CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT OF THE

CD PROJEKT CAPITAL GROUP

FOR THE PERIOD BETWEEN 1 JANUARY AND 31 MARCH 2015

CD PROJEKT®

Disclaimer

This English language translation has been prepared solely for the convenience of English speaking readers. Despite all the efforts devoted to this translation, certain discrepancies, omissions or approximations may exist. In case of any differences between the Polish and the English versions, the Polish version shall prevail. CD PROJEKT, its representatives and employees decline all responsibility in this regard.

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General information

I. Parent entity

Name:	CD PROJEKT S.A.
Legal status:	Joint-stock company
Headquarters:	Jagiellońska 74, 03-301 Warsaw
Country of registration:	Poland
Principal scope of activity:	CD PROJEKT S.A. is the holding company of the CD PROJEKT Capital Group which focuses on videogame development as well as videogame and motion picture distribution
Keeper of records:	District Court for the City of Warsaw in Warsaw – Poland; 13th Commercial Department of the National Court Register (Sąd Rejonowy dla m.st. Warszawy w Warszawie, XIII Wydział Gospodarczy Krajowego Rejestru Sądowego)
Statistical Identification Number (REGON):	492707333

II. Duration of the Capital Group

The parent entity, CD PROJEKT S.A., and all remaining members of the Capital Group are constituted for an unlimited duration.

III. Reporting period

This condensed interim consolidated financial statement, along with elements of the condensed interim separate financial statement, covers the period between 1 January and 31 March 2015 inclusive. Comparative data is valid for 31 December 2014 and 31 March 2015 respectively in the condensed interim consolidated and separate statement of financial position, and for the period between 1 January 2014 and 31 March 2014 in the condensed interim consolidated and separate profit and loss account, condensed interim consolidated and separate statement of comprehensive income, condensed interim consolidated and separate statement of cash flows and statement of changes in consolidated and separate equity.

IV. Composition of the governing bodies of the parent entity as of 31 March 2015

Management Board

President of the Board	Adam Kiciński
Vice President of the Board	Marcin Iwiński
Vice President of the Board	Piotr Nielubowicz
Board Member	Adam Badowski
Board Member	Michał Nowakowski

Changes in Management Board composition

No changes in the composition of the Management Board of CD PROJEKT S.A. occurred during the reporting period.

(all figures quoted in PLN thousands unless otherwise specified)

Supervisory Board

Chairwoman of the Board	Katarzyna Szwarc
Deputy Chairman of the Board	Cezary Iwański
Board Memebr	Grzegorz Kujawski
Board Member	Maciej Majewski
Board Member	Piotr Pągowski

Changes in Supervisory Board Composition

No changes in the composition of the Supervisory Board of CD PROJEKT S.A. occurred during the reporting period.

V. Licensed auditors

As of the publication date of this statement the Issuer has not yet selected a licensed auditor to perform the audit of the Company's financial statements for the year 2015.

VI. Shareholders who control, directly or through subsidiaries, at least 5% of the total number of votes at the General Meeting of Shareholders of the parent entity as of the publication date of this statement

The shareholder structure is determined on the basis of formal notices issued by shareholders who control at least 5% of the total number of votes at the General Meeting of Shareholders of the parent entity. As of the publication date of this statement the following shareholders controlled at least 5% of votes at the General Meeting:

	No. of shares	Percentage share in share capital	No. of votes at the GM	Percentage share in total number of votes at the GM
Marcin Iwiński	*12 607 501*	*13.28%*	*12 607 501*	*13.28%*
Michał Kiciński (1)	*12 281 616*	*12.93%*	*12 281 616*	*12.93%*
Piotr Nielubowicz	*5 985 197*	*6.30%*	*5 985 197*	*6.30%*
PKO TFI S.A. (2)	9 000 000	9.48%	9 000 000	9.48%
AVIVA OFE (3)	4 940 000	5.20%	4 940 000	5.20%
Amplico PTE S.A. (4)	5 003 719	5.27%	5 003 719	5.27%
Other shareholders	45 131 967	47.53%	45 131 967	47.53%

(1) As disclosed in Current Report No. 2/2015 of 23 February 2015.
(2) As disclosed in Current Report No. 19/2011 of 25 February 2011.
(3) As disclosed in Current Report No. 25/2012 of 6 September 2012.
(4) As disclosed in Current Report No. 20/2013 of 11 September 2013.

(all figures quoted in PLN thousands unless otherwise specified)

Changes in shareholder structure of the parent entity

In Current Report No. 2/2015 of 23 February 2015 the Company disclosed that it had received notice from Mr. Piotr Nielubowicz, acting on behalf of himself as well as the remaining parties to the agreement disclosed in Current Report No. 54/2010 of 2 September 2010, namely Mr. Marcin Iwiński, Mr. Michał Kiciński and Mr. Adam Kiciński, to the effect that the agreement existing between the parties and concerning joint purchases of Company shares and acting in concert at General Meetings of Shareholders of the Company had been dissolved on 23 February 2015. As stated by parties to the dissolved agreement, the agreement itself was a consequence of the merger between the CDP Investment Capital Group and OPTIMUS S.A. carried out in 2009-2010, whereas the current overriding concern of those parties who retain executive positions at the Company is to jointly act in the best interests of the Company and its Capital Group by discharging their executive duties.

VII. Changes in stock ownership by members of the Management Board and the Supervisory Board of the parent entity throughout Q1 2015 and up until the publication date of this statement

Changes in stock ownership by members of the Management Board

	as of 31 Mar 2015	reduction	increase	as of 01 Jan 2015
Marcin Iwiński	*12 607 501*	-	-	*12 607 501*
Piotr Nielubowicz	*5 985 197*	-	-	*5 985 197*
Adam Kiciński	*3 122 481*	-	-	*3 122 481*
Michał Nowakowski	*1 149*	-	-	*1 149*
Adam Badowski	-	-	-	-

	as of 15 May 2015	reduction	increase	as of 01 Jan 2015
Marcin Iwiński	*12 607 501*	-	-	*12 607 501*
Piotr Nielubowicz	*5 985 197*	-	-	*5 985 197*
Adam Kiciński	*3 122 481*	-	-	*3 122 481*
Michał Nowakowski	*1 149*	-	-	*1 149*
Adam Badowski	-	-	-	-

Changes in stock ownership by members of the Supervisory Board

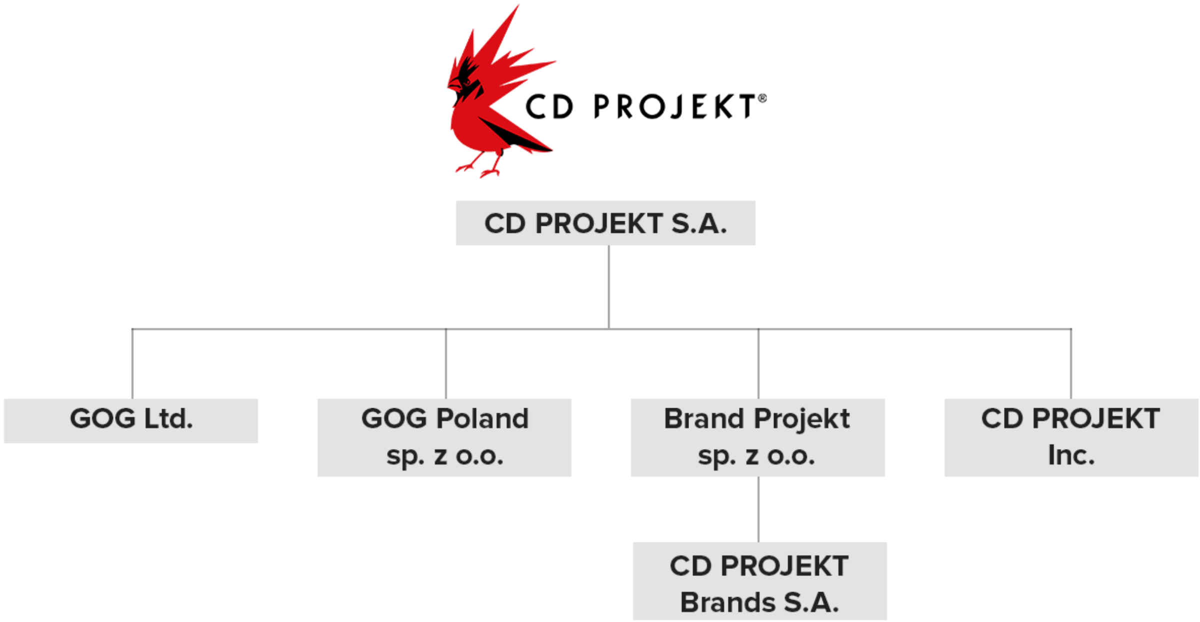
	as of 31 Mar 2015	reduction	increase	as of 01 Jan 2015
Katarzyna Szwarc	*10*	-	-	*10*
Cezary Iwański	-	-	-	-
Grzegorz Kujawski	-	-	-	-
Maciej Majewski	-	-	-	-
Piotr Pągowski	-	-	-	-

(all figures quoted in PLN thousands unless otherwise specified)

	as of 15 May 2015	reduction	increase	as of 01 Jan 2015
Katarzyna Szwarc	*10 010*	-	*10 000*	*10*
Grzegorz Kujawski	-	-	-	-
Maciej Majewski	-	-	-	-
Piotr Pągowski	-	-	-	-

In Current Report no. 5/2015 of 27 April 2015 the Management Board of the Company disclosed that that it had received written notice from a member of the issuer's Supervisory Board, namely Ms. Katarzyna Szwarc – Chairwoman of the Supervisory Board – to the effect that Ms. Szwarc had purchased 10,000 shares of the Company on the Warsaw Stock Exchange at the average cost of 21.10 PLN per share.

VIII. Subsidiaries – structure of the Capital Group



IX. Validation of published estimates

The Group did not publish any estimates referring to the reporting period.

X. Financial highlights

The official PLN/EUR exchange rates published by the National Bank of Poland and valid for the reporting periods are as follows:

Reporting period	Average rate*	Minimum rate	Peak rate	Rate as of the final day of the reporting period
01 Jan 2015 - 31 Mar 2015	*4.1489*	*4.0886*	*4.3335*	*4.0890*
01 Jan 2014 - 31 Mar 2014	*4.1893*	*4.0998*	*4.3138*	*4.2623*
01 Jan 2014 - 31 Mar 2014	*4.1894*	*4.1450*	*4.2375*	*4.1713*

** Average value of exchange rates on the final day of each month belonging to the reporting period.*

(all figures quoted in PLN thousands unless otherwise specified)

Assets and liabilities listed in the condensed interim consolidated statement of financial position were converted into EUR by applying the exchange rate for the final day of the reporting period, as published by the National Bank of Poland.

Assets and liabilities listed in the condensed interim consolidated profit and loss account and condensed interim consolidated statement of cash flows were converted into EUR by applying the average value of exchange rates for the final day of each month belonging to the reporting period, as published by NBP.

thousands	**PLN**		**EUR**	
	01 Jan 2015 - 31 Mar 2015	**01 Jan 2014 - 31 Mar 2014**	**01 Jan 2015 - 31 Mar 2015**	**01 Jan 2014 - 31 Mar 2014**
Net income from sales of products, goods and materials	*25 587*	*30 804*	*6 167*	*7 353*
Cost of products, goods and materials sold	*17 496*	*22 473*	*4 217*	*5 364*
Operating profit (loss)	*(2 676)*	*1 211*	*(645)*	*289*
Profit (loss) before tax	*(4 624)*	*1 940*	*(1 115)*	*463*
Net profit (loss) attributable to equity holders of parent entity	*(5 216)*	*1 586*	*(1 257)*	*379*
Net cash flows from operating activities	*(2 294)*	*3 351*	*(553)*	*800*
Net cash flows from investment activities	*(2 541)*	*(1 070)*	*(612)*	*(255)*
Net cash flows from financial activities	*(77)*	*(116)*	*(19)*	*(28)*
Aggregate net cash flows	*(4 912)*	*2 165*	*(1 184)*	*517*
Stock volume (in thousands)	*94 950*	*94 950*	*94 950*	*94 950*
Net profit (loss) attributable to equity holders of parent entity per ordinary share (PLN/EUR)	*(0.055)*	*0.017*	*(0.013)*	*0.004*
Diluted profit (loss) attributable to equity holders of parent entity per ordinary share (PLN/EUR)	*(0.055)*	*0.017*	*(0.013)*	*0.004*
Book value per share (PLN/EUR)	*1.733*	*1.781*	*0.424*	*0.418*
Diluted book value per share (PLN/EUR)	*1.733*	*1.781*	*0.424*	*0.418*
Declared or paid out dividend per share (PLN/EUR)	-	-	-	-

thousands	**PLN**		**EUR**	
	31 Mar 2015	**31 Dec 2014**	**31 Mar 2015**	**31 Dec 2014**
Total assets	*264 051*	*239 889*	*64 576*	*56 282*
Liabilities and provisions for liabilities (less accrued charges)	*93 670*	*69 316*	*22 908*	*16 263*
Long-term liabilities	*1 445*	*4 868*	*353*	*1 142*
Short-term liabilities	*98 085*	*65 927*	*23 988*	*15 467*
Equity	*164 521*	*169 094*	*40 235*	*39 672*
Share capital	*94 950*	*94 950*	*23 221*	*22 277*

XI. Statement of the Management Board of the parent entity

Pursuant to the directive of the Finance Minister of 19 February 2009 regarding the publication of periodic and current reports by issuers of securities, the Management Board of the parent entity hereby states that, to the best of its knowledge, this condensed interim consolidated financial statement and comparative data contained herein have been prepared in accordance with all accounting regulations applicable to the CD PROJEKT Capital Group and that they constitute a true, unbiased and clear description of the finances and assets of the Capital Group as well as its current profit and loss balance.

This condensed interim consolidated financial statement has been prepared in accordance with accounting practices consistent with the International Financial Reporting Standards as legislated by the European Union. Where such practices are not applicable the statement conforms to the Accounting Act of 29 September 1994 (Journal of Laws of the Republic of Poland, 2013, item no. 330 with subsequent changes) and to any secondary legislation based on said Act, as well as to the directive of the Finance Minister of 19 February 2009 regarding publication of periodic and current reports by issuers of securities (Journal of Laws of the Republic of Poland, No. 33, item no. 259). This report covers the period between 1 January and 31 March 2015 inclusive, with the corresponding comparative period between 1 January and 31 March 2014 inclusive.

XII. Approval of financial statement

This condensed interim consolidated financial statement of the CD PROJEKT Capital Group was approved for publication by the Management Board of the parent entity on 15 May 2015.

