



STARBREEZE
S T U D I O S

AGM 2015

November 12, 2015

PRESENTING TODAY



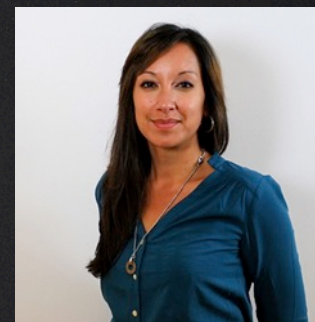
BO ANDERSSON KLINT
CEO



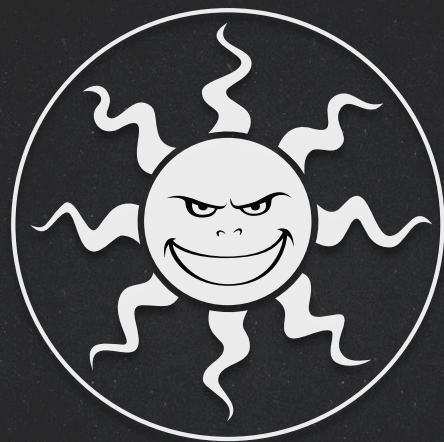
MICHAEL HJORTH
CHAIRMAN OF THE BOARD



SEBASTIAN AHLKOG
CHIEF FINANCIAL OFFICER

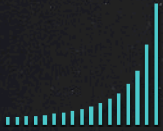


MAEVA SPONBERGS
VP OF COMMUNICATION & IR



WHO WE ARE

SNAPSHOT OF STARBREEZE



17

YEARS IN THE BUSINESS



15+

GAMES DEVELOPED



2 channels

ONLINE SALES AND RETAIL SALES



117

EMPLOYEES

PAYDAY – ACTION-PACKED BLOCKBUSTER GAME FRANCHISE



2 games

THE HEIST (2011)
PAYDAY 2 (2013)



9 million

PAYDAY UNITS SOLD



3.3 million

PAYDAY 2 COMMUNITY MEMBERS

ABOUT US

Starbreeze Studios is an independent creator, publisher and distributor of high quality entertainment products, headquartered in Stockholm, with offices in Los Angeles and Paris. Starbreeze creates games by own design and through licensed content, establishing franchises that can live and prosper outside the game itself. *We live and die by gameplay.*



GAMES

Develop games that entertain the world

Portfolio including success stories such as recent releases PAYDAY and PAYDAY 2 as well as critically acclaimed “Brothers – A Tale of Two Sons”. Exciting pipeline including OVERKILL’s The Walking Dead, based on the popular series, Storm and The Hunt to be developed and released over the coming years



PUBLISHING

Broadening the market for self publishing

Pioneering digital self-publishing, Starbreeze currently host one of the largest community groups on the digital distribution platform Steam. Taking its offering to the next level, Starbreeze has launched its own publishing business looking to help others to become best in class self-publishers



TECH

STARVR & Valhalla, next generation of virtual reality

As the entertainment landscape is transforming, virtual reality (VR) will be a key component of the industry going forward. Starbreeze, through proprietary technology within StarVR, is positioned to benefit from the growth of new content directed towards virtual reality

A GLOBAL GAME DEVELOPER

MONTREAL, PARTNERS

- BEHAVIOUR, Dead by Daylight

SAN FRANCISCO

- Engine
- VR

LOS ANGELES

- OVERKILL's The Walking Dead
- Geminose
- PR

LOS ANGELES, PARTNERS

- WEVR, John Wick VR
- GRAB, John Wick VR

PARIS

- VR
- R&D

STOCKHOLM

- HQ
- PAYDAY team

UPPSALA

- Admin & Finance

BEIJING, PARTNERS

- CMUNE, PAYDAY Mobile

ZAGREB, PARTNERS

- Lion Game Lion, RAID

OUR CREW

BO ANDERSSON KLINT
Chief Executive Officer



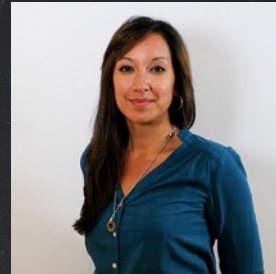
MIKAEL NERMARK
Chief Operating Officer



SEBASTIAN AHLKOG
Chief Financial Officer



MAEVA SPONBERGS
VP of Communications & IR



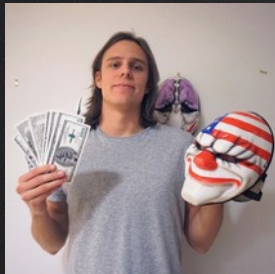
EMMANUEL MARQUEZ
Chief Technology Officer



ALMIR LISTO
Global Brand Director



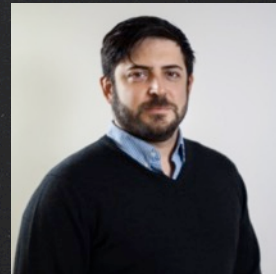
ANDREAS HÄLL
Producer



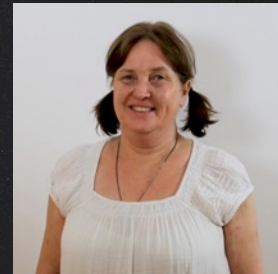
SADIR SAMIR
Producer



SAUL GASCON
Global Development Director



ANNELIE ÅSTRÖM
HR/Office Manager



OUR BOARD OF DIRECTORS

MICHAEL HJORTH
Chairman



Chairman since 2013,
director since 2007

Owner of Tre Vänner production company with several successful TV-shows in its portfolio. Board member of Indian Nation, Paradox Entertainment and Ftrack

MATIAS MYLLYRINNE
Director



Director since 2013

Head of Development at Wargaming Group, the award-winning studio behind several blockbuster games. Formerly CEO of Remedy Entertainment and advisor to the European Games Developers Conference

CHRISTOFFER SAIDAC
Director



Director since 2013

Lawyer and co-partner of the law firm Hannes Spellman. Specializes in corporate finance, financial law and stock exchange regulations. Board member of e.g. Elk Entertainment, CB Asset Management and Paradox Entertainment

