

ANNUAL FINANCIAL REPORT

According to § 82 Para 4 Exchange Act

of

WOLFORD AG
BREGENZ



Reporting date 30.04.2014

For the Financial Year 2013/14

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Wolford AG (available only in german)

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Wolford Group

Management Report

BUSINESS ENVIRONMENT

Slow growth in global economy

The reporting year of the Wolford Group was characterized by slow growth in the global economy during 2013, whereby the speed of recovery differed in the individual countries. Private consumption failed to increase and even weakened in numerous cases, above all due to a decline in disposable income in many of Wolford's core markets. On the capital markets, developments were highly volatile throughout 2013. Data published by the International Monetary Fund (IMF) shows a drop in global GDP growth from 3.9% in 2012 to 3.0% in 2013.

Positive development on capital markets, decline in budget deficits

Developments on the international capital markets were positive in 2013 as a result of the declining uncertainty and low return on alternative investments such as government and corporate bonds. Economic reports were inconsistent, but generally improved by summer 2013 and pointed to signs of further recovery. However, speculations over a cutback in bond purchases (tapering) by the US Federal Reserve had a temporary negative effect. The long-standing efforts to consolidate government budgets, above all in the eurozone, were rewarded by substantial progress in stabilizing the budgetary situation after years of extensive and often harsh measures.

Economic recovery in Europe, but further rise in unemployment

The eurozone economy began to recover in 2013 after a longer period of weakness. Domestic demand rose slowly in line with the improvement in business and consumer confidence. Consumer spending was influenced by the negative effects of rising unemployment on total income, especially at the beginning of 2013, but these effects were offset later in the year by the positive influence of falling commodity prices on real income. Investments benefited from the fading uncertainty, but were still negatively influenced by the restricted credit offering. In the eurozone, the unemployment rate rose from 11.4% to 12.1%. Development in this region, which is the largest market area for Wolford AG, remained weak in 2013. However, the 0.5% year-on-year decline in economic performance was lower than in 2012. Growth in Italy and Spain was clearly negative at 1.9% and 1.2%, respectively. Germany, the second largest market for the Wolford Group, generated growth of 0.5% in 2013 compared with 0.9% in 2012.

Stable development in the USA due to rising stock and housing prices, sound growth in China and the Gulf States

In the USA, Wolford's largest single market, the economic recovery continued, but at a slower pace than the previous year. Real growth amounted to 1.9%, compared with 2.8% in 2012. This growth was driven primarily by the steady improvement of the residential property and labor markets and the resulting increase in domestic demand as well as more favorable financing conditions and the positive impact on wealth that resulted from rising stock and housing prices. In contrast, the economy was negatively affected throughout the entire year by the higher taxes that resulted from the budgetary agreement in January 2013 and the automatic spending cuts that took effect in March. Consumer spending nevertheless remained stable because these positive and negative effects generally balanced out. The growth market China continued its economic expansion with an increase of 7.7% in 2013, which represents a high level in international comparison. The rising demand for consumer goods and growing purchasing power of the steadily expanding middle class speak in favor of a long-term expansion potential, especially in the segment of premium and luxury products. Economic development in the Gulf States weakened slightly compared with the double-digit rates recorded by some countries in earlier years, but stable high oil prices supported renewed sound growth. The United Arab Emirates closed 2013 with growth of 4.8%, Saudi Arabia with 3.8% and Qatar with 6.1%.

FINANCIAL REVIEW

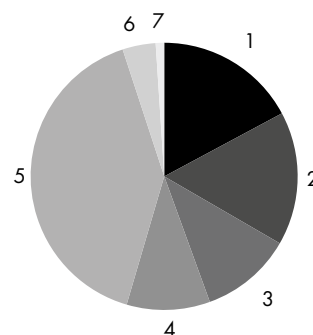
Earnings development

Revenues recorded by the Wolford Group declined slightly by 0.4% or € 0.59 million year-on-year to € 155.87 million in 2013/14. After an adjustment for foreign exchange effects, revenues rose by 0.9%. Negative foreign exchange effects of approx. € 2 million resulted, above all, from the US dollar and the British pound. Earnings almost reflected the prior year with adjusted EBITDA of € 7.11 million in 2013/14 (2012/13: € 7.90 million) and adjusted EBIT of € -0.97 million (2012/13: € -0.91 million). The strategic refocusing led to additional non-recurring expenses of € 3.76 million for the reporting year, which are not included in adjusted operating results and will be explained in detail on page 73.

Higher revenues were recorded by Wolford's own retail locations (own boutiques, concession shop-in-shops and factory outlets) with a 5% increase in 2013/14. Revenues in the online business rose by a strong 23%. On a like-for-like basis (excluding newly opened or closed points of sale), the revenue growth in the retail business amounted to 2%. In contrast, the wholesale business declined by 8% and led to slightly lower Group revenues for the reporting year.

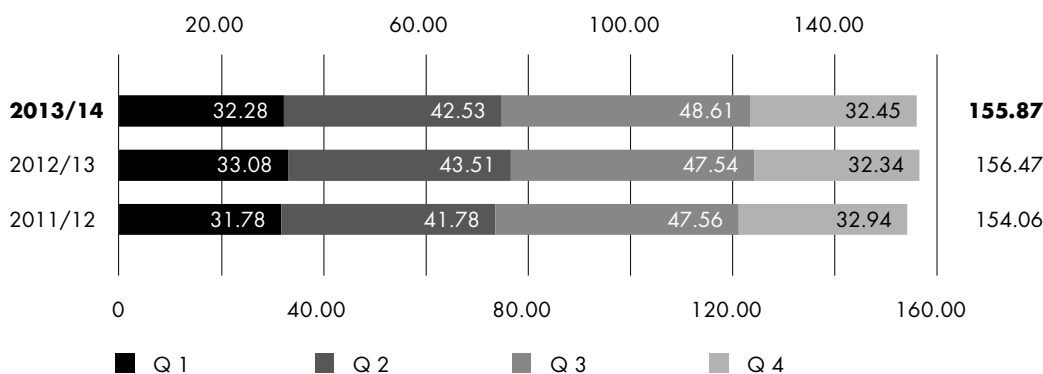
Declines in the first two quarters of 2013/14 were followed by an increase in revenues during the third quarter due to solid sales during the Christmas season. However, this development was unable to completely offset the weaker first two quarters. The fourth quarter also brought a slight year-on-year growth in revenues. The decline in revenues in the first half year was reduced substantially in the third and fourth quarters, above all in the wholesale business.

REVENUES BY MARKET

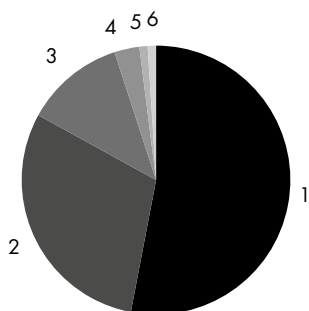


- 1 North America 17%
- 2 Germany 16%
- 3 Austria 11%
- 4 France 10%
- 5 Rest of Europe 40%
- 6 Asia/Oceania 5%
- 7 Rest of World 1%

REVENUE DEVELOPMENT BY QUARTER (IN € MILL.)



