



## Electronic Arts Reports Strong Q2 FY21 Financial Results

REDWOOD CITY, CA – November 5, 2020 – [Electronic Arts Inc.](#) (NASDAQ: EA) today announced preliminary financial results for its second fiscal quarter ended September 30, 2020.

“Thanks to the incredible work of our teams and everything they continue to do for players while working from home, we’re delivering more fan-favorite games, growing our leading live services, and engaging more players across more platforms than ever before,” said CEO Andrew Wilson. “Our business has grown significantly this year, and we are projecting continued expansion into FY22 and beyond.”

“We delivered a quarter well above our guidance, driven by our live services, particularly Madden and FIFA. This resulted in a new record trailing twelve-month cash flow of \$2.04 billion. We are pleased to announce a new share repurchase program and also to initiate a dividend for the first time in EA history,” said COO and CFO Blake Jorgensen. “We are on track to deliver strong growth this year and expect continued growth in fiscal 2022 and in the years to come. Apex Legends is on track to become our latest billion-dollar franchise by the end of the fiscal year. All of our studios continue to execute amazingly well and have enabled us to launch an industry-leading eight games since the beginning of the fiscal year, while continuing to deliver live services content and expand onto new platforms.”

EA has posted a refreshed slide presentation and a financial model of EA’s historical results and guidance on EA’s IR website at [www.ir.ea.com](http://www.ir.ea.com). EA will also post the prepared remarks and a transcript from the conference call on EA’s IR website. News and ongoing updates regarding EA and its games are available on EA’s blog at [www.ea.com/news](http://www.ea.com/news).

### **Selected Operating Highlights and Metrics**

- Net bookings\* for the trailing twelve months was \$5.577 billion, up 8% year-over-year.
- Launched EA SPORTS™ UFC® 4, Madden NFL 21, Rocket Arena, and Star Wars™ Squadrons during the quarter.
- Madden NFL 21 has nearly 30% more players year-over-year.
- Life to date, FIFA 20 has reached nearly 35 million players on console and PC.
- EA Play now has more than 6.5 million paid subscribers.
- During the fiscal year, EA launched more than 125 games and content packs on the Steam platform.

*\* Net bookings is defined as the net amount of products and services sold digitally or sold-in physically in the period. Net bookings is calculated by adding total net revenue to the change in deferred net revenue for online-enabled games.*

### **Selected Financial Highlights and Metrics**

- Net cash provided by operating activities was \$61 million for the quarter and a record \$2.041 billion for the trailing twelve months.

- EA announced a new \$2.6 billion, two-year stock repurchase program and declared a quarterly cash dividend of \$0.17 per share.

### **Quarterly Financial Highlights**

	<b>Three Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
<i>(in \$ millions, except per share amounts)</i>		
Full game	282	580
Live services and other	869	768
<b>Total net revenue</b>	<b>1,151</b>	<b>1,348</b>
Net income	185	854*
Diluted earnings per share	0.63	2.89*
Operating cash flow	61	37
Value of shares repurchased	-	306
Number of shares repurchased	-	3.3

\*Includes the impact of one-time tax benefits recognized during the fiscal quarter.

The following GAAP-based financial data and tax rate of 18% was used internally by company management to adjust its GAAP results in order to assess EA's operating results:

	<b>Three Months Ended September 30, 2020</b>			
	<b>GAAP-Based Financial Data</b>			
	<b>Statement of Operations</b>	<b>Acquisition- related expenses</b>	<b>Change in deferred net revenue (online- enabled games)</b>	<b>Stock-based compensation</b>
<i>(in \$ millions)</i>				
Total net revenue	1,151	-	(241)	-
Cost of revenue	286	-	-	(2)
Gross profit	865	-	(241)	2
Total operating expenses	716	(6)	-	(111)
Operating income	149	6	(241)	113
Interest and other income, net	(10)	-	-	-
Income before provision for income taxes	139	6	(241)	113
Number of shares used in computation:				
Diluted	293			

For more information about the nature of the GAAP-based financial data, please refer to EA's Form 10-K for the fiscal year ended March 31, 2020.

