



CD PROJEKT GROUP FIRST HALF OF 2015

ADAM KICIŃSKI

President, Joint CEO

PIOTR NIELUBOWICZ

Member of the Board, CFO

ADAM BADOWSKI

Member of the Board, Studio Head



AGENDA

The Witcher 3
in numbers

Recipe for
success

GOG
Galaxy

Financial
highlights

What's
coming up?

Q&A



THE
WITCHER®
WILD HUNT



306

MILLION PLN

**THE WITCHER 3: WILD HUNT
DEVELOPMENT BUDGET**

SCOPE OF THE PROJECT

3.5 YEARS OF WORK

BY A PROFESSIONAL TEAM



SCOPE OF THE PROJECT

CD PROJEKT RED TEAM:

MORE THAN 240

PEOPLE

**REPRESENTING 18
NATIONALITIES**



SCOPE OF THE PROJECT

**OVER
1 500 PEOPLE**

**INVOLVED IN
DEVELOPMENT WORK**



SCOPE OF THE PROJECT

15 LANGUAGE VERSIONS

INCLUDING 7 FULLY DUBBED
RELEASES



SCOPE OF THE PROJECT

500 VOICE ACTORS

LENDING THEIR VOICES TO GAME
CHARACTERS

ACROSS ALL OF THE GAME'S
LOCALIZATIONS



SCOPE OF THE PROJECT

40 MARKETING

CAMPAIGNS

**COVERING KEY LOCAL
MARKETS**



A promotional image for The Witcher 3: Wild Hunt featuring Geralt of Rivia. He is shown from the chest up, wearing his iconic silver armor and having his white hair in a ponytail. He has a serious expression and is holding a sword. The background is a misty, rocky landscape. Overlaid on the image is large red text and smaller black text.

6 MLN

MILLION COPIES

SOLD IN 6 WEEKS

A background image of Geralt of Rivia, the main character from The Witcher 3: Wild Hunt. He is shown from the chest up, wearing his iconic silver armor and having his white hair in a ponytail. He is holding a sword in his right hand and a crossbow in his left. The background is a bright, hazy landscape with some floating debris.

236

MILLION PLN

**NET PROFIT
OF THE CD PROJEKT GROUP IN H1 2015**

RECIPE FOR SUCCESS



RECIPE FOR SUCCESS

- ▶ clear game vision
- ▶ smart promotional activities
- ▶ global self-publishing

RECIPE FOR SUCCESS

- ▶ a genre which suits us
- ▶ precise positioning – what kind of game are we making and who represents our target audience?
- ▶ open and honest communication with players
- ▶ challenging and clearly defined QA objectives



USER
RATING

9.2
/10





91
/100





92
/100





94
/100



SMART PROMOTIONAL ACTIVITIES

- ▶ cohesive vision of the game itself and the way we describe it
- ▶ well thought-out hype management
- ▶ local PR activities in key territories
- ▶ marketing campaigns reflecting the specific features of key local markets

GLOBAL SELF-PUBLISHING

- ▶ focus on key territories without neglecting smaller markets
- ▶ maximizing distribution reach
- ▶ direct collaboration with all digital distributors
- ▶ own digital distribution platform
- ▶ full control over the publishing process



GALAXY

GOG.COM

**DRM-free online store,
built to offer classic and indie games**

Users can access the store, their personal accounts and game shelves using a web browser

GOG GALAXY

**DRM-free online platform,
built to support new games**

Users can access the store, their personal accounts and game shelves using the GOG Galaxy client

Online multiplayer technology & infrastructure

Gameplay features (achievements, leaderboards)

Social features (friends, game invites)

Tools of game developers (SDK) to implement multiplayer, gameplay and social features

A background image of Geralt of Rivia from The Witcher 3. He is shown from the chest up, wearing his signature armor and having his white hair in a ponytail. He has a serious expression and is holding a sword. The background is a misty, rocky landscape. Overlaid on this image is the text '1 MILLION ACTIVATIONS OF THE WITCHER 3' in a large, bold, purple font.

