

LPP

2 Q 1 5 F I N A N C I A L R E S U L T S

GLOBAL ASPIRATIONS

WARSAW, 20th AUGUST 2015

RESERVED

CROPP



M O H I T O

sinsay

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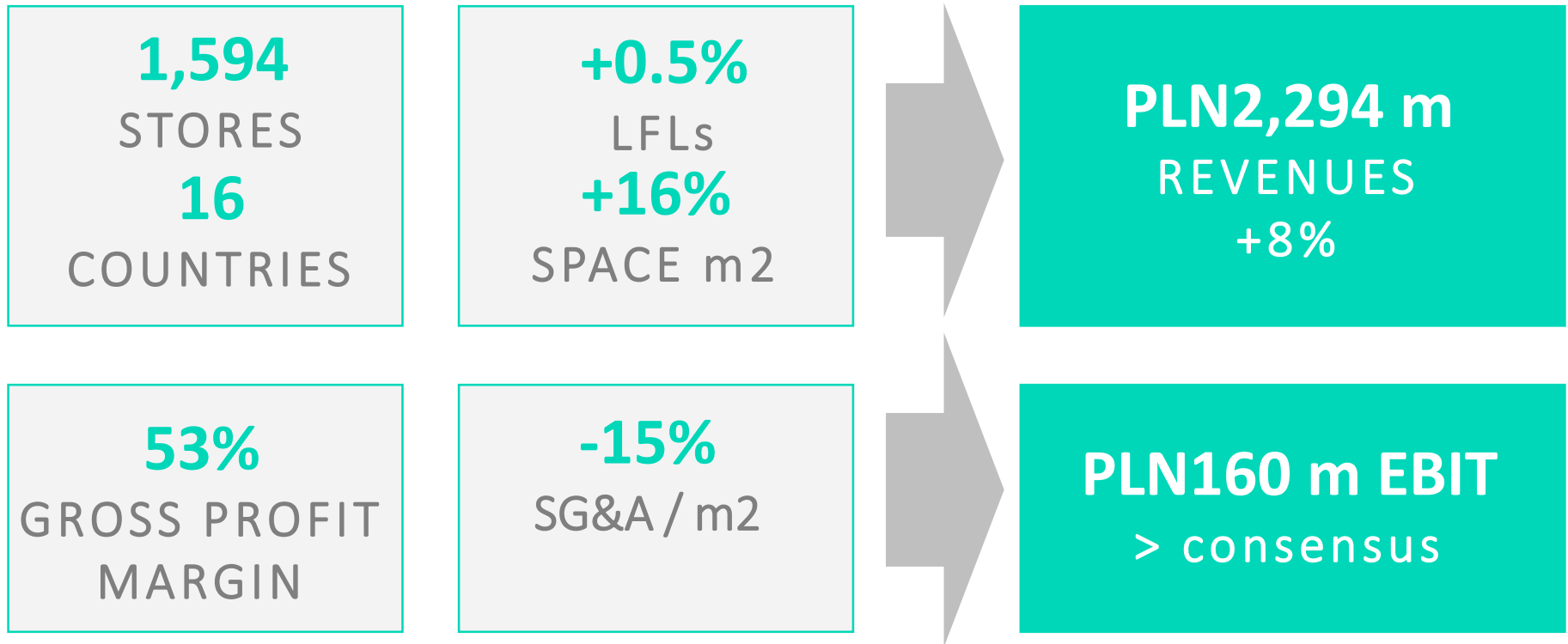
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AGENDA

- Executive summary
- 2Q15 financial results
- Key corporate events
- 2015 outlook
- Q&A



Over PLN2 bn revenues in 1H15



Key 2Q15 achievements



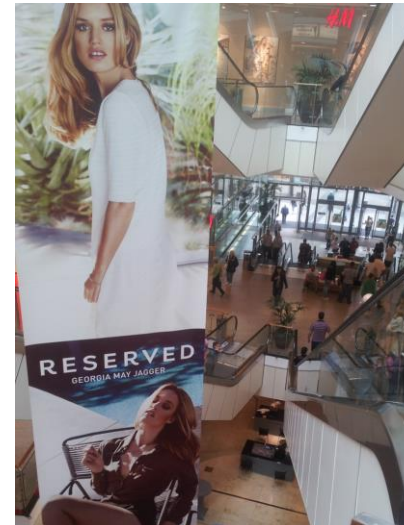
New stores in the Middle East

RESERVED franchise stores
Qatar, Kuwait
2,365 m²
April 2015



Prestigious location in Poznan

Stores of 5 LPP's brands
in a new shopping mall
4,500 m²
May 2015



Next opening in Germany

RESERVED own store
in Wuppertal
2,050 m²
June 2015



On-line store in Czech Republic

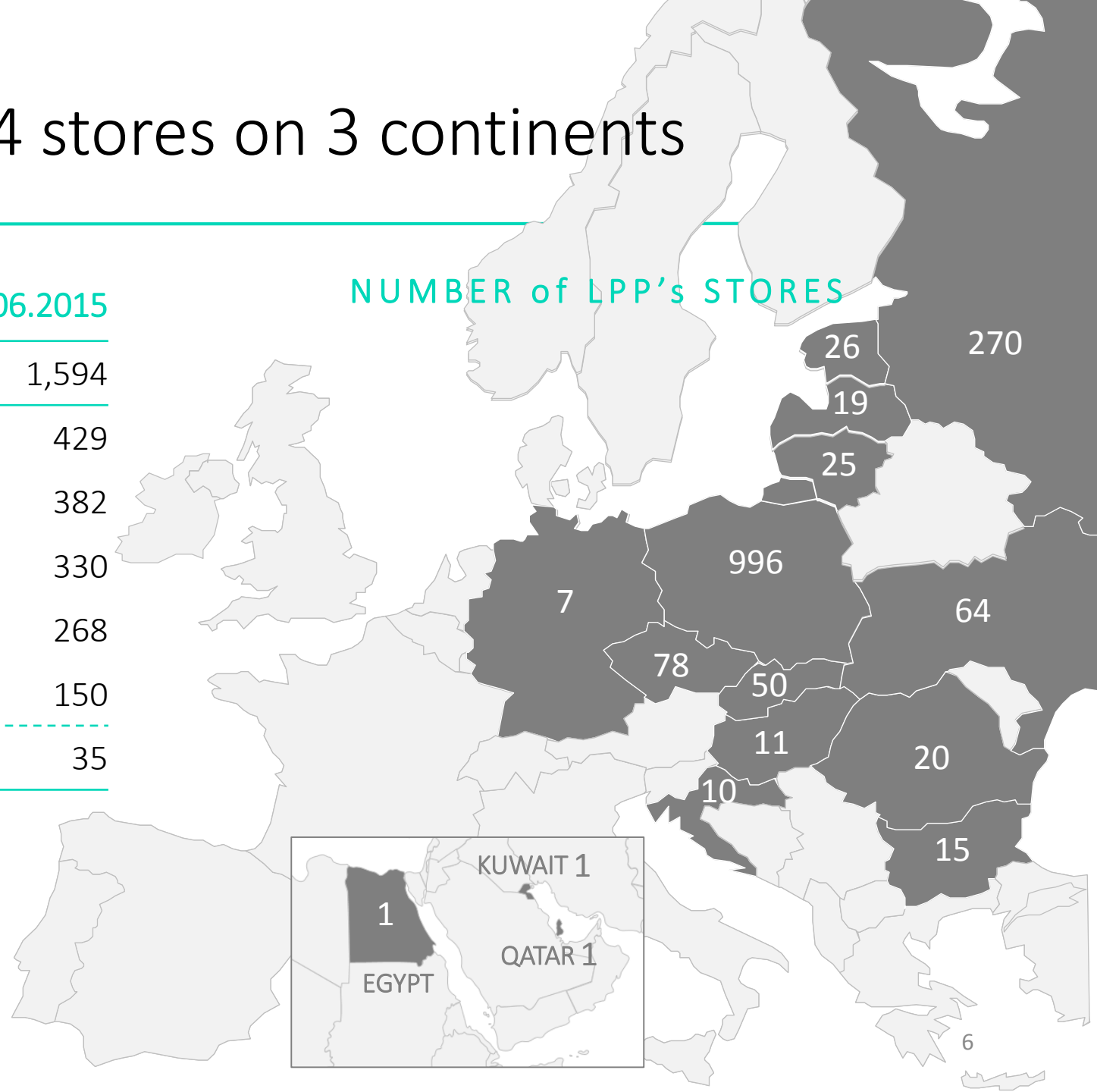
Third country with RESERVED
on-line offer
June 2015

Already 1,594 stores on 3 continents

NUMBER of STORES 30.06.2015

LPP GROUP	1,594
RESERVED	429
Cropp	382
House	330
MOHITO	268
SiNSAY	150
Outlets	35

NUMBER of LPP's STORES



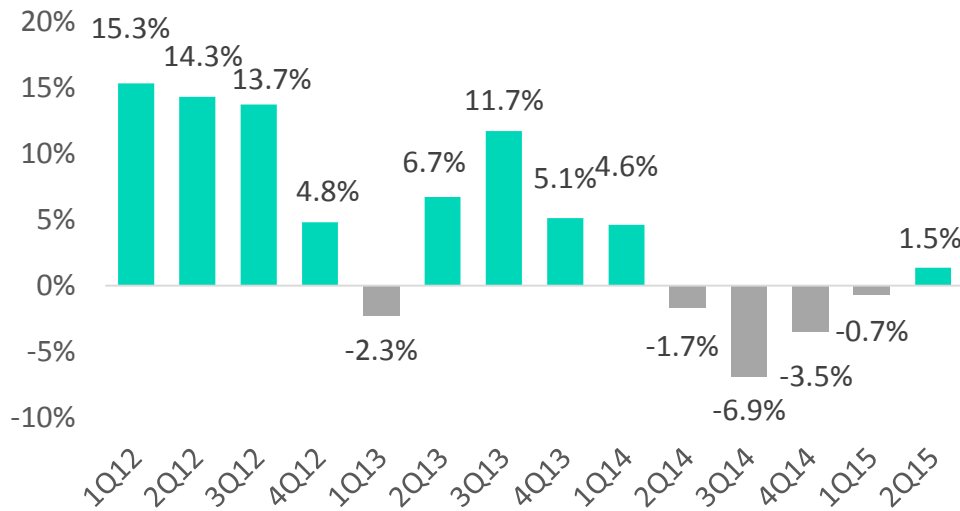
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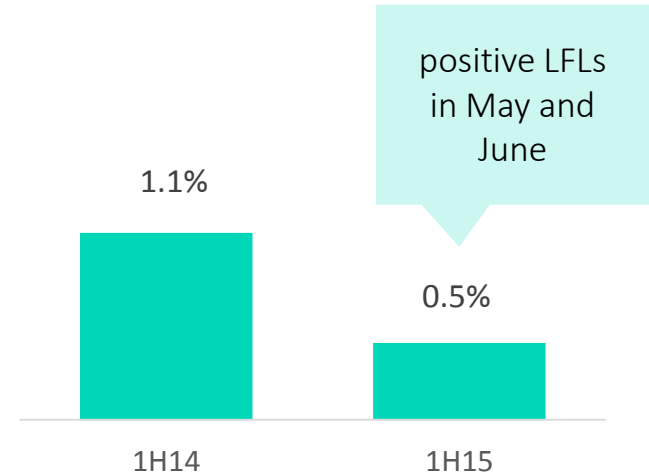


LFL dynamics return to positive levels

LFLs in CONSTANT CURRENCIES
(data for the group)