## Financial Highlights for the Trailing Twelve Months

	<b>Twelve Months Ended September 30,</b>	
	<b>2020</b>	<b>2019</b>
(in \$ millions)		
Full game	1,686	1,726
Live services and other	3,904	3,358
<b>Total net revenue</b>	<b>5,590</b>	<b>5,084</b>
Net income	1,314	2,746*
Operating cash flow	2,041	1,748
Value of shares repurchased	674	1,204
Number of shares repurchased	6.5	12.9

\*Includes the impact of one-time tax benefits recognized during the period.

The following GAAP-based financial data and tax rate of 18% was used internally by company management to adjust its GAAP results in order to assess EA's operating results:

	<b>Twelve Months Ended September 30, 2020</b>			
	<b>GAAP-Based Financial Data</b>			
	<b>Statement of Operations</b>	<b>Acquisition- related expenses</b>	<b>Change in deferred net revenue (online- enabled games)</b>	<b>Stock-based compensation</b>
(in \$ millions)				
Total net revenue	5,590	-	(13)	-
Cost of revenue	1,351	(8)	-	(5)
Gross profit	4,239	8	(13)	5
Total operating expenses	2,857	(24)	-	(392)
Operating income	1,382	32	(13)	397
Interest and other income, net	13	-	-	-
Income before provision for income taxes	1,395	32	(13)	397

For more information about the nature of the GAAP-based financial data, please refer to EA's Form 10-K for the fiscal year ended March 31, 2020.

## **Operating Metric**

The following is a calculation of our total net bookings for the periods presented:

	<b>Three Months Ended September 30,</b>		<b>Twelve Months Ended September 30,</b>	
	<b>2020</b>	<b>2019*</b>	<b>2020*</b>	<b>2019*</b>
(in \$ millions)				
Total net revenue	1,151	1,348	5,590	5,084
Change in deferred net revenue (online-enabled games)	(241)	(35)	(13)	79
Net bookings	<u>910</u>	<u>1,313</u>	<u>5,577</u>	<u>5,163</u>

\*At the beginning of FY21, EA changed the way in which it presents net bookings. Periods prior to the first quarter of FY21 have been recast for comparability to align with these changes. For more information, please see the Financial Reporting FAQ on our IR website.

## **Stock Repurchase Program and Dividend**

EA's Board of Directors has approved a new two-year program to repurchase up to \$2.6 billion of EA's common stock.

Under the program, EA may purchase stock in the open market or through privately negotiated transactions in accordance with applicable securities laws, including pursuant to pre-arranged stock trading plans. The timing and actual amount of the stock repurchases will depend on several factors including price, capital availability, regulatory requirements, alternative investment opportunities and other market conditions. EA is not obligated to repurchase any specific number of shares under the program and the repurchase program may be modified, suspended or discontinued at any time.

In addition, EA's Board of Directors initiated a quarterly dividend and declared a cash dividend of \$0.17 per share of EA's common stock. The dividend is payable on December 23, 2020 to stockholders of record as of the close of business on December 2, 2020.

## **Business Outlook as of November 5, 2020**

The following forward-looking statements reflect expectations as of November 5, 2020. Electronic Arts assumes no obligation to update these statements. Results may be materially different and are affected by many factors detailed in this release and in EA's annual and quarterly SEC filings.

### **Fiscal Year 2021 Expectations – Ending March 31, 2021**

Financial metrics:

- Net revenue is expected to be approximately \$5.625 billion.
  - Change in deferred net revenue (online-enabled games) is expected to be approximately \$325 million.
- Net income is expected to be approximately \$924 million.
- Diluted earnings per share is expected to be approximately \$3.15.
- Operating cash flow is expected to be approximately \$1.850 billion.
- The Company estimates a share count of 293 million for purposes of calculating fiscal year 2021 diluted earnings per share.

Operational metric:

- Net bookings is expected to be approximately \$5.950 billion.

