



# LPP SA: Results for 1H2011

Warsaw, 29'th August 2011

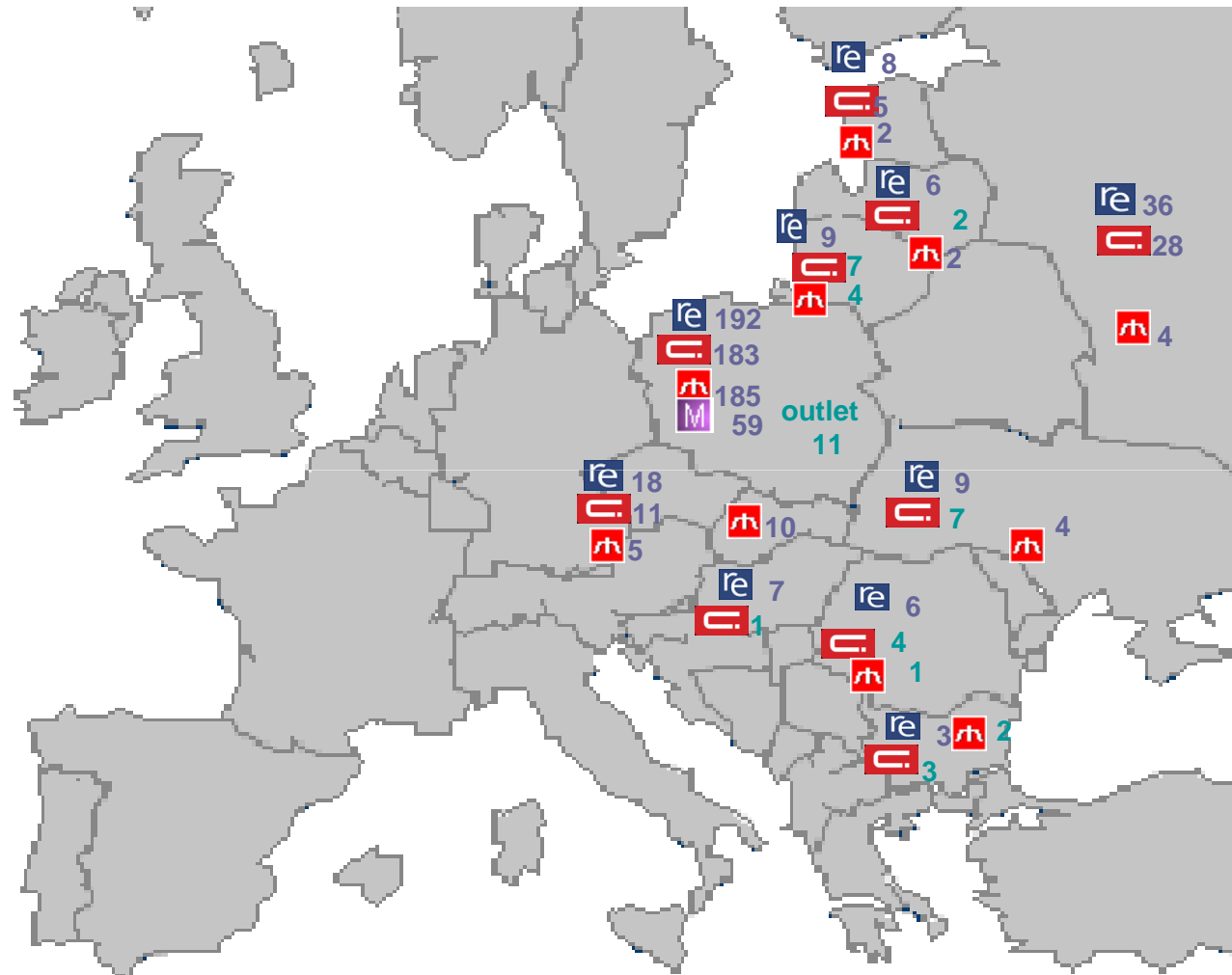
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MOHITO

## Our brands are present in the whole CEE region

At the end of June 2011 LPP's retail sales network consists of 835 stores, including:  
294 Reserved  
252 CROPP  
219 House  
59 Mohito



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cropp

 house

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# Implementation of network development plan

Area [000 sq.m]	30.06.2011	30.06.2010	Change
<b>Reserved</b>	<b>201,3</b>	<b>182,8</b>	<b>10%</b>
Poland	129	112,7	14%
UE	39,2	40,9	-4%
Russia and Ukraine	33,1	29,2	13%
<b>CROPP</b>	<b>56</b>	<b>51,7</b>	<b>8%</b>
Poland	37,8	35,3	7%
Abroad	18,2	16,4	11%
<b>House</b>	<b>49,1</b>	<b>45,6</b>	<b>8%</b>
Poland	40,4	38	6%
Abroad	8,7	7,6	14%
<b>Mohito</b>	<b>10,5</b>	<b>9,9</b>	<b>6%</b>
Poland	10,5	9,9	6%
outlet Poland	3,1	2,2	41%
<b><u>TOTAL</u></b>	<b><u>320,0</u></b>	<b><u>292,2</u></b>	<b><u>10%</u></b>

- The total area of sales network increased by 10% by 27,8 thssq.m. during last 12 months. (Taking into account the impact ESOTIQ by 8%.)
- Avg sale area of brands in IH2011 was higher by 8% as compared to avg sale area in IIH2010 ( in IIQ about 6%)

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1) Including seasonal shops.

