



Lpp[®]
S.A.

LPP SA: Results for 1H2013

RESERVED


cropp

M O H I T O

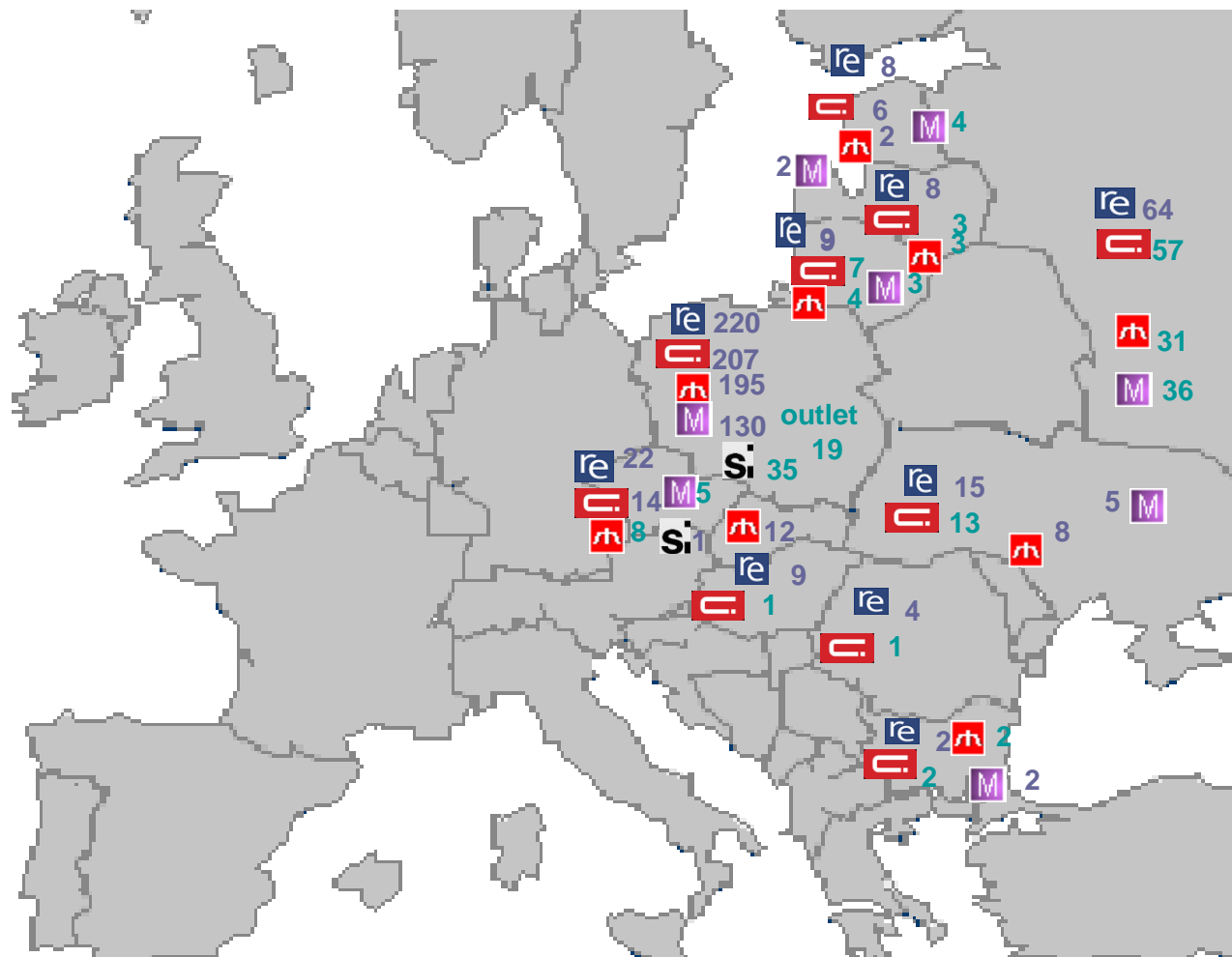

housé

sinsay

Our brands are present in the whole CEE region

At the end of June 2013 retail sales network consists of 1179 stores including:

361 Reserved
311 CROPP
264 House
188 Mohito
36 Sinsay



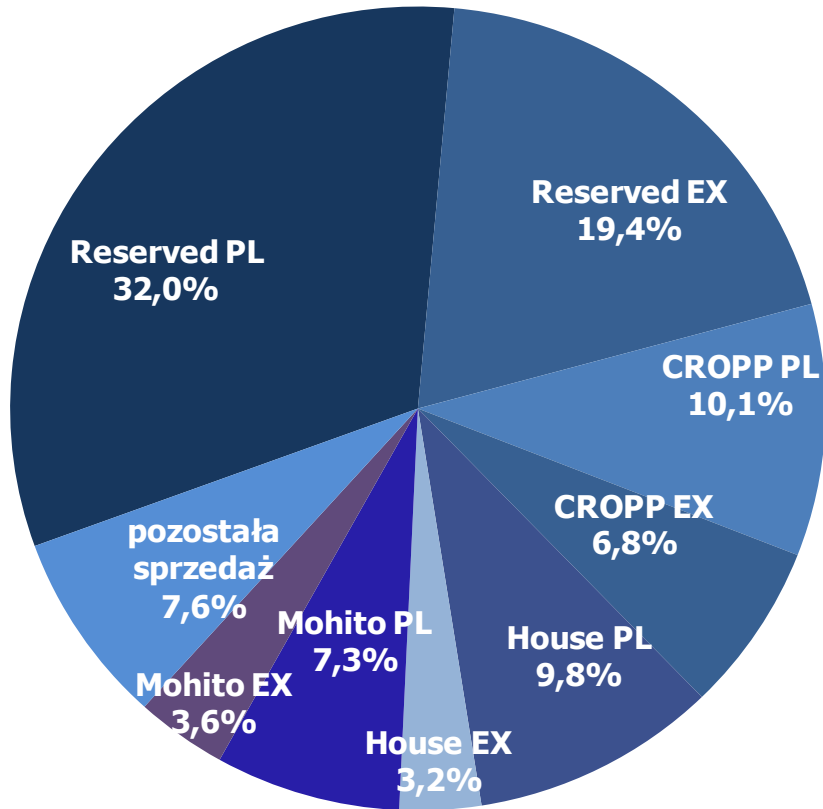
Implementation of network development plan