REVENUES BY PRODUCT GROUP



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

A regional analysis of revenues for the reporting year shows very different developments. The USA, which is currently the largest single market for the Wolford Group, generated sound revenue growth despite a reduction in the number of retail locations. Austria also reported an improvement in revenues. In contrast, revenues in Germany and France were lower than the prior year due to declines in the wholesale business. Solid development was recorded in the recovering South European countries of Italy and Spain and in Great Britain and Belgium. Revenues decreased in Switzerland due to boutique closings, in Scandinavia due to declines with multi-brand retailers and in Central and Eastern Europe due to the Ukraine crisis among others. In Asia, Wolford generated double-digit revenue growth during the past year, above all based on the opening of new locations and the expansion of the partner business.

The Legwear product group was responsible for more than half of Group revenues with a share of 53% in 2013/14 (2012/13: 53%), but revenues were slightly lower than in the previous year. Ready-to-wear remained the second largest product group with 30% (2012/13: 31%). Revenues were also slightly lower than 2012/13, similar to the Lingerie product group which was responsible for 12% (2012/13: 12%) of Group revenues. The Accessories and Trading goods product groups recorded 3% and 1%, respectively, of Group revenues based on sound double-digit growth. Swimwear revenues amounted to 1% and were slightly higher in year-on-year comparison.

Profitability indicators	2013/14 in %	2012/13 in %
Material costs (including changes in inventories) as a percentage of revenues	17.6	18.8
Personnel expenses as a percentage of revenues	46.3	46.7
Other operating expenses as a percentage of revenues	32.4	30.7
EBITDA margin	4.6	5.0
Capital expenditure on depreciation	97.5	68.5
EBIT margin	-0.6	-0.6

Focus on inventory and cash optimization, improvement in cost of materials and personnel expenses in relation to revenues

The inventory and cash optimization measures implemented in the previous year were continued during 2013/14. The successful results were reflected in the changes in finished goods and work-in-process, which were further reduced from €-0.48 million in 2012/13 to €-1.87 million. Extensive process optimization measures in the operating areas led to a substantial reduction in production costs. Consequently, the cost of materials dropped from € 28.93 million to € 25.62 million. As a percentage of revenues, the cost of materials fell sharply from 18.8% to 17.6%. Personnel expenses were reduced by € 0.96 million to € 72.09 million (2012/13: € 73.05 million), which represents an improvement of 0.4 percentage points in the ratio of personnel expenses to revenues. This reduction resulted, above all, from an increased number of employees in the Slovenian plant and a slight decrease in the number of employees in Bregenz and the subsidiaries. The average number of employees in the Wolford Group (full-time equivalents) declined by 44 to 1,562 (average for 2012/13: 1,606 full-time employees).

Scheduled depreciation and amortization below prior year

Scheduled depreciation and amortization totaled € 8.08 million for the reporting year (2012/13: € 8.80 million). Impairment charges of € 0.61 million, which are related to the strategic refocusing, are reported as non-recurring expenses in the 2013/14 financial year.

Other operating expenses rose from € 48.10 million to € 50.57 million due to additional costs for the opening of new boutiques, increased rents in the company's own retail business and additional advertising expenses to strengthen the Wolford brand. Against this backdrop, adjusted EBITDA fell slightly from € 7.90 million to € 7.11 million and adjusted EBIT from € -0.91 million to € -0.97 million.

In order to more transparently present the development of the Woford Group's operating business, all non-recurring effects are excluded from the calculation of adjusted EBITDA and adjusted EBIT and reported separately as non-recurring items on the statement of comprehensive income according to IAS 1.98. These non-recurring items represent the major costs related to the strategic refocusing, e.g. expenses for closing company-owned locations (€ 1.41 million), one-off expenses from changes in concepts and strategies (€ 1.16 million) or the relocation of parts of the production (€ 0.25 million) as well as severance compensation (€ 0.94 million). Any book profits arising from the planned sale of non-core assets in subsequent periods will also be reported separately as non-recurring income in the future. In total, non-recurring expenses of € 3.76 million were recorded in 2013/14.

Non-recurring effects are reported separately to ensure transparent presentation of operating results

The negative financial result was reduced from € -1.34 million to € -1.17 million. Earnings before tax totaled € -5.89 million, compared with € -2.25 million in the previous year. Income tax equaled € +3.07 million (2012/13: € -0.51 million) and was influenced by the following factors: current income tax expense, which equaled € +0.77 million due to a tax refund in the reporting year (2012/13: € -0.53 million), and deferred taxes, which equaled € +2.31 million (2012/13: € +0.02 million) due to the capitalization of additional deferred taxes and loss carryforwards. Earnings after tax almost reflected the prior year with € -2.81 million in 2013/14 (2012/13: € -2.76 million) and earnings per share equaled € -0.57 (2012/13: € -0.56).

Earnings after tax almost at prior year level

Income Statement (summary) in € million	2013/14	2012/13¹⁾	Chg. in %
Revenues	155.87	156.47	-0.4
Other operating income	1.35	1.88	-28
Changes in inventories	-1.87	-0.48	>100
Other own work capitalized	0.05	0.10	-50
Operating output	155.40	157.97	-2
Cost of materials	-25.62	-28.93	+11
Personnel expenses	-72.09	-73.05	+1
Other operating expenses	-50.57	-48.10	-5
Depreciation and amortization	-8.08	-8.80	-8
EBIT adjusted	-0.97	-0.91	-5
Non-recurring expenses	-3.76	0.00	-
EBIT	-4.72	-0.91	>100
Financial result	-1.17	-1.34	+13
Earnings before tax	-5.89	-2.25	>100
Income tax	3.07	-0.51	>100
Earnings after tax	-2.81	-2.76	-2

1) Adjustment to reflect the offsetting of other operating income from the invoicing of costs with the related expense items.

Assets and financial position

The asset and capital structure of the Woford Group remained solid as of the balance sheet date on April 30, 2014. The balance sheet total fell by 3% from € 142.32 million at the end of the 2012/13 financial year to € 138.12 million. This decline resulted primarily from the reduction in inventories and property, plant and equipment due to refocusing-related impairment charges and the decrease in equity caused by the negative earnings in 2013/14.

Decline in balance sheet total due to reduction in inventories and property, plant and equipment as well as negative earnings

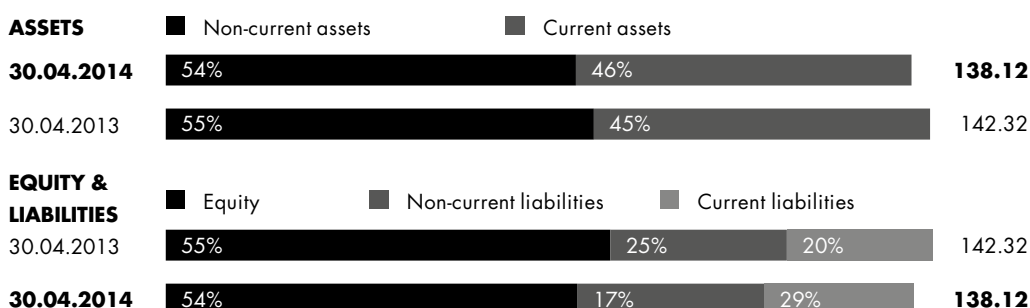
Non-current assets equal 54% of the balance sheet total

Non-current assets totaled € 75.22 million, or 54% of the balance sheet total, as of April 30, 2014 (April 30, 2013: 55%). Property, plant and equipment and other intangible assets declined by 9% to € 64.38 million. Investments in property, plant and equipment and intangible assets totaled € 7.87 million in 2013/14 (2012/13: € 6.03 million). These investments were contrasted by depreciation and amortization of € 8.08 million (2012/13: € 8.80 million). Land and buildings held for sale were reclassified to current assets.