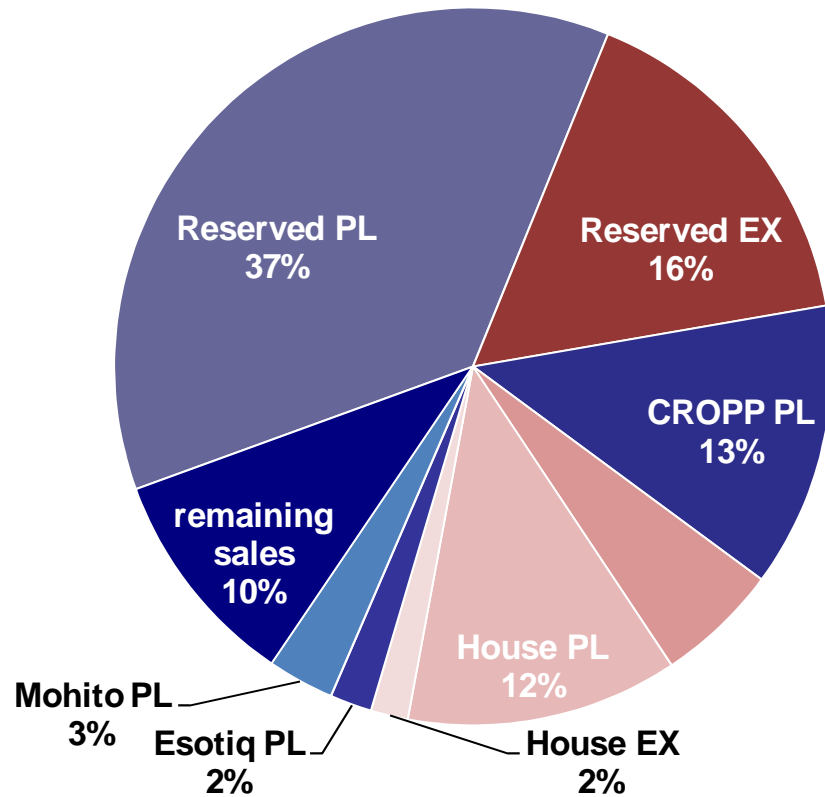
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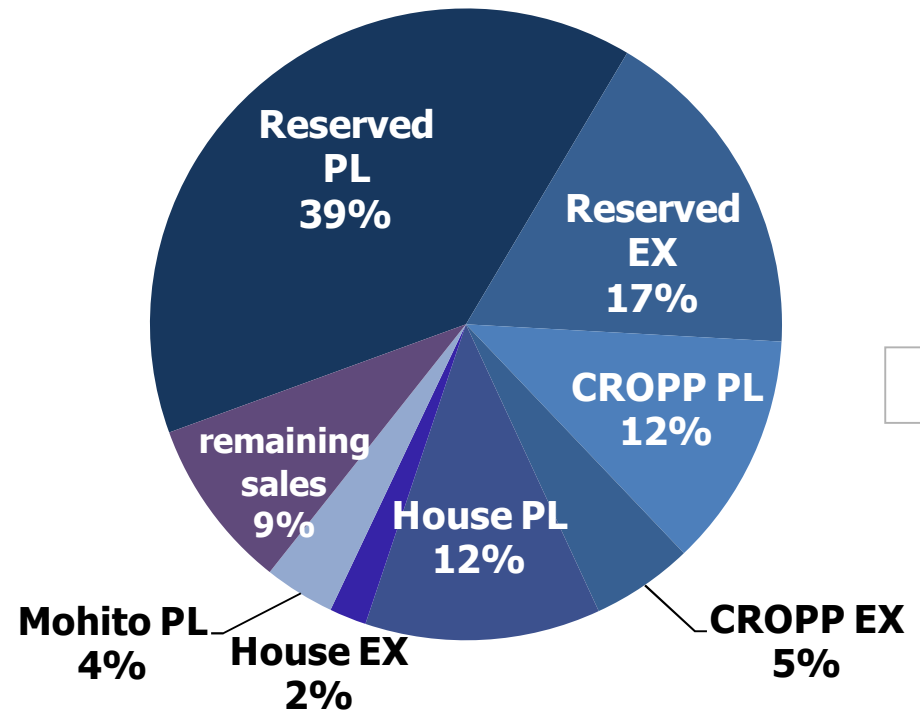
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# Retail sales split by brands

