Electronic Arts

Investor Day

September 17th, 2024
New York City

Agenda

1:30pm - 4:30pm ET

- **Opening Remarks**
  Andrew Uerkwitz | Vice President, Investor Relations
- **Community-Driven Entertainment**
  Andrew Wilson | Chief Executive Officer
- **Massive Online Communities & Blockbuster Storytelling In and Around our Games**
  Laura Miele | President, EA Entertainment and Technology
  Cam Weber | President, EA SPORTS
- **Break (10 min)**
- **Harnessing the Power of the Community Beyond our Games**
  David Tinson | Chief Experiences Officer
  Mihir Vaidya | Chief Strategy Officer
- **Long-Term Value Creation**
  Stuart Canfield | Chief Financial Officer
- **Q&A Session**
  Moderated by Andrew Uerkwitz
  Vice President, Investor Relations

Safe Harbor Statement

Please review our risk factors on Form 10-Q filed with the SEC.

Some statements set forth in this presentation and our associated comments 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: 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, and integrate, acquisitions; the consumer demand for, and the availability of an adequate supply of console hardware units; the Company’s ability to predict consumer preferences and trends; the Company’s ability to develop and implement new technology; foreign currency exchange rate fluctuations; economic and geopolitical 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, 2024.

These forward-looking statements are current as of September 17, 2024. Electronic Arts assumes no obligation to revise or update any forward-looking statement for any reason, except as required by law.

Andrew Wilson

Chief Executive Officer




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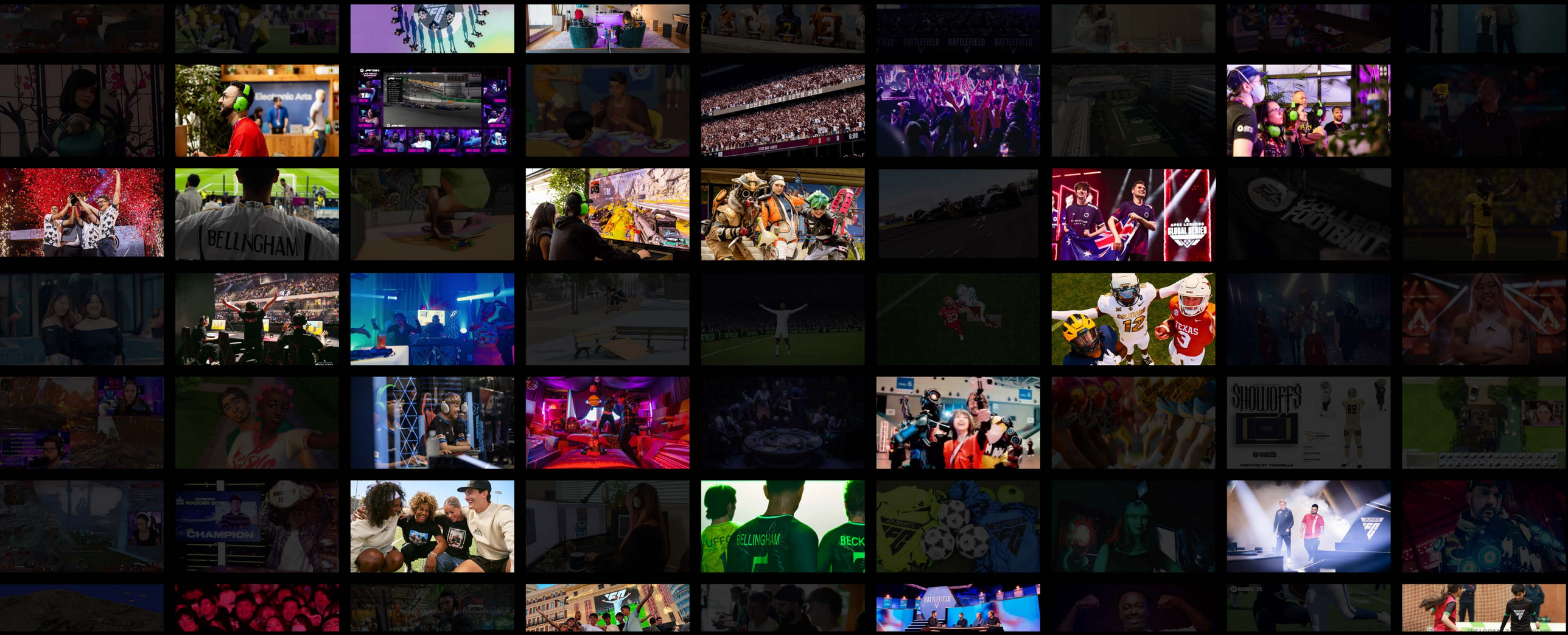

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2x

growth of EA player base since 2016







Shaping the future of entertainment

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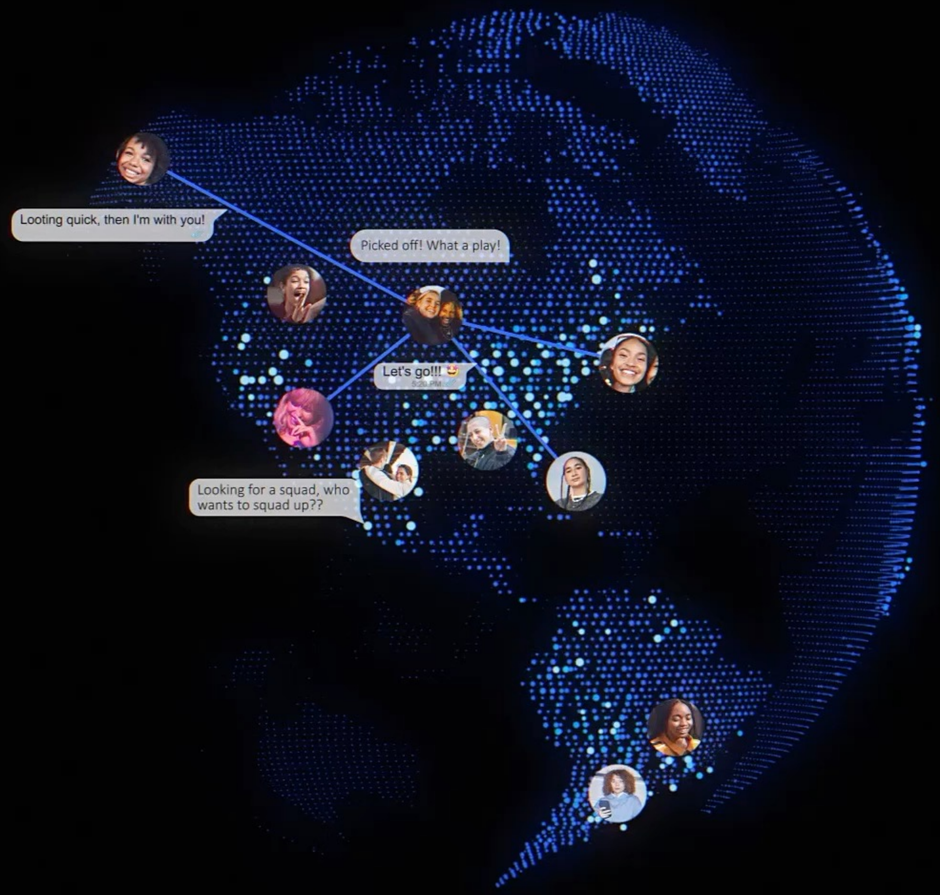
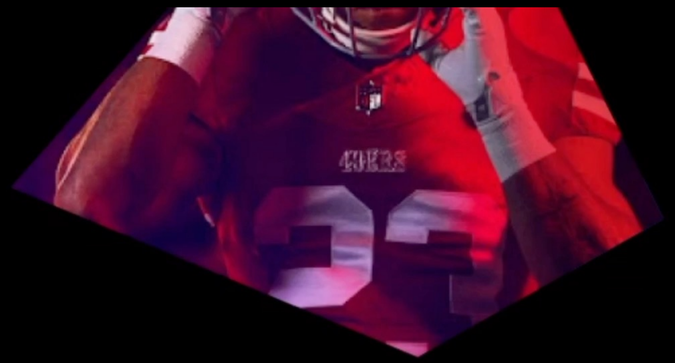

Looting quick, then I'm with you!
Picked off! What a play!
Let's go!!!
Looking for a squad, who wants to squad up??





~50%

of our community engages with UGC







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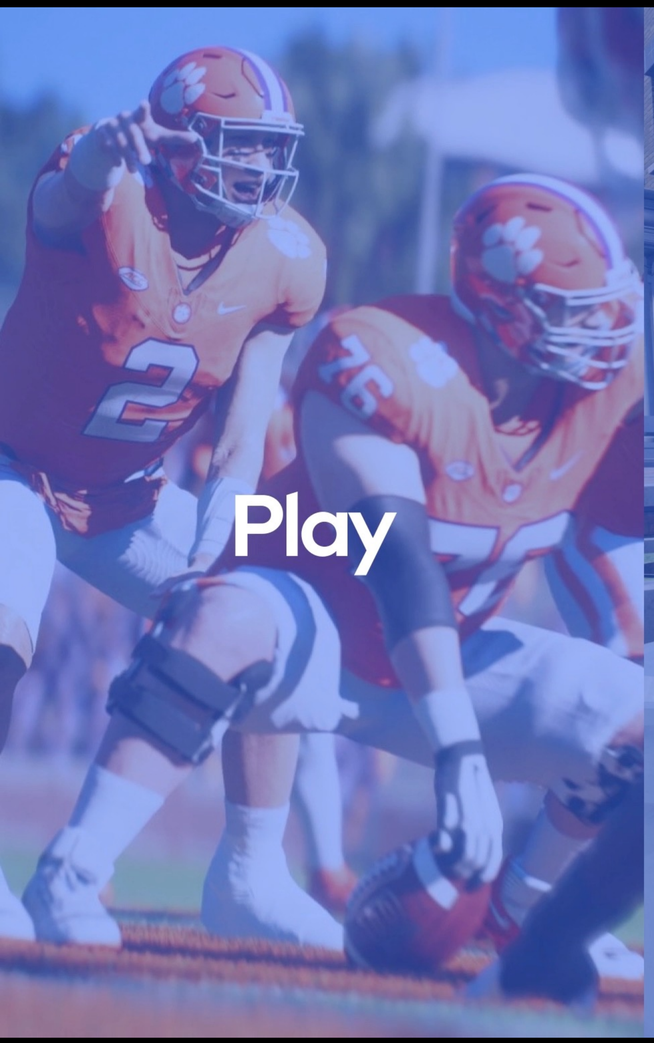
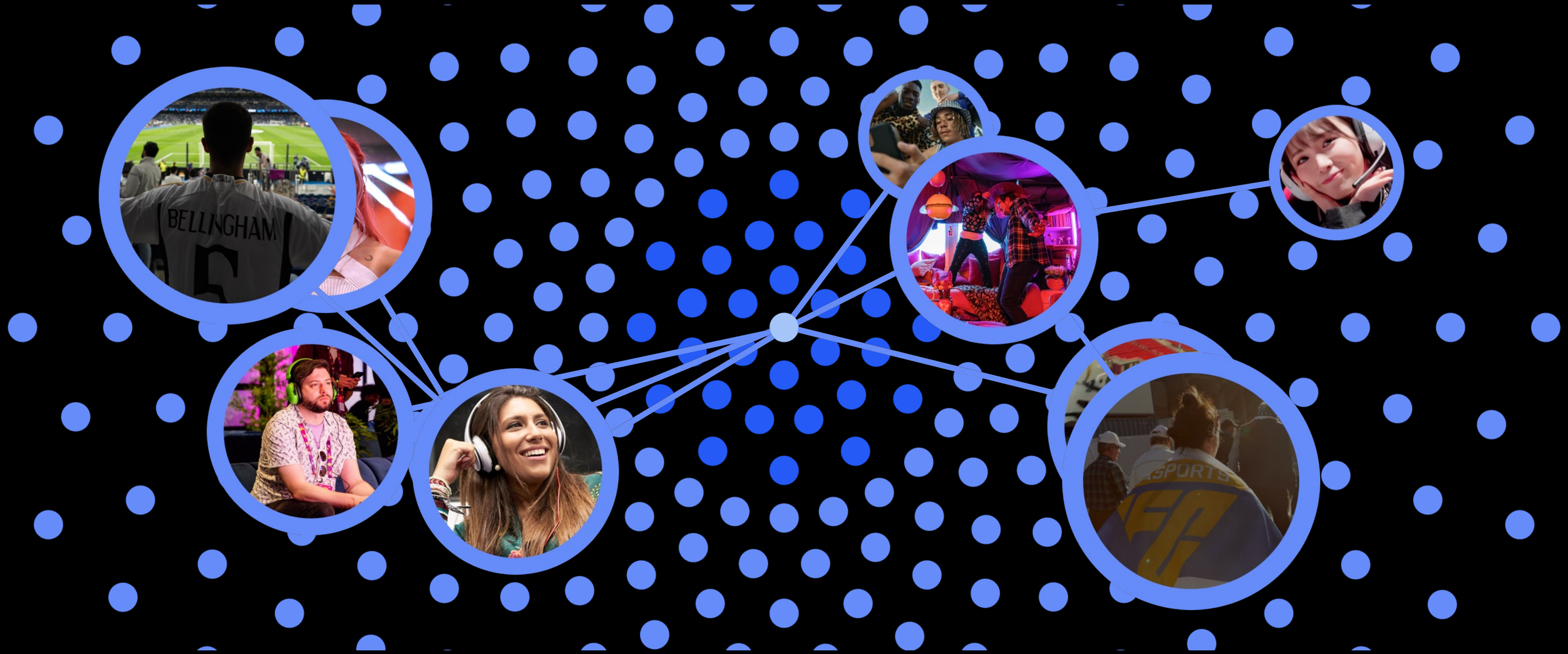

Play


Create


Watch


Connect



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13B+
hours played

60M
hours created

3B
hours watched

EA estimates, trailing twelve months through Q1 FY25.



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Our Strategic Pillars

01

Build games and experiences that entertain massive online communities

02

Create blockbuster interactive storytelling

03

Harness the power of community **in, around, and beyond our games**



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We believe...

EA's global audience will double to well over 1 billion people



AI

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Innovation accelerated and amplified by AI

Efficiency

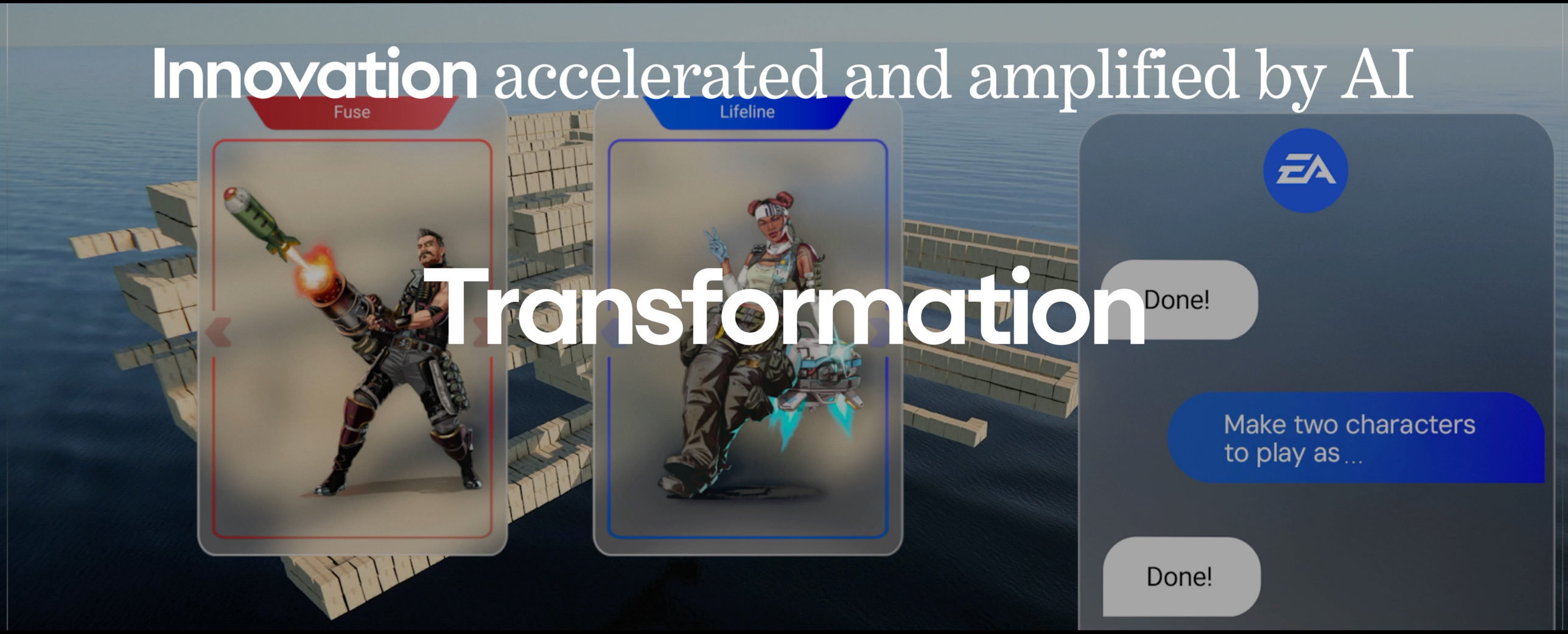
Expansion

Transformation


Innovation accelerated and amplified by AI
Efficiency


Innovation accelerated and amplified by AI
Expansion

Innovation accelerated and amplified by AI

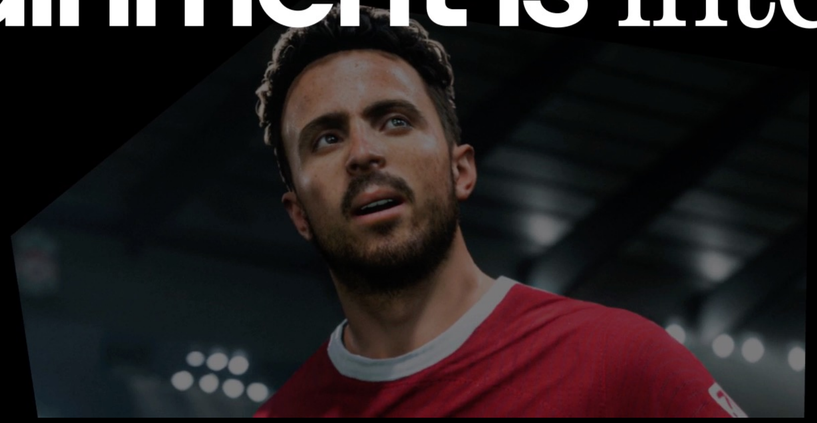


Transformation





The future of entertainment is interactive



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Laura Miele

President, EA Entertainment & Technology







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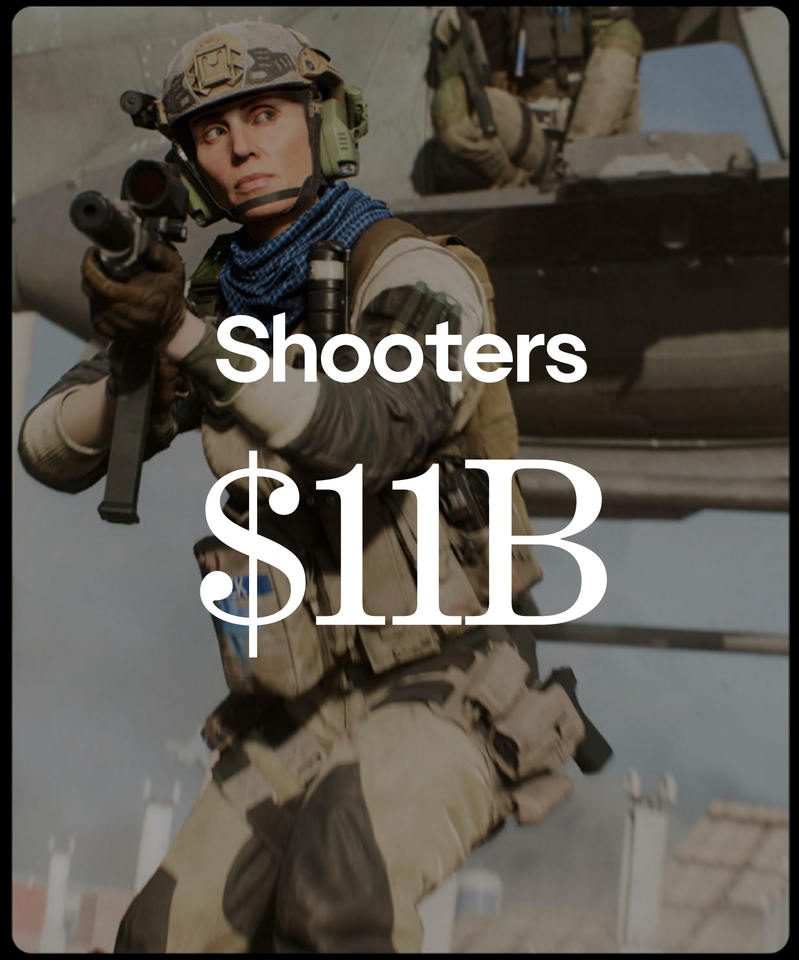
Opportunity in the ARPG Market







EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024

Opportunity in the ARPG Market







EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024

Blockbuster Storytelling









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"BIOWARE IS BACK WITH A BANG"
- VGC
"BioWare's roots can still be clearly seen in the excellent world building, character writing, and dialogue systems..."
- Digital Trends
"Veilguard is absolutely stunning. I truly believe that this takes the best from past DA games and adds plenty of new elements."
- @JadeValkyrie
DRAGON AGE™
THE VEILGUARD
"Dragon Age: The Veilguard was my game of the show."
- Kinda Funny
"OH DRAGON AGE IS SO BACK"
- @TearsofN7
October 31, 2024
"The Dragon Age fans I know, many of them women, are palpably excited to have this franchise back in their lives after waiting for so long."
- IGN
"Dragon Age: The Veilguard looks set to be one of this year's most beautiful RPGs"
- JeuxVideo
"BioWare really does seem to be back here, and not just back but back with a renewed sense of confidence and faith in itself."
- Eurogamer
"Before Dragon Age Veilguard reveal I didn't think I'd be *this* obsessed and feral about it again but...boy was I wrong"
- @hvitperle
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Massive online communities



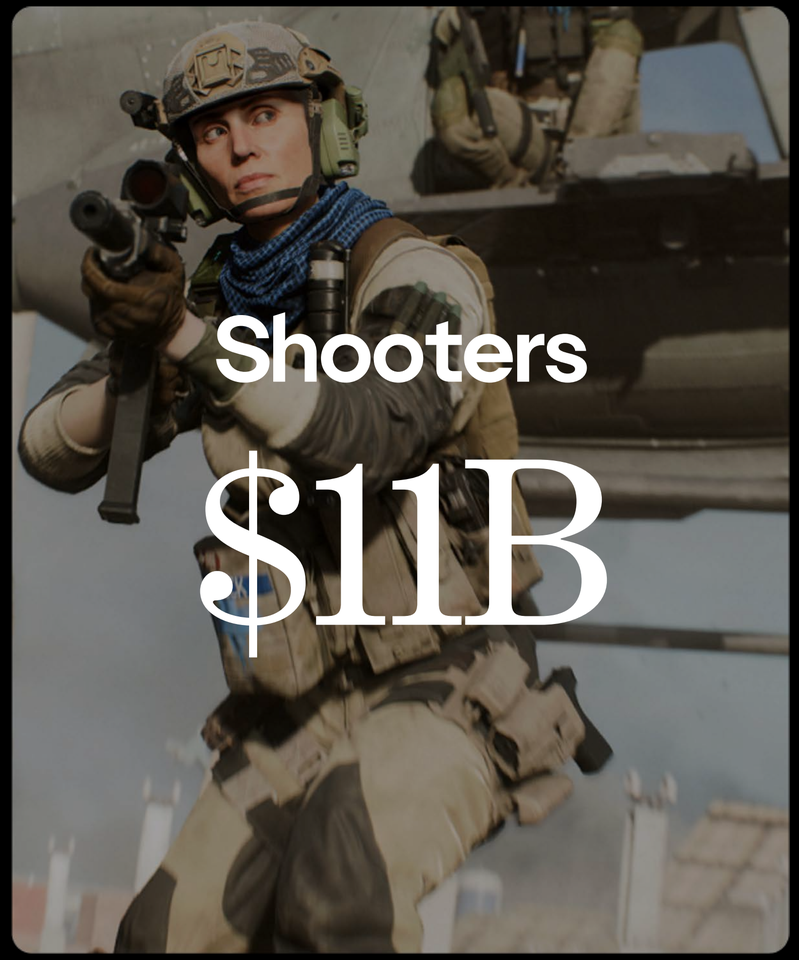






Opportunity in the Shooter Market



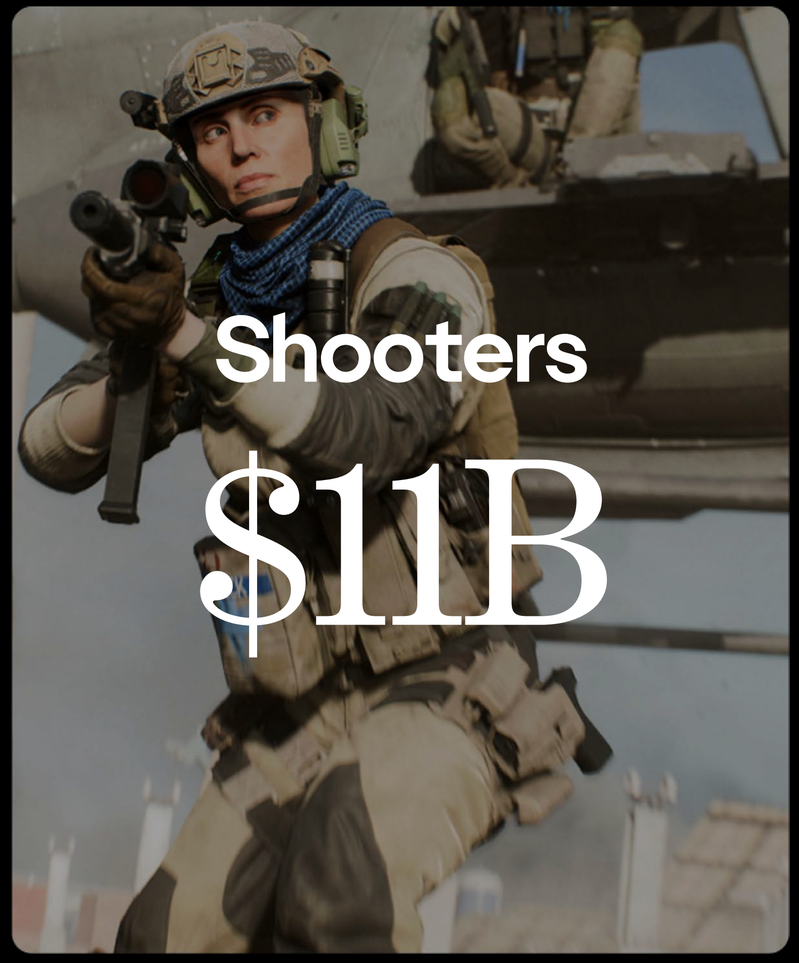




EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024

Opportunity in the Shooter Market







EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024



APEX LEGENDS™

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BATTLEFIELD™



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Byron Beede

GM of Battlefield





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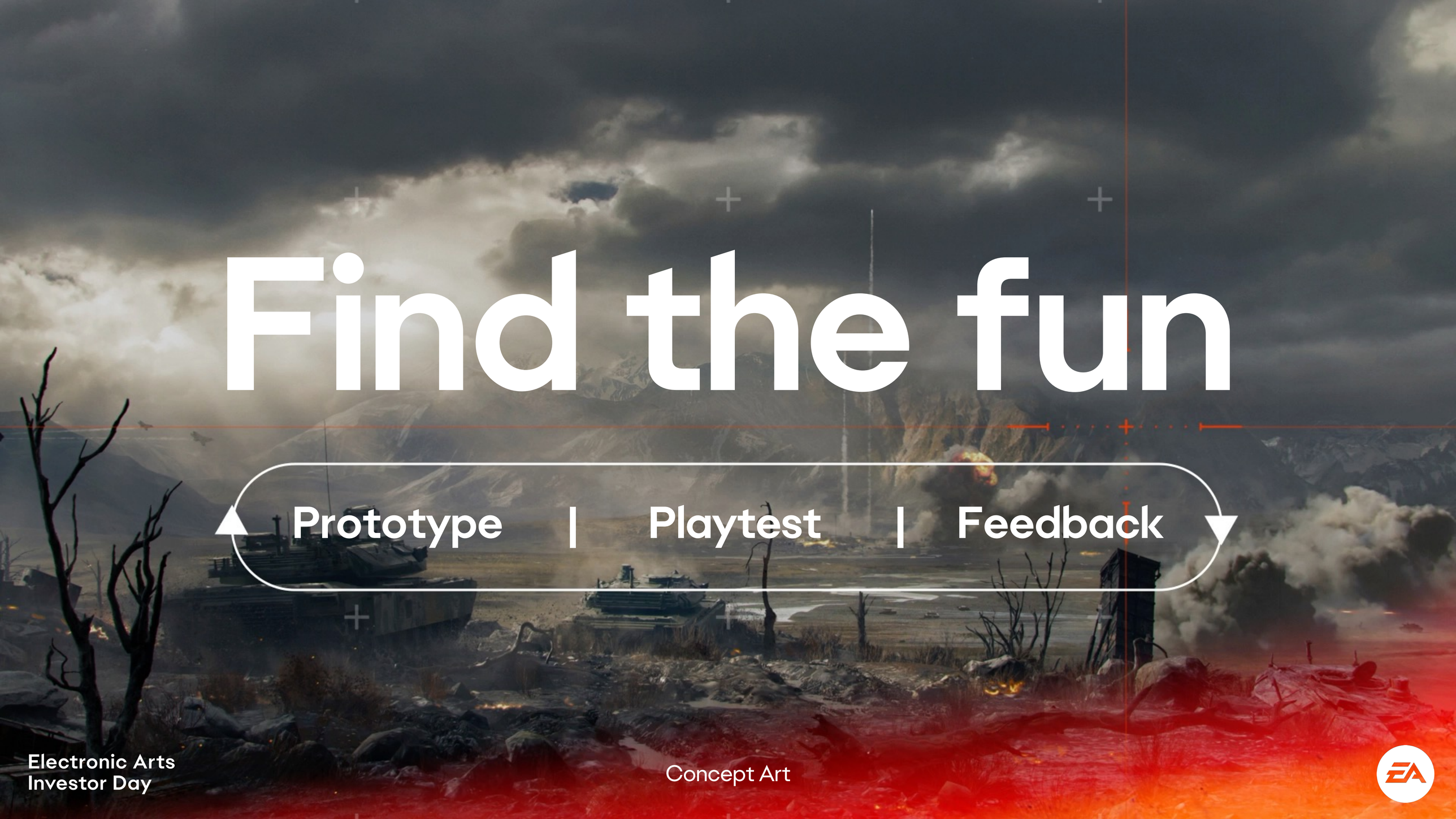
Concept Art

