

L P P

E Q U I T Y S T O R Y

GLOBAL ASPIRATIONS

DECEMBER 2015

RESERVED

CROPP



M O H I T O

sinsay

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OVERVIEW

The largest clothing retailer on the WSE

1,574
STORES

17
MARKETS

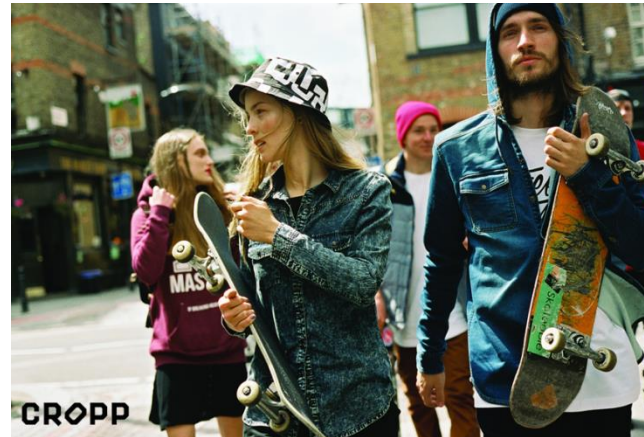
c. PLN 5 bn
REVENUES

69%
FREE FLOAT

c. PLN 14 bn
MARKET CAP

MSCI POLAND
WIG 20 MEMBER

5 brands and number 6 on the way

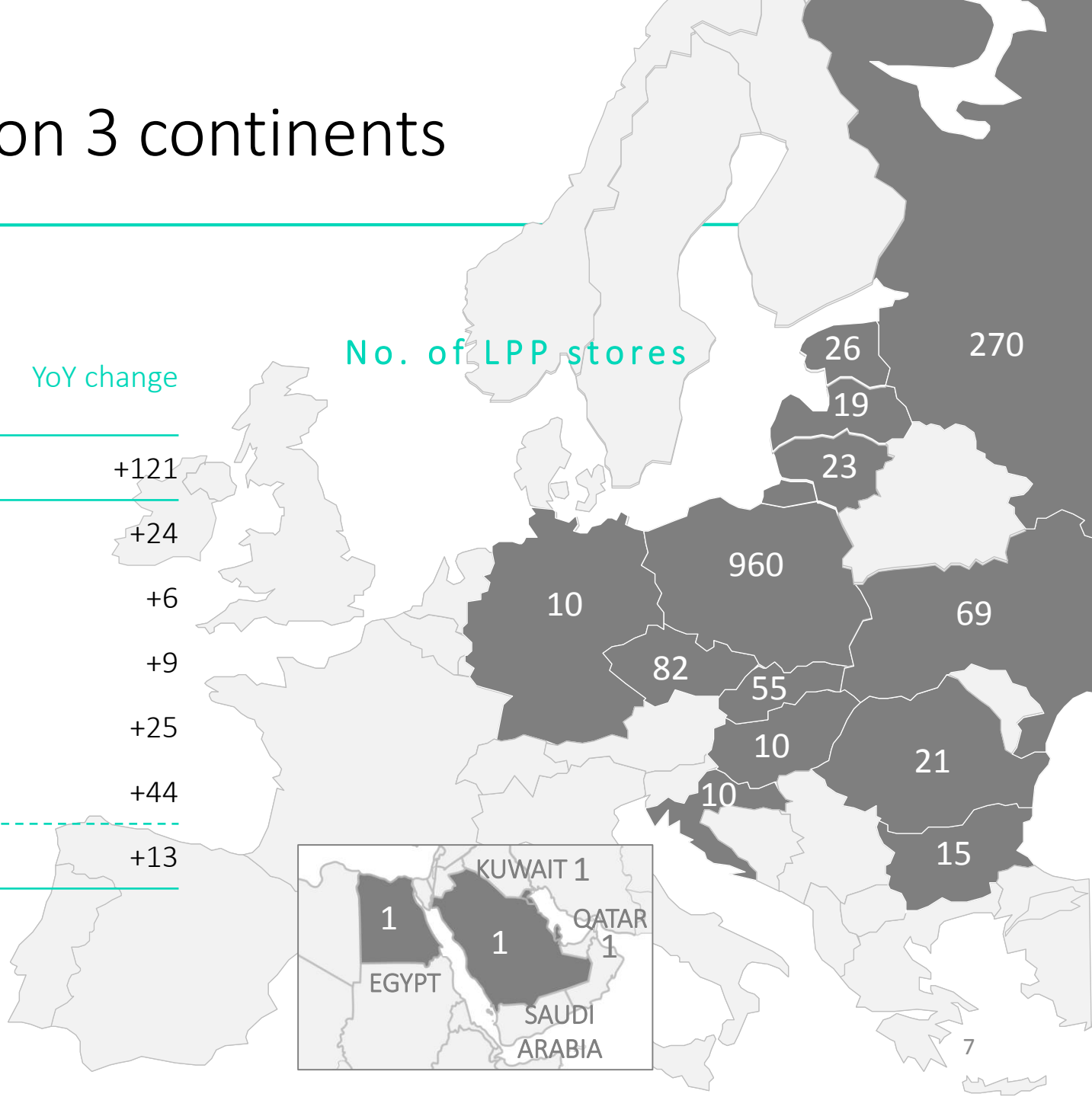


1,574 stores on 3 continents

30.09.2015 No. of stores YoY change

LPP GROUP	1,574	+121
RESERVED	437	+24
Cropp	362	+6
House	311	+9
MOHITO	271	+25
SiNSAY	157	+44
Outlets	36	+13

No. of LPP stores



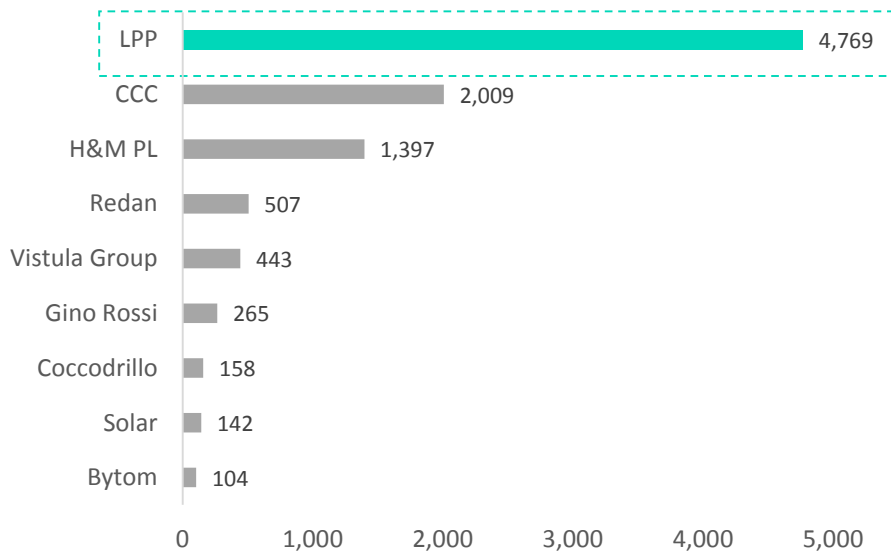
A lean retail-oriented business model



Eyeing the international giants

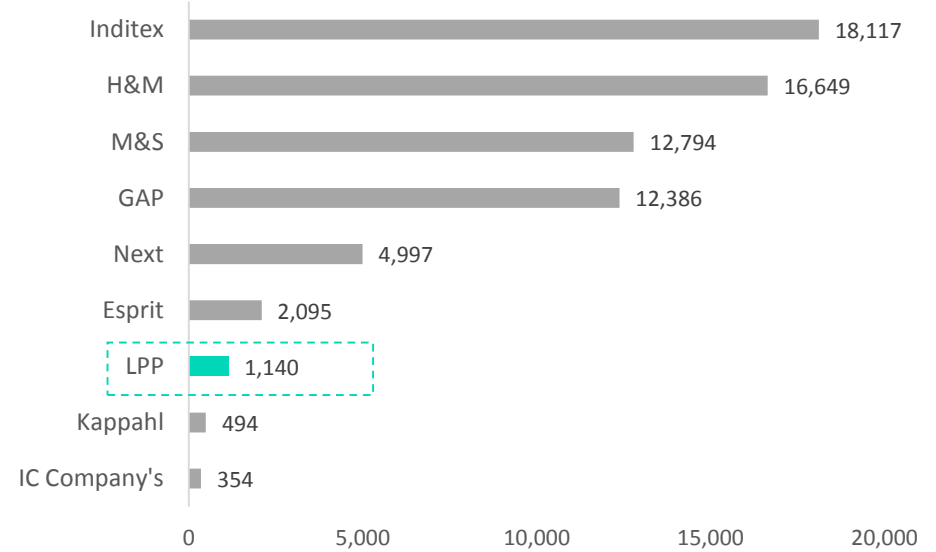
Leader domestically

Revenues (PLN m)
selected companies



Challenging international players

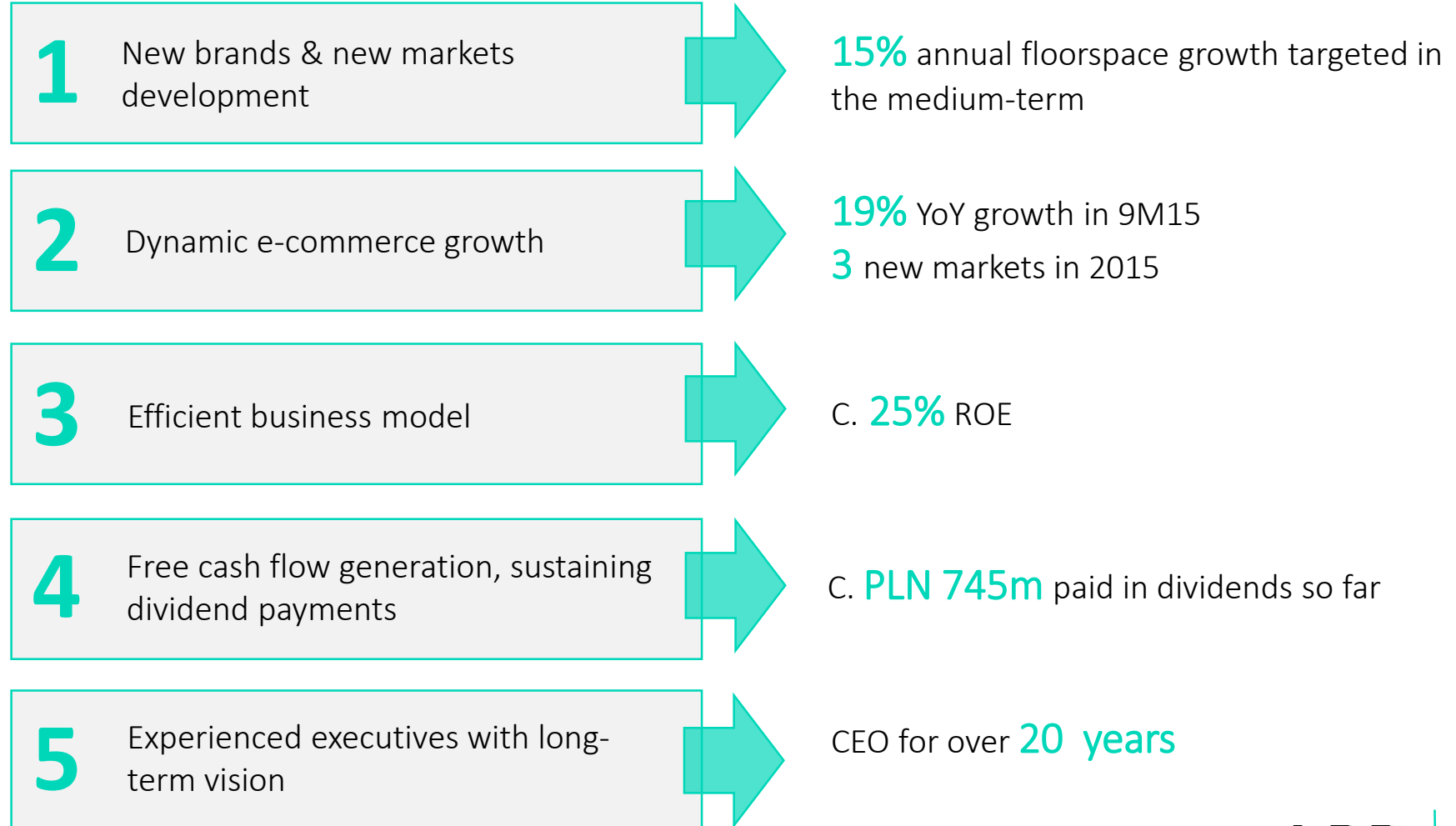
Revenues (EUR m)
selected companies




*Note: Data based on 2014 or equivalent annual revenues.
Values calculated at average exchange rates for the period.*

INVESTMENT THESIS

Investment thesis

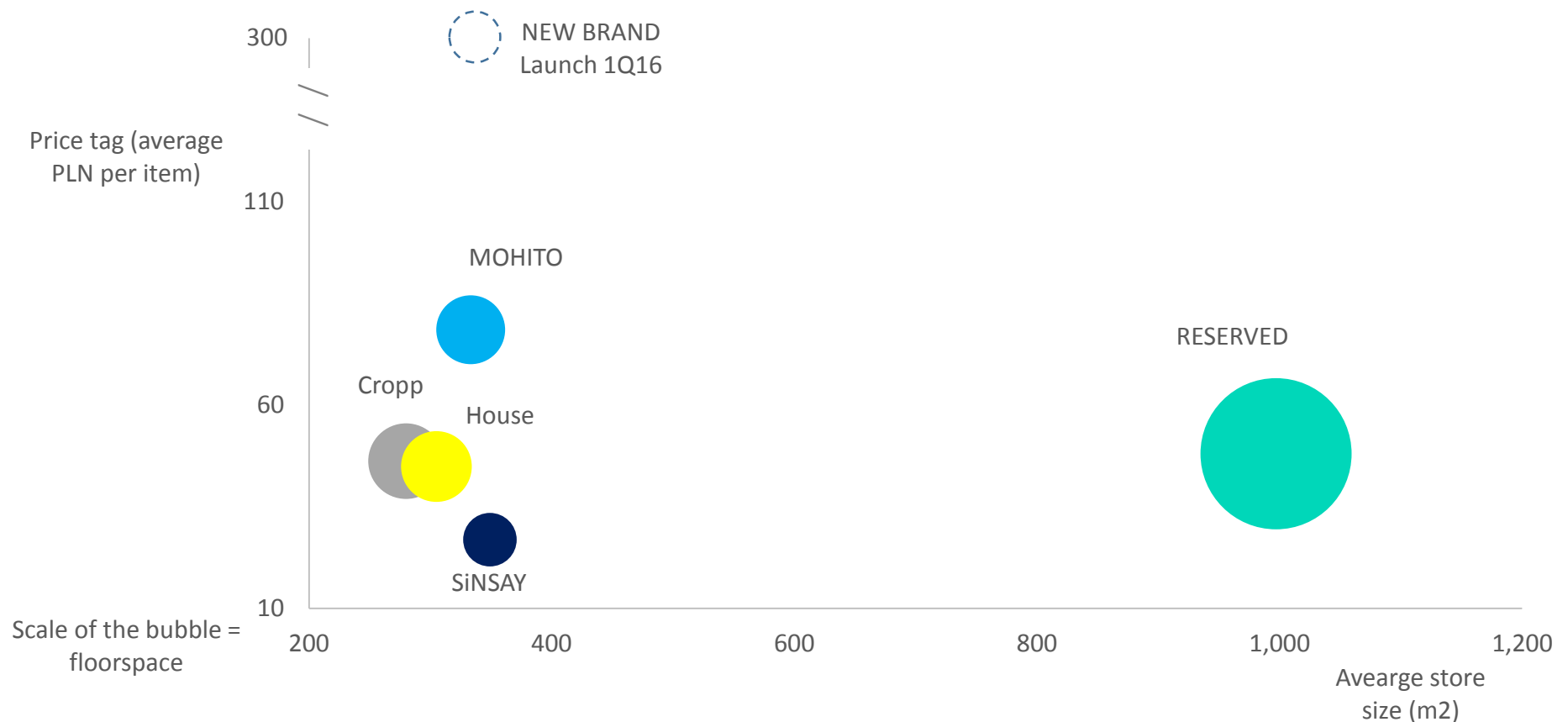


Growing number of brands

PRICE TAG	MAINSTREAM					UP-MARKET
	RESERVED	CROPP	 house	M O H I T O	sinsay	NEW BRAND
KEY BRAND FEATURES	Fast fashion brand with broad customer base.	Casual streetwear brand offering also international labels.	Urban fashion brand with folk and vintage elements.	Comfort and elegance for business and informal meetings.	Clothes for every day inspirations and original party outfits.	High quality clothing for more demanding customers.
TARGET CUSTOMERS	Women, men, children.	Teenagers (boys and girls).	Teenagers (boys and girls).	Young women.	Teenagers (girls only).	Men and women.
YEAR OF LAUNCH	1999	2004	2001 (at LPP since 4Q08)	2008 (at LPP since 4Q08)	2013	Planned launch: 1Q16
COUNTRIES / REGIONS PRESENT	CEE, SEE, Baltic, CIS, Germany, ME	CEE, SEE, Baltic, CIS	CEE (excl. Hungary), SEE, Baltic, CIS	CEE, SEE, Baltic, CIS	Poland, Czech Republic, Baltic, CIS	Expansion to start in Poland
# STORES FLOORSPACE 3Q15	437 435.7k m2	362 109.1k m2	311 95.2k m2	271 90.3k m2	157 54.8k m2	0 Target: 30 stores in Poland
AVERAGE STORE SIZE	997 m2	302 m2	306 m2	333 m2	349 m2	350 m2

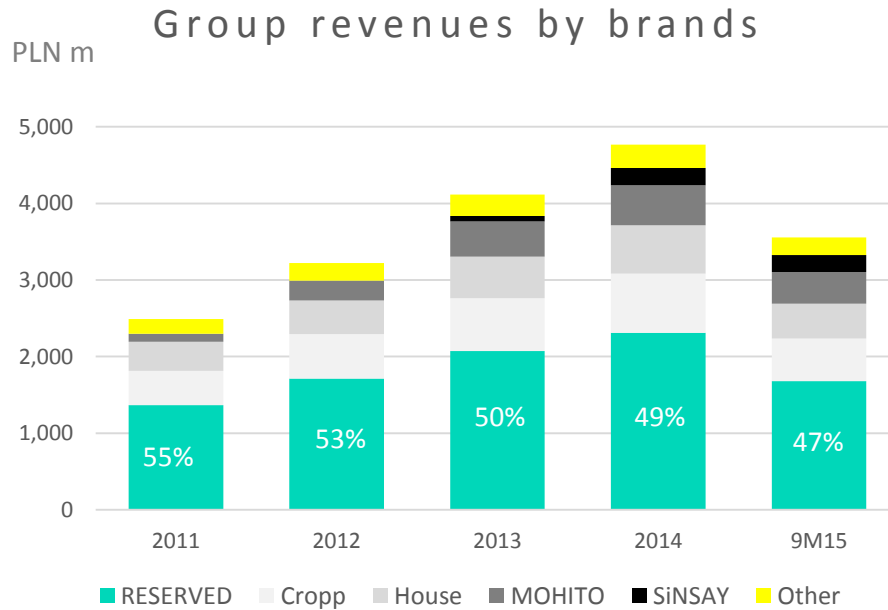
Each brand is targeted at a different customer base

LPP's brands: floorspace versus price tag



Note: Average price per piece of clothing and average store size based on 9M15 data.

