468	-100	-	3,740
TOTAL	54,184	5,062	-3,037	-	94	56,304
Net intangible assets	4,455					6,859

Development costs are defined as the costs required to develop games that have been completed or are already marketed on new platforms such as consoles (Nintendo DSi, 3DS, Sony's PSN and the PS Vita, Apple's iPad), Smart TVs and set-top boxes (Freebox Revolution, Orange Box, Samsung TV, Panasonic, Lenovo) and other platforms (Apple's Mac, Windows 8).

The increase in development costs for completed or marketed games on new platforms such as Smart TVs and set-top boxes was €1,350,000 in fiscal year 2014.

Games in production include development costs of games not yet completed as of the balance sheet date, and this year there was an increase of €188,000, as well as €226,000 for games marketed during the period.

The company performs feasibility tests of projects and their marketing. In 2014, Gameloft conducted a review of its current projects. Based on these analyses, the company decided to record as expenses cancelled development in the amount of €108,000.

Advances on licences pertain to licence agreements signed with various automobile manufacturers, golf courses, top-ranked athletes such as Steven Gerrard and Robinho, FIFPro (International Federation of Professional Footballers), the NFL and so on.

In fiscal year 2013, new games were released following the signing of licence agreements, mainly with Marvel for the game *Captain America: The Winter Soldier*; with Spider-Man Merchandising for *The Amazing Spider-Man 2*; with Fox for *Ice Age Adventures*; etc. Also during this period, Gameloft reiterated its desire to work with prestigious partners by renewing licence agreements such as Classic Spider-Man from Marvel. These contracts are a continuation of those from years past, such as:

- *Iron Man 3* (Marvel)
- *Fast & Furious 6* (Universal), a film that came out in May 2013
- *Despicable Me 2* (Universal), a film that came out in June 2013
- *My Little Pony* and *Littlest Pet Shop* (Hasbro)
- Playmobil
- *Men In Black 3* (Sony Pictures), a film that came out in April 2012
- *Ice Age: Continental Drift* (Fox), which also came out in April 2012
- DC Comics for *The Dark Knight Rises*
- films and games released in 2011: *Tintin* (Paramount) in October, *Fast & Furious 5* (Universal) in May, *The Avengers* (Marvel), *Lego Batman* (TT Games), *Unreal* by Epic Games, *Where's Waldo?* (Classic Media), *Harry Potter and the Deathly Hallows* (Warner Bros), *Iron Man 2* and *Spider-Man* (Marvel).

Gameloft also signed licence agreements related to board games, TV series, and game shows such as *UNO*, *Topa ou Não Topa* (the Brazilian version of Deal or No Deal), and *CSI*.

The increase in amortisations for marketed games and games in development is €1,555,000. The amortisations correspond to an amortisation plan over 18 months of development costs as of the game's release date. Impairment loss tests were conducted on all marketed games and games in development at the end of the period, consequently resulting in a depreciation of €107,000 and a write-up of €169,000.

The increase in amortisation for advances on licences resulted from the rise of sales, which led to an increase in royalties prorated based on the sales of various licensed products in the amount of €2,751,000, and a decrease of €2,569,000.

In light of the weak sales outlook for certain licences, an additional amortisation in the amount of €651,000 was recorded at 31 December 2014.

As a reminder, intangible assets were as follows at 31 December 2013:

Assets

	At 31/12/12					At 31/12/13
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	438	89				527
Brands	1,829					1,829
Development costs	27,742	881		502		29,125
Development costs in progress	824	551	-649	-502		224
Advances on licences	25,822	1,112				26,934
TOTAL	56,655	2,633	-649	-	-	58,639
Amortisation and provisions						
	At 31/12/12					At 31/12/13
	Gross	Increases	Decreases	Book Transfer	Exchange Differential	Gross
Software	353	113				466
Development costs	25,657	1,326		502		27,485
Advances on licences	18,402	4,344			-63	22,683
Subtotal	44,412	5,783		502	-63	50,634

Provisions	At 31/12/12 Gross	Increases	Decreases	Book Transfer	Exchange Differential	At 31/12/13 Gross
Brands	1,829					1,829
Development costs	868	65	-27	-502		405
Advances on licences	910	472	-66			1,316
Subtotal	3,607	537	-93	-502		3,550
TOTAL	48,019	6,320	-93	-	-63	54,184
Net intangible assets	8,636					4,455

2. Tangible assets

Tangible assets are as follows:

Assets

	At 31/12/13 (Gross)	Increases	Decreases	Book Transfer	At 31/12/14 (Gross)
Plant and machinery	383				383
Computer equipment and furniture	6,039	824	-13		6,849
TOTAL	6,422	824	-13		7,232

Amortisation

	At 31/12/13 (Cumulative)	Increases	Decreases	Book Transfer	At 31/12/14 (Cumulative)
Plant and machinery	113	76			189
Computer equipment and furniture	5,149	760	-6		5,903
TOTAL	5,262	836	-6		6,092
Net tangible assets	1,160				1,140

The increases in tangible assets pertain to the purchase of mobile telephones, the replacement of computer equipment, and to work and improvements to the premises.

Decreases in computer equipment and furniture are the result of disposals after replacing equipment.

As a reminder, tangible assets were as follows at 31 December 2013:

Assets

	At 31/12/12 (Gross)	Increases	Decreases	Book Transfer	At 31/12/13 (Gross)
Plant and machinery	369	14			383
Computer equipment and furniture	5,375	666	-2		6,039
TOTAL	5,744	680	-2	-	6,422

Amortisation

	At 31/12/12 (Cumulative)	Increases	Decreases	Book Transfer	At 31/12/13 (Cumulative)
Plant and machinery	38	75			113
Computer equipment and furniture	4,414	737	-2		5,149
TOTAL	4,452	812	-2		5,262
Net tangible assets	1,292				1,160

3. Financial assets

Financial assets are as follows:

Assets

	Gross At 31/12/13	Increases	Decreases	Gross At 31/12/14
Equity capital holdings	12,796	73	-9	12,860
Other long-term investments	150	326		476
Deposits and guarantees	304	35	-61	278
TOTAL	13,250	434	-70	13,614
Provisions				
	At 31/12/13 (Cumulative)	Increases	Decreases	At 31/12/14 (Cumulative)
Equity capital holdings	1,277	1,523	-17	2,782
Total provisions	1,277	1,523	-17	2,782
Net financial assets	11,973			10,832

The increase in equity capital holdings is due to the creation of four new companies during fiscal year 2014: in Helsinki, Finland (Gameloft Oy) for €2,500; Uruguay (Gameloft Uruguay SA) for €1,500; Madrid, Spain (Gameloft Madrid S.L.U.) for €50,000; and Moscow, Russia (Gameloft LLC) for €19,000.

The increase in other long-term investments results from the own shares that Gameloft SE still holds at closing. At 31 December 2014, Gameloft has 100,477 of its own shares in the amount of €326,000. During this period, it has cancelled 300,302 shares in the amount of €1,578,000. These were shares acquired during fiscal year 2014.

The increase in security deposits is due mainly to the indexing of Gameloft SE's rent and the contractual guarantee on behalf of one of our suppliers.

The provisions pertain to the shares of Gameloft Korea (€1,461,000), Gameloft Singapore (€54,000), Gameloft UK (€2,000) and Ludigames (€5,000).

The write-backs of provisions pertain to the equity capital holdings of Gameloft SRO following its liquidation on 22 September 2014 for €7,000 and Gameloft Dubai for €10,000.

As a reminder, financial assets were as follows at 31 December 2013:

Assets

	Gross At 31/12/12	Increases	Decreases	Gross At 31/12/13
Equity capital holdings	12,871	92	-167	12,796
Other long-term investments	150			150
Deposits and guarantees	313	56	-65	304
TOTAL	13,334	148	-232	13,250
Provisions				
	At 31/12/12 (Cumulative)	Increases	Decreases	At 31/12/13 (Cumulative)
Equity capital holdings	1,297	145	-165	1,277
Total provisions	1,297	145	-165	1,277
Net financial assets	12,037			11,973

Subsidiaries and equity capital holdings:

€K	Subsidiaries		Equity Capital Holdings	
	French	Foreign	French	Foreign
Book value of shares held:				
- gross	118	12,742	-	-
- net	108	9,970	-	-
Total loans and advances granted		47,478	-	-
Total dividends collected		4,061	-	-

Subsidiaries and equity capital holdings:

	Currency	Capital in Foreign Currencies	SE Other than Capital in Foreign Currencies	Share of Capital Held (%)	Book Value of Shares (Gross in €)	Book Value of Shares (Net in €)	Total Loans and Advances Granted in € in €	Total Securities & Guarantees Provided in Foreign Currencies	Revenue at 31/12/13 in Foreign Currencies	Revenue at 31/12/14 in Foreign Currencies	Dividends Distributed in €
SUBSIDIARIES CAPITAL HELD AT LEAST 50%											
Gameloft Inc. Divertissements (Canada)	CAD	3,971,142	11,437,629	100.00%	2,855,807	2,855,807	13,238,156		44,494,984	2,364,286	
Gameloft Inc (USA)	USD	2,001,000	12,755,594	99.99%	2,316,726	2,316,726			85,777,186	2,798,043	
Gameloft Ltd.	£	1,000	-1,745,113	99.50%	1,666	-			1,363,982	23,180	
Gameloft GmbH	€	25,000	-2,074,172	100.00%	25,000	-	298,631		644,653	-15,201	
Gameloft Iberica S.A. (Spain)	€	560,161	623,608	100.00%	560,162	560,162	24,077,177		13,271,988	10,188	
Gameloft S.R.L. (Romania)	RON	191,600	7,448,271	100.00%	106,259	106,259			93,733,961	2,447,447	
Gameloft S.R.L. (Italy)	€	96,900	508,387	99.74%	97,870	97,870			2,368,250	19,224	
Gameloft Software Beijing Ltd.	CNY	1,655,360	88,147,422	100.00%	173,340	173,340			115,515,849	10,628,884	
Gameloft KK	YEN	10,000,000	-711,598,258	100.00%	78,720	-	944,040		205,701,967	-456,029,028	
Gameloft Software Chengdu	CNY	1,603,220	-4,779,874	100.00%	155,678	155,678			49,050,418	1,000,948	
Gameloft Ltd. (Vietnam)	VND	1,051,800,000	81,626,217,538	100.00%	40,318	40,318	90,602		381,556,228,563	35,099,362,921	
Gameloft EOOD (Bulgaria)	€	52,510	645,246	100.00%	53,000	53,000			6,121,614	216,474	
Gameloft S. de R.L. de C.V.	\$ PESO	1,997,000	120,687,995	99.95%	140,028	140,028			335,006,006	41,836,193	
Gameloft Private Ltd.	INR	100,000	31,467,336	100.00%	1,977	1,977			418,752,748	19,529,395	
Gameloft Co. Ltd.	KRW	5,875,987,490	-8,550,096,325	100.00%	3,973,597	1,362,007	2,958,587		4,478,495,305	212,319,983	
Gameloft Argentina	ARS	1,200,000	106,376,361	95.00%	939,037	939,037			130,082,880	73,215,437	4,060,602
Gameloft LLC (Ukraine)	UAH	2,921,164	5,760,990	100.00%	280,000	280,000			59,783,371	3,296,818	
Gameloft Do Brasil Ltda	BRL	478,918	2,019,440	99.00%	163,350	163,350			25,799,125	2,011,241	
Gameloft Australia Pty Ltd.	AUD	5,000	-196,928	100.00%	2,936	2,936			2,075,842	68,605	
Gameloft LLC (Russia)	RUB	900,000	-42,246	100.00%	19,028	19,028	160,397		4,050,970	-42,246	
Gameloft Singapore Ltd.	SGD	100,000	-176,412	100.00%	56,436	2,390	480,220		80,250	8,440	
Gameloft Venezuela	VEF	275,392	-427,360	100.00%	78,104	78,104	425		10,392,790	-496,546	

SUBSIDIARIES – CAPITAL HELD AT LEAST 50%	Currency	Capital in Foreign Currencies	SE Other than Capital in Foreign Currencies	Share of Capital Held (%)	Book Value of Shares (Gross in €)	Book Value of Shares (Net in €)	Total Loans and Advances Granted in € in €	Total Securities & Guarantees Provided in Foreign Currencies	Revenue at 31/12/13 in Foreign Currencies	Revenue at 31/12/14 in Foreign Currencies	Dividends Distributed in €
Gameloft Philippines Inc.	PHP	9,000,000	2,444,232	100.00%	141,975	141,975			93,910,043	9,757,853	
Gameloft Hong Kong Ltd.	HKD	10,000	-9,188,720	100.00%	869	-	5,101,253		3,311,254	164,246	
PT Gameloft Indonesia	IDR	892,200,000	5,187,491,185	99.00%	73,176	73,176			65,358,699,892	894,826,854	
Gameloft Shenzhen	CNY	1,347,560	-4,001,553	100.00%	157,518	157,518			17,804,711	-837,457	
Gameloft Developpements Live Inc.	CAD	150,000	355,799	100.00%	94,215	94,215			1,188,042	71,117	
Gameloft Toronto	CAD	10,000	1,072,191	100.00%	7,483	7,483		CAD 1,725,000	6,671,553	404,833	
Gameloft Hungary	HUF	500,000	13,250,295	100.00%	1,756	1,756			430,161,993	6,794,249	
Gameloft New Zealand	NZD	100	1,127,637	100.00%	63	63			12,749,281	647,733	
Gameloft FZ-LLC Dubai	AED	50,000	-410,531	100.00%	10,295	10,295			1,003,731	25,094	
Gameloft SDN. BHD (Malaysia)	MYR	350,000	58,671	100.00%	81,426	81,426	3,617		6,117,516	56,355	
Gameloft Oy (Finland)	€	2,500	25,278	100.00%	2,500	2,500			674,228	25,278	
Gameloft Uruguay	UYU	46,024	-65,099	100.00%	1,446	1,446	125,206		432,934	-65,099	
Gameloft Madrid	€	50,000	59,864	100.00%	50,000	50,000			2,628,741	59,864	
Gameloft Rich Games Production France SARL 75 001 Paris - 450 415 237 00012	€	7,500	615,083	99.80%	7,485	7,485			3,112,190	94,526	-
Gameloft Partnerships SAS 75 008 Paris – 488 934 506 00020	€	37,000	438,808	100.00%	37,000	37,000			1,723,449	30,966	-
Gameloft France SAS 75 008 Paris – 500 819 537 00019	€	37,000	163,001	100.00%	37,000	37,000			992,276	26,196	-
Ludigames SAS 75008 Paris – 508 543 964 00011	€	37,000	-11,864	100.00%	37,000	26,413			1,279	-4,667	-
EQUITY CAPITAL HOLDINGS BETWEEN 10 AND 50%											
TOTAL	€				12,860,245	10,077,768	47,478,312				

4. Trade receivables and related accounts

	31/12/14	31/12/13
Trade receivables and related accounts	137,238	129,195
Impairment of accounts receivable and related accounts	-4,618	-1,625
Total	132,620	127,570

At 31 December 2014, the impairments for accounts receivable concerning third-party customers totalled €546,000. Intra-group impairment of accounts receivable notably concerns Gameloft GmbH for €1,115,000, Gameloft KK for €2,471,000 and Gameloft UK for €486,000, for their negative share positions.

The increase in accounts receivable is related to our activity in the 2014 fiscal year and to an extension of external client credit terms compared to 2012. Nearly 72% of the accounts receivable item consists of intra-group receivables (€98,448,000 in 2014 compared to €90,631,000 at 31 December 2013).

Most non-group accounts receivable are due in less than 1 year.

5. Other receivables

	31/12/14	31/12/13
Government (VAT credit, etc.)	2,282	1,136
Group and partners	47,767	32,150
Receivables from suppliers & credits to be received	20,391	10,540
Other corporate receivables	3	588
Unpaid called-up share capital	-	298
Other miscellaneous debtors	1,391	837
TOTAL	71,835	45,548

Generally suppliers come under the intra-group suppliers item (€20,040,000 compared to €10,406,000 at 31 December 2013).