Find the fun

Prototype | Playtest | Feedback



Concept Art







250 million hours

invested in the last 12 months







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Concept Art

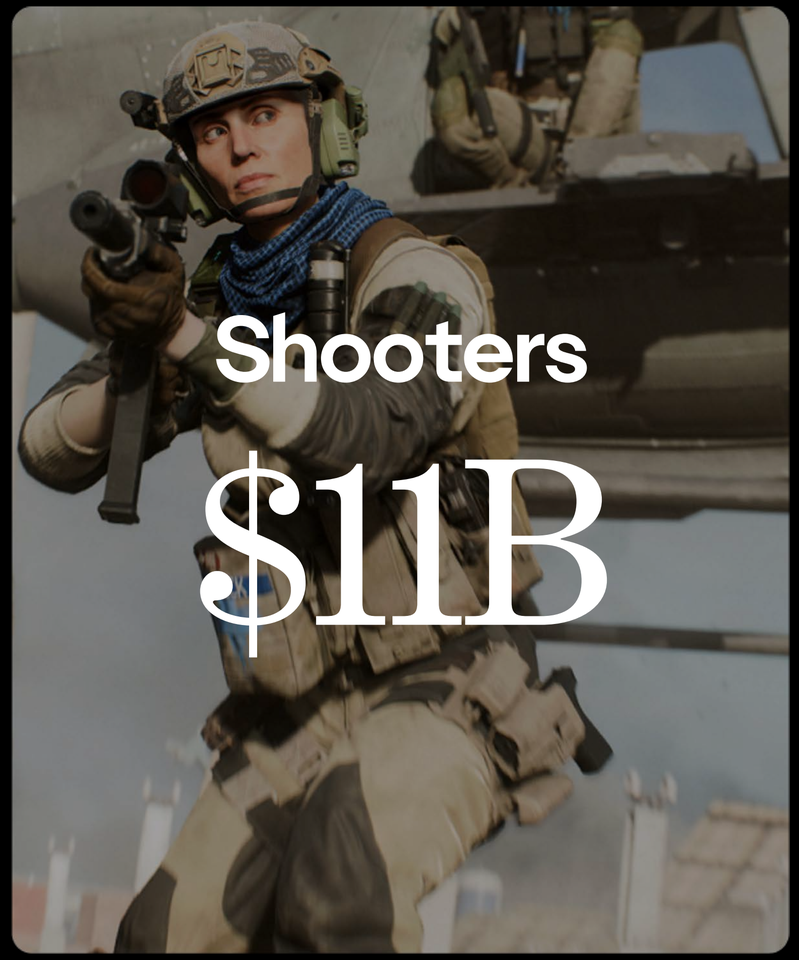
Lifestyle **Genre**





Opportunity in the Simulation Market







EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024

Opportunity in the Simulation Market







EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024



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the SIMS 25
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The Sims inspires the world to play with life

Play



500M

Lifetime Players

Create



1B

Gallery Downloads

Watch



210M

Hours Watched

Connect



26.5M

Social Followers

Our best years are ahead

My Sims Sims 2 Sims 3 Sims 4 Franchise FY25 and Beyond

Sims

Sims 2

Sims 3

Sims 4 LTD

Franchise FY25 and Beyond



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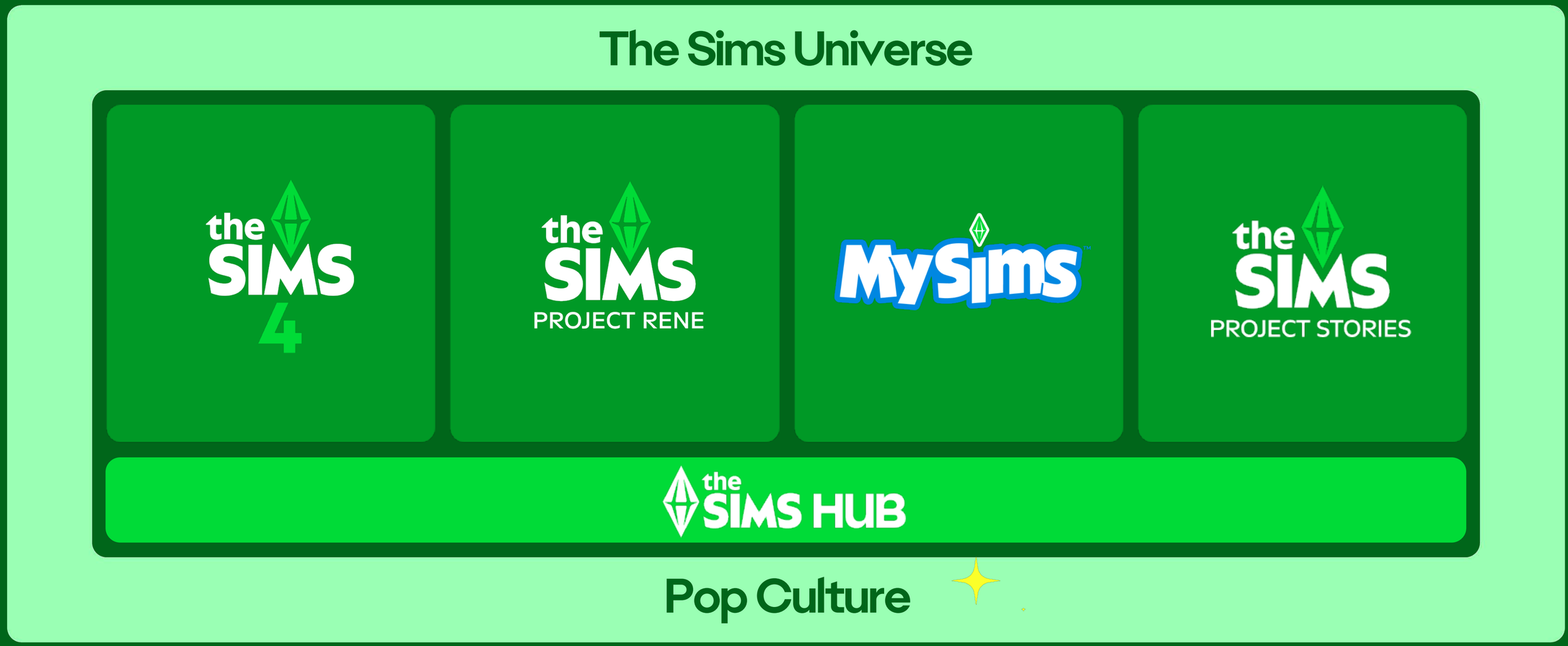
A lifelong journey with The Sims





AMAZON
MGM STUDIOS

LuckyChap
ENTERTAINMENT

VERTIGO
ENTERTAINMENT

the SIMS



2X

our annual net bookings over the next 5 years

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Powered and supercharged by AI

100+ Million Player Creations



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Build the world's largest online gaming community for creators at the speed of pop culture



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Concept Art



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the SIMS
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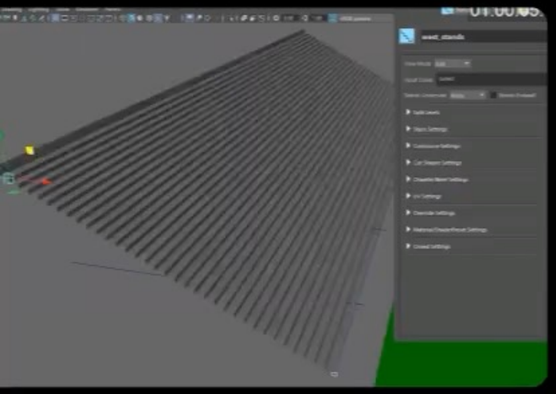
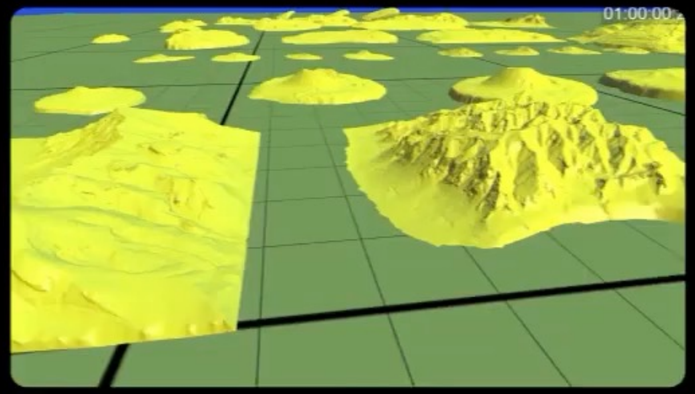
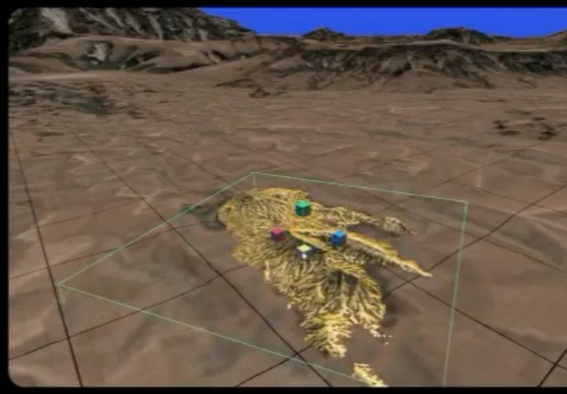
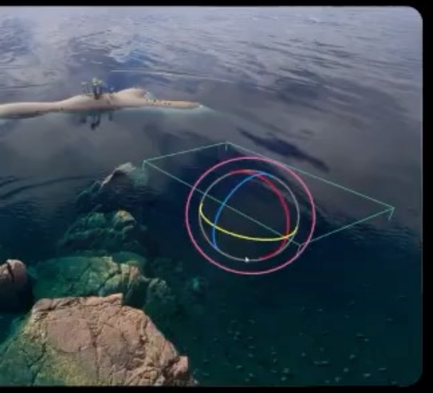
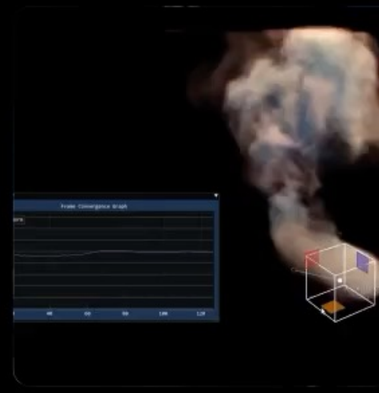
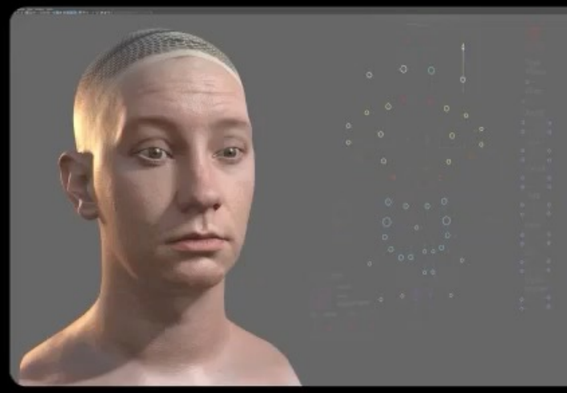



Technology







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Innovation accelerated and amplified by AI

Efficiency

Expansion

Transformation

AI



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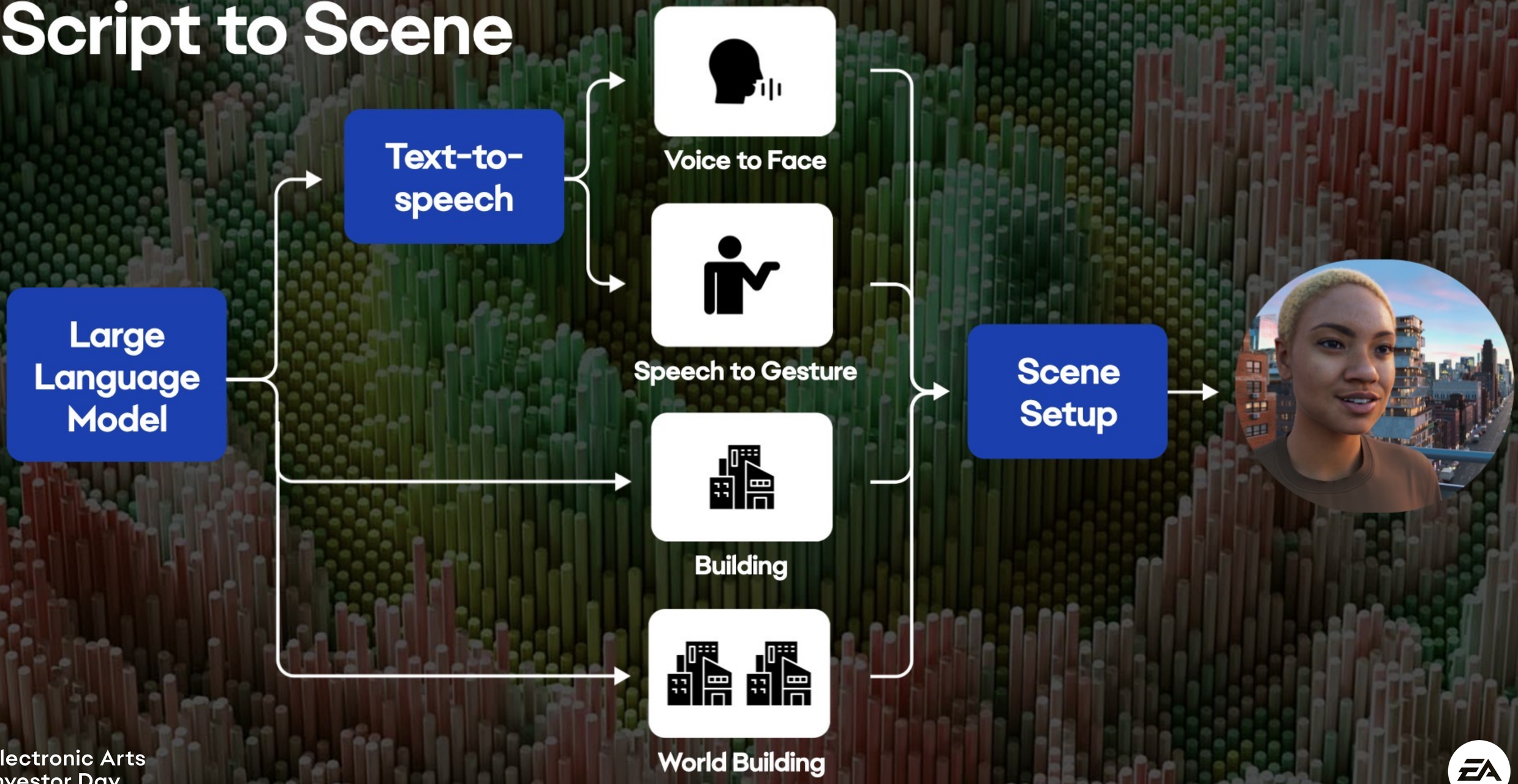
Script to Scene





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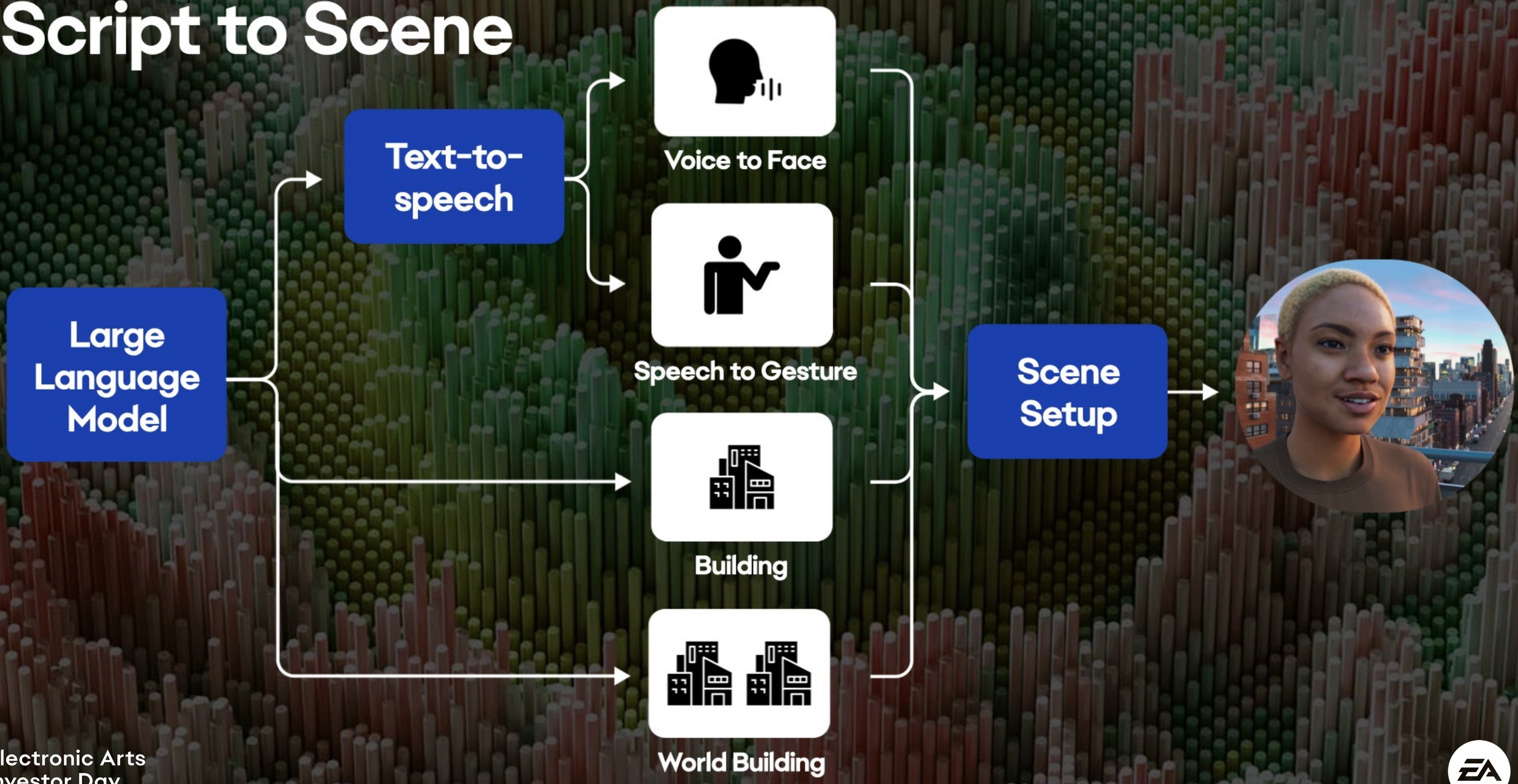
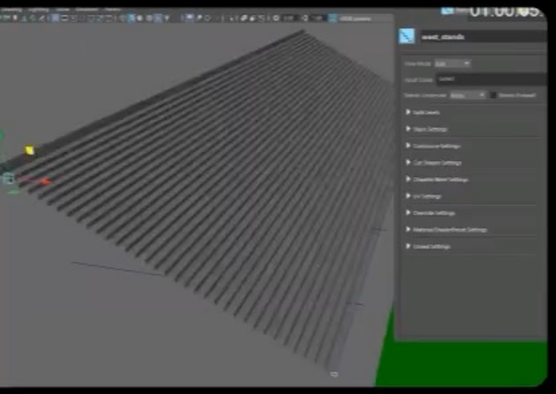
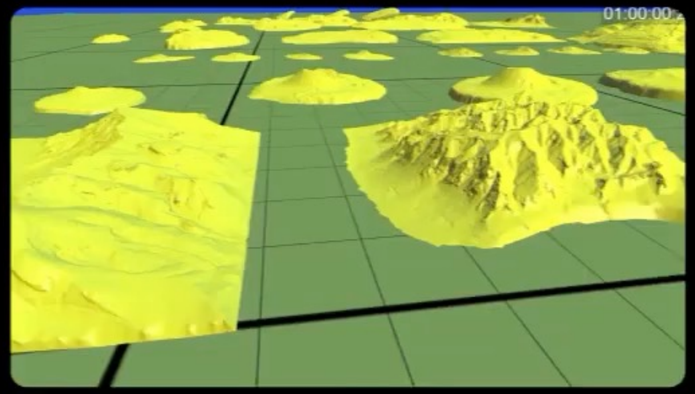
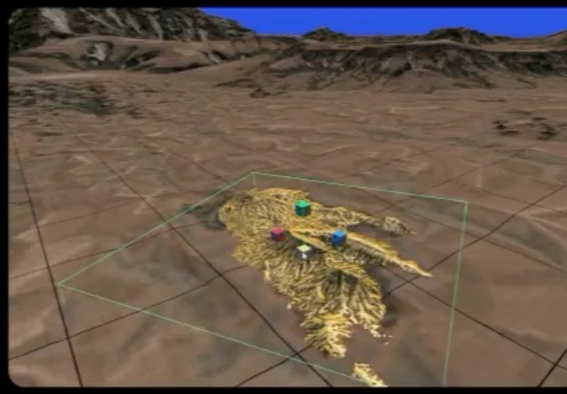
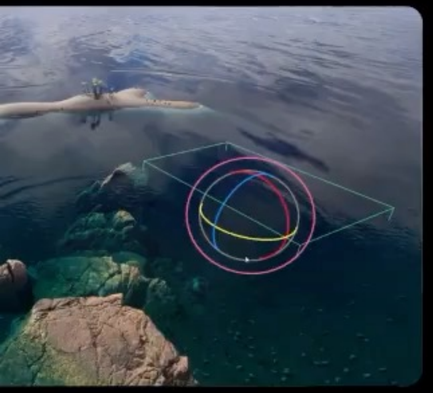
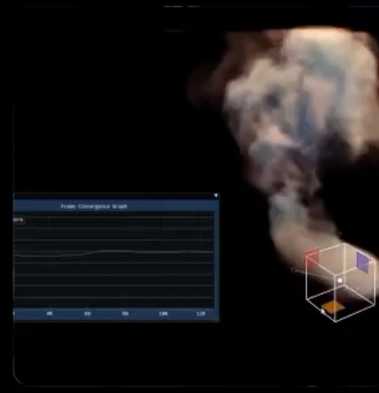
Script to Scene



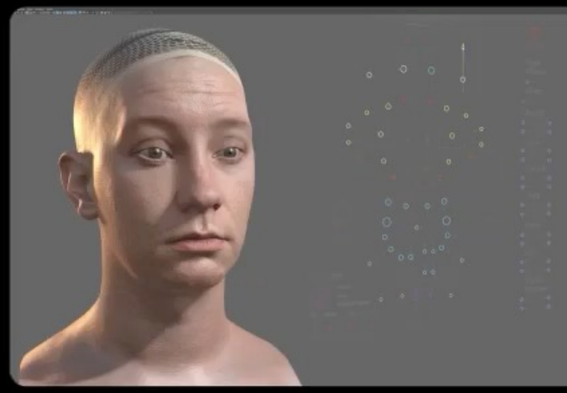



Technology







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Cam Weber

President of EA SPORTS





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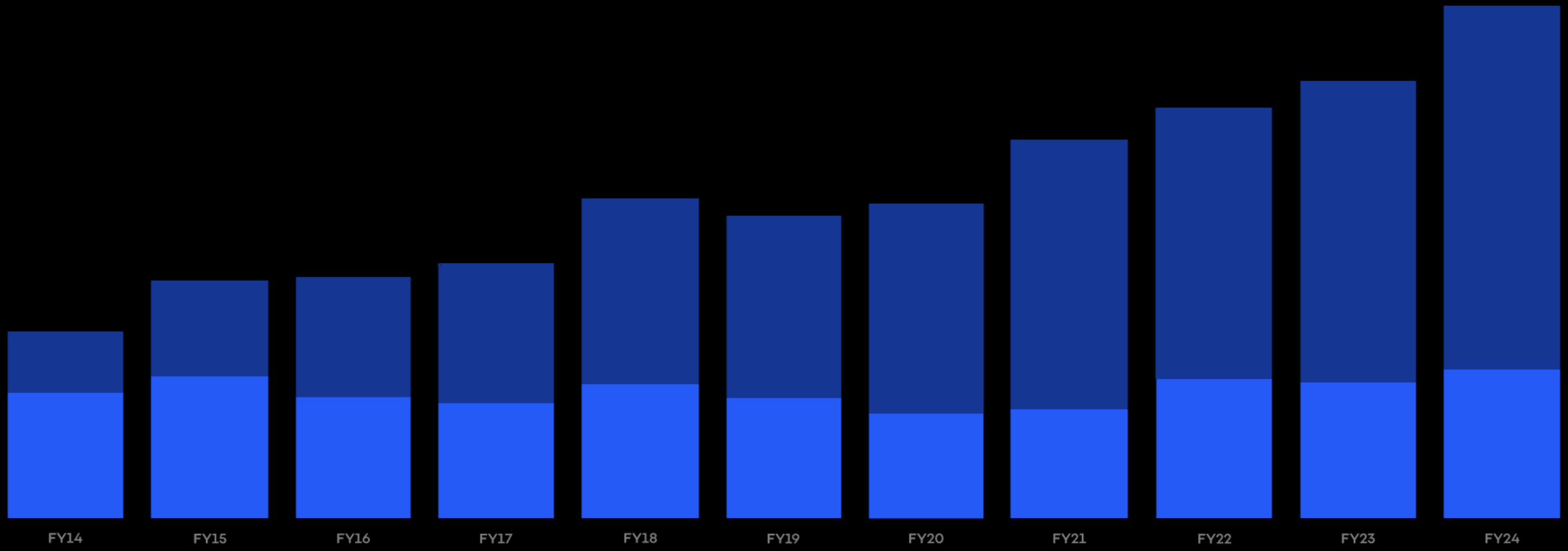
EA SPORTS continues to lead the market













13 Launches
9 Franchises











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8B
Hours in FC


23,000
Daily NFL Seasons in Madden

EA SPORTS continues to lead the market

11%

10 Yr Session Days of Engagement CAGR

11%

10 Yr Net Bookings CAGR

Engagement in Largest HD Franchises



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The Broader Sports Opportunity