Diversification by brands to continue



Group revenues by brands

PLN m	2011	2012	2013	2014	9M15
LPP GROUP	2,493	3,224	4,116	4,769	3,555
RESERVED	1,368	1,714	2,074	2,311	1,680
Cropp	447	580	687	771	556
House	378	437	546	634	457
MOHITO	104	259	456	523	412
SiNSAY	0	0	74	225	224
Other	196	233	279	306	228

- It is LPP's strategy to continue to diversify revenues by adding new brands to minimise fashion risk.
- The dependence on the key fast fashion mainstream RESERVED brand should continue to diminish.
- It is the intention to launch all five brands in all countries present in the medium-term.
- The priority in new markets' expansion is given to RESERVED brand (Germany, Middle East).

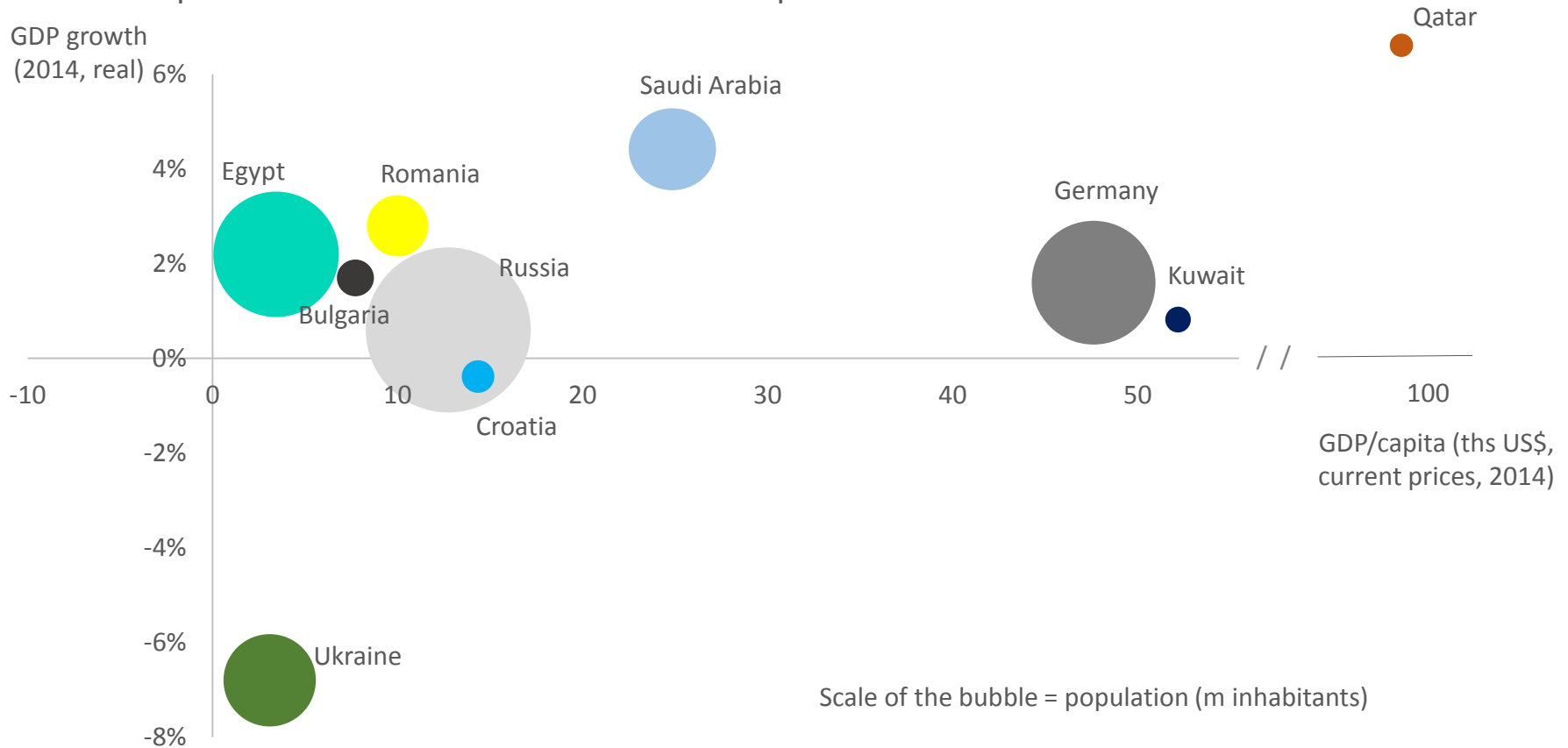
International growth opportunities

DEVELOPMENT STAGE	MATURITY		DEVELOPING		EARLY STAGE	
	CEE	BALTIC	SEE	CIS	WE	ME
COUNTRIES PRESENT	Poland, Czech Republic, Hungary, Slovakia	Lithuania, Latvia, Estonia	Bulgaria, Romania, Croatia	Russia, Ukraine	Germany	Egypt, Kuwait, Qatar, Saudi Arabia
# COUNTRIES PRESENT	4	3	3	2	1	4
BRANDS	RESERVED, Cropp, House, MOHITO, SiNSAY	RESERVED, Cropp, House, MOHITO, SiNSAY	RESERVED, Cropp, House, MOHITO, SiNSAY	RESERVED, Cropp, House, MOHITO, SiNSAY	RESERVED	RESERVED
# STORES	1,107	68	46	339	10	4
TYPE OF STORES	Own (majority), franchise	Own	Own	Own (majority), franchise	Own	Franchise
FLOORSPACE	515.3k m2	34.6k m2	33.5k m2	187.7k m2	22.3k m2	5.5k m2

Entry into high growth potential markets

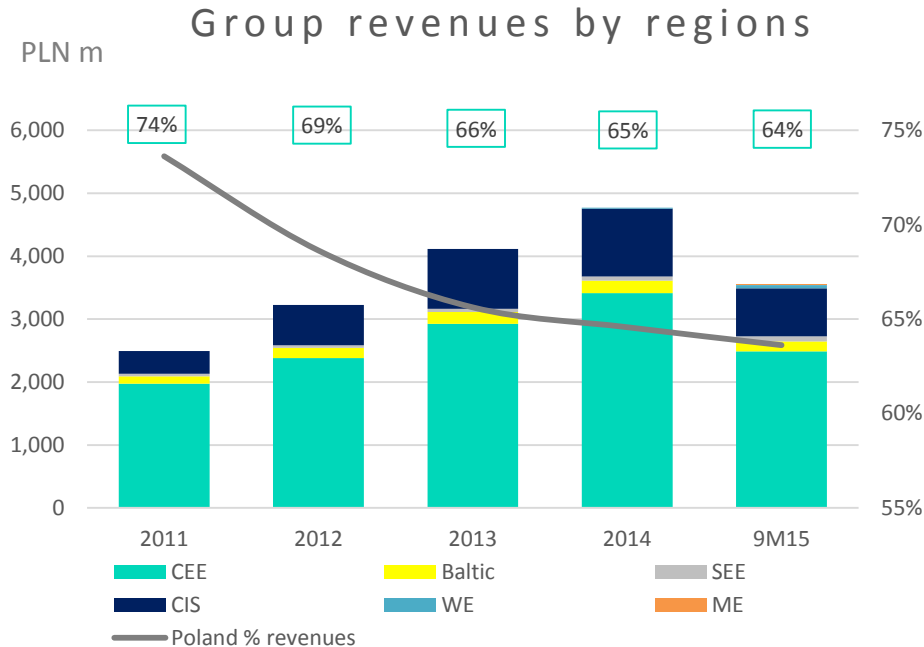
Growth potential of countries developed

GDP growth
(2014, real) 6%



Source: World Bank data.

Diversification by countries to continue



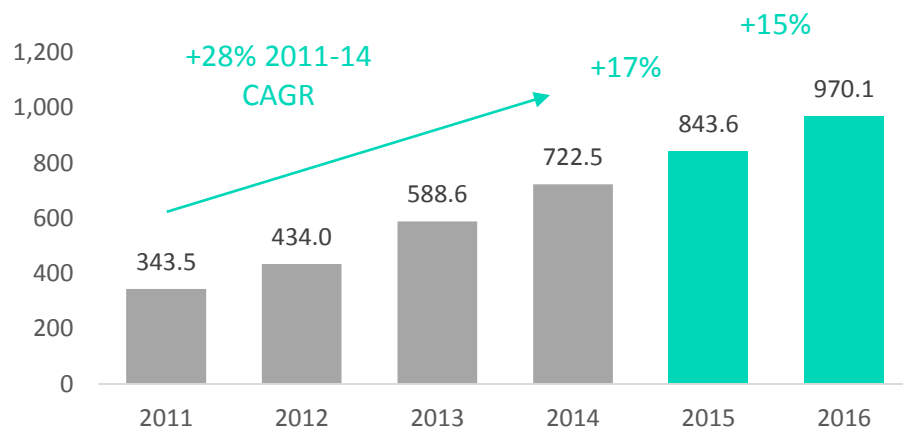
Group revenues by regions

PLN m	2011	2012	2013	2014	9M15
LPP GROUP	2,493	3,224	4,116	4,769	3,555
CEE	1,973	2,382	2,927	3,414	2,488
Baltic	120	162	186	200	156
SEE	40	42	52	65	85
CIS	359	638	952	1,076	760
WE	0	0	0	15	51
ME	0	0	0	0	15

- Dependency on Poland should continue to diminish in upcoming years.
- Maturity has been reached in Czech Republic, but Slovakia and Hungary still offer growth potential.
- Development potential in SEE: (1) only 3 countries entered, (2) not all brands present in Bulgaria.
- Target: 30 own stores in Germany in 3 years and 70 franchise stores in Middle East in 6 years.

Medium-term target: 15% p.a. floorspace growth

Floorspace growth targets
(ths m2)

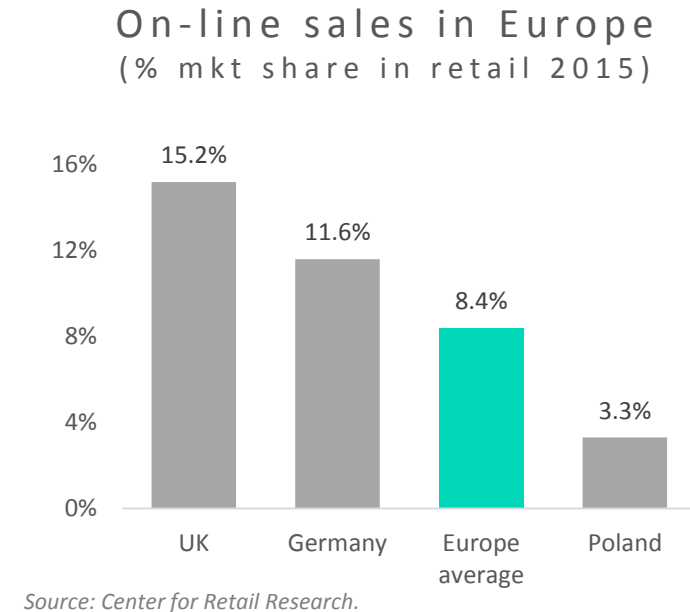
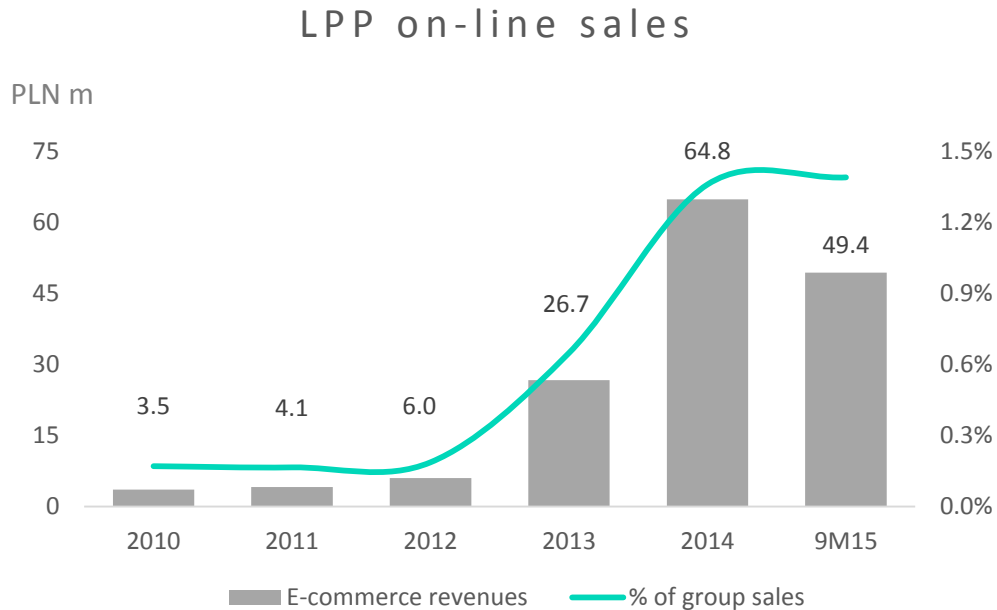


2015 floorspace
by regions

ths m2	2014	2015	YoY
LPP GROUP	722.5	843.6	16.8%
Poland	413.6	464.3	12.3%
EU	128.6	182.3	41.7%
CIS	180.3	191.5	6.2%
ME	0.0	5.5	N/M

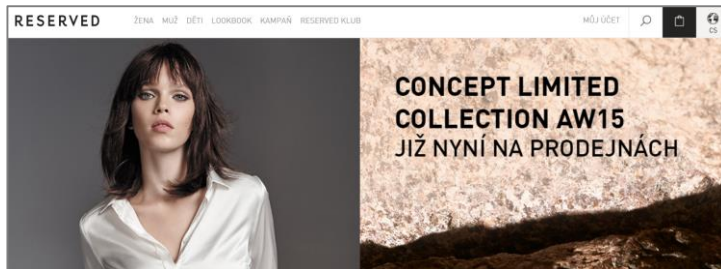
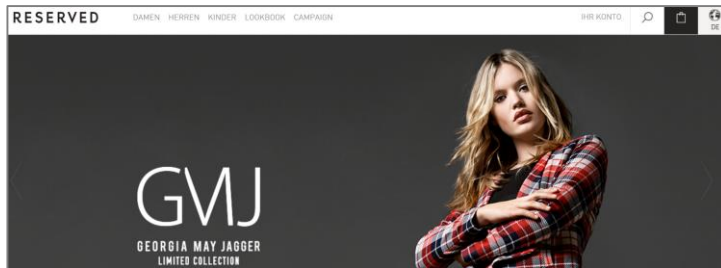
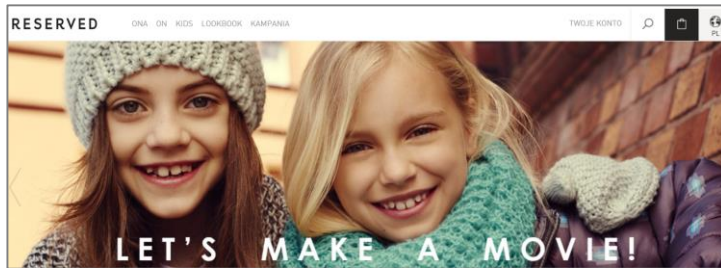
- In 2015 we plan to grow floorspace by 16.8% YoY.
- Slowdown in CIS expansion should be partially offset by development in Germany and Middle East.
- We believe that in the medium-term we can maintain c.15% p.a. floorspace growth.
- From 2016 floorspace dynamics should be supported by the new sixth brand and launch of franchise stores in Belarus and Kazakhstan.

Dynamic e-commerce development



- We believe on-line sales in Poland should converge to the European average.
- As our customers increasingly often shop on-line we invest in high quality internet stores for all our brands (in Poland 86% of women internet users buy clothes on-line).
- All 5 LPP's brands have their own internet stores in Poland.
- LPP's new integrated on-line sales platform is scalable onto the new markets.

We follow our customers



reserved.com
in Poland



No. 1 single brand e-store in fashion category
(*Rzeczpospolita daily dated 14.04.2015*)

1 million unique users on average per month

20.5 million page views on average per month

www.RESERVED.com operates also in **Germany**
Czech Republic and **Slovakia**

0.9 million of registered users at LPP's on-line
stores eop 3Q15, up 53% YoY

Ambitious e-commerce development plans

LONG-TERM TARGETS

- Internet stores of all brands in majority of countries where brick-and-mortar stores are present.
- Development only through own internet stores.

4Q15 PLANS

- On-line RESERVED store in Slovakia opened on 1 October.
- By the end of the year, RESERVED on-line store should be operating in Romania.

2016 PLANS

- 1Q16: start of RESERVED on-line store in Hungary.
- 1Q16: start of the new brand on-line store.
- 2016: internet store of two brands to be launched in Czech Rep., Slovakia, Hungary and Romania.

We constantly improve business model

INCREASING ATTRACTIVENESS

ACTIONS TAKEN IN 2015

ADVERTISING

Contracting international stars

- Georgia May Jagger (face of RESERVED AW14/15, SS15) created a star collection for RESERVED AW15/16
- Brooklyn Beckham (RESERVED SS15)
- Anja Rubik (star collection for MOHITO AW14/15)
- Zuzanna Bijoch (face of MOHITO AW15/16)



COLLECTIONS

New collections introduced at RESERVED:

- BE ACTIVE - sport collection
- Concept Limited Collection - for city dwellers
- Modern Line - for fashion followers



FLOORSPACE

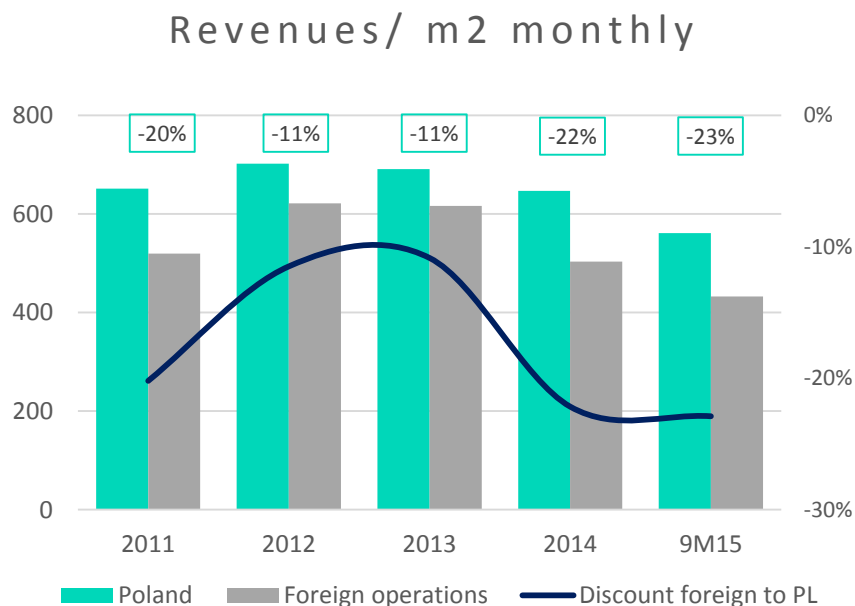
- Refurbishment of stores of all brands
- New stores in top quality locations
- New flagships in Germany



RESERVED 2016 target: higher LFLs

NEW INITIATIVES	DETAILS
MORE STYLES	<ul style="list-style-type: none">▪ 50% pick-up in numer of styles in RESERVED SS16 collection (adjusting the offer to growing average store size).▪ Store offering is to be differentiated based on location and store size.▪ More styles and higher inventory/m2 in stores.
HIGHER QUALITY	<ul style="list-style-type: none">▪ Increased control over production process. Supervision over fabrics choice.▪ Mainstream price positioning maintained but larger divergence in prices.▪ Establishing long-term relations with top suppliers.
BROADER TARGET GROUP	<ul style="list-style-type: none">▪ New lines for women within the RESERVED brand: BE ACTIVE (sports collection), Business Code (business line), Modern Line (fashion from catwalks).▪ Broader offering for kids in RE Kids since SS16: clothes for new-borns, wide range of collection of 2-4 year olds, seasonal back-to-school offering.