	31/12/14	31/12/13
Provisions for group and partners	1,956	1,308
TOTAL	1,956	1,308

Provisions in the amount of €1,956,000 were recorded on 31 December 2014 for current account advances of subsidiaries and pertain to advances granted to Gameloft KK (€944,000), Gameloft Hong Kong (€623,000), Gameloft Vietnam (€91,000) and Gameloft GmbH (€299,000).

6. Due dates of receivables and debts

STATUS OF RECEIVABLES	Gross Amount	Less than 1 Year	More than 1 year
Receivables on current assets			
Accounts receivable and related accounts	137,238	38,790	98,448
Government (VAT credit, etc.)	2,282	2,282	
Group and partners	47,767	-	47,767
Receivables from suppliers & credits to be received	20,391	20,391	
Other corporate receivables	3	3	
Other miscellaneous debtors	1,391	1,391	
Unpaid called-up share capital	-	-	-
TOTAL	209,072	62,857	146,215

STATUS OF DEBTS	Gross Amount	Less than 1 Year	1 to 5 years	More than 5 Years
Financial debts	243	243		
Trade payables and related accounts	136,340	19,922	116,418	
Tax and social security liabilities	1,201	1,201		
Other debts	14,221	14,221		
Debts on assets	5,467	5,313	154	
Group and partners	<u>628</u>	-	<u>628</u>	-
TOTAL	158,100	40,900	117,200	-

7. Accrued assets

	31/12/14	31/12/13
Credit notes from suppliers	3,089	2,526
Unbilled assets from customers	31,013	34,828
Accrued assets from social welfare bodies	-	588
Accrued assets from the government	421	11
TOTAL	34,523	37,953

Accrued assets concerning unbilled clients on 31 December amounts to €31,013,000, of which €13,804,000 are intra-group billings.

8. Cash on hand

The "cash on hand" item represents the balance of bank accounts totalling €16,808,000 at 31 December 2014 compared to €21,674,000 at 31 December 2013, including interest-bearing accounts that are immediately available and free of charge for €13,077,000 at the end of December 2014.

9. Accruals

	31/12/14	31/12/13
Pre-paid expenses	898	1,191
Asset translation adjustments	6,129	7,541
Total	7,027	8,732

The asset translation adjustments pertain mainly to the update of trade payables in the amount of €4,420,000.

10. Shareholders' equity capital

	Balance at 31/12/13	Share Capital Increase	Change in Share Capital	Profit/Loss 31/12/13	Profit/Loss 31/12/14	Balance at 31/12/14
Share capital	4,201	95	-15			4,281
Issue premium	87,930	4,205	-1,594			90,541
Merger premium	624					624
Legal reserves	-			215		215
Other reserves	-5,046			9,226		4,180
Fiscal year profit/loss	9,441			-9,441	-23,164	-23,164
TOTAL	97,150	4,300	-1,609	-	-23,164	76,677

The company benefited from an increase of share capital through the issuance of stock options and bonus shares in the amount of €4,300,000 and a reduction of share capital through the cancellation of its own shares in the amount of €1,609,000. Shareholders' equity capital is positive at €76,677,000 compared to €97,150,000 in 2013.

In fiscal year 2014, the amount collected from share capital increases was €2,989,000.

Number of Gameloft SE Shares

	Par Value in €	Number of Shares	Amount in €K
At 31/12/10	0.05	75,082,924	3,754
Exercised options on 11/01/2006	0.05	10,000	0
Exercised options on 03/01/2007	0.05	271,405	14
US options exercised on 03/01/2007	0.05	87,200	4
F options exercised on 03/01/2007	0.05	188,206	9
Exercised options on 11/04/2008	0.05	221,895	11
US options exercised on 11/04/2008	0.05	130,600	7
F options exercised on 11/04/2008	0.05	43,000	2
Exercised options on 14/05/2009	0.05	353,500	18
Allotment of bonus shares on 21/04/2009	0.05	717,250	36
At 31/12/11	0.05	77,105,980	3,855
Exercised options on 03/01/2007	0.05	394,795	20
US options exercised on 03/01/2007	0.05	286,200	14
F options exercised on 03/01/2007	0.05	1,170,794	59
Exercised options on 11/04/2008	0.05	729,165	37
US options exercised on 11/04/2008	0.05	98,200	5
F options exercised on 11/04/2008	0.05	508,255	25
Exercised options on 14/05/2009	0.05	441,885	22
Exercised options on 01/06/2010	0.05	479,750	24
Allotment of bonus shares on 01/06/2010	0.05	603,500	30
At 31/12/12	0.05	81,818,524	4,091
US options exercised on 03/01/2007	0.05	44,600	2
W options exercised on 11/04/2008	0.05	147,550	7
US options exercised on 11/04/2008	0.05	98,800	5
F options exercised on 11/04/2008	0.05	536,145	27
W options exercised on 14/05/2009	0.05	644,078	32
W options exercised on 01/06/2010	0.05	913,000	46
W options exercised on 20/09/2011	0.05	463,000	23
Allotment of bonus shares on 20/09/2011	0.05	480,600	24
Cancellation of own shares	0.05	-1,117,473	-56
At 31/12/13	0.05	84,028,824	4,201
W options exercised on 11/04/2008	0.05	44,500	2
US options exercised on 11/04/2008	0.05	25,300	1
F options exercised on 11/04/2008	0.05	79,800	4
W options exercised on 14/05/2009	0.05	250,550	13
W options exercised on 01/06/2010	0.05	455,000	23
W options exercised on 20/09/2011	0.05	250,000	13
W options exercised on 06/07/2012	0.05	119,000	6
Allotment of bonus shares on 06/07/2012	0.05	672,425	34
Cancellation of own shares	0.05	-300,302	-15
At 31/12/14	0.05	85,625,097	4,281

Stock Options and Bonus Shares

As a reminder, the conditions under which stock options and bonus shares may be exercised are as follows:

Date of the Board of Directors' meeting	11/04/2008	Balance at 31/12/08	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	3,110,250	3,015,000	2,850,600	2,595,350	2,059,465	811,995	128,300	0
Number of shares cancelled:		95,250	259,650	369,950	640,940	650,990	650,990	654,990
Number of people concerned:	199							
of which are managers	4							
Start of exercise period	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010
End of exercise period	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014
Subscription price	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros	2.80 euros

Date of the Board of Directors' meeting	11/04/2008	Balance at 31/12/08	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	534,300	525,300	508,200	398,900	244,900	136,100	37,300	0
Number of shares cancelled:		9,000	26,100	41,300	64,700	75,300	75,300	87,300
Number of people concerned:	48							
of which are managers	1							
Start of exercise period	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010	11/04/2010
End of exercise period	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014	11/04/2014
Subscription price	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros	2.95 euros

Date of the Board of Directors' meeting	14/05/2009	Balance at 31/12/09	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	2,208,500	2,130,900	2,003,800	1,539,800	1,093,990	441,312	190,762
Number of shares cancelled:		77,600	204,700	315,200	319,125	327,725	327,725
Number of people concerned:	189						
of which are managers	2						
Start of exercise period	14/05/2011	14/05/2011	14/05/2011	14/05/2011	14/05/2011	14/05/2011	14/05/2011
End of exercise period	14/05/2015	14/05/2015	14/05/2015	14/05/2015	14/05/2015	14/05/2015	14/05/2015
Subscription price	2.36 euros	2.36 euros	2.36 euros	2.36 euros	2.36 euros	2.36 euros	2.36 euros

Date of the Board of Directors' meeting	01/06/2010	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	2,240,000	2,200,200	2,010,000	1,428,250	473,000	0
Number of shares cancelled:		39,800	230,000	332,000	374,250	392,250
Number of people concerned:	189					
of which are managers	2					
Start of exercise period	01/06/2012	01/06/2012	01/06/2012	01/06/2012	01/06/2012	01/06/2012
End of exercise period	01/06/2014	01/06/2014	01/06/2014	01/06/2014	01/06/2014	01/06/2014
Subscription price	3.82 euros	3.82 euros	3.82 euros	3.82 euros	3.82 euros	3.82 euros

Date of the Board of Directors' meeting	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	2,245,000	2,235,000	2,155,000	1,539,500	1,236,250
Number of shares cancelled:		10,000	90,000	242,500	295,750
Number of people concerned:	170				
of which are managers	2				
Start of exercise period	20/09/2013	20/09/2013	20/09/2013	20/09/2013	20/09/2013
End of exercise period	20/09/2015	20/09/2015	20/09/2015	20/09/2015	20/09/2015
Subscription price	3.87 euros	3.87 euros	3.87 euros	3.87 euros	3.87 euros

Date of the Board of Directors' meeting	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Number of shares eligible for subscription:	1,606,000	1,590,900	1,385,400	1,174,400
Number of shares cancelled:		15,100	220,600	312,600
Number of people concerned:	147			
of which are managers	0			
Start of exercise period	06/07/2014	06/07/2014	06/07/2014	06/07/2014
End of exercise period	06/07/2016	06/07/2016	06/07/2016	06/07/2016
Subscription price	4.88 euros	4.88 euros	4.88 euros	4.88 euros

Allotment of Bonus Shares	01/06/2010	Balance at 31/12/10	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	01/06/2010					
Maturity - vesting period	2 years – 01/06/2012					
End of holding period	2 years – 01/06/2014					
Number of instruments allotted	733,250	729,750	624,750	0	0	0
Number of shares cancelled:	-	3,500	108,500	129,750	129,750	129,750
Number of people concerned:	60					
of which are managers	3					

Allotment of Bonus Shares	20/09/2011	Balance at 31/12/11	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	20/09/2011				
Maturity - vesting period	2 years – 20/09/2013				
End of holding period	2 years – 20/09/2015				
Number of instruments allotted	548,900	527,400	494,300	0	0
Number of shares cancelled:	-	21,500	54,600	68,300	68,300
Number of people concerned:	47				
of which are managers	3				

Allotment of Bonus Shares	06/07/2012	Balance at 31/12/12	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	06/07/2012			
Maturity - vesting period	2 years – 06/07/2014			
End of holding period	2 years – 06/07/2016			
Number of instruments allotted	750,000	745,300	732,500	0
Number of shares cancelled:	-	4,700	17,500	77,575
Number of people concerned:	51			
of which are managers	5			

Allotment of Bonus Shares	19/09/2013	Balance at 31/12/13	Balance at 31/12/14
Date of the Board of Directors' meeting	19/09/2013		
Maturity - vesting period	3 years – 19/09/2016		
End of holding period	2 years – 19/09/2018		
Number of instruments allotted	1,600,000	1,594,000	1,421,000
Number of shares cancelled:	-	6,000	179,000
Number of people concerned:	180		
of which are managers	5		

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14
Date of the Board of Directors' meeting	16/12/2014	
Maturity - vesting period	2 years – 16/12/2016	
End of holding period	2 years – 16/12/2018	
Number of instruments allotted	845,375	845,375
Number of shares cancelled:	-	-
Number of people concerned:	70	
of which are managers	4	

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14
Date of the Board of Directors' meeting	16/12/2014	
Maturity - vesting period	4 years – 16/12/2018	
End of holding period	4 years – 16/12/2018	
Number of instruments allotted	672,125	672,125
Number of shares cancelled:	-	-
Number of people concerned:	99	
of which are managers	1	

Allotment of Bonus Shares	16/12/2014	Balance at 31/12/14
Date of the Board of Directors' meeting	16/12/2014	
Maturity - vesting period	5 years – 16/12/2019	
End of holding period	5 years – 16/12/2019	
Number of instruments allotted	165,000	165,000
Number of shares cancelled:	-	-
Number of people concerned:	1	
of which are managers	0	

The bonus shares allotted, which are subject to performance conditions being met by managers only, are unavailable for four years following the allotment date. Since the shares allotted are ordinary shares and belong to the same category as the old shares that comprise the company's share capital, at the end of the vesting period the shareholder employee receives the dividends and voting rights attached to all his/her shares.

In total, at 31 December 2014, the maximum number of shares that may be created through the exercise of stock options and bonus shares is 2,601,412 and 3,103,500, respectively.

The cancellations recorded during the year are the result either of terminations of recipients prior to the start of the period in which they could exercise their rights, or the expiration of plans under market conditions making it impossible to exercise all the rights.

In April 2013, Gameloft SE implemented a share buyback programme and, at the closing date, holds 100,477 of its own shares in the amount of €326,000.

11. Accrued expenses

	31/12/14	31/12/13
Suppliers, invoices pending	27,970	26,703
Suppliers, invoices pending intangible assets	4,358	2,532
Credit notes issued	12,950	2,707
Tax liabilities	101	154
Social security liabilities	400	633
TOTAL	45,779	32,729

Credit notes issued have increased this year due to a transfer price policy implemented on 1 January 2010.

Invoices pending represent €15,315,000 of intra-group debts and €7,199,000 of debts from royalties on sales of licensed games.

12. Items pertaining to affiliates

The transactions made with the subsidiaries of the Gameloft group are as follows:

	31/12/14	31/12/13
ASSETS		
Intangible assets	46	128
Tangible assets	131	2,657
Equity capital holdings	12,861	12,796
Other financial assets	150	150
Trade receivables and related accounts	98,448	90,631
Prov. on accounts receivable	-4,072	-1,305
Other receivables – Current accounts	47,478	32,623
Other receivables – Tax integration	289	238
Prov. on other receivables	-1,956	-1,308
Receivables from suppliers	20,040	10,406
Other miscellaneous receivables	1,388	705
Debts		
Provisions for Contingencies and Charges	-	74
Trade payables and related accounts	116,571	84,864
Financial debts	628	628
Unearned income	113	102
Customer credit balances	13,652	2,707
Profit/Loss		
Operating income	69,140	67,979
Operating expenses	157,791	129,652
Financial income	4,768	6,544
Financial expense	2,532	421

Transactions carried out with companies owned by common senior executives concerning operations with Guillemot Brothers, the Ubisoft group, AMA and Longtail Studios are as follows:

	31/12/14	31/12/13
ASSETS		
Trade receivables and related accounts	-	192
Liabilities		
Trade payables and related accounts	672	1,091
Customer credit balances	-	-
Profit/Loss		
Operating income	106	198
Operating expenses	1,415	1,948

13. Provisions recorded on the balance sheet

	At 31/12/13	Allocations for the Year	Write-Backs for the Year		At 31/12/14
			Used	Unused	
Provisions for contingencies and charges					
For foreign exchange risks	7,541	6,222		-7,541	6,222
For risks	145	98			243
For charges	<u>74</u>	-	-	<u>-74</u>	-
Total	7,760	6,320	-	-7,615	6,465
Provisions for valuation					
On brands	1,829				1,829
On marketed games	405	107	-169		342
On advances/licences	1,316	651	-399		1,568
On equity capital holdings	1,277	1,523	-17		2,782
On stocks	-				-
On accounts receivable	1,625	3,217		-224	4,618
On other receivables	<u>1,308</u>	<u>1,010</u>	<u>-361</u>	-	<u>1,956</u>
Total	7,760	6,508	-946	-224	13,095
Total	15,520	12,828	-946	-7,839	19,560

Provisions for contingencies are provisions for personnel benefits:

Change in Actuarial Debt	Retirement Indemnities	Gross Commitments
At 31/12/13	145	145
Cost of services rendered	12	12
Interest charges	5	5
Benefits/contributions paid	-	-
Actuarial gains/losses	81	81
At 31/12/13	243	243

In light of business prospects, a depreciation on marketed games in the amount of €107,000 was recorded for the fiscal year. Based on tests regarding the recovery of unhedged loans, a depreciation of €651,000 was recorded at 31 December 2014.

The provisions pertain to the shares of Gameloft Korea (€1,461,000), Gameloft Singapore (€54,000), Gameloft UK (€2,000) and Ludigames (€5,000).

The "provisions on accounts receivable" item pertains to non-group receivables (€285,000) and intra-group receivables (€2,932,000), of which €2,446,000 was for Gameloft KK and €486,000 was for Gameloft UK.

The "provisions on other receivables" item pertains to advances granted to Gameloft Vietnam (€11,000), Gameloft GmbH (€25,000), Gameloft Hong Kong (€30,000) and Gameloft KK (€944,000).

The write-backs of provisions pertain to R&D expenses recorded on 31 December 2014 for €169,000, of which €69,000 was transferred to the "depreciation expense" item, and for €399,000 for advances on licences.

The write-backs of provisions pertain to the equity capital holdings of Gameloft SRO following its liquidation on 22 September 2014 for €7,000 and Gameloft Dubai for €10,000.

