

CD PROJEKT wraps up 2017

The CD PROJEKT Group posted 463 million PLN in sales revenues and 200 million PLN in net profit for 2017. For the third year in a row the Group has maintained high net profitability, at 43%.

This result looks particularly satisfying against the backdrop of an ambitious comparative period, marked by the release of the widely acclaimed Blood and Wine expansion pack, as well as The Witcher 3: Game of the Year Edition – says Piotr Nielubowicz, Vice President and CFO of CD PROJEKT.

In terms of revenues, The Witcher 3: Wild Hunt again topped our sales charts. We actually sold more copies of the game in 2017 than during the preceding year. – adds Nielubowicz.

By the end of 2017 – that is, throughout the 10-year period following the release of the first game in the series – over 33 million copies of The Witcher games had been sold worldwide.

The Group's revenues, particularly in its GOG.com segment, were also affected by the online card game – GWENT. GOG.com posted its best-ever results, with 170 million PLN in sales revenues and 16 million PLN in net profit.

In 2017 the Group's interactions with the gaming community focused on GWENT as the game itself underwent scrupulous testing – first as a closed beta, and then (since May) as a public beta. By the end of the year nearly 500 cards were available to players. In 2018 GWENT will be expanded with additional thematic events, challenges and cards. In addition, a major single-player expansion – Thronebreaker – will be released. In February a new gameplay mode, called the Arena, was added.

CD PROJEKT continues to support the esports community coalescing around the Witcher-themed card game, by organizing GWENT Masters tournaments with the aim of attracting new players and keeping existing ones invested. The next GWENT Challenger event, with a prize pool of 100 thousand USD and a live webcast, will be held in April in the fabled Wieliczka Salt Mine.

In 2017 the CD PROJEKT Capital Group spent 77 million PLN on development of new games and other R&D projects. At the end of the year cumulative R&D expenses reached 142 million PLN.

In May, for the first time in its history, the Company paid out a dividend to its shareholders, in the amount of 101 million PLN. Despite this payment and the aforementioned record-breaking R&D expenditures, positive cash flows from the Group's operating activities resulted in an overall increase in the Group's cash and bank deposits balance by 50 million PLN, reaching 648 million PLN.

The full consolidated financial statement of the CD PROJEKT Capital Group can be found on the Company website at <http://www.cdprojekt.com/en/>.