

Current report No. 14/2014

Subject: Purchase of shares in association with share capital increase of a subsidiary

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

The Management Board of CD PROJEKT S.A., headquartered in Warsaw (further referred to as the Issuer) hereby announces that, as a consequence of a resolution adopted on 3 September 2014 by the Extraordinary General Meeting of Shareholders of its subsidiary CD PROJEKT Brands S.A. (further referred to as CD PROJEKT Brands), on 4 October 2014 the Issuer acquired 100,000 Series B registered shares of this subsidiary with a nominal value of 1 PLN and an issue price of 176 PLN per share, for a total of 17,600,000 PLN (seventeen million six hundred thousand PLN). The shares were paid for in cash remitted from the Issuer's own funds.

This closed subscription addressed to the sole shareholder of CD PROJEKT Brands was associated with an increase in the subsidiary's share capital in order to permit CD PROJEKT Brands to purchase the rights to "The Witcher" trademark from the Issuer, with a view towards optimizing trademark management processes at the CD PROJEKT Capital Group.

The Issuer holds 100% of CD PROJEKT Brands shares. All members of the management and supervisory bodies of the subsidiary hold parallel positions in the management and supervisory bodies of the Issuer.

Prior to the share capital increase the share capital of CD PROJEKT Brands was 100,000 PLN (one hundred thousand PLN) divided into 100,000 Series A registered shares with a nominal value of 1 PLN per share. Once the capital increase is processed by the National Court Register, the share capital of the subsidiary will equal 200,000 thousand PLN (two hundred thousand PLN). The difference between the issue price and nominal value of Series B registered shares will be added to the subsidiary's capital reserve.

This purchase of securities is regarded as significant as its value exceeds 10% of the Issuer's equity.

Disclaimer:

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