

A fashion advertisement featuring a blonde model wearing a bright red double-breasted coat and a black bowler hat. She is leaning on a stone ledge, with her hand near her chin, looking directly at the camera. The background is a blurred city street with cars and buildings.

LPP SA: Results for 3Q2011

Warsaw, 9th November 2011

RESERVED

The logo for 'cropp' features a stylized 'C' inside a square frame, with the word 'cropp' in a lowercase, sans-serif font below it.

cropp

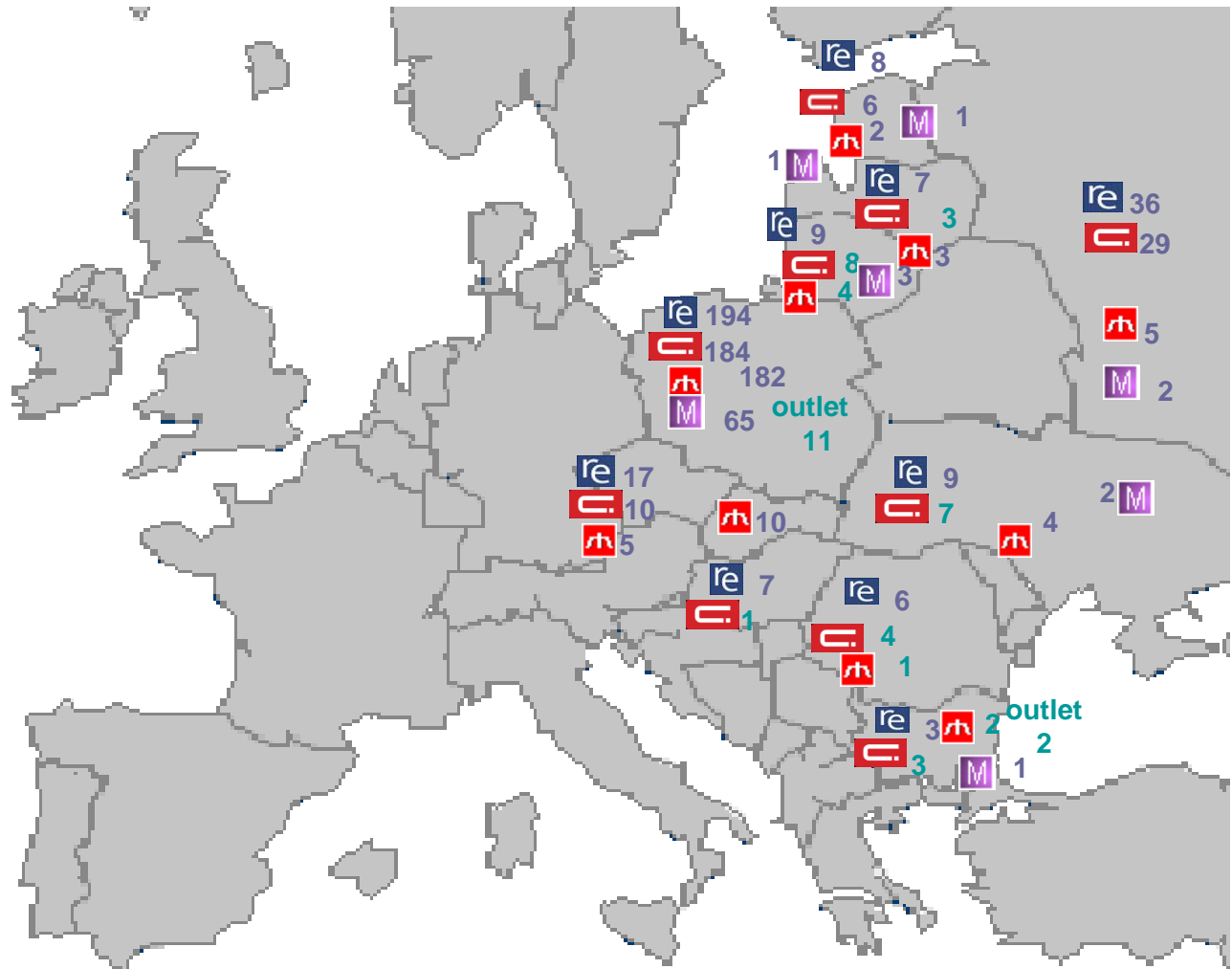
The logo for 'house' features a stylized house icon inside a circle, followed by the word 'house' in a lowercase, sans-serif font.

house

M O H I T O

Our brands are present in the whole CEE region

At the end of September 2011
LPP's retail sales network
consists of 835 stores, including:
296 Reserved
255 CROPP
218 House
75 Mohito



Implementation of network development plan

Powierzchnia [tys. m ²]	30.09.2011	30.09.2010	Zmiana
Reserved	204	188	9%
Polska	132	114	16%
UE	39	43	-9%
Rosja i Ukraina	33	31	6%
CROPP	57	54	6%
Polska	38	36	6%
zagranica	19	18	6%
House	49	47	4%
Polska	40	39	3%
zagranica	9	8	13%
Mohito	13	10	30%
Polska	12	10	20%
zagranica	1		
outlet	3	2	50%
<u>RAZEM</u>	<u>326</u>	<u>300</u>	9%

- The total area of sales network increased by 9% (26 thssq.m.) during last 12 months. (Taking into account the impact ESOTIQ by 6%.)
- Avg sale area of brands in IIIQ2011 was higher by 7% as compared to avg sale area in IIIQ2010

3

1) Including seasonal shops.

