

Current report No. 2/2014

*Report preparation date:* 7 February March 2014

*Subject:* Conclusion of agreements with Agora S.A.

*Legal basis:* Art. 56 section 1 item 2 – current and periodic reporting

*Contents:*

The Management Board of CD PROJEKT S.A., headquartered in Warsaw (03-301), Jagiellońska 74 (hereafter referred to as “the Company”) hereby announces that on 7 February 2014 a licensing contract was concluded with Agora S.A., headquartered in Warsaw (00-732), Czerska 8/10 (hereafter referred to as “Agora”) concerning The Witcher 3: Wild Hunt (hereafter referred to as “the Game”).

According to the contract the Company grants Agora a license to use the Polish language release of the Game for the PC, Microsoft Xbox One and Sony PlayStation 4 insofar as it is necessary to ensure distribution of the boxed and digital versions of the Game throughout the Republic of Poland. The contract broadly specifies how the Game should be distributed, including a provision for sublicensing distribution rights to cdp.pl z o.o. (hereafter referred to as “cdp.pl”), and contains provisions governing the Game’s promotional campaign.

The Company’s compensation due to the license grant will be estimated on the basis of Agora’s net revenues less the agreed-upon distribution fees and promotional expenses. Financial obligations will be settled on a quarterly basis, according to sales reports prepared by cdp.pl.

In addition to the above, a separate distribution contract was concluded between Agora and cdp.pl, which is a subsidiary of CD PROJEKT S.A., concerning an exclusive sublicense grant to cdp.pl insofar as it is necessary to ensure distribution of the Game within the Republic of Poland by cdp.pl. The sublicensing agreement broadly specifies the manner in which boxed and digital releases of the Game should be distributed for the PC, Microsoft Xbox One and Sony PlayStation 4.

Agora’s compensation due to the sublicense grant will be estimated on the basis of cdp.pl revenues attributable to distribution of the Game in each of its distribution channels.

Both contract will remain in force throughout an 18-month period following the Game’s initial release.

As collateral for financial liabilities associated with the above mentioned contracts, the Company issued a blank promissory note and filed a notarized declaration of submission to enforcement.

In the Management Board’s opinion both contracts, which are substantially similar to other agreements previously concluded with Agora and concerning distribution of “The Witcher 2: Assassins of Kings” within Poland, position Agora as a co-distributor of the Game and should result in a marked improvement in the effectiveness of the Game’s promotional campaign, contributing to its ultimate market success.

The above contracts are deemed significant as the aggregate value of the associated cash flows between the Company, its subsidiaries and Agora over a 12-month period exceeds 10% of the Company’s equity.

*Disclaimer:*

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