

A photograph of Taylor Swift on a rooftop at night. She is wearing a black sequined dress and has her hand behind her head. The background shows city lights and a dark sky.

Lpp<sup>®</sup>  
S.A.

## LPP SA: Results for 1Q2013

RESERVED

  
cropp

M O H I T O

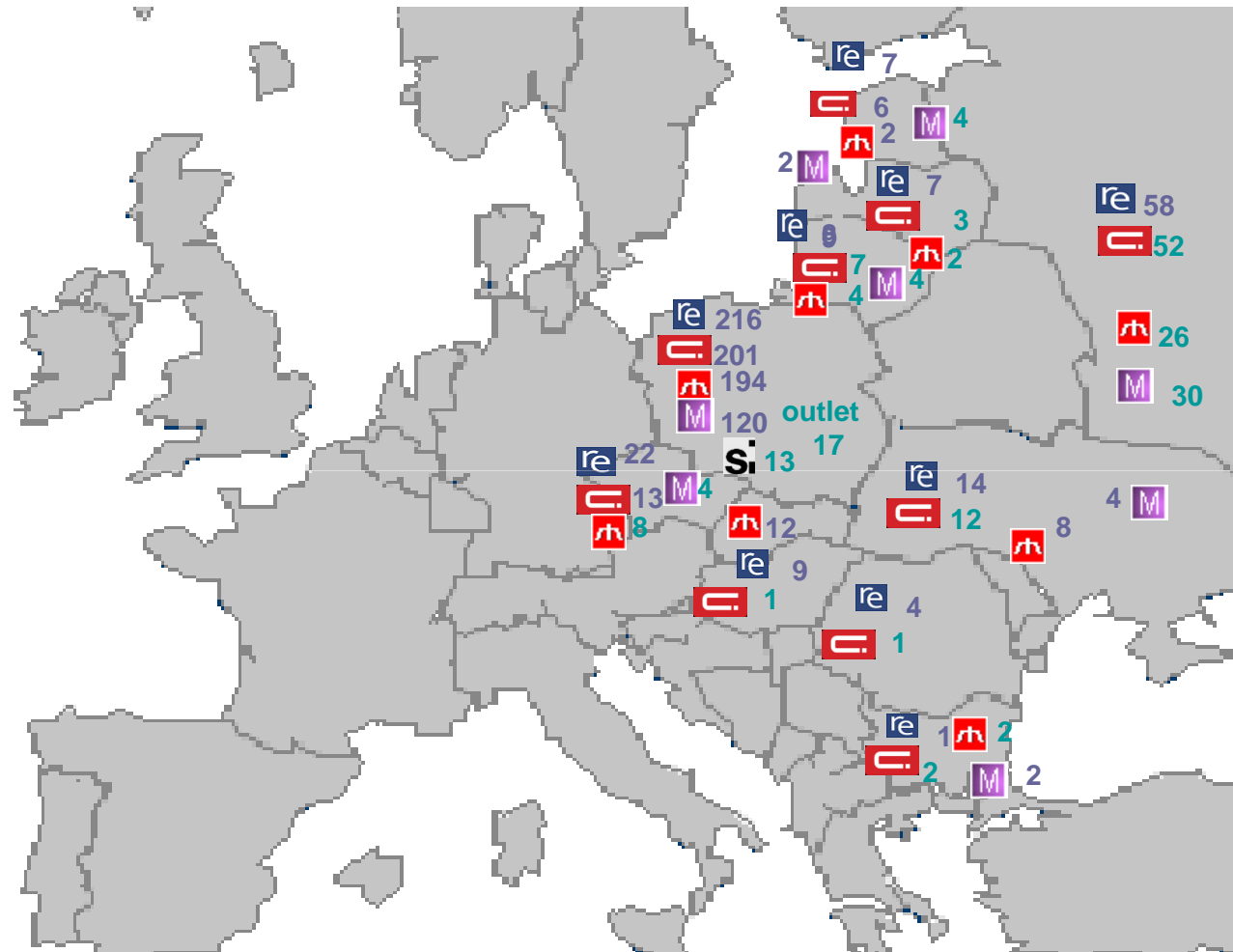
  
house

sinsay

# Our brands are present in the whole CEE region

At the end of March 2013 retail sales network consists 1104 stores, including :

- 346 Reserved
- 298 CROPP
- 258 House
- 170 Mohito
- 13 Sinsay



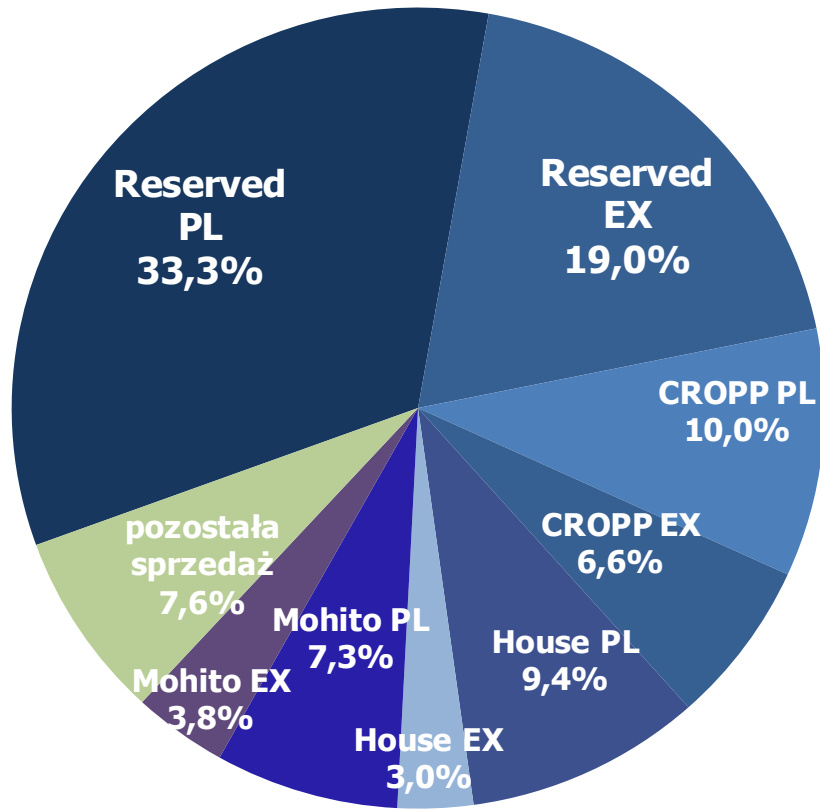
# Implementation of network development plan

