

ПАККО

CB Retail Investments Public Limited

Management Presentation

April 2008

This presentation contains information about CB Retail Investments plc (the Company), a public limited company incorporated in Cyprus.

This presentation is for information purposes only and does not constitute an offer to sell or solicitation of an offer to buy any shares or other securities of the Company.

This presentation and the information contained herein is confidential. Recipients of this presentation may not reproduce, redistribute or pass on, in whole or in part, the presentation to any other person. In particular, this presentation is not for publication or distribution or release in the United States of America (including its territories and possessions, any State of the United States of America and the District of Columbia).

The information contained herein is based on sources believed by the Company to be reliable but is not guaranteed by the Company as being accurate and does not purport to be a complete statement or summary of the available data. Any opinions expressed herein are statements of Company's judgments as of the date of publication and are subject to change without notice. The Company does not intend, and does not assume any obligation, to update or correct the information included in this presentation.

No reliance may be placed for any purposes whatsoever on the information and statements contained in this presentation or on their completeness. No representation or warranty, express or implied, is given by or on behalf of the Company or any of its advisors or any other person as to the accuracy or completeness of the information or statements contained in this presentation and no responsibility or liability is or will be accepted for any such information or statements.

This presentation includes and is based on, among other things, forward-looking information and statements. Such forward-looking information and statements are based on the current expectations, estimates and projections of the Company or assumptions based on information available to the Company. Such forward-looking information and statements reflect current views with respect to future events and are subject to known and unknown risks, uncertainties and other important factors beyond the Company's control. The Company cannot give any assurance as to the correctness of such information and statements. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this presentation, including, among others, risks or uncertainties associated with the Company's products, technological development, growth management, financing, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in currency exchange rates and interest rates and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document.

Booming economy

- Ukrainian economy is one of the fastest growing in Europe
- Increasing consumer expenditures drive retail expansion
- Demand is far from being satisfied – the sector's saturation is much lower than in European countries

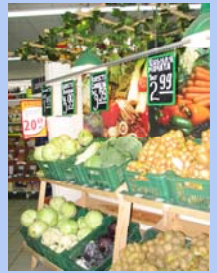
Proven ability to develop fast

- In 2007 we are 4th in Ukraine by number of retail outlets and in Top-10 by revenue
- In July 2007 completed one of the largest acquisition deal in the sector
- More than doubled number of stores in operation over 2007 from 35 to 82

Focused expansion in attractive niche

- Moving into untapped markets in small and medium-sized towns
- Driven by a combination of acquisitions and organic growth
- Tailors store format to local specifics
- Plans to operate more than 170 stores by the end of 2009

Market Outlook



Business Overview

Strategy

Financials

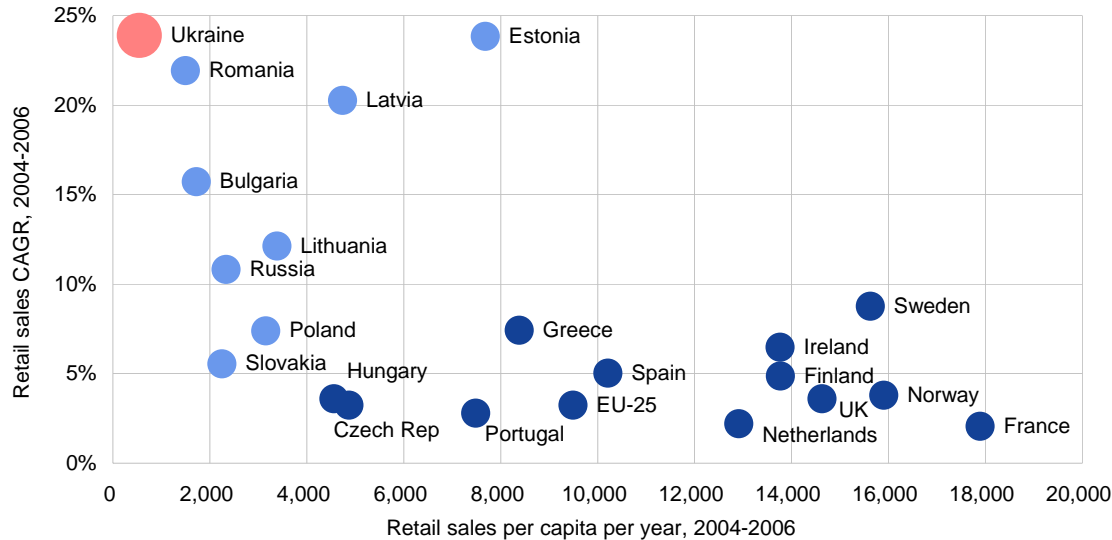
Fast growing and underdeveloped market

- Ukraine was ranked 5th in the A.T. Kearney 2007 Global Retail Development Index
- Ukrainian retail with 24% CAGR over 2004-2006 is fastest growing retail market in Europe
- Modern retail sales per capita in Ukraine are 3 times less than in Bulgaria and 4 times less than in Russia, revealing a large growth potential

Ukrainian opportunities

Modern retail sales

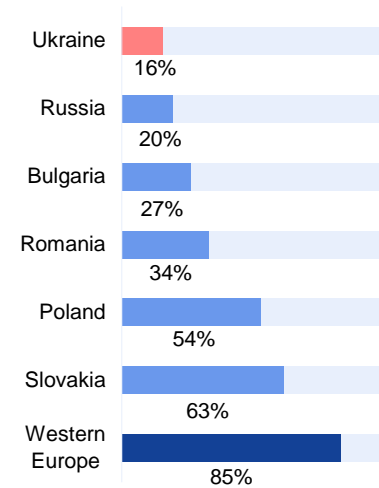
USD per year per capita vs CAGR, 2004-2006