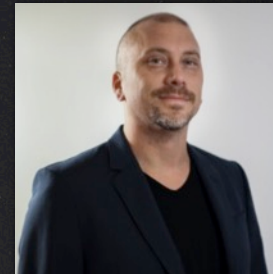
EVA REDHE RIDDERSTAD
Director



Director since 2014

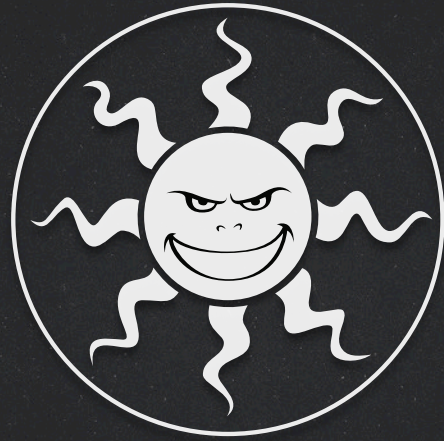
Board professional with over 25 years of experience from finance and stock exchange related matters. Board member of Spago Imaging, Ftrack, PledPharma and Probi

BO ANDERSSON KLINT
CEO



CEO since 2013, director since 2012

14 years of CEO experience from the gaming industry. Formerly CEO at OVERKILL Software, founder of Fatshark and founder and CEO of GRIN





FINANCIALS

FINANCIAL YEAR 2014/2015 VS. LAST YEAR

Overall a strong year where we invest in the future which impacts KPIs as we're taking our portfolio from 3 to 11 products

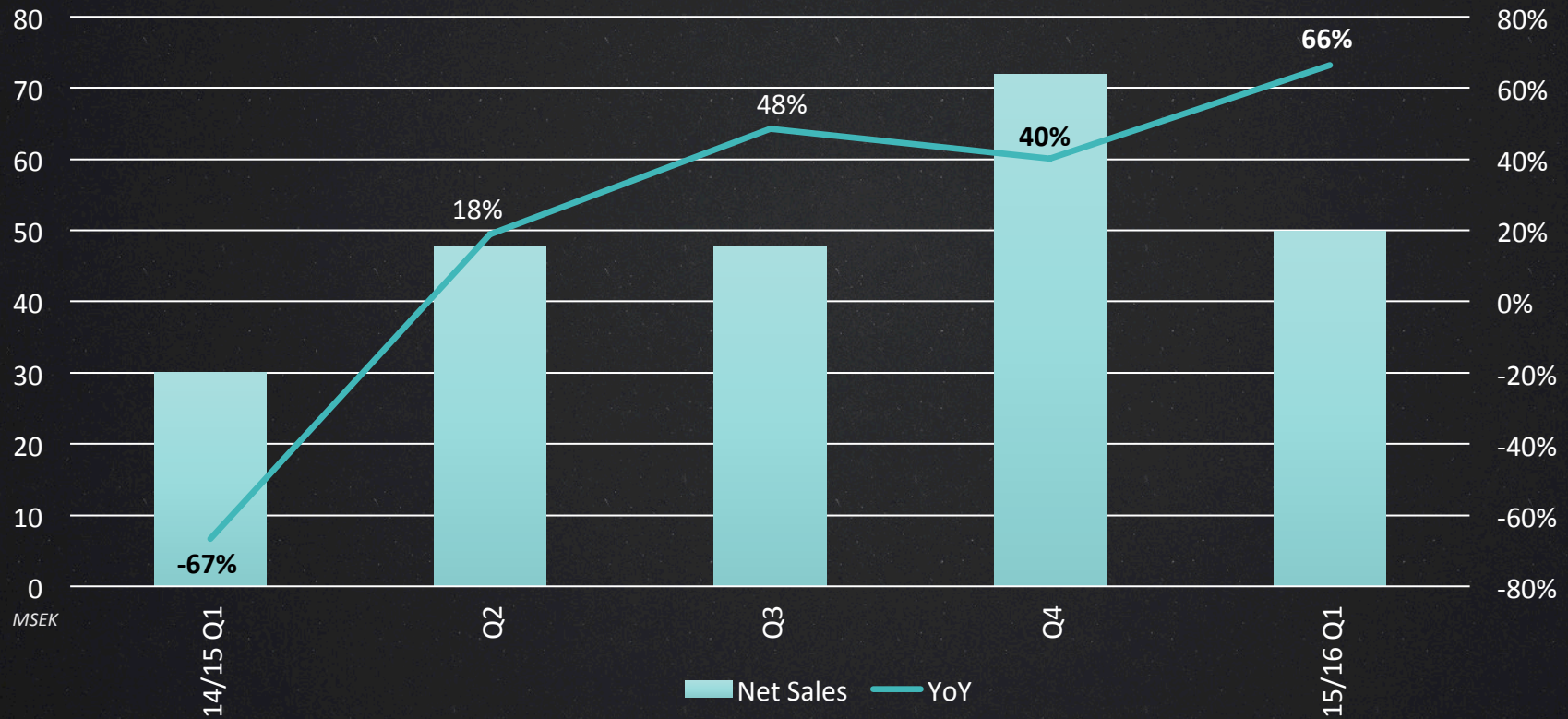
	2014/15	2013/14
Net Sales	197,3	213,8
No of employees at year end	76	46
Cash Balance MSEK	110,6	136,6
EBITDA	59,2	158,6
EBIT	46,5	142,2
EBIT MARGIN	23,5%	66,5%