| Powierzchnia<br>[tys. m <sup>2</sup> ] | 31.03.2013          | 31.03.2012          | Zmiana      |
|--|---------------------|---------------------|-------------|
| <b>Reserved</b>                        | <b>258,3</b>        | <b>218,3</b>        | <b>18%</b>  |
| Polska                                 | 157,2               | 141,0               | 11%         |
| UE                                     | 41,9                | 39,8                | 5%          |
| Rosja i Ukraina                        | 59,2                | 37,4                | 58%         |
| <b>CROPP</b>                           | <b>74,3</b>         | <b>60,0</b>         | <b>24%</b>  |
| Polska                                 | 46,2                | 39,5                | 17%         |
| UE                                     | 9,1                 | 9,1                 | 0%          |
| Rosja i Ukraina                        | 19,1                | 11,4                | 67%         |
| <b>House</b>                           | <b>65,5</b>         | <b>52,1</b>         | <b>26%</b>  |
| Polska                                 | 47,2                | 41,5                | 14%         |
| UE                                     | 7,8                 | 6,8                 | 15%         |
| Rosja i Ukraina                        | 10,5                | 3,7                 | 181%        |
| <b>Mohito</b>                          | <b>43,4</b>         | <b>20,5</b>         | <b>112%</b> |
| Polska                                 | 29,2                | 17,2                | 70%         |
| UE                                     | 3,8                 | 1,6                 | 131%        |
| Rosja i Ukraina                        | 10,4                | 1,7                 | 524%        |
| <b>Sinsay</b>                          | <b>3,8</b>          | <b>-</b>            |             |
| Polska                                 | 3,8                 | -                   |             |
| outlet                                 | 7,8                 | 3,9                 | 100%        |
| <b><u>RAZEM</u></b>                    | <b><u>453,1</u></b> | <b><u>354,7</u></b> | <b>28%</b>  |

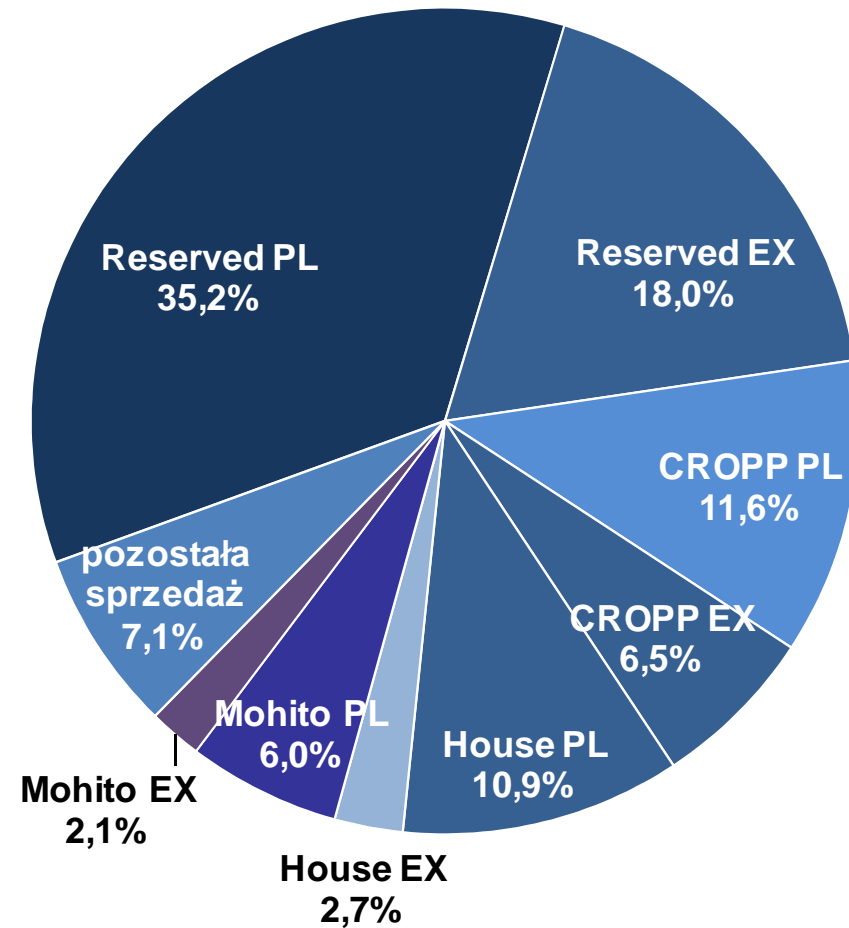
The total area of sales network increased by 28% (98 thssq.m.) during last 12 months.