2010



IH2011



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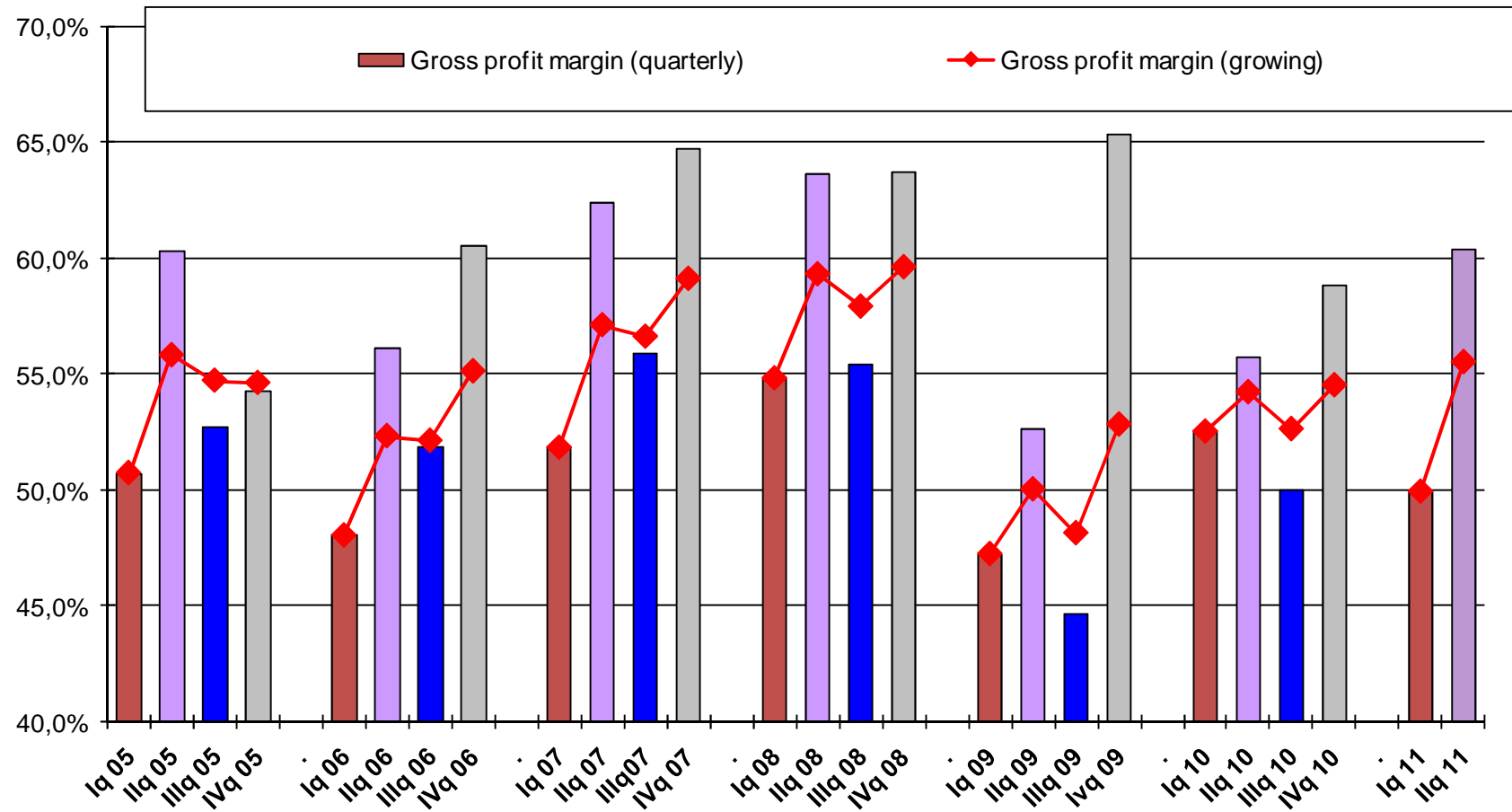
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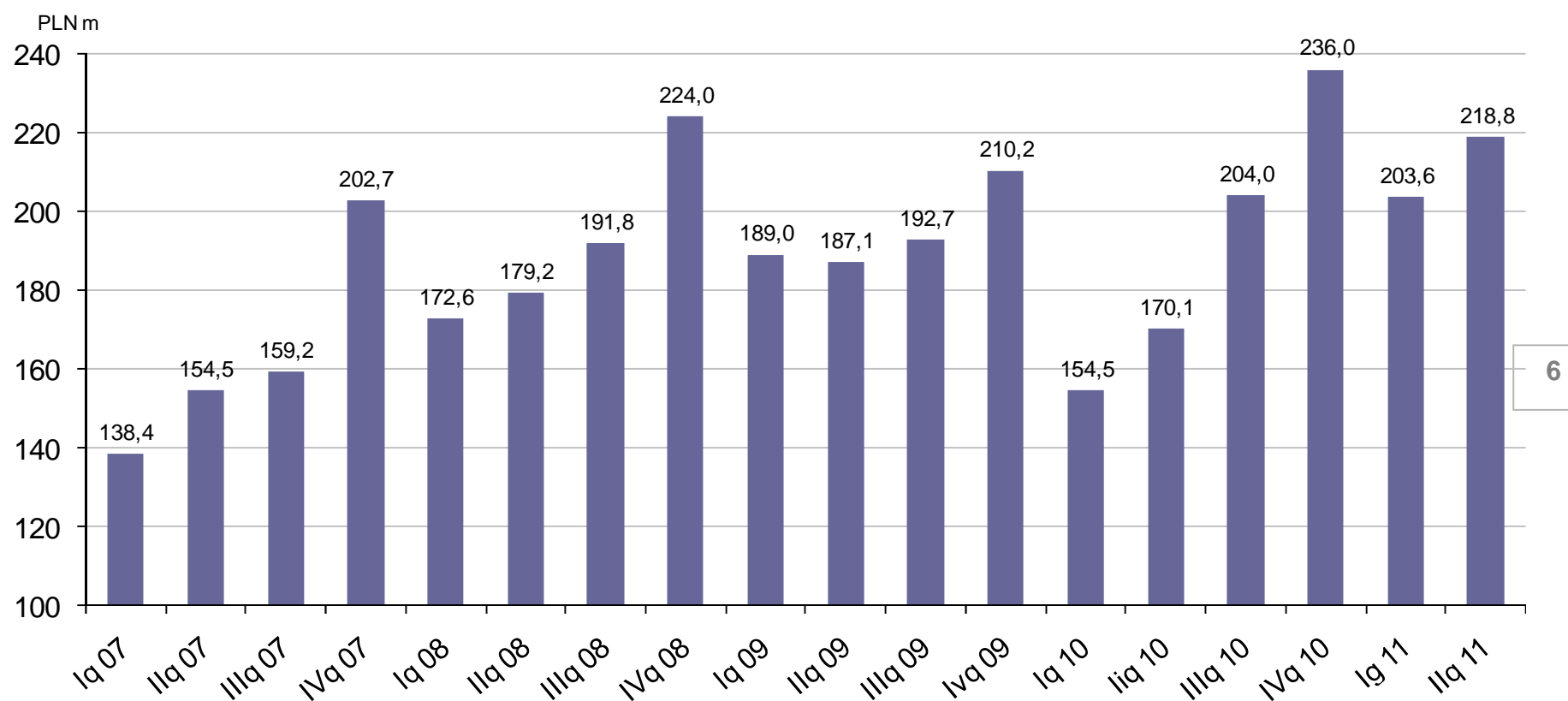
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# Gross profit margin