Inventories reduced, liquid funds nearly reach prior year level

Current assets comprised 46% of the balance sheet total on April 30, 2014. Inventories were reduced by 6% to € 40.07 million or 29% of total assets, and other receivables and assets fell by 29% to € 3.02 million or 2% of total assets. Cash and cash equivalents remained nearly unchanged at € 4.65 million on April 30, 2014 (April 30, 2013: € 4.99 million).

DEVELOPMENT OF BALANCE SHEET STRUCTURE (IN € MILL.)



Solid equity ratio of 54% as of April 30, 2014

Shareholders' equity amounted to € 74.38 million as of April 30, 2014, which is € 3.77 million below the comparable prior year level. The decline resulted from the loss recorded for the reporting year as well as from the effects of actuarial losses and foreign exchange differences recognized directly in equity. However, it should be noted that the substantial reduction in the interest rates underlying the calculation of provisions for employee benefits is a consequence of the sovereign debt crisis and the run to benchmark corporate bonds. The equity ratio remained solid at 54% as of April 30, 2014 (April 30, 2013: 55%).

Balance sheet indicators		30.04.2014	30.04.2013
Equity	in € mill.	74.38	78.15
Net debt	in € mill.	17.04	15.96
Capital employed	in € mill.	91.42	94.11
Working capital	in € mill.	33.72	38.49
Balance sheet total	in € mill.	138.12	142.32
Equity ratio	in %	53.9	54.9
Gearing	in %	22.9	20.4
Working capital as a percentage of revenues	in %	21.6	24.6
Net debt to EBITDA adjusted		2.4	2.0
EBITDA adjusted to net interest cost		11.0	9.3

Non-current liabilities declined by 35% from € 35.76 million to € 23.30 million and equaled 17% of the balance sheet total as of April 30, 2014 (April 30, 2013: 25%). This development resulted primarily from a reduction in non-current financial liabilities, which fell from € 19.15 million to € 6.39 million.

Reduction in non-current liabilities based on change in financial liabilities

Current liabilities rose by 42% to € 40.44 million (April 30, 2013: € 28.41 million), primarily due to an increase of € 13.44 million in current financial liabilities to € 16.77 million. Trade payables increased by € 0.79 million. Income tax liabilities were € 2.14 million lower than the previous year due to the payment of liabilities resulting from tax audits. Working capital, which is defined as the sum of inventories, trade receivables and other current receivables and assets less trade payables and other current liabilities, amounted to € 33.72 million as of April 30, 2014. This indicator is € 4.77 million lower than the comparable prior year value of € 38.49 million. Net debt rose by € 1.08 million to € 17.04 million due to the year-on-year increase in investments. Gearing (the ratio of net debt to equity) equaled 23% (April 30, 2013: 20%).

Inventory optimization leads to 12% decline in working capital

Calculation of Net debt	30.04.2014 in € mill.	30.04.2013¹⁾ in € mill.	Chg. in %
Non-current financial liabilities	6.39	19.15	-67
Current financial liabilities	16.77	3.33	>100
- Financial assets	-1.47	-1.53	-4
- Cash and cash equivalents	-4.65	-4.99	-7
Net debt	17.04	15.96	+7

1) Adjustment for the reclassification of funds which are not available for discretionary use to other receivables and assets.

Cash flow

Cash flow from operating activities remained constant at the 2012/13 level. In spite of the higher loss recorded for the reporting year, cash flow from operating activities was clearly positive and exactly matched the prior year level of € 6.30 million. This development resulted from the optimization of working capital, above all through the reduction of inventories. Only stricter inventory management was responsible for a positive cash effect of € 2.62 million in 2013/14 which exceeded the previous year by € 1.15 million.

Operating cash flow at prior year level in spite of earnings decline

Cash flow from investing activities was € 1.44 million higher than the previous year at € -7.27 million, above all due to the opening of new retail locations and the payment of key money (payments for rental rights) for the new Wolford flagship store in the Rue de Sèvres, Paris. Additional cash outflows for investments in property, plant and equipment and other intangible assets were directed primarily to the expansion of monobrand distribution, IT and machinery and equipment. Free cash flow (cash flow from operating activities less cash flow from investing activities) declined from € 0.48 million to € -0.97 million due to the above-mentioned developments during the reporting year.

Increase in investments leads to negative free cash flow

Cash flow from financing activities improved by € 1.06 million to € 0.68 million, chiefly due to the waiver of the dividend.

Cash Flow Statement (summary)	2013/14 in € mill.	2012/13 in € mill.	Chg. in %
Cash flow from operating activities	6.30	6.31	0
Cash flow from investing activities	-7.27	-5.83	-25
Free cash flow	-0.97	0.48	>100
Cash flow from financing activities	0.68	-0.38	>100
Change in cash and cash equivalents	-0.28	0.10	>100
Cash and cash equivalents at the end of period	4.65	4.99	-7

DEVELOPMENT OF BUSINESS SEGMENTS

In accordance with the management approach defined by IFRS 8, Wolford AG reports on the following business segments:

- **Austria**
- **Other Europe**
- **North America**
- **Asia**

Austria

The Austria segment generates 21 % of Group revenues

External revenues recorded by the segment in Austria (total revenues minus intragroup revenues) declined from € 33.49 million to € 32.26 million. This segment includes the production and sales activities in Austria as well as the sales activities in all other countries where Wolford does not operate through its own subsidiaries. The segment Austria generated 21 % of Group revenues for the reporting year (2012/13: 21 %). Adjusted EBIT amounted to € -1.96 million, compared with € 1.28 million in the previous year. After the inclusion of non-recurring expenses totaling € 2.41 million, EBIT equaled € -4.37 million.

Other Europe

The largest share of Group revenues (58 %) is recorded in the Other Europe segment

External revenues in the Other Europe segment fell from € 92.68 million to € 90.82 million. This segment includes the European sales companies outside Austria and the production company in Slovenia. Other Europe was responsible for the largest share of Group revenues in 2013/14 with 58 % (2012/13: 59 %). Adjusted EBIT equaled € -0.16 million, compared with € -0.01 million in the prior year. After the inclusion of non-recurring expenses totaling € 0.70 million, EBIT amounted to € -0.85 million.

North America

Slight revenue increase in the North America segment

The Group companies in North America recorded an increase in external revenues from € 26.80 million to € 27.32 million. This segment covers the sales companies in the USA and Canada. In 2013/14, the North America segment recorded 18 % of Group revenues (2012/13: 17 %). The US market recorded the highest revenue in the Wolford Group during the reporting year. Adjusted EBIT equaled € -0.22 million (2012/13: € -0.77 million). After the inclusion of non-recurring expenses totaling € 0.65 million, EBIT in this segment equaled € -0.87 million.

