



**CD PROJEKT  
CAPITAL GROUP  
FINANCIAL RESULTS  
2018**

ADAM KICIŃSKI <<PRESIDENT, JOINT CEO>>

PIOTR NIELUBOWICZ <<MEMBER OF THE BOARD, CFO>>



**2018: A SUMMARY**

# CYBERPUNK 2077



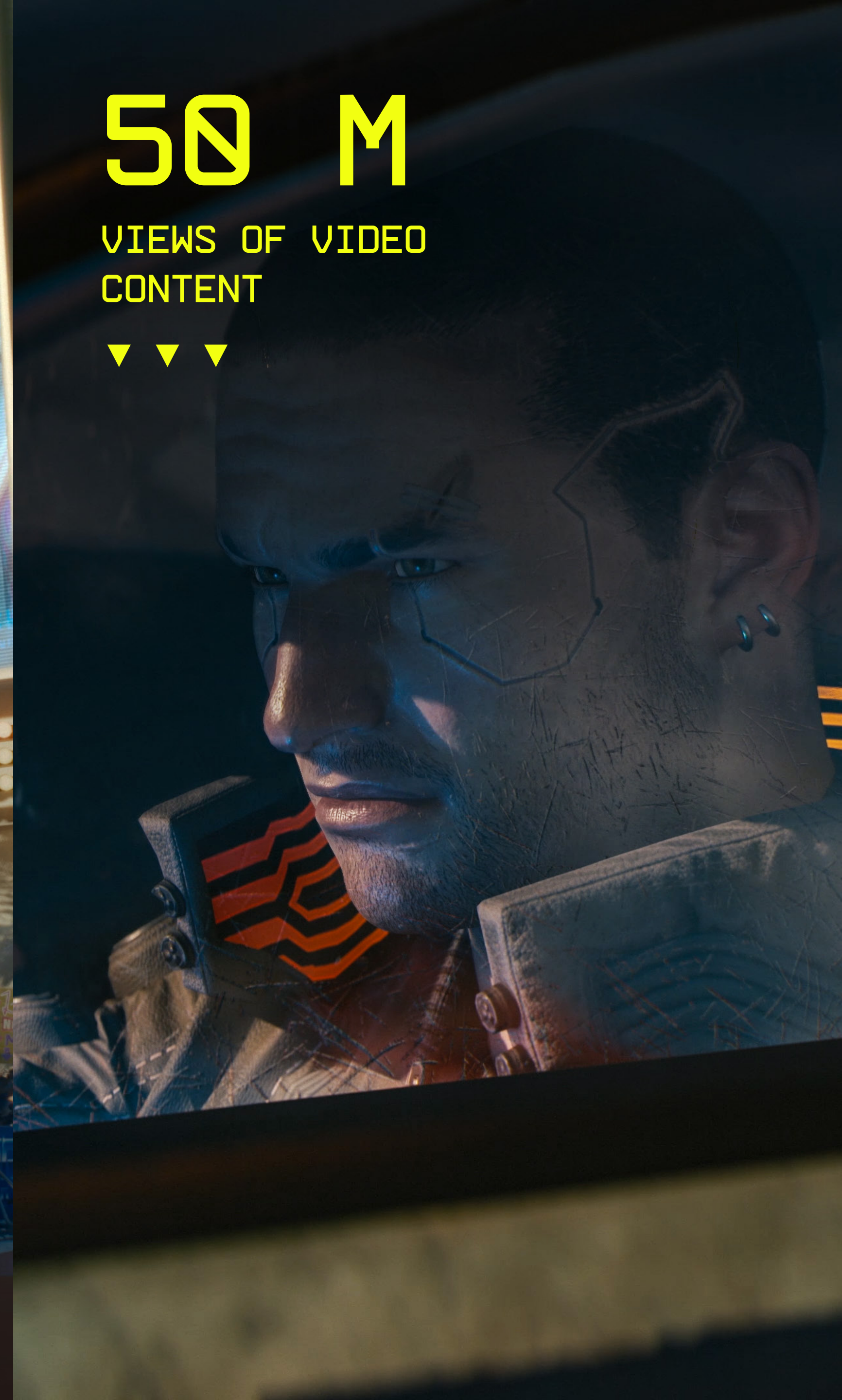
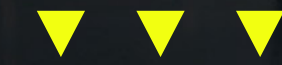
2800