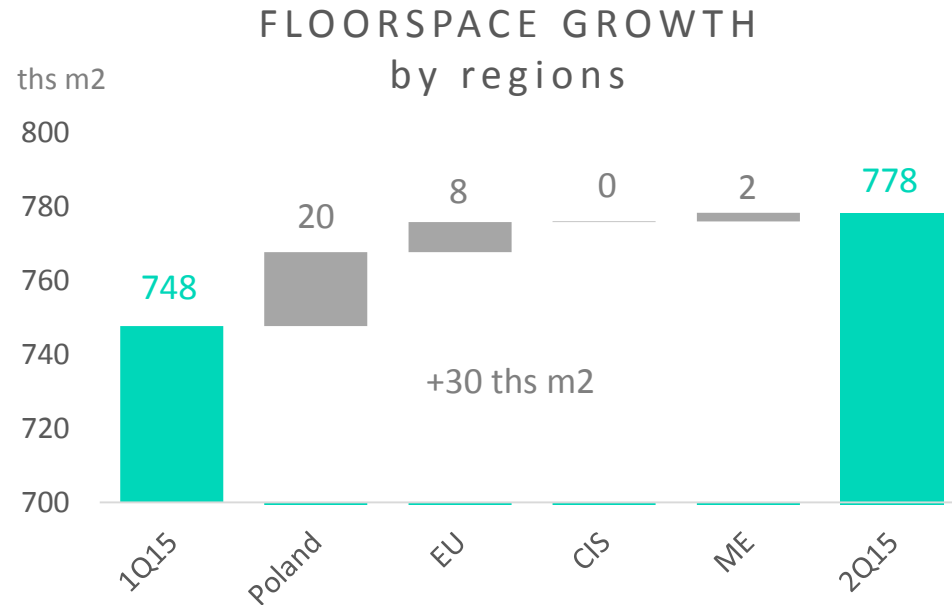


LFLs in CONSTANT CURRENCIES
(data for the group)



- All brands showed positive LFLs in 2Q15.
- All countries showed positive LFLs with exception of Poland and Estonia.
- Negative LFLs in Poland resulted from falling traffic.
- Despite political issues, LFLs in Russia and Ukraine were double-digit positive.

Growth in floorspace by regions

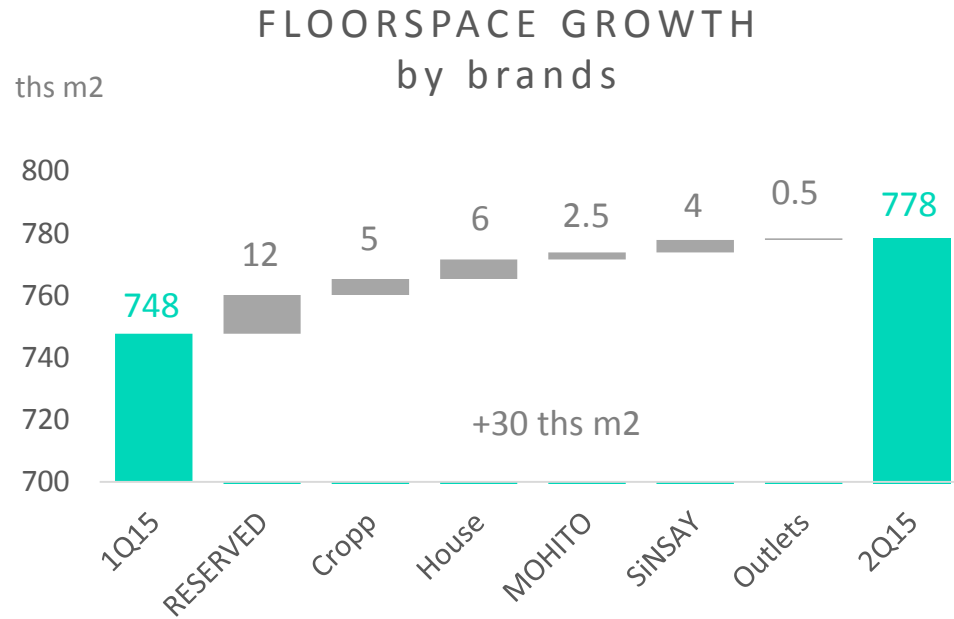


2Q15 FLOORSPACE by regions

ths m2	2Q14	2Q15	YoY
LPP GROUP	672.2	778.4	15.8%
Poland	401.1	443.5	10.6%
EU	100.9	147.7	46.4%
CIS	170.2	183.2	7.6%
ME	0.0	3.9	N/M

- Poland dominated the new openings in terms of countries. Openings in Poland encompassed also seasonal stores of Cropp and House (c. 6 ths m2).
- Dynamic growth in the EU region in 2Q15 resulted from: 1) acceleration of development in Romania (8 stores, +5.8 ths m2) and 2) development in Germany (1 store, 2 ths m2).
- Two new stores in the Middle East (Kuwait and Qatar). No openings in Russia and Ukraine.

New openings across all brands

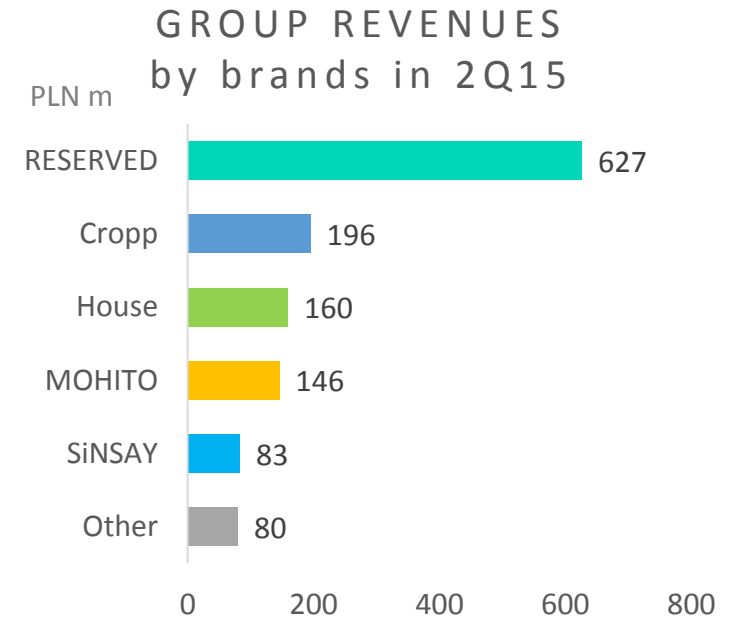
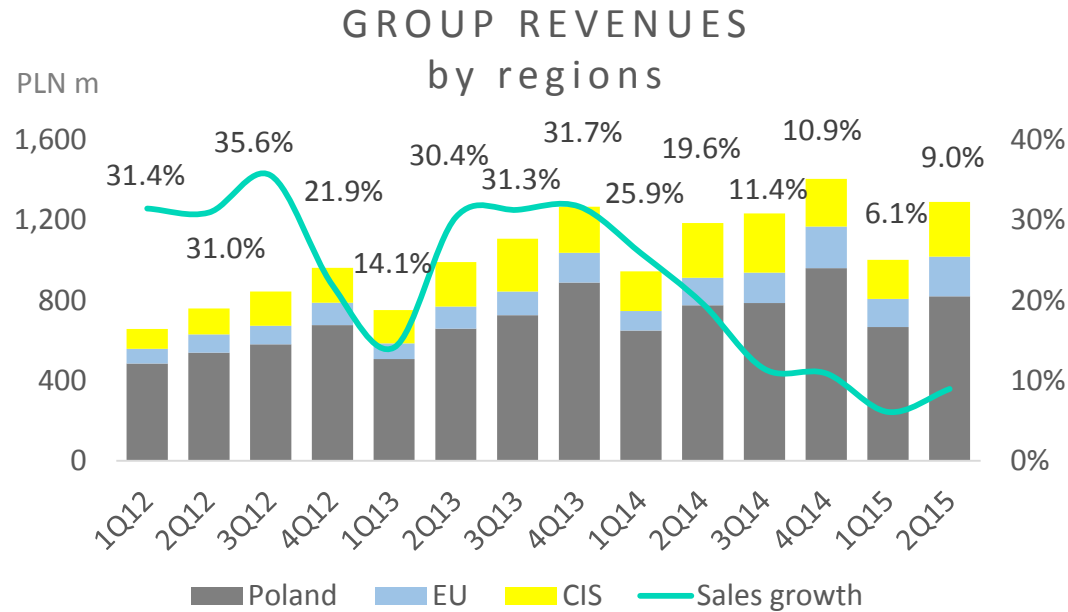


2Q15 FLOORSPACE by brands

ths m2	2Q14	2Q15	YoY
LPP GROUP	672.2	778.4	15.8%
RESERVED	358.9	416.3	16.0%
Cropp	102.2	111.5	9.1%
House	89.9	96.7	7.5%
MOHITO	76.7	89.1	16.2%
SiNSAY	35.1	52.4	49.2%
Outlets	9.3	12.4	33.5%

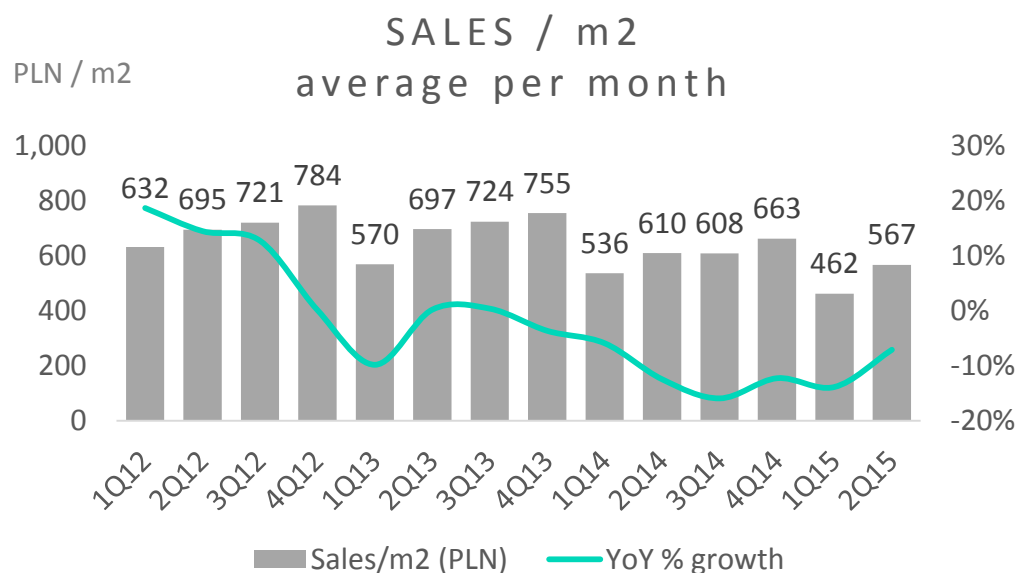
- Dynamic RESERVED development due to openings in the Middle East, Romania and Germany.
- The majority of MOHITO and SiNSAY 2Q15 openings took place in Poland.
- QoQ acceleration of Cropp and House openings in 2Q15 due to setting up of seasonal stores.

Growth in group revenues



- Group revenues grew 9% due to higher floorspace and positive LFLs.
- Among countries, Poland was the largest revenue contributor, while EU added the most among regions.
- Flat YoY revenues in Russia and Ukraine (growth in local currencies but depreciation of those currencies to PLN).
- RESERVED and SiNSAY were the largest revenue growth contributors by brands.

