

Presentation to investors

NG2



NG2 Group

1Q2007

Presentation plan



- Introduction
- Finances
- Realization of goals
- Plans & forecast 2007
- General review of NG2 Group
 - NG2 operating structure
 - Sales structure – distribution chain
 - Structure of shareholders

NG2 Group



Finances – Q1 2007



	Q1 2006 `000 PLN	Q1 2007 `000 PLN	Change
Revenues	68 093	104 307	53,2 %
Profit (loss) on sales	28 198	50 866	80,4 %
Gross margin on sales	41,4%	48,8%	17,9 %
Selling costs	20 604	33 641	63,3 %
General administrative costs	2 703	1 233	-54,4 %
EBIT	4 967	15 841	218,9 %
Pre-tax profit (loss)	4 799	14 025	192,2 %
Net profit (loss)	4 164	11 010	164,4 %
Net profit margin	6,1%	10,6%	73,8 %
Assets	217 596	301 978	38,8 %
Liabilities and provisions	45 193	107 320	137,5 %
Long-term liabilities	735	4 352	492,1 %
Short-term liabilities	44 458	102 968	131,6 %
Equity	172 403	194 658	12,9 %
ROE	2,4%	5,7%	134,2 %
ROA	1,9%	3,6%	90,5 %

We are effective –Q1 2007



- Revenues increased by 53 %
- EBIT grew by 219 %
- Net profit 164 % higher
- Sales growth on the same stores 43,7 % up
- High level of net profit margin

Plans for 2007 – accomplishment H1 2007



- Opening further **40** proprietary stores in Poland by the EoY2007 / **12** opened
- Opening **10** stores of the new line QUAZI by the EoY2007 / **5** opened
- **50** proprietary & **80** franchised BOTI shops / opened **26** & **47**, respectively
- Opening **2** stores in the Czech Republic by EoY2007 / **1** opened
- Sales increase in the comparable stores by **5%** / 15,87

NG2 stores – openings in 2006



Quazi Boutiques

1	Inowrocław	Królowej Jadwigi 20		245	2007-03-03
2	Sosnowiec	Sienkiewicza 2	Plaza	121	2007-03-30
3	Zabrze	Plac Teatralny 12	CH. PLATAN	164	2007-04-20
4	Wrocław	Pl. Grunwaldzki 22	Pasaż Grunwaldzki	211	2007-04-21
5	Wrocław	Powstańców Śląskich 2-4	Arkady Wrocławskie	256	2007-04-28

CCC stores

1	Warszawa	Złota 59	Złote Tarasy	445	2007-02-07
2	Sosnowiec	Modrzejowska 16		148	2007-02-10
3	Świebodzin	Sulechowska 8	TESCO	220	2007-03-02
4	Opole	Ozimska 2		180	2007-03-10
5	Rybnik	Raciborska 16	Plaza	189	2007-03-16
6	ława	Jana III Sobieskiego 43	Galeria Centrum	247	2007-03-21
7	Sosnowiec	Sienkiewicza 2	CH. PLAZA	254	2007-03-30
8	Wrocław	Pl. Grunwaldzki 22	Pasaż Grunwaldzki	505	2007-04-04
9	Żory	Okrężna 2	CH. KAUFAND	254	2007-04-25
10	Wrocław	Powstańców Śląskich 2-4	Arkady Wrocławskie	414	2007-04-28
11	Racibórz	Rybnicka 97	CH. AUCHAN	220	2007-05-30
12	Głogów	Poniatowskiego 12	Galeria Głogów	215	2007-06-02
13	Nowa Sól	Pl. Wyzwolenia 3		134	2007-06-09
14	Lublin	Obrońców Pokoju 1a	CH. PLAZA	251	2007-06-12
15	Głiwice	Lipowa 1	FORUM	317	2007-06-28

