Agenda

The 2013/14 Financial Year

Strategic Refocusing

Outlook 2014/15 and Objectives
The 2013/14 Financial Year

- Adjusted for currency effects, revenues increased by approx. 1%
  - Negative currency effects of about € 2 million mainly from USD and GBP
  - Total revenues with € 155.87 million at the prior-year level (-0.4%)

- EBIT adjusted and earnings after tax match the previous year’s level
  - Non-recurring expenses of € 3.76 million

- Remarkably positive cash flow from operating activities and solid balance sheet structure

- Significant progress in strategic refocusing
  - New leadership culture and incentive system established
  - Product portfolio adjusted starting with the fall-winter collection 2015/16
  - Realignment and considerable expansion of marketing activities
  - Monobrand network streamlined and systematically extended
  - Optimization of processes and organizational structures

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Revenue Development by Quarter

in € mill.
Revenues by Market

May 2013 – April 2014

- North America: 17%
- Germany: 16%
- Austria: 11%
- France: 10%
- Rest of Europe: 40%
- Asia/Oceania: 5%
- Rest of World: 1%
- Rest of World: 40%
- Germany: 16%
- Austria: 11%
- France: 10%
- Rest of Europe: 40%
- Asia/Oceania: 5%
- Rest of World: 1%

Revenue Development by Market

May 2013 – April 2014 vs. prior year

- AT: -1%
- DE: 1%
- CH: -9%
- FR: -10%
- IT: -1%
- ES: 6%
- UK: 2%
- UK (GBP): 6%
- SCAN: -4%
- NL: 0%
- BE: 8%
- CEE: 3%
- USA: 7%
- USA (USD): 47%
- Far East: -1%
- Rest of World: -19%
Retail Revenue Development by Market

May 2013 – April 2014 vs. prior year

<table>
<thead>
<tr>
<th>Market</th>
<th>±% vs. PY total</th>
<th>±% vs. PY like-for-like</th>
</tr>
</thead>
<tbody>
<tr>
<td>AT</td>
<td>-1%</td>
<td>1%</td>
</tr>
<tr>
<td>DE</td>
<td>-5%</td>
<td>1%</td>
</tr>
<tr>
<td>CH</td>
<td>-12%</td>
<td>2%</td>
</tr>
<tr>
<td>FR</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>IT</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>ES</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>UK</td>
<td>3%</td>
<td>18%</td>
</tr>
<tr>
<td>UK (GBP)</td>
<td>7%</td>
<td>21%</td>
</tr>
<tr>
<td>SCAN</td>
<td>2%</td>
<td>7%</td>
</tr>
<tr>
<td>NL</td>
<td>3%</td>
<td>7%</td>
</tr>
<tr>
<td>BE</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>USA</td>
<td>1%</td>
<td>8%</td>
</tr>
<tr>
<td>USA (USD)</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Far East</td>
<td>2%</td>
<td>6%</td>
</tr>
<tr>
<td>RETAIL TOTAL</td>
<td>11%</td>
<td>46%</td>
</tr>
</tbody>
</table>

±% vs. PY total
±% vs. PY like-for-like

Revenues by Product Group

Legwear 53%
Ready-to-wear 30%
Lingerie 12%
Swimwear 1%
Accessories 3%
Trading goods 1%

Institutional Lunch, July 18, 2014
Revenue Development by Product Group

May 2013 – April 2014 vs. prior year

SALES RETAIL

- Total: 6%
- Legwear: 4%
- Ready-to-wear: 5%
- Lingerie: 11%
- Swimwear: 18%
- Accessories: 14%
- Trading goods: 18%

SALES WHOLESALE

- Total: 11%
- Legwear: 13%
- Ready-to-wear: -13%
- Lingerie: -21%
- Swimwear: 11%
- Accessories: 13%

Revenues by Distribution

May 2013 – April 2014

Controlled distribution: 69%

- Boutiques: 48%
- Multi-brand Retailers: 16%
- Department Stores: 14%
- Factory Outlets: 11%
- Online: 4%
- Concession SiS: 6%
- Private Label: 1%
Revenue Development by Distribution

May 2013 – April 2014 vs. prior year

Revenue Development Retail Like-for-like

2013/14 vs. prior year in %

- 5.6% without currency effects: +6.9%
- 1.8% without currency effects: +3.0%
- 8.1% without currency effects: +8.1%
- 3.3% without currency effects: +4.1%
- 20.3% without currency effects: +22.1%

Boutiques

Group Actual Result (EUR based)

Group Like-for-Like (EUR based)