Growth in floorspace lowers sales/m2



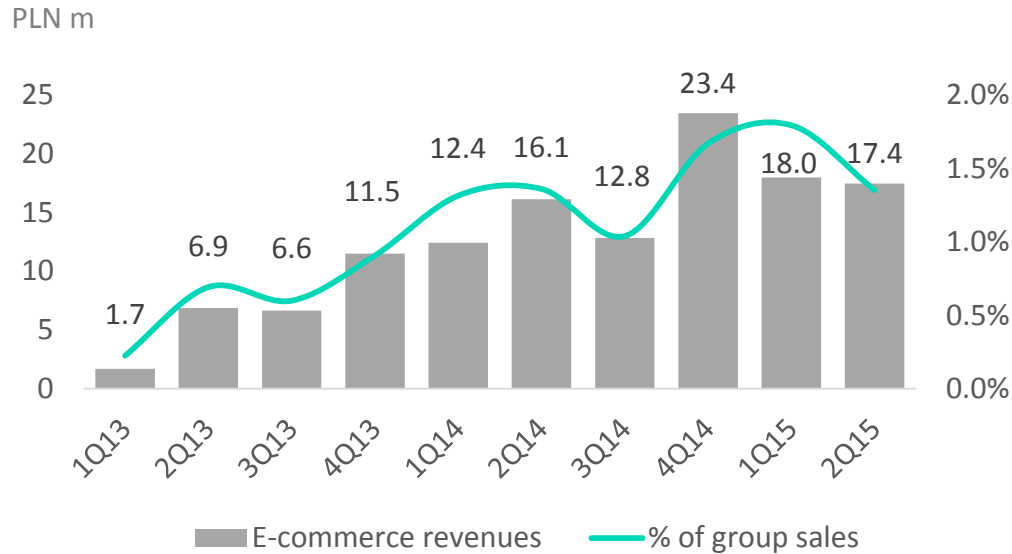
RETAIL SALES / m2

PLN (month)	2Q14	2Q15	YoY
LPP GROUP	582	542	-6.9%
Poland	630	596	-5.4%
EU	469	460	-2.0%
CIS	553	494	-10.6%

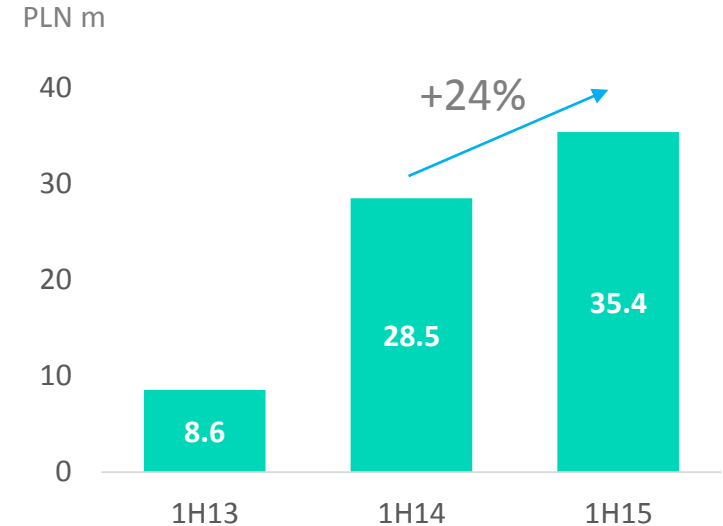
- Sales/m2 in Poland remain higher than abroad due to superior brand recognition.
- Falls in sales /m2 in PLN in Russia and Ukraine resulted from local currencies' depreciation versus zloty.
- In 2Q15, in local currencies, sales/m2 grew 11% YoY in Russia while 38% YoY in Ukraine.
- Growth in sales/m2 took place in Czech Republic, Slovakia, Hungary and Lithuania in 2Q15.

E-commerce development continues

ON-LINE SALES

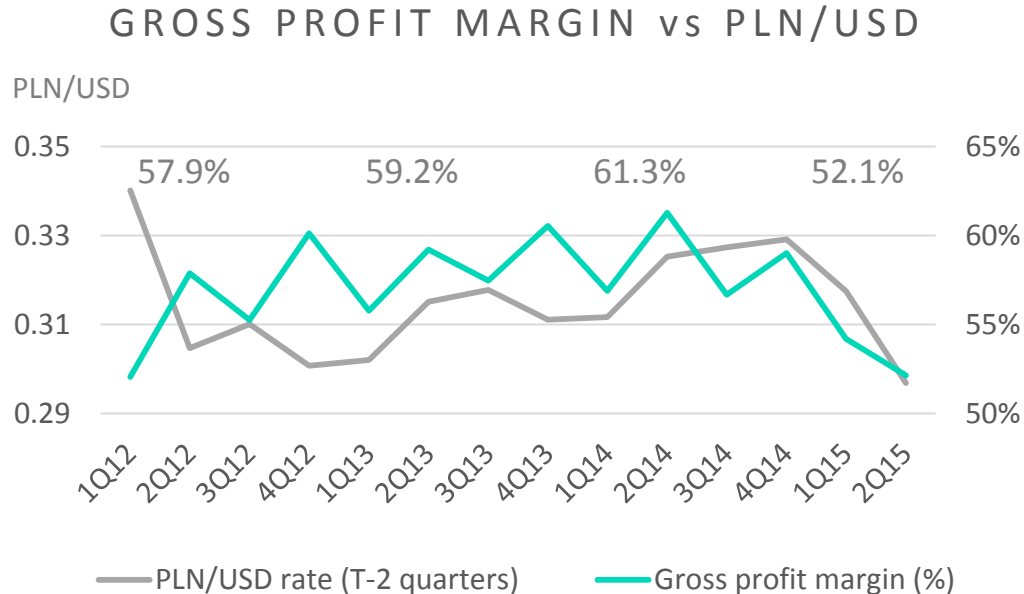


ON-LINE SALES

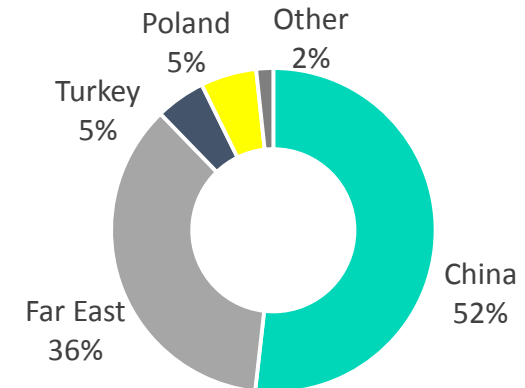


- On-line sales constituted 1.4% of group revenues in 2Q15.
- Each of the 5 brands has its own internet store in Poland.
- RESERVED on-line store operates also in Germany and in Czech Republic.
- Next e-openings: Slovakia (3Q15) and Hungary (4Q15).

Stronger US\$ increases COGS

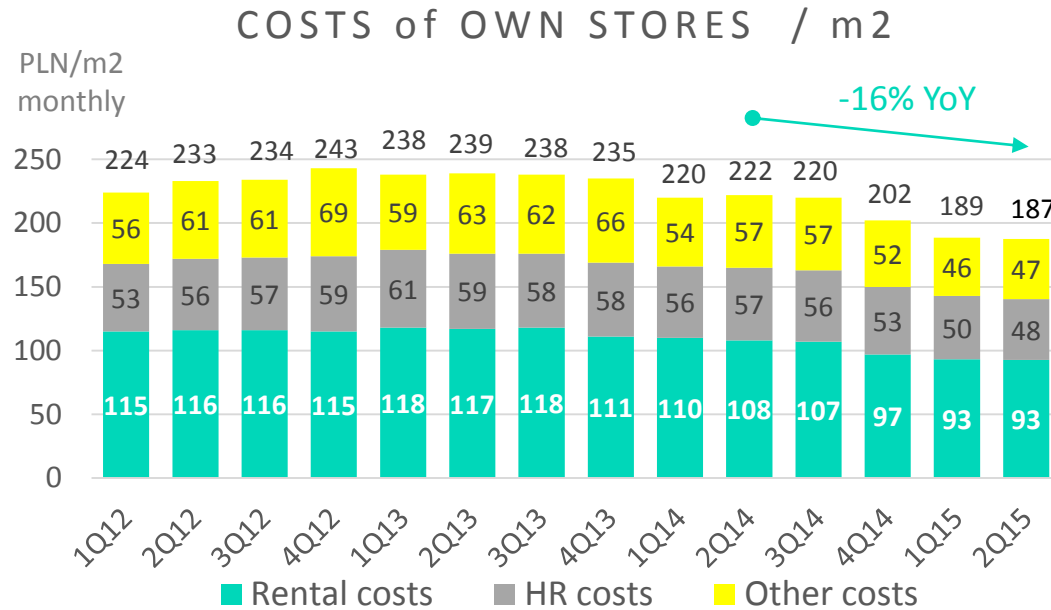


1H15 PURCHASES by regions

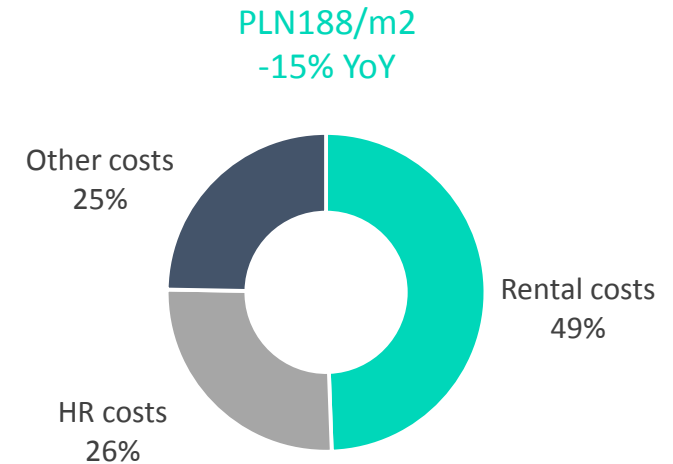


- 2Q15 fall in gross profit margin resulted in 30% from zloty depreciation to US\$ (the majority of purchases is conducted in the Far East) and in 70% from higher YoY sell-offs.
- High base effect: record high gross profit margin in 2Q14 (61.3%), higher than in 4Q14 (59.0%).
- Lower-than-planned LFLs caused stronger YoY mid-season discounts, both in CIS and in Poland.

Lower costs of own stores

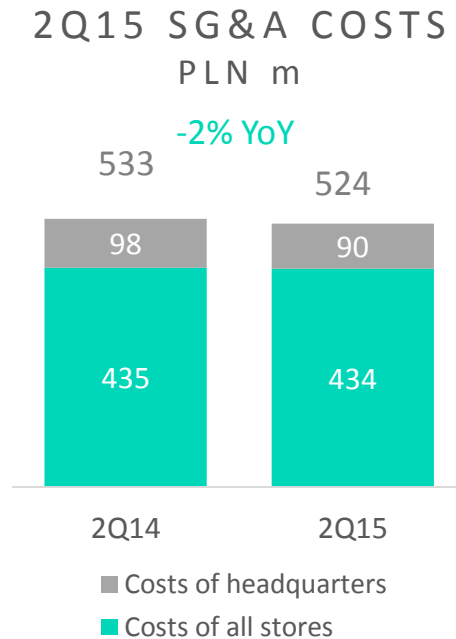
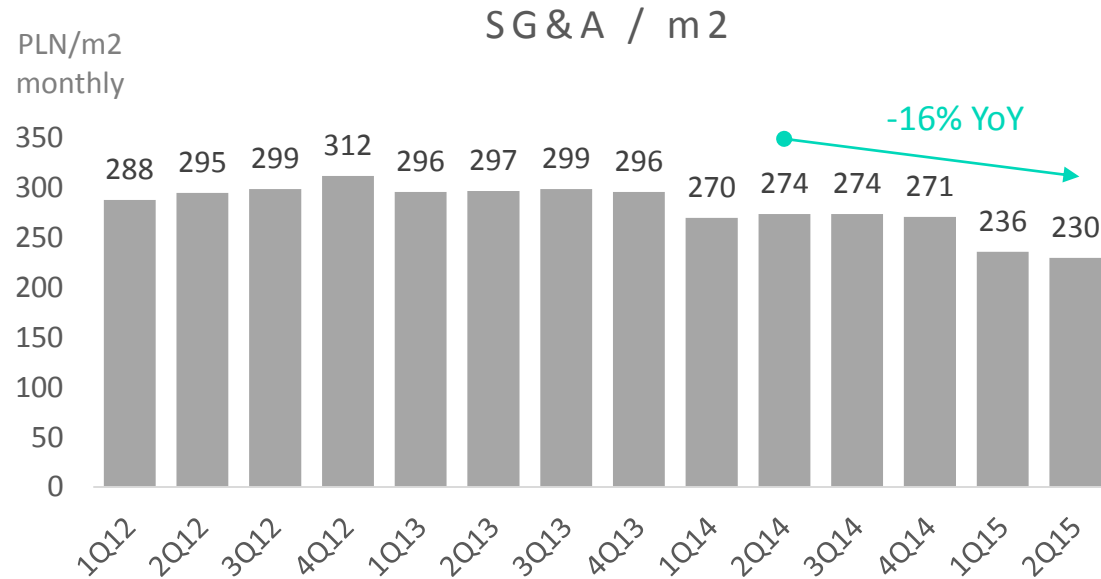


1H15 COSTS SPLIT



- Fall in rental charges → successful rental renegotiations domestically, in Russia and Ukraine.
- Fall in personnel costs → continuous headcount optimisation.
- Fall in other costs of stores → depreciation of ruble and hryvnia against US\$ and zloty.
- Depreciation constitutes half of other costs of own stores; the remaining part is made up of energy costs, banking provisions and security.

