



CCC
SHOES & BAGS

Results and
strategy
Q1 2017



The first quarter of 2017 is history, so let's take a look at its accomplishments and outlook for the following months.

The beginning of a new year traditionally means the discount period in our business – at least for the first two months most of the shelves in our stores are still occupied by the winter collection, and as it gets sold out – the spring models take over. Ending in February, the winter season let us sell the highest percentage of winter collection in history. Also the new spring season started very well – our stores were full of Customers, and march sales showed great year over year dynamics.

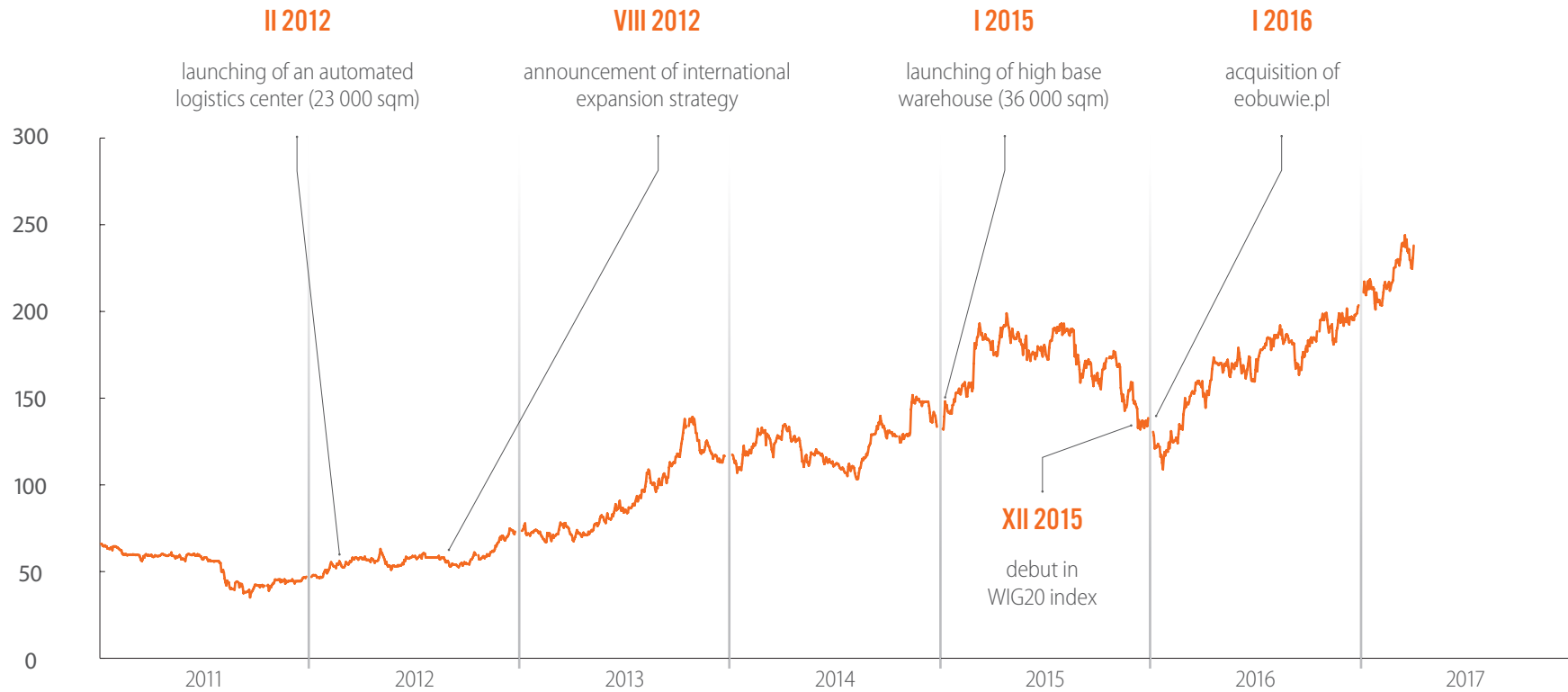
Our international expansion started the year as planned as well – we have increased the Group's floorspace by almost 13 000 square meters in the first quarter, but that's just a prelude to the following months – our plan for 2017 involves adding over 100 000 square meters net to our stores.

The financial results of the first quarter are in line with our expectations. It is a natural thing that we achieve the highest profitability in the second and fourth quarters each and every year.

We are still developing our presence in the e-commerce channel. The results of the Eobuwie platform that we have acquired last year are still improving dynamically, while perfectly complementing the CCC Group's portfolio and gaining more importance in our consolidated report.

SHARES LISTED ON WARSAW STOCK EXCHANGE SINCE 2004

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OPERATING STRUCTURE OF THE GROUP 04



