



results and strategy
1-3Q 2012

CCC

Economy, shopping centres & cities

Floorspace (average – sq m) 346
Capex (PLN per sq m) 1 025

BOTI


Super-economy concept,
hypermarkets & mid-sized towns

Floorspace (average – sq m) 135
Capex (PLN per sq m) 785

QUAZI

Premium brand, shopping malls

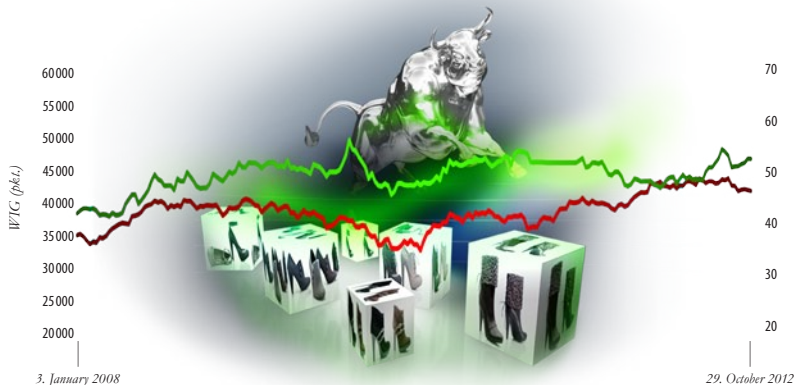
Floorspace (average – sq m) 137
Capex (PLN per sq m) 2 225

The background of the slide is a collage of artistic sketches. On the left, there are watercolor washes in shades of green, blue, and purple. On the right, there are pencil sketches on a grid background, including a detailed drawing of a mechanical part and some abstract lines. The overall aesthetic is creative and artistic.

Management is fully satisfied with I-f-I sales, traffic, floorspace development and revenue growth. However, due to the lower margin net profit is below expectations.

Based on deep analysis and first openings the new long-term strategy of rapid expansion in CEE countries was developed.

In the years 2013-2015 NG2 will strengthen its position of the market leader in Poland. The same position is to be achieved in Czech Republic, Slovakia and Hungary. CCC stores will be also opened in Russia, Romania, Kazakhstan, Ukraine and Baltic countries.



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Stock info

Share Price = 58,85 PLN
Reuters: CCCC.WA
Bloomberg: CCC.PW
www.ng2.pl

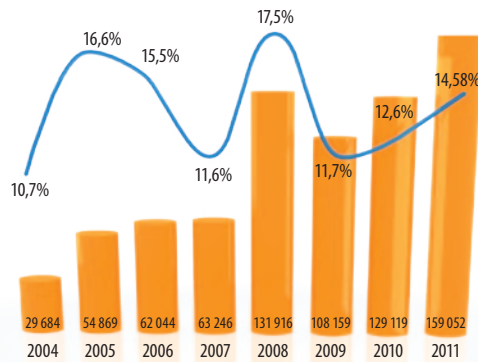
Market Cap:
(PLNm) 2,260
(EURm) 544,9

Number of shares:
38.400.000

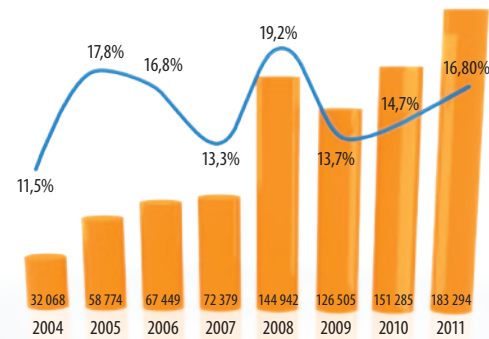
Free float 39,3%

Consolidated Profit 2004–2011 (PLN '000)