EA SPORTS Today

265M+

EA SPORTS Player Network

Avid to Casual, Heavy, Light, Lapsed

1B+

Gen-Z Sports Fans

Socially Connected

Total Addressable Market

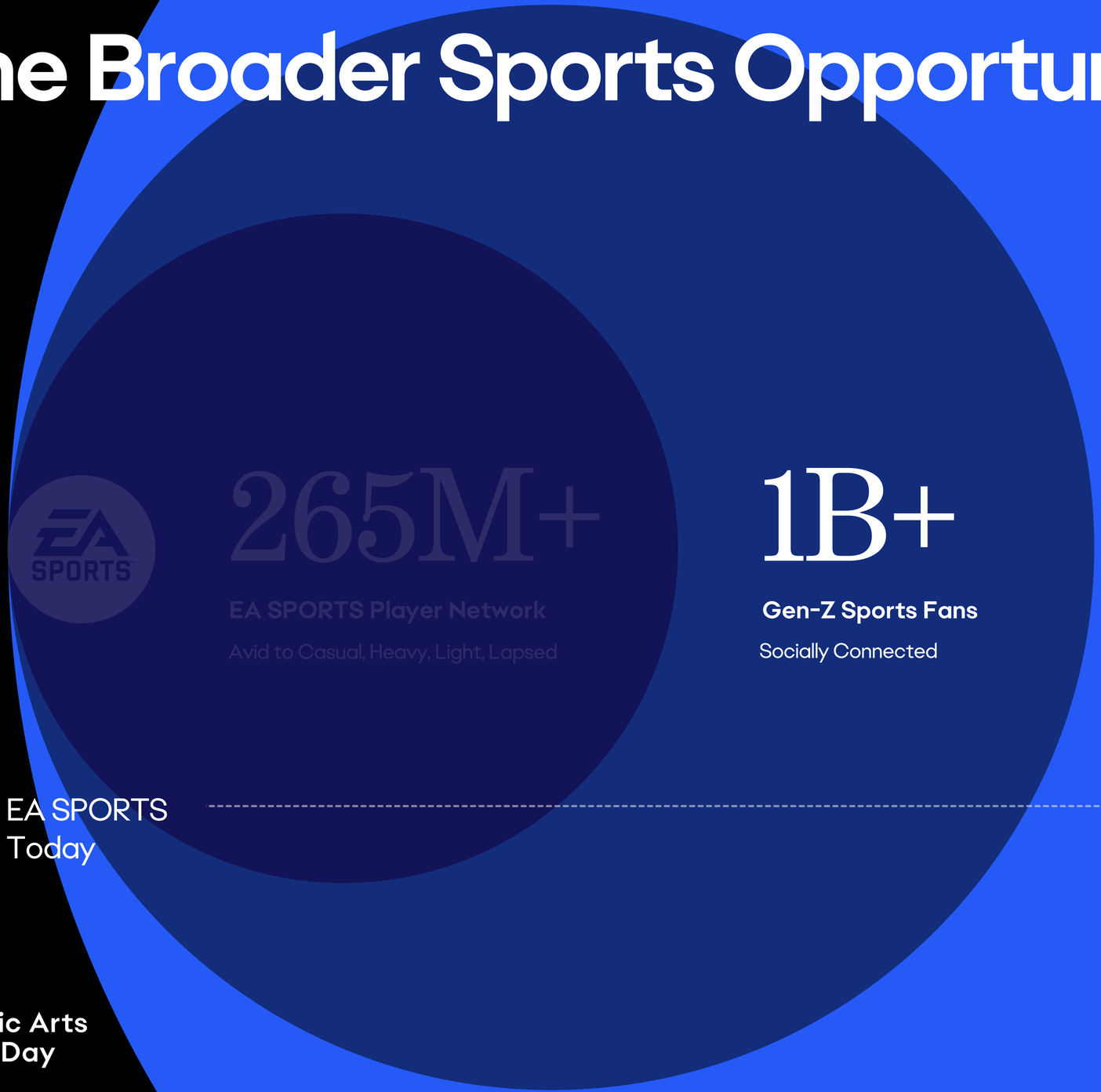
4B+

Global Sports Fans

Play, Watch, Compete, Connect

Source: EA estimates

The Broader Sports Opportunity



EA SPORTS
Today

Source: EA estimates

5 year ambition



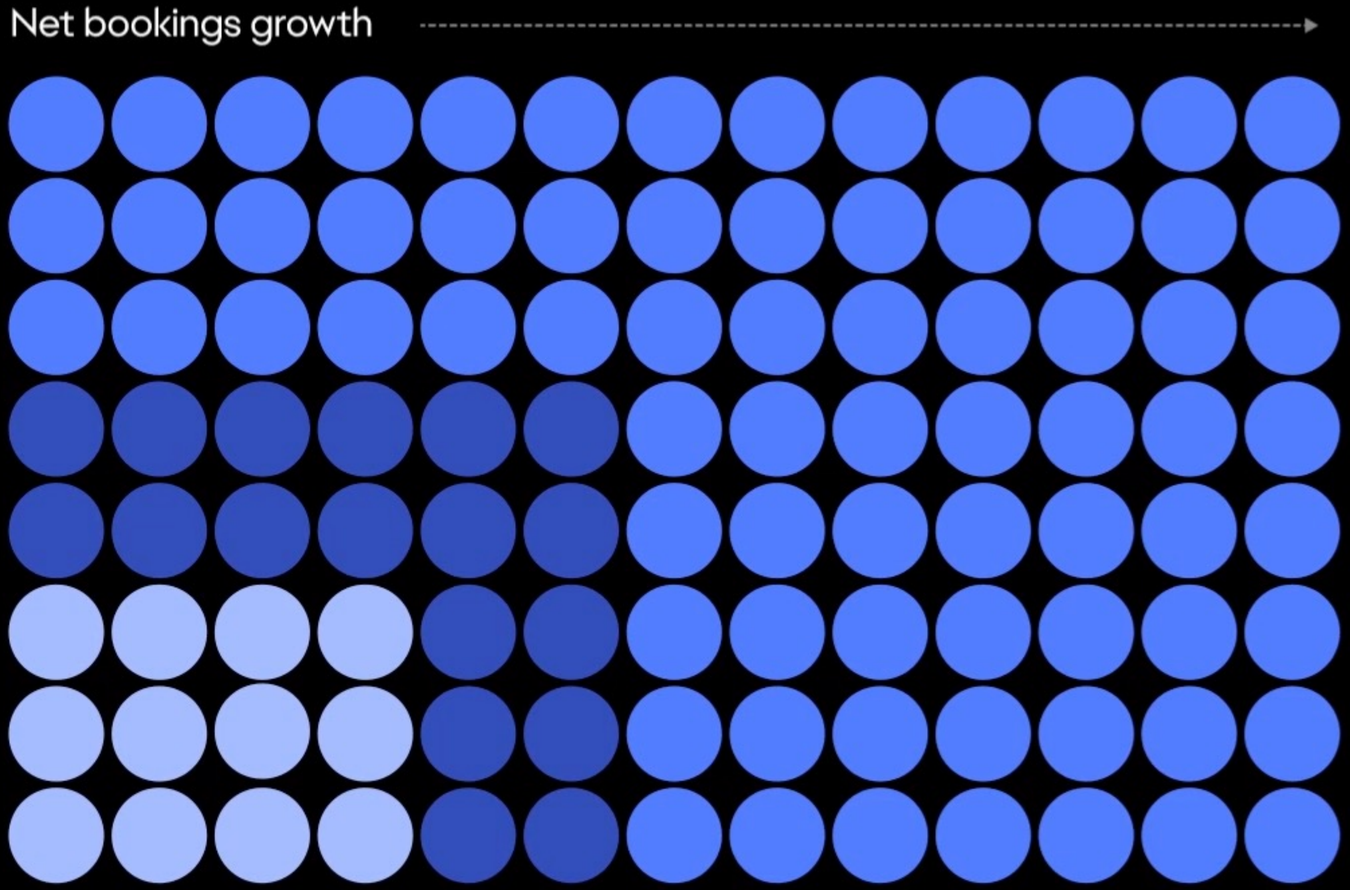
More players, more time

Sports fans

4B+

Annual players

2X

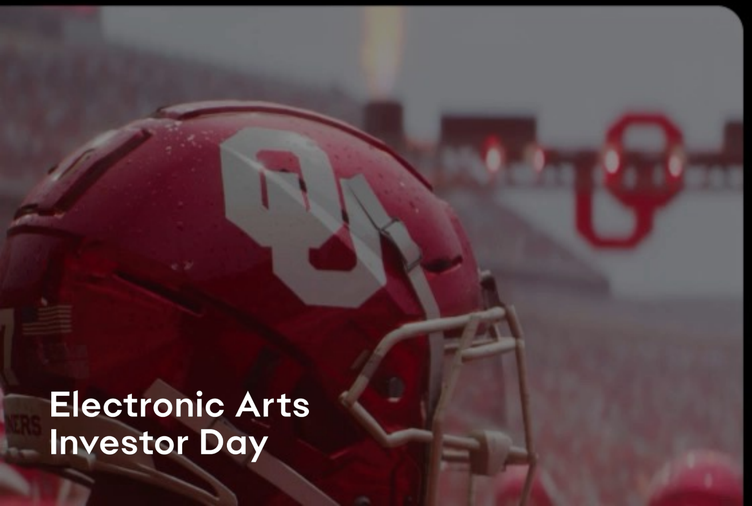


Source: EA estimates

5 year ambition



Expand our Football Franchises









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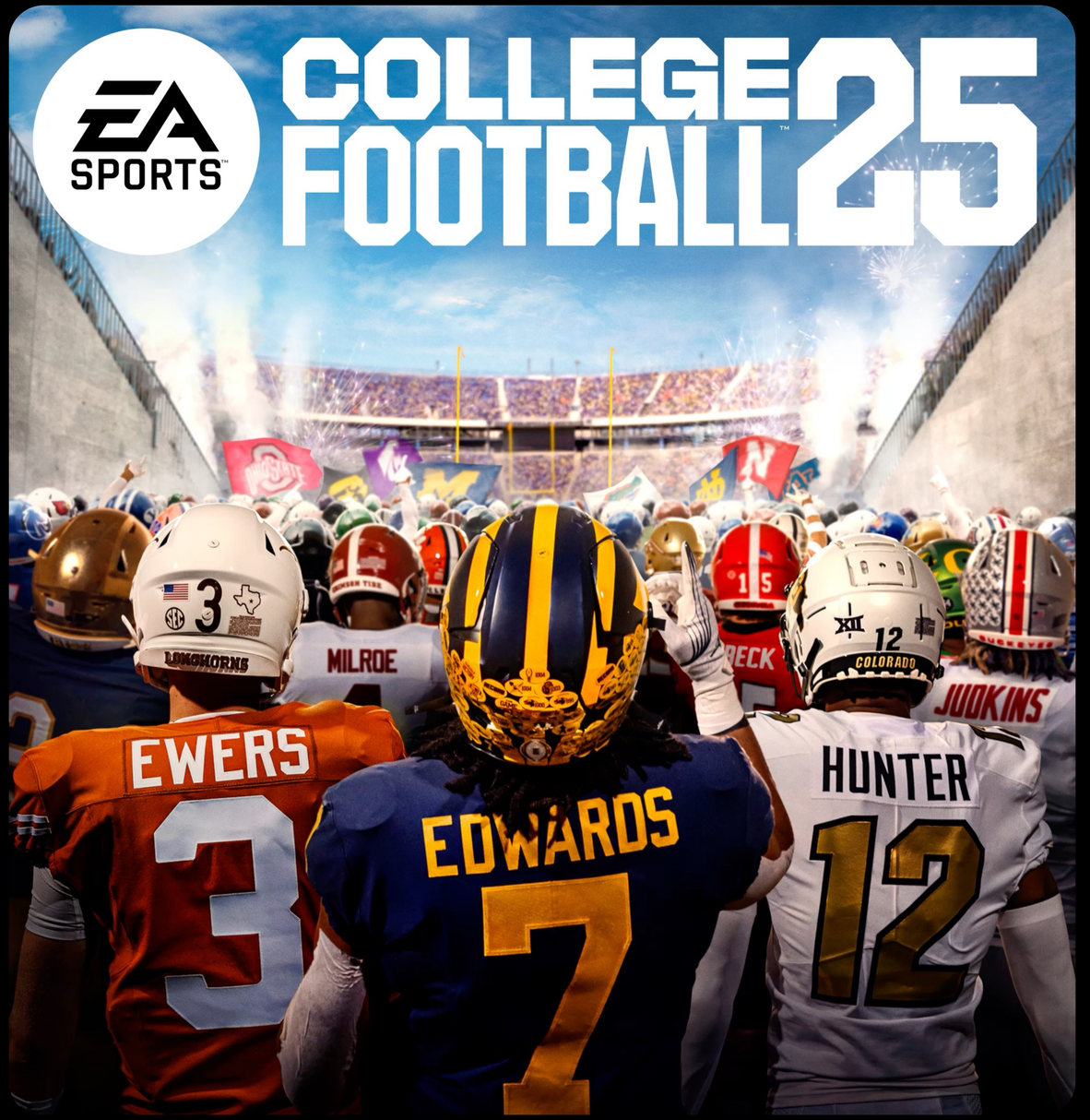
GO IRISH GO





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Amazing Connections







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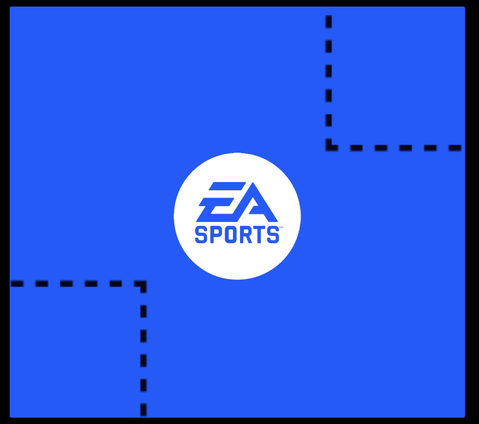
Connected Ecosystems



Tools for Creativity



New Modalities of Play

Account



SheeshAitana

Member since 2018









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Connected Avatars











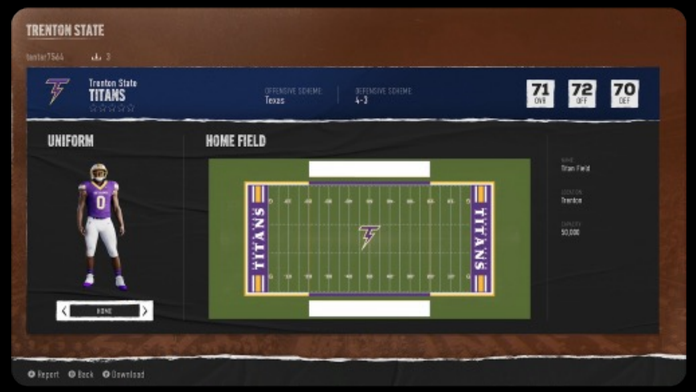




Tools for Creativity



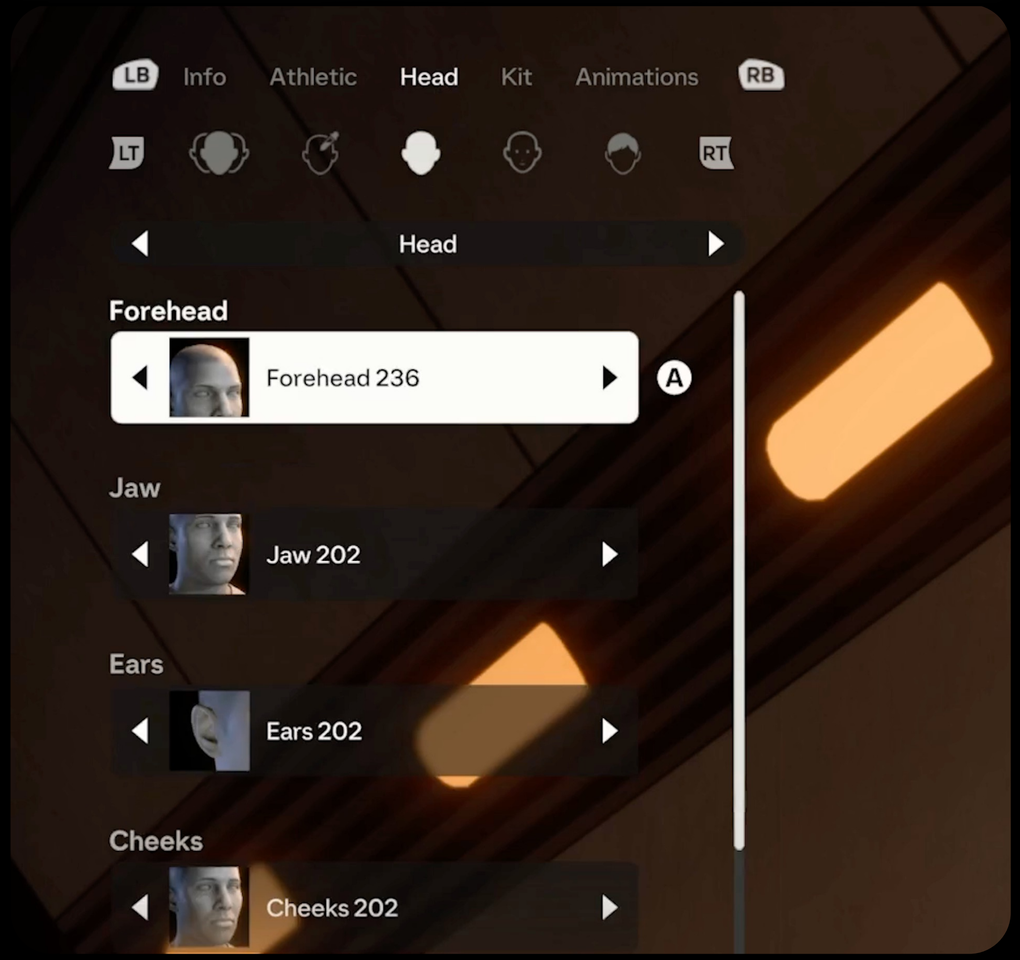










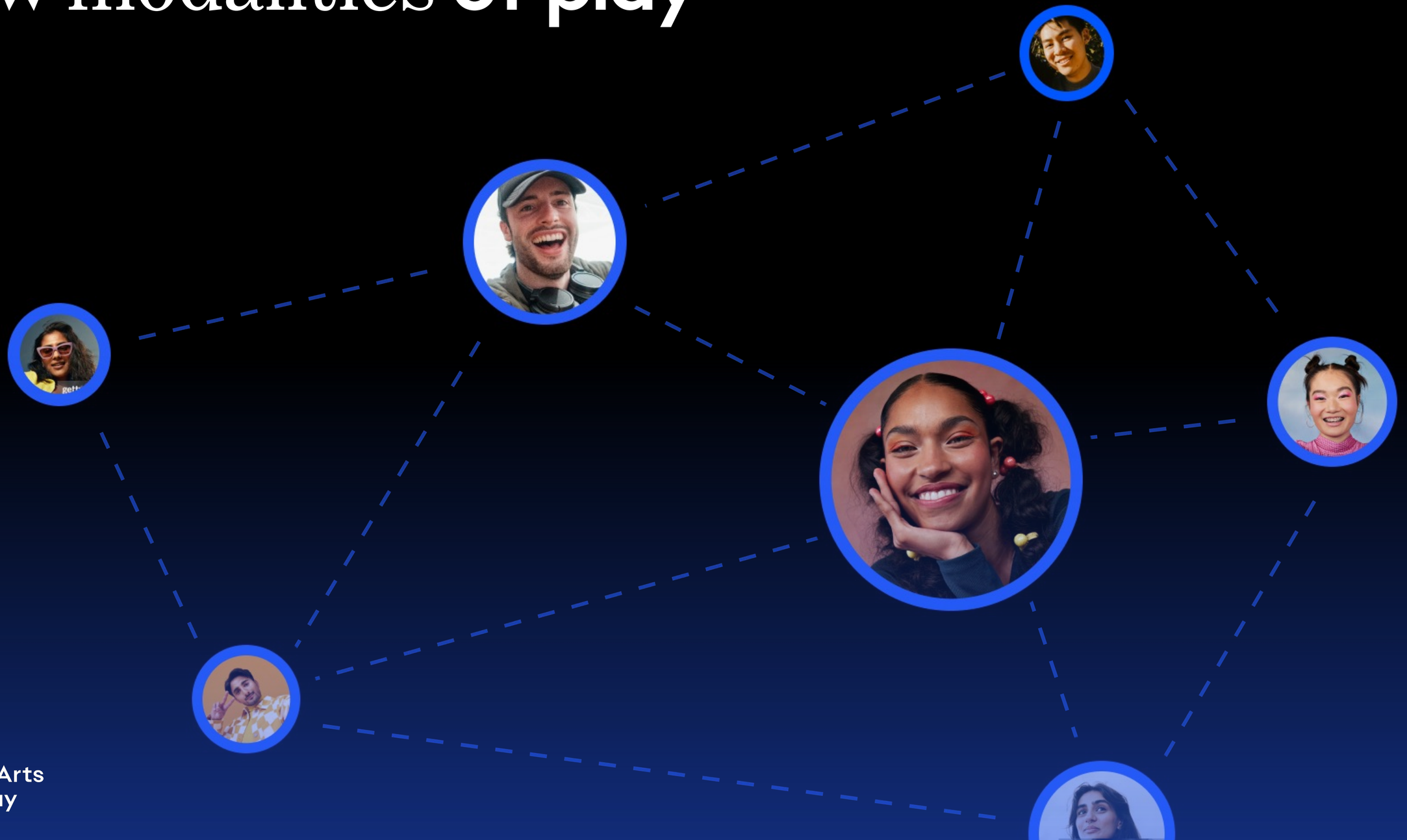


EA SPORTS HIGHLIGHTER

CRANIUM TECHNOLOGY


SPORTS™

New modalities of play



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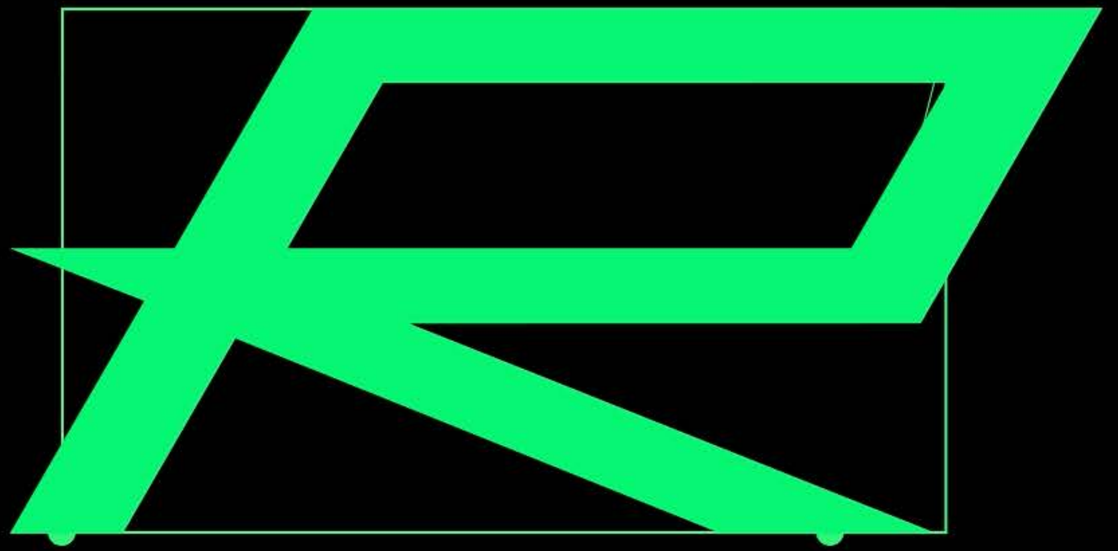
AREA: FULL SIZE PITCH

105m x 68m = 7140m²

AREA: RUSH PITCH

63.7m x 46.7m = 2975m²





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SPORTS™




3
30





Connected Ecosystems



Tools for Creativity



New Modalities of Play

5 year ambition



Rapidly Advancing Technology



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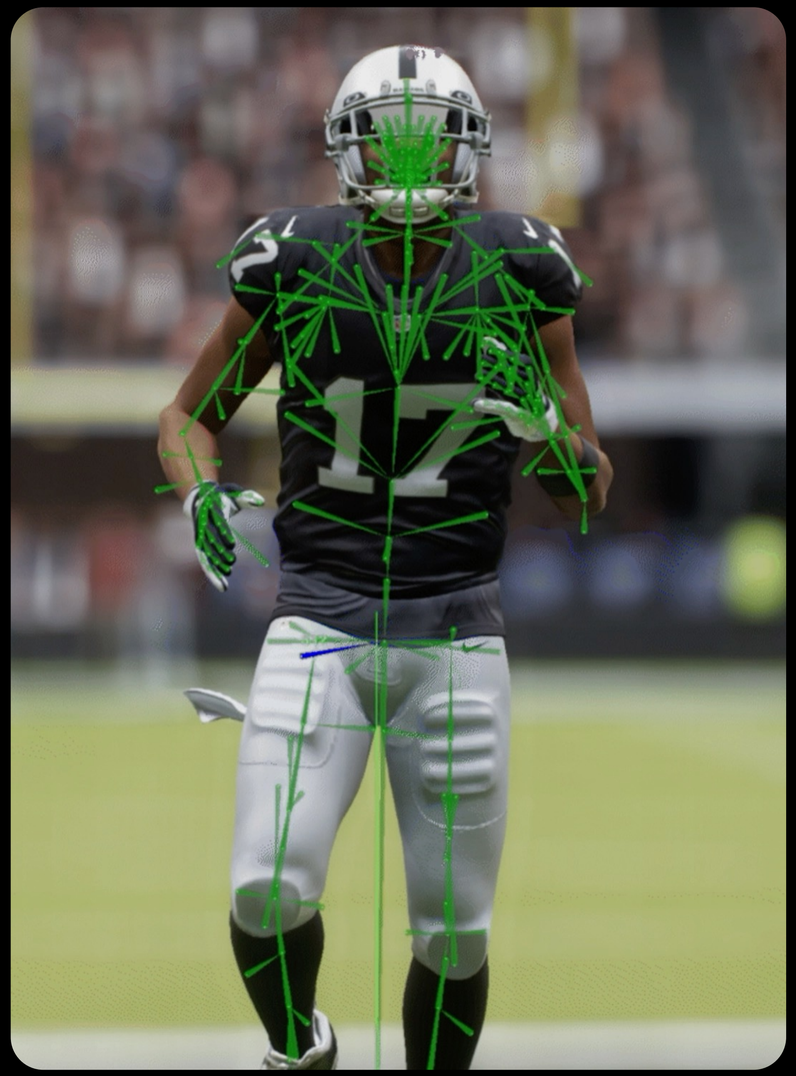
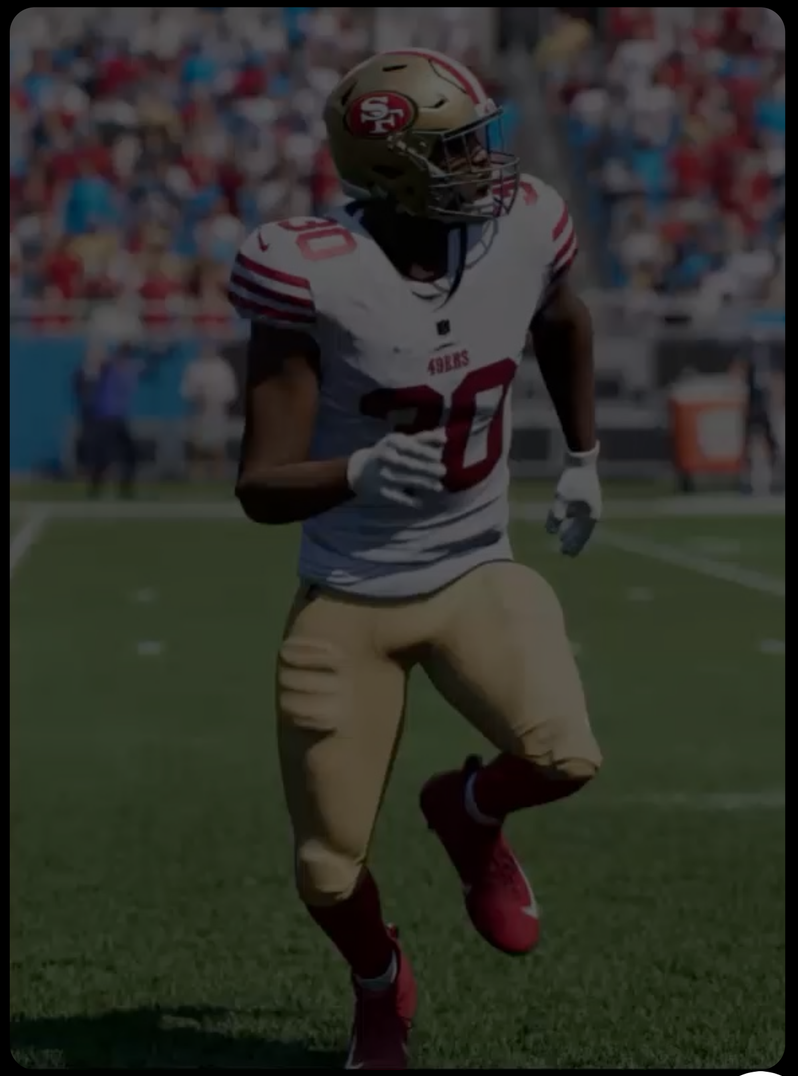
Sapien