VISITORS AT GAMEPLAY PRESENTATIONS



50 M

VIEWS OF VIDEO CONTENT



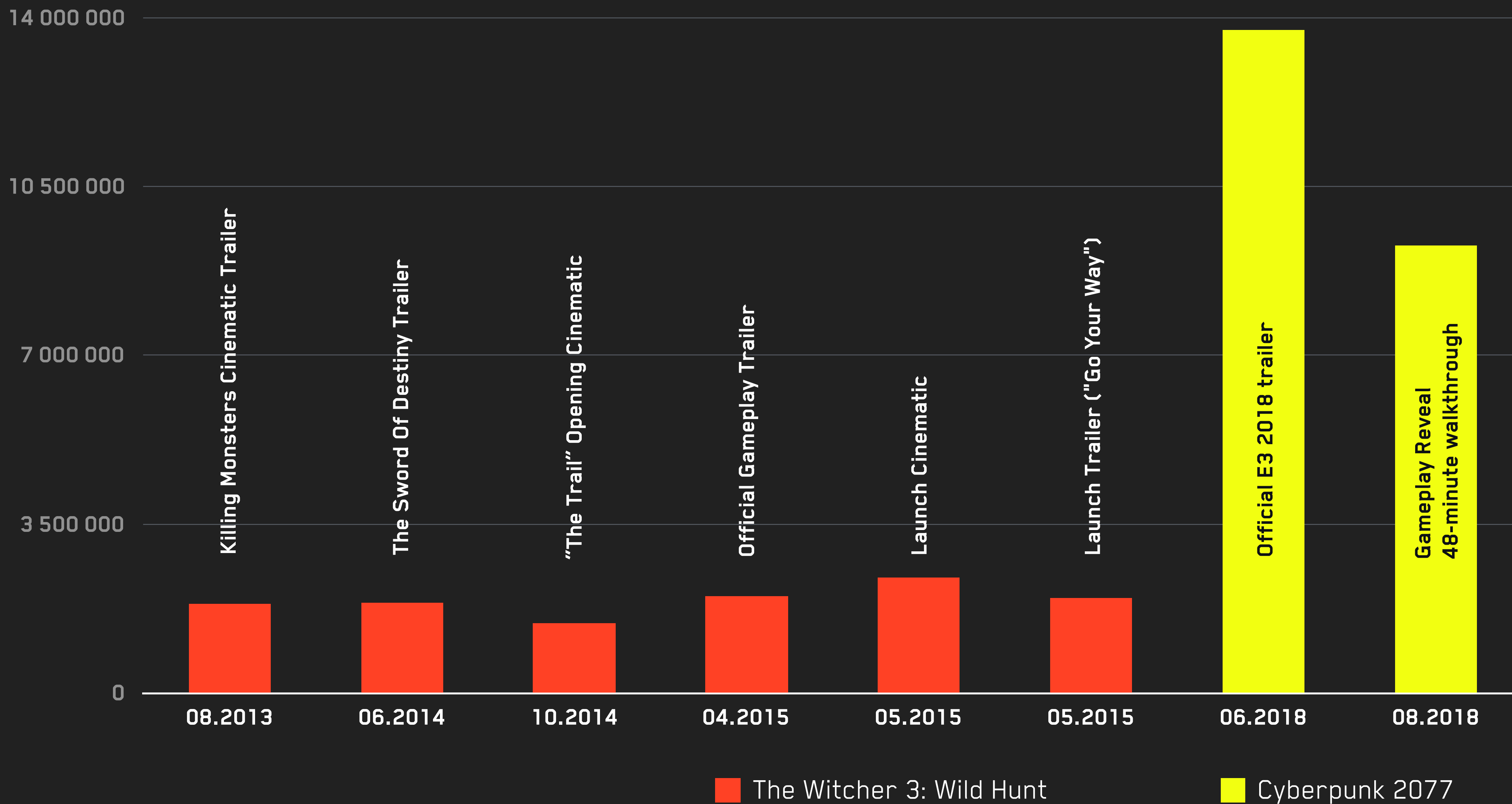
250 M

SUBSCRIBERS OF YOUTUBERS AND STREAMERS WHO PAID US A VISIT



# VIEWERSHIP OF GAME TRAILERS ON CD PROJEKT'S YOUTUBE CHANNEL

(within 28 days of release)