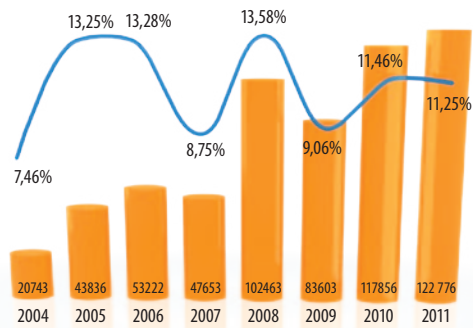
Consolidated EBIT



Consolidated EBITDA



Consolidated net profit





Footwear market in Poland

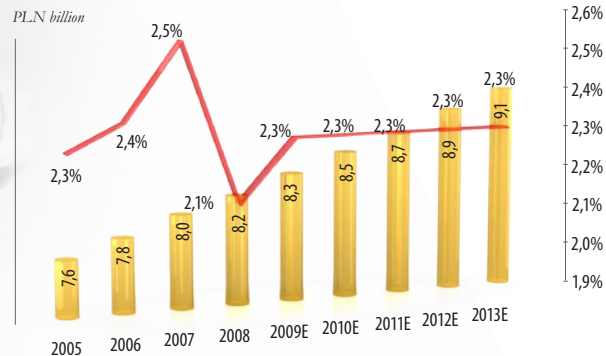
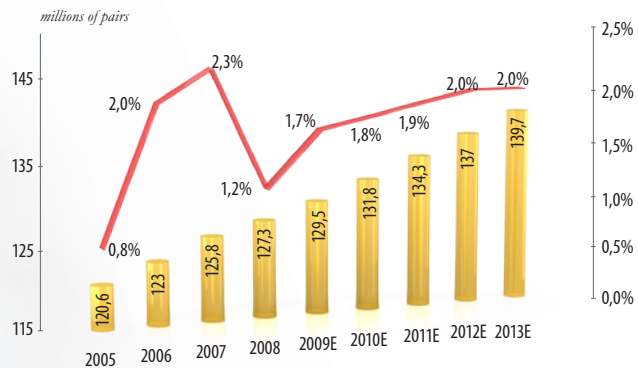
- Unsaturated market
(4.1 pairs of shoes per year while the average figure for EU is 6.2)
- Lack of strong competitors
- NG2 is the market leader in Poland
- Market share of NG2 estimated at 16,5% (2011)