The write-backs of provisions for trade receivables reached €224,000 in total. €166,000 concerns intra-group receivables, of which €64,000 was from Gameloft GMBH and €99,000 was from Gameloft SRO; the remaining €58,000 was receivables from third parties.

The write-backs of provisions for valuation on other receivables total €361,000 for Gameloft SRO.

14. Financial debts

Financial debts are as follows:

	31/12/14	31/12/13
Loans and similar accounts	244	99
Current account advances	628	628
Financial debts	871	726
Net financial surplus		
	31/12/14	31/12/13
Financial debts	244	99
Cash on hand	16,808	21,674
Net financial surplus	-16,564	-21,575

At 31 December 2014, there was a net financial surplus of €16,564,000 compared to €21,575,000 at 31 December 2013.

All of Gameloft's debts are based on a fixed rate and are in euros. The company has no foreign exchange hedging strategy as such.

15. Trade payables and related accounts

	31/12/14	31/12/13
Trade payables	136,340	104,307
Total	136,340	104,307

The average period for paying our non-group suppliers is less than 90 days.

The increase in receivables from suppliers is linked to the company's activity growth during the 2014 fiscal year, including the debts of the group's subsidiaries for a total of €116,400,000 compared to €84,700,000 in 2013.

16. Tax and social security liabilities

	31/12/14	31/12/13
Tax liabilities	285	440
Social security liabilities	916	988
Total	1,201	1,428

The "tax liabilities" item is primarily made up of VAT debts in the amount of €169,000.

The social security liabilities are primarily made up of €516,000 in debts to social welfare bodies, and €331,000 in salary debts related to leave benefits.

17. Debts on assets

	31/12/14	31/12/13
Debts on assets	5,467	3,239
Total	5,467	3,239

Debts from suppliers on assets sharply increased and are mainly due to debts on advances on licences in the amount of €5,259,000.

18. Other debts

	31/12/14	31/12/13
Credits not issued & credit balances of customer accounts	13,838	3,271
Other debts	383	1
Total	14,221	3,272

"Credits not issued" concern intra-group clients for €13,652,000.

19. Accruals

	31/12/14	31/12/13
Unearned income	145	297
Translation adjustments	3,776	1,623
Total	3,921	1,920

The "unearned income" item consists of client billing related to services not yet provided at the year-end closing.

The "translation adjustments" liability is mostly related to the discounting of debt from suppliers (€2,067,000) and account receivables (€1,709,000).

Income Statement:

Profit/loss from ordinary activities includes all ordinary activities carried out by Gameloft as part of its business, as well as any related activities undertaken by it that are incidental to or in line with its ordinary activities.

Mobile game development costs are recorded as expenses over the entire year. As described above, development costs of games for new platforms are capitalised when they meet the capitalisation criteria.

Production cost consists of the cost of "supplies" (other materials and supplies) plus other costs incurred by the company in the course of game production.

20. Consolidated revenue, self-constructed assets and inventoried production

The breakdown of revenue by business activity at 31 December 2014 is as follows:

	31/12/14		31/12/13	
	€K	%	€K	%
Mobile	181,322	99%	191,679	98%
TV	2,229	1%	3,175	2%
Total revenue	183,552	100%	194,854	100%
Self-constructed assets	1,538	-	1,431	-
Total	185,090	-	196,285	-

The group's operations were carried by the success experienced by Gameloft's games on the mobile market, which includes smartphones and touch tablets.

The breakdown of revenue by geographic area at 31 December 2014 is as follows:

	31/12/14		31/12/13	
	€K	%	€K	%
EMEA	46,263	25%	58,570	30%
<i>including France</i>	8,236	4%	9,849	5%
North America	84,055	46%	82,231	42%
APAC	32,659	18%	29,512	15%
LATAM	20,575	11%	24,541	13%
Total revenue	183,552	100%	194,854	100%
Self-constructed assets	1,538	-	1,431	-
Total	185,090	-	196,285	-

North America represented 46% of annual revenue; the EMEA region, 25%; Asia Pacific, 18%; and Latin America, 11%.

21. Other operating income and transfer of charges

Other operating income is as follows:

	31/12/14	31/12/13
Write-backs of provisions	866	974
Transfer of charges	807	1,061
Other income	130	629
Total	1,803	2,664

The “transfer of charges” item concerns the re-invoicing of overhead costs (€751,000).

The “write-backs of provisions” item relates to provisions for asset depreciation in the amount of €568,000, of which €399,000 is depreciation of advances on licences and €169,000 is depreciation of development costs, and provisions for trade receivables in the amount of €224,000.

The “other income” item primarily concerns a reimbursement of our insurer for litigation with an employee and amounts wrongly collected from our clients and not claimed.

22. Purchases and other supplies

Cost of goods sold consists of development costs on mobile games (€149,242,000) and related overhead costs (€2,215,000).

23. Other operating purchases and external charges

Other operating purchases are as follows:

	31/12/14	31/12/13
Comm. and brokerage fees on sales and administrative subcontracting and marketing	8,629	7,264
Telecommunication and small equipment costs	324	417
Advertising and marketing expenses	6,676	6,086
Conference and trade fair expenses	36	63
Travel expenses	627	697
Professional expenses	538	779
Royalties	24,519	24,850
Other	3,147	3,312
Total	44,496	43,468

24. Personnel expenses

At 31 December 2014, the company had 28 employees.

The amount of personnel expenses corresponding to game production is €2,363,000.

25. Operating amortisations, depreciations and provisions

Allocations are as follows:

	31/12/14	31/12/13
Amortisation of intangible assets	98	113
Amortisation of intangible assets: development costs	1,555	1,326
Amortisation of intangible assets: licences	2,751	4,344
Depreciation of tangible assets	837	811
Provisions	4,072	796
TOTAL	9,314	7,391

The "amortisation of intangible assets" item concerns the amortisation of software and development costs, as well as advances on licences amortised according to sales volume or on a straight-line basis for flat fees, depending on the contracts.

Intangible development costs are amortised on a straight-line basis over 18 months for games on the market. At 31 December 2014, Gameloft had nearly 330 games capitalised and commercially available on various digital platforms, such as the Mac, iPad, DSi, 3DS, PSN, set-top boxes and Smart TVs.

The "provisions" item mainly concerns depreciations on development costs (€107,000), on trade receivables (€3,217,000), on asset impairments related to advances on licences (€651,000), and a provision for retirement benefits (€98,000).

26. Net financial income/expense

Net financial income/expense breaks down as follows:

	31/12/14	31/12/13
Financial income:		
Income from other securities and receivables from long-term assets	4,061	5,928
Other interest and similar income	1,019	783
Write-backs of provisions	7,919	3,639
Foreign exchange gains	<u>4,943</u>	<u>4,188</u>
	17,942	14,538
Financial expense:		
Provisions	8,754	7,960
Other interest and similar expenses	362	2
Foreign exchange losses	<u>5,643</u>	<u>8,524</u>
	14,759	16,485
Net financial income/expense	3,183	-1,948

The write-backs of provisions in the amount of €7,919,000 are as follows:

- €361,000 for current account advances for Gameloft SRO (Czech Republic) following its liquidation;
- €17,000 for equity holdings, of which €7,000 were for Gameloft SRO and €10,000 were for Gameloft Dubai;
- €7,541,000 for foreign exchange losses.

"Other financial income" is interest derived from investments from interest-bearing contracts, as well as €697,000 for the re-invoicing of interest on current account advances.

The provisions in the amount of €8,754,000 are as follows:

- €1,010,000 for current account advances, of which €25,000 were for Gameloft GmbH, €11,000 were for Gameloft Vietnam, €30,000 were for Gameloft Hong Kong, and €944,000 were for Gameloft KK;
- €1,523,000 for equity holdings, of which €1,461,000 were for Gameloft Korea Ltd., €54,000 were for Gameloft Singapore, and €5,000 were for Ludigames;
- €6,222,000 for foreign exchange losses.

Gameloft SE only protects its positions regarding operating cash flows in the principal important currencies (US dollar, Canadian dollar, Pound sterling). The strategy is to cover a single fiscal year at a time, with the time horizon for coverage not exceeding 12 months.

On 31 December 2014, the company took foreign exchange hedging on the Canadian dollar, US dollar, and Pound sterling.

27. Extraordinary profit/loss

Extraordinary items are income or expenses resulting from events or transactions that are clearly distinct from the company's ordinary activities and are therefore not expected to recur on a frequent or regular basis.

Extraordinary profit/loss is as follows:

	31/12/14	31/12/13
Extraordinary income:		
Write-backs of provisions	-	502
Extraordinary income from capital transactions	7	
Extraordinary income from management operations	-	
	7	502
Extraordinary expenses:		
Extraordinary expenses on management operations		-
Extraordinary expenses on capital transactions	18	167
Depreciation and provisions	-	<u>502</u>
	18	669
Total extraordinary profit/loss	-11	-167

The "extraordinary expenses on capital transactions" item pertains to the net book value of financial assets in the amount of €9,000, of which €7,000 resulted from the liquidation of Gameloft SRO, as well as €9,000 for the net book value of tangible and intangible assets.

28. Corporate income tax

Following article 24 of French Law 2012-1509 of 29 December 2012, losses can be carried over in the amount of €1,000,000, plus 50% of earnings exceeding that threshold.

The portion of carry-over losses within Gameloft SE not yet used at 31 December 2014:

	31/12/12	31/12/08	31/12/07	31/12/06	31/12/05	31/12/04	31/12/03	31/12/02	31/08/01
Carry-over losses *	-	2,586	3,064	-	-	-	-	13,996	7,043
TOTAL	-	2,586	3,064	-	-	-	-	13,996	7,043

* non-cumulative data

The portion of carry-over losses within Gameloft SE's tax consolidation for the group not yet used at 31 December 2014:

	31/12/14	31/12/13	31/12/12	31/12/11
Carry-over losses *	17,331	80		
TOTAL	17,331	80	-	-

* non-cumulative data

In fiscal year 2014, the reductions and increases in the future tax burden were as follows:

Future Tax Burden	Basis	Tax
Organic provision for the year	10	3
Tax on tourism vehicles	4	1
Unrealised foreign exchange gains	3,776	1,259
TOTAL REDUCTIONS	3,790	1,263

The tax rate in effect at 31 December 2014 was 33.33%.

Income tax consists of the following:

At 31/12/14	Accounting Basis	Corporate Tax
Pre-tax profit/loss on ordinary activities	-22,786	-
Extraordinary profit/loss	-11	-
Pre-tax profit/loss	-22,797	-

At 1 January 2015, there were €26,688,000 in non-lapsing losses carried forward for Gameloft SE and €17,410,000 in losses carried forward indefinitely in terms of tax consolidation for the group.

Income tax consists of the following:

	31/12/14	31/12/13
Current tax	-367	-137
Total	-367	-137

Gameloft SE and its French subsidiaries, Gameloft Rich Games Production France, Gameloft Partnerships, Gameloft France and Ludigames opted to adopt a tax consolidation agreement starting on 1 January 2009.

The parent company, Gameloft SE, alone assumes responsibility for tax liability.

3.2.3.6 Additional Information

1. Parent company

Gameloft SE – 14 rue Auber, 75009 Paris

2. Personnel

In fiscal year 2014, the average workforce at Gameloft SE was 29 employees, 21 men and 8 women.

All of Gameloft SE's employees are management, with the exception of one.

3. Financial commitments and other information

Off-balance sheet commitments related to operating activities	Description	At 31/12/14
Commitments related to the implementation of operating agreements	Business leases: End of commitment: 31/12/2020	€3,569,000
	A commitment from the Government of Ontario in the form of a grant agreement with hiring and spending conditions over 5 years to benefit Gameloft Entertainment Inc. Toronto.	CAD 1,725,000
	Guarantor on behalf of Gameloft Toronto for a line of credit with HSBC.	CAD 1M
	Guarantor on behalf of Gameloft Divertissements Inc. for a line of credit with HSBC.	CAD 4M
	Gameloft SE has a liquidity commitment toward HSBC with a deal made by mutual agreement and dated 16 January 2015 for exchange transactions of US dollars against euros.	USD 5.4M
	Gameloft SE has various liquidity commitments toward HSBC with deals made by mutual agreement:	
	• Purchase for future delivery of Canadian dollars against the euro 01, 02 and 03/2015	€1.5M
	• Purchase for future delivery of Canadian dollars against the US dollar: 02, 03 and 04/2015	\$884K, \$707K and \$2.738M
	• Purchase for future delivery of Chinese yuan against the US dollar: January 2015	\$1.897M
	• Forward sale of Pounds sterling against the euro 01, 03, 04 and 05/2015	£480K, £270K, £235K and £235K
Guaranteed commitments, mortgages, etc.		
Off-balance sheet commitments received related to operating activities	Description	At 31/12/14
Commitments related to the implementation of operating agreements	Commitment towards Gameloft GmbH following its debt write-off authorised by Gameloft SE with a clawback provision for five fiscal years and accumulated net income exceeding €800,000.	€748,755
	Gameloft SE has a liquidity commitment toward HSBC with a deal made by mutual agreement and dated 16 January 2015 for exchange transactions of US dollars against euros.	USD 5.4M
	Gameloft SE has various liquidity commitments toward HSBC with deals made by mutual agreement:	
	* purchase for future delivery of Canadian dollars against the euro	€1.5M
	* purchase for future delivery of Canadian dollars against the US dollar	\$884K, \$707K, \$2.738M, \$1.897M
	* purchase for future delivery of Chinese yuan against the US dollar	£480K, £270K, £235K and £235K
	* forward sale of Pounds sterling against the euro	

As a shareholder, Gameloft SE issued letters of support to the subsidiaries in Singapore, Dubai, the United Kingdom and in France with Ludigames at 31 December 2014 to ensure the continued operation of these struggling companies.

Discounted bills not due: none

Collateral provided: none

Cash credits: none

Guarantees received: none

Financial leases: none

Other commitments:

The law of 4 May 2004 gives French employees an individual right to training ("droit individuel à la formation" - DIF). This right entitles them, at their request but with the employer's approval, to take part in training courses.

Each year, based on the agreements applicable at the company, full-time personnel employed under open-ended contracts who have at least one year of seniority at the company acquire a right to 20 hours of training. Employees with one year of seniority as of 7 May 2005 may benefit from this law.

The rights acquired annually may be accumulated over a six-year period, i.e. a maximum of 120 hours. At 31 December 2014, hours totalled 2,008. As of 1 January 2015, the DIF will give way to the CPF (*Compte Personnel de Formation*) and takes back training rights through 31 December 2020.

4. Events Subsequent to the Close of Year

On 3 March 2015, Gameloft SE received notice of a tax inspection regarding the fiscal years ended in 2012 and 2013.

5. Compensation of the group's senior executives

The total gross compensation paid by the Company to executives during the year 2014 was €254,000.

The General Meeting on 18 June 2014 decided to grant an annual maximum of 175,000 euros in director's fees to be shared among the members of the Board of Directors, until decided otherwise. Ms Odile Grandet is the new executive director following the agreement of the General Meeting of 18 June 2014. As of that date, she began her functions at Gameloft.

As a result, the seven company managers were entitled to the maximum amount of directors' fees in 2014.

Amounts in Euros	Gameloft SE			Total Compensation for 2014
	Gross Fixed Compensation	Benefits in Kind	Directors' Fees	
Michel Guillemot	60,000		25,000	85,000
Claude Guillemot	31,248		25,000	56,248
Gérard Guillemot				-
Yves Guillemot	31,248		25,000	56,248
Christian Guillemot	31,248		25,000	56,248
Total	153,744	-	100,000	253,744

	2013	2014
Salaries, charges and misc. benefits	€254,000	€254,000
Total pensions and other post-employment benefits		
Severance pay		

Total stock options and bonus shares issued	247,500	247,500
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No commitment has been made in favour of the members of the Board of Directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties.

6. Loans extended to the group's senior executives

At 31 December 2014, no advance or credit was extended to the group's senior executives pursuant to Article L. 225-43 of the French Commercial Code.

3.2.4 Auditors' Report on the Financial Statements Ended 31 December 2014

Dear Shareholders,

In performing the duties entrusted to us by your General Meeting, we present to you our report for the fiscal year ended 31 December 2014 regarding:

- the audit of the year-end financial statements of Gameloft SE, as attached to this report;
- the basis for our assessments;
- the specific verifications and information required by law.

