

A photograph of Taylor Swift with blonde hair and red lipstick, wearing a black sequined dress, leaning on a metal railing on a rooftop at night. The background shows a city skyline with blurred lights.

Lpp<sup>®</sup>  
S.A.

## LPP: Financial results 3Q 2013

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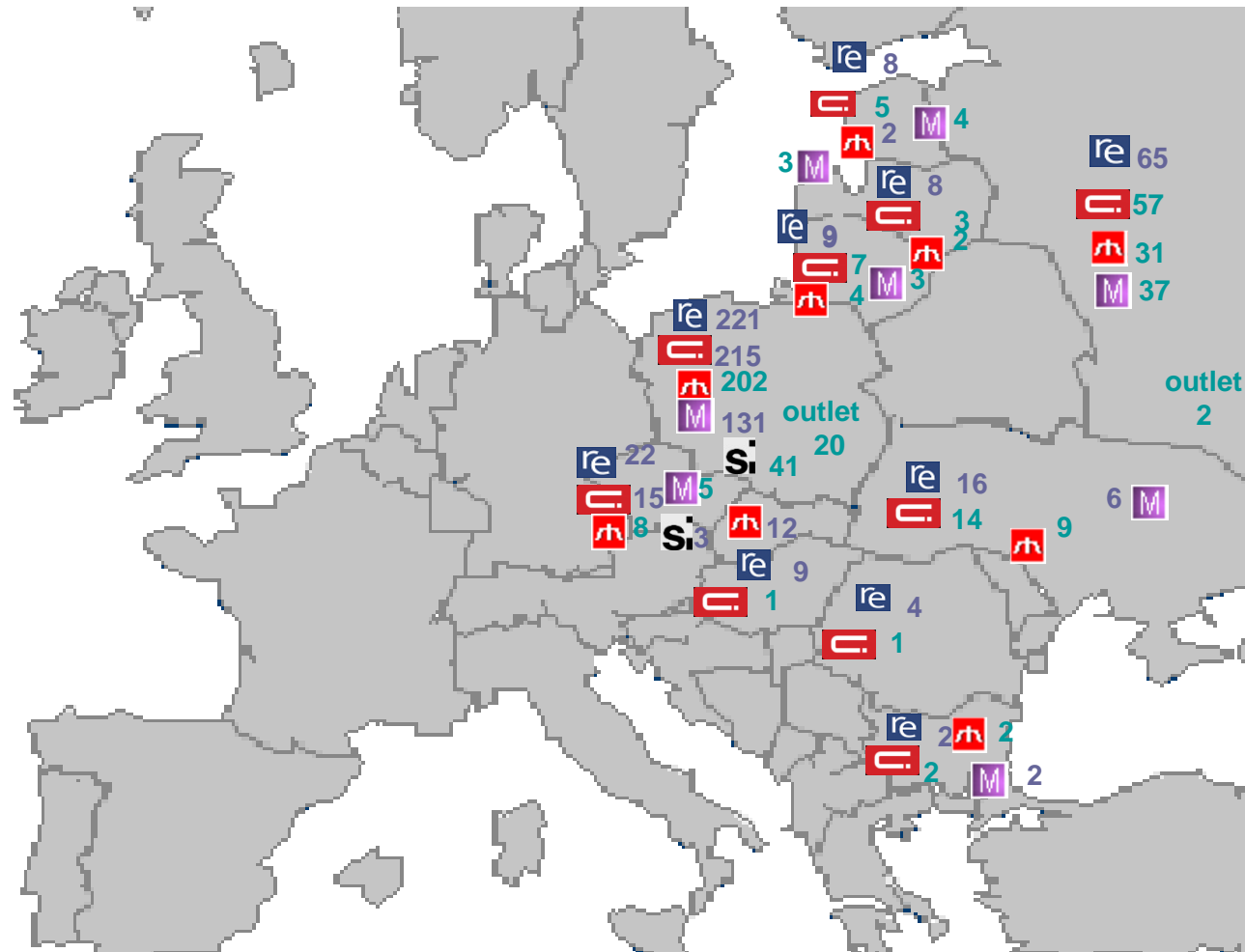
M O H I T O

  
four

sinsay

## LPP's stores presence across CEE region

At the end of Sept 2013 retail network included 1213 stores:  
364 Reserved  
320 CROPP  
272 House  
191 Mohito  
44 Sinsay



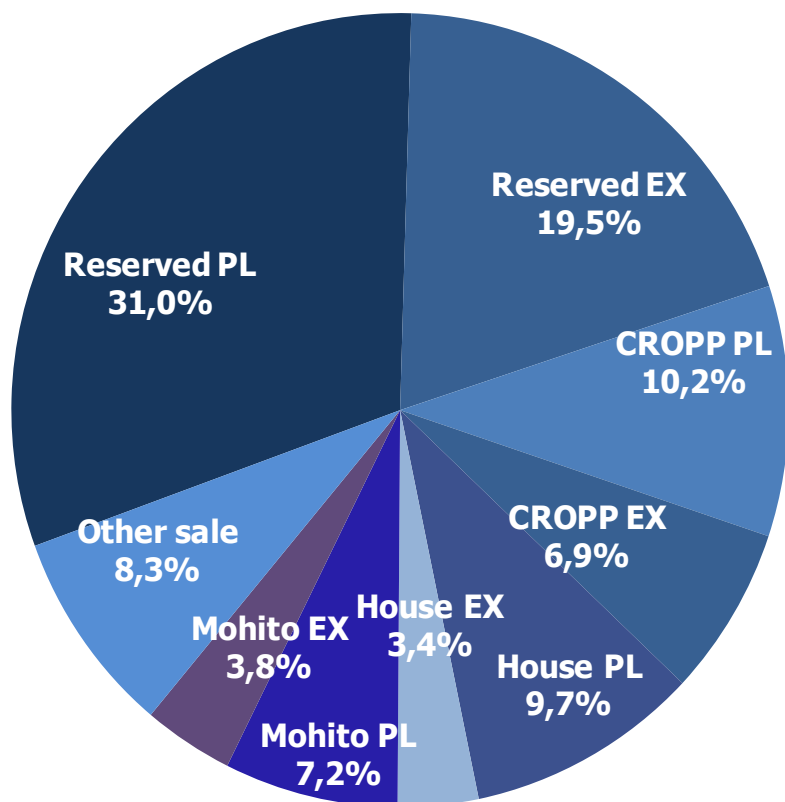
# Retail selling area development (12 months)