Area [sqm 000]	30.06.2013	30.06.2012	Change
Reserved	280,7	230,7	22%
Poland	165,9	146,4	13%
EU	46,8	40,8	15%
Russia & Ukraine	68,0	43,5	56%
CROPP	79,6	64,6	23%
Poland	48,6	41,0	19%
EU	9,5	8,8	8%
Russia & Ukraine	21,5	14,8	45%
House	68,7	55,9	23%
Poland	48,5	42,5	14%
EU	7,8	7,0	11%
Russia & Ukraine	12,4	6,4	94%
Mohito	51,2	26,0	97%
Poland	33,4	18,4	82%
EU	4,8	2,3	109%
Russia & Ukraine	13,0	5,3	145%
Sinsay	10,3	-	
Poland	10,0	-	
UE	0,3		
Outlet	7,8	3,9	100%
<u>TOTAL</u>	<u>498,3</u>	<u>381,1</u>	<u>31%</u>

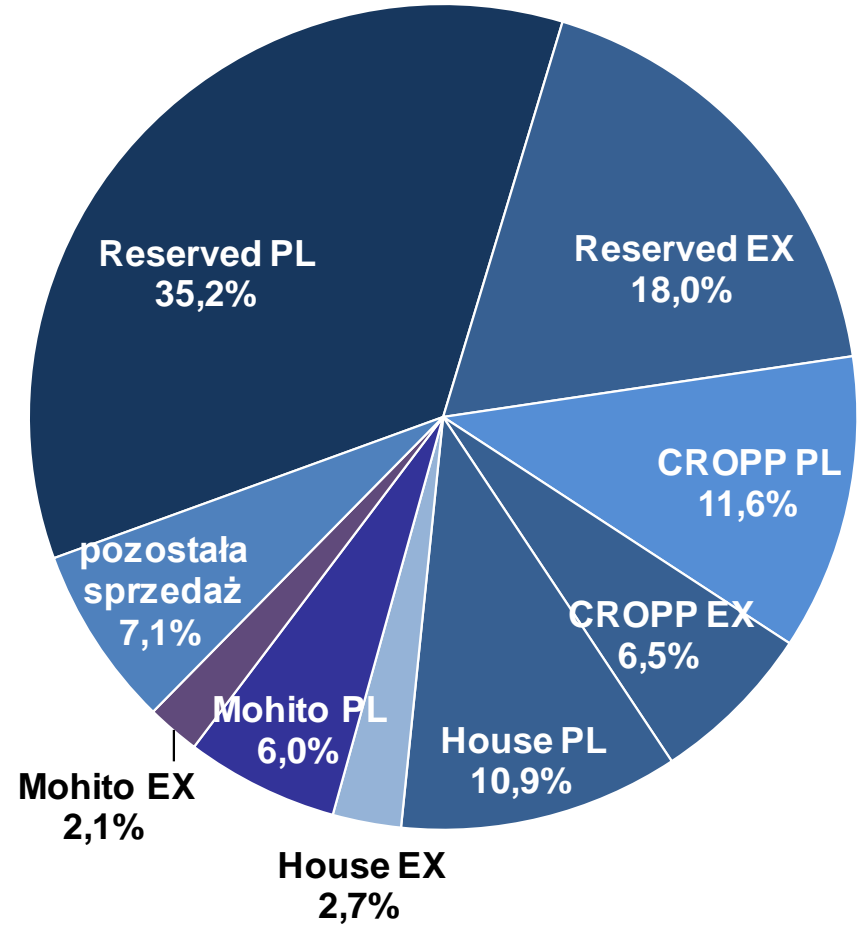
The total area of sales network increased by 31% (117 ths sq.m.) during last 12 months..