31.03.2017

TOTAL STORES 870

OWN STORES CCC 803

Poland 433

Czech Republic 84

Slovakia 44

Hungary 69

Austria 41

Croatia 21

Germany 75

Slovenia 12

Bulgaria 10

Serbia 2

Russia 12

FRANCHISE STORES CCC 67

Ukraine 6

Romania 50

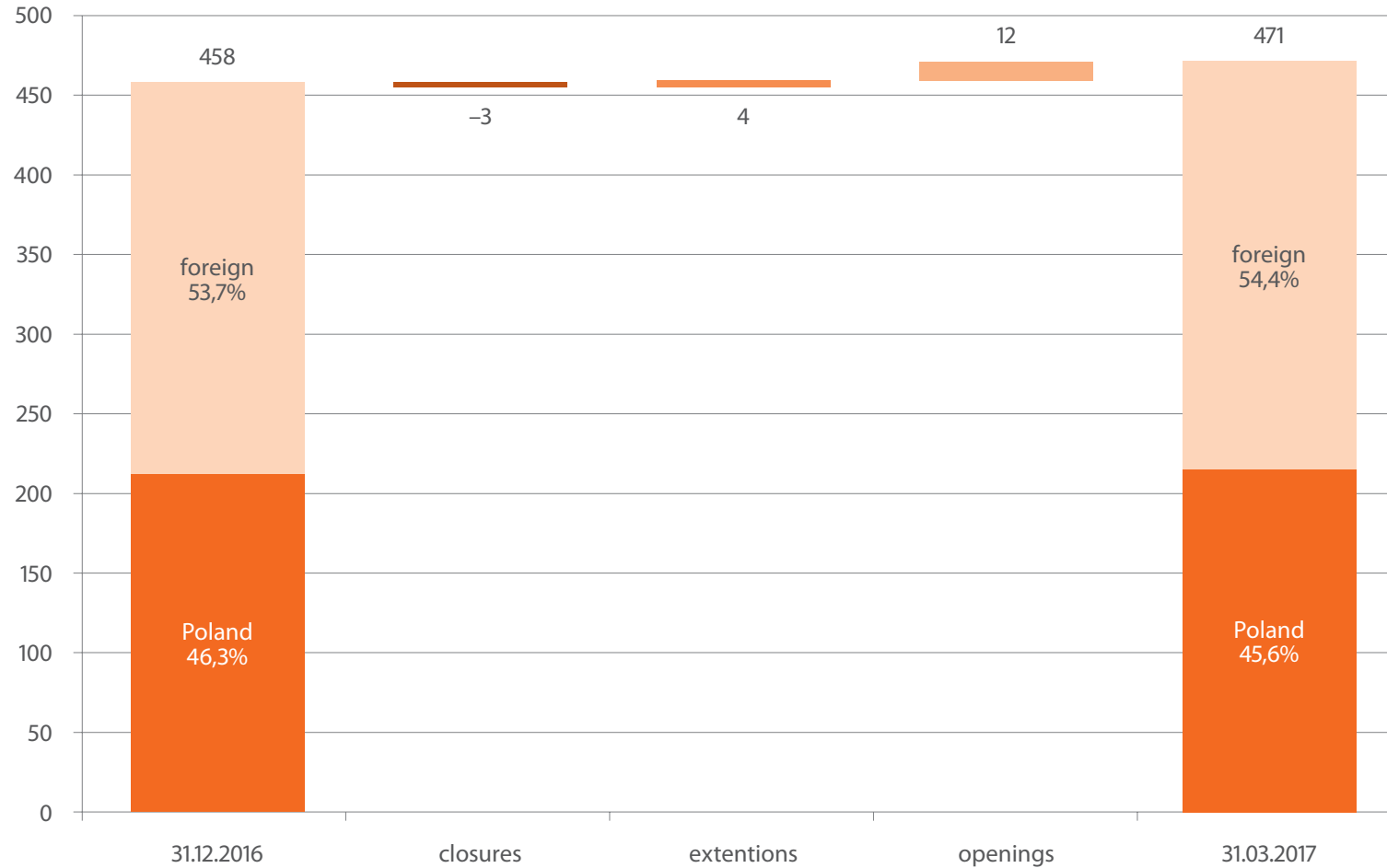
Latvia 7

Lithuania 3

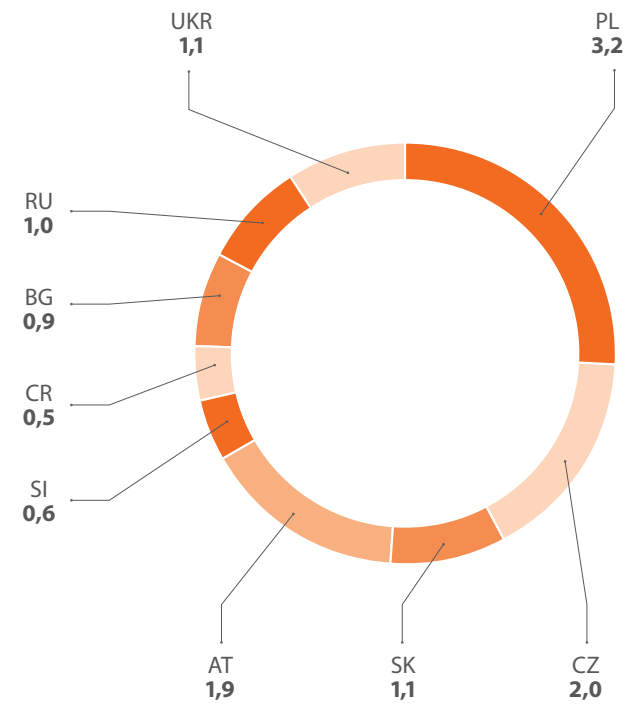
Estonia 1

INCREASE OF FLOORSPACE [K SQM] - COMPONENTS Q1 2017

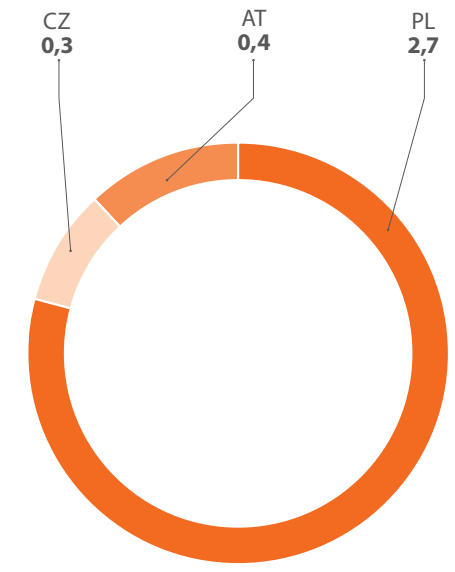
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OPENINGS