1 MILLION ACTIVATIONS OF THE WITCHER 3

PC VERSION ON GOG

FINANCIAL HIGHLIGHTS

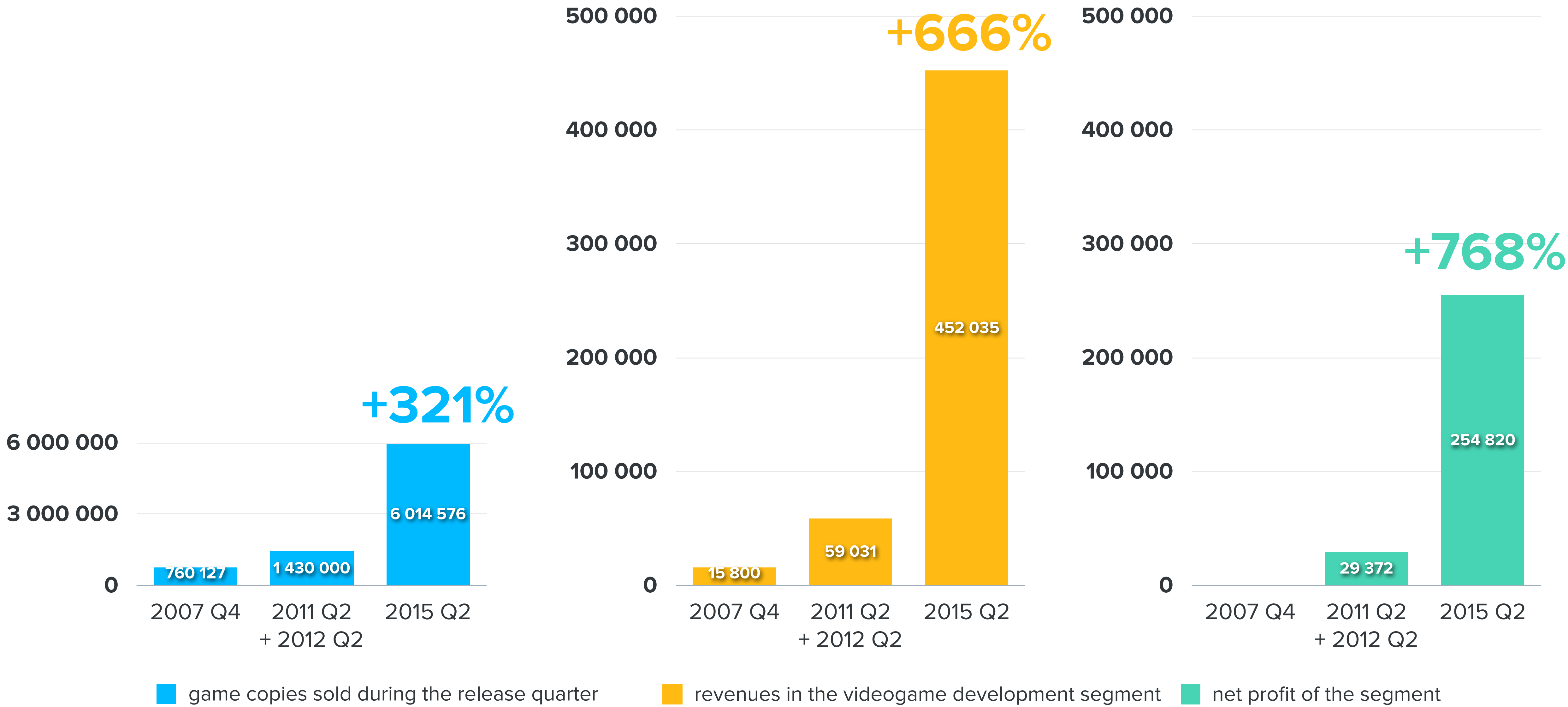


CD PROJEKT GROUP - PROFIT & LOSS ACCOUNT

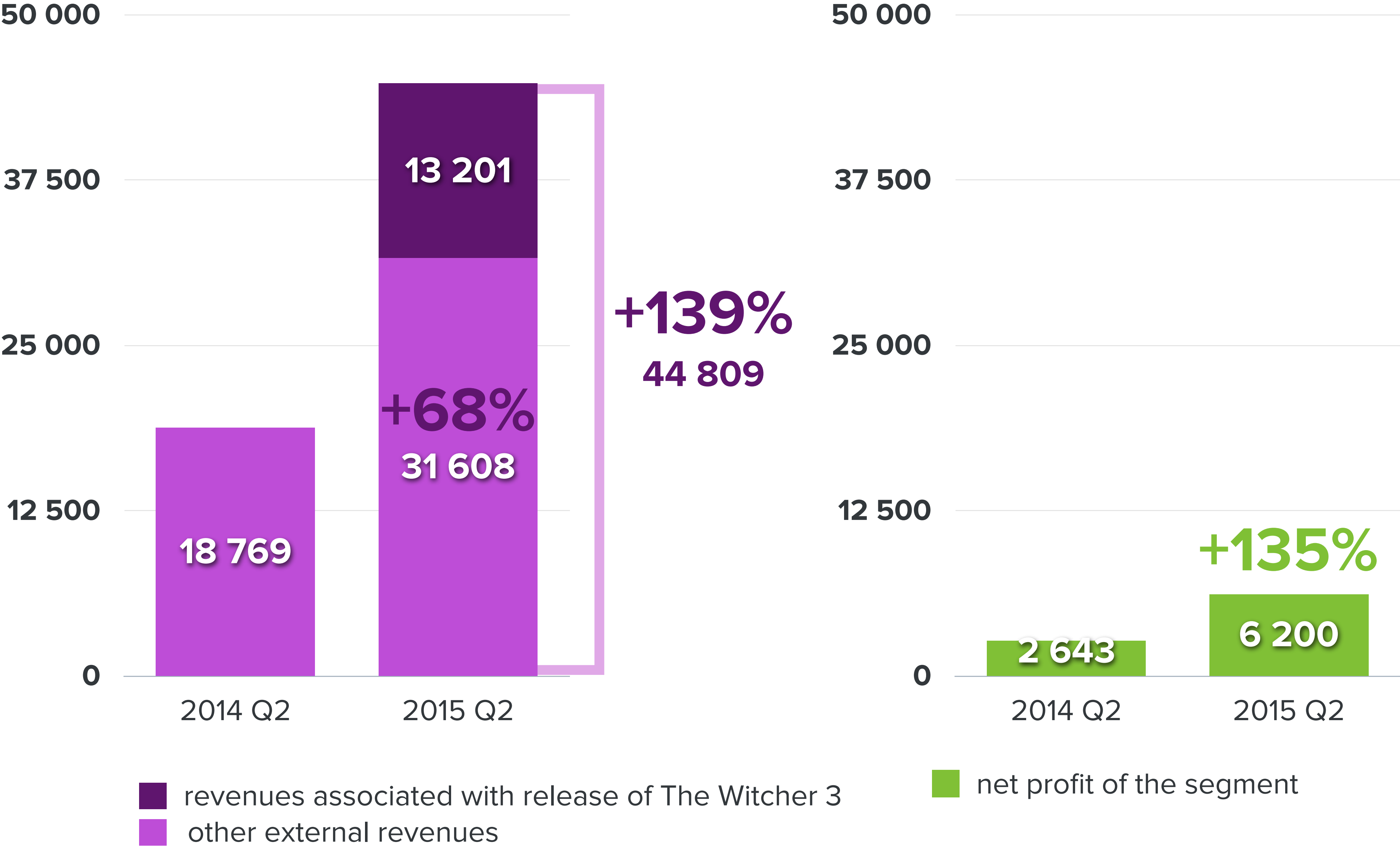
	2014 H1	2015 H1
Sales revenues	74 588	512 635
Revenues from sales of products and services	15 679	409 174
Revenues from sales of goods and materials	58 909	103 461
Cost of products, goods and materials sold	49 721	132 695
Cost of products and services sold	5 289	63 511
Value of goods and materials sold	44 432	69 184
Gross profit from sales	24 867	379 940
Selling costs	15 963	27 111
General and administrative costs	6 818	38 494
Other operating expenses (revenues)	(2 987)	25 788
Operating profit	5 073	288 547
Financial costs (revenues)	(1 281)	4 529
Profit before tax	6 354	284 018
Income tax	1 702	47 766
Net profit	4 652	236 252

