



STARBREEZE **Q4 2017 HIGHLIGHTS**

15 February 2018

OUTLINE

01 FINANCIAL OVERVIEW

02 STARBREEZE GAMES

03 PUBLISHING

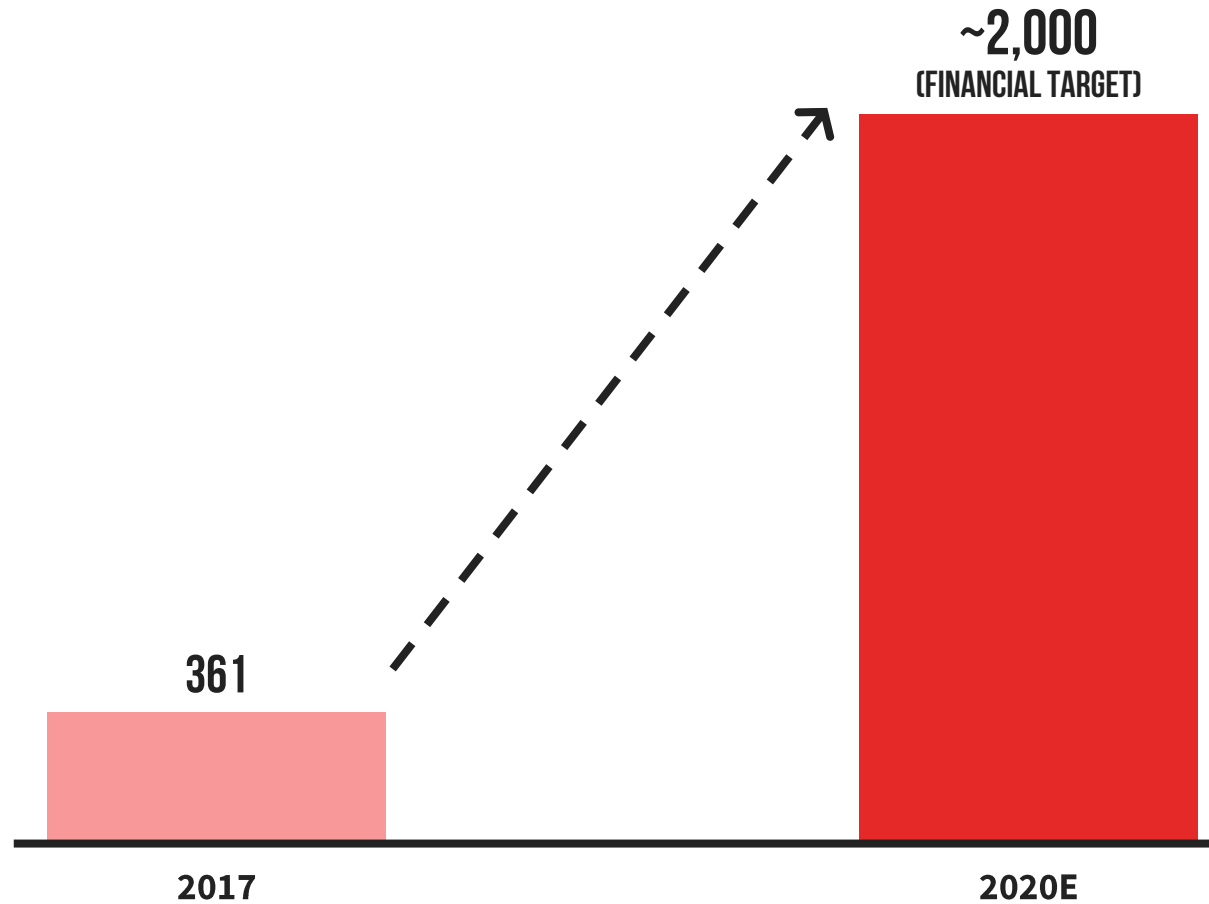
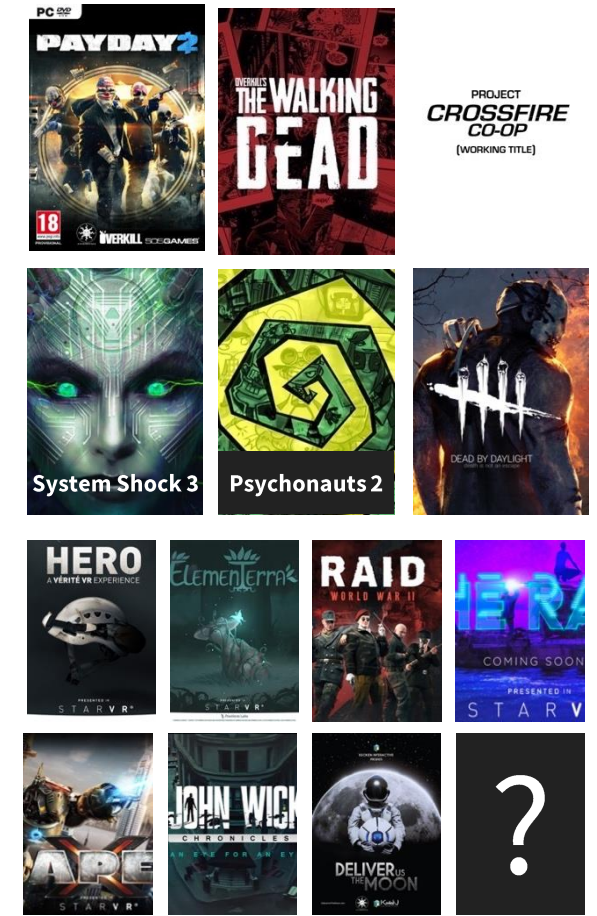
04 VR TECH & OPERATIONS