Source: Eurostat, Bloomberg, IMF, Company data

Modern retail penetration

As % of total retail sales, 2006



Regional cities are key targets for retail development

- Ukraine has more than 350 cities and towns with populations between 10,000 and 250,000
- Nearly 30% or 13.4 million Ukrainians live in these towns
- There are only 13 modern retail stores per one million inhabitants in these towns, compared to 45 in the largest Ukrainian cities
- Rent payments are considerably lower than in larger cities

Overlooked

Low penetration
by modern
retailers

Attractive

Best locations
are still
available

Potential for expansion

Population	Number of cities	Inhabitants, mln	% of total	Modern stores per million inhabitants
>1,000,000	4	6.3	14%	45
500,000 - 1,000,000	5	3.8	8%	29
250,000 - 500,000	17	5.7	12%	23
100,000 - 250,000	20	3.3	7%	27
10,000 - 100,000	336	10.1	22%	9
<10,000	350	2.5	5%	3
Villages	>5,000	14.8	32%	none

Source: Company data

Ukrainian retail market is highly fragmented



- One of the lowest concentration levels in Europe – 3 largest Ukrainian retailers account for 13% of total market turnover

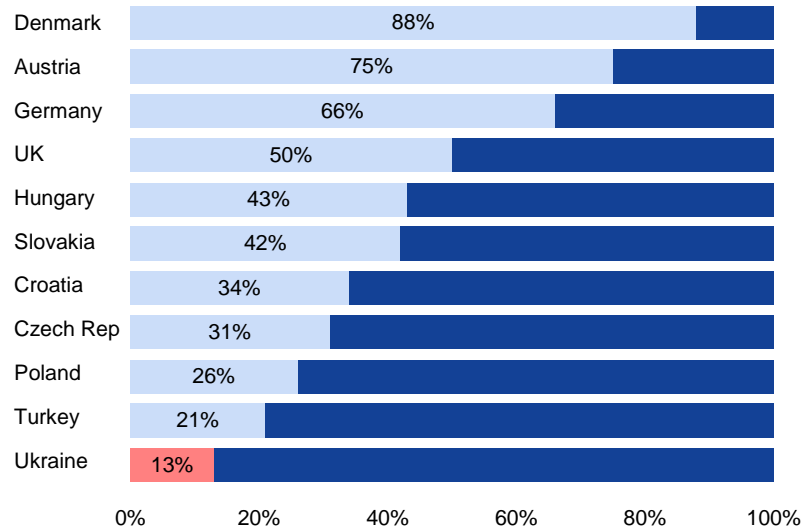
- We believe the market will consolidate and converge to the European average

Market concentration

Modern retail, 2006

Share of 3 largest retailers, %

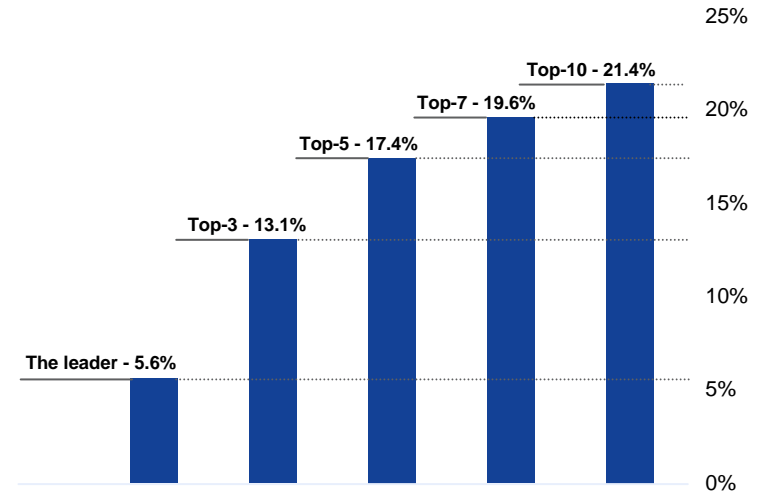
Top-3 share 
 Other 



Source: ACNielsen, Company data

Modern retail in Ukraine, 2006

Share of market leaders, %



Market Outlook

Business Overview



Strategy

Financials

Company snapshot

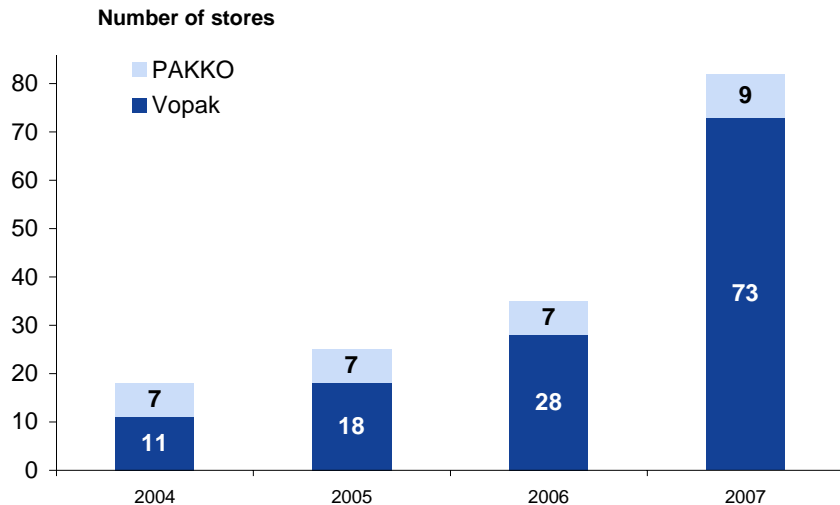
- Founded in 1996, in retail business since 2003
- Ranked 4th in terms of store network with 82 stores operating in four formats as of December 31, 2007
 - ✓ convenience stores
 - ✓ economy supermarket
 - ✓ supermarket
 - ✓ cash and carry
- 74.7 thousands square meters of total floor space, of which 32% is owned
- TOP-10 in the Ukrainian retail market in terms of revenue with USD 173 mln in 2007
- Present in 11 out of 25 regions of Ukraine
- 5,115 employees as of December 31, 2007