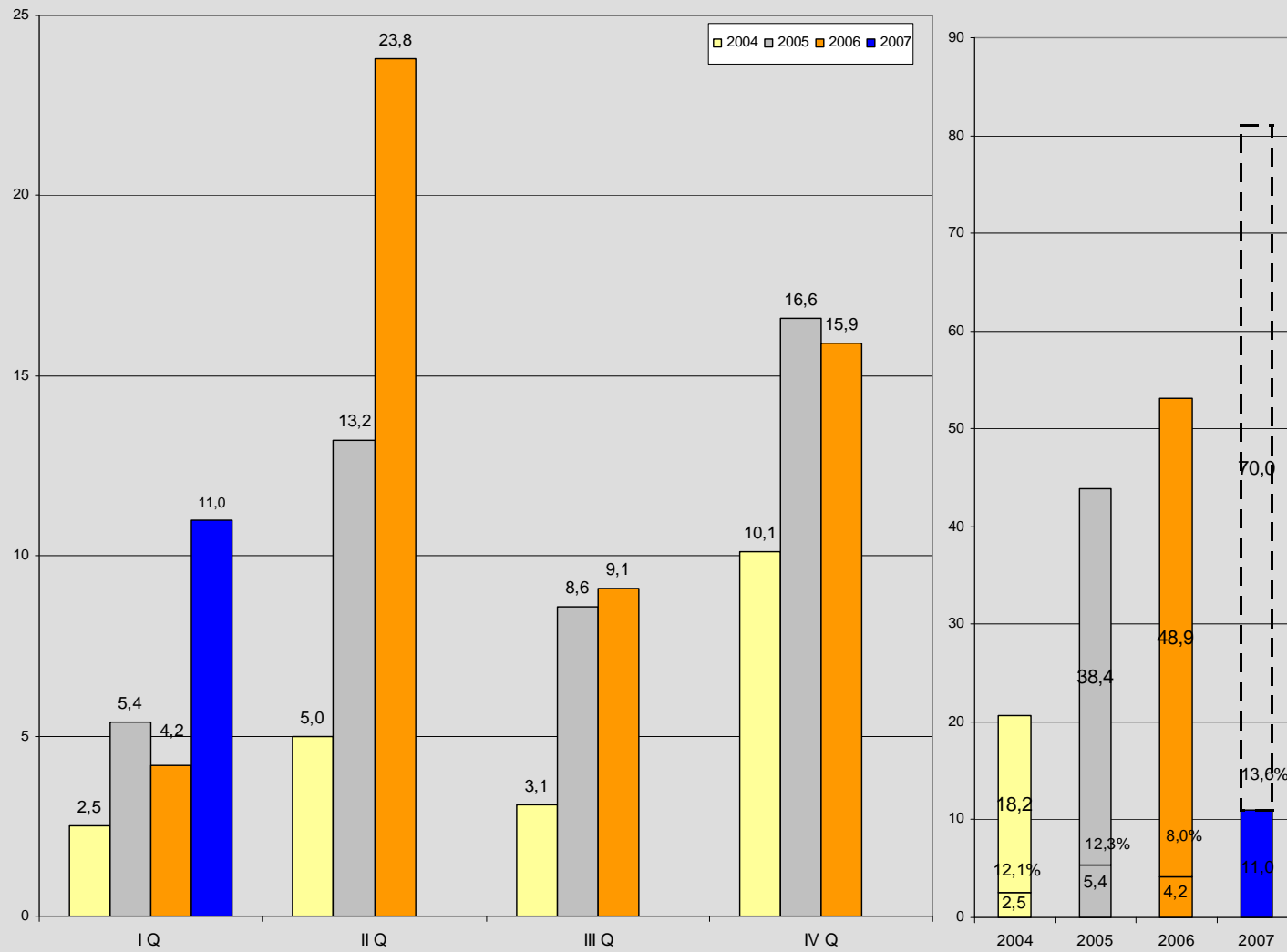
Boti shops

Lp	MIASTO	ADRES	CH	METRAŻ	DATA OTWARCIA
1	Pruszków	Zmińskie-Sygietyńskiej 1	Albert	125	2007-01-26
2	Katowice	Al. Rodzińskiego 200	CH. Carrefour-Dąbrówka	139	2007-01-31
3	Grudziądz	Piłsudskiego 10	CH. KAUFAND	126	2007-02-02
4	Kutno	Oporowska 6 a	HYPERNOVA	164	2007-02-06
5	Szczecin	Ku Słońcu 67	CH. STER Geant	62	2007-02-17
6	Wrocław	Al. gen. Hallera 52	CH. BOREK-CARREFOUR	95	2007-02-21
7	Lublin	Witolda Chodźki 14	CH. REAL	70	2007-02-23
8	Łódź	Brzezińska 27/29	CH. MI	140	2007-02-23
9	Mragowo	Warszawska 37	Capital Park	93	2007-02-24
10	Jaworzno	Wojska Polskiego 2D	CH. Carrefour	143	2007-02-28
11	Piotrków Trybunalski	Al. Generała Sikorskiego 7	Intermarche	106	2007-03-01
12	Świnoujście	Plac Słowiański 3a		104	2007-03-01
13	Sosnowiec	Baczyńskiego 2	Centrum Sosnowiec Real	94	2007-03-07
14	Mysłowice	Katowicka 75	CH. REAL	137	2007-03-10
15	Szczecin	Krzywoustego 9-10	CH. KUPIEC	125	2007-03-16
16	ława	Kościuszki 3		111	2007-03-28
17	Szczecin	Struga 29	CH. KAUFAND	65	2007-03-29
18	Warszawa	Stalowa 60/64	CH. TESCO	209	2007-03-31
19	Szczecinek	Pl. Wolności 10		95	2007-04-17
20	Pisz	Warszawska 48		115	2007-04-18
21	Łódź	Zachodnia 21		78	2007-04-27
22	Chrzanów	Trzebińska 40	CH. MAX	130	2007-04-28
23	Ostrów Wielkopolski	Plac 23 Stycznia 36		97	2007-05-02
24	Łowicz	Ułańska 12	CH. TESCO	70	2007-05-05
25	Mińsk Mazowiecki	Warszawska 61	CH. Carrefour	99	2007-06-01
26	Czaplinek	Rynek 7		80	2007-06-02

Consolidated net profit Q1 2007



Consolidated net profit between 2004 - Q1 2007 (mln PLN)