In addition, the following outlook for GAAP-based financial data and a long-term tax rate of 18% are used internally by EA to adjust our GAAP expectations to assess EA's operating results and plan for future periods:

	Twelve Months Ending March 31, 2021			
	GAAP-Based Financial Data			
	GAAP Guidance	Acquisition- related expenses	Change in deferred net revenue (online- enabled games)	Stock-based compensation
(in \$ millions)				
Total net revenue	5,625	-	325	-
Cost of revenue	1,485	-	-	(3)
Operating expense	3,022	(20)	-	(442)
Income before provision for income taxes	1,086	20	325	445
Net income	924			
Number of shares used in computation:				
Diluted shares	293			

### Third Quarter Fiscal Year 2021 Expectations – Ending December 31, 2020

Financial metrics:

- Net revenue is expected to be approximately \$1.675 billion.
  - Change in deferred net revenue (online-enabled games) is expected to be approximately \$675 million.
- Net income is expected to be approximately \$180 million.
- Diluted earnings per share is expected to be approximately \$0.61.
- The Company estimates a share count of 294 million for purposes of calculating third quarter fiscal year 2021 diluted earnings per share.

Operational metric:

- Net bookings is expected to be approximately \$2.350 billion.

In addition, the following outlook for GAAP-based financial data and a long-term tax rate of 18% are used internally by EA to adjust our GAAP expectations to assess EA's operating results and plan for future periods:

	Three Months Ending December 31, 2020			
	GAAP-Based Financial Data			
	GAAP Guidance	Acquisition- related expenses	Change in deferred net revenue (online- enabled games)	Stock-based compensation
(in \$ millions)				
Total net revenue	1,675	-	675	-
Cost of revenue	599	-	-	-
Operating expense	840	(5)	-	(115)
Income before provision for income taxes	227	5	675	115
Net income	180			
Number of shares used in computation:				
Diluted shares	294			

For more information about the nature of the GAAP-based financial data, please refer to EA's Form 10-K for the fiscal year ended March 31, 2020.

### **Conference Call and Supporting Documents**

Electronic Arts will host a conference call on November 5, 2020 at 2:00 pm PT (5:00 pm ET) to review its results for the second fiscal quarter ended September 30, 2020 and its outlook for the future. During the course of the call, Electronic Arts may disclose material developments affecting its business and/or financial performance. Listeners may access the conference call live through the following dial-in number (866) 324-3683 (domestic) or (509) 844-0959 (international), using the conference code 6481848 or via webcast at EA's IR Website at <http://ir.ea.com>.

EA has posted a slide presentation with a financial model of EA's historical results and guidance on EA's IR Website. EA will also post the prepared remarks and a transcript from the conference call on EA's IR Website.

A dial-in replay of the conference call will be available until November 19, 2020 at 855-859-2056 (domestic) or 404-537-3406 (international) using pin code 6481848. An audio webcast replay of the conference call will be available for one year on EA's IR Website.

### **Forward-Looking Statements**

Some statements set forth in this release, including the information relating to EA's fiscal 2021 expectations under the heading "Business Outlook as of November 5, 2020," and other information regarding EA's fiscal 2021 and fiscal 2022 expectations contain forward-looking statements that are subject to change. Statements including words such as "anticipate," "believe," "expect," "intend," "estimate," "plan," "predict," "seek," "goal," "will," "may," "likely," "should," "could" (and the negative of any of these terms), "future" and similar expressions also identify forward-looking statements. These forward-looking statements are not guarantees of future performance and reflect management's current expectations. Our actual results could differ materially from those discussed in the forward-looking statements.

Some of the factors which could cause the Company's results to differ materially from its expectations include the following: the impact of the COVID-19 pandemic, sales of the Company's products and services; the Company's ability to develop and support digital products and services, including managing online security and privacy; outages of our products, services and technological infrastructure; the Company's ability to manage expenses; the competition in

the interactive entertainment industry; governmental regulations; the effectiveness of the Company's sales and marketing programs; timely development and release of the Company's products and services; the Company's ability to realize the anticipated benefits of acquisitions; the consumer demand for, and the availability of an adequate supply of console hardware units; the Company's ability to predict consumer preferences among competing platforms; the Company's ability to develop and implement new technology; foreign currency exchange rate fluctuations; general economic conditions; changes in our tax rates or tax laws; and other factors described in Part II, Item 1A of Electronic Arts' latest Quarterly Report on Form 10-Q under the heading "Risk Factors", as well as in other documents we have filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended March 31, 2020.