Retail sales split by brands

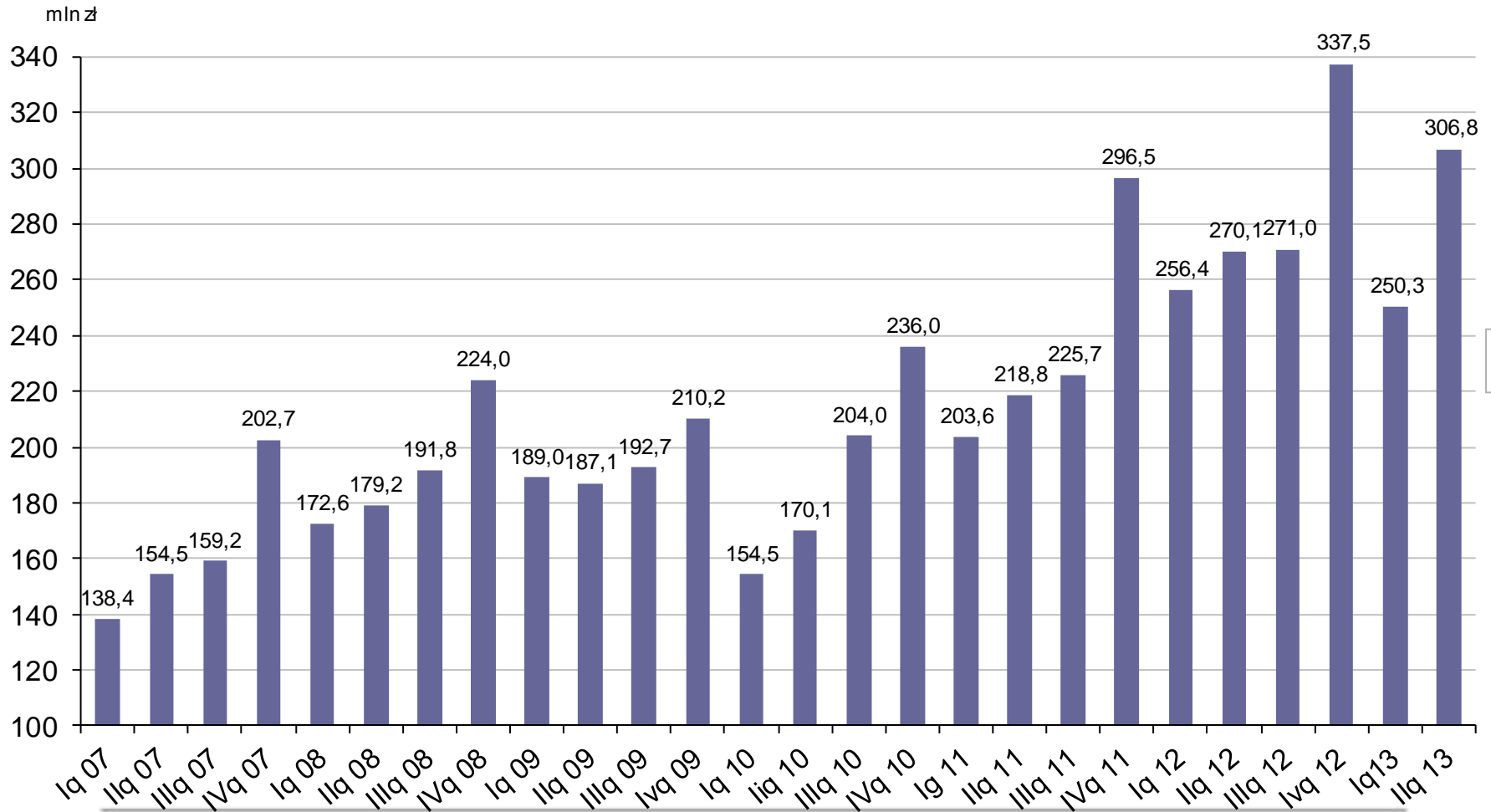
IH2013



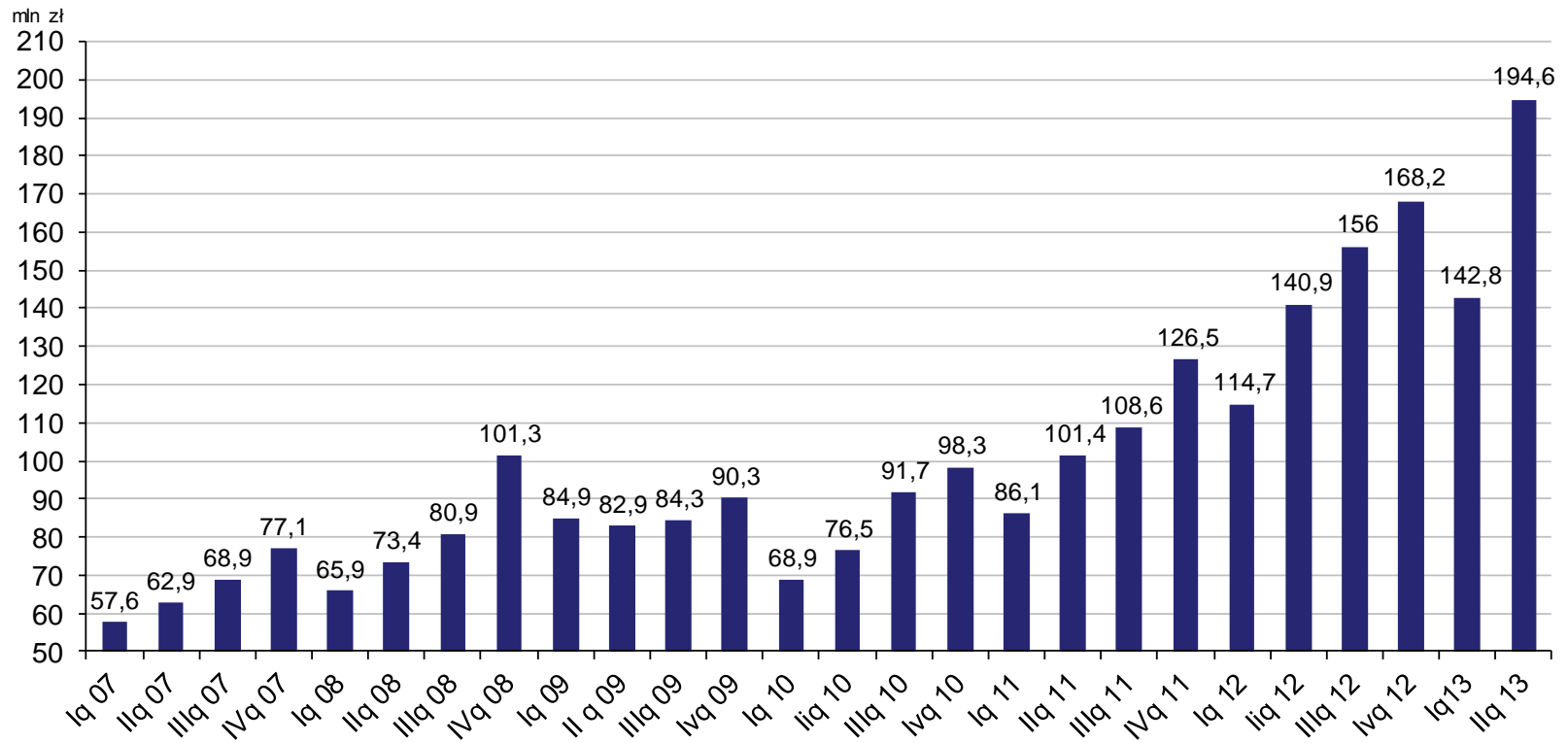
2012



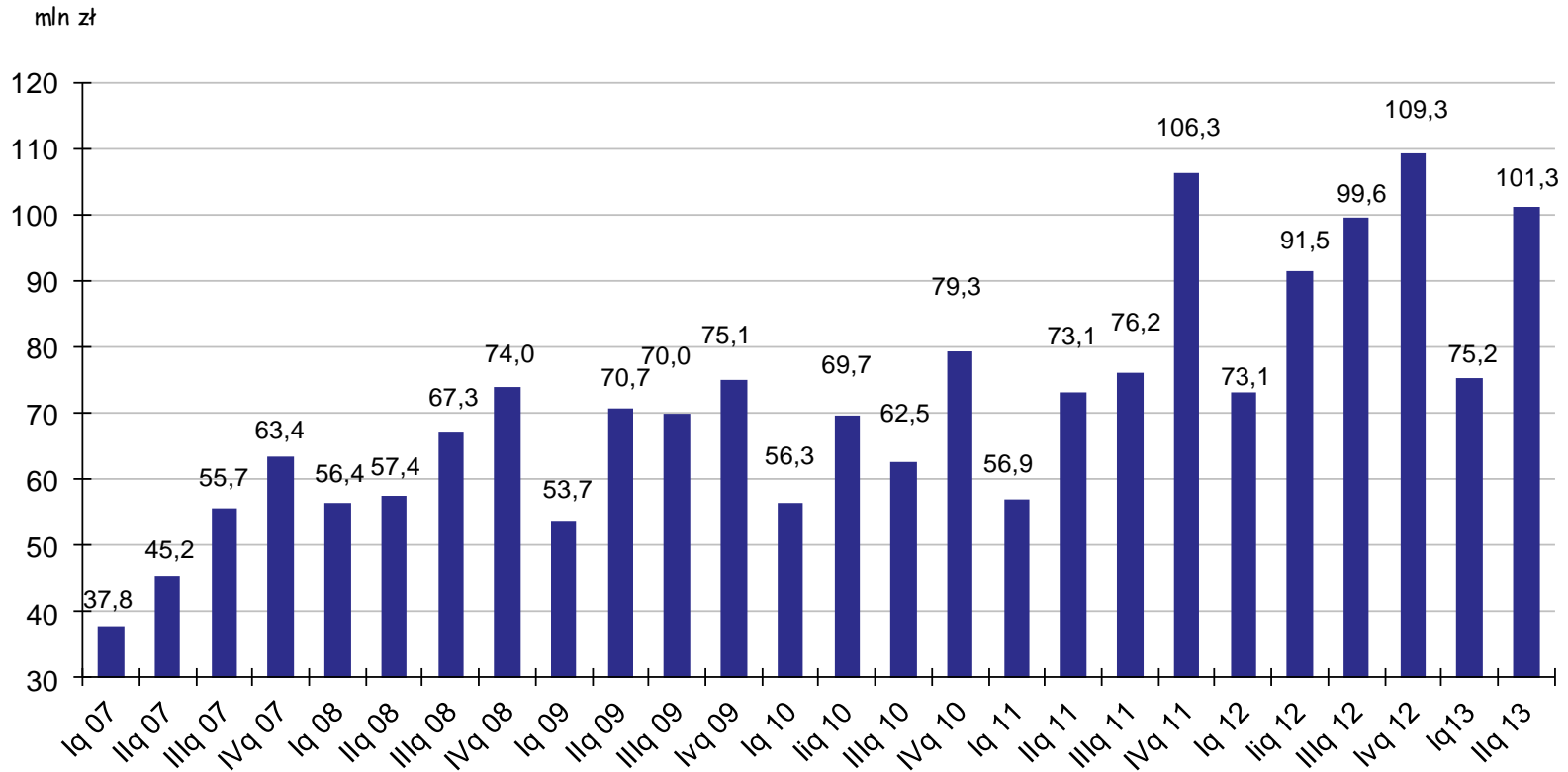
