

## EXECUTIVE SUMMARY OF 3Q17 NUMBERS

PLN m	3Q16	3Q17	YoY	Comment
Revenues	1,488.4	1,812.8	21.8%	Double-digit dynamics continue.
LFLs (local currencies)	9.2%	15.2%		Positive LFLs in all countries and all brands.
Floorspace (m2)	887,958	939,930	5.9%	Floorspace: +4% in Poland; +7% in CIS, +9% in Europe and -13% in ME.
Sales per brands				
Reserved	660.8	825.3	24.9%	Floorspace up 8.1% YoY.
Cropp	246.4	301.6	22.4%	Floorspace up 4.0% YoY.
House	189.2	205.0	8.3%	Floorspace up 1.7% YoY.
Mohito	192.4	200.1	4.0%	Floorspace up 0.9% YoY.
Sinsay	120.1	165.2	37.6%	Floorspace up 16.7% YoY.
E-commerce	31.6	74.8	136.6%	Investments in mobile apps, foreign development.
Gross profit on sales	700.6	888.7	26.8%	Sizeable margin pick-up YoY due to improved collections, more favourable FX and new inventory management policy.
<i>Gross profit margin</i>	<i>47.1%</i>	<i>49.0%</i>		
SG&A costs	662.2	775.0	17.0%	Pick-up in costs of stores and HQ costs.
Average monthly SG&A (PLN)/m2	254	280	10.2%	Costs of HQs grew faster than costs of stores due to e-commerce development and resultant higher logistics costs and one-off London flagship marketing costs.
Average monthly costs of own stores (PLN)/m2	205	214	4.0%	Stable rentals (appreciation of PLN against EUR, favourable new agreements), pressure on salaries (higher HR) and other costs (London opening).
Other operating line	-33.6	-10.6		More favourable YoY impact due to lack of provisions and write-offs for Tallinder (PLN 24.6m in 3Q16).
EBIT	4.8	103.1	2,046.7%	Strong YoY growths due to the positive effect of operating leverage.
<i>EBIT margin</i>	<i>0.3%</i>	<i>5.7%</i>		
Net financials	-8.0	11.2	N/M	Lower YoY interest due to lower indebtedness. 3Q17: PLN 4.7m gains on RUB and UAH, PLN 4.4m losses on US\$ and PLN 12.0m gains on other currencies (EUR, RON, CZK, HUF). 3Q16: PLN 9.6m losses on RUB and UAH, PLN 13.5m gains on US\$.
FX gains net	-1.9	12.3	N/M	
Tax	3.2	29.3	800.8%	Higher taxation due to higher profits as well as increase in provision for probable tax uncertainties for former years (PLN 18.5m in 3Q17).
Net income	-6.5	85.1	N/M	
Operating cash flow	101.4	129.3	27.5%	Result of lengthening liabilities payments.
Inventory (PLN)/m2	1,634	1,759	7.7%	Higher level of AW 17/18 collection – the whole collection has been sourced earlier. Inventory levels fitted for high LFLs.
Capex	62.1	120.3	93.7%	Opening of London flagship and higher payments for modernisations and stores opened in 2Q17.
Net debt/ (cash)	647.0	10.8	-98.3%	Sizeable indebtedness reduction.
cash	265.9	256.4	-3.6%	Consequence of supply chain financing.
long-term debt	223.5	155.2	-30.6%	
short-term debt	689.4	112.1	-83.7%	