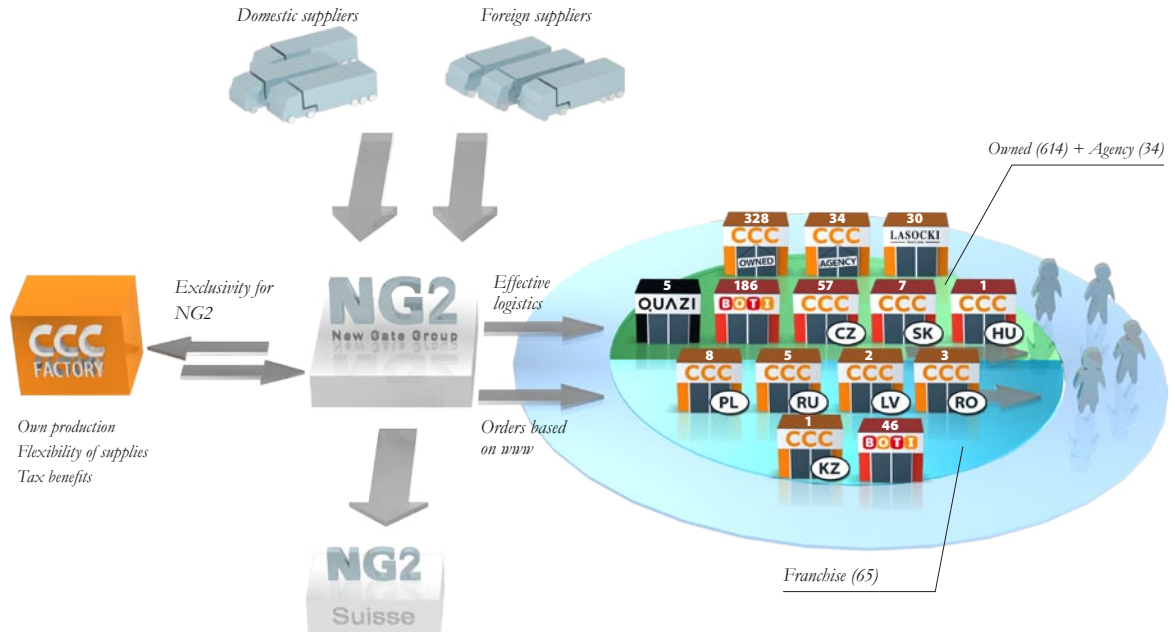
Footwear market volume



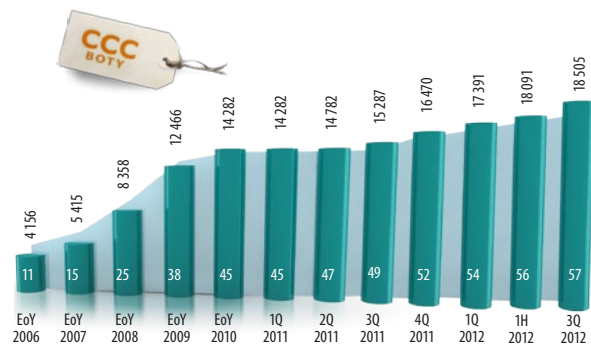
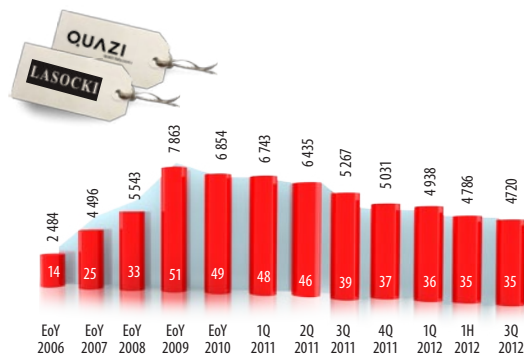
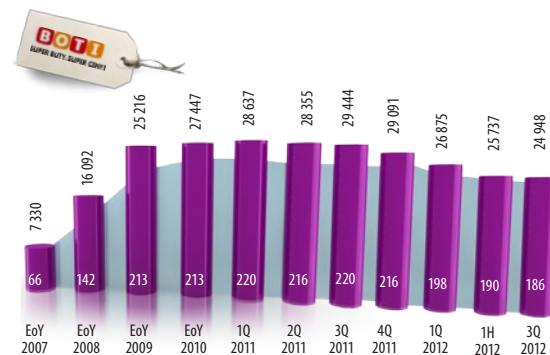
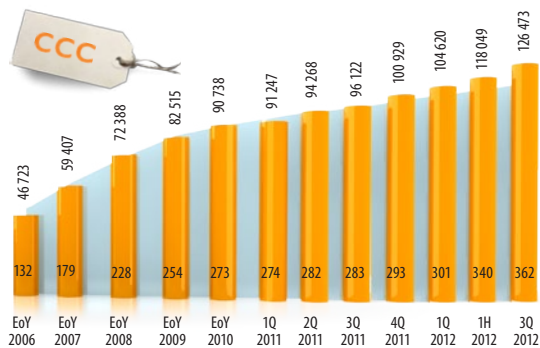
YoY growth



Total number of outlets: 713
(30.09.2012)