FC IQ



Run Time physics



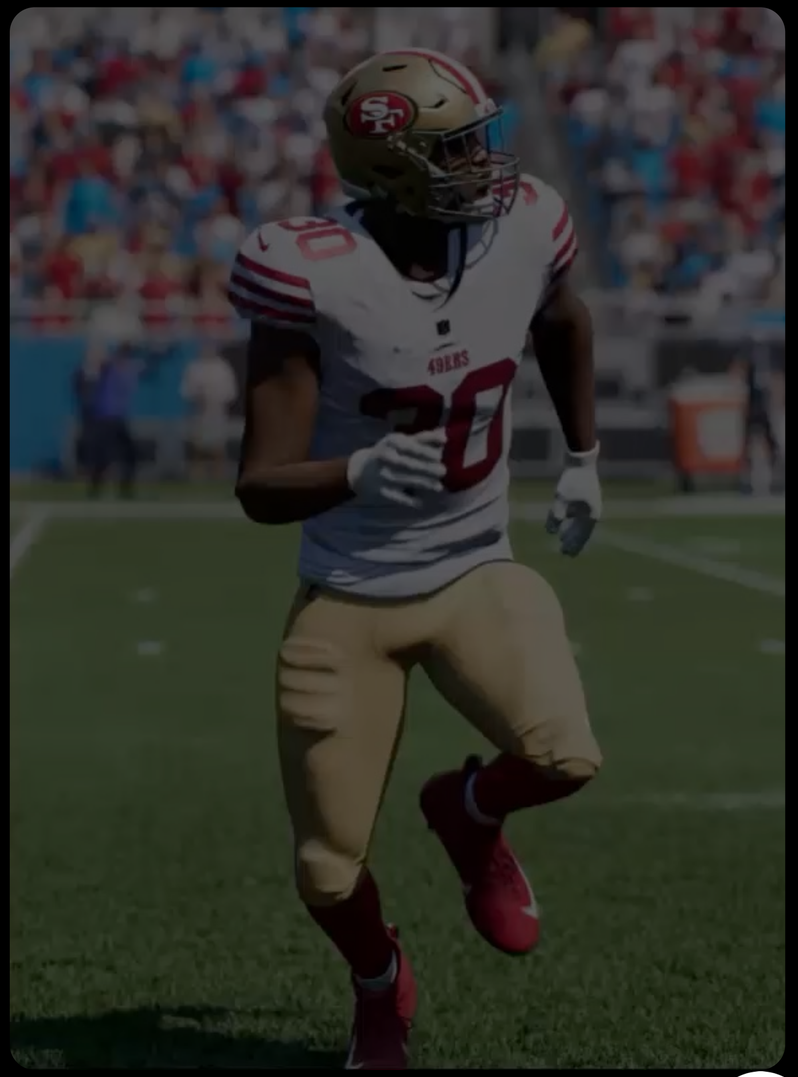
Sapien



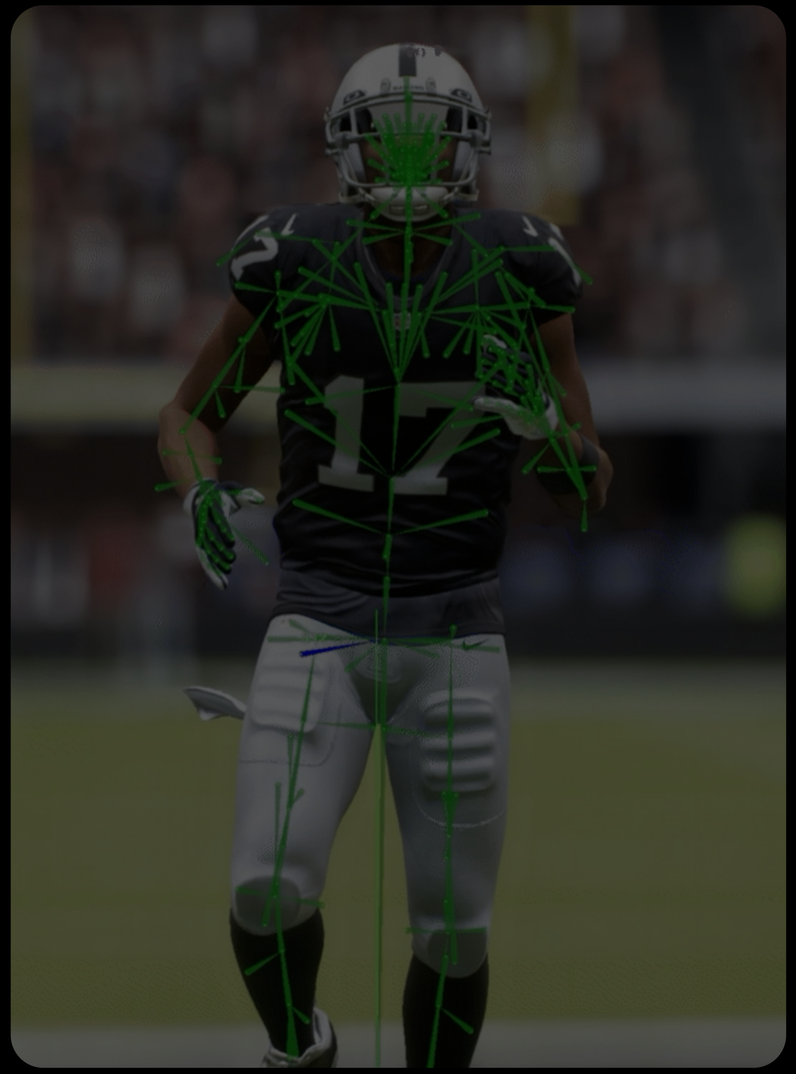
FC IQ



Run Time physics



Sapien



FC IQ



Run Time physics





Electronic Arts
Investor Day

5 year ambition



Andrea Hopelain

GM, Publishing of EA SPORTS

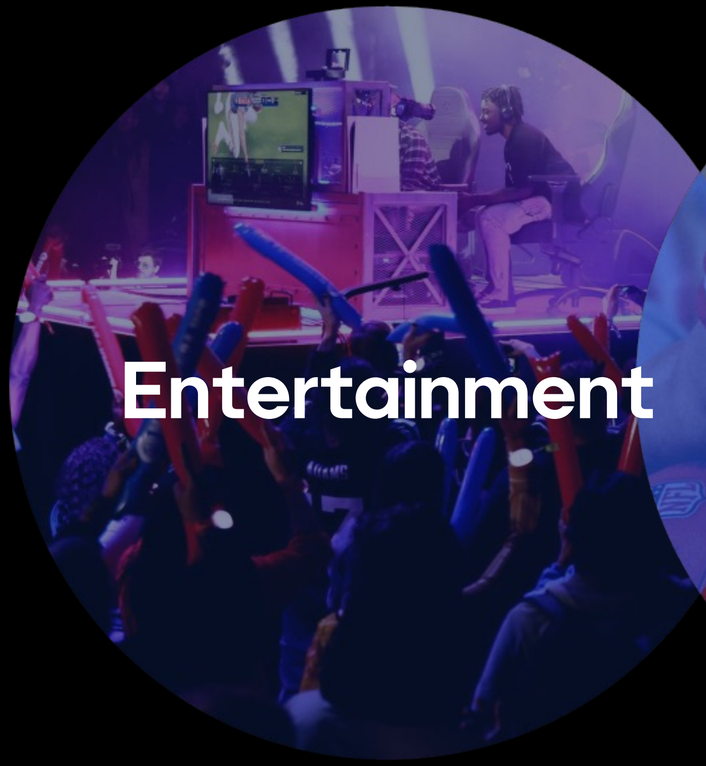


IT'S IN THE GAME



Electronic Arts
Investor Day

EA SPORTS™









A leading sports entertainment property



Younger Generations love Sports

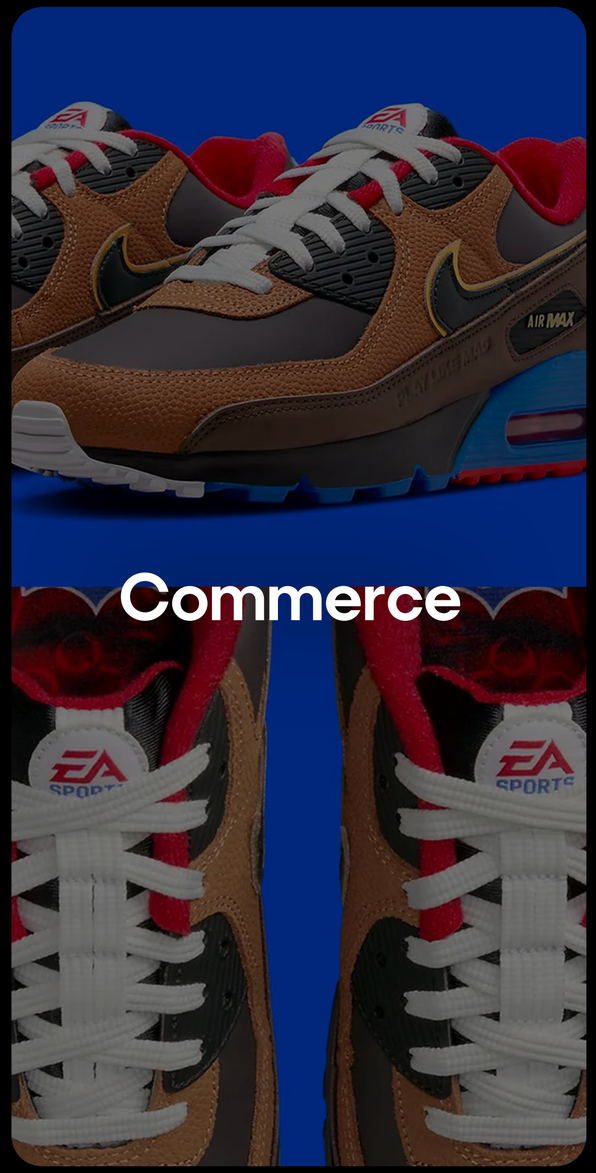
47%

Nearly half of sports fandoms are made by the age of 14

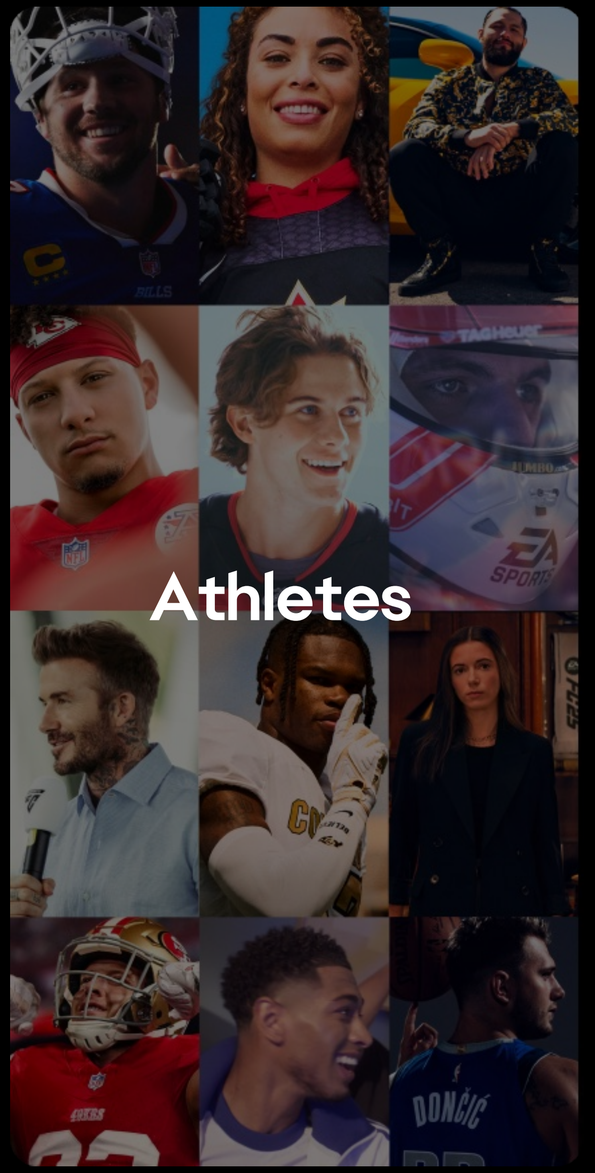
Two Circles: Knowing Fan Origins Report (2023)



Next Gen Content



Commerce



Athletes



Grassroots Participation



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Investor Day



Electronic Arts
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Investor Day





EA SPORTS FC FUTURES







Electronic Arts
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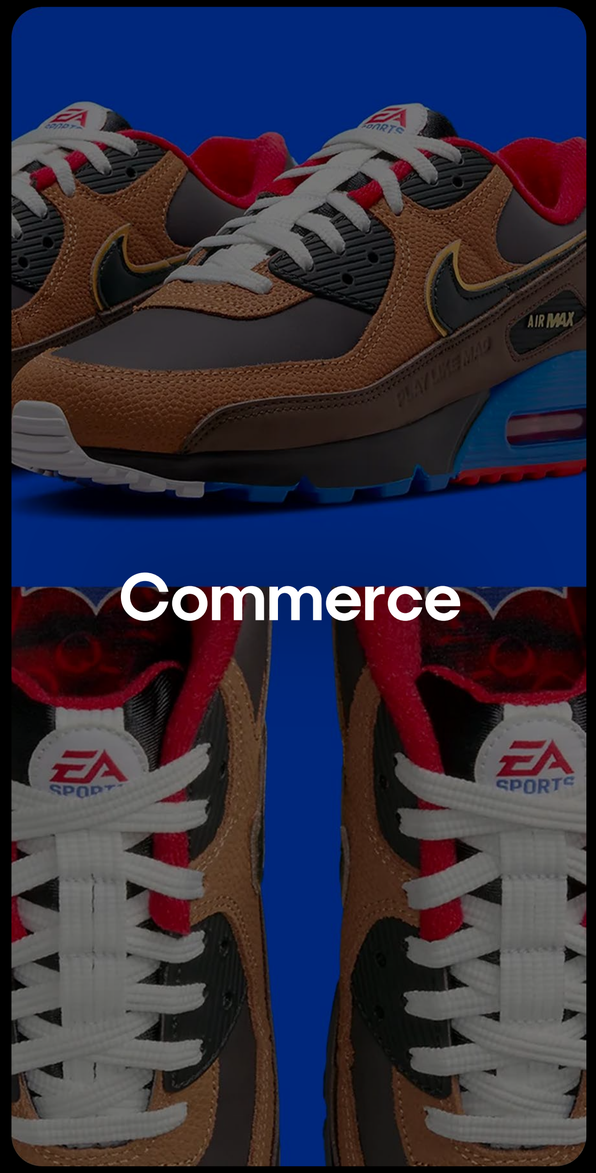
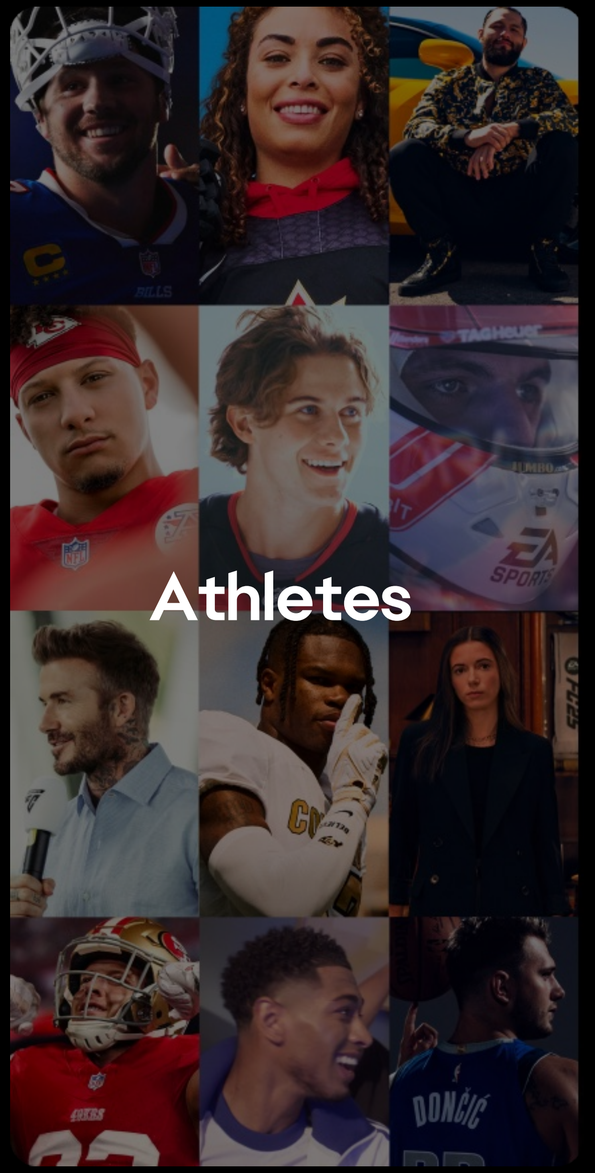
Next Gen Content



Commerce



Athletes



Grassroots Participation



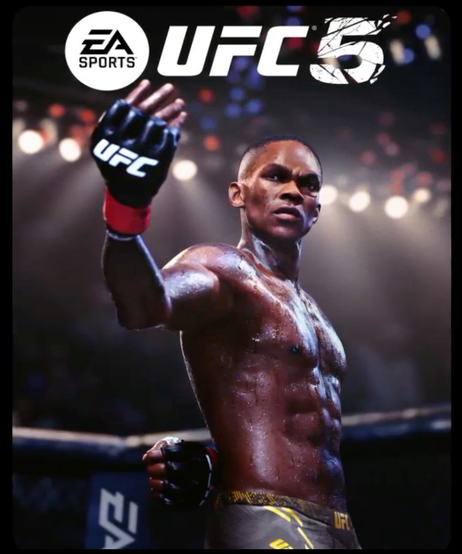






















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SPORTS™



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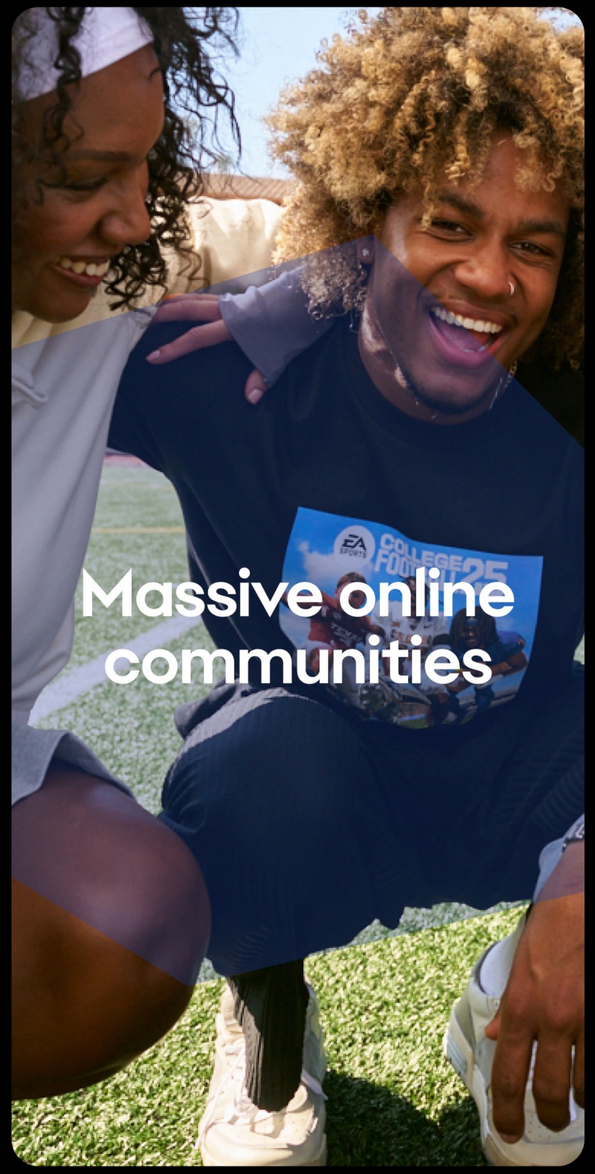
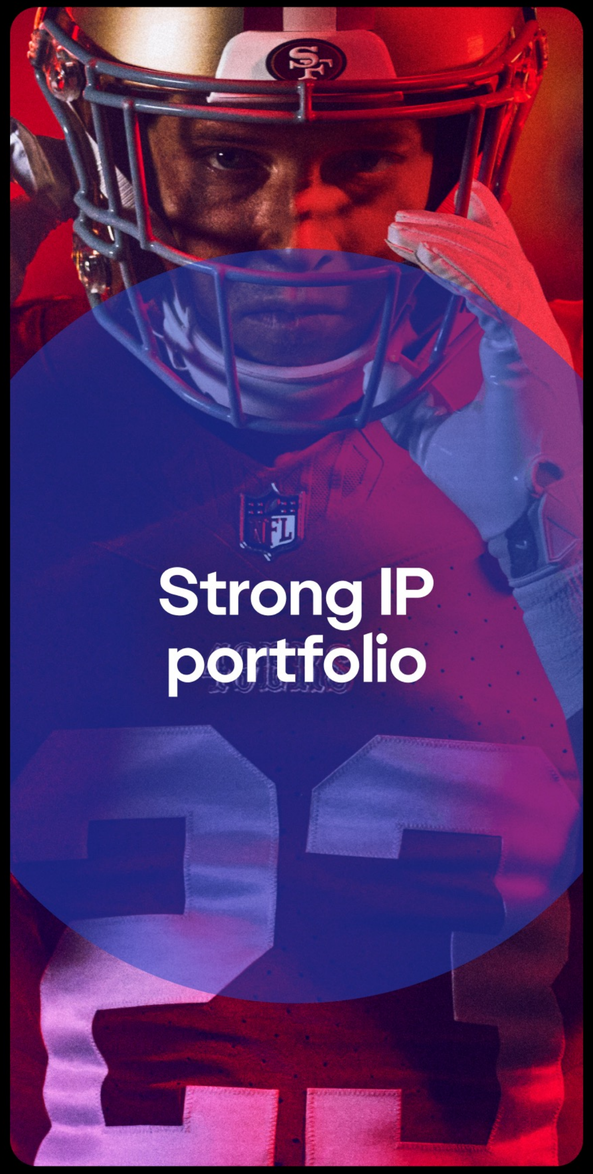
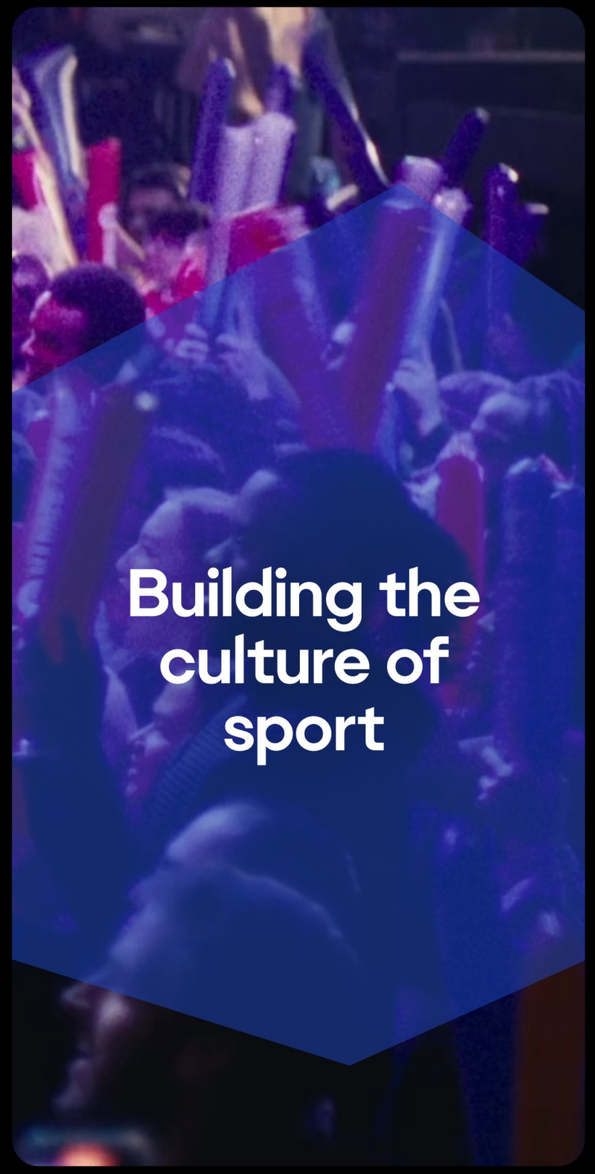
For illustrative purposes only


Massive online communities


Strong IP portfolio


Machine learning and AI


Building the culture of sport



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David Tinson

Chief Experiences Officer



Harnessing the power of **community**

In Our Games

Growing our existing business



In Our Games

Growing our existing business



Around Our Games

Expanding through adjacencies



In Our Games

Growing our existing business



Around Our Games

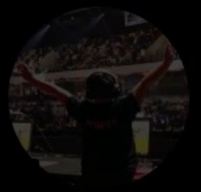
Expanding through adjacencies



Beyond Our Games

Entering new markets





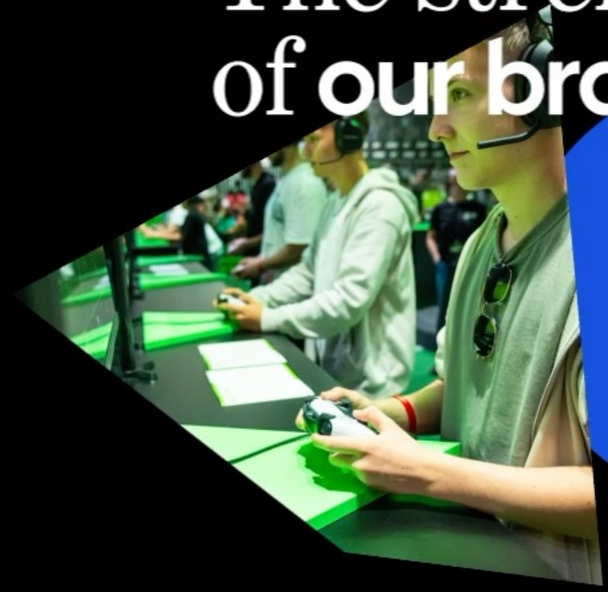
The size of our **community**



The depth of **engagement**



The strength of **our brands**



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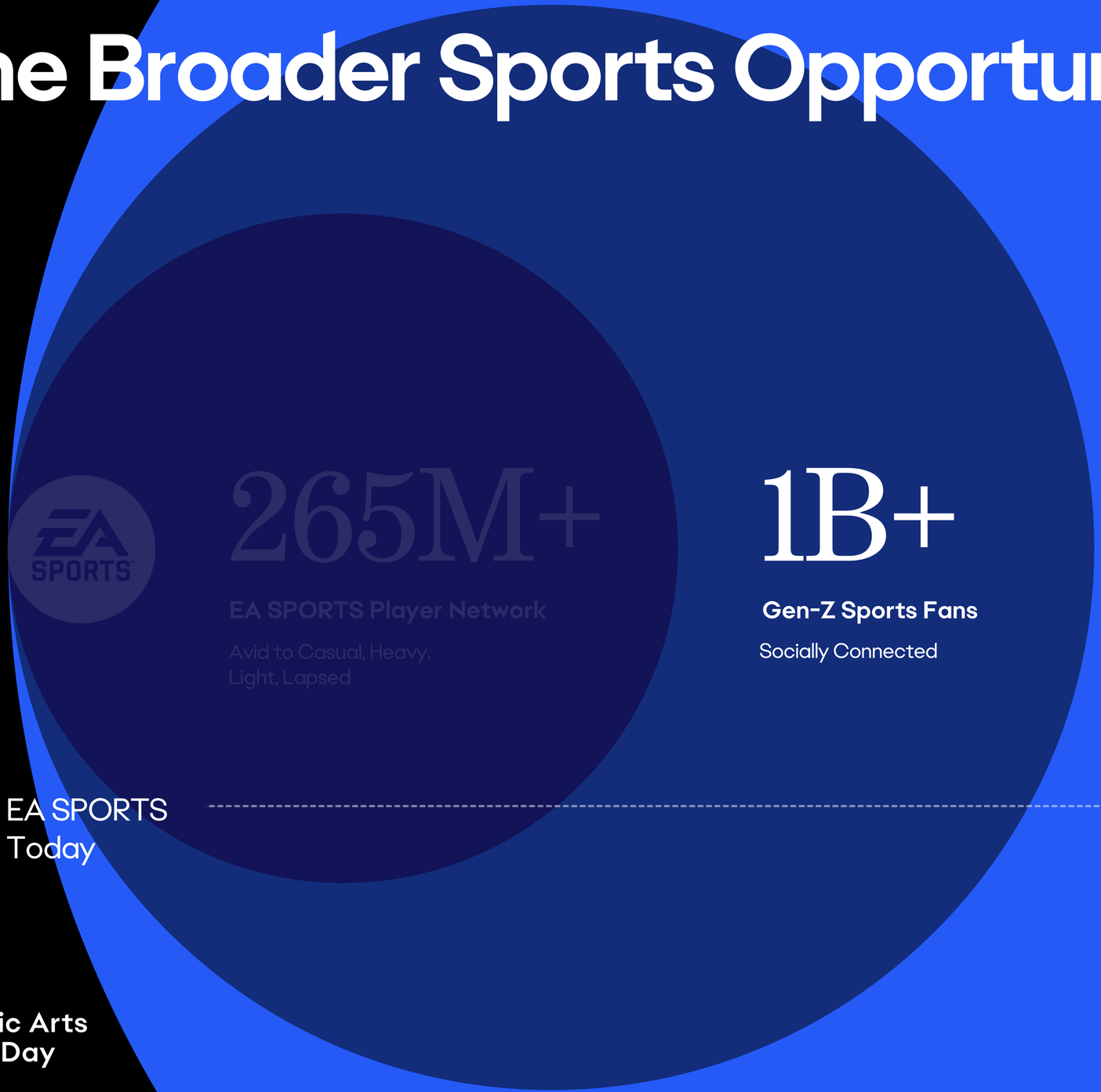
The Broader Sports Opportunity



Source: EA estimates

The Broader Sports Opportunity



EA SPORTS Today

Source: EA estimates



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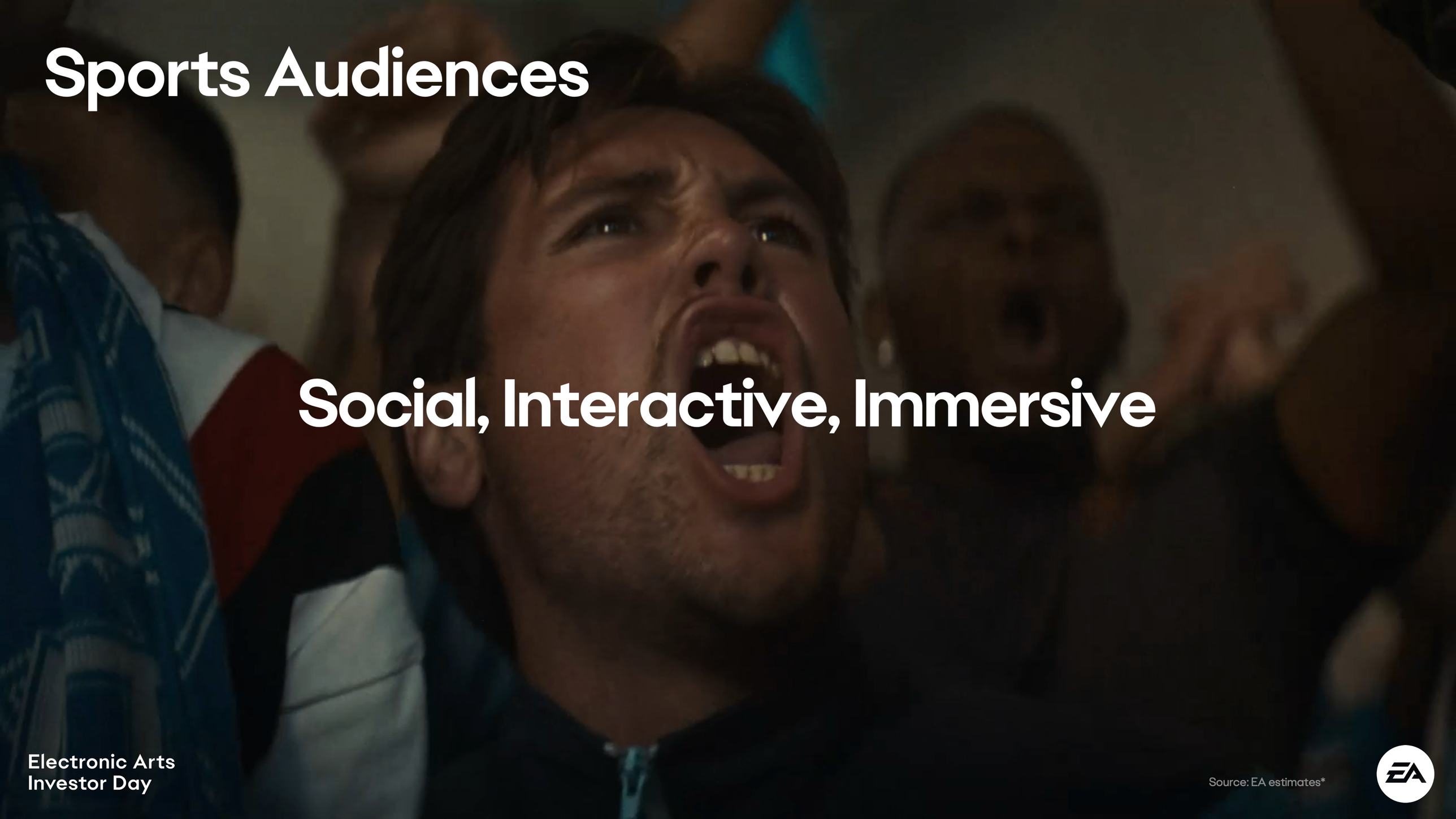
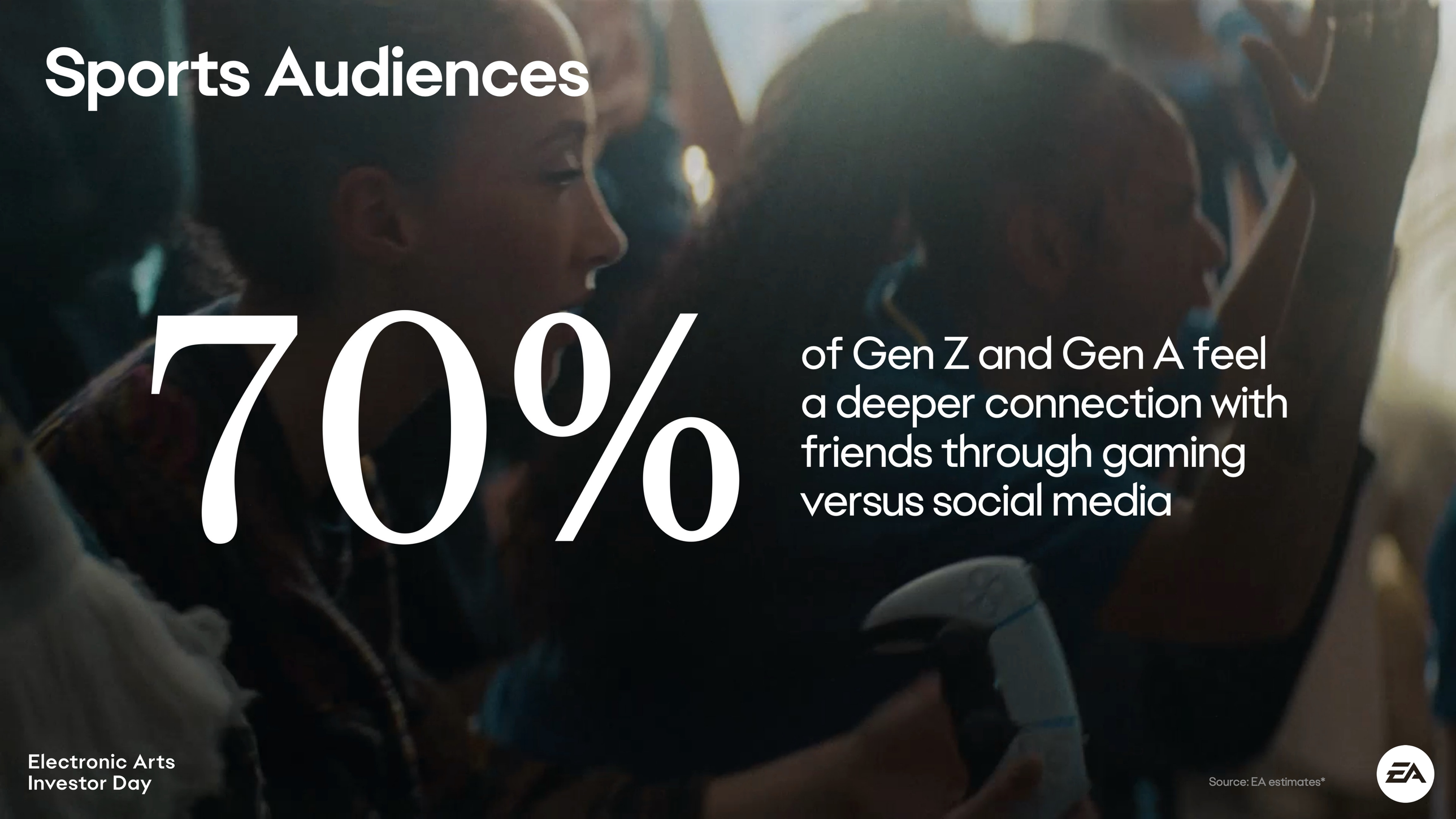
Sports Audiences