Sales of RESERVED brand in Poland



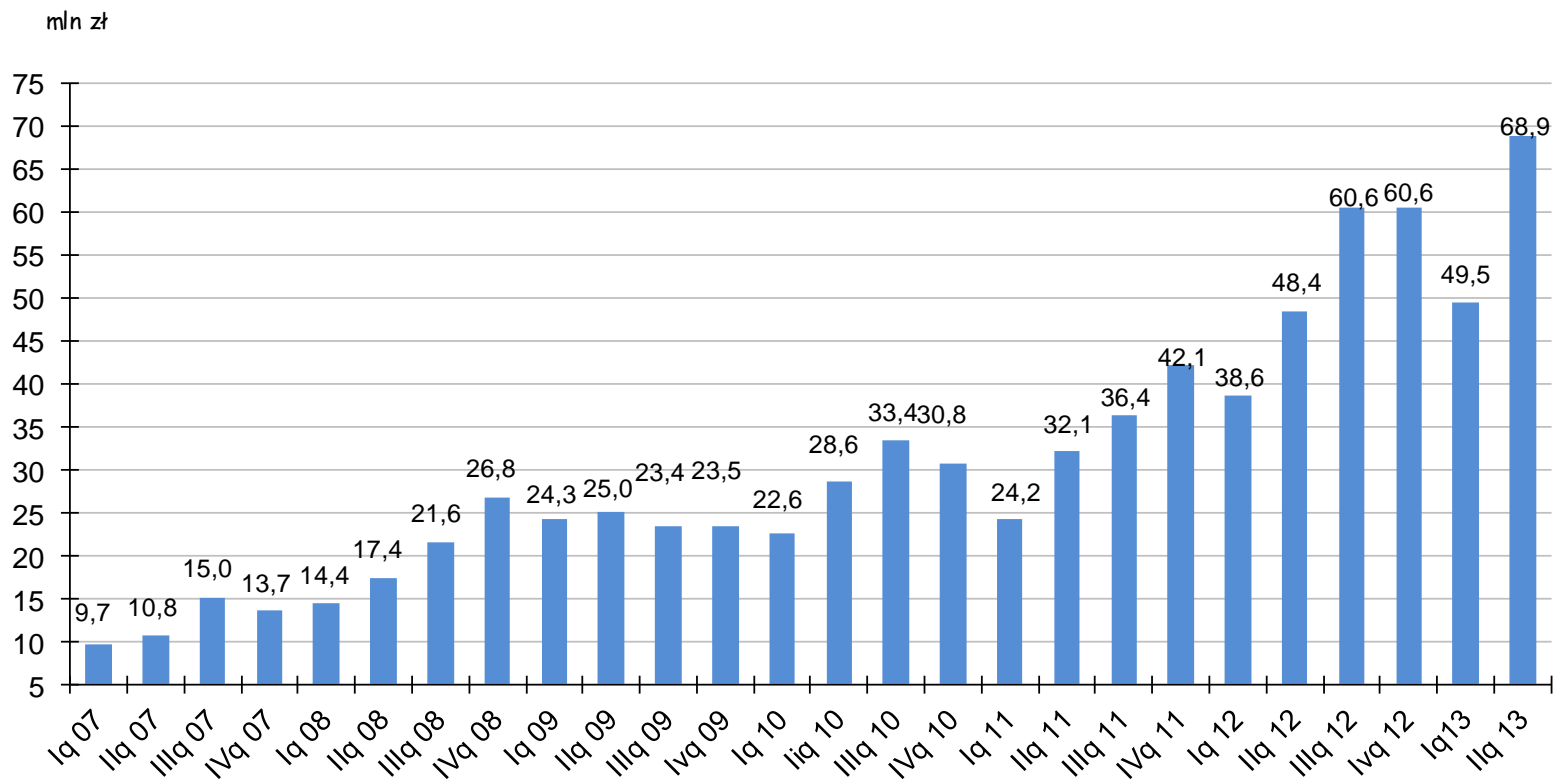
Sales of RESERVED brand abroad



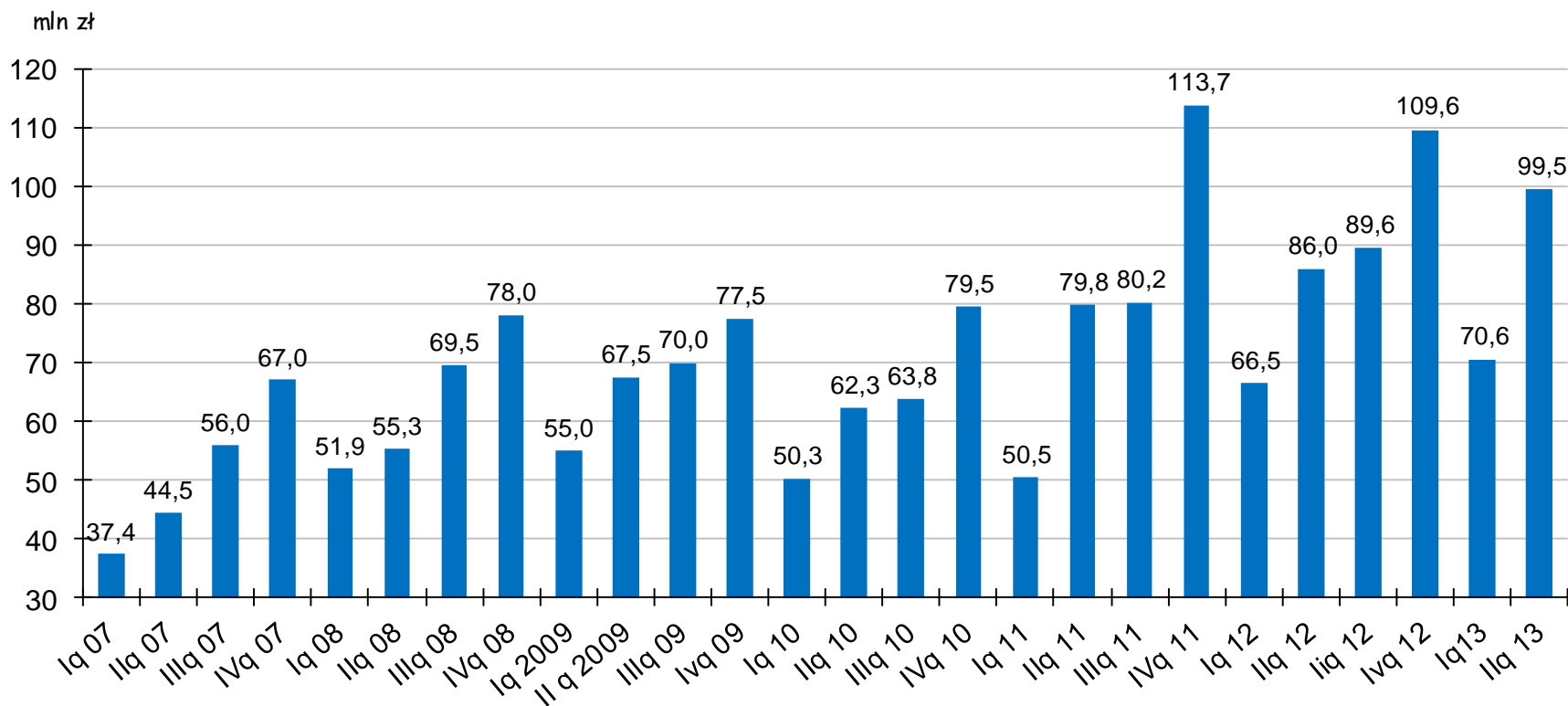
Sales of CROPP brand in Poland