Area [000's sqm]	30.09.2013	30.09.2012	Change
<b>Reserved</b>	<b>288,7</b>	<b>235,4</b>	<b>23%</b>
Poland	169,8	148,6	14%
EU	48,6	38,7	26%
Russia & Ukraine	70,3	48,1	46%
<b>CROPP</b>	<b>81,8</b>	<b>66,0</b>	<b>24%</b>
Poland	50,1	41,7	20%
EU	9,8	7,9	24%
Russia & Ukraine	21,9	16,4	34%
<b>House</b>	<b>70,7</b>	<b>57,8</b>	<b>22%</b>
Poland	50,1	43,1	16%
EU	7,8	6,6	18%
Russia & Ukraine	12,8	8,1	58%
<b>Mohito</b>	<b>53,5</b>	<b>30,6</b>	<b>75%</b>
Poland	34,8	20,3	71%
EU	4,8	2,8	71%
Russia & Ukraine	13,9	7,5	85%
<b>Sinsay</b>	<b>13,1</b>	-	
Poland	12,2	-	
EU	0,9		
<b>Outlet</b>	<b>8,5</b>	<b>3,7</b>	<b>130%</b>
<b>Total</b>	<b>516,3</b>	<b>393,5</b>	<b>31%</b>

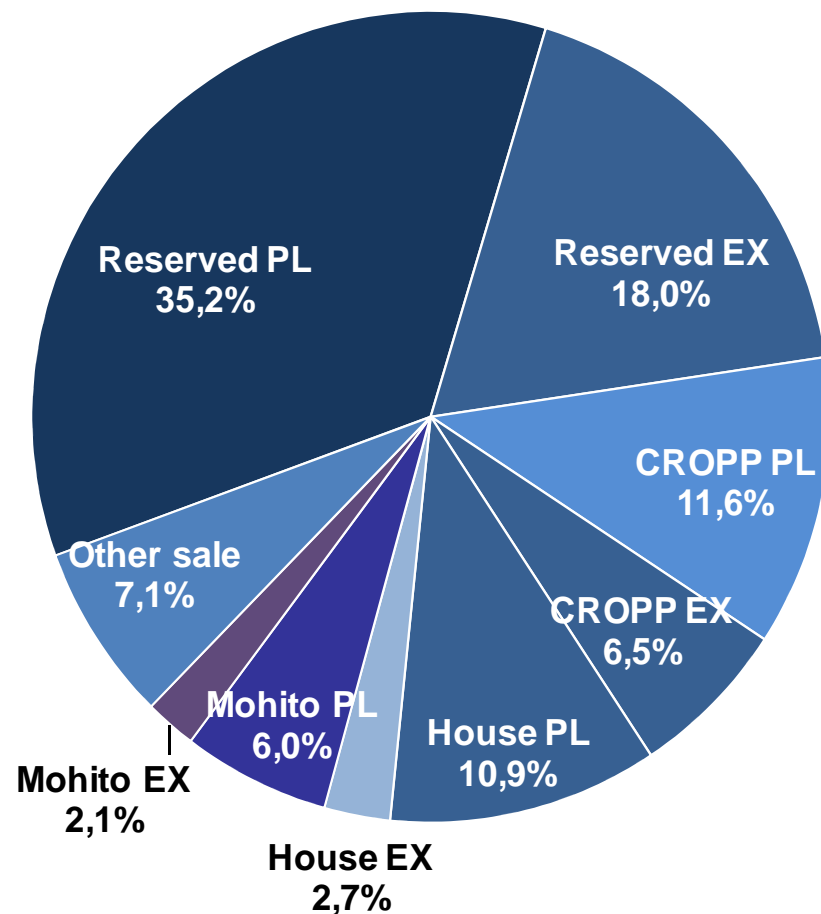
Total selling area increased by 31% (123,000 sqm) during last 12 months.

# Retail sale revenue split by brands

I-IIIQ 2013



2012



4

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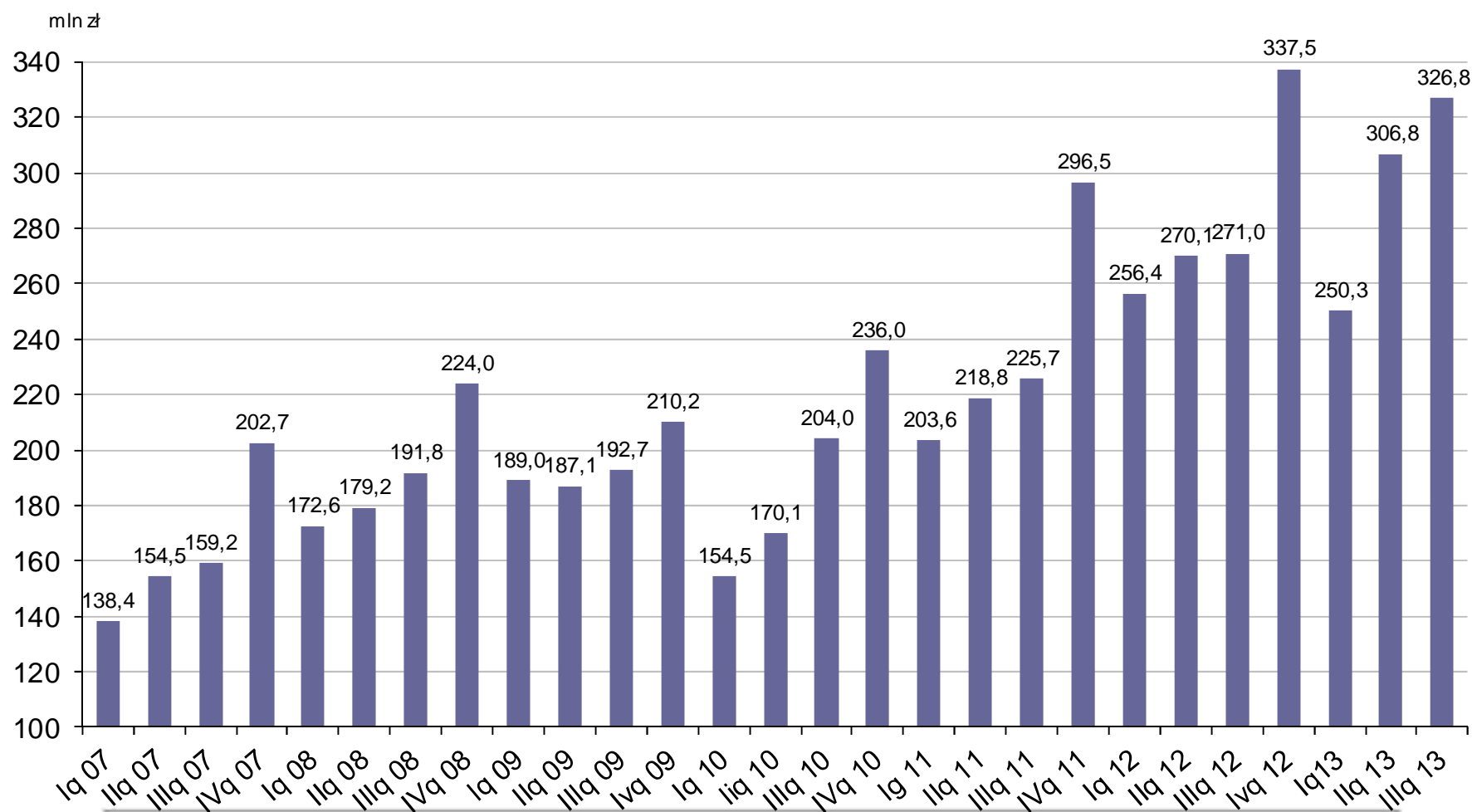


