

## Funcom's Third Quarter 2018 Financials

"We're happy to report that the Third Quarter of 2018 has the highest quarterly EBITDA margin in the Company's history, and after this quarter we have already beaten last year's profitability record. So, while there are always stronger and weaker quarters throughout a year, this is one of the stronger ones.

"Conan Exiles" was the main driver of the results, with a very successful release on PlayStation 4 in Japan together with our partner Spike Chunsoft, the inclusion of the game in the Humble Monthly subscription service and the release of paid DLCs (Downloadable Content).

Our pipeline of games is also very promising with six projects in various stages of production, the first to launch being "Mutant Year Zero: Road to Eden", to be released 4 December on multiple platforms and has had very positive press reception."

Rui Casais, CEO

Highlights from the 3Q report:

- 3Q18 revenues were USD 7.5 million (+25% vs 3Q17) and EBITDA was USD 4.6 million (+160% vs 3Q17). The EBITDA margin of 62% is the highest in Funcom's history
- The year to date EBITDA, EBIT and cash flow from operations all beat last year's full year numbers which were the best in Funcom's history. YTD EBITDA was USD 13.0 million (+38% vs YTD 3Q17), EBIT was USD 8.7 million (+23%) and cash flow from operations was USD 14.2 million (+72%)
- The Company is free of any interest-bearing debt as of 4 October 2018, for the first time since 2009. The cash balance of USD 20.9 million is the strongest since 2010
- Funcom has a strong launch pipeline with six upcoming games: Mutant Year Zero: Road to Eden will launch on 4 December 2018 for PC, Xbox One and PlayStation 4. The game has had significant pick-up in social media and gaming press during 3Q18. Petroglyph's Conan game to be released in 2Q19. Rock Pocket's Funcom IP game to be released for the Halloween season of 2019. Funcom North Carolina's cooperative online shooter. Funcom Oslo's single player Conan game. Funcom Oslo's open-world multiplayer game

The report and presentation can be downloaded from the Company's website: <https://investors.funcom.com/financial-reports/>

As previously announced a presentation will be held on the Funcom channel on Twitch, [www.twitch.tv/funcom](http://www.twitch.tv/funcom) at 8:00pm CET today 5 November.

The presentation will be held in English by Rui Casais, CEO of Funcom, and Stian Drageset, CFO.

Any enquiries may be addressed to: [investor@funcom.com](mailto:investor@funcom.com)

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Funcom N.V.

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