Shop-in-Shop (LFL)

Fact. Outlets (LFL; excl. B2C)

B2C total (LFL)
269 Monobrand Points of Sale

► Status as at April 30, 2014

► 179 Wolford-owned points of sale (monobrand)
  ► 121 boutiques (operated by Wolford)
  ► 26 factory outlets (operated by Wolford)
  ► 32 concession shop-in-shops (operated by Wolford)

► 90 partner-operated points of sale (monobrand)

► about 3,000 selected trading partners

► as well as online shops in 15 countries

Group Earnings Data

<table>
<thead>
<tr>
<th></th>
<th>2013/14</th>
<th>2012/13</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>155.87</td>
<td>156.47</td>
<td>-0.4</td>
</tr>
<tr>
<td>EBITDA adjusted</td>
<td>7.11</td>
<td>7.90</td>
<td>-10</td>
</tr>
<tr>
<td>EBIT adjusted</td>
<td>-0.97</td>
<td>-0.91</td>
<td>-7</td>
</tr>
<tr>
<td>Non-recurring expenses</td>
<td>-3.76</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>EBIT</td>
<td>-4.72</td>
<td>-0.91</td>
<td>&gt; 100</td>
</tr>
<tr>
<td>Earnings before tax</td>
<td>-5.89</td>
<td>-2.25</td>
<td>&gt; 100</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>-2.81</td>
<td>-2.76</td>
<td>-2</td>
</tr>
<tr>
<td>Employees on average</td>
<td>1,562</td>
<td>1,606</td>
<td>-3</td>
</tr>
</tbody>
</table>
Group Profitability Indicators

<table>
<thead>
<tr>
<th>in %</th>
<th>2013/14</th>
<th>2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBITDA margin adjusted</td>
<td>4.6</td>
<td>5.0</td>
</tr>
<tr>
<td>EBIT margin adjusted</td>
<td>-0.6</td>
<td>-0.6</td>
</tr>
<tr>
<td>Material costs (incl. change in inventories) as a percent of revenues</td>
<td>17.6</td>
<td>18.8</td>
</tr>
<tr>
<td>Personnel expenses as a percent of revenues</td>
<td>46.3</td>
<td>46.7</td>
</tr>
<tr>
<td>Other operating expenses as a percent of revenues</td>
<td>32.4</td>
<td>30.7</td>
</tr>
<tr>
<td>Capital expenditure on depreciation</td>
<td>97.5</td>
<td>68.5</td>
</tr>
</tbody>
</table>

Analysis of Results

- **Adjusted for currency effects, revenues increased by approx. 1%**
  - Negative currency effects of about € 2 million mainly from USD and GBP
  - Total revenues with € 155.87 million at the prior-year level (-0.4%)
  - Declines in the wholesale business were gradually attenuated in the course of the year

- **EBIT adjusted of € -0.97 million on prior-year level**
  - Despite inflationary increase in costs and slight revenue decline
  - Process optimization led to savings of about € 2 million
  - Marketing expenses increased from € 6.5 million to € 7.9 million
  - Non-recurring expenses (= one-off effects) of € 3.76 million reduce EBIT as expected to € -4.72 million

- **Earnings after tax of € -2.81 million also at the prior-year level**
### Group Cash Flow Statement (summary)

<table>
<thead>
<tr>
<th></th>
<th>2013/14</th>
<th>2012/13</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>6.30</td>
<td>6.31</td>
<td>0</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>-7.27</td>
<td>-5.83</td>
<td>-25</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>-0.97</td>
<td>0.48</td>
<td>&gt; 100</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>0.68</td>
<td>-0.38</td>
<td>&gt; 100</td>
</tr>
<tr>
<td>Change in cash and cash equivalents</td>
<td>-0.28</td>
<td>0.10</td>
<td>&gt; 100</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at the end of the period</strong></td>
<td>4.65</td>
<td>4.99</td>
<td>-7</td>
</tr>
</tbody>
</table>

