Report on the Third Quarter of 2012/13
(May 2012 – January 2013)

Wolford Group Key Data

Earnings Data		05/12 - 01/13	05/11 - 01/12	Chg. %	2011/12
Revenues	in € mill.	124.13	121.13	*+2*	154.06
EBITDA	in € mill.	9.79	15.57	*-37*	15.32
EBIT	in € mill.	3.65	9.66	*-62*	7.00
Earnings before tax	in € mill.	2.79	8.35	*-67*	5.17
Earnings after tax	in € mill.	2.48	7.06	*-65*	1.36
Earnings per share	in €	0.51	1.44	*-65*	0.28
Capital expenditure	in € mill.	4.22	6.25	*-32*	7.94
Free cash flow	in € mill.	1.00	(1.36)	*>100*	0.40
Employees on average		1,614	1,673	*-4*	1,665

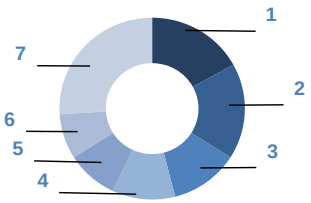
Balance Sheet Data		31/01/13	31/01/12	Chg. %	30/04/12
Equity	in € mill.	84.59	88.97	*-5*	83.61
Net debt	in € mill.	16.44	17.15	*-4*	15.38
Capital employed [1)]	in € mill.	117.60	123.31	*-5*	115.30
Working capital [2)]	in € mill.	42.27	42.53	*-1*	39.77
Balance sheet total	in € mill.	148.31	153.35	*-3*	145.50
Equity ratio	in %	57	58	-	57
Gearing	in %	19	19	-	18

Stock Exchange Data		05/12 - 01/13	05/11 - 01/12	Chg. %	2011/12
Share price high	in €	28.80	27.48	*+5*	27.48
Share price low	in €	23.50	21.03	*+12*	21.03
Share price at end of period	in €	23.72	23.00	*+3*	23.31
Shares outstanding (weighted)	in 1,000	4,900	4,900	*0*	4,900
Market capitalization (ultimo)	in € mill.	118.58	115.00	*+3*	116.53

Segments 05/12-01/13 in Mio. €	Austria		Rest of Europe		North America		Asia	
External revenues	26.04	*(+2%)*	74.39	*(0%)*	21.10	*(+13%)*	2.60	*(+2%)*
EBITDA	5.88	*(-40%)*	4.14	*(-7%)*	0.91	*(-23%)*	0.31	*(-64%)*
EBIT	2.21	*(-64%)*	2.23	*(-14%)*	0.37	*(-48%)*	0.23	*(-71%)*
Capital expenditure	1.95	*(-40%)*	1.60	*(-20%)*	0.60	*(-38%)*	0.11	*(+41%)*
Employees on average	842	*(-11%)*	633	*(+5%)*	117	*(+17%)*	22	*(+3%)*

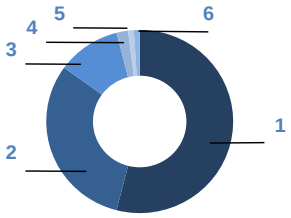
1) Capital employed = shareholders´ equity plus interest-bearing debt less cash and cash equivalents
2) Working capital = sum of inventories, trade receivables and other current receivables and assets less trade payables and other current liabilities

Revenues by countries



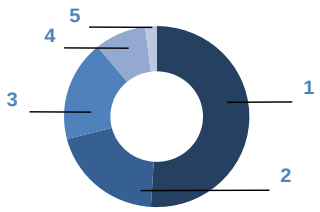
1 North America 17%
2 Germany 17%
3 France 12%
4 Austria 11%
5 UK 9%
6 Scandinavia 8%
7 Rest of World 26%

Revenues by product groups



1 Legwear 54%
2 Ready-to-wear 31%
3 Lingerie 11%
4 Accessories 2%
5 Swimwear 1%
6 Trading goods 1%

Revenues by distribution channels



1 Boutiques 51%
2 Department stores 20%
3 Multi-brand retailers 18%
4 Factory outlets 9%
5 Private label 2%

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Wolford Collection Spring/Summer 2013: Boudoir Push-Up Bra, Boudoir Control String High Waist, Individual 10 Stay-Up

Chief Executive's Review

Holger Dahmen,
Chief Executive Officer of Wolford AG

Dear Shareholders, Ladies and Gentlemen:

Sales growth of 2.5% in the first nine months due to a strong retail business

The Wolford Group looks back at an overall positive sales development in the first three quarters of the current 2012/13 fiscal year against the backdrop of a largely difficult economic environment. During the reporting period total sales rose by 2.5% to € 124.13 million, and EBIT fell from € 9.66 million to € 3.65 million. While the retail business in most of Wolford's core geographic markets developed well, showing solid third-quarter growth of 4%, the wholesale sector remained quite restrained and reported a significant decline of 8%, especially resulting from the period November 2012 to January 2013. Earnings failed to meet our expectations because of cost increases related to the targeted expansion of our international distribution network as well as to higher marketing costs and rental fees.