CLOSURES



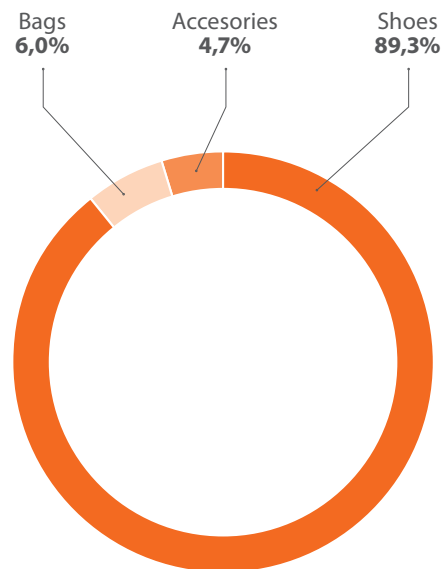
OWN AND FRANCHISE CCC STORES (FLOORSPACE AND STORE COUNT)

07

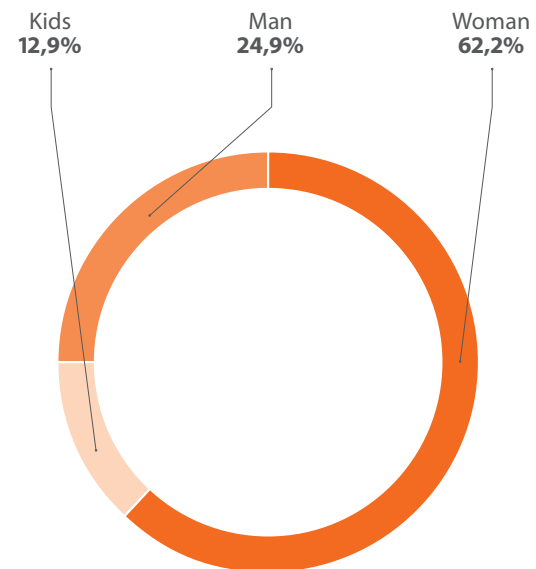
CHAIN	TYPE	31.12.2013		31.12.2014		31.12.2015		31.12.2016		31.03.2017	
		m ²	number	m ²	number	m ²	number	m ²	number	m ²	number
CCC Own	Poland	141 960	379	166 946	405	186 782	410	212 242	436	214 696	433
	Czech Republic	26 947	73	32 309	79	36 104	79	39 415	82	41 065	84
	Slovakia	10 646	25	13 866	30	18 852	37	23 104	42	24 180	44
	Hungary	23 456	50	27 689	57	30 462	61	38 040	69	39 134	69
	Austria	2 816	6	9 184	17	14 681	27	23 580	39	25 131	41
	Slovenia	924	2	3 646	6	4 603	8	6 272	11	6 882	12
	Croatia	1 651	3	4 436	8	7 314	13	11 842	20	12 342	21
	Turkey	1 165	2	1 805	3	1 805	3	—	—	—	—
	Germany	2 272	4	18 380	27	34 920	51	58 127	75	58 127	75
	Bulgaria	—	—	—	—	3 875	6	5 665	9	6 562	10
	Serbia	—	—	—	—	—	—	1 089	2	1 089	2
Russia*	—	—	—	—	—	—	6 339	11	7 580	12	
CCC Franchise	Russia*	2 178	6	1 781	5	3 617	8	—	—	—	—
	Ukraine	769	2	1 470	4	2 237	5	2 709	5	3 827	6
	Romania	7 869	19	13 454	31	19 325	42	24 386	50	24 386	50
	Latvia	2 212	5	2 622	6	3 232	7	3 281	7	3 809	7
	Lithuania	—	—	—	—	1 187	2	1 787	3	1 787	3
	Poland	1 586	8	—	—	—	—	—	—	—	—
	Estonia	—	—	—	—	—	—	724	1	724	1
CCC TOTAL		226 451	584	297 588	678	368 996	759	458 602	862	471 321	870

* Company consolidated since 20.09.2016.