  
**GWENT**

THE  
WITCHER CARD GAME



# **GWENT RELEASED IN Q4 2018**

- ▶ **END OF BETA - GAMEPLAY FINALIZED**
- ▶ **TRANSITION TO GAAS MODEL**



# THRONEBREAKER

THE WITCHER® TALES



# THRONEBREAKER

## RELEASED IN Q4 2018

- ▶ 4 PLATFORMS  
(GOG, STEAM, XBOX & PLAYSTATION)
- ▶ METASCORE 85/100





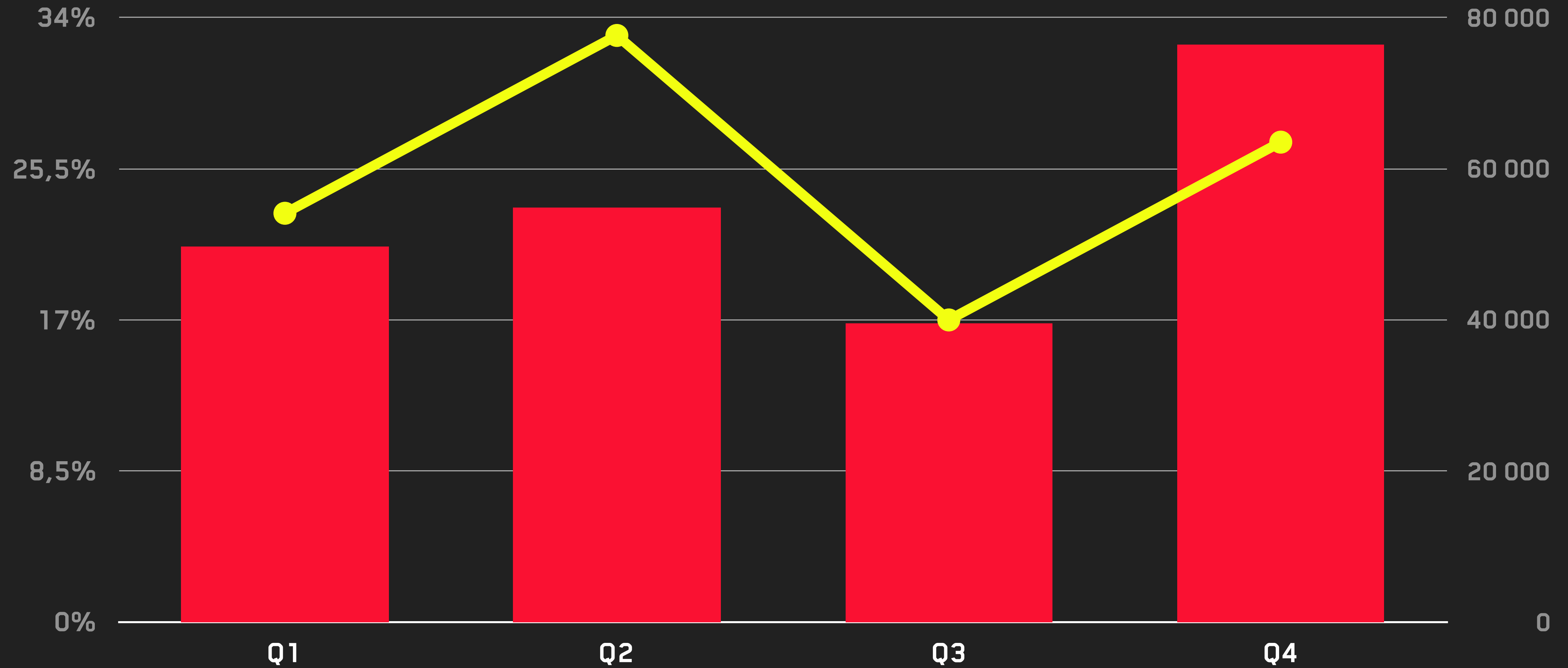
**FINANCIAL RESULTS**

# PROFIT AND LOSS ACCOUNT

|  | 2017           | 2018           | RED            | GOG           | eliminations  |
|--|----------------|----------------|----------------|---------------|---------------|
| Revenues from sales of products and services | 346 939        | 236 027        | 225 050        | 12 797        | -1 820        |
| Cost of products and services sold           | 1 273          | 12 692         | 11 132         | 2 896         | -1 336        |
| Revenues from sales of goods and materials   | 116 245        | 126 874        | 2 780          | 131 520       | -7 426        |
| Cost of goods and materials sold             | 80 901         | 93 562         | 2 620          | 95 870        | -4 928        |
| <b>Gross profit from sales</b>               | <b>381 010</b> | <b>256 647</b> | <b>214 078</b> | <b>45 551</b> | <b>-2 982</b> |
| <b>Operating costs</b>                       | <b>140 070</b> | <b>144 255</b> | <b>100 559</b> | <b>46 675</b> | <b>-2 979</b> |
| Selling costs                                | 110 673        | 107 183        | 69 750         | 40 185        | -2 752        |
| General and administrative costs             | 32 228         | 36 602         | 30 794         | 6 035         | -227          |
| Other operating revenues and costs           | -2 831         | 470            | 15             | 455           | 0             |
| <b>EBIT</b>                                  | <b>240 940</b> | <b>112 392</b> | <b>113 519</b> | <b>-1 124</b> | <b>-3</b>     |
| Financial revenues less expenses             | 6 465          | 10 641         | 10 783         | -142          | 0             |
| Income tax                                   | 47 135         | 13 699         | 14 995         | -1 296        | 0             |
| <b>Net profit</b>                            | <b>200 270</b> | <b>109 334</b> | <b>109 307</b> | <b>30</b>     | <b>-3</b>     |
| Net profitability of sales                   | 43,2%          | 30,1%          |                |               |               |