2014/15	2013/14
	
10+1	3+0
10 games + VR	3 games

NET SALES PER QUARTER & YOY GROWTH

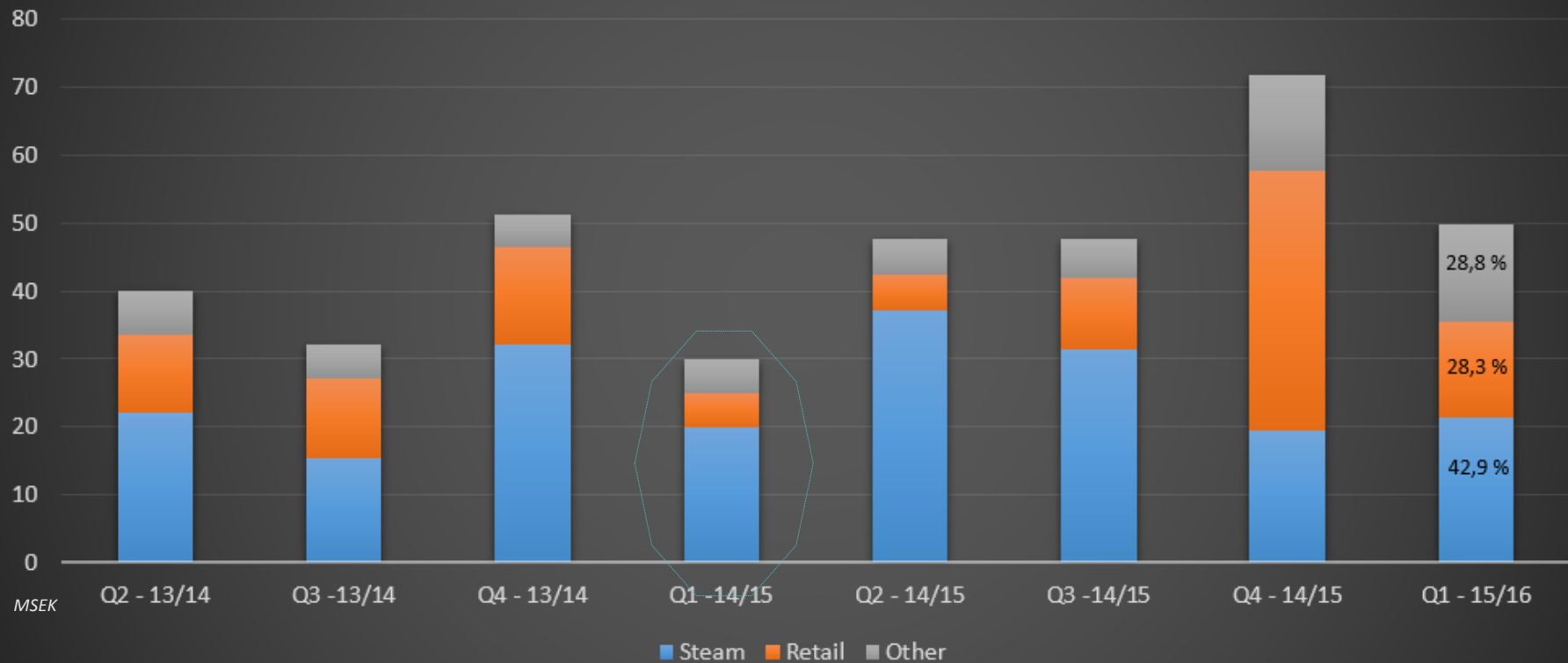
The YoY development on net sales is very satisfying reaching a 66,3 % Q1 2015/16



REVENUES BY QUARTER AND SOURCE

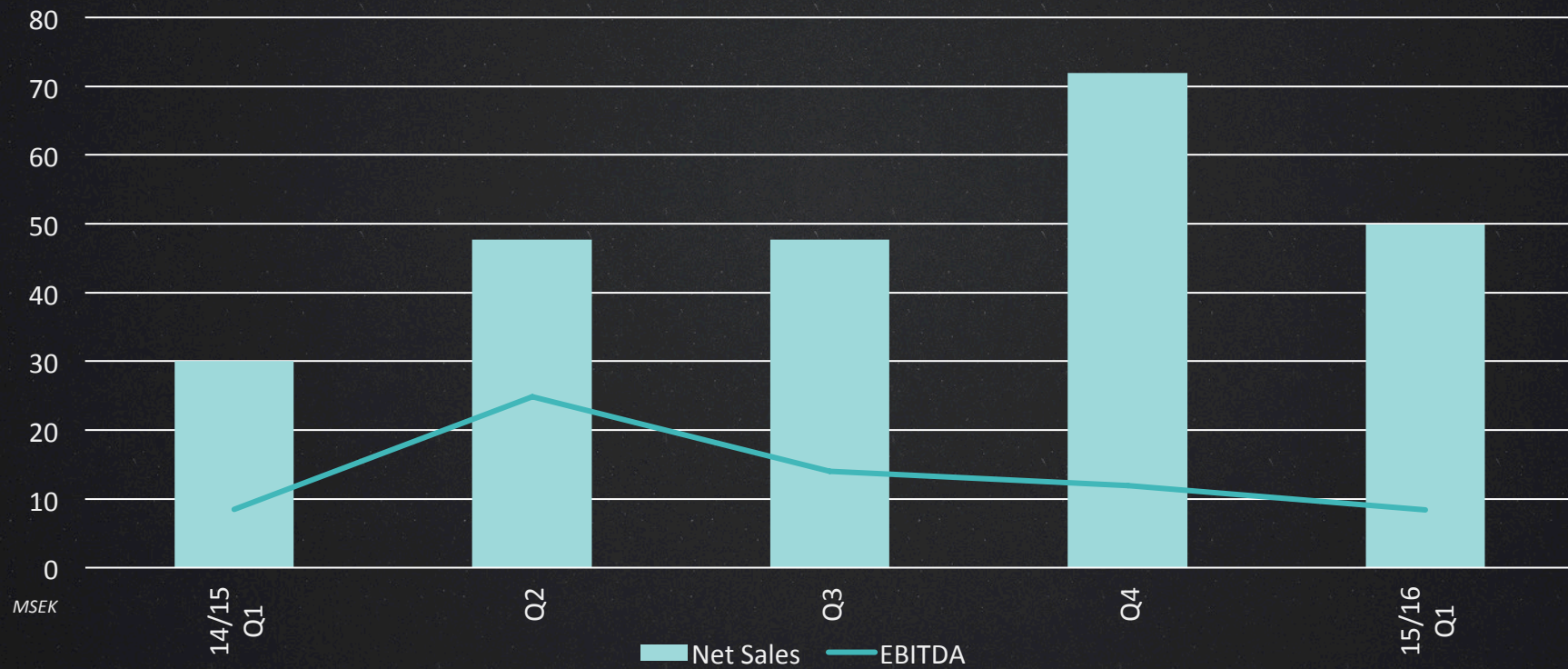
All revenues streams outperform Q1 2014/15. Crimewave (retail) sales declining after release with Q1 2015/16 more "normal" with Steam revenues dominating.