Poland records highest sales/m2



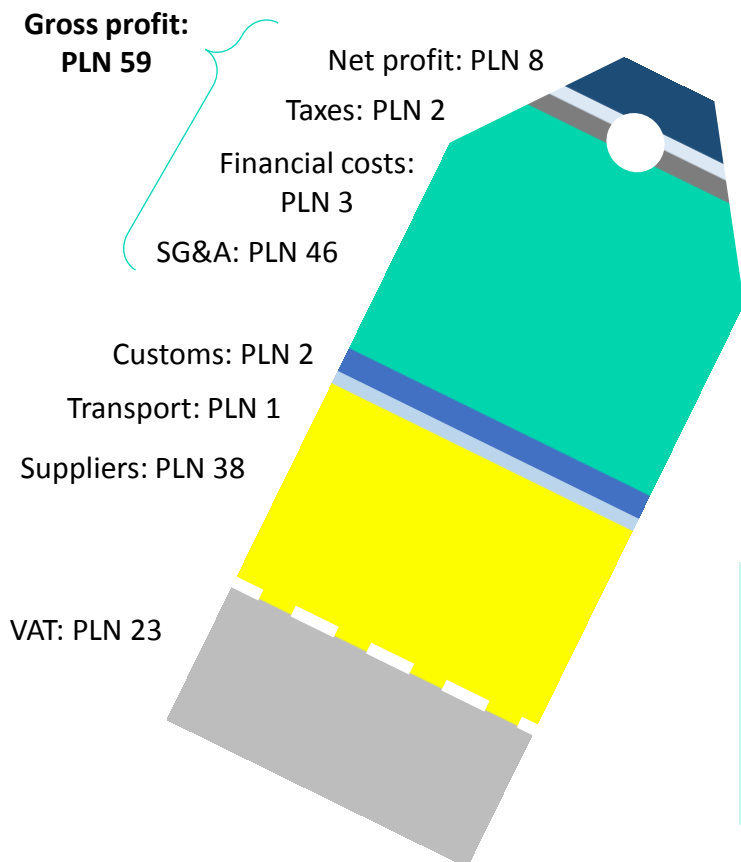
Revenues/ m2 monthly

PLN	2011	2012	2013	2014	9M15
LPP GROUP	610	675	664	589	506
Poland	651	702	691	647	561
Foreign operations	520	621	616	503	432
RESERVED	566	628	617	547	456
Cropp	651	756	725	647	564
House	633	654	652	612	535
MOHITO	733	843	759	583	526
SiNSAY	-	-	670	584	504

- Sales/m2 in Poland were on average c.15% higher in 2011-14 than on foreign markets.
- The difference widened in 9M15 due to depreciation of ruble and hryvnia to PLN.
- For all brands sales/m2 in Poland remain higher than abroad due to superior brand recognition.

Gross profit margin remains high despite the FX impact

Retail price split PLN 123



Gross profit margin development

Gross profit margin	2011	2012	2013	2014	9M15
LPP GROUP	57.1%	56.7%	58.5%	58.6%	52.9%

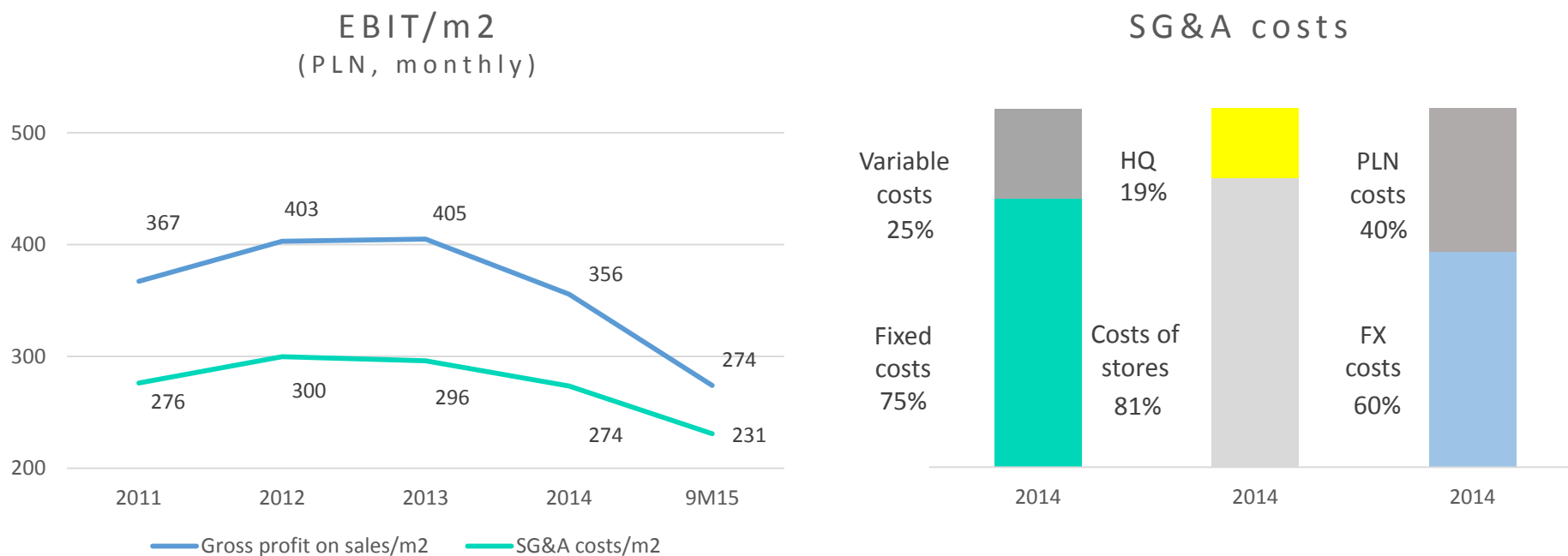
Factors affecting gross profit margin:

- FX - c. 90% of purchases made in the Far East and indexed to US\$. Depreciation of zloty to US\$ increases costs of purchases from Asia. FX exposure is not hedged.
- Consumer demand - the retail industry aims to transfer any increased costs of purchase onto the final consumer.
- Terms with suppliers - we pursue most attractive offers.

The AW15/16 collections (in stores since mid-August) are sold at more favourable margins than those in 1H15.

We plan lower sell-offs in 4Q15 than 9M15, however 4Q14 gross profit margin (59%) remains a high base.

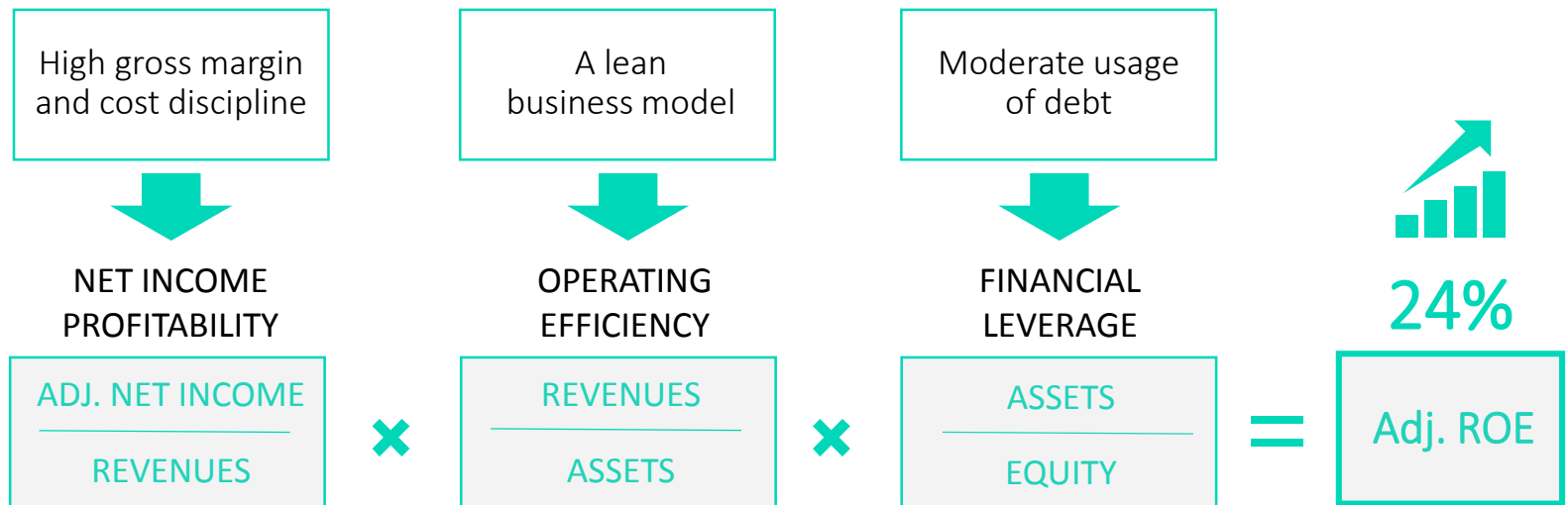
High operating leverage business



- 75% of our SG&A costs are fixed, which implies a high operating leverage.
- 60% of SG&A costs are linked to foreign currencies → zloty appreciation is favourable for EBIT.
- Fall in SG&A/m2 → optimisation of costs of stores and headquarters.
- Lower costs of stores/m2 → lower rentals, HR costs and other costs of stores.

High ROE levels should continue

LPP's high ROE contributors



	<u>NI margin</u>	<u>Asset Turnover</u>	<u>Equity Multiplier</u>	<u>ROE</u>
2011	10.8%	1.5	1.8	29.6%
2012	10.9%	1.7	1.8	33.4%
2013	10.5%	1.7	1.8	32.0%
2014	7.9%	1.6	1.9	23.9%

Lean business model remains intact.

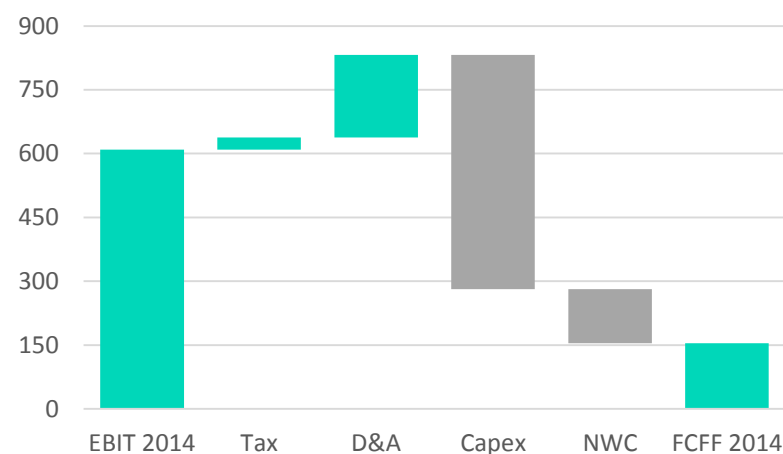
Note: 2014 net income adjusted for tax asset.

We generate free cash flow ...

FCFF generation

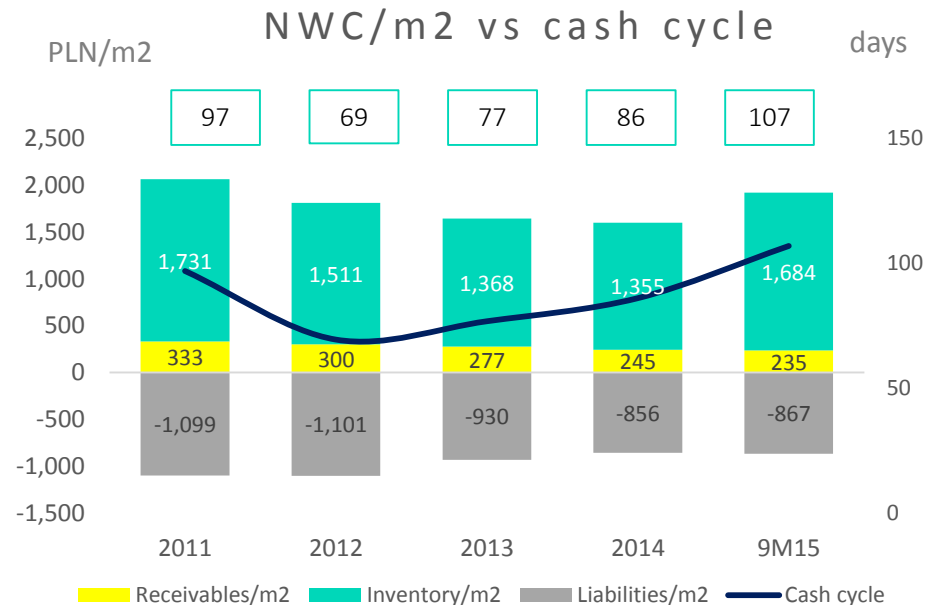
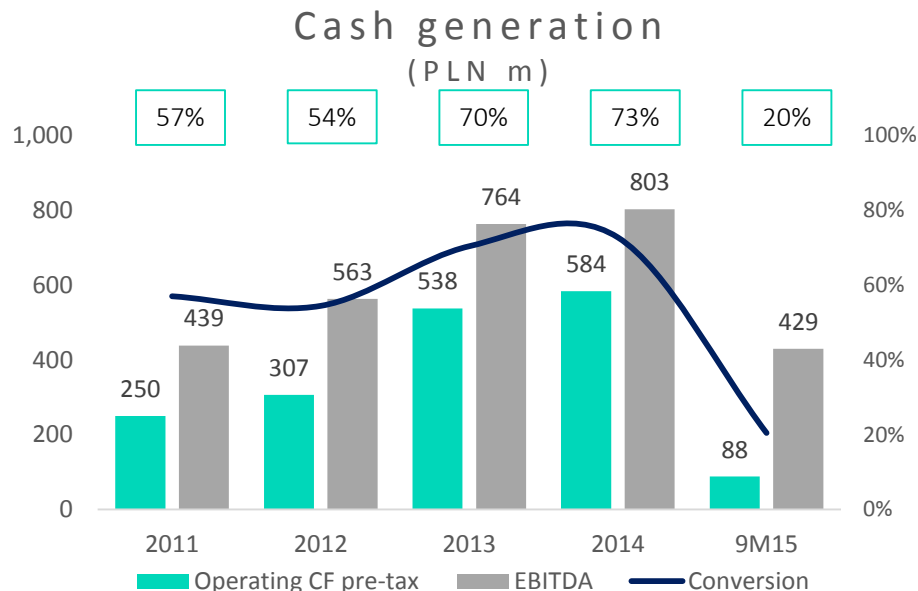
PLN m	2011	2012	2013	2014
FCFF	100	178	19	154
NOPAT	279	379	509	638
D&A	95	109	148	194
Capex	-129	-288	-542	-551
NWC	-145	-22	-96	-127

2014 FCFF bridge (PLN m)



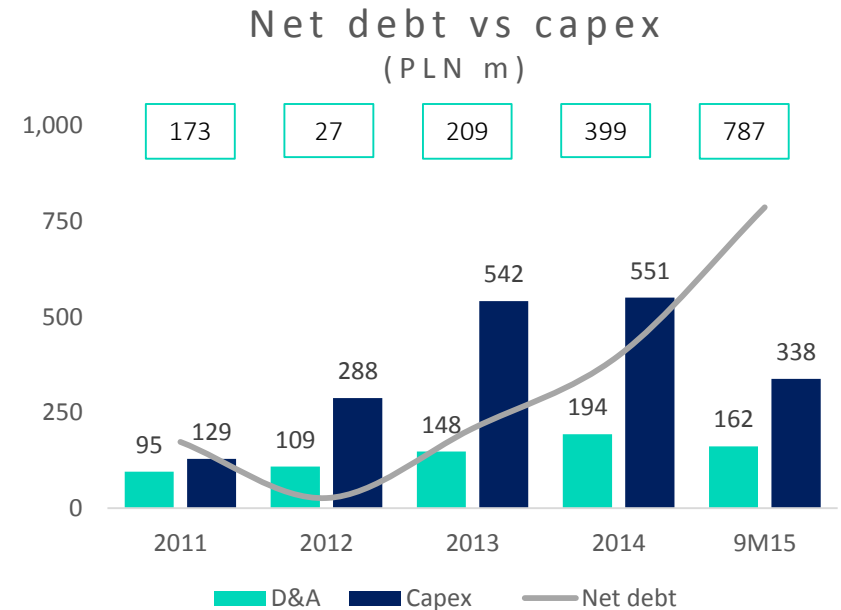
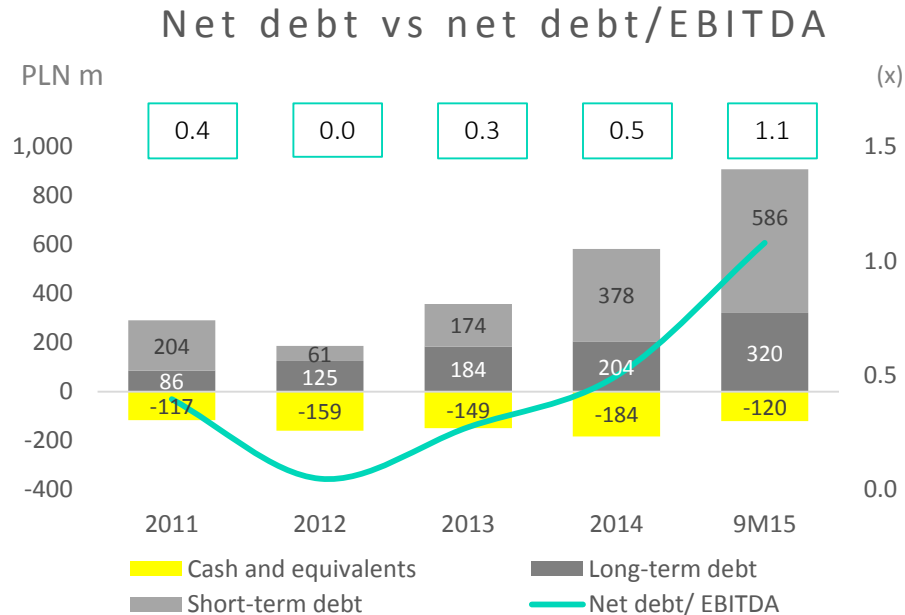
- In the last four years, we generated positive FCFF (free cash flow to firm).
- We continue to focus on FCFF:
 - NOPAT: ongoing cost optimisation (rentals renegotiation, search for best suppliers).
 - NWC: focus on maintaining target inventory/m2, lead time between 6 to 9 months.
 - Capex: more franchise store openings and focus on fits-outs.

... and cash despite NWC drag



- Our business generates cash, even though inventory puts a pressure on cash cycle.
- Liabilities cycle depends on the Far East purchases (goods ordered 3-4 months in advance of shipment).
- High annual EBITDA conversion into cash flow proves the quality of our results.
- 9M15 pressure on NWC results from inventory growing due to stronger US\$ vs PLN.

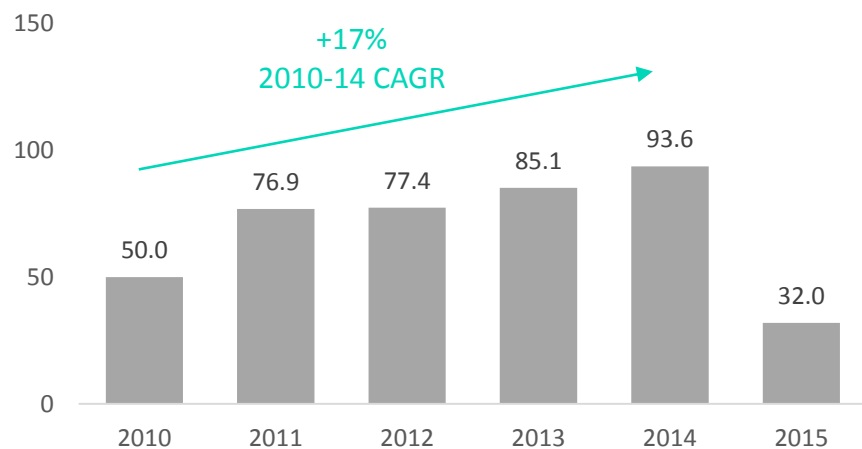
Safe net debt level...