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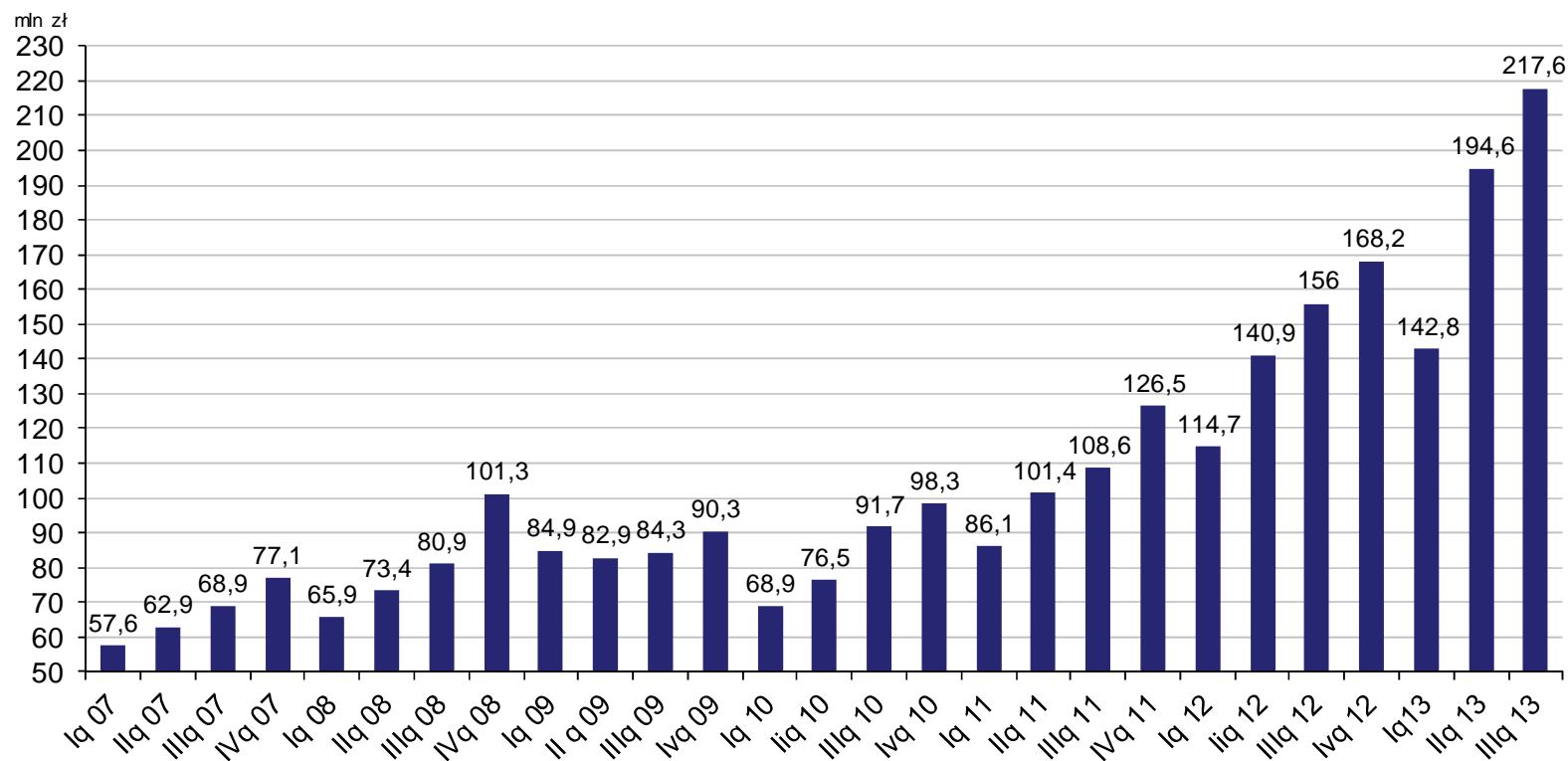