Sales by Channel (MSEK)



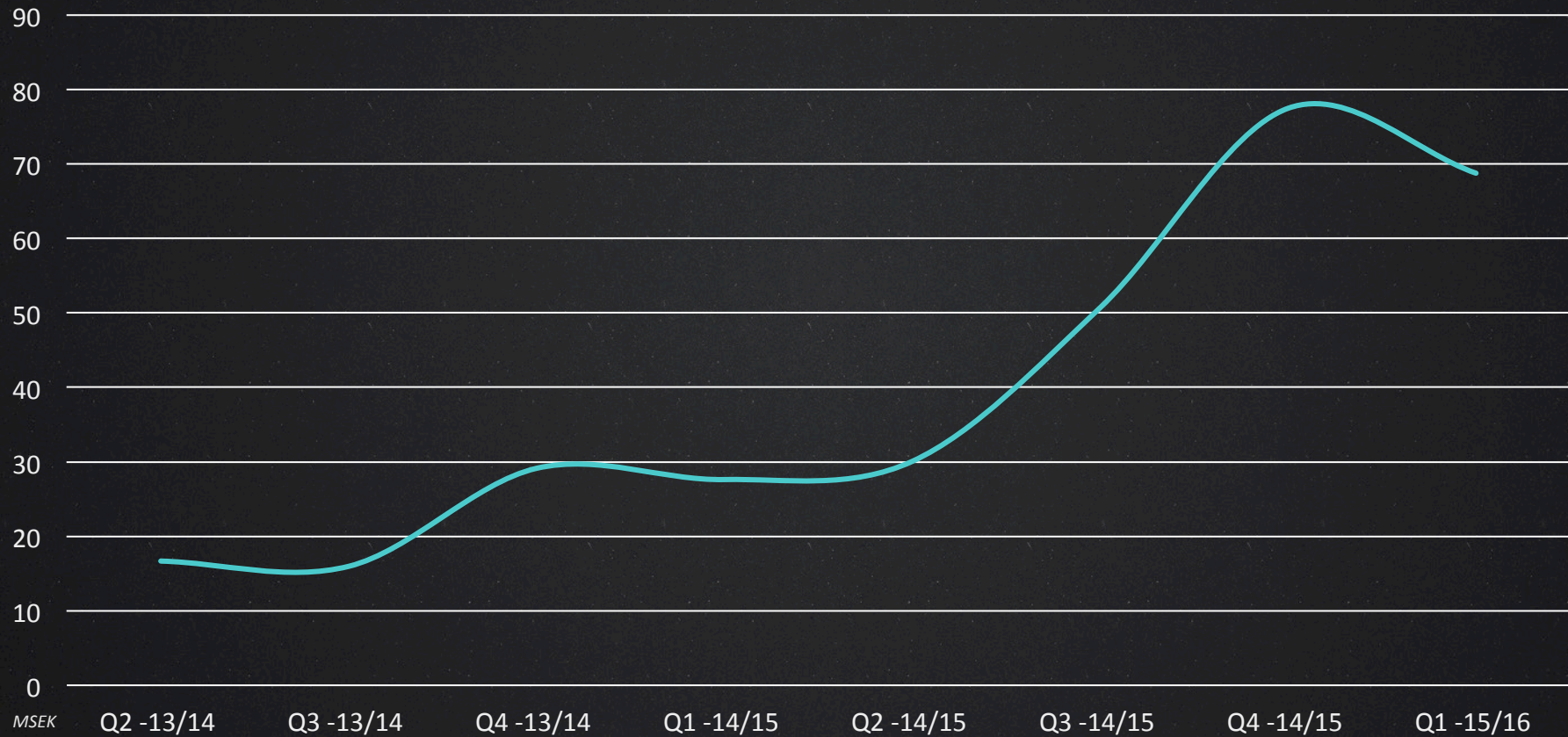
NET SALES & EBITDA

Net Sales on 49,9 MSEK and EBITDA on 8,4 MSEK. Declining trend from Q2 2014/15 due to the overall acceleration