- Despite growing capex (organic only) net debt/EBITDA ratio remained at a safe level.
- Core business cash generation allows for net debt/EBITDA being below 2.5x.
- Fit-outs are now demanded while expanding abroad, which should lower the overall cash outflow.

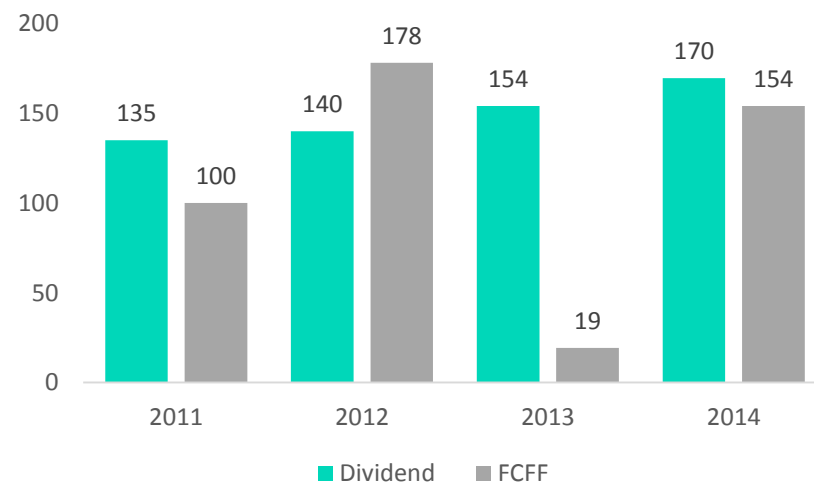
... allows to pay dividend

Dividend per share



Note: DPS shown under year paid.

Dividend paid vs FCFF
(PLN m)



- LPP has a history of dividend payments (first in 2010 from 2009 earnings).
- It is the intention of LPP's management to continue dividend payments in future.
- Fall in 2015 DPS results from uncertain situation on the CIS market.
- Dividend from 2014 earnings was paid in September 2015.

Experienced and deliverable executives

- 1991 Jerzy Lubianiec (55) and Marek Piechocki (54) form Mistral company (LPP's predecessor).
- Each of the founders has over 20 years of experience in the retail business.
- Both founders still control the business with c.30% of equity and c.60% of votes.
- They are still actively involved in LPP's operations, with Marek Piechocki being the CEO and Jerzy Lubianiec holding the post of Chairman of Supervisory Board.
- Current management board members are long-standing employees, at LPP at least since 2008.
- Since IPO, top-ranked management for the quality of investor relations in domestic surveys among investment professionals.

RECENT AWARDS



Most effective CEO by Harvard Business Review (2013)

No 1 IR by Parkiet (2014)

No 1 at ranking Stock Company of the Year by Puls Biznesu (2014, 2012, 2011)

The most dynamically growing company in Pomerania region by Forbes (2014)

LPP – an investment opportunity



1

High quality Company gradually overcoming short-term turbulences.

2

Stock benefiting from increased liquidity and recognition from WIG20 and MSCI Poland membership.

3

Company actively pursuing international expansion.

BACK-UP

RESERVED

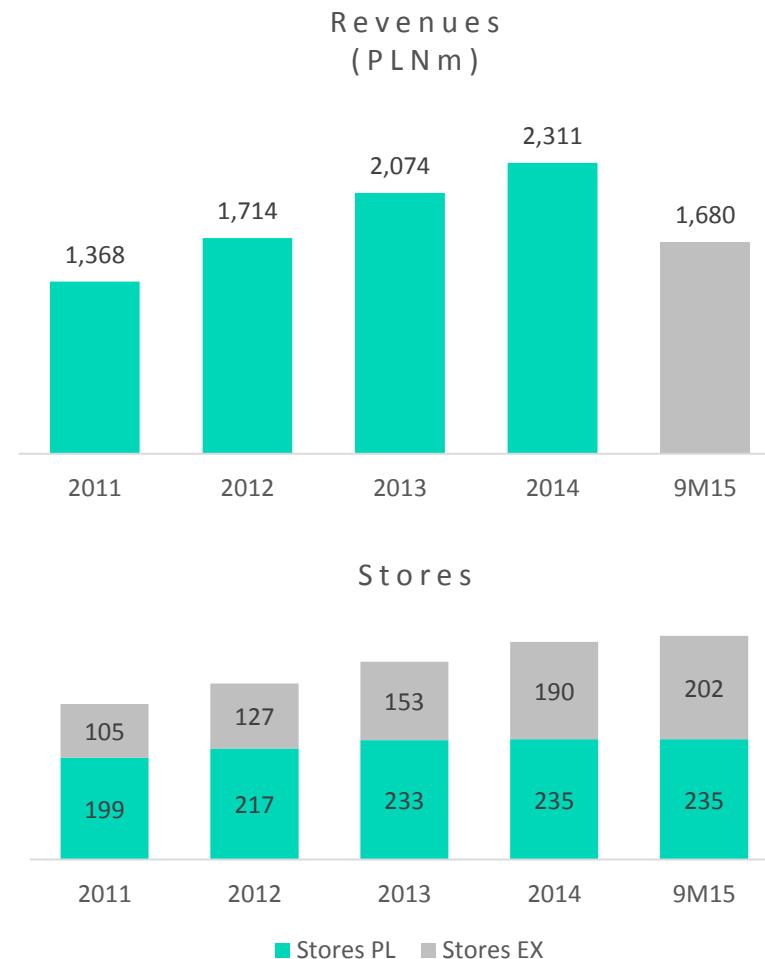
KEY BRAND FEATURES	Fast fashion brand with broad customer base
TARGET CUSTOMERS	Women, men, children
YEAR OF LAUNCH	1999
# STORES	437
# MARKETS	17
STORE SIZE	997 m2
ADVERTISING	International stars: Georgia May Jagger, Brooklyn Beckham



RESERVED

Key data	2011	2012	2013	2014	9M15
Revenues (PLN m)	1,368.4	1,714.1	2,073.8	2,311.3	1,679.6
No. of stores	304	344	386	425	437
Store size (m2)	697	733	835	917	997
Floorspace (eop, m2)	212.0	252.3	322.3	389.7	435.7
Sales/m2 monthly	566	628	617	547	456
% of floorspace in PL	65%	62%	59%	54%	51%

YoY growth	2011	2012	2013	2014	9M15
Revenues (PLN m)	25%	25%	21%	11%	3%
No. of stores	6%	13%	12%	10%	6%
Store size (m2)	2%	5%	14%	10%	12%
Floorspace (eop, m2)	7%	19%	28%	21%	19%
Sales/m2 monthly	13%	11%	-2%	-11%	-14%
% of floorspace in PL	-2ppt	-3ppt	-3ppt	-5ppt	-5ppt



CROPP

KEY BRAND FEATURES	Casual streetwear brand, offering international labels
TARGET CUSTOMERS	Teenagers (boys and girls)
YEAR OF LAUNCH	2004
# STORES	362
# MARKETS	12
STORE SIZE	302 m2
ADVERTISING	Partner of artists and street art events

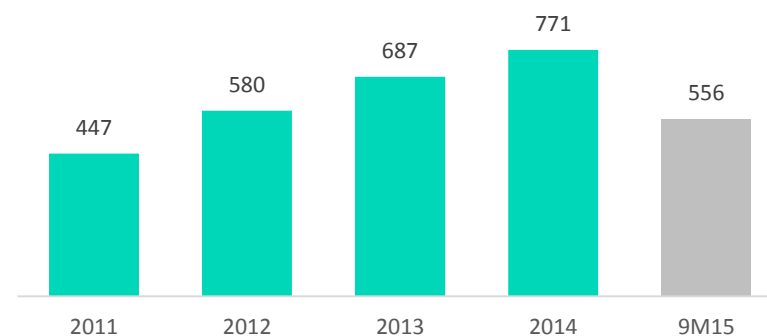


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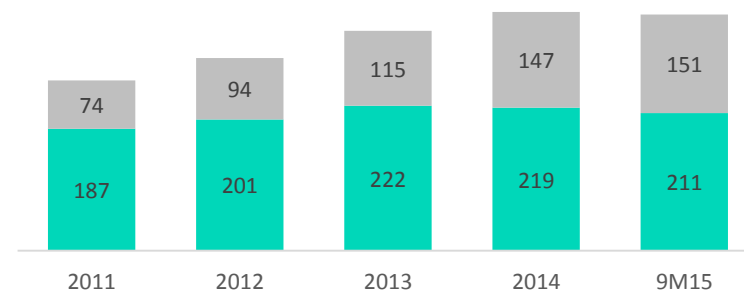
Key data	2011	2012	2013	2014	9M15
Revenues (PLN m)	446.6	580.4	687.0	770.9	555.6
No. of stores	261	295	337	366	362
Store size (m2)	228	244	269	288	302
Floorspace (eop, m2)	59.5	72.0	90.6	105.4	109.1
Sales/m2 monthly	651	756	725	647	564
% of floorspace in PL	67%	62%	60%	55%	53%

YoY growth	2011	2012	2013	2014	9M15
Revenues (PLN m)	17%	30%	18%	12%	1%
No. of stores	5%	13%	14%	9%	2%
Store size (m2)	2%	7%	10%	7%	6%
Floorspace (eop, m2)	7%	21%	26%	16%	8%
Sales/m2 monthly	7%	16%	-4%	-11%	-10%
% of floorspace in PL	-2ppt	-5ppt	-2ppt	-5ppt	-3ppt

Revenues
(PLN m)



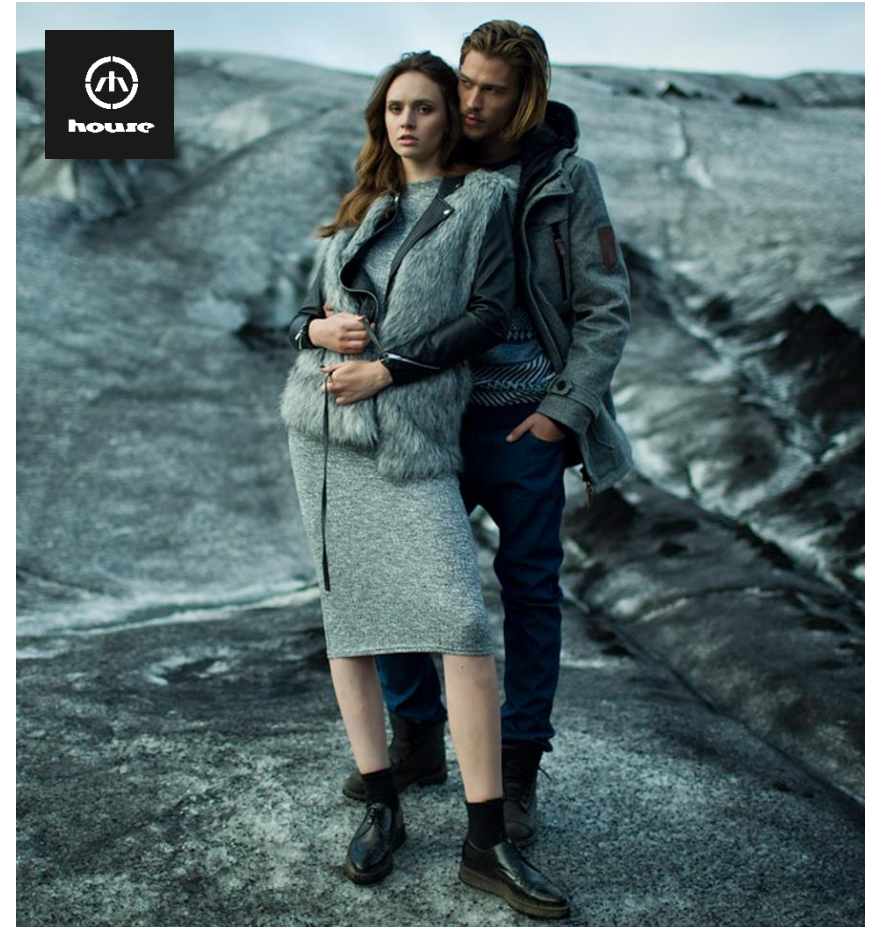
Stores



■ Stores PL ■ Stores EX



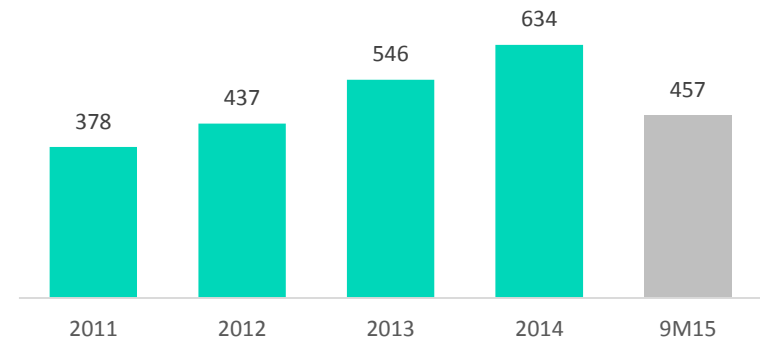
KEY BRAND FEATURES	Urban fashion brand with folk and vintage elements
TARGET CUSTOMERS	Teenagers (boys and girls)
YEAR OF LAUNCH	2001 (at LPP since 4Q08)
# STORES	311
# MARKETS	11
STORE SIZE	306 m2
ADVERTISING	Artistic events partner and music sponsor



Key data	2011	2012	2013	2014	9M15
Revenues (PLN m)	377.6	436.6	546.3	633.6	456.8
No. of stores	222	259	292	308	311
Store size (m2)	230	247	275	291	306
Floorspace (eop, m2)	51.0	63.9	80.2	89.6	95.2
Sales/m2 monthly	633	654	652	612	535
% of floorspace in PL	80%	73%	69%	64%	61%

YoY growth	2011	2012	2013	2014	9M15
Revenues (PLN m)	29%	16%	25%	26%	5%
No. of stores	3%	17%	13%	5%	3%
Store size (m2)	3%	7%	11%	6%	6%
Floorspace (eop, m2)	6%	25%	26%	12%	9%
Sales/m2 monthly	18%	3%	0%	-2%	-5%
% of floorspace in PL	-2ppt	-7ppt	-4ppt	-5ppt	-4ppt

Revenues
(PLN m)



Stores



M O H I T O

KEY BRAND FEATURES	Comfort and elegance; business and casual
TARGET CUSTOMERS	Young women
YEAR OF LAUNCH	2008 (at LPP since 4Q08)
# STORES	271
# MARKETS	12
STORE SIZE	333 m2
ADVERTISING	Super models (Anja Rubik, Zuzanna Bijoch)

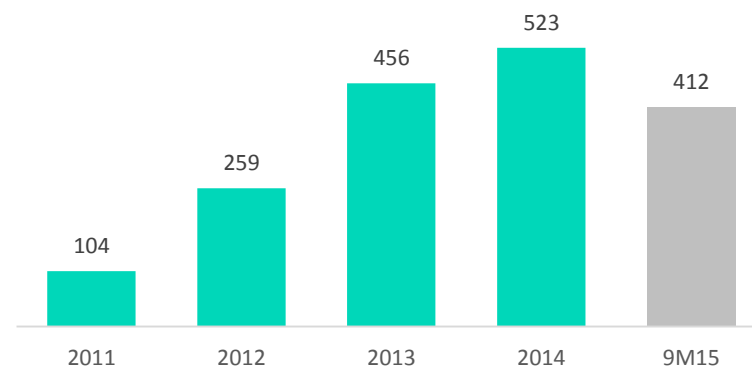


M O H I T O

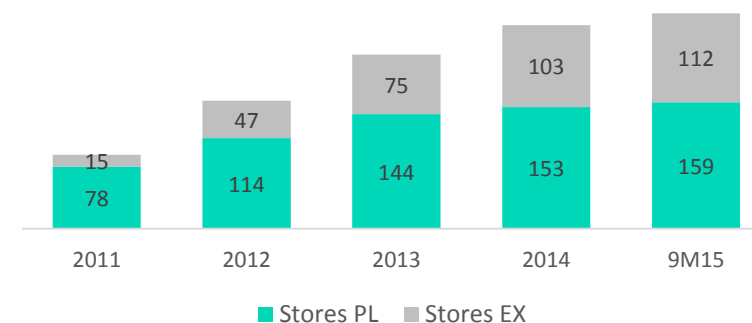
Key data	2011	2012	2013	2014	9M15
Revenues (PLN m)	104.0	259.4	456.4	522.9	411.6
No. of stores	93	161	219	256	271
Store size (m2)	186	242	301	323	333
Floorspace (eop, m2)	17.3	38.9	66.0	82.8	90.3
Sales/m2 monthly	733	843	759	583	526
% of floorspace in PL	87%	67%	62%	56%	56%

YoY growth	2011	2012	2013	2014	9M15
Revenues (PLN m)	67%	149%	76%	15%	9%
No. of stores	66%	73%	36%	17%	10%
Store size (m2)	3%	30%	25%	7%	5%
Floorspace (eop, m2)	71%	125%	70%	26%	15%
Sales/m2 monthly	39%	53%	-6%	-19%	-9%
% of floorspace in PL	-13ppt	-10ppt	-5ppt	-6ppt	-1ppt

Revenues
(PLN m)



Stores



sinsay

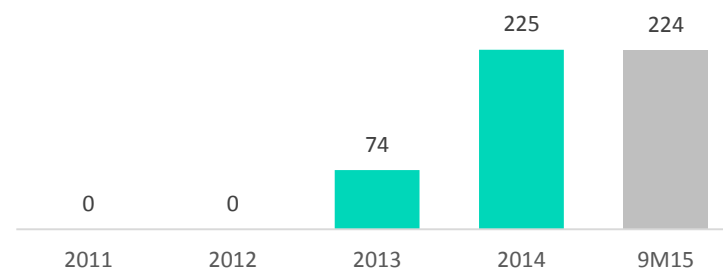
KEY BRAND FEATURES	Every day clothes and original party outfits
TARGET CUSTOMERS	Teenagers (girls only)
YEAR OF LAUNCH	2013
# STORES	157
# MARKETS	10
STORE SIZE	349 m2
ADVERTISING	Social media



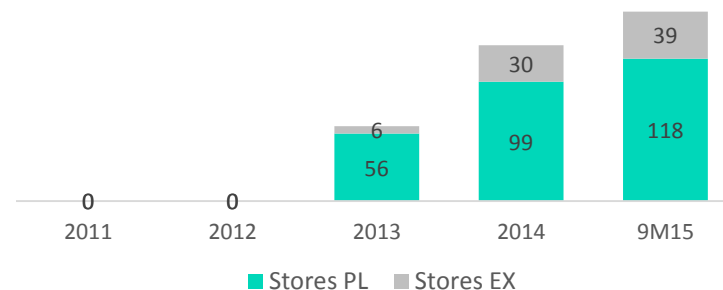
Key data	2011	2012	2013	2014	9M15
Revenues (PLN m)	-	-	74.0	224.7	224.0
No. of stores	-	-	62	129	157
Store size (m2)	-	-	325	338	349
Floorspace (eop, m2)	-	-	20.1	43.7	54.8
Sales/m2 monthly	-	-	670	584	504
% of floorspace in PL	-	-	89%	75%	74%

YoY growth	2011	2012	2013	2014	9M15
Revenues (PLN m)	-	-	-	204%	52%
No. of stores	-	-	-	108%	39%
Store size (m2)	-	-	-	4%	4%
Floorspace (eop, m2)	-	-	-	117%	44%
Sales/m2 monthly	-	-	-	-4%	-10%
% of floorspace in PL	-	-	-	-14ppt	-3ppt

Revenues
(PLN m)



Stores



New brand

KEY BRAND FEATURES	High quality clothing
TARGET CUSTOMERS	More demanding men and women
YEAR OF LAUNCH	Planned launch: 1Q16
# STORES	Target: 30 stores in Poland
# MARKETS	Expansion to start in Poland
STORE SIZE	350 m2
ADVERTISING	Not yet disclosed



Actions to boost LFLs

ACTIONS TAKEN TO BOOST LFLs

- New collections
- International stars
- Attractive floorspace
- Price
- Promotions

LFLs

	2011	2012	2013	2014	9M15
LPP GROUP	15.7%	11.3%	5.6%	-2.5%	-0.2%

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.