These forward-looking statements are current as of November 5, 2020. Electronic Arts assumes no obligation to revise or update any forward-looking statement for any reason, except as required by law. In addition, the preliminary financial results set forth in this release are estimates based on information currently available to Electronic Arts.

While Electronic Arts believes these estimates are meaningful, they could differ from the actual amounts that Electronic Arts ultimately reports in its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2020. Electronic Arts assumes no obligation and does not intend to update these estimates prior to filing its Form 10-Q for the fiscal quarter ended September 30, 2020.

### **About Electronic Arts**

Electronic Arts (NASDAQ: EA) is a global leader in digital interactive entertainment. The Company develops and delivers games, content and online services for Internet-connected consoles, mobile devices and personal computers.

In fiscal year 2020, EA posted GAAP net revenue of \$5.5 billion. Headquartered in Redwood City, California, EA is recognized for a portfolio of critically acclaimed, high-quality brands such as EA SPORTS™ FIFA, Battlefield™, Apex Legends™, The Sims™, Madden NFL, Need for Speed™, Titanfall™ and Plants vs. Zombies™. More information about EA is available at [www.ea.com/news](http://www.ea.com/news).

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**ELECTRONIC ARTS INC. AND SUBSIDIARIES**  
**Unaudited Condensed Consolidated Statements of Operations**  
(in \$ millions, except per share data)

	Three Months Ended		Six Months Ended	
	September 30,		September 30,	
	2020	2019	2020	2019
<b>Net revenue</b>	1,151	1,348	2,610	2,557
<b>Cost of revenue</b>	286	405	574	592
<b>Gross profit</b>	865	943	2,036	1,965
Operating expenses:				
Research and development	421	387	859	768
Marketing and sales	156	152	277	262
General and administrative	133	128	269	238
Acquisition-related contingent consideration	—	2	—	3
Amortization of intangibles	6	6	11	11
Total operating expenses	716	675	1,416	1,282
<b>Operating income</b>	149	268	620	683
Interest and other income (expense), net	(10)	16	(13)	37
Income before provision for (benefit from) income taxes	139	284	607	720
Provision for (benefit from) income taxes	(46)	(570)	57	(1,555)
<b>Net income</b>	185	854	550	2,275
<b>Earnings per share</b>				
<b>Basic</b>	0.64	2.89	1.90	7.69
<b>Diluted</b>	0.63	2.89	1.88	7.66
<b>Number of shares used in computation</b>				
<b>Basic</b>	289	295	289	296
<b>Diluted</b>	293	296	292	297



**Results (in \$ millions, except per share data)**

The following table reports the variance of the actuals versus our guidance provided on July 30, 2020 for the three months ended September 30, 2020 plus a comparison to the actuals for the three months ended September 30, 2019.

	<b>Three Months Ended September 30,</b>			
	<b>2020</b>		<b>2020</b>	<b>2019</b>
	<b>Guidance</b>	<b>Variance</b>	<b>Actuals</b>	<b>Actuals</b>
<b>Net revenue</b>				
<b>Net revenue</b>	<b>1,125</b>	<b>26</b>	<b>1,151</b>	<b>1,348</b>
GAAP-based financial data				
Change in deferred net revenue (online-enabled games) <sup>1</sup>	(250)	9	(241)	(35)
<b>Cost of revenue</b>				
<b>Cost of revenue</b>	<b>280</b>	<b>6</b>	<b>286</b>	<b>405</b>
GAAP-based financial data				
Acquisition-related expenses	—	—	—	(2)
Stock-based compensation	—	(2)	(2)	(1)
<b>Operating expenses</b>				
<b>Operating expenses</b>	<b>755</b>	<b>(39)</b>	<b>716</b>	<b>675</b>
GAAP-based financial data				
Acquisition-related expenses	(5)	(1)	(6)	(8)
Stock-based compensation	(110)	(1)	(111)	(91)
<b>Income before tax</b>				
<b>Income before tax</b>	<b>83</b>	<b>56</b>	<b>139</b>	<b>284</b>
GAAP-based financial data				
Acquisition-related expenses	5	1	6	10
Change in deferred net revenue (online-enabled games) <sup>1</sup>	(250)	9	(241)	(35)
Stock-based compensation	110	3	113	92
Tax rate used for management reporting	18 %		18 %	18 %
<b>Earnings per share</b>				
<b>Basic</b>	<b>0.21</b>	<b>0.43</b>	<b>0.64</b>	<b>2.89</b>
<b>Diluted</b>	<b>0.21</b>	<b>0.42</b>	<b>0.63</b>	<b>2.89</b>
<b>Number of shares</b>				
<b>Basic</b>	<b>289</b>	<b>—</b>	<b>289</b>	<b>295</b>
<b>Diluted</b>	<b>293</b>	<b>—</b>	<b>293</b>	<b>296</b>