Positive development in most core geographic markets, economy-related sales decline in Italy and Spain

From a regional perspective, sales developed positively in most of Wolford's core geographic markets. Significant growth was achieved in the USA, Wolford's strongest sales market. We also succeeded in increasing sales in Germany, France, Great Britain, Scandinavia, Switzerland and Belgium. In contrast, Italy and Spain suffered considerable sales declines from the prior-year level due to the difficult economic conditions, while revenues in the Netherlands also decreased. In Austria we expect sales growth to return in the future, in part due to an improved location of our Vienna Airport boutique.

International trend to shapewear leads to strong growth in the Lingerie product group

Wolford boasts a broad-based and well-rounded product portfolio based on its five product groups i.e. Legwear, Ready-to-wear, Lingerie, Swimwear and Accessories. Over the past nine months we achieved clear double-digit growth rates in the Lingerie segment and with shapewear products. The ongoing trend towards body shaping products is also perceptible in the Swimwear segment. Our shapewear products are well received by Wolford consumers. Sales in the first three quarters fell slightly in the strong selling Ready-to-wear product group, whereas moderate growth was generated by Legwear, our largest segment, and considerable sales growth was achieved with Swimwear and Accessories.

Wolford-owned boutiques and online shops as growth drivers, decline in the wholesale business

The overall positive sales development in the first three quarters of 2012/13 driven by our own retail business reinforces our commitment to persistently implement our strategy of expanding international distribution. In the first nine months we significantly increased sales with Wolford-controlled distribution channels i.e. our own and partner-operated boutiques, factory outlets, concession shop-in-shops and online shops. Accordingly, Wolford's 262 monobrand points of sale accounted for 66% of total sales, up from 64% in the prior year. As a result, we are very close to achieving our target of 70% sales generated by Wolford-controlled distribution channels. Our own boutiques whose sales were up 10% year-on-year as well as our online business which expanded by 56% comprise the decisive growth drivers in the current fiscal year. Sales with our factory outlets and contract business also increased slightly. In contrast, sales generated with partner-operated

boutiques, department stores and multi-brand retailers declined in the first nine months of 2012/13.

Further expansion of Wolford's online business

The excellent development of our online business in the first three quarters of the current fiscal year shows that the offering of Wolford's online shops in 15 countries is being very well received by our customers. Based on the significant rise in the share of sales generated by the global online business, we are continually strengthening our activities in the field of e-commerce by further optimizing the existing online stores with respect to functionalities and customer service.

New distribution models designed to proactively improve the wholesale business

We are counteracting the sales decline of our wholesale business by intensifying the cooperation with our partners and retailers. We developed a modular shop-in-shop concept featuring the elegant and purist Wolford design for use by department stores as well as multi-brand retailers. We are now also offering new boutique partners extensive support in product selection, stock replenishment, logistics, marketing and training on the basis of the partner concept "Commission Affiliation" launched in August 2012. The concept got off to a very promising start internationally, and we are talking to numerous potential partners about opening new stores in European regions which have not been sufficiently penetrated by Wolford but which are interesting to us from a business perspective.

Expansion strategy focuses on Greater China and the Middle East

The geographical focus of our expansion strategy is on the growth markets of Greater China and the Middle East along with the targeted optimization of our sales network in Europe and the USA. In December 2012, we opened a store on Regent Street in London, an international top location which should enable us to enhance brand awareness. Preparations for our expansion to China have been concluded, so that we will open up our first two own boutiques in Shanghai in the near future, which will be complemented by additional Wolford-owned and numerous partner-operated locations. We established a foothold in the Arab world by opening our first partner-operated boutique in the Dubai Mall. The sales development there has significantly exceeded our expectations. We plan a series of new points of sale in the coming quarterly periods, so that substantial sales growth is expected both in the Greater China Region as well as in the Middle East.

Marketing campaign to further internationalize the Wolford brand

The development of our business reinforces our commitment to persistently continue on the chosen path to internationalize the Wolford brand. The advertising campaign initiated in Germany in November 2012 sent a clear signal in the way we present ourselves and is designed to more prominently position Wolford among consumers as a luxury fashion brand with a broad product portfolio. These marketing measures will be successively extended to other markets in the future.

Objective to achieve sales growth and positive operating results

Our targets remain unchanged: to strengthen controlled distribution, increase the number of Wolford-owned boutiques, expand our online business and achieve sustainable growth based on new distribution models, also in our partner and wholesale business. From today's perspective, the management of the Wolford Group expects slight sales growth in the entire 2012/13 fiscal year as well as positive operating results. However, earnings will be significantly below the prior-year level. In the light of the strength of the Wolford brand as well as our strategic priorities, I am convinced that we are on the right track towards ensuring the positive development of our company in the future.

