Roadshow
Raiffeisen Centrobank

Wolford AG
Thomas Melzer, CFO

Zurich, 5.2.2015
Content

Wolford Group at a Glance

1st Half-Year 2014/15

Strategy

Outlook 2014/15 and Targets

Wolford Share
Who is Wolford?

- Leading brand in luxury legwear with established positions in exclusive lingerie and bodywear
  - Founded 1950 in Bregenz, Austria
  - Present in about 60 countries
  - 267 monobrand stores globally
  - 2 production facilities in Austria and Slovenia

- €156 million revenues with 1,562 employees in FY 2013/14

- Stable shareholder structure
  - 33% free float
  - Family holds over 40% via 2 private foundations
  - Investor Ralph Bartel owns 25%
  - 2% of treasury stock

65 Years of History with Pioneering Innovations

- 1977 Miss Wolford
  The first transparent support stockings with a shaping panty area and knitted-in compression

- 1988 Satin Touch
  Transparent and glittering tights, which became top-seller and one of the Wolford classics

- 1994 Fatal Tights
  The first completely seamless tights – a revolution in legwear

- 1999 Star[c]k Naked
  An innovative combination of tights and tube dress - developed in cooperation with star designer Philippe Starok

- 2011 Shape & Control
  Body shaping lingerie for the perfect feminine silhouette

- 2014 Pure 50 Tights
  Award-winning world innovation with new adhesive technology - even under tight clothing completely invisible
Legwear as Core Product

- Legwear: 50%
- Ready-to-wear: 30%
- Lingerie: 15%
- Accessories: 3%
- Swimwear: 1%
- Trading goods: 1%

May - October 2014

Global Presence

- Monobrand locations worldwide: 267*
  - Thereof Wolford-owned Points of sale:
    - 115 boutiques
    - 32 concession shop-in-shops
    - 26 factory outlets
  - Thereof partner-operated Points of sale
    - 94 boutiques
    - About 3,000 other distribution partners

- Online Shops in 15 countries
  - Europe: 190
  - North America: 30
  - Asia: 39

* Including 8 partner-operated Boutiques in Africa, Australia and South America
## Group Earnings Data May – October 2014

### 1st half-year 05 – 10/2014 vs. 05 – 10/2013

<table>
<thead>
<tr>
<th>Metric</th>
<th>1st half-year 05 – 10/2014</th>
<th>1st half-year 05 – 10/2013</th>
<th>Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (€ mill.)</td>
<td>72,63</td>
<td>74,81</td>
<td>-3</td>
</tr>
<tr>
<td>EBITDA adjusted 1) (€ mill.)</td>
<td>4,23</td>
<td>1,64</td>
<td>&gt;100</td>
</tr>
<tr>
<td>EBIT adjusted 1) (€ mill.)</td>
<td>0,04</td>
<td>-2,30</td>
<td>&gt;100</td>
</tr>
<tr>
<td>EBIT (€ mill.)</td>
<td>3,17</td>
<td>-2,30</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Earnings before tax (€ mill.)</td>
<td>2,72</td>
<td>-2,90</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Earnings after tax (€ mill.)</td>
<td>1,38</td>
<td>-1,96</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Employees (on average)</td>
<td>FTE 1.567</td>
<td>1.562</td>
<td>0</td>
</tr>
</tbody>
</table>

1) Adjusted for non-recurring income of € 3.37 million and non-recurring expenses of € 0.25 million in the 1st half-year 2014/15.
### Group Balance Sheet Data

<table>
<thead>
<tr>
<th></th>
<th>31.10.2014</th>
<th>31.10.2013</th>
<th>Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity in € mill.</td>
<td>76,22</td>
<td>75,90</td>
<td>0</td>
</tr>
<tr>
<td>Net Debt in € mill.</td>
<td>20,66</td>
<td>25,64</td>
<td>-19</td>
</tr>
<tr>
<td>Working Capital in € mill.</td>
<td>39,97</td>
<td>43,00</td>
<td>-7</td>
</tr>
<tr>
<td>Balance Sheet Total in € mill.</td>
<td>148,14</td>
<td>150,91</td>
<td>-2</td>
</tr>
<tr>
<td>Equity Ratio in %</td>
<td>51</td>
<td>50</td>
<td>-</td>
</tr>
<tr>
<td>Gearing in %</td>
<td>27</td>
<td>34</td>
<td>-</td>
</tr>
</tbody>
</table>

