



CCC
SHOES & BAGS



The CCC Group spectacularly started year 2016, which is about to bring the biggest floorspace growth in our history. The ambitious growth plan has been outperformed in the first quarter – the total floorspace grew by almost 20 000 sqm. Poland remains the main fundament for growth this year, but two western countries – Germany and Austria – are becoming more and more significant in the group’s portfolio. Further growth is also executed in the key CEE countries.

The sales and financial results for the first quarter are satisfying. Unfavourable weather conditions in March delayed the demand for spring collection and scared investors a bit, but the sales delivered in April already proved that the company is well prepared for the new season.

January 2016 marked the closing of acquisition deal of the internet store eobuwie.pl, whose results are already consolidated in the Group’s Q1 report. It is without a doubt a milestone in CCC Group’s history, opening huge new development opportunities. The first quarter’s results of eobuwie.pl turned out to be much better than expected, beating sales budget while maintaining high profitability.

CCC S.A. – stock listed since 2004



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Stock info

Share price = 159,75 PLN

Reuters: CCCC.WA

Bloomberg: CCC PW

www.ccc.eu

Market capitalisation

(PLNm) 6 134

(EURm) 1 437

Number of shares 38.400.000

Free float 58,08%

CCC – The largest footwear company in Eastern Europe



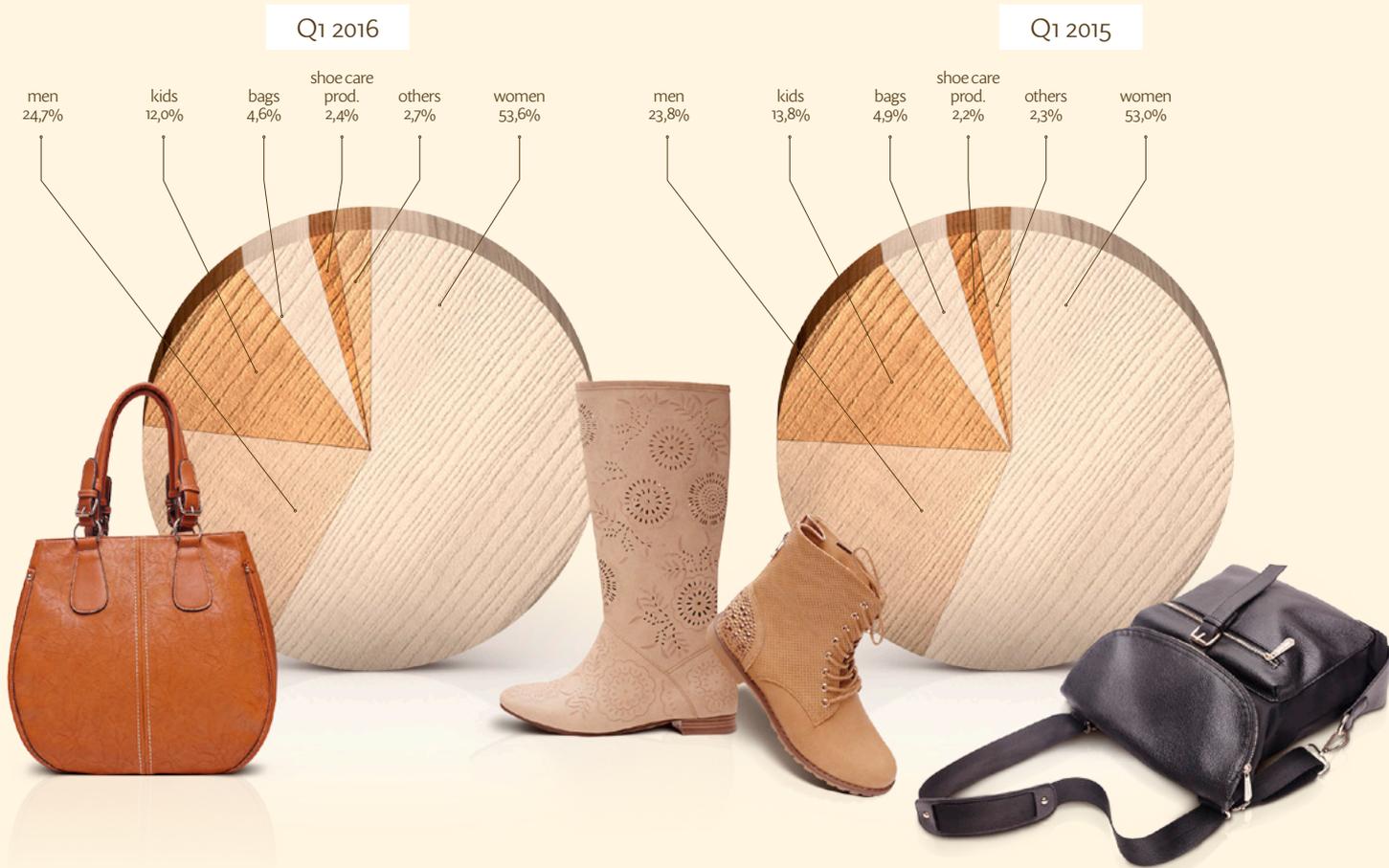
Total number of outlets:	792
Own and agency	718
Poland	415
Czech Republic	80
Slovakia	37
Hungary	63
Austria	30
Croatia	17
Turkey	3
Germany	58
Slovenia	9
Bulgaria	6
Franchise	67
Russia	8
Kazakhstan	2
Ukraine	5
Romania	43
Latvia	7
Lithuania	2
Other	7