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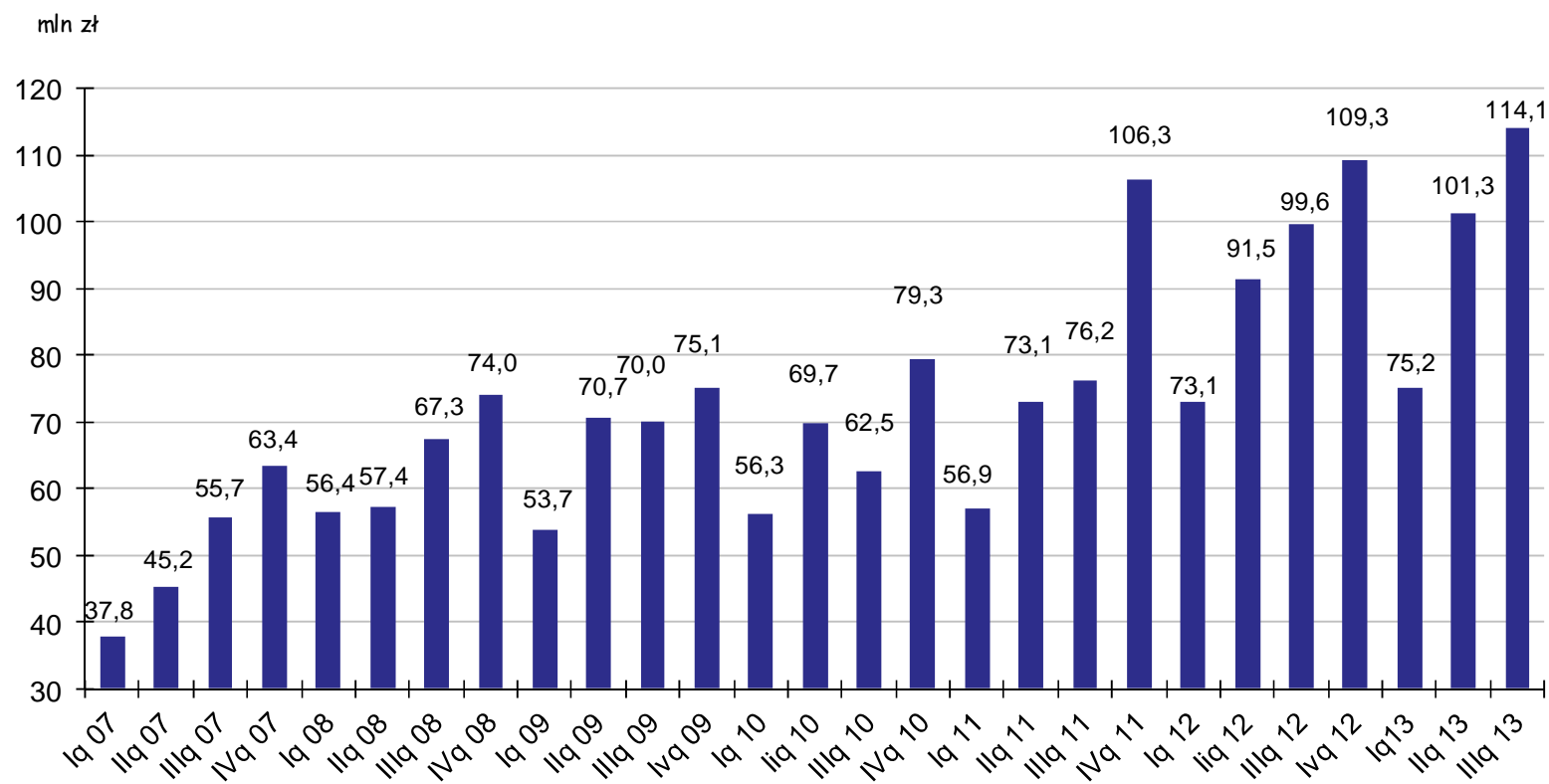
# Retail sale revenue of RESERVED brand in Poland



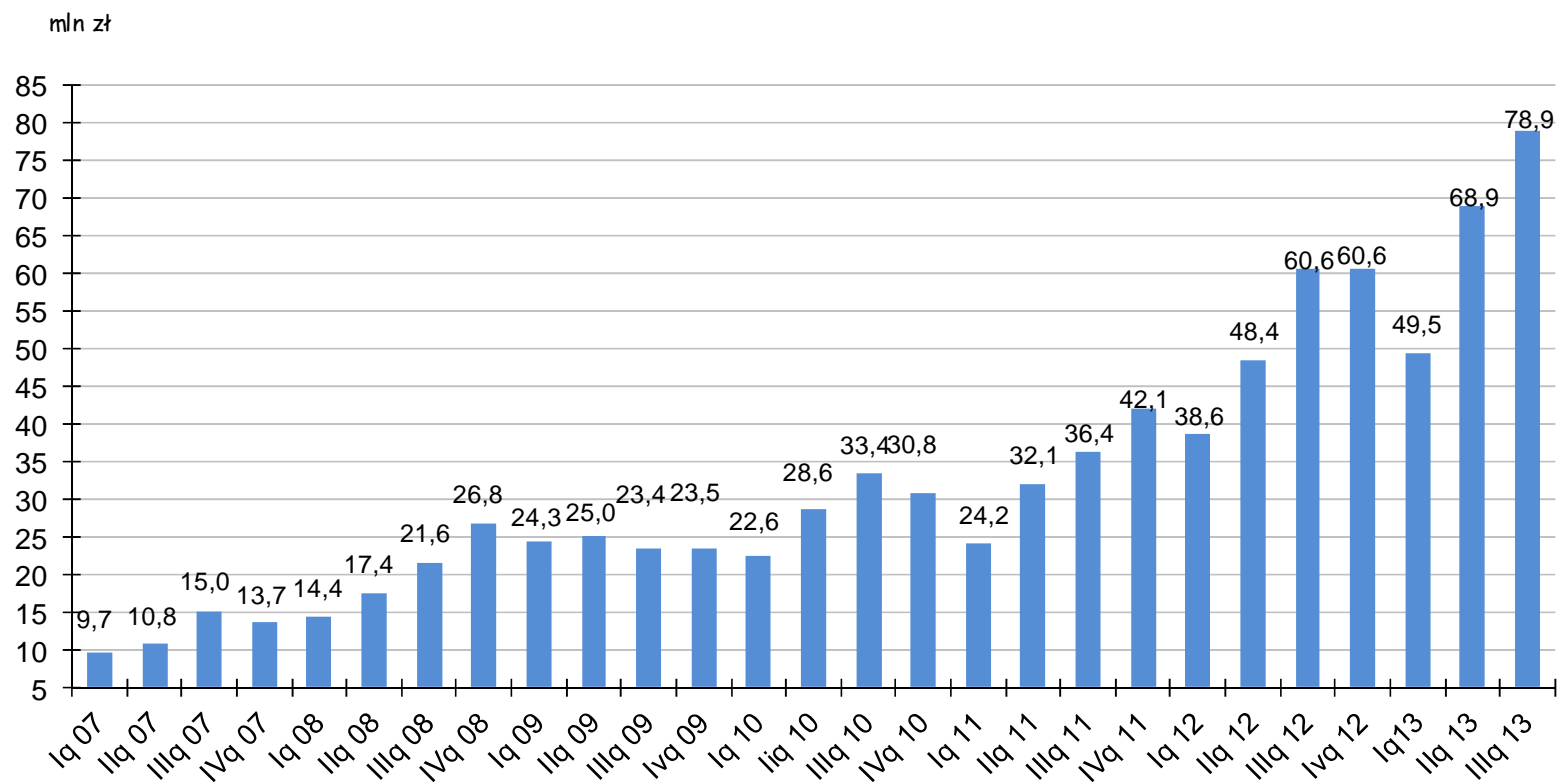
# Retail sale revenue of RESERVED brand outside of Poland