Average daily sales per outlet

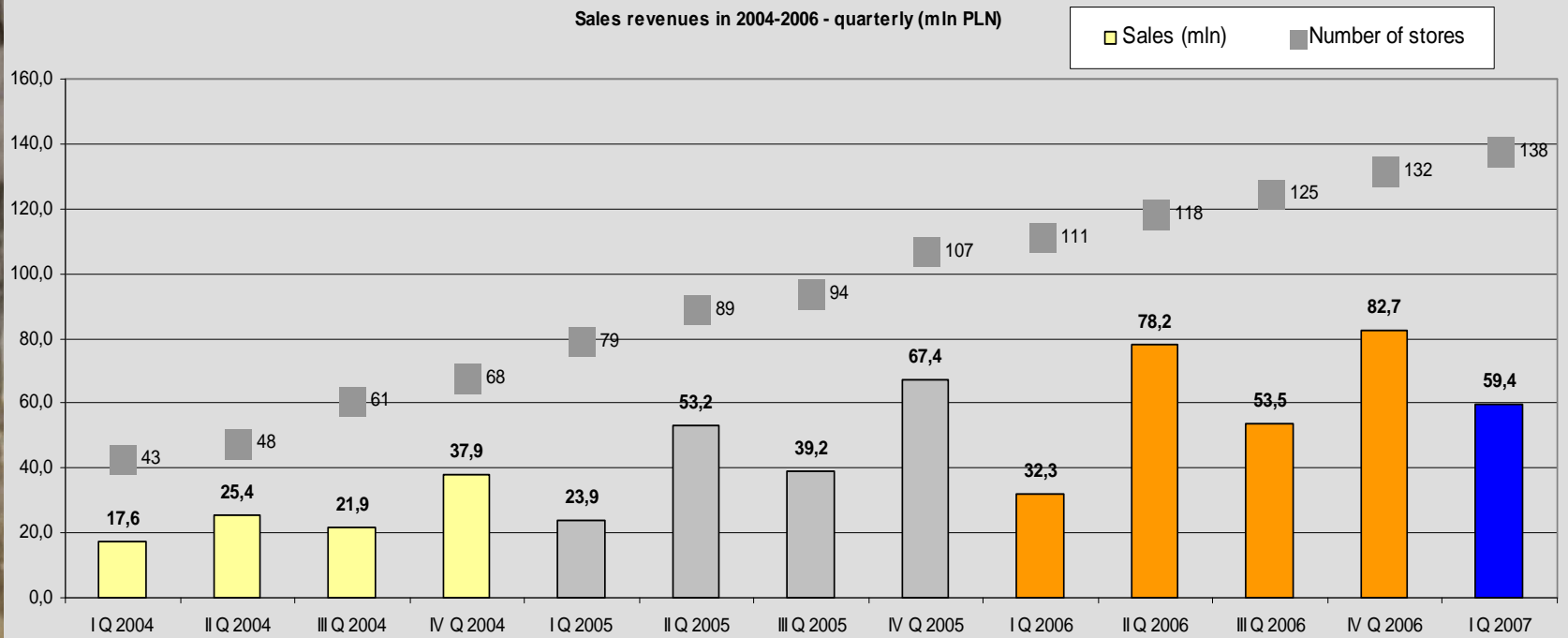


Average daily sales per store in retail gross prices 2004 - 2007

Rok	2004	2005	2006	2007
Miesiąc	Average gross sales / store	Average gross sales / store	Average gross sales / store	Average gross sales / store
January	3 096,11	3 447,28	4 119,44	3 930,69