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Condensed interim consolidated financial statement of the CD PROJEKT Capital Group

I. Condensed interim consolidated profit and loss account

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Sales revenues	**25 587**	**30 804**
Revenues from sales of products	*2 857*	*4 801*
Revenues from sales of services	*117*	*1 192*
Revenues from sales of goods and materials	*22 613*	*24 811*
Cost of products, goods and materials sold	**17 496**	**22 473**
Cost of products and services sold	*2 524*	*3 274*
Value of goods and materials sold	*14 972*	*19 199*
Gross profit (loss) from sales	**8 091**	**8 331**
Other operating revenues	*258*	*1 867*
Selling costs	*7 785*	*5 204*
General and administrative costs	*3 046*	*3 101*
Other operating expenses	*194*	*682*
Operating profit (loss)	**(2 676)**	**1 211**
Financial revenues	*57*	*788*
Financial expenses	*2 005*	*59*
Profit (loss) before tax	**(4 624)**	**1 940**
Income tax	592	*466*
Net profit (loss) from continuing operations	**(5 216)**	**1 474**
Net profit (loss)	**(5 216)**	**1 474**
Net profit (loss) attributable to minority interests	-	*(112)*
Net profit (loss) attributable to equity holders of parent entity	*(5 216)*	*1 586*
Net earnings per share attributable to equity holders of parent entity (in PLN)		
Basic for the reporting period	*(0.055)*	*0.017*
Diluted for the reporting period	*(0.055)*	*0.017*
Net earnings per share from continuing operations attributable to equity holders of parent entity (in PLN)		
Basic for the reporting period	*(0.055)*	*0.017*
Diluted for the reporting period	*(0.055)*	*0.017*

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

II. Condensed interim consolidated statement of comprehensive income

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Net profit (loss)	**(5 216)**	**1 474**
Other comprehensive income which will be entered as profit (loss) following fulfillment of specific criteria	-	-
Exchange rate differences on valuation of foreign entities	*1 539*	*102*
Differences from rounding to PLN thousands	-	-
Other comprehensive income which will not be entered as profit (loss)	-	-
Total comprehensive income	**(3 677)**	**1 576**
Total comprehensive income attributable to minority interests	**-**	**(112)**
Total comprehensive income attributable to equity holders of parent entity	**(3 677)**	**1 688**

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

III. Condensed interim consolidated statement of financial position

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
FIXED ASSETS	**94 930**	**93 254**	**95 565**
Tangible assets	*5 444*	*5 499*	*10 971*
Intangible assets	*41 303*	*39 602*	*37 297*
Goodwill	*46 417*	*46 417*	*46 417*
Other financial assets	*547*	*547*	-
Deferred income tax assets	*943*	*912*	*557*
Other fixed assets	*276*	*277*	*323*
CURRENT ASSETS	**169 121**	**155 683**	**144 324**
Inventories	*106 558*	*96 511*	*58 170*
Trade receivables	*14 087*	*6 389*	*25 047*
Current income tax receivables	*183*	-	*1 851*
Other receivables	*10 987*	*10 989*	*8 109*
Other financial assets	*2 768*	*2 745*	*908*
Prepaid expenses	*5 055*	*4 654*	*8 390*
Cash and cash equivalents	*29 483*	*34 395*	*41 849*
TOTAL ASSETS	**264 051**	**248 937**	**239 889**

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
EQUITY	164 521	168 018	169 094
Equity attributable to shareholders of the parent entity	**164 521**	**168 018**	**169 094**
Share capital	*94 950*	*94 950*	*94 950*
Supplementary capital, incl. sales of shares above nominal price	*119 730*	*119 730*	*119 730*
Other reserve capital	*1 896*	*1 716*	*1 139*
Exchange rate differences	*2 463*	*924*	*(688)*
Retained earnings	*(49 302)*	*(54 514)*	*(48 379)*
Net profit (loss) for the reporting period	*(5 216)*	*5 212*	*1 586*
Minority share capital	**-**	**-**	**756**
LONG-TERM LIABILITIES	1 445	2 137	4 868
Credits and loans	*-*	*-*	*-*
Other financial liabilities	*203*	*260*	*203*
Deferred income tax liabilities	*1 156*	*874*	*3 351*
Deferred revenues	*59*	*976*	*1 277*
Provisions for employee benefits and similar liabilities	*27*	*27*	*37*
Other provisions	*-*	*-*	*-*
SHORT-TERM LIABILITIES	98 085	78 782	65 927
Credits and loans	*-*	*4*	*24*
Other financial liabilities	*381*	*397*	*220*
Trade liabilities	*19 282*	*20 532*	*24 248*
Liabilities from current income tax	*445*	*655*	*433*
Other liabilities	*71 926*	*51 808*	*40 637*
Deferred revenues	*5 801*	*5 086*	*202*
Provisions for employee benefits and similar liabilities	*155*	*205*	*97*
Other provisions	*95*	*95*	*66*
TOTAL LIABILITIES	264 051	248 937	239 889

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

IV. Condensed interim statement of changes in consolidated equity

PLN thousands	Share capital	Supplementary capital from sales of shares above nominal price	Other reserve capital	Exchange rate differences	Retained earnings	Net profit (loss) for the reporting period	Equity attributable to shareholders of the parent entity	Minority share capital	Total equity
01 Jan 2015 – 31 Mar 2015									
Equity as of 01 Jan 2015	**94 950**	**119 730**	**1 716**	**924**	**(49 302)**	**-**	**168 018**	**-**	**168 018**
Equity after adjustments	**94 950**	**119 730**	**1 716**	**924**	**(49 302)**	**-**	**168 018**	**-**	**168 018**
Cost of incentive program	*-*	*-*	*180*	*-*	*-*	*-*	*180*	*-*	*180*
Distribution of net profit	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Total comprehensive income	*-*	*-*	*-*	*1 539*	*-*	*(5 216)*	*(3 677)*	*-*	*(3 677)*
Equity as of 31 Mar 2015	**94 950**	**119 730**	**1 896**	**2 463**	**(49 302)**	**(5 216)**	**164 521**	**-**	**164 521**
01 Jan 2014 – 31 Dec 2014									
Equity as of 01 Jan 2014	**94 950**	**112 438**	**989**	**(790)**	**(41 087)**	**-**	**166 500**	**868**	**167 368**
Adjustments due to errors in preceding years	*-*	*-*	*-*	*-*	*(381)*	*-*	*(381)*	*-*	*(381)*
Equity after adjustments	**94 950**	**112 438**	**989**	**(790)**	**(41 468)**	**-**	**166 119**	**868**	**166 987**
Cost of incentive program	*-*	*-*	*727*	*-*	*-*	*-*	*727*	*-*	*727*
Distribution of net profit	*-*	*7 292*	*-*	*-*	*(7 292)*	*-*	*-*	*-*	*-*
Introduction (change) of minority share capital	*-*	*-*	*-*	*-*	*(5 754)*	*-*	*(5 754)*	*(335)*	*(6 089)*
Total comprehensive income	*-*	*-*	*-*	*1 714*	*-*	*5 212*	*6 926*	*(533)*	*6 393*
Equity as of 31 Dec 2014	**94 950**	**119 730**	**1 716**	**924**	**(54 514)**	**5 212**	**168 018**	**-**	**168 018**

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

PLN thousands	Share capital	Supplementary capital from sales of shares above nominal price	Other reserve capital	Exchange rate differences	Retained earnings	Net profit (loss) for the reporting period	Equity attributable to shareholders of the parent entity	Minority share capital	Total equity
01 Jan 2014 – 31 Mar 2014									
Equity as of 01 Jan 2014	**94 950**	**112 438**	**989**	**(790)**	**(41 087)**	**-**	**166 500**	**868**	**167 368**
Equity after adjustments	**94 950**	**112 438**	**989**	**(790)**	**(41 087)**	**-**	**166 500**	**868**	**167 368**
Cost of incentive program	*-*	*-*	*150*	*-*	*-*	*-*	*150*	*-*	*150*
Distribution of net profit	*-*	*7 292*	*-*	*-*	*(7 292)*	*-*	*-*	*-*	*-*
Total comprehensive income	*-*	*-*	*-*	*102*	*-*	*1 586*	*1 688*	*(112)*	*1 576*
Equity as of 31 Mar 2014	**94 950**	**119 730**	**1 139**	**(688)**	**(48 379)**	**1 586**	**168 338**	**756**	**169 094**

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

V. Condensed interim consolidated statement of cash flows

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
OPERATING ACTIVITIES		
Net profit (loss)	**(5 216)**	**1 474**
Total adjustments:	**3 080**	**2 854**
Depreciation	*1 175*	*826*
Interest and profit sharing	*(33)*	*(166)*
Profit (loss) from investment activities	*(23)*	*(269)*
Change in provisions	*(50)*	*(110)*
Change in inventories	*(10 047)*	*(6 204)*
Change in receivables	*(7 694)*	*(13 221)*
Change in liabilities excluding credits and loans	*18 868*	*21 929*
Change in other assets and liabilities	*(605)*	*(185)*
Other adjustments	*1 489*	*254*
Cash flows from operating activities	**(2 136)**	**4 328**
Income tax on profit (loss) before taxation	*592*	*466*
Income tax (paid) / reimbursed	*(750)*	*(1 443)*
A. Net cash flows from operating activities	**(2 294)**	**3 351**
INVESTMENT ACTIVITIES		
Inflows	**33**	**405**
Liquidation of intangible and tangible fixed assets	*-*	*91*
Liquidation of financial assets	*-*	*29*
Other inflows from investment activities	*33*	*285*
Outflows	**2 574**	**1 475**
Purchases of intangible and tangible fixed assets	*2 104*	*1 475*
Other outflows from investment activities	*470*	*-*
B. Net cash flow from investment activities	**(2 541)**	**(1 070)**
FINANCIAL ACTIVITIES		
Inflows	**-**	**4**
Credits and loans	*-*	*4*
Outflows	**77**	**120**
Repayment of credits and loans	*4*	*1*
Payments of liabilities under financial lease agreements	*73*	*107*
Interest paid	*-*	*12*
C. Net cash flows from financial activities	**(77)**	**(116)**
D. Total net cash flow	**(4 912)**	**2 165**
E. Change in cash and cash equivalents on balance sheet	**(4 912)**	**2 165**
F. Cash and cash equivalents at beginning of period	**34 395**	**39 684**
G. Cash and cash equivalents at end of period	**29 483**	**41 849**

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

Clarifications regarding the condensed interim consolidated statement of cash flows

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
The “other adjustments” line item comprises:	**1 489**	**254**
Incentive program costs	*180*	*150*
Exchange rate differences on valuation of foreign entities	*1 309*	*104*

Warsaw, 15 May 2015

Adam Kiciński	Marcin Iwiński	Piotr Nielubowicz	Adam Badowski	Michał Nowakowski	Aneta Magiera
President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

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Clarifications regarding the Condensed Interim Consolidated Financial Statement

I. Compliance with International Financial Reporting Standards

This condensed interim consolidated financial statement has been prepared in accordance with International Financial Reporting Standards (hereafter referred to as "IFRS") and with the IFRS approved by the EU. As of the date of approval of this statement for publication the EU is continuing with its IFRS implementation plan. In the scope of the Group's activity there is no discrepancy between the IFRS already in force and those approved by the EU.

IFRS comprise standards and interpretations endorsed by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

■ New standards, interpretations and amendments to existing standards

The following new standards, interpretations and amendments to existing standards apply to the Group since 1 January 2015:

- Changes in various standards resulting from the annual review of International Financial Reporting Standards (2011-2013). Amendments to IFRS 1, IFRS 3, IFRS 13 and IFRS 40 were published on 12 December 2013, on the basis of draft amendments previously published in November 2012. The following changes were approved by the EU on 18 December 2014 for entry into force on 1 January 2015 and optional application to earlier reporting periods:

    1. In IFRS 1 an amendment has been added which clarifies that an entity, in its first IFRS financial statements, has the choice between applying an existing and currently effective IFRS or applying early a new or revised IFRS that is not yet mandatorily effective, provided that the new or revised IFRS permits early application. An entity is required to apply the same version of the IFRS throughout the periods covered by those first IFRS financial statements.

    2. IFRS 3 was amended by specifying that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.

    3. In IFRS 13 the scope of portfolio exception was redefined to include all contracts accounted for within the scope of IAS 39 or IFRS 9, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32.

    4. IAS 40 was amended by clarifying the interrelationship of IFRS 3 Business Combinations and IAS 40 when classifying property as investment property or owner-occupied property. The amended standard specifies that determining whether a specific transaction meets the definition of both a business combination as defined in IFRS 3 and investment property as defined in IAS 40 requires the separate application of both standards independently of each other.

The following new standards, interpretations and amendments to existing standards published by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) do not apply in 2015:

- Changes in IAS 19 Employee benefits – applicable to reporting periods beginning on or after 1 February 2015. Approved for application in the EU. The changes concern the scope of the applicability of the standard to employee or third-party contributions to benefit plans. The goal of the change is to simplify attribution of contributions which is independent of the length of the periods of service.

- Changes in various standards resulting from the annual review of International Financial Reporting Standards (2011-2012), published on 12 December 2013. Approved for application in the EU, for reporting periods beginning on or after 1 February 2015. A total of 8 changes in 7 separate standards aimed at resolving inconsistencies and clarifying wording.

    1. Changes in IFRS 2 which change the definition of vesting conditions and market conditions and add new definitions of service conditions and performance conditions previously contained in the definition of vesting conditions. Changes in IFRS 2 are applicable to payments rendered in shares whose grant date falls on or after 1 July 2014.

    2. Changes in IFRS 3 where contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of IFRS 9 or IAS

39, or is part of non-financial assets/liabilities. Changes in fair value (except those which result from periodic revaluation) are applicable to business acquisitions effective on or after 1 July 2014.

3. Changes in IFRS 8 which require entities to disclose those factors that are used to identify the entity's reportable segments when operating segments have been aggregated, including a description of aggregated segments and economic conditions applied in determining whether the segments are "similar" in economic terms, and additionally determine that reconciliation of the aggregate value of reportable segments with the entity's assets should be performed only when such data is regularly made available to the main organ responsible for undertaking operating decisions.

4. Corrections in the justification of changes in IFRS 13 clarifying that said changes, as well as the corresponding changes in IAS 13 and IFRS 39 do not preclude short-term receivables and payables with no stated interest rates from being held at invoice amounts when the effect of discounting is immaterial. Since no date of entry into force has been specified, it is assumed that these changes enter into force immediately upon being published.

5. Changes in IAS 16 and IAS 38 which eliminate inconsistencies in recognizing accumulated depreciation (amortization) when revaluating tangible fixed assets and intangible assets. The amended standards specify that accumulated depreciation/amortization is the difference between the gross carrying amount and the carrying amount of the asset (i.e., the gross carrying amount less the accumulated depreciation/amortization is the carrying amount).

6. Changes in IAS 24 which specify that a management entity that provides key management personnel services is a related party subject to the related party disclosures. Accordingly, an entity that uses a management entity is required to disclose the expenses incurred for management services although it is not necessary to disclose the composition of such expenses.

- IFRS 9 Financial Instruments, applicable to annual reporting period beginning on or after 1 January 2018. This standard, published by the International Accounting Standards Board on 24 July 2014, is the final version of IFRS 9. It supersedes all previously published versions and effectively ends the IASB's project which aims at replacing IAS 39 Financial Instruments. The new standard is applicable to:

  1) classification and measurement of financial assets and liabilities,
  2) impairment,
  3) hedge accounting.

IFRS 9 does not apply to hedging of financial assets and liabilities – this falls within the scope of a separate IASB project on dynamic risk management accounting. With regard to hedging of financial assets existing provisions if IAS 39 should be applied instead.

- Change in IFRS 11 Joint arrangements, published on 6 May 2014 and applicable to reporting periods beginning on or after 1 January 2016 with possible early application. The amended standard clarifies the rules for acquisition of interest in joint operations. In line with the amendment, the acquirer of an interest in a joint operation in which the activity constitutes a business, as defined in IFRS 3, is required to apply all of the principles on business combinations accounting in IFRS 3 and other IFRSs with the exception of those principles that conflict with the guidance in IFRS 11. The presented change is not applicable to acquisition of interest in a joint operation if the parties exercising joint control over the operation (including the acquirer) fall under the control of a higher-level entity both prior to and following acquisition of interest, unless such control is transient.

- IFRS 14 Regulatory deferral accounts – the new standard was published on 30 January 2014 and applies to reporting periods beginning on or after 1 January 2016. This is an interim standard associated with ongoing IASB work on standardizing the accounting of comprehensive rate-regulated activities. The standard introduces rules for recognizing assets and liabilities emerging as a result of rate-regulated transactions where the given entity has undertaken the decision to apply IFRS.

- IFRS 15 Revenue from contracts with customers. The new standard, published on 28 May 2014, changes the way in which entities account for contracts with clients, particularly when a single contract concerns procurements of services and delivery of goods. IFRS 15 applies to all revenue-generating contracts and contains a uniform model for recognition and measurement of non-financial assets (incl. fixed assets). Accordingly, a client contract should be processed in the following five steps:

  1) Identify the contract with the customer;
  2) Identify the performance obligations in the contract;
  3) Determine the transaction price;

4) Allocate the transaction price to the performance obligations in the contracts;
5) Recognize revenue when (or as) the entity satisfies a performance obligation.

In line with IFRS 15 the entity recognizes revenue on the date on which the performance obligation is fulfilled, i.e. when control over the goods and services stipulated by the contract is transferred to the buyer. IFRS 15 also sets forth very restrictive provisions regarding specific aspects of revenue recognition, including stringent disclosure requirements.

IFRS 15 is applicable to reporting periods beginning on or after 1 January 2017. It will supersede revenue recognition rules contained in IAS 18 Revenue and IAS 11 Construction contracts and in the associated interpretations.