All figures in PLN thousands

# CD PROJEKT RED - REVENUES



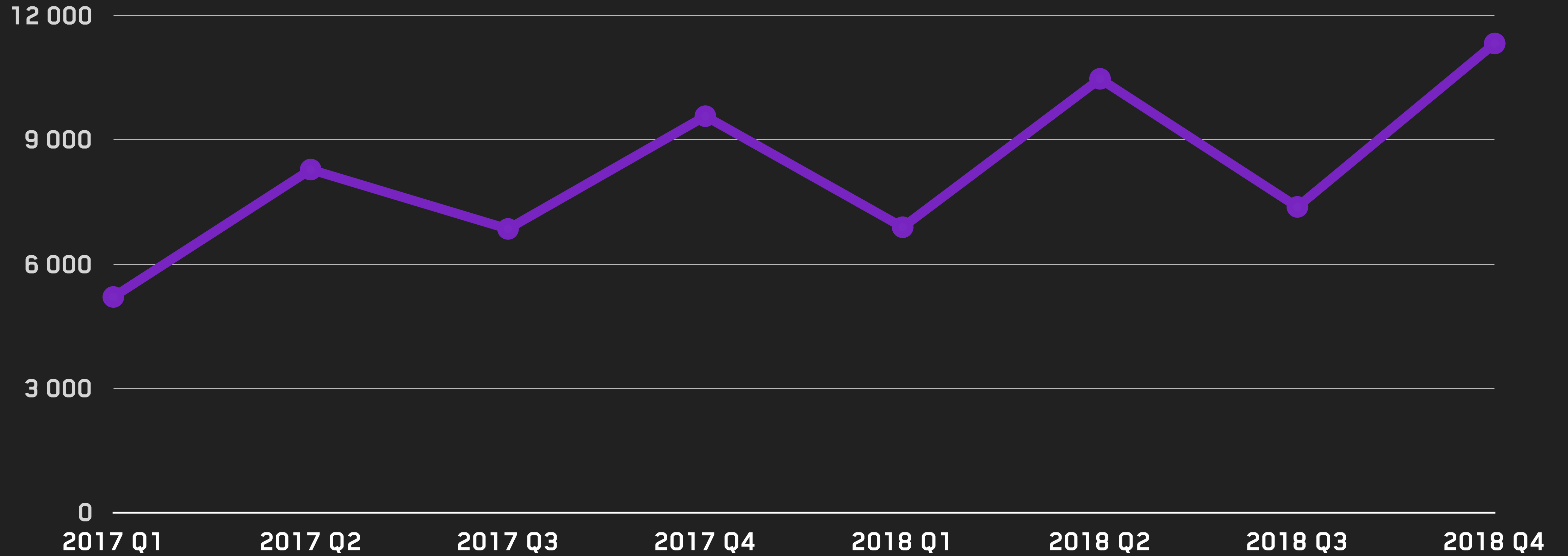
- 2017 distribution of annual revenues from sales of products
- 2018 revenues from sales of products

# PROFIT AND LOSS ACCOUNT

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All figures in PLN thousands

# GOG.COM REVENUES FROM SALES OF PRODUCTS FROM EXTERNAL SUPPLIERS (USD THOUSANDS)



# PROFIT AND LOSS ACCOUNT

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All figures in PLN thousands

