



Capital Markets Day 2019

November 4, 2019
Helsinki, Finland

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Today's speakers



Kati Levoranta
CEO



René Lindell
CFO



Heini Kaihu
Head of HR



**Alexandre Pelletier-
Normand**
Head of Games



Michail Katkoff
Head of Battle
Studio



Tero Raij
Head of Puzzle
Studio



Miika Tams
Co-lead of Puzzle
Studio



Timo Rahkonen
Head of Strategy &
M&A



Ville Heijari
CMO



Agenda

TIME	LENGTH	TOPIC	PRESENTER(S)
12:00-13:00	1:00	Registration & lunch	
13:00-13:40	0:40	Rovio overview & strategy: Winning in a dynamic growth market	Kati Levoranta
13:40-13:55	0:15	Hatch - Pioneering mobile game streaming	Kati Levoranta
13:55-14:25	0:30	Financials of Rovio and Free-to-Play games business model	René Lindell
14:25-14:40	0:15	Passionate, skillful teams and inspiring culture	Heini Kaihu
14:40-14:55	0:15	Coffee Break	
14:55-16:10	1:15	Games - Our unique approach to drive growth	Alex Pelletier-Normand Michail Katkoff Tero Rajj Miika Tams Timo Rahkonen
16:10-16:30	0:20	Angry Birds - Building long-term franchise growth	Ville Heijari
16:30-16:45	0:15	Q&A	
16:45-16:50	0:05	Wrap-up & closing remarks	Kati Levoranta
16:50-17:30	0:40	Canapes & mingling	
17:30		Day Ends	

Rovio Overview & Strategy:
**Winning in
a dynamic
growth
market**

Kati Levoranta, CEO



Agenda

01

02

03

04

**Rovio
Overview**

Market

**Rovio
Strategy &
execution**

Summary



Rovio is a Games-First Entertainment Company

Games since 2003

2003

Founded

Creator of
ANGRY BIRDS™

11

Live games today¹⁾

2

Top 100 US grossing games²⁾

Global presence



Personnel

463

employees²⁾

40

nationalities

36

average age

24% | 76%

women | men

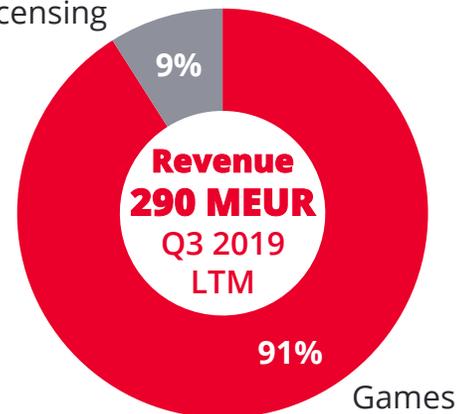
Games



Brand Licensing



Brand Licensing



Note: 1) Games which have normal or lean live ops (e.g. events) 2) US top grossing games chart on iPhone as of Q3 2019 2) Employees average for the Q3 2019 period
Source: App Annie, Rovio