- Changes in IAS 16 Property, plant and equipment, and IAS 38 Intangible assets. Certain clarifications regarding the acceptable depreciation and amortization methods were published on 6 May 2014 and will be applicable to reporting periods beginning on or after 1 January 2016 with possible early application. The changes provide additional guidance on how the depreciation or amortization of property, plant and equipment and intangible assets should be calculated. They specify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. This is because such methods reflects a pattern of generation of economic benefits that arise from the operation of the business of which an asset is part, rather than the pattern of consumption of an asset's expected future economic benefits. On the other hand, intangible assets (IAS 38) may admit revenue-based depreciation methods in certain circumstances, e.g. when 1) the entity can demonstrate that revenue and the consumption of economic benefits of the intangible asset are highly correlated and 2) the intangible asset is expressed as a measure of revenue (the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold).

- Changes in IAS 16 Property, plant and equipment, and IAS 41 Agriculture, published on 30 June 2014. These changes are applicable to reporting periods beginning on or after 1 January 2016 with possible early application. They concern bearer plants used to grow produce and specify that such plants should be recognized as tangible fixed assets and fall in the scope of IAS 16 rather than IAS 41. These changes do not influence the Group's activities.

- Changes in IAS 27 Separate financial statements published by the International Accounting Standards Board on 12 August 2014 and applicable to annual reporting periods beginning on or after 1 January 2016. The change permits the use of the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. Entities may now account for investments in subsidiaries, joint ventures and associates in their separate financial statements either at purchase price, pursuant to IFRS 9, or using the equity method described in IAS 28.

- Changes in IAS 1 Presentation of financial statements published by the International Accounting Standards Board on 18 December 2014 and applicable to reporting periods beginning on or after 1 January 2016 with possible early application. Main changes in IAS 1 include:

    1. Emphasis on the materiality criterion. Certain line items deemed immaterial do not need to be presented even when the applicable minimum disclosure standards specify otherwise.

    2. Clarification that notes in the financial statement may be presented in an arbitrary order based on the entity's own preferences. For example, the description of accounting principles may be aggregated with notes concerning relevant areas.

    3. Explicit stipulation that entities disaggregate line items in the statement of financial position and the statement of profit or loss and other comprehensive income when such disaggregation provides useful information to readers of the financial statement, and that line items may be aggregated in the statement of financial position when specific items listed in IAS 1 are considered immaterial by themselves.

    4. Introduction of detailed criteria for the presentation of subtotals in the statement of financial position and the statement of profit or loss and other comprehensive income, including additional requirements regarding reconciliation of line items in the statement of profit or loss and other comprehensive income.

    5. Stipulation that in the statement of other comprehensive income the presentation of equity-accounted joint ventures and affiliates should be based on the approach described in IAS 1 and presented in aggregate as single line items based on whether or not they will subsequently be reclassified to profit or loss.

- Changes in IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture, published by the International Accounting Standards Board on 11 September 2014 and applicable to annual reporting periods beginning on or after 1 January 2016. These changes aim to eliminate contradictions between IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. These changes do not bear significant influence on the financial statement.

- Changes in IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception, published by the International Accounting Standards Board on 18 December 2014. These changes concern three issues:

Consolidation of intermediate investment entities. The amended standards specify that a subsidiary which provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity. As a result of these changes intermediate investment entities cannot be consolidated.

Exemption from preparing consolidated financial statements for an intermediate parent entity, available to a parent entity that is a subsidiary of an investment entity.

Application of the equity method by a non-investment entity investor to an investment entity investee. The investor is free to apply its own accounting policies in this regard.

The above changes should be applied retrospectively to annual reporting periods beginning on or after 1 January 2016, with possible early application.

- Changes in various standards resulting from the annual review of International Financial Reporting Standards (2012-2014) published on 25 September 2014 by the IASB. This batch of changes concerns IFRS 5, IFRS 7, IAS 19 and IAS 34. The changes themselves are meant to clarify selected issues and apply to annual reporting periods beginning on or after 1 January 2016.

1. Changes in IFRS 5 which include special provisions related to reclassification of assets (or disposal groups) from held for sale to held for distribution (and vice versa) and cases in which held-for-distribution accounting is discontinued. The changes stipulate that:

• such reclassification does not constitute a change in the sale and distribution plans and, accordingly, the requirements related to classification, presentation and valuation of the new disposal method should be applied;

• assets which cease to be regarded as held for distribution (and do not satisfy the held-for-sale accounting criteria) should be treated in the same way as sales which have ceased to be regarded as held for sale.

The above changes are prospective.

2. Changes in IFRS 7 clarifying whether a servicing contract is continuing involvement in a transferred asset for the purpose of determining the disclosures required.

Par. 42C(c) of IFRS 7 states that transfer of contractual liabilities alone does not constitute continuing involvement associated with transfer disclosure obligations. The aim of changes in IFRS 7 is to eliminate uncertainties concerning disclosure obligations which apply to compensation of financial assets and liabilities (introduced in December 2011 and applicable to reporting periods beginning on or after 1 January 2013) in condensed interim financial statements, and to resolve the question whether such obligations apply to all statements prepared after 1 January 2013 or only during the initial year.

3. Changes in IAS 19 clarifying that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid. Accordingly, the depth of the market for high quality corporate bonds should be assessed at currency level.

4. Changes in IAS 34 which clarify requirements applicable to disclosures under IAS 34 which are present elsewhere in the interim financial report but remain outside of the interim financial statement. The changes stipulate that any such information shall be included in the interim statement by providing a cross-reference to an interim report published under the same conditions and in conjunction with the interim financial statement.

In the Group's estimate the above standards, interpretations and changes will not bear significant influence on the Group's consolidated financial statement.

II. Basis for the preparation of the condensed interim consolidated financial statement

This condensed interim consolidated financial statement with elements of condensed interim separate financial statements for the period ending 31 March 2015 was prepared in accordance with IAS 34 (Interim Financial Reporting) as well as with the Finance Minister's regulation of 19 February 2009 regarding current and periodic disclosure of information by issuers of securities and recognition as equivalent of information whose disclosure is required under the laws of a non-member state (Journal of Law of the Republic of Poland, No. 33, item 259 with subsequent changes).

This condensed interim consolidated financial statement with elements of condensed interim separate financial statements is valid for 31 March 2015 and presents data for the period between 1 January and 31 March 2015 along with the corresponding reference period in 2014.

All figures listed in this condensed interim consolidated financial statement with elements of condensed interim separate financial statements are denominated in thousands of Polish Zlotys unless otherwise specified.

This condensed interim consolidated financial statement with elements of condensed interim separate financial statements was prepared on the basis of the historical cost principle. The condensed interim consolidated financial statement with elements of condensed interim separate financial statements does not, by itself, cover all information which the Company is legally required to disclose for the current financial year, and should therefore be read in conjunction with the annual consolidated financial statement for 2014, containing notes which pertain to the 12-month period ending 31 December 2014 and prepared in accordance with IFRS as legislated by the European Union.

This condensed interim consolidated financial statement with elements of condensed interim separate financial statements was not subjected to an audit by an independent auditor.

III. Assumption of going concern and comparability of financial statements

This condensed interim consolidated financial statement is prepared under the assumption that the Group and Company intend to continue as a going concern throughout the 12-month period following the end of the reporting period (i.e. 31 March 2015). At the moment of signing this financial statement the Management Board of the parent entity is not aware of any facts or circumstances which would jeopardize the assumption of going concern within said 12-month period, by way of intentional or forced cessation or significant downscaling of continuing operations.

As of the day of preparation of this condensed interim consolidated financial statement with elements of condensed interim separate financial statements covering the period between 1 January and 31 March 2015 no events have occurred which should have been reflected in the accounts for that period but have not been reflected therein. Additionally, no important events have occurred in relation to the preceding years.

The following presentation changes have been applied in order to ensure comparability of financial data:

- For the period between 1 January and 31 March 2014 revenues in the amount of 12 234 thousand PLN were deducted from the “Revenues from sales of services” line item and added to the “Revenues from sales of goods and materials” line item, and additionally revenues in the amount of 7 371 thousand PLN were deducted from the “Cost of goods and services sold” line item and added to the “Value of products and materials sold” line item. This change is associated with a change in presentation of the revenues of GOG Ltd. pursuant to the definition of electronic services. It has no bearing on the Company's financial result or equity.
- For the period between 1 January and 31 March 2014 the amount of 1 thousand PLN was transferred from the “Cost of products, goods and materials sold” to the “Financial costs” line item and additionally the amount of -6 thousand PLN was transferred to the “Financial revenues” line item. This change is associated with a change in the presentation of exchange rate differences related to transactions with subsidiaries. It has no bearing on the Company's financial result or equity.
- For the period between 1 January and 31 March 2014 the amount of -151 thousand PLN was transferred from the “Cost of products, goods and materials sold” line item to the “Financial costs” line item and additionally the amount of 444 thousand PLN was transferred to the “Financial revenues” line item. This change is associated with a change in the presentation of exchange rate differences at the parent company – CD PROJEKT S.A. It has no bearing on the Company's financial result or equity.
- CD PROJEKT S.A. corrected the erroneous account of statistical exchange rate differences on advance royalty fees received from foreign suppliers and presented in its financial statement of 31 March 2014. According to IAS 21 §16 advance payments should be treated as non-monetary items carried at historical cost and reported using the exchange rate at the date of the

transaction except for items carried at fair value. No further statistical exchange rate differences arise on reporting dates following the date of the transaction. Accordingly, the following adjustments were made:

1. Financial costs: adjusted by -109 thousand PLN
2. Net deferred income tax assets/liabilities: adjusted by -21 thousand PLN
3. Other liabilities – adjusted by -109 thousand PLN
4. Net profit(loss) for the reporting period: adjusted by +88 thousand PLN

The above adjustments changed the Company's financial result and equity by +88 thousand PLN.

IV. Consolidation principles

Subsidiaries

Subsidiaries are defined as all companies which fall under the Group's financial and operating control, typically by way of a majority share of votes in their statutory organs. When determining whether or not the Group controls an entity, consideration is given to the existence and potential impact of voting rights which can be exercised or exchanged at a given moment.

Subsidiaries are subject to full consolidation from the date of acquisition of control by the Group and cease to be reported as such on the day control is lost. Acquisition of subsidiaries by the Group follows acquisition accounting rules. The cost of acquisition is defined as the fair value of all assets, issued securities and liabilities incurred or transferred on the date of acquisition. Identifiable assets and liabilities (including conditional liabilities) acquired as a result of a business combination are estimated on the basis of their fair value on the day of acquisition, regardless of any applicable noncontrolling interests. Any positive difference between the cost of acquisition and the fair value of the Group's share in the identifiable net assets acquired is interpreted as goodwill. If the cost of acquisition is lower than the fair value of the identifiable net assets acquired, the difference is expressed directly in the profit and loss account.

Differences caused by changes in the ownership structure of subsidiary shares are reflected in the financial result for the preceding years.

Any revenues, expenses, settlements and unrealized gains on transactions between companies belonging to the Group are eliminated in full. Unrealized losses are also eliminated unless the nature of the transaction indicates impairment on any of the transferred assets. Accounting practices in use at subsidiary companies are adjusted whenever necessary to ensure compliance with accounting practices adopted by the Group.

Entities covered by the consolidated financial statement

This condensed interim consolidated financial statement for the period ending 31 March 2015 applies to the following Group members:

	capital share	voting share	consolidation method
CD PROJEKT S.A.	parent entity	-	Full
GOG Poland sp. z o.o.	100%	100%	Full
GOG Ltd.	100%	100%	Full
Brand Projekt sp. z o.o.	100%	100%	Full
CD PROJEKT Brands S.A.	100%*	100%	Full
CD PROJEKT Inc.	100%	100%	Full

**Indirectly controlled by CD PROJEKT S.A.*

V. Description of applicable accounting practices

(all figures quoted in PLN thousands unless otherwise specified)

Presentation of results by activity segment

The scope of financial information reported in relation to each of the Group's activity segments is determined by IFRS 8. For each segment the result is based on net profit.

Operating revenues and expenses

Revenues are defined as the gross receipts on any economic benefits from the reported period resulting from (ordinary) economic activities of the Group and leading to an increase in its equity other than from capital increases obtained through shareholder contributions.

Revenues only cover receipts on economic benefits allocated to the Group, whether received or receivable. Revenues from sales are defined as received or receivable payments on sales of material assets and services less the applicable sales and services tax. Revenues are determined on the basis of fair payment, whether received or receivable, adjusted for any trade discounts granted by the Group. Sales revenues are recognized on the date of transfer of the relevant goods and rights of use. Where services are concerned, revenues are valid for the period a given service was performed, depending on the progression of the underlying transaction, i.e. the relationship between the current state of work and the totality of work required to render a given service.

In accordance with the principle of matching revenues and expenses, expenses associated with consumption of materials, goods and finished products are reported in the same period as their corresponding sales revenues.

Financial revenues and expenses

Financial revenues consists mainly of interest on bank deposits of monetary assets, commissions and interest on loans granted, penalty interest on overdue receivables, liabilities, released provisions associated with financial activities, revenues from sales of securities, gains from exchange rate differences, reversal of impairment of investment assets and credit/loan write-offs.

Financial expenses consist mainly of interest on outstanding credits and loans, penalty interest on overdue liabilities, provisions set aside to cover certain or probable losses from financial operations, purchase value of any securities sold, commissions and handling charges, write-downs on interest owed and short-term investment valuations, discounts, exchange rate differences and, in the case of financial lease agreements, any other payments except capital payments.

State subsidies

Subsidies are not recognized until there is a reasonable certainty that a given Group member will fulfill the necessary criteria and receive the subsidy. State subsidies predicated on the condition that the recipient purchases or produces certain fixed assets are recognized in the consolidated statement of financial position in the deferred revenue line item and charged to the financial result systematically throughout the anticipate economic life of such assets.

Current and deferred income tax

The reported revenue is subject to compulsory taxation, whether current or deferred. Current tax is calculated on the basis of taxable income in a given financial year. Tax gain (or loss) differs from net accounting gain (or loss) due to exclusion of taxable deferred revenues and acquisition costs, as well as tax-exempt revenues and expenses. Tax burden is calculated on the basis of tax rates valid for a given financial year. Current tax on items included directly in the equity capital is reported in the equity statement, as opposed to the profit and loss account.

Deferred tax is calculated using the balance sheet method as the amount payable or receivable as a result of the difference between the carrying amount of assets and liabilities and their corresponding tax base amounts.

Deferred income tax liabilities are recognized in correspondence with taxable positive temporary differences. Deferred tax assets are recognized up to the amount of probable reduction in future tax gains by any recognized negative temporary differences. A tax asset or liability is not recognized if the underlying temporary difference is due to goodwill or prior inclusion of another asset or liability in a transaction which does not affect the company's taxable or accounting revenues.

Deferred income tax liabilities are applied to temporary tax differences resulting from investments in associates and joint ventures unless the Group is capable of controlling the moment of reversal of the temporary difference and the temporary difference is unlikely to reverse in the foreseeable future.

The value of the asset associated with deferred tax is subject to analysis for each balance sheet date. If the expected future tax gains are insufficient to cover the asset or part thereof, it is written off.

Deferred tax is calculated by applying rates which will be in force on the date the corresponding gain is realized or the liability becomes due. Deferred tax is reported in the profit and loss account unless it applies to assets included directly in the equity capital in which case it is also reported in the equity capital.

Value added tax

All revenues, expenses and assets are recorded following deduction of the applicable value added tax, except for:

- cases where value added tax paid when purchasing assets or services cannot be recovered from state authorities, in which case it is reported as part of the purchase cost of a given asset or as an expense;
- receivables and liabilities reported as inclusive of value added tax.

The net amount of value added tax recoverable from or payable to tax authorities is reported in the statement as part of the Group's receivables or liabilities.

Tangible assets

Tangible assets are recognized on the basis of their cost (purchase price or production cost) following deduction of depreciation and impairment for each reporting period. Borrowing costs associated directly with the purchase or construction of assets which require a long time to become usable or resaleable are added to the cost of construction of such fixed assets up until the beginning of their useful economic life. Revenues from short-term investment of borrowings related to construction of fixed assets is deducted from the borrowing costs following capitalization. Other borrowing costs are reported as expenses in the period during which they were incurred.