<sup>1</sup>The change in deferred net revenue (online-enabled games) in the unaudited condensed consolidated statements of cash flows does not necessarily equal the change in deferred net revenue (online-enabled games) in the unaudited condensed consolidated statements of operations primarily due to the impact of unrecognized gains/losses on cash flow hedges.

In fiscal 2021, EA changed the way in which it presents net revenue. Periods prior to the first quarter of fiscal 2021 have been recast for comparability to align with these changes. For more information please see the Financial Reporting FAQ on our Investor Relations Website.

**ELECTRONIC ARTS INC. AND SUBSIDIARIES**  
**Unaudited Condensed Consolidated Balance Sheets**  
(in \$ millions)

	<u>September 30, 2020</u>	<u>March 31, 2020<sup>2</sup></u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	4,059	3,768
Short-term investments	1,972	1,967
Receivables, net	423	461
Other current assets	376	321
<b>Total current assets</b>	<b>6,830</b>	<b>6,517</b>
Property and equipment, net	458	449
Goodwill	1,891	1,885
Acquisition-related intangibles, net	42	53
Deferred income taxes, net	1,937	1,903
Other assets	312	305
<b>TOTAL ASSETS</b>	<b>11,470</b>	<b>11,112</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	164	68
Accrued and other current liabilities	1,083	1,052
Deferred net revenue (online-enabled games)	639	945
Senior notes, current, net	599	599
<b>Total current liabilities</b>	<b>2,485</b>	<b>2,664</b>
Senior notes, net	397	397
Income tax obligations	301	373
Deferred income taxes, net	1	1
Other liabilities	211	216
<b>Total liabilities</b>	<b>3,395</b>	<b>3,651</b>
Stockholders' equity:		
Common stock	3	3
Additional paid-in capital	145	—
Retained earnings	8,016	7,508
Accumulated other comprehensive loss	(89)	(50)
<b>Total stockholders' equity</b>	<b>8,075</b>	<b>7,461</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>11,470</b>	<b>11,112</b>

<sup>2</sup>Derived from audited consolidated financial statements.

**ELECTRONIC ARTS INC. AND SUBSIDIARIES**  
**Unaudited Condensed Consolidated Statements of Cash Flows**  
(in \$ millions)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2020	2019	2020	2019
<b>OPERATING ACTIVITIES</b>				
Net income	185	854	550	2,275
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation, amortization and accretion	40	35	77	72
Stock-based compensation	113	92	215	165
Change in assets and liabilities				
Receivables, net	83	(529)	39	(235)
Other assets	(157)	9	(113)	33
Accounts payable	109	91	106	51
Accrued and other liabilities	(30)	144	(96)	88
Deferred income taxes, net	(42)	(626)	(32)	(1,800)
Deferred net revenue (online-enabled games)	(240)	(33)	(307)	(454)
<b>Net cash provided by operating activities</b>	<b>61</b>	<b>37</b>	<b>439</b>	<b>195</b>
<b>INVESTING ACTIVITIES</b>				
Capital expenditures	(25)	(27)	(63)	(72)
Proceeds from maturities and sales of short-term investments	724	435	1,418	793
Purchase of short-term investments	(752)	(721)	(1,416)	(1,984)
<b>Net cash used in investing activities</b>	<b>(53)</b>	<b>(313)</b>	<b>(61)</b>	<b>(1,263)</b>
<b>FINANCING ACTIVITIES</b>				
Proceeds from issuance of common stock	40	30	43	33
Cash paid to taxing authorities for shares withheld from employees	(8)	(4)	(77)	(55)
Repurchase and retirement of common stock	—	(306)	(78)	(611)
Payment of contingent consideration	—	(32)	—	(64)
<b>Net cash provided by (used in) financing activities</b>	<b>32</b>	<b>(312)</b>	<b>(112)</b>	<b>(697)</b>
<b>Effect of foreign exchange on cash and cash equivalents</b>	<b>6</b>	<b>(5)</b>	<b>25</b>	<b>(3)</b>
<b>Change in cash and cash equivalents</b>	<b>46</b>	<b>(593)</b>	<b>291</b>	<b>(1,768)</b>
Beginning cash and cash equivalents	4,013	3,533	3,768	4,708
<b>Ending cash and cash equivalents</b>	<b>4,059</b>	<b>2,940</b>	<b>4,059</b>	<b>2,940</b>