Yours,
Holger Dahmen

Management Report

Earnings development in the first nine months (May 2012 to January 2013)

Sales growth with Wolford´s own stores, significant decline in the wholesale business

In the first nine months of the current fiscal year, the Wolford Group succeeded in growing sales by 2.5% or € 3.00 million to € 124.13 million. This is largely attributable to the positive development of Wolford's own stores (own boutiques, factory outlets, concession shop-in-shops and online shops), which on balance achieved a 9% rise in sales. The Wolford Group also posted sales growth of 4% in the retail segment on a like-for-like basis (excluding newly opened or closed points of sale). In general, Wolford-owned boutiques and online shops showed a very positive development, generating sales increases of 10% and 56% respectively. In contrast, sales declined by 4% overall in the wholesale business.

Sales increases in most core geographic markets

From a regional perspective, sales developed positively in most of Wolford's core geographic markets. Significant growth was achieved in the USA, Wolford's strongest selling market. Revenues also increased in Germany, France, Great Britain, Scandinavia, Switzerland and Belgium. However, Italy and Spain suffered considerable sales declines from the prior-year level due to the difficult economic conditions, while revenues in the Netherlands also decreased. In Austria, where sales also fell in a year-on-year comparison, the management expects top-line growth to return in the future, in part due to a better location of the boutique at Vienna Airport.

Growth generated with five out of six product groups

In terms of product groups, double-digit growth was achieved in the Lingerie segment (mainly through shapewear products) as well as Accessories. Sales in the first three quarters fell slightly in the strong selling Ready-to-wear product group, whereas moderate growth was generated by Legwear, the largest single segment, and considerable sales growth was achieved with Swimwear and Trading Goods.

Cost increases for retail expansion and higher advertising costs negatively impact earnings

While the prior-year period was characterized by a strong expansion of the stock of finished goods, the company focused on inventory and cash optimization during the first nine months of the current fiscal year. This was reflected in the item "Changes in inventories of finished goods and work-in-process", which was reduced from € +2.17 million in the prior year to € -0.90 million in the first three quarters of the current fiscal year. The rise in cost of material and purchased services from € 22.91 million to € 23.19 million was mainly due to negative currency translation effects as well as higher write-downs on inventories. The higher costs related to the opening of numerous boutiques which have not yet been able to realize their full sales potential, considerably higher advertising expenditures as well as increased freight, IT and consulting costs led to a corresponding increase in other operating expenses, from € 31.85 million to € 36.88 million. Against this backdrop, EBITDA of the Wolford Group fell from € 15.57 million to € 9.79 million, and EBIT was down to € 3.65 million from the comparable prior-year figure of € 9.66 million.

Improved financial result based on reduction of net debt and lower interests

The financial result in the first nine months improved by € 0.44 million to € -0.86 million on the basis of inventory optimization and the related reduction in net debt along with the lower interest rates on financial liabilities. On balance, earnings before tax of the Wolford Group in the first quarters of the 2012/13 fiscal year amounted to € 2.79 million, compared to € 8.35 million in the prior year. Accordingly, the earnings after tax for the period totaled € 2.48 million (Q1-3 2011/12: € 7.06 million), and earnings per share were € 0.51 (Q1-3 2011/12: € 1.44).

Earnings development in the third quarter (November 2012 to January 2013)

Stable sales development in the third quarter and lower earnings

In the third quarter of the 2012/13 financial year, revenues of the Wolford Group remained stable compared to the prior-year period, amounting to € 47.54 million (Q3 2011/12: € 47.57 million). This corresponds to an increase of 9% compared to second quarter sales (Q2 2012/13: € 43.51 million). On balance, the EBIT generated by the Wolford Group in the third quarter of the 2012/13 fiscal year totaled € 4.33 million (previous year: € 6.94 million), and EBITDA was € 6.38 million (previous year: € 8.94 million). The earnings decline can be attributed to the same reasons as detailed above.

Cash flow

The cash flow from operating activities (operating cash flow) improved from € 4.20 million to € 5.39 million in the first nine months of the current fiscal year, which is mainly due to a significantly lower increase of trade receivables and strict receivables management. At the same time, inventories were reduced in the current fiscal year, whereas the prior-year period was characterized by an expansion of the stock of finished goods. The net cash used in investing activities totaled € -4.39 million, a decrease of € 1.17 million from the previous year. Capital expenditure in property, plant and equipment and intangible assets were reduced by € 2.33 million. In addition, no shares of investment funds were disposed of during the first nine months of the current fiscal year in contrast to the prior-year period.

Improvement of operating cash flow due to inventory and trade receivables optimization

The free cash flow (cash flow from operating activities less cash flow used in investing activities) improved from € -1.36 million to € 1.00 million during the reporting period due to the above-mentioned developments. At the same time, the cash flow from financing activities declined from € 3.78 million to € 0.49 million. Cash and cash equivalents amounted to € 6.43 million as at the end of the first three quarters of the 2012/13 fiscal year, compared to € 6.63 million in the previous year.