Fall in SG&A costs



- Fall in nominal levels of SG&A costs → lower costs of headquarters (marketing costs in Germany shifted to 3Q15) and lower costs of third party services.
- Fall in SG&A/m2 → optimisation of costs of stores and headquarters.
- Lower costs of stores/m2 → (1) rental renegotiation, lower HR costs and other costs of stores; (2) depreciation of ruble and hryvnia against zloty.

We are satisfied with 2Q15 EBIT

PLN m	2Q14	2Q15	YoY
Revenues	1,185.1	1,291.3	9.0%
Gross profit on sales	726.2	673.4	-7.3%
<i>Gross profit margin</i>	<i>61.3%</i>	<i>52.1%</i>	<i>-9.2 ppt</i>
SG&A costs	533.2	523.5	-1.8%
Other operating activity	-15.0	-13.1	
EBIT	178.1	136.8	-23.2%
<i>EBIT margin</i>	<i>15.0%</i>	<i>10.6%</i>	<i>-4.4 ppt</i>
Net financials	25.5	21.5	
Pre-tax profit	203.5	158.3	-22.2%
Tax	35.1	21.6	-38.3%
<i>Effective tax rate</i>	<i>17.2%</i>	<i>13.7%</i>	
Minorities	0.8	0.0	
Net income	167.7	136.6	-18.5%
<i>Net margin</i>	<i>14.1%</i>	<i>10.6%</i>	<i>-3.5 ppt</i>

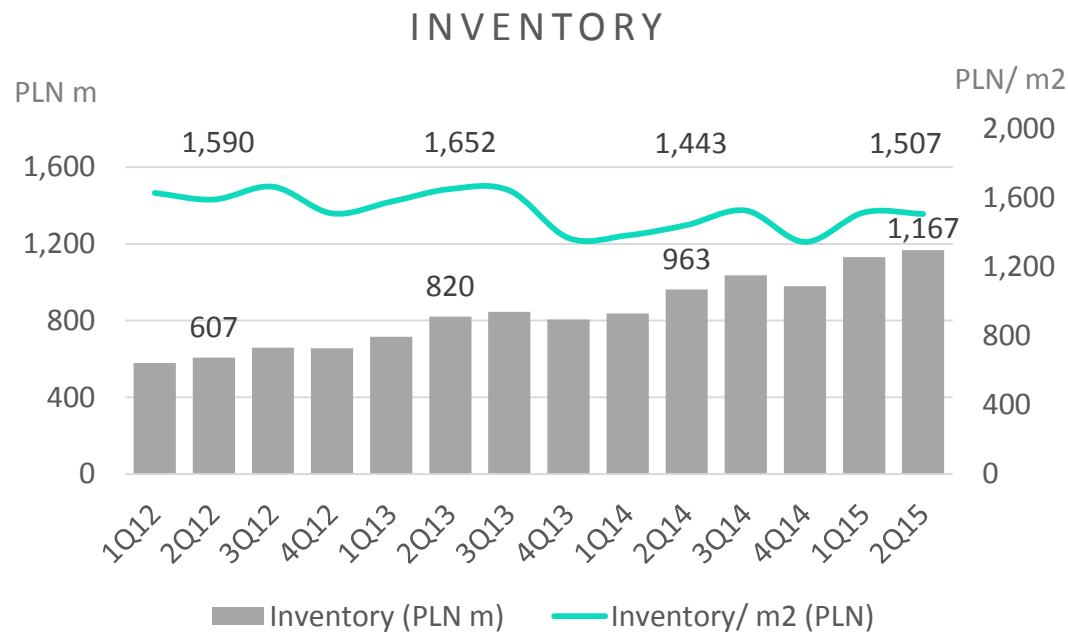
- Lower gross profit margin:
 - weaker consumer demand and traffic
 - less favorable FX trends
- EBIT on a high level:
 - fall in both SG&A and SG&A/m2
- Lower other net operating costs:
 - PLN5m receivables write-off in 2Q14 in Romania
- Positive net financials:
 - PLN27m of FX gains (2Q14: PLN30m), out of which PLN6m on ruble and hryvnia and PLN13 m on US\$. In 2Q14, PLN20m of FX gains on ruble and hryvnia and PLN5m on conversion of receivables into equity in Russia.

1H15 EBIT above consensus

PLN m	1H14	1H15	YoY
Revenues	2,130.1	2,293.8	7.7%
Gross profit on sales	1,263.8	1,216.8	-3.7%
<i>Gross profit margin</i>	<i>59.3%</i>	<i>53.0%</i>	<i>-6.3 ppt</i>
SG&A costs	1,013.8	1,036.0	2.2%
Other operating activity	-23.5	-20.3	
EBIT	226.5	160.5	-29.1%
<i>EBIT margin</i>	<i>10.6%</i>	<i>7.0%</i>	<i>-3.6 ppt</i>
Net financials	-35.4	-32.0	
Pre-tax profit	191.1	128.6	-32.7%
Tax	36.9	29.3	-20.7%
<i>Effective tax rate</i>	<i>19.3%</i>	<i>22.8%</i>	
Minorities	1.5	0.0	
Net income	152.7	99.3	-35.0%
<i>Net margin</i>	<i>7.2%</i>	<i>4.3%</i>	<i>-2.9 ppt</i>

- Lower gross profit margin:
 - weaker consumer demand and traffic
 - less favorable FX trends
- EBIT on a high level:
 - SG&A costs flat YoY
 - fall in SG&A/m2
- Lower other net operating costs:
 - lower write-offs
 - PLN5m receivables write-off in 2Q14
- High net financial charges:
 - PLN23m FX losses (1H14: PLN27m), out of which PLN23m on ruble and hryvnia (1H14: PLN9m losses), PLN10m losses on US\$ but PLN10m gains on euro.
- Pick-up in effective tax rate → losses at selected foreign subsidiaries.

Inventory/m² remain under control



LOGISTICS CENTER

Trial phase of the expanded logistics center until the end of July 2015.

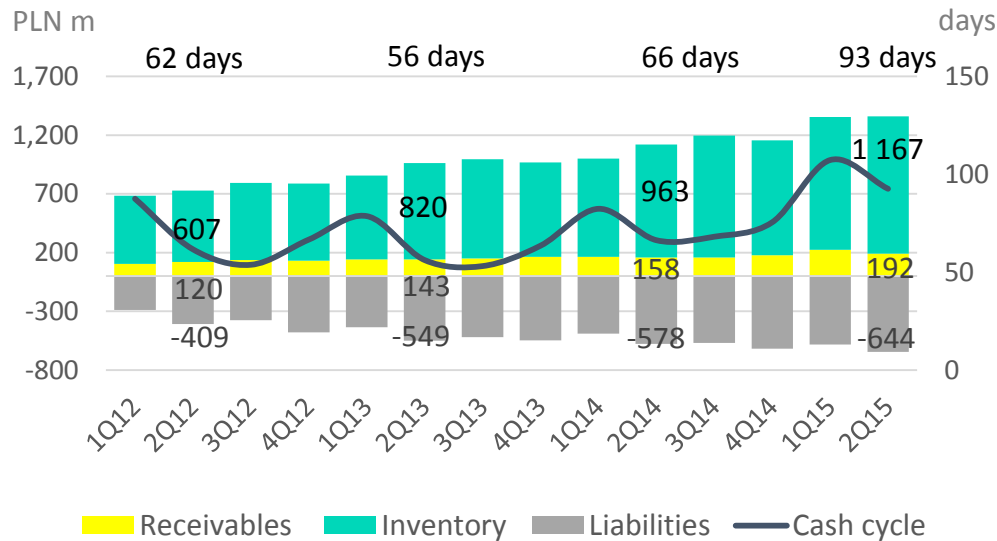
100% efficiency planned for September 2015.

Doubled efficiency of packing coupled with half the previous man hours.

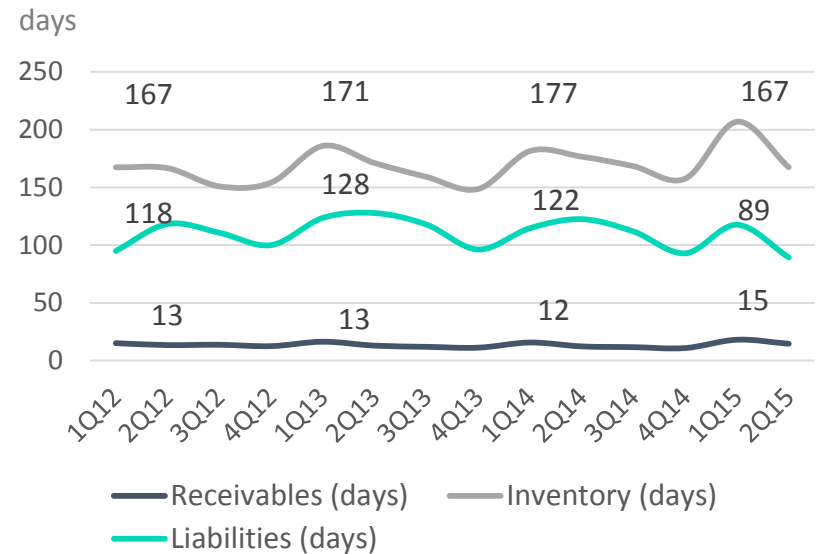
- YoY growth in inventory results from higher floorspace and appreciation of US\$ to PLN.
- Despite YoY growth, inventory/m² remains close to the optimal level.
- Introduction of Autumn-Winter 15/16 collections to stores started mid-July.
- Sell-offs finished mid-August.