Structure of sales by countries [PLN] – Q1



Structure of sales by products (value) – Q1



CCC Poland



CCC foreign





	Q1 2016 '000 PLN	Q1 2015 '000 PLN	change % 2016/2015
Sales revenue	534,6	431,9	23,8%
Gross sales profit	269,4	233,2	15,5%
Gross margin	50,4%	54,0%	-3,6 p.p.
Cost of sales	-255,4	-200,5	27,4%
General & Administrative Cost	-23,8	-15,3	55,6%
EBIT	-4,8	10,4	—
EBIT Margin	-0,9%	2,4%	-3,3 p.p.
Finance Cost	-10,3	-10,1	2,0%
Gross Profit	-14,7	0,9	—
Net Profit	-17,8	6,4	—
Net Profit Margin	-3,3%	1,5%	-4,8 p.p.

Consolidated Cash Flow Statement



	Q1 2016 '000 PLN	Q1 2015 '000 PLN
net operating CF:	-209,0	-81,0
- changes in inventory	-165,8	-59,5
- changes in receivables	52,2	-35,3
- changes in short term liabilities	-82,5	25,6
net investment CF:	-156,9	-40,4
Income	2,0	4,9
Expenses	-158,9	-45,3
net financial CF:	179,6	120,4
Income	182,6	262,9
Expenses	-3,0	-142,5
Total Cash Flow	-186,3	-1,0
cash at the beginning of the period	340,6	161,9
cash at the end of the period	154,3	160,9

* excluding loans, credits and bonds

	Q1 2016 '000 PLN	Q1 2015 '000 PLN
Fixed assets	1 144,4	838,0
Current assets, including:	1 141,6	1 073,1
– inventories	887,3	800,8
– cash and cash equivalents	154,3	160,9
Total assets	2 286,0	1 911,1
Equity capital	1 112,1	960,8
Non-current liabilities, including:	404,5	256,1
– non-current bank loans and credits	366,0	216,0
Current liabilities, including:	769,4	694,2
– current bank loans and credits	535,1	484,3
Total liabilities	2 286,0	1 911,1



CCC Group – Unleveraged retailer

debt to equity ratio (%)

(liabilities: credits, loans, leasing) /
equity



debt to EBITDA ratio

(liabilities: credits, loans, leasing – cash) /
EBITDA



profit to interest ratio *

(gross profit + interest on credits, loans and leasing) /
(interest on credits, loans and leasing)

* annualized



CCC strategy – set of unique competences building competitive advantages on the European footwear retail market

- Fast Fashion
 - Providing CCC customers with thousands of different models during one season. Short product lines, variety of colours and styles guarantee high number of visitors and frequency of purchases.
- Price to Quality Ratio
 - CCC price offer is very attractive, both for leather and synthetic shoes.
- Private labels in traditional retail and multibrand online
 - CCC sells in traditional stores only private labels produced either in own factory in Poland or outsourced in Far East. Online channel, via eobuwie.pl platform, offers tens of thousands of models from world's most renowned brands.

Key resources:

- logistics – state-of-the-art warehouse and distribution facilities;
- production in Poland and abroad;
- strong balance sheet;
- unique e-commerce competences;
- know-how in design and collection, retail management, marketing and HR.





The strategic goal for the years 2016–2017 is to continue very successful expansion in the CEE countries and to become the leader of the footwear market in each country of the region.