Assets and financial position

The Wolford Group continued to boast a solid asset and capital structure as at January 31, 2013. Compared to the previous full-year balance sheet date of April 30, 2012, total assets rose from € 145.50 million to € 148.31 million. Total equity of the Wolford Group at the reporting date amounted to € 84.59 million, and was thus € 0.98 million above the previous full year's balance sheet date of April 30, 2012. The equity ratio was at a level of 57% as at January 31, 2013, and gearing totaled 19%. Net debt climbed to € 16.44 million, a rise of about € 1 million from the balance sheet date of April 30, 2012.

Solid capital structure with equity ratio of 57% and gearing of 19%

Outlook

In the coming months the management of the Wolford Group expects the economic environment to remain challenging in its most important markets of Europe and the USA. In particular, Southern Europe will continue to be characterized by widespread uncertainty on the part of consumers. In contrast, perceptible economic growth is anticipated in Asian markets as well as in the Middle East.

Economic conditions remain challenging, growth regions of Asia and Middle East

Against this backdrop, the Wolford Group is proceeding with its expansion strategy, with the aim of strengthening controlled distribution, increasing the number of Wolford-owned boutiques, expanding its online business and achieving sustainable growth based on new distribution models, also in its partner and wholesale business.

From today's perspective, the management of the Wolford Group expects slight sales growth in the 2012/13 fiscal year as well as positive operating results. However, earnings will be significantly below the prior-year level. The measures initiated to strengthening distribution channels and the intense monitoring of all cost items in the Group should safeguard the company's market position in the long-term and improve its competitiveness.

Objective to achieve sales growth and positive operating results

Third Quarter Accounts (IFRS) of the Wolford Group

Group Income Statement in TEUR	11/12 - 01/13	11/11 - 01/12	05/12 - 01/13	05/11 - 01/12
Revenues	47,538	47,565	124,125	121,128
Other operating income	1,189	1,086	2,861	2,552
Changes in inventories of finished goods and work-in-process	(2,660)	(2,335)	(902)	2,170
Own work capitalized	37	77	66	169
Operating output	**46,105**	**46,392**	**126,150**	**126,019**
Cost of materials and purchased services	(6,750)	(7,745)	(23,194)	(22,907)
Staff costs	(19,410)	(18,480)	(56,288)	(55,692)
Other operating expenses	(13,568)	(11,230)	(36,879)	(31,850)
Depreciation and amortization	(2,044)	(1,997)	(6,139)	(5,910)
Operating profit (EBIT)	**4,334**	**6,940**	**3,650**	**9,660**
Net interest cost	(166)	(207)	(479)	(598)
Net investment securities income	55	60	55	(112)
Interest cost of employee benefit liabilities	(145)	(199)	(437)	(598)
Financial result	**(256)**	**(346)**	**(861)**	**(1,308)**
Earnings before tax	**4,078**	**6,594**	**2,789**	**8,352**
Income tax	(525)	(534)	(306)	(1,293)
Earnings after tax	**3,553**	**6,060**	**2,483**	**7,059**
Currency translation differences	(256)	289	356	194
Changes in fair values of available-for-sale financial assets	(45)	(461)	(2)	(312)
Change from cash flow hedges	41	441	105	131
Other comprehensive income after taxes	**(260)**	**269**	**459**	**13**
Total comprehensive income [1)]	**3,293**	**6,329**	**2,942**	**7,072**
Attributable to:				
the equity holders of the parent company	3,293	6,329	2,942	7,072
Earnings per share (diluted = undiluted)	**0.72**	**1.24**	**0.51**	**1.44**

Key ratios by segment 05/12 - 01/13 in TEUR	Austria	Rest of Europe	North America	Asia	Consoli-dations	Group
Revenues	76,610	77,738	21,103	2,595	(53,921)	124,125
thereof intersegment	50,570	3,351	0	0	(53,921)	0
External revenues	26,040	74,388	21,103	2,595	0	124,125
EBITDA	5,876	4,141	909	305	(1,442)	9,789
Depreciation and amortization	3,663	1,912	536	77	(50)	6,139
EBIT	2,213	2,229	373	228	(1,393)	3,650
Capital expenditure	1,947	1,604	600	108	(42)	4,217
Employees on average	842	633	117	22	0	1,614

Key ratios by segment 05/11 - 01/12 in TEUR	Austria	Rest of Europe	North America	Asia	Consoli-dations	Group
Revenues	76,828	77,272	18,737	2,551	(54,260)	121,128
thereof intersegment	51,242	3,018	0	0	(54,260)	0
External revenues	25,586	74,254	18,737	2,551	0	121,128
EBITDA	9,803	4,448	1,175	844	(700)	15,570
Depreciation and amortization	3,610	1,867	458	59	(83)	5,910
EBIT	6,193	2,581	717	785	(616)	9,660
Capital expenditure	3,221	2,009	974	77	(35)	6,246
Employees on average	947	604	101	21	0	1,673