We have three focused game studios in Finland and Sweden



PUZZLE

Makers of instantly-fun, infinitely engaging puzzle games



BATTLE

Building highly accessible and deeply social strategy & action games

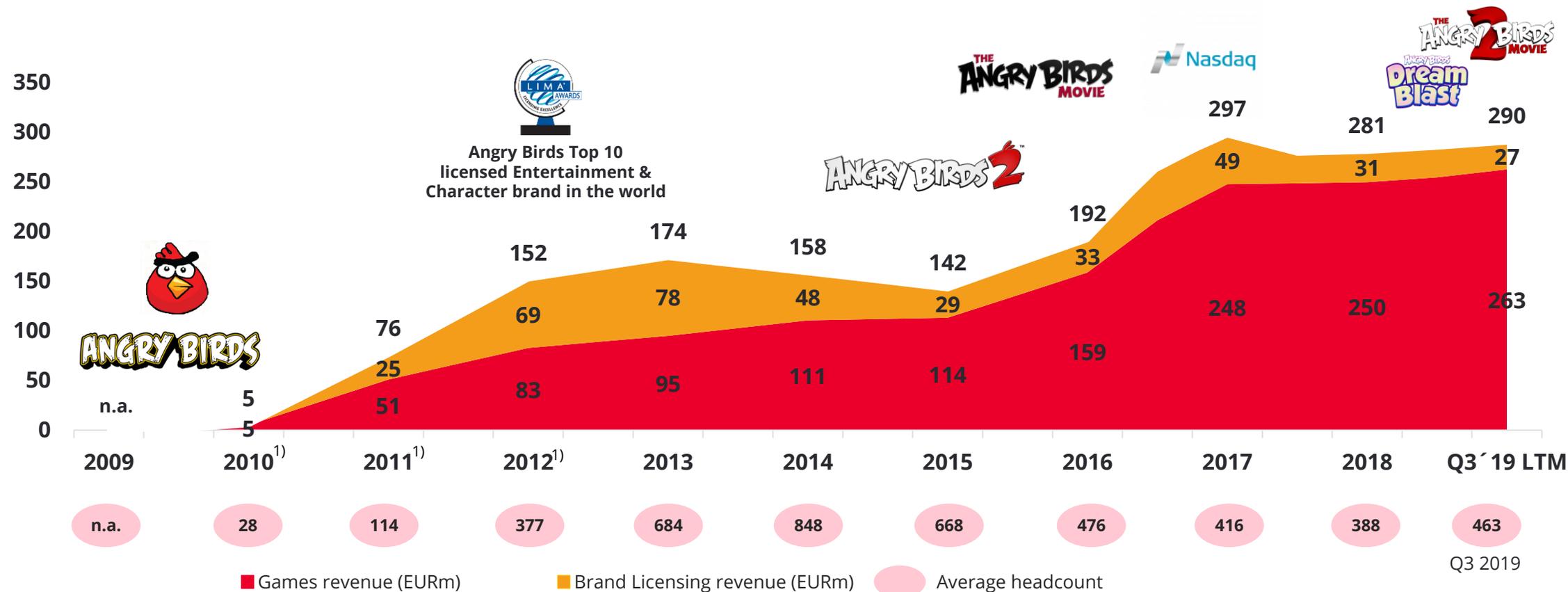


RPG

Crafting casual and social character-driven RPGs



A long history of successful transformations

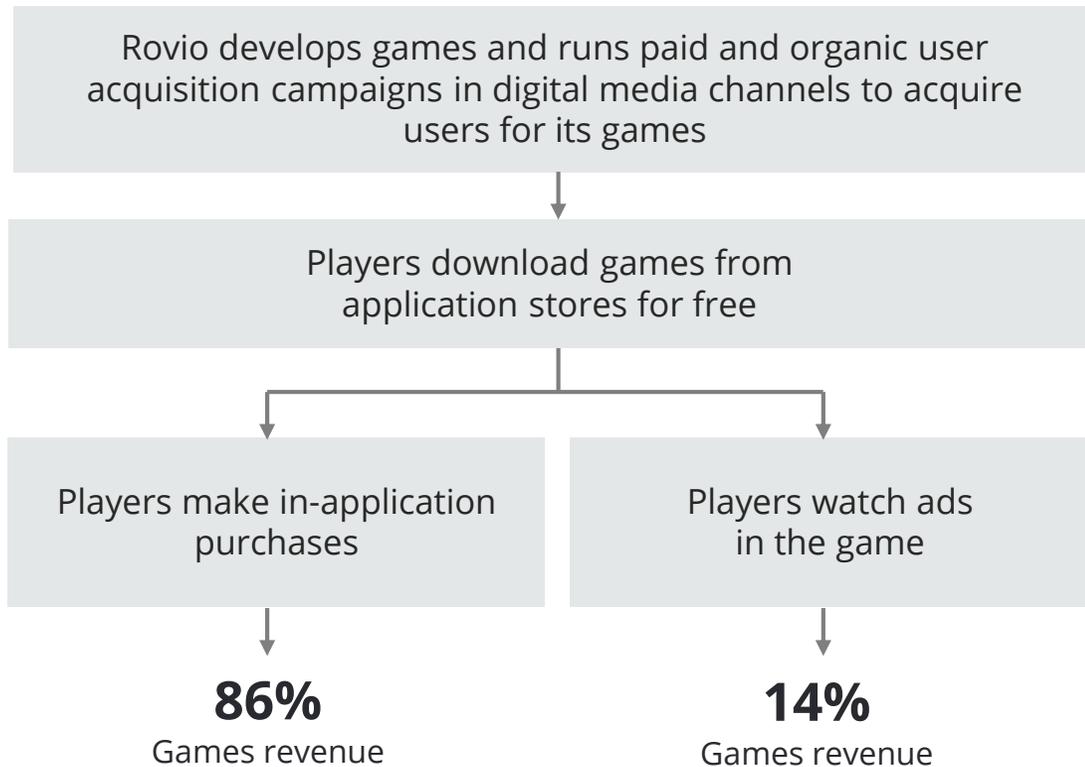