Depreciation is calculated for all fixed assets except land holdings and fixed assets being built, throughout their expected useful economic life, using the straight-line method.

Assets held under a financial lease agreement are depreciated throughout their useful economic life in the same way as proprietary assets.

Profits or losses on sales/liquidation or cessation of use of fixed assets are defined as the difference between their sales revenues and net value, and are reported in the profit and loss account.

Intangible assets

Intangible assets are recognized according to their historical cost of purchase or production, following deduction of depreciation and impairment costs. Depreciation is calculated using the straight-line method. Costs of research and development activities are not subject to activation and are reported in the profit and loss account for the period when they were incurred. Costs of development activities can only be capitalized under the following conditions:

- the project is well defined (e.g. development of new software or procedures);
- the asset being built is likely to yield economic benefits;
- project costs can be reliably estimated.

Development costs are depreciated using the straight-line method throughout their expected useful economic life, or reported in proportion to the quantity of products sold.

In this interim consolidated financial statement the Capital Group considers the CD PROJEKT brand name and The Witcher trademark to be its intangible assets. The value of trademarks is calculated using the relief from royalty method, which is one of the basic valuation methods for trademarks and other intangible assets in the context of business combinations, in line with IFRS 3 *Business combinations*. Trademark valuation is subject to yearly impairment tests.

Goodwill

Goodwill is defined as the positive difference between the cost of establishing a business combination (also known as acquisition or takeover cost) and the parent company's share in the net fair value of all assets and liabilities (including contingent liabilities) of the controlled entity on the date of acquisition.

Goodwill may be created either as a result of acquisition of a corporate entity, or through acquisition of an enterprise, i.e. an organized part of an entity, which is defined as a set of assets and corresponding liabilities (including contingent liabilities).

Combinations between the parent entity and other entities are accounted for using the purchase method according to which the takeover cost, calculated as the fair value of payment incurred for acquiring control over a corporate entity or part thereof (i.e. an enterprise), is allocated to identifiable assets and liabilities (including contingent liabilities) of the entity being acquired. Any surplus resulting from this allocation procedure is assumed to represent goodwill. Any negative difference between the acquisition cost and the Company's share in the net fair value of identifiable assets and liabilities (including contingent liabilities) on the date of acquisition is treated as revenues and duly reported in the profit and loss account as Other operating revenues (disaggregated).

Goodwill may be created through acquisition of a corporate entity via a court-registered merger or by acquisition of capital shares of the subsidiary. In the former case goodwill is reported in the parent company's accounts and its individual financial statement; in the latter case it is reported in the consolidation documents and in the consolidated financial statement of the Capital Group.

Goodwill is also estimated following purchase of shares in a jointly controlled entity or affiliate. If shares in a jointly controlled entity are acquired by applying the proportional consolidation method, goodwill is accounted and reported as for a controlled entity. If shares are acquired by applying the equity method (whether for a jointly controlled entity or affiliate) goodwill assessment follows the same procedure as for a controlled entity, with the exception that the equity method does not permit the acquired goodwill to be reported in the financial statement.

Impairment of non-financial assets

For each balance sheet date Group members perform an inventory of the net value of all their fixed assets in order to determine whether impairment of assets may have occurred.

If asset impairment is suspected the recoverable amount of each asset is calculated to determine the potential write-down. If a given asset does not produce a cash flow that is substantially separate from cash flows produced by other assets, analysis is performed for the whole group of cash producing assets to which the given asset belongs.

For intangible assets with an indefinite useful economic life this impairment test is performed on a yearly basis and, additionally, whenever impairment is suspected.

Recoverable amount is defined as the greater of the following two values: fair value of the asset less the cost of sale, and the asset's value in use. The latter value is defined as the balance of expected future cash flows produced by the asset, discounted using discount rates which acknowledge the market value of the relevant currency and a risk factor specific to the given asset.

If the recoverable amount of a given asset is lower than its net book value, the book value is lowered to match the recoverable amount. The loss resulting from this operation is accounted as cost in the period during which it was incurred, unless the asset had previously been carried at a revalued amount in which case the impairment is reflected by adjusting the revalued amount.

At the moment of reversal of asset impairment the net value of the asset (or group of assets) is increased to match the newly estimated recoverable amount; it cannot, however, exceed the net value of the asset which would have been reported had the impairment not been recognized during previous financial years. Reversal of asset impairment is recognized as revenues unless the asset had previously been carried at a revalued amount in which case the impairment reversal is reflected by adjusting the revaluation capital.

Investment properties

Investment properties are defined as all properties held for the expected revenues from rent, increase in value, or both. As such, cash flows produced by investment properties are largely independent from those produced by other assets belonging to Group members.

Investment properties may be estimated using the fair value or purchase cost method.

Lease agreements

Lease agreements are considered to be financial in nature if the agreement transfers the totality of potential benefits and risks associated with the lease to the lessee. All other forms of lease agreements are considered operating.

Assets utilized on the basis of financial lease agreements are considered to belong to the relevant Group member and are accounted by their fair value on the date of acquisition. The reported value cannot, however, exceed the current minimum total of lease payments. The lease agreement establishes a liability due to the lessor, which is represented in the account sheet as a financial lease liability. Lease payments are divided into capital and interest payments in such a way that the interest rate for the remaining portion of the liability remains fixed. Financial costs are reported in the profit and loss account. In the context of operating lease agreements, payments are allocated to costs throughout the duration of lease using the straight line method.

Investments in affiliates

Investments in affiliates are accounted on their effective date and at cost. Assessment of such investments for a given balance sheet date is performed on the basis of initial cost minus the write-down associated with any permanent impairment of assets.

Financial assets

On initial recognition each member of the Group classifies each of its financial assets as:

- financial assets designated at fair value through financial result,
- investments held to maturity,
- loans or liabilities,
- financial assets held for sale.

Assets are reported in the Group member's balance sheet at the moment the member enters into a binding agreement. On initial recognition each asset is designated at fair value, which is increased – if the given asset or financial liability is not qualified for designation at fair value through financial result – by the cost of transactions directly attributable to acquisition or issuance of the financial asset or liability.

Financial liabilities

A financial liability is defined as any liability which:

- is associated with a contractual obligation to transfer monetary or other financial assets to another entity, or exchange financial assets or liabilities with another entity on potentially disadvantageous terms;
- is associated with a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are considered equity instruments if the entity offers the rights, options or pro rata warrants to all of its existing owners of the same class of its own non-derivative equity instruments.

On initial recognition each member of the Group classifies each of its financial liabilities as:

- financial liabilities designated at fair value through financial result,

- other financial liabilities.

On initial recognition a financial liability is estimated at fair value, which is increased – if the given liability is not qualified for estimation at fair value through financial result – by the cost of transactions directly related to said liability.

Inventories

The initial value (cost) of an inventory is the sum of all costs (related to purchase, production etc.) incurred in bringing the inventory to its current level and location. The cost of inventories is defined as the original purchase price increased by import duties and other taxes (which cannot be recovered from tax authorities), transport, loading and unloading costs, and any other costs associated with construction of inventories, and reduced by any discounts, rebates and similar deductions. Inventories are valued at initial cost (purchase price or production cost) or at their net sale price, whichever is lower. The net sale price is defined as the estimated sale price reduced by any costs involved in finalizing production, facilitating the sale and finding a buyer (this includes sales and marketing expenses, etc.) In relation to inventories, cost is always determined on the "first in, first out" (FIFO) basis.

Current production involves development of games. The carrying amount is determined on the basis of all development costs directly attributable to a given project and a justifiable portion of costs not directly attributable to any given project.

At the moment of finalizing development and recognizing costs incurred by a given project said costs are reallocated from Ongoing development to Finished products.

In the case of projects for which a reliable estimate of sales revenues can be provided, a coefficient is derived to enable allocation of costs at the moment of sale. This coefficient depends on the total value of expenses for the finished project (reported as Finished products) in relation to the expected sales revenues.

In the case of projects for which no reliable estimate of sales revenues can be provided and no suitable cost allocation coefficient can be derived the revenues and costs are reported on a 1:1 basis.

Trade and other receivables

Receivables associated with delivery of products and services are entered in the accounts at their nominal value, adjusted for write-downs reflecting any doubtful debts.

Accrued and deferred charges

Each member of the Group includes in its statement of deferred and accrued charges any prepayments and charges related in part or in full to subsequent reporting periods.

Deferred charges are recognized by the Group as allocated to future reporting periods, depending on when the relevant revenue is realized.

Claims related to sale of products which have been produced and accounted for in the reporting period but reported following the end of this period (in accordance with contractual obligations) are reported as trade receivables until the relevant invoices have been received.

Accrued charges are charges associated with payment for products or services which have been received or performed, but which have not been paid for, invoiced or formally agreed upon with the supplier.

GOG Ltd. purchases licensing rights which are recognized as deferred revenues. Contractual payments associated with minimal guarantees are debited and the corresponding sales costs credited following commencement of sales.

Licensing allowances (accrued charges) are recognized once minimal guarantee thresholds are exceeded. The basis for calculating said allowances is the quantity of products sold or the amount of realized revenues.

Cash and cash equivalents

Cash assets are defined as cash on hand and any deposits payable on demand. Cash equivalents represent highly liquid short-term investments easily exchangeable for a known quantity of cash and subject to low depreciation risk.

Assets held for sale and discontinuing operations

Tangible assets held for sale (as well as net disposal groups) are valued at either their carrying amount or their fair value less the cost of sale, whichever is lower.

Tangible assets and disposal groups are classified as held for sale if their carrying amount is expected to be retrieved by way of sale rather than continued use. This condition is only considered fulfilled if the sale transaction is highly likely to occur and the given asset (or disposal group) is available for immediate sale in its present form. Designating a given asset as held for sale conveys the company management's intent to conclude the sale transaction within one year of such a designation being made.

Equity

Equity is treated in accounting practice with distinction to its type and in accordance with the applicable legal constraints, as well as any statutory requirements and conditions expressed in the contracts to which the Group member is a party.

Share capital is reported at nominal value, in the amount consistent with the parent company's statute and its record in the court register.

Supplementary capital is derived from:

- the positive difference between the issue price of shares and their corresponding nominal value less the cost of issuance. Said costs, incurred while establishing a joint-stock company or increasing its share capital, limit the capital to the excess of issue price over the nominal value of shares;
- profit earned and reported as Other capital contributions.

Provisions for liabilities

Provisions are made whenever a Group member faces a liability (whether legal or customary) resulting from past events, it is likely that discharging said liability will reduce the Group member's economic advantage and the liability can be reliably estimated. No provisions are made for future operating losses.

Restructuring cost allowances are made only when the Group member has revealed a detailed and formalized restructuring plan to all interested parties.

Employee benefits

The costs of short-term employee benefits other than those stemming from termination of employment and equity compensation are recognized as liabilities following adjustment for any payments already made and, at the same time, as expenses during the period, unless a given benefit is includable in the cost of construction of an asset. The Group does not provide any employee benefit programs following termination of employment.

On 16 December 2011 the Extraordinary General Meeting of Shareholders of CD Projekt RED S.A. voted to institute an incentive program for persons viewed as crucially important for the Capital Group as a whole and having a decisive influence upon the development of the Group's activity branches. A set of targets were established and the Management Board and Supervisory Board of the Company selected a number of persons who, assuming these profit and marketing goals are met, are rewarded with warrants entitling them to acquire company shares by way of a conditional increase in the Company's share capital. Details are presented in Current Report No. 73/2011 of 17 December 2011.

Bank credits and loans

Any bank credits on which interest is charged (including overdraft facilities) are recognized in the amount of acquired revenues less the cost of acquisition. Financial costs, including commissions charged upon repayment or waivers, as well as direct costs of obtaining credit are reported in the profit and loss account using the accrual accounting method and included in the book value of the instrument adjusted for any repayments made in the reporting period. Accounting practices related to credits are also applied to loans. Loans granted are estimated at their acquisition cost adjusted by applying the effective interest rate.

Trade and other liabilities

Liabilities pertaining to supplies and services are reported in their nominal amount. Financial liabilities and equity instruments are classified according to their commercial substance which depends on contractual obligations. Equity instruments are defined as contracts granting a share in the Group's equity less any applicable liabilities.

Licenses

The value of acquired licenses is reported on the basis of received invoices as the balance of prepaid expenses, increased by contractual uninvoiced minimum guarantees. The cost of acquired licensing rights is entered in the accounts in proportion to sales volume. Once the balance of prepaid expenses is exceeded, the remaining amount is reported in the trade liabilities line item.

Borrowing costs

Borrowing costs associated with the purchase, construction or creation of a qualifying asset are recognized as a component of its acquisition or construction cost (IAS 23).

Dividend payments

Dividends are recognized at the moment the Company shareholders become entitled to receive them.

VI. Functional currency and presentation currency

Functional currency and presentation currency

All items in the financial statement are expressed in the currency of the primary economic environment in which the Group operates (functional currency). The financial statement is presented in Polish Zlotys (PLN), which is the functional and presentation currency of the Group and the Company.

Transactions and balances

Transactions denominated in foreign currencies are converted to the functional currency according to the exchange rate on the date of the transaction. Exchange rate losses and gains on settlement of transactions and on valuation of assets and liabilities denominated in foreign currencies are reported in the profit and loss statement unless deferred in the equity capital as a cash flow hedges and hedges of net investments.

VII. Important values based on professional judgment and estimates

Professional judgment

In applying accounting practices (policies) to the issues listed below, a key aspect – in addition to accounting estimates – is the professional judgment of Company management.

Classification of lease agreements

Group members classify lease agreements as either operating or financial based on their assessment of the degree to which the risk and benefits from possessing the leased asset accrue to the lessee as opposed to the lessor. This assessment is based on the commercial substance of each agreement.

Uncertainty of estimates

This section key assumptions regarding future conditions and other fundamental sources of uncertainty, as of the balance sheet date, which may pose a serious risk of significant adjustments in asset and liability valuation during the coming financial year.

Impairment of assets

Goodwill and trademark value impairment tests require an assessment of the value in use of each cash generating unit to which Group members belong. This assessment is based on a projection of future cash flows generated by individual cash generating units and requires an estimate of the discount rate applied when conducting pending assessment of the value of said flows. The latest test of the CD PROJEKT brand name was conducted on 31 December 2014 while the latest test of The Witcher trademark was conducted on 20 August 2014. Neither test indicated impairment of the corresponding assets. Asset impairment tests at individual subsidiaries were last conducted on 31 March 2015. No circumstances were identified which would suggest impairment of these assets.

Valuation of provisions

Provisions for employee pensions and the incentive program were estimated on the basis of actuarial gains and losses.

Work in progress

In the case of projects for which a reliable estimate of sales revenues can be provided, a coefficient is derived to enable allocation of costs at the moment of sale. This coefficient bases on the total value of expenses for the finished project (reported as Finished products) in relation to the expected sales revenues.

Deferred tax assets

Group members recognize deferred tax assets by anticipating future taxable revenues which may require recognition of such assets. A decrease in future economic performance might render such assumptions invalid.

Deferred tax liabilities

In its current financial condition the Group recognizes deferred income tax liabilities by assuming future tax liabilities arising from positive temporary differences, enabling the given liability to be consumed.

Fair value of financial instruments

Financial instruments for which there is no active market are estimated using appropriate methods. In selecting the suitable methods and assumptions each Group member applies its professional judgment.

Depreciation rates

Depreciation rates are determined on the basis of the expected useful economic life of tangible equity assets and intangible assets. Each Group member performs yearly validations of the assumed useful economic life of its assets, based on current estimates.

VIII. Changes in accounting practices (policies)

The accounting practices (policies) applied in preparing this consolidated financial statement are consistent with those applied in preparing the consolidated financial statement for the year ending 31 December 2014, with the exception of the presentation-related change described in section 3 subsection III "Assumption of going concern and comparability of financial statements" and the changes listed below.

On 1 January 2015 the Company applied the folloiwing changes to its accounting practices (policies):

1. Change in presentation of exchange rate differences associated with operating activities:

Exchange rate differences emerge primarily as a result of sales to foreign countries and the corresponding trade receivables. The Company had previously aggregated exchange rate differences with costs of sales. Costs of sales are computed on the basis of game development expenses borne by the Company in the preceding years. Most of these expenses are denominated in Polish Zlotys and therefore do not result in exchange rate differences. Consequently, aggregation of exchange rate differences (which correspond to exports) with historical game development costs might obfuscate the Company's financial statements. Presentation of exchange rate differences as part of financial costs/revenues enables comprehensive analysis of the Company's financial result along with the rationale behind specific cost/revenue items.