Social, Interactive, Immersive

Source: EA estimates*

Sports Audiences



70%

of Gen Z and Gen A feel a deeper connection with friends through gaming versus social media

Source: EA estimates*

Sports Engagement



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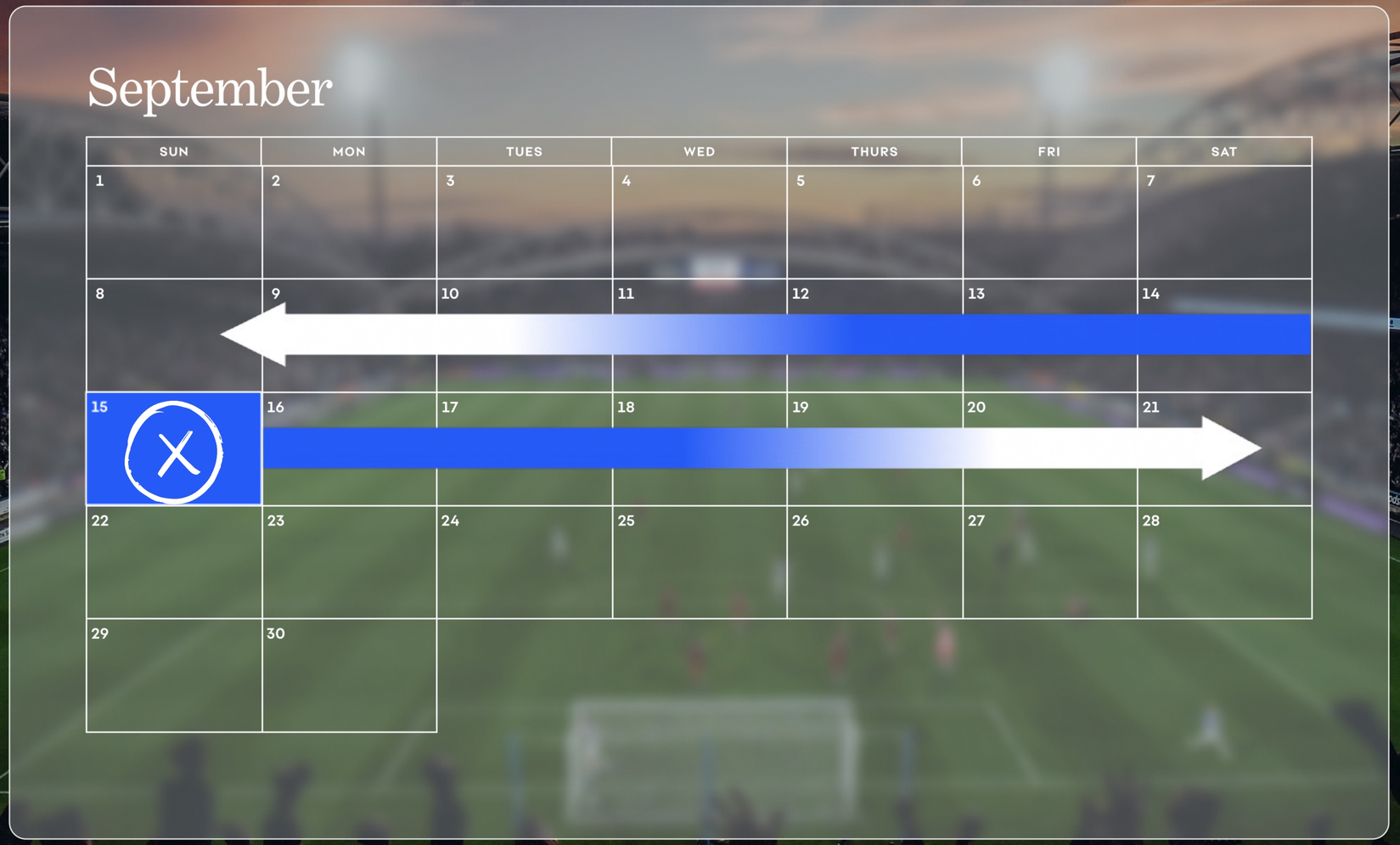
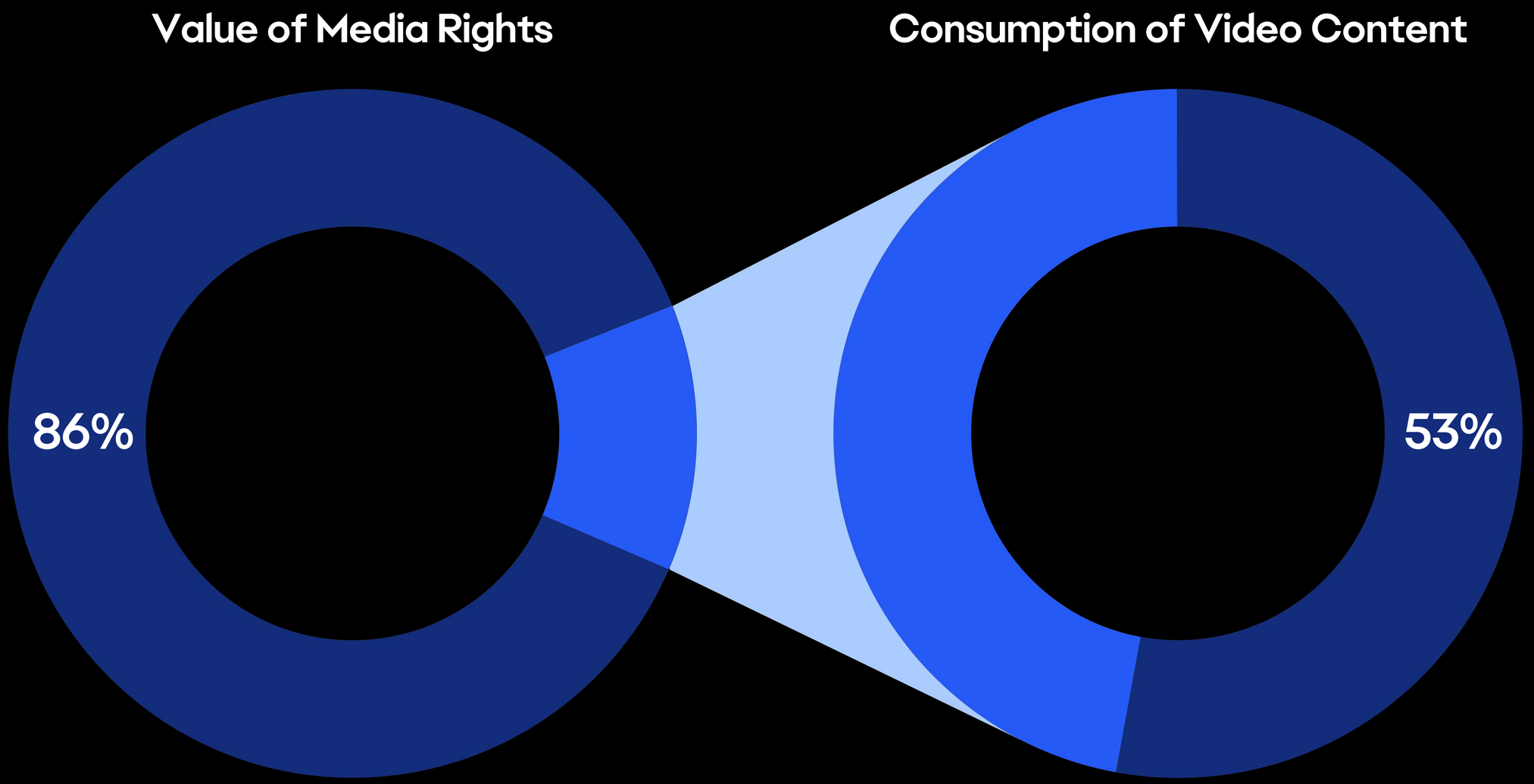
Sports Engagement



Sports Engagement



Source: Two Circles Projections. Value of media rights based on 2019 actual data; consumption of video content based on 2024 projections

Sports Data


EXPRFNMM 0.08
BELLINGHAM
74 Long Shots
78 Shot Power
77 Finishing

01



Beyond Social

02

Beyond Live

03

Beyond Data

Electronic Arts
Investor Day

01

Beyond Social



Products

02

Beyond Live

Features

03

Beyond Data

Capabilities

Electronic Arts
Investor Day

THE APP



Electronic Arts
Investor Day

New Sports Experiences

Beyond Social

THE EA SPORTS APP

Products

Connected, interactive entertainment

Beyond Live

EA SPORTS HIGHLIGHTER

Features

Sports content creation and consumption

Beyond Data

Predictive Simulations

Capabilities

Predictive information

New Sports Experiences

Beyond Social

THE EA SPORTS APP

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Predictive information



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LALIGA

Jorge De La Vega

Executive General Director



Electronic Arts
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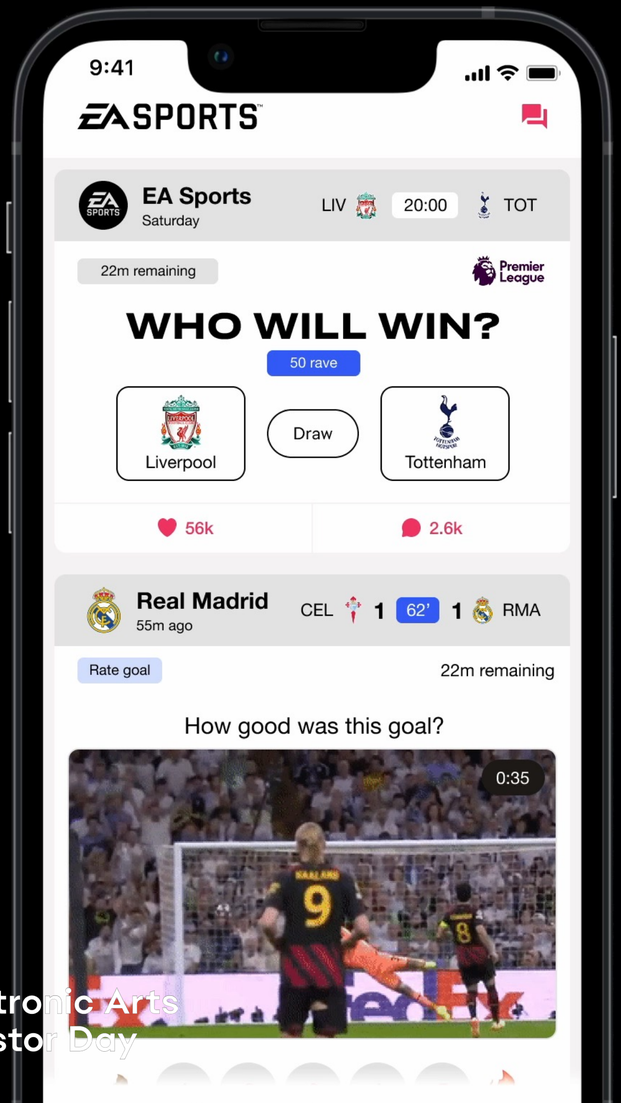
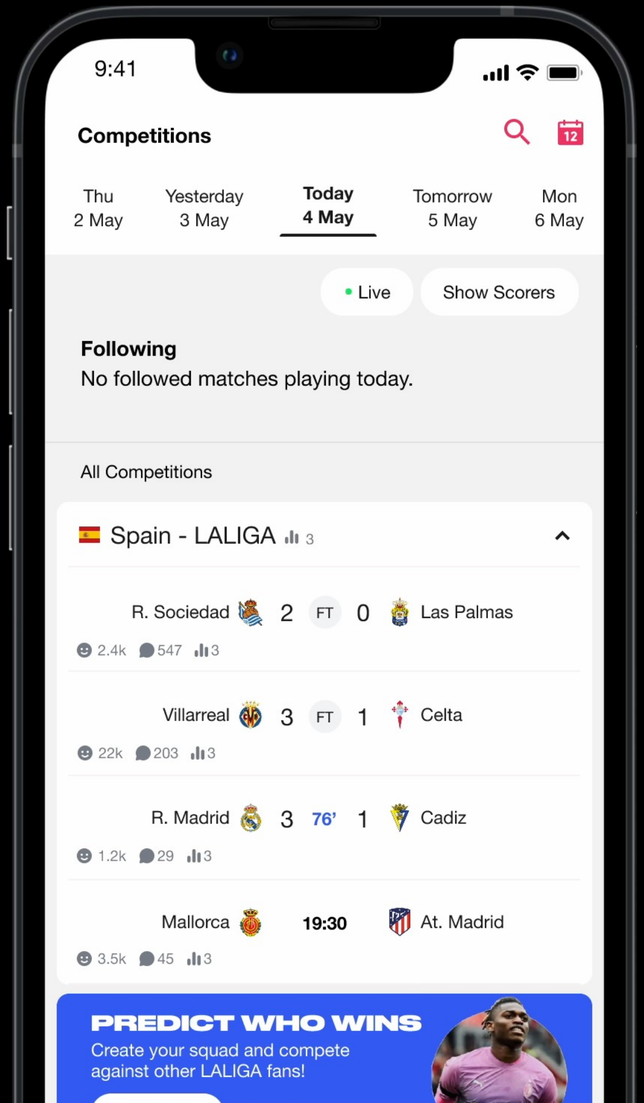
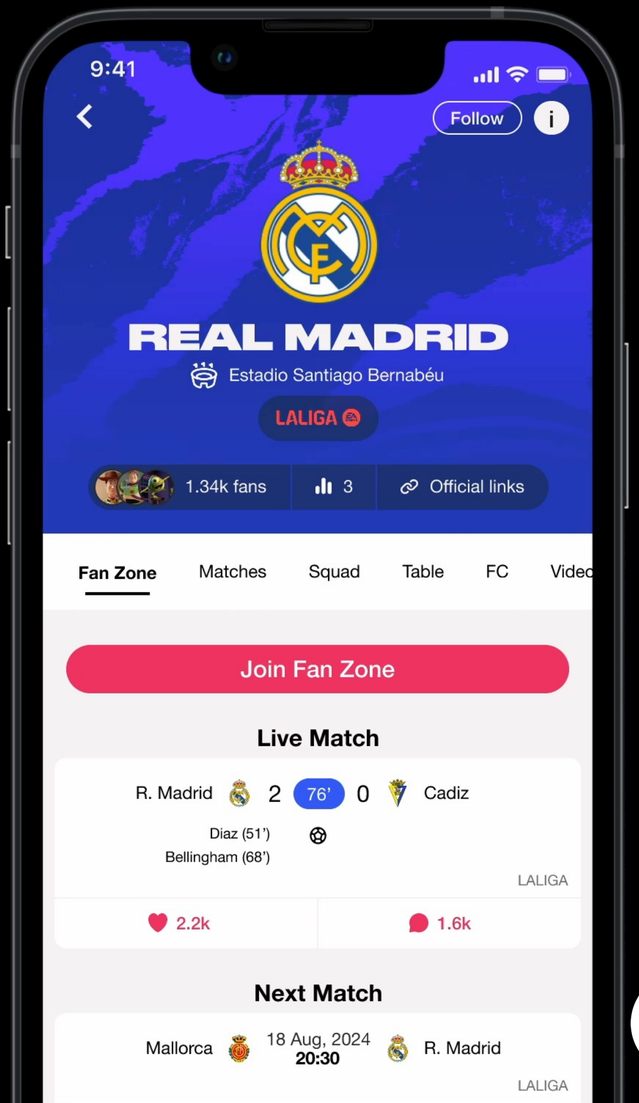
Discovery



Play



Community





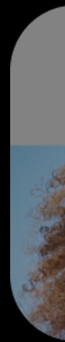






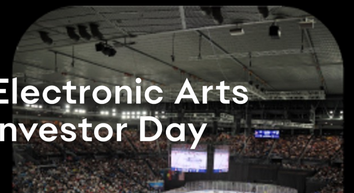













THE EA SPORTS APP

More Regions

More Sports

More Features

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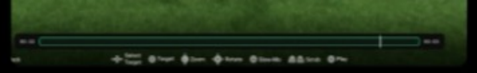
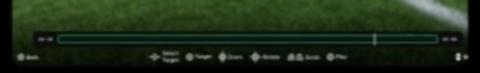







Sports highlights from any angle










Interactive highlights powered by





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Predictive Simulations




GAINES
86
94





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Predictive Simulations





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Transforming the way sports are experienced.

Beyond Social | **Beyond Live** | **Beyond Data**

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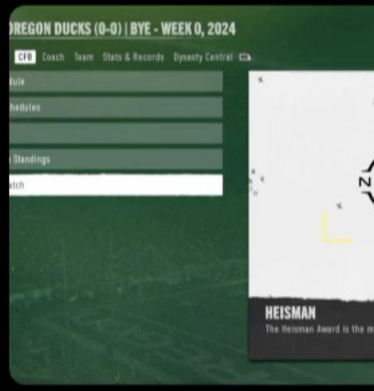
Advertising & Sponsorships











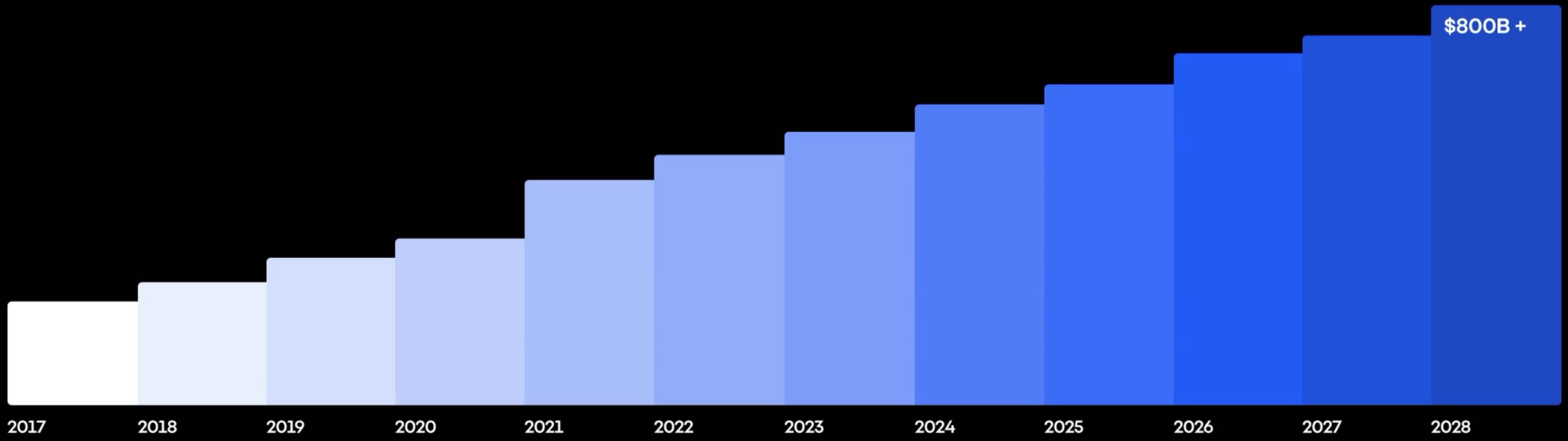
Global Digital Ad Spent

Global ad spend via digital channels has more than doubled since 2017 Market growth will be entirely driven by digital

$800B +

Actuals

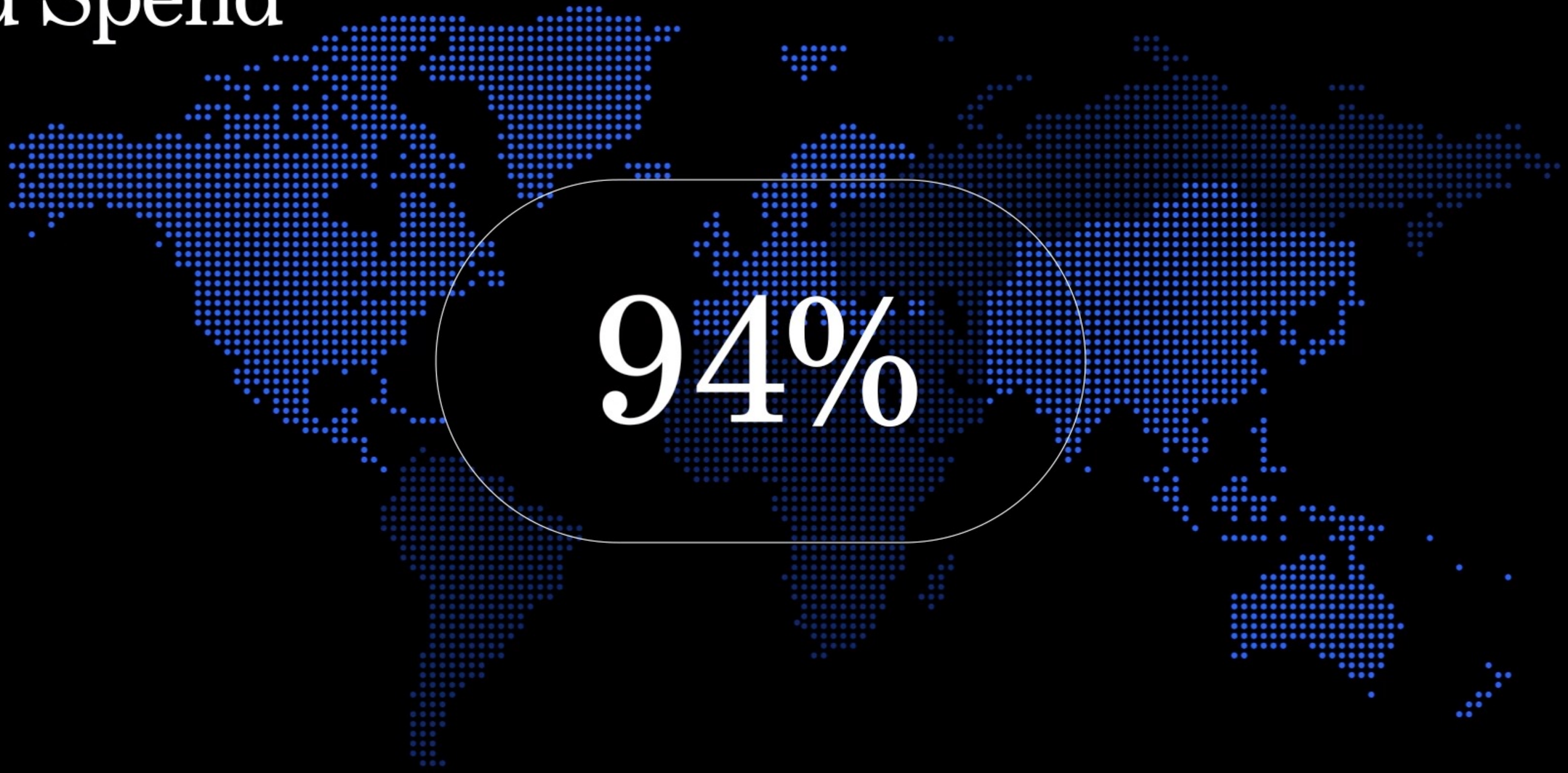
Forecast



Source: S&P Global Market Intelligence (2023). Data provided by Magna Global

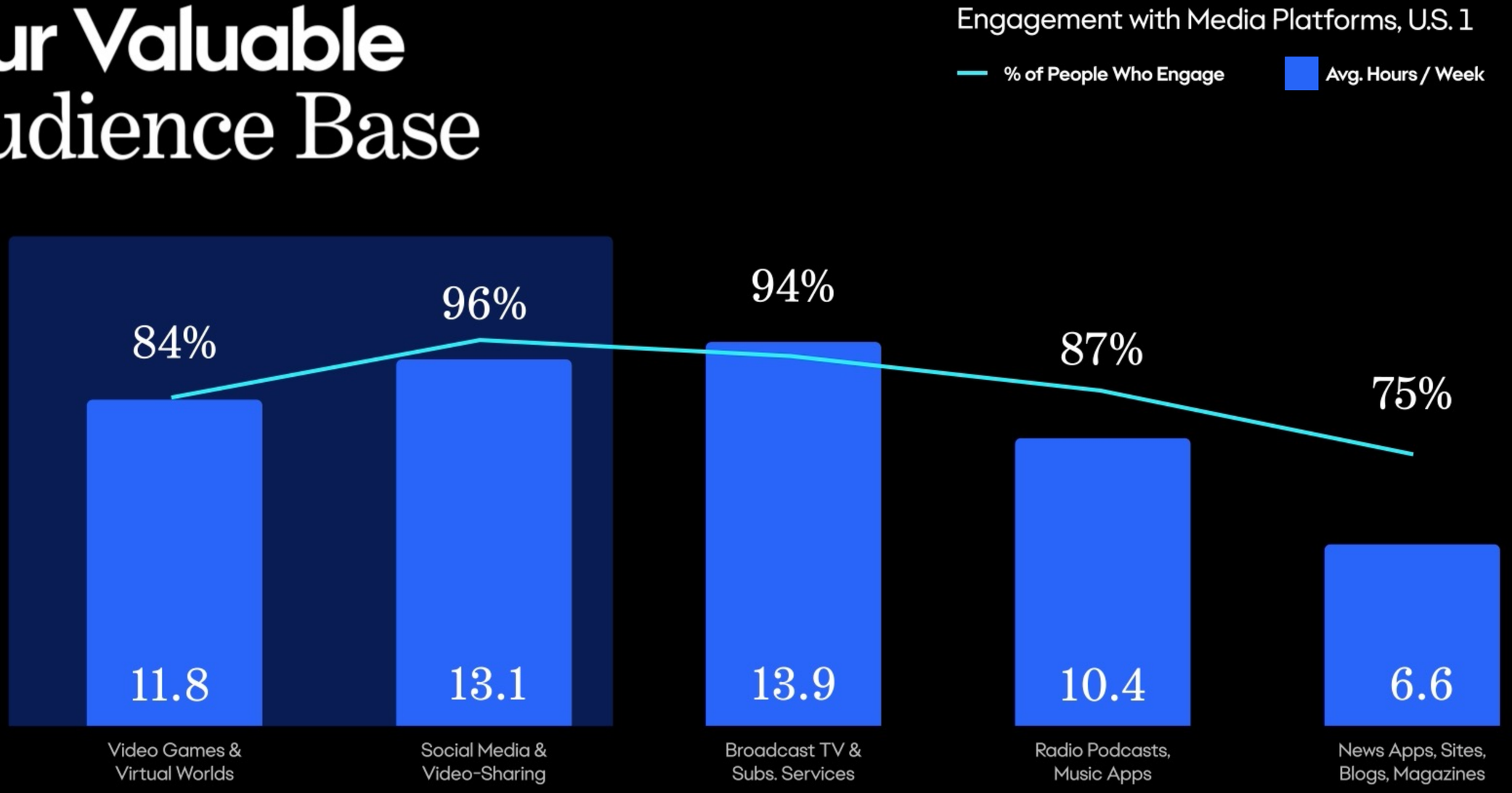
Global Digital Ad Spend

North America, APAC & Western Europe are the dominant regions for digital ad spend accounting for 94% of market spend in 2023.