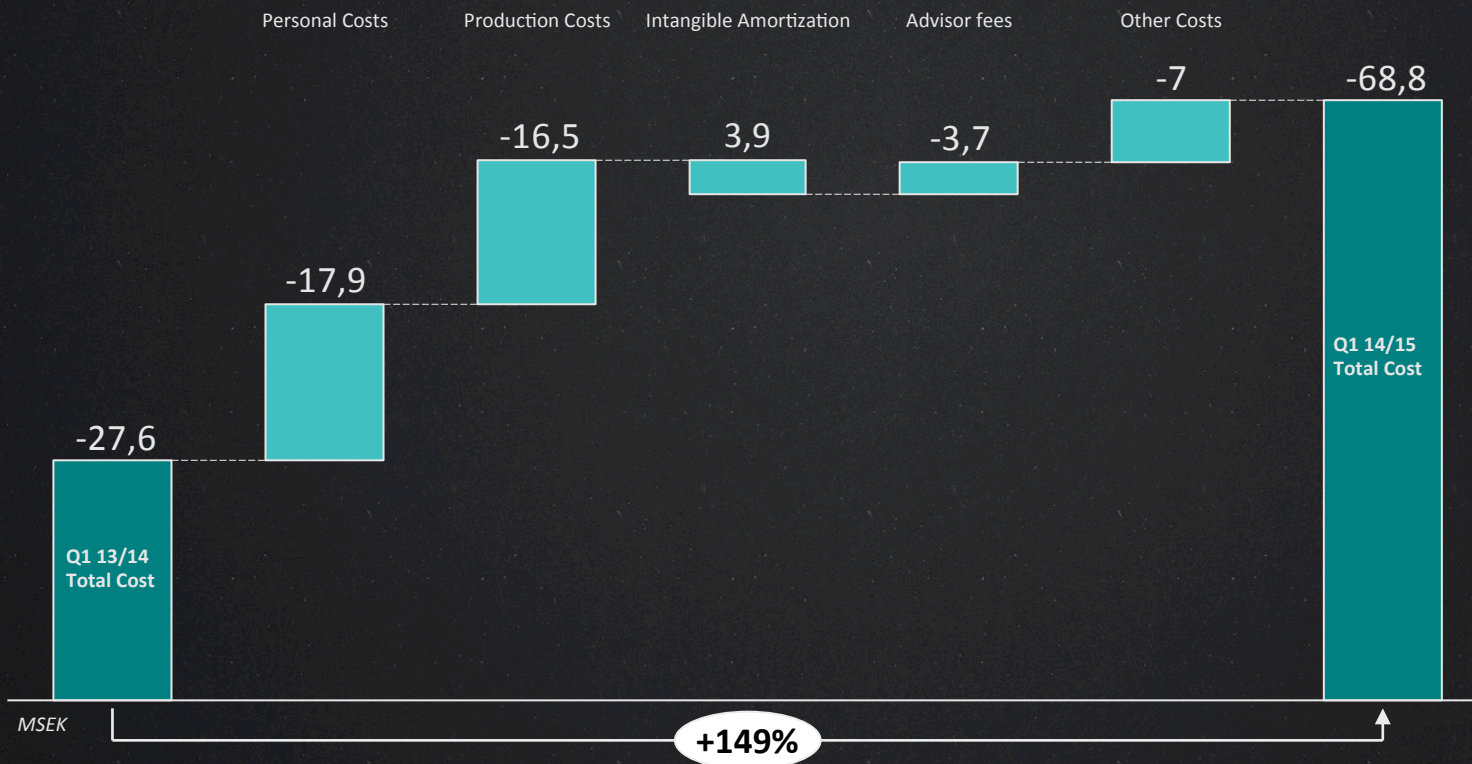
TOTAL EXPENSES BY QAUARTER

The significant expansion demands resources. The run rate has now stabilized and even decreased Q1 2015/16.



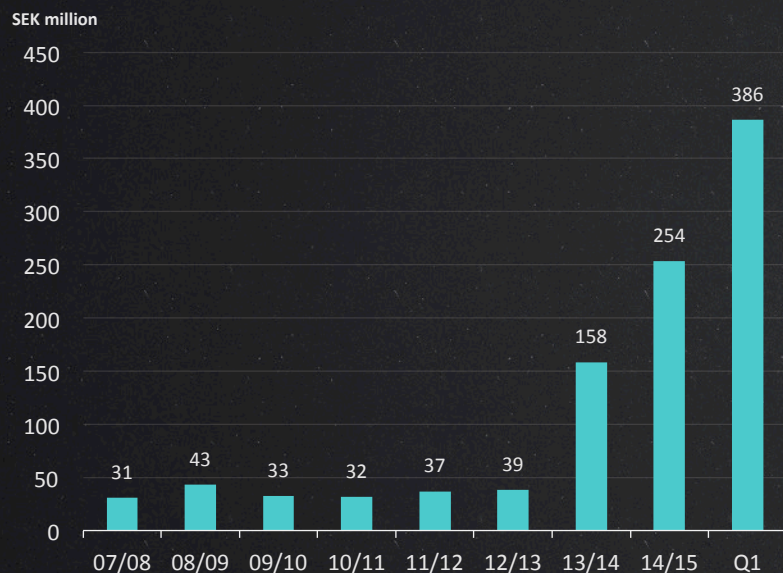
COST WALK Q1 14/15 to Q1 15/16

Personal, Office cost, consultants and advisor fees are higher due to acquisitions, acceleration and expansion of business

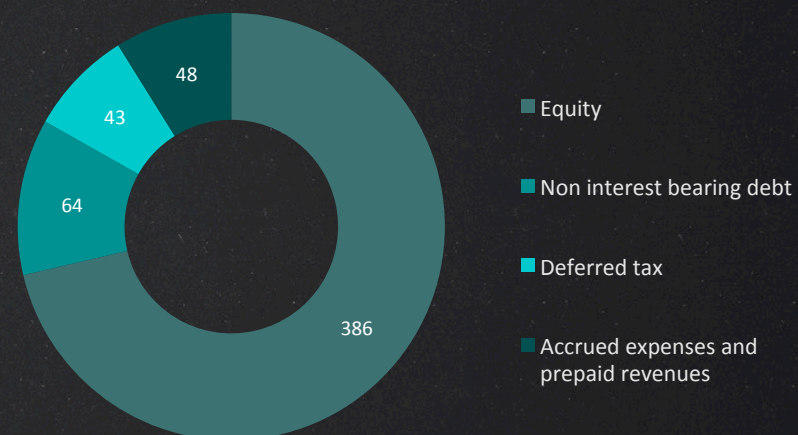


STRENGTHENED EQUITY POSITION AND IMPROVED SOLIDITY

EQUITY POSITION



FINANCING STRUCTURE (SEKm)