THE FINANCIAL TARGETS

CURRENT PORTFOLIO

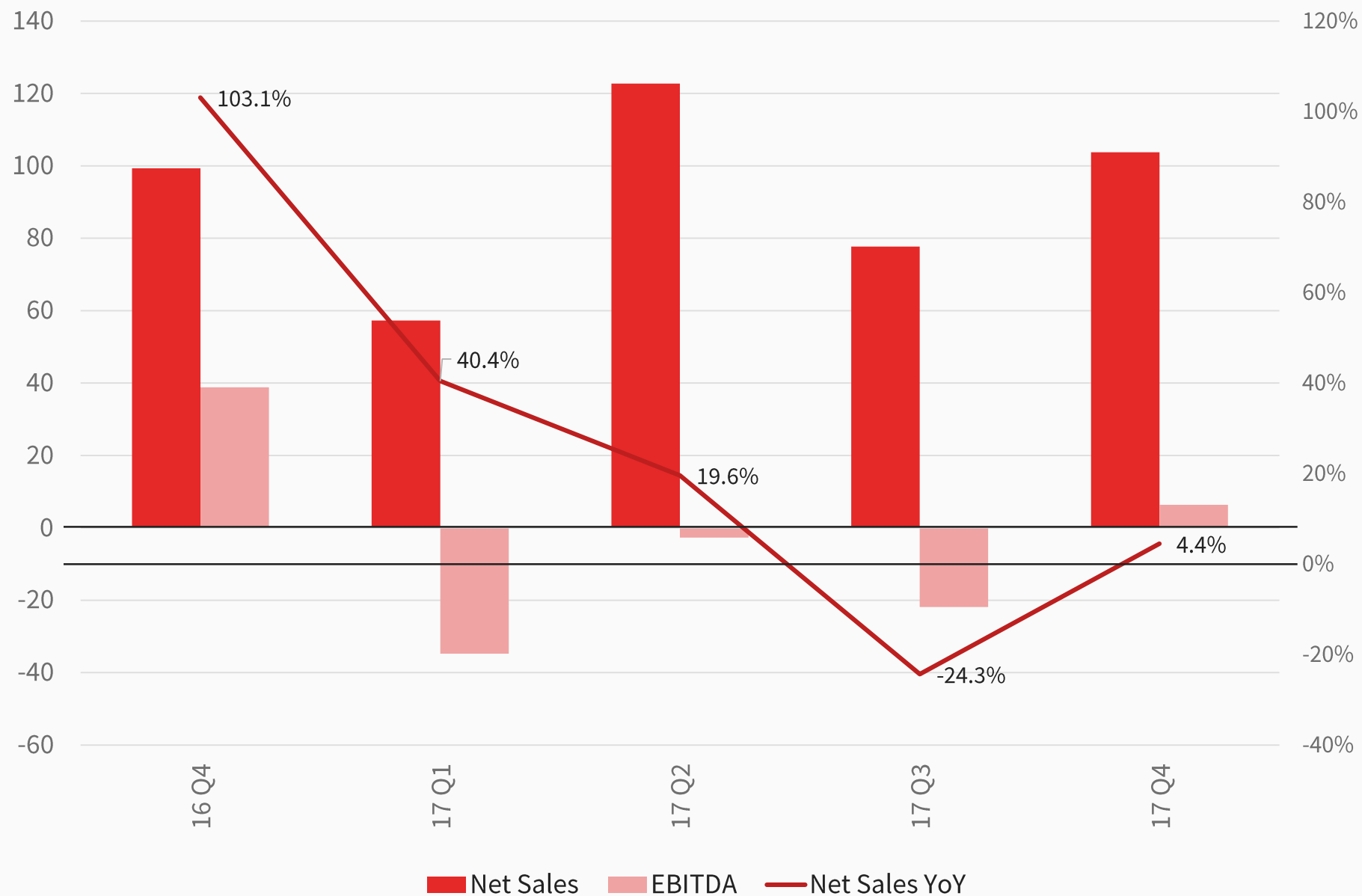


FUTURE PORTFOLIO



Net sales (SEKm)

