

CD PROJEKT GROUP RESULTS IN 1Q 2017

ADAM KICIŃSKI

President / Joint CEO

PIOTR NIELUBOWICZ

Board Member, CFO



FINANCIAL DATA



CD PROJEKT GROUP - SUMMARY OF RESULTS

	2016 Q1	2017 Q1	change %
Sales revenues	86 995	99 342	14%
Cost of products, goods and materials sold	17 014	14 823	-13%
Gross profit from sales	69 981	84 519	21%
Operating expenses less revenues	31 401	30 689	-2%
EBIT	38 580	53 830	40%
Financial revenues less expenses	1 598	3 005	88%
Gross profit	40 178	56 835	41%
Income tax	7 616	11 576	52%
Net profit	32 562	45 259	39%
Net profitability	37.4%	45.6%	

the reduction is mainly driven by the recognition of all capex for the production of W3 and expansions in earlier periods

the biggest share is that of selling costs including promotion expenses (mainly GWENT) and provisions for performance-linked remuneration

all figures are given in PLN thousands

CD PROJEKT RED - SUMMARY OF RESULTS

	2016 Q1	2017 Q1	change %
Sales revenues	68 652	75 521	10%
Cost of products, goods and materials sold	4 529	1 834	-60%
Gross profit from sales	64 123	73 687	15%
Operating expenses less revenues	25 939	21 863	-16%
EBIT	38 184	51 824	36%
Financial revenues less expenses	1 589	2 990	88%
Gross profit	39 773	54 814	38%
Income tax	7 473	11 114	49%
Net profit	32 300	43 700	35%

the reduction is mainly driven by the recognition of all capex for the production of W3 and expansions in earlier periods

the biggest share is that of selling costs including promotion expenses (mainly GWENT) and provisions for performance-linked remuneration

all figures are given in PLN thousands

GOG.COM - SUMMARY OF RESULTS

	2016 Q1	2017 Q1	change %
Sales revenues	20 114	32 871	63%
Cost of products, goods and materials sold	13 487	21 409	59%
Gross profit from sales	6 627	11 462	73%
Operating expenses less revenues	6 231	9 456	52%
EBIT	396	2 006	407%
Financial revenues less expenses	9	15	67%
Gross profit	405	2 021	399%
Income tax	143	462	223%
Net profit	262	1 559	495%

the increase of expenses was driven mainly by the costs of the GWENT project attributable to GOG Poland (as a part of consortium)

all figures are given in PLN thousands

CD PROJEKT GROUP - ASSETS AND LIABILITIES

	31.12.16	31.03.17	change
FIXED ASSETS	170 644	188 377	17 733
Expenditures on development projects	62 011	79 064	17 053
Other fixed assets	108 633	109 313	680
WORKING ASSETS	704 316	720 358	16 042
Receivables	91 934	61 185	-30 749
Cash, cash equivalents and bank deposits	597 204	646 432	49 228
Other working assets	15 178	12 741	-2 437
TOTAL ASSETS	874 960	908 735	33 775

the increase in capex was driven by the production of new games, including Cyberpunk 2077 and GWENT

the decrease in receivables was driven by the receipt of receivables for sales in Q4 2016

	31.12.16	31.03.17	change
EQUITY	776 938	823 236	46 298
LONG-TERM LIABILITIES	8 275	2 225	-6 050
SHORT-TERM LIABILITIES	89 747	83 274	-6 473
Trade liabilities	27 971	18 570	-9 401
Other liabilities	9 762	7 660	-2 102
Other provisions	45 031	52 579	7 548
Other short-term liabilities	6 983	4 465	-2 518
TOTAL LIABILITIES AND EQUITY	874 960	908 735	33 775

all figures are given in PLN thousands

CD PROJEKT GROUP - CASH FLOWS

	2016 Q1	2017 Q1
Net profit	32 562	45 259
Total adjustments	20 317	19 038
Net cash flows from operating activities	52 879	64 297
Inflows from investment activities	2 478	3 402
Development expenses	13 533	16 019
Outflows - bank deposits with maturity period beyond 3 months	0	482 277
Other investment outflows	1 263	2 157
Net cash flows from investment activities	-12 318	-497 051
Net cash flows from financial activities	679	-295
Aggregate net cash flows	41 240	-433 049
Cash at end of period	434 877	124 155
Bank deposits with maturity period beyond 3 months at end of period		522 277
AGGREGATE CASH AND BANK DEPOSITS AT END OF PERIOD	434 877	646 432
CHANGE IN CASH AND BANK DEPOSITS BALANCE IN Q1	41 240	49 228

the corrections were mainly driven by a decrease of receivables following the receipt of receivables for sales in Q4 2016

capex for development was driven by the production of new games, including Cyberpunk 2077 and GWENT

all figures are given in PLN thousands



GWENT[®]

THE WITCHER CARD GAME

 XBOX ONE

PC

 PS4

PUBLIC BETA - 24.05.2017

GWENT - PUBLIC BETA

- **New tutorial: five-hour-long player challenge to discover the secrets of the game and unlock wild cards**
- **Major promotion campaign supporting Gwent PB**
- **Animated, premium versions of more than 300 cards with a buy option**
- **Launch of PlayStation 4 version**
- **Crossplay between PC-Xbox One and PC-PlayStation 4 via GOG Galaxy**
- **Japanese language version**

GWENT - FUTURE PLANS

- > Ongoing intensive marketing support on a larger scale with next milestones**
- > Chinese edition of Gwent - entering a new, expansive market**
- > More language versions**
- > New game modes**
- > Paid single-player campaigns**
- > Further tournaments and gaming events**

Q&A SESSION



THANK YOU

IR contact:

KAROLINA GNAŚ

karolina.gnas@cdprojekt.com



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