The year-end financial statements were approved by the Board of Directors. It is our task, on the basis of our audit, to express an opinion on these financial statements.

I - Opinion regarding the year-end financial statements

We have conducted our audit in accordance with the standards of professional practice applicable in France. These standards require the use of due diligence to provide reasonable assurance that the year-end financial statements do not contain any significant misstatements. An audit entails examining, on a test basis or by other selection methods, the evidence supporting the amounts and information contained in the year-end financial statements. It also entails assessing the accounting principles applied, the significant estimates used and the overall presentation of the financial statements. We deem that the information we have collected is sufficient and appropriate to form our opinion.

We certify that the year-end financial statements are, from the standpoint of French accounting rules and principles, true and in good order and fairly present the company's net profit from operations during the previous fiscal year, as well as its financial position and assets at the end of said year.

II - Basis for the assessments

Pursuant to Article L 823-9 of the French Commercial Code in regard to the basis for our assessments, we wish to bring the following points to your attention:

- As indicated in note 3.2.3.4.1 and paragraph 1 of note 3.2.3.5 of the year-end financial statements, the intangible assets include development costs of games that have been marketed or are in production, and of licences. Impairment tests are conducted on these intangible assets. We have assessed the capitalisation of development costs and licences, verified the implementation methods of the impairment tests, and assessed the reasonableness of the forecasts and assumptions in use. We also verified that the financial statements provided appropriate information.
- Your company recognises provisions for impairment of equity holdings in the manner laid down in note 3.2.3.4.3 "Financial assets" of the year-end financial statements. We have undertaken an assessment of the approach taken by your company and have conducted tests to ensure the application of these methods. As part of our assessment, we verified the reasonableness of these estimates.

Our assessments were made within the context of our audit of the year-end financial statements as a whole, and therefore provided a basis for the opinion expressed by us in the first part of this report.

III - Specific verifications and information

In accordance with the professional standards applicable in France, we also conducted the specific verifications required by law.

We have no observation to make regarding the fairness and consistency with the year-end financial statements of the information provided in the Board of Directors' management report and in the documents sent to the shareholders pertaining to the financial position and year-end financial statements.

With regard to the information provided pursuant to the provisions of Article L.225-102-1 of the French Commercial Code regarding the compensation and benefits paid to the company managers and the commitments made to them, we have verified its consistency with the financial statements or with the data used to prepare these financial statements and, where applicable, with the information compiled by your company from the companies that control your company or are controlled by it. Based on this work, we certify that this information is true and accurate.

In accordance with the law, we have verified that all the information relative to equity investments and control, and relative to the identity of holders of capital and voting rights, was provided to you in the management report.

Paris La Défense and Rennes, 23 April 2015

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulois

4. GOVERNANCE AND INTERNAL CONTROL

4.1 Report by the Chairman of the Board of Directors on Corporate Governance and Internal Controls

This report, prepared in accordance with Article L. 225-37 of the French Commercial Code and Article L. 621-18-3 of the French Monetary and Financial Code, details the conditions under which the Board of Directors' work is prepared and organised, as well as the internal control and risk management procedures implemented by the company.

It describes the key components of the system implemented by the company in terms of organisation and procedures applicable to the company and to its subsidiaries whose financial statements are consolidated based on the full consolidation method. This report was prepared with the help of the company's Legal and Finance department and presented to the Board of Directors on 18 March 2015.

In putting together the current report, the company, following the Board of Directors' decision of 7 February 2014, adheres henceforth to the MiddleNext corporate governance code for small and midcaps of December 2009, which seems better suited to the company with regard to its size and the structure of its shareholding. This code is available on the MiddleNext website (www.middlenext.com).

4.1.1 Corporate Governance

In its 7 February 2014 session, the company's Board of Directors decided to adopt the MiddleNext corporate governance code for small and midcaps of December 2009 (the "MiddleNext code") as the code to be referred to by the company in matters of corporate governance, deeming it best suited to the company's size and the structure of its shareholding. This code is available on the MiddleNext website (www.middlenext.com).

The MiddleNext code contains points of vigilance that recall the questions the Board of Directors must ask itself in order to promote the proper functioning of governance. The company's Board of Directors took note of these key points during its session on 7 February 2014.

At the date of the current report's publication, the company has not complied with the entirety of the recommendations decreed by the MiddleNext code. In accordance with the provisions in paragraph 7 of Article L. 225-37 of the French Commercial Code, the current report specifies the MiddleNext code provisions that were dismissed and explains the reasons why.

The company does not consider itself to be in compliance with the following recommendation:

- Compensation of directors:

The total amount of directors' fees is allotted equally to the directors. The company considers that, even if a director cannot participate in a Board meeting, they remain committed to their responsibilities. Moreover, the directors devote time to their duties outside of meetings.

4.1.1.1 Conditions under Which the Board of Directors' Work is Prepared and Organised

4.1.1.1.1 Organisation and Operation of the Board of Directors

a) Board Members

At 31 December 2014, the Board of Directors consisted of seven members, four of whom are also executive vice presidents and assist the chief executive officer.

Name	Age and Nationality	Start Date of Term	Expiration Date of Term
Michel Guillemot Chief Executive Officer	56 years French	3 December 2001 Term renewed on 25 June 2009	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Christian Guillemot Executive Vice President Administration	49 years French	Incorporation meeting of 1 December 1999 Term renewed on 25 June 2009	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Claude Guillemot Executive Vice President Technologies	58 years French	Incorporation meeting of 1 December 1999 Term renewed on 25 June 2009	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Yves Guillemot Executive Vice President Strategy and Development	54 years French	Incorporation meeting of 1 December 1999 Term renewed on 25 June 2009	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
G�rard Guillemot Executive Vice President Strategy and Development	53 years French	Incorporation meeting of 1 December 1999 Term renewed on 25 June 2009	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2014
Marie-Th�r�se Guiny	68 years French	Combined General Meeting of 22 June 2011	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2016
Odile Grandet	48 years French	Combined General Meeting of 18 June 2014	At the end of the AGM called to approve the financial statements for the fiscal year ending 31 December 2019

In accordance with recommendation no. 7 of the MiddleNext code, the managing directors do not hold more than three other directorial mandates for listed companies outside of the Gameloft Group.

In accordance with legal and statutory provisions, directors are appointed, reappointed or removed by the General Meeting. During the appointment or renewal of each director's term, information regarding their experience and competence is conveyed in the annual report and to the General Meeting. The appointment of each director is the subject of a separate resolution, in accordance with recommendation no. 9 of the MiddleNext code. Each director must own at least one share in the company.

The term for directors of the company is currently set at 6 years in consideration of its specific character, in particular the breakdown of its shareholdings with members of the Guillemot family historically serving as key shareholders. This duration is in compliance with recommendation no. 10 of the MiddleNext code, which advises that the statutory duration of the directors' terms be adapted to the company's specific features, within the limits of the law.

Given the lack of a work committee and the fact that the employees do not hold a significant percentage of capital, no employee representative is involved in the Board's work.

b) Independent director

The Board of Directors is made up of five members of the Guillemot family, as well as two independent directors: Ms Marie-Thérèse Guiny as well as Ms Odile Grandet. Ms Marie-Thérèse Guiny and Ms Odile Grandet are independent directors as defined by recommendation no. 8 of the MiddleNext corporate governance code, bearing in mind that an independent administrator must meet the following criteria:

- Must not be an employee or executive director of the company or of a company in its group, and must not have been in such a position for the previous three years;
- Must not be a customer, supplier, or banker that is material to the company or its group, or for whom the company or its group accounts for a significant part of their business;
- Must not be a key shareholder in the company;
- Must not be related by close family ties to an executive director or to a key shareholder;
- Must not have been an auditor of the company within the previous three years.

The composition of the Board is therefore in compliance with recommendation no. 8 of the MiddleNext code, which advises that the Board include two independent members. In fact, the shareholders' meeting on 18 June 2014 approved the appointment of a second independent director in the person of Ms Odile Grandet, for a term of six years expiring at the end of the Ordinary General Meeting called to approve the financial statements for the fiscal year ending 31 December 2019.

c) Equal representation of women and men on the Board of Directors

As of 1 January 2017, a measure will be put in place by law, establishing a minimum threshold of representation of 40% for members of the Board of Directors and supervisory boards for companies whose securities are admitted to trading on a regulated market. As a transitional measure, Article 5-II of law no. 2011-103 of 27 January 2011 requires that listed companies not have a proportion of directors or supervisory board members of either gender of less than 20% upon the first Ordinary General Meeting after 1 January 2014.

Following the appointment of Ms Odile Grandet as one of the company's directors during the General Meeting on 18 June 2014, the make-up of the company's Board of Directors is in compliance with the provisions of law no. 2011-103 of 27 January 2011 relating to the equal representation of women and men on boards of directors and supervisory boards, and professional equality.

d) Ethics of the directors

In compliance with recommendation no. 7 of the MiddleNext code, each director is made aware of the responsibilities incumbent upon them at the moment of their appointment and is encouraged to observe the code of ethics related to their mandate.

Directors must comply with legal rules governing the holding of multiple appointments, inform the Board of any conflict of interest arising after their appointment, show proof of diligence at Board meetings and General Meetings, and ensure that they have all the necessary information about the Board meetings' agenda before making any decisions.

Directors are required not to disclose confidential information given to them as such by the Chairman of the Board of Directors.

e) Powers and duties of the Board of Directors

The Board meets and deliberates on questions relevant to its competence in virtue of legal and statutory provisions, and in accordance with the provisions of its internal rules, which defines, in compliance with

recommendation no. 6 of the MiddleNext code, the Board's role, make-up, and its main operating guidelines, as well as the duties of its members and the rules that determine the members' compensations. The Board's internal regulations are available on the Company's website, in accordance with recommendation no. 6 of the MiddleNext code.

The Board of Directors determines the company's general strategic policies, which are in turn implemented by General Management under its supervision. Subject to the powers expressly granted to shareholders' meetings by law and the Articles of Association and within the limits of the corporate purpose, the Board of Directors deals with all issues affecting the company's proper functioning and, through its proceedings, handles all matters concerning the company.

The Board of Directors therefore:

- defines the group's objectives and strategy in accordance with its corporate culture and values;
- chooses the way in which General Management is organised (whether to separate or combine the functions of Chairman and Chief Executive Officer);
- exercises, as it deems appropriate, the authorisations granted to it by the General Shareholders' Meeting;
- examines and approves the financial statements;
- oversees the management and ensures the quality of information provided to shareholders and the markets via the financial statements or during major transactions.

f) Information provided to the directors

The Chief Executive Officer provides the directors with the necessary information and documentation to perform their duties and prepare the proceedings as provided by Article L. 225-35 of the French Commercial Code.

In compliance with recommendation no. 11 of the MiddleNext code, all documents and information necessary to the duties of the directors were given to them or put at their disposal within a sufficient period of time before Board meetings. Moreover, each director may obtain additional information on his or her own initiative and the Chief Executive Officer is always available to provide explanations and important information to the Board of Directors.

g) Chairman of the Board of Directors and Chief Executive Officer

Pursuant to the provisions of the French law on new economic regulations of 15 May 2001 (NRE law), the company's Articles of Association provide the ability to separate the functions of Chairman of the Board of Directors from those of Chief Executive Officer.

However, in accordance with a deliberation of 3 December 2001, the Board of Directors decided not to separate the functions of Chairman of the Board of Directors from those of Chief Executive Officer and consequently opted to combine the functions of Chairman of the Board of Directors and Chief Executive Officer of the company, with the Chairman of the Board of Directors also assuming responsibility for the company's general management. It was decided that this arrangement was the most favourable to the proper functioning of the company and the efficiency of the decision-making process.

The Chairman represents the Board of Directors. He organises and directs the Board's work and reports on it to the General Meeting. He ensures that the governing bodies (Board of Directors and General Meeting) over which he presides function properly. The Chief Executive Officer directs the company and represents it vis-à-vis third parties. He is vested with the fullest powers to act on the company's behalf.

h) Limits placed by the Board of Directors on the powers of the Chief Executive Officer

The powers of the Chief Executive Officer and the Executive Vice Presidents are not subject to any statutory limitation or limitation imposed by the Board.

i) Board of Directors' meetings

The Board of Directors meets as often as the company's interests require, and at a minimum of four times per year in compliance with recommendation no. 13 of the MiddleNext code.

Board meetings are held at the registered office or any other place indicated in the meeting notice. For calculating the quorum and majority, directors participating in the Board meeting via videoconference or telecommunications media are deemed to be present. However, the actual presence or presence by representation will be required for all Board proceedings related to the closing of the year-end and consolidated financial statements, as well as the drafting of the management report and the report on the group's management. Pursuant to Article L. 225-38 of the French Commercial Code, the auditors are called to Board meetings at which the year-end financial statements are reviewed and approved.

The decisions of the Board of Directors are taken as a simple majority of the present or represented members, with a tie-breaking vote cast by the Chairman in the case of a split vote.

The Board met 10 times in 2014. The directors attended the Board meetings regularly, with an overall attendance rate of 76.92% in 2014.

They participated actively and freely in the proceedings and contributed their knowledge and professional expertise in an effort to promote the general interest of the shareholders and the company.

Following are the main agendas of the meetings:

- Share capital increase following the exercising of share rights attached to stock warrants during fiscal year 2013.
- Adherence to the MiddleNext Corporate Governance Code. Review of the creation of the Company's new subsidiaries in Finland and Russia.
- Availability of share purchase options for the Group's employees. Review of the creation of the Company's new subsidiaries in Spain and Uruguay.
- Review and approval of the individual and consolidated financial statements for the fiscal year ended 31 December 2013. Proposed allocation of profit. Preparation of the annual financial report. Evaluation of the Board's operations and preparation of its tasks. Proposed appointment of a new Director. Analysis and approval of the report on the projected management documents for 2014. Preparation and notice to attend the Annual Ordinary General Meeting.
- Share capital increase following the exercising of share rights attached to stock warrants during the first half of fiscal year 2014. Increase in share capital resulting from the definitive issue of bonus shares to employees and executive directors.
- Review and approval of the half-year accounts at 30 June 2014. Preparation of the half-year financial report.
- Increase in share capital resulting from the definitive issue of bonus shares to employees.
- Update of the report on the projected management documents for 2014.
- Availability of share purchase options for the Group's employees.
- Share capital decrease due to the cancellation of own shares. Bonus issue of shares to employees and executive directors.

j) Evaluation of the Board of Directors' work

As advised by recommendation no. 15 of the MiddleNext code, at its meeting of 19 March 2014, the Board of Directors invited the directors to express themselves with regards to the operation of the Board and the preparation of its duties, by using a self-evaluation questionnaire for the Board of Directors and its committees, which was sent to each director.

The self-evaluation primarily concerned the composition of the Board, its operation, the frequency and duration of meetings, subjects covered, the nature of the discussions, information provided to the directors, and duties of its specialised committees. What emerged was a positive appraisal of the Board's ability to carry out its mandate.

4.1.1.1.2 The Board of Directors' Committees

In accordance with recommendation no. 12 of the MiddleNext code, we are informing you of the company's decision in the matter of specialised committees.

Considering the company's situation, the Board of Directors decided to create two specialised committees: the Appointments and Compensation Committee and the Audit Committee.

These two committees are comprised exclusively of directors. Their members are appointed by the Board of Directors, which also appoints their chairmen.

These committees' specific powers and rules of operation were defined by the Board at the time of their creation and integrated into the internal rules.

a) Appointments and Compensation Committee

This Committee is made up of Ms Marie-Thérèse Guiny, Chairperson, who is assisted by Claude Guillemot.

• *Mission:* The role of the Appointments and Compensation Committee is to review the compensation of the members of the Board of Directors, the Chief Executive Officer and the Executive Vice Presidents and to decide whether it is appropriate to grant them stock options. The Committee will review candidacies and make proposals to the Board of Directors regarding the appointment or reappointment of directors and, in particular, the selection of independent directors.