MAIN FINANCIAL TRENDS



MSEK

BEST FOURTH QUARTER TO DATE IN TERMS OF REVENUES

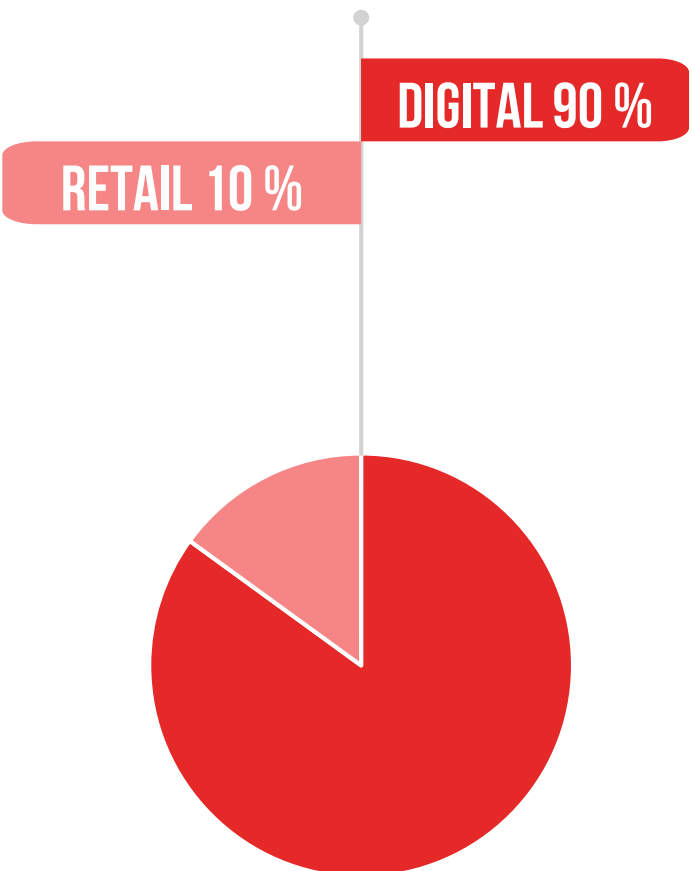
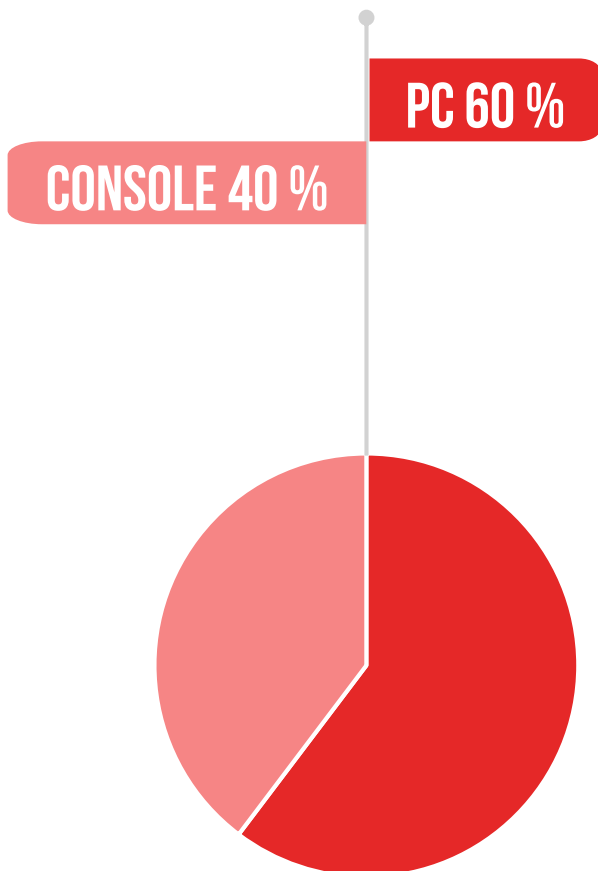
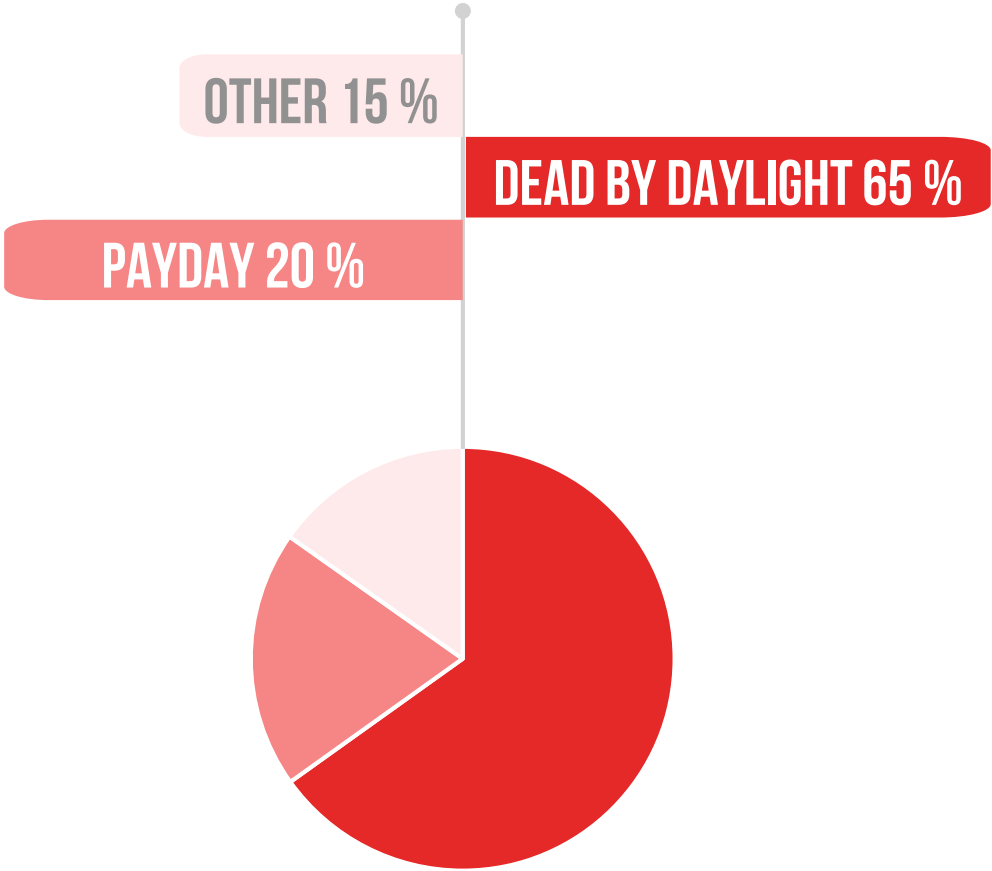
FOURTH QUARTER 2017

- Net sales increased by 4.4 percent to SEK 103.8 million.
- Dead by Daylight generated revenues of SEK 67.6 million – 13 million higher than Q4 2016 even though it's one year older.
- Positive EBITDA of SEK 6.4 million.
- Impairment loss on RAID of SEK 20.2 million.
- Loss after tax SEK 63.0 million

