



Presentation to Investors



CCC Group

Warszawa September 2005



Presentation Plan

- ✚ Introduction
- ✚ Finances
- ✚ Increase of forecasts
- ✚ Realization of goals & plans for 2H2005
- ✚ General review of **CCC** Group
 - ⊕ History
 - ⊕ Structure of shareholders
 - ⊕ **CCC** operating structure and strategy
 - ⊕ Unique supply chain
 - ⊕ **CCC** Factory
 - ⊕ Sales structure – distribution chain
 - ⊕ Historical finances

CCC Group

#1 ON POLISH FOOTWEAR MARKET

- ✚ **CCC Group is an undisputed leader on the Polish footwear manufacturing and distribution markets**
 - ✚ **Largest retail chain** in terms of stores and turnover, **one of two major manufacturers**
 - ✚ **279 mln turnover, 94.8 mln in 2Q2005 (155.5 mln in 1H2005); 291 stores** (2Q2005) inc. 287 in Poland and 4 in the Czech Republic; approx. **5.5%** market share, EBIT margin of 12.8% (**17,6%** in 2Q2005), clearly surpassing competitors, high profitability (2004)
 - ✚ **Strong brand**
- ✚ **Unique business model** providing competitive advantage being a combination of:
 - ✚ Wide-spread **retail sales chain**
 - ✚ Optimal **supply chain and in-house manufacturing facilities**
 - ✚ Efficient **distribution system** and inventories management
- ✚ Strong **growth potentials** within next few years:
 - ✚ Acquisition of attractive locations in the last stage of quick development of **shopping centres**
 - ✚ Opportunity for **expansion abroad**
 - ✚ Participation in the general **consumption growth**

Financials: 1st half of 2004 to 2005 comparison

	1H2004 `000 PLN	1H2005 `000 PLN	Change
Revenues	129 146	155 482	20,4 %
Profit (loss) on sales	40 629	68 221	67,9 %
Gross margin on sales	31,5%	43,9%	39,4 %
Selling costs	20 019	35 615	77,9 %
General administrative costs	7 615	7 759	1,9 %
EBIT	12 146	24 430	101,1 %
Pre-tax profit (loss)	10 371	24 384	135,1 %
Net profit (loss)	7 492	18 649	148,9 %
Net profit margin	5,8%	12,0%	106,9 %
Assets	139 703	184 208	31,9 %
Liabilities and provisions	85 812	39 947	-53,4 %
Short-term liabilities	82 316	38 064	-53,8 %
Equity	53 891	144 261	167,7 %
ROE	18,3%	13,9%	-24,2 %
ROA	6,0%	10,2%	70,4 %

* ROE i ROA based on average equity and assets level in 1H2004 / 1H2005

We are effective

1H2005

- + We raised our sales by 20%
- + We doubled EBIT
- + We worked out the net profit
2.5 times higher

Financials: 2nd quarter of 2004 to 2005 comparison

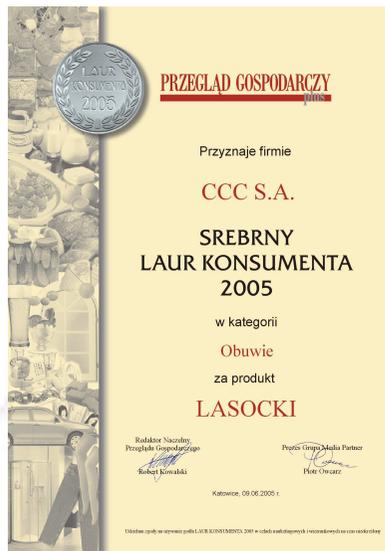
	2Q2004 `000 PLN	2Q2005 `000 PLN	Change
Revenues	70 203	94 821	35,1 %
Profit (loss) on sales	22 001	40 253	83,0 %
Gross margin on sales	31,3%	42,5%	35,8 %
Selling costs	8 820	20 616	133,7 %
General administrative costs	4 418	3 145	-28,8 %
EBIT	9 160	16 702	82,3 %
Pre-tax profit (loss)	7 295	16 899	131,7 %
Net profit (loss)	5 028	13 240	163,3 %
Net profit margin	7,2%	14,0%	94,4 %
Assets	139 703	184 208	31,9 %
Liabilities and provisions	85 812	39 947	-53,4 %
Short-term liabilities	82 316	38 064	-53,8 %
Equity	53 891	144 261	167,7 %
ROE	11,7%	9,6%	-17,6 %
ROA	3,6%	6,8%	88,1 %

* ROE i ROA based on average equity and assets level in 2Q2004 / 2Q2005

We keep our promises

Realization of operative goals in 1H2005:

- ✚ Opening 22 proprietary stores in attractive locations
- ✚ Czech Rep.: 4 stores opened according to our plan for 1H2005
- ✚ Promotion:



- ✚ Successful campaign of Lasocki brand
– Spring 2005 (high brand recognizability, sales growth)
- ✚ Completed research upon market positioning
- ✚ Laurels of consumers in category: „footwear” granted to most popular products after consumer research

Plans for 2H2005:

- ✚ Opening further 20 proprietary stores in Poland by the end of 2005
- ✚ Opening 4 stores in the Czech Republic by the end of 2005 (3+)

2005 Forecasts

Consolidated (in PLN mln)	2004	Forecast 2005	Change	Previous forecast 2005
Revenues	279.23	330.5	+18.4 %	325.0
Gross result on sales	90 925	128.4	+41.2 %	125.5
EBIT	35.63	48.6	+36.4 %	43.6
Net profit	23.96	37.1	+54.8 %	31.4

Assumptions:

- ✚ 35 new proprietary stores opened by the end of 2005 / 22 already opened (1 closed); 4 opened in the Czech Rep.
- ✚ 5% sales increase in existing stores
- ✚ wholesales at the same level