STRUCTURE OF SALES

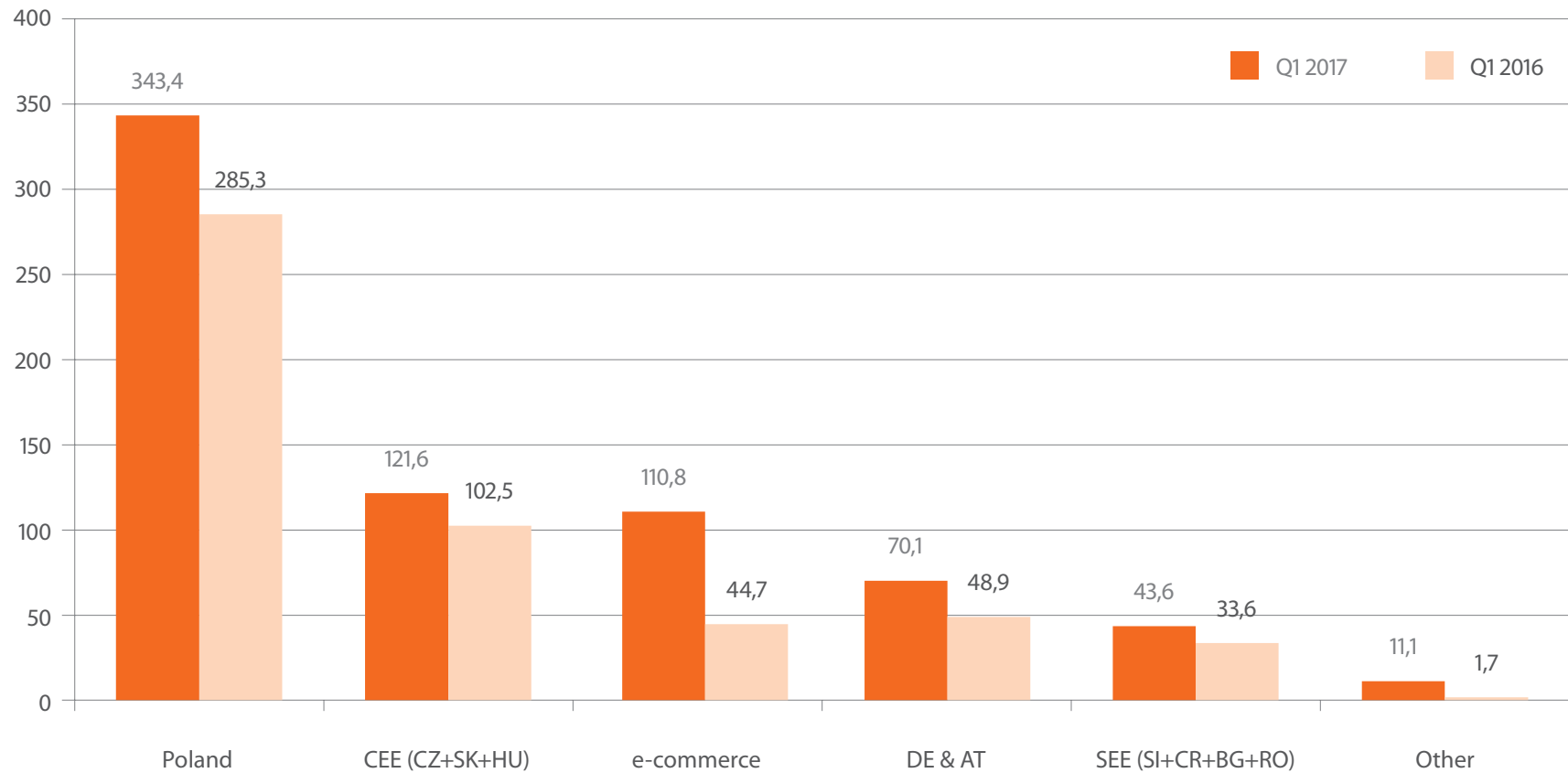


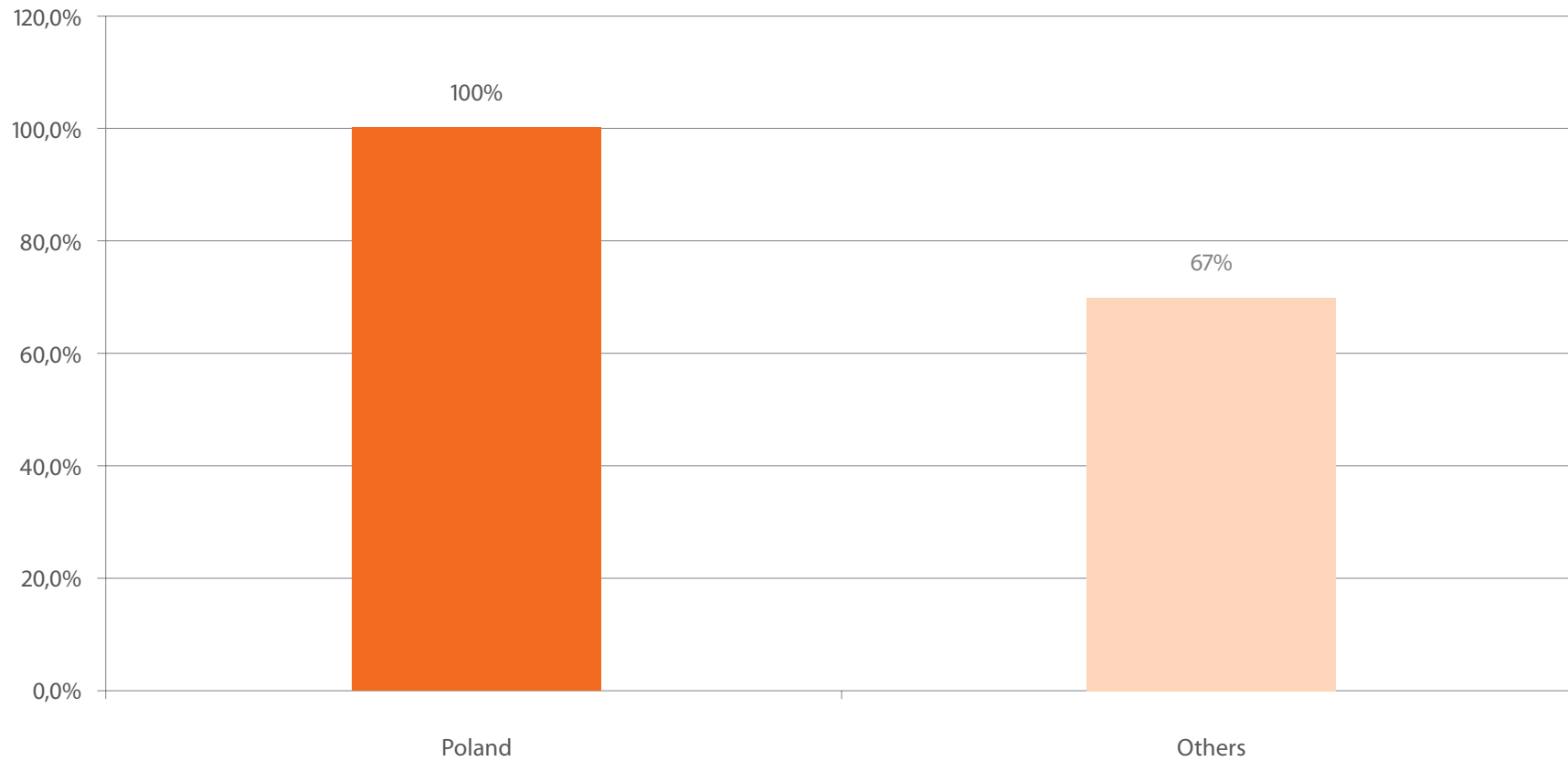
STRUCTURE OF FOOTWEAR SALES



SALES BY REGIONS Q1 2017 [IN PLN MILLION]