Note: 2015, 2016, 2017, 2018 and 2019 LTM figures are prepared based on IFRS, earlier periods are prepared based on FAS

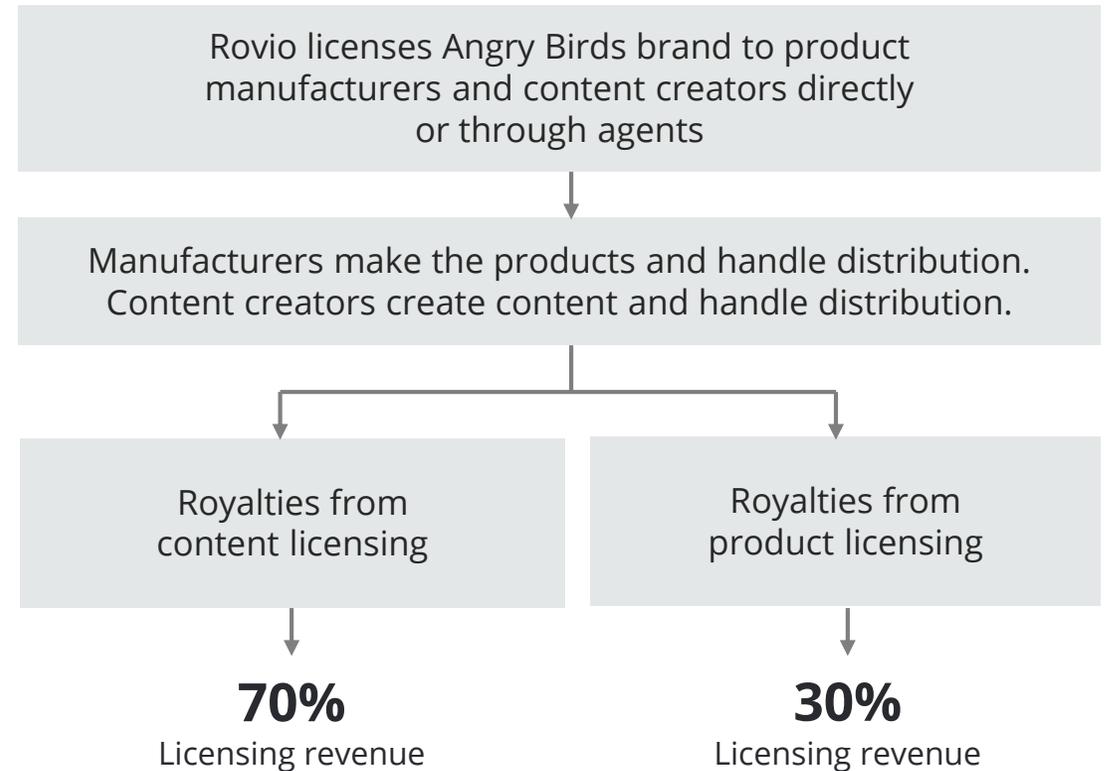
1) 2010 figures are for 1.7.2010-31.12.2010. Rovio changed its accounting method for revenue in 2014 from net revenue to gross revenue (2013 was restated with gross method). As such, 2010-2012 figures are not comparable with 2013-H1 2019 LTM figures.