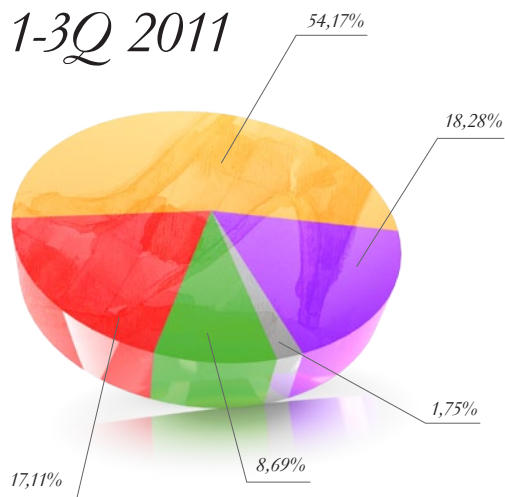


Floorspace and number of stores

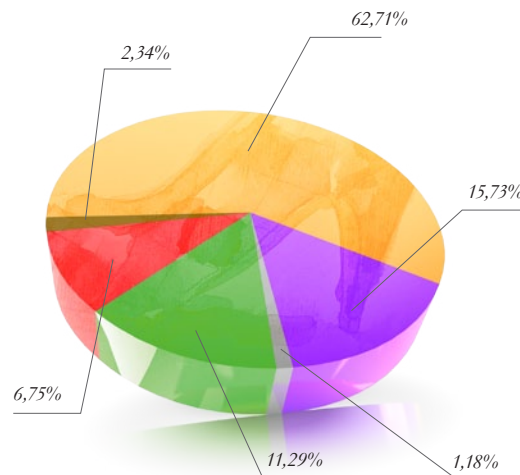


Revenue split by volume and sales channels (%)