Proprietary stores – openings in 2005

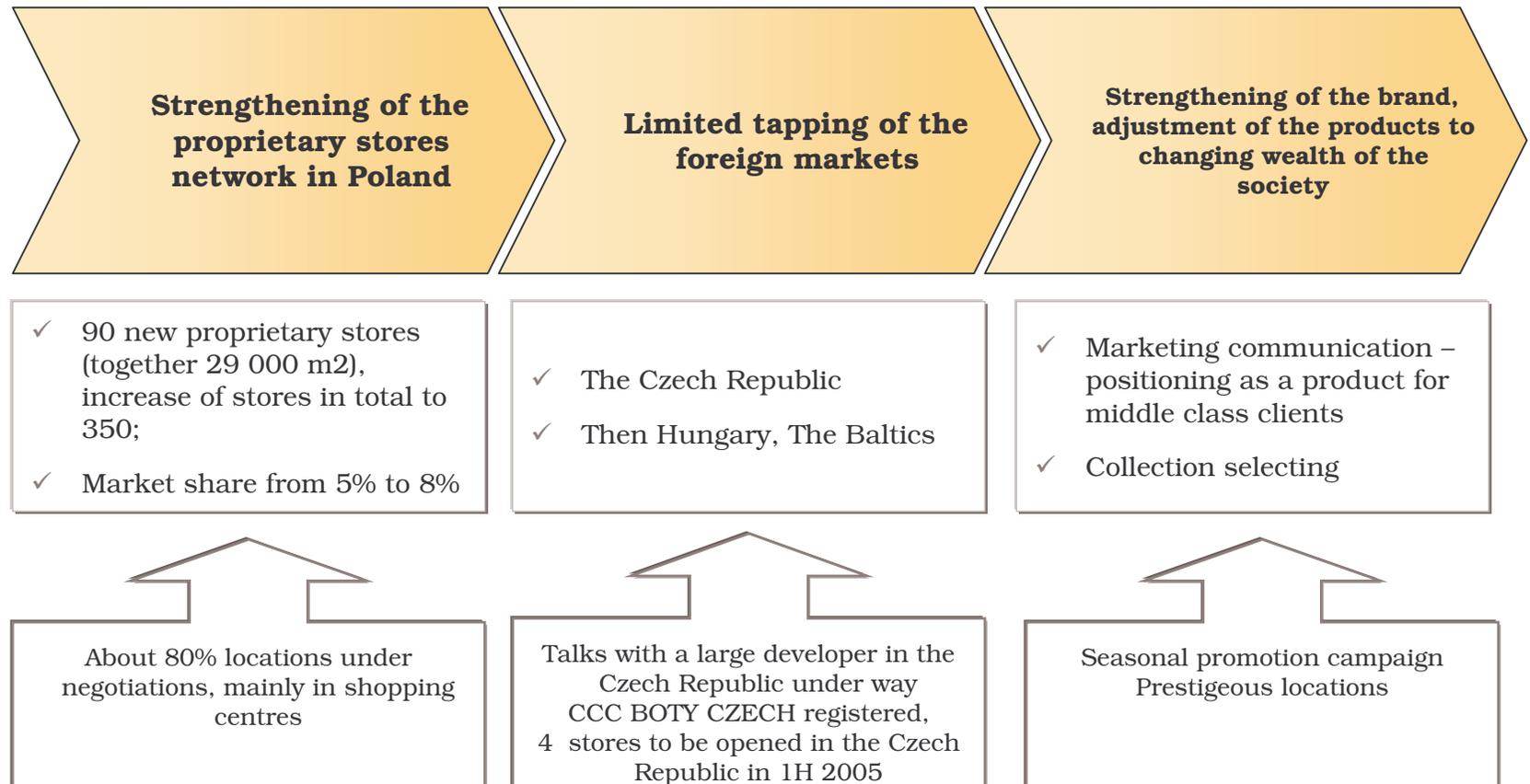
opened			
No	CITY	OPENED	m2
1	Jastrzębie Zdrój	VII	250
2	Elbląg Zielone Tarasy	VIII	286
to open			
No	CITY	Planned deadline	m2
3	Czeładź M 1	VIII	600
4	Czestochowa Tesco	VIII	400
5	Katowice Auchan (przejęcie)	VIII	261
6	Warszawa Janki	VIII	488
7	Warszawa Tesco	VIII	260
8	Katowice Trzy Stawy	IX	320
9	Tychy miasto	IX	330
10	Tychy Tesco	IX	300
11	Kalisz Carefour	X	600
12	Puławy	X	245
13	Toruń Copernikus	X	340
14	Białystok Auchan	XI	500
15	Katowice Silesia Park	XI	440
16	Lublin Olimpia	XI	290
17	Lublin Orkana	XI	563
18	Toruń deptak	XI	700
19	Ostrowiec Polimieni (fransyza)	XI	430
Czech Republic			
20	Olomoc	VIII	455
21	Praha Ikea	IX	438
22	Pilzno	IX	341

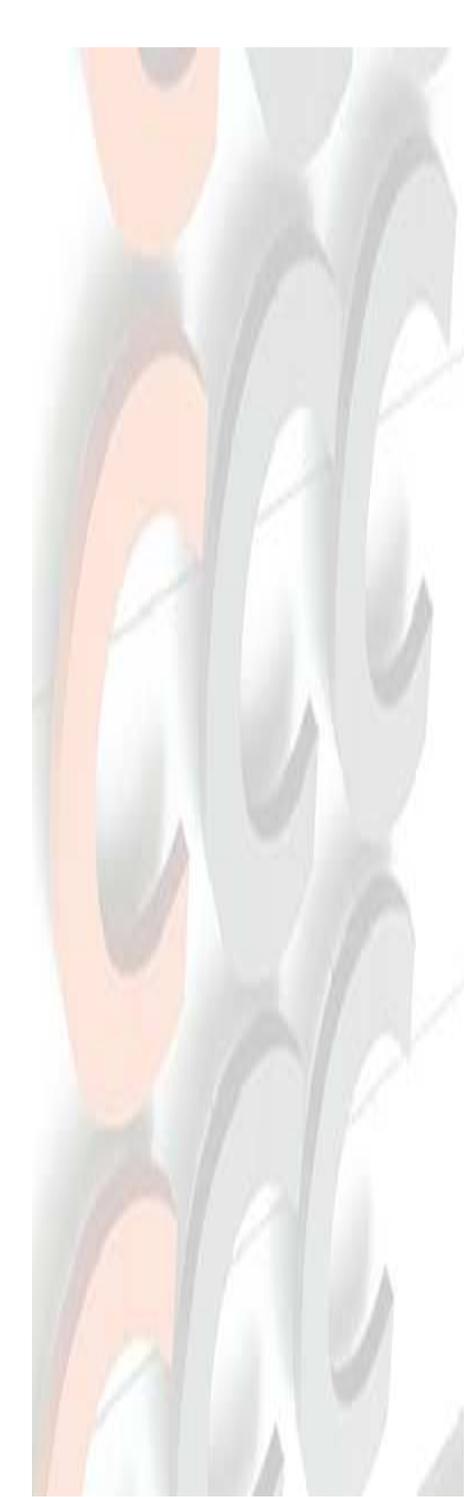
Proprietary stores – signed agreements

CCC S.A. - AGREEMENTS SIGNED			
No	City	Name	m2
1.	Białystok	<i>FOCUS PARC</i>	330
2.	Białystok	AUCHAN	480
3.	Bydgoszcz	<i>FOCUS PARC</i>	450
4.	Bydgoszcz	<i>DH ASTORIA</i>	350
5.	Czeladź	MRE	1260
6.	Częstochowa	TESCO,-	420
7.	Gdańsk	ECE Galeria Gdańska	530
8.	Janki	<i>Geant</i> CH JANKI	490
9.	Kalisz	CARREFOUR	660
10.	Katowice	<i>Geant</i> CH TRZYSTAWY	320
11.	Katowice	SILESIA CITY	440
12.	Kielce	ECHO Pasaż ŚAWIĘTOKRZYSKI	340
13.	Kraków	ECE	340
14.	Lublin	CH OLIMPIA	290
15.	Lublin	CENTRUMORKANA	560
16.	Łomża	ECHO Pasaż Podlaski	400
17.	Łódź	MANUFAKTURA	340
18.	Ostrowiec Św.	POLIMENI	430
19.	Poznań	ECE	340
20.	Puławy	Galeria Zielona	300
21.	Rybnik	<i>FOCUS PARC</i>	380
22.	Szczecin	ECE	360
23.	Toruń	deptak	510
24.	Toruń	EURO MALL CH COPERNICUS	340
25.	Tychy	TESCO,-	250
26.	Tychy	CITY POINT	380
27.	Warszawa	Złote Tarasy	440
28.	Warszawa	TESCO,-	250
29.	Wrocław	GALERIA LEGNICKA	300
30.	Wrocław	ECHO Pasaż Grunwaldzki	500
31.	Zielona Góra	<i>FOCUS PARC</i>	470
CZECH REPUBLIC			
1.	Ołomuniec	AT Managment	450
2.	Pilzno	Cushman	340
3.	Pilzno	Plaza	390
4.	Praga	IKEA	440
5.	Praga	TK	340
6.	Praga	Plaza	400