February	3 871,37	3 098,55	3 233,56	3 457,21
March	8 970,99	7 862,81	5 941,53	10 505,07
Average	5 312,82	4 802,88	4 431,51	5 964,32

* Average daily sales per store = monthly gross sales / working days amount

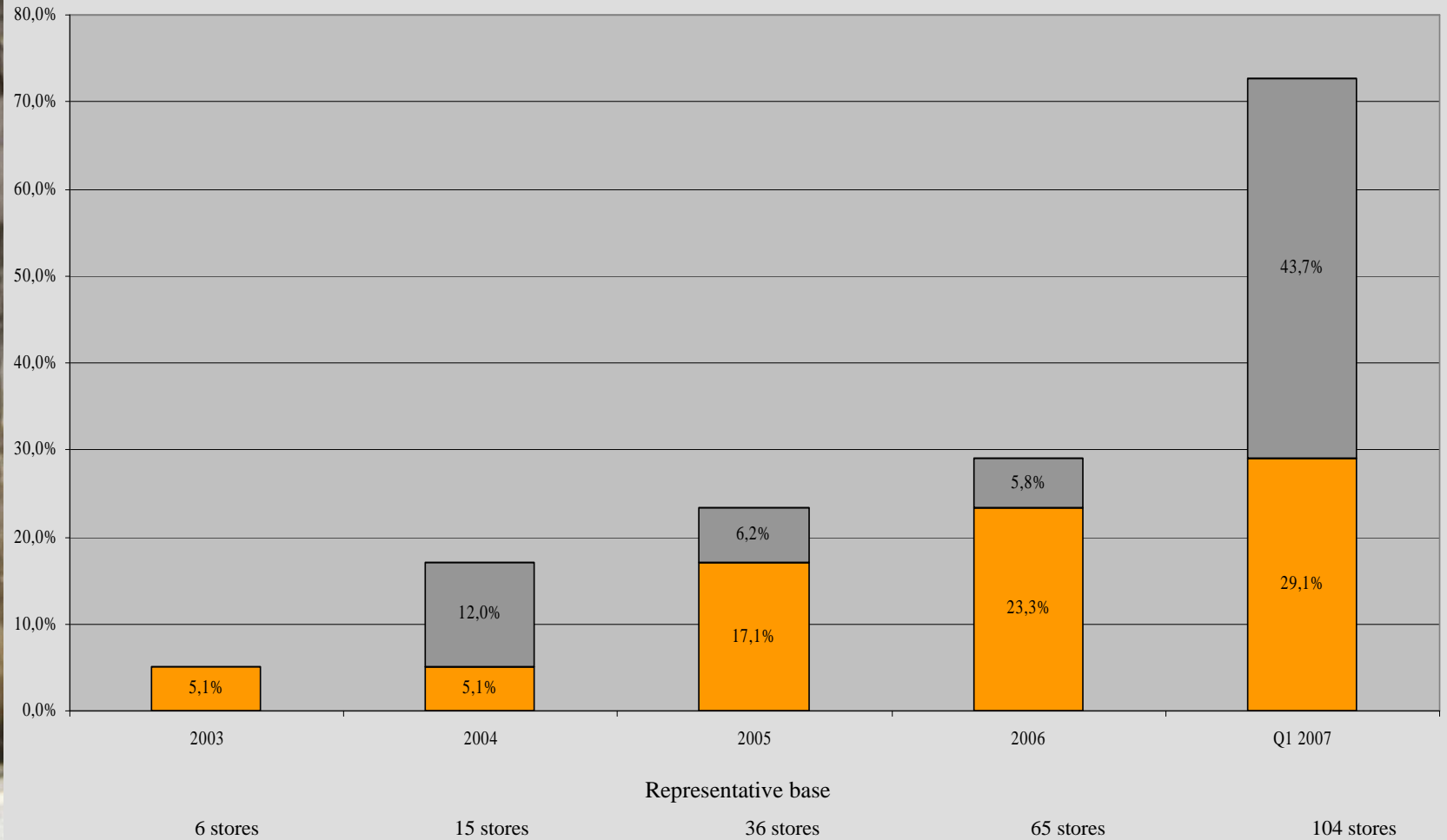
Sales revenues in the proprietary chain 2004-Q1 2007