We have two different business models

Games: Free-to-play business model



Brand Licensing: Licensing business model

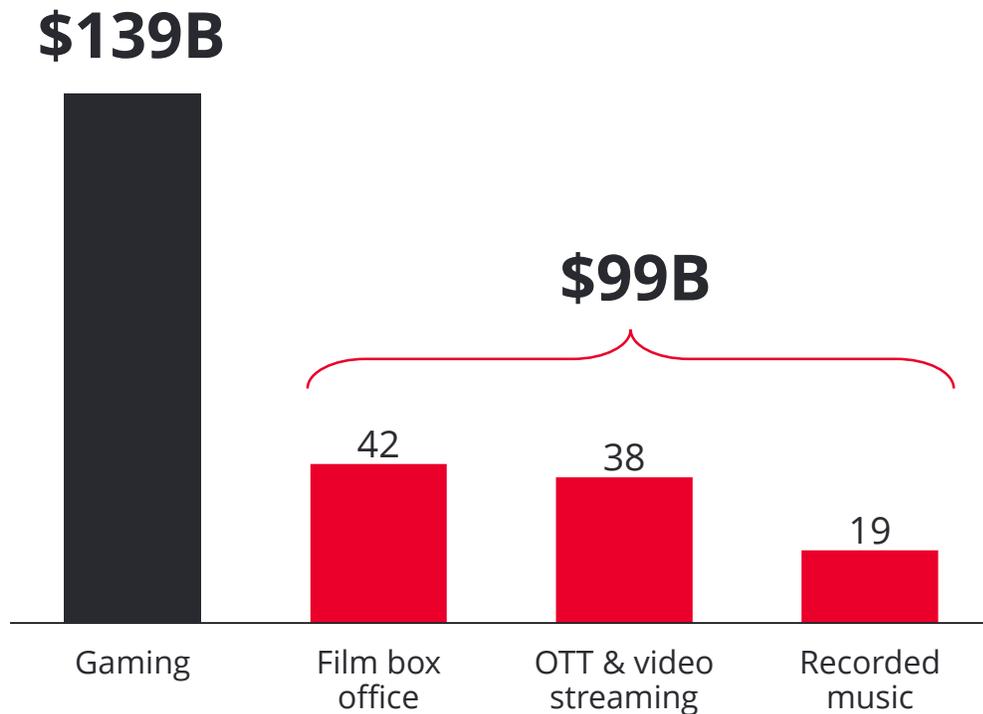


Note: Revenue as of Q3 2019 LTM

Gaming has become mainstream entertainment

Gaming is larger than box office, OTT & video streaming (e.g. Netflix) and recorded music combined

Global revenue by entertainment market in 2018 (USD in bn)