Strategy

- ✚ **Strategic goal:** dynamic strengthening of CCC Group's share in the diversified market of footwear distributors maintaining high profitability ratios.
- ✚ **Operational targets 2004-2007:**

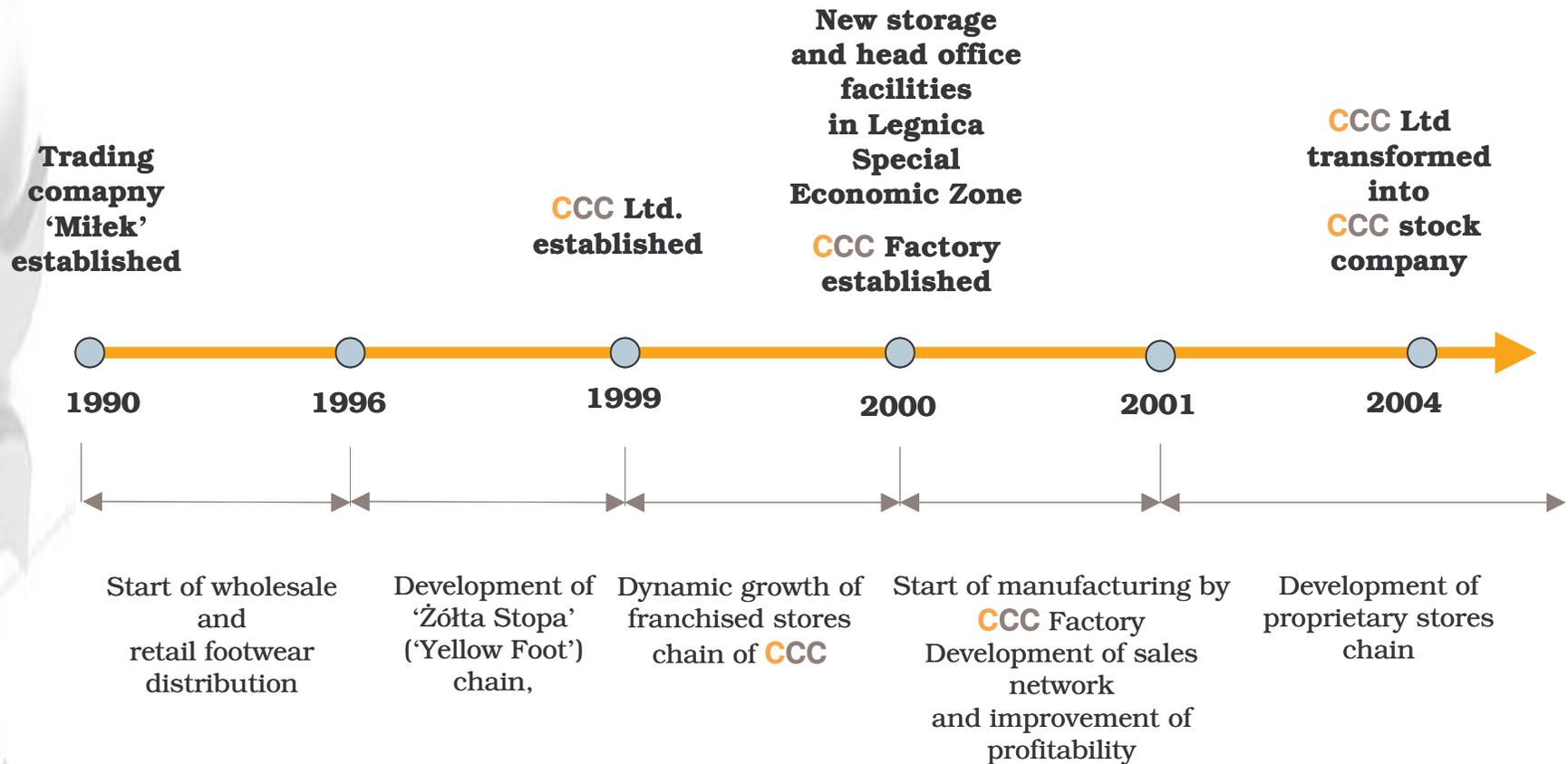




CCC Group - OVERVIEW

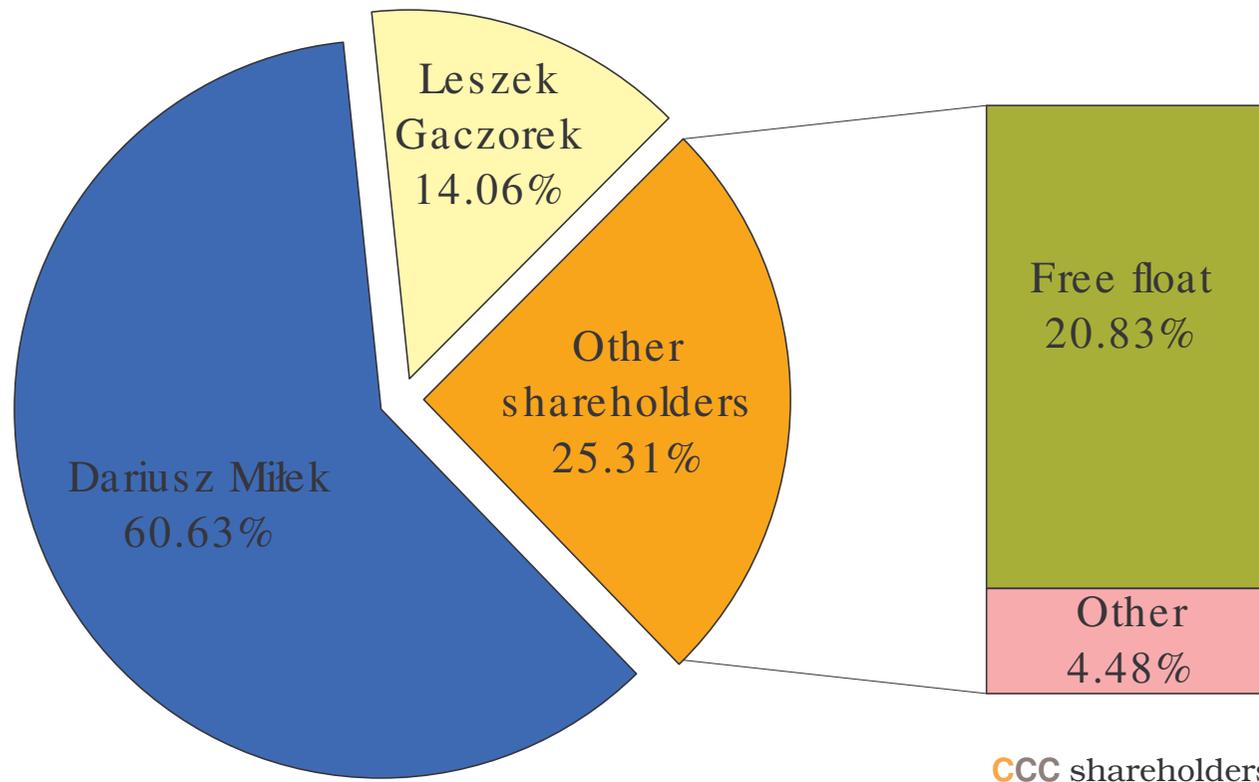
Historical Background

15 years of experience

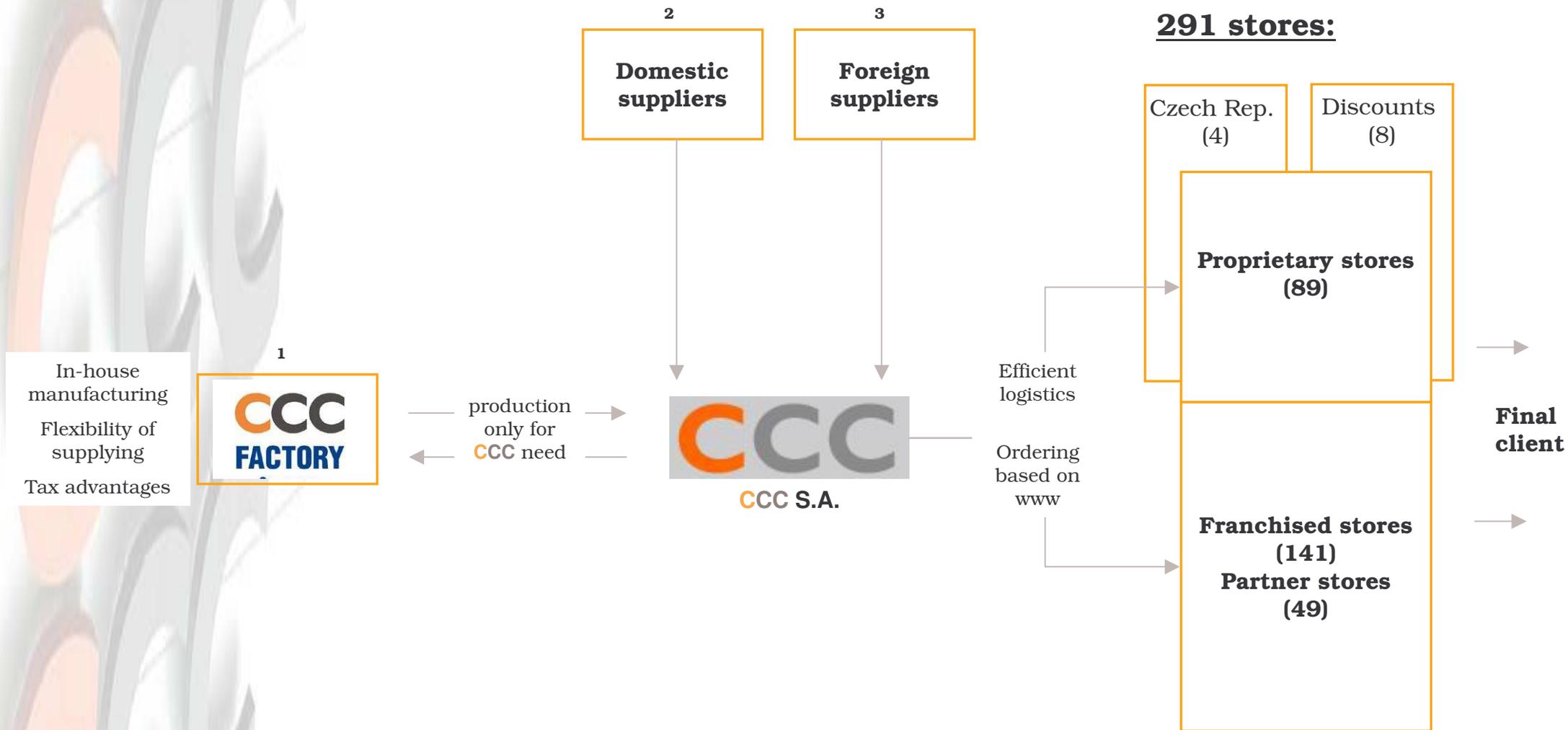


Structure of shareholders

- ✚ In November 2004, CCC joined the stock market and with the day of 2nd December 2004 is quoted at the Warsaw Stock Market
 - ✚ The principal shareholder and the founder of CCC Group is Mr Dariusz Miłek, the President of the Board of Directors
- Other members of the Management are shareholders, as well
- ✚ Total amount of 38 400 000 shares



Operating Structure of CCC Group as of 30.06.2005



*In 2004 95 % of production was sold to CCC S.A. (remaining 5% to domestic and foreign manufacturers).

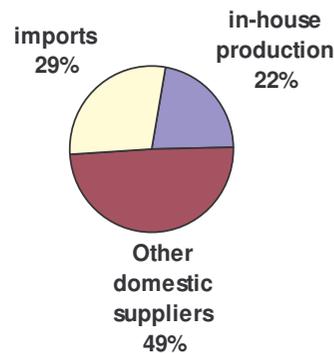
In the past CCC Factory a significant part of its output sells directly to franchise chain.

Suppliers

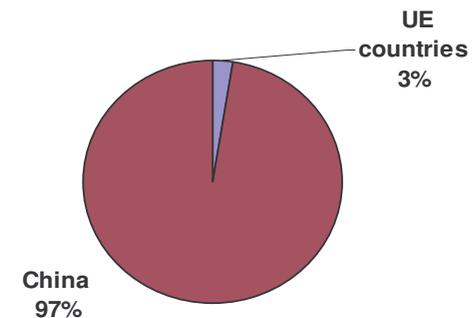
UNIQUE SUPPLY CHAIN

- ✚ Three equally important supply channels: import (29%), other domestic suppliers (49%) in-house manufacturing (22%) (2004)
- ✚ Import from China: 27 manufacturers, settlements and control through an own trade office on spot
 - ⊕ CCC intends to strengthen its purchasing staff in this market
 - ⊕ Import restrictions suspended after 1 January 2005
- ✚ **CCC Group is able to change quickly supply directions depending of economic conditions**
- ✚ **Other suppliers**
 - ✚ Footwear production components - mainly Polish suppliers, Italy;
 - ✚ Shoe and apparel accessories - domestic companies, Spain;

Supply areas in 2004 (%)



Imports areas in 2004 (%)



Role of CCC Factory

ADEQUATE REACTION TO MARKET DEMANDS + EXTRA MARGIN

- ✚ **CCC Factory adds significantly to competitive advantage of CCC Group**
 - ✦ Great flexibility in production volumes, in response to market demands – 4 000 pairs as starting series of a single shoe model; app. 20 000 – best selling models
 - ✦ Quick reaction to real market needs – designing and manufacturing shortly before new season
 - ✦ Immediate adaptation of successful models
 - ✦ Possibility to assemble footwear from components
 - ✦ Tax advantages
- ✚ Manufacturing: mainly shoes for women, high quality
- ✚ Good machinery
- ✚ Full utilization of production capacities (two-shift work). Third shift easy to apply