### Group Balance Sheet Data

<table>
<thead>
<tr>
<th></th>
<th>30.04.2014</th>
<th>30.04.2013</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>74.38</td>
<td>78.15</td>
<td>-5</td>
</tr>
<tr>
<td>Net debt</td>
<td>17.04</td>
<td>15.96</td>
<td>+7</td>
</tr>
<tr>
<td>Capital employed</td>
<td>91.42</td>
<td>94.11</td>
<td>-3</td>
</tr>
<tr>
<td>Working capital</td>
<td>33.72</td>
<td>38.49</td>
<td>-12</td>
</tr>
<tr>
<td>Balance sheet total</td>
<td>138.12</td>
<td>142.32</td>
<td>-3</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>53.9%</td>
<td>54.9%</td>
<td>-</td>
</tr>
<tr>
<td>Gearing</td>
<td>22.9%</td>
<td>20.4%</td>
<td>-</td>
</tr>
<tr>
<td>Working capital as a percent of revenues</td>
<td>21.6%</td>
<td>24.6%</td>
<td>-</td>
</tr>
<tr>
<td>Net debt to EBITDA adjusted</td>
<td>2.4</td>
<td>2.0</td>
<td>-</td>
</tr>
<tr>
<td>EBITDA adjusted to net interest cost</td>
<td>11.0</td>
<td>9.3</td>
<td>-</td>
</tr>
</tbody>
</table>
Financial Review

Remarkably positive cash flow from operating activities despite earnings decline

- Cash flow from operating activities of € 6.30 million (2012/13: € 6.31 million), mainly due to further decrease of inventories
  - Ratio of working capital to revenues reduced from 24.6% to 21.6%
- Higher investments (mainly for expansion of distribution) lead to slightly negative free cash flow of € -0.97 million (2012/13: € 0.48 million)

Consistently solid balance sheet structure

- Equity ratio of 54% (2012/13: 55%)
- Gearing of 23% (2012/13: 20%)
- Debt repayment period (net debt to EBITDA adjusted) of 2.4 years (2012/13: 2.0 years)

Financing of business strategy secured

- Based on equity financing from cash flow, sale of real estate (€ 6.7 million) and lease option (€ 4.0 million)
- Long-term, well established bank relations and sufficient unused lines of credit

Working Capital Optimization

in € mill.
Equity and Net Debt

in € mill.

Average Number of Employees (FTEs)

RCB Institutional Lunch, July 18, 2014

RCB Institutional Lunch, July 18, 2014
Earnings and Dividend Per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings per share</th>
<th>Dividend per share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009/10</td>
<td>0.52</td>
<td>0.20</td>
</tr>
<tr>
<td>2010/11</td>
<td>1.03</td>
<td>0.40</td>
</tr>
<tr>
<td>2011/12</td>
<td>0.26</td>
<td>0.40</td>
</tr>
<tr>
<td>2012/13</td>
<td>-0.56</td>
<td>0.00</td>
</tr>
<tr>
<td>2013/14</td>
<td>-0.57</td>
<td>0.00</td>
</tr>
</tbody>
</table>

* Proposal to the Annual General Meeting on Sept. 18, 2014

Shareholder Structure

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

* The private foundations and their subsidiary M. Erthal GmbH are legal entities which act in concert and exercise their voting rights by consensus.

Based on official notifications of shareholdings
Strategic Refocusing Process

In 2013, the management carried out an intensive strategy process which encompassed the following areas:

- All relevant aspects of the brand and the company
- In-depth financial analysis
- External market research
- SWOT analysis from an internal perspective
- Mid-term business planning and target setting
Key Elements of the Strategic Refocusing

1. Establishing a new leadership culture and incentive system
2. Adaptation of the product portfolio and sharpening of the collection statement
3. Reorientation of communication in all its facets and focus on markets with the highest cost/benefit ratio
4. Optimization of monobrand distribution, relaunch of wholesale business and strengthening of E-Commerce
5. Innovations as the strength of the brand
6. Creation of an agile, market-oriented organization and optimization of internal processes
7. Financing from Wolford’s own resources

1. Leadership Culture and Incentive System

► In the past, the company was led in a hierarchic and functional way
  ► A new leadership culture and process orientation is being implemented to exploit all potentials
  ► Global roll-out of Mission/Vision/Values in H1 2014 to promote the identification of all employees with the new leadership culture
► New Group-wide incentive system developed and introduced for the 2014/15 financial year (what creates value for the company and its shareholders?)
2. Adaptation of Product Portfolio

- Adaptation of product portfolio to Legwear, which represents the DNA of the company, and to the target group
  - Taking account of the brand’s USPs
  - Expansion of the Lingerie and Bodywear product range (especially Shapewear), reduction of clothing (Ready-to-wear) and exit of Swimwear as of the spring-summer collection 2015
  - Continuous renewal of the essential collection with a focus on functional and innovative products
  - Homogeneous style spanning all product groups

- Maintenance of general price positioning and launch of modern products at attractive prices in order to appeal to new target groups

- Increase of sales volume to ensure utilization of existing capacities and increase of profitability

The Wolford Product

Wolford stands for elegant, comfortable and intelligent products.