Asia

Strong growth for the companies in Asia

The Asia segment recorded strong growth in external revenues from € 3.49 million to € 5.48 million. This segment, which includes the sales companies in Hong Kong and China, was responsible for 3 % of Group revenues in 2013/14. Adjusted EBIT rose from € 0.16 million to € 0.20 million.

OUTLOOK AND GOALS

The original goal set by Woford AG for the 2013/14 financial year called for further revenue growth and positive operating results. However, half-year results and the strategic refocusing approved by the Supervisory Board led to the adjustment of guidance for 2013/14 in December 2013. The EBIT goal was reduced to approx. € -5 million, including non-recurring expenses of approx. € 3 million, based on revenues at the prior year level. This goal was reached. Adjusted, pure operating EBIT roughly matched the prior year with € -0.97 million.

Results for 2013/14 reflect adjusted guidance

Experts differ in their forecasts for economic development during the 2014/15 financial year, with the assessments varying by region. In the European core market (excluding Russia, roughly 75% of Woford's total revenues), the economy is recovering and growth is expected to reach roughly 1%, also in the southern regions. The USA is projected to generate growth of approx. 3%. Sound development is also forecasted for Woford's growth markets in China with approx. 8% and the Gulf States with 4%. GDP development in Russia is expected to remain subdued at +1% due to the Ukraine crisis.

Improved operating environment expected in the Woford markets for 2014/15

The Woford Group started subdued into the first weeks of the 2014/15 financial year. In particular, the wholesale business has not yet returned to the planned path of revenue growth. Also the retail business also remained behind the company's own expectations. However, the online business again is continuing to generate sound positive development in the current financial year. Woford's goal for 2014/15 is to achieve the operating turnaround. The first weeks of the new financial year confirm the earning target since a book profit of € 3.4 million was generated by the sale of non-core land and the sale of a lease option yielded a pre-tax profit of approx. € 4.0 million.

Goal: positive operating earnings in 2014/15

Source: IMF, World Economic Outlook, April 2014

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On May 26, 2014 Wolford AG signed a contract for the sale of non-core land in Bregenz. The net proceeds from this transaction total approx. € 6.7 million. The sale of this land generated a book profit of approx. € 3.4 million in the first quarter of the 2014/15 financial year. The sale of non-core assets represents an important element of the strategic refocusing, which will be financed internally, among others through the sale of this property. In addition, Wolford sold a lease option for a sales location in Switzerland in July 2014 which generated net proceeds of approx. € 4.0 million. The sale was carried out at the lessor's request due to the planned reconstruction of the entire building complex. The transaction will result in pre-tax profit of approx. € 4.0 million in the first quarter of the 2014/15 financial year. Wolford intends to reinvest these proceeds in the expansion of its own retail network in strategically important locations.

RISK MANAGEMENT

Identification and analysis of major risks as part of the risk management process

Wolford AG is exposed to various risks within the context of its global business operations. For Wolford, effective risk management represents a crucial factor for ensuring sustainable success and creating shareholder value. Risk is not only defined as a negative deviation from corporate goals, but also as the failure to realize potential profits and exploit potential opportunities. The objectives of risk management are to identify and utilize opportunities based on systematic methods and to identify risks at an early stage and implement suitable measures to manage these risks and thereby minimize deviations from corporate goals.

Annual evaluation of opportunities and risks by top management

In order to meet the above objectives, it is necessary to identify, evaluate, manage and monitor opportunities and risks. This takes place on a regular basis within the context of the Group's opportunity and risk management process. The assessment of risks from previous periods is updated annually by Wolford's top management. The identified risks are ranked according to their probability of occurrence and potential damage, and the major risks are subjected to a detailed analysis.

Risks only taken on in operating business

The most important instruments used to monitor and manage risks are planning and controlling processes and Group-wide guidelines as well as ongoing reporting and forecasting. In order to prevent and control risks, risks are only taken in connection with business operations and are always analyzed in relation to the potential gains. Speculative activities above and beyond the scope of normal business operations are prohibited. Risks beyond the scope of everyday business, such as financial risks, are monitored by Wolford AG and hedged as required.

Currently no identified risks that could endanger the company's continued existence

From the current point of view, the Wolford Group is not exposed to any individual risks with a significant probability of occurrence which could threaten its continued existence. The ten major risks in total represent less than 15% of equity, in the unlikely event these risks all occur at the same time. The main risks are described below, and a detailed presentation of financial risk management is provided in the notes to the consolidated financial statements starting on page 116.

Market, production and price risks

Strengthening of wholesale business and optimization of own retail locations

The development of business in the fashion industry is dependent primarily on consumer behavior, which is closely correlated to economic developments in the respective countries. In order to improve the performance of the wholesale business, which has declined substantially in recent years, new concepts are being developed to support the company's trading partners. The strategy also includes the further optimization of Wolford's own retail locations, which have generated steady growth over the past years. Locations with poor performance were closed to reduce the risk of losses, and new Wolford-owned retail shops will only be opened in strategic key cities and top

locations. A weak economic environment and the resulting decline in demand increase the risk of idle capacity and uncovered fixed costs, especially due to medium- and long-term rental agreements. This can lead to pressure on prices as well as necessary price adjustments. In 2013/14, Wolford was only able to partially offset cost inflation with price increases. In order to minimize the impact of these risks on earnings, capacity utilization is continually evaluated and necessary adjustments are made to reflect market requirements.

Wolford competes directly with other fashion brands in its various product segments and is therefore exposed to substitution risk. The company is working to minimize price risks with a new, sharper positioning as a quality leader for legwear and other figure-embracing products and with investments in the development of new high-quality, creative products.

Substitution risk is countered by quality leadership

The potential dangers posed by natural hazards (flooding, heavy rain, lightning, storms, etc.) are addressed through the implementation of extensive technical and organizational measures to minimize the risk of production breakdowns. A business continuity management concept was developed in 2013/14 to address possible emergencies.

Protective measures to prevent production breakdowns

The development of the situation in Ukraine and Russia represents a risk for Wolford's eastern markets that is difficult to assess at the present time. The political risks arising from possible armed conflicts and the effects of the ruble exchange rate are significant and therefore continuously and critically monitored by the company.

Monitoring of political risks in Ukraine and Russia

Financial risks

The major financial risks are insufficient liquidity and financing. Accordingly, ensuring the availability of sufficient liquidity as well as maintaining and safeguarding a strong capital base are top priorities for Wolford AG. The company counters these risks by maximizing free cash flow on the basis of cost optimization, working capital management and investment monitoring. Wolford has been working with two credit insurance companies for many years to reduce the default risk on trade receivables. Liquidity risk is monitored by regular financial planning carried out by the treasury department of Wolford AG.

Maintenance of sound capital base through financial discipline

The Wolford Group's financing is based on a solid balance sheet structure with an equity ratio of 54%, gearing of 23% and cash and cash equivalents of € 4.65 million as of April 30, 2014. Wolford collaborates with numerous domestic and international banking partners to finance its working capital and investments. The Group had sufficiently high credit lines at its disposal as of April 30, 2014, with only 25% currently in use. Wolford closely manages working capital in relation to revenues and is selling non-core assets based on value maximization. However, refinancing options are influenced by numerous financial, economic and other factors which are in part beyond the control of the Management Board of Wolford AG.