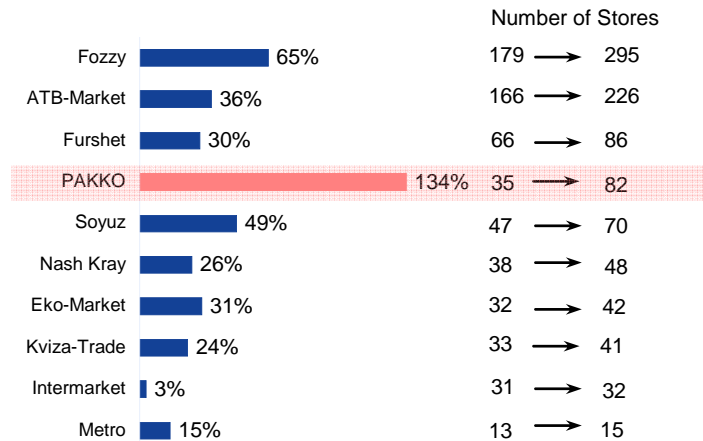
Rapid business development

- Floor space increased more than 2 times and the number of stores more than tripled in less than 2 years
- Leading the growth rankings – increased by 134% number of stores over 2007

Development of the chain



Growth of number of stores, 2007

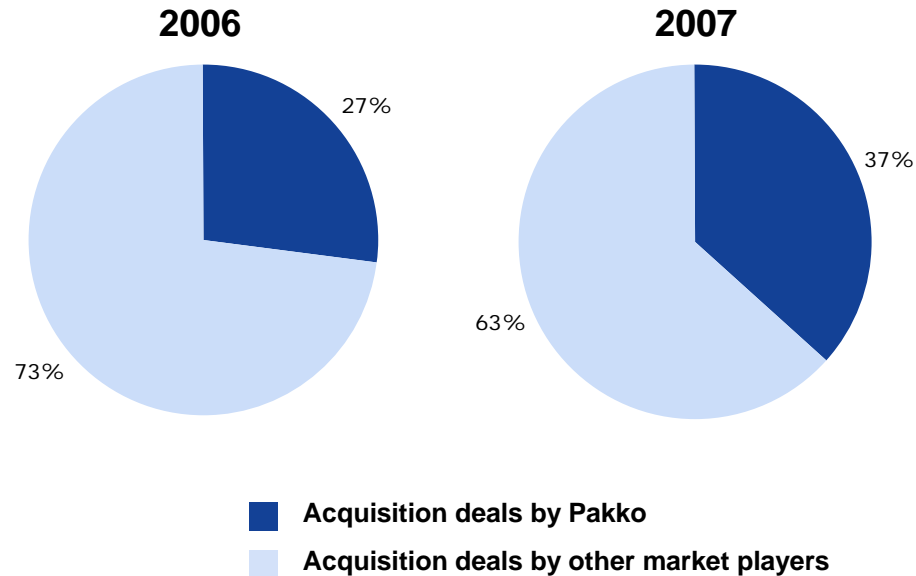


Active industry consolidator

- In July 2007 24 stores in Kharkiv region were acquired from a local retailer. This deal became one of the largest in Ukraine by number of stores.
- Rebranded stores generate on average 12% more revenue than before rebranding

Acquisitions in Ukraine

Number of stores acquired



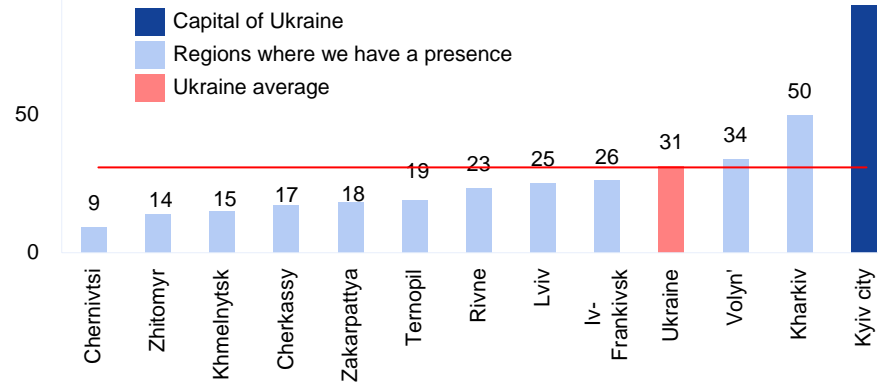
We operate in attractive regions

- Regions we operate in are considerably underpenetrated compared to the average level in Ukraine

- At the same time, these regions show higher than average growth in real wage – more than 17% per year over 2005-2007

Regions of our presence are underpenetrated...