Sales on the same outlets – month-on-month comparison



Sales on the same stores 2003 - Q1 2007



Sales dynamics at the retail chain in comparable outlets



Months	2006	Accrued
January	19,38%	19,38%
February	6,34%	12,10%
March	-19,45%	-4,91%
April	14,93%	4,24%
May	10,85%	6,31%
June	15,51%	8,04%
July	-1,11%	6,77%
August	9,28%	6,93%
September	14,50%	7,57%
October	12,72%	8,29%
November	5,72%	7,91%
December	-15,00%	5,78%

Q1 2007

January	2,84%	2,84%
February	13,54%	7,00%
March	85,82%	43,67%

Fixed costs



	2004	2005	2006	Q1 2007
Average cost	34 951,31	41 358,48	43 177,03	43 079,00
Average sales margin				
Required sales	42,75	49,90	51,85	53,57
	81 756,96	82 886,80	83 265,56	80 412,84
Average sales (execution)	158 037,36	167 429,36	170 904,56	136 220,97

Average area of stores opened before 1.01.2005	266,08
Average area of stores opened in 2005	312,22
Average area of stores opened in 2006	323,52
Average area of stores working in the 4Q2005	287,96
Average area of stores working in the 4Q2006	299,68
change % 4Q 2005/2006	4,07

Forecast 2007



Consolidated (PLN mln)	2007	Forecast 2007	Change
Revenues	400,86	540,0	+34,7 %
EBIT	61,99	95,0	+53,2 %
Net profit	53,14	81,0	+52,4 %

Assumptions:

- opening of 40 branded CCC stores
- opening of 10 boutiques Quazi
- opening of 50 proprietary shops and 80 franchised Boti shops
- growth of sales on the existing stores by 5%

Retail chain development



CCC stores	
2006	135
2007	+40
2008	+20
Target: ok. 200 + 150F	

Branded shops BOTI		
	own	franchise d
2006	0	2
2007	+50	80
Target 2009:		350
		350



