

HIGHLIGHTS

SUBSTANTIALLY, ALL GROUP REVENUES IN THE PERIOD WERE DERIVED FROM SELF-PUBLISHING.

CONTINUED INVESTMENT IN THE GROUP'S TRANSITION.

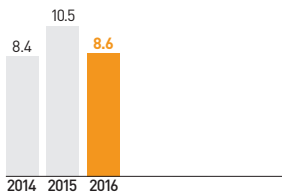
EXPANDED THE *ELITE DANGEROUS* AUDIENCE.

***PLANET COASTER* ON A POSITIVE TRAJECTORY FOR NOVEMBER 2016 LAUNCH.**

FINANCIAL

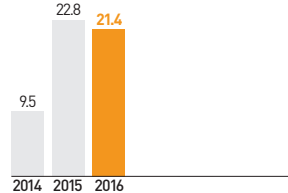
£8.6m

NET CASH BALANCE (£m)
-18%



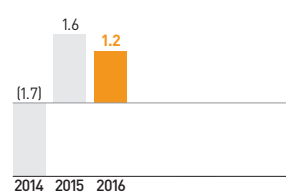
£21.4m

REVENUE (£m)
-6%



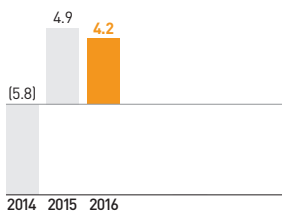
£1.2m

OPERATING PROFIT (£m)
-21%



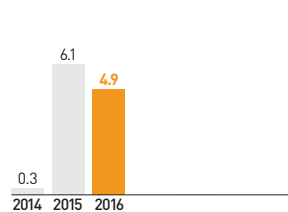
4.2p

EPS (p)
-14%



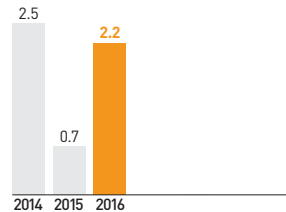
£4.9m

EBITDA (£m)
-20%



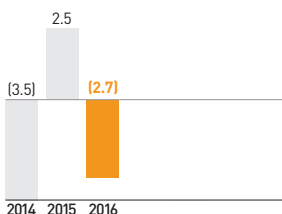
£2.2m

DEFERRED INCOME (£m)
+68%



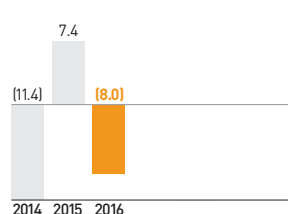
£(2.7)m

ADJUSTED OPERATING RESULT* (£m)
-209%



(8.0)p

ADJUSTED LPS / (EPS)* (p)
-208%



* See page 24 for the reconciliation to the operating profit.



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OPERATIONAL HIGHLIGHTS

1 Poised to complete business transition

- Substantially, all Group revenues in the period were derived from self-publishing activities, which was up 13% at £21.0 million (FY15: £18.6 million). In addition the deferred income balance rose by £1.5 million to £2.2 million.
- Good progress was made during the period towards the strategic objective of self-publishing multiple revenue generating franchises. There was continued investment in the Group's transition with *Elite Dangerous* revenues used to fund development of both *Planet Coaster* and further *Elite Dangerous* franchise development.

2 Second franchise on track

- Alpha builds of the Group's second franchise, *Planet Coaster*, were released to early adopter customers and the game remains on track for launch on 17 November 2016.

3 *Elite Dangerous* audience expanded

- The Group expanded the audience for *Elite Dangerous* by releasing on Microsoft's Xbox One, and supporting the consumer launch of the two major PC Virtual Reality systems.
- New *Elite Dangerous* products were introduced to cover all main price points: *Elite Dangerous: Horizons* is a paid-for seasons pass of expansions to extend the *Elite Dangerous* game, and *Elite Dangerous: Arena* is a low-priced entry point offering instant action player-vs-player combat.

4 Frontier's player numbers grow

- The total *Elite Dangerous* franchise unit sales increased by over one million during the year, and are currently around 1.8 million.
- *Planet Coaster* exceeded the Board's expectations, with around 25,000 unit sales during the period and 50,000 to date.