1-3Q 2011



1-3Q 2012



CCC



CCC Agency



BOTI



QUAZI/LASOCKI

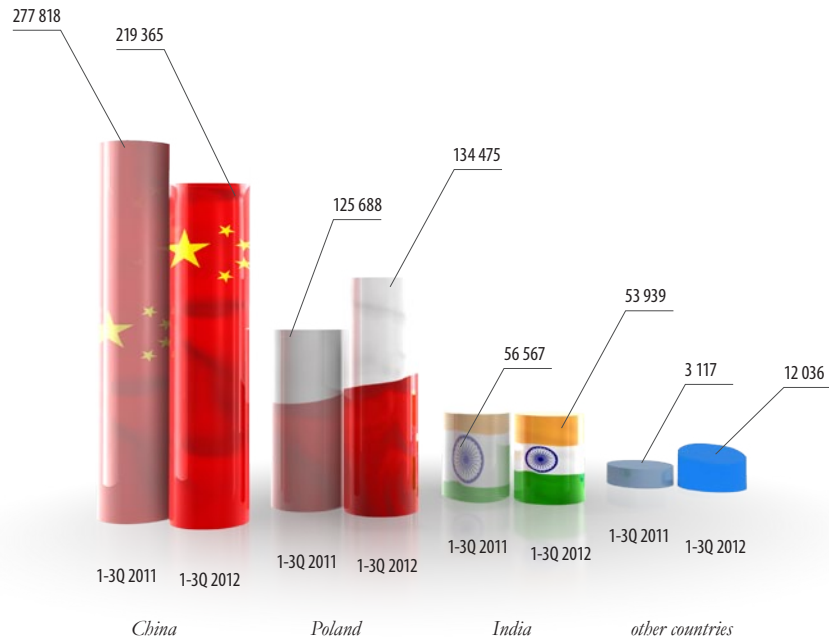


NG2 to subsidiaries

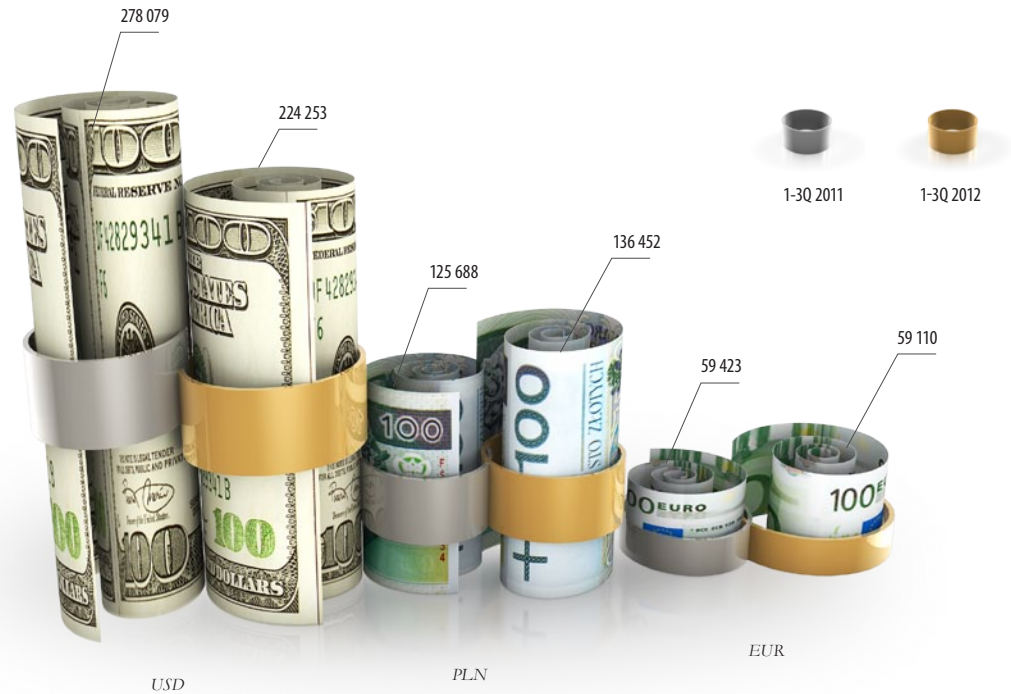


Franchise

Purchases split by sources of supplies (PLN '000)



Purchases split by currency I–IX 2011/2012 (PLN '000)

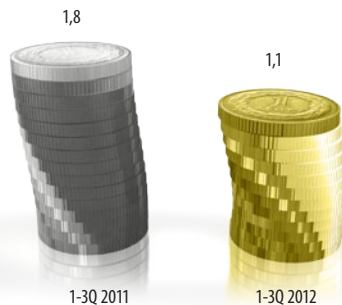


	1-3Q 2011 '000 PLN	1-3Q 2012 '000 PLN	Change % 2012/2011
Revenue	726 845	881 637	21,30%
Gross Profit on Sale	404 924	451 796	11,58%
Gross Profit on Sale Margin	55,71%	51,25%	-8,01%
Selling Costs	-308 140	-363 331	17,91%
General & Administrative Costs	-13 084	-1 450	-88,92%
EBIT	78 442	83 213	6,08%
EBIT Margin	10,79%	9,44%	-12,51%
Financial Costs	-5 803	-11 487	97,95%
Gross Profit	73 038	72 148	-1,22%
Net Profit	58 782	62 844	6,91%
Net Profit Margin	8,09%	7,13%	-11,87%
Total Assets	874 608	974 908	11,47%
Liabilities and Reserves	444 168	489 276	10,16%
Long Term Liabilities	221 570	147 902	-33,25%
Short Term Liabilities	222 598	341 374	53,36%
Equity	430 440	485 632	12,82%

Financial Indebtedness / Equity(%)