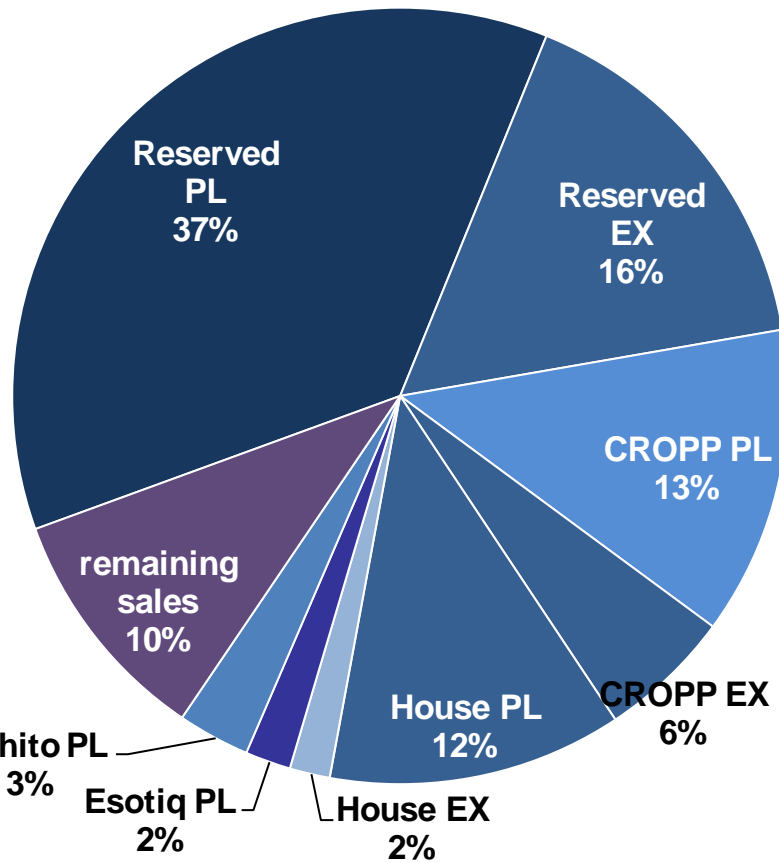
RESERVED



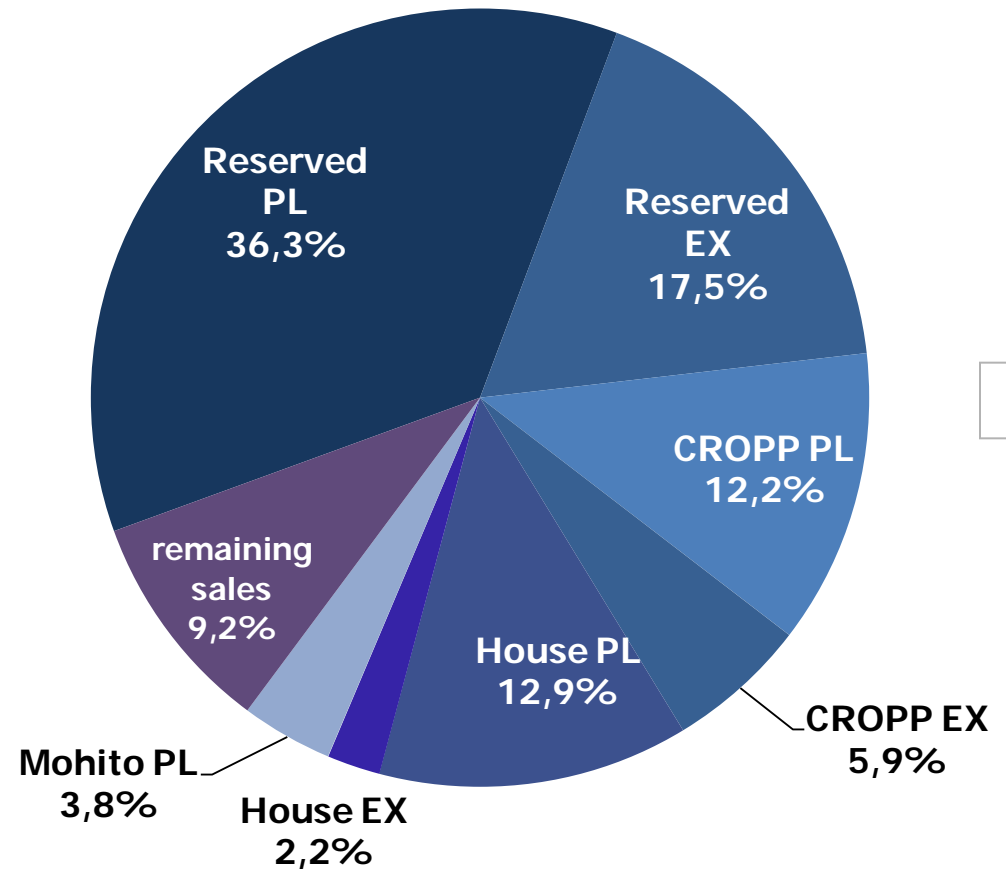
M O H I T O