# Retail sales split by brands

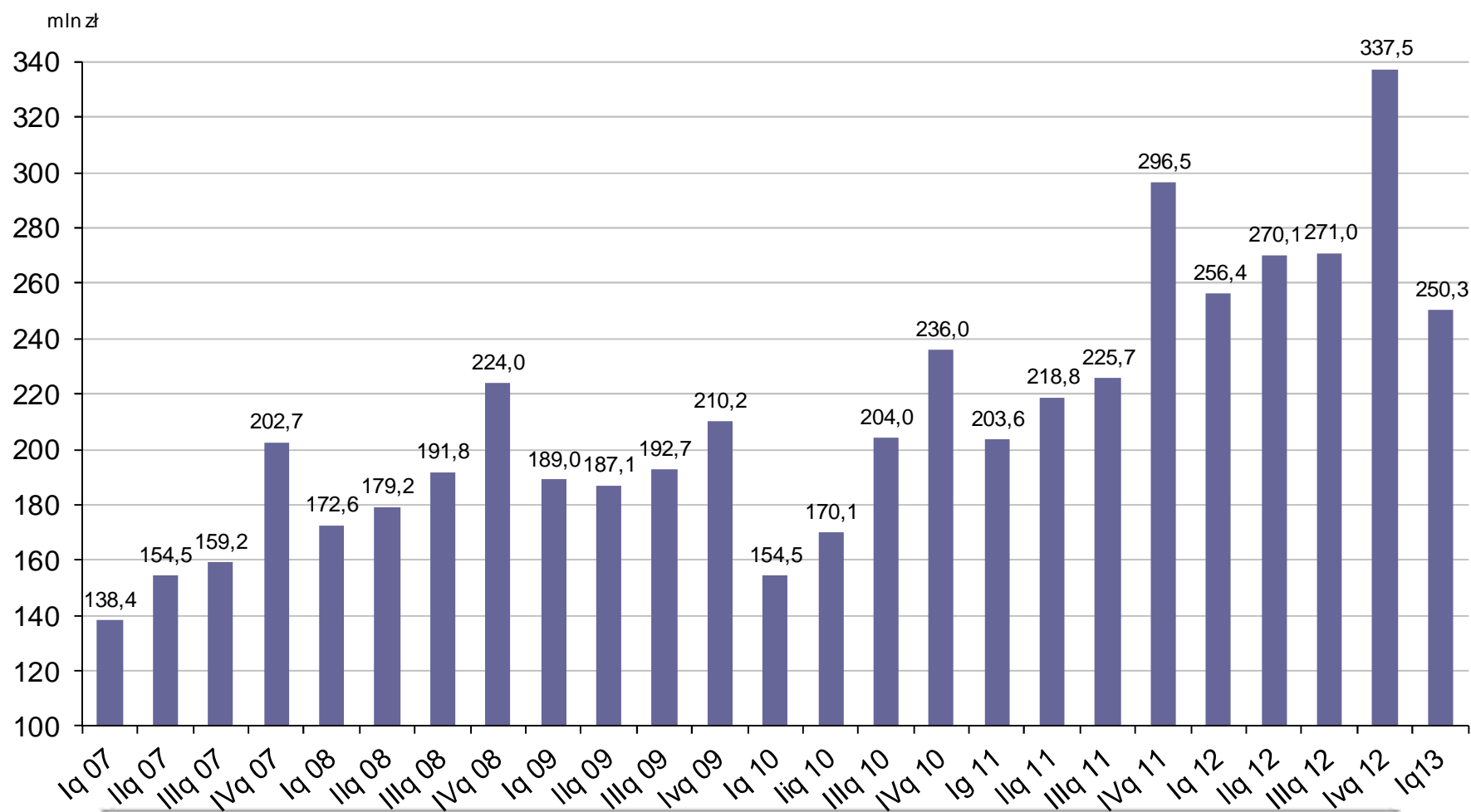
IQ2013



2012



# Sales of RESERVED brand in Poland



5

RESERVED

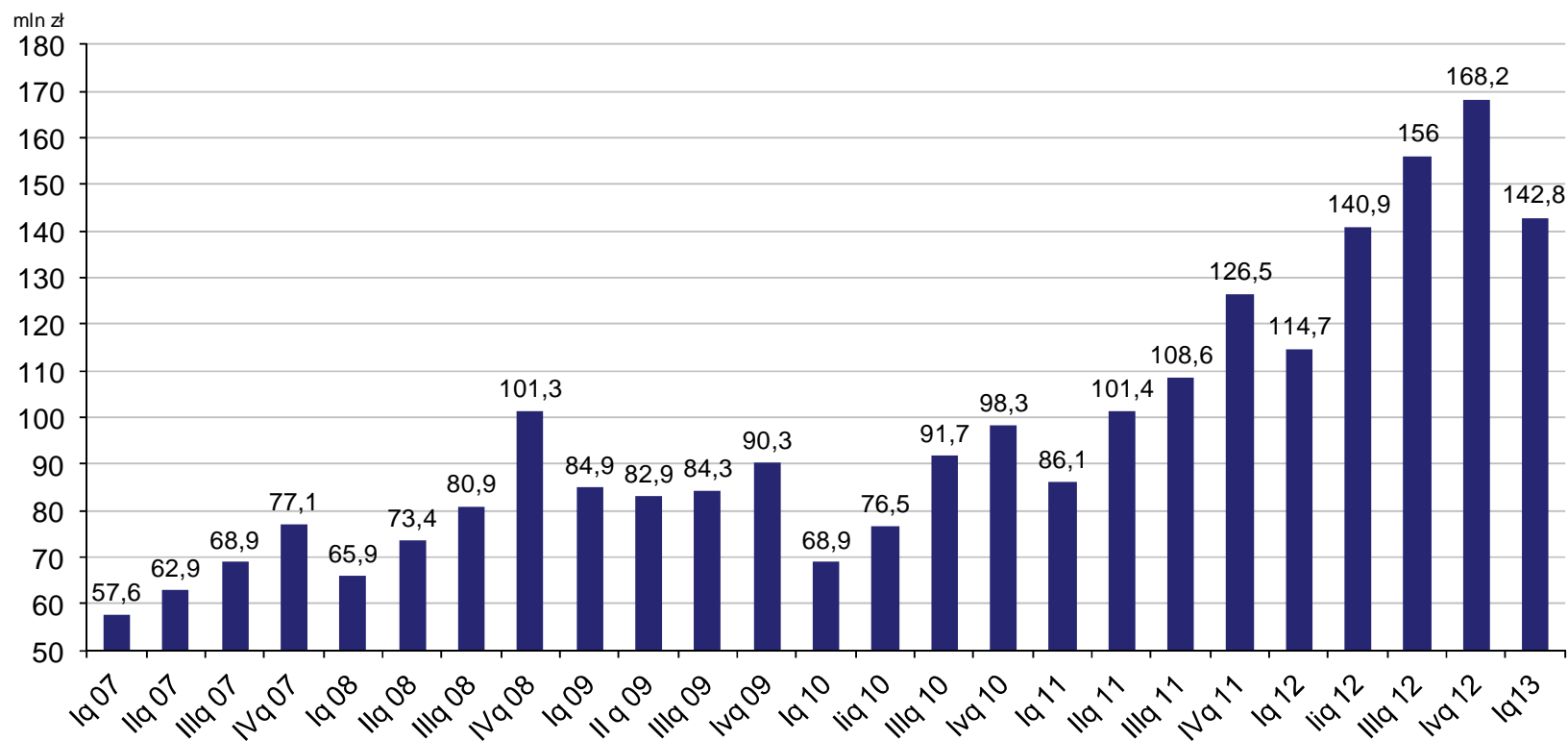