Solidity from 66,3 % to 71,3 % Q1 vs Q1

Q2 2015/16 OUTLOOK

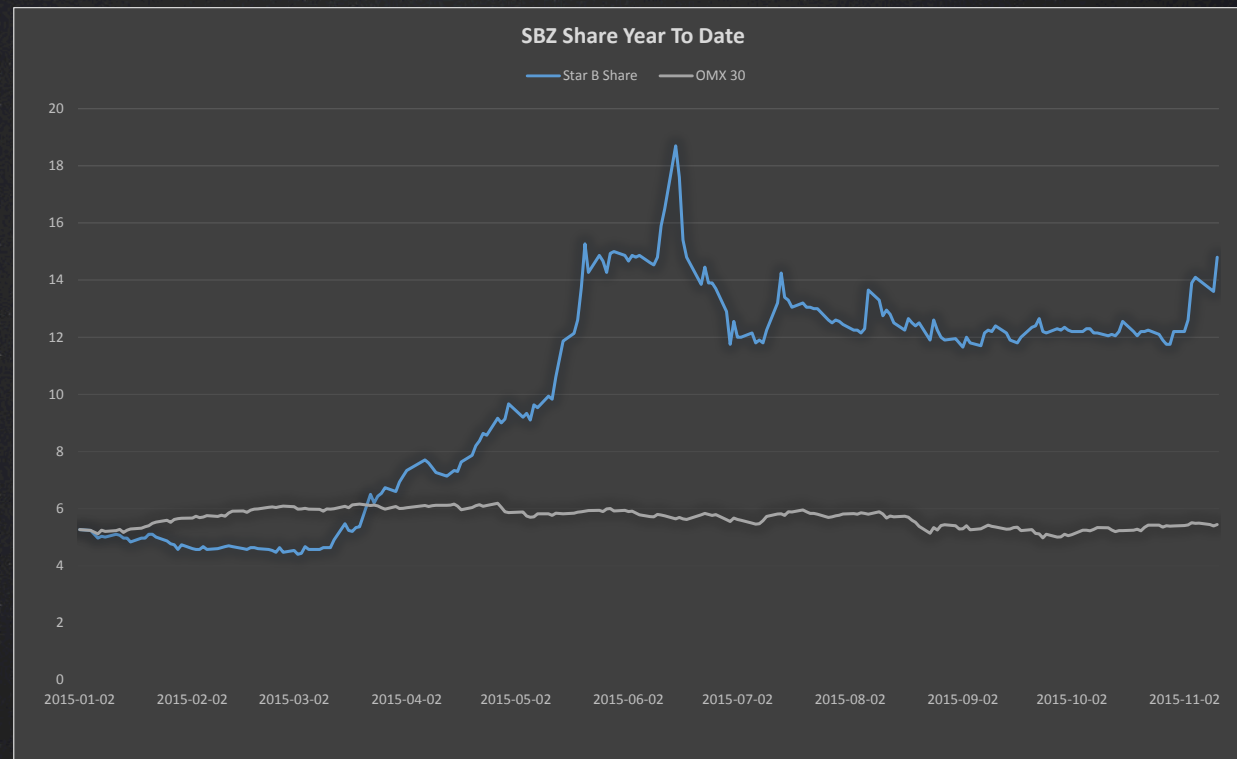
Inspiring start of Q2 2015/16

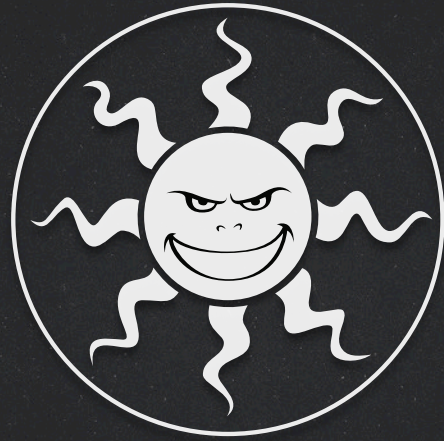
- October PAYDAY 2 contributed SEK **10,9 million** in revenue on Steam during our Crimefest month
- Strong Crimefest pulse
- Launch of Black Market - Steam Economy



STARBREEZE SHARE PRICE YEAR TO DATE

- SBZ B 181%
- “OMX” 3,26%
- A and B split 11 June this year
- Market cap 3 393 MSEK
- Long-term shareholder’s value is top of mind





STARBREEZE PRODUCTS

STARVR – STARBREEZE BET ON VR

BEST IN CLASS VR EXPERIECES

Investment made to make a stake in VR, 2ND generation premium product.

TECHNOLOGY DRIVEN EVOLUTION

Finding out what works and what dosent. Field testing our experiences and putting it into the hands of the consumers

KEY COLLABORATIONS

Finding the right partners to evolve VR into the best it can be. Tobii for eyetracking, looking for more collaborators in several diciplines of VR.

The StarVR headset is the truly immersive VR Headset with its unique 210° horizontal field of view, covering more than 75% of the entire human vision



STARVR ON THE ROAD



EXCITING PIPELINE SUPPORTED BY STRONG TRACK RECORD

OWN DEVELOPMENT



The Darkness



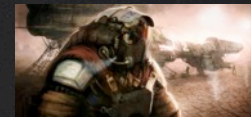
Brothers – A Tale of Two Sons



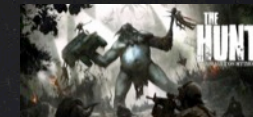
PAYDAY 2



The Walking Dead



STORM



The Hunt



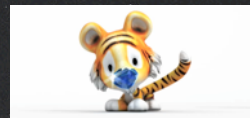
The Chronicles of Riddick:
Assault on Dark Athena



PAYDAY: The Heist



PAYDAY 2: Crimewave



GEMINOSE

2005 - 2010

2011 - 2014

LAUNCHED & LIFE

PRODUCTION

PRE-PRODUCTION

DESIGN

PUBLISHING

Prior to 2005, Starbreeze also developed the following games:

The Outforce (2000)

Enclave (2002)

Knights of the Temple (2004)

The Chronicles of Riddick – Escape from Butcher Bay (2004)