Financing based on a solid balance sheet structure

In addition to liquidity risk, the Group is exposed to currency and interest rate risks. Wolford produces exclusively in the eurozone and markets its products around the world. The company's main foreign currencies are the US dollar, the Swiss franc, the British pound, the Danish crown and the Hong Kong dollar. The goal is to hedge approx. 50% of the free cash flow from foreign currencies with foreign currency forwards in order to minimize the effects of exchange rate fluctuations on Group equity and to improve planning certainty.

Currency hedging to increase planning certainty and minimize effects on equity

Interest rate risk represents the risk arising from changes in the value of financial instruments as a consequence of changes in market interest rates. As of April 30, 2014, 29% of the financial liabilities held by Wolford AG carried fixed interest rates and 71% variable interest rates. Cash and cash equivalents are generally not invested, but held in bank accounts to ensure sufficient liquidity. Currency risks are described in the notes to the consolidated financial statements beginning on page 117.

Currently high share of variable interest financial liabilities

No statutory capital requirements

The goals for managing capital risk are to safeguard the company's continued existence, on the one hand, and to maintain a cost-optimized capital structure, on the other hand. Wolford is not subject to any statutory capital requirements.

Quality management, hedging and long-term supplier agreements to manage supply risks

Procurement risks

Wolford AG has implemented extensive quality management procedures along the entire supply chain and carries out on-site supplier inspections to manage quality and supply risks in the procurement of materials, semi-finished and finished goods. Yarns are a particularly important resource for Wolford's production process. The company counters the risk of supply shortages or price increases for its main materials by continuously monitoring the situation on relevant markets, specifying procurement prices at an early stage and concluding long-term supply contracts. A major part of the required quantities of key yarns have already been secured for 2014. The prices of synthetic fibers generally vary with crude oil prices and have been subject to major fluctuations in recent years. This requires flexible and timely management in the procurement process.

Extensive planning and management systems for sales and production

Early planning is required to manage the very long lead times for textile materials that result from the complex production process. Wolford counters the risk of material shortages with comprehensive planning and management systems for its sales and production operations. Management's activities in this area are also designed to avoid surplus production through continuous optimization.

Suitable insurance for protection against potential liability risks

Legal risks

The company has concluded insurance policies to provide protection against specific liability risks and damage claims. The coverage under these policies is reviewed regularly and based on the economic correlation between the maximum risk and the insurance premium. Management makes decisions on the basis of internal and external consultations to effectively counteract the risks arising from the diverse range of tax, competition, patent, antitrust and environmental regulations and laws. Compliance with relevant regulations and controlling the interaction of employees with risks are part of the basic responsibilities of all Group managers.

INTERNAL CONTROL SYSTEM

Management Board responsible for control and risk management

The Management Board is responsible for designing and implementing an accounting-based internal control and risk management system and ensuring compliance with all legal requirements. From an organizational perspective, Wolford AG is responsible for the financial reporting of the Wolford Group. The Group consolidation (responsible for external reporting) and Group controlling departments (responsible for internal reporting) report directly to the Chief Financial Officer.

Standard Group accounting and reporting requirements

The processes underlying Group accounting and reporting are based on an accounting manual that is published by Wolford AG and updated on a regular basis. This manual contains the key IFRS accounting and reporting requirements, which include the accounting and reporting principles for non-current assets, trade receivables and accruals, financial instruments and provisions as well as the reconciliation of deferred tax assets and liabilities.

Largely automatic data transfer to the accounting department

The regular impairment testing of goodwill and the assets attributed to the individual cash generating units (CGUs) is carried out by Wolford AG. The recording, posting and accounting of all Group transactions is handled by standardized software solutions. Accounting processes are only outsourced to local tax consultants in China and Hong Kong. The subsidiaries submit monthly reporting packages that contain all relevant accounting data for the income statement, balance sheet and cash flow statement. This data is entered into the central consolidation system, where it is verified at the Group level by the Group consolidation and Group controlling departments and forms the basis for the IFRS quarterly reports issued by the Wolford Group.

Internal management reporting is based on standardized planning and reporting software, with automatic interfaces used to transfer updated data from the primary systems. A standardized process is used to enter the figures for forecasts. Reporting is structured according to the respective region and company. In addition to reporting on the development of operating results for the preceding month, three forecast updates were prepared for the full year in 2013/14.

Internal management report based on standard planning and reporting software

The financial information described above and the quarterly performance figures form the basis for the Management Board's reporting to the Supervisory Board. The Supervisory Board is provided with information on the development of business at regular meetings. This information is based on consolidated results, which cover segment reporting, earnings development with comparisons to budgeted and prior year figures, forecasts, consolidated financial statements, data on employees and order intake as well as selected financial indicators.

Ongoing and regular information for the Supervisory Board

INTERNAL AUDIT

The internal audit department, which was established as a staff function, is responsible for implementing the principles of corporate governance and the internal control system (ICS). The Management Board and the internal audit department regularly evaluate operating processes with respect to risk management and opportunities to improve efficiency. This review is based on an annual audit plan approved by the Management Board and the Group-wide risk assessment of all corporate activities. It is also designed to monitor compliance with legal regulations, internal guidelines and processes.

Management Board and internal audit department monitor compliance with laws, internal guidelines and processes

The internal audit department also carries out ad-hoc audits at the request of Management, which focus on current and future risks. Wolford's internal control system supports the early identification and management of risks that may arise from potentially inadequate monitoring systems or fraudulent actions and is regularly evaluated by corporate departments in the form of self-assessments. Internal controls are revised and expanded by internal audit together with other Group departments on a regular basis. This system is based on the standards defined in the COSO (the Internal Control and Enterprise Risk Managing Frameworks of the Committee of Sponsoring Organizations of the Treadway Commission), a recognized international guideline for internal control procedures. Together with the Group guidelines and standardized reporting system, this provides management with a comprehensive set of tools to analyze and manage the uncertainties and risks arising from business activities and to ensure compliance.

Internal control system is evaluated via ongoing self-assessment and internal audit

The business unit managers and department heads at Wolford AG as well as the general managers of the individual subsidiaries are required to evaluate and document compliance with the controls defined in the ICS guidelines on the basis of self-assessments. The internal audit department subsequently monitors compliance with these audit procedures by local managers. The results are reported to the individual managing directors and the Management Board of Wolford AG. The internal audit department reports to the Audit Committee of the Supervisory Board at least once each year on its main conclusions from the risk management analysis and its audit findings, relevant implementation activities and improvement measures for the weaknesses identified in the internal control system.

ICS is implemented locally, but compliance is monitored centrally by the internal audit department

Reporting plays a key role in the monitoring and control of the risks associated with operating activities. The control systems in individual corporate areas are reviewed by the external auditor as part of the annual year-end audit. The results of this audit are presented to the Management Board and the Audit Committee, and the internal audit department takes any necessary actions based on the resulting conclusions.

Control systems in individual areas evaluated by the external auditor

RESEARCH AND DEVELOPMENT

Wolford's research and development activities (R&D) are closely linked to its further development and strategic positioning as a fashion company in the niche of figure-embracing products, which has defined the highest quality standards as a key element of its mission statement. A number of R&D focal points were set during the reporting year and resulted in expenditures of € 6.6 million. Wolford employs 49 men and women (full-time equivalents) in its technical product development department. Their expertise is complemented by close cooperation with the resources and know-how available in the design, product management, procurement and production departments.