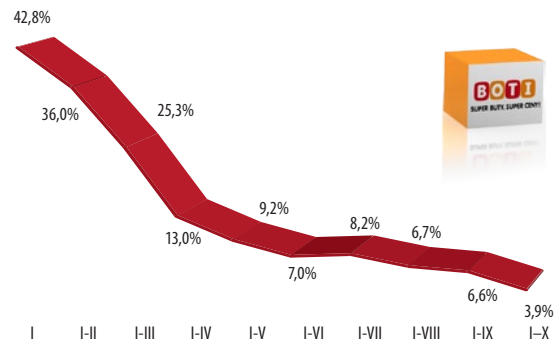
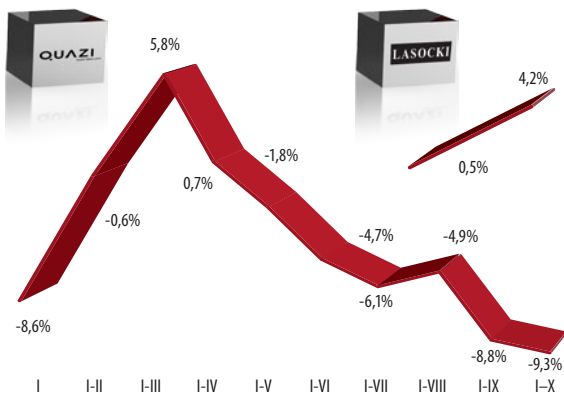
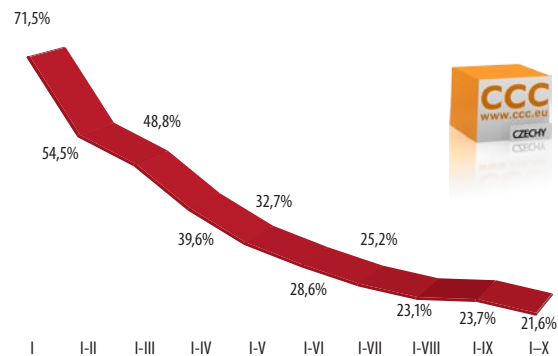
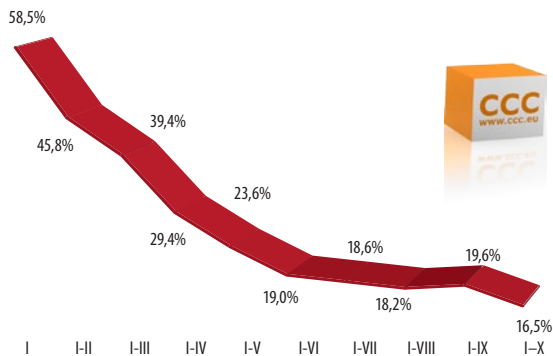
Net debt / EBITDA




Gross Profit Interest Cover



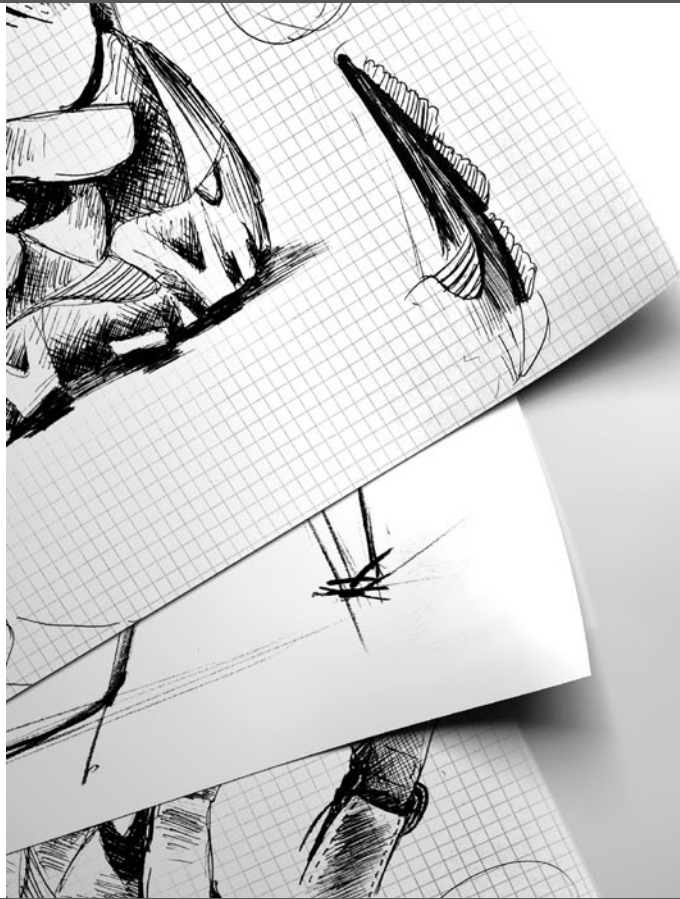
	1-3Q2011	1-3Q2012
<i>Financial Indebtedness (%)</i>	67,8%	57,8%
<i>Net debt / EBITDA</i>	1,8	1,1
<i>Gross Profit Interest Cover</i>	15,9	8,2