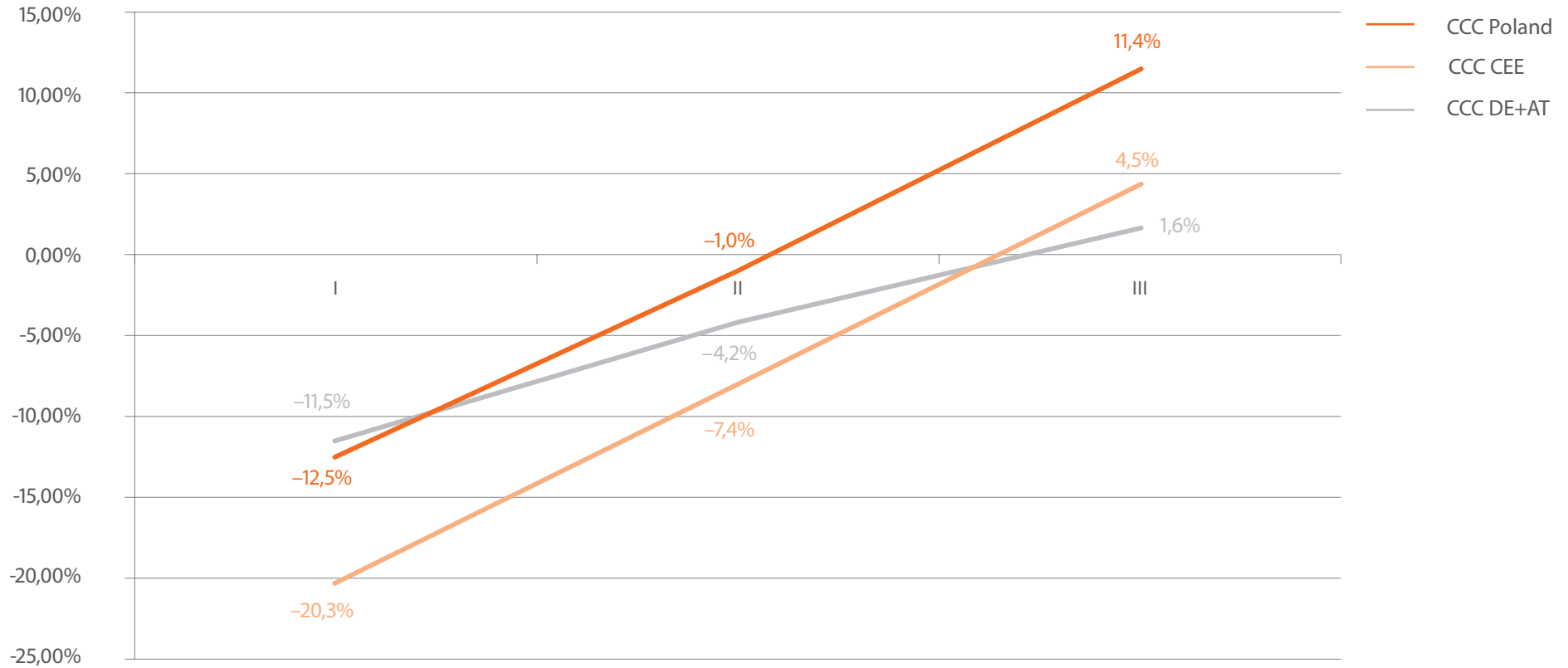
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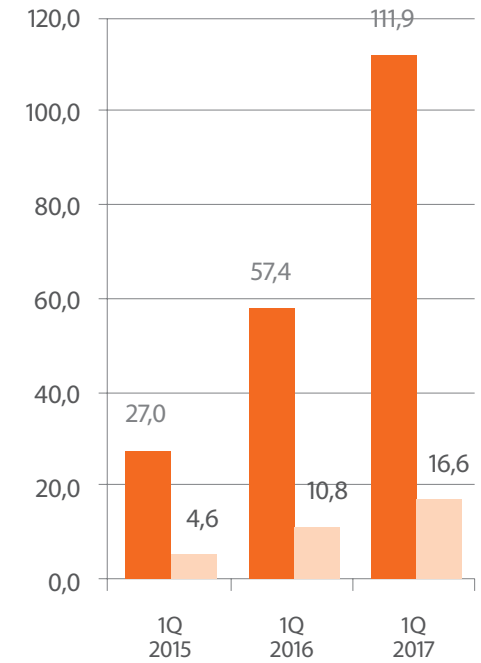
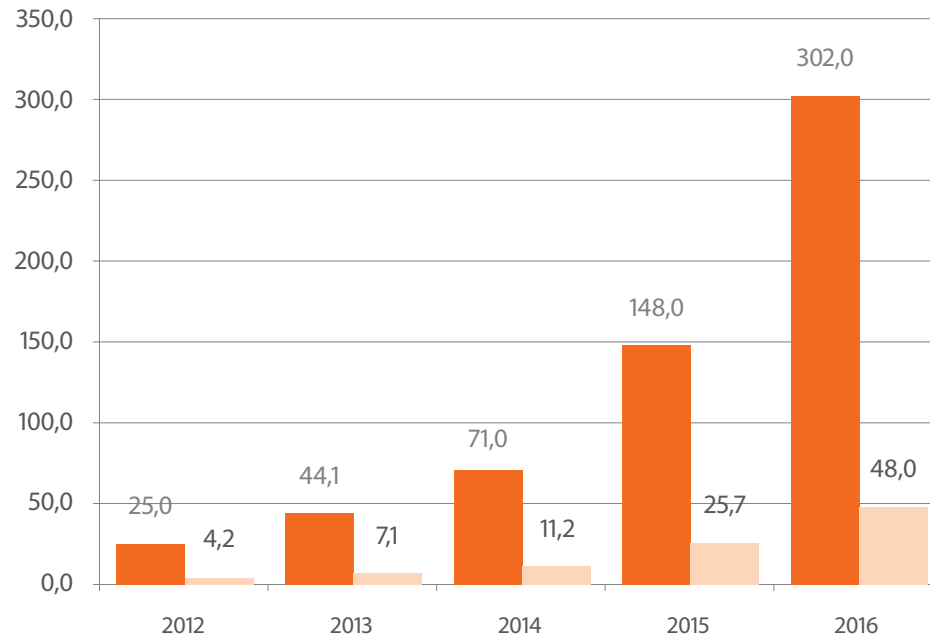