2. Change in measurement of goods from the "first in, first out" (FIFO) method to the "weighted average" method.

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Additional notes and explanations regarding the condensed interim consolidated financial statement

Note 1. Disclosure of the issuer's significant accomplishments and shortcomings in the reporting period

During the first quarter of 2015 the following significant accomplishments were reported by the Group in each of its activity segments:

Videogame development

From the business perspective, the beginning of 2015 in the videogame development segment was dominated by final adjustments to The Witcher 3: Wild Hunt as well as intensifying marketing/advertising activities supporting the game's impending release.

In January and March the Company showcased The Witcher 3: Wild Hunt to invited journalists from around the world. Participants had the opportunity to try their own hand at playing the beta version of the game for several hours on all supported hardware platforms – Xbox One, PlayStation 4 and the PC. CD PROJEKT RED hosted journalists from Poland, Germany, France, Slovakia, Russia, the Czech Republic, Italy and Spain. Similar sneak preview sessions were organized at the Stirling Castle in Scotland, in Los Angeles and in Sydney, along with media shows held in Germany, France, Scandinavia, Brazil, Russia, Japan, Hong Kong and the United Arab Emirates. Altogether the game was showcased to more than 300 journalists from 23 countries. The opportunity was greatly appreciated by the media and resulted in several hundred press articles and publications.

On 22 January 2015 CD PROJEKT RED released its first-ever mobile online multiplayer game: The Witcher Battle Arena, developed in collaboration with Fuero Games. The game, which was designed from the ground up with tablets and advanced smartphones in mind, is available for iOS and Android devices. The project follows the F2P (free to play) model and does not require upfront purchases or subscription fees. Particular attention was devoted to ensuring that the game remains free of "pay to win" elements and that all of its content can be unlocked by participating in gameplay. The official release was preceded by a series of beta tests held in Sweden and Canada. In February, less than 3 weeks after the release date, the Studio announced that the game had already been downloaded more than 1 million times.

In March CD PROJEKT RED hosted representatives of notable gaming media portals – IGN and GameSpot – for several days. This activity resulted in a batch of video content featuring The Witcher 3: Wild Hunt along with interviews with the game's creators.

After the close of the reporting period, on 7 April 2015, CD PROJEKT RED announced two large paid DLC packs for The Witcher 3: Wild Hunt, the first of which is scheduled for release in October 2015 with the second one following in Q1 2016. Taken together, "Heart of Stone" and "Blood and Wine" feature over 30 hours of gameplay and provide a slew of additional content including new items, enemies and NPCs, some of whom will be well known to fans of The Witcher universe. Digital DLC preorders are already being accepted for the PC.

On 16 and 17 April the CD PROJEKT RED office was visited by youtubers from the United States, Canada, Brazil, Norway, Sweden, Germany, Russia and Poland. The list of guests included such online celebrities as Angry Joe (2 million subscribers) and Coisa de Nerd (2.8 million subscribers). During they stay in Warsaw the youtubers could freely play The Witcher 3: Wild Hunt for two days. The event generated new media content and developer interviews recorded in five languages and viewed more than 6 million times (even though not all of them have yet been published).

On 23 April a TV commercial featuring The Witcher 3: Wild Hunt debuted on American TV channels. It was initially broadcast in a commercial block accompanying the last episode of Vikings on the History Channel, and will be re-broadcast around the game's release date in key markets, including the United Kingdom, Germany, Poland, Russia and Australia. The TV and online advertising campaign will continue in the US, peaking approximately two weeks before the game's release, and then again during the release week.

Before the end of April CD PROJEKT RED announced that The Witcher 3: Wild Hunt had gone gold and that game CDs were being manufactured.

In May, seven days before the game's release date, CD PROJEKT RED announced that more than a million copies had been preordered.

Global digital videogame distribution

In the global digital videogame distribution segment the highlights of Q1 2015 included the release (on 26 February) of the German language edition of GOG.com – the second such localization project after the French version which debuted in November 2014. The rollout included a fully localized German web portal, German-speaking customer support as well as support for e-payment channels popular among German clients, i.e. Sofort, Giropay and Paysafecard. The event was accompanied by a special sale on German game editions and was widely reported in mainstream German newsmedia.

In early March GOG.com held another edition of its Insomnia sale, with limited editions of selected games available at bargain prices. This sale is traditionally well received by customers and this year's event was no exception. This time around GOG decided to alter the formula, offering two products in parallel (each in limited numbers). This approach resulted in increased sales and contributed to the overall success of the campaign.

In April GOG.com launched another one of its language localizations – this time in Russian. The event was accompanied by a sale on over 30 Russian language game editions offered at significant discounts.

In parallel, throughout the first quarter of 2015, GOG Ltd. carried on development work on GOG Galaxy. In May 2015 the company released an open beta of GOG Galaxy. The goal of the new technology stack is to enable GOG.com to carry new prominent game releases and to provide a custom solution facilitating networked gameplay for games already available on GOG.com. The first notable release to make use of GOG Galaxy is The Witcher 3: Wild Hunt where GOG Galaxy will support automatic patching, achievements, player statistics and other features.

GOG Galaxy supports one-click game installation and patching for the entire GOG.com library, currently numbering over 1,000 titles. At the same time GOG Galaxy upholds the core principles of GOG.com where all services are considered optional. In order to enhance customer satisfaction GOG Galaxy can download DRM-free backup copies of any games purchased on GOG.com directly to the user's personal computer.

On 14 May 2015, after the close of the reporting period, GOG Ltd. undertook a resolution to pay a dividend in the amount of 1.8 million EUR to the Company's sole shareholder – CD PROJEKT S.A. GOG Ltd. is not currently in debt due to any outstanding credits or loans.

Note 2. Description of circumstances affecting assets, liabilities, equity, net financial result and cash flows which are unusual due to their type, size or effect

Important events

In Current Report No. 3/2015 of 9 March 2015 the Company disclosed that the validity of collateral pledged as security for the Company's framework agreement with Raiffeisen Bank Polska S.A. concerning forward and derivative transactions had been extended. According to the updated declaration of submission to enforcement issued by the Company the bank may file for a writ of enforcement concerning potential claims resulting from the agreement until 31 March 2021.

In Current Report No. 4/2015 of 13 March 2015 the Company disclosed that it had concluded an amendment to its revolving credit agreement with mBank S.A., signed on 23 May 2013. As specified in the amendment the period during which the Company is entitled to draw upon the revolving credit facility was extended until 2 June 2016. Any outstanding credit must be fully repaid by 30 September 2016.

Additionally, both parties agreed to changes in the collateral associated with the above mentioned agreement, specifically by excluding the guarantees pledged by cdp.pl sp. z o.o. Consequently, both parties agreed to void the blank promissory note which had heretofore served as collateral. The Company issued a replacement promissory note payable to mBank S.A. and avalized by GOG Poland sp. z o.o. together with GOG Ltd. In conjunction with the issuance of this note the Issuer and the guarantors have issued a declaration of voluntary submission to enforcement under a writ of execution issued by mBank S.A., authorizing mBank S.A. to issue such a writ should the Issuer or the guarantors fail to abide by the terms of the credit agreement, and to petition a court of law for a corresponding writ of enforcement no later than on 30 September 2017.

Note 3. Disclosure of important changes in estimates

Changes in fixed assets (by category) between 1 January and 31 March 2015

PLN thousands	Land holdings	Buildings and structures	Machinery and equipment	Vehicles	Other fixed assets	Fixed assets under construction	Total
Gross carrying amount as of 01 Jan 2015	-	3 540	6 054	1 491	147	-	11 232
Increases from:	-	229	327	-	54	1	611
- purchases	-	*229*	*327*	-	*54*	*1*	*611*
- own production	-	-	-	-	-	-	-
- lease agreements	-	-	-	-	-	-	-
- reclassification	-	-	-	-	-	-	-
- acquisition free of charge	-	-	-	-	-	-	-
Reductions from:	-	-	-	-	-	-	-
- sales	-	-	-	-	-	-	-
- liquidation	-	-	-	-	-	-	-
- reclassification	-	-	-	-	-	-	-
Gross carrying amount as of 31 Mar 2015	-	3 769	6 381	1 491	201	1	11 843
Amortization as of 01 Jan 2015	-	1 295	3 972	394	72	-	5 733
Increases from:	-	91	489	75	11	-	666
- amortization	-	*91*	*489*	*75*	*11*	-	*666*
Reductions from:	-	-	-	-	-	-	-
- sales	-	-	-	-	-	-	-
- liquidation	-	-	-	-	-	-	-
- other	-	-	-	-	-	-	-
Amortization as of 31 Mar 2015	-	1 386	4 461	469	83	-	6 399
Impairment losses as of 01 Jan 2015	-	-	-	-	-	-	-
Impairment losses as of 31 Mar 2015	-	-	-	-	-	-	-
Net carrying amount as of 31 Mar 2015	-	2 383	1 920	1 022	118	1	5 444

Amount of contractual commitments for future acquisition of tangible fixed assets

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Leasing of passenger cars	*843*	*941*	*586*
Subsidy - deployment of integrated ERP software	-	-	*1 080*
Total	843	941	1 666

Changes in intangible assets between 1 January and 31 March 2015

PLN thousands	Trademarks	Patents and licenses	Computer software	Goodwill	Intangible assets under construction	Other	Total
Gross carrying amount as of 01 Jan 2015	**15 104**	**1 208**	**13 846**	**46 417**	**1 412**	**17 096**	**95 083**
Increases from:	**-**	**40**	**88**	**-**	**2 082**	**-**	**2 210**
- purchases	*-*	*40*	*88*	*-*	*2 082*	*-*	*2 210*
- reclassification	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Reductions from:	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- sales	*-*	*-*	*-*	*-*	*-*	*-*	*-*
- liquidation	*-*	*-*	*-*	*-*	*-*	*-*	*-*
- reclassification	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Gross carrying amount as of 31 Mar 2015	**15 104**	**1 248**	**13 934**	**46 417**	**3 494**	**17 096**	**97 293**
Amortization as of 01 Jan 2015	**-**	**355**	**8 709**	**-**	**-**	**-**	**9 064**
Increases from:	**-**	**34**	**475**	**-**	**-**	**-**	**509**
- amortization	*-*	*34*	*475*	*-*	*-*	*-*	*509*
- reclassification	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Reductions from:	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- liquidation	*-*	*-*	*-*	*-*	*-*	*-*	*-*
- sales	*-*	*-*	*-*	*-*	*-*	*-*	*-*
- reclassification	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Amortization as of 31 Mar 2015	**-**	**389**	**9 184**	**-**	**-**	**-**	**9 573**
Impairment losses as of 01 Jan 2015	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Impairment losses as of 31 Mar 2015	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Net carrying amount as of 31 Mar 2015	**15 104**	**859**	**4 750**	**46 417**	**3 494**	**17 096**	**87 720**

Amount of contractual commitments for future acquisition of intangible assets

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Integrated IT system - Dynamics AX	*-*	*-*	*246*
ERP/BI/Workflow B2B software	*648*	*1 008*	*-*
Total	**648**	**1 008**	**246**

Changes in goodwill related to consolidation

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
CDP Investment group companies	*46 417*	*46 417*	*46 417*
Total	**46 417**	**46 417**	**46 417**

Changes in goodwill

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Gross carrying amount at beginning of period	46 417	46 417	46 417
Increases due to acquisition of entities	-	-	-
Reductions due to business combinations	-	-	-
Gross carrying amount at end of period	46 417	46 417	46 417
Impairment losses	-	-	-
Net goodwill	46 417	46 417	46 417

Changes in estimated value of inventories

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Other materials	*1 669*	*6 918*	-
Semi-finished products and production in progress	*99 376*	*88 461*	*49 338*
Finished products	-	*50*	*3 157*
Goods	*5 513*	*1 082*	*5 980*
Gross inventories	106 558	96 511	58 475
Inventory impairment losses	-	-	*305*
Net inventories	106 558	96 511	58 170

Changes in inventory revaluation

PLN thousands	Revaluation write-downs on intermediates and ongoing production	Revaluation write-downs on goods	Total revaluation write-downs
As of 01 Jan 2015	-	-	-
Increases	-	-	-
Reductions	-	-	-
As of 31 Mar 2015	-	-	-

Changes in estimated receivables

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Trade and other receivables	25 257	17 378	35 007
- from affiliates	*2*	-	*1*
- from external entities	*25 072*	*13 110*	*33 155*
- income tax receivables	*183*	*4 268*	*1 851*
Impairment lossess	1 275	521	1 715
Gross receivables	26 532	17 899	36 722

Changes in impairment losses on receivables

PLN thousands	Trade receivables	Other receivables
AFFILIATES		
Impairment losses as of 01 Jan 2015	116	-
Increases	-	-
Reductions	-	-
Impairment losses as of 31 Mar 2015	116	-
EXTERNAL ENTITIES		
Impairment losses as of 01 Jan 2015	405	732
Increases, including:	33	-
- Impairment losses on past-due and contested receivables	*33*	-
Reductions, including:	11	-
- utilization of impairment write-downs	*10*	-
- elimination of impairment losses due to collection of receivables	*1*	-
Impairment losses as of 31 Mar 2015	427	732
Aggregate impairment losses as of 31 Mar 2015	543	732

Current and past-due trade receivables as of 31 Mar 2015

PLN thousands	Total	Days overdue					
		<0	0 - 60	61 - 90	91 - 180	181 - 360	>360
AFFILIATES							
gross receivables	*116*	-	-	-	-	-	*116*
impairment losses	*116*	-	-	-	-	-	*116*
Net receivables	-	-	-	-	-	-	-
EXTERNAL ENTITIES							
gross receivables	*14 515*	*9 458*	*3 721*	*446*	*458*	*4*	*428*
impairment losses	*428*	-	-	-	-	-	*428*
Net receivables	**14 087**	**9 458**	**3 721**	**446**	**458**	**4**	-
TOTAL							
gross receivables	*14 631*	*9 458*	*3 721*	*446*	*458*	*4*	*544*
impairment losses	*544*	-	-	-	-	-	*544*
Net receivables	**14 087**	**9 458**	**3 721**	**446**	**458**	**4**	-

Prepaid expenses

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Non-life insurance	*141*	*26*	*59*
Business travel insurance	*1*	*2*	*16*
License fees	*4 605*	*4 395*	*7 775*
Online access to legal support portal	-	*1*	-

Civil law transaction tax on capital increases	-	-	9
Software, licenses	162	120	77
Air travel	-	15	9
Other prepaid expenses	146	95	445
Total prepaid expenses	**5 055**	**4 654**	**8 390**

Negative temporary differences requiring recognition of deferred tax assets

PLN thousands	31 Dec 2014	increases	reductions	31 Mar 2015
Provisions for other employee benefits	178	84	81	181
The Witcher trademark	2 518	-	-	2 518
Other provisions	92	57	57	92
Negative exchange rate differences	210	260	210	260
Employee compensation and social security expenses payable in future reporting periods	120	-	120	-
Provisions for lease expenses	67	-	67	-
Incentive program	1 716	180	-	1 896
Reserve and asset offsets	(116)	116	-	-
Revaluation of long-term receivables - interest due	16	-	-	16
Total negative temporary differences	**4 801**	**697**	**535**	**4 963**
Tax rate (Poland)	19%	19%	19%	19%
Tax rate (Cyprus)	12.5%	12.5%	12.5%	12.5%
Deferred tax assets at end of reporting period	**912**	**133**	**102**	**943**

Positive temporary differences requiring recognition of deferred tax liabilities

PLN thousands	31 Dec 2014	increases	reductions	31 Mar 2015
Positive exchange rate differences	80	278	80	278
CD PROJEKT brand name	4 087	918	-	5 005
Estimated share in external entities	475	-	-	475
Other sources	74	286	36	324
Reserve and asset offsets	(116)	116	-	-
Total positive temporary differences	**4 600**	**1 598**	**116**	**6 082**
Tax rate (Poland)	19%	19%	19%	19%
Tax rate (Cyprus)	12.5%	12.5%	12.5%	12.5%
Deferred tax liabilities at end of reporting period	**874**	**304**	**22**	**1 156**