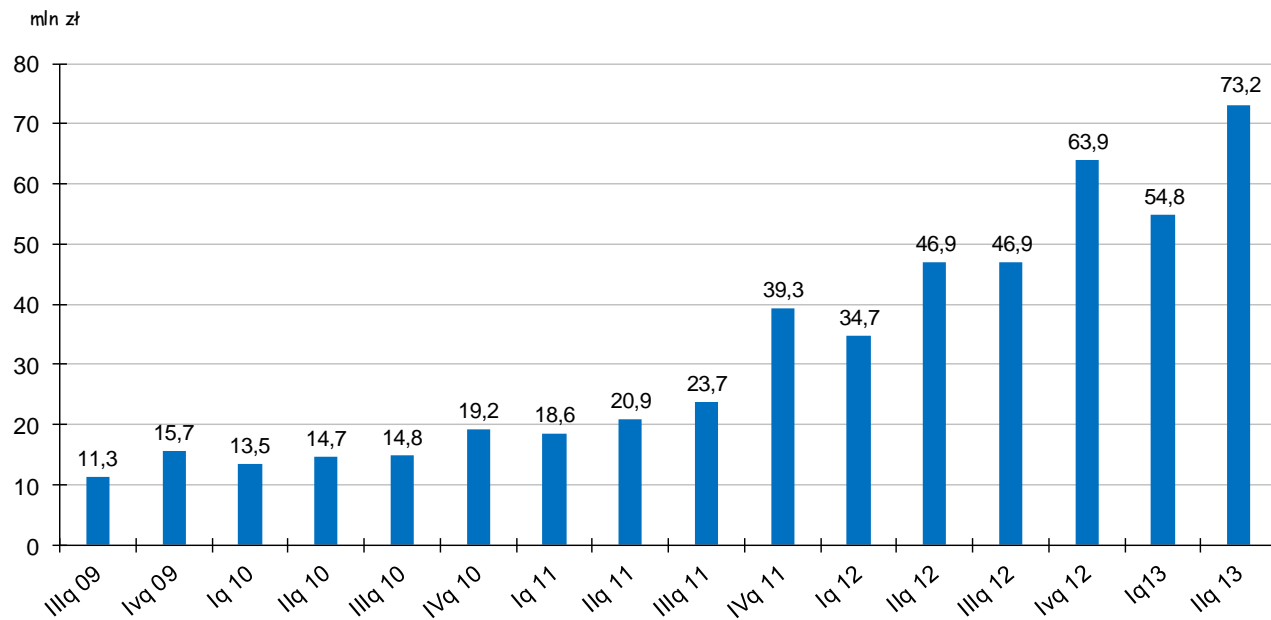
Sales of CROPP brand abroad



Sales of HOUSE brand in Poland



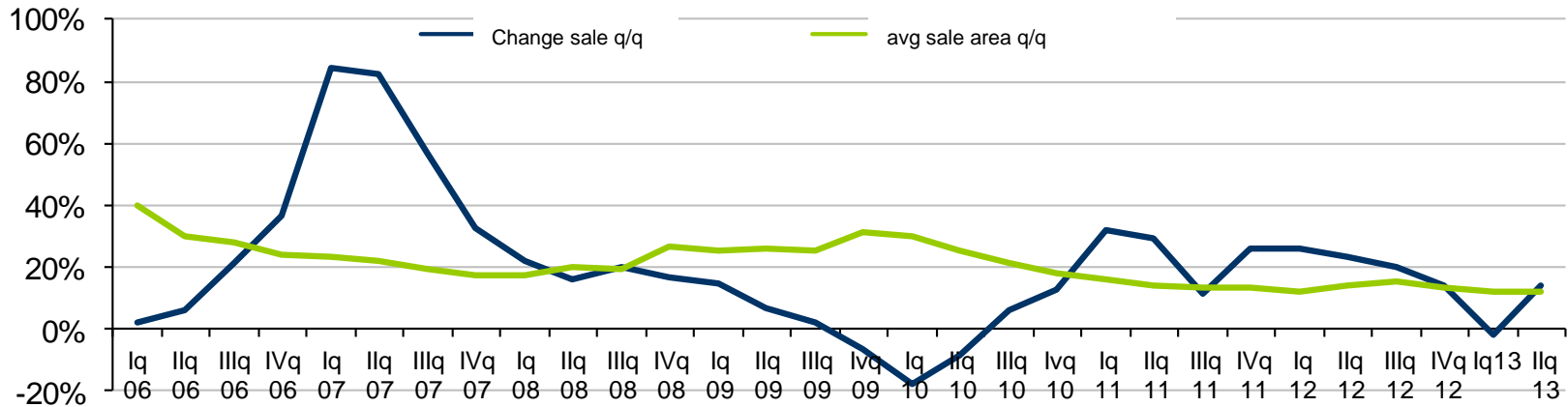
Sales of MOHITO brand in Poland