- Already in 2014 CCC became the biggest footwear retailer of the CEE region (PL, CZ, SK, HU, RO, BG).
- In 2016 setting up the new subsidiary is planned – in Serbia. Also new franchising business has just commenced in Estonia.

Another strategic goal involves reaching break-even point in Austria and Germany and turning into profit in those countries by the end of 2017.

- Experience of the first two years of expansion shows that breaking even in those countries is possible, but it takes much longer than in the CEE markets.
- Target for 2016 is reaching LFL sales growth in Germany and Austria of 15% and 10%, respectively.

The strategic goal of e-commerce division is to exercise synergies within CCC Group and to make eobuwie.pl the leader of online footwear sales in Central Europe region.

- Currently eobuwie.pl SA sells footwear through its regional domains in Poland, Czech Republic, Slovakia, Germany, Romania, Hungary and Ukraine (recently added).
- In 2016 new domains are to be launched in Bulgaria and Lithuania.



2016 is going to be the most spectacular year of the foreign expansion.

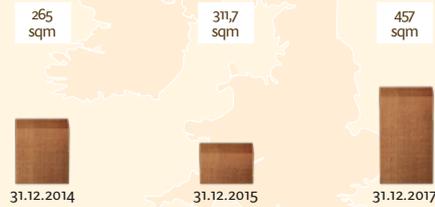
- CCC Group will grow by no less than 100.000 sqm net of new floorspace (27% increase):
 - ca. 77.000 sqm net (110 stores) to be opened outside of Poland;
 - ca. 23.000 sqm net (40 stores) to be opened in Poland.
- The biggest floorspace growth is expected in Poland, Germany, Austria and Romania. All the other countries will also have proportional, high participation in floorspace growth.
- CAPEX in 2016 is expected to exceed 140M PLN.
- Online sales growth is expected to reach at least 75%.
- Aquisition of 74,99% shares of eobuwie.pl SA cost 230,6M PLN (12 x EBITDA)



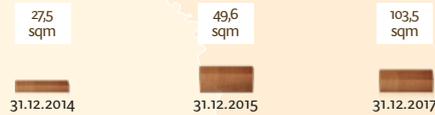
Expansion strategy 2015–2017

Central Europe

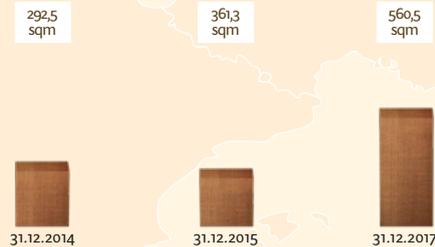
(PL, CZ, SK, HU, HR, SLO, RO, BG, LT, LV, EST, SRB)