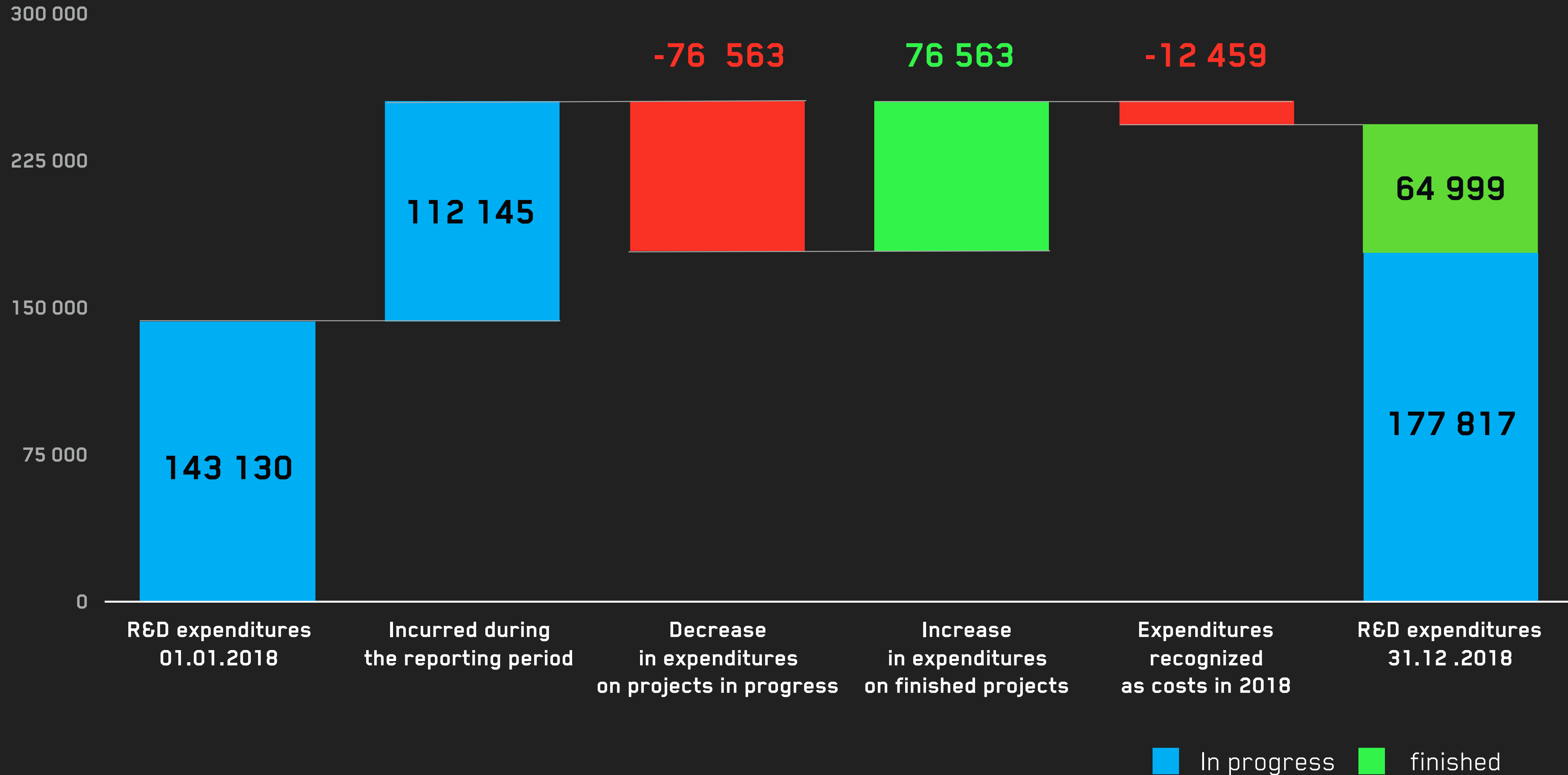
# CD PROJEKT GROUP – BALANCE SHEET

| <b>ASSETS</b>                                | <b>31.12.17</b> | <b>31.12.18</b>  | <b>change</b>  | <b>change %</b> |
|--|-----------------|------------------|----------------|-----------------|
| <b>Fixed assets</b>                          | <b>255 535</b>  | <b>388 309</b>   | <b>132 774</b> | <b>52%</b>      |
| Expenditures on development projects         | 143 130         | 242 816          | 99 686         | 70%             |
| Immovable property - Warsaw, Jagiellonska 76 | 0               | 13 031           | 13 031         | -               |
| Other fixed assets                           | 112 405         | 132 462          | 20 057         | 18%             |
| <b>Working assets</b>                        | <b>725 978</b>  | <b>738 529</b>   | <b>12 551</b>  | <b>2%</b>       |
| Trade receivables                            | 46 261          | 37 008           | -9 253         | -20%            |
| Other receivables                            | 17 582          | 19 231           | 1 649          | 9%              |
| Prepaid expenses                             | 14 296          | 21 502           | 7 206          | 50%             |
| Other working assets                         | 323             | 1 918            | 1 595          | 494%            |
| Cash and bank deposits                       | 647 516         | 658 870          | 11 354         | 2%              |
| <b>TOTAL ASSETS</b>                          | <b>981 513</b>  | <b>1 126 838</b> | <b>145 325</b> | <b>15%</b>      |
| <b>EQUITY AND LIABILITIES</b>                | <b>31.12.17</b> | <b>31.12.18</b>  | <b>change</b>  | <b>change %</b> |
| <b>Equity</b>                                | <b>882 899</b>  | <b>1 002 864</b> | <b>119 965</b> | <b>14%</b>      |
| <b>Long-term liabilities</b>                 | <b>4 130</b>    | <b>6 691</b>     | <b>2 561</b>   | <b>62%</b>      |
| <b>Short-term liabilities</b>                | <b>94 484</b>   | <b>117 283</b>   | <b>22 799</b>  | <b>24%</b>      |
| Trade liabilities                            | 37 374          | 49 914           | 12 540         | 34%             |
| Other liabilities                            | 6 770           | 40 388           | 33 618         | 497%            |
| Other provisions                             | 43 640          | 23 164           | -20 476        | -47%            |
| Other short-term liabilities                 | 6 700           | 3 817            | -2 883         | -43%            |
| <b>TOTAL EQUITY AND LIABILITIES</b>          | <b>981 513</b>  | <b>1 126 838</b> | <b>145 325</b> | <b>15%</b>      |