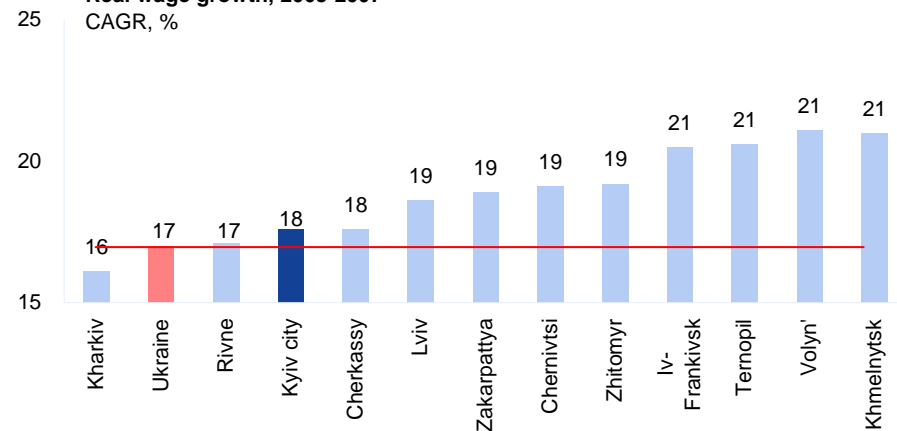
Modern retail trading space, 2006
square meters per capita



Source: UkrStat, ACNielsen, Company data

...and will demand much more

Real wage growth, 2005-2007
CAGR, %

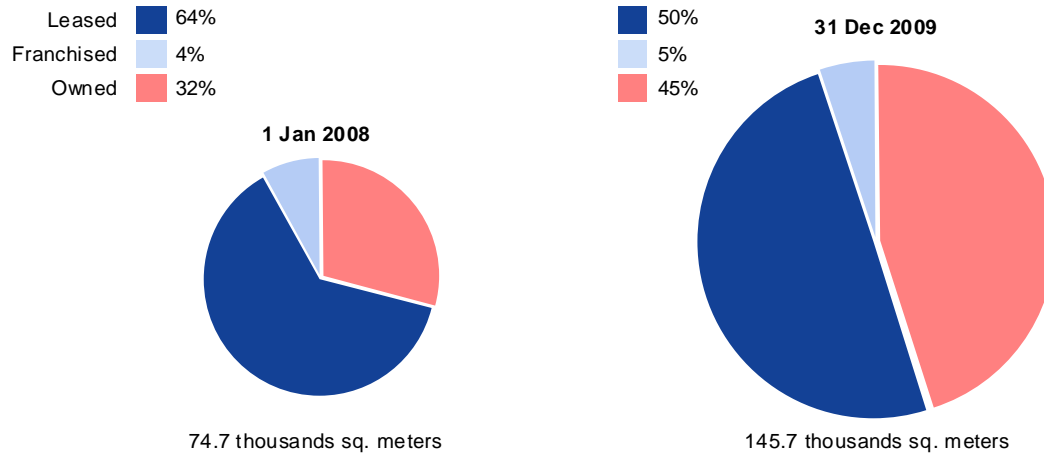


Real estate ownership supports growth

- We own 32% of our stores (by total space) and plan to increase ownership to 45% by the end of 2009
- Property ownership allows us to capitalize on rising real estate prices and provides cost efficiency
- Our dedicated development team:
 - covers all our target expansion regions
 - ensures fast and careful selection of prime locations

Pakko's Real Estate

Breakdown of real estate



Source: Company data

Market Outlook

Business Overview

Strategy



Financials

To become the nation-wide leader in small and medium size cities

Focused expansion

- penetration into 7 new regions by the end of 2010
- focused on small and medium size cities



Flexible tailored formats

- flag the best locations
- in under-penetrated regions
- stores can be selected for individual sites