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	3Q15
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%	-0.8%	1.5%	-1.5%

Attractive floorspace – new store concepts



International stars promote our brands



Zuzanna Bijoch

Face of MOHITO
AW15/16 collection



Georgia May Jagger

Designed star
AW 15/16 RESERVED
collection.
Face of AW14/15 & SS15



Brooklyn Beckham

Face of RESERVED
SS15 collection



Anja Rubik

Designer of MOHITO
AW14/15 star
collection

Consistent network development

Floorspace (ths m2)	31.12.2011	31.12.2012	YoY growth	31.12.2013	YoY growth	31.12.2014	YoY growth	31.12.2015	YoY growth
RESERVED	212.0	252.3	19.0%	322.3	27.7%	389.7	20.9%	460.8	18.2%
Poland	137.6	156.1	13.5%	188.9	21.0%	209.2	10.8%	231.9	10.8%
EU	38.4	41.2	7.4%	52.4	27.1%	83.9	60.1%	122.0	45.4%
CIS	36.0	54.9	52.4%	81.0	47.5%	96.6	19.2%	101.4	4.9%
ME franchise	0.0	0.0		0.0		0.0		5.5	
Cropp	59.5	72.0	21.0%	90.6	25.9%	105.4	16.3%	114.8	8.9%
Poland	39.6	44.9	13.4%	54.5	21.3%	58.3	6.9%	62.9	8.0%
EU	9.1	8.3	-9.0%	10.9	31.1%	17.1	57.1%	20.2	17.9%
CIS	10.7	18.7	74.7%	25.2	34.6%	30.0	19.0%	31.7	5.6%
House	51.0	63.9	25.2%	80.2	25.6%	89.6	11.7%	99.7	11.2%
Poland	41.0	46.5	13.4%	55.4	19.3%	57.3	3.4%	62.1	8.4%
EU	7.0	7.2	2.5%	9.2	27.5%	11.4	24.6%	15.5	35.9%
CIS	3.0	10.2	236.2%	15.6	53.1%	20.9	33.6%	22.0	5.5%
MOHITO	17.3	38.9	125.3%	66.0	69.5%	82.8	25.5%	94.6	14.3%
Poland	15.0	26.1	73.9%	40.9	56.9%	46.2	12.9%	52.2	13.0%
EU	1.4	3.0	112.4%	6.5	118.7%	11.8	80.7%	16.5	40.6%
CIS	0.9	9.8	1,037.9%	18.5	88.0%	24.8	34.1%	25.9	4.3%
SiNSAY	0.0	0.0		20.1		43.7	116.7%	60.1	37.7%
Poland	0.0	0.0		17.9		32.7	82.2%	43.5	33.1%
EU	0.0	0.0		2.2		4.4	99.3%	8.0	81.8%
CIS	0.0	0.0		0.0		6.6		8.6	30.8%
Outlets	3.8	7.0	85.0%	9.3	-48.4%	11.3	22.0%	13.6	19.9%
TOTAL by regions									
Poland	236.8	279.4	18.0%	365.5	30.8%	413.6	13.1%	464.3	12.3%
EU	56.1	60.9	8.6%	80.7	32.5%	128.6	59.4%	182.3	41.7%
CIS	50.7	93.7	85.0%	142.4	51.9%	180.3	26.7%	191.5	6.2%
ME franchise	0.0	0.0		0.0		0.0		5.5	
TOTAL	343.5	434.0	26.3%	588.6	35.6%	722.5	22.8%	843.6	16.8%

Floorspace growth to continue in 2016

Floorspace (ths m2)	2015 Target	2016 Target	YoY growth
RESERVED	460.8	533.4	16%
Poland	231.9	251.8	9%
EU	122.0	151.1	24%
CIS	101.4	108.7	7%
ME franchise	5.5	21.8	298%
Cropp	114.8	121.8	6%
Poland	62.9	65.3	4%
EU	20.2	21.9	9%
CIS	31.7	34.5	9%
House	99.7	108.3	9%
Poland	62.1	65.2	5%
EU	15.5	18.2	17%
CIS	22.0	25.0	13%
MOHITO	94.6	102.2	8%
Poland	52.2	53.2	2%
EU	16.5	20.3	23%
CIS	25.9	26.9	4%
ME franchise	0.0	1.8	-
SINSAY	60.1	75.2	25%
Poland	43.5	48.2	11%
EU	8.0	15.0	87%
CIS	8.6	10.2	19%
ME franchise	0.0	1.7	-
Brand No 6	0.0	5.2	-
Poland	0.0	5.2	-
Outlets	13.6	12.4	-9%

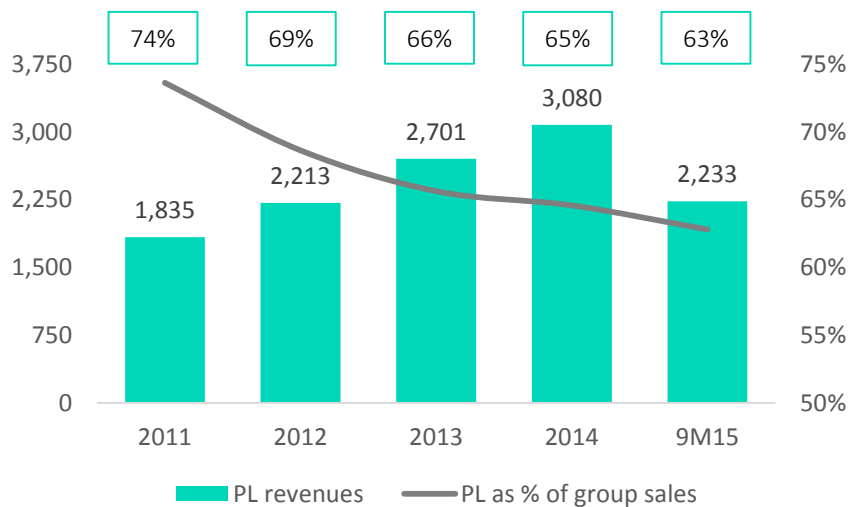
TOTAL by regions

Poland	464.3	500.7	8%
EU	182.3	226.5	24%
CIS	191.5	206.0	8%
ME franchise	5.5	25.3	362%
TOTAL	843.6	958.6	14%

- 15% YoY floorspace growth planned for 2016. From the planned 125 new ths m2 only 10 ths m2 is not booked.
- In 2016 we target opening franchise stores in three new countries: UAE, Belarus and Kazakhstan.
- Acceleration of ME openings due to launch of MOHITO and SiNSAY stores.
- 2016 targets: (1) further development in Germany, (2) 10% floorspace growth in Russia and (3) new brand development in Poland.
- Planned 2016 capex at PLN 400m, down 20% YoY. Planned investments in own stores at PLN 290m, down 26% YoY, due to more franchise openings.
- By the end of 2016 RESERVED stores should be present in 20 countries.
- We plan to keep the 15% floorspace growth rate in 2017 and 2018.

Established position domestically

Poland remains the main market
(PLN m)



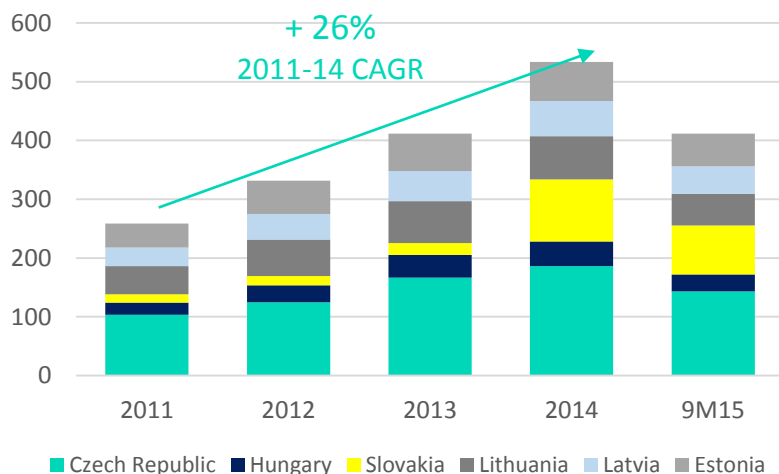
Polish network development

No. of stores	2011	2012	2013	2014	9M15
Poland	659	745	886	943	960
RESERVED	199	217	233	235	235
Cropp	187	201	222	219	211
House	183	197	211	209	204
MOHITO	78	114	144	153	159
SiNSAY	0	0	56	99	118
Outlets	12	16	20	28	33

- Poland is LPP's largest market, generating 63% of group revenues in 9M15.
- Development of company-owned stores was initiated in Poland with the RESERVED brand in 1999.
- Currently, stores of all brands are present in Poland in best shopping malls and high-streets.
- Poland is the market where sales/m² are the highest due to strong brand recognition.
- Further development in Poland planned via new shopping malls and the new brand.

Strong presence in CEE and Baltic

Revenues from CEE and Baltic
(PLN m)



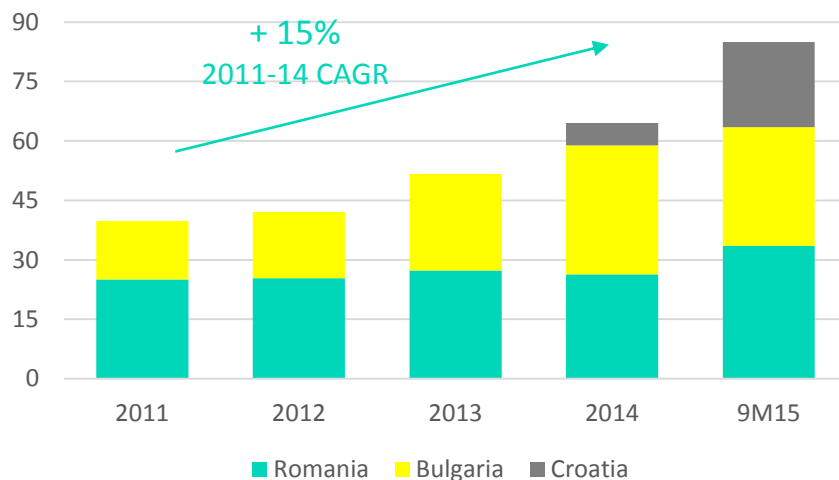
CEE and Baltic network development

No. of stores	2011	2012	2013	2014	9M15
CEE	50	64	90	132	147
Czech Republic	32	43	66	73	82
Hungary	8	9	11	11	10
Slovakia	10	12	13	48	55
Baltic	59	59	58	70	68
Lithuania	26	25	23	25	23
Latvia	15	14	16	19	19
Estonia	18	20	19	26	26

- All five brands are now in Czech Republic and maturity has been reached.
- In Hungary further growth could come from introduction of House and SiNSAY brands.
- After taking over the Slovak franchise stores (April 2014), we still see development potential. There should be 60 stores in Slovakia at the end of 2015.
- All five brands present in Lithuania, Latvia and Estonia. Target set at efficiency improvement.

Growth potential in the SEE

Revenues from SEE
(PLN m)

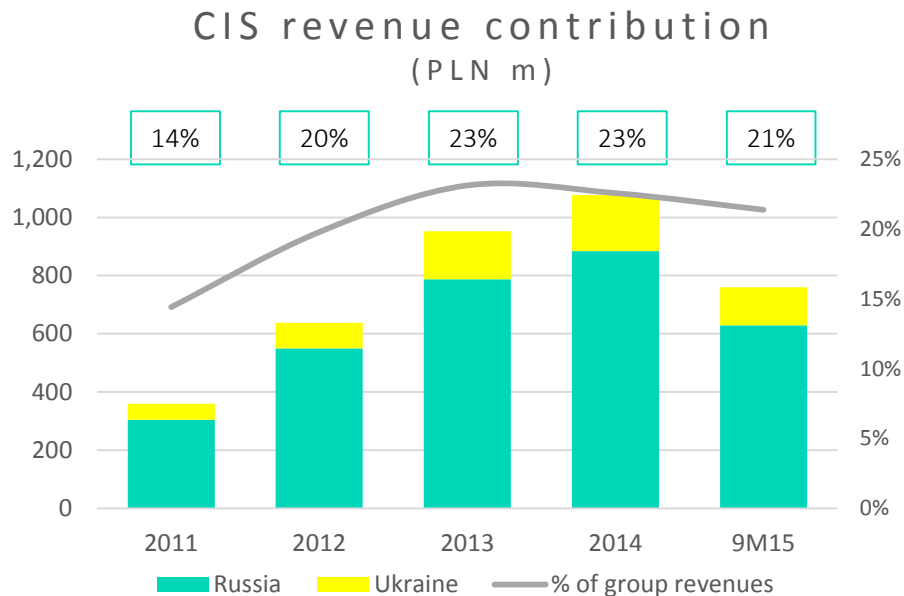


SEE network development

No. of stores	2011	2012	2013	2014	9M15
SEE	19	11	23	31	46
Romania	12	5	5	11	21
Bulgaria	7	6	9	15	15
Croatia	0	0	0	5	10

- Late SEE entry (2008) due to: 1) priority given to CIS, 2) limited appropriate infrastructure in the region.
- Along with softer macro environment, in 2014 we have stepped up our SEE development, opening more stores in Romania and Bulgaria and entering Croatia.
- We see medium-term development potential: 1) in terms of markets (only 3 markets entered so far) and 2) in terms of brands (Romania is the only SEE country with all five brands).

Development in CIS temporary withheld



CIS network development

No. of stores	2011	2012	2013	2014	9M15
CIS	106	198	272	336	339
Russia	84	159	219	267	270
Ukraine	22	39	53	69	69

FX changes

FX	2011	2012	2013	2014	9M15
PLN/RUB	9.9	9.5	10.1	12.0	15.8
PLN/UAH	2.7	2.5	2.6	3.7	5.7

- CIS is the second most important market after Poland, responsible for c.20% of group sales.
- Due to high-growth potential, development in Russia was initiated in 2002. The pace of new openings was dependent on the quality of shopping mall floorspace available.
- Following the geopolitical issues from 2014, we have withheld new Russian and Ukrainian openings. We now target 10% p.a. floorspace growth in Russia in the medium-term.

Western Europe – the new pillar

We are satisfied with our so far German performance

	4Q14	1Q15	2Q15	3Q15	4Q15
Revenues (PLN m)	13.6	10.9	18.1	22.3	-
No. of stores	4	6	7	10	12
Floorspace (sqm)	7,638	12,007	14,054	22,258	26,895
Store size (sqm)	1,910	2,001	2,008	2,226	2,242
Sales/m2 monthly	773	459	488	469	-

We open our German stores in top quality locations

2015 German openings	Type	m2	Opening
1. Kaiserslautern	Mall	2,202	Mar 2015
2. Moenchengladbach	Mall	2,249	Mar 2015
3. Wuppertal	Mall	2,047	Jun 2015
4. Leipzig	Street (flagship)	2,040	Aug 2015
5. Stuttgart	Street (flagship)	3,910	Sept 2015
6. Ludwigsburg	Mall	2,099	Sept 2015
7. Aachen	Mall	2,371	Oct 2015
8. Mannheim	Mall (flagship)	2,423	Oct 2015

- Germany was the first Western European country entered.
- In July 2014 we launched RESERVED on-line store, while first shop was opened in September 2014.
- Flagship store in Stuttgart opened in September 2015 is the largest RESERVED store in our network.
- Our target: 30 stores in Germany in 3 years. Further WE expansion potential: Austria and France.

Middle East – foothold on the third continent

Current and planned ME presence



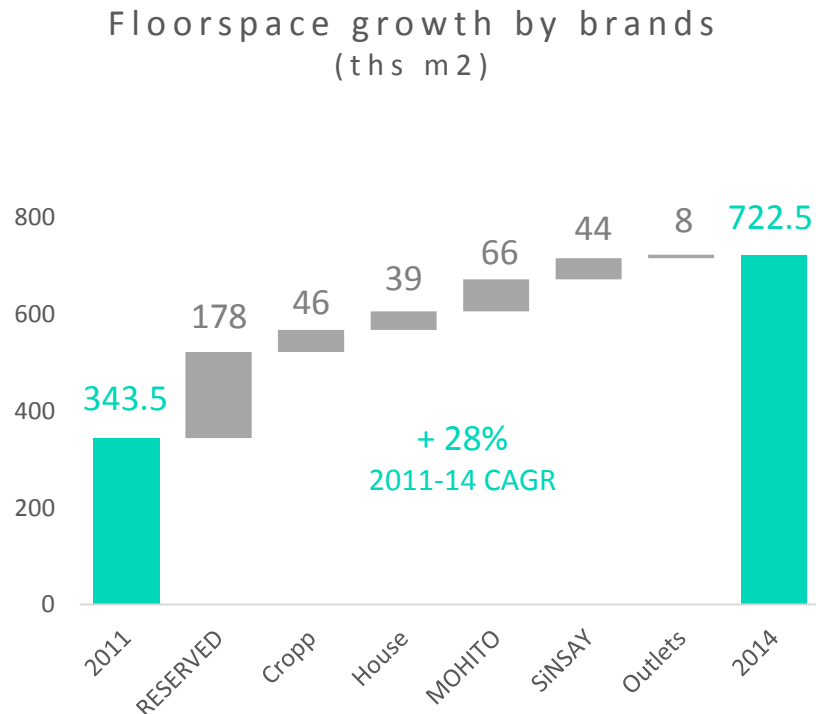
ME development

	1Q15	2Q15	3Q15	4Q15
No. of stores	1	3	4	4
Floorspace (m2)	1,532	3,897	5,491	5,491
No. of countries	1	3	4	4
Sales (PLN m)	3.5	5.6	5.4	-

LPP stores
 Planned openings

- Development via franchise stores since 1Q15 opened by franchisee Azadea (contrary to other markets).
- Franchise stores require no capex, yet bear no retail margin.
- Now, only RESERVED brand stores are opened, but MOHITO and SiNSAY expansion is to start in 2016.
- 70 franchise stores targeted in the Middle East within 6 years.

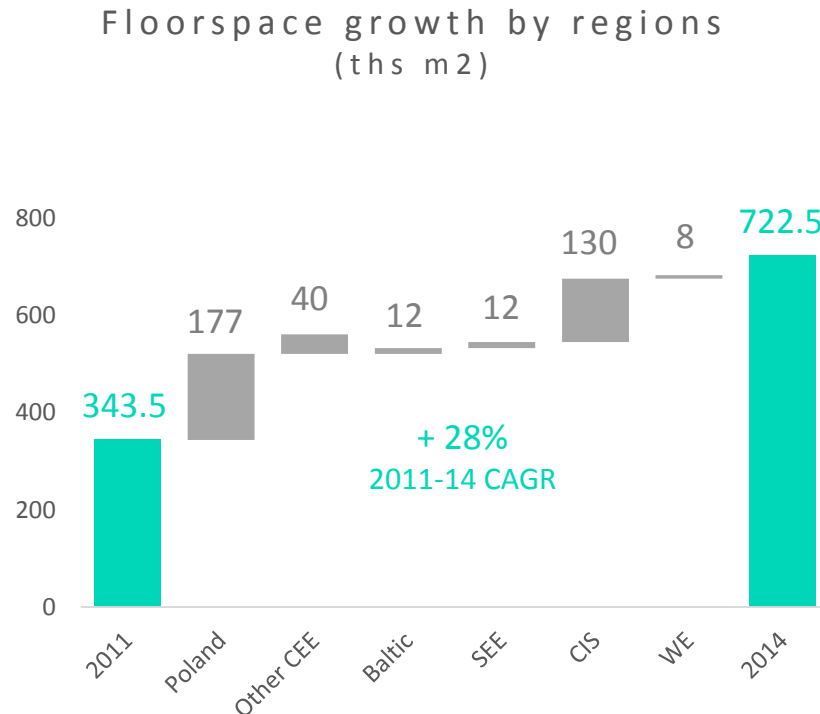
New brands fuel floorspace growth



	2011	2012	2013	2014	9M15
LPP GROUP	343.5	434.0	588.6	722.5	798.8
RESERVED PL	137.6	156.1	188.9	209.2	223.4
RESERVED EX	74.4	96.2	133.4	180.5	212.3
Cropp PL	39.6	44.9	54.5	58.3	59.6
Cropp EX	19.8	27.0	36.1	47.1	49.5
House PL	41.0	46.5	55.4	57.3	59.3
House EX	10.1	17.4	24.8	32.3	35.9
MOHITO PL	15.0	26.1	40.9	46.2	49.7
MOHITO EX	2.3	12.8	25.0	36.6	40.7
SiNSAY PL	0.0	0.0	17.9	32.7	40.3
SiNSAY EX	0.0	0.0	2.2	11.0	14.5
Outlets	3.8	7.0	9.3	11.3	13.6

- In 2011-14, RESERVED opened 72ths m2 in Poland but as much as 106ths m2 abroad.
- Even though SiNSAY was launched in 2013, it added as much to revenues as the more mature Cropp.
- Cropp, House and MOHITO growths came from domestic and foreign expansion.