LIKE FOR LIKE SALES IN POLAND AND ABROAD (CUMULATIVELY)

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EBITDA SALES



CONSOLIDATED FINANCIAL RESULTS Q1 2017/2016 [IN PLN MILLION]

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	Q1 2017 [mln PLN]	Q1 2016 [mln PLN]	CHANGE %
SALES REVENUE	720,4	534,6	34,8%
Gross profit (loss) on sale	350,7	269,4	30,2%
Gross sale margin	48,7%	50,4%	-1,7 p.p.
Cost of sale and Administrative expenses	(366,3)	(279,2)	31,2%
EBIT	(16,1)	(4,8)	< -100%
EBITDA	3,5	11,4	-69,3%
Net finance income/cost	(18,5)	(9,9)	86,9%
Gross profit (loss)	(34,6)	(14,7)	< -100%
Net Profit (loss)	(47,4)	(17,8)	< -100%

CONSOLIDATED BALANCE SHEET [IN PLN MILLION]

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	31.03.2017 [mln PLN]	31.03.2016 [mln PLN]
FIXED ASSETS	1 279,6	1 144,4
CURRENT ASSETS, INCLUDING:	1 861,8	1 141,6
inventories	1 285,1	887,3
cash and cash equivalents	302,3	154,3
TOTAL ASSETS	3 141,4	2 286,0
EQUITY CAPITAL	1 187,8	1 112,1
NON-CURRENT LIABILITIES, INCLUDING:	732,1	404,5
non-current bank loans, bonds and credits	436,0	366,0
CURRENT LIABILITIES, INCLUDING:	1 221,5	769,4
current bank loans and credits	854,5	535,1
TOTAL LIABILITIES	3 141,4	2 286,0

CONSOLIDATED STATEMENT OF CASH FLOWS [IN PLN MILLION]

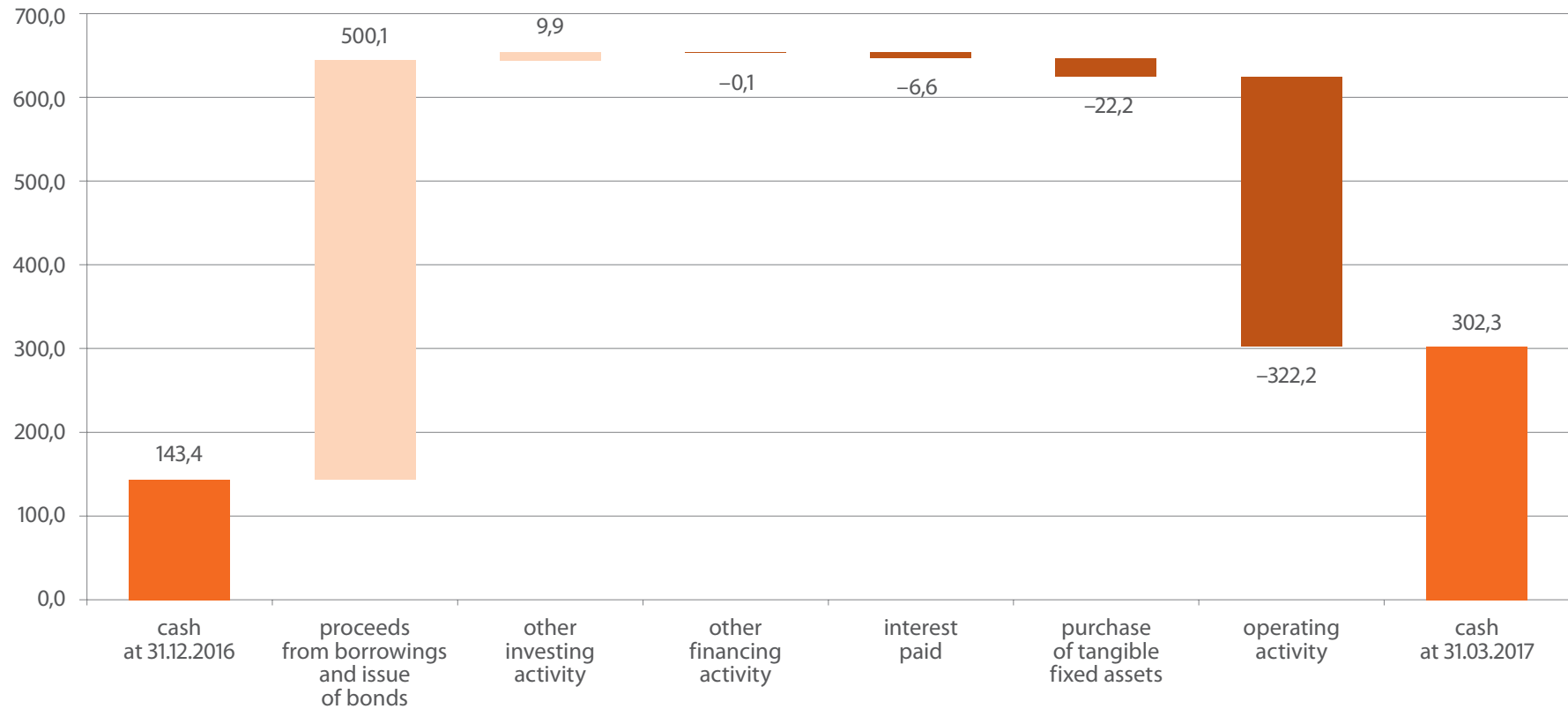
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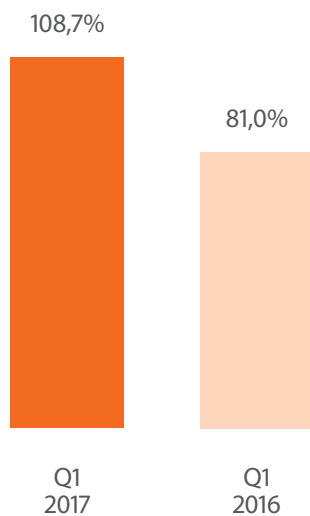
	Q1 2017 [mln PLN]	Q1 2016 [mln PLN]
NET OPERATING CF	(322,2)	(209,0)
– changes in inventory	(250,3)	(165,8)
– changes in receivables	(57,6)	52,2
– changes in short term liabilities*	17,6	(82,5)
NET INVESTMENT CF	(12,3)	(156,9)
Income	9,9	2,0
Expenses	(22,2)	(158,9)
NET FINANCIAL CF	493,4	179,6
Income	500,1	182,6
Expenses	(6,7)	(3,0)
TOTAL CASH FLOW	158,9	(186,3)
cash at the beginning of the period	143,4	340,6
cash at the end of the period	302,3	154,3