# Retail sale revenue of CROPP brand in Poland

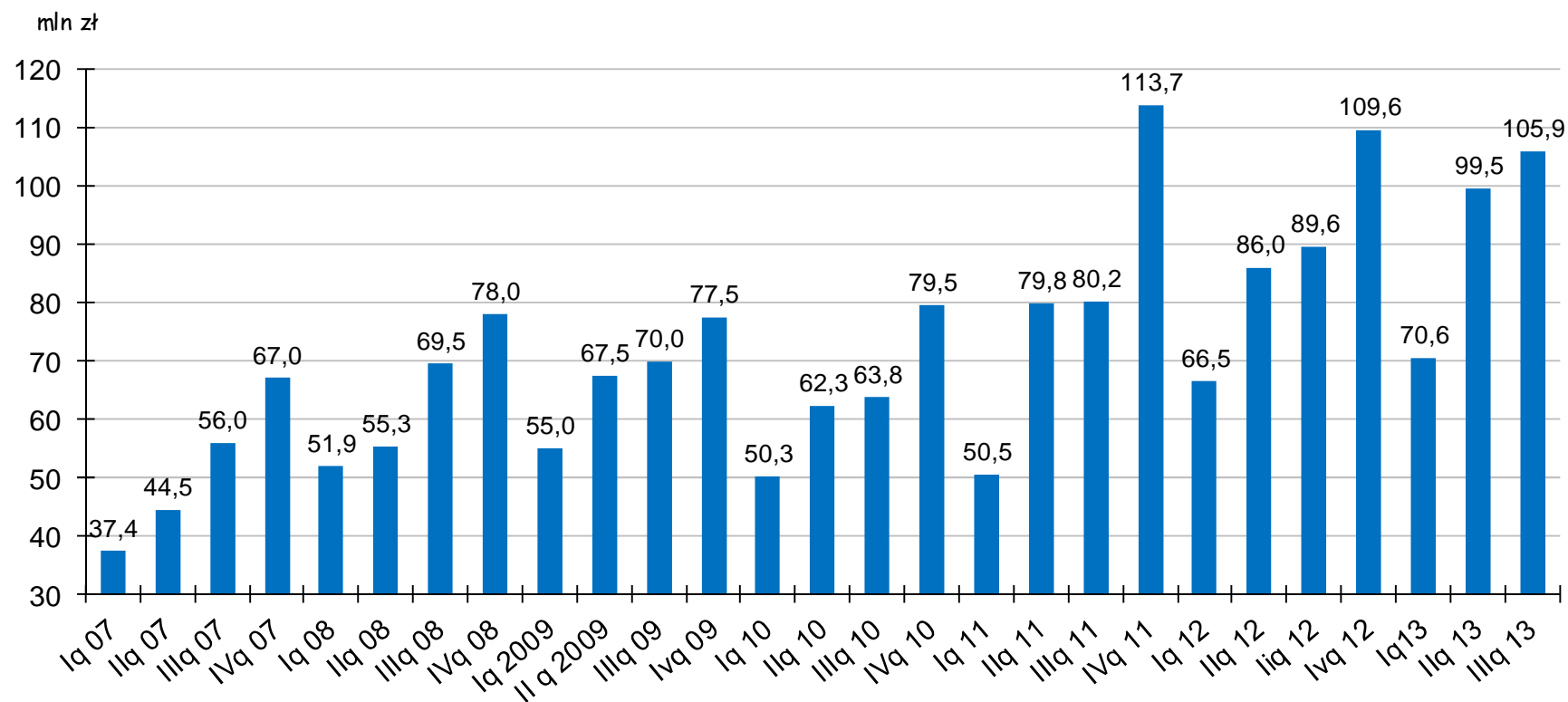


# Retail sale revenue of CROPP brand outside of Poland





# Retail sale revenue of HOUSE brand in Poland



9

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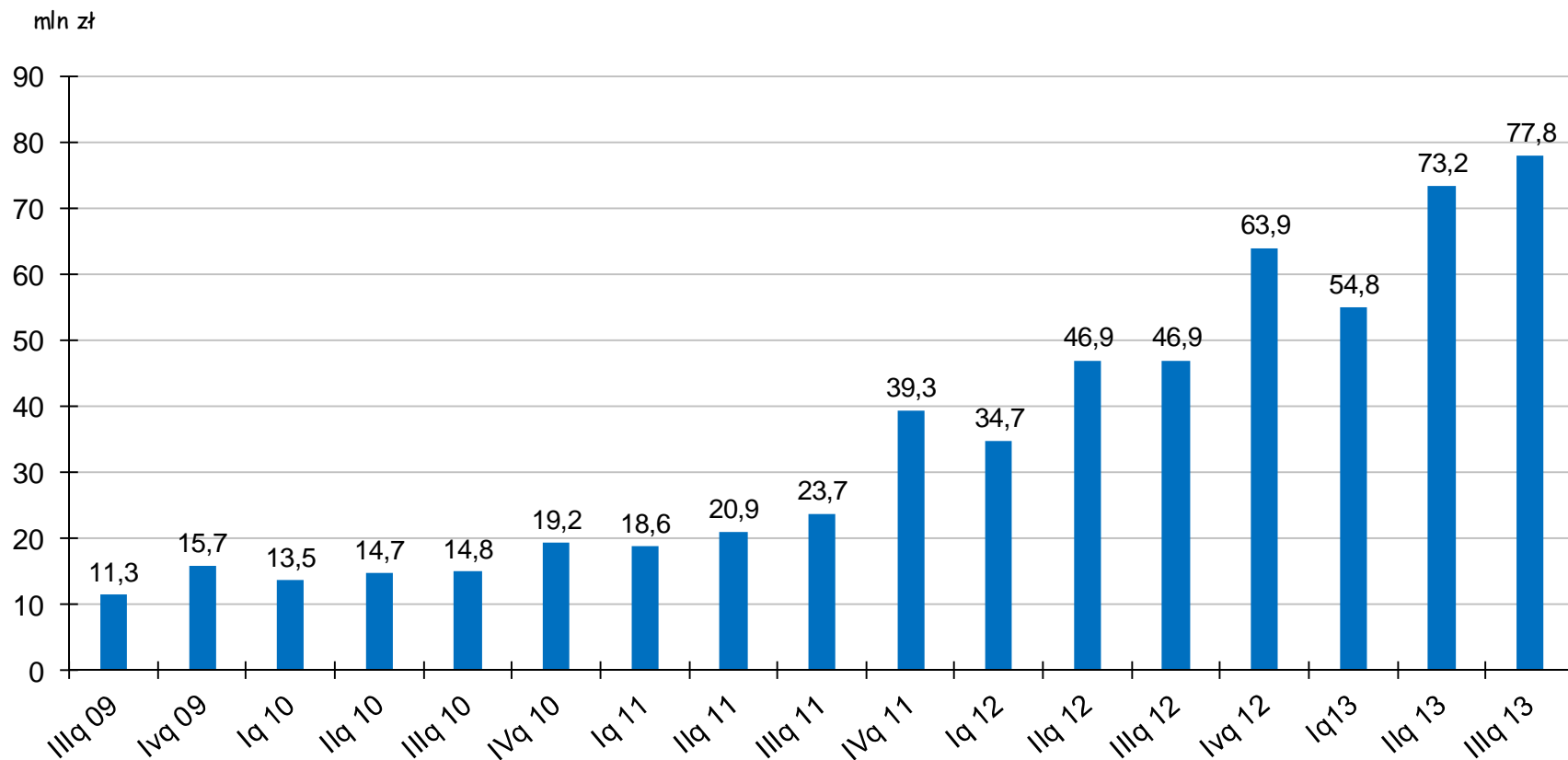