Cash Flow Statement in TEUR	05/12 - 01/13	05/11 - 01/12
Earnings before tax	2,789	8,352
Depreciation and amortization	6,139	6,090
Interest costs	425	530
Gains / losses from disposal of property, plant and equipment	138	71
Changes in non-current provisions	306	85
Changes in inventories	1,684	(1,905)
Changes in trade receivables	(1,851)	(3,497)
Changes in other assets	(2,854)	(1,534)
Changes in trade payables	(595)	(1,774)
Changes in other current provisions	176	(883)
Changes in other liabilities	(202)	1,088
Changes in the cash flow hedge provision	(140)	415
Currency translation differences	645	(535)
Net interest paid	(490)	(606)
Income taxes paid / received	(785)	(1,699)
Cash flow from operating activities	**5,385**	**4,198**
Investments in property, plant and equipment and other intangible assets	(4,420)	(6,749)
Proceeds from the sale of property, plant and equipment and other intangible assets	35	54
Proceeds from the disposal of securities	0	1,136
Cash flow from investing activities	**(4,385)**	**(5,559)**
Increase / repayment of current financial liabilities	15,536	11,127
Increase / repayment of non-current financial liabilities	(13,083)	(5,383)
Dividends paid	(1,960)	(1,960)
Cash flow from financing activities	**493**	**3,784**
Change in cash and cash equivalents	**1,493**	**2,423**
Cash and cash equivalents at the beginning of the period	4,911	4,043
Effects of exchange rate fluctuations on cash and cash equivalents	28	165
Cash and cash equivalents at the end of the period	**6,432**	**6,631**

Balance Sheet in TEUR	31/01/2013	31/01/2012	30/04/2012
ASSETS			
Property, plant and equipment	60,504	63,165	62,414
Goodwill	1,183	1,196	1,193
Intangible assets	9,697	10,088	9,955
Financial assets	1,486	1,464	1,488
Non-current receivables and assets	1,024	1,094	1,068
Deferred tax assets	5,775	5,848	5,208
Non-current assets	**79,669**	**82,854**	**81,326**
Inventories	42,486	43,337	44,170
Trade receivables	11,447	13,725	9,596
Other receivables and assets	3,979	2,344	2,611
Prepaid expenses	4,084	4,126	2,555
Liquid funds	6,646	6,963	5,246
Current assets	**68,642**	**70,495**	**64,178**
Total assets	**148,311**	**153,350**	**145,504**
EQUITY AND LIABILITIES			
Share capital	36,350	36,350	36,350
Capital reserves	1,817	1,817	1,817
Other reserves	48,948	53,674	48,322
Currency translation differences	(2,526)	(2,877)	(2,882)
Equity	**84,589**	**88,965**	**83,607**
Financial liabilities	4,969	4,947	18,052
Other liabilities	2,332	2,415	2,371
Provisions for post-employement benefits	14,246	14,718	13,940
Deferred tax liabilities	199	279	203
Non-current liabilities	**21,746**	**22,359**	**34,566**
Financial liabilities	18,375	19,419	2,839
Trade payables	4,263	4,042	4,858
Other liabilities	11,377	12,838	11,745
Income tax provisions	2,981	1,704	3,085
Other provisions	4,980	4,023	4,804
Current liabilities	**41,976**	**42,026**	**27,331**
Total equity and liabilities	**148,311**	**153,350**	**145,504**

Changes in equity in TEUR	Attributable to equity holders of the parent company							
	Share capital	Capital reserves	Available for sale reserve	Hedging reserve	Other reserves	Currency translation	Treasury stock	Total equity
Balance 01/05/2012	**36,350**	**1,817**	**0**	**(9)**	**52,994**	**(2,882)**	**(4,663)**	**83,607**
Dividends 2011/12	0	0	0	0	(1,960)	0	0	(1,960)
Total comprehensive income	0	0	(2)	105	2,483	356	0	2,942
Balance 31/01/2013	**36,350**	**1,817**	**(2)**	**96**	**53,517**	**(2,526)**	**(4,663)**	**84,589**
Balance 01/05/2011	**36,350**	**1,817**	**(406)**	**233**	**53,593**	**(3,071)**	**(4,663)**	**83,853**
Dividends 2010/11	0	0	0	0	(1,960)	0	0	(1,960)
Total comprehensive income	0	0	131	(312)	7,059	194	0	7,072
Balance 31/01/2012	**36,350**	**1,817**	**(275)**	**(79)**	**58,692**	**(2,877)**	**(4,663)**	**88,965**

Notes on the Quarterly Accounts

General information

The consolidated interim financial statements of the Wolford Group for the first nine months of the 2012/13 fiscal year (May 1, 2012 – January 31, 2013) were prepared in compliance with the International Financial Reporting Standards (IFRS) on the basis of IAS 34 (Interim Financial Reporting). The accounting and valuation policies applied to the consolidated financial statements of the Wolford Group for the 2011/12 fiscal year remained unchanged. The consolidated interim financial statements do not include all information and explanatory notes which are required in relation to the consolidated financial statements for the fiscal year as a whole. For this reason, this Interim Report should be read together with the Annual Report 2011/12 of the Wolford Group applying to the balance sheet date of April 30, 2012. In all financial reporting of the Wolford Group, amounts are reported in thousands of euros (TEUR). Rounding differences may occur due to the use of automated aids.