The Appointments and Compensations Committee provides the Board with data for comparison and evaluation, particularly for practices related to:

- studying and making proposals regarding the compensation of company managers;
- suggesting rules to the Board regarding the distribution of directors' fees and the individual amounts of payments to be made in this regard to directors, taking into account the directors' attendance at the Board;
- suggesting to the Board the total amount for directors' fees to be proposed to the company's General Meeting;
- providing the Board of Directors with an opinion on the general policy regarding the awarding of stock options, which must be reasonable and appropriate, and on a plan regarding options established by the group's General Management, indicating to the Board of Directors its proposal covering stock options and subscriptions by listing the reasons behind its choice as well as the consequences, setting the frequency of allotments;
- looking into all questions submitted by the Chairman related to the points laid out above and, where appropriate, projects related to the employee stock ownership plan.

b) Audit Committee

- *Composition:* This committee is made up of Ms Marie-Thérèse Guiny, Mr Claude Guillemot, and Mr Christian Guillemot. This committee is chaired by Ms Marie-Thérèse Guiny.
- *Mission:* The role of the Audit Committee is to:
 - examine the accounts and ensure the appropriateness and consistency of the accounting methods used to prepare the company's consolidated and individual financial statements;
 - monitor the financial reporting process;
 - monitor the efficiency of the internal control and risk management systems.

4.1.1.1.3 Compensation of the Executive Directors

The policy for compensation and benefits of all types awarded to the company's executive directors complies with recommendation no. 2 of the MiddleNext code. The principles used to determine compensation correspond to the following criteria: completeness, balance, benchmark, consistency, readability, worth and transparency.

The compensation of the executive directors consists of fixed compensation and benefits in kind. The executive directors do not receive variable compensation. They may be granted stock options and performance shares. The total is determined by the Board of Directors on the recommendation of the Compensation Committee. Stock options and performance shares granted to the executive directors are subject to performance conditions.

The total gross compensation paid by the company to members of the Board of Directors over the course of the fiscal year reached €1,023,520.

In accordance with recommendation no. 2 of the MiddleNext code, information on compensation of executive directors is detailed in the corresponding tables of the company's Management Report.

4.1.1.1.4 Directors' Fees

In consideration of the responsibilities assumed, but also of time spent preparing for Board meetings and of active participation, the company was authorised by the General Meeting of 18 June 2014 to pay to its directors fees amounting to a maximum set at 175,000 euros per year.

In compliance with recommendation no. 14 of the MiddleNext code, it is specified that each of Gameloft's executive directors were granted 25,000 euros in directors' fees over the course of the fiscal year ended 31 December 2014, with the exception of Ms Odile Grandet, who received €12,500 in the form of directors' fees during this fiscal year.

4.1.1.1.5 Stock Options Plan

Stock options are granted to employees and the executive directors by the Board of Directors on the recommendation of the Compensation Committee. Stock options are a way of recognising the recipient's performance and contribution to the Gameloft Group's development as well as an assurance of his/her future employment with the company.

At the time of each plan, the Compensation Committee and the Board assess the nature of the options to be granted—subscription or purchase—based primarily on financial considerations. A list of recipients is proposed by General Management to the Compensation Committee, which reviews it and submits it to the Board of Directors, which grants the options. The Board also determines the conditions under which the options may be exercised, the exercise price and the vesting period. The exercise price is based on the average share price

during the 20 trading days preceding the date of the grant decision, during which no discount is provided. The plans generally provide for a four-year vesting period. In addition, the executive directors receiving options must keep in registered form five per cent (5%) of the shares resulting from the exercise of options until termination of their duties.

In accordance with recommendation no. 5 of the MiddleNext code regarding the compensation of executive directors, the awarding of stock options to, and purchase of shares by, executive directors are subject to relevant performance conditions reflecting the company's medium- and long-term interest.

Exercise of the options granted by the Board of Directors to the executive directors is also conditional upon the purchase of shares by these same executive directors for a volume equal to 1% of the total net gain, after-tax, realised by each of them.

4.1.1.1.6 Stock Options Exercised during the Fiscal Year by the Executive Directors

STOCK OPTIONS EXERCISED BY THE EXECUTIVE DIRECTORS DURING THE FISCAL YEAR						
Name of Executive Director:	Type of Operation	Plan Number and Date	Date of Operation	Number of Shares	Exercise Price	Amount of Operation
Michel Guillemot	Exercise of stock options	Plan Number 10 of 01/06/2010	27/05/2014	90,000	€3.82	€343,800.00
Michel Guillemot	Transfer	Plan Number 10 of 01/06/2010	27/05/2014	85,000	€6.7979	€581,220.45
Michel Guillemot	Exercise of stock options	Plan Number 11 of 20/09/2011	03/06/2014	150,000	€3.87	€580,500.00
Michel Guillemot	Exercise of stock options	Plan Number 9 of 14/05/2009	03/06/2014	150,000	€2.36	€354,000.00
Yves Guillemot	Exercise of stock options	Plan Number 8 of 11/04/2008	26/03/2014	37,500	€2.80	€105,000.00
Gérard Guillemot	Exercise of stock options	Plan Number 10 of 01/06/2010	14/05/2014	30,000	€3.82	€114,600.00
Gérard Guillemot	Transfer	Plan Number 10 of 01/06/2010	14/05/2014	28,500	€7.1766	€204,533.10

4.1.1.1.7 Bonus Issues of Shares

The bonus shares issued to the paid employees and executive directors of the company and of the companies or groups of companies related to it within the meaning of Article L. 225-197-2 of the French Commercial Code are approved by the Board of Directors on the recommendation of the Compensation Committee. Bonus shares are a way of recognising the recipient's performance and contribution to the company's development as well as an assurance of his/her future employment with the company.

A list of recipients is proposed by General Management to the Compensation Committee, which reviews it and submits it to the Board of Directors, which issues the bonus shares. The Board, with the authorisation of the general meeting, establishes the conditions and criteria that must be met by the recipients of new shares allotted free of charge, decides on the number of shares to be issued and notes the definitive allotment dates and the dates from which the shares may be freely sold, in light of legal restrictions.

In addition, the executive directors receiving bonus shares must keep in registered form five per cent (5%) of the shares allotted until termination of their duties.

In accordance with recommendation no. 5 of the MiddleNext code regarding the compensation of executive directors, the awarding of bonus shares to executive directors is subject to relevant performance conditions reflecting the company's medium- and long-term interest.

4.1.1.1.8 Bonus Shares Allotted to the Executive Directors

Bonus Shares Allotted to the Executive Directors by the Company during the Fiscal Year

	BONUS SHARES ALLOTTED TO THE EXECUTIVE DIRECTORS BY THE COMPANY DURING THE FISCAL YEAR					
Name of Executive Director:	Plan Date	Number of Shares	Date of Acquisition	Option Fair Value	Date of Availability	Performance conditions
Michel Guillemot	16/12/2014	165,000	16/12/2016	€2.07	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Yves Guillemot	16/12/2014	20,625	16/12/2016	€2.15	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Christian Guillemot	16/12/2014	20,625	16/12/2016	€2.15	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
G�rard Guillemot	16/12/2014	20,625	16/12/2018	�2.24	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
Claude Guillemot	16/12/2014	20,625	16/12/2016	�2.15	16/12/2018	Internal performance conditions (goals in terms of marketing new games)
TOTAL		247,500				

Bonus Shares That Became Available for Each Manager during the Fiscal Year

Bonus Shares That Became Available for Each Manager	Plan Date	Number of shares that became available during the fiscal year	Acquisition Conditions
Christian Guillemot	01/06/10	15,000	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Yves Guillemot	01/06/10	15,000	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Claude Guillemot	01/06/10	15,000	Vesting of the bonus shares is conditional upon the purchase of shares for a volume equal to 1% of the net gain earned after taxes. The date of this acquisition will take place at the moment the shares become available.
Total		45,000	

4.1.1.1.9 Employment Contract, Retirement Benefits and Supplementary Retirement Plans Offered to the Executive Directors

None of the executive directors are under an employment contract, as endorsed by recommendation no. 1 of the MiddleNext code. No commitment has been made in favour of the executive directors with regard to compensation, financial consideration or benefits owed or likely to be owed as a result of the termination or change in their duties or subsequent to said duties, as endorsed by recommendation no. 3 of the MiddleNext code. Executive directors do not benefit from any additional retirement commitments, as endorsed by recommendation no. 4 of the MiddleNext code.

4.1.1.2 Terms and Conditions of Shareholders' Participation in General Meetings

Pursuant to Article 14 of the Articles of Association and Article R. 225-85 of the French Commercial Code, all shareholders are entitled to participate in the meetings, upon proof of identity, by attending the meeting in person, returning a vote-by-mail ballot or designating a proxy in accordance with the applicable laws and regulations, under the following conditions:

- holders of registered shares must be listed in the company's records under their own name;
- holders of bearer shares must file at the place indicated in the meeting notice a certificate issued by an authorised broker showing that their shares listed in the records are non-transferable up to the Meeting date.

These formalities must be completed at least five (5) days prior to the Meeting.

Shareholders who wish to attend the meeting in person must request to do so by returning their voting form either directly to CACEIS (registered shareholders) or to their financial broker (bearer shareholders). They will then receive an admission card.

A meeting notice, along with a vote-by-mail ballot or proxy form, will be sent automatically to registered shareholders. Bearer shareholders must contact the financial broker who manages their shares in order to obtain the vote-by-mail ballot or proxy form.

In order to be honoured, requests for vote-by-mail ballots or proxy forms must be received at least five days prior to the meeting date at Gameloft – Service Assemblées – 14 rue Auber – 75009 Paris.

4.1.2 Internal Control and Risk Management Procedures

General Management expresses its clear, on-going commitment to maintain and improve a reliable, effective system of internal control built on a strong ethical foundation, an appropriate organisation, defined responsibilities and proven competencies in order to ensure transparent management and well-informed shareholders, all key components of good governance.

4.1.2.1 Definitions and Objectives of Internal Control

In order to prepare this report on fiscal year 2014, Gameloft chose to draw on the internal control reference framework and the recommendations published by the AMF.

According to this framework, internal control is defined as a system which seeks to ensure:

- compliance with laws and regulations;
- the implementation of the instructions and policies defined by General Management;

- proper functioning of the company's internal processes, particularly those that help to protect its assets;
- the reliability of financial reporting.

This system must also facilitate control of the company's activities, the effectiveness of its operations and the efficient use of its resources, as well as allowing the company to take significant operational, financial or compliance risks into consideration. The internal control system also plays a key role in management and oversight of the company's activities.

The aim of internal control is therefore to:

- ensure that management activities, transactions carried out and employee behaviour are in line with the guidelines issued by the Board;
- ensure that transactions comply with applicable laws and regulations;
- prevent and manage risks inherent to the company's activity and risks of errors or fraud, particularly in the accounting and finance areas.

Internal control procedures related to preparing and processing accounting and financial information include those that allow the company to produce the financial statements and information concerning the company's financial situation.

To this end, Gameloft has taken significant steps toward assessing the appropriateness of its internal control system and evaluating its effectiveness on an on-going basis. The internal control system will therefore continue to be adapted to the specific needs and requirements of the Group and its subsidiaries and to changes in its external environment.

However, the Group is aware that the internal control system cannot provide an absolute guarantee that the objectives will be attained and that all the risks that the company may face will be managed.

4.1.2.2 Scope of the Internal Control System

This report covers all controlled companies included in the group's scope of consolidation and describes the internal control system put in place by Gameloft to ensure the reliability of its individual and consolidated financial statements.

Each company applies the procedures, the main characteristics of which are summarised below. This internal control is based on the following key principles:

- recognition of the full responsibility of the directors of the Group's companies;
- a system of regular financial reporting;
- a regular and/or occasional review of key points and of the company's activity.

4.1.2.3 Risk Management

In carrying out its activities, the Group is exposed to a number of risks that can impact its performance and its ability to attain its strategic and financial objectives. In order to identify and analyse these risks and the measures taken to manage them, the company has developed a risk map which is updated annually and is the product of a dynamic approach spearheaded by management teams and followed up by operational and functional teams.

The following steps were taken in mapping these risks:

- identification of all the company's activities;

- evaluation and classification of the risks and of their impact on each of the company's activities;
- evaluation of the quality of the controls and preventive measures.

The procedures put in place form an operational framework within the company. They are updated regularly in order to eventually become real risk management tools that can be used at all levels of the organisation, in particular for analysis of computer and non-financial risks.

The company's goal is therefore to strengthen its systematic approach toward risk analysis, thanks in particular to the creation of risk indicators. It intends to rely as much as possible on existing guidelines in order to improve its evaluation methods, further identify and document control procedures and better monitor its action plans.

An analysis of the key risks, their impact on the company's financial statements and the principal measures taken to manage them are described in the chapter of the management report entitled "Risk Factors."

4.1.2.4 General Organisation of Internal Control

a) The key players or departments involved in internal control activities

(i) Organisation:

The following are involved in the internal control system:

Chief Executive Officer: defines and guides the Group's strategy. He is responsible for developing the procedures and the measures taken to ensure the operation and monitoring of internal control.

Board of Directors: determines the policies that guide the company's activity and ensures that they are implemented. It oversees the company's management, particularly by approving the year-end financial statements and reviewing the half-year financial statements. The Board of Directors represents, as a group, all shareholders and is required to act at all times in the group's best corporate interest. Its proceedings cover all issues vital to the group, including general strategic policies in particular. It therefore has access to all the necessary documents and reports to fulfil this purpose. Moreover, each director may obtain additional information on his or her own initiative and the Chief Executive Officer is always available to provide explanations and important information to the Board of Directors.

Audit Committee: as part of its responsibilities, the Audit Committee prepares the decisions of the Board of Directors and makes recommendations or issues notices to the Board on a variety of topics, including:

- the review of the company's individual and consolidated financial statements;
- the review of the company's cash flows;
- the accounting measures and principles taken to draw up financial statements;
- the preparation of financial information;
- the consistency and effectiveness of the internal control and risk management systems.

Other key players in internal control: Gameloft is organised into game development subsidiaries and marketing subsidiaries. The Gameloft Group's management, based in France, informs its subsidiaries of the strategic directions to follow and oversees their implementation.

The organisation of internal control is centred on four international departments:

- Development
- Sales and Marketing

- Finance and Accounting
- Legal and Human Resources

These four central departments are overseen by Gameloft's Chief Executive Officer, whose powers are derived from certain laws and regulations. The company has introduced a procedures manual and conducts application tests on a regular basis.

• ***Development***

The Development department oversees the activity of the mobile game development studios located in France, Spain, Canada, the United States, Japan, South Korea, Romania, Bulgaria, China, Vietnam, Mexico, Argentina, the Philippines, Indonesia, New Zealand and Hungary. The studios report weekly to the Development department on the progress of the games currently under development. Publishing decisions for the development of new games are made by the Development department together with the Sales and Marketing department.

• ***Sales and Marketing***

The Sales and Marketing department oversees the activity of the mobile game marketing teams located in France, Germany, the United Kingdom, Spain, Italy, the United States, Canada, Japan, South Korea, China, India, Mexico, Argentina, Brazil, Hong Kong, Singapore, Malaysia, Indonesia, Australia, South Africa, the United Arab Emirates and Malaysia. These marketing teams handle the distribution and marketing of mobile games in the geographic areas for which they are responsible. The managers of these departments have broad latitude in terms of seeking out new partners to distribute the games. However, all partnership and game distribution agreements are approved by the Sales and Marketing department located in France, which facilitates monitoring and minimises risk. Each marketing subsidiary sends a detailed weekly account of its sales and marketing activity (new contacts, report of customer meetings, etc.) to the Sales and Marketing department.

• ***Finance and Accounting***

The Finance and Accounting department's areas of responsibility include cash flow management, monitoring of accounting and management rules, identifying external growth investments, finance, and relations with the financial community and shareholders. It also coordinates the company's corporate policy. The administrative departments at the registered office may be consulted by the company's subsidiaries outside of management channels. Each manager of a development or marketing subsidiary is a signatory on the subsidiary's bank account and independently manages its expenses and physical investments (limited for the most part to computer equipment). Every month, however, each subsidiary manager sends a detailed monthly income statement and a cash flow report to the Financial and Accounting department, which can then closely monitor changes in income and expenses on a global scale. These monthly income statements are then sent immediately to the company's two other departments, thus enabling them to monitor changes in the subsidiaries for which they are responsible.