Numerous innovations in the Legwear area

In the Legwear area, Wolford expanded the product line to include Fine Cotton Rib Tights. These tights with their high cotton content are the finest ribbed tights on the market. They underscore Wolford's innovative strength, especially in the area of legwear. Wolford's reaction to the current fashion trend toward absolutely opaque tights is the Individual 100 Leg Support. This product not only meets the current trend with its mat opaque look, but also has a supporting effect that improves blood circulation and prevents premature fatigue and swollen legs.

New gluing technique guarantees ultra-flat seams, patent for the world's first glued tights already filed

Our development work in the area of gluing technology deserves special mention. The latest innovation in bonding technology allows Wolford to connect fine and elastic materials with thinner and more modern seams. This technology is now used in new developments like the Pure 50 Collection, which includes Pure Tights, Pure Top, Pure Shirt and Pure Pullover. In the future, it will be used in Wolford's Legwear, Lingerie and Ready-to-wear product groups. The women's outerwear products in the Pure 50 Collection were introduced with the spring-summer 2014 collection at Wolford's points of sale and have become very popular with customers worldwide. The Pure Tights (the world's first glued tights) will be available starting in autumn 2014. A number of R&D projects are focused on the expansion of the Pure Series and the increased use of bonding technology for highly elastic materials, one of Wolford's clear competitive advantages. A patent application for the innovative gluing technology has already been filed.

Limited Edition in fall-winter collection 2014/15

Jewellery Tights, a glamorous hosiery edition limited to 499 pieces, sparkles with genuine Swarovski Elements and metallic circle detailing that is applied by hand during the production process in Austria. The diamond design surrounds the legs like a net made of gold and jewels, right up to stay-up height. The comfortable knitted waistband and extremely soft, opaque material in classic black provide high-quality wearing comfort. These exclusive tights will join the Wolford portfolio with the 2014/15 fall-winter collection at selected points of sale.

Focal point: Essentials in the Ready-to-wear product group

R&D activities in 2013/14 focused on Essentials in the Ready-to-wear collection. The product line was expanded to include particularly fine merino wool products: the Fine Merino Cardigan, Fine Merino Pullover and Fine Merino Top. These high-quality items can be optimally combined for all occasions. Our classic Fatal Tube was also reinterpreted in merino quality as the Fatal Wool Dress. Similar to its well-known predecessor, the Fatal Wool Dress is multifunctional with virtually unlimited combination possibilities and looks. Another step toward versatility was taken with the reintroduction of our highly successful Multifunction Scarf in a winter version as the Multifunction Merino Scarf.

Expansion of Lingerie shapewear offering

The products in the Sheer Touch series stand out with their fine, slightly shimmering material, modern look and medium-shaping effect as well as seamless processing that effectively forms the feminine silhouette. They will expand the offering of Lingerie shapewear and will be available with the 2014/15 fall-winter collection.

HUMAN RESOURCES

Employees are decisive for a company's success. Wolford's management is well aware of this and continuously works on measures to strengthen employees' identification with the company and improve their motivation and health. New employees are introduced to the philosophy, products and structure of the Wolford Group in a special orientation program at corporate headquarters in Bregenz. The Wolford Group had an average of 1,562 employees in 2013/14; the share of women equaled roughly 80%. An average of 750 employees worked at the corporate headquarters in Bregenz during the reporting year.

Promoting identification with the company and employees' motivation and health

In the course of the 2013/14 financial year, the Management Board and the Management Team elaborated and developed a collective understanding of Wolford's future orientation, based on a common mission statement. This mission statement defines the direction for the entrepreneurial focus and everyday actions of all employees. The mission statement comprises the corporate mission, vision and values and is based on the belief: "The Unforgettable Touch of Wolford". A dynamic management culture will sustainably anchor the process of change in the organization and include the employees in a constructive way.

Anchoring of dynamic corporate and management culture

Professional human resources development and the systematic advancement of employees are key success factors for a company. Wolford therefore continuously invests in the training and professional development of its employees around the world and improves the framework necessary for the enhancement of their personal and professional skills. Standardized performance appraisal reviews are carried out in all areas of the company to determine the personal development potential and internal career opportunities for each employee. Wolford invested approximately € 0.26 million in the training and professional development of its employees during the reporting year.

Ongoing investments in employee development

Wolford operates a special internal training department for the sales and distribution workforce. The Wolford employees in points of sale and administrative departments completed a total of 465 training days in 2013/14. These sessions included introductory modules on the company, the brand, the products and sales training and were held in Bregenz and in the various country organizations. In the subsidiaries, group courses are held by a training manager who is responsible for several markets and coaches the employees on a regular basis. This instruction is based on a train-the-trainer system, where the store managers are responsible for communicating the training contents to their staff. Trading partners can also make use of Wolford's training programs. The implementation of the training content is monitored by the training manager together with the responsible monobrand managers during store visits and feedback meetings.

Specially designed, international coaching by internal training department

The company works to meet the changing personal circumstances of its employees, also above and beyond legal requirements. Parental part-time working models are offered to women re-entering the job market and were used by 60 female employees during the reporting year. Individual requests, e.g. for more flexible working hours or a change in assignment, are evaluated jointly by the supervisor and staff council representative and implemented when possible. In 2013, Wolford introduced a part-time model that allows older employees to steadily reduce their working hours.

Flexible working time models are offered

Wolford AG has a large number of trained safety specialists and first aiders as well as its own plant fire brigade. Two company physicians are also available to treat injuries and for diagnostic purposes and treatment. These occupational health physicians also monitor all necessary workplace safety inspections and health promotion measures. In addition to fitness classes, Wolford employees can also receive therapeutic massages in house with the approval of the company physician. In 2013, Wolford received the *salvus* seal of approval in gold – a special award for health care from the Provincial Government of Vorarlberg. This official recognition underscores the company's commitment to occupational health care.

Health care seal awarded by Provincial Government of Vorarlberg

DISCLOSURES PURSUANT TO § 243 A (1) OF THE AUSTRIAN COMMERCIAL CODE

Wolford AG is listed in the Prime Market of the Vienna Stock Exchange. The company has share capital totaling € 36,350,000, which is divided into five million zero par value bearer shares. The Management Board is not aware of any restrictions on voting rights or the transfer of shares. There are no shares with special control rights.

According to the information available to the company, the following direct or indirect investments in the capital of Wolford AG equaled or exceeded 10% as of April 30, 2014: WMP family private foundation held over 25% of the shares, and over 15% were held by Sesam private foundation. The private foundations and their subsidiary M. Erthal GmbH are legal entities which act in concert and exercise their voting rights by consensus. A further 25% of the shares were held by Ralph Bartel. Wolford AG continues to hold over 2% of the shares as treasury stock. The remaining shares represent free float. The members of the Management Board have not been provided with any authorizations above and beyond those defined by law, in particular the possibility to issue or repurchase the company's shares. Wolford AG has no authorized capital. The 24th Annual General Meeting on September 15, 2011 extended the period for the sale of 100,000 treasury shares, which were repurchased in accordance with a resolution of the Annual General Meeting on September 6, 1999, to March 6, 2015.