A stable cash cycle

WORKING CAPITAL vs CASH CYCLE

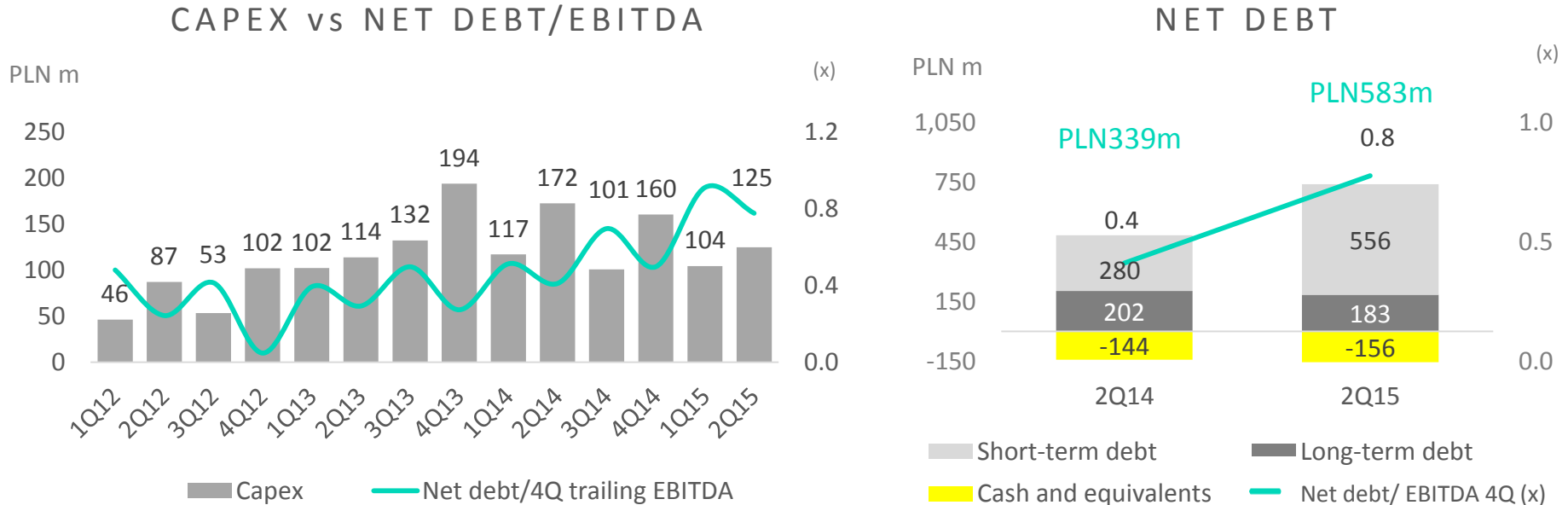


CASH CYCLE ELEMENTS



- Working capital and cash cycle remained stable QoQ in 2Q15.
- 2Q15 working capital shows YoY growth due to pick-up in inventory and receivables.
- Longer YoY cash cycle results from shorter liabilities cycle (higher COGS due to US\$).
- Settlements with suppliers have remained unchanged – more than half of these is conducted in the form of a letter of credit.

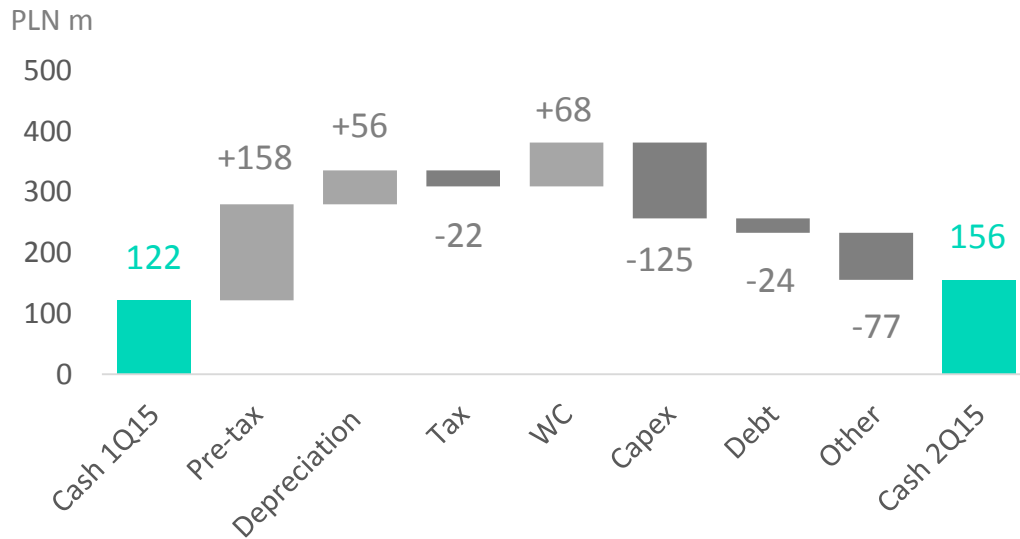
Indebtedness at a safe level



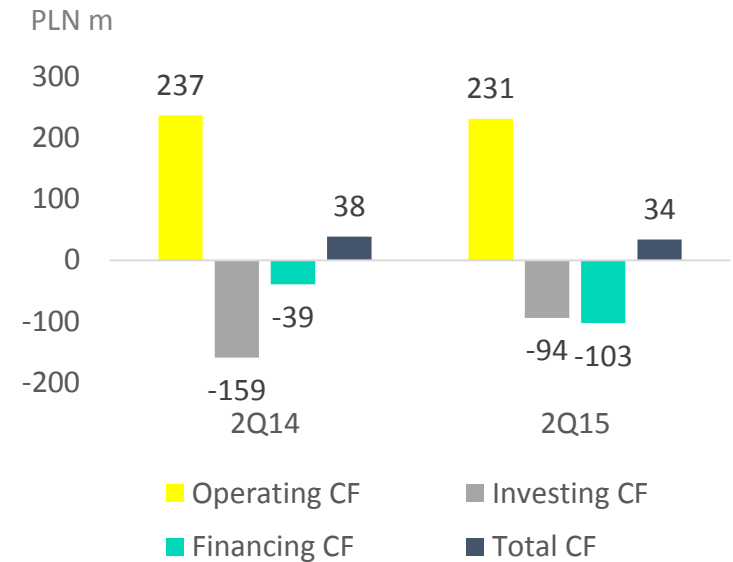
- A sizeable 28% YoY fall in 2Q15 capex due to a lower number of new openings, higher fit-outs and lower logistics center outlays.
- Fit-outs remain high in Poland and grow on foreign openings.
- Despite YoY pick-up, net debt / EBITDA remains at a safe level.

Strong operating cash flow

2Q15 CASH FLOW GENERATION



CASH FLOW



- Operating cash flow → lower YoY pre-tax offset by working capital improvement.
- Investing cash flow → lower capex, due to fit-outs and accomplishment of logistics center.
- Financing cash flow → strong CF allowed to lower the usage of credit lines.
- PLN1.5bn in open credit lines used for letters of credits, guarantees and overdrafts.

Balance sheet continues to be strong

PLN m	30.06.2014	31.12.2014	30.06.2015
Non-current assets	1,395.0	1,516.4	1,638.4
intangibles (including goodwill)	311.4	315.9	321.0
fixed assets	1,015.4	1,038.8	1,129.2
Current assets	1,395.7	1,417.3	1,601.8
inventory	963.1	979.3	1,167.1
trade receivables	157.9	176.9	192.0
cash and equivalents	143.7	183.5	155.7
Total assets	2,790.7	2,933.7	3,240.2
Equity	1,479.9	1,638.4	1,725.4
Long-term liabilities	210.1	210.7	217.9
interest bearing debt	202.5	204.5	182.8
Short-term liabilities	1,100.7	1,084.6	1,297.0
trade liabilities	577.8	618.6	643.5
interest bearing debt	280.0	378.3	556.1
other financial liabilities	180.8	0.0	59.6
Total liabilities	2,790.7	2,933.7	3,240.2

- Higher YoY fixed assets due to investments in stores.
- Despite YoY growth in inventory, inventory/m2 remains close to the target level.
- Higher YoY cash and equivalents thanks to a strong operating cash flow.
- Pick-up in trade liabilities due to higher floorspace.
- Short-term debt picked-up YoY due to the need to finance inventory and new openings.
- Long-term debt remains at a stable level.
- Other financial liabilities relate to dividend payment (payment day set at 24 September).

AGM decisions, 26th June 2015

DIVIDEND

- PLN32 per share
 - Dividend yield of 0.5%
 - PLN58m (12% of 2014 group NI)
-
- 3 September – dividend day
 - 24 September – payment day

MERGER

- AGM agreed for a cross-border merger between LPP SA and Gothals Limited.
- The target operates under Cyprus law and owns the rights to all LPP's trademarks.
- Planned completion of the merger in 4Q15.

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New famous faces promote our collections



Zuzanna Bijoch

Face of MOHITO
AW15/16 collection



Margaret

Designer of SiNSAY
AW15/16 star collection

sinsay BY MARGARET
LIMITED EDITION

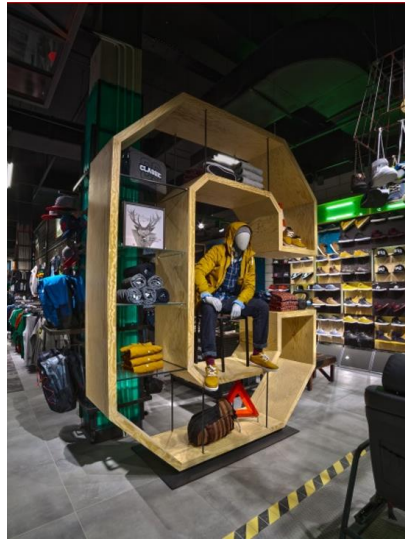
A star collection for RESERVED

GM JAGGER for RESERVED

Designer	Georgia May Jagger
# models	40
Presentation	July 2015, Munich
In stores	September 2015
Markets	all countries
Fabrics used	natural fabrics: silk, cashmere, leather
Other projects	face of RESERVED SS15 and AW14/15 collections



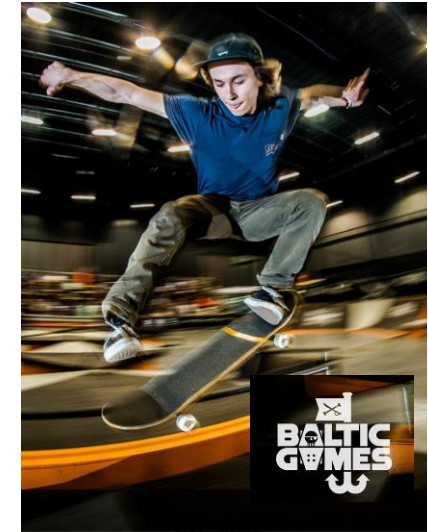
Cropp – close to its customers



NEW CONCEPT OF CROPP STORES



BOOMBOX KIDS



BALTIC GAMES

Shopping space in the form of squat, garage and industrial halls, adjusted to the interests of customers. Special relax zones with PlayStation and tablets with Wi-Fi. Shop windows displays equipped with modern multimedia.

Collection inspired by dance and golden days of tape recorders music.

Cooperation with CEE's largest skate event.

New trends for Autumn-Winter 2015/16



STREET LINE

WOMEN: MODERN UTILITY

Comfortable every day clothing, for work and shopping.

MEN: UNEXPLORED DEPTH

Golf sweaters, comfortable jackets. Navy blue dominates.

MODERN LINE

WOMEN: 1970'S LUXE

Retro, return to the 70ies style. Golfs, bell-bottomed trousers, tunics and shirts.

MEN: PRECIOUS DESIGN

Comfortable suits, elegant quilted jackets.

YOUNG FASHION LAB

WOMEN GIRLY STREET

Grunge and streetwear. Denim, shirts, sport and military jackets.

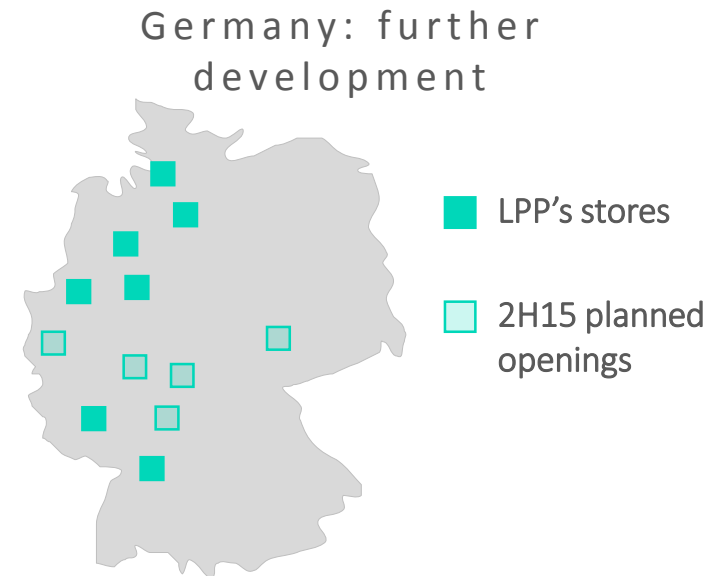
MEN: MY SUBURB

Cool look, comfortable clothes.