QUAZI botiques	
2006	14
2007	+10
2008	+10
2009	+10
Target: 60	

Czech Rep.	
2006	11
2007	2
2008	2
Target: ok. 40	

BOTI



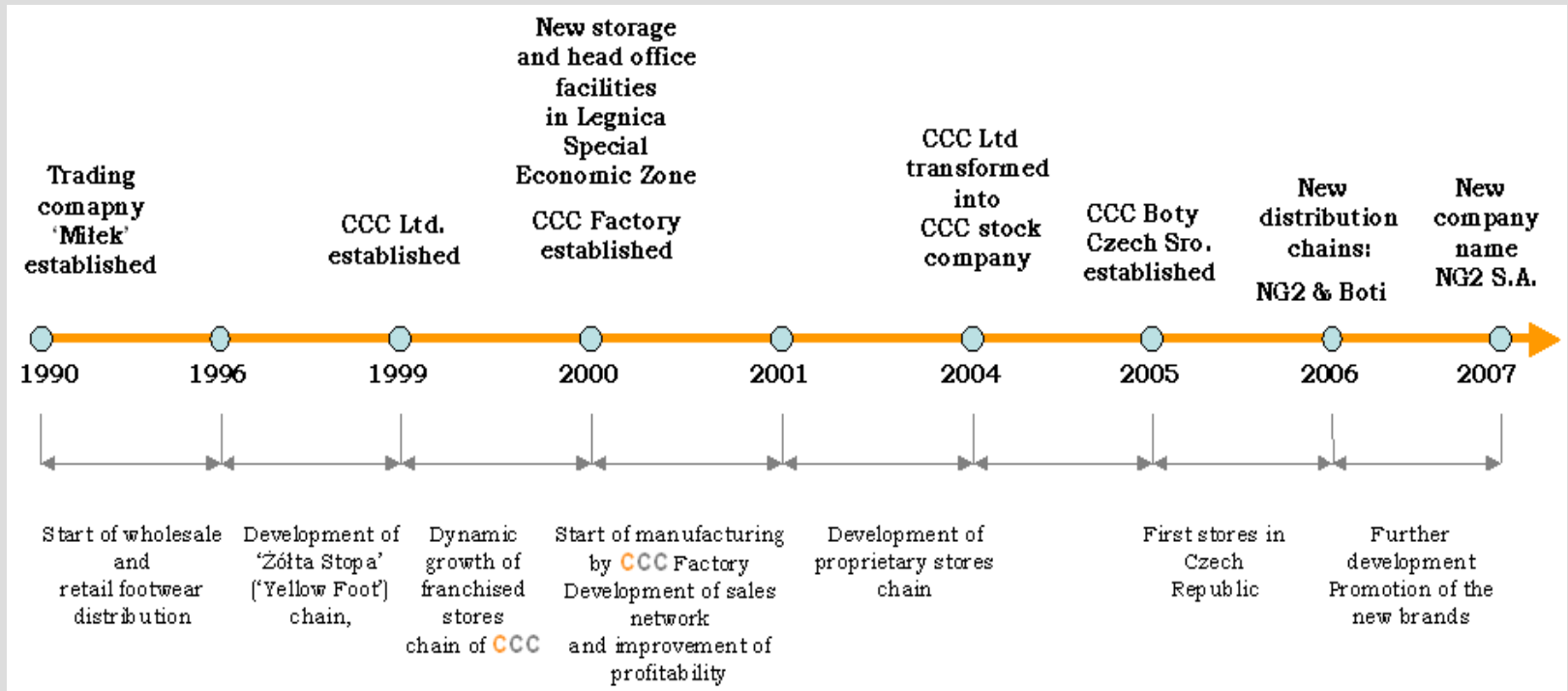
- effective
- moderate price
- widely available



