

Polkowice, 20th January 2014

FOURTH QUARTER – STRENGTHENING POSITION OF THE CCC GROUP ON FOREIGN MARKETS

CCC S.A., the largest distributor and manufacturer of footwear in Poland, developed in IVQ 2013, 77,2 million PLN net profit at 582,9 million PLN revenue from sales. The operating profit amounted to 102,9 million PLN and EBITDA was 114,4 million PLN.

Whole year 2013 the CCC Group ended with result of 132,03 million PLN in comparison 106,31 million PLN in the same period previous year. The CCC Group realized the plans of expanding the own sales network which on 31.12.2013 was 224,2 thousand square meters. Total sales area, including franchise stores in the country and abroad, amounts 243,9 thousand square meters.

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 CCC Group started expansion in Austria, Slovenia, Croatia, Turkey and Germany. In Romania, Baltic countries, Russia, Kazakhstan and Ukraine the CCC intends to expand the network of franchise stores.

By the end of 2014 sales area of CCC Group will have exceeded 319 thousand square meters.

FINANCIAL RESULTS OF CCC GROUP AFTER FOURTH QUARTER OF 2013

Detailed financial data of CCC are as follows:

In thousands of PLN	Q4 2013	Q4 2012	Change (value)	Change (%)
Net revenues of sales	582 856	435 820	147 036	33,7%
Operating profit	102 922	58 121	44 801	77,1%
Net profit	77 229	43 470	33 759	77,7%

Very good level of sales of autumn-winter collection influenced on the results of whole quarter.

FOREIGN EXPANSION

In fourth quarter, foreign expansion was accelerated. Sales network abroad at the end of December 2013 included 199 own stores: 73 in Czech Republic, 50 in Hungary, 25 in Slovakia, 19 in Romania, 6 in Austria, 4 in Germany, 3 in Croatia, 2 in Slovenia, 2 in Turkey.

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 200 thousand square meters.**

Number of stores of CCC Group

Number of stores	Condition on 31.12.2012	Condition on 31.12.2013
CCC Poland – own stores	339	342
CCC Poland – agency	36	37
CCC Poland - franchise	8	8
CCC Russia / Latvia / Kazakhstan / Ukraine – franchise	10	15
CCC Romania franchise	5	19
CCC Czech Republic	62	73
CCC Slovakia	12	25
CCC Hungary	15	50
CCC Austria		6
CCC Slovenia		2
CCC Croatia		3
CCC Turkey		2
CCC Germany		4
Lasocki / QUAZI	34	20
BOTI – own stores	146	72
BOTI – franchise	42	34
Total number of units	709	712

„Implementation of plan for the coming years will verify position of CCC Group on international arena. For month to month, the company has been proving that expansion strategy executed in Central and Eastern Europe is right direction, and the best prove for that are very good financial results.

CCC Group do not rest on its laurels and is announcing continuation of equally intensive expansion in 2014-2015. Only in 2014 we intend to expand sales area by around 75 thousand square meters, in 2015 by next 80-95 thousand square meters.” – said Dariusz Miłek, CEO of CCC S.A.

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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 s.r.o., CCC Slovakia s.r.o., CCC Hungary Shoes Kft, CCC Austria Ges.m.b.H., CCC Germany G.m.b.H., CCC Hrvatska d.o.o., CCC Obutev d.o.o., CCC Shoes Turkiye. 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%.