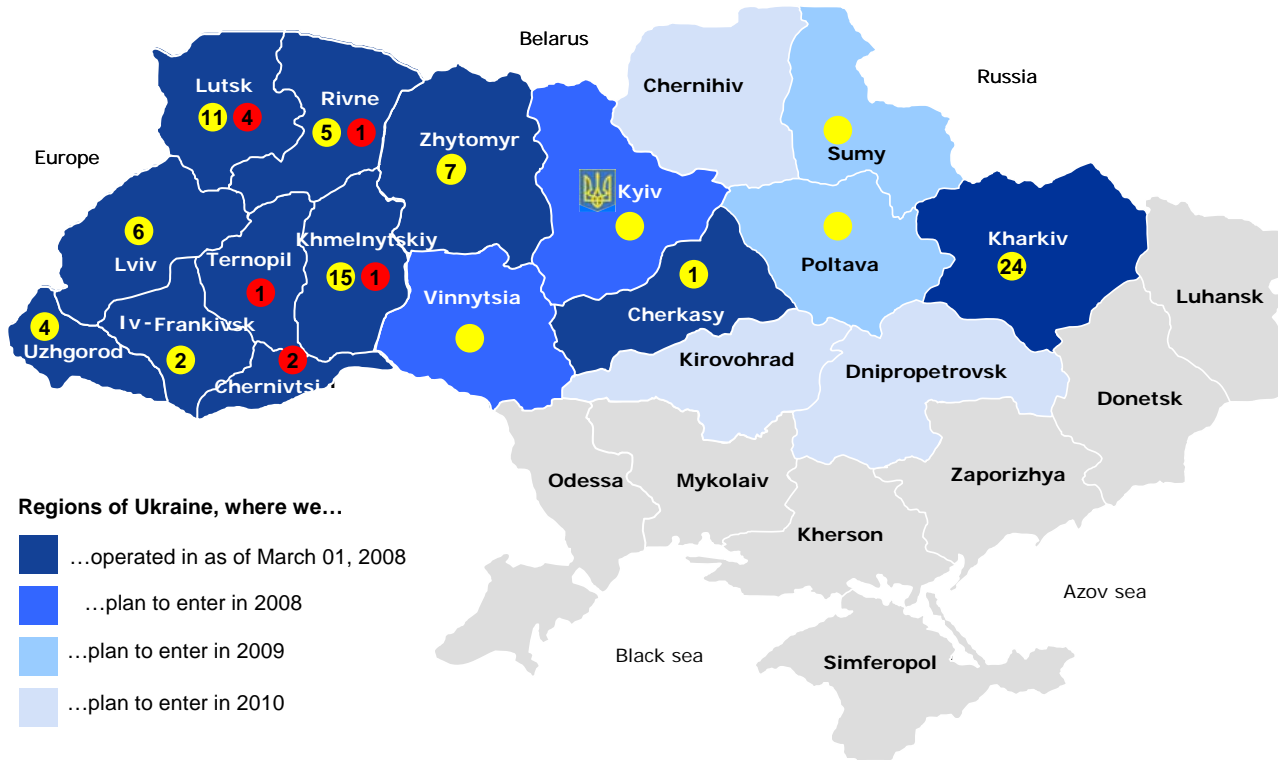


Operational efficiency

- Consumer traffic increase
- Sales per sqm improvement
- increase EBITDA margin up to 8.5% by 2011



Regional expansion



2008

New regions to penetrate:

Region	Vopak 7	Pakko 0
Vinnytsya	2	0
Kyiv	2	0
Cherkassy	3	0

Open new stores in existing regions:

Region	Vopak 35	Pakko 3
Zhytomyr	2	0
Lviv	7	0
Rivne	3	1
Kharkiv	12	0
Ivano-Frankivsk	2	1
Khmelnitskiy	3	1
Ternopil	2	0
Luts'k	2	0
Uzhgorod	2	0

2009

New regions to penetrate:

Region	Vopak 4	Pakko 0
Poltava	3	0
Sumy	1	0

Open new stores in existing regions:

Region	Vopak 41	Pakko 0
Luts'k	2	0
Ivano-Frankivsk	4	0
Kyiv	5	0
Kharkiv	4	0
Khmelnitskiy	3	0
Lviv	6	0
Zhytomyr	2	0
Uzhgorod	2	0
Ternopil	2	0
Rivne	2	0
Chernivzi	1	0
Cherkassy	4	0

Flexibility in store formats

- Flexible formats tailored to local market characteristics and consumer preferences
- Products mix presented in the stores is tailored to their location and size
- Signed lease agreements with a strategic partner (developer) and plan to be an anchor tenant in five hypermarkets by the end of 2009
- Experience in hypermarket operating (TAM-TAM)

	PAKKO	VOPAK		
	Cash & Carry	Supermarket	Economy Supermarket	Convenience store
# of stores 2007YE	9	3	53	17
Trading area, sq m	1,000 – 2,500	800 - 2,000	300 – 900	140 - 250
# of SKUs	10,000 – 18,000	8,000 – 10,000	5,000 – 10,000	4,000 – 4,500
City/location	regional centers, cities with 100+ ths residents	towns with 100+ ths residents	towns with 50+ ths residents	all-size towns

Case Study: Polish POLOmarket and Biedronka



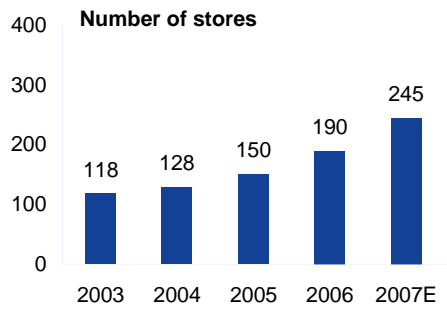
Strategy

- Tailored format
- Expansion into small towns

Position

- Successfully competes on saturated grocery market
- Polish owners
- Planned to expand network 20% yoy to 245 store in 2007

POLOmarket



Source: Official website (<http://www.polomarket.pl>)

Market

- Polish market is much more saturated than Ukraine
- Most global retail giants have a presence in Poland



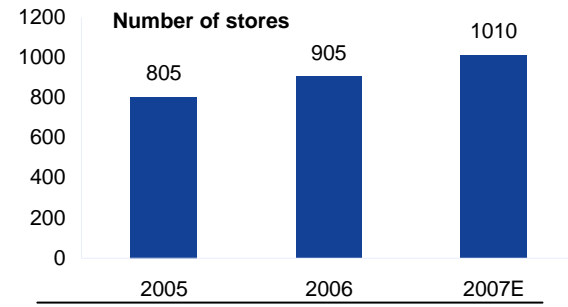
Strategy

- Convenient locations for daily purchasing
- Leader in Poland

Position

- The biggest convenient store chain in Poland
- Part of Jeronimo Martins Group
- Planned to expand store network 12% yoy to 1,010 store in 2007