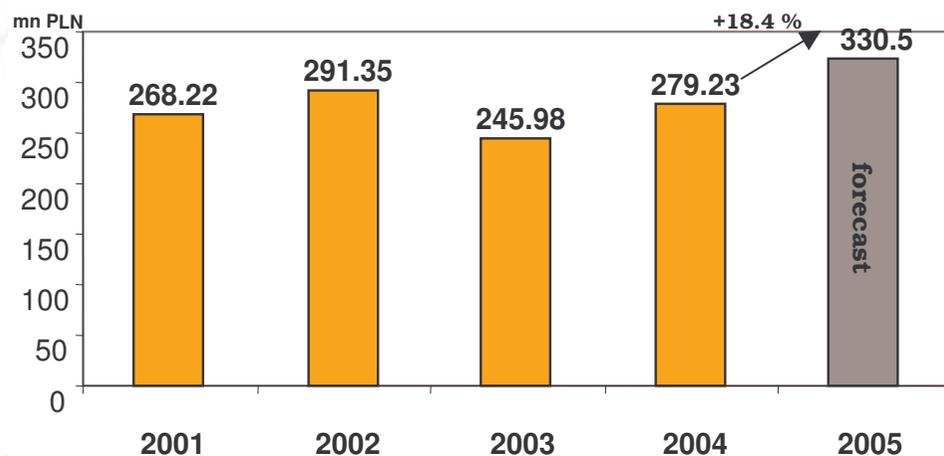


Sales Structure and Strategy

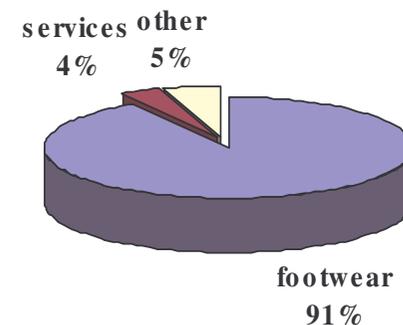
POSITIONING IN THE MIDDLE CLASS SEGMENT

- ✚ Products meant mainly for **middle class clients**
- ✚ Target group: women and men of all ages taking decision based on price to quality ratio
- ✚ Tag price of PLN **70-200 (app. 20-50 €)** for leather shoes or PLN **10-130 (2.5-30 €)** for non-leather shoes
- ✚ **Good price to quality ratio** when compared to competitors
- ✚ Sales model: „*house of brands*” – **CCC** as the main brand (shop brand) and „the umbrella” for other brands
- ✚ Shoe and apparel accessories (e.g. socks) also in offer

CCC Group Sales Revenues



CCC S.A. 2004 Sales Structure (%)

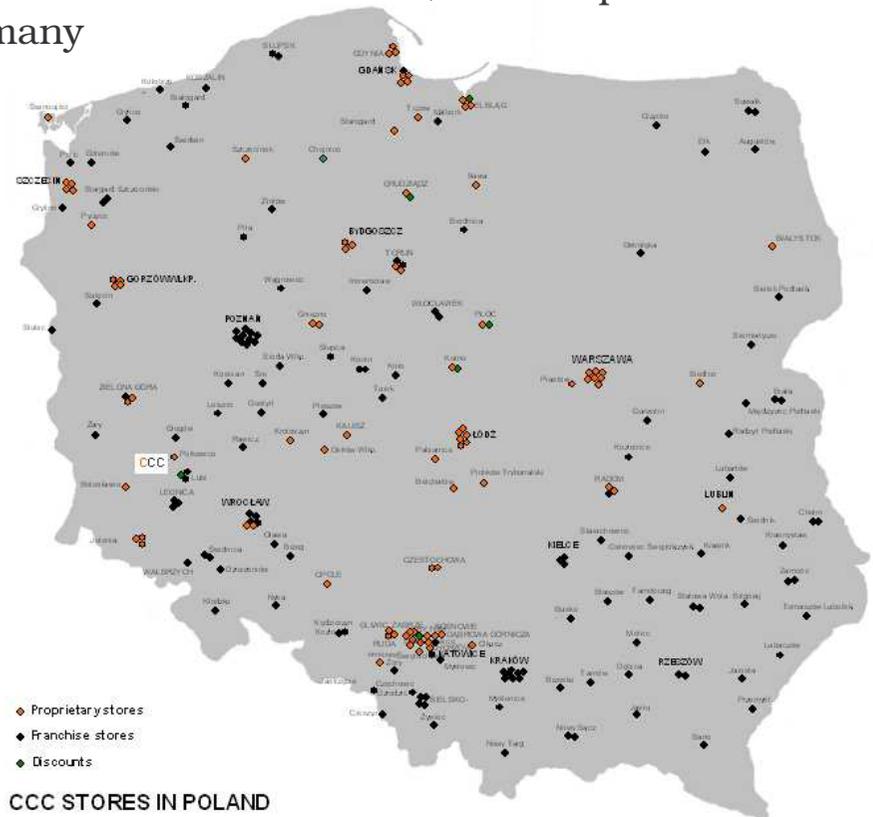
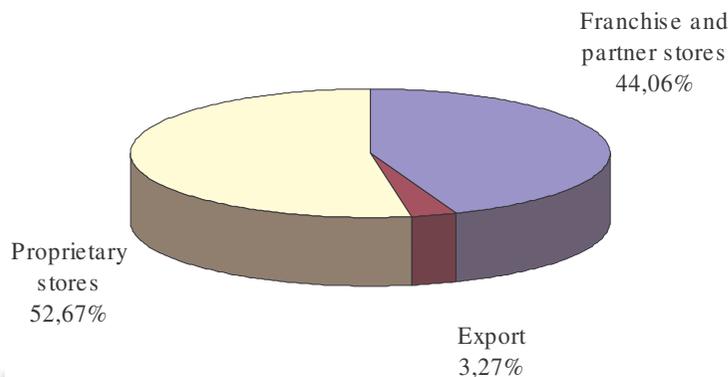


Distribution Chain

MAIN COMPETITIVE ADVANTAGE FACTOR

- ✚ **291 stores:** 89 proprietary shops inc. 8 discounts, 4 stores in the Czech Republic, 141 franchised shops, 49 partner shops - mainly in middle size and big cities
 - ⊕ Uniform outfit, the same initial price of goods (liberty to cut prices)
 - ⊕ Excellent system of ordering and controlling stocks (using the Internet)
 - ⊕ Efficient logistics - delivery the day straight after order (Raben Stinnes, DHL)
- ✚ Storage facilities in the vicinity of convenient road infrastructure, close important Polish districts, Czech Republic and Germany
 - ⊕ Storage area of 17,000 m²
 - ⊕ Own customs warehouse

Sales structure per distribution chain
1H2005 [%]