Retail sales split by brands

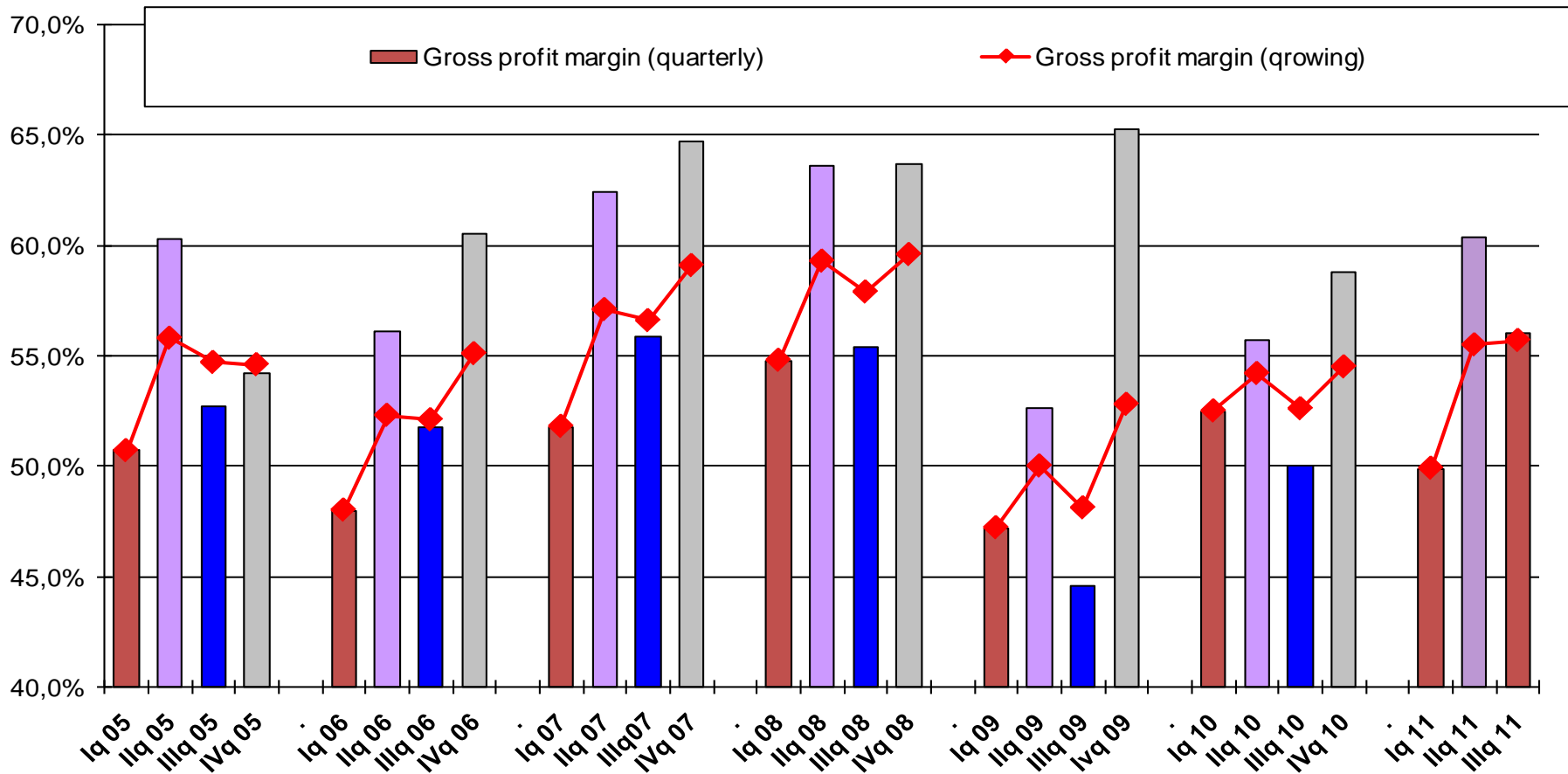
2010



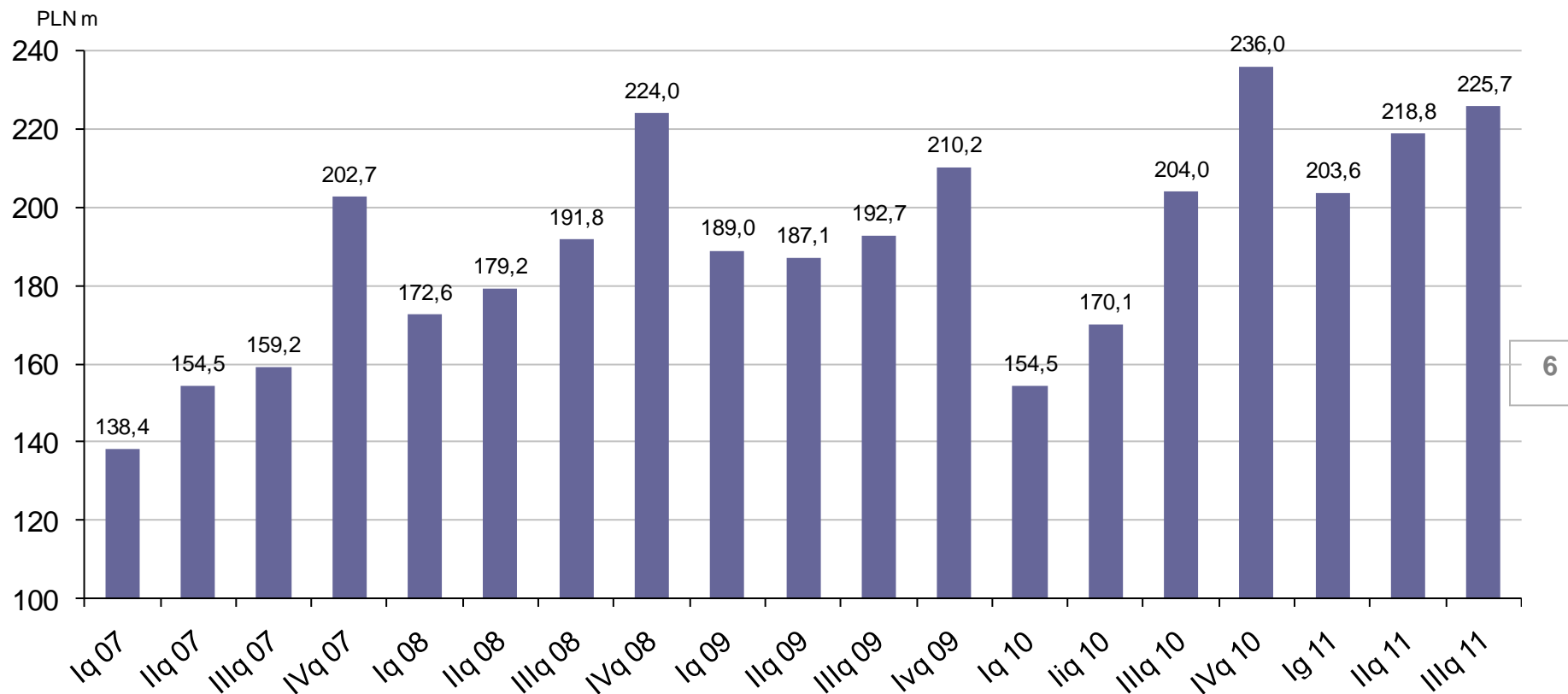
IIIQ2011