Dead by Daylight



Raid: World War II



John Wick

PAYDAY M

PAYDAY Mobile

MULTIPLE OPPORTUNITIES FOR GROWTH

NEW GAMES



NEW PLATFORMS & MONETIZATION

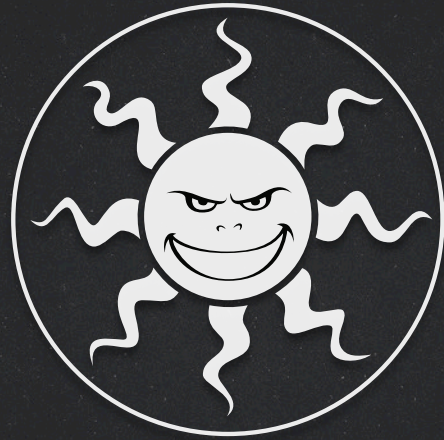


PAYDAY™



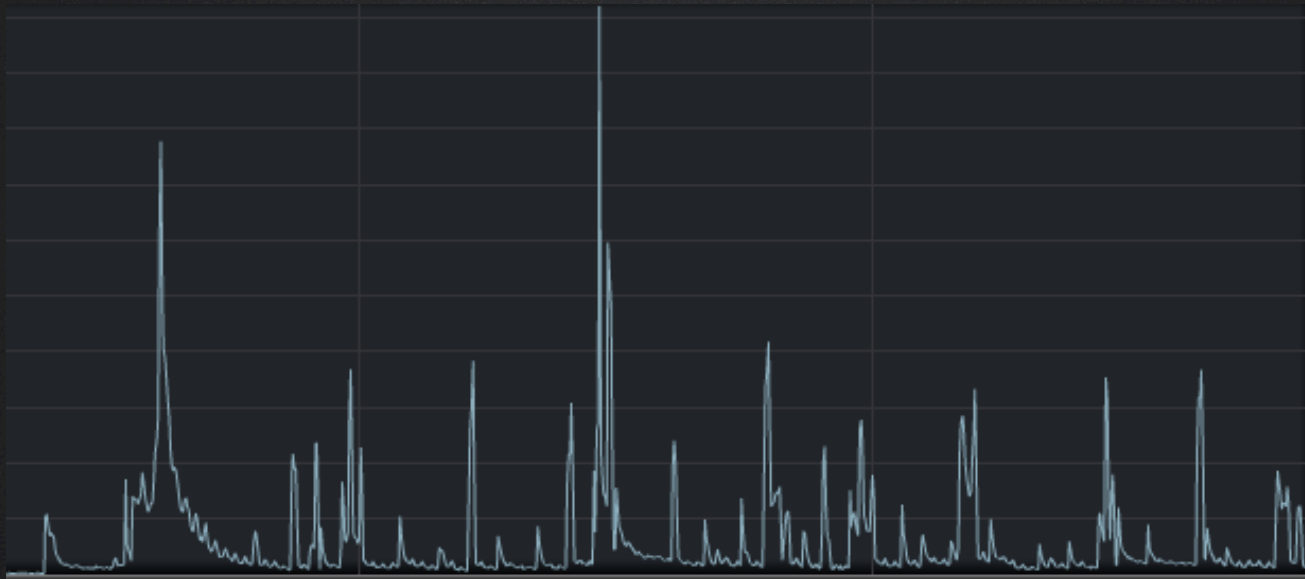
VIRTUAL REALITY





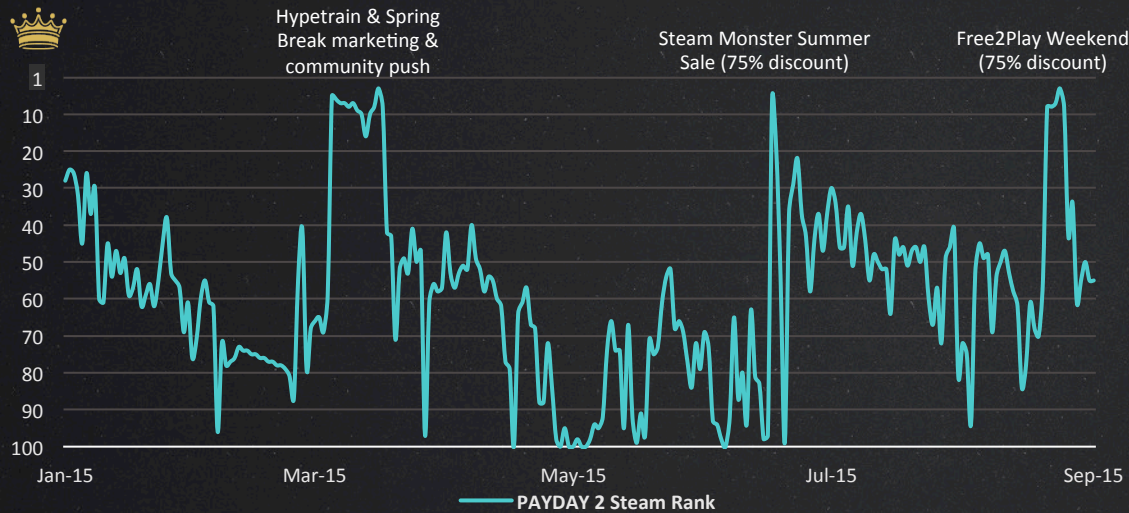
THE 3 COMPONENTS OF OUR PULSE STRATEGY

KEEPING THE PRODUCT ALIVE AND CONSTANTLY DEVELOPING



MARKETING INITIATIVES BOOSTS PLAYER INTEREST

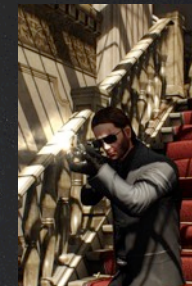
NUMBER OF PAYDAY 2 PLAYERS ARE SUCCESSFULLY BOOSTED WITH DLC LAUNCHES



Starbreeze is actively boosting the overall interest for the PAYDAY 2 franchise through different marketing initiatives, usually in conjunction with new DLC releases

- Price discount campaigns: Usually lowers the price of all products with 65-75%
- Free to play weekends: Makes the products free to use for a weekend, which usually boosts sales following the campaign
- Crimefest: An event where Starbreeze releases many DLC's/events in a short period of time