New regions fuel floorspace growth

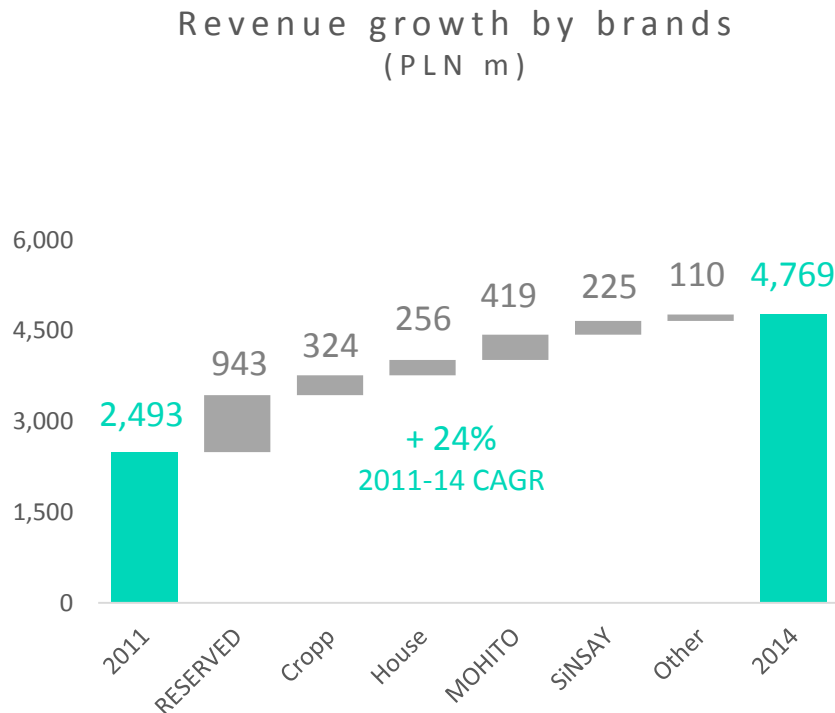


Floorspace by regions

ths m2	2011	2012	2013	2014	9M15
LPP GROUP	343.5	434.0	588.6	722.5	798.8
CEE	258.5	309.1	408.8	475.5	515.3
Poland	236.8	279.4	365.5	413.6	443.9
Other CEE	21.8	29.6	43.3	61.9	71.4
Baltic	24.1	24.3	27.2	36.4	34.6
SEE	10.2	7.0	10.2	22.6	33.5
CIS	50.7	93.7	142.4	180.3	187.7
Russia	41.9	76.4	116.7	146.0	151.7
Ukraine	8.7	17.3	25.6	34.3	36.0
WE	0.0	0.0	0.0	7.6	22.3
ME	0.0	0.0	0.0	0.0	5.5

- The CEE region dominated in new floorspace due to development of all 5 brands in Poland.
- The CIS region was the second largest contributor as more high quality mall space was available.
- Even though Germany was launched in 4Q14, the 4 stores added similar m2 to Baltic or SEE.

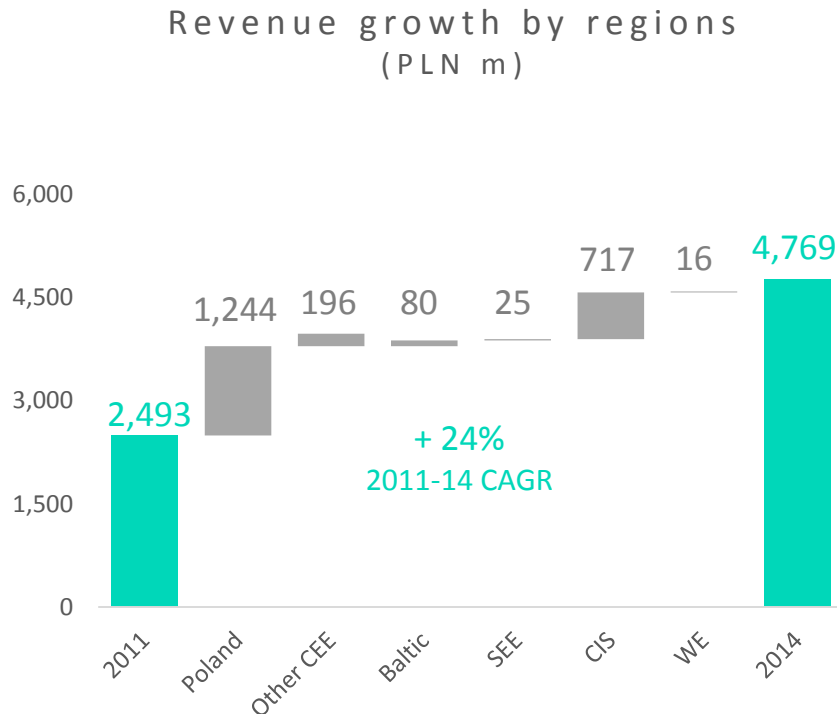
New brands fuel revenue growth



PLN m	2011	2012	2013	2014	9M15
LPP GROUP	2,492.5	3,223.7	4,116.3	4,769.3	3,555.3
RESERVED PL	944.7	1,134.9	1,298.0	1,425.7	985.0
RESERVED EX	423.7	579.2	775.8	885.6	694.5
Cropp PL	311.4	372.2	419.3	469.8	330.6
Cropp EX	135.1	208.2	267.7	301.2	224.9
House PL	322.9	350.9	409.0	454.9	318.5
House EX	54.7	85.8	137.3	178.7	138.3
MOHITO PL	96.6	192.5	307.6	340.5	248.0
MOHITO EX	7.4	67.0	148.8	182.4	163.5
SiNSAY PL	0.0	0.0	70.7	186.0	177.5
SiNSAY EX	0.0	0.0	3.3	38.6	46.5
Other	196.0	233.1	278.8	305.9	227.8

- Despite its scale in Poland, RESERVED was the largest group revenue contributor in 2011-14.
- MOHITO proved a successful concept, with growth coming from domestic and foreign expansion.
- Even though SiNSAY was launched in 2013, it added as much to revenues as House.

New regions fuel revenue growth

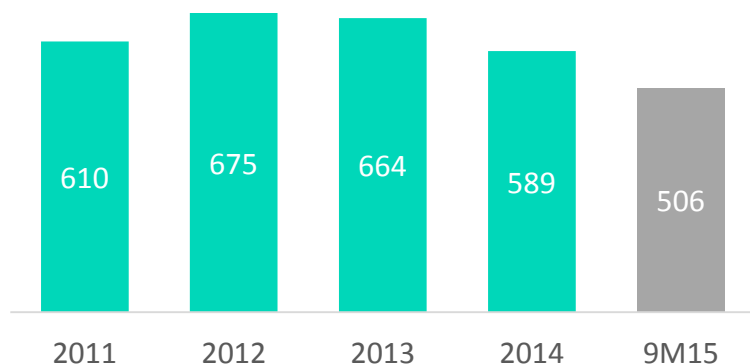


Revenue by regions	2011	2012	2013	2014	9M15
PLN m					
LPP GROUP	2,492.5	3,223.7	4,116.3	4,769.3	3,555.3
CEE	1,973.4	2,382.1	2,926.5	3,413.6	2,488.2
Poland	1,835.1	2,212.6	2,701.2	3,079.6	2,232.7
Other CEE	138.4	169.5	225.3	333.9	255.5
Baltic	120.1	161.9	186.4	199.8	156.4
SEE	39.8	42.1	51.7	64.6	85.0
CIS	359.2	637.7	951.7	1,076.2	759.9
Russia	304.7	549.4	787.1	884.4	629.3
Ukraine	54.5	88.3	164.6	191.8	130.6
WE	0.0	0.0	0.0	15.2	51.3
ME	0.0	0.0	0.0	0.0	14.5

- The CEE dominated in terms of revenue contribution largely due to the core Polish market.
- Floorspace expansion in Russia translated into CIS being the second largest revenue addition.
- Expansion into Baltic and SEE has been immaterial while WE was entered in 2H14.

Growth in floorspace lowers sales/m2

Revenues/ m2 monthly

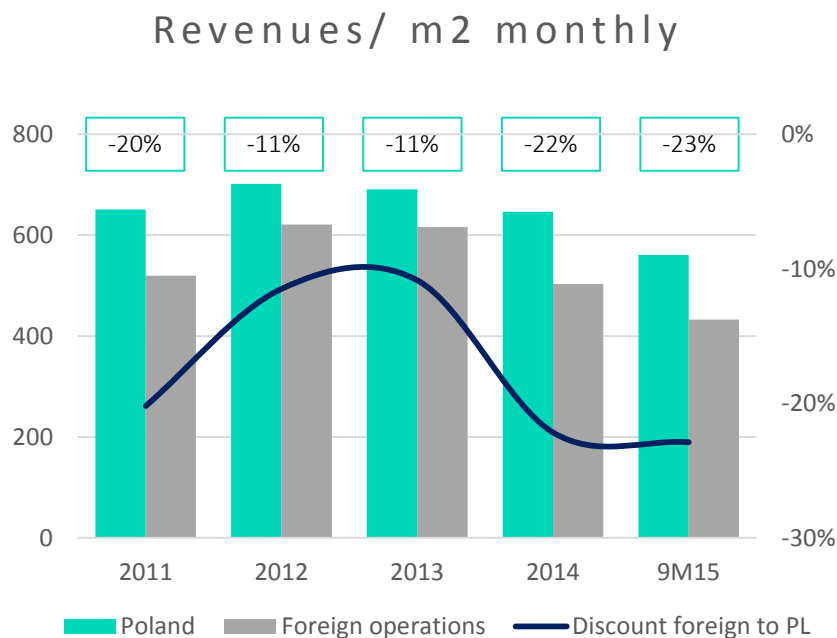


Revenues/ m2 monthly

PLN	2011	2012	2013	2014	9M15
LPP GROUP	610	675	664	589	506
RESERVED PL	607	654	644	599	503
RESERVED EX	491	582	573	481	402
Cropp PL	669	754	720	684	598
Cropp EX	613	759	733	596	519
House PL	661	684	682	664	581
House EX	507	556	578	511	453
MOHITO PL	724	857	777	647	574
MOHITO EX	876	803	725	491	467
SiNSAY PL	-	-	682	613	542
SiNSAY EX	-	-	483	475	398

- For all brands sales/m2 in Poland remains higher than abroad due to superior brand recognition.
- Falls in foreign sales /m2 in PLN in 2014 and 9M15 largely relate to depreciation of ruble and hryvnia.
- In 9M15, Cropp had the highest revenues/ m2 both in Poland and abroad.

... and by regions

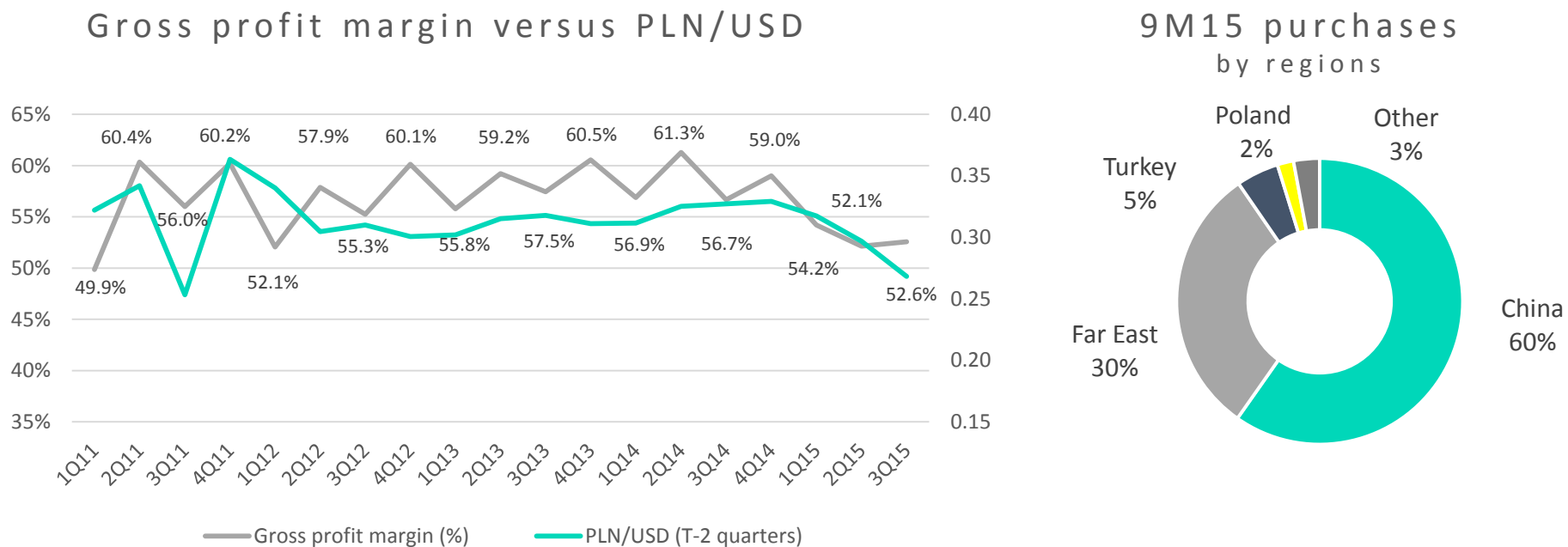


Revenues/ m2 monthly

PLN	2011	2012	2013	2014	9M15
LPP GROUP	610	675	664	589	506
CEE	530	578	578	543	471
Poland	651	702	691	647	561
Other CEE	489	537	540	509	440
Baltic	461	567	604	530	464
SEE	314	377	467	457	344
CIS	570	672	663	508	442
Russia	635	710	659	509	439
Ukraine	505	635	667	507	444
WE	-	-	-	836	473

- Sales/m2 in Poland were on average c.15% higher in 2011-14 than on foreign markets.
- The difference widened in 9M15 due to depreciation of ruble and hryvnia to PLN.
- Situation in Russia and Ukraine affects also the revenues from the Baltic countries.

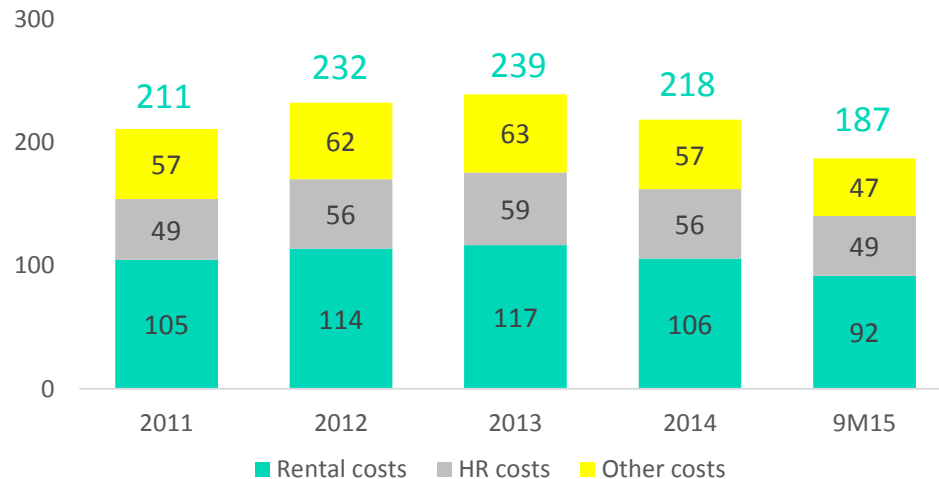
Gross profit margin depends on US\$



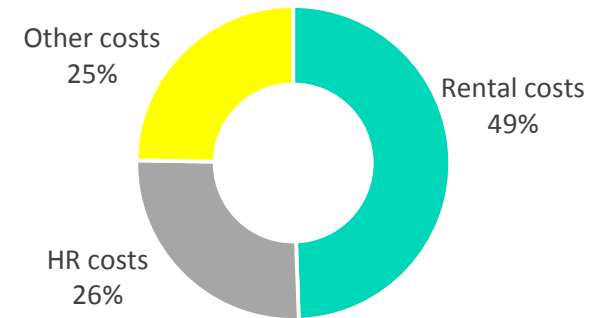
- The majority of purchases is conducted in the Far East and indexed to US\$.
- Depreciation of zloty to US\$ increases costs of purchases from Asia.
- The new improved collection (in stores since mid-August) sold at more favourable margins.
- Yuan devaluation: new contracts with Chinese suppliers signed at more favourable terms.