The elegant undergarment, the direct touch, the caressing of skin and the intelligent innovation provide a kind of Body Couture, textile body cosmetic which boasts a niche character with its luxurious style.

Source: Elle Germany, Edition 12/13
Renewal of the Product Range

The fundamental values of the Wolford product line, such as comfort, elegance, but also the cosmetic power of Wolford's products (intelligence) are renewed in a modern splendor.

Future Collection Concept

- Comfort
- Quality
- Easy Care
- Shape & Control
- Modernity & Innovation
- Silhouette
- Versatility
3. Reorientation of Communication

- Positioning of Wolford as a producer and brand in the niche of luxury legwear and figure-embracing products with incomparable wearing comfort
- Focus on markets with the highest cost/benefit ratio
- Consistent appeal to the target group (“The Wolford Woman”) based on suitable communication measures and the distinctive Wolford style in the fashion collection
- Recommendation strategy complementing traditional advertising measures, expansion of online marketing and brand lobbying through events
- Use of a strong, target group-oriented visual imagery
- New shop concept and professional visual merchandising

**Objective:** Modernization of the brand and increase of its appeal

- Significant rise in the marketing budget from € 7.6 million in 2012/13 to € 11.7 million in 2014/15 and € 14.0 million in 2017/18

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**Milestones of Reorientation in 2014**

| Collection | Spring-summer 2015 Adaptation of collection to new concept | Fall-winter 2015/16 New development of collection in line with new product strategy, new developments in essentials | Spring-summer 2015 ~ 40% of collection corresponds to new concept |
| Visual Imagery | Spring-summer 2015 Photo shooting with Mario Testino | International roll-out campaign for fall-winter 2014/15 | Fall-winter 2015/16 photo shooting with Mario Testino |
| Visual Merchandising | | | |
| Brand Architecture | | | |
| Shop Concept | | | |
Milestones of Reorientation in 2015

Collection

Visual Imagery

Visual Merchandising

Brand Architecture

Shop Concept

Fall-winter 2015/16 corresponds to new collection concept

Roll-out and implementation in line with reorientation executed

Spring-Summer 2016 Photo shooting with Mario Testino

Fall-winter 2015/16 International roll-out campaign

Roll-out and implementation of new VM concept

Roll-out and implementation of new brand architecture at POS and in communication executed

Roll-out and implementation of new brand architecture

Start of implementation in line with roll-out plan for retail for wholesale

Implementation process


2015

New Wolford Visual Imagery - Photographer

Mario Testino
New Wolford Visual Imagery

Marketing through Events

Sponsoring Life Ball, May 31, 2014, Vienna
Largest AIDS/HIV Charity Event in Europe

- Emotionalization of the brand
- Invitation of Leona Lewis
- Multichannel PR presence
- Use of contents in social media channels
- Individual store design
- Sales support

Wolford Life Ball window Kärntnerstraße Vienna, 23.5. - 15.6.2014
Leona Lewis and Wolford hostesses on the Red Carpet
Planned Marketing Activities USA

Los Angeles
- Sponsoring Golden Globes After Show Party, 11.01.2015
- Sponsoring Oscar After Show Party, 22.02.2015
- Product placement: Limited Jewellery Tights at Beyoncé US Concert Tour, June/July 2014

New York
- Boutique Opening Event Soho, mid Sept. 2014
- Billboard presence on Times Square, Sept./Oct. 2014
- Brand and product placement New York Fashion Week, Feb. 2015
- Print: Vogue and W Magazine

Planned Marketing Activities in Europe

Great Britain
- Brand and product placement, London Fashion Week, Feb. 2015
- Official Sponsor of London Fashion Week, Feb. 2015
- Prints Vogue

Germany
- Bus advertising throughout Germany, Sep. 2014
- Print: Vogue, Instyle

France
- Brand and product placement, Paris Fashion Week, Feb. 2015
- Bus advertising in Paris

Austria
- Sponsor Life Ball Events, May 2014
- Sponsor Bregenz Festival, Jul./Aug. 2015

Italy
- Wolford Tram in Milan
- Pop-up Store Central Railway Station in Milan, Oct. / Nov. 2014
- Brand and product placement, Milan Fashion Week, Feb. 2015
- Boutique Opening Event Rome, June 2014
4. Optimization of Distribution

- Balanced mix of partner boutiques and Wolford-owned points of sale
- Increase of floor space profitability and closing of loss-making points of sale
- Further growth in the retail business with a focus on top locations and expansion of E-Commerce