The Wolford Group does not have a stock option plan or employee participation model. There are no provisions for the members of the Management or Supervisory Boards above and beyond the ones defined by law. The company has concluded a compensation agreement with one member of the Management Board that will take effect in the event of a public takeover offer. If there is a change of control (a direct or indirect change in the ownership structure that involves more than 50% of the voting shares), this Management Board member is entitled to resign subject to a three-month notice period. The company would then be required to settle all claims for compensation by this Management Board member for the remaining term of his contract. The company has concluded no other significant agreements that would take effect, be amended or end with a change of control as the result of a takeover offer.

Bregenz, July 4, 2014



Axel Dreher



Thomas Melzer

Consolidated Financial Statements as of April 30, 2014

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STATEMENT OF COMPREHENSIVE INCOME

in TEUR	Note	2013/14	2012/13 ¹⁾
Revenues	(1)	155,873	156,466
Other operating income	(2)	1,352	1,880
Changes in inventories of finished goods and work-in-process		-1,872	-475
Own work capitalized		44	101
Operating output		155,397	157,972
Cost of materials and purchased services	(3)	-25,619	-28,930
Personnel expenses	(4)	-72,093	-73,046
Other operating expenses	(5)	-50,573	-48,100
Depreciation and amortization	(6)	-8,077	-8,802
EBIT adjusted		-965	-906
Non-recurring expenses	(7)	-3,755	0
EBIT		-4,720	-906
Net interest cost	(8)	-644	-845
Net investment securities income	(9)	12	100
Interest cost of employee benefit liabilities		-533	-594
Financial result		-1,165	-1,339
Earnings before tax		-5,885	-2,245
Income tax	(10)	3,071	-512
Earnings after tax		-2,814	-2,757
Amounts that will not be recognised through profit and loss in future periods		-557	-1,203
thereof actuarial gains and losses	(22)	-557	-1,203
Amounts that will potentially be recognised through profit and loss in future periods		-396	299
thereof currency translation differences	(22)	-398	295
thereof change from cash flow hedges	(22)	2	4
Other comprehensive income ²⁾	(11)	-953	-904
Total comprehensive income		-3,767	-3,661
Attributable to the equity holders of the parent company		-3,767	-3,661
Earnings after tax attributable to equity holders of the parent company		-2,814	-2,757
Earnings per share (diluted = basic)	(12)	-0.57	-0.56

1) Adjustment to reflect the offsetting of other operating income from the invoicing of costs with the related expense items.

2) The items presented under other comprehensive income are shown after tax.

CASH FLOW STATEMENT

in TEUR	Note	2013/14	2012/13
Earnings before tax		-5,885	-2,245
Depreciation		8,077	8,802
Amortization		605	0
Interest result		632	745
Gains / losses from disposal of property, plant and equipment		1,191	276
Changes in non-current provisions		-240	-116
Changes in inventories		2,624	1,478
Changes in trade receivables		43	763
Changes in other assets		-209	-47
Changes in trade payables		376	-404
Changes in current provisions		-111	625
Changes in other liabilities		-101	-176
Changes in the cash flow hedge provision		-3	-5
Currency translation differences		-598	-637
Net interest paid		-579	-577
Income taxes paid / received		481	-2,175
Cash flow from operating activities		6,303	6,307
Investments in property, plant and equipment and other intangible assets	(31)	-7,457	-5,861
Proceeds from the sale of property, plant and equipment and other intangible assets	(31)	192	32
Proceeds from the disposal of securities		0	0
Cash flow from investing activities		-7,265	-5,829
Payment received from current and non-current financial liabilities		3,103	2,674
Repayment of current and non-current financial liabilities		-2,419	-1,089
Dividends paid		0	-1,960
Cash flow from financing activities		684	-375
Change in cash and cash equivalents		-278	103
Cash and cash equivalents at the beginning of the period		4,990	4,911
Effects of exchange rate fluctuations on cash and cash equivalents		-59	-24
Cash and cash equivalents at the end of the period		4,653	4,990

BALANCE SHEET

in TEUR	Note	30.04.2014	30.04.2013 ¹⁾
Property, plant and equipment	(13)	53,005	59,683
Goodwill		1,168	1,200
Other Intangible assets	(14)	10,205	9,571
Financial assets	(15)	1,473	1,533
Non-current receivables and assets	(16)	1,451	1,269
Deferred tax assets	(17)	7,922	5,568
Non-current assets		75,224	78,824
Inventories	(18)	40,068	42,692
Trade receivables	(19)	8,790	8,833
Other receivables and assets	(20)	3,015	4,270
Prepaid expenses		2,710	2,707
Cash and cash equivalents		4,653	4,990
Non-current assets held for sale	(21)	3,659	0
Current assets		62,895	63,492
Total assets		138,119	142,316
Share capital		36,350	36,350
Capital reserves		1,817	1,817
Other reserves		39,196	42,565
Currency translation differences		-2,981	-2,583
Equity	(22)	74,382	78,149
Financial liabilities	(23)	6,392	19,149
Other liabilities	(26)	1,096	1,249
Provisions for long-term employee benefits	(25)	15,697	15,222
Deferred tax liabilities	(17)	112	139
Non-current liabilities		23,297	35,759
Financial liabilities	(24)	16,767	3,327
Trade payables		5,410	4,618
Other liabilities	(28)	12,744	12,691
Income tax liabilities		200	2,342
Other provisions	(27)	5,319	5,430
Current liabilities		40,440	28,408
Total equity and liabilities		138,119	142,316

1) Adjustment to reflect the reclassification of funds that are not available for discretionary use to other receivables and assets.

STATEMENT OF CHANGES IN EQUITY

in TEUR	Note	Attributable to equity holders of the parent company							Total equity
		Share capital	Capital reserves	Hedging reserve	Actuarial gain/loss	Other reserves	Currency translation	Treasury stock	
01.05.2012 ¹⁾		36,350	1,817	-9	218	52,935	-4,663	-2,878	83,770
Dividends 2011/12	(22)	0	0	0	0	-1,960	0	0	-1,960
Total comprehensive income		0	0	4	-1,203	-2,757	0	295	-3,661
30.04.2013		36,350	1,817	-5	-985	48,218	-4,663	-2,583	78,149
Dividends 2012/13	(22)	0	0	0	0	0	0	0	0
Total comprehensive income		0	0	2	-557	-2,814	0	-398	-3,767
30.04.2014		36,350	1,817	-3	-1,542	45,404	-4,663	-2,981	74,382

1) Adjustment to reflect the retrospective application of IAS 19.