Source: Box Office Mojo/IMDb, IFPI, Newzoo, PwC

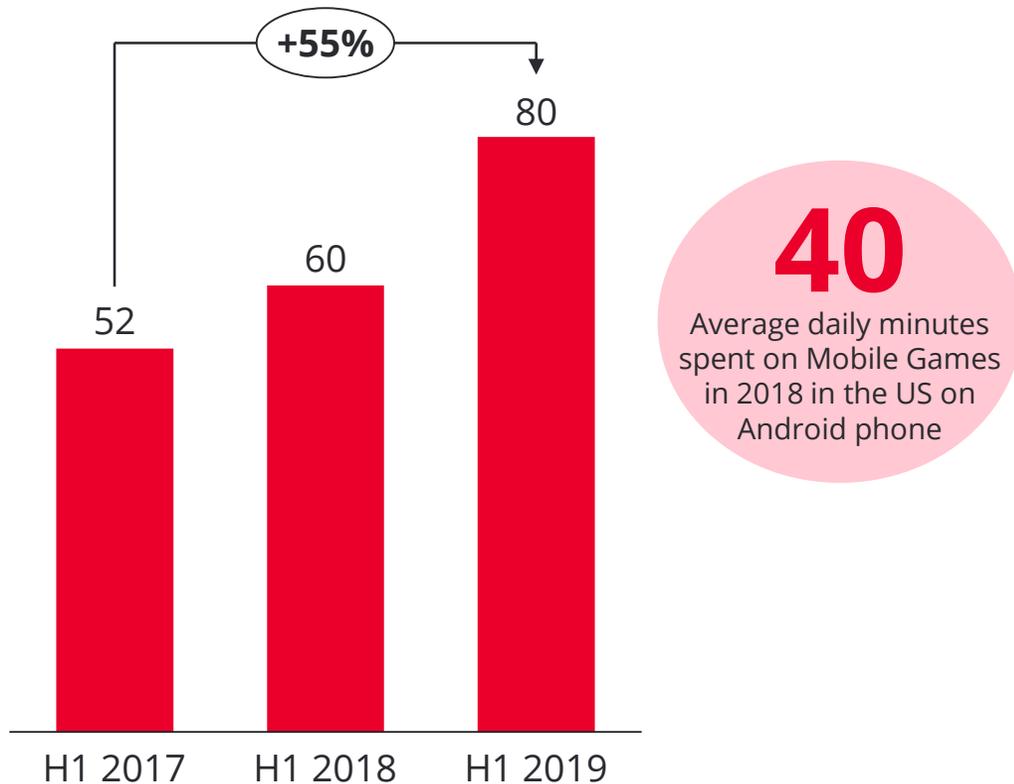
Today almost everyone plays



Mobile games is the largest and fastest growing segment of gaming with increased time spent

Consumers are spending more time on playing on mobile

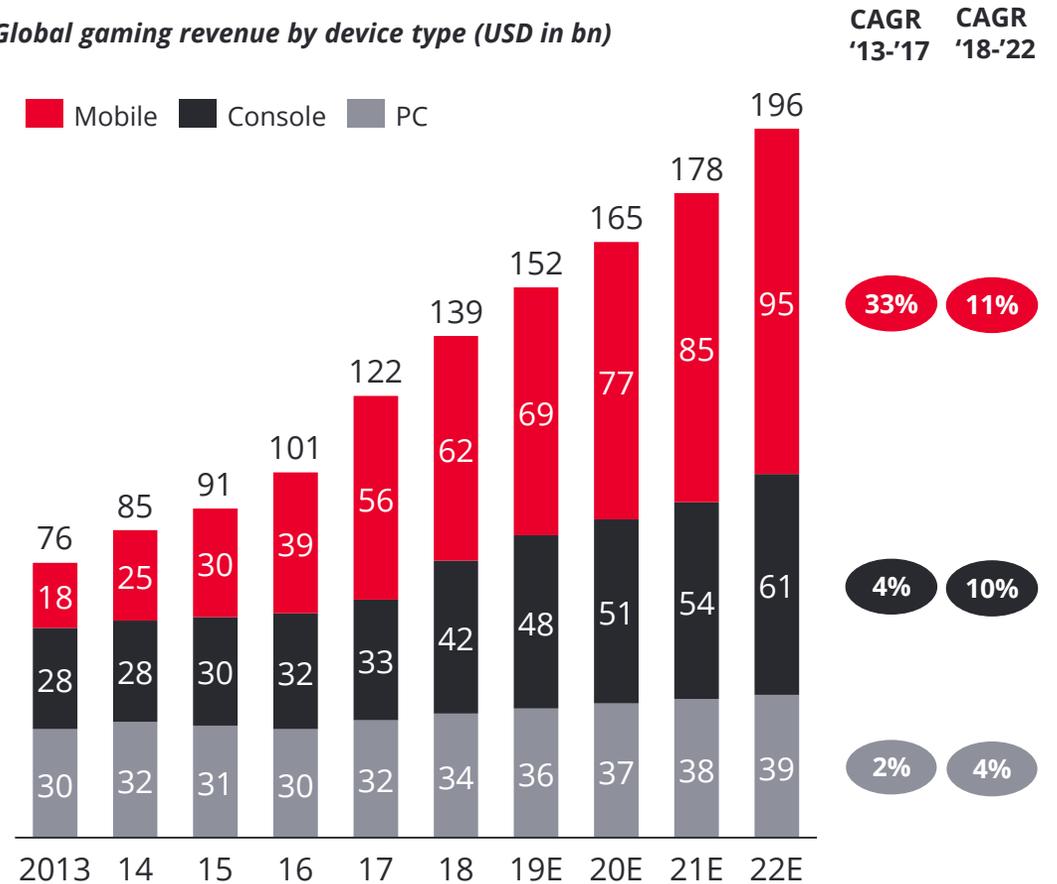
Global games time spent on Android phone¹⁾ (Hours in bn)