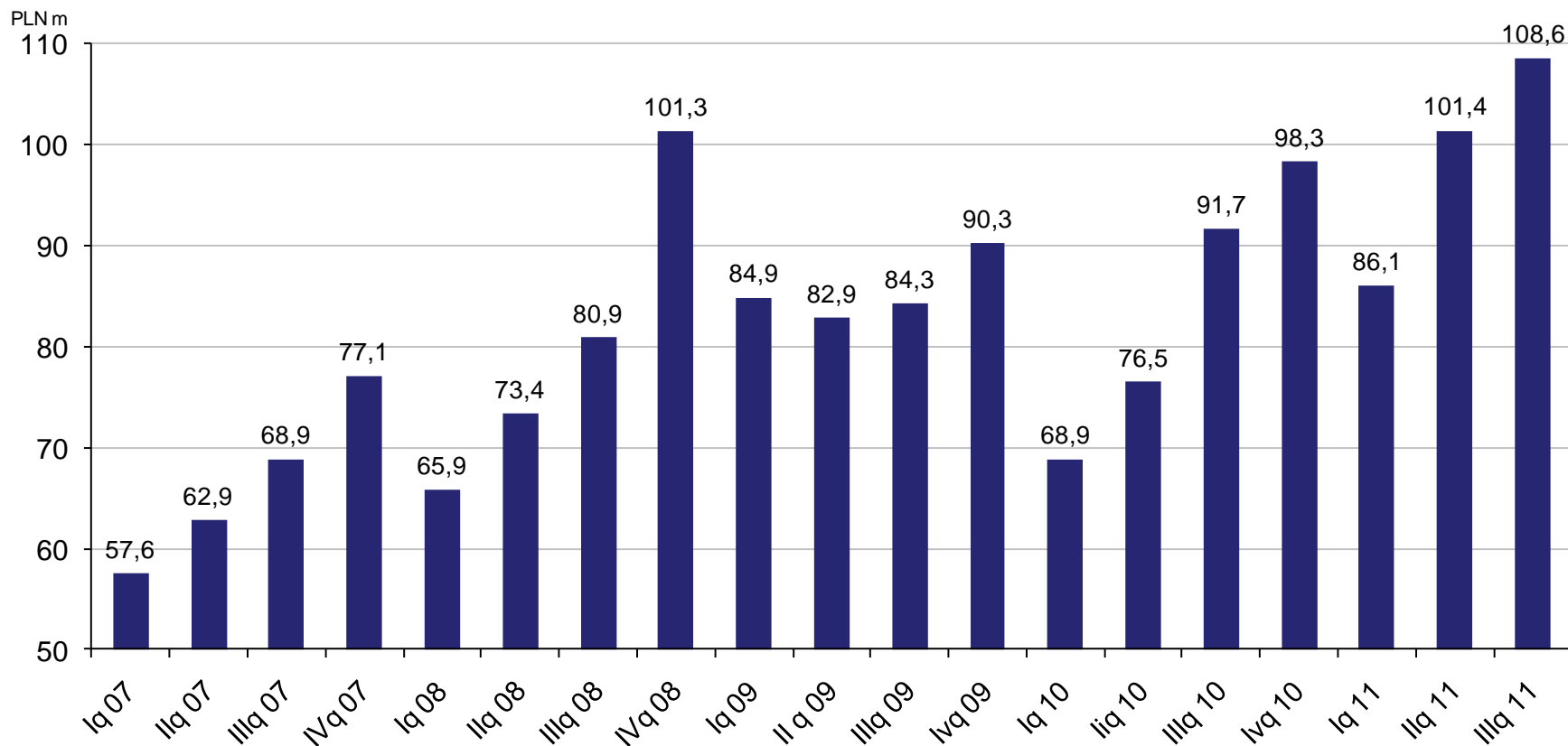
Gross profit margin



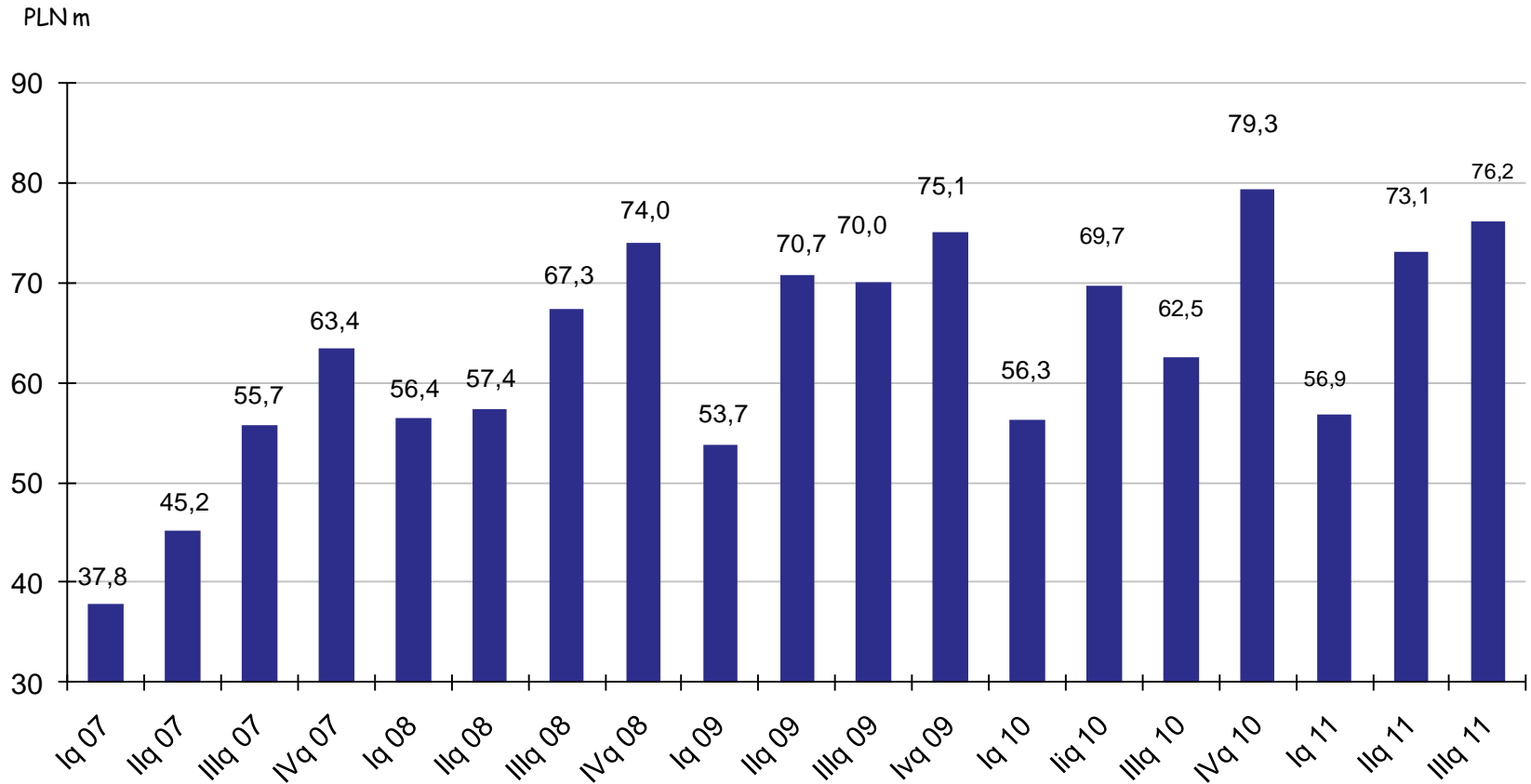