* without bank loans, bonds and credits

CF - STRUCTURE OF CASH FLOW 2017 [IN PLN MILLION]

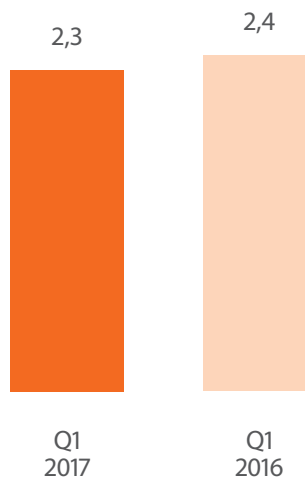
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Financial Indebtedness / Equity (%)

bank loans, bonds and credits liabilities / capital equity



Net debt / EBITDA*

(bank loans, bonds and credits liabilities – cash) / EBITDA

*annualized EBITDA



Gross Profit Interest Cover

(gross profit + interest cost) / interest cost

The strategic goal for the year 2017 is to continue expansion in the CEE countries and to approach the position of the leader of the footwear market in each country of the region.

- Since three years ago CCC has been the biggest footwear retailer of the CEE region (PL, CZ, SK, HU, RO, BG together).
- In 2017 we are about to increase both the store count and floorspace in all the countries we're currently operating in, with biggest emphasis on the CEE region (2/3 of new floorspace).

Another strategic goal is intensive implementation of the new plan aimed at reaching sustainable profitability in Austria and Germany.

- Experience of the first years of expansion shows that breaking even in those countries is possible, but it takes much longer than in the CEE markets.

In finance the strategic goal is to optimize the capital structure.

- Company plans issue of convertible bonds in order to secure long term financing.

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

- Currently eobuwie.pl S.A. sells footwear through its regional domains in Poland, Czech Republic, Slovakia, Germany, Romania, Bulgaria, Hungary, Lithuania and Ukraine.
- In 2017 new domains are to be launched in more countries of the region.
- Developing of e-commerce activities – we have commenced work on introducing multichannel retail.



Convertible bonds issue

- Issue date:
before end of 2017
- Due date:
5 years from issue date
- Total value:
circa 100M EUR
- Number of shares issued:
up to 2 000 000
- Issue price of shares:
no less than 300 PLN

3 years extension of share capital increase to be conducted by the Management Board

- Deadline:
3 years from the date of change in the statute
- Number of shares issued:
up to 2 000 000
- Issue price of shares:
no less than an average share price from the last three months before issue; at least 180 PLN

Both the conditional capital increase in connection with convertible bonds, as well as the extension of the share capital increase programme need to be approved by the General Shareholders Meeting

PROPOSED INCENTIVE SCHEME FOR THE MANAGEMENT TEAM – NEW, EVEN MORE AMBITIOUS, TARGETS

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- Time period:
years 2017-2019
- Persons covered by the incentive scheme:
CCC Group's Management Team
- Base target:
consolidated EBITDA of at least 550M PLN in 2017, over 650M PLN in 2018 and over 800M PLN in 2019
- Pool of subscription warrants:
1.174.920
- Issue price:
211,42 PLN

Both the conditional capital increase in connection with convertible bonds, as well as the extension of the share capital increase programme need to be approved by the General Shareholders Meeting