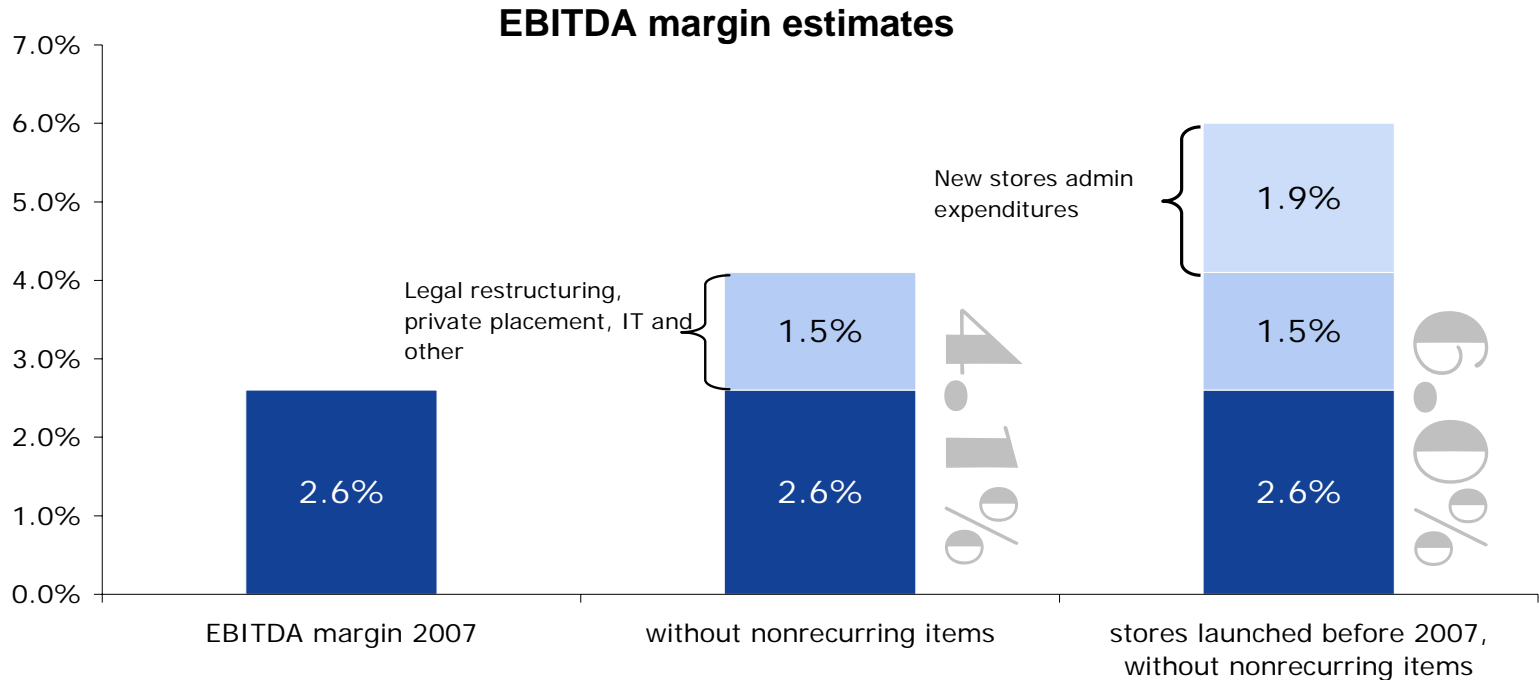
Biedronka



Source: Official website (<http://www.biedronka.pl>)

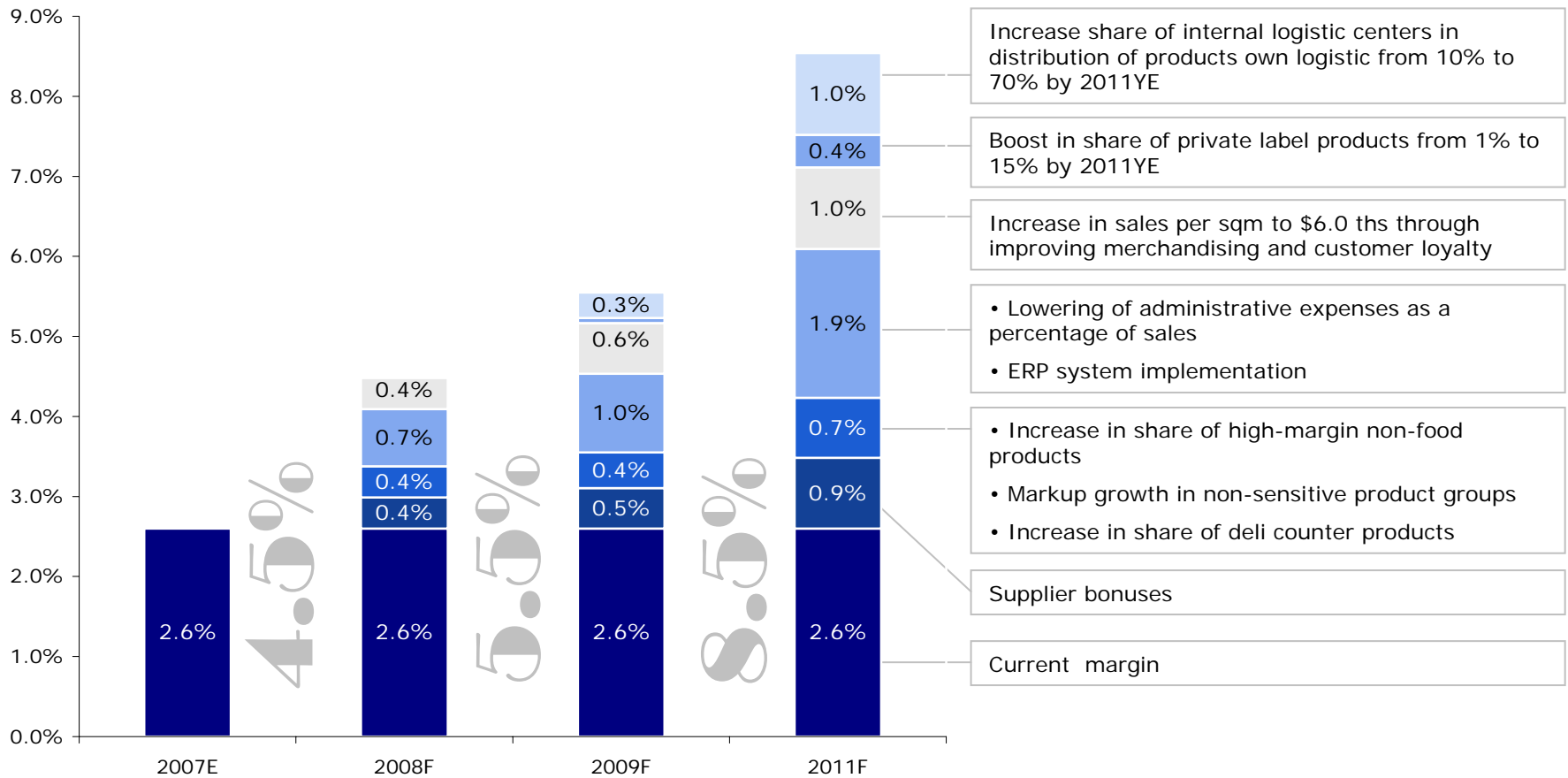
EBITDA margin depressed by development expenditures in 2007