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# Retail sale revenue of MOHITO brand in Poland



10

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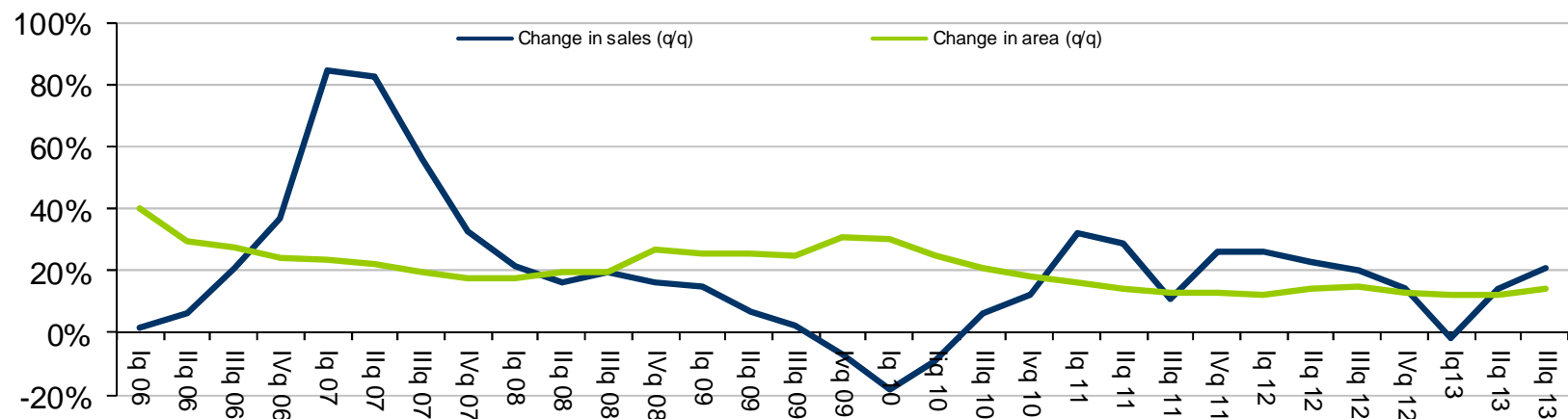
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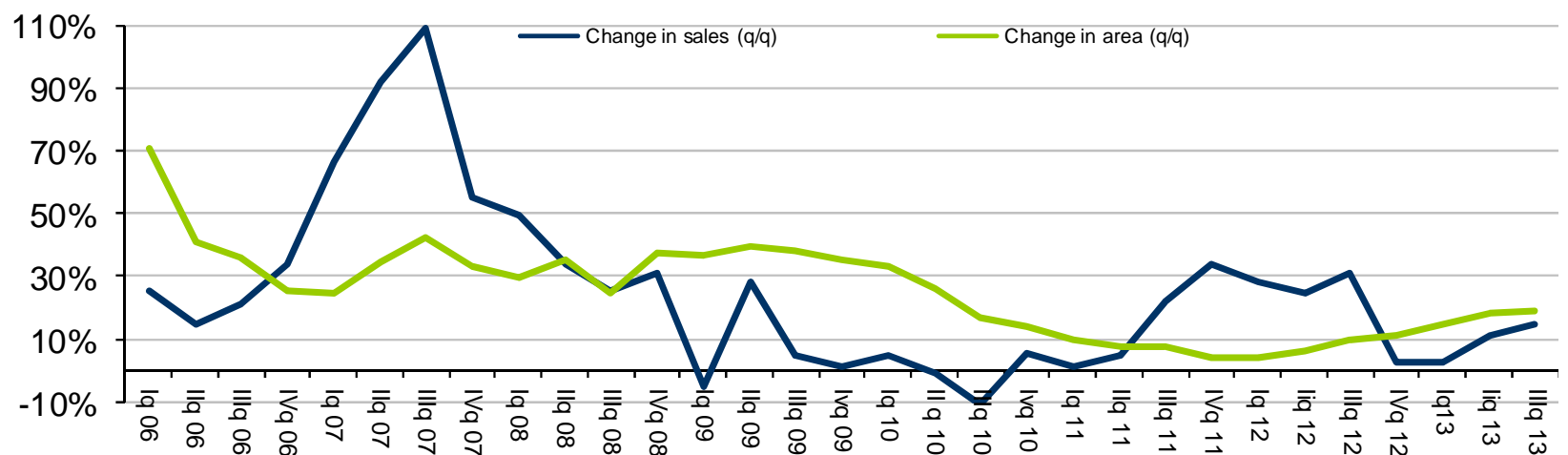
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# Sale efficiency changes