M O H I T O

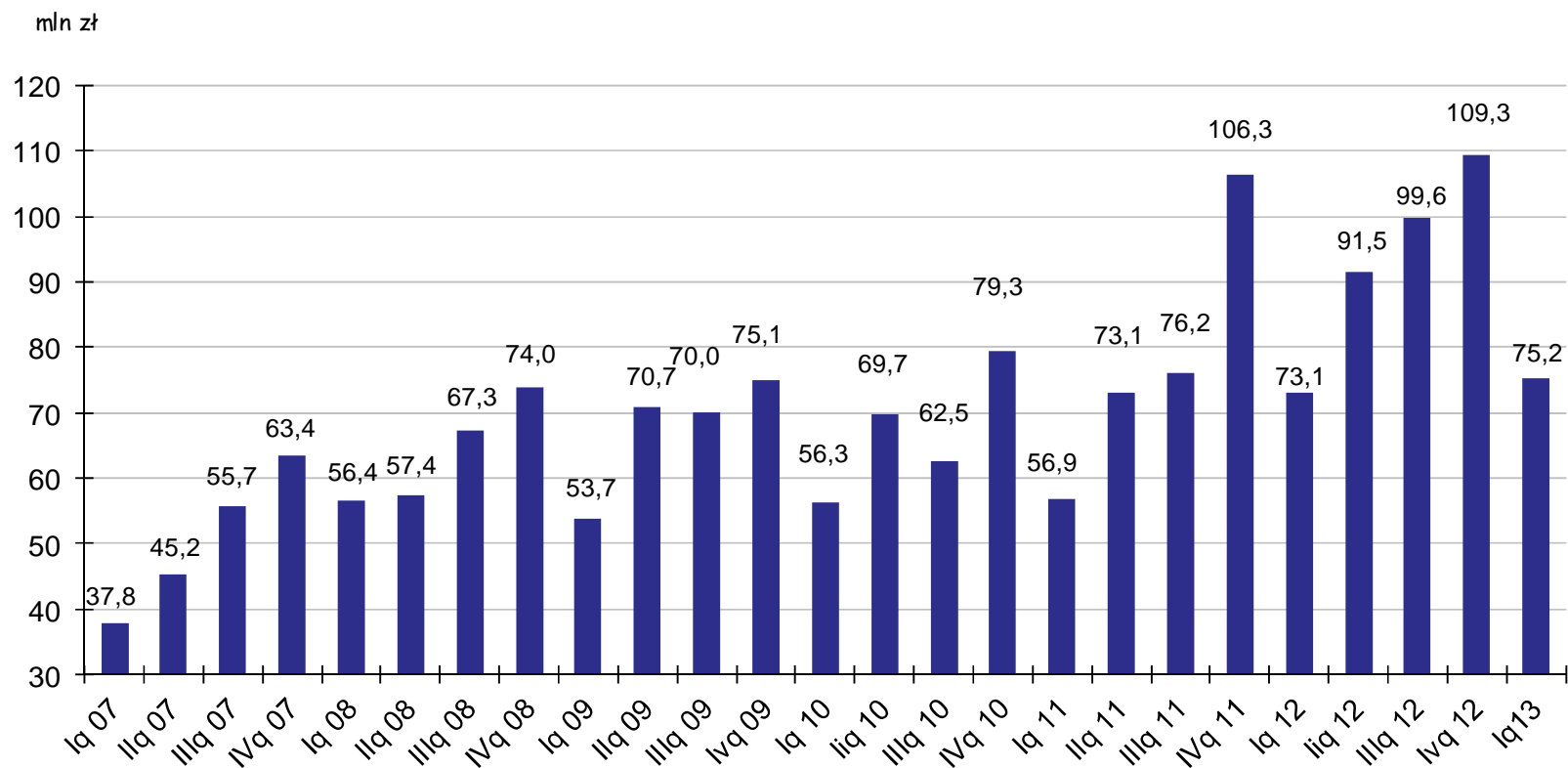


sinsay

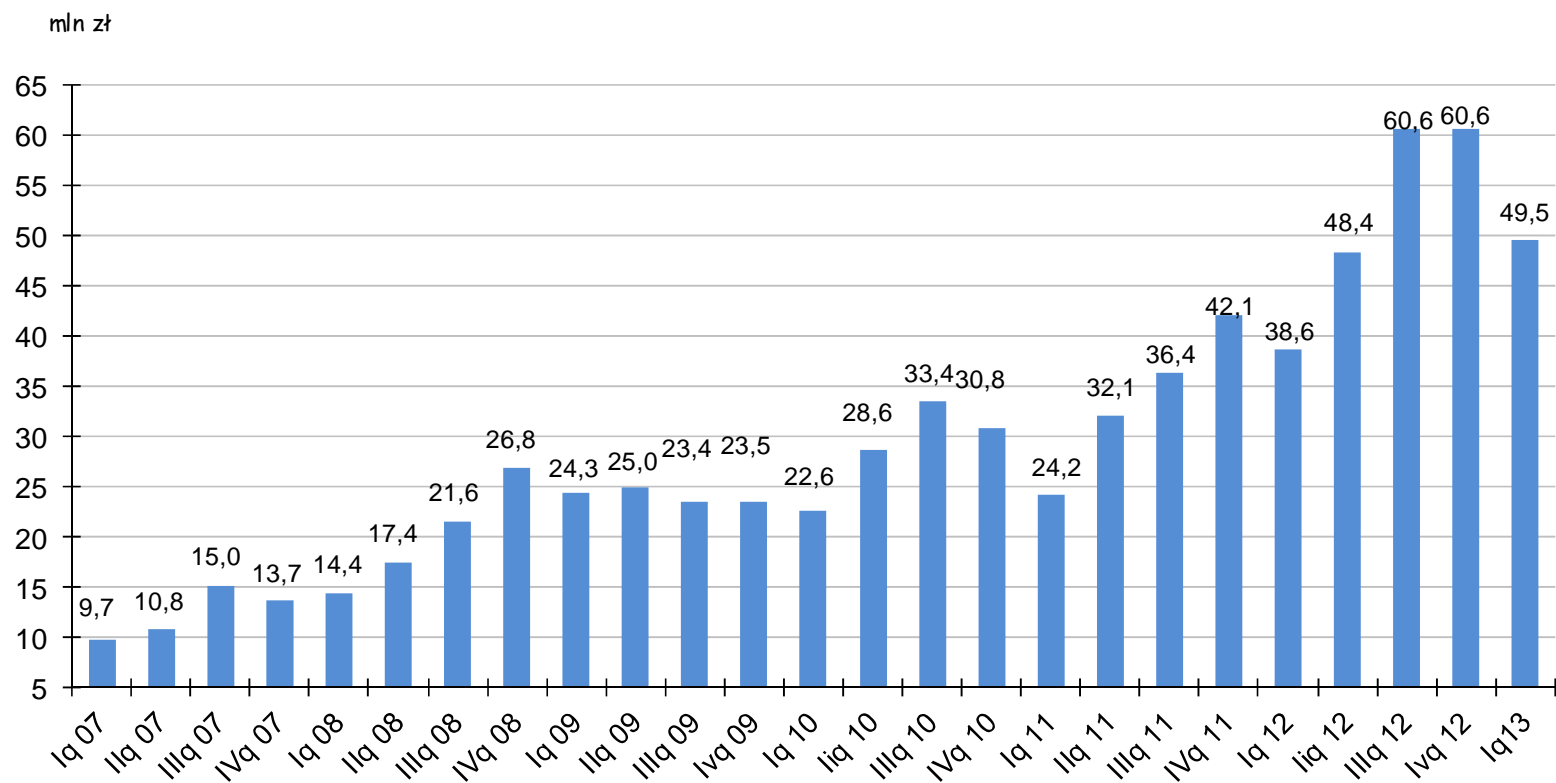
# Sales of RESERVED brand abroad



# Sales of CROPP brand