All figures in PLN thousands



# CD PROJEKT GROUP – CHANGES IN R&D EXPENDITURES



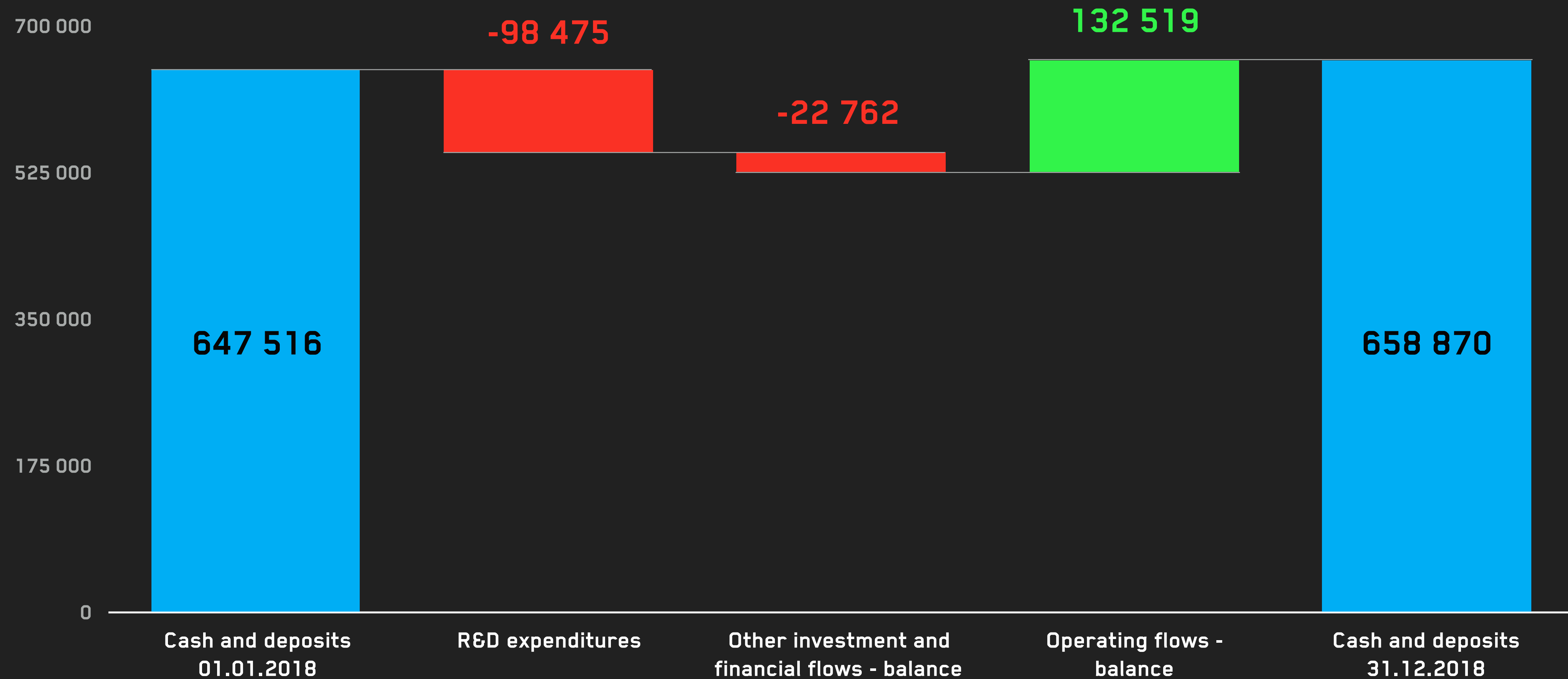
All figures in PLN thousands