Net deferred tax assets/liabilities

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Deferred tax assets	*943*	*912*	*578*
Deferred tax liabilities - continuing operations	*1 156*	*874*	*3 351*
Net deferred tax assets/liabilities	**(213)**	**38**	**(2 773)**

Provisions for employee benefits and similar liabilities

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Provisions for retirement benefits and pensions	*28*	*28*	*39*
Provisions for other employee benefits (including bonuses)	*154*	*204*	*95*
Total, including:	**182**	**232**	**134**
- long-term provisions	*27*	*27*	*37*
- short-term provisions	*155*	*205*	*97*

Changes in provisions

PLN thousands	Provisions for retirement benefits and pensions	Provisions for other employee benefits	Total
As of 01 Jan 2015	**28**	**204**	**232**
Provisions created	-	*84*	*84*
Benefits paid out	-	*134*	*134*
As of 31 Mar 2015, including:	**28**	**154**	**182**
- long-term provisions	*27*	-	*27*
- short-term provisions	*1*	*154*	*155*
As of 01 Jan 2014	**39**	**143**	**182**
Provisions created	-	*69*	*69*
Benefits paid out	-	*117*	*117*
As of 31 Mar 2014, including:	**39**	**95**	**134**
- long-term provisions	*37*	-	*37*
- short-term provisions	*2*	*95*	*97*

Other provisions

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
Provisions for liabilities, including:	**95**	**95**	**66**
- provisions for financial statement audit expenses	*32*	*32*	-
- provisions for consulting expenses	-	-	*29*
- provisions for bought-in services	*57*	*57*	*31*
- provisions for licensing liabilities	*6*	*6*	*6*

Total, including:	**95**	**95**	**66**
- long-term provisions	*-*	*-*	*-*
- short-term provisions	*95*	*95*	*66*

Changes in other provisions

PLN thousands	Provisions for warranty-covered repairs and returns	Provisions for liabilities	Total
As of 01 Jan 2015	**-**	**95**	**95**
Provisions created	*-*	*57*	*57*
Benefits paid out	*-*	*9*	*9*
Provisions dissolved	*-*	*48*	*48*
As of 31 Mar 2015, including:	**-**	**95**	**95**
- long-term provisions	*-*	*-*	*-*
- short-term provisions	*-*	*95*	*95*

As of 01 Jan 2014	**6**	**122**	**128**
Provisions created	*-*	*32*	*32*
Benefits paid out	*5*	*88*	*93*
Provisions dissolved	*1*	*-*	*1*
As of 31 Mar 2015, including:	**-**	**66**	**66**
- long-term provisions	*-*	*-*	*-*
- short-term provisions	*-*	*66*	*66*

Note 4. Disclosure of financial instruments

Fair value of financial instruments per class

PLN thousands	Carrying amount			Fair value*		
	31 Mar 2015	31 Dec 2014	31 Mar 2014	31 Mar 2015	31 Dec 2014	31 Mar 2014
FINANCIAL ASSETS						
Receivables associated with supply of products and services, and other receivables	**25 074**	**17 378**	**33 156**	**-**	**-**	**-**
- trade receivables	*14 087*	*6 389*	*25 047*	*-*	*-*	*-*
- other receivables	*10 987*	*10 989*	*8 109*	*-*	*-*	*-*
Financial assets carried at fair value through profit and loss, including:	**3 315**	**3 292**	**908**	**3 315**	**3 292**	**908**
- investment fund shares	*2 768*	*2 745*	*808*	*2 768*	*2 745*	*808*
- forward contracts	*-*	*-*	*100*	*-*	*-*	*100*
- shares in other entities	*547*	*547*	*-*	*547*	*547*	*-*
Cash and cash equivalents	**29 483**	**34 395**	**41 849**	**-**	**-**	**-**
- cash on hand and bank deposits	*29 483*	*34 395*	*41 849*	*-*	*-*	*-*

** The fair value of cash assets and receivables approximates their respective carrying amounts.*

PLN thousands	Carrying amount			Fair value*		
	31 Mar 2015	31 Dec 2014	31 Mar 2014	31 Mar 2015	31 Dec 2014	31 Mar 2014
FINANCIAL LIABILITIES						
Credits and loans subject to interest payments, including:	**-**	**4**	**24**	**-**	**4**	**24**
- long-term liabilities subject to variable interest rates	-	-	-	-	-	-
- overdraft facilities	-	-	-	-	-	-
- other short-term liabilities	-	*4*	*24*	-	*4*	*24*
Other miscellaneous (long-term) liabilities, including:	**203**	**260**	**203**	**203**	**260**	**203**
- liabilities from financial lease contracts and lease contracts with a buyout option	*203*	*260*	*203*	*203*	*260*	*203*
Trade and other liabilities	**91 208**	**72 340**	**64 994**	**-**	**-**	**-**
- trade liabilities	*19 282*	*20 532*	*24 248*	-	-	-
- other short-term liabilities	*71 926*	*51 808*	*40 746*	-	-	-
Financial liabilities, including:	**381**	**397**	**220**	**381**	**397**	**220**
- other short-term financial liabilities	*381*	*397*	*220*	*381*	*397*	*220*

** The fair value of liabilities due to credits and loans, and of other liabilities, approximates their respective carrying amounts.*

Changes in value of financial instruments

01 Jan 2015 – 31 Mar 2015	Financial assets carried at fair value through profit or loss	Financial assets held for sale	Loans granted and receivables	Other financial liabilities
At beginning of period	2 745	547	51 773	73 001
Increases	*2 768*	-	*54 557*	*91 792*
Cash assets	-	-	*29 483*	-
Trade and other receivables	-	-	*25 074*	-
Trade and other liabilities	-	-	-	*91 208*
Financial lease contracts	-	-	-	*584*
Financial assets carried at fair value through profit or loss	*2 768*	-	-	-
Reductions	*2 745*	-	*51 773*	*73 001*
Repayment of credits and loans	-	-	-	*4*
Cash assets	-	-	*34 395*	-
Trade and other receivables	-	-	*17 378*	-
Trade and other liabilities	-	-	-	*72 340*
Financial lease contracts	-	-	-	*657*
Financial assets carried at fair value through profit or loss	*2 745*	-	-	-
At end of period	2 768	547	54 557	91 792

Hierarchy of financial instruments designated at fair value

Not applicable.

Note 4. Other important information

Operating costs

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Depreciation	*1 054*	*791*
Consumption of materials and energy	*454*	*433*
External services	*9 509*	*7 744*
Taxes and fees	*157*	*97*
Employee compensation, social security and other benefits	*8 064*	*6 545*
Business travel	*509*	*296*
Other costs, including:	***2 110***	***1 163***
- transaction costs	*1*	-
- upkeep of Internet domains and other Internet-related costs	*252*	-

- advisory services	*205*	*2*
- recruitment and relocation costs	*31*	*56*
- participation in fair, exhibitions and conferences	*244*	*-*
- use of company cars	*20*	*54*
- representation and advertising	*538*	*921*
- provisions for non-deductible expenses	*-*	*39*
- insurance premiums	*15*	*47*
- testing and certification costs	*703*	*-*
- other costs	*101*	*46*
Change in the balance of finished products and work[...] in progress	*(11 026)*	*(8 764)*
Value of goods and materials sold	*14 972*	*19 043*
Exchange rate differences on operating activities	*-*	*173*
Cost of products and services sold	*2 524*	*3 257*
Total	**28 327**	**30 778**
Selling costs	*7 785*	*5 204*
General and administrative costs	*3 046*	*3 101*
Cost of products, goods and materials sold	*17 496*	*22 473*
Total	**28 327**	**30 778**

Other operating revenues

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Elimination of write-downs for receivables	*1*	*542*
Dissolution of provisions for employee benefits	*11*	*-*
Subsidies	*23*	*47*
Offset on damages, penalties and fines received	*-*	*12*
Reinvoicing revenues	*158*	*76*
Profit from sales of fixed assets	*-*	*33*
Dissolution of unused provisions	*48*	*1*
Other revenues, including:	***17***	***1 148***
- repossession gains	*1*	*2*
- goods and materials received free of charge	*16*	*4*
- civil law transaction tax reimbursements	*-*	*1 118*
- other miscellaneous operating revenues	*-*	*24*
Other sales	*-*	*8*
Total	**258**	**1 867**

Other operating expenses

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Revaluation of trade receivables	*33*	*2*
Write-downs on expired receivables	*-*	*521*

Reinvoicing costs	*158*	*74*
Unrecoverable withholding tax	*-*	*2*
Others, including:	***3***	***83***
- disposal of spent consumables	*-*	*83*
- other miscellaneous expenses	*3*	*-*
Total	**194**	**682**

Financial revenues

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Revenues from interest:	***33***	***150***
- on bank deposits	*32*	*150*
- on loans (incl. cash pool guarantees)	*1*	*-*
Other financial revenues, including:	***24***	***638***
- gains from exchange rate differences	*-*	*149*
- revenues from investment fund shares	*-*	*1*
- investment fund valuation	*23*	*-*
- revenues from sales of investments	*-*	*36*
- interest collected	*-*	*243*
- revenues from sales of financial assets	*-*	*107*
- forward contract valuation	*-*	*101*
- other miscellaneous revenues	*1*	*1*
Total financial revenues	**57**	**788**

Financial expenses

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Interest payments:	***5***	***25***
- on bank loans	*-*	*12*
- on lease agreements	*5*	*13*
Other financial expenses, including:	***2 000***	***34***
- surplus of negative exchange rate differences	*1 987*	*-*
- bank fees	*13*	*26*
- foreign exchange forward transactions	*-*	*5*
- investment revaluations	*-*	*3*
Net loss from sales of assets and liabilities designated at fair value through financial result	***-***	***-***
Net profit and loss from exchange rate differences associated with financial activities	***-***	***-***
Total financial expenses	**2 005**	**59**

Note 5. Operating segments

The operations of the CD PROJEKT Capital Group are divided into three activity segments:

- Videogame development
- Global digital videogame distribution
- Other activities

Videogame development

Videogame development is carried out by the CD PROJEKT RED Studio which is a division of CD PROJEKT S.A. The activity covers creation of videogames and selling the associated distribution rights as well as manufacturing and selling tie-in products which exploit the commercial appeal of brands owned by the Company. Videogame development commenced in 2002 and initially focused on the studio's RPG debut: The Witcher. This game, set in Andrzej Sapkowski's fantasy world, was released in 2007 to considerable global acclaim. The Studio followed up in 2011 with its second release – Tie Witcher 2: Assassins of Kings for the PC. In April 2012 an extended edition of The Witcher 2 was released on the PC and Xbox 360. Both parts of The Witcher series are now also available for Apple computers (since 2012).

The Company carries out active distribution of its games (The Witcher and The Witcher 2) for a number of hardware platforms, using traditional distribution channels as well as leading digital distribution services worldwide. Taken together, both installments of the series have received over 200 awards and accolades, and sold more than 8 million copies.

The Studio's current flagship projects include two triple-A multiplayer role-playing games: The Witcher 3: Wild Hunt, which will be released on 19 May, and Cyberpunk 2077.

Since July 2013 the Studio has a presence in Kraków, with a dedicated branch established on the premises of the Kraków Technology Park and working on additional videogame projects.

In August 2014 the Group established an office in California, operated by a newly incorporated subsidiary – CD PROJEKT Inc. The goal of this branch is to coordinate publishing and marketing of Company products on the North American market.

Global digital videogame distribution

Global digital videogame distribution (i.e. distribution via online channels to purchasers from around the world, permitting clients to purchase games, remit payment and download the products to their personal computers) is carried out by GOG Ltd., proprietor of the digital distribution platform at GOG.com.

The platform was launched in September 2008. The initial mission of GOG.com was to revitalize major PC cult classics and offer them for sale to international clients with particular focus on English-speaking countries, i.e. United States, Canada, the United Kingdom and Australia. Initially, games were sold at 5.99 and 9.99 USD per copy. Further development of the service and expansion of its catalogue with new releases and games from independent publishers resulted in introduction (in 2012) of additional price categories: 14.99 USD, 19.99 USD, 29.99 USD and 34.99 USD. Support for Apple computers was added in October 2012 and support for the Linux OS – in July 2014.

The GOG.com catalogue currently comprises over 1000 titles from over 300 publishers and developers, including such well-known brands as Electronic Arts, Disney, Activision, Ubisoft, Atari-Hasbro and LucasArts. The key difference between GOG.com and its competitors (i.e. other independent platforms – Steam, Gamersgate, Humble Bundle etc.) is its set of core principles. As a rule, the Company ensures that all of its games are free of cumbersome DRM measures. In addition, products offered on GOG.com are richly featured and usually include bonus content such as soundtracks, maps, wallpapers etc. GOG Ltd. also ensures full compatibility of its games with popular versions of the MS Windows, Mac OS and Linux operating systems (depending on the release profile of each game), and provides technical support in case of installation problems. If a game cannot be run on the user's computer, GOG.com implements a 30-day returns policy with a money-back guarantee. Owing to the features listed above GOG.com has become one of the leading digital videogame distribution platforms worldwide.

The Group also uses GOG.com to market its own products, such as The Witcher, The Witcher 2: Assassins of Kings and The Witcher Adventure Game for the PC and Apple computers, directly to end users. In June 2014 GOG.com launched a preorder campaign for The Witcher 3: Wild Hunt.

Other activities

CD PROJEKT S.A., which is the holding company of the CD PROJEKT Capital Group, strives to achieve maximum efficiency and synergy in the scope of actions carried out by the Group. To this end, the internal Investment department assists other operating segments of the Group in matters of corporate and financial oversight, accounting, HR, legal advice (particularly concerning taxation) and investor relations.

Disclosure of operating segments for the period between 01 Jan and 31 Mar 2015

PLN thousands	Sales revenues	Sales to external clients	Sales between segments and internal turnover	Profit/loss per segment	Total assets per segment
CONTINUING OPERATIONS	**25 587**	**25 587**	**-**	**(5 216)**	**264 051**
Videogame development	*6 595*	*4 991*	*1 604*	*(4 883)*	*155 624*
Global digital videogame distribution	*19 090*	*16 321*	*2 769*	*659*	*39 238*
*Other activities**	*1 730*	*138*	*1 592*	*(196)*	*125 971*
Consolidation adjustments (incl. adjustments from business combinations)	(1 828)	4 137	(5 965)	(796)	(56 782)
DISCONTINUED OPERATIONS	-	-	-	-	-
TOTAL	**25 587**	**25 587**	**-**	**(5 216)**	**264 051**

** The Other activities segment comprises part of the individual loss of CD PROJEKT S.A. in the amount of (196) thousand PLN, representing the activity of its investment branch.*

Segmented consolidated statement of financial position as of 31 Mar 2015

PLN thousands	Videogame development	Global digital videogame distribution	Other activities	Consolidation eliminations (incl. adjustments from business combinations)	Total
FIXED ASSETS	**24 654**	**4 780**	**94 348**	**(28 852)**	**94 930**
Tangible fixed assets	*3 139*	*838*	*1 467*	*-*	*5 444*
Intangible assets	*21 138*	*3 941*	*59 580*	*(43 356)*	*41 303*
Goodwill	*-*	*-*	*-*	*46 417*	*46 417*
Investments in subsidiaries	*-*	*-*	*32 112*	*(32 112)*	*-*
Other financial assets	*-*	*-*	*547*		*547*
Deferred income tax assets	*347*	*1*	*396*	*199*	*943*
Other fixed assets	*30*	*-*	*246*	*-*	*276*
CURRENT ASSETS	**130 970**	**34 458**	**31 623**	**(27 930)**	**169 121**
Inventories	*106 558*	*-*	*-*	*-*	*106 558*
Trade receivables	*10 487*	*3 722*	*166*	*(288)*	*14 087*
Receivables due to current income tax	*0*	*-*	*211*	*(28)*	*183*
Other receivables	*10 949*	*5 661*	*23 891*	*(29 514)*	*10 987*
Other financial assets	*0*	*-*	*2 768*	*-*	*2 768*
Prepaid expenses	*330*	*4 622*	*103*	*-*	*5 055*
Cash and cash equivalents	*2 646*	*20 453*	*4 484*	*1 900*	*29 483*
TOTAL ASSETS	**155 624**	**39 238**	**125 971**	**(56 782)**	**264 051**