Source: S&P Global Market Intelligence (2023). Data provided by Magna Global

Our Valuable Audience Base



Source: Newzoo/Media & Entertainment Report © (2023)

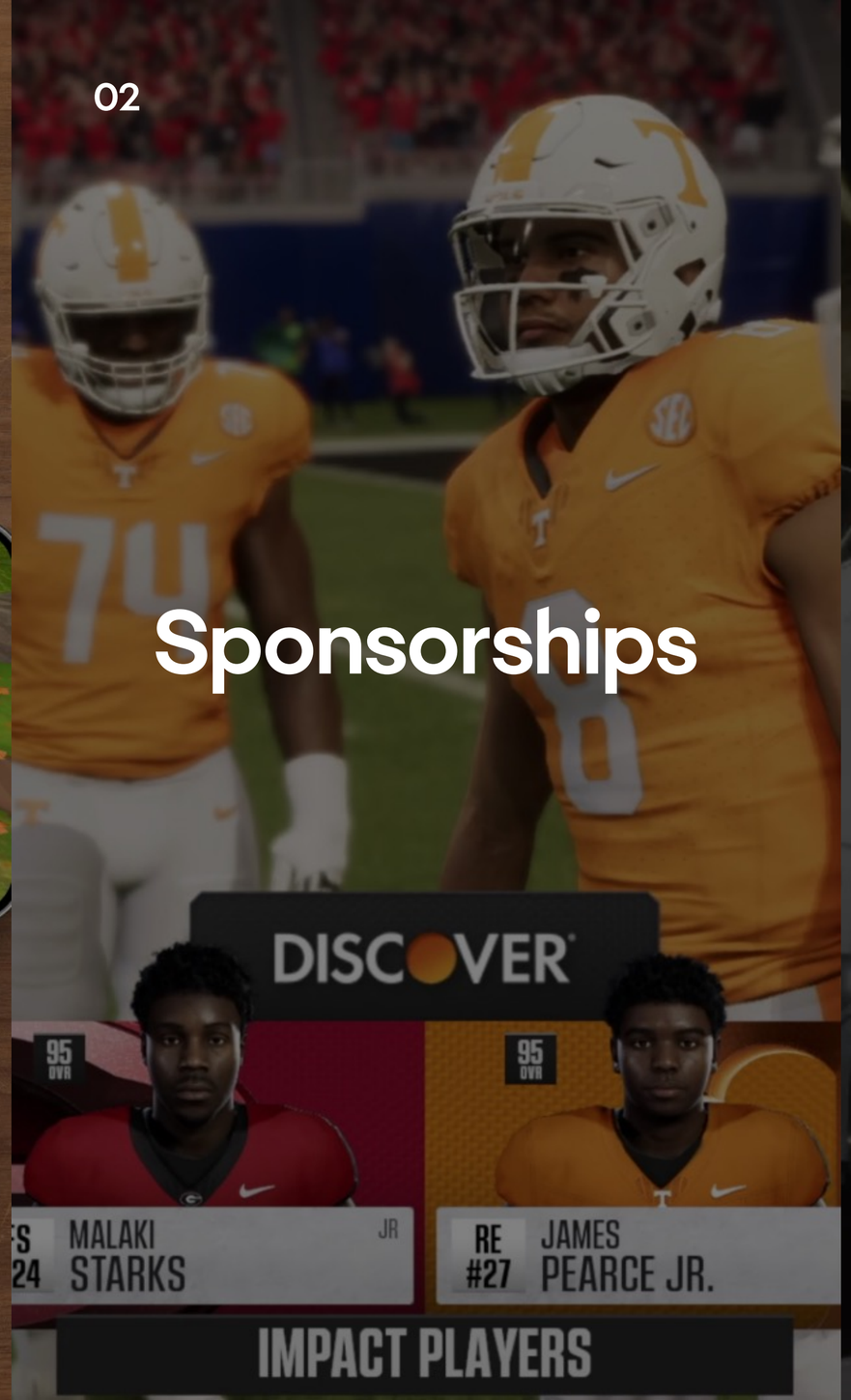
01



Scaled Advertising

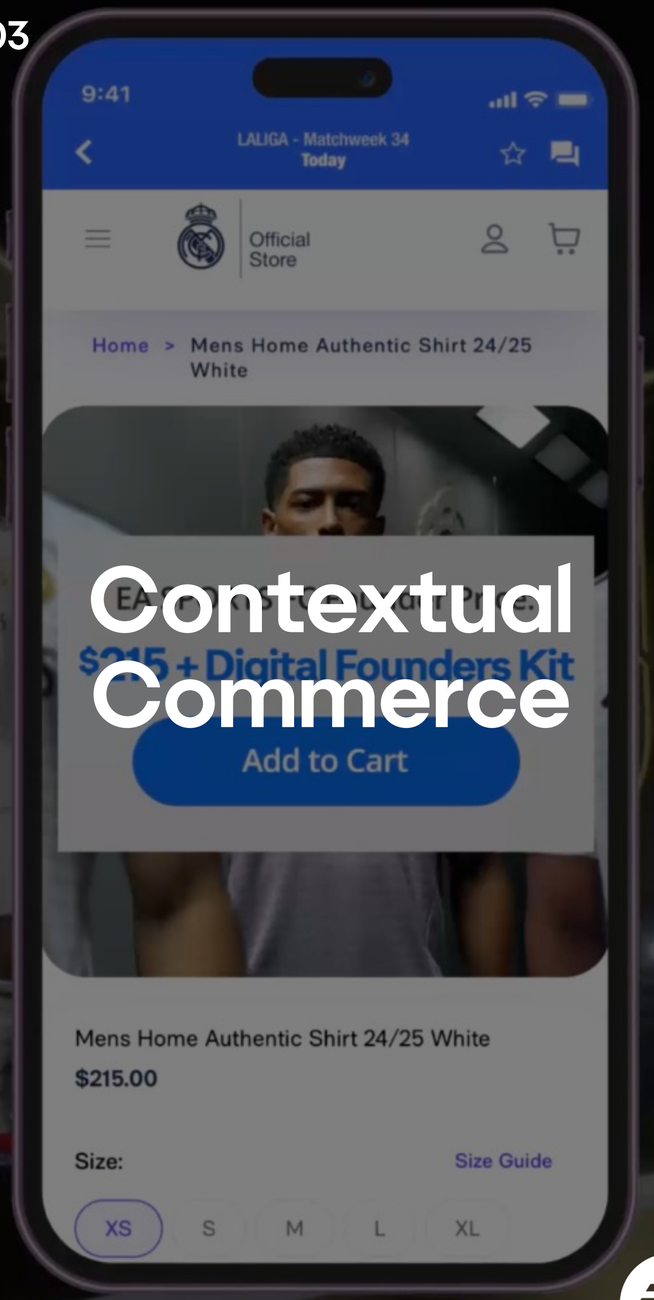
02

Sponsorships



03

Contextual Commerce



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Advertising & Sponsorships

EA has both scale and breadth of
audiences in, around and beyond gaming



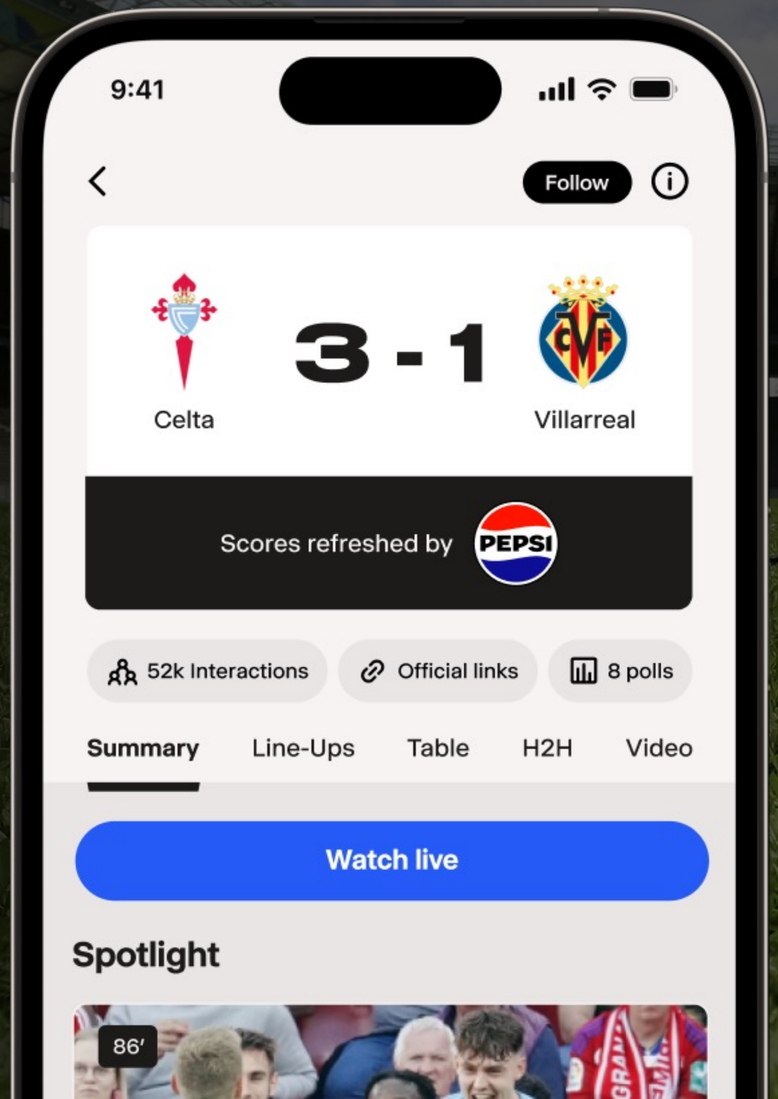
In Our Games

Around Our Games

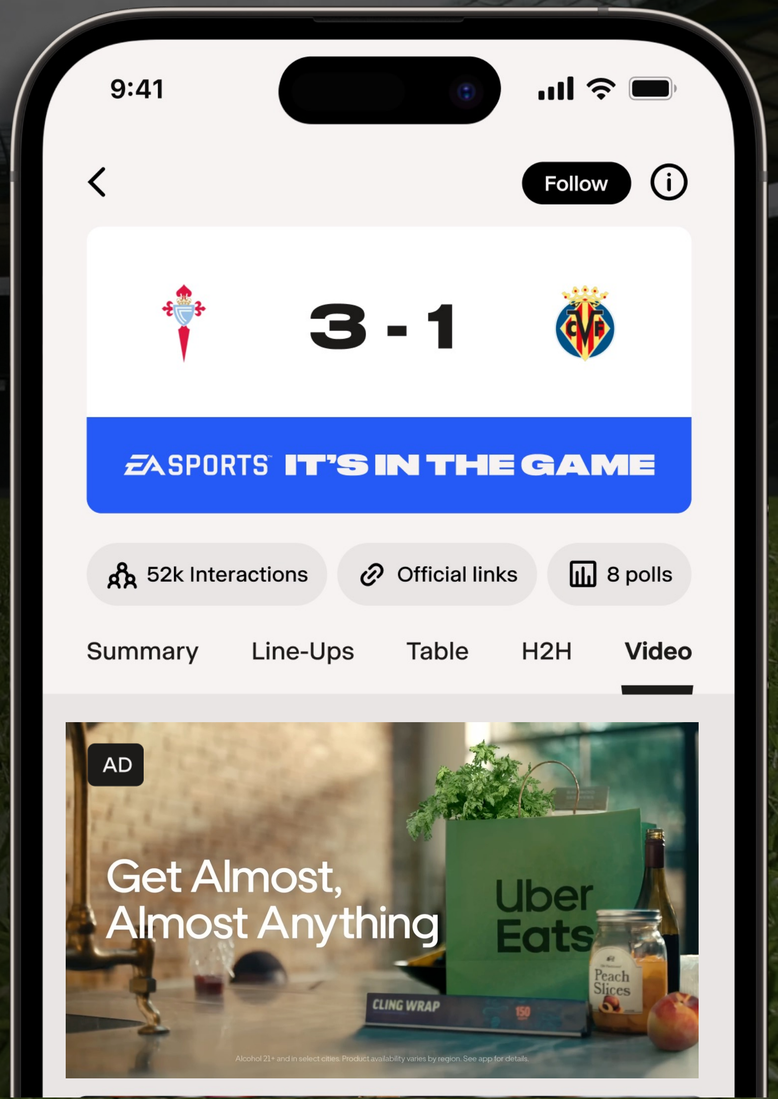
Beyond Our Games

EA SPORTS App

Sponsorships



Advertising





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New
Business
New
Audiences
New
Value



Electronic Arts



Mihir Vaidya

Chief Strategy Officer



AI

Electronic Arts
Investor Day

Efficiency

Expansion

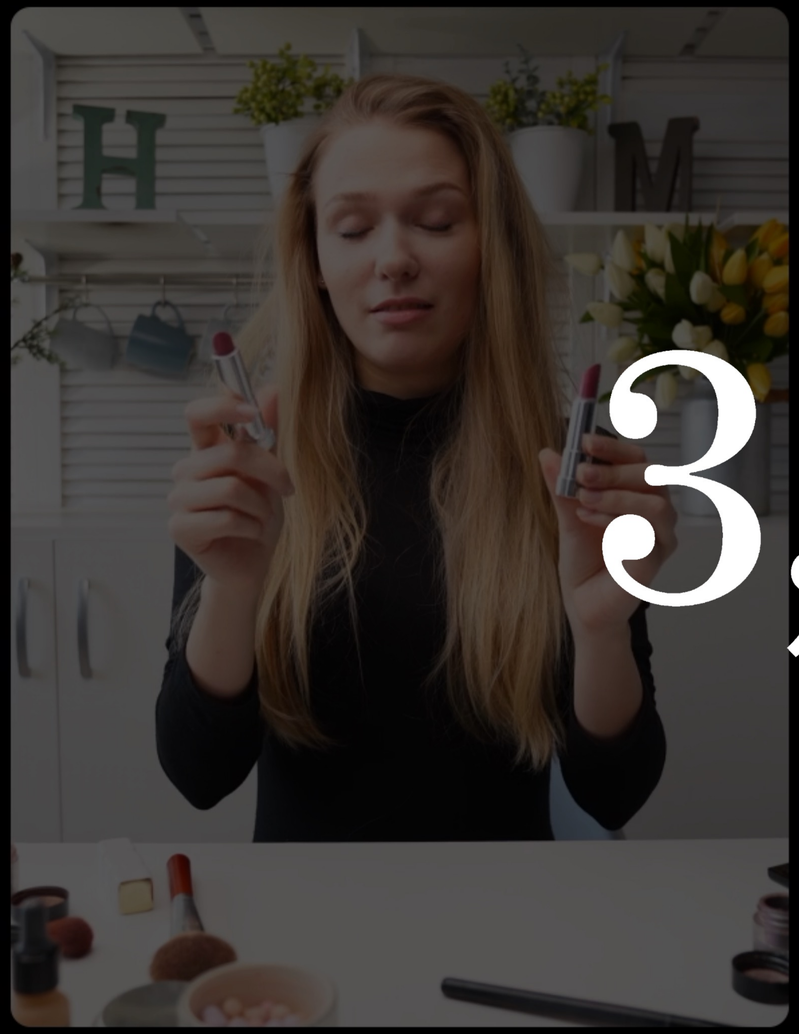
Transformation

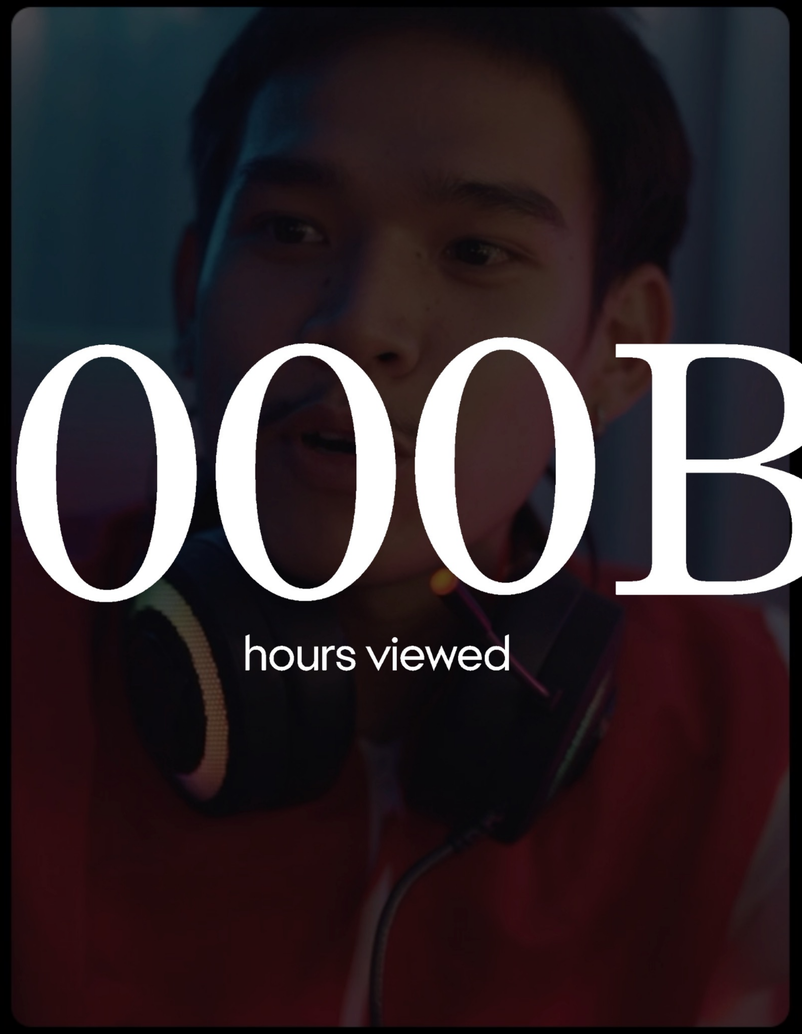






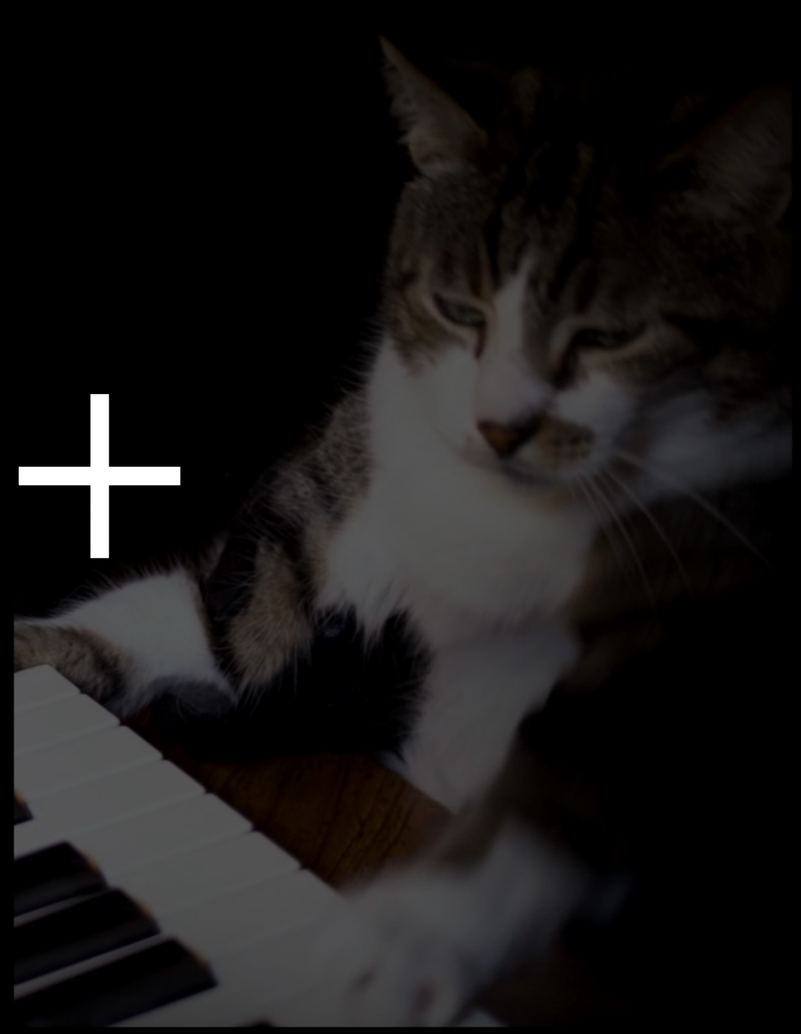
Source: EA estimates





3,000B+

hours viewed



Source: EA estimates



AI Transformation



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Investor Day



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Investor Day

Imagination to Creation

More Believable Characters



Imagination to Creation

More Believable Characters




Imagination to
Creation


More Believable
Characters


New Types
of Social
Ecosystems

Imagination to Creation



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Imagination to Creation



Imagination to Game


Creation
Fun
Commercial
Scale



Fun

Commercial

Scale

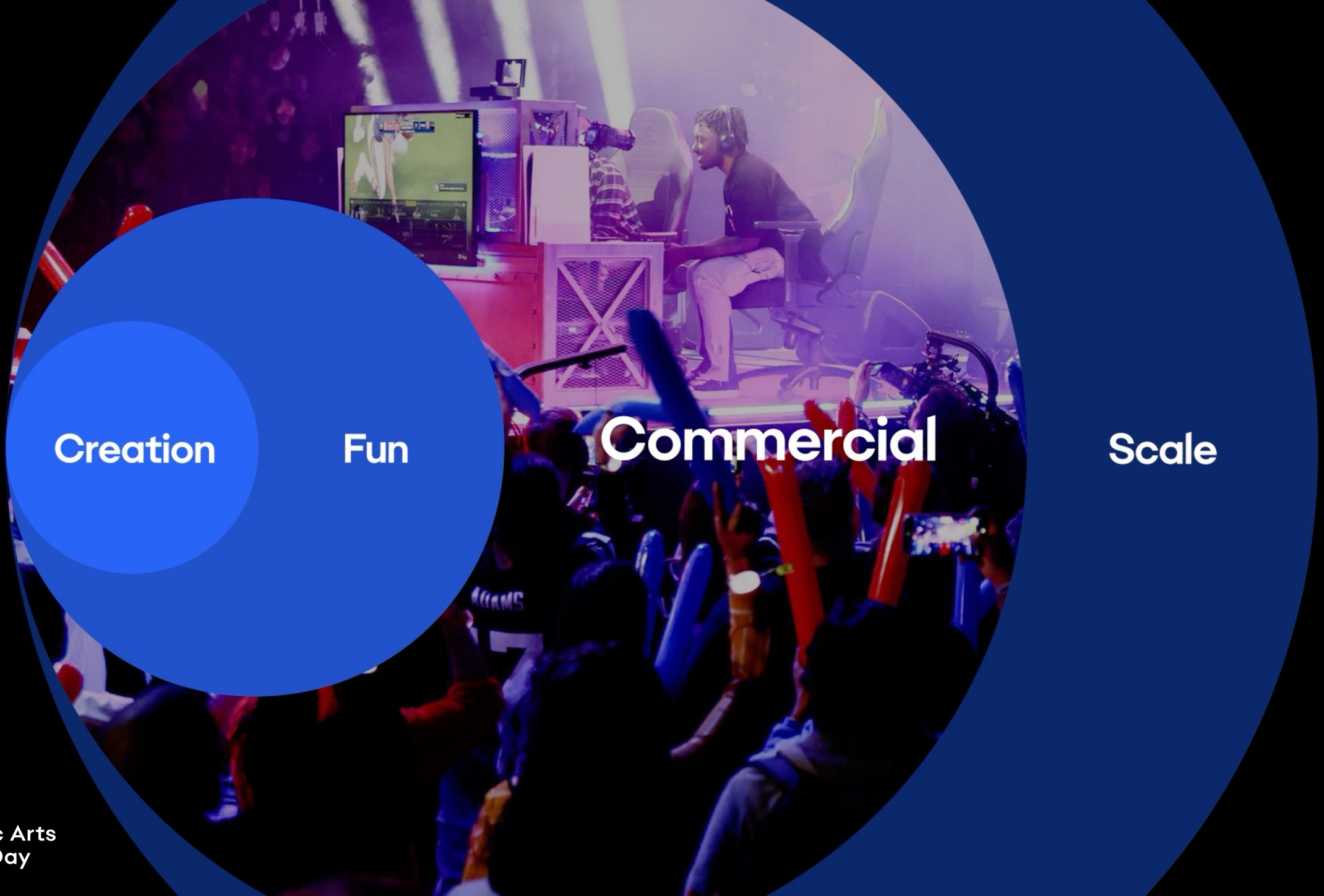


Creation

Fun

Commercial

Scale


Creation
Fun
Commercial
Scale


Creation
Fun
Commercial
Scale

Imagination to Creation



UGX
Today

Imagination
to Game



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Imagination to Creation



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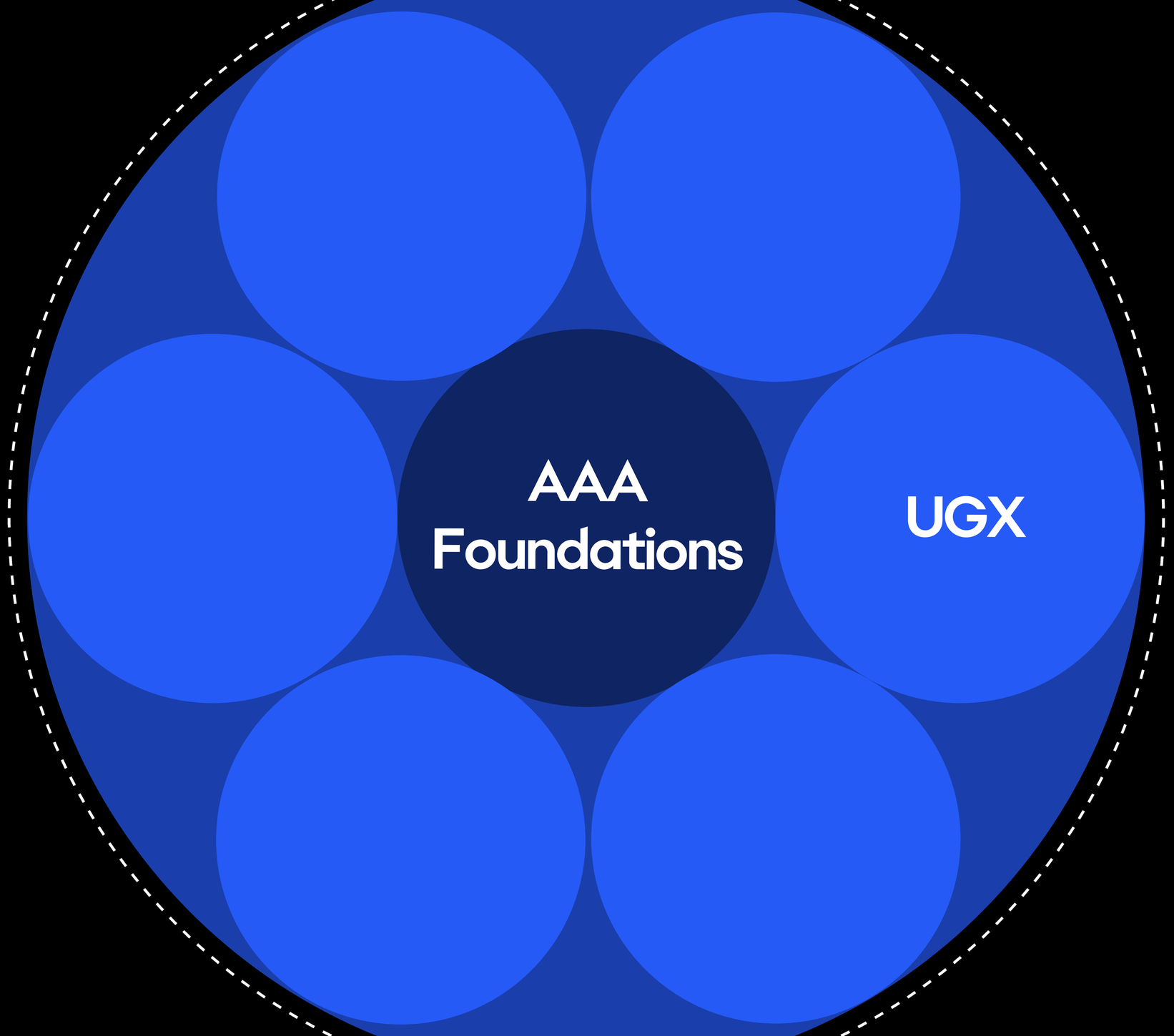
AAA
Foundations
UGX

AAA Foundations

UGX

Imagination to Creation

=

Vision

+

Game Development Expertise

Tech and AI Expertise

Data

Imagination to Creation

=

Vision

+

Game Development Expertise

Tech and AI Expertise

Data

Imagination to Creation

=

Vision

+

Game Development Expertise

Tech and AI Expertise

Data

Imagination to Creation



More Believable Characters

New Types of Social Ecosystems



More Believable Characters


Electronic Arts
Investor Day

More Believable Characters

=

Personalities that Matter

+

Natural and High Utility Interactions

+

World Awareness

More Believable Characters

=

Personalities that Matter

+

Natural and High Utility Interactions

+

World Awareness

More Believable Characters

=

Personalities that Matter

+

Natural and High Utility Interactions

+

World Awareness

More Believable Characters

=

Personalities that Matter

+

Natural and High Utility Interactions

+

World Awareness

More Believable Characters

=

Personalities that Matter

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Natural and High Utility Interactions

