

Three businesses, one account: Fortnite (free-to-play, creator islands) → Unreal Engine (free until \$1M lifetime gross, then 5%, waived on Epic-processed store sales) → Epic Games Store (developers keep the first \$1M net per product per year, then 88/12) across 295M+ store customers. Private company: no published consolidated revenue.

KEY PARTNERS

- Game developers on Unreal and on EGS (FACT license + store).
- Fortnite island creators** — engagement payouts (FACT UEFN).
- Console platforms** — reached via the 3.5% program (FACT).
- Mobile stores** — iOS and Android are in the EGS share terms (FACT).
- No published console revenue-split percent** — left blank on purpose.

KEY ACTIVITIES

- Operate Fortnite and creator islands (FACT UEFN).
- Build and license Unreal; quarterly royalty reports (FACT).
- Run EGS distribution and Epic-processed payments (FACT).
- Apply 88/12 only after \$1M net per product per year (FACT).
- Optional First Run / Now on Epic programs (FACT FAQ).

KEY RESOURCES

- Unreal Engine and the EULA / royalty terms (FACT license).
- Fortnite as the live-service consumer brand (product).
- EGS reach** — 295M+ customers (FACT store page).
- Epic account across game, engine, and store (product).
- Developer Portal for royalty reporting (FACT news).

VALUE PROPOSITIONS

- Fortnite** — free to start; islands inside the game (FACT UEFN).
- Unreal** — \$0 royalty on the first \$1M lifetime gross (FACT).
- Then 5%, or 3.5% with Launch Everywhere (FACT).
- EGS** — 12% only after \$1M net per product per year (FACT).
- Engine royalty waived when Epic processes the sale (FACT).

CUSTOMER RELATIONSHIPS

- Self-serve players in Fortnite (product).
- Quarterly royalty reports in the Developer Portal (FACT).
- \$1M store threshold is automatic** — no opt-in (FACT FAQ).
- Threshold follows the title across transfers (FACT FAQ).
- UEFN** — apply, publish, then engagement payouts (FACT).

CHANNELS

- Epic Games Store** — PC, Mac, iOS, Android (FACT).
- Fortnite client as the island channel (FACT UEFN).
- Consoles** — outside 88/12; inside the 3.5% carrot (FACT).
- Developer Portal for reports and store publishing (FACT).
- First Run / Now on Epic as timed channel programs (FACT FAQ).

CUSTOMER SEGMENTS

- Players** — Fortnite and store customers (FACT 295M+ store).
- Developers under \$1M lifetime** — royalty-free (FACT).
- Developers above \$1M** — 5% or 3.5% (FACT).
- EGS sellers** — 88/12 only after \$1M net in the year (FACT).
- Fortnite island creators** — payouts, not engine seats (FACT).

COST STRUCTURE

- Developer 88% after the store threshold** — a take-rate cost (FACT).
- Engine royalty waived on Epic-processed sales (FACT).
- Fortnite live-ops and island payouts (FACT promise; pool \$ not published).
- Unreal development as ongoing R&D (INFERENCE; no opex line).
- No published company cost, margin, or headcount (private).

REVENUE STREAMS

- Fortnite** — free start; in-game and creator payouts (FACT; no \$ total).
- Unreal** — 5% above \$1M lifetime gross; first \$1M free (FACT).
- 3.5% with Launch Everywhere; \$0 royalty on EGS-processed sales (FACT).
- EGS** — 88/12 after \$1M net per product per year; resets Jan 1 (FACT).
- No published consolidated revenue (private).