# Sales of RESERVED brand in Poland

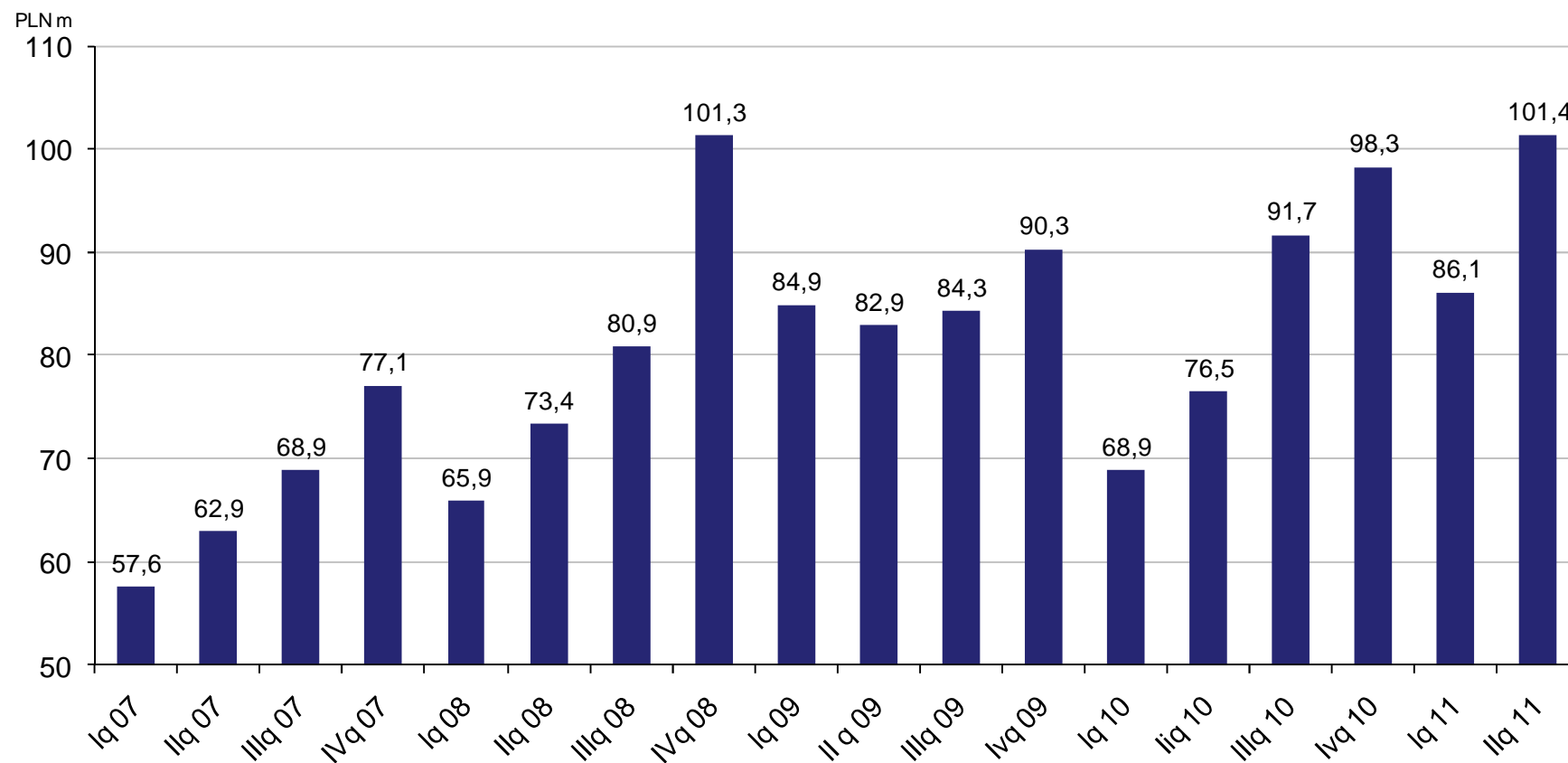


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# Sales of RESERVED brand abroad