Lower costs of own stores

Costs of own stores / m2
(PLN monthly)

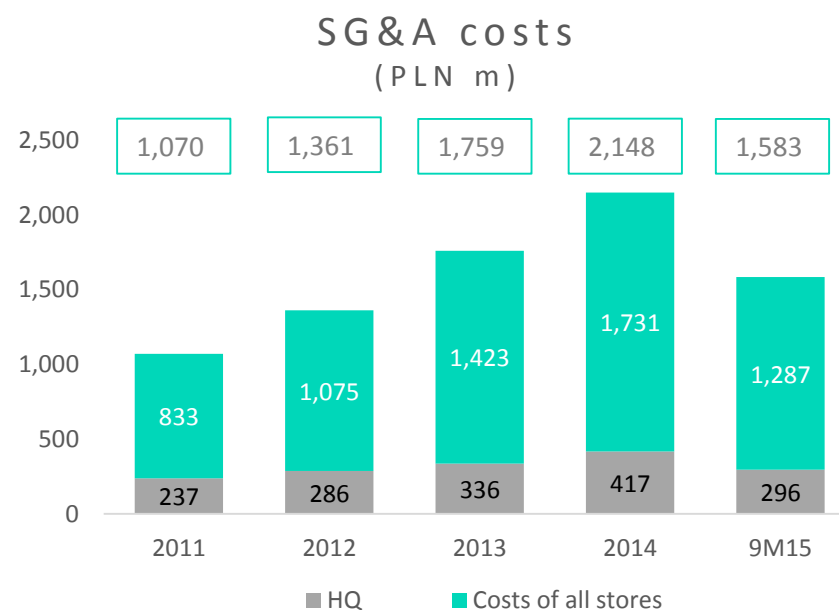
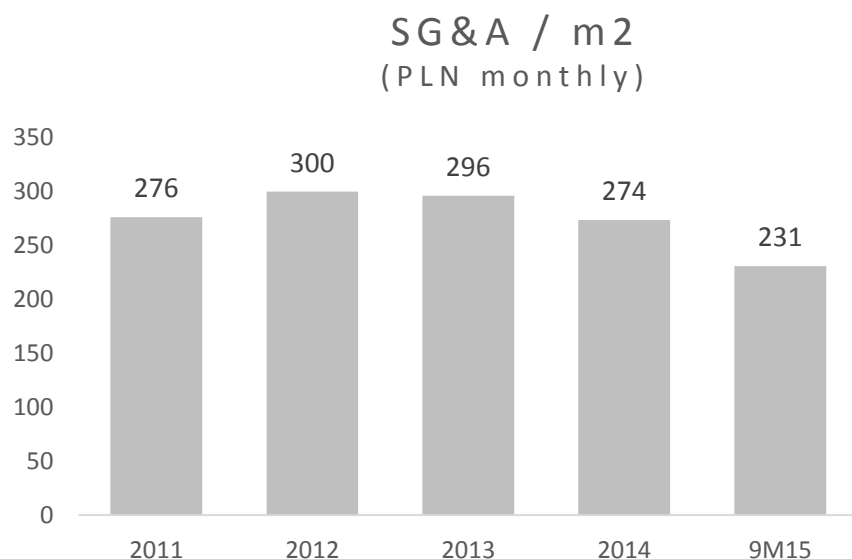


Split of costs of
own stores in 9M15



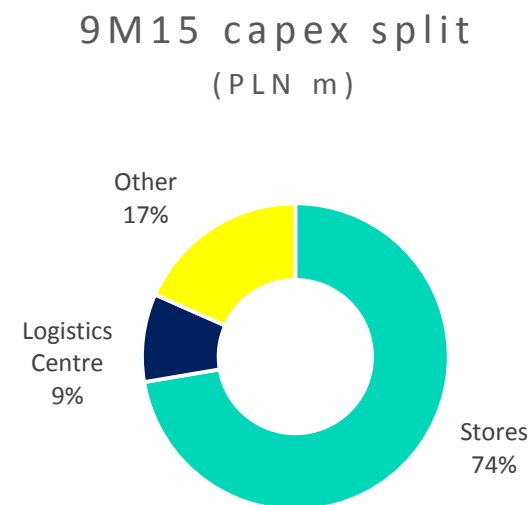
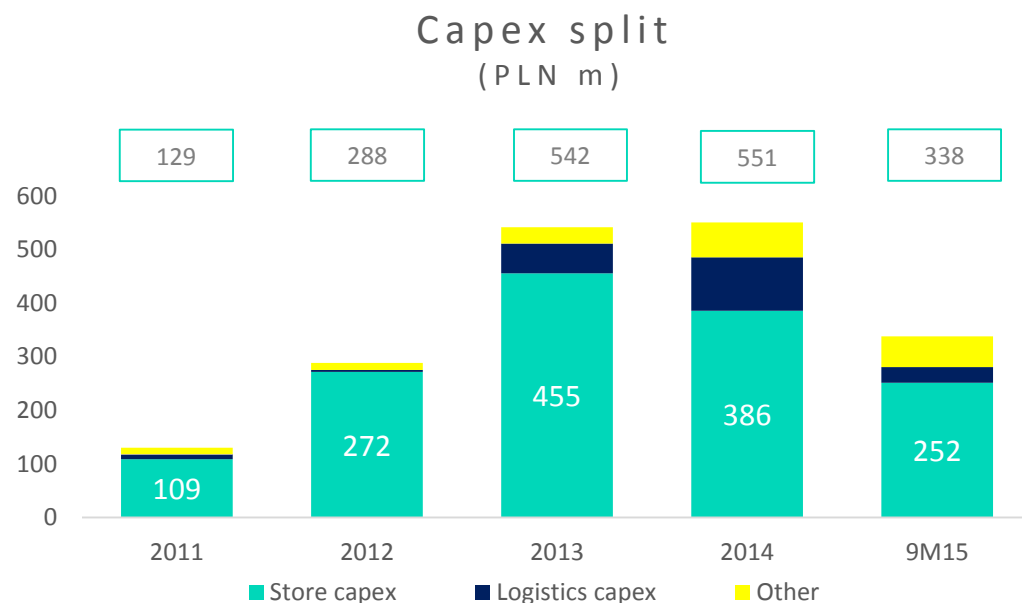
- Fall in rental charges → successful rental renegotiations domestically, in Russia and Ukraine.
- Fall in personnel costs → continuous headcount optimisation.
- Fall in other costs of stores → depreciation of ruble and hryvnia against US\$ and zloty.
- Depreciation constitutes half of other costs of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

We control SG&A/m2



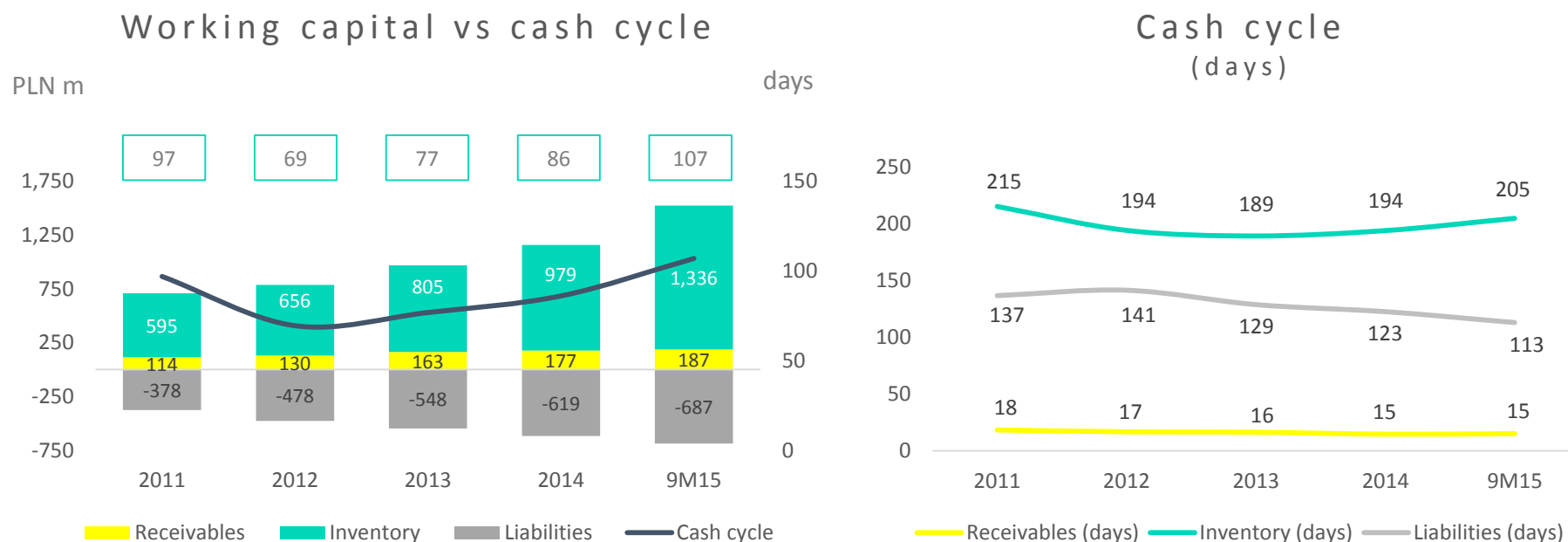
- Fall in SG&A/m2 → optimisation of costs of own stores and headquarters.
- Lower costs of stores/m2 → work on lower rentals, HR costs and other costs of stores.
- Lower costs of stores/m2 → depreciation of rubble and hryvnia against zloty.
- Lower costs of HQ/m2 → continuous cost savings despite work on new brand launch.

Capex reduced by fit-outs



- Maintenance capex constitutes c.10% of store outlays.
- Target capex of PLN 2,500 is lowered by fit-outs obtained domestically and abroad.
- Upgrade of Polish logistics center conducted in 2013-15 cost PLN 177m. Launch in 2Q15.
- Modernisation of Gdansk headquarters finished in September. We own plots for further growth.

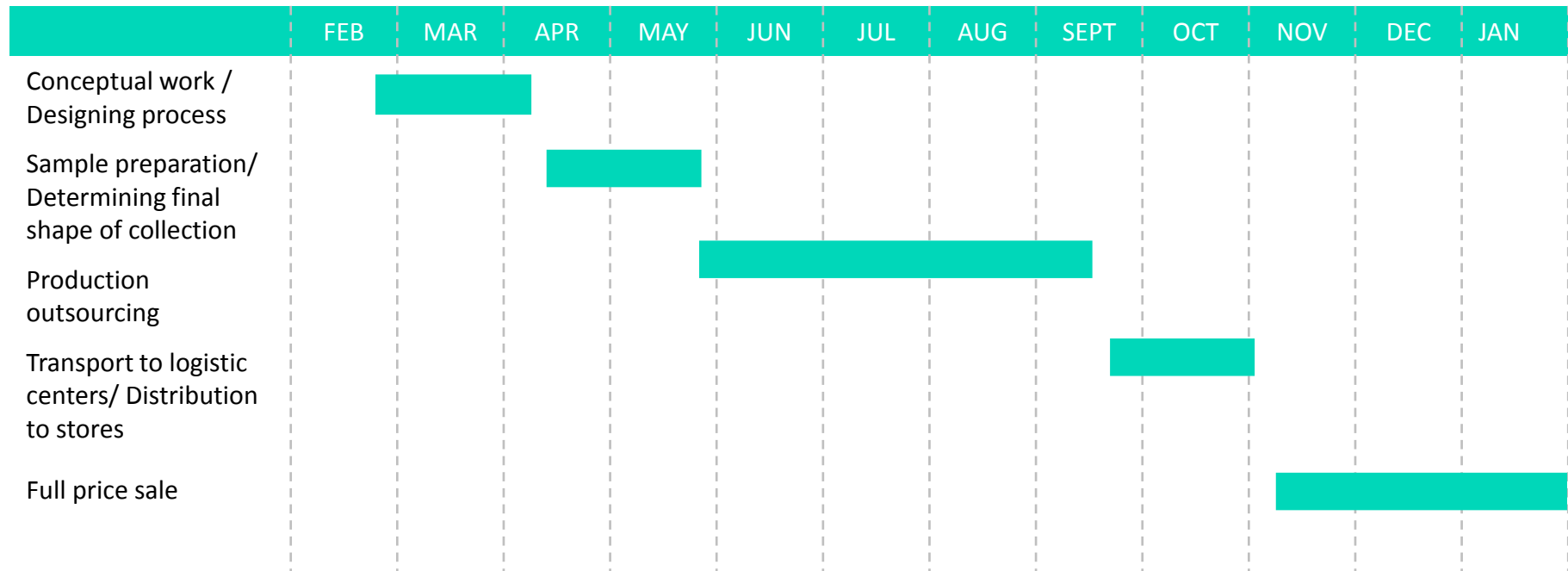
Cash cycle with potential to improve



- The majority of receivables are obtained in cash. The wholesale business is the only exception.
- Goods are ordered 3-4 months before their shipment. We usually use marine transportation.
- Half of settlements with suppliers is conducted in the form of a letter of credit. We do not use prepayments, contrary to documentary collection and bank transfers.

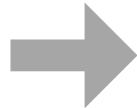
Streamlining production lead time

EXAMPLE: COLLECTION FROM FAR EAST



Top quality logistics

LOGISTICS CENTERS



90% goods sourced
from Asia



10% delivery
from Europe



100 containers
per week

In Poland (owned)

The largest and most modern in CEE
of its kind

Serves all LPP stores ex. Russia

66,000 m2 floorspace

Sufficient for
development until 2020

In Russia (rent)

9,500 m2 floorspace

Serves 90% of goods in
Russian stores



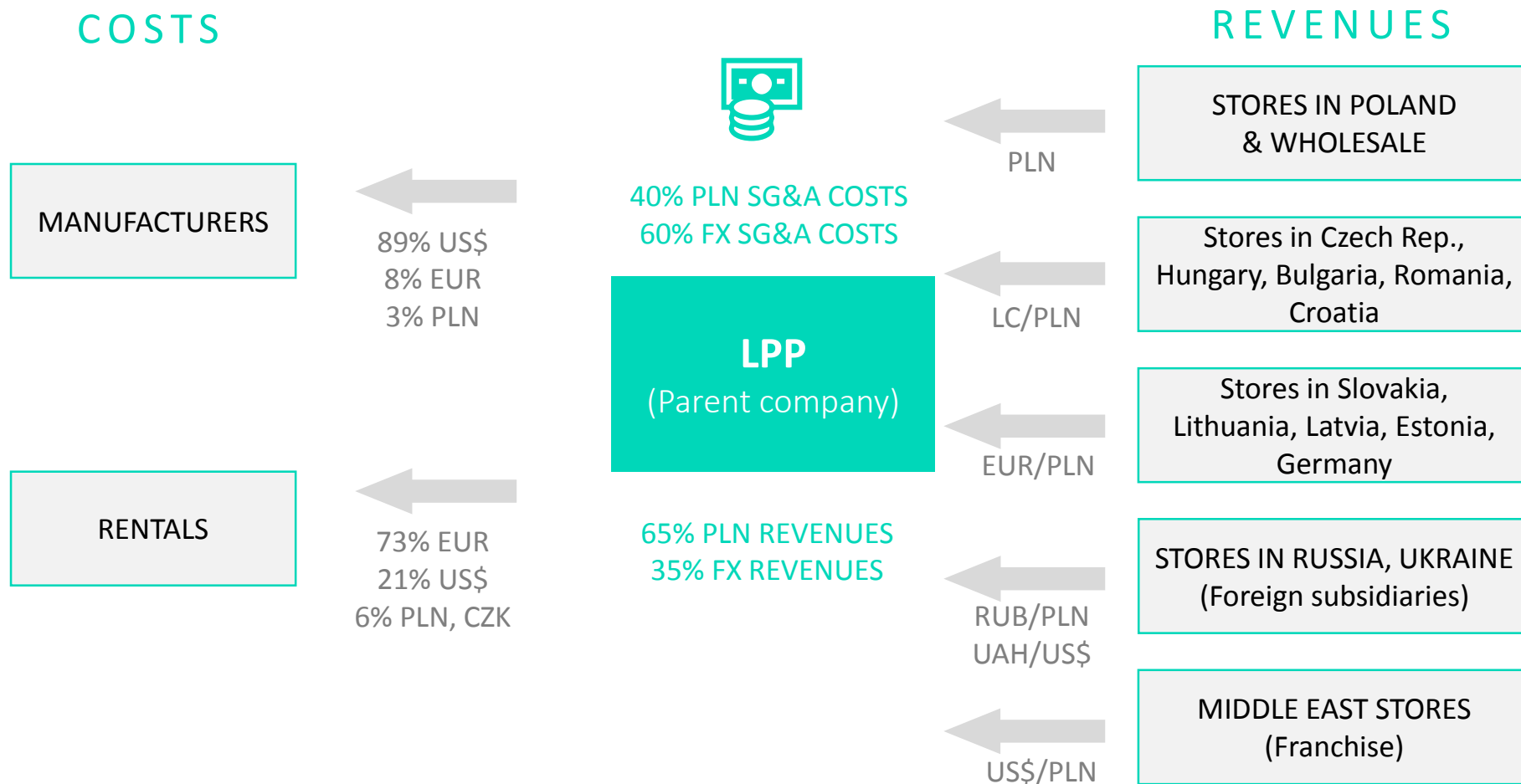
> 1m pieces of clothes
sent daily in high
season



Center prepares orders
for c.900 stores
simultaneously



Group's FX exposure



Historical numbers show growth and cost efficiency

PLN m	2011	2012	YoY	2013	YoY	2014	YoY	CAGR 2011-14	9M14	9M15	YoY
Revenues	2,492.5	3,223.8	29.3%	4,116.3	27.7%	4,769.3	15.9%	24.1%	3,364.4	3,555.3	5.7%
Gross profit on sales	1,423.7	1,827.1	28.3%	2,409.2	31.9%	2,792.5	15.9%	25.2%	1,963.4	1,880.1	-4.2%
<i>Gross profit margin</i>	<i>57.1%</i>	<i>56.7%</i>	<i>-0.4ppt</i>	<i>58.5%</i>	<i>1.9ppt</i>	<i>58.6%</i>	<i>0.1ppt</i>		<i>58.4%</i>	<i>52.9%</i>	<i>-5.5ppt</i>
SG&A costs	1,070.3	1,360.8	27.1%	1,759.2	29.3%	2,148.3	22.1%	26.1%	1,572.2	1,528.7	0.7%
Other operating activity	-10.4	-11.9		-34.3		-35.0			-30.4	-30.0	
EBIT	343.1	454.4	32.4%	615.6	35.5%	609.1	-1.1%	21.1%	360.9	267.3	-25.9%
<i>EBIT margin</i>	<i>13.8%</i>	<i>14.1%</i>	<i>0.3ppt</i>	<i>15.0%</i>	<i>0.9ppt</i>	<i>12.8%</i>	<i>-2.2ppt</i>		<i>10.7%</i>	<i>7.5%</i>	<i>-3.2ppt</i>
Net financials	-12.1	-30.3		-91.8		-149.2			-74.6	-46.3	
Pre-tax profit	331.0	424.1	28.1%	523.9	23.5%	459.9	-12.2%	11.6%	286.2	221.0	-22.8%
Tax	61.9	70.2		91.0		-22.0			50.0	42.0	
<i>Effective tax rate</i>	<i>18.7%</i>	<i>16.5%</i>		<i>17.4%</i>		<i>-4.8%</i>			<i>17.5%</i>	<i>19.0%</i>	
Minorities	0.4	1.5		1.9		2.3			1.8	0.0	
Net income	268.7	352.4	31.1%	431.0	22.3%	479.5	11.3%	21.3%	234.5	179.0	-23.7%
<i>Net margin</i>	<i>10.8%</i>	<i>10.9%</i>	<i>0.1ppt</i>	<i>10.5%</i>	<i>-0.4ppt</i>	<i>10.1%</i>	<i>-0.4ppt</i>		<i>7.0%</i>	<i>5.0%</i>	<i>-2.0ppt</i>

Balance sheet remains strong

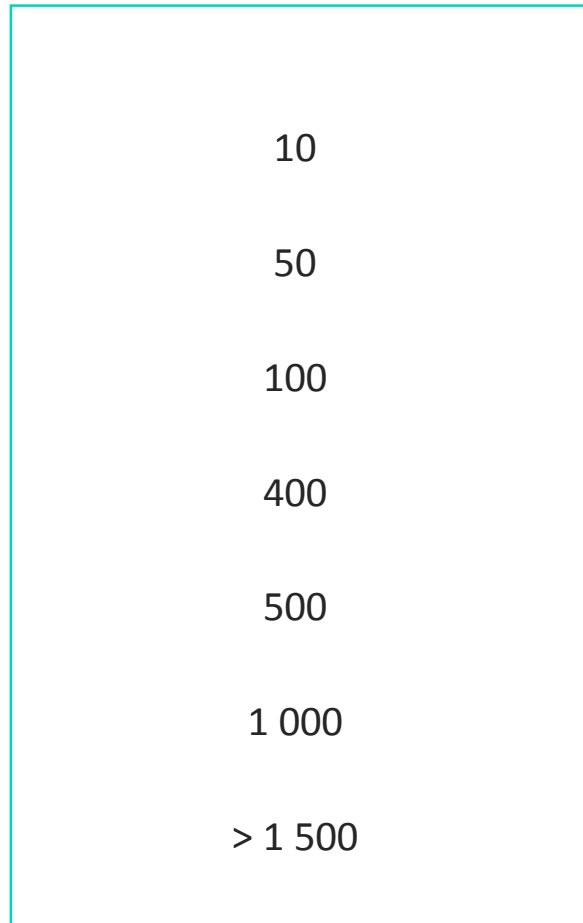
PLN m	31.12.2011	31.12.2012	31.12.2013	31.12.2014	30.09.2014	30.09.2015
Non-current assets	744.9	909.9	1,231.9	1,516.4	1,426.2	1,664.3
intangibles (including goodwill)	272.6	278.7	281.2	315.9	313.4	323.3
fixed assets	447.7	598.5	896.8	1,038.8	1,039.2	1,149.0
Current assets	868.9	1,022.4	1,259.7	1,417.3	1,419.9	1,742.2
inventory	594.6	656.1	805.0	979.3	1,036.8	1,336.0
trade receivables	114.3	130.4	163.3	176.9	159.1	186.6
cash and equivalents	117.0	159.4	149.4	183.5	117.1	119.9
Total assets	1,613.9	1,932.2	2,491.6	2,933.7	2,846.1	3,406.6
Equity	909.2	1,211.0	1,496.5	1,638.4	1,533.2	1,739.7
Long-term liabilities	89.4	131.0	192.3	210.7	203.0	360.6
interest bearing debt	86.4	125.1	184.3	204.5	195.6	320.3
Short-term liabilities	615.3	590.2	802.7	1,084.6	1,109.9	1,306.3
trade liabilities	377.5	477.8	547.6	618.6	569.3	687.4
interest bearing debt	204.0	61.0	173.6	378.3	482.7	586.4
Total liabilities	1,613.9	1,932.2	2,491.6	2,933.7	2,846.1	3,406.4