Selling costs in company — owned stores



	CCC www.ccc.eu		BOTI SUPER BUTY. SUPER CENY!		QUAZI		LASOCKI	
	selling costs (PLN/m ²)	rental costs (PLN/m ²)	selling costs (PLN/m ²)	rental costs (PLN/m ²)	selling costs (PLN/m ²)	rental costs (PLN/m ²)	selling costs (PLN/m ²)	rental costs (PLN/m ²)
1-3Q 2012	197,8	95,5	189,3	76,4	311,6	176,0		
1-3Q 2011	187,1	92,6	181,9	74,8	302,3	163,0		
zm % 2012/2011	5,7%	3,2%	4,1%	2,2%	3,1%	8,0%		
3Q 2012	197,0	93,4	191,3	76,1	315,9	175,7		
3Q 2011	188,2	93,5	181,6	73,6	304,2	166,6		
zm % 2012/2011	4,7%	-0,1%	5,4%	3,4%	3,9%	5,5%		
2Q 2012	200,6	97,9	189,2	76,7	308,9	180,0		
2Q 2011	192,5	94,4	187,9	78,3	310,8	168,1		
zm % 2012/2011	4,2%	3,7%	0,7%	-2,0%	-0,6%	7,1%		
1Q 2012	195,7	95,4	187,5	76,5	309,9	172,4		
1Q 2011	180,7	89,8	176,2	72,4	291,9	154,2		
zm % 2012/2011	8,3%	6,2%	6,4%	5,7%	6,2%	11,8%		



The strategic goal for the years 2013-2015 is to become the market leader in each of the CEE countries: Poland, Czech Republic, Slovakia and Hungary.

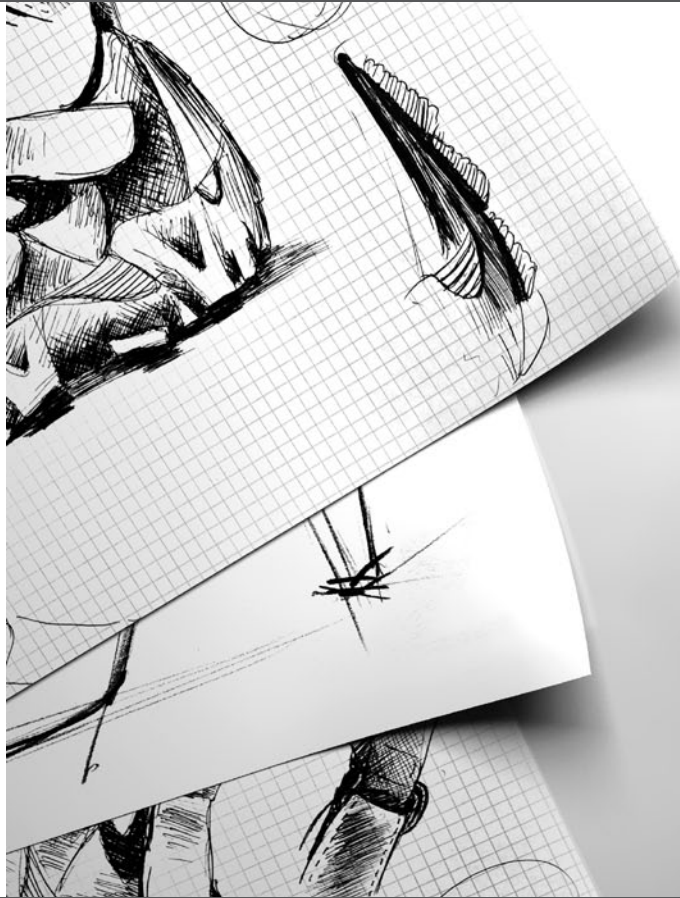
- NG2 Group intends to take the opportunity of the economic slowdown and to increase the total floorspace by 80% (150.000 sq.m.) till the end of 2015
- In Poland, Czech Republic, Slovakia and Hungary only owned stores will be opened. In Russia, Romania, Baltic States and other countries franchise business model will be developed.

NG2 intends to increase rapidly scale of the business while maintaining high profitability accompanied by the high ROE.