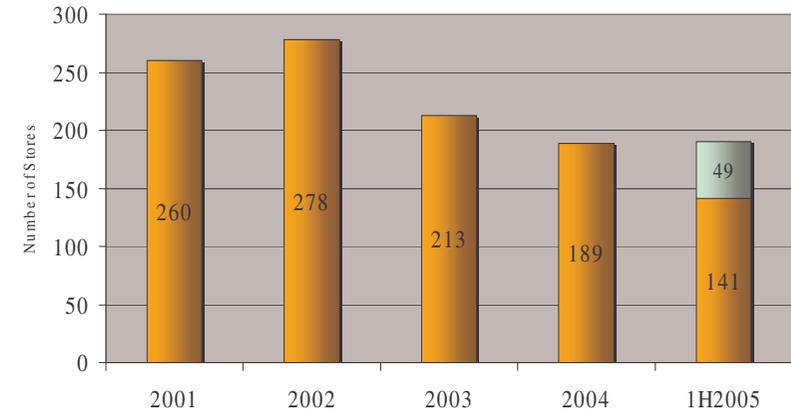
CCC STORES IN POLAND

as of 30.06.05

Distribution chain – franchised & partner shops as of 30.06.2005

- ✚ **190 shops: 141 franchised shops, 49 partner shops**, slightly smaller average shop area (appr.170 m²)
 - ✚ Wide group of 40 franchisers (5 largest ones – app. 25% of total sales in 2004)
- ✚ Retail margin covers franchiser's all costs (incl. lease, most of quality claims)
- ✚ Favourable for CCC franchise agreements:
 - ✚ Sale of CCC products exclusively,
 - ✚ Franchisers control instruments
- ✚ Franchisers loyalty level very high:
 - ✚ Long-standing business relations
 - ✚ CCC leases directly 59 of 190 locations (mainly in shopping centres), which generated about 53 % sales of franchised network (lease costs reimbursed with 2% margin)

Number of franchised & partner locations 2001- 2005



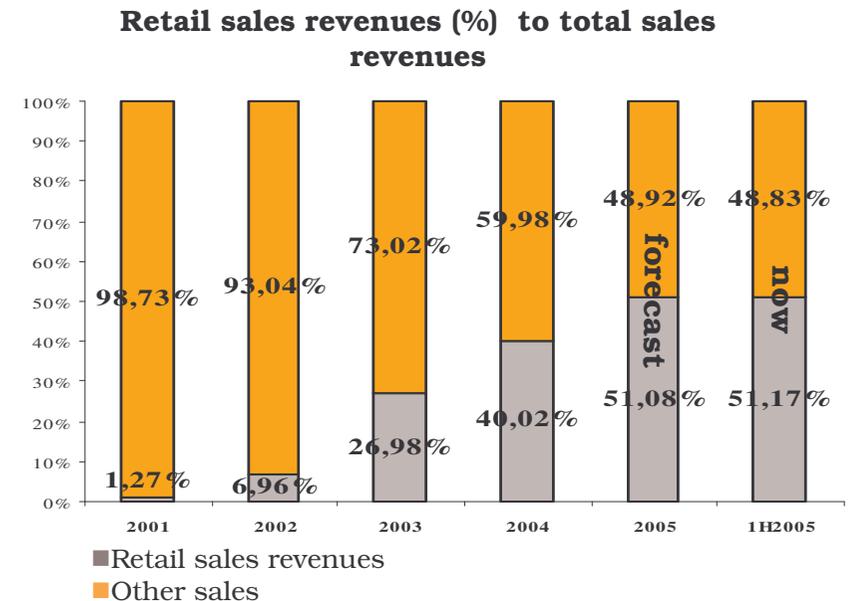
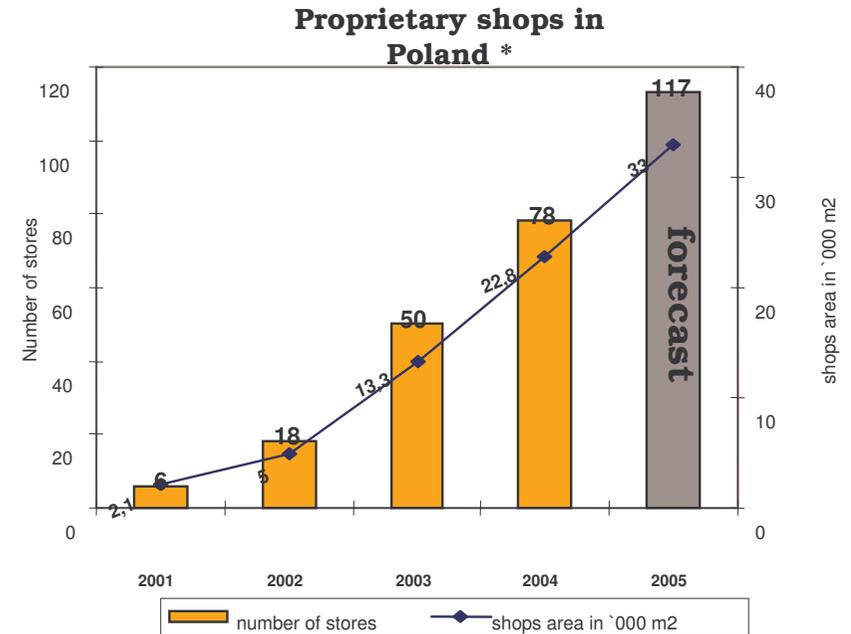
Optimising of franchised network



Distribution chain – proprietary stores as of 30.06.2005

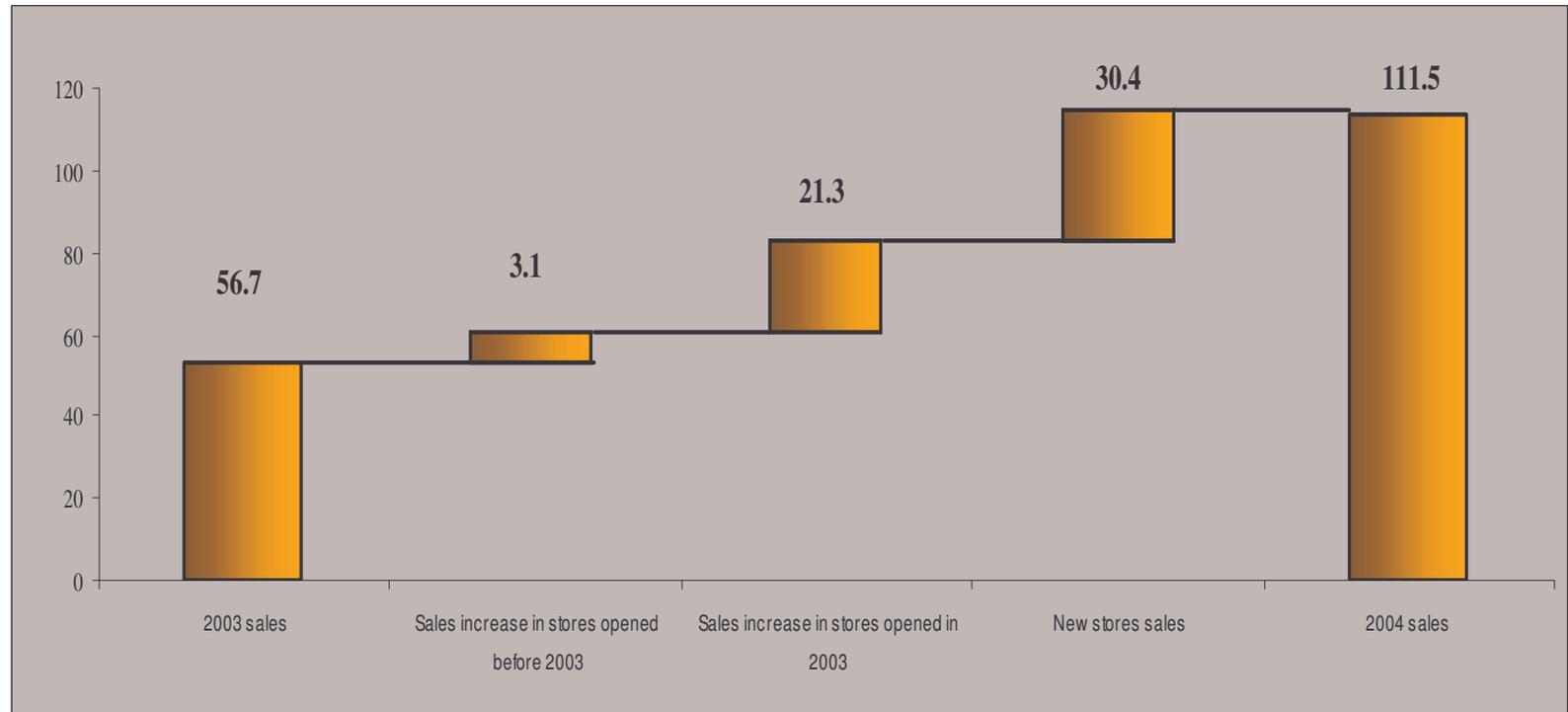
- ✚ **89 proprietary stores** of average area about 324 m²
- ✚ Additionally **8 discounts** (without CCC brand) to sell end of stock supplies
- ✚ Established on leased locations
- ✚ Generating average retail margin of **49.1%**