# CD PROJEKT GROUP – BALANCE SHEET

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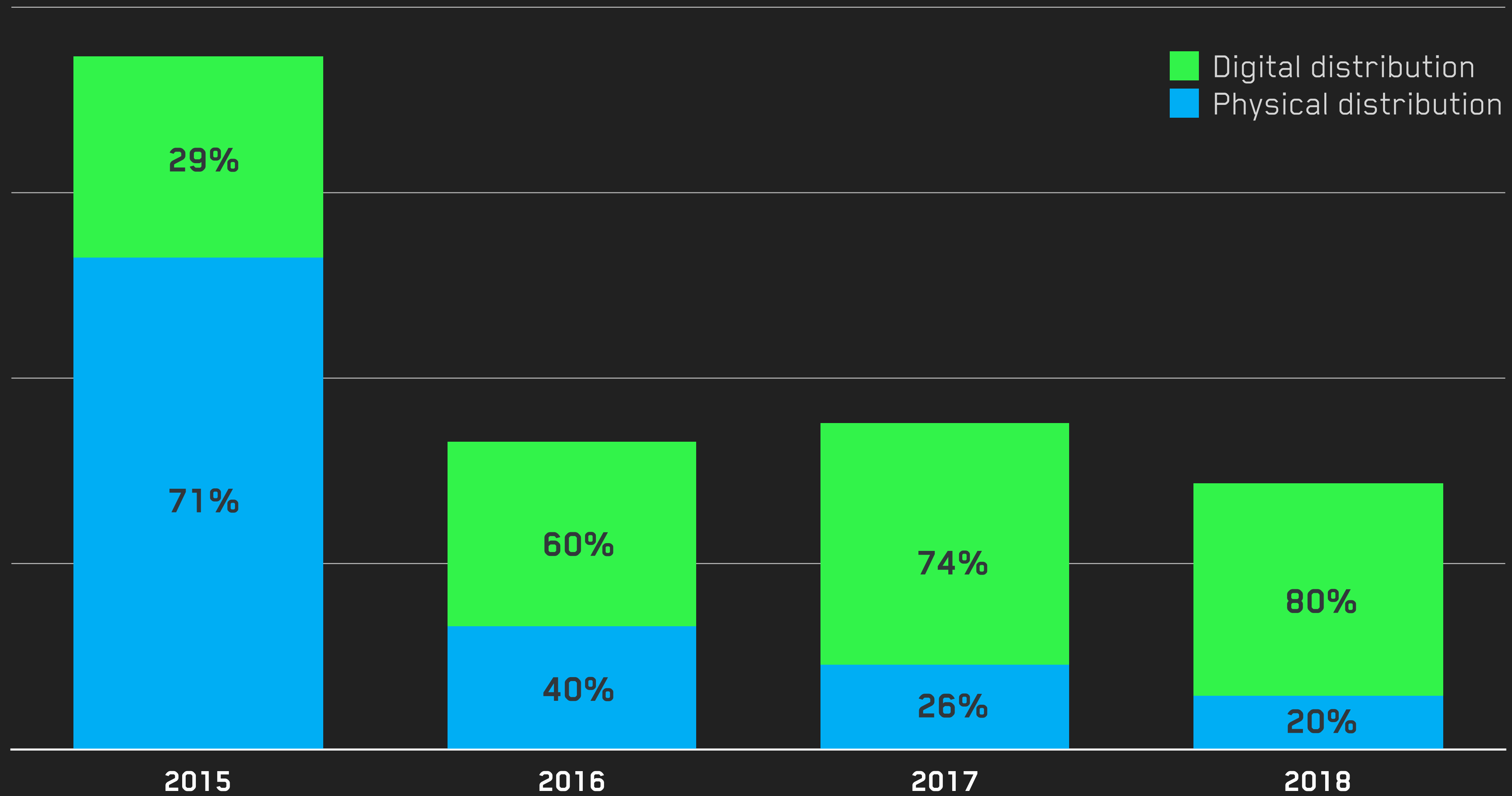
All figures in PLN thousands