• ***Legal Department and Human Resources***

The group's Legal department ensures the legal certainty of the group and its managers. The Legal department's duties include the formalisation and drafting of all contracts. It monitors laws and regulations in order to identify and anticipate changes to them. In addition, all legal proceedings and pre-litigation disputes are monitored by the Legal department in close collaboration with law firms.

The task of the subsidiaries' human resource teams is to develop and implement the necessary policies, programmes and tools to meet the recruitment objectives defined at the Group level, while also ensuring the development of each employee's potential and skills. These teams also ensure compliance with local regulations and implementation of the group's policies regarding overall and individual performance

improvement through regular evaluations, a development plan, customised training, the granting of stock options, enrolment in savings plans, etc.

(ii) Tools and operating methods:

The IT teams, which are part of the Information Systems department, ensure that teams have the appropriate tools to do their jobs. Together with the operational and functional teams, they determine the information systems required for information production and secure management of operations. A wide range of tools is used by the Group, including commercial software and tools developed in-house. These tools are constantly updated to meet the growing needs of information management and analysis.

b) Control activities

In addition to the risk management system, the group has also implemented numerous control processes at all levels of the company. The functional departments at the registered office play a key role in this area by ensuring that the subsidiaries' activities adhere to group guidelines and by assisting them with risk management, such as when local teams do not have sufficient qualifications:

- **The management control department** monitors the company's performance by tracking operations via monthly reports submitted by all the group's subsidiaries. Given the Group's small size, there is no "Internal Audit" system. The "Management Control" department is part of the Development department. The group's management control is the management control coordination unit that monitors all activity of the mobile game development studios at the Group level. Prior to starting development on each new game, forecasts are made regarding the composition of the development team, the amount of time allocated to development and the number of devices on which the game will be developed. This work method makes it possible to determine with the greatest accuracy the projected development cost of each game and serves as an efficient alert system in case of a delay in game development. Any variance between estimated and actual costs is analysed and subsequent games benefit from the lessons learned. The financial controllers monitor the entire financial reporting cycle and regularly audit the subsidiaries on their performance, results and activity.
- **The consolidation department** prepares the Group's consolidated financial statements and provides all the expertise required to prepare and analyse the monthly financial statements. It issues the accounting procedures applicable within the group. It ensures compliance with the rules and regulations in force in order to fairly present the Group's activity and financial position.
- **The cash management department** coordinates the cash management of the French and foreign subsidiaries by, among other things, overseeing projected cash flows. It ensures that the foreign exchange and liquidity risk management policies are consistent with the financial information published and manages off-balance sheet commitments.
- **The legal department**, which specialises in corporate law, contract law, legal proceedings and intellectual property, assists and advises the subsidiaries on legal matters. It coordinates joint studies or studies of interest to the Group and offers legislative support to local entities in order to manage risk in different areas.
- **The information systems department** collaborates on the choice of computer tools and ensures consistency at both the technical and functional level. It also tracks the progress of IT projects on a regular basis and ensures they meet the needs defined by the functional teams and the budgets approved by management. The security department is responsible for ensuring and organising the protection of the information system, whether this entails the security of the various applications, the server architecture, the computer rooms or the organisation at the group level.

c) Internal control related to the preparation and processing of financial and accounting information

Internal control procedures related specifically to the preparation and processing of financial and accounting information are designed to define and implement the accounting policy and manage resources and constraints in order to meet the company's objectives. Preparing and processing financial and accounting information is primarily the responsibility of the Finance and Accounting department.

In terms of financial information, Gameloft has a decentralised organisation. Each subsidiary's financial statements are prepared by the local accounting and financial teams under the supervision of the subsidiary's managers.

Preparation of the individual financial statements

The Finance and Accounting department is responsible for preparing Gameloft's financial statements in a manner that ensures accuracy and compliance with the regulations of the market on which the company is listed: Euronext Paris – Segment B.

The accounting procedures are in line with the key objectives of completeness, precision, compliance of transaction recording with the applicable rules, and consistency of the recording method with the Group's rules.

Specific procedures apply to the recording of entries that affect the main balance sheet, income statement and off-balance sheet items.

The financial statements of each subsidiary are prepared under the supervision of their manager by the local accounting services, which ensure compliance with the tax and regulatory restrictions of their respective countries. These statements are subject to a limited review on the half-year financial statements and an audit by the auditors of each entity for the year-end closing.

Preparation of the consolidated financial statements

The consolidated financial statements are prepared by the Finance and Accounting department based on data collected from the information systems and the financial statements prepared by the subsidiaries.

Since 2005, the Group's consolidated financial statements have been drawn up in accordance with international standards (IFRS). They are prepared quarterly based on a schedule established by the Finance and Accounting department at the time of each closing.

The entities' consolidation reporting packages are completed by the subsidiaries' accountants. The Financial and Accounting department produces the consolidated financial statements for the entire Group. It ensures that the source data submitted by the subsidiaries is consistent and that the consolidated financial statements are prepared in accordance with the rules and regulations in force and fairly present the Group's activity and financial position.

Each quarter, the Group announces its consolidated revenue. The Group's consolidated financial statements are published twice a year. They are audited annually and undergo a limited review twice a year, as required by law. They are approved by the Board of Directors and then by the general shareholders' meeting. Each year, the Group also publishes financial documentation.

Collection procedures and off-balance sheet commitments

During half-year and year-end account closings, the information needed to prepare consolidated off-balance sheet commitments is collected by the Finance and Accounting department from all departments in the company and subsidiaries of the Group.

Off-balance sheet commitments are ultimately validated by the Auditors as part of their audit on the financial statements.

Procedures for monitoring operational assets

The Group uses software to monitor assets for accounting purposes. During each closing, the information from these applications is reconciled with the accounting records.

Financial communication

Aside from the Chief Executive Officer, the Financial and Accounting department is solely authorised to release financial information concerning the group and its strategy outside the company, with the Board of Directors responsible for final approval.

Under the supervision of the Administrative and Financial Director, the group's Finance and Accounting Director, in collaboration with the Legal department, drafts the following documents:

- financial press releases
- half-year management report
- reference document
- presentation for the General Meeting

Financial information is released in strict compliance with the market operating rules and the principle of equal treatment of investors.

Audit performed by the Auditors

The on-going and independent mission of the Auditors of the company and its subsidiaries is to verify the company's book values and accounting documents, ensure that the accounting records comply with the rules in force, and verify consistency with the year-end financial statements and the truthfulness of the information provided in the Board of Directors' management report and in the documents sent to shareholders regarding the financial position and financial statements of the Group and its subsidiaries.

The Auditors perform their work twice a year when certifying the half-year financial statements and the year-end and consolidated financial statements. They are routinely informed of specific significant operations.

The Auditors are informed prior to the preparation of the financial statements and present a summary of their work to the group's Finance and Accounting department at the time of half-year and year-end closings.

4.1.2.5 Action Plan for Improving Internal Control

Gameloft's general management is mindful of changes in the legal and regulatory framework of corporate governance and internal control.

In collaboration with the Board of Directors, it is introducing more stringent measures in both these areas while endeavouring to ensure that all of the company's management levels remain flexible and responsive.

The group has maintained light management structures during fiscal year 2014 while ensuring the observance of policy principles based on the autonomy of operational entities in order to:

- ensure the proper application of rules and procedures;
- monitor changes in regulatory requirements;
- maintain efficient management of key risks;

- guarantee reliable, regular and high-quality financial information.

Generally speaking, continuous improvement of the procedures, standards and information systems remains one of the primary objectives and is in line with a three-fold commitment to efficiency, management and control.

Paris, 18 March 2015,

Chairman of the Board of Directors

4.2 Auditors' Report Prepared in Accordance with Article L. 225-235 of the French Commercial Code on the Report of the Chairman of the Board of Directors of Gameloft SE

Dear Shareholders,

In our capacity as auditors of Gameloft SE and in accordance with the provisions of Article L. 225-235 of the French Commercial Code, we present to you our report on the report prepared by your company's Chairman of the Board, pursuant to the provisions of Article L. 225-37 of the French Commercial Code for the fiscal year ended 31 December 2014.

The Chairman is responsible for preparing and submitting to the Board of Directors for approval a report that details the internal control and risk management procedures implemented at the company and provides the additional information required by Article L. 225-37 of the French Commercial Code relative to, among other things, the system of corporate governance.

It is our responsibility to

- provide our observations based on the information contained in the Chairman's report concerning the internal control and risk management procedures related to the preparation and processing of accounting and financial information;
- certify that the report contains the additional information required by Article L.225-37 of the French Commercial Code, with the stipulation that it is not our responsibility to verify the fairness of this additional information.

We have performed our work in accordance with the professional standards applicable in France.

Information concerning the internal control and risk management procedures related to the preparation and processing of accounting and financial information

Professional standards require that we follow certain procedures to assess the fairness of the information concerning the internal control and risk management procedures related to the preparation and processing of accounting and financial information contained in the Chairman's report. These procedures consist of:

- acquiring an understanding of the internal control and risk management procedures related to the preparation and processing of the accounting and financial information underlying the information presented in the Chairman's report as well as the existing documentation;
- acquiring an understanding of the work involved in preparing this information and of the existing documentation;
- determining whether major weaknesses in internal control related to the preparation and processing of accounting and financial information detected by us during our audit are appropriately reported in the

Chairman's report.

Based on this work, we have no observation regarding the information about the company's internal control and risk management procedures related to the preparation and processing of accounting and financial information, as contained in the Chairman of the Board of Directors' report, which was prepared in accordance with the provisions of Article L. 225-37 of the French Commercial Code.

Additional information

We certify that the report of the Chairman of the Board of Directors contains the additional information required by Article L. 225-37 of the French Commercial Code.

Rennes and Courbevoie, 23 April 2015

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulois

5. LEGAL INFORMATION

5.1 Special Auditors' Report on Regulated Agreements and Commitments

Dear Shareholders,

In our capacity as your company's auditors, we present to you our report on regulated agreements and commitments.

It is also our responsibility to inform you, based on the information provided to us, of the characteristics and essential terms and conditions of the agreements and commitments that have been brought to our attention or that we may have found during our audit, without our being required to comment on their usefulness or relevance, nor to search for the existence of other agreements and commitments. According to the provisions of Article R. 225-31 of the French Commercial Code, it is your responsibility to assess whether it is in your interest to enter into these agreements and commitments before approving them.

Moreover, it is our responsibility to inform you where appropriate of the information pursuant to Article R. 225-31 of the French Commercial Code related to the authorisation during the fiscal year just ended of agreements and commitments already approved by the General Meeting.

We have followed the procedures that we deemed necessary based on the accounting standards of the Compagnie nationale des commissaires aux comptes (French National Association of Auditors) relative to this audit. These procedures involved verifying the consistency of the information provided to us with the source documents from which it was derived.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR THE APPROVAL OF THE GENERAL MEETING

I- AGREEMENTS AND COMMITMENTS APPROVED DURING THE FISCAL YEAR JUST ENDED

We inform you that, during the past fiscal year, no notice was provided to us of an authorised agreement to be submitted for approval by the General Meeting, in application of the provisions of Article L. 225-38 of the French Commercial Code.

AGREEMENTS AND COMMITMENTS ALREADY APPROVED BY THE GENERAL MEETING

II- AGREEMENTS AND COMMITMENTS APPROVED IN PRIOR FISCAL YEARS THAT REMAINED EXTANT DURING THE FISCAL YEAR JUST ENDED

Pursuant to Article R. 225-30 of the French Commercial Code, we have been advised that the following agreements and commitments, approved in prior fiscal years, were performed during the fiscal year just ended.

1 - Licence agreement with Ubisoft Entertainment S.A.

- *Directors concerned:*

Messrs Christian, Claude, Gérard, Michel and Yves Guillemot

- *Nature and purpose:*

On 9 December 2013, your Board of Directors authorised the signing of a licence agreement with Ubisoft Entertainment S.A., under which Ubisoft Entertainment granted to your company an exclusive licence permitting Gameloft SE to market and promote certain trademarks and video games owned by Ubisoft Entertainment S.A. on mobile feature phones as well as mobile phones and tablets running iOS and Android. This licence contract took effect retroactively as of 1 April 2013.

This Trademark licence contract was transferred by Ubisoft Entertainment S.A. to Ubisoft Mobile Games SARL.

- *Terms and conditions:*

This licence was granted in return for the payment of royalties proportional to the sales figures posted by Gameloft SE. During the fiscal year, the total royalties amounted to 450,203 euros.

2 - Distribution contract signed with Longtail Studios Inc.

- *Directors concerned:*

Messrs Christian and Gérard Guillemot

- *Nature and purpose:*

On 20 January 2006, your Board of Directors authorised the signing of a contract with Longtail Studios Inc. for the distribution of *Love Triangle: Dating Challenge*, a video game for mobile telephones. Under the terms of this contract, Longtail Studios Inc. grants worldwide distribution rights to the *Love Triangle: Dating Challenge* mobile game to Gameloft SE in return for the payment of a royalty equal to 50% of the revenues earned by Gameloft SE on sales of the game. This distribution contract took effect retroactively as of 1 July 2005.

- *Terms and conditions:*

During the fiscal year, the total royalties amounted to 234 euros.

Rennes and Courbevoie, 23 April 2015

The Auditors

MAZARS

AUDIT AMLD

Simon Beillevaire

Eric Moulois

5.2 Combined General Meeting of 17 June 2015

5.2.1 Ordinary Portion of the Meeting

First Resolution (*Approval of individual financial statements for fiscal year 2014*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, and having read the management report from the Board of Directors and the auditors' report on the financial statements, approves the individual financial statements of the fiscal year ended 31 December 2014 as they have been presented, showing a net book loss of 23,164,357.06 euros.

Second Resolution (*Allocation of profit*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, and having read the management report from the Board of Directors on the Company's position and activity during the fiscal year ended 31 December 2014 and the Auditors' report for said fiscal year, resolves to allocate the loss totalling 23,164,357.06 euros as an accumulated loss.

The General Meeting also notes that no dividends were distributed during the last three fiscal years.

Third Resolution (*Approval of the consolidated financial statements for fiscal year 2014*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, and having read the Board of Directors' management report and the Auditors' report on the consolidated financial statements on the fiscal year ended 31 December 2014, approves the consolidated financial statements for said fiscal year, as presented, which show a loss of 6,354,702.61 euros.

Fourth Resolution (*Approval of the agreements referred to in Article L. 225-38 et seq. of the French Commercial Code*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings and having read the special report drawn up by the Auditors on the agreements and commitments provided by Articles L. 225-38 et seq. of the French Commercial Code, approves the agreements and commitments referred to in this report under the conditions of said report.

Fifth Resolution (*Renewal of Mr Michel Guillemot's term as director*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, has decided to renew Mr Michel Guillemot's appointment as Director for a period of four years, until the General Meeting called to approve the financial statements of the fiscal year ending on 31 December 2018.

Sixth Resolution (*Renewal of Mr Christian Guillemot's term as director*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, has decided to renew Mr Christian Guillemot's appointment as Director for a period of four years, until the General Meeting called to approve the financial statements of the fiscal year ending on 31 December 2018.

Seventh Resolution (*Renewal of Ms Marie-Thérèse Guiny's term as director*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, has decided to renew Ms Marie-Thérèse Guiny's appointment as Director for a period of four years, until the General Meeting called to approve the financial statements of the fiscal year ending on 31 December 2018.

Eighth Resolution (*Renewal of Mr Yves Guillemot's term as director*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, has decided to

renew Mr Yves Guillemot's appointment as Director for a period of three years, until the General Meeting called to approve the financial statements of the fiscal year ending on 31 December 2017.

Ninth Resolution (*Renewal of Mr Claude Guillemot's term as director*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, has decided to renew Mr Claude Guillemot's appointment as Director for a period of three years, until the General Meeting called to approve the financial statements of the fiscal year ending on 31 December 2017.

Tenth Resolution (*Renewal of Mr Gérard Guillemot's term as director*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, has decided to renew Mr Gérard Guillemot's appointment as Director for a period of three years, until the General Meeting called to approve the financial statements of the fiscal year ending on 31 December 2017.

