



**Press release August 28<sup>th</sup> 2014**

**Starbreeze AB (publ) Interim Report July 1<sup>st</sup> 2013 - June 30<sup>st</sup> 2014**

**FOURTH QUARTER (APRIL - JUNE 2014)**

- > Net sales amounted to SEK 51.3 million (SEK 6.3 million).
- > Operating income before depreciation, EBITDA, amounted to SEK 27.2 million (SEK 3.5 million).
- > Profit before tax amounted to SEK 22.6 million (SEK 2.5 million) and profit after tax amounted to SEK 16.7 million (SEK 2.8 million).
- > Earnings per share before and after dilution were SEK 0.12 (SEK 0.02).
- > As of June 30 2014, cash and cash equivalents to SEK 136.6 million (SEK 13.3 million).
- > During the quarter, PAYDAY 2 net sales amounted to SEK 46.5 million.
- > On May 28 2014, the company was listed on First North Premier.

**FISCAL YEAR 2013/2014 (JULY 2013-JUNE 2014)**

- > Net sales amounted to SEK 213,8 million (SEK 30.7 million).
- > Operating income before depreciation, EBITDA, amounted to SEK 158.6 million (SEK 5.0 million).
- > Profit before tax amounted to SEK 142.5 million (SEK 0.5 million) and profit after tax amounted to SEK 118.5 million (SEK 0.8 million).
- > Earnings per share before dilution were SEK 0.85 (SEK 0.01).
- > Earnings per share after dilution were SEK 0.83 (SEK 0.01).

## **AFTER THE PERIOD**

> August 13 Starbreeze announced that together with Skybound, the companies would collaborate in a long-term developer and publisher partnership for the The Walking Dead franchise. At the same time it was announced that Starbreeze will deliver a brand new co-op game, OVERKILL's The Walking Dead, set in The Walking Dead universe where new characters and storylines will be explored. The title is targeted for release in 2016.

## **CEO BO ANDERSSON KLINT GIVES HIS COMMENT**

PAYDAY 2 and Brothers – a Tale of Two Sons have now been on sale for a full year. PAYDAY 2 continues to show tremendous potential and during the third week of August it yet again was the best-selling title on Steam in connection with our most recent campaign. The title hasn't left Steam's 100 top sellers list since the game was released. At any given time during the recent campaign, there were no less than 8 of our products (main game and DLC's) on Steam's 100 top sellers list. It clearly tells us that our chosen digital strategy is the right one and how strong the PAYDAY-brand is.

Our proven strategy has been tested and validated with continuous updates, well-planned campaigns and a solid commitment to our customer base. Re-investing in the PAYDAY-brand and maintaining the product has as planned yielded good results. Our goal to transform Starbreeze from an unprofitable work-for-hire studio to a world-leading, independent and profitable developer has been accomplished.

This year Starbreeze makes history, not only because of the success we have had and continue to have with the PAYDAY-series. We are making history because we are stepping up to take on the role as a publisher. In conjunction with our partnership with American Skybound and the creation of OVERKILL's The Walking Dead, we both develop and publish the game ourselves. Finally we have full control and full ownership of the entire value chain – from funding to production and end customer communication. These are the circumstances we have been waiting for in order to take Starbreeze from being a profitable developer in Sweden, to becoming a global player in the digital entertainment industry.

For a long time we have received praise for the way we interact with our players. In less than a year we have beaten all other official game groups on Steam, becoming the largest player community with over 1,250,000 active members. We have felt humbled passing brands such as Team Fortress 2 and Dota 2, while it also have given us confidence to continue on our chosen path.

Going forward, I see Starbreeze as a leading digital studio, which cultivates its own brands and care for others under the Starbreeze flag. We have made a full turn-around, gathered a war chest and are ready to utilize it.

We are now well equipped to face the digital frontier with 2015 promising an exciting year of conquests. We look towards new technologies, new brands and new partners. Starbreeze is not only growing in terms of sales, our intention is to broaden our offer and build an infrastructure that enables higher margins through multiple sources of income.

In 2015, Starbreeze move into an aggressive phase to capture market shares in the digital entertainment industry.

#### **BRIEF INFORMATION ABOUT STARBREEZE**

Starbreeze Studios is an independent creator, publisher and distributor of high quality entertainment products, headquartered in Stockholm, Sweden. At Starbreeze we create games by our own design and through licensed content, establishing franchises that can live and prosper outside the game itself. We live and die by gameplay.

Starbreeze is pioneering digital self-publishing, currently hosting one of the largest community groups on the digital distribution platform Steam. Starbreeze's most recent products include PAYDAY 2, our adrenaline fuelled bank robbing co-op game and the critically acclaimed Brothers – A Tale of Two Sons.

Starbreeze AB is publicly traded on Nasdaq OMX First North Premier under the ticker STAR and the ISIN code: SE0005992831. Starbreeze's brands include OVERKILL Software and the PAYDAY series.

For more information, please visit <http://www.starbreeze.com>.