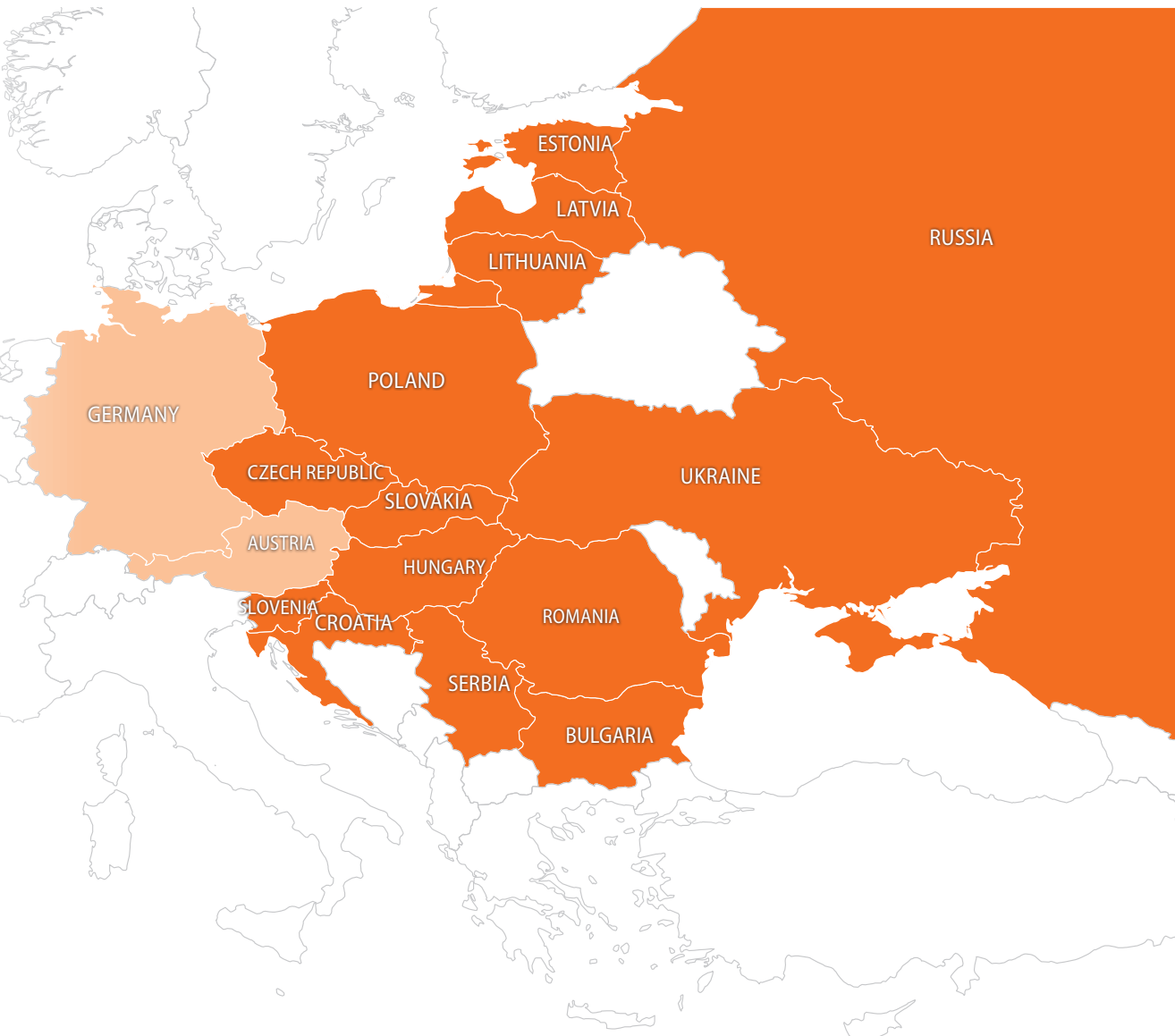
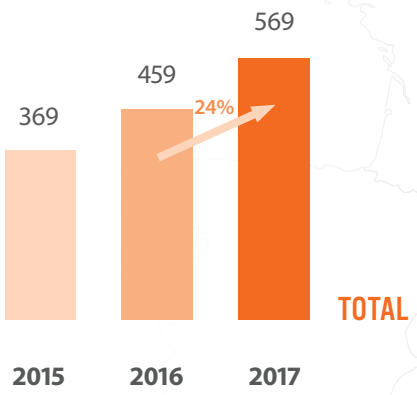
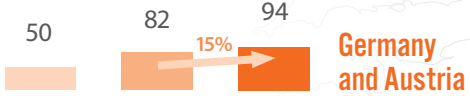
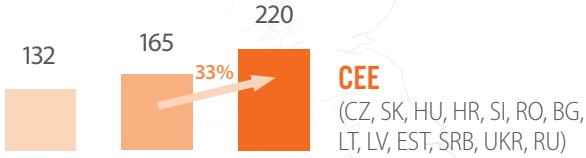
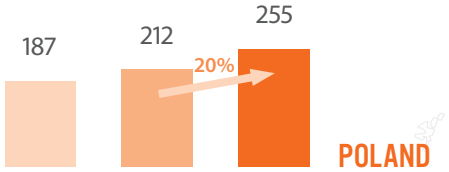
2017 is going to be the most
spectacular year of the
foreign expansion.



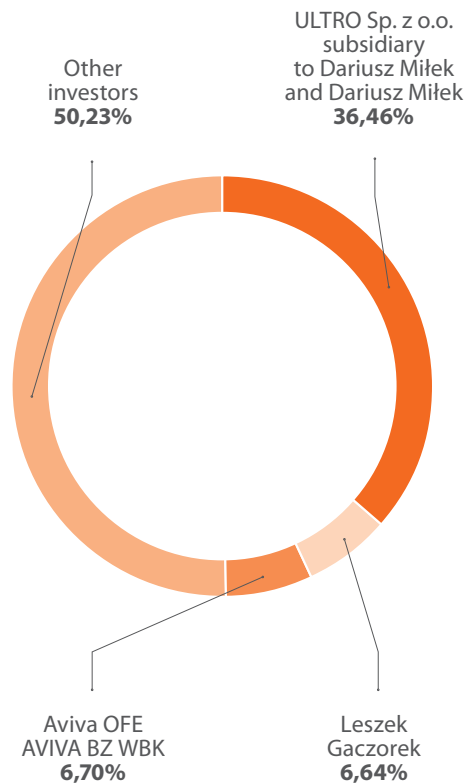
- CCC Group will grow by at least 100.000 sqm net of new floorspace, 40% of which will be in Poland and the rest in other countries.
- The biggest floorspace growth is expected in Poland, Hungary, Russia and Romania.
- All the other countries will also have proportional, high participation in floorspace growth
- CAPEX in 2017 is expected to exceed 150M PLN.

PLANS OF DEVELOPMENT OF RETAIL CHAIN [K SQM] 2017

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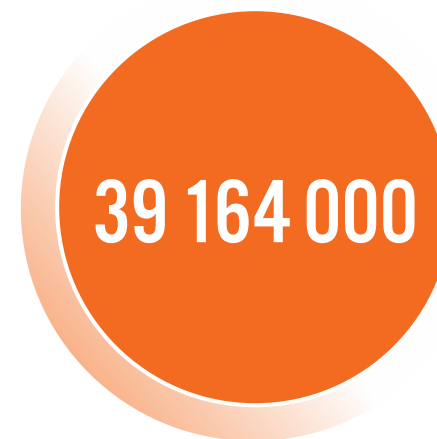
SHAREHOLDERS
BY NUMBER OF VOTES



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 Dariusz Miłek.

TOTAL NUMBER OF SHARES:





THANK YOU