Note: 1) Android Phone excluding China
Source: App Annie, Newzoo

Mobile gaming is the largest and fastest growing segment of gaming

Global gaming revenue by device type (USD in bn)



Market trends and way to win in a dynamic market

Market trends

Heavy reliance on User Acquisition

Growth coming from consumer spend rather than downloads



Way to win

Diversified portfolio

Strong User Acquisition capabilities

Genre mastery

Strong live operations

Rovio's way to win will be presented in Strategy section and in-depth in Games section

OUR VISION:

**Conquer top grossing charts
for years and have an
evergreen brand**



Rovio strategy: focus on Games growth

GAMES

Our unique approach to drive growth in core F2P games

Diversified portfolio

User acquisition

Genre mastery

Live operations

Our growth enablers

Technology & Machine Learning

M&A

Mobile gaming streaming service



Our cornerstones



Passionate & skilful teams



Corporate responsibility

Our values



Be bold



Embrace innovation



Act with integrity

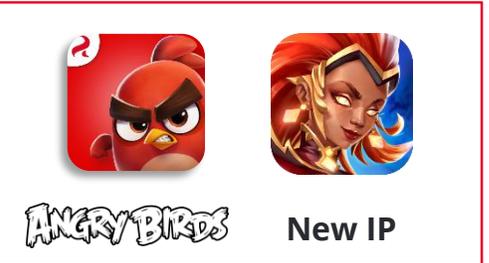
ANGRY BIRDS



Our unique approach to drive growth in Games

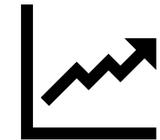
Diversified portfolio

- Angry Birds and New IP games
- Games in multiple genres
- Balanced game portfolio: high and low risk game projects



User acquisition

- User acquisition as part of the game since early stages of development
- Angry Birds brand driving organic users
- Paid user acquisition fueling the growth



Genre mastery

- Focusing on Puzzle, RPG and Strategy genres
- Deepens our expertise
- Every new game in specific genre to be better than the last one
- Game studios organized by genre



Live operations

- Capabilities, tools & processes to develop, operate and grow games
- Operating games for years: Games-as-a-Service



Our growth enablers for Games

Technology & Machine Learning

- In-house technology platform and cloud services in various areas
 - Content development: e.g. Live Ops tools and analytics
 - Players: e.g. personalization and UA tools
 - Monetization: e.g. IAP and Ads tools
- Experimenting Machine Learning implementation in whole value chain
 - Level creation
 - UA ROI
 - Churn prediction

M&A

- Focus on organic growth
- M&A provides additional growth opportunities



Angry Birds: building long-term franchise by offering different entertainment experiences with games focus



Our people carry out our strategy with our values

**Be
BOLD**

**Embrace
INNOVATION**

**Act with
INTEGRITY**

Actively focusing on corporate responsibility

Safe & responsible gaming



Member of The Fair Play Alliance to identify, define, and enable awesome player interactions, fair play, and healthy communities in online games by design.

Responsibility of licensed products



Partner Code of Conduct in place which all partners must commit to:

- Responsible business practices
- Compliment of national and international laws and regulations
- Product safety
- Social responsibility

Employee well-being & diversity



Encouraging healthy work-life balance, making work rewarding and ensuring inclusivity.

Ensuring keeping the community safe and having zero tolerance on harassment.

Top 3 Finnish company in diversity based on FINDIX 2018 study.

Responsible business conduct



Code of Conduct for ethical operating guidelines

Anti-corruption and anti-bribery policy defining Rovio's zero tolerance for corruption

Regular Compliance and Code of Conduct training for employees

Environment



Fighting against climate change as a founding member of United Nations' Playing for The Planet Alliance.

Striving to offset our direct CO₂ emissions generated by operations through certified carbon offset programs

Summary

- 1 Mobile gaming market is growing fast but succeeding in the market is getting tougher
- 2 Rovio's strategy is focused on growing the Games business
- 3 Rovio has what it takes to win and grow
- 4 We have a unique asset Angry Birds with global reach