RESULTS/KEY FIGURES

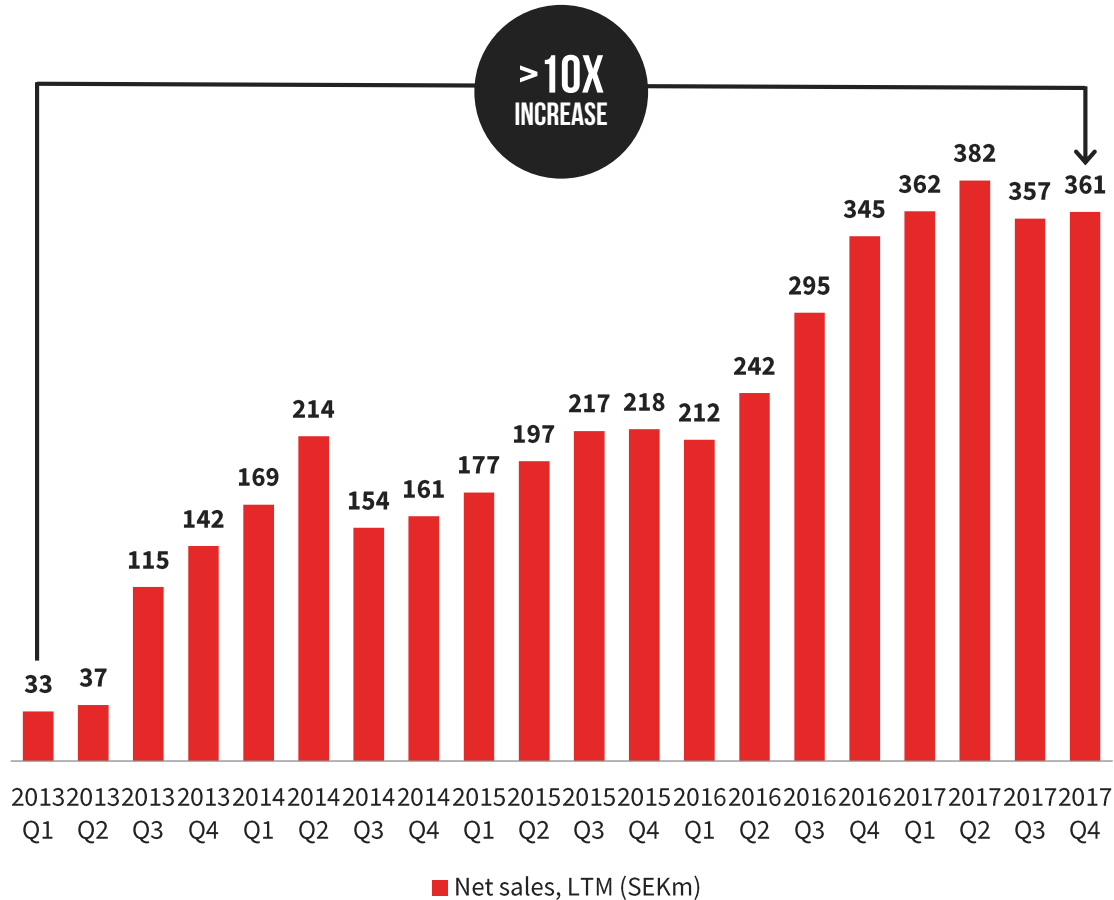
	2017	2016	2017	2016
SEKk	Q4	Q4	JAN - DEC	JAN - DEC
Net sales	103,753	99,365	361,447	345,463
EBITDA	6,352	38,793	-53,523	81,220
Net loss	-63,040	30,206	-155,330	57,091
Cash flow from operating activities	-44,341	12,938	-21,086	15,291