Sales of RESERVED brand in Poland



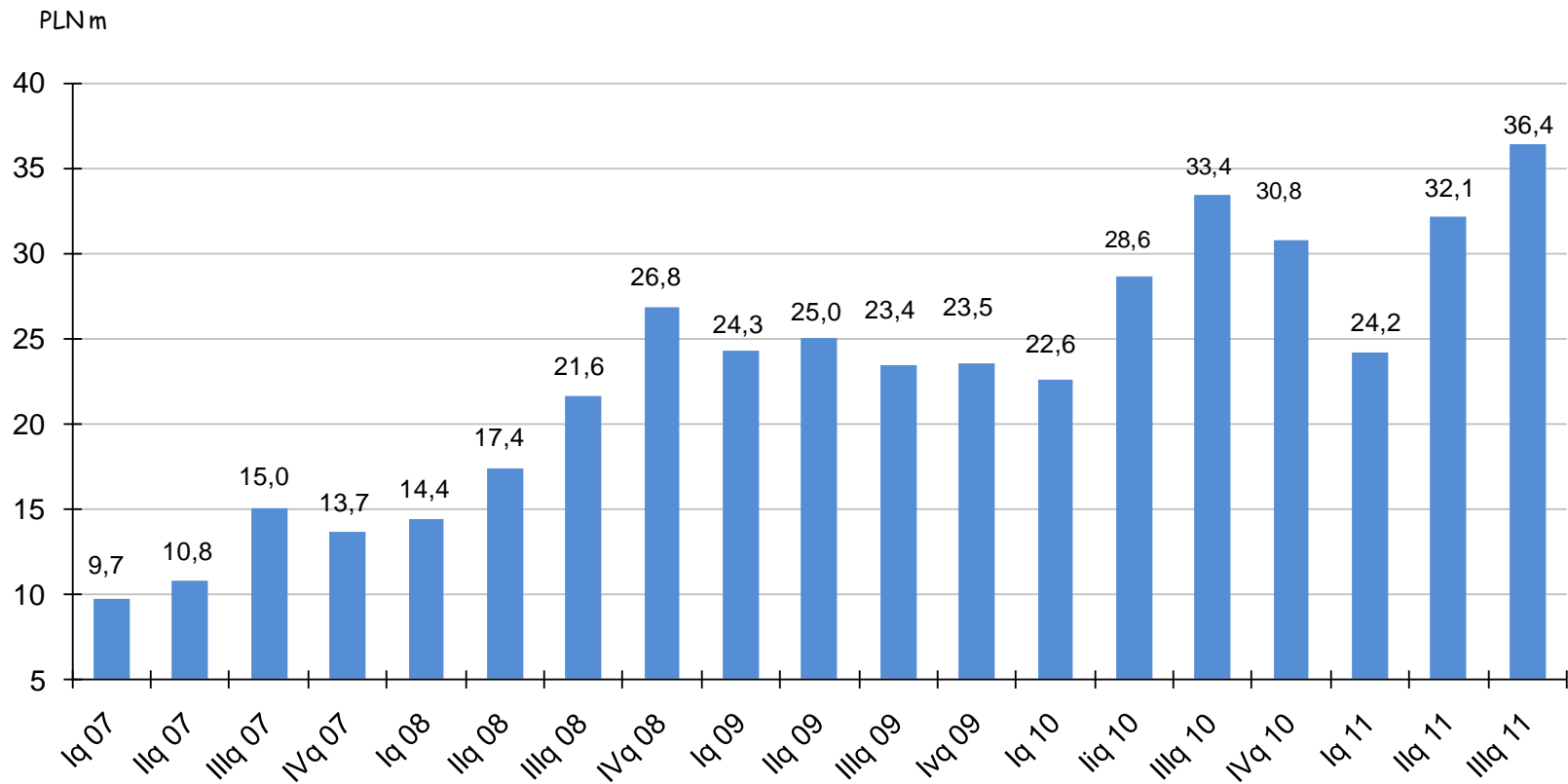
Sales of RESERVED brand abroad



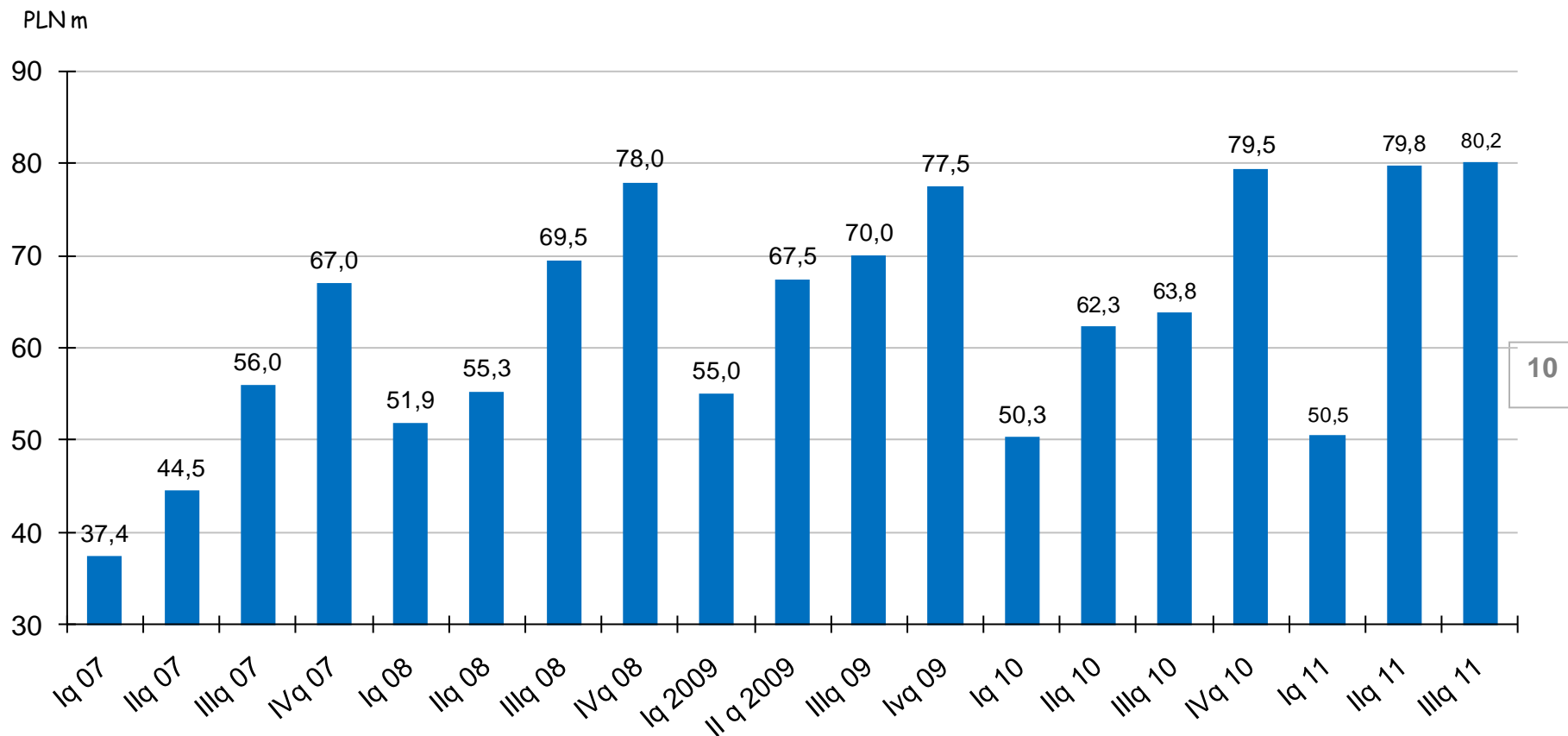