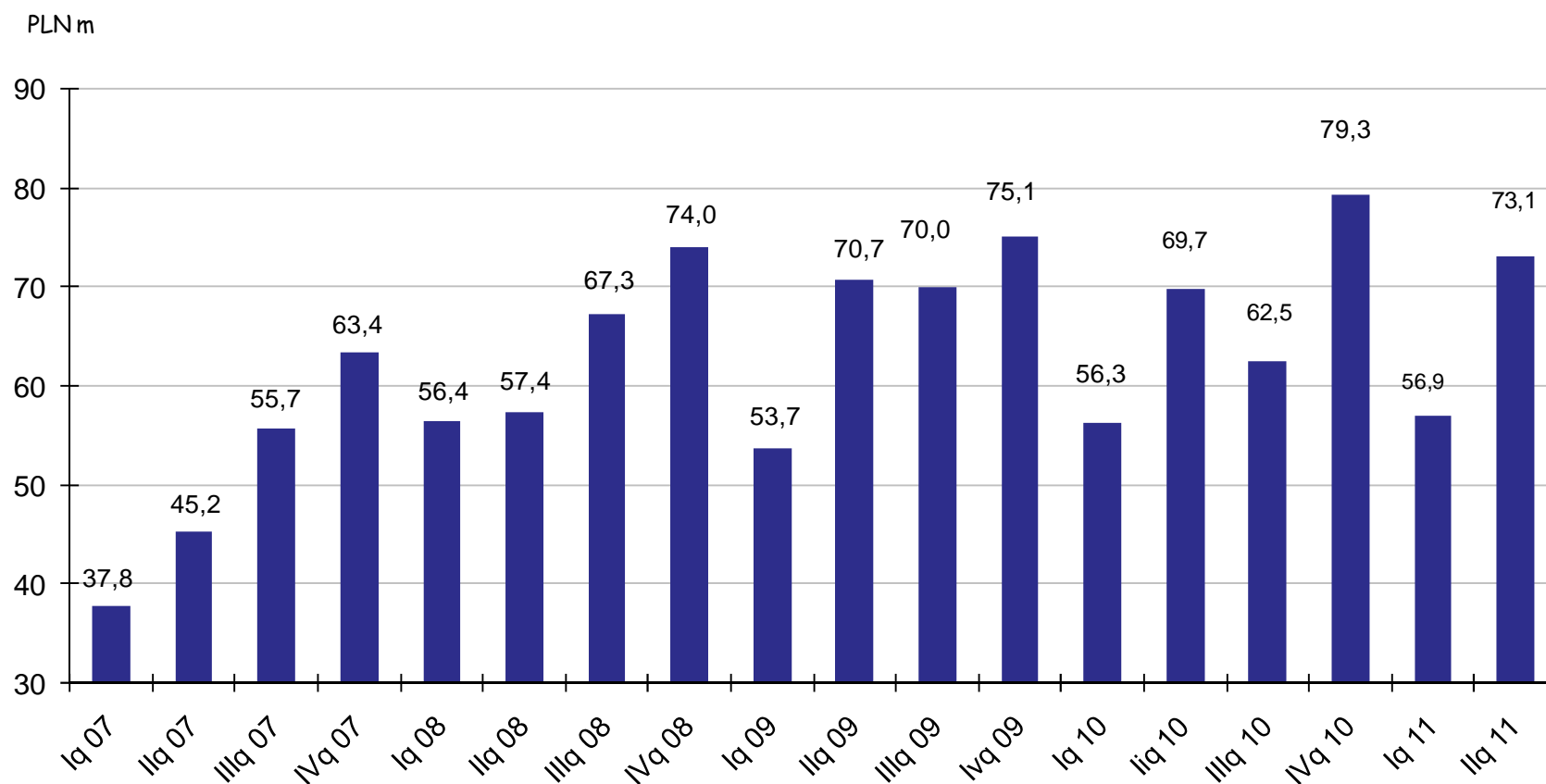
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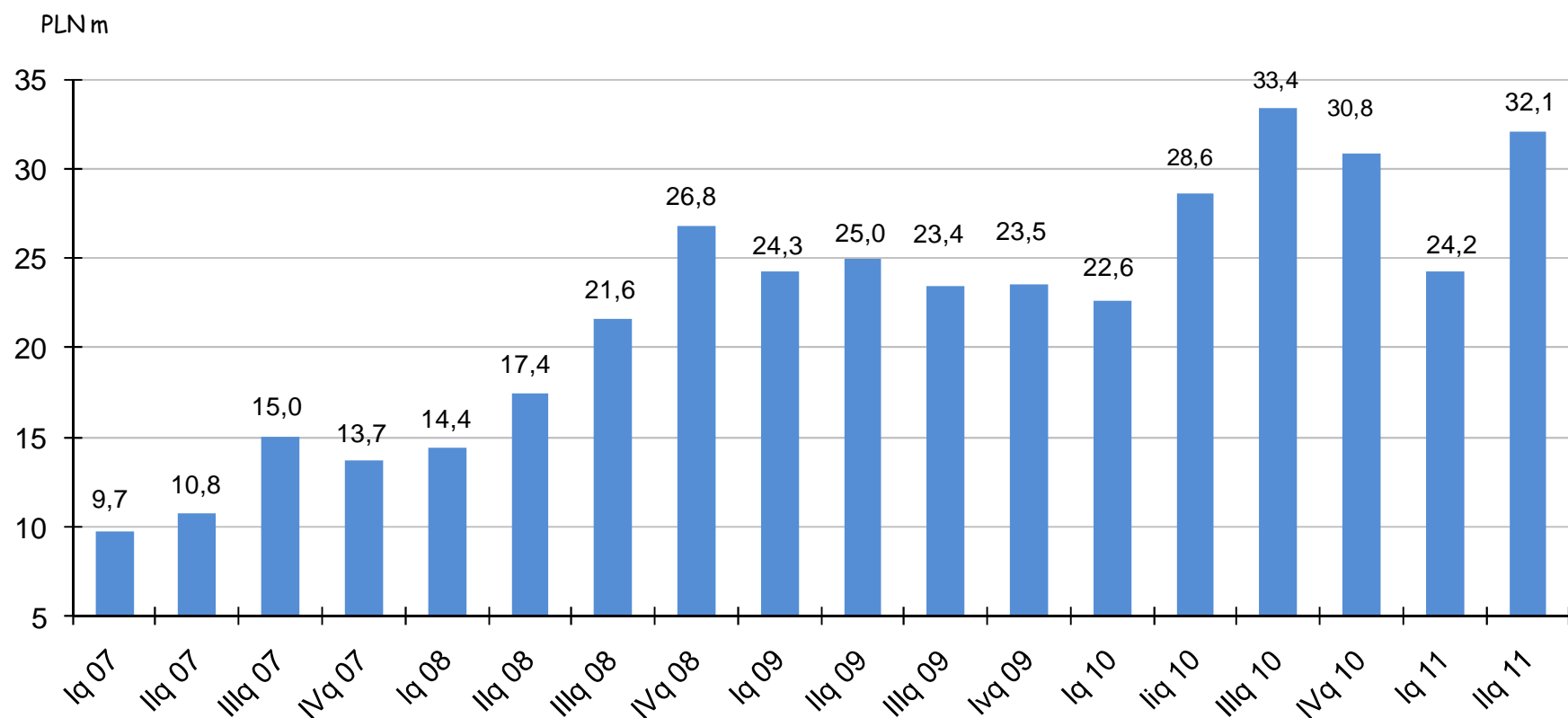
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# Sales of CROPP brand in Poland