- Adjusted EBITDA margin, excluding non-recurring expenses like legal restructuring and private placement costs, is estimated at 4.1%
- Stores at least one year old generated 6.0% EBITDA margin (excluding non-recurrent expenses)



Means of profitability improvement

- EBITDA margin should increase to 4.5% in 2008 and 8.5% by 2011

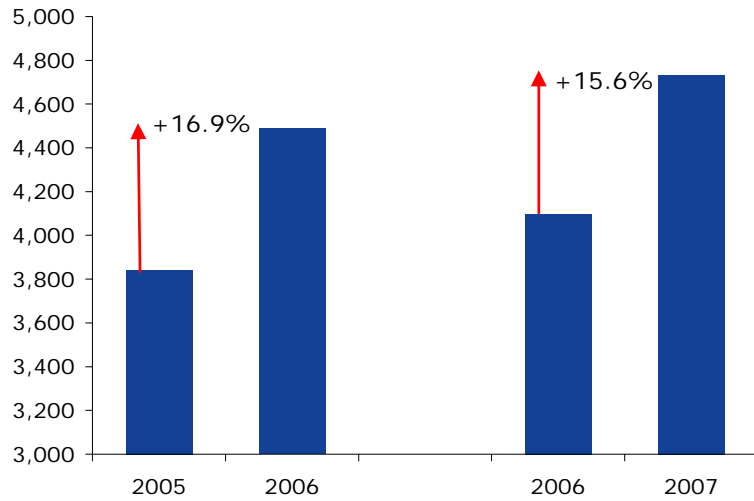


Trade area efficiency

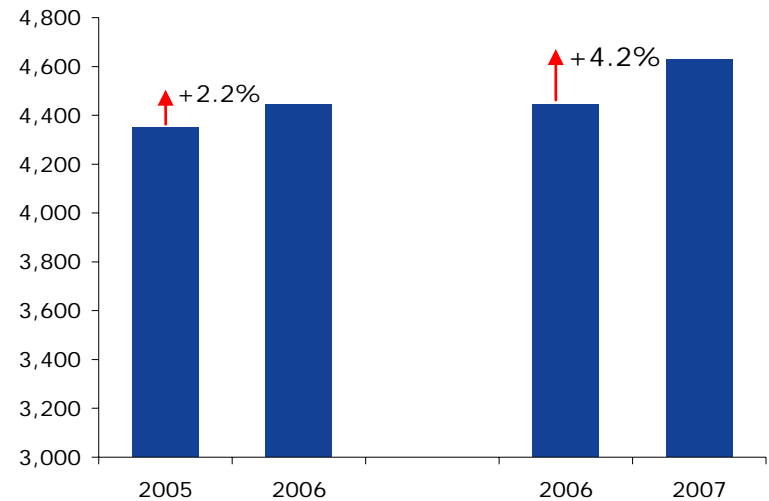
- In 2007 stores at least two years old increased sales 15.6% yoy

- PAKKO stores reached their revenue peak to a sustainable level

VOPAK



PAKKO



■ Annual sales per sqm for stores more than 2 years old, \$

Market Outlook

Business Overview

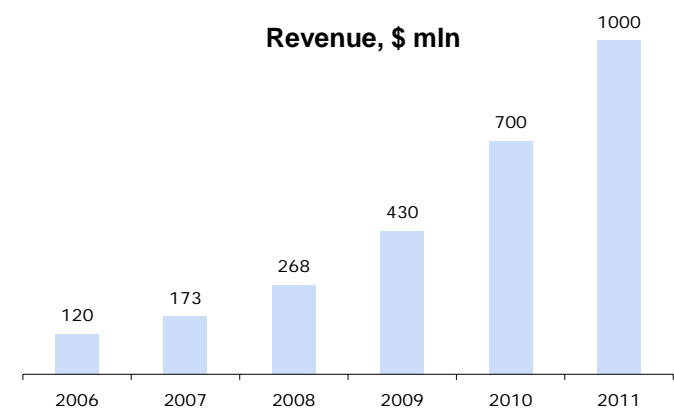
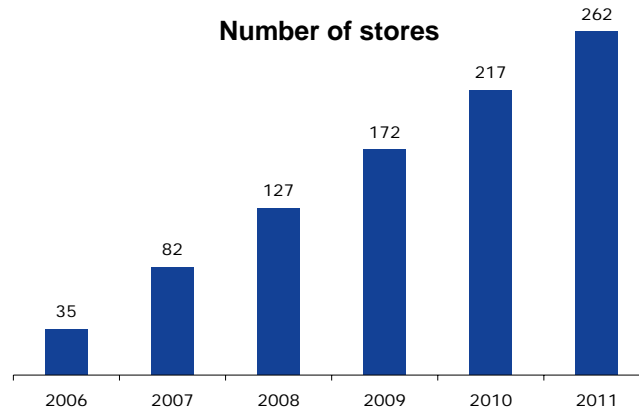
Strategy