### Key Markets Europe and US

**May – October 2014**

- **North America**: 17%
- **Germany**: 16%
- **Austria**: 11%
- **France**: 10%
- **Rest of Europe**: 40%
- **Asia/Oceania**: 5%
- **Rest of World**: 1%
- **Other**: 5%
Strong own Retail Network

May – October 2014

- Private Label: 3%
- Multi-brand retailers: 16%
- Boutiques: 46%
- Department Stores: 14%
- Factory outlets: 11%
- Online Business: 4%
- Concession-SIS: 6%

Controlled Distribution: 67%

*Thereof ca. 80% from own stores, 20% partner-operated stores

Mixed picture in the markets

May – October 2014 vs. PY

- -1% Total Sales vs. PY
- ±% Retail vs. PY
- ±% Retail LfL vs. PY LfL

- CH (-14%)
- CH (in CHF) (-16%)
- D (-6%)
- E (-6%)
- NL (-3%)
- B (-7%)
- USA (-6%)
- CEE (-19%)
- Rest of World (-12%)

Roadshow Raiffeisen Centrobank, Zurich, 05.02.2015
Retail is stable, Wholesale is weak, Online grows

May – October 2014 vs. PY

± TEUR vs. Previous Year (MIS-Sales)

- Retail is stable, Wholesale is weak, Online grows
  - May – October 2014 vs. PY

Strategy
Reflection and realignment

<table>
<thead>
<tr>
<th>Essential elements of the strategic refocusing</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Adjustment of <em>product portfolio</em> and sharpening of collection statement by concentration on <em>core competencies</em></td>
<td></td>
</tr>
<tr>
<td>2. Reorientation of <em>market communications</em> in all areas and focus on <em>markets</em> with the best cost/benefit ratios</td>
<td></td>
</tr>
<tr>
<td>3. Optimization of Monobrand <em>Distribution</em>, relaunch of Wholesale and strengthening of Online Business</td>
<td></td>
</tr>
<tr>
<td>4. Strengthening of <em>innovation</em> and <em>creation of agile, market-oriented organization</em></td>
<td></td>
</tr>
<tr>
<td>5. Establishment of new <em>management culture and incentive system</em></td>
<td>●</td>
</tr>
</tbody>
</table>

► **Financing from internal sources!**

1. **Adjustment of Product Portfolio …**

► Adjustment of the product portfolio to create stronger ties to Legwear (see company’s DNA) and to the target group based on the USPs of the brand

► Expansion of Lingerie and Bodywear product lines (above all Shapewear), reduction of Clothing (Ready-to-wear) and exit from Swimwear with Spring-Summer 2015

► Continuous updating of Essential collection with focus on functional and innovative products

► Homogeneous style across all product groups taking into account the USPs of the brand

► Maintain basic price positioning and introduce modern products at attractive prices to address new target groups

► Volume growth to improve utilization of existing capacity and increase profitability
... according to Wolford DNA

FORMER

NEW

USPs

Comfort  Quality  Easy care  Shape & Control  Versatility  Silhouette  Modernity & Innovation

New Collection Approach with a clear Profile ...

- Harmonization of product groups
- Harmonization of essential and trend collection
- The “Unforgettable Touch” is communicated via strong concepts
  - Collection themes
  - Products themes
  - Marketing themes
2. Reorientation of Market Communications

**Goal:** Modernization of the brand and increase in appeal

- Positioning of Wolford as a producer and brand in the niche of luxury legwear and figure-embracing products with a unique wearing experience
- Focus on markets with the best cost-benefit ratios
- Steady focus on the target group (“The Wolford Woman”) through specially designed communication measures and the collection’s unmistakable Wolford style
- Use of strong, target group-oriented imagery
- New shop concept and professional visual merchandising
3. Optimized Distribution

Retail
► Increase in floor space profitability and closing of unprofitable locations
► Further growth in Retail business with focus on top locations and expansion of Online Business
► Boutique openings at strategic locations (this business year: London, Hongkong, New York, Barcelona, Florence, Frankfurt)

Wholesale
► Expansion of Wolford-supplied points of sale, e.g. through
  ► Concession shop-in-shops
  ► CoAff partners (partner operated boutiques where Wolford owns the merchandise)
► Expansion of Travel Retail
► Establishment of tailored merchandising concepts by distribution model
► Expansion of multi-brand distribution with a focus on premium stores
4. Innovation and Market Orientation