Consolidation range

The number of companies included in the consolidation range has not changed since the last balance sheet date on April 30, 2012.

Seasonality of business development

Wolford generates lower sales in the first and last months of the fiscal year than in the middle of the year, which is related to the prevailing weather conditions. These seasonable fluctuations are reflected in the sales figures for the first and fourth quarters, which are generally below the comparable figures for the second and third quarters.

Notes on the consolidated statement of comprehensive income

Sales of the Wolford Group rose by 2% year-on-year, or TEUR 2,997, to TEUR 124,125 in the first nine months of the 2012/13 fiscal year (previous year: TEUR 121,128). Operating output improved by only TEUR 131 to TEUR 126,150 (previous year: TEUR 126,019) due to the relatively significant reduction in the item “Changes in inventories of finished goods and work-in-process”. The operating results were influenced by an improvement in the ratio of cost of materials and staff costs to sales, as well as additional expenses related to the opening of new boutiques and increased advertising expenditures. This led to an EBIT of TEUR 3,650 in the first three quarters of the 2012/13 fiscal year (previous year: TEUR 9,660).

On the basis of the lower average interest rates, lower interest on social capital and the elimination of losses arising from the partial disposal of securities, the financial result improved by TEUR 447 from the prior-year period, to TEUR -861. In the first nine months of the current fiscal year, the earnings after tax totaled TEUR 2,483 (previous year: TEUR 7,059).

During the reporting period, positive currency translation differences of TEUR 356 (previous year: TEUR 194), which were not recognized in profit or loss and which are reported as other comprehensive income, primarily related to the US dollar. Changes in the market valuation of available-for-sale financial assets amounted to TEUR -2 (previous year: TEUR -312). The cash flow hedging reserve increased by TEUR 105 during the period under review (previous year: TEUR 131). As a consequence, other comprehensive income totaled TEUR 459 (previous year: TEUR 13). Total comprehensive income after taxes resulted in a change in total equity of TEUR 2,942 (previous year: TEUR 7,072).

Notes on segment reporting

The Wolford Group is organized according to regions, pursuing the goal of achieving the highest possible level of market penetration. Segment reporting is basically subject to the same disclosure and valuation methods as used in the consolidated financial statements. Total assets of the four segments declined by TEUR 5,039 from the prior-year level to TEUR 148,311. This can be attributed to the lower level of investments, the lower stock of finished goods and the reduction in trade receivables compared to the previous year.

Notes on the cash flow statement

The cash flow from operating activities improved by TEUR 1,187 from the prior-year period, rising to TEUR 5,385. This was achieved by the optimization of working capital.

The cash flow from investing activities improved by TEUR 1,174 during the reporting period to TEUR -4,385. The cash out for capital expenditure in intangible assets and property, plant and equipment were reduced by 35% to TEUR 4,385. The investments primarily focused on the further expansion of monobrand distribution, IT and machinery. Compared to the first nine months of the previous year, no shares in investment funds were disposed of during the first nine months of this fiscal year (previous year: TEUR 1,136).

The cash flow from financing activities declined by TEUR 3,291 during the reporting period to TEUR 493, which can be attributed to the reduced use of lines of credit provided by banks as well as the payment of dividends to shareholders of Wolford AG for the 2011/12 fiscal year totaling TEUR 1,960 (previous year: TEUR 1,960).

Cash and cash equivalents

The reconciliation of liquid funds to cash and cash equivalents consists of the balance sheet items cash on hand and cash equivalents adjusted for demand deposits at banks which are not immediately available and which feature a term to maturity of more than three months.

in TEUR	31/01/2013	31/01/2012	30/04/2012
Liquid funds	6,646	6,963	5,246
Not immediately available	(214)	(332)	(335)
Cash and cash equivalents	**6,432**	**6,631**	**4,911**

Notes on the consolidated balance sheet

On January 31, 2013, the balance sheet total amounted to TEUR 148,311 which comprises a decline of 3% from the comparable figure on January 31, 2012. Non-current assets of TEUR 79,669 at the reporting date (January 31, 2012: TEUR 82,854) comprised 54% of total assets. Capital expenditure in intangible assets and property, plant and equipment to the amount of TEUR 4,217 were in contrast to scheduled depreciation and amortization of TEUR 6,139.

The share of current assets as a proportion of total assets was 46% as at January 31, 2013. Inventories were down by 2% to TEUR 42,486, or 29% of total assets, and trade receivables decreased by about 17% to TEUR 11,447, or 8% of total assets. Liquid funds decreased by TEUR 317, from TEUR 6,963 on January 31, 2012 to TEUR 6,646 on January 31, 2013.

As at January 31, 2013, shareholders' equity amounted to TEUR 84,589, corresponding to an equity ratio of 57% (previous year: 58%). Non-current liabilities declined slightly to TEUR 21,746 compared to the prior-year level of TEUR 22,359.