Operating cash flow in the black

PLN m	31.12.2011	31.12.2012	31.03.2013	31.12.2014	30.09.2014	30.09.2015
Pre-tax profit	331.0	424.1	523.9	459.9	286.2	221.0
D&A	95.4	109.0	148.2	193.7	142.0	161.9
NWC	-145.0	-21.7	-95.7	-127.3	-177.9	-278.2
Operating CF	254.0	481.3	508.8	492.9	202.0	-11.2
Capex	-129.3	-288.4	-541.9	-550.5	-390.2	-338.0
Investing CF	-39.6	-260.7	-518.2	-476.0	-356.3	-290.5
Interest bearing debt	-42.9	-18.4	167.4	204.0	304.0	309.3
Dividends	-135.0	-140.0	-154.0	-169.6	-169.6	-58.0
Interest	-18.6	-17.9	-12.5	-14.8	-10.2	-13.1
Financing CF	-193.9	-178.1	-0.6	17.2	122.1	238.1
Total CF	20.5	42.4	-10.0	34.2	-32.2	-63.7

Successful story of LPP

No. of STORES



CORPORATE MILESTONES

- 1991 ○ Creation of Mistral company by Marek Piechocki and Jerzy Lubianiec
- 1995 ○ Mistral transformed into LPP
- 1997 ○ Opening offices in Shanghai
- 1999 ○ Launch of RESERVED – first retail store opened
- 2001 ○ IPO on the Warsaw Stock Exchange
- 2002 ○ Start of international expansion (Russia, Czech Rep., Estonia, Hungary, Latvia)
- 2003 ○ Further international expansion (Lithuania, Ukraine, Slovakia)
- 2004 ○ Launch of Cropp brand
- 2008 ○ Acquisition of Artman, owner of the House and MOHITO brands
- 2008 ○ Launch of the modern logistics center
- 2008 ○ Further international expansion (Romania, Bulgaria)
- 2010 ○ Payment of first dividend
- 2013 ○ Launch of SiNSAY brand
- 2014 ○ New countries: Germany, Croatia; new brand concept creation
- 2014 ○ Entry into MSCI and WIG20 indices
- 2015 ○ Middle East entry (Egypt, Kuwait, Qatar, Saudi Arabia)

Founders still involved in the business

LPP's FOUNDERS

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graph TD; A[LPP's FOUNDERS] --> B[MAREK PIECHOCKI  
CEO]; A --> C[JERZY LUBIANIEC  
CHAIRMAN of SUPERVISORY BOARD]
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MAREK PIECHOCKI CEO

- Present in the retail business since 1989.
- In 1991 together with Jerzy Lubianiec, founded a Mistral company, activities of which in 1995 were transferred into LPP.
- CEO of LPP since 2000.
- The Best-Performing CEO according to Harvard Business Review (2013).

JERZY LUBIANIEC CHAIRMAN of SUPERVISORY BOARD

- 1991 - 1997 ran Mistral company as a sole trader (LPP's predecessor).
- 1995 – 2000 CEO of LPP.
- Since 2000 Chairman of the Supervisory Board of LPP.

Management with long-term vision

MAREK PIECHOCKI (54) CEO & FOUNDER

- Since 1989 in retail business. Founded LPP in 1991.
- CEO of LPP since 2000. Responsible for LPP's strategy.

PRZEMYSŁAW LUTKIEWICZ (45) CFO

- At LPP since 2008. Since 2015 LPP's CFO, initially Head of Controlling.
- 1995-2007 manager at First Data Poland.

PIOTR DYKA (39) BOARD MEMBER

- At LPP since 2008. 2000-2007 at Accenture.
- Management board member since 2009, now responsible for RESERVED.

HUBERT KOMOROWSKI (38) BOARD MEMBER

- At LPP since 2000, initially in charge of RESERVED.
- Responsible for Cropp, House, MOHITO and SiNSAY development.

JACEK KUJAWA (40) BOARD MEMBER

- At LPP since 2004. 1999-2004 at Wirtualna Polska.
- Responsible for logistics, administration, IT and e-commerce.

SŁAWOMIR ŁOBODA (50) BOARD MEMBER

- Cooperated with LPP since 1997. Appointed: 14 October 2015.
- Responsible for legal issues, new retail space and store development.

Former CEO and CFO sit on the Supervisory Board

JERZY LUBIANIEC (55) CHAIRMAN

- Since 2000 Chairman of the Supervisory Board of LPP.
- 1995 – 2000 CEO of LPP.
- 1991 – 1997 ran Mistral company (LPP's predecessor).

DARIUSZ PACHLA (54) Member

- 2000 – 2014 CFO of LPP.
- 1995 – 2000 manager at LPP.
- 1991 – 1995 worked at Mistral (LPP's predecessor).

WOJCIECH OLEJNICZAK (59) Member

- Since 1999 member of the Supervisory Board of LPP.
- 1996 – 1997 LPP Management Board member.
- 1991 – 1996 partner at Mistral company (LPP's predecessor).

KRZYSZTOF OLSZEWSKI (54) Independent Member

- Since 2004 member of the Supervisory Board of LPP.
- Since 1993 a sole trader providing consulting services in real estate.
- Shareholder at Fasko limited liability company.

MACIEJ MATUSIAK (48) Independent Member

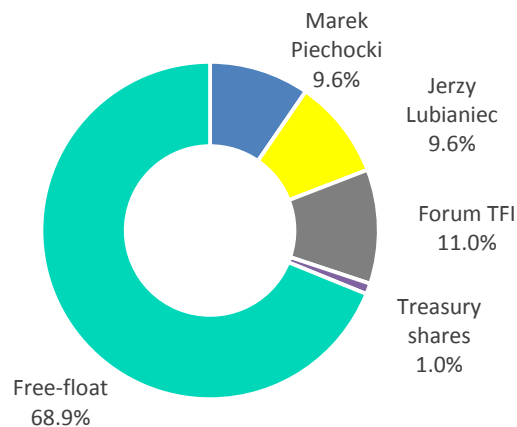
- Since 2004 member of the Supervisory Board of LPP.
- Licensed stock broker's, CFA chartholder.
- Since 2006 CEO of Artemis Investment limited liability company.

Company controlled by its founders

Shareholders by equity

(30.09.2015)

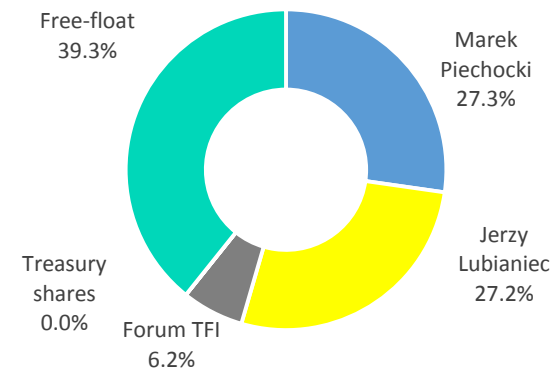
total no of shares: 1,831,123



Shareholders by votes

(30.09.2015)

total no of votes: 3,231,123



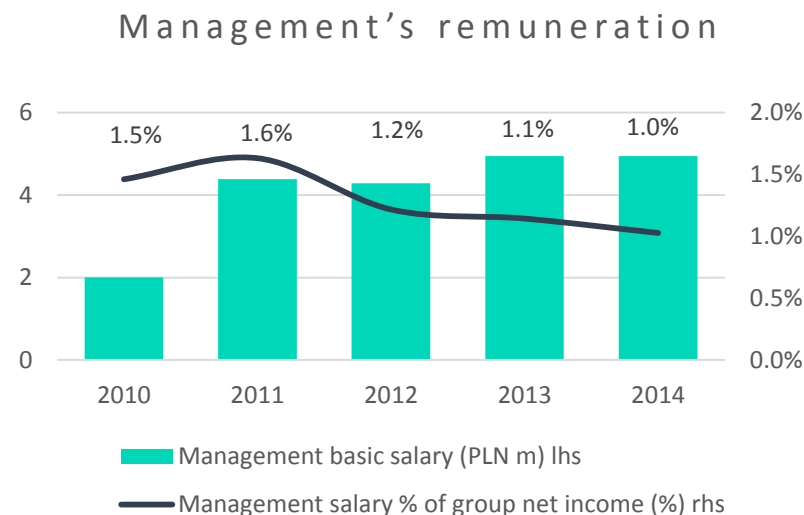
- The shares held by the founders are privileged 1 to 5 in votes.
- The Forum TFI stake is owned by the founders, i.e. Marek Piechocki and Jerzy Lubianiec.
- Effectively, the founders control 30.1% of equity and 60.7% of votes.
- Treasury shares (18,978) are valued at PLN 2,280 and partially used for the purpose of stock option plan.

Stable management motivated by stock option plans

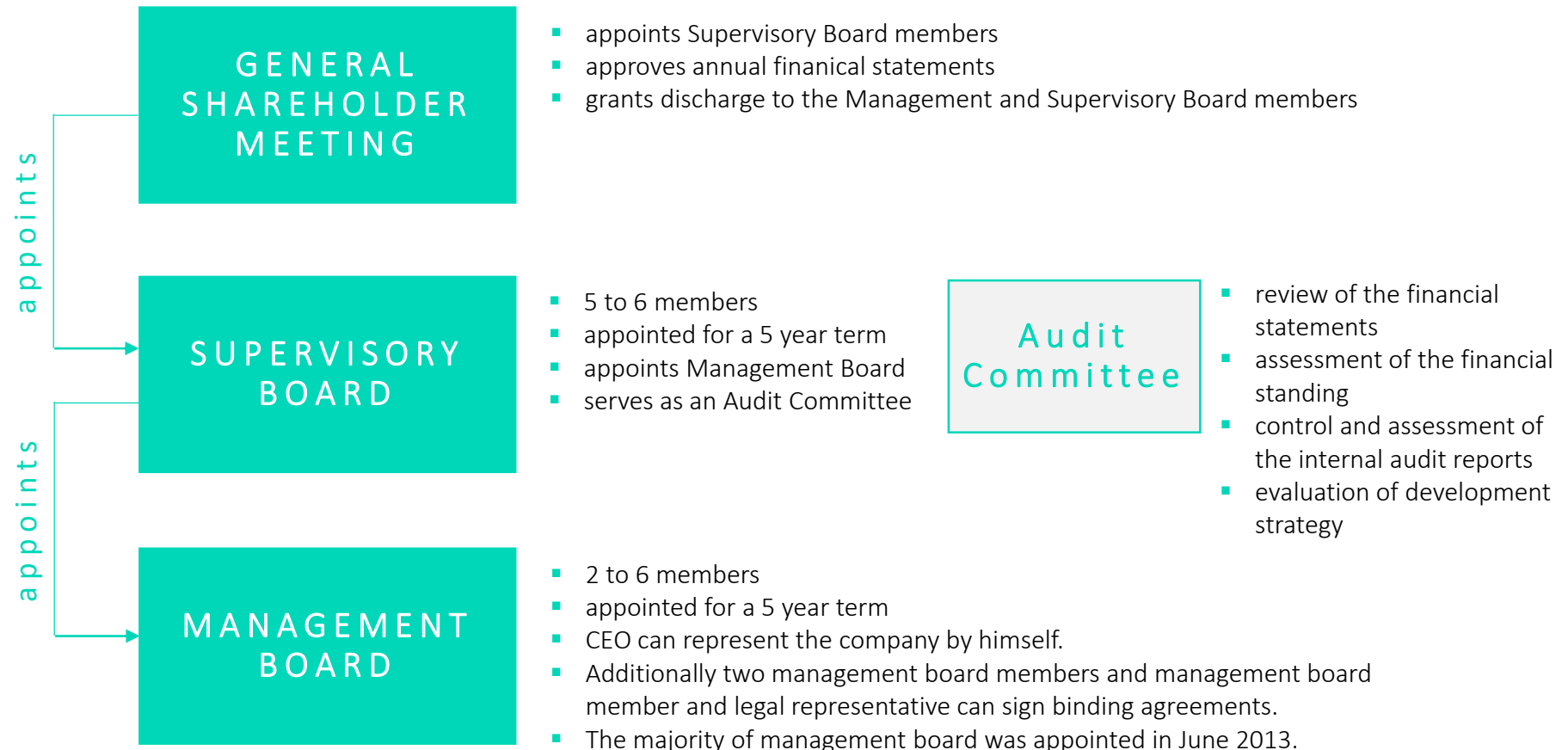
- Since 2011, there have been three stock option plans. Key summary below.

Tenure of stock option plan	Max dilution (no. of shares)	Shares issued	Cost in P&L (PLN m)	Issuance price	Criteria
2011-14	21,300	0	7.2	PLN 2,000 (market proxy)	10% YoY EPS growth
2013	2,420	2,420 (treasury shares used)	5.4	PLN2 (nominal price)	10% YoY EPS growth
2014	1,080	0	9.3	PLN2 (nominal price)	10% YoY EPS growth

- Between 2010-2014 management's remuneration grew proportionately to group's earnings.
- Between 2010-14 the management has remained the same.
- Change on the level of CFO took place from 2015, when Przemysław Lutkiewicz replaced Dariusz Pachla.



Corporate governance



Responsible production



EFFECTIVE SUPERVISION

- Creation of an Audit Department for Factories at LPP.
- Setting up offices in Dhaka (Bangladesh) responsible, among others, for auditing production facilities.
- All LPP factories producing in Bangladesh are subject to independent ACCORD inspections on fire, electrical and structural safety.



UPDATED CODE of CONDUCT

LPP's requirements versus foreign suppliers:

- safety in factories is our priority;
- obligation to provide decent pay;
- max. 48 hours of work per week;
- paid overtime;
- ban for hiring persons < 15 years old.

We take care of the safety of workers



- LPP was the only Polish retail company to join the international Alliance aimed at improving the safety of workers in Bangladesh (Accord on Fire and Building Safety in Bangladesh).
- The Accord was formed by over 190 retail companies and NGOs and signed by LPP in October 2013.
- It was signed for 5 years during which several actions are to be taken to improve the safety and conditions of Bangladesh employees.



Liquidity and interest supported by presence in key indices

POLISH INDICES

WIG20

- The most important index of the WSE
- Member since Mar 2014
- c. 5.3% LPP's weight
- The sole clothing retailer in the index

WIG30

- WIG30 index of the 30 most liquid companies on the WSE
- WIG30 index was launched Sep 2013
- LPP member since index inception
- c. 4.9% LPP's weight

INTERNATIONAL INDICES

MSCI

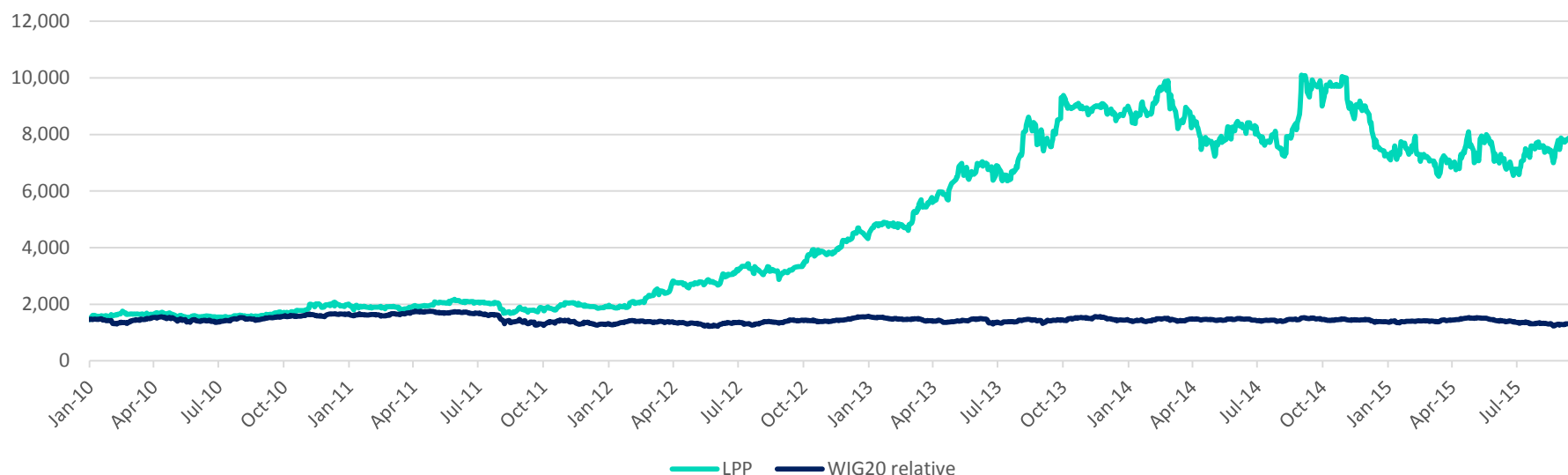
- MSCI Poland is a key index for international institutions investing in Poland
- LPP member since Aug 2014
- c. 4.7% LPP's weight

FTSE

- FTSE indices are tracked by ETFs
- LPP member of three FTSE indices: All-World Index, Emerging Index, Global Style Index

Strong medium-term market outperformer

LPP'S SHARE PRICE RELATIVE PERFORMANCE TO WIG20



TICKERS

WSE	LPP
Bloomberg	LPP PW
Reuters	LPPP.WA

PERFORMANCE

1Y	-21%
3Y	+130%
5Y	+326%

MARKET DATA

Price (30.09.15)	PLN 7,820
Min 1Y	PLN 6,525
Max 1Y	PLN 10,049

Broad analytical coverage of LPP

INSTITUTION	ANALYST	E-MAIL
BDM	Adrian Górniak	gorniak@bdm.pl
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Wood & Co.	Łukasz Wachelko	lukasz.wachelko@wood.com

Investor relations' calendar



KEY DATES

February 2016	4Q15 results announcement
April 2016	Annual report publication
May 2016	1Q16 results publication
August 2016	2Q16 results announcement



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Phone:	+ 48 58 76 35 99
Address:	LPP SA Łąkowa 39/44 Street 80-769 Gdansk, POLAND

Glossary

Poland	Retail sales in Poland and other sales of LPP SA.
CEE	Region including: Czech Republic, Slovakia, Hungary, unless otherwise indicated.
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, Saudi Arabia.
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 / 12.
Average monthly costs of own stores/m2	Costs of own stores / average working floorspace of own stores (ie. excluding franchise stores) / 12.
Average monthly SG&A PLN/m2	SG&A costs/ average working total floorspace / 12.
Inventory days	Inventory/ average COGS * 365 days.
Receivables days	Receivables/ average group revenues * 365 days.
Liabilities days	Trade liabilities/ average COGS * 365 days.
Cash conversion cycle	Inventory days + receivables days – liabilities days.

CONTACT INFORMATION

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RESERVED

CROPP



M O H I T O

sinsay