PLN thousands	Videogame development	Global digital videogame distribution	Other activities	Consolidation eliminations (incl. adjustments from business combinations)	Total
EQUITY	**54 008**	**16 958**	**120 894**	**(27 339)**	**164 521**
Equity attributable to shareholders of the parent company	***54 008***	***16 958***	***120 894***	***(27 339)***	***164 521***
Share capital	*7 050*	*86*	*94 950*	*(7 136)*	*94 950*
Supplementary capital from sales of shares above their nominal value	-	*1 188*	*110 936*	*7 606*	*119 730*
Other reserve capital	-	-	*1 896*	-	*1 896*
Exchange rate differences	*10*	*2 951*	-	*(498)*	*2 463*
Retained earnings	*51 831*	*12 074*	*(86 692)*	*(26 515)*	*(49 302)*
Net profit (loss) for the reporting period	*(4 883)*	*659*	*(196)*	*(796)*	*(5 216)*
Minority interest equity	-	-	-	-	-
LONG-TERM LIABILITIES	**103**	**12**	**1 571**	**(241)**	**1 445**
Other financial liabilities	-	-	*203*	-	*203*
Deferred income tax liabilities	*58*	-	*1 339*	*(241)*	*1 156*
Deferred revenues	*34*	*8*	*17*	-	*59*
Provisions for employee benefits and similar liabilities	*11*	*4*	*12*	-	*27*
SHORT-TERM LIABILITIES	**101 513**	**22 268**	**3 506**	**(29 202)**	**98 085**
Credits and loans	-	-	-	-	-
Other financial liabilities	*68*	-	*313*	-	*381*
Trade liabilities	*4 702*	*14 441*	*436*	*(297)*	*19 282*
Liabilities from current income tax	*28*	*445*	-	*(28)*	*445*
Other liabilities	*96 176*	*2 042*	*2 585*	*(28 877)*	*71 926*
Deferred revenues	*455*	*5 337*	*9*	-	*5 801*
Provisions for retirement benefits and similar liabilities	*21*	-	*134*	-	*155*
Other provisions	*63*	*3*	*29*	-	*95*

TOTAL LIABILITIES	155 624	39 238	125 971	(56 782)	264 051

Segmented consolidated profit and loss account for the period between 01 Jan and 31 Mar 2015

PLN thousands	Videogame development	Global digital videogame distribution	Other activities	Consolidation eliminations (incl. adjustments from business combinations)	Total
Sales revenues	**6 565**	**19 090**	**1 730**	**(1 828)**	**25 587**
Revenues from sales of products	*3 003*	*-*	*-*	*(146)*	*2 857*
Revenues from sales of services	*69*	*-*	*1 730*	*(1 682)*	*117*
Revenues from sales of goods and materials	*3 523*	*19 090*	*-*	*-*	*22 613*
Cost of products, goods and materials sold	**3 666**	**13 851**	**130**	**(151)**	**17 496**
Cost of products and services sold	*510*	*1 877*	*130*	*7*	*2 524*
Value of goods and services sold	*3 156*	*11 974*	*-*	*(158)*	*14 972*
Gross profit (loss) from sales	**2 929**	**5 239**	**1 600**	**(1 677)**	**8 091**
Other operating revenues	*216*	*74*	*36*	*(68)*	*258*
Selling costs	*5 702*	*1 798*	*417*	*(132)*	*7 785*
General and adminitrative costs	*2 166*	*1 044*	*1 380*	*(1 544)*	*3 046*
Other operating expenses	*177*	*70*	*15*	*(68)*	*194*
Operating profit (loss)	**(4 900)**	**2 401**	**(176)**	**(1)**	**(2 676)**
Financial revenues	*35*	*6*	*176*	*(160)*	*57*
Financial expenses	*139*	*1 385*	*13*	*468*	*2 005*
Profit (loss) before taxation	**(5 004)**	**1 022**	**(13)**	**(629)**	**(4 624)**
Income tax	*(121)*	*363*	*183*	*167*	*592*
Profit (loss) from continuing operations	**(4 883)**	**659**	**(196)**	**(796)**	**(5 216)**
Net profit (loss) from discontinued operations	**-**	**-**	**-**	**-**	**-**

Net profit (loss) attributable to minority interests	-	-	-	-	-
Net profit (loss) attributable to equity holders of the parent entity	(4 883)	659	(196)	**(796)**	(5 216)

Description of differences in presentation of activity segments or in the measurement of profit or loss per activity segment compared to the most recent annual consolidated financial report

A change has occurred with regard to presentation of activity segments compared to the 2014 consolidated financial report: the current report excludes internal settlements and transactions between companies belonging to the same operating segment. Other (inter-segment) consolidation eliminations are reported as a separate item in the financial statement – "Consolidation adjustments (incl. adjustments from business combinations)" In 2014 and earlier the results of individual segments were reported as mathematical sums of totals reported by all entities comprising a given segment, while consolidation adjustments were applied on the level of the Capital Group.

Reconciliation of the total of the reportable segments' measures of profit or loss with the Group's profit or loss before tax expenses and discontinued operations

Not applicable.

Information regarding key clients

In Q1 2015 no single client accounted for more than 10% of the consolidated sales revenues of the CD PROJEKT Capital Group.

Note 6. Information regarding seasonal or cyclical activities

The digital videogame distribution market is characterized by seasonal fluctuations in revenues. On an annual basis, the highest revenues are typically obtained in the fourth quarter while the lowest revenues correspond to the third quarter. Sales in Q2 and Q4 are boosted by promotional activities organized in these periods. Ultimately, however, sales volume is primarily dependent on the release schedule.

CD PROJEKT S.A. usually takes between 2 and 4 years to produce a game. Initial development work occurs before the previous game in the series is complete and ready to be released. The Witcher 2 debuted on the PC in May 2011 while the Xbox 360 edition was released on 17 April 2012. The release of CD PROJEKT RED's newest game – The Witcher 3: Wild Hunt – is scheduled for 19 May 2015.

Due to the recent launch of a second major franchise (Cyberpunk 2077) future releases of CD PROJEKT videogames should occur with greater frequency.

Note 7. Issue, redemption or repayment of debt and capital securities

Issue of debt securities

Not applicable.

Issue of capital securities

	31 Mar 2015	31 Dec 2014	31 Mar 2014
Number of shares (thousands)	*94 950*	*94 950*	*94 950*

Nominal value per share (PLN)	*1*	*1*	*1*
Share capital (PLN thousands)	**94 950**	**94 950**	**94 950**

Note 8. Dividends paid out or announced

No dividends were paid out to shareholders of the parent company in the reporting period.

Note 9. Transactions with affiliates

■ Rules governing transactions with affiliates

Intragroup transactions are conducted in accordance with the Directive of the Finance Minister of 10 September 2009 specifying the rules for estimating the income of legal entities and avoiding double taxation when adjusting the income of affiliated legal entities (Journal of Laws of the Republic of Poland 2009, no. 160, item 1268), later amended by the Directive of the Finance Minister of 17 June 2013 (Journal of Laws of the Republic of Poland; 3 July 2013).

The prices of goods and services exchanged within the Group are estimated according to the above mentioned directive, by applying the comparable uncontrolled price method, the resale price method or the reasonable profit margin ("cost plus") method. Method selection is preceded by a thorough analysis of each transaction. The division of responsibilities, asset exposure and assignment of substantial risks and rewards in each intragroup transactions are adjusted in such a way as to closely reflect similar transactions concluded by unaffiliated entities. For significant transactions exceeding the limits specified in Art. 9a section 2 of the corporate income tax law all participating entities submit the required tax forms.

Transactions with members of the Management Board and other affiliated entities

Name of affiliate	Sales to affiliates		Receivables from affiliates			Liabilities due to affiliates		
	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014	31 Mar 2015	31 Dec 2014	31 Mar 2014	31 Mar 2015	31 Dec 2014	31 Mar 2014
AFFILIATES								
Optibox Sp. z o.o. in liquidation bankruptcy	-	-	-	-	-	20	20	20
ZARZĄD SPÓŁEK GRUPY I PROKURENCI								
Marcin Iwiński	2	2	-	-	-	22	4	11
Adam Kiciński	1	1	-	-	-	3	-	2
Piotr Nielubowicz	1	1	-	-	-	1	1	1
Michał Nowakowski	2	2	2	-	-	11	-	-
Adam Badowski	-	-	-	-	-	-	-	2
*Edyta Wakuła**	1	1	-	-	-	-	-	-
Robert Wesołowski	-	1	-	-	-	-	-	-
Guillaume Rambourg	-	-	-	-	2	-	-	-

*proxy

(all figures quoted in PLN thousands unless otherwise specified)

Note 10. Bad loans and violations of loan agreements not subject to recovery proceedings as of the balance sheet date

Loans granted

Not applicable.

Loans granted as of 31 Mar 2015, including loans granted to Management Board members

Not applicable.

Note 11. Changes in conditional assets or liabilities following the end of the most recent financial year

Liabilities on bills of exchange in association with loans received

Not applicable.

Conditional liabilities from guarantees and collateral pledged

thousands of currency units	pledged in association with	Currency	31 Mar 2015	31 Dec 2014	31 Mar 2014
Agora S.A.					
Promissory note agreement	*Collateral for licensing and distribution agreement*	*PLN*	*11 931*	*11 931*	*11 931*
Declaration of submission to enforcement	*Collateral for licensing and distribution agreement*	*PLN*	*11 931*	*11 931*	*11 931*
mBank S.A.					
Promissory note agreement	*Credit agreement*	*PLN*	*13 500*	*16 500*	*16 500*
Promissory note agreement	*Credit agreement*	*PLN*	*30 000*	*30 000*	*30 000*
Promissory note agreement	*Credit agreement*	*PLN*	*-*	*-*	*15 000*
Promissory note endorsement	*Collateral for credit*	*PLN*	*58 500*	*61 500*	*61 500*
Declaration of submission to enforcement	*Collateral for credit*	*PLN*	*58 500*	*61 500*	*61 500*
Contractual mortgage on immovable property	*Collateral for credit*	*PLN*	*-*	*-*	*60 000*
Contractual assignment of receivables	*Collateral for credit*	*PLN*	*-*	*-*	*5 000*
Registered pledge of The Witcher trademark	*Collateral for credit*	*PLN*	*45 000*	*45 000*	*45 000*
Promissory note agreement	*Collateral for bank payment guarantee no. 02111KPA14*	*PLN*	*-*	*-*	*3 000*
Declaration of submission to enforcement	*Collateral for bank payment guarantee no. 02111KPA14*	*PLN*	*3 000*	*3 000*	*3 000*
Declaration of submission to enforcement	*Credit limit agreement no. 02/447/11/L/UR*	*PLN*	*-*	*-*	*1 100*
mLeasing Sp. z o.o.					
Promissory note agreement	*Lease agreement no. Optimus1/WA/123286/2011*	*PLN*	*-*	*-*	*150*
Promissory note agreement	*Lease agreement no. Optimus1/WA/135724/2012*	*PLN*	*-*	*141*	*141*
Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/20832/2011*	*PLN*	*-*	*-*	*90*
Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/123240/2011*	*PLN*	*-*	*-*	*54*
Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/128425/2011*	*PLN*	*-*	*-*	*51*
Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/132776/2011*	*PLN*	*-*	*-*	*69*

(all figures quoted in PLN thousands unless otherwise specified)

Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/132780/2011*	*PLN*	*-*	*-*	*59*
Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/136047/2012*	*PLN*	*-*	*-*	*57*
Promissory note agreement	*Lease agreement no. CDPROJEKT/WA/136061/2012*	*PLN*	*-*	*-*	*57*
Millennium Leasing sp. z o.o.					
Promissory note agreement	*Lease agreement no. K 182762*	*PLN*	*470*	*470*	*-*
Global Collect Services BV					
Contract of guarantee	*Guarantee of discharge of liabilities by GOG Ltd.*	*EUR*	*155*	*155*	*155*
Mazovian Unit for the Implementation of European Union Programs (Mazowiecka Jednostka Wdrażania Programów Unijnych)					
Promissory note agreement	*Co-financing agreement no. RPMA.02.03.00-14-012/09 RPO MV 2007-2013 Task 2.3*	*PLN*	*-*	*-*	*1 105*
Promissory note agreement	*Co-financing agreement no. RPMA.01.05.00 -14-638/08 RPO MV 2007-2013 Task 1.5*	*PLN*	*429*	*429*	*429*
Promissory note agreement	*Co-financing agreement no. RPMA.01.05.00 -14-639/08 RPO MV 2007-2013 Task 1.5*	*PLN*	*-*	*-*	*302*
Promissory note agreement	*Co-financing agreement no. RPMA.01.07.00 -14-010/11 RPO MV 2007-2013 Task 1.7*	*PLN*	*148*	*148*	*148*
Ministry of Economy					
Promissory note agreement	*Co-financing agreement no. POIG.06.05.02-00-146/13-00*	*PLN*	*265*	*265*	*350*
Promissory note agreement	*Co-financing agreement no. POIG.06.05.02-00-148/13-00*	*PLN*	*235*	*235*	*326*
Polish Agency for Enterprise Development (Polska Agencja Rozwoju Przedsiębiorczości)					
Promissory note agreement	*Co-financing agreement no. UDA-POIG.08.02.00-14-524/13-00; POIG Task 8.2*	*PLN*	*941*	*941*	*941*
Raiffeisen Bank Polska S.A					
Guarantee of discharge of cash pool liabilities	*Cash pool agreement*	*PLN*	*15 000*	*15 000*	*15 000*
Guarantee of discharge of cash pool liabilities	*Cash pool agreement*	*USD*	*500*	*500*	*-*
Declaration of submission to enforcement	*Framework agreement concerning forward and derivative transactions*	*PLN*	*15 000*	*15 000*	*-*

(all figures quoted in PLN thousands unless otherwise specified)

SEGA Europe					
Contract of guarantee	*Guarantee of discharge of liabilities by cdp.pl Sp. z o.o.*	*GBP*	*-*	*-*	*150*
Konami Digital Entertainment B.V.					
Contract of guarantee	*Guarantee of discharge of liabilities by cdp.pl Sp. z o.o.*	*EUR*	*-*	*200*	*100*

Note 12. Changes in the structure of the Capital Group and its member entities during the reporting period

Not applicable.

Note 13. Agreements which may, in the future, result in changes in the proportion of stock ownership by shareholders and bondholders

On 16 December 2011 the Extraordinary General Meeting of Shareholders of the parent company voted to institute an incentive program for persons regarded as having a key influence on the performance of the Company. Details of this program are described elsewhere in this report. The resolution was accompanied by a conditional increase in Company capital in an amount not exceeding 1.9 million PLN which represents 2% of the current share capital of the parent company. The incentive program may result in changes in the proportion of stock ownership by shareholders.

Note 14. Fiscal settlements

Fiscal settlements and other areas of activity governed by legal regulations (such as import duties or currency exchange) may be subject to audits by administrative bodies authorized to impose high penalties and sanctions. The lack of entrenched legal regulations in Poland leads to numerous ambiguities and inconsistencies in this regard. Interpretation of existing tax law frequently varies from state organ to state organ as well as between state organs and business entities, giving rise to areas of uncertainty and conflict. These conditions increase tax risks in Poland beyond the level encountered in states with more developed fiscal systems.

Fiscal settlements may be subject to state audits within five years following the end of the period in which tax payment was remitted.

Note 15. Legal proceedings

The following legal proceedings occurred during the reporting period (the presented status is valid for the publication date of this statement):

■ Litigation in which CD PROJEKT S.A. is the plaintiff or claimant

1. CD PROJEKT S.A. (formerly Optimus S.A.) vs. State Treasury

On 15 February 2006 the Management Board of Optimus S.A. filed a complaint in the District Court for the City of Kraków, 1st Civil Department seeking monetary damages from the State Treasury in the amount of 35,650.6 thousand PLN in relation to the decision issued by the Inspector of Treasury Control on 27 December 2001 in which the VAT liabilities of the Company were estimated at 16,367.4 thousand PLN. This decision was upheld by the Trasury Chamber in Kraków on 3 April 2002, and by the Treasury Office on 21 November 2002, which applied the universal succession principle to hold the Company responsible for tax liabilities incurred by its legal predecessor. On 24 November 2003 the Supreme Administrative Court in Warsaw vacated these decisions as unlawful.