Current liabilities were down insignificantly to TEUR 41,976 from TEUR 42,026 in the previous year. This was mainly related to the reduction of financial liabilities by TEUR 1,044 to TEUR 18,375 and other liabilities by TEUR 1,461 to TEUR 11,377. At the same time, trade payables increased by TEUR 221 to TEUR 4,263, and tax and other provisions were up by TEUR 2,234 to TEUR 7,961. Working capital is now defined as the sum of inventories, trade receivables and other receivables and assets less trade payables and other current liabilities, and amounted to TEUR 42,272 at the balance sheet date of January 31, 2013 (previous year: TEUR 42,528). At the reporting date net debt totaled TEUR 16,439, comprising an improvement of TEUR 712 compared to January 31, 2012.

Contingent liabilities

There have been no material changes in contingent liabilities since the last reporting date.

Related party transactions

DORDA BRUGGER JORDIS Rechtsanwälte GmbH, a law firm whose managing partner, Theresa Jordis, is a member of the Supervisory Board of Wolford AG, advises the company in legal matters. A fee schedule in line with market rates has been agreed for these services, which are billed on the basis of time worked. The Swiss company RCI Unternehmens-beratung AG, whose member of the administrative board is Emil Flückiger, a member of the Supervisory Board of Wolford AG, advises the company in business matters. A fee schedule in line with market rates has been agreed for these services, which are also billed on the basis of time worked

Significant events after the reporting date

On December 13, 2012, the Supervisory Board of Wolford AG appointed Axel Dreher to be the new Member of the Executive Board effective March 1, 2013.

Report on the auditor's review

The consolidated interim financial statements were neither subject to a comprehensive audit nor to an auditor's review.

Bregenz, March 15, 2013

Holger Dahmen Chairman of the Executive Board	Thomas Melzer Member of the Executive Board	Axel Dreher Member of the Executive Board
Management responsibility for Strategic Development, Marketing and Sales Affairs,	Management responsibility for Finance, Investor Relations, Legal Affairs, Human Resources and IT	Management responsibility for Production, Technology and Procurement

Financial Calender

Date	Event
July 19, 2013	Annual Report 2012/13 and Press Conference
September 13, 2013	Report on the First Quarter of 2012/13
September 17, 2013	Annual General Meeting
September 19, 2013	Deduction of dividends (ex-day)
September 23, 2013	First day of dividend payment
December 13, 2013	Half-Year Report 2013/14
March 14, 2014	Report on the Third Quarter 2013/14

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The report on the third quarter 2012/13 is available on the Internet at www.wolford.com in the rubric Investor Relations.

To ensure good readability statements referring to people are considered to be neutral and are equally valid for both women and men.

Disclaimer

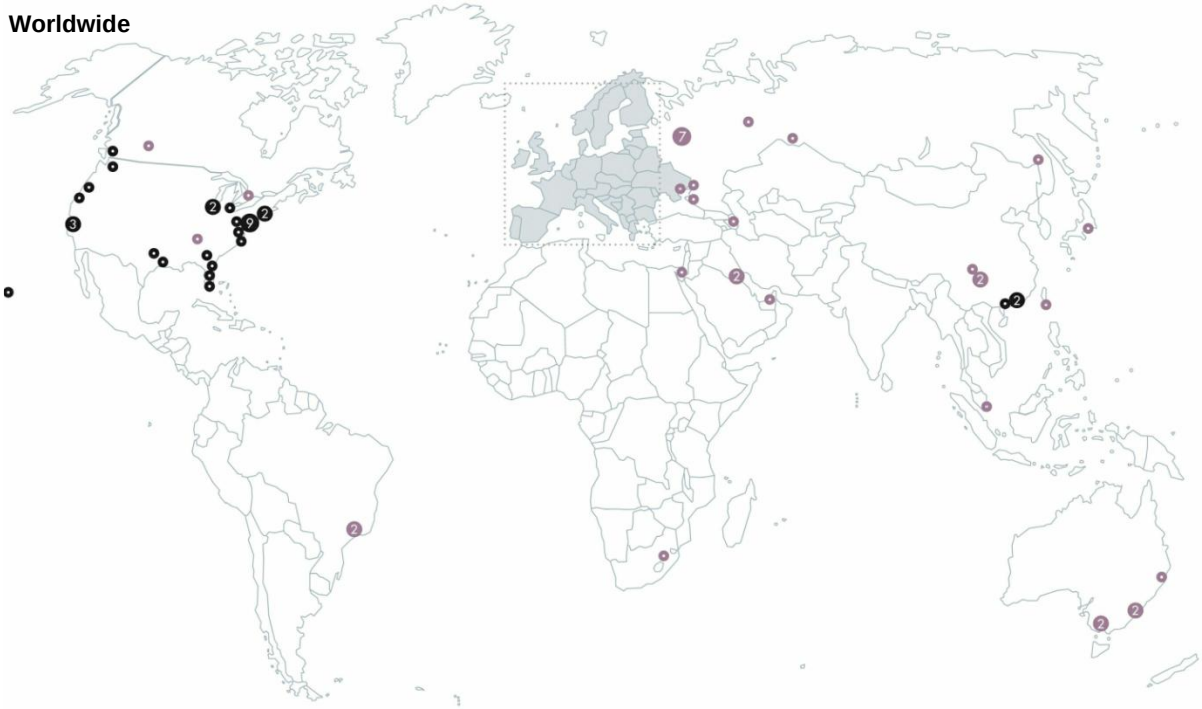
This report on the third quarter 2012/13 has been put together with the greatest possible care. All data has been carefully checked several times. Nevertheless, rounding off, typesetting or printing errors cannot be excluded. This report has been prepared in English. However, only the German version is definite. This report on the third quarter 2012/13 contains forward-looking statements which reflect the opinions and expectations of the Executive Board at this particular time, and include risks and uncertainties which could have a significant impact on actual circumstances and thus actual results. For this reason, readers are cautioned not to place undue reliance upon any forward-looking statements. Wolford AG is not obliged to publish any update or revision of the forward-looking statements contained in this report, unless otherwise required by law.

