

Polkowice, 29th August, 2013

Record results of second quarter

CCC S.A., the largest distributor and manufacturer of footwear in Poland, developed in IIQ 2013, 69,1 million PLN net profit at 422,3 million PLN revenue from sales. The operating profit amounted to 47,6 million PLN and EBITDA was 81 million PLN.

First six months, the Group CCC, ended with result of 29,5 million PLN in comparison 45,4 million PLN in first half of last year. The Group CCC realized the plans of expanding the own sales network which on 30.06.2013 was 190,8 thousand sq.m2. Total sales area, including franchise stores in the country and abroad, amounts to 215,5 thousand sq.m2.

According to strategic objective of the CCC Group for 2013-2015, which is **becoming a leader in the footwear market in the Central and Eastern Europe**, the Group continued expansion in Poland, Czech Republic, Slovakia and Hungary. Moreover, the Group CCC in first half of 2013 started expansion in Austria and Slovenia. Within the coming weeks CCC salons are appearing in Croatia, Turkey and Germany. In Romania, Baltic countries, Russia, Kazakhstan and Ukraine the CCC intends to expand the network of franchise stores.

In 2013 retail network's increase will amount 59 thousand sq.m2.

FINANCIAL RESULTS OF CCC GROUP AFTER SECOND QUARTER OF 2013

Detailed financial data of CCC are as follows:

In thousands of PLN	Q2 2013	Q2 2012	Change (value)	Change (%)
Revenues of Net sales	422 336	326 411	95 925	29,4%
Operating profit	81 017	59 075	21 942	37,1%
Net profit	69 167	42 774	26 393	61,7%

After prolonged winter, which had negative influence on results of I quarter, customers began buying products from spring collection. Number of people, who visited our stores increased in April by 13,8% comparing to 2012, which had direct influence on values of reached revenues in II quarter.

FOREIGN EXPANSION

In second quarter, foreign expansion was accelerated. Sales network abroad at the end of June 2013 included 116 own stores: 65 in Czech Republic, 21 in Slovakia, 30 in Hungary and 28 franchise stores. Until the end of the 2013 CCC intends to open: 8 stores in Czech Republic, 5 in Slovakia and 18 in Hungary. Moreover, new CCC salons will appear: 10 franchise stores in Romania and 24 own salons on new markets: 7 in Austria, 4 in Slovenia, 7 in Croatia, 3 in Turkey and 3 in Germany.

According to strategic objective, the company plans a further development of network sales, especially of their own retail outlets, which will lead to **the increase of the market share and strengthening the leadership in the domestic footwear market** as well as **gaining the position of the biggest player in the other countries of Middle Europe – in the Czech Republic, Slovakia and Hungary.** We estimate that the network of sales in the years 2013-2015 will be expanded not less than by 150 thousand square meters.

At the end of 2013, the CCC Management Board will make a decision about scale, geographical directions and rate of expansion on new markets.

Number of stores of CCC Group

Number of stores	Condition on 30th June 2012	Condition on 30th June 2013
CCC Poland – own stores	312	340
CCC Poland - agency	28	38
CCC Poland – franchise	23	8
CCC Russia/Latvia/Romania/ Kazakhstan/Ukraine–franchise	8	28
CCC Czech Republic	56	65
CCC Slovakia	3	21
CCC Hungary	-	30
QUAZI	35	0
Lasocki	-	25
BOTI – own stores	190	113
BOTI – franchise	54	37
The total number of units	709	706

"In the second quarter took place improvement of customer demand. This was the best quarter for the height of the financial results in the history of CCC. Severe and long winter caused, that customers postponed plans of buying shoes from spring collection to later term, which had negative influence to results of I quarter. Very good sale results in second quarter confirmed CCC predictions that we had to deal with only postponing of demand, not with consumer's decreased activity.

Looking at the annual results, in second quarter the Group CCC reached an outcome, by which we can compensate for the loss from first quarter. We evaluate, that revenue plan and annual result are not at risk.

Second quarter 2013 focused on continuation intensive expansion on foreign markets. There were on a large scale activities associated with establishing subsidiaries, building structures and starting operational activities in Austria, Slovenia, Croatia, Turkey and Germany.

Regardless of the expansion plans and pro-sales actions, an absolute priority for us remains to maintain a high operational effectiveness and efficiency, efficient sales network management and maintenance of costs at the low level, as a consequence maintaining high margins and high profitability."-said Dariusz Miłek, CEO of CCC Management Board.

For further information:

Piotr Nowjalis

The Vice President of the Management Board, a Financial Director, CCC SA

Tel: (76) 84 58 420

e-mail: piotr.nowjalis@ccc.eu

* * *

The Group CCC is a leader in the Polish retail footwear market and the largest manufacturer in Poland. The Capital Group of CCC consists of CCC S.A. - The company managing the network sales, CCC Factory Ltd., dealing with the production of footwear, NG2 Suisse S.a.r.l., the company managing the company trademarks, companies managing sales on foreign markets; CCC Czech, CCC Slovakia, CCC Shoes Hungary, CCCshoes Turkey. Sales of a collection is run in total in more than 700 outlets under the brands of CCC, BOTI and Lasocki. Suppliers of shoes for the Company are both foreign manufacturers (especially sewing on behalf of the CCC, Chinese producers), domestic ones as well as our own production facilities. The CCC Group's share in the highly fragmented market of footwear is estimated at 17 -18%.