**ELECTRONIC ARTS INC. AND SUBSIDIARIES**  
**Unaudited Supplemental Financial Information and Business Metrics**  
(in \$ millions, except per share data)

	Q2	Q3	Q4	Q1	Q2	YOY %
	FY20	FY20	FY20	FY21	FY21	Change
<b>Net revenue</b>						
<b>Net revenue</b>	<b>1,348</b>	<b>1,593</b>	<b>1,387</b>	<b>1,459</b>	<b>1,151</b>	<b>(15%)</b>
GAAP-based financial data						
Change in deferred net revenue (online-enabled games) <sup>1</sup>	(35)	428	(131)	(69)	(241)	
<b>Gross profit</b>						
<b>Gross profit</b>	<b>943</b>	<b>1,085</b>	<b>1,118</b>	<b>1,171</b>	<b>865</b>	<b>(8%)</b>
<i>Gross profit (as a % of net revenue)</i>	<i>70%</i>	<i>68%</i>	<i>81%</i>	<i>80%</i>	<i>75%</i>	
GAAP-based financial data						
Acquisition-related expenses	2	5	3	—	—	
Change in deferred net revenue (online-enabled games) <sup>1</sup>	(35)	428	(131)	(69)	(241)	
Stock-based compensation	1	1	1	1	2	
<b>Operating income</b>						
<b>Operating income</b>	<b>268</b>	<b>361</b>	<b>401</b>	<b>471</b>	<b>149</b>	<b>(44%)</b>
<i>Operating income (as a % of net revenue)</i>	<i>20%</i>	<i>23%</i>	<i>29%</i>	<i>32%</i>	<i>13%</i>	
GAAP-based financial data						
Acquisition-related expenses	10	12	9	5	6	
Change in deferred net revenue (online-enabled games) <sup>1</sup>	(35)	428	(131)	(69)	(241)	
Stock-based compensation	92	91	91	102	113	
<b>Net income</b>						
<b>Net income</b>	<b>854</b>	<b>346</b>	<b>418</b>	<b>365</b>	<b>185</b>	<b>(78%)</b>
<i>Net income (as a % of net revenue)</i>	<i>63%</i>	<i>22%</i>	<i>30%</i>	<i>25%</i>	<i>16%</i>	
GAAP-based financial data						
Acquisition-related expenses	10	12	9	5	6	
Change in deferred net revenue (online-enabled games) <sup>1</sup>	(35)	428	(131)	(69)	(241)	
Stock-based compensation	92	91	91	102	113	
Tax rate used for management reporting	18%	18%	18%	18%	18%	
<b>Diluted earnings per share</b>	<b>2.89</b>	<b>1.18</b>	<b>1.43</b>	<b>1.25</b>	<b>0.63</b>	<b>(78%)</b>
<b>Number of diluted shares used in computation</b>						
<b>Basic</b>	<b>295</b>	<b>292</b>	<b>290</b>	<b>288</b>	<b>289</b>	
<b>Diluted</b>	<b>296</b>	<b>294</b>	<b>292</b>	<b>292</b>	<b>293</b>	

<sup>1</sup>The change in deferred net revenue (online-enabled games) in the unaudited condensed consolidated statements of cash flows does not necessarily equal the change in deferred net revenue (online-enabled games) in the unaudited condensed consolidated statements of operations primarily due to the impact of unrecognized gains/losses on cash flow hedges.