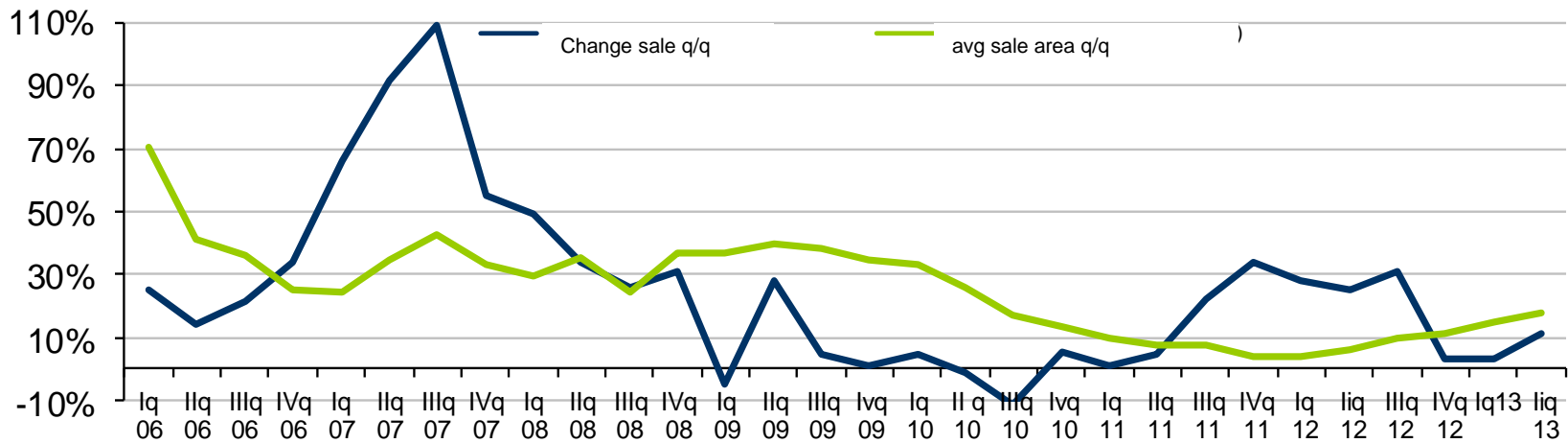
10

The improvement in efficiency

RESERVED

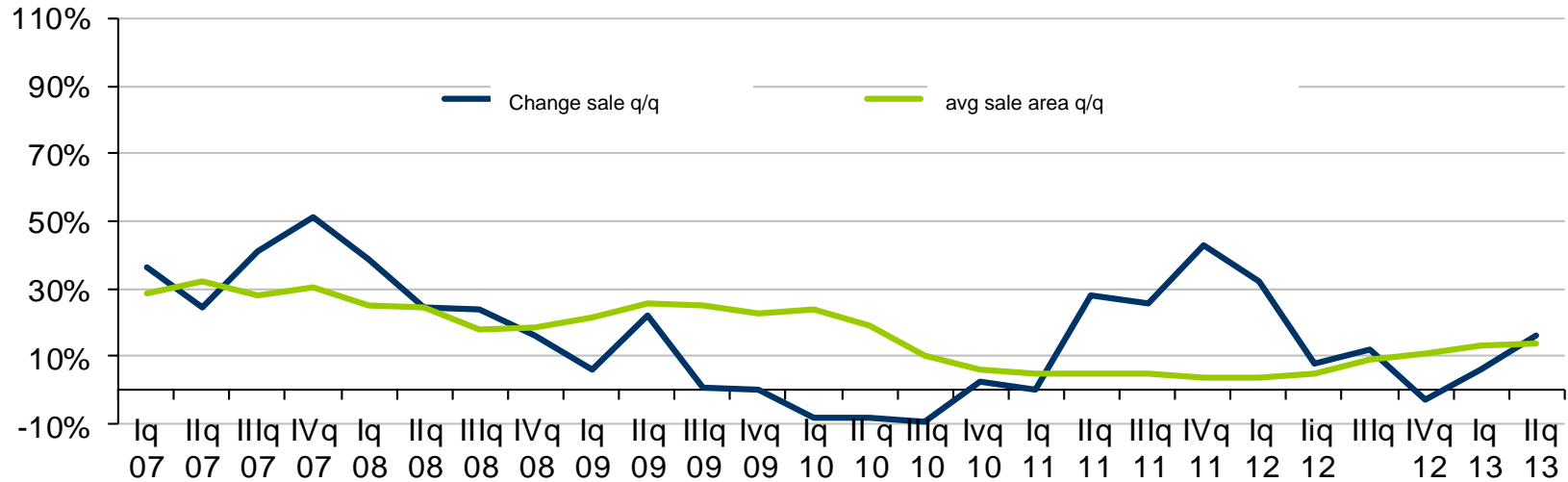


CROPP TOWN