Financials

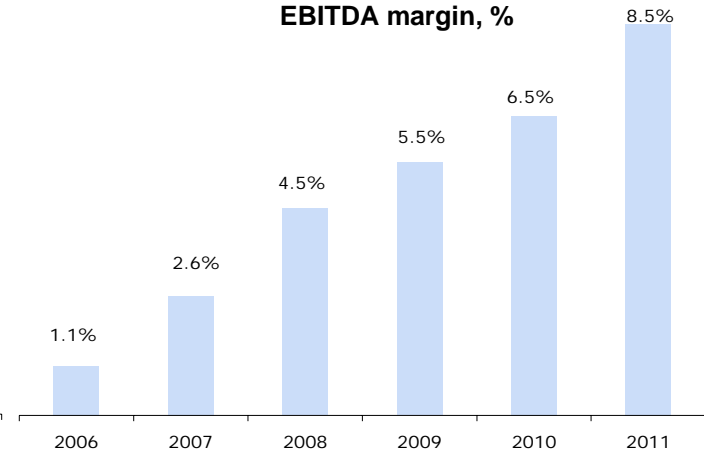
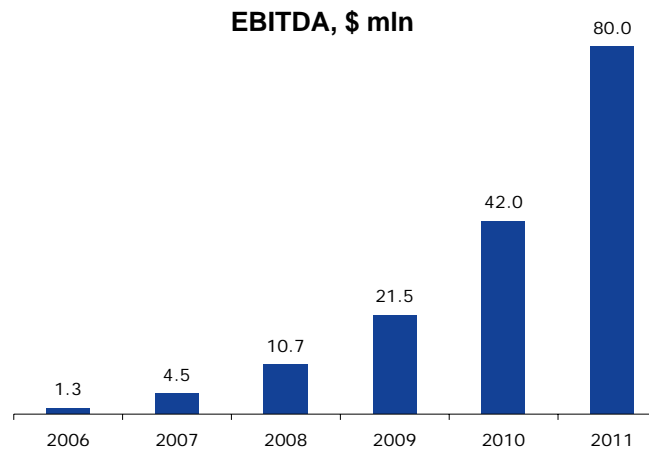


Estimated 2007 results and forecasts

- Through continually increasing in the number of stores and store efficiency, we plan to achieve USD 1 bln in turnover by 2011



- We plan to significantly improve our profitability by increasing sales per square meter and controlling costs



Balance Sheet

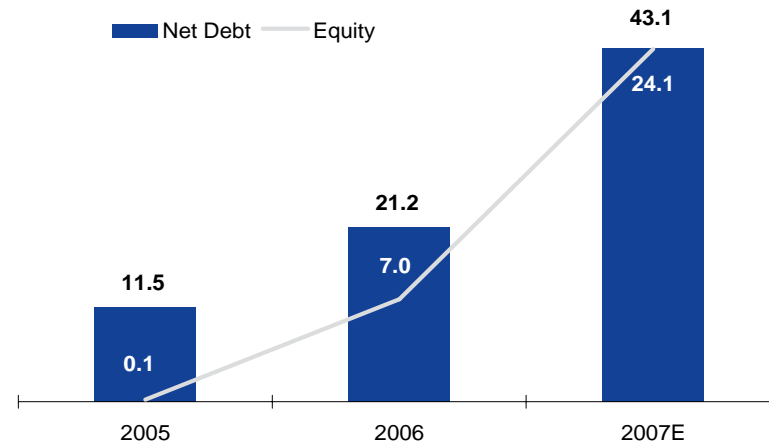
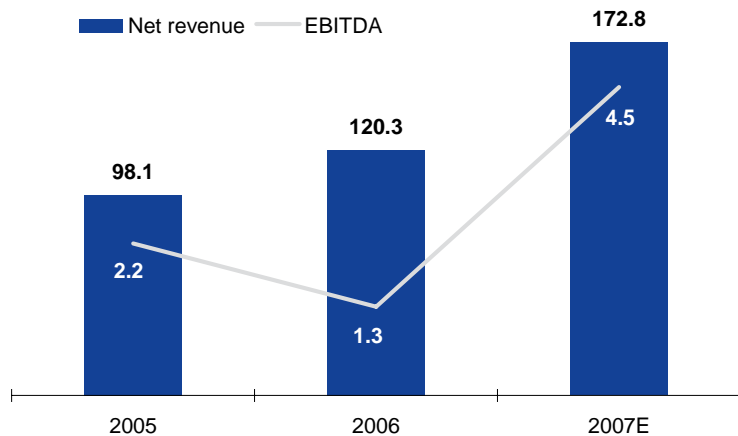
('000 of US dollars)	2005	2006	1H 2007
Non-current assets	22,862	41,478	45,465
Current assets	17,501	20,650	35,530
Cash	2,200	3,344	6,643
Total assets	40,363	62,128	80,995
Equity and reserves	149	6,987	4,368
Non-current liabilities	9,594	18,690	22,079
Long-term loans	8,248	14,064	17,400
Current liabilities	30,172	35,566	53,996
Short-term loans	5,467	10,504	20,744
Total equity and liabilities	40,363	62,128	80,995

Income Statement

('000 of US dollars)	2005	2006	1H 2007
Revenues	98,086	120,305	70,755
Gross margin	14,513	19,854	12,736
Gross margin, %	15%	17%	18%
Operating profit	1,169	431	(338)
Other non-operating gain/(loss)	1,731	9,522	(247)
Net profit	1,553	7,376	(2,598)
EBITDA⁽¹⁾	2,232	1,302	716

(1) Calculated as (Operating profit + Depreciation)

Key financials dynamic, \$ mln.



Source: Report and Unaudited Pro Forma Consolidated Financial Information 31 December 2006, prepared in accordance with IFRS. Financials as of 2007 – preliminary data
Auditor: Nexia International