Eleventh Resolution (*Authorisation to be granted to the Board of Directors with a view to allowing the company to trade in its own shares*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Ordinary General Meetings, and having read the Board of Directors' report, authorises the Board of Directors, with powers of delegation established by law, in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code, to trade in the company's shares on the stock exchange for all purposes authorised or which may be authorised by the laws and regulations in force, including in particular to:

- cancel them through the reduction of capital within the limits prescribed by law, upon the adoption by the Extraordinary General Meeting of the twelfth resolution hereinafter;
- implement any company stock option plan within the framework of the conditions of Articles L. 225-177 et seq. of the French Commercial Code;
- grant bonus shares within the framework of Articles L. 225-197-1 et seq. of the French Commercial Code;
- issue or sell shares to employees to allow them to benefit from the company's growth or as part of the creation of an employee savings plan, under the conditions provided by law;
- allot shares, while exercising the rights attached to securities granting access to capital by redemption, conversion, exchange, or presentation of a bond or by any other manner;
- retain and deliver them in exchange or as payment for future external growth operations initiated by the Company, mergers, split-ups or contributions, in accordance with recognised market practices and applicable regulations;
- to ensure the liquidity of Gameloft's stock and stimulate the market on which it is traded through a liquidity contract made with an investment services provider that complies with an ethics charter recognised by the Autorité des marchés financiers.

The maximum number of shares that the Company may purchase is set at 10% of the total number of shares comprising the Company's capital, with the stipulation that the number of shares purchased by the Company in order to retain and subsequently remit them as payment or exchange in connection with a merger, split-up or contribution may not exceed 5% of its capital.

The maximum purchase price per share is set at 10 euros. The total amount which the company can spend to buy back its own shares may not exceed 85,469,090 euros, based on the number of shares making up the share capital at 31 December 2014.

However, in the event of operations involving the company's capital, including in particular a capital increase through the capitalisation of reserves, bonus issue of shares, stock split or consolidation of shares, amortisation of capital, or any other operation involving the capital, the General Meeting authorises the Board of Directors to adjust the purchase price previously mentioned in order to take into account the effect of these operations on the share value.

Shares can be purchased, sold, exchanged or transferred on the market, by private tender or otherwise, by any means and particularly through transfers of blocks of shares, through stock option transactions or the use of any derived financial instrument and within a time frame approved by the Board of Directors.

This authorisation is granted for a period of 18 months starting on the date of this meeting. It replaces the authorisation granted by the General Meeting on 18 June 2014 for the undrawn portion.

In order to ensure the execution of this authorisation, all powers are conferred to the Board of Directors, with powers of delegation, to resolve and implement this authorisation, to specify the terms and their detailed conditions if necessary, to implement the purchasing programme and particularly to place stock exchange orders of any kind, to finalise all agreements in order to keep records of stock purchases and sales, to fulfil all declarations and formalities toward the AMF and all other organisations, and to perform necessary tasks in general.

5.2.2 Extraordinary Portion of the Meeting

Twelfth Resolution (*Authorisation to be granted to the Board of Directors with a view to reducing the company's share capital by cancelling shares*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, having read the report from the Board of Directors and the special Auditors' report, authorises the Board of Directors, in accordance with the provisions of Article L. 225-209 of the French Commercial Code, to cancel, at its sole discretion, on one or more occasions, within the limit of 10% of the total number of shares comprising the Company's capital existing on the date of the transaction, per period of twenty-four months, all or part of acquired shares pursuant to the authority voted by the current General Meeting in its eleventh resolution and to correspondingly reduce the share capital, and to charge the difference between the acquisition cost of the cancelled shares and their nominal value against available premiums and reserves, including the legal reserve up to a limit of 10% of the cancelled capital.

This authorisation is granted for a period of 18 months starting on the date of this meeting. It replaces the authorisation granted by the General Meeting on 18 June 2014 in its eighth resolution.

In order to ensure this authorisation is carried out, all powers are conferred to the Board of Directors, with powers of delegation, to implement this authorisation and particularly to complete cancellation and reduction of capital, to decide the number of shares to cancel, to ascertain the completion of capital reduction and consequently modify the articles of association, to fulfil all resulting formalities, procedures and declarations to all entities, and to take any necessary actions in general.

Thirteenth Resolution (*Authorisation to be granted to the Board of Directors to approve an increase in the Company's share capital through the issue of shares and/or securities of any kind granting entitlement to the Company's capital or granting rights to the allotment of debt securities, with pre-emptive rights*) - The General Meeting, voting in accordance with the quorum and the majority conditions required for Extraordinary General Meetings and having read the Board of Directors' report and the special Auditors' report, and in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code and in particular Article L. 225-129-2 and Articles L. 228-91 et seq. of the French Commercial Code:

1 - Authorises the Board of Directors to approve and carry out a share capital increase, on one or more occasions, in France and abroad, in the proportion and times it deems appropriate, through the issue, with shareholders' pre-emptive rights, of ordinary shares of the Company and securities of any kind granting entitlement to the Company's capital, with the stipulation that the shares and other securities may be subscribed for either in cash or by the offsetting of claims, either in whole or in part, by capitalisation of reserves, earnings or premiums, or, under the same conditions, to approve the issue of securities giving a right to allot debt securities governed by Articles L. 228-91 et seq. of the French Commercial Code.

2 - Resolves that the maximum nominal amount of share capital increases that may be carried out immediately and/or in the future under the aforementioned authorisation is set at five hundred thousand euros, to which will be added, where applicable, the nominal value of the additional ordinary shares to be issued in order to protect, in accordance with applicable laws and regulations, the interests of holders of securities granting entitlement to capital, with the stipulation that this amount will be charged against the total maximum amount of any capital increase set in the nineteenth resolution of the current General Meeting.

3 - Resolves, moreover, that the maximum nominal amount of debt securities granting entitlement to the capital, which may be issued under the current authorisation, cannot exceed three million euros or the equivalent of this amount if they are issued in a foreign currency or a currency unit based on several currencies, with the stipulation that this amount applies to all debt securities which the Board of Directors is authorised, by this General Meeting, to issue.

4 - Decides that, in the event that this authorisation is used by the Board of Directors:

- shareholders have, in proportion to the amount of their shares, a pre-emptive right on a non-reducible basis;
- the Board of Directors will also be authorised to grant shareholders the right to subscribe, on a reducible basis, for a number of securities greater than that for which they could subscribe on a non-reducible basis, in proportion to their share rights and within the limit of their request;
- if the subscriptions on a non-reducible and, where applicable, a reducible basis, do not take up the entire capital increase, the Board of Directors may, under the conditions provided by the law and in the order that it deems appropriate, use one and/or more of the following powers:

- limit the capital increase to the amount of subscriptions received, on the condition that this amount is at least three-fourths of the approved increase;
- freely distribute all or part of the shares or, in the case of securities granting entitlement to the capital, said securities for which the issue was approved but which were not subscribed for;
- make available to the public, through a public offering, all or part of the shares or, in the case of securities granting entitlement to the capital, said unsubscribed securities, on the French market and/or abroad and/or on the international market.

5 - Notes that, where applicable, the current authorisation automatically implies, for the benefit of holders of the securities granting entitlement to shares of the Company that may be issued pursuant to this authorisation, a waiver by shareholders of their pre-emptive right to the new shares to which these securities give a right.

6 - Sets the term during which the authorisation granted under this resolution is valid at 26 months starting on the date of this General Meeting.

7 - Resolves that the current authorisation nullifies any previous authorisation having the same purpose.

8 - Resolves that the Board of Directors will have full powers, with powers of delegation under the conditions provided by law, to implement this delegation of authority for purposes that include determining the dates and terms and conditions of the issues as well as the form and characteristics of the securities to create; determining the prices and conditions of the issues, setting the amounts to be issued, and setting the subscription date and the due date, which may be retroactive, of the shares to be issued; determining the method of payment of the shares or other securities issued, the listing of the shares created, the financial servicing of new shares and the exercise of the associated rights; charging, where applicable, the capital increase expenses against the amount of the premiums related thereto and deducting from this amount the

sums needed to supply the legal reserve; making all adjustments aimed at taking into account the impact of operations, particularly in case of a change in the share's nominal value, the capital increase through capitalisation of reserves, bonus issues of shares, division or consolidation of shares, distribution of reserves or any other assets, amortisation of the capital, or any other operation related to shareholders' equity capital, and, where applicable, establishing the terms and conditions under which the rights of holders of securities granting entitlement to the capital will be protected; noting the completion of each capital increase and amending the articles of association accordingly and, in general, entering into all agreements, particularly ensuring the successful completion of the proposed issues, and taking all measures and completing all formalities required for the issue under the aforementioned delegation of authority.

9 - Resolves, moreover, that in the event of an issue of debt securities granting entitlement to capital, the Board of Directors will have full powers, with powers of delegation under the conditions provided by law, to decide whether or not these securities are subordinated, to set their interest rate and interest repayment terms, the term, the fixed or variable redemption price, with or without a premium, the amortisation terms based on market conditions and the conditions under which these securities will entitle the holder to the company's shares.

Fourteenth Resolution (*Authorisation to be granted to the Board of Directors to approve an increase in the Company's share capital through the issue of shares and/or securities of any kind granting entitlement to the Company's capital or granting rights to the allotment of debt securities, without maintaining pre-emptive rights with an offer to the public*) - The General Meeting, voting in accordance with the quorum and the majority conditions required for Extraordinary General Meetings and having read the Board of Directors' report and the special Auditors' report, and in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, particularly of Articles L. 225-129-2, L. 225-135, L. 225-136, and the provisions of Articles L. 228-91 et seq. of the aforementioned Code:

1 - Authorises the Board of Directors to approve and carry out a share capital increase, on one or more occasions, in France and abroad, through a public offer, in the proportion and at the times it deems appropriate, through the issue, without shareholders' pre-emptive rights, of ordinary shares of the Company and securities of any kind granting entitlement to the Company's capital, with the stipulation that the shares and other securities may be subscribed for either in cash or by the offsetting of claims, either in whole or in part, by capitalisation of reserves, earnings or issue premiums or, under the same conditions, to approve the issue of securities giving a right to the grant of debt securities governed by Articles L. 228-91 et seq. of the French Commercial Code.

2 - Resolves that the maximum nominal amount of share capital increases that may be carried out immediately or in the future under the aforementioned authorisation is set at five hundred thousand euros, which will include, where applicable, the nominal value of the additional ordinary shares to be issued in order to protect, in accordance with applicable laws and regulations, the interests of holders of securities granting entitlement to capital, with the stipulation that this amount will be charged against the total maximum amount of any capital increase set in the nineteenth resolution of the current General Meeting.

3 - Resolves, moreover, that the maximum nominal amount of debt securities granting entitlement to the capital, which may be issued under the current authorisation, cannot exceed three million euros or the equivalent of this amount if they are issued in a foreign currency or a currency unit based on several currencies, with the stipulation that this amount applies to all debt securities which the Board of Directors is authorised, by this General Meeting, to issue.

4 - Resolves to cancel pre-emptive rights of shareholders to the shares and other securities that may be issued under this authorisation. It is understood that the Board of Directors may grant shareholders a preferred subscription right to all or part of the issue during the period and under the conditions established by it in accordance with applicable laws and regulations. This preferred subscription right will not result in the creation

of negotiable rights but may, if the Board of Directors deems appropriate, be exercised on both a non-reducible and reducible basis.

5 - Resolves that, if the subscriptions of the shareholders and the public do not take up the entire issue of shares or securities, the Board of Directors may, in the order it deems appropriate, use any of the following powers:

- limit the capital increase to the amount of the subscriptions, on the condition that this amount is at least three-fourths of the approved increase;
- freely distribute all or part of the unsubscribed shares.

6 - Notes that, where applicable, the current authorisation automatically implies, for the benefit of holders of the securities granting entitlement to shares of the Company that may be issued pursuant to this resolution, an express waiver by shareholders of their pre-emptive right to the new shares to which these securities give a right.

7 - Resolves that the amount of the consideration received or potentially received at a later date by the Company for each share issued or to be issued pursuant to this authorisation, given the issue price of detachable stock purchase warrants if such warrants are issued, will be at least equal to the minimum price stipulated by applicable laws and regulations as of the date of issue.

8 - Sets the term during which the authorisation granted under this resolution is valid at 26 months starting on the date of this General Meeting.

9 - Resolves that the current authorisation nullifies any previous authorisation having the same purpose.

10 - Resolves that the Board of Directors will have full powers, with powers of delegation under the conditions provided by law, to implement this delegation of authority for purposes that include determining the dates and terms and conditions of the issues as well as the form and characteristics of the securities to create; determining the prices and conditions of the issues, setting the amounts to be issued, and setting the subscription date and the due date, which may be retroactive, of the shares to be issued; determining the method of payment of the shares or other securities issued, the listing of the shares created, the financial servicing of new shares and the exercise of the associated rights; charging, where applicable, the capital increase expenses against the amount of the premiums related thereto and deducting from this amount the sums needed to supply the legal reserve; making all adjustments aimed at taking into account the impact of operations, particularly in case of a change in the share's nominal value, the capital increase through capitalisation of reserves, bonus issues of shares, division or consolidation of shares, distribution of reserves or any other assets, amortisation of the capital, or any other operation related to shareholders' equity capital, and, where applicable, establishing the terms and conditions under which the rights of holders of securities granting entitlement to the capital will be protected; noting the completion of each capital increase and amending the articles of association accordingly and, in general, entering into all agreements, particularly ensuring the successful completion of the proposed issues, and taking all measures and completing all formalities required for the issue under the aforementioned delegation of authority.

11 - Resolves, moreover, that in the event of an issue of debt securities granting entitlement to capital, the Board of Directors will have full powers, with powers of delegation under the conditions provided by law, to decide whether or not these securities are subordinated, to set their interest rate and interest repayment terms, the term, the fixed or variable redemption price, with or without a premium, the amortisation terms based on market conditions and the conditions under which these securities will entitle the holder to the company's shares.

Fifteenth Resolution *(Authorisation to be granted to the Board of Directors to approve an increase in the Company's share capital through the issue of shares and/or securities of any kind granting entitlement to the Company's capital or granting rights to the allotment of debt securities, without maintaining pre-emptive rights with an offer referring to Article L. 411-2, II of the French Monetary and Financial Code)* - The General Meeting,

voting in accordance with the quorum and the majority conditions required for Extraordinary General Meetings and having read the Board of Directors' report and the special Auditors' report, and in accordance with the provisions of Articles L. 225-129 et seq. of the French Commercial Code, particularly of Articles L. 225-129-2, L. 225-135, L. 225-136, and the provisions of Articles L. 228-91 et seq. of the aforementioned code, as well as the provisions of Article L. 411-2, II of the French Monetary and Financial Code:

1 - Authorises the Board of Directors to approve and carry out a share capital increase, on one or more occasions, in France and abroad, through an offer referring to Article L. 411-2, II of the French Monetary and Financial Code (bearing in mind that this is exclusively offered to (a) persons providing portfolio management investment service for third parties or, (b) qualified investors or a restricted group of investors, with the exception that these investors be acting on their own account), the proportion and at the times it deems appropriate, through the issue, without shareholders' pre-emptive rights, of ordinary shares of the Company and securities of any kind granting entitlement to the Company's capital, with the stipulation that the shares and other securities may be subscribed for either in cash or by the offsetting of claims, either in whole or in part, by capitalisation of reserves, earnings or issue premiums or, under the same conditions, to approve the issue of securities giving a right to the grant of debt securities governed by Articles L. 228-91 et seq. of the French Commercial Code.

2 - Resolves that the maximum nominal amount of share capital increases that may be carried out immediately or in the future under the aforementioned authorisation is set at five hundred thousand euros, which will include, where applicable, the nominal value of the additional ordinary shares to be issued in order to protect, in accordance with applicable laws and regulations, the interests of holders of securities granting entitlement to capital, with the stipulation that this amount will be charged against the total maximum amount of any capital increase set in the nineteenth resolution of the current General Meeting. In any case, any issuing of equity security as part of the current authorisation by an offer referred to in Article L. 411-2, II of the French Monetary and Financial Code cannot exceed the limits applicable on the date of its issuance.

3 - Resolves, moreover, that the maximum nominal amount of debt securities granting entitlement to the capital, which may be issued under the current authorisation, cannot exceed three million euros or the equivalent of this amount if they are issued in a foreign currency or a currency unit based on several currencies, with the stipulation that this amount applies to all debt securities that the Board of Directors is authorised, by this General Meeting, to issue.