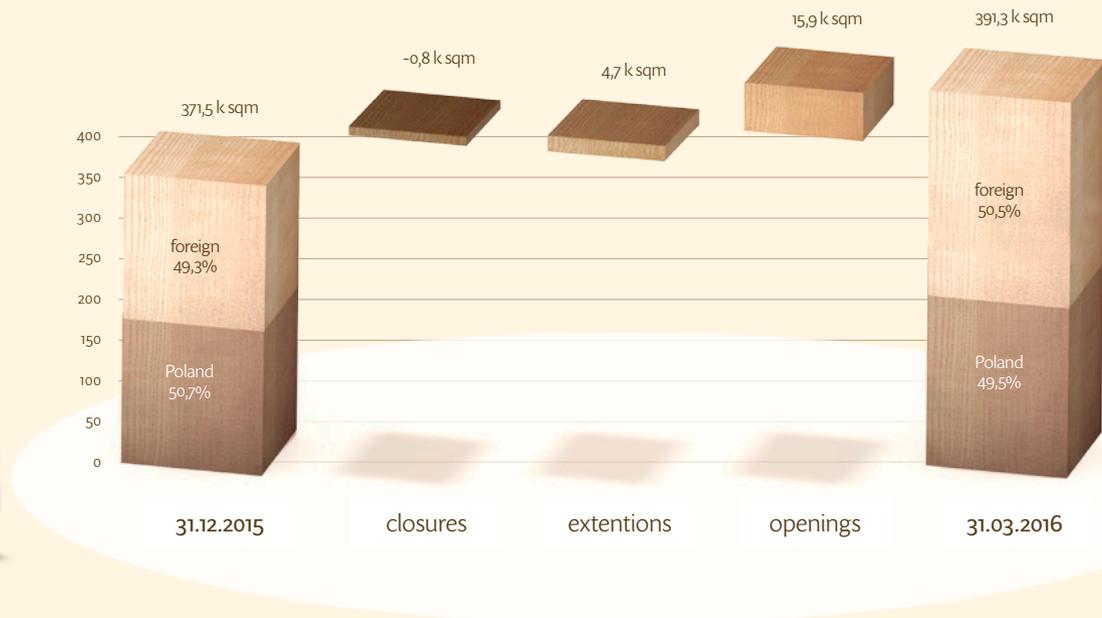
Germany and Austria



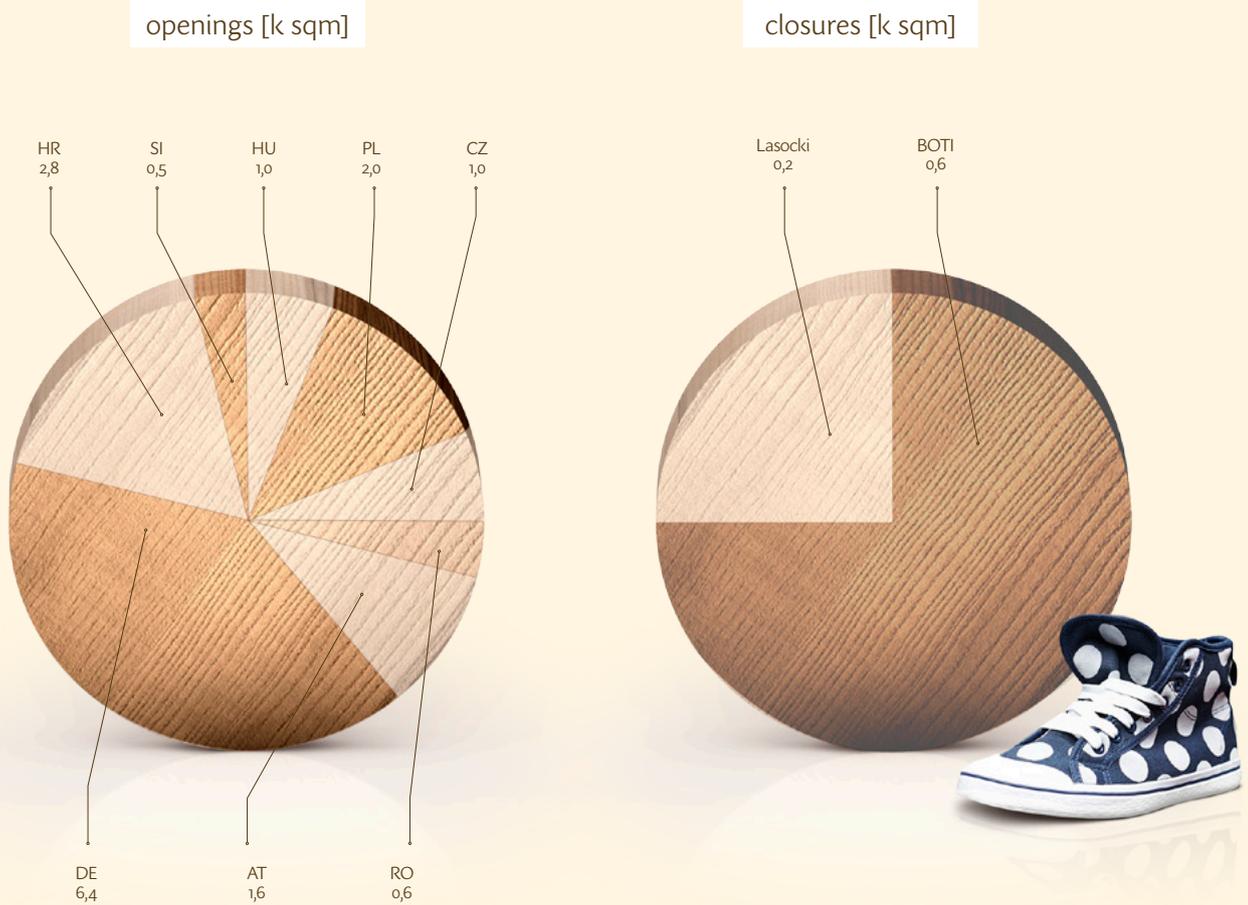
Total



Increase of floorspace 2016 – components



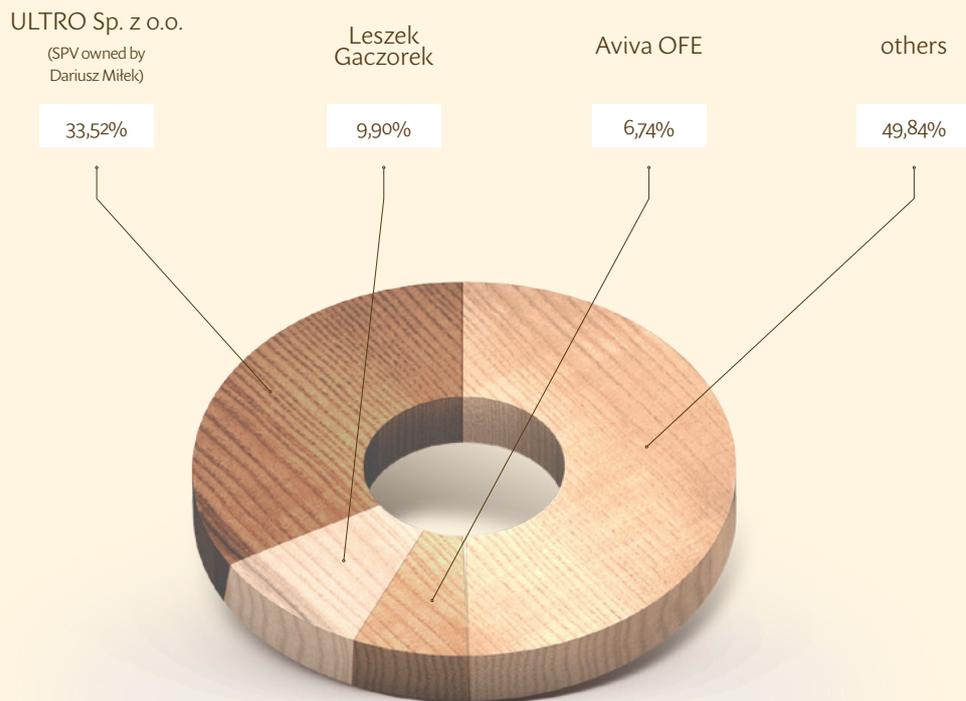
Increase of floorspace 2016 – components



CCC Group owned and franchised stores

		2011		2012		2013		2014		2015		Q1 2016	
chain	typ	m ²	number										
CCC	Owned	100 929	293	120 722	339	129 858	342	152 602	366	170 348	370	175 791	375
	Agency	0	0	11 546	36	12 102	37	14 344	39	16 434	40	16 860	40
	Czech Rep.	16 470	52	20 996	62	26 947	73	32 309	79	36 104	79	37 151	80
	Slovakia	0	0	5 290	12	10 646	25	13 866	30	18 852	37	18 852	37
	Hungary	0	0	6 028	15	23 456	50	27 689	57	30 462	61	32 126	63
	Austria	0	0	0	0	2 816	6	9 184	17	14 681	27	16 258	30
	Slovenia	0	0	0	0	924	2	3 646	6	4 603	8	5 083	9
	Croatia	0	0	0	0	1 651	3	4 436	8	7 314	13	10 233	17
	Turkey	0	0	0	0	1 165	2	1 805	3	1 805	3	1 805	3
	Germany	0	0	0	0	2 272	4	18 380	27	34 920	51	41 289	58