NG2 Group

General Review

History



Operating structure of NG2 Group

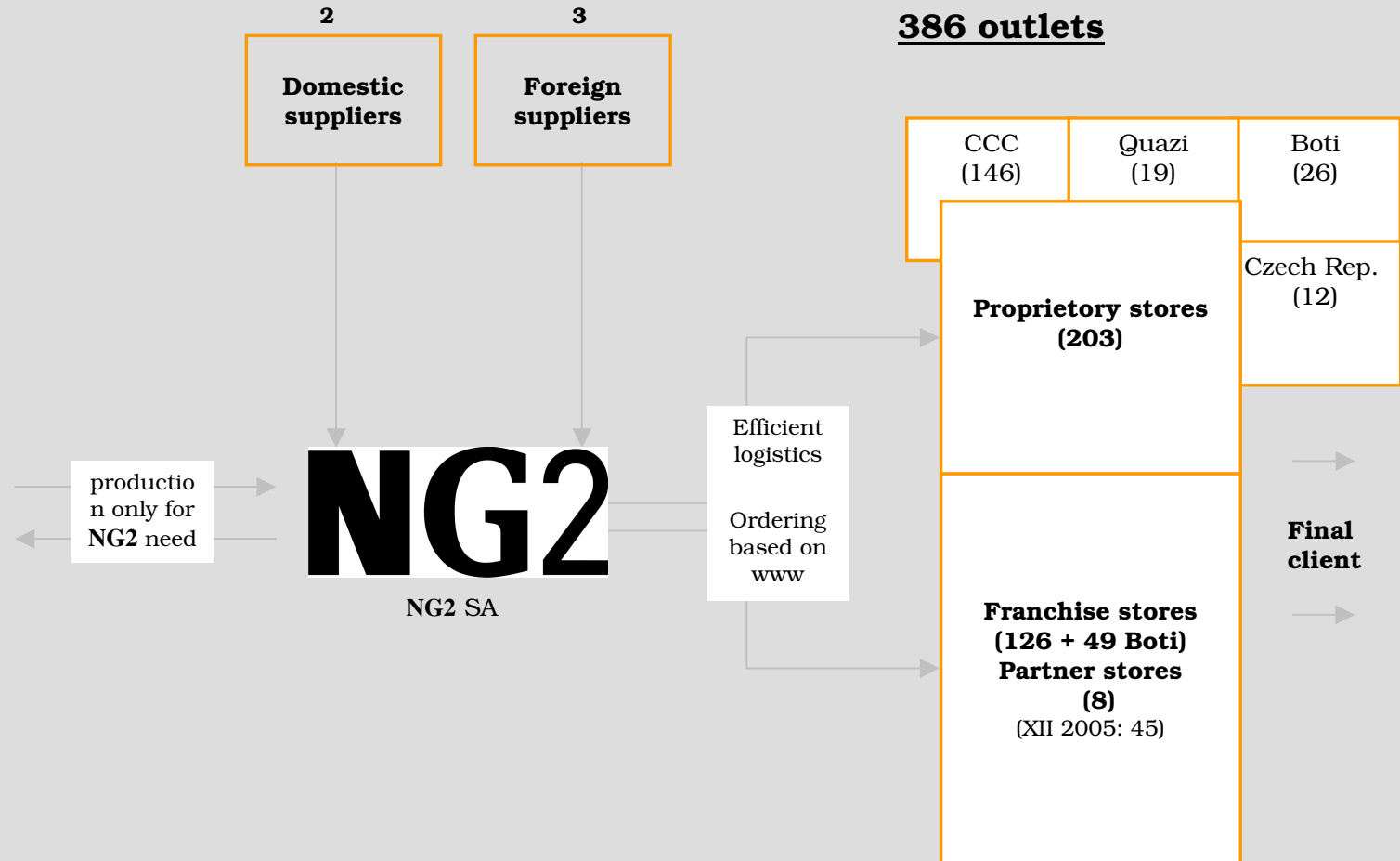
As of 30.06.2007



1
In-house manufacturing
Flexibility of supplying
Tax advantages



QUAZI
quazi-italy.com

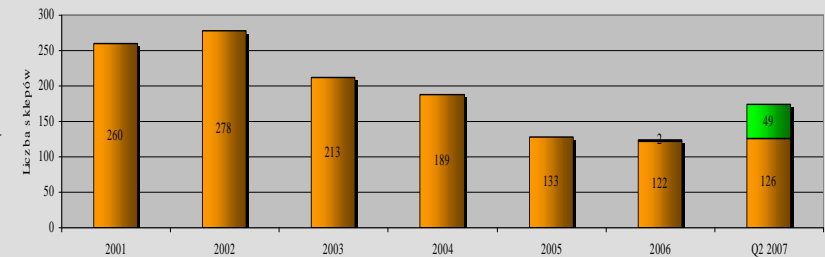


Distribution chain – franchise & partner stores



- **183 shops: 126** franchised shops, **8** partner shops, slightly smaller average shop area (appr.190 m²) + **49** franchised Boti
- Retail margin covers franchiser's all costs (incl. lease, most of quality claims)
- Favourable for NG2 franchise agreements:
 - Sales of NG2 products exclusively,
- Franchisers loyalty level very high:
 - Long-standing business relations
 - NG2 leases directly most of franchised locations (mainly in shopping centres), that generated over 50 % sales of franchised network (lease costs reimbursed with 2% margin)