Germany – new flagships



- Germany – the first foothold in the Western Europe.
- 2015 marketing budget set at EUR4m, flat YoY, aimed at increasing brand recognition.
- Target: 30 stores in 3 years.

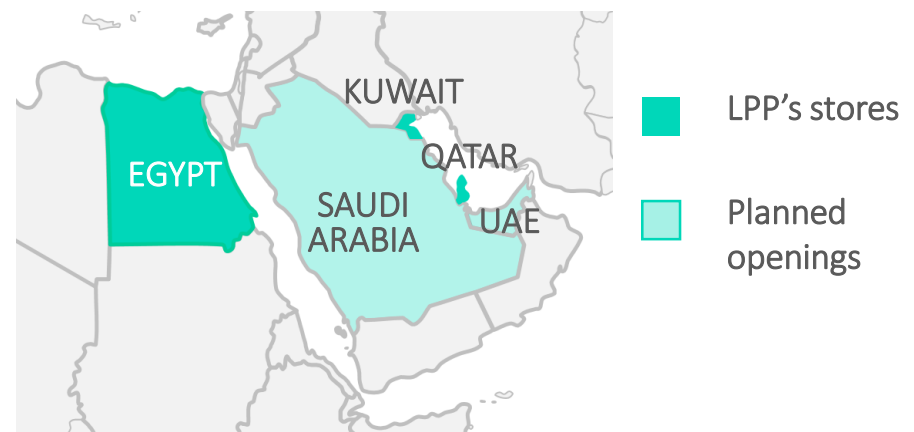


City	m2	Opening
Leipzig	2,040	AUG 2015
Stuttgart	3,910	SEPT 2015
Ludwigsburg	2,099	SEPT 2015
Aachen	2,371	OCT 2015
Mannheim	2,423	OCT 2015

Middle East – foothold on the third continent



Middle East: planned expansion



- 1Q15 marked the launch of Middle East expansion with RESERVED brand (now: 3 stores, 3 countries).
- Planned openings: 3Q15 – Saudi Arabia; 1Q16 – United Arab Emirates.
- Development via franchise stores.
- Wholesale revenues reached PLN3.2m in 1Q15 and PLN8.8m in 1H15.
- Target: 30 franchise stores in 6 years.

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Floorspace growth to continue

Floorspace (ths m2)	31.12.2014	2015 PREVIOUS TARGET	2015 CURRENT TARGET	YoY
RESERVED	389.7	464.1	460.6	18%
Poland	209.2	234.4	231.5	11%
EU	83.9	122.6	121.7	45%
CIS	96.6	100.6	101.9	5%
ME franchise	0.0	6.5	5.5	-
Cropp	105.4	114.8	114.8	9%
Poland	58.3	63.6	63.6	9%
EU	17.1	20.6	20.2	18%
CIS	30.0	30.6	31.0	3%
House	89.6	100.9	100.6	12%
Poland	57.3	63.2	63.1	10%
EU	11.4	15.9	15.5	36%
CIS	20.9	21.8	22.0	5%
MOHITO	82.8	94.8	95.1	15%
Poland	46.2	52.1	52.3	13%
EU	11.8	16.9	16.5	41%
CIS	24.8	25.8	26.2	6%
ME franchise	0.0	0.0	0.0	-
SINSAY	43.7	61.0	60.5	39%
Poland	32.7	44.3	43.9	34%
EU	4.4	8.8	8.0	82%
CIS	6.6	7.9	8.6	31%
Outlets	11.3	13.6	12.4	9%

TOTAL by regions

Poland	413.6	469.8	466.0	13%
EU	128.6	184.8	182.0	41%
CIS	180.3	188.0	190.5	6%
ME franchise	0.0	6.5	5.5	-
TOTAL	722.5	849.1	844.0	17%

- +17% YoY floorspace growth planned (cut from the previous +18% YoY target due to delays in new store openings).
- Continuation of new openings in Germany.
- RESERVED UAE launch shifted to 2016.
- Small Russian and Ukraine floorspace development results from earlier signed contracts (+10 ths m2 in 2015, +2.5 ths m2 vs the previous plan). Further decisions in September.
- Stronger focus on fit-outs.
- 2015 store capex planned at PLN390m (down 5% vs the previous target).
- By the end of 2015 RESERVED stores should be present in 17 countries.
- 2016 target: +15% YoY floorspace growth due to launch of the new brand and start of franchise operations in Belarus and Kazakhstan.

2015 targets

2015 TARGETS

- Group revenue growth should exceed 10%.
- Gross profit margin fall should be between 4-6 ppt.
- SG&A costs/m2 should fall by c. 10% YoY.



2H15 TARGETS

2H15 EBIT dynamics should be better than in 1H15 due to:

- planed smaller sell-offs
- higher likelihood of transferring the stronger US\$ on retail prices
- full impact of cost optimisation processes and logistics center expansion.

2H15 RISKS

- Further fall in traffic in Poland.
- Further US\$ appreciation to PLN.
- Inflammation of conflict between Russia and Ukraine.

Further expansion targets maintained

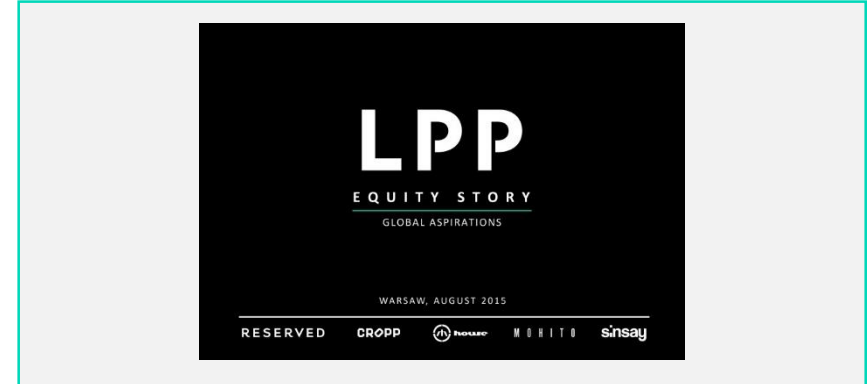
	CURRENTLY	TARGETS
GERMANY	7 stores with floorspace of 14,050 m2.	30 own stores in Germany in 3 years.
MIDDLE EAST	3 stores with floorspace of 3,900 m2.	30 franchise stores in the Middle East in 6 years.
NEW BRAND	Floorspace for 8 stores booked. A model store ready.	New brand launch in 1Q16. Target customers aged 30+.

Open communication with investors



INVESTORS' DAY

LPP's management invites you on
15 OCTOBER 2015
Thursday, GDANSK



EQUITY STORY DEBUT

A new complex presentation for
investors in English available at
www.lppsa.com

AGENDA

- Executive summary
- 2Q15 financial results
- Key corporate events
- 2015 outlook
- Q&A



-
- Back-up



An upgraded LFLs definition

A new improved LFLs definition:

- Stores that
 - have been the same as a year before (have not changed their floorspace, have not undergone upgrades) and
 - have been in operation for the past 12 months (without a break longer than 7 days).
- Calculations are conducted without taking into account changes in currencies in countries in which LPP's stores are run.

Former LFLs definition:

- Revenues from stores that have been in operation for 12 months.
- Calculations were conducted without taking into account changes in currencies in countries in which LPP's stores are run.

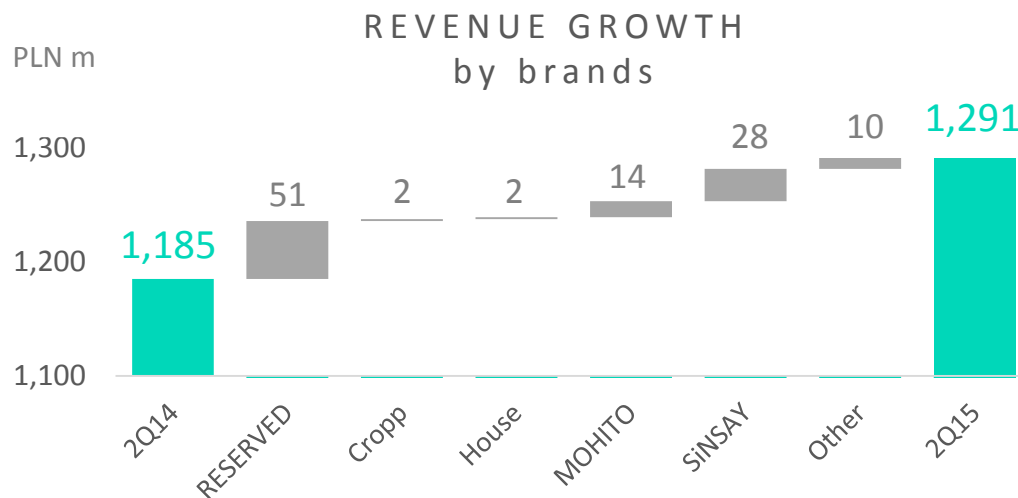
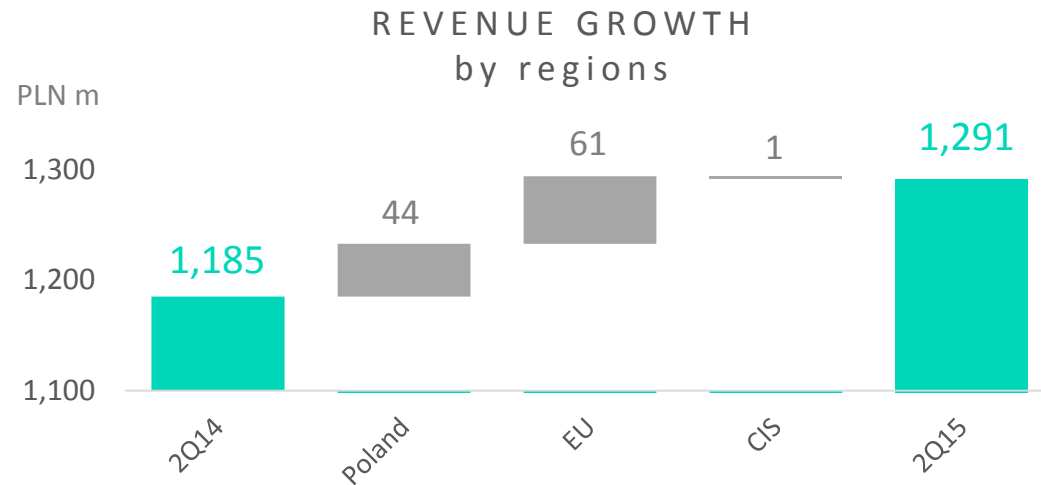
LFLs	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Former definition	-1.0%	8.8%	14.0%	7.6%	7.0%	-1.0%	-6.7%	-	-	-
Current definition	-2.3%	6.7%	11.7%	5.1%	4.6%	-1.7%	-6.9%	-3.5%	-0.7%	1.5%

- In 4Q14 LPP introduced an upgraded methodology of LFLs calculation.
- The key reason behind the change was the intention to address upgrades of stores.
- The upgraded stores were temporary excluded from LFLs calculations, which lowered the historical numbers.