in Poland

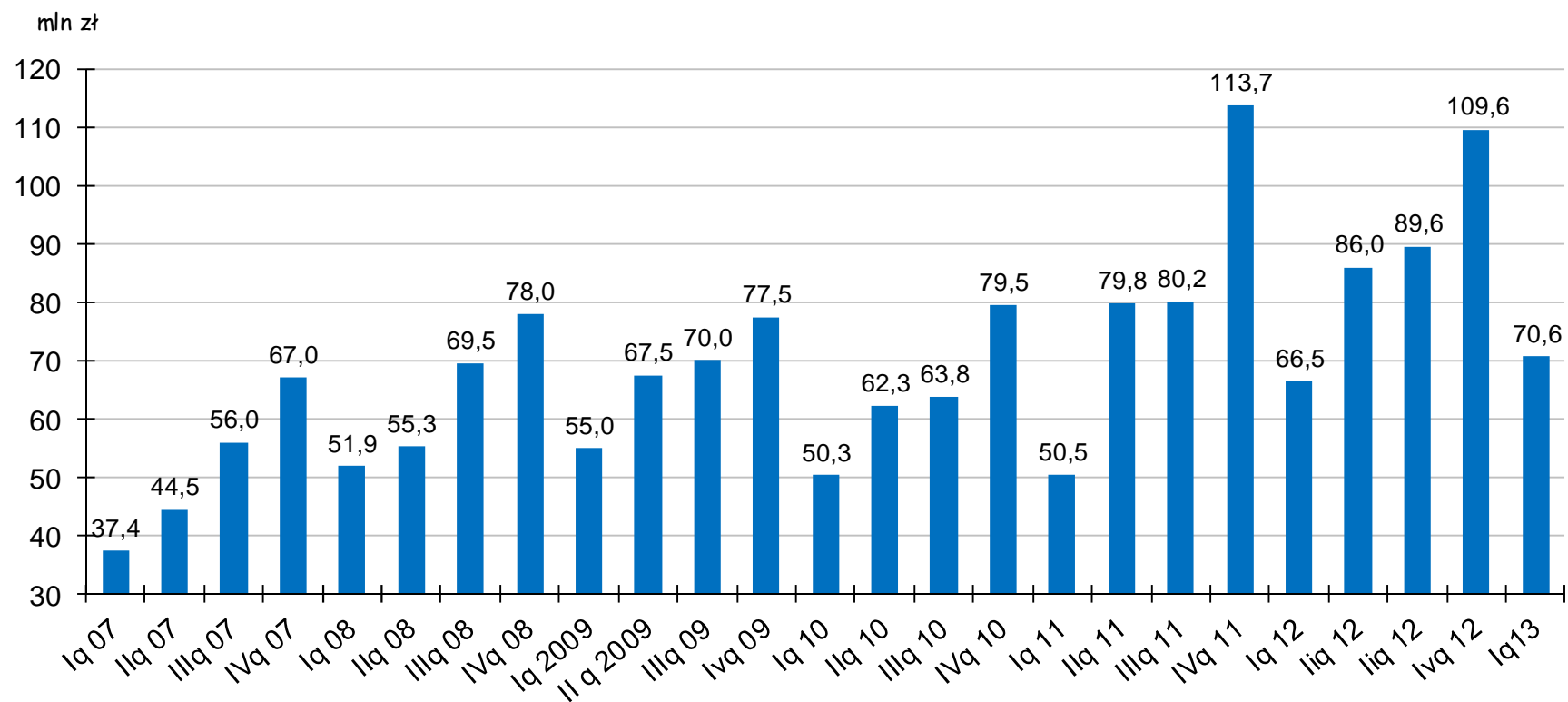


# Sales of CROPP brand abroad

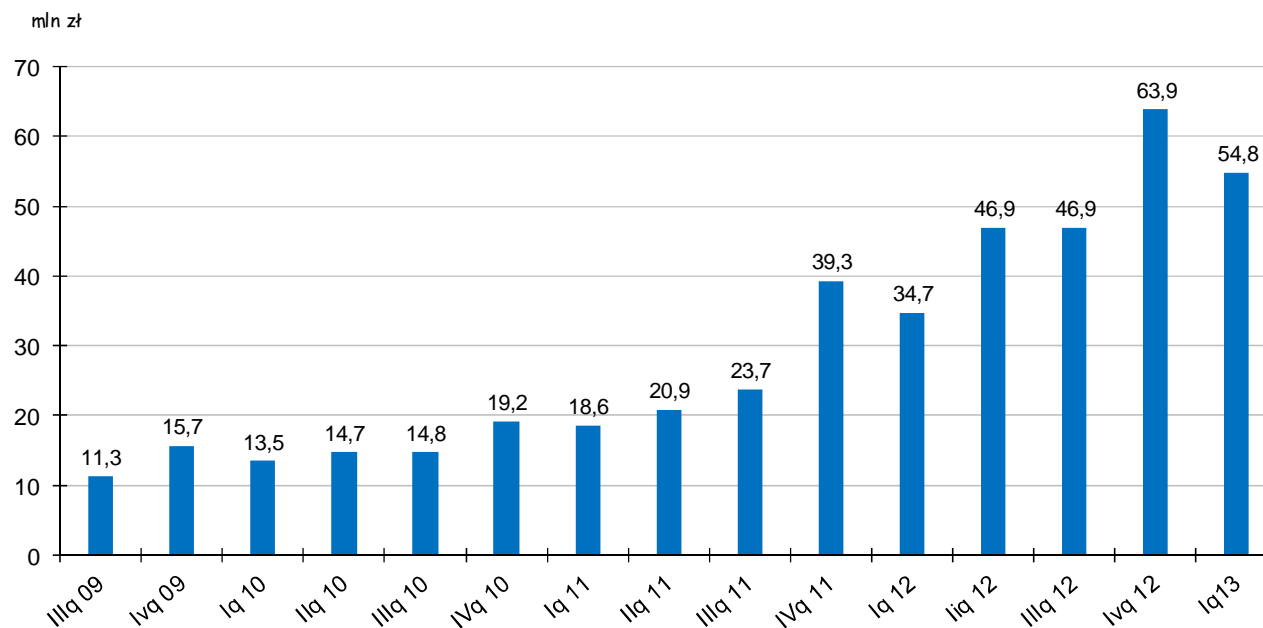




# Sales of HOUSE brand in Poland



# Sales