On 9 December 2008 the District Court for the City of Kraków issued an interlocutory judgment holding the Optimus claim valid in rem. This judgment concerned the validity of the Company’s claim for monetary damages. On 19 May 2009 this judgment was vacated by the Appellate Court for the City of Kraków, 1st Civil Department, which remanded the case to the District Court for further proceedings.

On 1 August 2014 the District Court for the City of Kraków issued a final judgment closing the proceedings in the court of first instance. The District Court's judgment awarded the Company 1 090.5 thousand PLN plus statutory interest for the period between 15 November 2005 and the remittance date, dismissing the lawsuit on all other counts.

On 9 October 2014 the Company filed an appeal against the District Court's judgment with regard to those sections in which the District Court dismissed the Company's claims, and also the section concerning the cost of legal proceedings associated with the case. Additionally, an appeal against the section in which the District Court affirms the Company's claims was filed by the State Treasury. The first hearing before the Appellate Court in Kraków was held on 18 March 2015. Following statements by the plenipotentiaries of each side the Court adjourned the proceedings until such time as additional testimony could be obtained from an expert witness. The next hearing has been scheduled for 2 September 2015.

2. CD PROJEKT S.A. (formerly Optimus S.A.) vs. Michał Lorenc

On 10 April 2009 Optimus S.A. filed a lawsuit in the District Court for the City of Warsaw against Mr. Michał Lorenc – its former President of the Board. The Company seeks damages in the amount of 507.3 thousand PLN for losses incurred as a result of violation of disclosure obligations associated with the Company's listing on the Warsaw Stock Exchange regarding the issuance of D series shares and purchase of Zatra S.A. stock during Mr. Michał Lorenc's tenure as President of the Management Board. This case is linked to case no. XVIII K 126/09 described below.

3. Complaint against individual interpretation of tax law

On 18 March 2014, having previously issued a written request to the Director of the Treasury Chamber in Warsaw to rectify an unlawful situation, CD PROJEKT S.A. filed a complaint in the District Administrative Court in Warsaw against an erroneous (in the Company's opinion) individual interpretation of tax law by the Director of the Treasury Chamber in Warsaw acting on behalf of the Finance Minister, concerning the time of deduction of withholding tax at source from the income tax owed by the Company. A hearing was held on 4 February 2015 and subsequently, on 18 February 2015, the District Administrative Court issued a judgment dismissing the Company's claim on the grounds that the contested interpretation does not constitute a breach of tax law. Having been notified by court of the rationale behind its decision the Company is currently preparing to file an appeal in cassation in the Supreme Administrative Court.

■ Criminal proceedings in which CD PROJEKT S.A. is recognized as the victim

Case against Michał Lorenc, Piotr Lewandowski and Michał Dębski

On 27 April 2009 the District Attorney's Office filed an indictment in the District Court for the City of Warsaw against Michał Lorenc, Piotr Lewandowski and Michał Dębski charged with violating sections 296 §1, 296 §3 and others of the Penal Code. The corresponding neutral citation number is XVIII K 126/09. The Company is acting as an auxiliary prosecutor. As of the date of preparation of this statement a number of hearings have been held, the defendants and a majority of witnesses have testified and partial testimony has been obtained from the expert witness.

In the course of the above-mentioned proceedings the Company filed a claim for total damages in the amount of 4 397 thousand PLN.

Note 16. Circumstances which may affect the Group's financial result in the future

The activity of CD PROJEKT Capital Group member companies is influenced by external factors, such as changes in micro- and macroeconomic conditions, legal reforms and fiscal regulations. In this sense CD PROJEKT is in a similar position to many other companies conducting business on domestic or international markets.

Significant factors which may affect the Group's standing in the quarter following the close of the reporting period are listed below.

■ Videogame development

In the quarter immediately following the reporting period and throughout the remainder of the current year the financial results of videogame development segment, as well as those of the Company and the entire Capital Group, will be dominated by sales of The

Witcher 3: Wild Hunt, which is scheduled for release on 19 May 2015. The market reception of CD PROJEKT RED's newest offering will also provide a foundation for future Company activities and new development projects.

■ Global digital videogame distribution

Much like the videogame development segment, the global digital videogame distribution segment will be greatly affected by the release of The Witcher 3: Wild Hunt which can be preordered on GOG.com since June 2014.

The Witcher 3: Wild Hunt will be the first brand-new triple-A videogame release to make use of the GOG Galaxy technology stack. The aim of GOG Galaxy is to enable the Compny to expand its catalogue with additional high-profile videogames and to rech new customers.

Note 17. Events following the balance sheet date

In Current Report no. 8/2015 of 6 May 2015 the Management Board of the Company disclosed that Mr. Cezary Iwański had tendered his resignation from the Supervisory Board of the Company effective on 7 May 2015.

As explained by Mr. Iwański in his statement, the resignation was due to a possible conflict of interest associated with Mr. Iwański's appointment as Chairman of the Board of BPS TFI S.A.

Warsaw, 15 May 2015

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President of the Board	Vice President of the Board	Vice President of the Board	Board Member	Board Member	Accounting Officer

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Condensed interim separate financial statement of CD PROJEKT S.A.

I. Condensed interim separate profit and loss account

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Sales revenues	**7 068**	**5 850**
Revenues from sales of products	*3 003*	*4 946*
Revenues from sales of services	*542*	*845*
Revenues from sales of goods and materials	*3 523*	*59*
Cost of products, goods and materials sold	**3 456**	**1 287**
Cost of products and services sold	*300*	*1 255*
Value of goods and materials sold	*3 156*	*32*
Gross profit (loss) from sales	**3 612**	**4 563**
Other operating revenues	*250*	*1 816*
Selling costs	*7 488*	*1 871*
General and administrative costs	*2 120*	*2 044*
Other operating expenses	*192*	*596*
Operating profit (loss)	**(5 938)**	**1 868**
Financial revenues	*93*	*543*
Financial expenses	*25*	*53*
Profit (loss) before tax	**(5 870)**	**2 358**
Income tax	*228*	*472*
Net profit (loss) from continuing operations	**(6 098)**	**1 886**
Net profit (loss) from discontinued operations	**-**	**-**
Net profit (loss)	**(6 098)**	**1 886**
Net earnings per share (in PLN)		
Basic for the reporting period	*(0.064)*	*0.020*
Diluted for the reporting period	*(0.064)*	*0.020*
Net earnings per share from continuing operations (in PLN)		
Basic for the reporting period	*(0.064)*	*0.020*
Diluted for the reporting period	*(0.064)*	*0.020*

Warsaw, 15 May 2015

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II. Condensed interim separate statement of comprehensive income

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
Net profit (loss)	**(6 098)**	**1 886**
Other comprehensive income which will be entered as profit (loss) following fulfillment of specific criteria	**-**	**-**
Exchange rate differences on valuation of foreign entities	-	-
Differences from rounding to PLN thousands	-	-
Other comprehensive income which will not be entered as profit (loss)	**-**	**-**
Total comprehensive income	**(6 098)**	**1 886**
Total comprehensive income attributable to minority interests	**-**	**-**
Total comprehensive income attributable to equity holders of parent entity	**(6 098)**	**1 886**

Warsaw, 15 May 2015

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III. Condensed interim separate statement of financial position

PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
FIXED ASSETS	**78 224**	**78 064**	**110 283**
Tangible assets	*4 411*	*4 603*	*9 041*
Intangible assets	*62 672*	*62 372*	*75 843*
Investments in affiliates	*9 855*	*9 855*	*24 828*
Other financial assets	*547*	*547*	-
Deferred income tax assets	*464*	*410*	*275*
Other fixed assets	*275*	*277*	*296*
CURRENT ASSETS	**143 506**	**130 754**	**88 882**
Inventories	*106 558*	*96 511*	*52 242*
Trade receivables	*10 583*	*5 360*	*9 510*
Current income tax receivables	*183*	-	*1 029*
Other receivables	*14 173*	*12 981*	*7 895*
Other financial assets	*2 768*	*2 745*	*908*
Prepaid expenses	*429*	*210*	*502*
Cash and cash equivalents	*8 812*	*12 947*	*16 796*
TOTAL ASSETS	**221 730**	**208 818**	**199 165**

Warsaw, 15 May 2015

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PLN thousands	31 Mar 2015	31 Dec 2014	31 Mar 2014
EQUITY	**136 346**	**142 264**	**156 361**
Share capital	*94 950*	*94 950*	*94 950*
Supplementary capital, incl. sales of shares above nominal price	*110 936*	*110 936*	*110 936*
Other reserve capital	*1 896*	*1 716*	*1 139*
Retained earnings	*(65 338)*	*(52 931)*	*(52 550)*
Financial result for the current period	*(6 098)*	*(12 407)*	*1 886*
LONG-TERM LIABILITIES	**1 672**	**2 363**	**4 601**
Other financial liabilities	*202*	*260*	*86*
Deferred income tax liabilities	*1 396*	*1 115*	*3 577*
Deferred revenues	*51*	*965*	*915*
Provisions for employee benefits and similar liabilities	*23*	*23*	*23*
SHORT-TERM LIABILITIES	**83 712**	**64 191**	**38 203**
Credits and loans	*-*	*4*	*3*
Other financial liabilities	*381*	*397*	*103*
Trade liabilities	*5 545*	*9 286*	*2 298*
Liabilities from current income tax	*-*	*497*	*-*
Other liabilities	*77 074*	*53 737*	*35 542*
Deferred revenues	*464*	*40*	*98*
Provisions for employee benefits and similar liabilities	*155*	*139*	*96*
Other provisions	*93*	*91*	*63*
TOTAL LIABILITIES	**221 730**	**208 818**	**199 165**

Warsaw, 15 May 2015

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IV. Condensed interim statement of changes in separate equity

PLN thousands	Share capital	Supplementary capital from sales of shares above nominal price	Other reserve capital	Retained earnings	Net profit (loss) for the reporting period	Total equity
01 Jan 2015 – 31 Mar 2015						
Equity as of 01 Jan 2015	**94 950**	**110 936**	**1 716**	**(65 338)**	**-**	**142 264**
Equity after adjustments	**94 950**	**110 936**	**1 716**	**(65 338)**	**-**	**142 264**
Cost of incentive program	-	-	*180*	-	-	*180*
Total comprehensive income	-	-	-	-	*(6 098)*	*(6 098)*
Equity as of 31 Mar 2015	**94 950**	**110 936**	**1 896**	**(65 338)**	**(6 098)**	**136 346**
01 Jan 2014 – 31 Dec 2014						
Equity as of 01 Jan 2014	**94 950**	**110 936**	**989**	**(52 550)**	**-**	**154 325**
Adjustments due to errors in preceding years	-	-	-	*(381)*	-	*(381)*
Equity after adjustments	**94 950**	**110 936**	**989**	**(52 931)**	**-**	**153 945**
Cost of incentive program	-	-	*727*	-	-	*727*
Total comprehensive income	-	-	-	-	*(12 407)*	*(12 407)*
Equity as of 31 Dec 2014	**94 950**	**110 936**	**1 716**	**(52 931)**	**(12 407)**	**142 264**
01 Jan 2014 – 31 Mar 2014						
Equity as of 01 Jan 2014	**94 950**	**110 936**	**989**	**(52 550)**	**-**	**154 325**
Equity after adjustments	**94 950**	**110 936**	**989**	**(52 550)**	**-**	**-**
Cost of incentive program	-	-	*150*	-	-	*150*
Total comprehensive income	-	-	-	-	*1 886*	*1 886*
Equity as of 31 Mar 2014	**94 950**	**110 936**	**1 139**	**(52 550)**	**1 886**	**156 361**

Warsaw, 15 May 2015

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V. Condensed interim separate statement of cash flows

PLN thousands	01 Jan 2015 - 31 Mar 2015	01 Jan 2014 - 31 Mar 2014
OPERATING ACTIVIES		
Net profit (loss)	**(6 098)**	**1 886**
Total adjustments:	**2 564**	**1 737**
Depreciation	*829*	*628*
Interest and profit sharing	*(36)*	*(162)*
Profit (loss) on investment activities	*(23)*	*(156)*
Change in provisions	*16*	*(34)*
Change in inventories	*(10 047)*	*(7 728)*
Change in receivables	*(5 681)*	*(11 181)*
Change in liabilities excluding credits and loans	*18 036*	*20 437*
Change in other assets and liabilities	*(710)*	*(217)*
Other adjustments	*180*	*150*
Cash flow from operating activities	**(3 534)**	**3 623**
Income tax on profit (loss) before taxation	*228*	*472*
Income tax (paid) / reimbursed	*(680)*	*-*
A. Net cash flow from operating activities	**(3 986)**	**4 095**
INVESTMENT ACTIVITIES		
Inflows	**43**	**215**
Liquidation of intangible and tangible fixed assets	*-*	*23*
Liquidation of financial assets	*-*	*29*
Other inflows from investment activities (dividends and interest)	*43*	*163*
Outflows	**937**	**9 842**
Purchases of intangible and tangible fixed assets	*467*	*9 842*
Other outflows from investment activities (incl. cash pool activities)	*470*	*-*
B. Net cash flow from investment activities	**(894)**	**(9 627)**
FINANCIAL ACTIVITIES		
Inflows	**829**	**2 366**
Credits and loans	*-*	*2*
Other inflows from financial activities	*829*	*2 364*
Outflows	**84**	**40**
Repayments of credits and loans	*4*	*-*
Payments of liabilities under financial lease agreements	*73*	*39*
Interest paid	*7*	*1*
Other outflows (incl. cash pool activities)	*-*	*-*
C. Net cash flows from financial activities	**745**	**2 326**
D. Total net cash flow	**(4 135)**	**(3 206)**
E. Change in cash and cash equivalents on balance sheet	**(4 135)**	**(3 206)**
F. Cash and cash equivalents at beginning of period	**12 947**	**20 002**
G. Cash and cash equivalents at end of period	**8 812**	**16 796**

Warsaw, 15 May 2015

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Other information concerning the separate financial statement of CD PROJEKT S.A.

Changes in write-downs and provisions reported in the condensed interim separate financial statements of CD PROJEKT S.A. for the period between 1 January and 31 March 2015 are as follows:

- 11 thousand PLN - dissolution of write-downs due to collection of receivables,
- 33 thousand PLN - creation of write-downs for past-due receivables,
- 84 thousand PLN – creation of provisions for other employee benefits,
- 68 thousand PLN – use of provisions for other employee benefits,
- 57 thousand PLN – creation of other provisions,
- 9 thousand PLN – use of other provisions,
- 48 thousand PLN – dissolution of unused other provisions.

Negative temporary differences requiring recognition of deferred tax assets

PLN thousands	31 Dec 2014	increases	reductions	31 Mar 2015
Provisions for other employee benefits	*174*	*84*	*81*	*177*
Other provisions	*92*	*57*	*57*	*92*
Revaluation of long-term receivables	*15*	*-*	*-*	*15*
Negative exchange rate differences	*210*	*260*	*210*	*260*
Provisions for lease expenses	*67*	*-*	*67*	*-*
Incentive program	*1 716*	*180*	*-*	*1 896*
Reserve and asset offsets	*(116)*	*116*	*-*	*-*
Total negative temporary differences	**2 158**	**697**	**415**	**2 440**
Tax rate (Poland)	*19%*	*19%*	*19%*	*19%*
Deferred tax assets at end of reporting period	**410**	**133**	**79**	**464**

Positive temporary differences requiring recognition of deferred tax liabilities

PLN thousands	31 Dec 2014	increases	reductions	31 Mar 2015
Positive exchange rate differences	*80*	*278*	*80*	*278*
CD PROJEKT brand name	*5 356*	*918*	*-*	*6 274*
Valuation of shares in other entitites	*475*	*-*	*-*	*475*
Other sources	*73*	*286*	*36*	*323*
Reserve and asset offsets	*(116)*	*116*	*-*	*-*
Total positive temporary differences	**5 868**	**1 598**	**116**	**7 350**
Tax rate (Poland)	*19%*	*19%*	*19%*	*19%*
Deferred tax liabilities at end of reporting period	**1 115**	**303**	**22**	**1 396**

Warsaw, 15 May 2015

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