Network development

Floorspace (ths m2)	30.06.2013	30.09.2013	31.12.2013	31.03.2014	30.06.2014	30.09.2014	31.12.2014	31.03.2015	30.06.2015
RESERVED	280.0	288.1	322.3	327.1	358.9	367.4	389.7	403.9	416.3
Poland	164.3	169.7	188.9	193.7	202.8	204.7	209.2	215.2	219.0
EU	47.7	48.8	52.4	52.4	64.6	69.6	83.9	90.1	95.1
CIS	68.0	69.6	81.0	81.0	91.5	93.2	96.6	97.0	98.3
ME franchise	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	3.9
Cropp	81.7	81.8	90.6	91.8	102.2	101.2	105.4	106.4	111.5
Poland	50.7	49.7	54.5	54.5	59.1	57.0	58.3	58.4	62.8
EU	9.5	9.8	10.9	10.7	14.5	15.6	17.1	17.8	18.7
CIS	21.6	22.3	25.2	26.6	28.6	28.6	30.0	30.2	30.0
House	70.7	70.3	80.2	82.3	89.9	87.3	89.6	90.4	96.7
Poland	50.5	49.7	55.4	55.6	59.3	56.9	57.3	56.3	62.4
EU	7.8	7.8	9.2	9.0	10.5	10.3	11.4	12.7	13.2
CIS	12.4	12.8	15.6	17.7	20.1	20.1	20.9	21.4	21.1
MOHITO	51.2	53.6	66.0	69.3	76.7	78.4	82.8	86.8	89.1
Poland	33.5	34.9	40.9	42.3	44.7	45.1	46.2	47.8	49.2
EU	4.7	4.7	6.5	6.5	8.6	9.4	11.8	13.6	14.5
CIS	13.0	13.9	18.5	20.5	23.4	24.0	24.8	25.4	25.4
SINSAY	10.3	13.2	20.1	25.8	35.1	38.0	43.7	48.4	52.4
Poland	10.0	12.2	17.9	22.4	27.2	29.1	32.7	35.5	38.6
EU	0.3	1.0	2.2	1.7	2.7	3.1	4.4	5.4	6.3
CIS	0.0	0.0	0.0	1.7	5.2	5.8	6.6	7.6	7.6
Outlets	7.6	8.5	9.3	9.3	9.3	8.8	11.3	11.8	12.4
TOTAL by regions									
Poland	316.6	324.0	365.5	376.3	401.1	400.0	413.6	423.5	443.5
EU	70.0	72.1	80.7	80.3	100.9	107.9	128.6	139.6	147.7
CIS	115.0	119.3	142.4	148.8	170.2	173.2	180.3	183.1	183.2
ME franchise	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.5	3.9
TOTAL	501.5	515.4	588.6	605.5	672.2	681.1	722.5	747.7	778.4

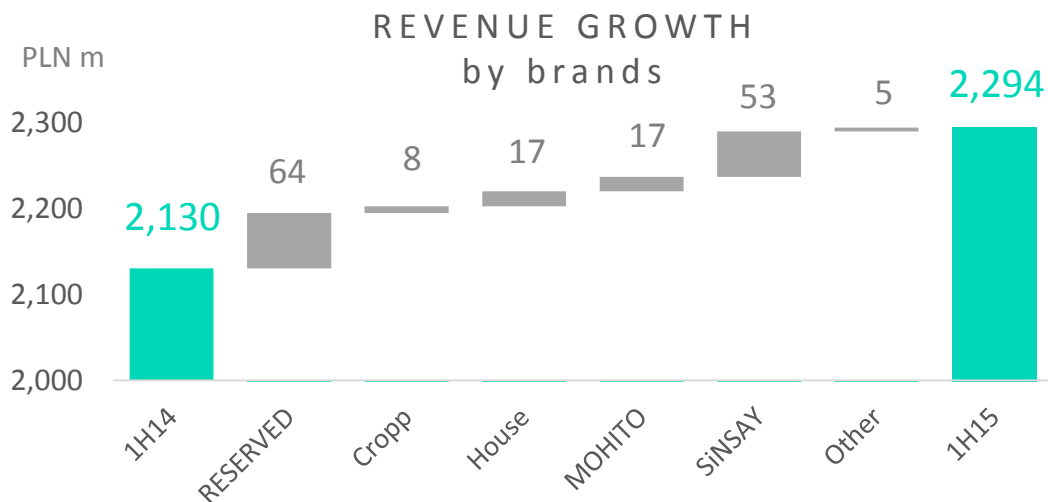
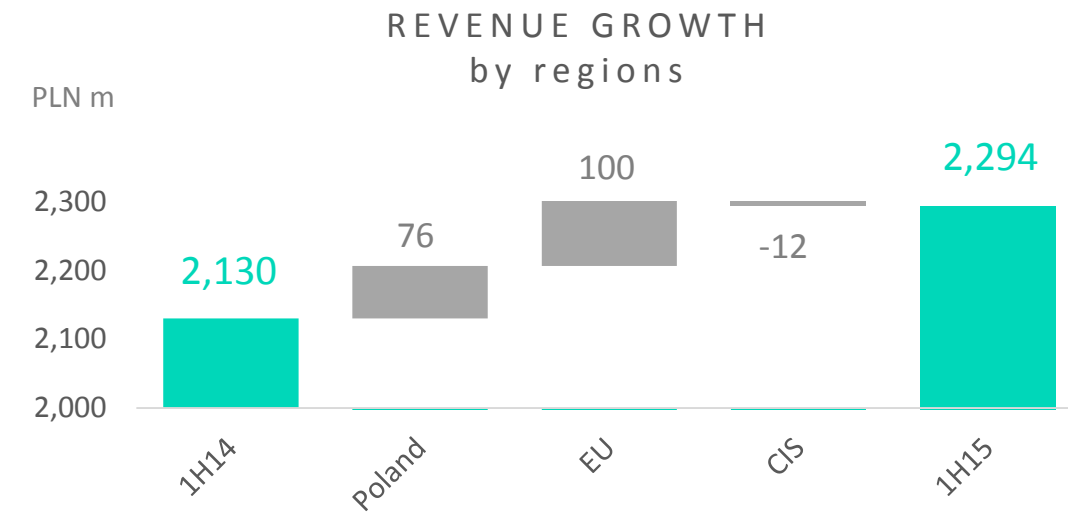
Group 2Q15 revenue growth contributors



REVENUES by brands

PLN m	2Q14	2Q15	YoY
LPP GROUP	1,185.1	1,291.2	9.0%
RESERVED PL	349.8	369.7	5.7%
RESERVED EX	226.2	257.2	13.7%
Cropp PL	114.5	111.4	-2.7%
Cropp EX	79.6	84.3	6.0%
House PL	111.9	107.4	-4.1%
House EX	45.8	52.2	13.8%
MOHITO PL	86.3	88.3	2.2%
MOHITO EX	45.2	57.5	27.1%
SiNSAY PL	45.6	65.5	43.5%
SiNSAY EX	9.5	17.8	87.2%
Other	70.5	80.1	13.7%

Group 1H15 revenue growth contributors



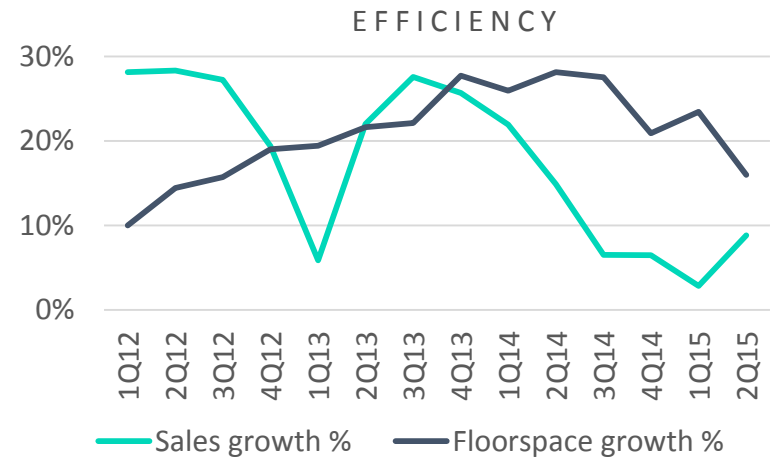
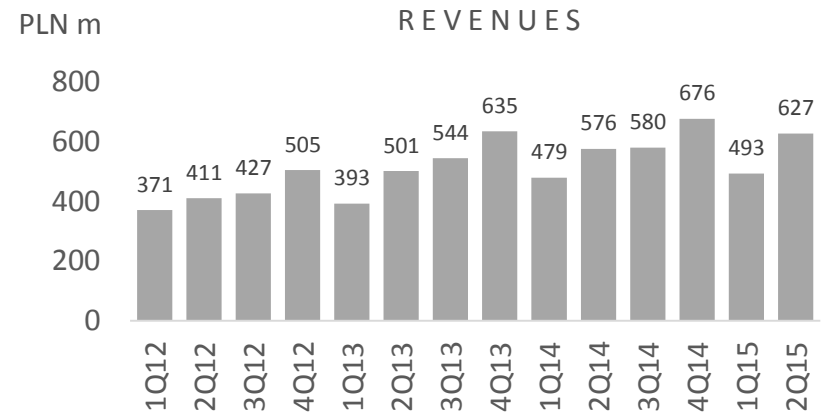
REVENUES by brands

PLN m	1H14	1H15	YoY
LPP GROUP	2,130.1	2,293.8	7.7%
RESERVED PL	656.4	670.5	2.2%
RESERVED EX	398.9	449.1	12.6%
Cropp PL	198.2	199.4	0.6%
Cropp EX	132.1	138.7	5.0%
House PL	193.7	198.7	2.6%
House EX	75.5	87.8	16.3%
MOHITO PL	161.0	162.1	0.7%
MOHITO EX	82.4	98.2	19.1%
SINSAY PL	76.4	112.6	47.3%
SINSAY EX	12.1	28.6	136.5%
Other	143.3	147.8	3.1%

RESERVED

- A fast fashion brand with a broad customer base; wide range of collections.
- Target customers: women, men and children.
- Established in 1998.
- First LPP's brand present in Germany and the Middle East.
- Advertised by international stars (Georgia May Jagger, Brooklyn Beckham).

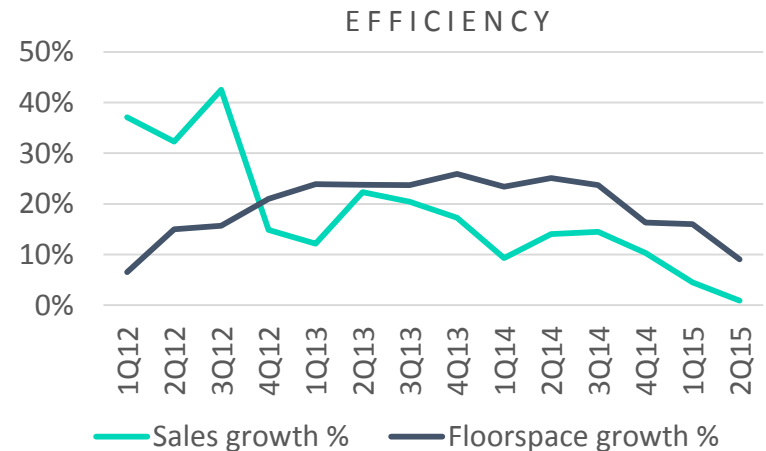
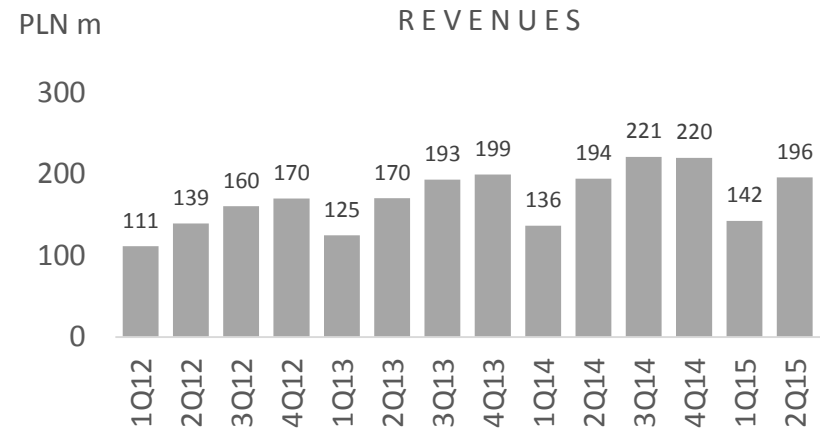
	2Q14	2Q15	r/r
Average store space (m2)	875	970	+11%
Average monthly sales (PLN/m2)	552	511	-7%