of MOHITO brand in Poland



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RESERVED

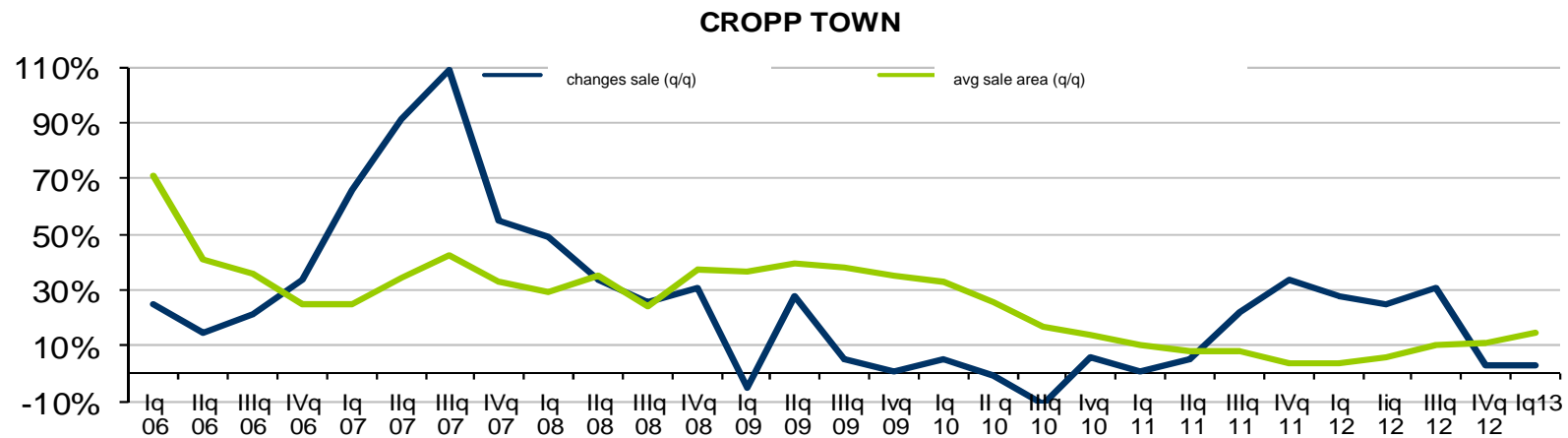
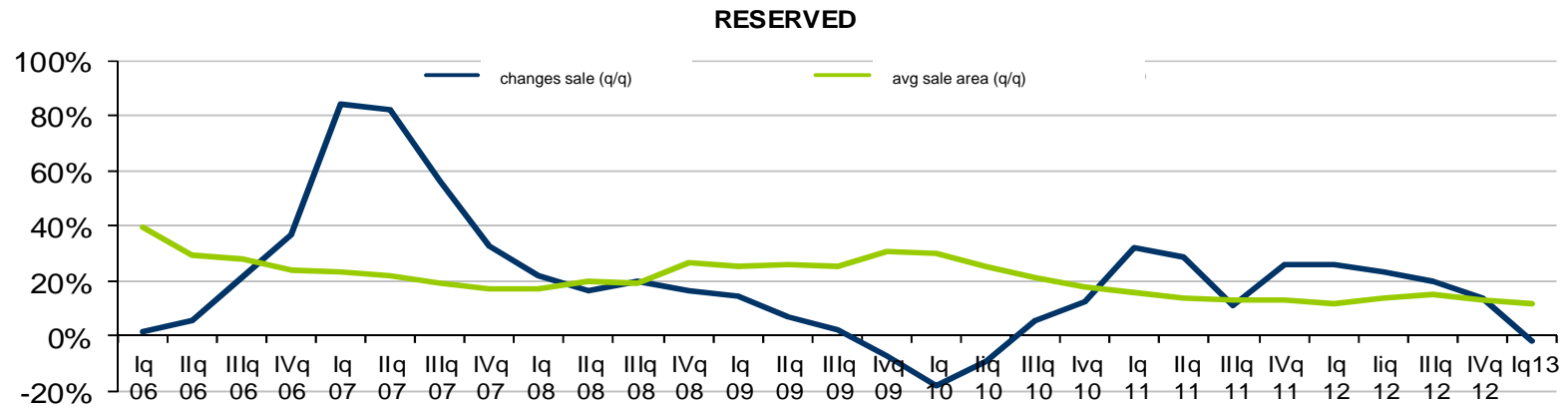