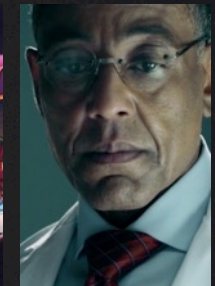
NOTABLE PAYDAY 2 UPDATES



JOHN WICK



HOTLINE MIAMI



BIG BANK

Starbreeze has released more than 70 updates, more than 3 per month, since launching PAYDAY 2. The game will continuously be updated every month for several years to come. Updates consist of a balanced stream of free updates and paid DLC, weapon packs, character packs and heists as well as new features

PAYDAY 2 ECONOMY

How does Steam Economy Work

- Players are rewarded with free SAFES for playing the game
- Opening a SAFE requires a DRILL, which is sold at \$2.5
- Each safe contains around 12 rarity items
- Players use this system to try get the most rare and unique items out of SAFES
- Any item of this system can be traded between players
 - Any rarity item
 - The SAFES themselves
 - The DRILLS to open
- Prices are set by players themselves in the Steam Community Market




PAYDAY 2 ECONOMY






How does Steam Marketplace Work

- Players set the price of the items through buy and sell orders
 - Our most valued item is valued by players at 360 Euros price-point
- Currently there are 303 unique types of items being sold in the Marketplace
- The great benefit of this economy system is that all players participate
 - Even if they do not spend any money, they can sell their items to others
- The Economy main benefits
 - **Retention**, by rewarding time-engagement with the game
 - **Longevity**, to explore the new content
 - **Variation**, due to covering a wider range of tastes
 - **Revenues**, through sell of drills and player-to-player trading
- The Economy extends the PAYDAY franchise and the entertainment for the players is expanded

STEAM COMMUNITY MARKET

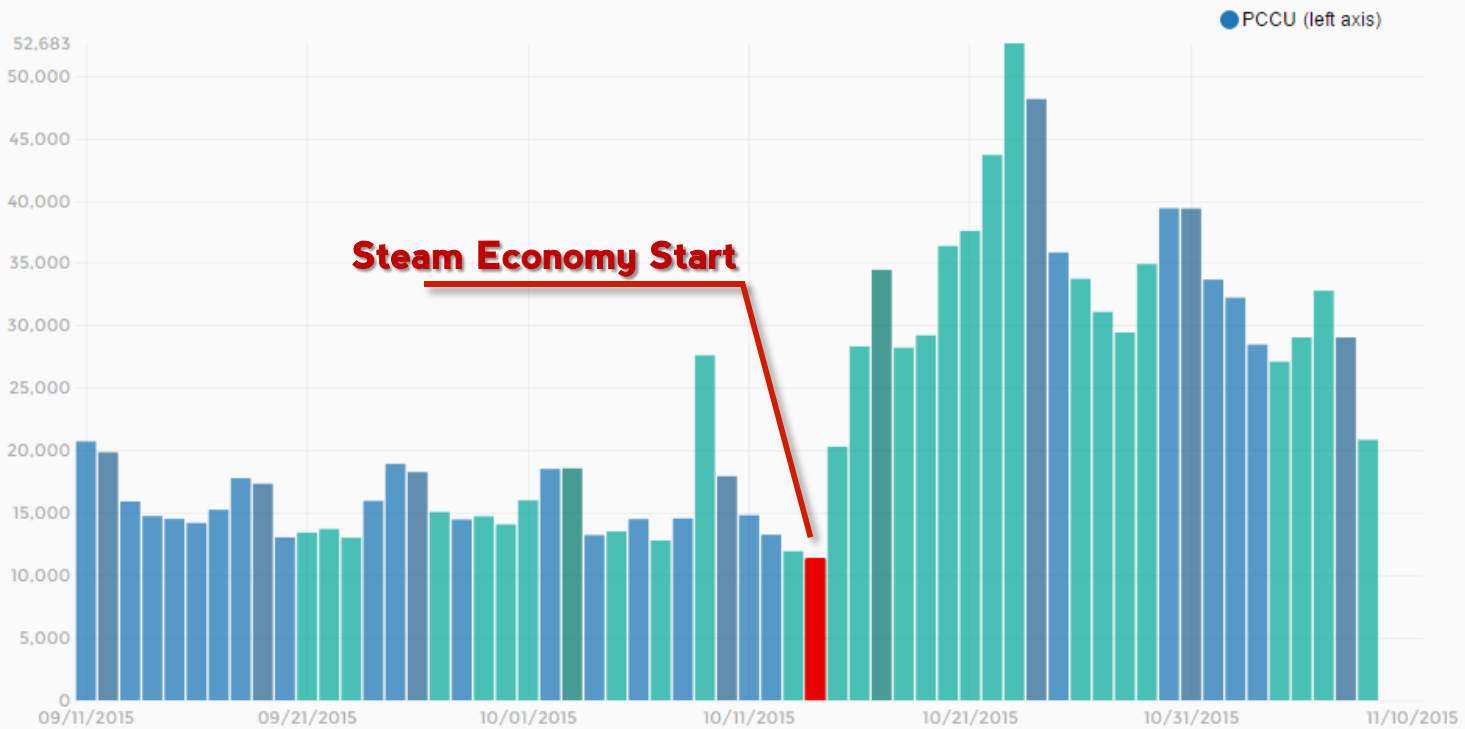
Buy and sell items with community members for Steam Wallet funds.

Showing results for:  PAYDAY 2

NAME	QUANTITY	PRICE ▼
 DEAGLE PISTOL Midas Touch PAYDAY 2	1	Starting at 360,-€
 AK RIFLE Sad Almir PAYDAY 2	2	Starting at 296,72€
 DEAGLE PISTOL Midas Touch PAYDAY 2	1	Starting at 161,08€
 AK RIFLE Vlad's Rodina PAYDAY 2	2	Starting at 159,85€
 BERNETTI 9 PISTOL Angry Bear PAYDAY 2	2	Starting at 144,58€

PAYDAY 2 ECONOMY

Peak daily concurrent players:





STARBREEZE
S T U D I O S

Get in Touch

See you soon....

✉ info@starbreeze.com

☎ +46 (0)8 209 208

🌐 www.starbreeze.com