Past and planned boutique openings
- Jun. 2013: K11, Shanghai, CN
- Jul. 2013: Linate Airport, Milan, IT
- Oct. 2013: Vienna Airport, Terminal 3, A and Via Frattina, Rome, IT
- Nov. 2013: Canary Wharf, London, GB
- Dec. 2013: Grand Gateway, Shanghai, CN and Rue de Sèvres, Paris, FR
- Apr. 2014: Marylebone High Street, London, GB; Harbour City, Hongkong (relocat.)
- Sept. 2014: Paseo de Garcia, Barcelona, ES
- Oct. 2014: Via Calzaiuoli, Florence, IT and Freßgass', Frankfurt, DE

5. Innovations as Strength of the Brand

- Product innovations are of decisive importance for the success of the company
- Focus on internal development and distribution of resources in production for the core competencies in Legwear, Lingerie, Bodywear
- Establishing a structured innovation process
- Strengthening of competitiveness through investments in product development and process technology
Innovations / Examples

- Sheer Touch: innovative material and highest wearing comfort.
- Shape & Control: figure-embracing lingerie in three strengths, more than 60 products in the product range.
- Further development of classics such as Fatal Wool Dress.
- Jewellery Tights Limited Edition: creation of desirability, exclusive product with high level of attention.

6. Optimization of Internal Processes

- Reduction of time-to-market by revising the collection development process.
- Improvement of adaptive agility and speed of the organization to reflect changing conditions.
  - By living the principle “think global, act local”
  - By launching a continuous improvement process and culture (CIP).
- Realignment of responsibilities and organizational structure to business processes.
- Optimization and integration of IT landscape to support the business model.
- Savings of about €2 million in the 2013/14 financial year by optimizing structures and processes in product development, production as well as storage and distribution logistics.
7. Financing from Wolford’s Own Resources

- Sale of a non-core real estate in Bregenz with net proceeds of about €6.7 million and a book profit of approx. €3.4 million in Q1 2014/15
- Sale of a lease option for a retail location in Switzerland with net proceeds/pre-tax profit of about €4 million in Q1 2014/15
- Net debt could be further reduced by €10.7 million due to these transactions
- Dividends will not be distributed for 2013/14 due to the negative results (proposal to the 27th Annual General Meeting on Sept. 18, 2014)

Outlook 2014/15 and Objectives
Outlook 2014/15 Financial Year

- **Improved business environment expected in Wolford’s markets**
  - Recovery in Europe and growth of about 1%
  - Economic growth of about 3% in the USA
  - Growth market in China (+8%) and the Gulf Region (+4%)
  - Dampened prospects in Russia due to Ukraine crisis (+1%)

- **Current development May to June 2014/15**
  - Restrained revenue development in the wholesale and retail business
  - Very positive development in the online business
  - New marketing and sales measures will first begin to take effect in July
    - New visual imagery
    - Visual merchandising concept
    - Fall-winter collection 2014/15
    - Short-term measures for activating sales

Corporate Objectives

**Short-term:**

- **Quick return to profitability**
  - Increase in floor space profitability in the retail business
  - Relaunch of the wholesale business
  - Increase in sales volumes by exploitation of existing capacities
  - Optimization of internal processes and cost reduction

- **Operational turnaround (positive EBIT) in the 2014/15 financial year**
  - Earnings target confirmed following sale of real estate and lease option

**Long-term:**

- **Sustainable and profitable revenue growth**
- **EBIT margin: 10%**
## Financial Calendar

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 18, 2014</td>
<td>Annual Results 2013/14 and press conference</td>
</tr>
<tr>
<td>Sept. 12, 2014</td>
<td>Q1 Report 2014/15</td>
</tr>
<tr>
<td>Sept. 18, 2014</td>
<td>27th Annual General Meeting</td>
</tr>
<tr>
<td>Sept. 22, 2014</td>
<td>Ex-dividend day</td>
</tr>
<tr>
<td>Sept. 24, 2014</td>
<td>1st day of dividend payment</td>
</tr>
<tr>
<td>Dec. 12, 2014</td>
<td>Half-Year Report 2014/15</td>
</tr>
<tr>
<td>March 13, 2015</td>
<td>Q3 Report 2014/15</td>
</tr>
</tbody>
</table>

## Contact and Corporate Information

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- E-mail: investor@wolford.com

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**Vienna Stock Exchange:** WOL
**Reuters:** WLFD.VI
**Bloomberg:** WOL:AV, WLFDY:US, WOF:GR
**ISIN:** AT0000834007
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