MOHITO



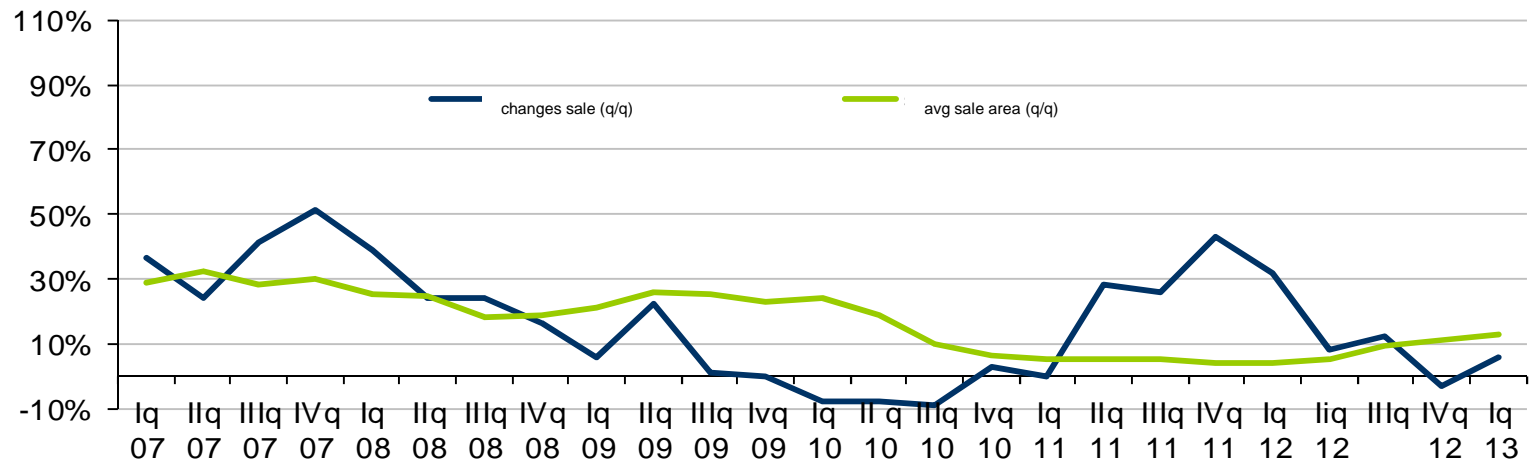
sinsay

# The improvement in efficiency



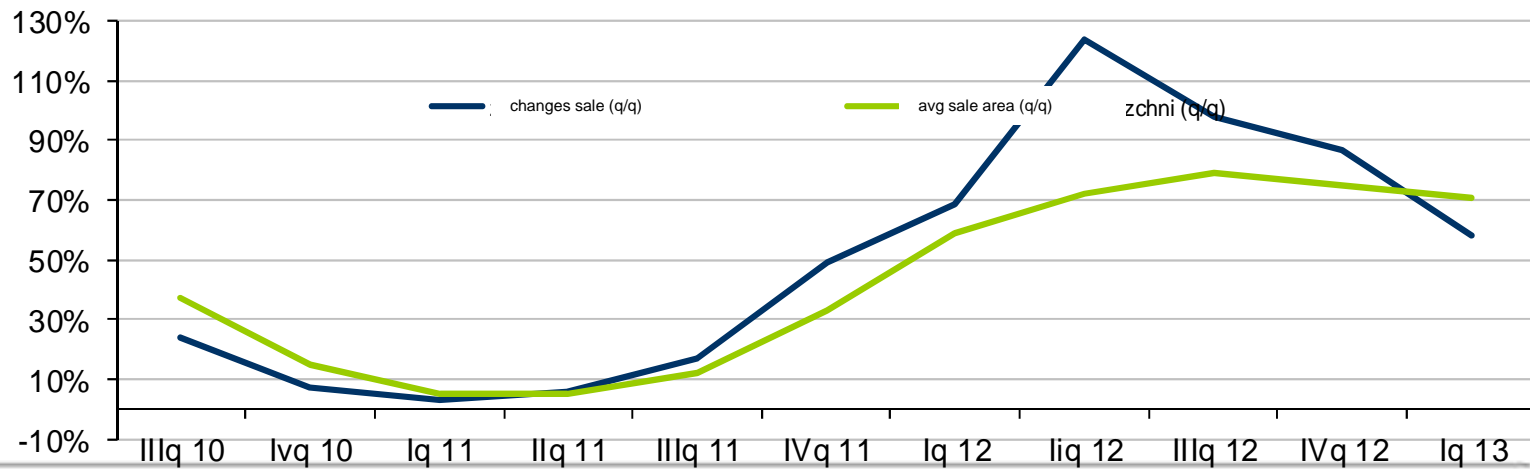
# The improvement in efficiency

## HOUSE



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## MOHITO



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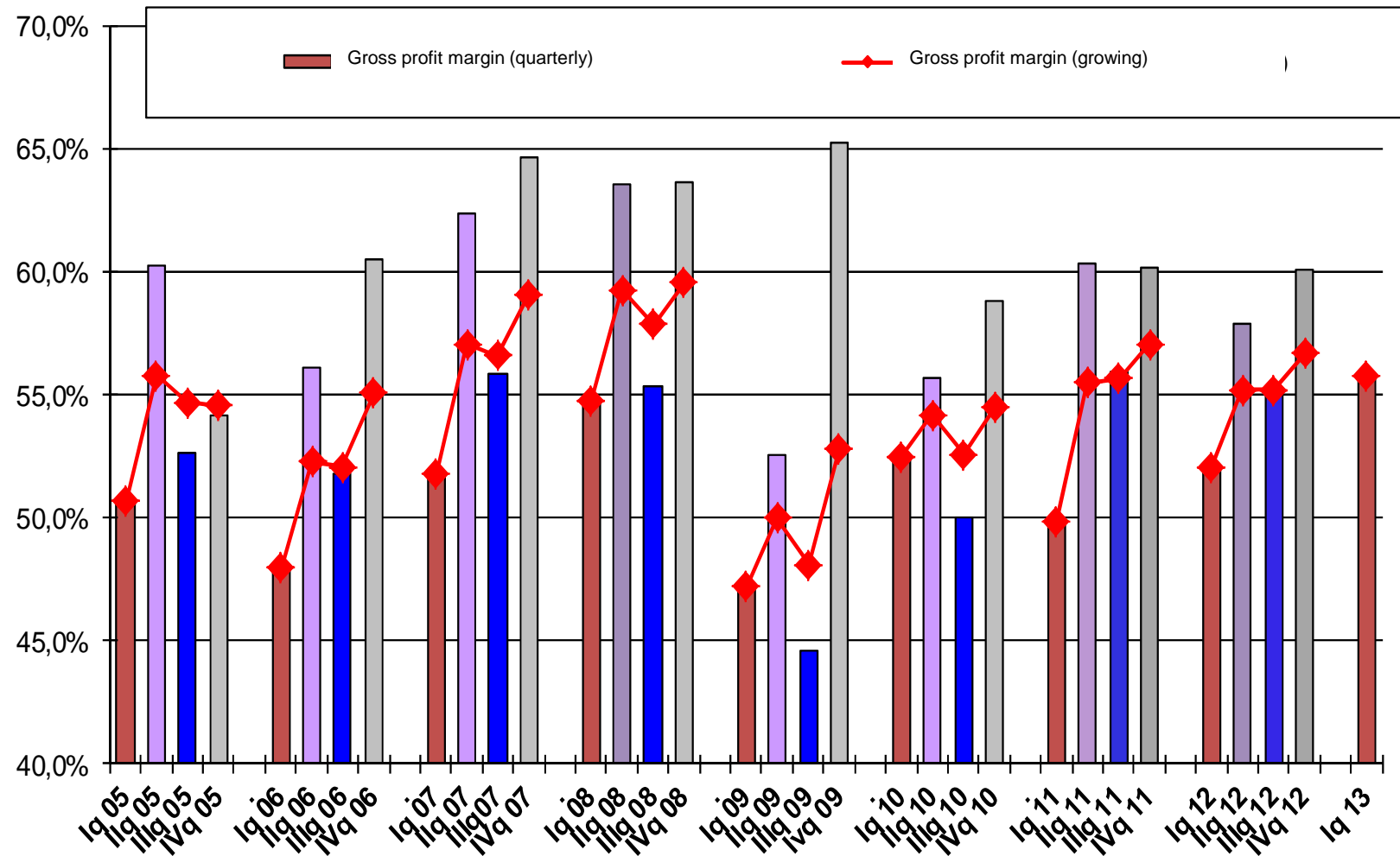