	Bulgaria	0	0	0	0	0	0	0	0	3 875	6	3 875	6
	Franchise/ Russia	1 994	5	1 828	5	2 178	6	1 781	5	3 617	8	3 617	8
	Franchise/ Kazakhstan/Ukraine	0	0	685	2	1 587	4	2 288	6	3 055	7	3 055	7
	Franchise/ Romania	0	0	2 074	5	7 869	19	13 454	31	19 325	42	19 965	43
	Franchise/ Latvia	0	0	1 430	3	2 212	5	2 622	6	3 232	7	3 232	7
	Franchise/ Lithuania	0	0	0	0	0	0	0	0	1 187	2	1 187	2
	Franchise/ Poland	13 389	49	1 586	8	1 586	8	0	0	0	0	0	0
CCC TOTAL		132 781	399	172 186	487	227 269	586	298 406	680	369 814	761	390 379	785
OTHER		41 394	315	29 403	222	16 649	126	6 913	49	1 687	12	908	7
TOTAL		174 175	714	201 589	709	243 918	712	305 319	729	371 501	773	391 287	792

Shareholders structure (votes)



CCC S.A. has been listed on Warsaw Stock Exchange since 2004

The main shareholder and founder of CCC Group is The President of Management Board Mr Dariusz Miłek

Number of shares

38 400 000

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