# CD PROJEKT GROUP - CASH FLOWS

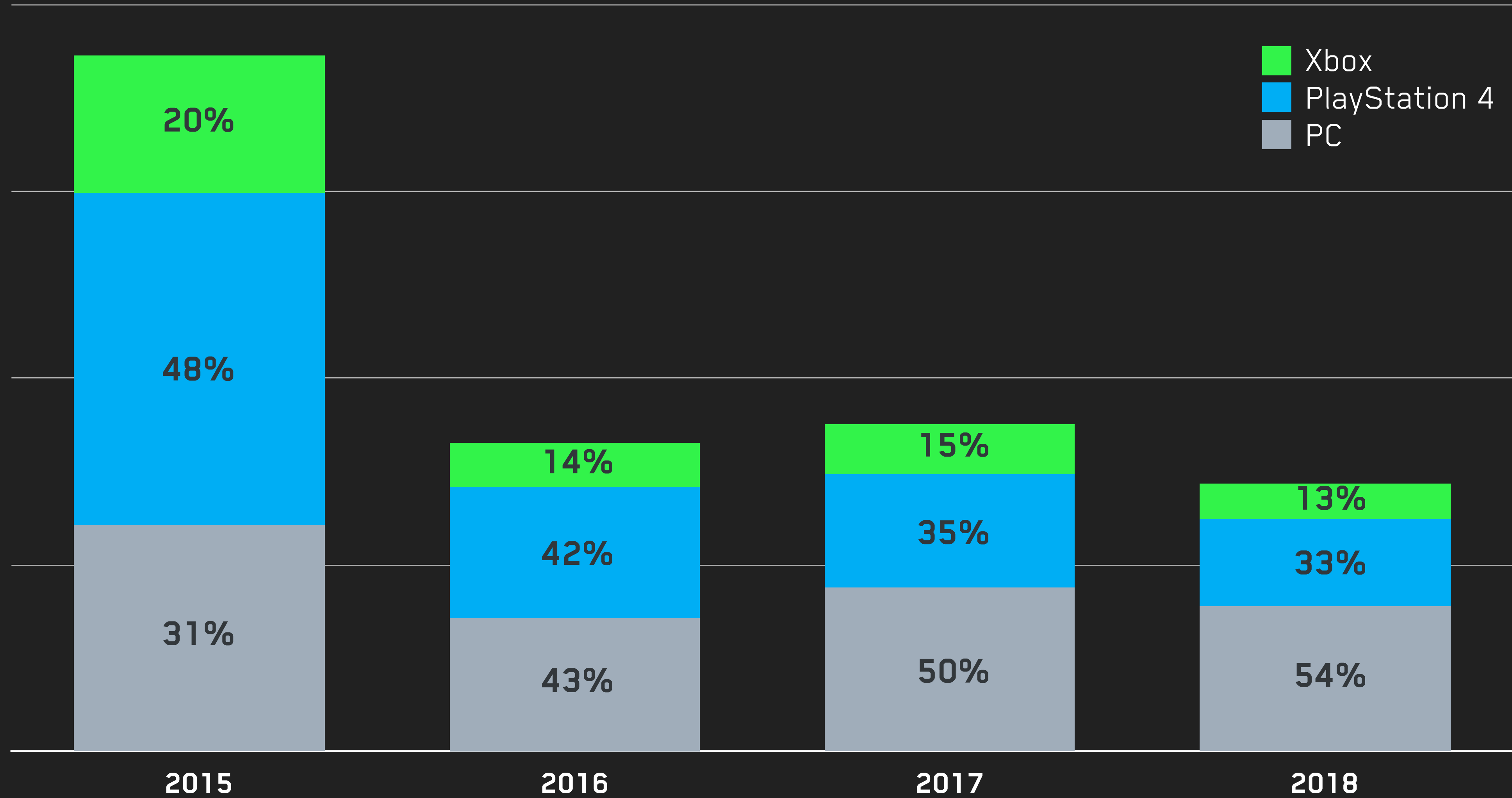


All figures in PLN thousands

# THE WITCHER 3 - UNITS SOLD BY DISTRIBUTION TYPE



# THE WITCHER 3 - UNITS SOLD BY PLATFORM





**WHAT COMES NEXT?**



# **GWENT AS A SERVICE**

- ▶ **REGULAR UPDATES AND NEW FEATURES EACH MONTH**
- ▶ **SEVERAL MAJOR EXPANSIONS EACH YEAR**



WIKI

# GWENT

CRIMSON CURSE



**TEEN**



**ESRB**

**Violence  
Blood and Gore  
Language  
Crude Humor  
Suggestive Themes  
Use of Alcohol  
Users Interact**





The image features two smartphones, one on the left and one on the right, tilted slightly. The left phone displays a male character with long brown hair and a beard, wearing a chainmail tunic and a quiver of arrows on his back. The right phone displays a female character with long blonde hair in a bun, wearing a brown leather tunic. The background is a dark green space filled with glowing particles. The text 'MOBILE GWENT' is centered in large white letters, and 'iPhone - Fall 2019' is centered below it in smaller white letters.

# MOBILE GWENT

iPhone - Fall 2019



[E3 2019]

JUNE 11 - 13 | LOS ANGELES

LOS ANGELES CONVENTION CENTER, 1201 S FIGUEROA STREET, LOS ANGELES, CALIFORNIA

Q&A



## 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 2018 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.