



## **Revenues from sales generated by LPP SA Capital Group in December 2017**

**Current report no.: 01/2018**

**Date: 02.01.2018, 16:34**

The Management Board of LPP SA hereby informs that consolidated revenues from sales of LPP SA Capital Group generated in December 2017 totaled about PLN 893 million and were higher about 18% in comparison with the revenues generated in December 2016.

In the period between January and December 2017 consolidated revenue from sales totaled about PLN 7 033 mln and were higher about 17% as compared with the revenue generated in 2016.

Estimated gross margin on sales would be 56% and was higher about 20% in comparison with the gross margin on sales achieved in December in the previous year.

The E-commerce revenues from sales in December 2017 totaled about PLN 61 mln and were higher about 135% in comparison to December 2016. In the period January – December 2017 the e-commerce revenues from sales totaled about 365 mln PLN and were higher by 111% year over year.

The commercial area at the end of December 2017 was about 1 001 thousand of square meters and was about 9% higher as compared to the end of December 2016.

At the same time, the Company informs that, having modified its previous information policy, as of January 2018, it will no longer publish monthly information on the level of the sales made and the margin applied.

In monthly periods, the sales may be affected by numerous disturbances which are unexpected and unique in nature, caused by, for example, variable weather conditions, and, therefore, in the Company's opinion, the reporting of sales results in a longer time span will prove much more reliable and useful.

The said decision has been made also following the analysis of reporting policies in the textile industry, with due consideration of the operation of European entities competitive to LPP (Inditex, H&M, Marks & Spencer, Next, Adidas, LVMH, Hugo Boss), in which sales results are published on at least quarterly or half-yearly basis.

In consideration of the above, as of 2018, the basic period for drawing up and publishing current reports on periodic sales results of LPP will be a quarterly period.

Art. 17 item 1 of MAR - inside information

Signatures: Przemysław Lutkiewicz – Vice President of the Management Board  
Jacek Kujawa - Vice President of the Management Board