- ✚ Arrangement in relation to brands
- ✚ Brands divided acc. to price and quality



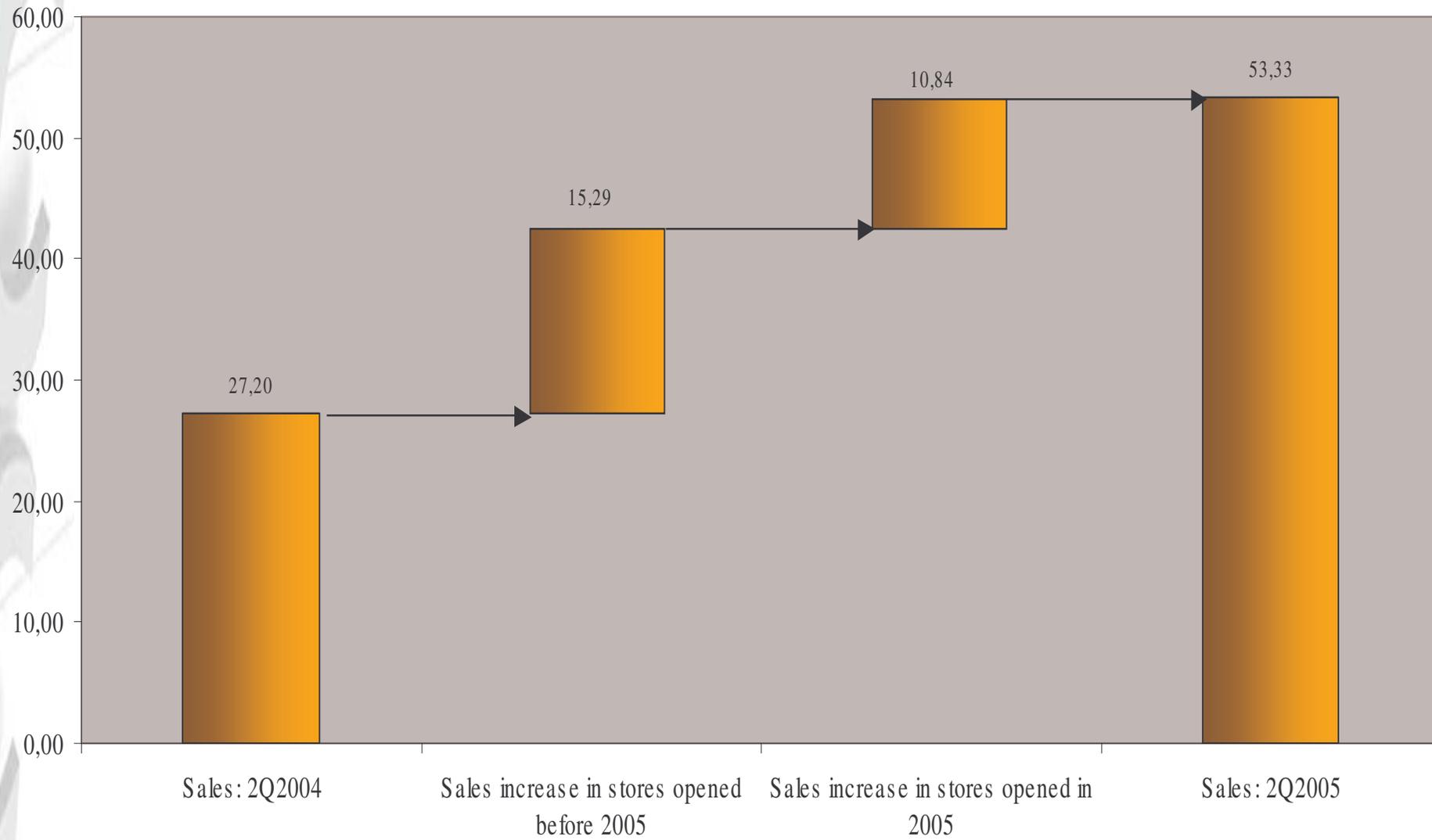
* Total number of stores (proprietary and discount shops) as of 31.12.04