In fiscal 2021, EA changed the way in which it presents net revenue. Periods prior to the first quarter of fiscal 2021 have been recast for comparability to align with these changes. For more information please see the Financial Reporting FAQ on our Investor Relations Website.

**ELECTRONIC ARTS INC. AND SUBSIDIARIES**  
**Unaudited Supplemental Financial Information and Business Metrics**  
(in \$ millions)

	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>YOY %</b>
	<b>FY20</b>	<b>FY20</b>	<b>FY20</b>	<b>FY21</b>	<b>FY21</b>	<b>Change</b>
<b>QUARTERLY NET REVENUE PRESENTATIONS</b>						
<b>Net revenue by composition</b>						
Full game downloads	181	286	211	223	163	(10%)
Packaged goods	399	403	145	136	119	(70%)
Full game	580	689	356	359	282	(51%)
Live services and other	768	904	1,031	1,100	869	13%
<b>Total net revenue</b>	<b>1,348</b>	<b>1,593</b>	<b>1,387</b>	<b>1,459</b>	<b>1,151</b>	<b>(15%)</b>
<i>Full game</i>	43%	43%	26%	25%	25%	
<i>Live services and other</i>	57%	57%	74%	75%	75%	
<b>Total net revenue %</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	
GAAP-based financial data						
Full game downloads	(5)	31	(21)	(5)	(2)	
Packaged goods	62	60	(67)	(67)	(14)	
Full game	57	91	(88)	(72)	(16)	
Live services and other	(92)	337	(43)	3	(225)	
Total change in deferred net revenue (online-enabled games) by composition <sup>1</sup>	(35)	428	(131)	(69)	(241)	
<b>Net revenue by platform</b>						
Console	923	1,163	928	932	714	(23%)
PC & Other	248	261	274	325	249	—
Mobile	177	169	185	202	188	6%
<b>Total net revenue</b>	<b>1,348</b>	<b>1,593</b>	<b>1,387</b>	<b>1,459</b>	<b>1,151</b>	<b>(15%)</b>
GAAP-based financial data						
Console	8	388	(143)	(108)	(201)	
PC & Other	(32)	24	7	15	(24)	
Mobile	(11)	16	5	24	(16)	
Total change in deferred net revenue (online-enabled games) by platform <sup>1</sup>	(35)	428	(131)	(69)	(241)	

<sup>1</sup>The change in deferred net revenue (online-enabled games) in the unaudited condensed consolidated statements of cash flows does not necessarily equal the change in deferred net revenue (online-enabled games) in the unaudited condensed consolidated statements of operations primarily due to the impact of unrecognized gains/losses on cash flow hedges.

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**ELECTRONIC ARTS INC. AND SUBSIDIARIES**  
**Unaudited Supplemental Financial Information and Business Metrics**  
(in \$ millions)

	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q1</b>	<b>Q2</b>	<b>YOY %</b>
	<b>FY20</b>	<b>FY20</b>	<b>FY20</b>	<b>FY21</b>	<b>FY21</b>	<b>Change</b>
<b>CASH FLOW DATA</b>						
Operating cash flow	37	1,104	498	378	61	65%
Operating cash flow - TTM	1,748	1,898	1,797	2,017	2,041	17%
Capital expenditures	27	28	40	38	25	(7%)
Capital expenditures - TTM	128	135	140	133	131	2%
Repurchase and retirement of common stock	306	305	291	78	—	(100%)
<b>DEPRECIATION</b>						
Depreciation expense	30	29	31	31	32	7%
<b>BALANCE SHEET DATA</b>						
Cash and cash equivalents	2,940	3,603	3,768	4,013	4,059	
Short-term investments	1,943	1,999	1,967	1,947	1,972	
Cash and cash equivalents, and short-term investments	4,883	5,602	5,735	5,960	6,031	24%
Receivables, net	856	798	461	507	423	(51%)
<b>STOCK-BASED COMPENSATION</b>						
Cost of revenue	1	1	1	1	2	
Research and development	61	60	59	66	74	
Marketing and sales	10	10	10	11	12	
General and administrative	20	20	21	24	25	
Total stock-based compensation	92	91	91	102	113	