Monobrand points of sale

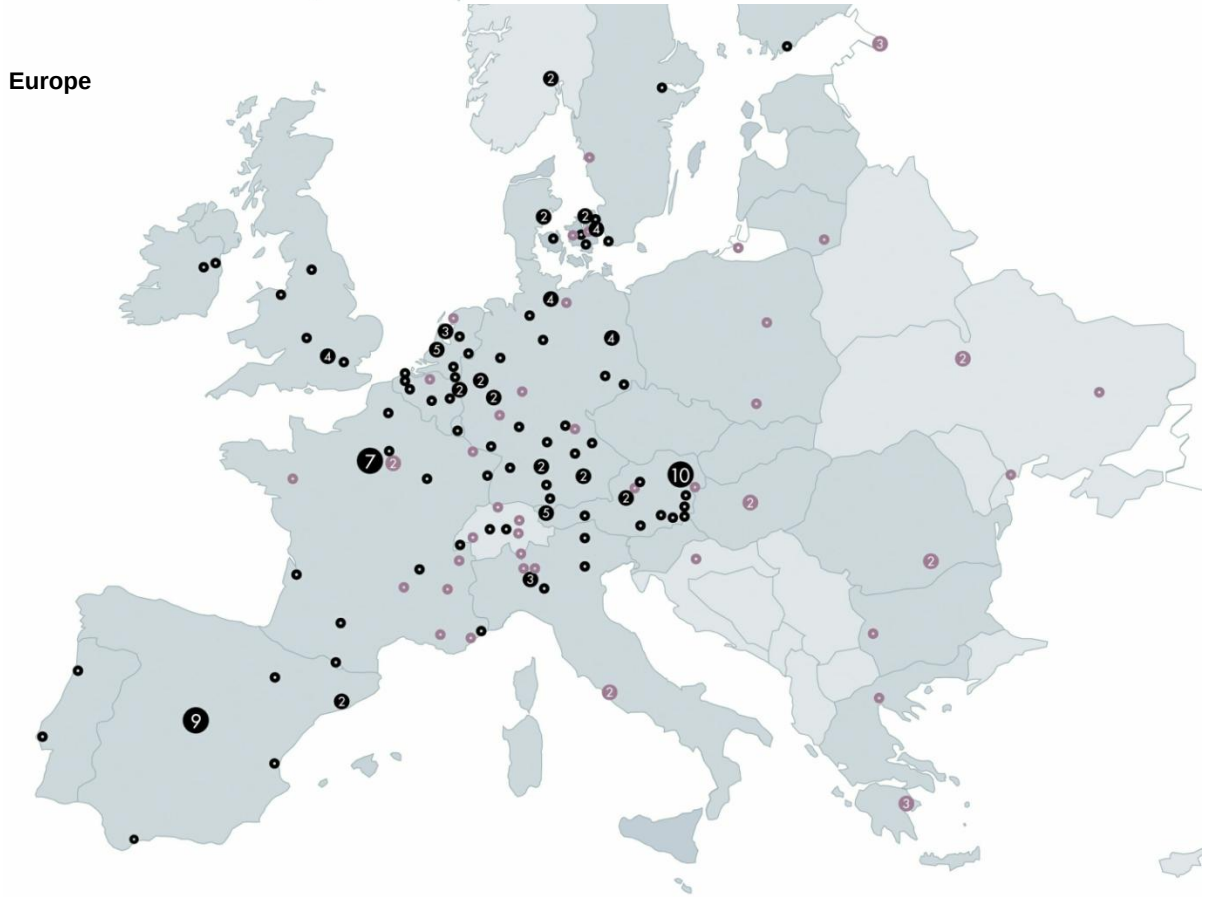
January 31, 2013: **262**

- thereof **own points of sale**: 119 boutiques, 33 concession shop-in-shops, 25 factory outlets
- there of **partner-operated points of sale**: 85 boutiques
  ... and about 3,000 other distribution partners

Worldwide



Europe



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