Number of franchised & partner locations
2001- Q2 2007



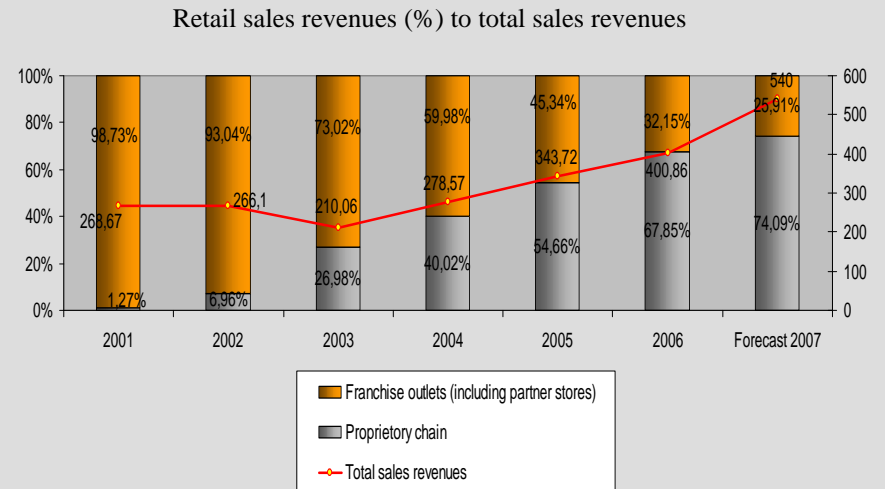
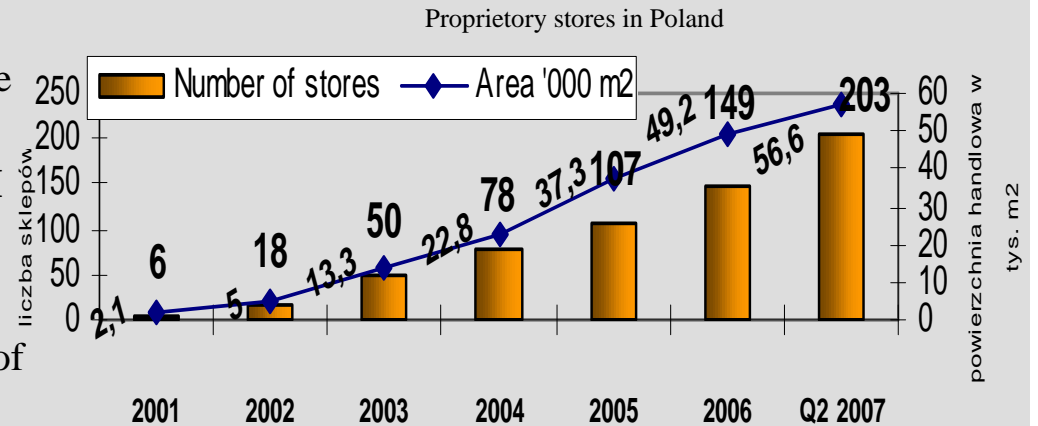
Optimising of franchised network



Distribution chain – proprietary stores



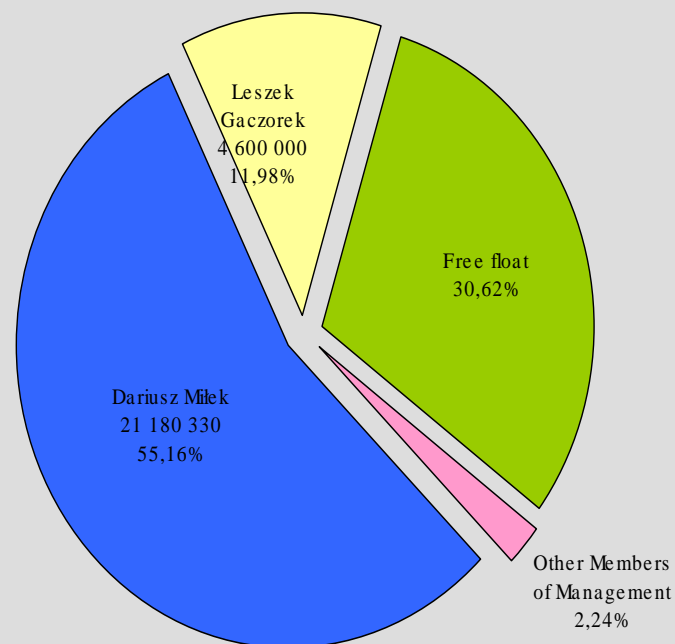
- **146 proprietary stores** of average area about 350 m²
- **19 boutiques** of new line **QUAZI**
- **26 shops** of new brand **BOTI**
- Established on leased locations
- Generating average retail margin of **48,6%**



Structure of Shareholders



- In November 2004, NG2 S.A. 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 NG2 Group is Mr Dariusz Milek, the President of the Board of Directors
- Other members of the Management are shareholders, as well
- Total amount of 38 400 000 shares



Thank you for your attention

NG2 S.A.

Polkowice, ul. Strefowa 6
59-101 Polkowice

NG2

tel.: (076) 845 84 00

Fax: (076) 845 84 00

e-mail: ng2@ng2.pl

www: www.ng2.pl