+

World Awareness



Electronic Arts
Investor Day

Personalities that Matter

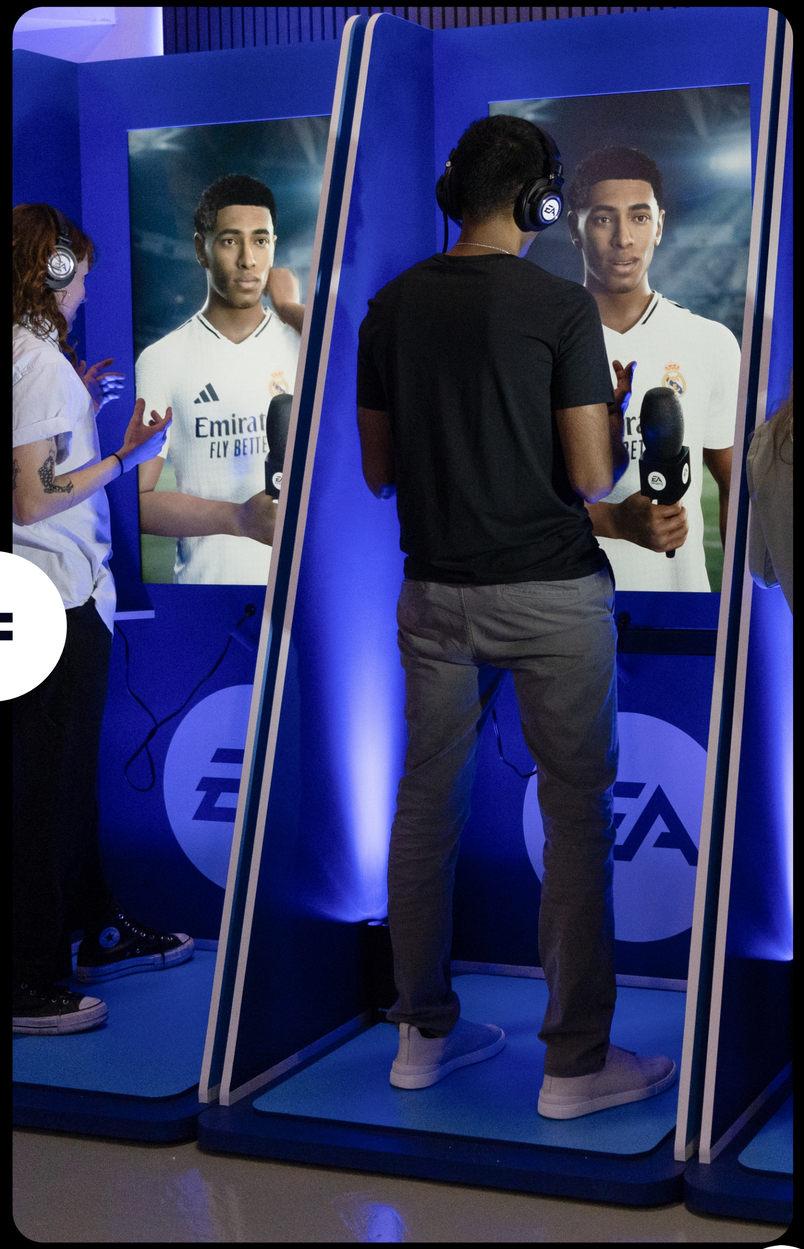
+

Natural and High Utility Interactions

+

World Awareness

=





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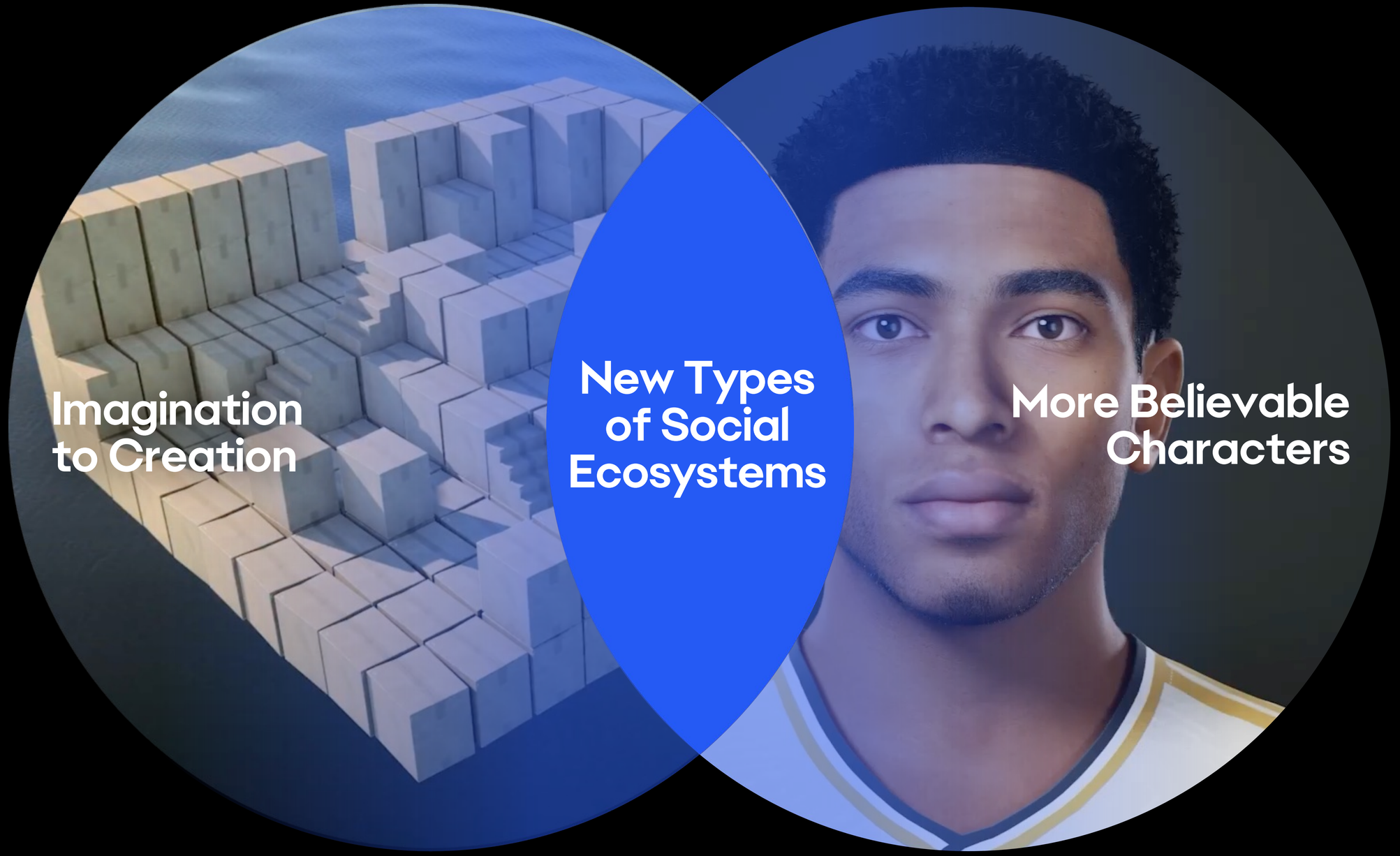
Imagination to Creation

More Believable Characters

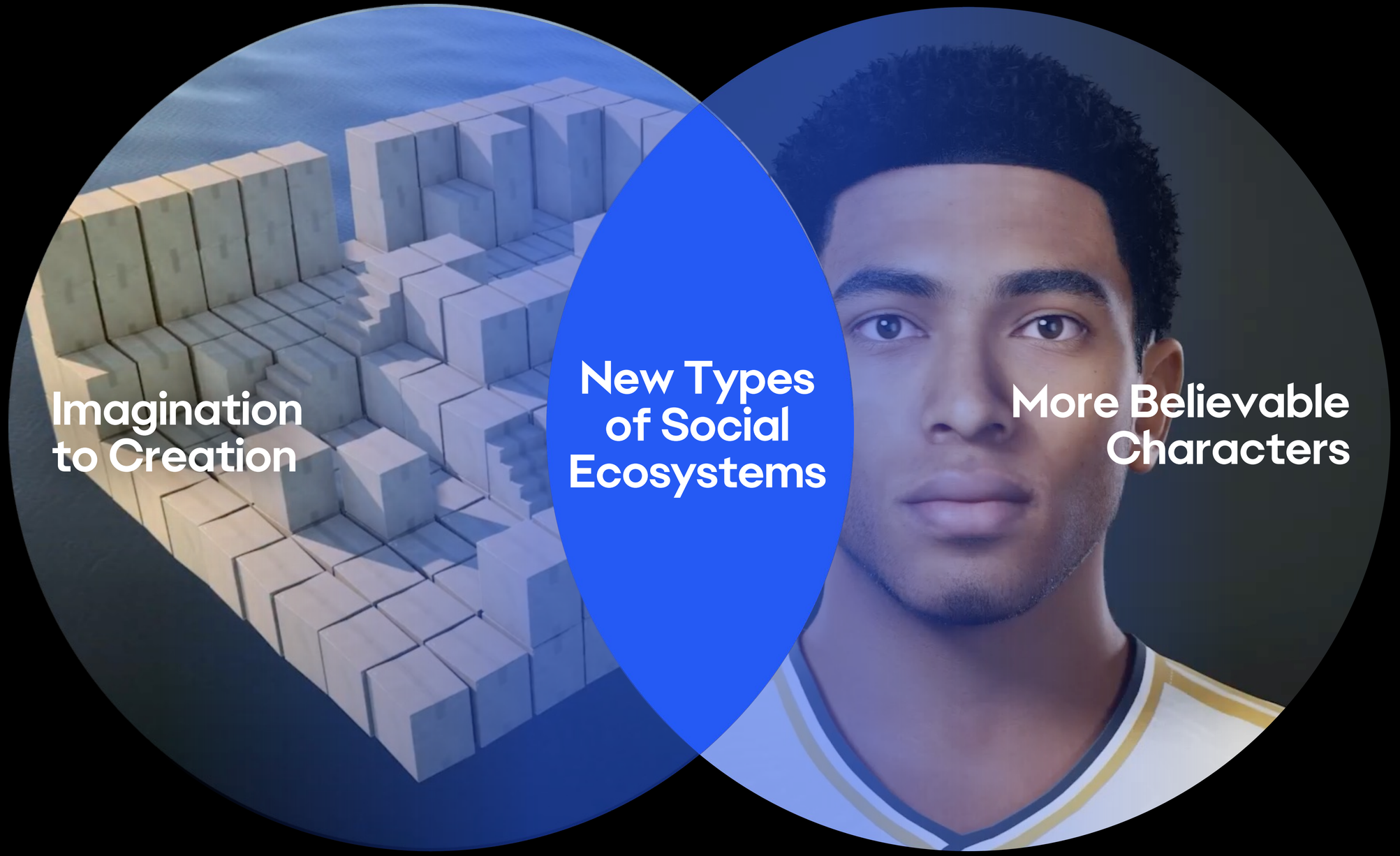



Imagination
to Creation
New Types
of Social
Ecosystems
More Believable
Characters


AIR



Electronic Arts
Investor Day

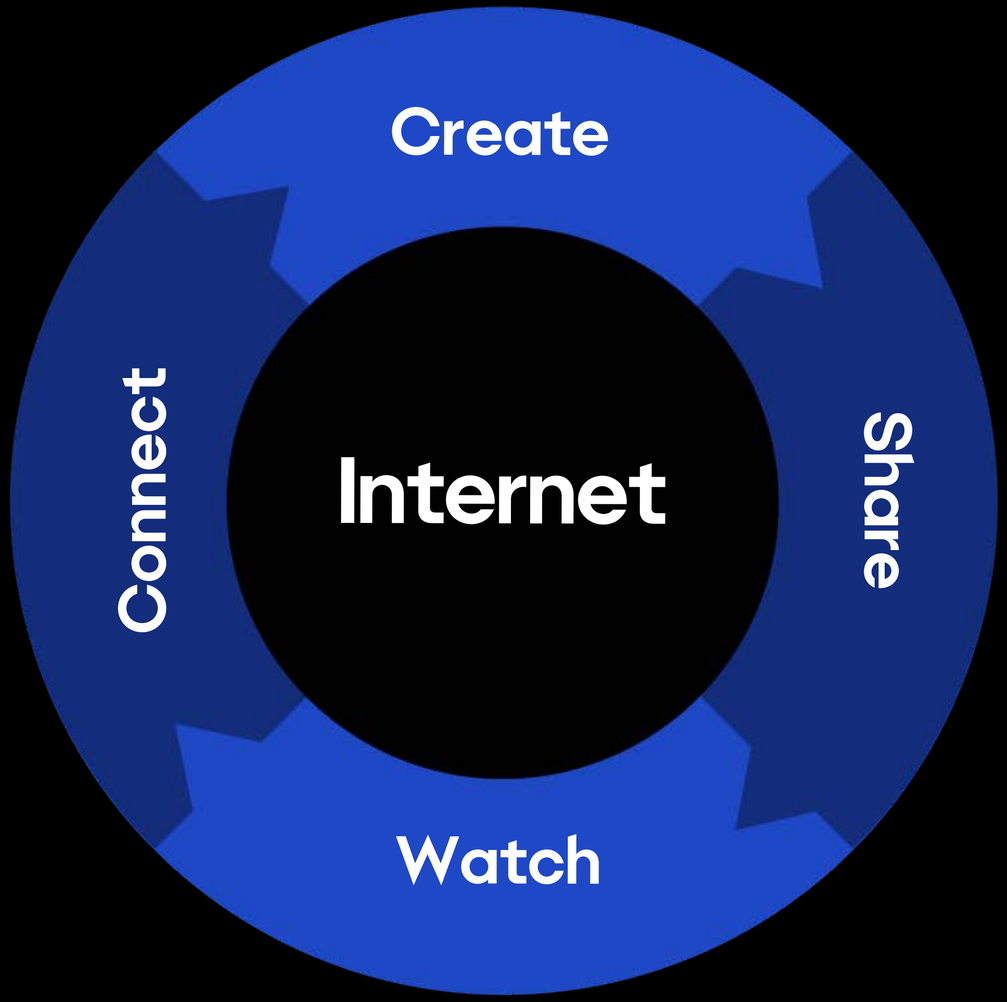

Imagination
to Creation
New Types
of Social
Ecosystems
More Believable
Characters



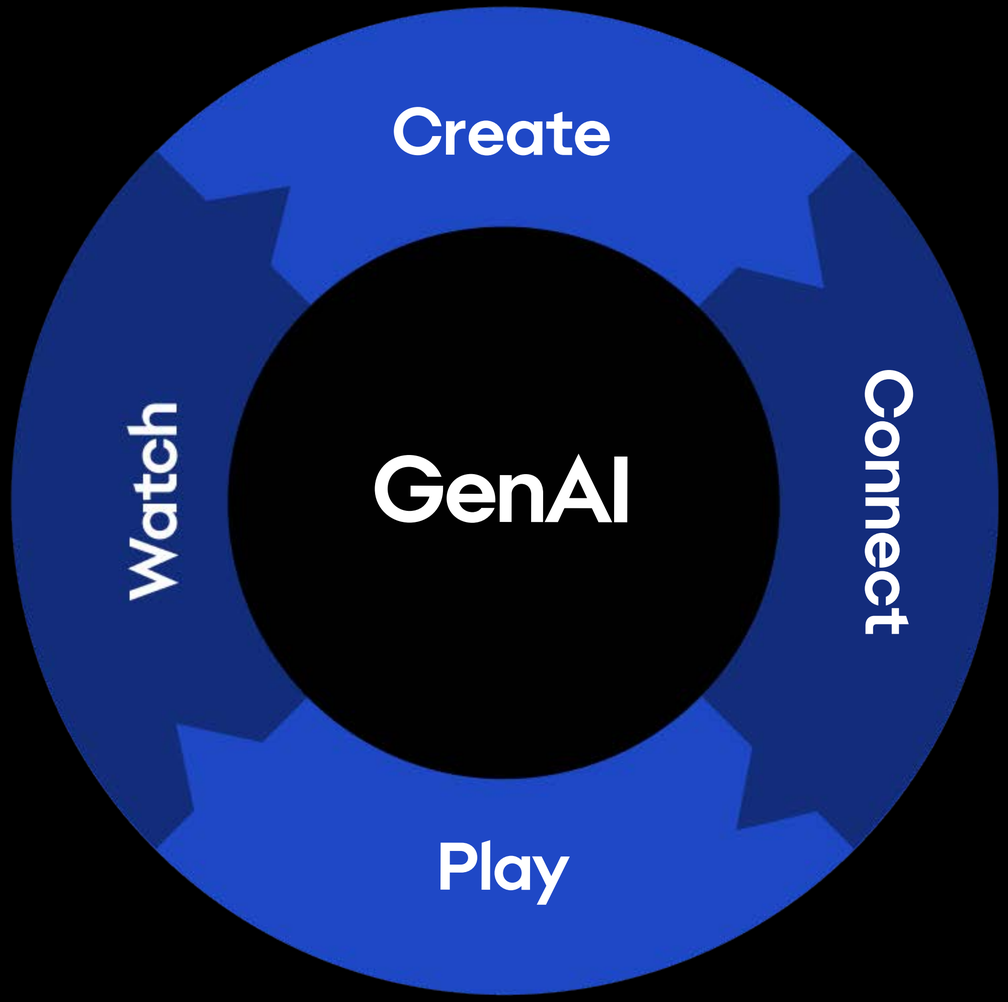




Source: EA estimates


Create
Share
Watch
Connect
Internet




Create
Watch
GenAI
Connect
Play


New Types
of Social
Ecosystems



AI Transformation



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Stuart Canfield

Chief Financial Officer



Electronic Arts
Investor Day


Electronic Arts

Where We've Been

Where We Are

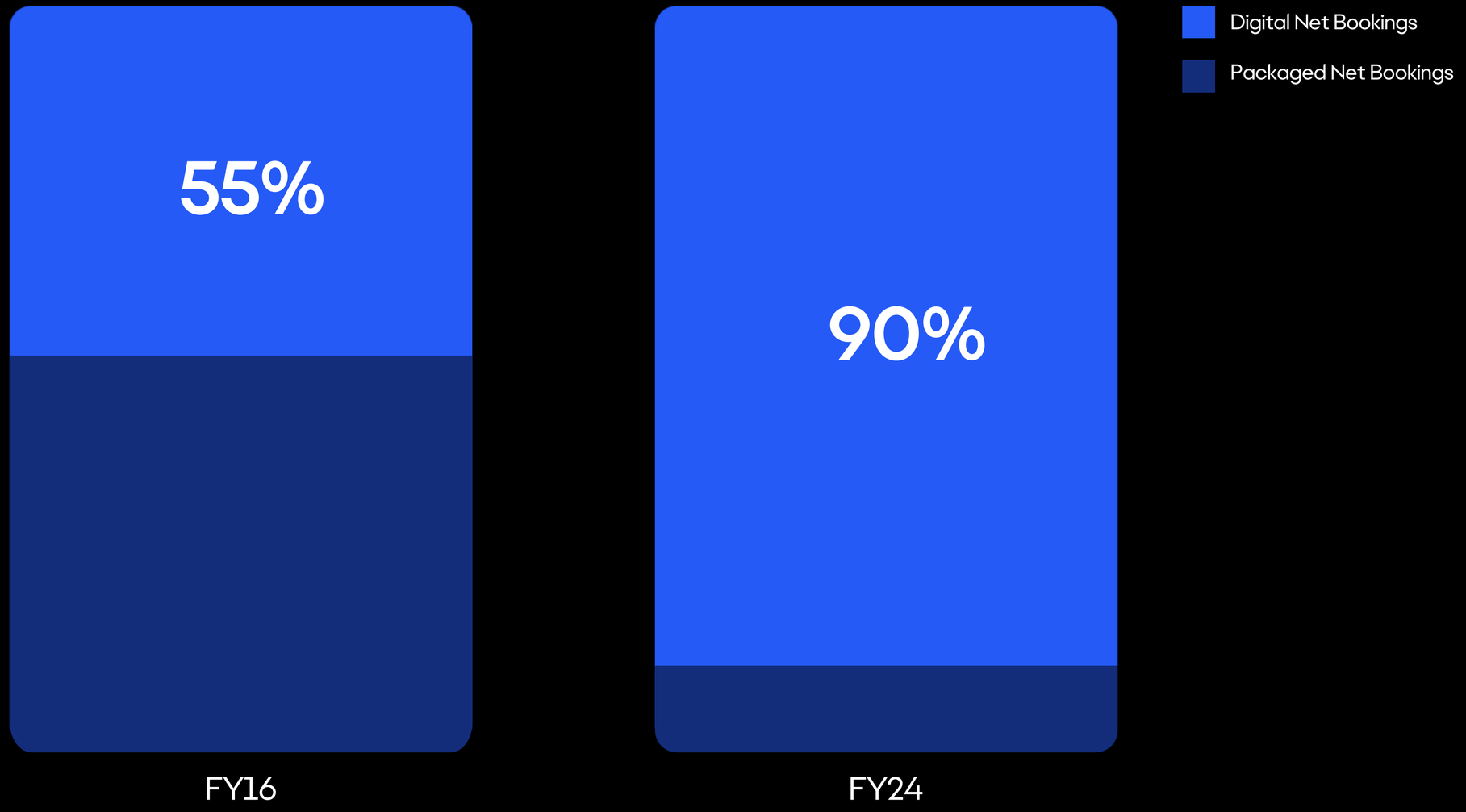
Where We're Headed

Electronic Arts
Investor Day

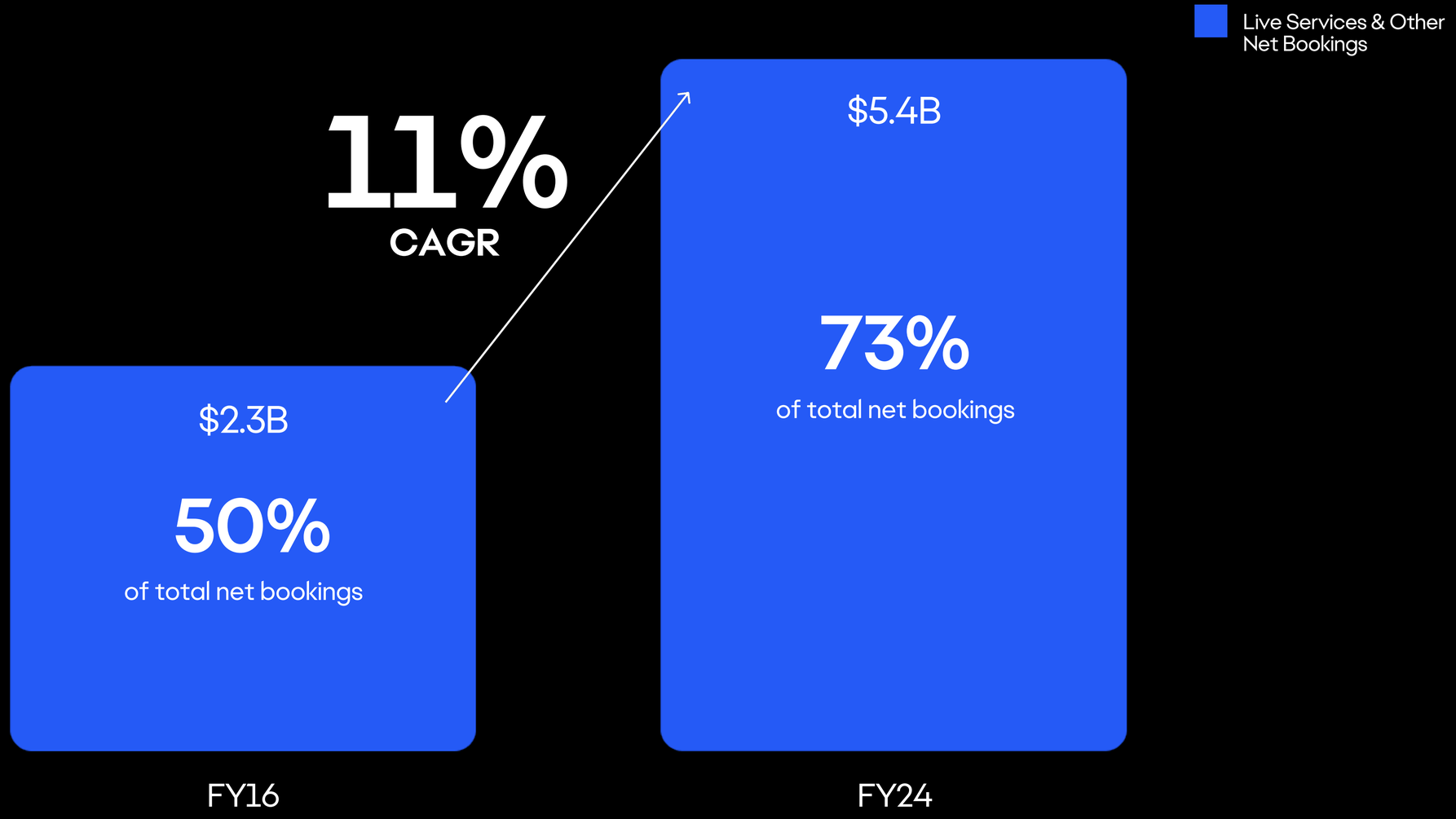
Where We've Been

From packaged to digital to live services...

Strong execution through *digital* transformation



Doubled our live services through strategic investments



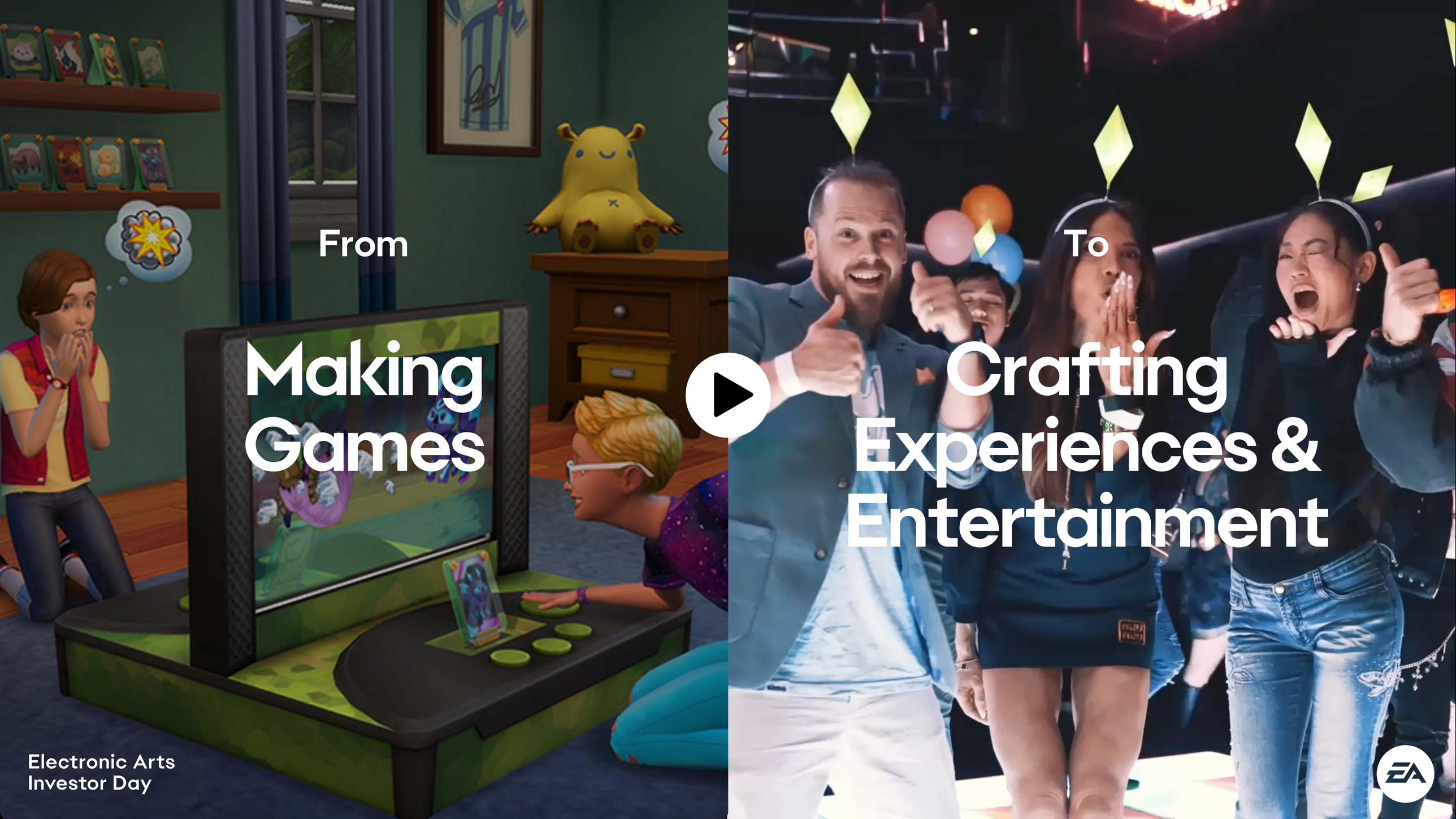
We scaled investment to deliver for the future



13,700+
person org

25+
studios

20+
countries


From
Making Games
To
Crafting Experiences & Entertainment
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From FY16-FY24, we expanded our communities through compelling experiences





From FY16-FY24, we expanded our communities through compelling experiences





From FY16-FY24, we expanded our communities through compelling experiences







In FY24, we delivered dynamic and immersive content to deepen our relationship with communities

8,000+

Content offerings across our portfolio

+22%

YoY increase in WAU across EA SPORTS

More content to more players across more experiences resulted in a more resilient business

- Investment in our core experiences
- Disciplined growth
- Strong, consistent cash flow

Over the last eight fiscal years, we've delivered...

17%

Average ROIC*

5

Years of record free cash flow

$8B

Returned to stockholders

* Please see the Appendix for the GAAP to Non-GAAP Reconciliation.