# Sales of CROPP brand abroad



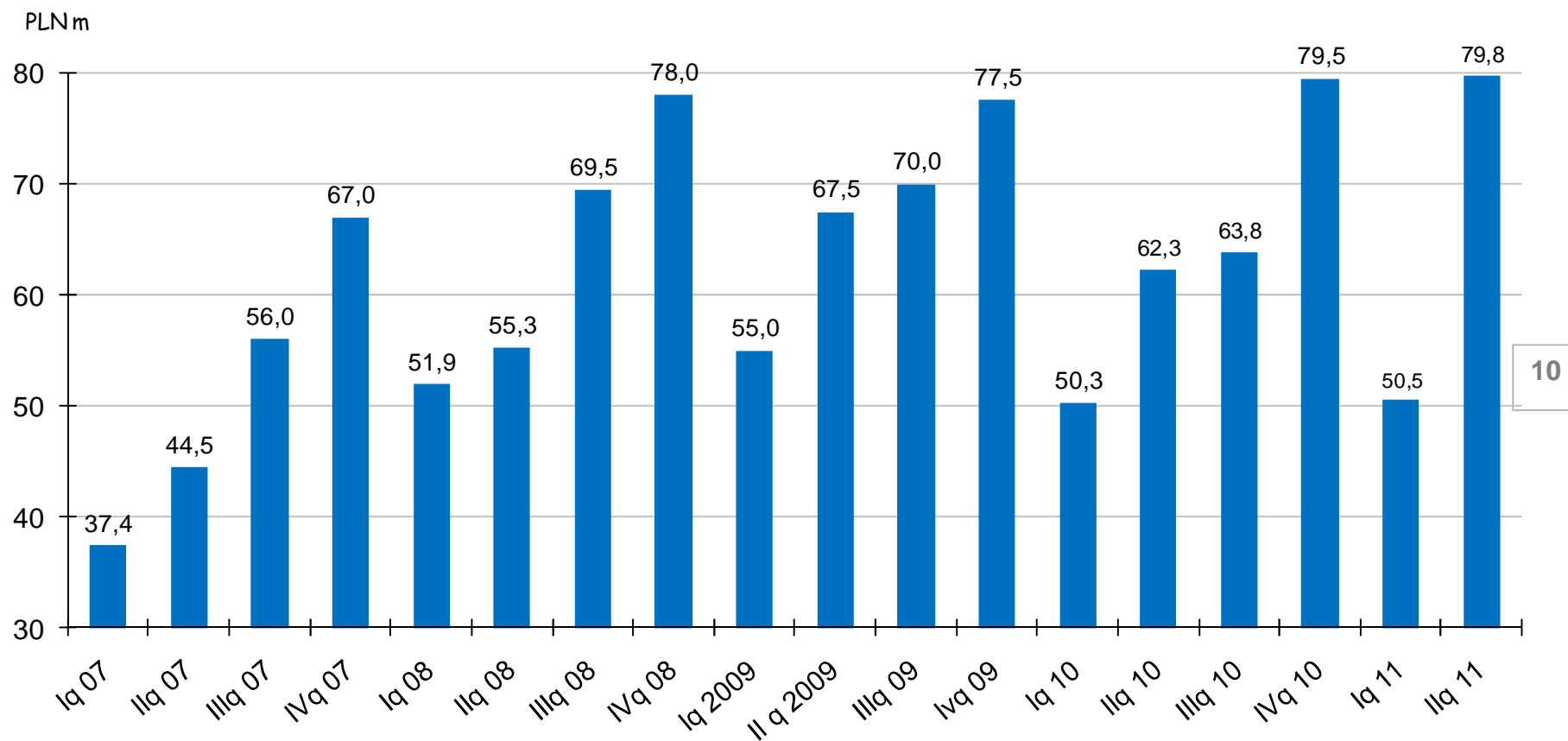
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# Sales of HOUSE brand in Poland