*all data in thousands of PLN

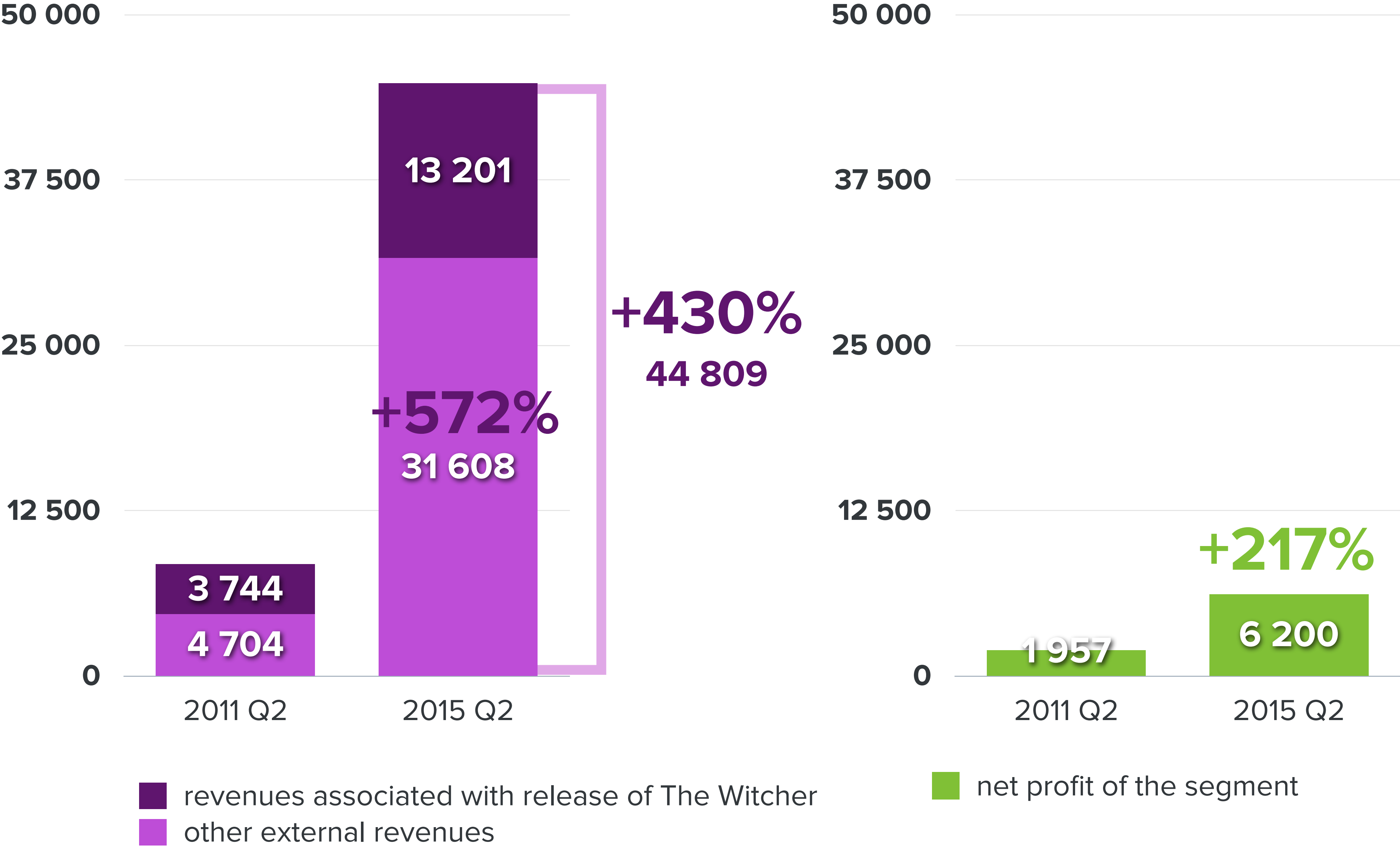
VIDEOGAME DEVELOPMENT - CD PROJEKT RED



DIGITAL DISTRIBUTION - GOG.COM



DIGITAL DISTRIBUTION - GOG.COM



CD PROJEKT GROUP - FINANCIAL STATUS

	31.12.2014	31.03.2015	30.06.2015
Fixed assets	93 254	94 930	106 670
Curent assets	155 683	169 121	460 236
Inventories	96 511	106 558	49 402
Trade receivables	6 389	14 087	223 275
Other receivables	10 989	11 170	12 058
Prepaid expenses	4 654	5 055	8 532
Cash on hand and other financial assets	37 140	32 251	166 969
Total assets	248 937	264 051	566 906

CD PROJEKT GROUP - FINANCIAL STATUS

	31.12.2014	31.03.2015	30.06.2015
Equity	168 018	164 521	405 846
Long-term liabilities	2 137	1 445	1 485
Short-term liabilities	78 782	98 085	159 575
Other financial liabilities	401	381	32 617
Trade liabilities	20 532	19 282	30 365
Current income tax liabilities	655	445	45 709
Other liabilities	51 808	71 926	20 051
Deferred revenues and other provisions	5 386	6 051	30 833
Total liabilities	248 937	264 051	566 906

CD PROJEKT GROUP - CASH FLOW

	2014H1	2015H1
Net cash flows from operating activities	7 466	134 308
Net cash flows from investment activities	4 213	(4 363)
Net cash flows from financial activities	(187)	(144)
Total net cash flows	11 492	129 801
Cash at beginning of period	39 684	34 395
Cash at end of period	51 176	164 196

WHAT'S COMING UP?



THE
WITCHER
WILD HUNT

EXPANSION PACK
HEARTS OF STONE

THE
WITCHER
WILD HUNT

EXPANSION PACK
BLOOD AND WINE



STRATEGY FOR THE COMING YEARS

MARCH 2016



CD PROJEKT

Q&A





THANK YOU

Contact:

KAROLINA GNAŚ

karolina.gnas@cdprojekt.com

LEGAL DISCLAIMER

This report includes forward-looking statements. Because such statements deal with future events, they are subject to various risks and uncertainties and actual results for fiscal year 2015 and beyond could differ materially from the CD PROJEKT's current expectations. Forward-looking statements are identified by words such as "anticipates", "projects", "expects", "plans", "intends", "believes", "estimates," "targets," and other similar expressions that indicate trends and future events.

Factors that could cause the CD PROJEKT's results to differ materially from those expressed in forward-looking statements include, without limitation, variation in demand and acceptance of the Company's products and services, the frequency, magnitude and timing of paper and other raw-material-price changes, general business and economic conditions beyond the Company's control, timing of the completion and integration of acquisitions, the consequences of competitive factors in the marketplace including the ability to attract and retain customers, results of continuous improvement and other cost-containment strategies, and the Company's success in attracting and retaining key personnel. The Company undertakes no obligation to revise or update forward-looking statements as a result of new information, since these statements may no longer be accurate or timely.