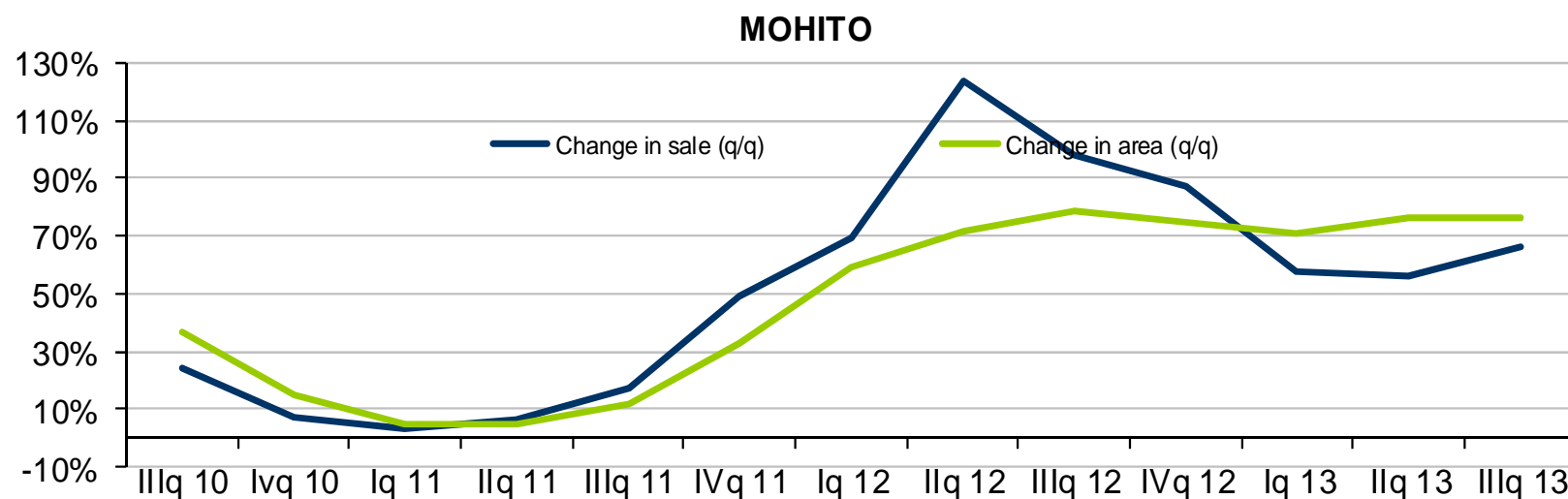
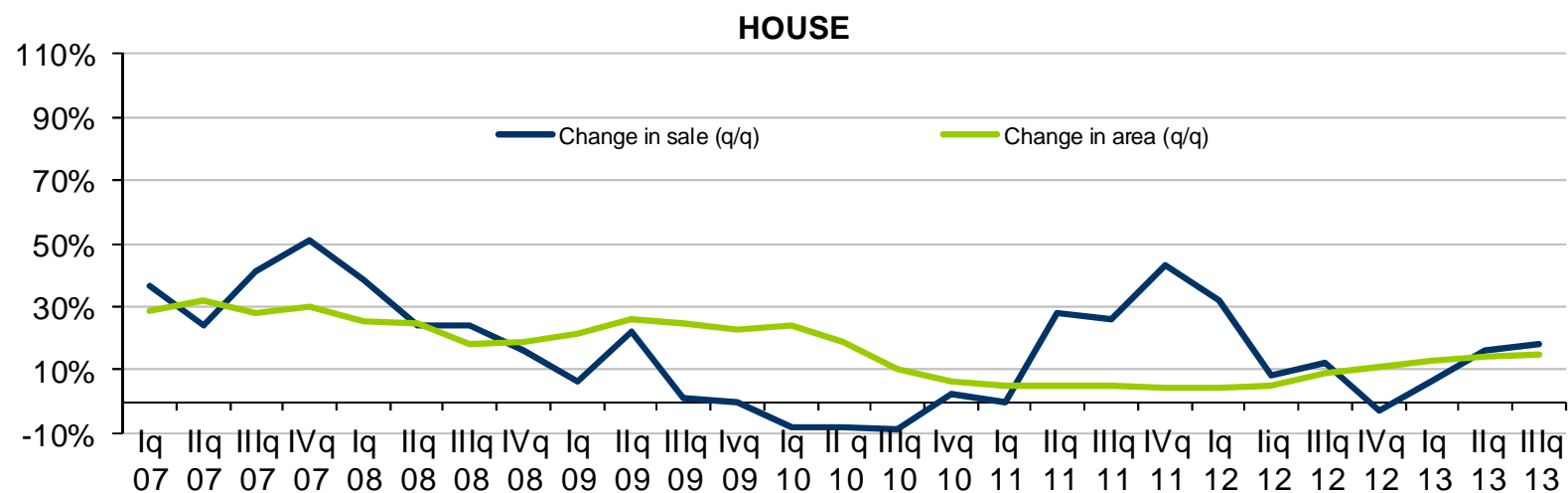
## RESERVED