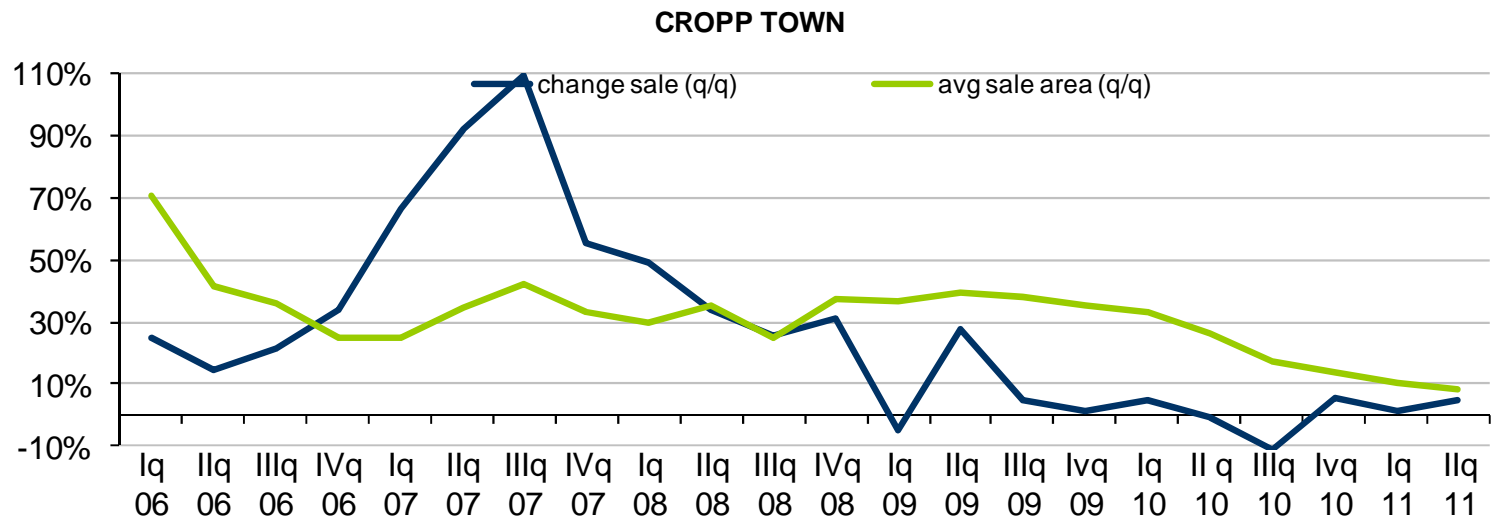
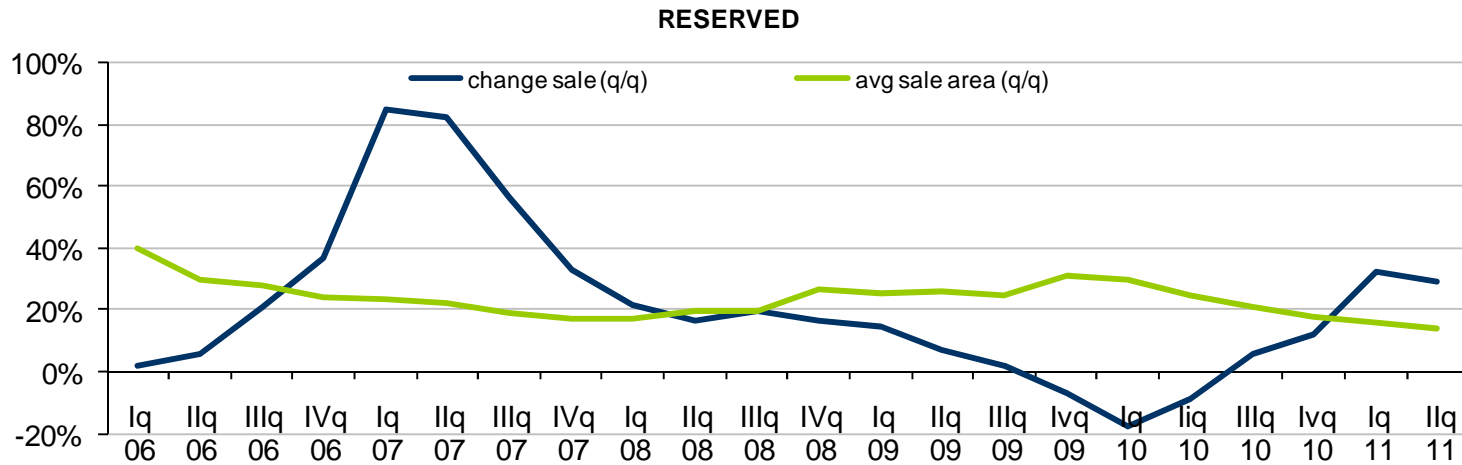


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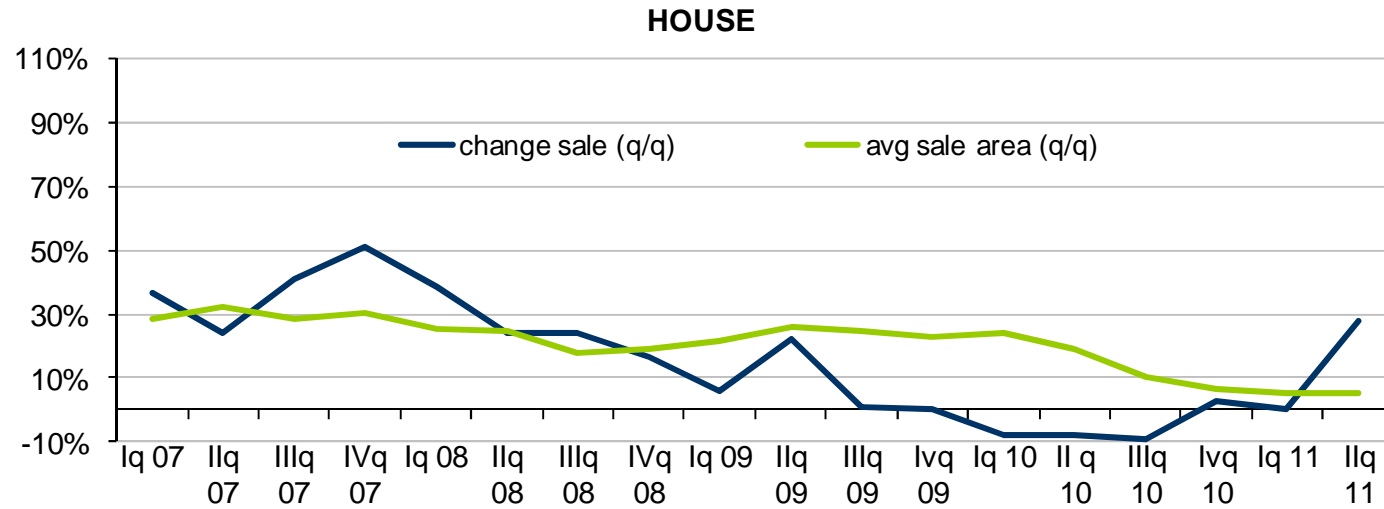