Sales of CROPP brand in Poland



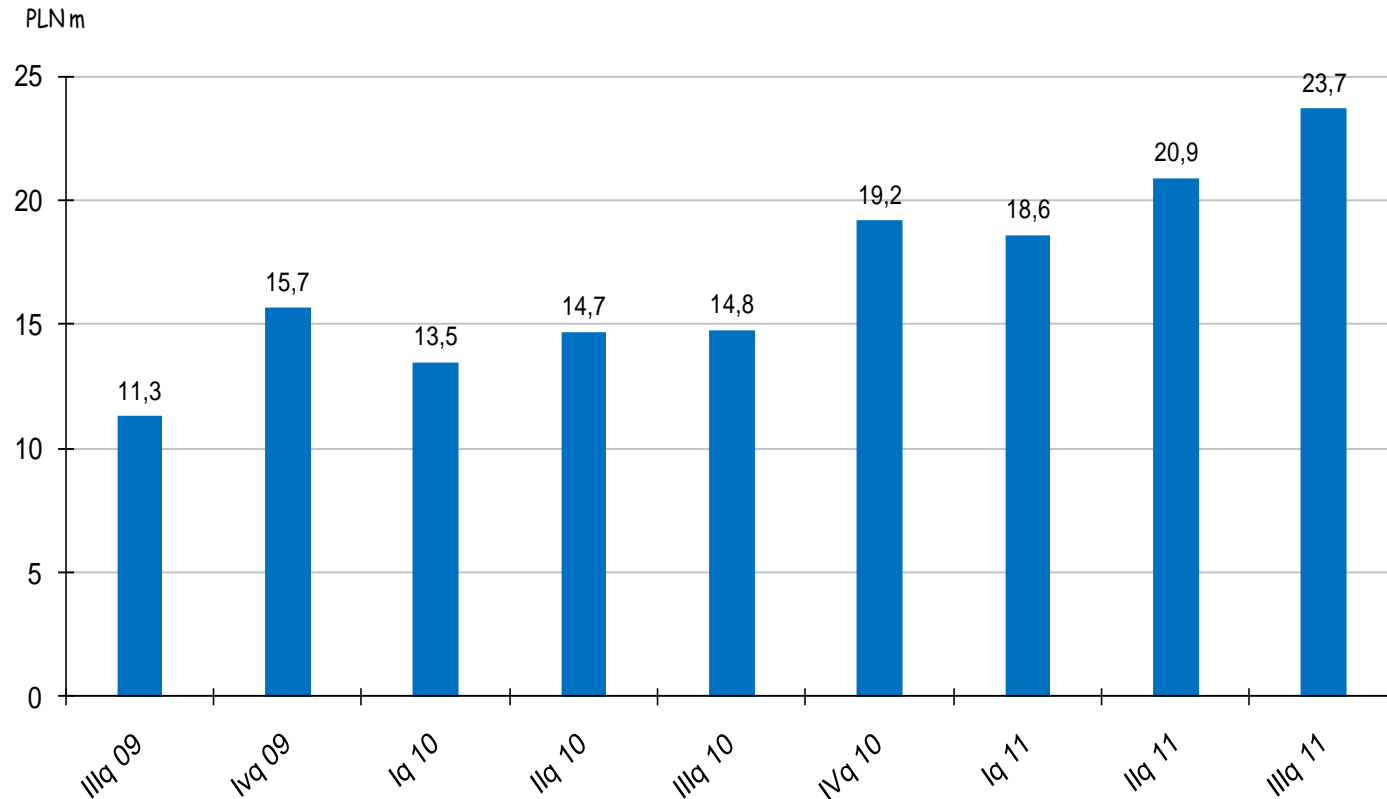
Sales of CROPP brand abroad