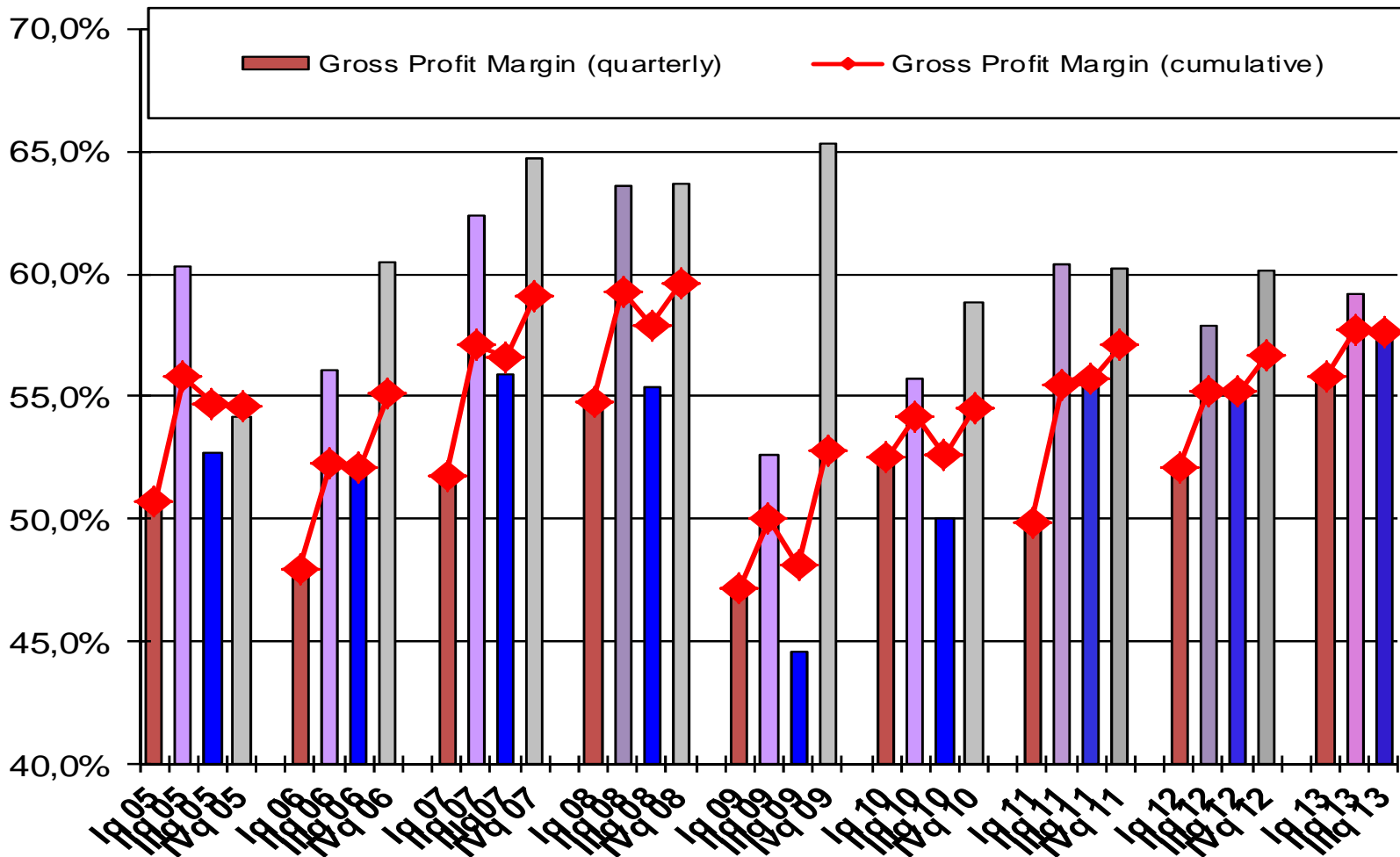
## CROPP TOWN



# Sale efficiency changes



## Gross profit margin



## Consolidated Profit & Loss Account - IIIQ 2013

[Amounts in PLN mln]	IIIQ 2013	IIIQ 2012	Change [%]
<b>Sales revenue</b>	<b>1 107,5</b>	<b>843,6</b>	<b>31%</b>
COGS	471,1	377,4	25%
<b>Gross Profit</b>	<b>636,4</b>	<b>466,2</b>	<b>37%</b>
<i>Gross Profit Margin</i>	<i>57,5%</i>	<i>55,3%</i>	<i>2,2 p.p</i>
<b>OPEX (SG&amp;A)</b>	<b>459,0</b>	<b>350,9</b>	<b>31%</b>
<b>EBITDA</b>	<b>205,1</b>	<b>141,4</b>	<b>45%</b>
<i>EBITDA Margin</i>	<i>18,5%</i>	<i>16,8%</i>	<i>1,7 p.p.</i>
<b>EBIT</b>	<b>167,4</b>	<b>113,2</b>	<b>48%</b>
<i>EBIT Margin</i>	<i>15,1%</i>	<i>13,4%</i>	<i>1,7 p.p.</i>
<b>Net Profit</b>	<b>111,0</b>	<b>94,6</b>	<b>17%</b>
<i>Net profitability</i>	<i>10,0%</i>	<i>11,2%</i>	<i>-1,2 p.p.</i>

# Consolidated Profit & Loss Account for I-IIIQ 2013

[Amounts in PLN mln]	I-III Q 2013	I-III Q 2012	Change [%]
<b>Sales revenue</b>	<b>2 849,30</b>	<b>2 261,7</b>	<b>26%</b>
COGS	1 207,3	1 013,0	19%
<b>Gross Profit</b>	<b>1 642,0</b>	<b>1 248,7</b>	<b>31%</b>
<i>Gross Profit Margin</i>	<i>57,6%</i>	<i>55,2%</i>	<i>2,4 p.p.</i>
<b>OPEX (SG&amp;A)</b>	<b>1 264,0</b>	<b>973,5</b>	<b>30%</b>
<b>EBITDA</b>	<b>460,9</b>	<b>348,6</b>	<b>32%</b>
<i>EBITDA Margin</i>	<i>16,2%</i>	<i>15,4%</i>	<i>0,8 p.p.</i>
<b>EBIT</b>	<b>354,2</b>	<b>269,3</b>	<b>32%</b>
<i>EBIT Margin</i>	<i>12,4%</i>	<i>11,9%</i>	<i>0,5 p.p.</i>
<b>Net Profit</b>	<b>250,9</b>	<b>206,4</b>	<b>22%</b>
<i>Net profitability</i>	<i>8,8%</i>	<i>9,1%</i>	<i>-0,3 p.p.</i>

# Consolidated Balance Sheet

[Amounts in PLN mln]	Sept 2013	Sept 2012	Dec 2012
<u>Fixed Assets, incl:</u>	<u>1 123,6</u>	<u>830,2</u>	<u>909,9</u>
- intangibles (incl. Goodwill)	279,8	273,0	278,7
- tangible assets	785,4	527,6	598,5
<u>Current Assets, incl:</u>	<u>1 238,0</u>	<u>947,8</u>	<u>1022,4</u>
- inventory	845,2	658,2	656,1
- short term receivables	149,3	135,6	130,4
- cash & cash equivalents	138,0	84,8	159,4
Total Assets	2 361,6	1 778,0	1 932,2
<u>Equity, incl:</u>	<u>1 310,5</u>	<u>1 063,8</u>	<u>1 211,0</u>
- share capital	3,7	3,7	3,7
- current year net profit	249,5	205,3	352,4
<u>Long term liabilities, incl:</u>	<u>187,9</u>	<u>147,8</u>	<u>131,0</u>
- bank loans and credit lines	179,0	143,1	125,1
<u>Short term liabilities, incl:</u>	<u>863,2</u>	<u>566,3</u>	<u>590,2</u>
- trade liabilities	520,3	374,4	477,8
- bank loans and credit lines	295,8	164,6	61,0
Total Equity & Liabilities	2 361,6	1 778,0	1 932,2



# Retail space growth – 2013 forecast

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

- Forecasted selling area growth in 2013 – 160,000 sqm (+37% yoy).
- CAPEX for stores openings amounting 380 PLN mln.
- Additional CAPEX for new Distribution Centre – approx. 140 PLN mln in total. About 50% to be spent in 2013.

17

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# Retail space growth in 2014 – possibilities

Selling Area [000 sqm]	31.12.2013	31.12.2014	Change [000sqm]	Change [%]
<b>Reserved</b>	<b>325</b>	<b>408</b>	<b>84</b>	<b>26%</b>
Poland	188	223	35	19%
EU	53	61	8	16%
Russia & Ukraine	84	124	40	48%
<b>CROPP</b>	<b>92</b>	<b>112</b>	<b>20</b>	<b>21%</b>
Poland	55	62	7	12%
EU	11	13	2	16%
Russia & Ukraine	26	37	11	44%
<b>House</b>	<b>81</b>	<b>100</b>	<b>20</b>	<b>24%</b>
Poland	54	61	7	13%
EU	9	11	2	20%
Russia & Ukraine	17	28	11	64%
<b>Mohito</b>	<b>67</b>	<b>92</b>	<b>25</b>	<b>36%</b>
Poland	41	50	9	21%
EU	7	10	4	54%
Russia & Ukraine	20	32	12	63%
<b>Sinsay</b>	<b>21</b>	<b>43</b>	<b>22</b>	<b>105%</b>
Poland	18	34	16	85%
Abroad	3	9	6	246%
Outlets	9	9	0	0%
<b>Geographical split</b>				
Poland	368	448	79	21%
EU	80	95	15	19%
Russia & Ukraine	146	221	75	51%
<b><u>TOTAL</u></b>	<b><u>594</u></b>	<b><u>764</u></b>	<b><u>169</u></b>	<b><u>28%</u></b>

Presented selling area growth for 2014 is not the final forecast, although derived from the pipeline of current projects (new stores opening). Few locations are still not approved yet.

The final version of retail space growth forecast for 2014 to be announced with 4Q 2013 results presentation.

18

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