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# The improvement in efficiency



# The improvement in efficiency



# Consolidated Profit and Loss Account 1H2011

Item [mln PLN]	IH 2011	IH 2010	Change [%]
<b>Revenues</b>	<b>1 081,0</b>	<b>906,1</b>	<b>19%</b>
COGS	481,1	415,3	16%
<b>Gross profit on sale</b>	<b>599,9</b>	<b>490,7</b>	<b>22%</b>
<i>Gross profit margin</i>	<i>55,5%</i>	<i>54,2%</i>	<i>1,3 pp</i>
<b>(SG&amp;A)</b>	<b>494,8</b>	<b>439,2</b>	<b>13%</b>
<b>EBITDA</b>	<b>146,6</b>	<b>95,2</b>	<b>53%</b>
<i>EBITDA margin</i>	<i>13,5%</i>	<i>10,5%</i>	<i>3,0 pp</i>
<b>EBIT</b>	<b>98,6</b>	<b>48,2</b>	<b>104%</b>
<i>EBIT margin</i>	<i>9,1%</i>	<i>5,3%</i>	<i>3,8 pp</i>
<b>Net profit</b>	<b>78,3</b>	<b>33,1</b>	<b>137%</b>
<i>Net margin</i>	<i>7,2%</i>	<i>3,7%</i>	<i>3,6pp</i>

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## Consolidated Profit and Loss Account IIQ 2011

Item [mln PLN]	IIQ 2011	IIQ 2010	Change [%]
<b>Revenues</b>	<b>580,5</b>	<b>481,6</b>	<b>21%</b>
COGS	230,1	213,5	8%
<b>Gross profit on sale</b>	<b>350,4</b>	<b>268,0</b>	<b>31%</b>
<i>Gross profit margin</i>	<i>60,4%</i>	<i>55,7%</i>	<i>4,7pp</i>
<b>(SG&amp;A)</b>	<b>257,5</b>	<b>226,1</b>	<b>14%</b>
<b>EBITDA</b>	<b>111,6</b>	<b>63,7</b>	<b>75%</b>
<i>EBITDA margin</i>	<i>19,2%</i>	<i>13,2%</i>	<i>6,0pp</i>
<b>EBIT</b>	<b>87,7</b>	<b>39,8</b>	<b>121%</b>
<i>EBIT margin</i>	<i>15,1%</i>	<i>8,3%</i>	<i>6,9 pp</i>
<b>Net profit</b>	<b>64,2</b>	<b>37,9</b>	<b>70%</b>
<i>Net margin</i>	<i>11,1%</i>	<i>7,9%</i>	<i>3,2pp</i>

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# Consolidated balance sheet

[mln PLN]	30 June 2011	31 December 2010	30 June 2010
<u>Long-term assers, of which:</u>	<u>698,1</u>	<u>712,6</u>	<u>728,2</u>
- intangible fixed assets	272,0	272,2	272,9
- tangible assets	408,4	422,5	433,4
<u>Current assets, of which:</u>	<u>785,8</u>	<u>716,4</u>	<u>708,1</u>
- inventories	503,3	424,4	389,1
- short-term receivables	97,4	95,7	82,6
- cash and cash equivalents	150,7	166,0	206,6
Total assets	1 483,9	1 429,0	1 436,3
<u>Shareholders equity, of which:</u>	<u>691,7</u>	<u>736,6</u>	<u>628,5</u>
- share capital	3,5	3,5	3,5
- net profit	78,3	139,1	33,1
<u>Long-term payables, of which:</u>	<u>231,2</u>	<u>281,2</u>	<u>310,7</u>
- bank credits and loans	120,9	156,1	191,2
- bonds	106,7	121,5	115,5
<u>Short-term payables, of which:</u>	<u>561,0</u>	<u>411,2</u>	<u>497,1</u>
- deliveries and services liabilities	331,6	312,7	290,3
- bank credits and loans	74,1	86,6	104,3
Total liabilities & equity	1 483,9	1 429,0	1 436,3

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# There is a room for further growth

Area ['000 sq.m]	31.12.2009	31.12.2010	31.12.2011
<b>Reserved</b>	<b>176,5</b>	<b>198,4</b>	<b>217,1</b>
Poland	106,6	124,3	138,5
UE	41,7	41,6	37,6
Russia and Ukraine	28,2	32,5	41,0
<b>CROPP</b>	<b>50,1</b>	<b>56,1</b>	<b>61,2</b>
Poland	34,3	38,2	39,8
abroad	15,8	17,9	21,4
<b>ESOTIQ</b>	<b>6,7</b>	<b>7,1</b>	<b>0</b>
Poland	6,3	7,0	0
abroad	0,3	0,1	0
<b>House</b>	<b>43,3</b>	<b>48,2</b>	<b>53,6</b>
Poland	37,4	39,5	42,0
abroad	6,0	8,8	11,6
<b>Mohito</b>	<b>9,4</b>	<b>10,1</b>	<b>15,5</b>
Poland	9,4	10,1	13,5
abroad	-	-	2,0
Sales	2,2	2,7	3,6
<b><u>TOTAL</u></b>	<b>288,2</b>	<b>322,7</b>	<b>351,0</b>

- The increase in the surface of stores in 2011 is estimated at 28 thousand m2 (35 thousand m2 shopping area after taking into account ESOTIQ)
- The value of investments in network development will reach 60 PLN m

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Excluding seasonal shops.

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