REVENUE BREAKDOWN Q4

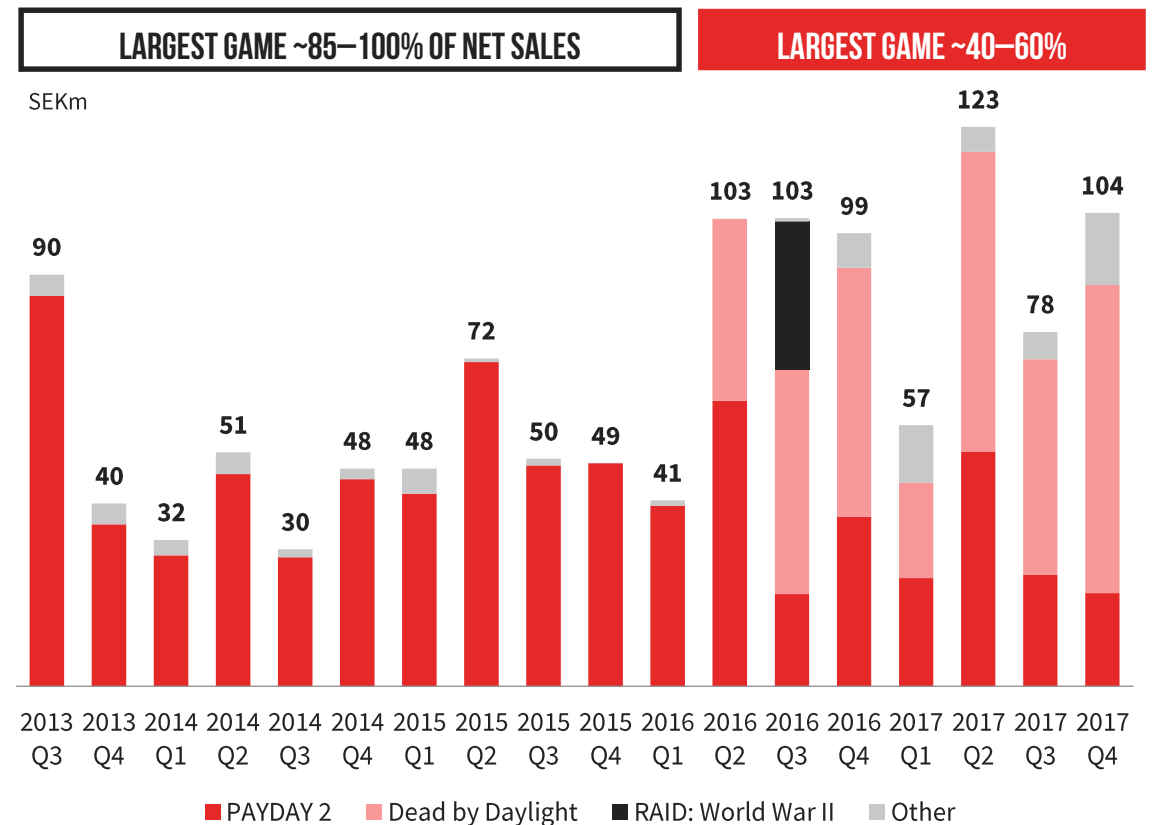


STRONG NET SALES DEVELOPMENT

NET SALES DEVELOPMENT, 2013 Q1–2017 Q4



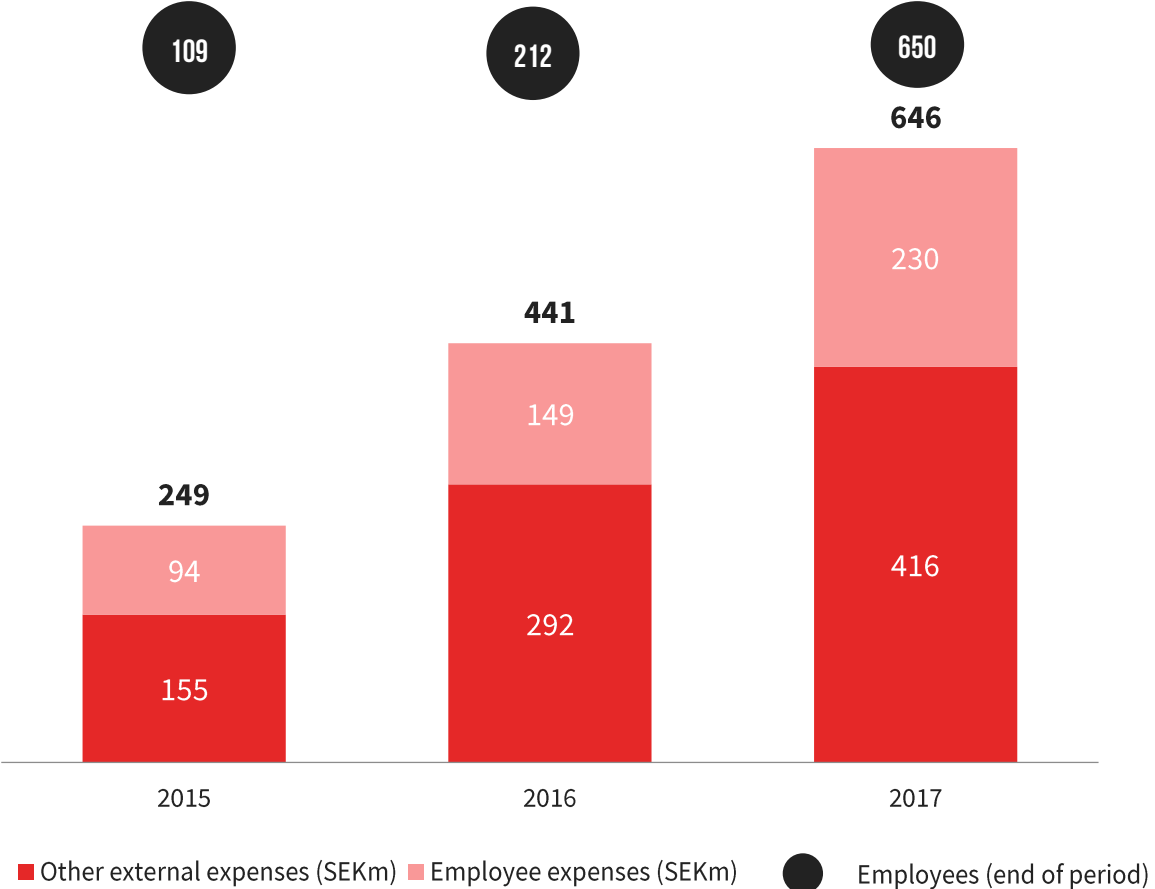
NET SALES BY TITLE PER QUARTER, 2013 Q3–2017 Q4¹⁾



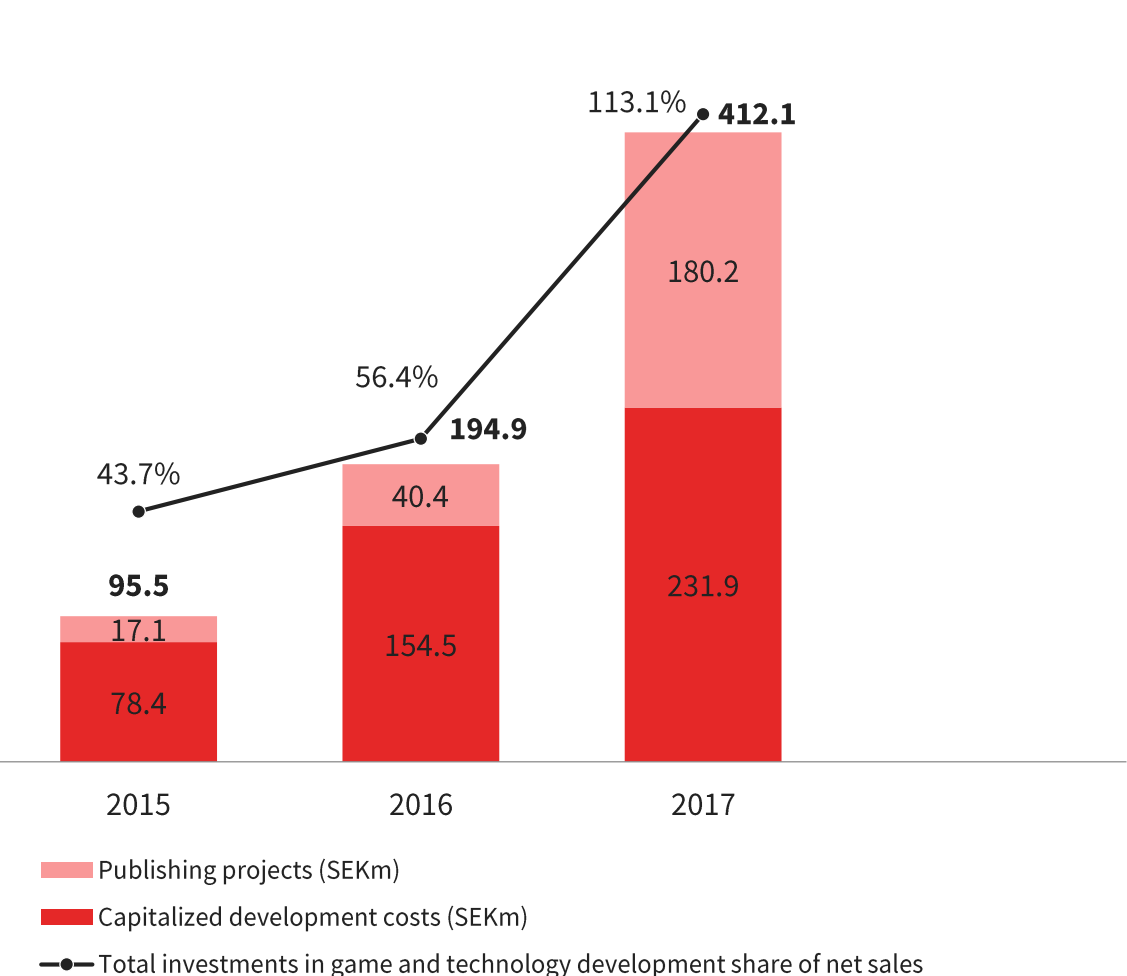
¹⁾ Other equals residual of total net sales less mentioned games in graph

INCREASED EXPENSES AND INVESTMENTS DRIVEN BY INITIATIVES

OPERATING EXPENSES DEVELOPMENT 2015–2017



INVESTMENTS IN GAMES DEVELOPMENT AND PUBLISHING 2015–2017¹⁾



¹⁾Publishing projects and capitalized development costs equals total investments in game and technology development.