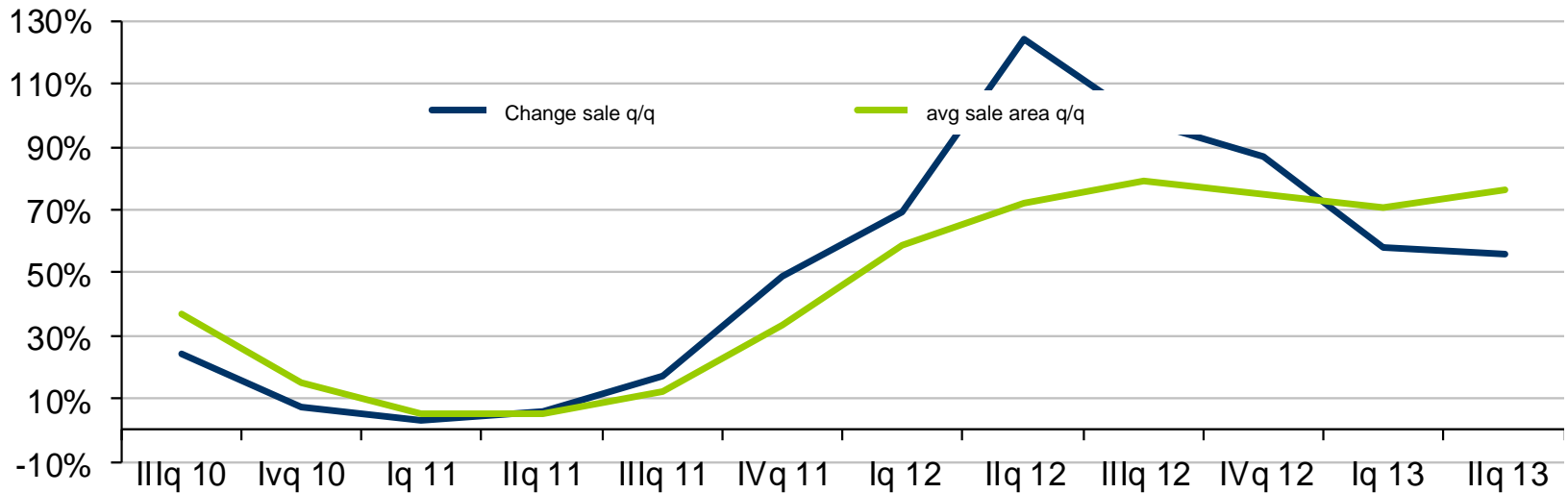


The improvement in efficiency

HOUSE



MOHITO



12

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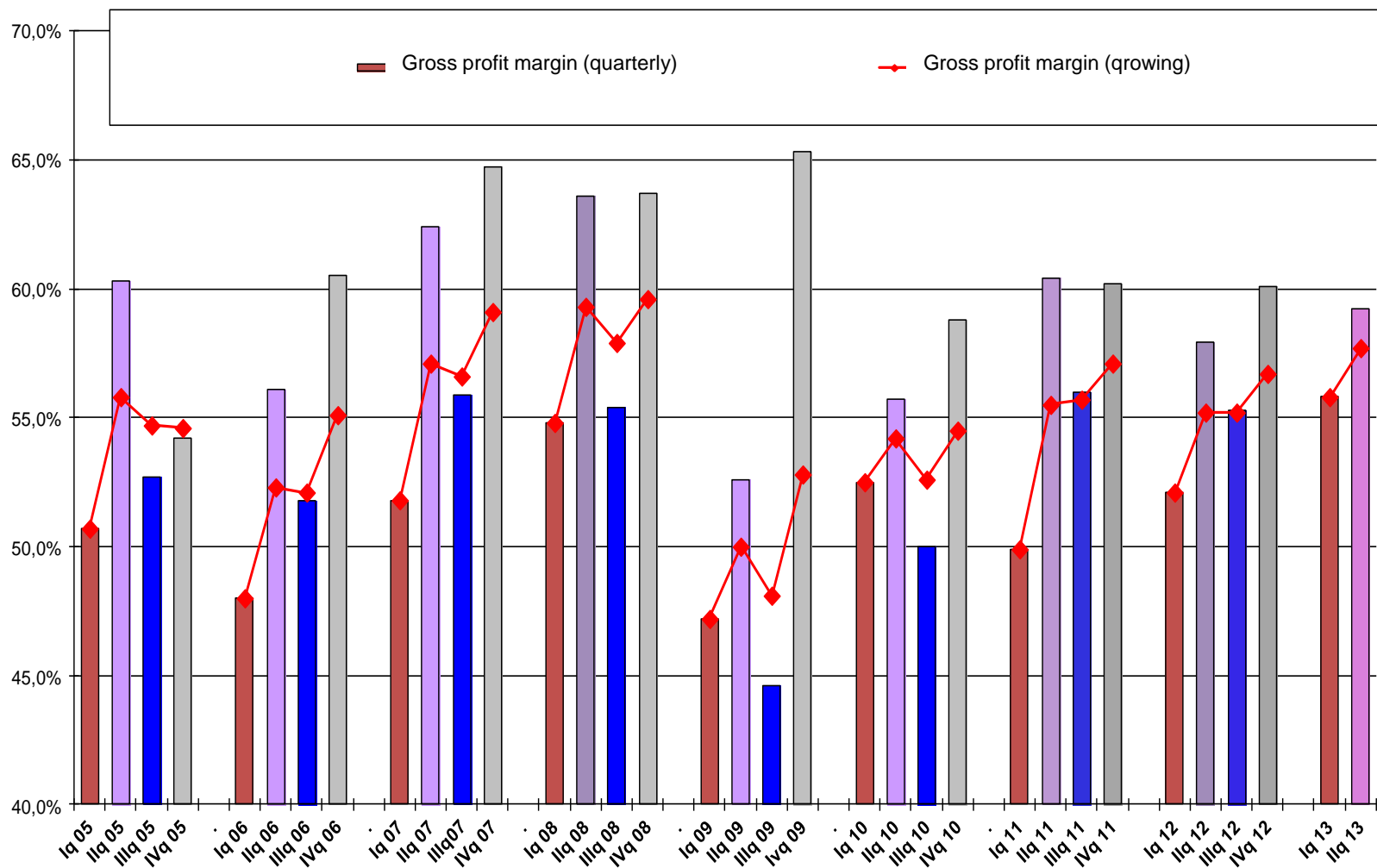