Factors contributing to change of sales

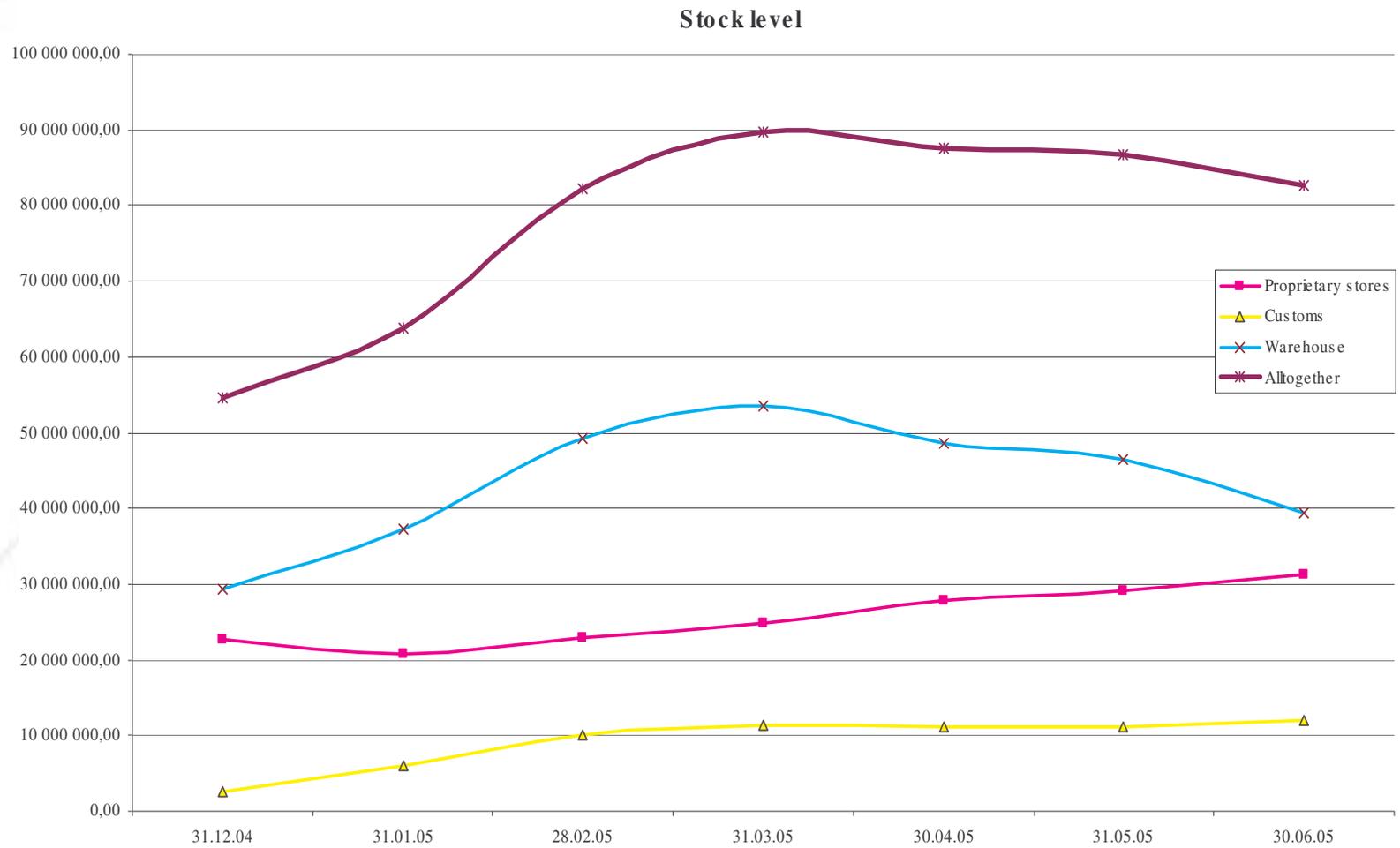


16.5% - same-store month-on-month comparison

Factors contributing to change of sales in the 2nd quarters of 2004 and 2005

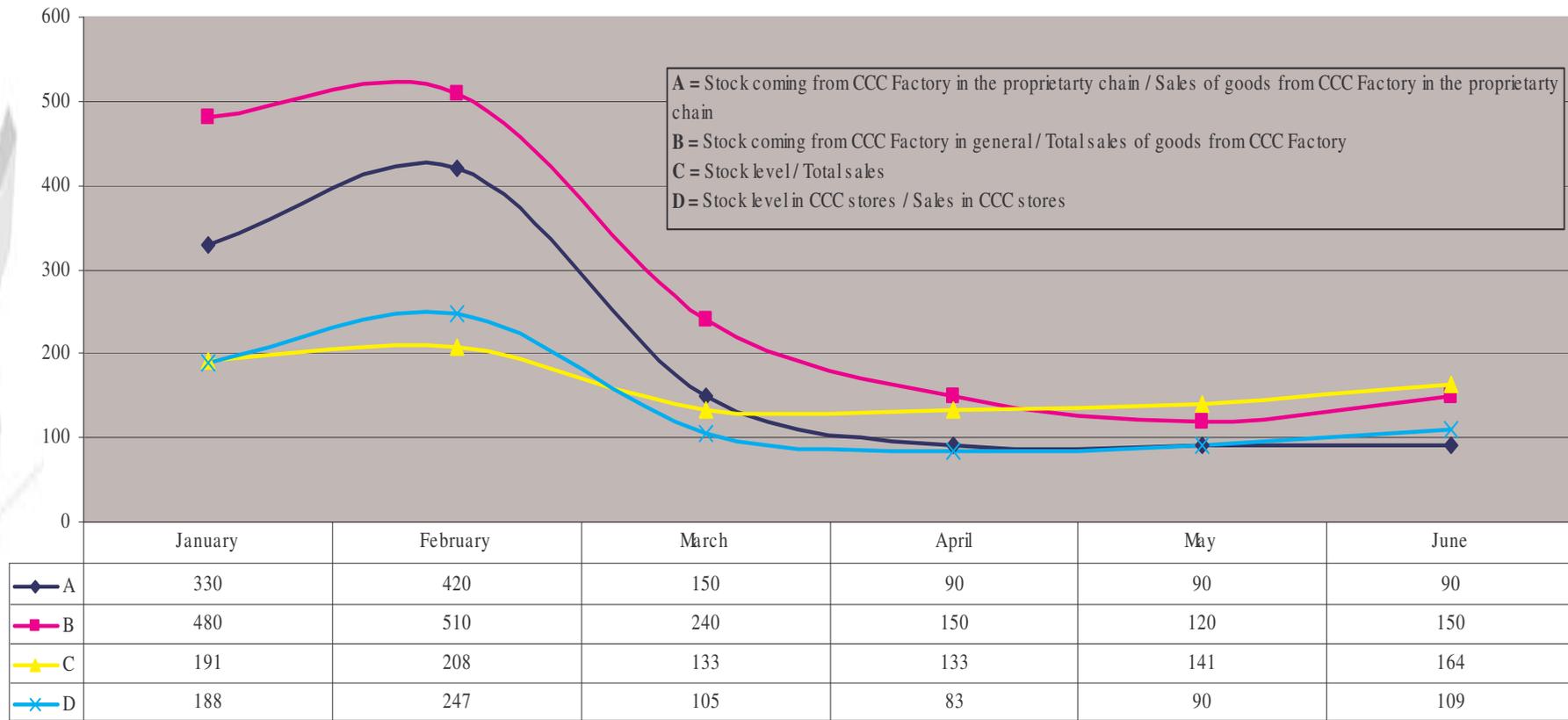


Stock balance in 2005



Stock rotation in 2005

Stock rotation



Selected financials

CCC Group consolidated (pro forma)

	2001	2002	2003	2004
	'000 PLN	'000 PLN	'000 PLN	'000 PLN
Revenues	268 217	291 347	245 982	279 233
Profit (loss) on sales	30 356	41 542	57 899	90 925
Gross margin on sales	11.32%	14.26%	23.54%	32.56%
Selling costs	6 050	8 941	17 029	36 125
General administrative costs	11 030	19 223	22 678	17 641
EBIT	12 600	10 708	18 245	35 634
Pre-tax profit (loss)	8 410	3 384	11 998	28 523
Net profit (loss)	5 855	1 756	10 764	23 958
Net profit margin	2.2%	0.6%	4.4%	8.6%

Selected financials – continued

CCC Group consolidated (pro forma)

	2001	2002	2003	2004
	'000 PLN	'000 PLN	'000 PLN	'000 PLN
Assets	101 991	135 793	142 355	178 237
Liabilities and provisions	80 990	113 036	108 849	55 592
Long-term liabilities	13 321	4 592	2 493	10 575
Short-term liabilities	67 330	108 143	105 960	43 451
Equity	21 001	22 757	33 506	122 645
ROE	32.4%	8.0%	38.3%	26.9%
ROA	7.8%	1.5%	7.7%	14.9%

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Thank you for your attention

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