MOHITO



sinsay

# Gross profit margin



# Consolidated Profit and Loss Account IQ 2013

| Item [PLN m]                | IQ 2013      | IQ 2012      | Change [%]      |
|-----------------------------|--------------|--------------|-----------------|
| <b>Revenues</b>             | <b>750,8</b> | <b>657,9</b> | <b>14%</b>      |
| COGS                        | 332,0        | 315,4        | 5%              |
| <b>Gross profit on sale</b> | <b>418,8</b> | <b>342,5</b> | <b>22%</b>      |
| <i>Gross profit margin</i>  | <i>55,8%</i> | <i>52,1%</i> | <i>3,7p.p</i>   |
| <b>(SG&amp;A)</b>           | <b>386,3</b> | <b>300,4</b> | <b>29%</b>      |
| <b>EBITDA</b>               | <b>58,7</b>  | <b>67,1</b>  | <b>-13%</b>     |
| <i>EBITDA margin</i>        | <i>7,8%</i>  | <i>10,2%</i> | <i>-2,4 p.p</i> |
| <b>EBIT</b>                 | <b>25,9</b>  | <b>42,1</b>  | <b>-38%</b>     |
| <i>EBIT margin</i>          | <i>3,4%</i>  | <i>6,4%</i>  | <i>-2,9 p.p</i> |
| <b>Net profit</b>           | <b>19,6</b>  | <b>34,0</b>  | <b>-42%</b>     |
| <i>Net margin</i>           | <i>2,6%</i>  | <i>5,2%</i>  | <i>-2,6 p.p</i> |

# Consolidated balance sheet

| [PLN m]                               | 31 marca 2013          | 31 marca 2012        | 31 marca 2012          |
|---------------------------------------|------------------------|----------------------|------------------------|
| Long-term assets, of which:           | <u>974,2</u>           | <u>752,6</u>         | <u>909,9</u>           |
| - intangible fixed assets             | <b>278,5</b>           | <b>272,3</b>         | <b>278,7</b>           |
| - Tangible assets                     | <b>655,3</b>           | <b>455,4</b>         | <b>598,5</b>           |
| Current assets, of which              | <u>1051,5</u>          | <u>810,1</u>         | <u>1022,4</u>          |
| - inventories                         | <b>715,8</b>           | <b>578,3</b>         | <b>656,1</b>           |
| - short-term receivables              | <b>141,0</b>           | <b>105,4</b>         | <b>130,4</b>           |
| - cash and cash equivalents           | <b>107,8</b>           | <b>81,9</b>          | <b>159,4</b>           |
| Total assets                          | 2 025,7                | 1 562,7              | 1 932,2                |
| Shareholders' equity, of which        | <u><b>1 232,40</b></u> | <u><b>948,80</b></u> | <u><b>1 211,00</b></u> |
| - share capital                       | <b>3,7</b>             | <b>3,6</b>           | <b>3,7</b>             |
| - net profit                          | <b>19,2</b>            | <b>33,6</b>          | <b>352,4</b>           |
| Long-term payables, of which:         | <u>196,1</u>           | <u>87,0</u>          | <u>131,0</u>           |
| - bank credits and loans              | <b>190,0</b>           | <b>83,7</b>          | <b>125,1</b>           |
| Short-term payables, of which:        | <u>597,3</u>           | <u>526,8</u>         | <u>590,2</u>           |
| - deliveries and services liabilities | <b>433,9</b>           | <b>287,3</b>         | <b>477,8</b>           |
| bonds                                 |                        | <b>81,7</b>          |                        |
| - bank credits and loans              | <b>136,5</b>           | <b>141,5</b>         | <b>61,0</b>            |
| Total liabilities & equity            | 2 025,7                | 1 562,7              | 1 932,2                |

# There is a room for further growth

| Powierzchnia [tys. m <sup>2</sup> ] | 31.12.2012        | 31.12.2013        | zmiana [tys. m <sup>2</sup> ] | zmiana     |
|-------------------------------------|-------------------|-------------------|-------------------------------|------------|
| <b>Reserved</b>                     | <b>252</b>        | <b>319</b>        | <b>67</b>                     | <b>26%</b> |
| Polska                              | 156               | 184               | 28                            | 18%        |
| UE                                  | 41                | 53                | 11                            | 28%        |
| Rosja i Ukraina                     | 55                | 82                | 27                            | 49%        |
| <b>CROPP</b>                        | <b>72</b>         | <b>90</b>         | <b>18</b>                     | <b>26%</b> |
| Polska                              | 45                | 54                | 9                             | 20%        |
| UE                                  | 8                 | 11                | 3                             | 33%        |
| Rosja i Ukraina                     | 19                | 26                | 7                             | 36%        |
| <b>House</b>                        | <b>64</b>         | <b>81</b>         | <b>17</b>                     | <b>26%</b> |
| Polska                              | 46                | 54                | 8                             | 17%        |
| UE                                  | 7                 | 10                | 2                             | 32%        |
| Rosja i Ukraina                     | 10                | 17                | 7                             | 66%        |
| <b>Mohito</b>                       | <b>39</b>         | <b>66</b>         | <b>27</b>                     | <b>70%</b> |
| Polska                              | 26                | 42                | 16                            | 61%        |
| UE                                  | 3                 | 7                 | 4                             | 133%       |
| Rosja i Ukraina                     | 10                | 17                | 7                             | 74%        |
| <b>Sinsay</b>                       |                   | <b>15</b>         | <b>15</b>                     |            |
| Polska                              |                   | 15                | 15                            |            |
| Wyprzedażowe                        | 7                 | 8                 | 1                             | 19%        |
| <b>suma podział geograficzny</b>    |                   |                   |                               |            |
| Polska                              | 280               | 357               | 77                            | 27%        |
| UE                                  | 60                | 80                | 20                            | 34%        |
| Rosja i Ukraina                     | 94                | 142               | 48                            | 51%        |
| <b><u>RAZEM</u></b>                 | <b><u>434</u></b> | <b><u>579</u></b> | <b><u>145</u></b>             | <b>33%</b> |

- The net increase in the floor area of the chain of outlets in 2013 projected on the basis of specific locations is approx. 145 thousand m<sup>2</sup> (+33%)
- The estimated value of outlays (fixed assets) for the development of the chain of outlets is PLN 360
- In addition, it is planned to start construction of another facility in the logistics center. The total investment will amount to about PLN 170, of which about half will be spent in 2013.

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RESERVED



MOHITO



sinsay