IFRS ACCOUNTING RULES DRIVES FINANCIAL NET

SPECIFICATION OF NET FINANCIAL INCOME AND EXPENSE

	2017	2016	2017	2016
SEKk	Q4	Q4	JAN - DEC	JAN - DEC
Remeasurement of earnouts	-15,867	9,034	10,105	8,787
Interest on convertible bonds	-5,577	-5,221	-21,678	-14,788
Remeasurement of Derivatives attributable to convertible bonds	-1,304	-2,244	-8,380	4,737
Net profit (-loss) from StarVR Corporation	-749	162	-4,200	131
Interest on short-term investments	-	-303	862	1,561
Interest on bank overdraft facility	-1,255	-	-1,255	-
Other items	-80	-893	-180	-982
Total	-24,832	535	-24,726	-554

COMMENTS

- Due to accounting standards there will be substantial movement within the financial net.
- Net impact from financial income and financial expenses amount to SEK 24,8 million.
- Largest item being revaluation of earn outs (SEK -15.8 million) of which SEK -8.1 million in exchange losses.
- The majority of net financial income and expense for both the quarter and the period had no impact on cash flow.

STRENGTH- ENING THE WAR CHEST

OVERKILL'S THE WALKING DEAD

THE NEW SHARE ISSUES...

- Successful directed issue of new shares to Swedish and international investors of some SEK 238 million.
- Decision in favor of a rights issue of SEK 150 million today.

... ENABLE US

- to fully execute our plan to achieve revenue of at least SEK 2 billion in 2020,
- to form and execute on a solid marketing plan for OTWD,
- to make new great content for PAYDAY 2 until 2019,
- accelerating the production plan for PAYDAY 3
- and to continue to build momentum within our publishing business.