CROPP

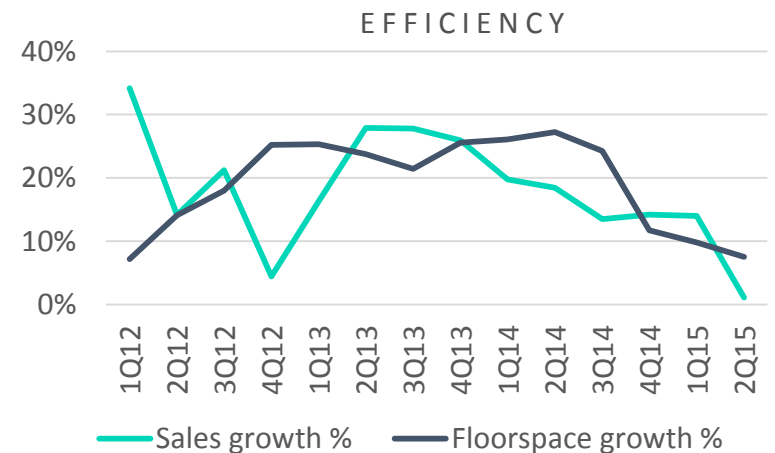
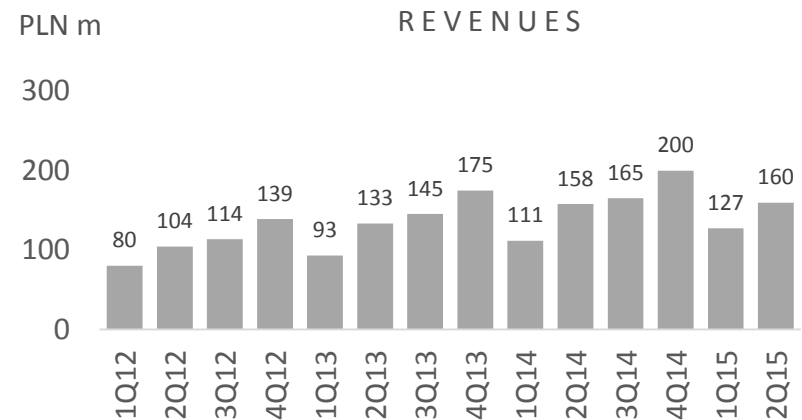
- A casual streetwear brand.
- Target customers: teenagers (boys and girls).
- Established in 2004.
- Partner of many events addressed to artists and street art.
- Offers also international labels (eg. New Balance, Converse).

	2Q14	2Q15	r/r
Average store space (m2)	272	292	+7%
Average monthly sales (PLN/m2)	650	606	-7%



- Urban fashion brand with folk and vintage elements.
- Target customers: teenagers (boys and girls) who like brave fashion choices.
- Established in 2001 (in LPP Group since 2009).
- Participates in multiple artistic events and sponsors alternative music, eg. iFestival.

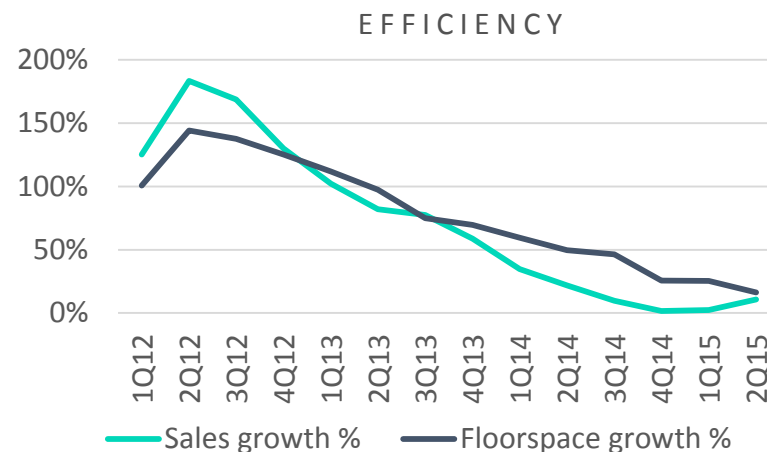
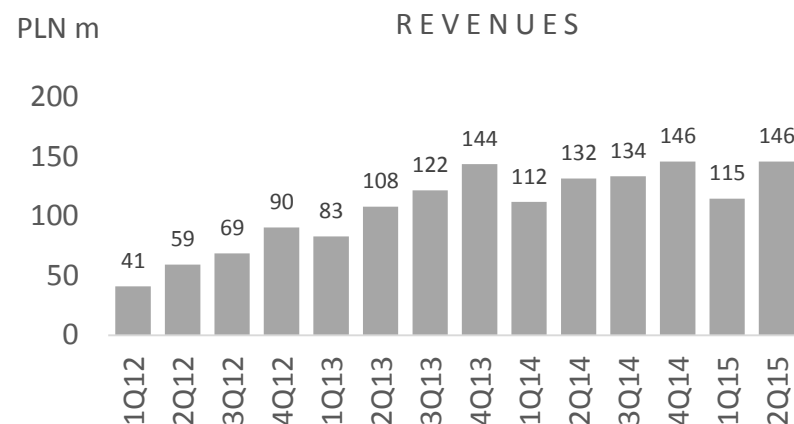
	2Q14	2Q15	r/r
Average store space (m2)	277	293	+6%
Average monthly sales (PLN/m2)	612	577	-6%



M O H I T O

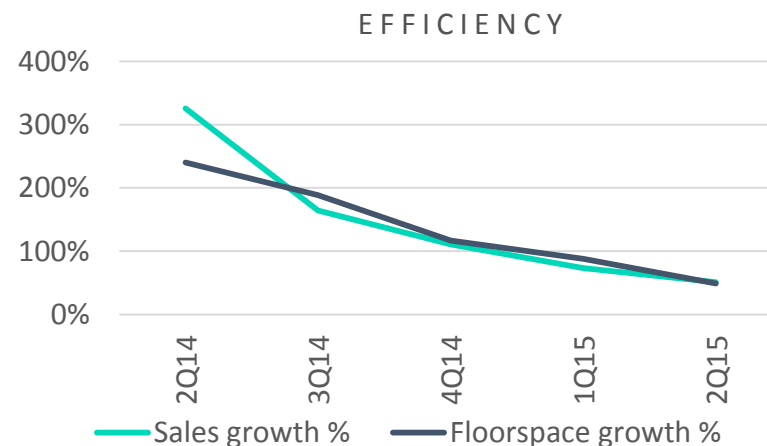
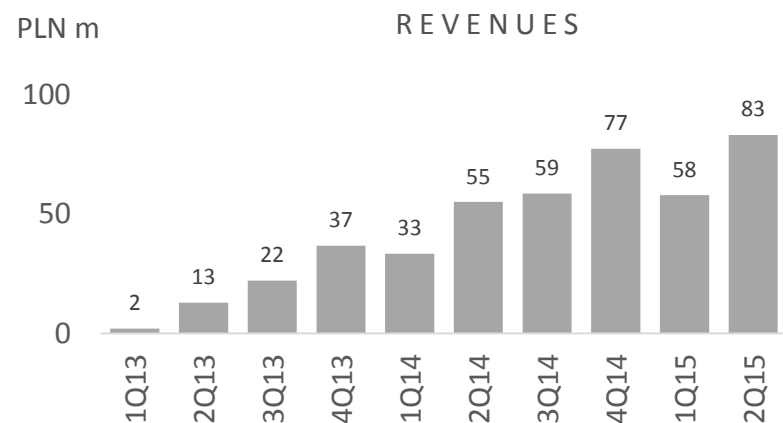
- A brand that combines comfort and elegance for business and informal meetings.
- Target customer: young women.
- Established in 2008 (in LPP's Group since 2009).
- Anja Rubik created a limited collection for AW2014/15. Zuzanna Bijoch is the face of AW2015/16 collection.
- Scheduled for Middle East development.

	2Q14	2Q15	r/r
Average store space (m2)	316	332	+5%
Average monthly sales (PLN/m2)	593	552	-7%



- Clothes for every day inspirations and original party outfits.
- Target customers: teenagers – girls only.
- Established in 2013.
- The brand stands out for original T-shirts with extraordinary prints.
- In AW15/16 singer Margaret designed her star collection.

	2Q14	2Q15	r/r
Average store space (m2)	338	349	+3%
Average monthly sales (PLN/m2)	591	556	-6%



Other operating activity and net financials in 2Q15

OTHER OPERATING REVENUES

PLN m	2Q14	2Q15
Inventory excess	2.7	2.4
Gain on sale of assets	4.4	1.2
Other operating revenues	9.7	4.4

OTHER OPERATING COSTS

PLN m	2Q14	2Q15
Write-offs	8.5	1.3
Inventory losses	11.7	9.5
Donations and others	4.2	3.9
Other operating costs	24.7	17.4

OTHER OPERATING ACTIVITY	-15.0	-13.1
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FINANCIAL REVENUES

PLN m	2Q14	2Q15
FX gains	0.0	0.0
Interest	0.8	0.4
Financial revenues	1.0	0.6

FINANCIAL COSTS

PLN m	2Q14	2Q15
FX losses	-30.0	-27.0
Interest	4.1	4.9
Provisions	1.4	0.5
Financial costs	-24.5	-20.9

NET FINANCIALS	25.5	21.5
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Other operating activity and net financials in 1H15

OTHER OPERATING REVENUES

PLN m	1H14	1H15
Inventory excess	5.7	6.7
Gain on sale of assets	9.6	2.2
Other operating revenues	19.6	10.5

POZOSTAŁE KOSZTY OPERACYJNE

PLN m	1H14	1H15
Write-offs	12.2	3.0
Inventory losses	21.6	16.8
Donations and others	6.6	7.9
Other operating costs	43.0	30.8

OTHER OPERATING ACTIVITY	-23.5	-20.3
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FINANCIAL REVENUES

PLN m	1H14	1H15
FX gains	1.4	0.0
Interest	0.2	1.1
Financial revenues	1.6	1.3

FINANCIAL COSTS

PLN m	1H14	1H15
FX losses	27.4	22.7
Interest	7.4	9.1
Provisions	2.1	0.7
Financial costs	36.9	33.2

NET FINANCIALS	-35.4	-32.0
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Glossary

Poland	Retail sales in Poland and other sales of LPP SA.
CEE	Region including: Czech Republic, Slovakia, Hungary.
Baltic	Region including: Lithuania, Latvia, Estonia.
CIS	Region including: Russia, Ukraine.
SEE	Region including: Bulgaria, Romania, Croatia.
WE	Region including Germany.
ME	Region including: Egypt, Qatar, Kuwait.
EU	Region including: CEE, Baltic, SEE and WE.
EBITDA	EBIT + depreciation from cash flow statement.
Average monthly revenues/m2	Revenues of segment or brand / average working total floorspace / 3.
Average monthly costs of own stores/m2	Quarterly costs of own stores / average working floorspace of own stores (ie. excluding franchise stores) / 3.
Average monthly SG&A PLN/m2	Quarterly SG&A costs/ average working total floorspace / 3.
Inventory days	Average inventory/ group COGS * 90 days.
Receivables days	Average receivables/ group revenues * 90 days.
Liabilities days	Average short-term liabilities/ group COGS * 90 days.
Cash conversion cycle	Inventory days + receivables days – liabilities days.

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RESERVED

CROPP



M O H I T O

sinsay