- NG2 Group will double its revenue until 2015
- Long term sustainable EBIT Margin is estimated at 15-16% while Net Profit Margin at 11-13%
- ROE will be above 20%

Sales parameters will be improved substantially

- Widening product offer and introducing new assortment
- Marketing activities supporting CCC brand
- Active promotion of CCC Club (loyalty program)



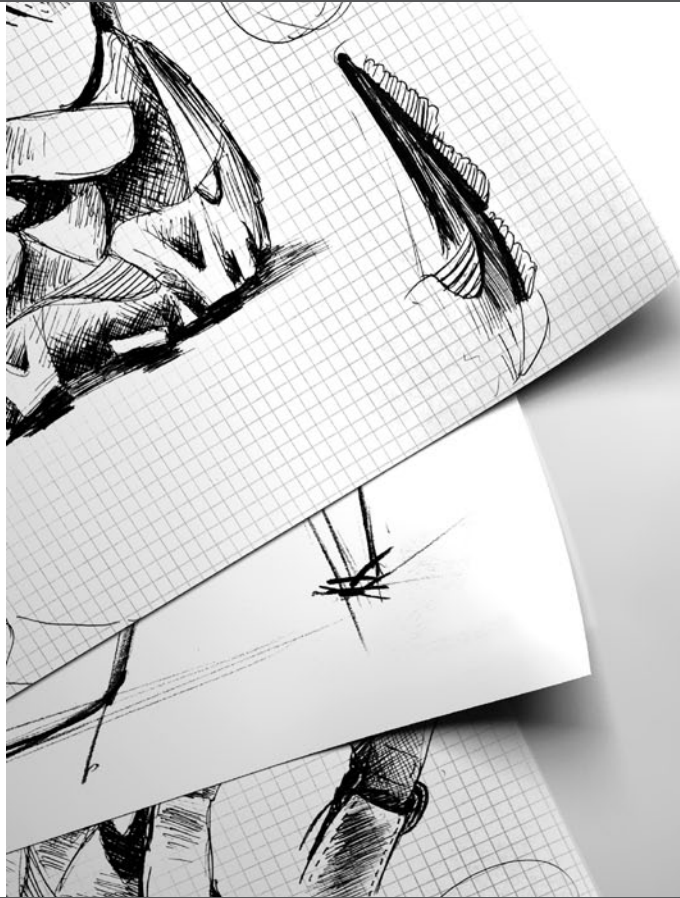
Management Board of NG2 forecasts single digit (7-6-5 %) l-f-l sales growth in CCC stores in 2013–2015. Target seems to be achievable due to introduction of the new products , marketing campaigns and loyalty program.

Widening of the product offer:

- New brands of leather shoes– Lasocki Fashion for Men, Lasocki Kids, Lasocki Young,
 - Walt Disney shoes for children,
 - Wide offer of shoe accessories.
 - Introduction of branded sports shoes (Nike, Puma, Adidas).
-

In 2013 two celebrities are to promote CCC in Poland – Anna Przybylska and Piotr Adamczyk. In Czech Republic and Slovakia Tatiana Kucharova (Miss World 2006) will be a face for the brand.

Launching of the loyalty program for CCC customers – after 3 months 420,000 active users.



In 2012 NG2 Group will increase the floorspace in the owned stores by at least 37,000 sq.m. (24,5%). Increase will be driven by intense development in Poland, Czech Republic, Hungary and Slovakia and taking over franchise stores in Poland.

In the years 2013-2015 total floorspace will grow by at least 127,000 sq.m.:

- in owned stores in Poland, Czech Republic, Slovakia and Hungary by 93,000 sq.m.*
 - in franchise stores across Central and Eastern Europe by 34,000 sq.m.*
-

Only CCC concept will be developed
— domestically and abroad, both owned and franchise.

In 2013 at least 120 new CCC stores will be launched: at least 120 in Poland, 25 in Czech Republic and Slovakia, 25 in Hungary and at least 20 in Romania.

Shareholders structure (shares)

*NG2 S.A. has been listed
on the Warsaw Stock Exchange since 2004*

*The main shareholder and founder of NG2
is The President of Management Board
Mr Dariusz Milek*

*Number of shares:
38 400 000*