4 - Resolves to cancel pre-emptive rights of shareholders to the shares and other securities that may be issued under this authorisation.

5 - Resolves that, if the subscriptions do not take up the entire issue of shares or securities, the Board of Directors may, in the order it deems appropriate, use any of the following powers:

- limit the capital increase to the amount of the subscriptions, on the condition that this amount is at least three-fourths of the approved increase;
- freely distribute all or part of the unsubscribed shares.

6 - Notes that, where applicable, the aforementioned authorisation automatically implies, for the benefit of holders of the securities granting entitlement to shares of the Company that may be issued pursuant to this authorisation, an express waiver by shareholders of their pre-emptive right to the new shares to which these securities give a right.

7 - Resolves that the amount of the consideration received or potentially received at a later date by the Company for each share issued or to be issued pursuant to this authorisation, given the issue price of detachable stock purchase warrants if such warrants are issued, will be at least equal to the minimum price stipulated by applicable laws and regulations as of the date of issue.

8 - Sets the term during which the authorisation granted under this resolution is valid at 26 months starting on the date of this General Meeting.

9 - Resolves that the current authorisation nullifies any previous authorisation having the same purpose.

10 - Resolves that the Board of Directors will have full powers, with powers of delegation under the conditions provided by law, to implement this delegation of authority for purposes that include determining the dates and terms and conditions of the issues as well as the form and characteristics of the securities to create; determining the prices and conditions of the issues, setting the amounts to be issued, and setting the subscription date and the due date, which may be retroactive, of the shares to be issued; determining the method of payment of the shares or other securities issued, the listing of the shares created, the financial servicing of new shares and the exercise of the associated rights; charging, where applicable, the capital increase expenses against the amount of the premiums related thereto and deducting from this amount the sums needed to supply the legal reserve; making all adjustments aimed at taking into account the impact of operations, particularly in case of a change in the share's nominal value, the capital increase through capitalisation of reserves, bonus issues of shares, division or consolidation of shares, distribution of reserves or any other assets, amortisation of the capital, or any other operation related to shareholders' equity capital, and, where applicable, establishing the terms and conditions under which the rights of holders of securities granting entitlement to the capital will be protected; noting the completion of each capital increase and amending the articles of association accordingly and, in general, entering into all agreements, particularly ensuring the successful completion of the proposed issues, and taking all measures and completing all formalities required for the issue under the aforementioned delegation of authority.

11 - Resolves, moreover, that in the event of an issue of debt securities granting entitlement to capital, the Board of Directors will have full powers, with powers of delegation under the conditions provided by law, to decide whether or not these securities are subordinated, to set their interest rate and interest repayment terms, the term, the fixed or variable redemption price, with or without a premium, the amortisation terms based on market conditions and the conditions under which these securities will entitle the holder to the company's shares.

Sixteenth Resolution (*Delegation of authority to grant to the Board of Directors in order to increase the number of shares to issue in the case of capital increase, either with or without pre-emptive rights*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, having read the report from the Board of Directors and the special Auditors' report and in accordance with the provisions of Article L. 225-135-1 of the French Commercial Code:

1 - Authorises the Board of Directors, with powers of delegation, under the conditions provided by law, to increase the number of shares to be issued in the event of an issue of shares or securities granting entitlement to the capital, with or without pre-emptive rights, as described in the thirteenth, fourteenth and fifteenth resolutions, at the same price as that used for the primary issue, and within the period and limitations required by applicable regulations on the day of its issue (to date, within 30 days of the subscription and up to a maximum of 15% of the number of shares in the primary issue).

2 - Resolves that the nominal amount of the additional capital increase that may be carried out under this resolution will be charged against the total maximum amount of any capital increase set in the nineteenth resolution of this General Meeting.

The authorisation thus granted to the Board of Directors is valid for a period of 26 months starting on the date of this General Meeting and nullifies any previous authorisation having the same purpose.

Seventeenth Resolution (*Delegation of powers to grant to the Board of Directors for the purpose of proceeding with the allocation of bonus shares of the Company to paid employees and managers of the Group, or to some of them*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, having read the report from the Board of Directors and the special Auditors' report, and in accordance with the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code:

1- Authorises the Board of Directors to approve, under the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code, on one or more occasions and at its sole discretion, the allotment of new or existing Company shares to employees of the Company and of the companies or groups of companies affiliated with it under the conditions set out in Article L. 225-197-2 of the French Commercial Code and the managers of the Company and of the companies or groups of companies affiliated with it and who meet the conditions pursuant to Article L. 225-197-1, II of the French Commercial Code, in the conditions defined hereinafter.

2- Authorises the Board of Directors to proceed, where applicable, with one or more capital increases by capitalisation of earnings, reserves or issue premiums in order to issue bonus shares.

3 - Resolves that the total number of new or existing shares that can be allotted under this authorisation cannot exceed 2% of the number of shares comprising the share capital as of the date of the Board of Directors' decision; with the stipulation that this number will be charged against the total maximum amount of any capital increase set by the nineteenth resolution of this General Meeting.

4 - Resolves that the final allotment of shares to the company's managers as part of the current authorisation will be subject to the meeting of certain conditions:

- a continuous presence in the Group during the entirety of the vesting period, and
- performance conditions assessed over the vesting period and measured by the number of new games developed and brought to market by the Company, with the understanding that these objectives will be stipulated by the Board of Directors on the day the allotment.

5 - Resolves that the number of bonus shares allotted to the company's executive directors may not exceed 20% of the total allotments carried out by the Board of Directors under this resolution.

6 - Resolves that the allotment of shares to their recipients will be final at the end of a vesting period whose duration will be set by the Board of Directors, with the stipulation that this duration cannot be less than the minimum set out by laws and regulations in force on the grant date set by the Board of Directors (two years to this day), and that the beneficiaries must, where necessary, hold onto the aforementioned shares for a duration fixed by the Board of Directors, and that this holding period cannot be less than the minimum set out by laws and regulations in force on the grant date set by the Board of Directors (two years starting from the final allocation of the aforementioned shares to that day), with the further stipulation that the allotment of the aforementioned shares to their recipients will be final before the expiry of the aforementioned vesting period in the event of a disability of the recipient, falling into category 2 or 3 defined in Article L. 341-4 of the French Social Security Code, obliging the recipient to cease professional activities of any kind, and that the aforementioned shares will be freely transferable in the event a recipient is disabled under the conditions provided by the aforementioned provisions of the French Social Security Code. The cumulative vesting and holding periods cannot be less than, where necessary, the minimum set out by laws and regulations in force on the grant date set by the Board of Directors. However, the General Meeting authorises the Board of Directors, in cases where the vesting period for all or part of one or more allotments will be equal to the duration set out by laws and regulations in force on the grant date set by the Board of Directors (four years to this day), not to impose any holding period for the shares concerned. Inasmuch as it is necessary, it should be noted that the Board of Directors can provide for vesting periods and holding periods that are longer than the minimum periods set by the French Commercial Code.

7 - Notes, concerning the issue of bonus shares, that this decision implies, for the benefit of bonus share recipients, the express waiver by shareholders of their pre-emptive rights on the aforementioned shares.

8 - Sets the term during which the authorisation granted under this resolution is valid at 38 months starting on the date of this General Meeting.

9 - Resolves that this authorisation nullifies, as of this day the undrawn portion, where applicable, of any previous authorisation having the same purpose.

10 - Grants full powers to the Board of Directors, with powers of delegation under the conditions provided by law, to implement this authorization and in particular to:

- determine if the bonus shares to be allotted will be new or existing shares;
- determine the identity of the recipients, or the category(ies) of the recipients, of the issue of shares from among the employees and managers of the Company and of companies or aforementioned groups of companies and the number of shares allotted to each recipient;
- set the conditions and, where applicable, the criteria of share allotment, particularly the minimum vesting period and the required share retention period for each recipient, under the conditions outlined below;
- set the maximum percentage of shares that can be allotted to Executive Directors with respect to the total amount defined in this resolution;
- set, within the legal limits and conditions, the dates the bonus shares will be allotted;
- make provisions for the power to suspend share allotment rights temporarily;
- note the final allotment dates and the dates from which the shares can be freely transferred, given legal restrictions;
- register bonus shares to a registered account under the recipient's name, mentioning the unavailability and the period of unavailability of the account, and revoke the unavailability of the share under any circumstance for which the applicable regulation would allow it;
- enter into all agreements, draw up all documents, note the capital increases following the final issues, amend the articles of association accordingly and where applicable, complete all necessary formalities, make all declarations to any entities and take whatever other action may be necessary.

11 - Resolves that the Company may, where applicable, modify the number of bonus shares needed to maintain the rights of the recipients, according to possible operations on the Company's capital under the circumstances pursuant to Article L. 225-181 of the French Commercial Code.

Eighteenth Resolution (*Authorisation to be granted to the Board of Directors to approve a share capital increase through the issue of shares and/or securities reserved for those enrolled in a group savings plan*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, and having read the Board of Directors' report and the special Auditors' report, and in accordance with the provisions of Articles L. 225-129, L. 225-129-2, L. 225-129-6, L. 225-138-1 and L. 228-91 et seq. of the French Commercial Code and under the conditions set out in Articles L. 3332-1 et seq. of the French Labour Code:

1 - Authorises the Board of Directors to approve a share capital increase, on one or more occasions and at its sole discretion, at the times and under the terms and conditions that it deems appropriate, through the issue of ordinary shares or securities granting entitlement to new or existing ordinary shares of the Company, to be subscribed for in cash, reserved for those enrolled in a group savings plan offered by the Company and/or of the companies or groups of companies affiliated with it under the conditions set out in Article L. 225-180 of the French Commercial Code.

2 - Resolves that the nominal amount of the increase in the company's capital, whether immediate or in the future, resulting from all issues carried out under this authorisation, is set at 0.5% of the amount of the share capital as of the date of the Board of Directors' decision, with the stipulation that the amount of the capital increases carried out under this resolution will be charged against the total maximum amount set by the nineteenth resolution of this General Meeting.

3 - Resolves to cancel, in favour of the aforementioned employees enrolled in one or more company savings plans, the pre-emptive subscription right of shareholders to the ordinary shares or securities granting entitlement to ordinary shares to be issued under this authorisation.

4 - Resolves that the subscription price of the shares or securities issued will be determined under the conditions defined in Article L. 3332-19 of the French Labour Code.

5 - Resolves to set the maximum discount offered as part of a savings plan at 15% of the average opening price of Gameloft's shares on Euronext Paris during the twenty trading sessions prior to the date of the decision establishing the opening date of the subscriptions, with the stipulation that the Board of Directors may reduce this discount if deemed appropriate, such as in the case of an offer to those enrolled in a Company stock savings plan on the international market and/or abroad in order to meet the requirements of applicable local laws.

6 - Resolves, moreover, that the Board of Directors may also allot to the aforementioned recipients bonus shares or other securities granting entitlement to the Company's capital under the conditions pursuant to legal and regulatory provisions, in substitution for all or part of the discount referred to in paragraph 5 and/or as a matching contribution, with the stipulation that the benefit resulting from this allotment may not exceed the limits set out in Articles L. 3332-21 and L. 3332-11 of the French Labour Code.

7 - Resolves that each capital increase will be carried out only up to the amount of the shares subscribed for by the aforementioned recipients, either individually or via employees' mutual funds or open-end investment companies governed by Article L. 214-40-1 of the French Monetary and Financial Code.

8 - Sets the term during which the authorisation granted under this resolution is valid at 26 months starting on the date of this General Meeting.

9 - Resolves that this authorisation nullifies any previous authorisation having the same purpose.

10 - Grants full powers to the Board of Directors, with powers of delegation under the conditions provided by law, to implement this authorisation in accordance with the conditions approved herein, for purposes that include:

- determining the characteristics, amount and terms and conditions of any issue;
- determining the companies and recipients involved;
- deciding whether the shares can be subscribed for directly by those enrolled in a savings plan or via employees' mutual funds or open-end investment companies governed by Article L. 214-40-1 of the French Monetary and Financial Code;
- determining the nature and the terms and conditions of the capital increase, as well as the terms and conditions of the issue;
- where applicable, establishing the conditions, particularly seniority, that the recipients must meet in order to subscribe for the new ordinary shares or securities to be issued as part of the capital increases covered by this resolution;
- setting the amounts of these issues and determining the subscription prices, the terms and conditions of the issues of shares or securities carried out under this authorisation, including in particular their due date, and the terms and conditions of their payment and delivery;
- determining the opening and closing dates of subscriptions;
- noting or having noted the completion of the capital increase by the issue of ordinary shares up to the amount of the ordinary shares actually subscribed for;
- at its sole discretion and if it deems it appropriate, charging, where applicable, expenses, duties, and professional and other fees resulting from such issues against the issue premiums, and deducting, where applicable, the sums needed to supply the legal reserve from the issue premiums;
- in general, completing all tasks and formalities, making all decisions and entering into all appropriate or necessary agreements in order to (i) ensure the successful completion of the issues carried out under this authorisation and particularly, for the issue, subscription, delivery, interest payment date, listing of the shares created, financial servicing of the new shares and exercise of the rights attached thereto, and (ii) note the final completion of the capital increase(s), amend the articles of association accordingly and (iii) complete all necessary formalities to carry out the capital increases and, in general, take whatever action is necessary.

Nineteenth Resolution (*Setting of the total maximum amount of capital increases*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, and after having read the report from the Board of Directors, resolves to establish the total maximum amount of the capital increase that may result, immediately or in the future, from all issues of shares and/or securities granting entitlement to the capital carried out pursuant to the authorisations stipulated in the twelfth, thirteenth, fifteenth, sixteenth, seventeenth and eighteenth resolutions of the current General Meeting, at a total nominal amount of two million euros.

It is hereby stipulated that the aforementioned amount does not include the nominal value of shares that may be issued in connection with the adjustments made, in accordance with applicable laws and contractual provisions, to protect the rights of holders of securities granting entitlement to the company's capital.

Twentieth Resolution (*Amendment to Article 12, paragraph 1 of the Articles of Association related to the duration of Directors' appointments*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, and having read the report from the Board of Directors, has decided to amend Article 12, paragraph 1 of the company's Articles of Association in order to reduce the duration of Directors' appointments to four years and to permit a staggered and harmonious renewal of the Board's members. As a result, Article 12, paragraph 1 is modified as follows:

Directors are appointed for four years. However, in exceptional cases the General Meeting may, based on a proposal by the Board of Directors, name or renew certain Directors for a period of two or three years in order to allow for the staggered renewal of Directors' appointments.

The other provisions of Article 20 remain unchanged.

Twenty-First Resolution (*Amendment to Article 12, paragraphs 2 and 3 of the Articles of Association related to shareholders' access to the General Meeting*) - The General Meeting, voting in accordance with the quorum and majority conditions required for Extraordinary General Meetings, having read the report from the Board of Directors, and taking note of the amendment to Article R. 225-85 of the French Commercial Code enacted by decree no. 2014-1466 of 8 December 2014 modifying the date and the conditions of persons authorised to participate in companies' shareholders' and bondholders' meetings, has decided to amend Article 20, paragraphs 2 and 3 of the company's Articles of Association as follows:

The right to participate in the company's general meetings is evidenced by the registration of the shares in the name of the shareholder or the intermediary acting on his/her behalf (under the conditions provided by law) by 12:00 a.m. Paris time of the second business day preceding the meeting:

- for registered shareholders: in the registered securities accounts maintained by the company;*
- for bearer shareholders: in the bearer securities accounts maintained by the authorised intermediary, under the conditions provided by applicable regulations.*

In addition, owners of registered or bearer shares must, at least two days prior to the meeting, have filed a proxy form or vote-by-mail form, or the single-copy document used in lieu of it, or, if the Board of Directors has so decided, an admission card application. However, the Board of Directors will, if it deems appropriate, have the power at all times to shorten this period. It will also have the power to authorise the remote transmission (including by electronic means) to the company of the proxy and vote-by-mail forms under the conditions provided by the laws and regulations in force.

The other provisions of Article 20 remain unchanged.

Twenty-Second Resolution (*Powers for formalities*) - The General Meeting grants the bearer of a copy or excerpt of the minutes of this Meeting full power to file all documents and complete all formalities required by law wherever necessary.