- Focus of internal resources on core competences, investment in product development and establishment of structured innovation process

- Creation of agile, market-oriented organization
  - Finalization of location concept in Bregenz (AT) and Murska Sobota (SL)
  - Creation and occupation of Creative Director Position
  - Clear focus of sales organization on relevant channels
  - Strengthening of marketing organization

5. Establishment of new management culture

- Change of the hierarchical management structure
  - Establishment of new management structure with definite process orientation
  - Strengthening of personal responsibility by management and employees
  - Development of new corporate guidelines
  - Worldwide Roll-out of Mission/Vision/Values in the Half-Year 2014 to support the identification of all employees with new corporate guidelines

- Elaboration and introduction of new group-wide incentive-system
  Objective: to create value for the company
Outlook 2014/15 and Targets

Longterm Growth Perspectives

► Medium-/long-term: Growing global market for luxury goods
  ► Number of luxury consumers worldwide expected to increase by 10 million annually in the coming years (Source: Bain&Company 2014)
  ► Market for luxury goods tripled to € 223 billion in the last 20 years (+5% in 2014)

► Short-/medium-term: Mixed perspectives in the key markets
  ► Weak growth in the Eurozone (2015:+1,2% / 2016:+1,4%)
  ► Positive expectations for growth in the US (2015: +3,6% / 2016: +3,3%)

► Difficult environment in fashion retail in our main markets
  ► Weak winter sales in German fashion retail (-4% in December, with persistently negative tendency in January)
  ► Declining sales in US retail (-6,5% in December), but generally satisfactory Christmas business in fashion industry
  ► Good Christmas business in French clothing sector (+2,6%), but again declining sales in January

Source: Global Luxury Study 2014 (Bain&Company), IWF Statistics Jan.2015, Textilwirtschaft, RetailNext, Institut Francais de la Mode
Clear Corporate Targets

In the current financial year 2014/15:

- **Return to profitability as a top priority**
  - Optimization of internal processes and cost reduction
- **Operative Turnaround (positive EBIT)**
  - Earnings target confirmed following sale of real estate and lease option

Long-term:

- **Sustainable and profitable revenue growth**
  - Increase in floor space profitability in own retail business
  - Relaunch of wholesale business
  - Utilization of existing capacities (operative leverage)
- **EBIT margin: 10%**

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Why to Invest in Wolford?

- Strong player in an attractive market niche of the growing market for luxury products
- Beloved brand based on strong image, high quality products, continuous innovation and high CSR standards
- **Turnaround story** with a „new“ management refocusing on the core competences of the company
- Direct access to end consumer through own retail chain with significant potential for leverage
- Strong financial profile and sufficient idle capacity to fuel future growth
Shareholder Structure

- **WMP Family Private Foundation***: 25%
- **Sesam Private Foundation***: 15%
- **Ralph Bartel**: 25%
- **Treasury Stock**: 2%
- **Free Float**: 33%

*Private foundations ans its subsidiary M. Erthal GmbH are jointly acting legal entities, which exercise their voting rights by mutual agreement.

Based on available investment reports
## Financial Calendar and IR-Information

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 13, 2015</td>
<td>Q3 Report 2014/15</td>
</tr>
<tr>
<td>July 17, 2015</td>
<td>Publication of consolidated financial statements for 2014/15 and press conference</td>
</tr>
<tr>
<td>September 14, 2015</td>
<td>Q1 Report 2015/16</td>
</tr>
<tr>
<td>September 17, 2015</td>
<td>28th Annual General Meeting</td>
</tr>
<tr>
<td>September 22, 2015</td>
<td>Ex-dividend day</td>
</tr>
<tr>
<td>September 24, 2015</td>
<td>First day of dividend payment</td>
</tr>
<tr>
<td>December 14, 2015</td>
<td>Half-Year Report 2015/16</td>
</tr>
<tr>
<td>March 18, 2016</td>
<td>Q3 Report 2015/16</td>
</tr>
</tbody>
</table>

## IR-Information

- Regine Petzsch
- Vienna Stock Exchange: WOL
- Tel. +43 5574 690 1359
- Reuters: WLFD.VI
- investor@wolford.com
- Bloomberg: WOL:AV, WLFDY:US, WOF:GR
- company.wolford.com
- ISIN: AT0000834007

Actual Market Capitalization: €105 million