STARBREEZE BUSINESS UNITS



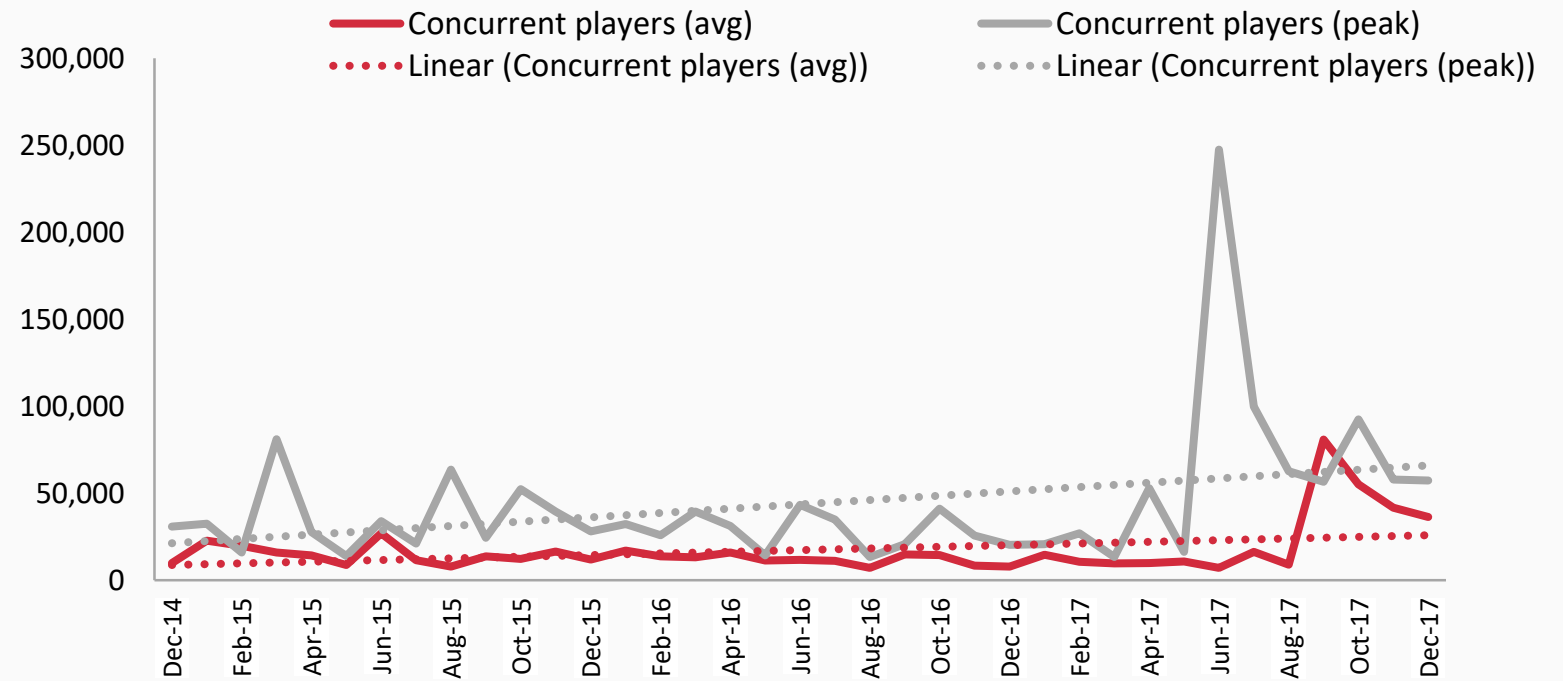
STARBREEZE GAMES

PUBLISHING

**VR TECH &
OPERATIONS**



AT PEAK 92,426 PLAYED PAYDAY 2 IN Q4

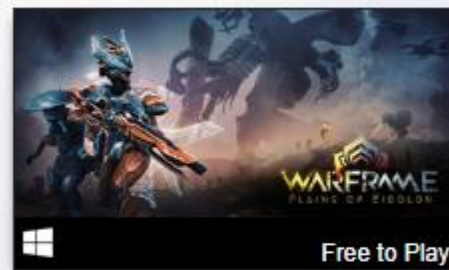
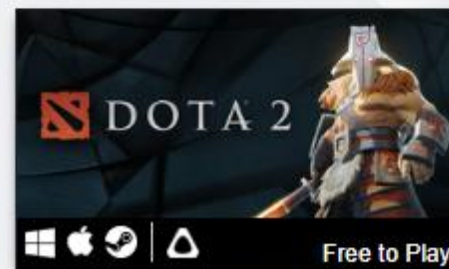
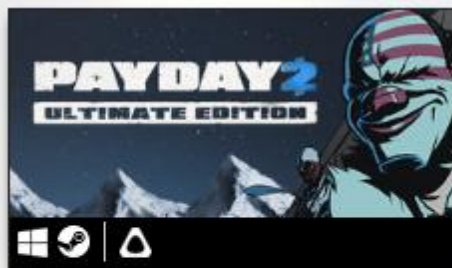


BEST OF 2017 MOST PLAYED

The games with highest peak simultaneous players this year

OVER 100,000 SIMULTANEOUS PLAYERS

PAYDAY 2:
ONE OF THE
MOST-PLAYED
GAMES IN THE
WORLD



PAYDAY 2: REVERVOIR DOGS DLC

Read more on our website:

www.starbreeze.com/2017/12/payday-2-reservoir-dogs-heist-out-now/



PAYDAY 2: MASTER PLAN UPDATE

Read more on our website:
www.starbreeze.com/2017/11/starbreeze-overkill-and-505-games-are-planning-the-perfect-heist-with-the-master-plan-update-for-payday-2-crimewave-edition/



PAYDAY 2 ON NINTENDO SWITCH

Read more on our website:

www.starbreeze.com/2017/12/payday-2-coming-to-the-nintendo-switch-system-in-february/



PAYDAY 2

PAYDAY 2: VR BETA

Read more on our website:

www.starbreeze.com/2017/11/payday-2-vr-beta-starts-now/

A promotional image for the Payday 2 VR Beta. It features three characters in a dark, industrial setting. The central character is wearing a VR headset and holding a camera. The character to the right is wearing a clown mask with an American flag pattern on the head and holding a rifle. The character to the left is wearing a white mask with a red nose and holding a camera. The text "PAYDAY 2 VR BETA LIVE NOW" is overlaid in a stylized font, with "2" and "LIVE" in blue.

PAYDAY 2 VR
BETA LIVE NOW



STARBREEZE

MASSIVE INTEREST FOR **OTWD**

Read more on our website:

www.starbreeze.com/2017/12/starbreeze-releases-new-cinematic-trailer-for-overkills-the-walking-dead-revealing-the-co-op-action-shooters-first-character-aidan/



MORE THAN
3 MILLION
COPY SOLD

Read more on our website:

www.starbreeze.com/2017/11/dead-by-daylight-surpasses-3-million-sold-games-as-the-title-launches-digitally-for-playstation-4-in-asia/

DEAD BY DAYLIGHT

3 MILLION PLAYERS

100K

PLAYING AT THE SAME TIME

100M

MATCHES PLAYED



**6 NEW KILLERS &
6 NEW SURVIVORS**

ADDED TO THE ORIGINAL ROSTER OF CHARACTERS



**ICONIC
CHARACTERS**

FROM OTHER WORLDS



175M

SURVIVORS SACRIFICED
TO THE ENTITY



125M

ESCAPED SURVIVORS



420M

DROPPED PALLETS



**5 NEW THEMES
7 NEW MAPS**

DEAD BY DAYLIGHT DLC RELEASE

Read more on our website:

www.starbreeze.com/2017/11/media-blast-dead-by-daylight-a-nightmare-on-elm-street-chapter-out-now-on-playstation-4-and-xbox-one/



DEAD BY DAYLIGHT THE SAW CHAPTER

Read more on our website:

www.starbreeze.com/2018/01/dead-by-daylight-saw-chapter-launches-on-steam-xbox-one-and-playstation4/





STARBREEZE

10 CROWNS PUBLISHING

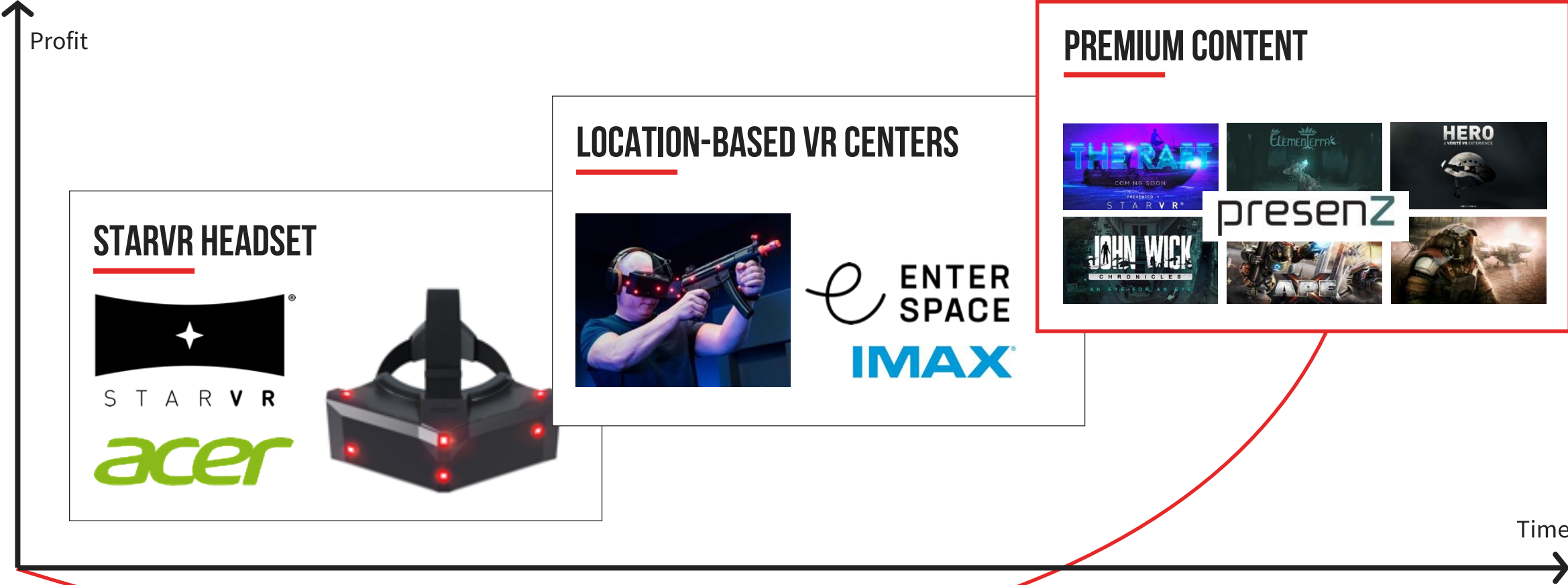
Read more on our website:

www.starbreeze.com/2018/02/starbreeze-publishing-signs-mohawk-games-strategy-title-10-crowns/



PHASE THREE IN THE VR VENTURE

Illustrative

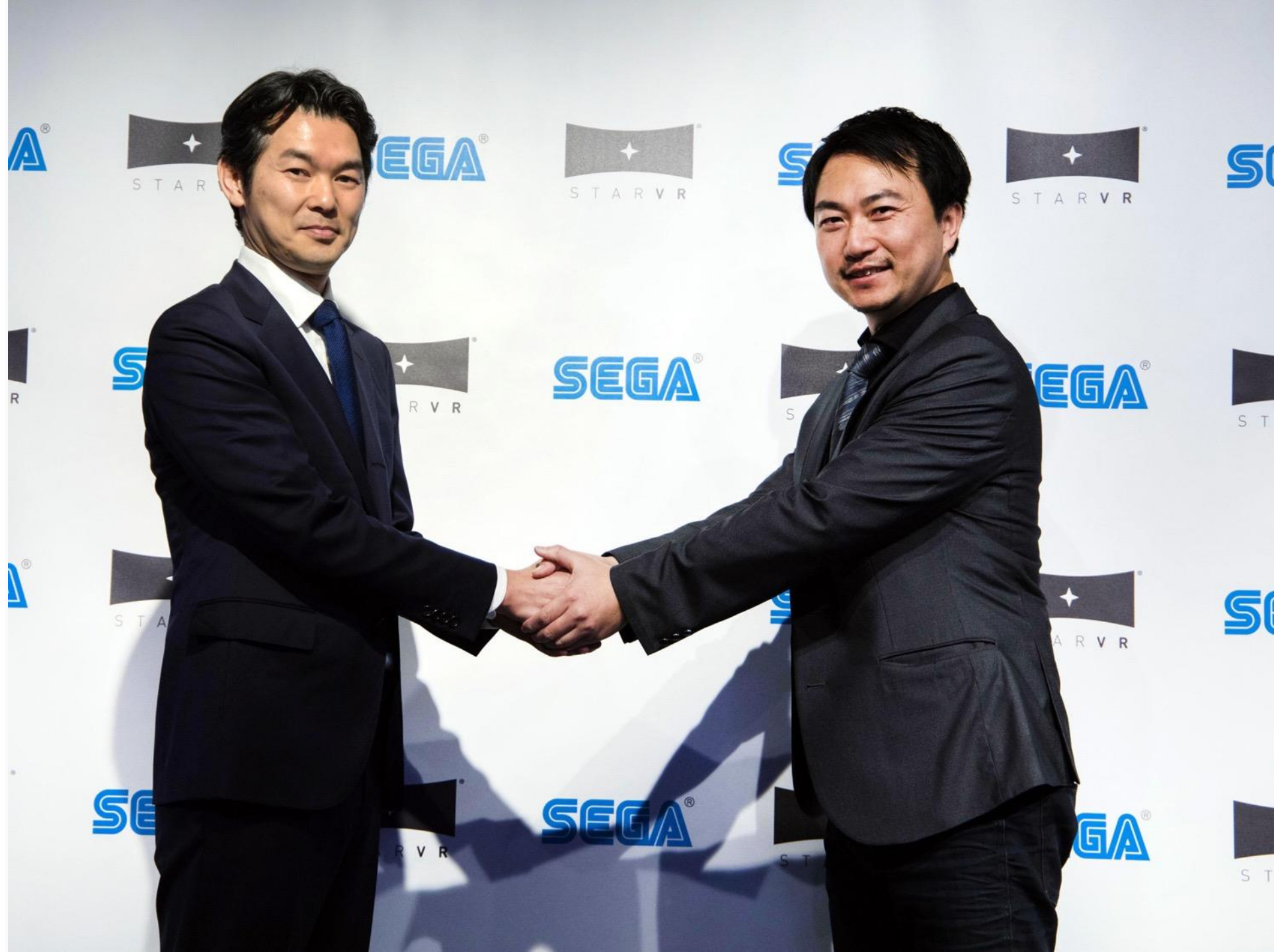


Large investments to enable sale of content

STARVR AND SEGA IN PARTNERSHIP

Read more on our website:

www.starbreeze.com/2017/12/sega-entertainment-and-starvr-introduce-premium-vr-arcade-experiences-to-japan/



STARVR TAKES THE HEADSET TO MARKET

In IPO discussions with Acer.

Serialized production of the current generation headset since before Christmas to accommodate new customers (LBE). Next generation in FY18.





FOCUS ON VR CONTENT

Read more on our website:
www.starbreeze.com/2017/10/starbreeze-and-luckyhammers-exclusively-premiere-ape-x-bringing-the-big-guns-to-vrs-2017/



A nighttime aerial view of Dubai, United Arab Emirates, showing illuminated skyscrapers and city lights. The VR Park logo is overlaid in the center, featuring the letters 'P', 'V', 'R', and 'K' in a stylized, white, 3D font with a blue-to-purple gradient. The 'V' and 'R' are slightly offset to the right, creating a sense of depth and movement.

VR PARK

THE **VR PARK** IN DUBAI MALL

SLIDE / 27

QUESTIONS?

The Starbreeze team