Where We've Been

Where We Are

Where We're Headed

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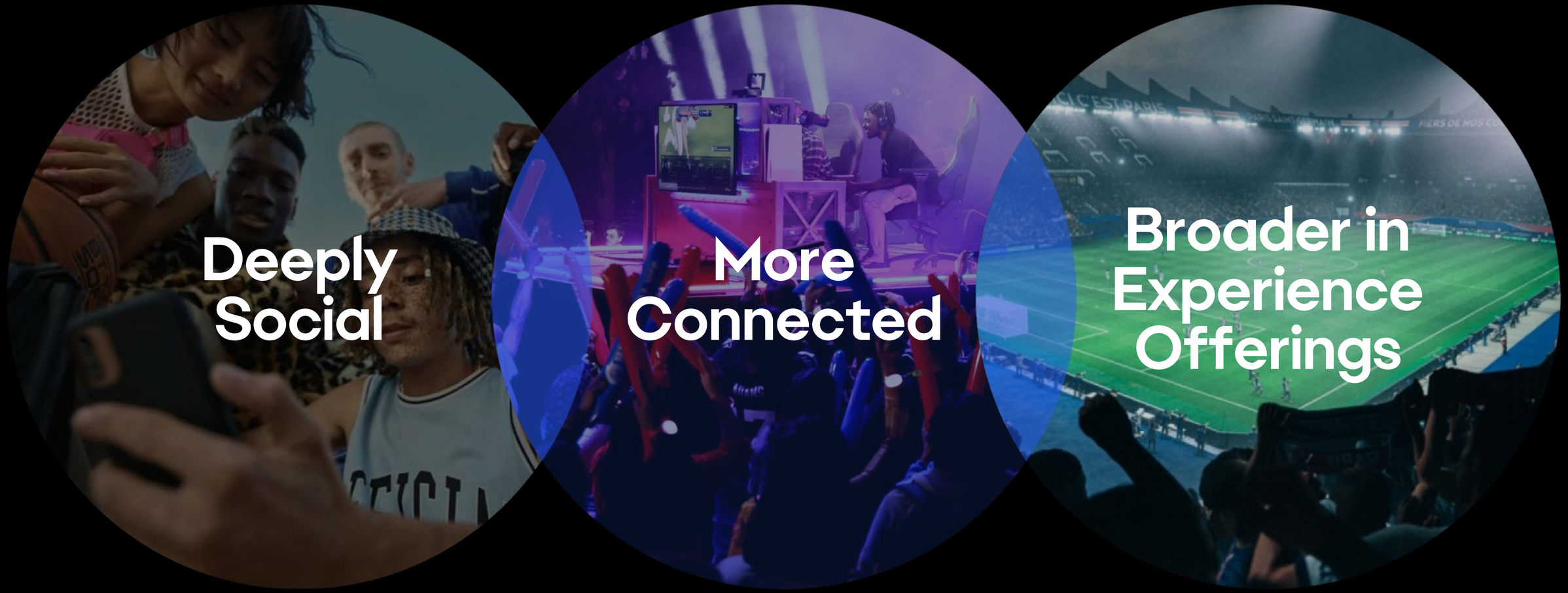
Where We Are

Poised to lead the next wave of industry transformation

Entertainment is evolving to be...



Our strategic pillars established the framework for growth

01

Build games and experiences that entertain massive online communities

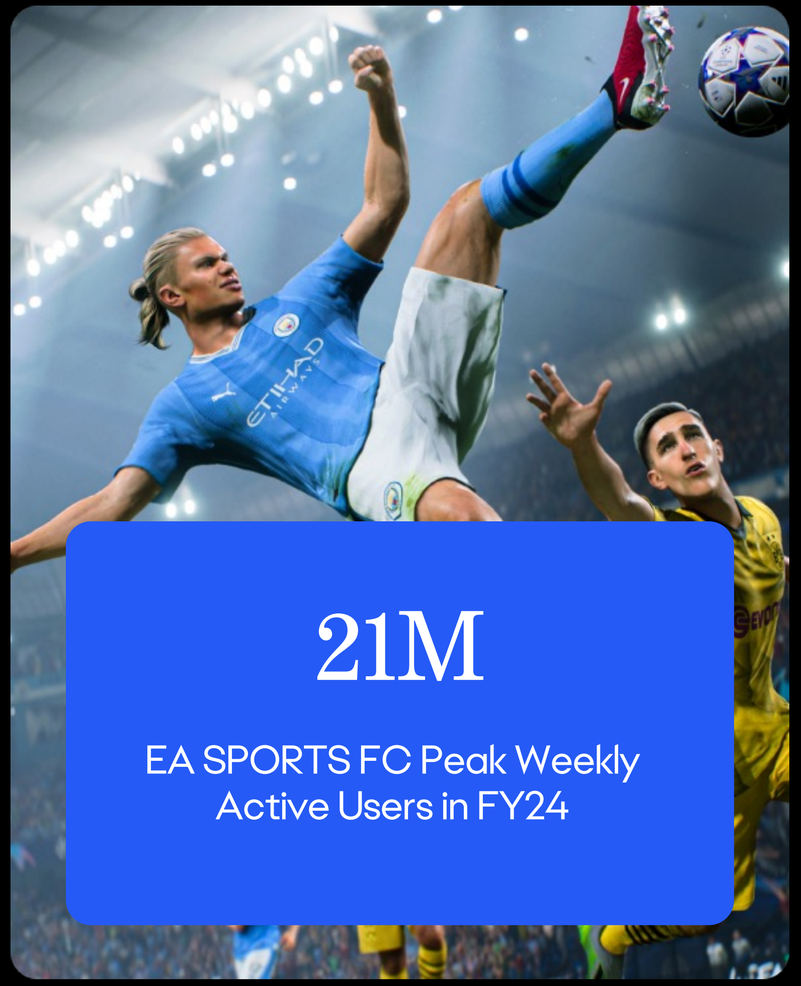
02

Create blockbuster interactive storytelling

03

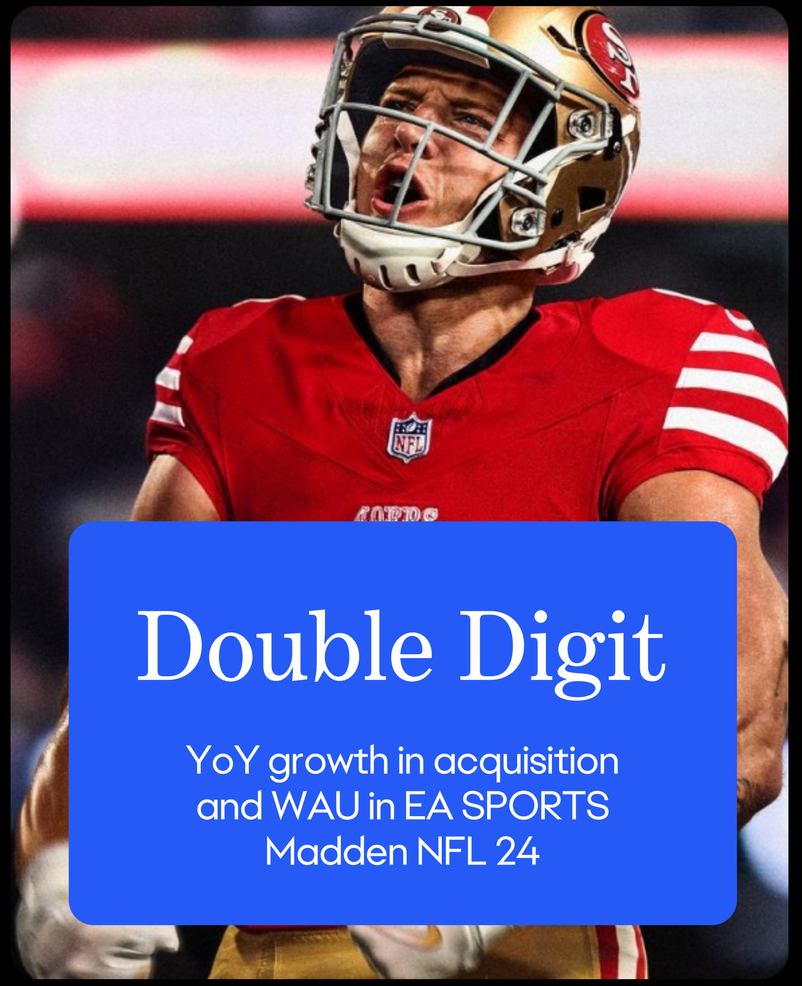
Harness the power of community **in, around, and beyond our games**

Strategic investments are driving impressive results



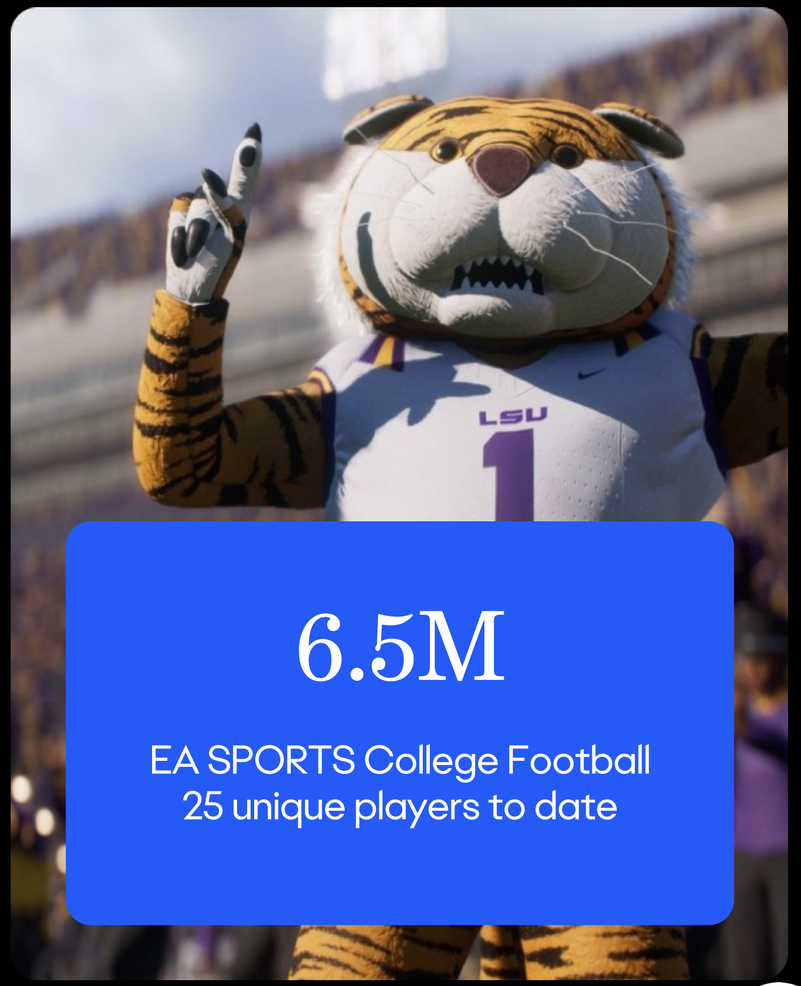
21M

EA SPORTS FC Peak Weekly Active Users in FY24



Double Digit

YoY growth in acquisition and WAU in EA SPORTS Madden NFL 24



6.5M

EA SPORTS College Football 25 unique players to date

Intentional and transparent **communication along our journey**

Long term financial framework

Creating value for our stakeholders by...

- Accelerating growth
- Delivering forward operating leverage
- Increasing cash flow

Operating Margin Expansion

(FY25-FY27)

- Under GAAP, +300 to +350 basis points
- Under non-GAAP, +150 to +200 basis points
- No additional impact from change in deferred net revenue expected

Enhanced stock repurchase program

(FY25-FY27)

- $5B over the next three years
- $1.5B expected in FY25
- Plan expected to scale with growth

Building momentum in FY25





Building momentum in FY25





Strength of portfolio on track to deliver toward the high end of guidance range



$ in millions

* Guidance ranges provided on July 30, 2024.

Where We've Been

Where We Are

Where We're Headed

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Where We're Headed

Leading the future of entertainment

Electronic Arts
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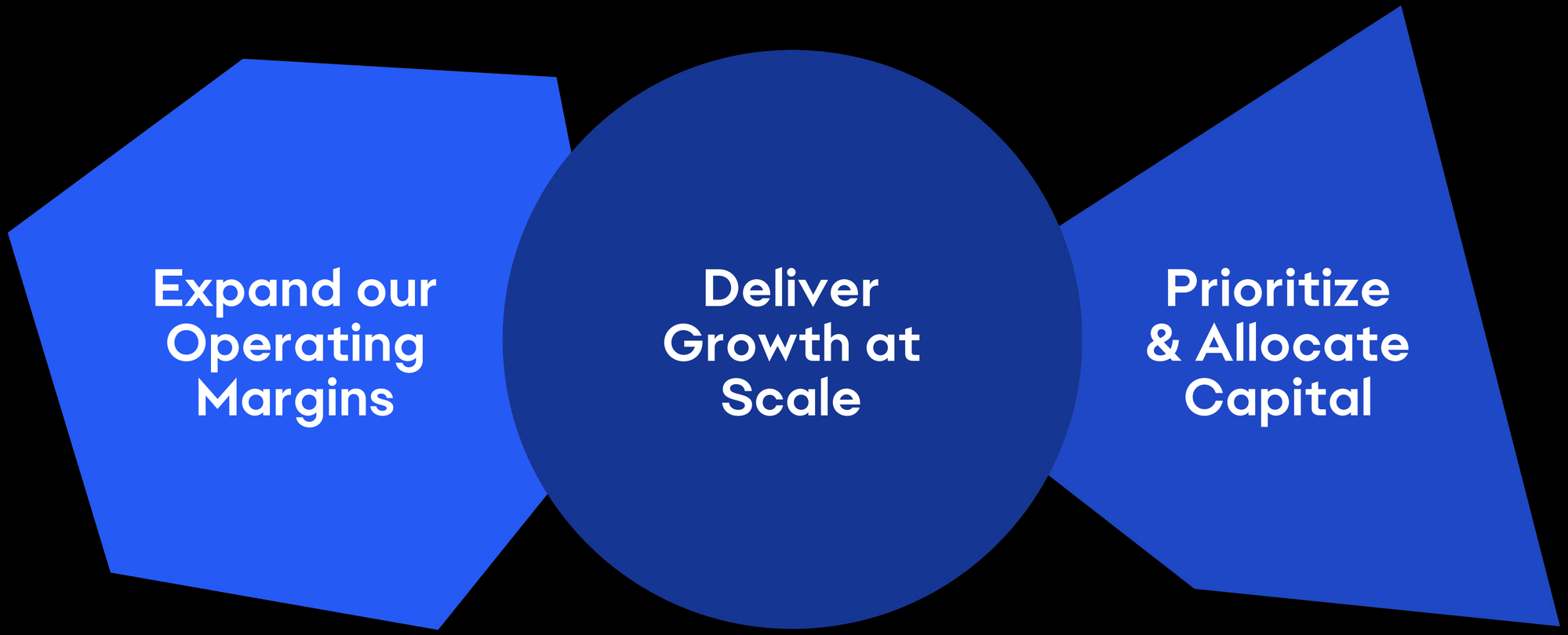
Delivering growth through a balanced set of financial principles



Deliver Growth at Scale

through deeper engagement
with our communities



01

Build games and experiences that entertain massive online communities

02

Create blockbuster interactive storytelling

03

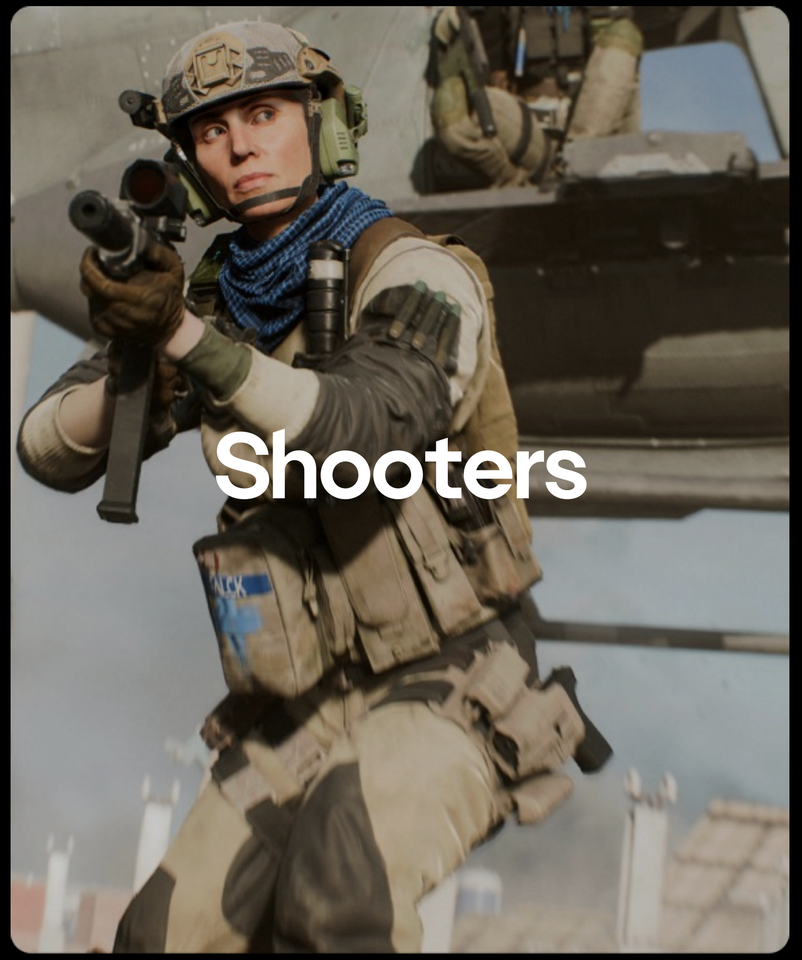
Harness the power of community **in, around, and beyond our games**

01

Build games and experiences that entertain massive online communities

Communities that offer breadth and scale







Communities that offer breadth and scale

Spend per category







* EA estimates, HD in the West plus core mobile markets (excluding East Asia) trailing twelve months through July 2024.

Communities that offer breadth and scale

the top 3 franchises command the majority of market share







* EA estimates, HD in the West trailing twelve months through July 2024.

Massive online communities













Sports







Sports



$1B+

net bookings

expected in FY25 in American Football



8B+

hours played

in EA SPORTS FC in the last year

Shooters





Shooters


BATTLEFIELD™
250M
hours played
across our Battlefield experiences


APEX
LEGENDS
170M
players
life-to-date

Simulation





Simulation


skate.
2025
full early access
available


the SIMS
500M
lifetime players
across franchise

Our mobile strategy leverages the expansive opportunities of the platform



















Expanding our scale through multiple entry points and markets

Top 10 Geographies



EA SPORTS FC25

EA SPORTS FC MOBILE

02

Create blockbuster interactive storytelling

Blockbuster Storytelling







Blockbuster Storytelling



>$5B

net bookings to date across
Lucasfilm collaboration



03

Harness the power of community **in, around, and beyond our games**



In Our Games

Growing our existing business



Around Our Games

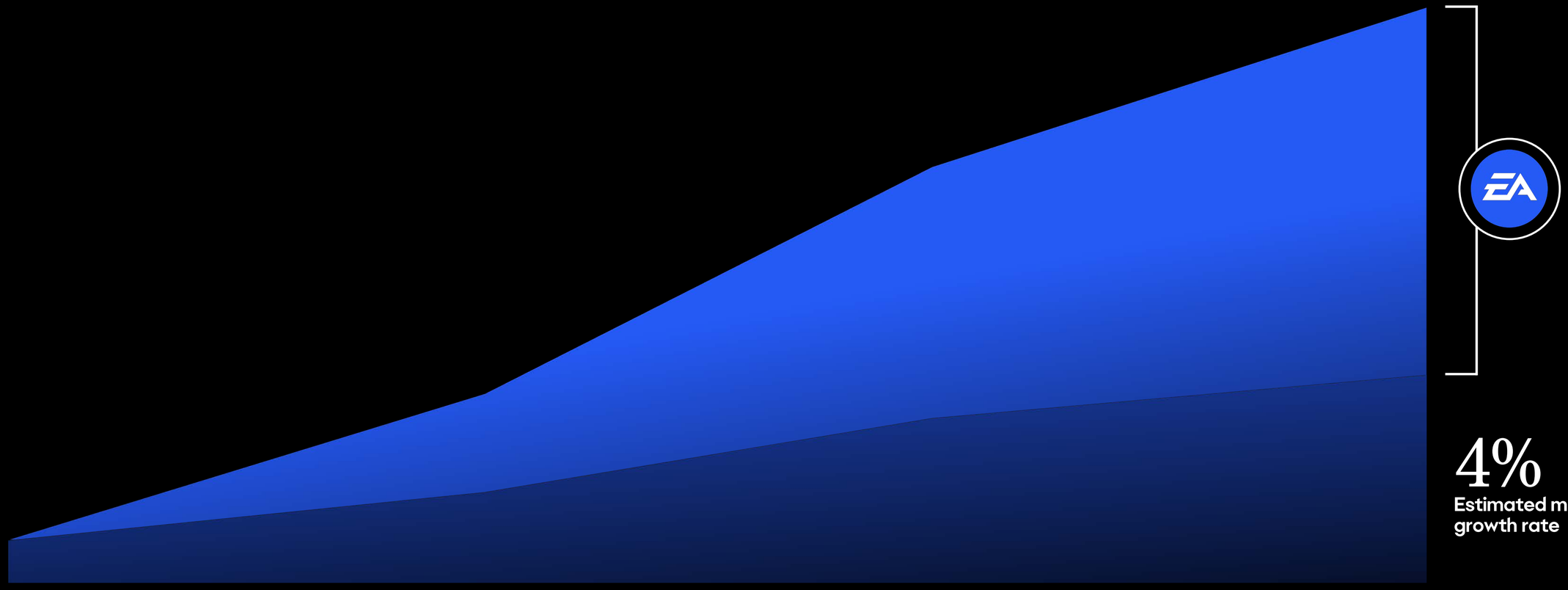
Expanding through adjacencies



Beyond Our Games

Entering new markets

We are on track to significantly outpace the market through FY27 propelled by confidence in our pipeline



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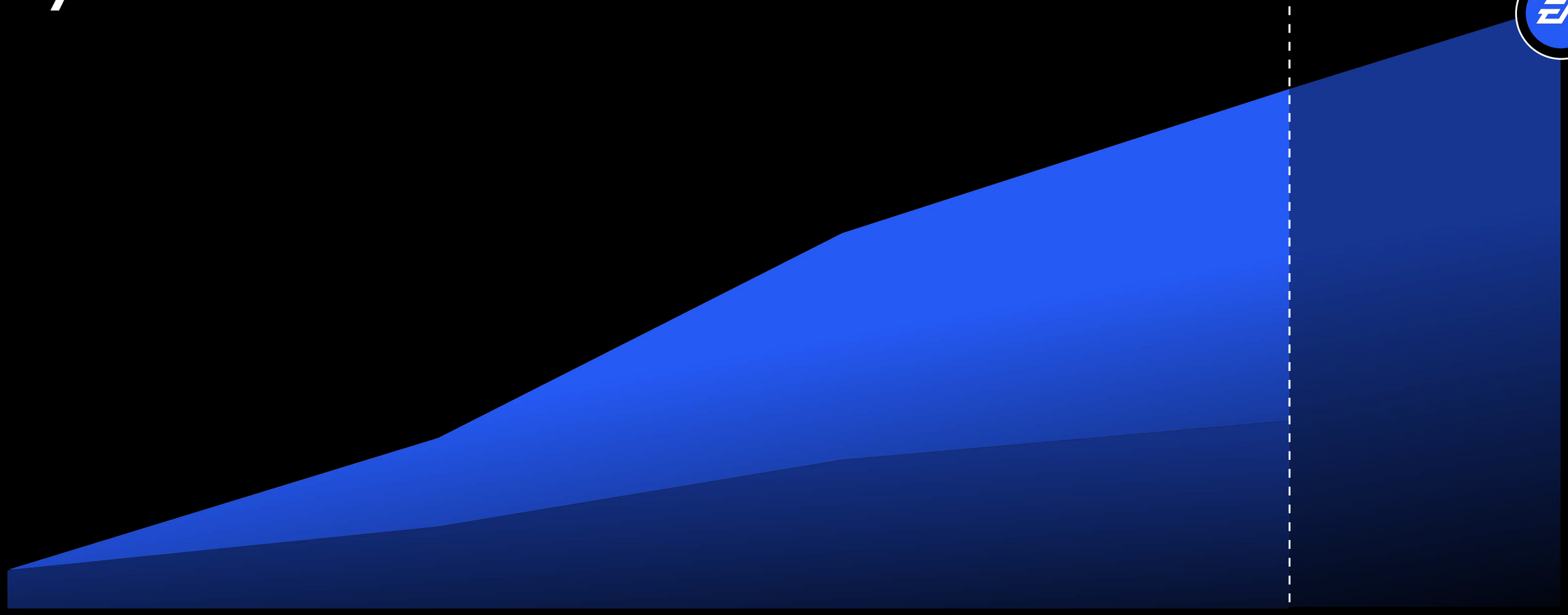
* Based on EA global market spend estimates and EA net bookings projections

New growth opportunities can continue our momentum beyond FY27



* Based on EA global market spend estimates and EA net bookings projections

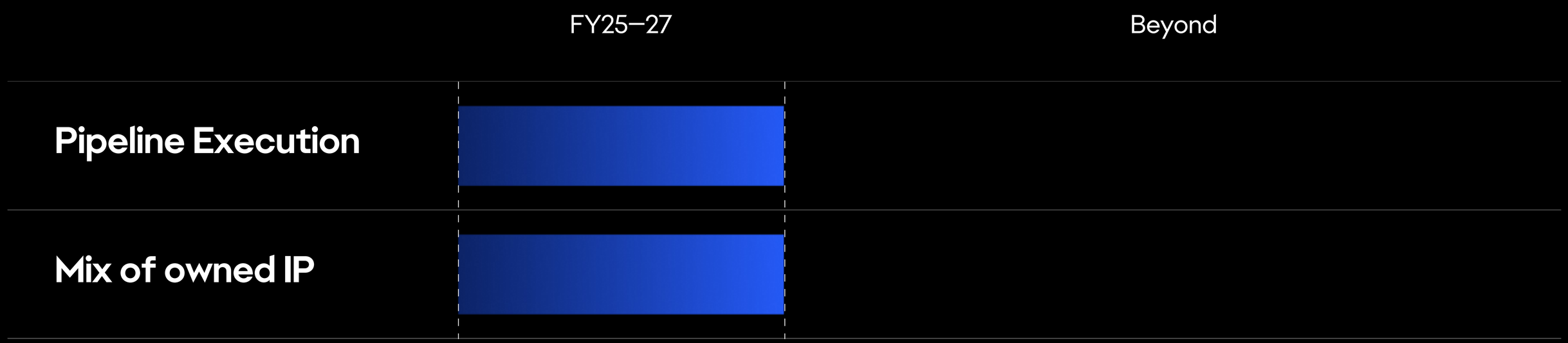
Expand our Operating Margins

through a combination of both top-line growth and operational leverage



Expand our Operating Margins

We expect near-term margin expansion to reach historical highs



- Expense majority of R&D
- Favorable mix of high margin digital and owned IP
- Leverage from scaled communities
- Disciplined and cost-efficient

Expand our Operating Margins

We expect margin expansion to continue beyond FY27 through scale, new business models, and technology



Prioritize and Allocate Capital

deliberate approach to
execute our strategic vision



Prioritize and Allocate our Capital

Dynamic and intentional capital allocation powered by scale and margin expansion

Organic Growth

Return to Stockholders

Opportunistic M&A

Prioritize and Allocate our Capital

Dynamic and intentional capital allocation powered by scale and margin expansion

Organic Growth

Return to Stockholders

Opportunistic M&A

Prioritize and Allocate our Capital

Organic Growth: Rigorously prioritizing our investments through...

Building **communities in and around our games**

Scaling **our capabilities through technology**

Fostering **deep partnerships and sponsorships**

Placing **strategic investments behind big bets**

Prioritize and Allocate our Capital

Organic Growth

Return to Stockholders

Opportunistic M&A

Prioritize and Allocate our Capital

We expect to scale the stock repurchase program with the business

>$8B

Returned to stockholders through stock repurchases and dividends*

>15%

Reduction in share count*

$5B

Scaling stock repurchase program through FY27

* Measured over the last 8 fiscal year periods ending in FY24.

Prioritize and Allocate our Capital

Financial flexibility to invest in IP, Technology, Partnerships, and Talent

Organic Growth

Return to Stockholders

Opportunistic M&A

Prioritize and Allocate our Capital

Dynamic and intentional capital allocation powered by scale and margin expansion

Organic Growth

Return to Stockholders

Opportunistic M&A

Key Financial Highlights

- American Football to deliver over $1 billion of net bookings in FY25
- On track towards high end of our Q2 and FY25 net bookings guidance
- Through FY27, we believe we can significantly outpace market growth and drive margin expansion
- We plan to scale our stock repurchase program through FY27
- Beyond FY27, new growth opportunities will continue our momentum

Our Ambitions

- Continue to sustain growth in our Sports franchises
- Deliver a blockbuster Battlefield experience
- Significantly expand The Sims franchise with the launch of the Sims Hub
- Innovate and transform Blockbuster storytelling
- Unlocking new business and economic opportunities through our third strategic pillar, starting with the EA Sports App
- …fueled by our Talent & Technology

We will engage...

more players

for more time

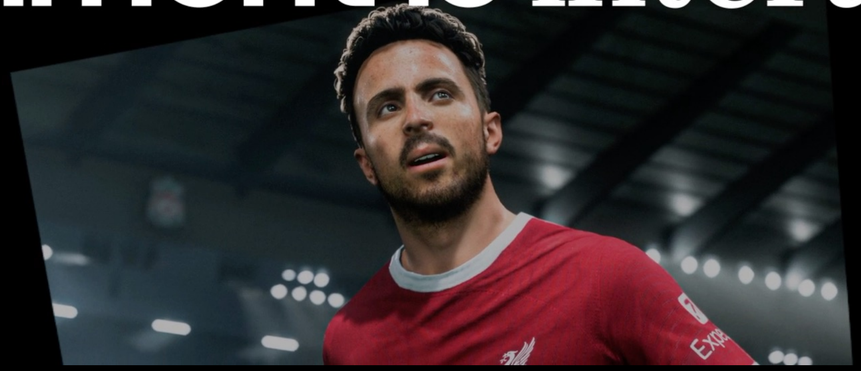
across more modes of play







The future of entertainment is *interactive*



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Electronic Arts

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Return on Invested Capital Calculation
(in $ millions, except percentages)

We present Return on Invested Capital (ROIC) as a ratio based on GAAP information, calculated as net income divided by average invested capital, which is the average of beginning and ending total stockholders' equity, long-term debt and noncurrent operating lease liabilities for each year. We have included ROIC as a supplemental disclosure because we believe that it may be useful to investors as a measure of the effectiveness of our use of capital. The calculation of ROIC presented by other companies may differ from our calculation. The table below presents our calculation of ROIC.

	FY24	FY23	FY22	FY21	FY20	FY19	FY18	FY17
Numerator								
Net Income	1,273	802	789	837	3,039	1,019	1,043	967
Denominator								
Average Invested Capital	9,547	9,613	9,847	8,966	7,169	5,956	5,319	4,718
Return on Invested Capital	**13%**	**8%**	**8%**	**9%**	**42%**	**17%**	**20%**	**20%**
8-year Average Return on Invested Capital	17%							