MOHITO



sinsay

Gross profit margin



Consolidated Profit and Loss Account IIQ13

Item [PLN m]	IIQ 2013	IIQ 2012	Change [%]
Revenues	991,0	760,1	30%
COGS	404,1	320,1	26%
Gross profit on sale	586,9	440,0	33%
<i>Gross profit margin</i>	<i>59,2%</i>	<i>57,9%</i>	<i>1,3p.p</i>
(SG&A)	418,7	322,2	30%
EBITDA	197,1	140,1	41%
<i>EBITDA margin</i>	<i>19,9%</i>	<i>18,4%</i>	<i>1,5 p.p</i>
EBIT	160,9	114,0	41%
<i>EBIT margin</i>	<i>16,2%</i>	<i>15,0%</i>	<i>1,2 p.p</i>
Net profit	120,3	77,9%	54%
<i>Net margin</i>	<i>12,1%</i>	<i>10,2%</i>	<i>1,9 p.p</i>

Consolidated Profit and Loss Account IH13

Item [PLN m]	IH 2013	IH2012	Change [%]
Revenues	1 741,8	1418,1	23%
COGS	736,2	635,6	16%
Gross profit on sale	1 005,6	782,5	29%
<i>Gross profit margin</i>	<i>57,7%</i>	<i>55,2%</i>	<i>2,5p.p</i>
(SG&A)	805,0	622,6	29%
EBITDA	255,8	207,2	23%
<i>EBITDA margin</i>	<i>14,7%</i>	<i>14,6%</i>	<i>0,1 p.p</i>
EBIT	186,8	156,1	20%
<i>EBIT margin</i>	<i>10,7%</i>	<i>11,0%</i>	<i>-0,3 p.p</i>
Net profit	139,9	111,8%	25%
<i>Net margin</i>	<i>8,0%</i>	<i>7,9%</i>	<i>0,1 p.p</i>

Consolidated balance sheet

[PLN m]	30 June 2013	30 June 2012	31 December 2012
<u>Long-term assets, of which:</u>	<u>1066,5</u>	<u>811,3</u>	<u>909,9</u>
- intangible fixed assets	279,7	272,3	278,7
- tangible assets	732,6	510,3	598,5
<u>Current assets, of which</u>	<u>1208,5</u>	<u>924,4</u>	<u>1022,4</u>
- inventories	820,3	607,1	656,1
- short-term receivables	142,7	120,0	130,4
- cash and cash equivalents	134,1	143,6	159,4
Total assets	2 275,0	1735,7	1 932,2
<u>Shareholders' equity, of which:</u>	<u>1 198,90</u>	<u>887,50</u>	<u>1 211,00</u>
- share capital	3,7	3,6	3,7
- net profit	139,0	111,1	352,4
<u>Long-term payables, of which:</u>	<u>192,1</u>	<u>150,2</u>	<u>131,0</u>
- bank credits and loans	185,0	145,9	125,1
<u>Short-term payables, of which:</u>	<u>883,9</u>	<u>698,1</u>	<u>590,2</u>
- deliveries and services liabilities	713,2	554,2	477,8
- bonds		85,2	
- bank credits and loans	128,8	33,2	61,0
Total liabilities & equity	2 275,0	1 735,7	1 932,2

There is a room for further growth

Area [sqm 000]	31.12.2012	31.12.2013	change [sqm 000]	change [%]
Reserved	252	325	73	29%
Poland	156	188	32	21%
EU	41	53	12	29%
Russia & Ukraine	55	84	29	52%
CROPP	72	92	20	28%
Poland	45	55	10	23%
EU	8	11	3	37%
Russia & Ukraine	19	26	7	35%
House	64	81	17	26%
Poland	46	54	8	17%
EU	7	9	2	24%
Russia & Ukraine	10	17	7	71%
Mohito	39	67	28	73%
Poland	26	41	15	59%
EU	3	7	4	117%
Russia & Ukraine	10	20	10	96%
Sinsay		21	21	
Poland		18	18	
abroad		3	3	
Outlets	7	9	2	21%
Geographical split				
Poland	280	368	88	31%
EU	60	80	20	34%
Russia & Ukraine	94	146	52	56%
<u>TOTAL</u>	<u>434</u>	<u>594</u>	<u>160</u>	37%

- The net increase in the floor area of the chain of outlets in 2013 projected on the basis of specific locations is approx. 160 thousand m2 (37%).

- The estimated value of outlays (fixed assets) for the development of the chain of outlets is PLN 380 million

- In addition, it is planned to start construction of another facility in the logistics center. The total investment will amount to about PLN 140, of which about half will be spent in 2013.