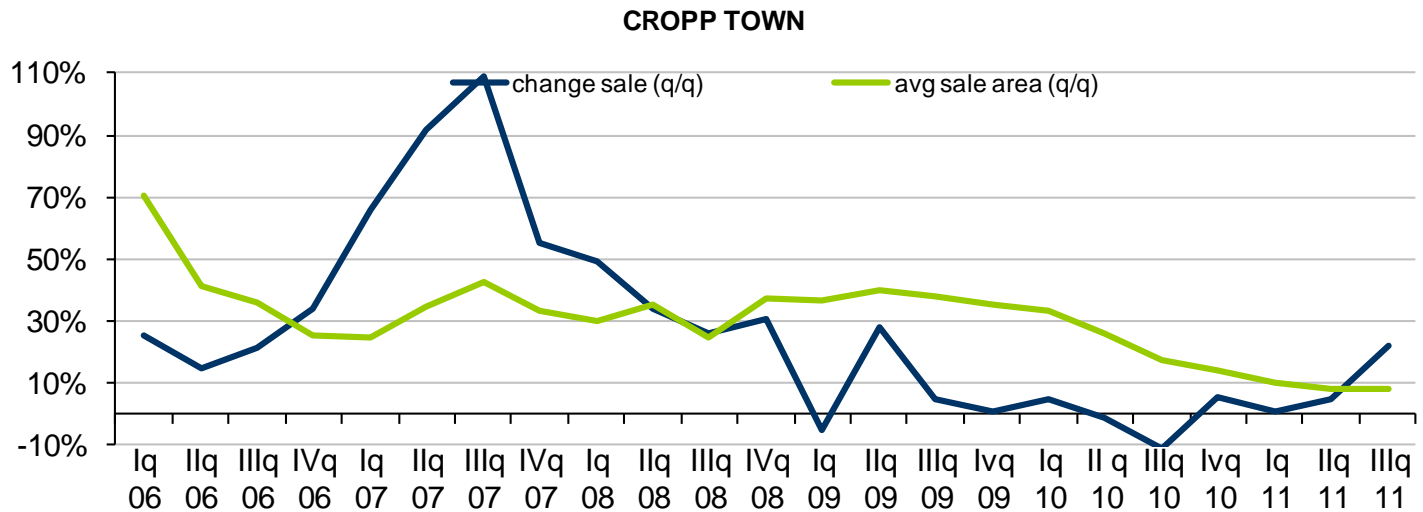
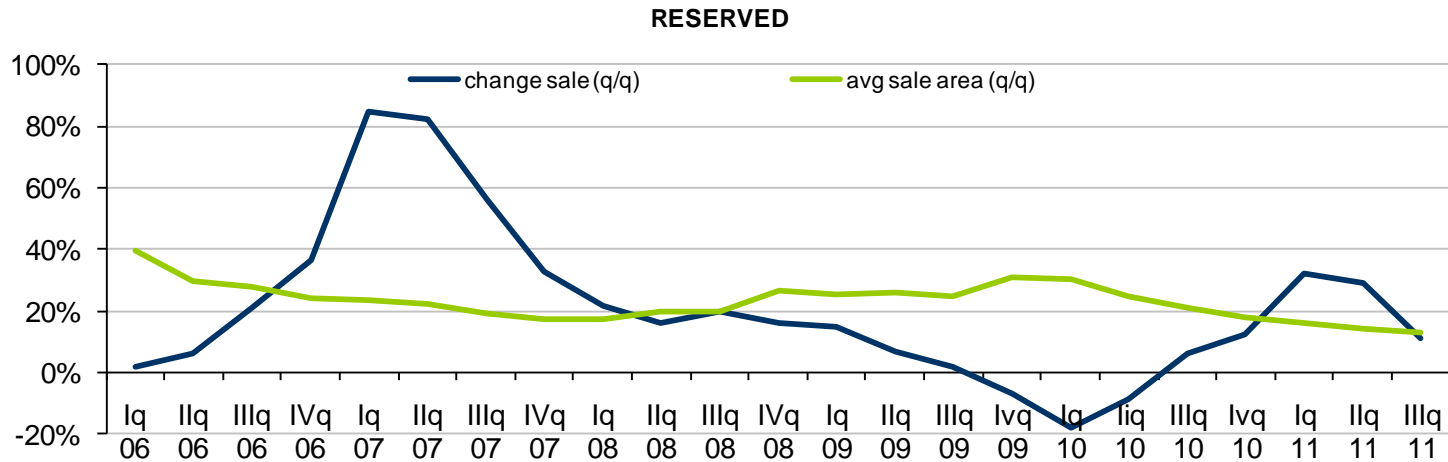
Sales of HOUSE brand in Poland



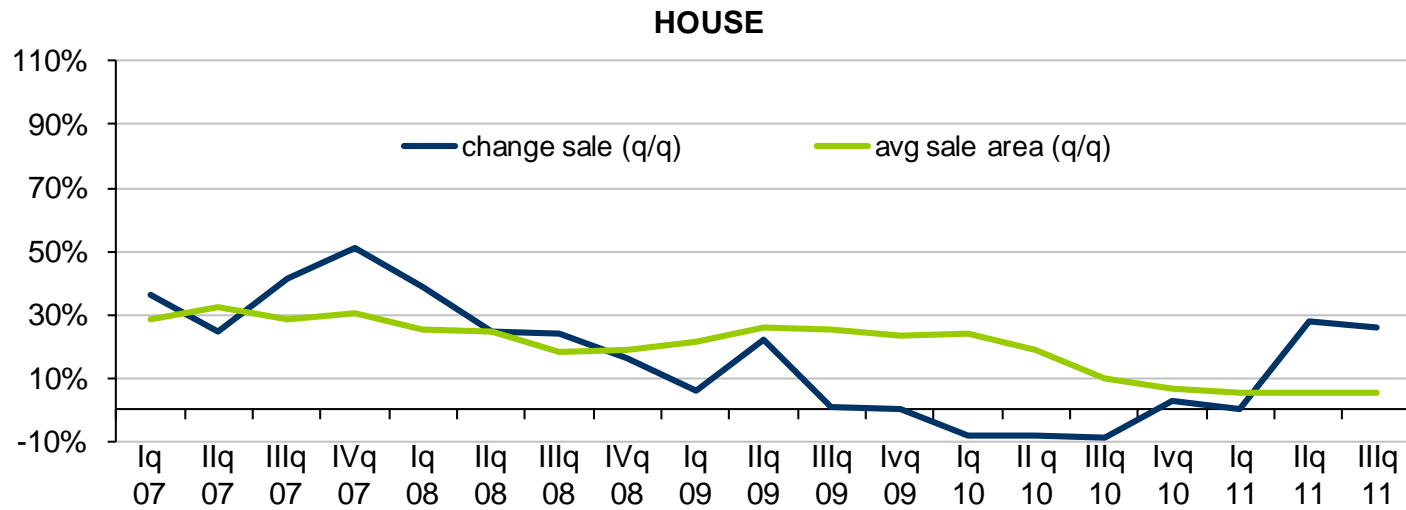
Sales of Mohito brand in Poland



The improvement in efficiency



The improvement in efficiency



Consolidated Profit and Loss Account I-IIIQ 2011

Item [mln PLN]	I-IIIQ 2011	I-IIIQ 2010	Change [%]
Revenues	1 703,2	1 449,5	18%
COGS	754,8	687,2	10%
Gross profit on sale	948,4	762,3	24%
<i>Gross profit margin</i>	<i>55,7%</i>	<i>52,6%</i>	<i>3,1 pp</i>
(SG&A)	760,0	674,2	13%
EBITDA	246,0	155,4	58%
<i>EBITDA margin</i>	<i>14,4%</i>	<i>10,7%</i>	<i>3,7 pp</i>
EBIT	175,7	83,0	107%
<i>EBIT margin</i>	<i>10,3%</i>	<i>5,9%</i>	<i>4,4 pp</i>
Net profit	139,4	49,8	180%
<i>Net margin</i>	<i>8,2%</i>	<i>3,4%</i>	<i>4,8pp</i>

Consolidated Profit and Loss Account IIIQ2011

Item [PLN m]	IIIQ 2011	IIIQ 2010	Changes [%]
Revenues	622,2	543,4	14%
COGS	273,7	271,8	1%
Gross profit on sale	348,5	271,6	28%
<i>Gross profit margin</i>	<i>56,0%</i>	<i>50,0%</i>	<i>6,0pp</i>
(SG&A)	265,2	235,0	13%
EBITDA	100,0	60,2	66%
<i>EBITDA margin</i>	<i>16,1%</i>	<i>11,1%</i>	<i>5,0pp</i>
EBIT	77,2	36,8	110%
<i>EBIT margin</i>	<i>12,4%</i>	<i>6,8%</i>	<i>5,6 pp</i>
Net profit	61,1	16,7	266%
<i>Net margin</i>	<i>9,8%</i>	<i>3,1%</i>	<i>6,7pp</i>

15

Consolidated balance sheet

[PLN m]	30 września 2011	31 grudnia 2010	30 września 2010
<u>Long-term assers, of which:</u>	<u>719,8</u>	<u>712,6</u>	<u>726,9</u>
- intangible fixed assets	272,1	272,2	272,8
- tangible assets	428,3	422,5	433,4
<u>Current assets, of which:</u>	<u>762,1</u>	<u>716,4</u>	<u>689,6</u>
- inventories	553,6	424,4	423,4
- short-term receivables	100,7	95,7	81,8
- cash and cash equivalents	58,2	166,0	143,0
Total assets	1 481,8	1 429,0	1 416,4
<u>Shareholders equity, of which:</u>	<u>772,1</u>	<u>736,6</u>	<u>647,1</u>
- share capital	3,6	3,5	3,5
- net profit	139,4	139,1	49,8
<u>Long-term payables, of which:</u>	<u>203,9</u>	<u>281,2</u>	<u>309,6</u>
- bank credits and loans	118,2	156,1	190,2
- bonds	82,7	121,5	115,5
<u>Short-term payables, of which:</u>	<u>503,3</u>	<u>411,2</u>	<u>459,8</u>
- deliveries and services liabilities	285,1	312,7	371,4
- bank credits and loans	204,5	86,6	76,0
Total liabilities & equity	1 483,9	1 429,0	1 416,4

There is a room for further growth

Powierzchnia [tys. m ²]	31.12.2011	31.12.2012	zmiana
Reserved	217	243	12%
Polska	139	152	10%
UE	38	39	3%
Rosja i Ukraina	41	52	27%
CROPP	61	68	11%
Polska	40	43	7%
UE	9	10	1%
Rosja i Ukraina	12	16	36%
House	53	60	13%
Polska	42	43	3%
UE	7	7	-3%
Rosja i Ukraina	4	10	146%
Mohito	17	30	80%
Polska	14	20	46%
UE	1	2	23%
Rosja i Ukraina	2	9	372%
Wyprzedażowe	4	6	56%
<u>RAZEM</u>	<u>351</u>	<u>406</u>	<u>16%</u>

- The increase in the surface of stores in 2012 is estimated at 55 thousand m2. As the ongoing search for additional premises there might be a verification of these assumptions.
- The value of investments in network development will reach 120 PLN m.

17

Excluding seasonal shops.

RESERVED



M O H I T O