SEGMENT REPORTING

2013/14 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	92,150	95,478	27,318	5,476	-64,549	155,873
thereof intersegment	59,895	4,654	0	0	-64,549	0
External revenues	32,255	90,824	27,318	5,476	0	155,873
EBIT adjusted	-1,956	-157	-222	197	1,173	-965
Non-recurring expenses	-2,413	-697	-645	0	0	-3,755
EBIT	-4,369	-854	-867	197	1,173	-4,720
Segment assets	153,873	41,334	13,262	3,666	-74,016	138,119
Segment liabilities	54,724	29,962	7,482	1,585	-30,016	63,737
Investments	2,708	4,133	260	772	0	7,873
Depreciation	4,970	2,512	359	236	0	8,077
Non-recurring amortization	23	153	429	0	0	605
Employees on average (FTE)	750	656	122	34	0	1,562

2012/13 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	95,611	97,087	26,804	3,494	-66,530	156,466
thereof intersegment	62,123	4,407	0	0	-66,530	0
External revenues	33,488	92,680	26,804	3,494	0	156,466
EBIT	1,275	-9	-766	160	-1,566	-906
Segment assets	150,942	42,146	13,999	2,266	-67,037	142,316
Segment liabilities	49,202	30,604	7,559	1,192	-24,390	64,167
Investments	2,465	2,151	1,131	334	-56	6,025
Depreciation and amortization	4,894	2,762	1,093	107	-54	8,802
Employees on average (FTE)	831	634	118	23	0	1,606

STATEMENT OF CHANGES IN FIXED ASSETS

in TEUR	01.05.2013	Currency translation differences	Costs		Held for sale	Reclassi- fication	30.04.2014
			Additions	Disposals			
Property, plant and equipment							
Land, land rights and buildings, including buildings on third-party land	92,678	-339	1,810	2,450	-4,270	35	87,464
thereof land	6,418	0	0	0	0	0	6,418
Technical equipment and machinery	33,010	0	385	4,254	0	68	29,209
Other equipment, furniture and fixtures	30,226	-174	2,804	3,079	-31	53	29,799
Prepayments made and assets under construction	155	-1	357	128	0	-156	227
	156,069	-514	5,356	9,911	-4,301	0	146,699
Goodwill	1,377	-39	0	0	0	0	1,338
Other Intangible assets							
Concessions, patents and licenses	14,215	-9	883	34	0	0	15,055
Security deposits paid for leased real estate	10,391	-11	1,634	908	0	0	11,106
Customer relationship	727	0	0	0	0	0	727
	25,333	-20	2,517	942	0	0	26,888
Total	182,779	-573	7,873	10,853	-4,301	0	174,925

in TEUR	01.05.2012	Currency translation differences	Costs		Reclassi- fication	30.04.2013
			Additions	Disposals		
Property, plant and equipment						
Land, land rights and buildings, including buildings on third-party land	91,010	17	2,216	624	59	92,678
thereof land	6,418	0	0	0	0	6,418
Technical equipment and machinery	33,049	0	240	423	144	33,010
Other equipment, furniture and fixtures	30,360	-25	2,010	2,341	222	30,226
Prepayments made and assets under construction	218	0	454	57	-460	155
	154,637	-8	4,920	3,445	-35	156,069
Goodwill	1,368	9	0	0	0	1,377
Other Intangible assets						
Concessions, patents and licenses	13,446	2	975	243	35	14,215
Security deposits paid for leased and rented real estate	10,525	-8	130	256	0	10,391
Customer relationship	727	0	0	0	0	727
	24,698	-6	1,105	499	35	25,333
Total	180,703	-5	6,025	3,944	0	182,779

01.05.2013	Accumulated depreciation and amortization					Carrying amounts		
	Currency translation differences	Impairment	Additions	Disposals	Held for sale	30.04.2014	01.05.2013	30.04.2014
43,328	-255	482	3,077	1,765	-628	44,239	49,350	43,225
0	0	0	0	0	0	0	6,418	6,418
28,848	0	0	1,112	3,885	0	26,075	4,162	3,134
24,209	-140	124	2,172	2,971	-14	23,380	6,016	6,419
0	0	0	0	0	0	0	155	227
96,385	-395	606	6,361	8,621	-642	93,694	59,683	53,005
177	-7	0	0	0	0	170	1,200	1,168
9,664	-8	0	1,065	33	0	10,688	4,551	4,367
5,553	-11	0	560	743	0	5,359	4,838	5,747
545	0	0	91	0	0	636	182	91
15,762	-19	0	1,716	776	0	16,683	9,571	10,205
112,324	-421	606	8,077	9,397	-642	110,547	70,454	64,378

01.05.2012	Accumulated depreciation and amortization					Carrying amounts		
	Currency translation differences	Impairment	Additions	Disposals	30.04.2013	01.05.2012	30.04.2013	
39,927	25	481	3,327	432	43,328	51,083	49,350	
0	0	0	0	0	0	6,418	6,418	
28,170	0	0	1,090	412	28,848	4,879	4,162	
24,126	-18	66	2,320	2,285	24,209	6,234	6,016	
0	0	0	0	0	0	218	155	
92,223	7	547	6,737	3,129	96,385	62,414	59,683	
175	2	0	0	0	177	1,193	1,200	
8,951	2	0	954	243	9,664	4,495	4,551	
5,338	-2	0	473	256	5,553	5,187	4,838	
454	0	0	91	0	545	273	182	
14,743	0	0	1,518	499	15,762	9,955	9,571	
107,141	9	547	8,255	3,628	112,324	73,562	70,454	

Notes to the Consolidated Financial Statements

Wolford is an international group specialized in the production and marketing of Legwear, Ready-to-wear and Lingerie, Swimwear, Accessories and Trading goods and is positioned in the segment of affordable luxury products. The parent company, Wolford AG, is a stock corporation that is headquartered in Austria, 6900 Bregenz, Wolfordstrasse 1 and registered with the provincial court of Feldkirch, Austria, under FN 68605s.

The business activities of the subsidiaries are focused primarily on the marketing and sale of products purchased from the parent company.

I. ACCOUNTING PRINCIPLES

1. BASIS OF PREPARATION

The consolidated financial statements of Wolford AG as of April 30, 2014 were prepared in accordance with §245a of the Austrian Commercial Code and in agreement with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by the European Union. The 2013/14 financial year covers the period from May 1, 2013 to April 30, 2014.

The preparation of the consolidated financial statements reflects the current version of all valid and binding standards issued by the IASB and interpretations of the International Financial Reporting Interpretations Committees (IFRIC) that are applicable in the EU for the 2013/14 financial year.

In accordance with §245a of the Austrian Commercial Code – in connection with Art. 4 of Regulation (EC) No 1606/2002 of the European Parliament and the Council dated July 19, 2002 – all publicly traded companies whose headquarters are located in the EU are required to prepare their consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

The preparation of the consolidated financial statements was generally based on amortized cost, with the exception of the different accounting treatments required by individual IAS/IFRS. The different accounting treatment applicable to the Wolford Group are found, above all, in IAS 39 and IFRS 5.

The following standards and interpretations must be applied in the EU for the first time in 2013/14:

Standard/ Interpretation	Description	Effective date
Amendments to IFRS 1	Government loans – first-time adopters	January 1, 2013
Amendments to IFRS 1	Severe hyperinflation and removal of fixed dates for first-time adopters	January 1, 2013
Amendments to IFRS 7	Offsetting Financial Assets and Financial Liabilities	January 1, 2013
IFRS 13	Fair value measurement	January 1, 2013
Amendments to IAS 12	Recovery of underlying assets	January 1, 2013
IAS 19 (revised 2011)	Employment benefits	January 1, 2013
IFRIC 20	Stripping costs in the production phase of a surface mine	January 1, 2013
Improvements to IFRS 2009-2011	Changes to IFRS 1, IAS 1, IAS 16, IAS 32, IAS 34	January 1, 2013

Overview of standards and interpretations which will find application in the following financial years:

Standard/ Interpretation	Description	Effective date
IFRS 10	Consolidated financial statements	January 1, 2014
IFRS 11	Joint arrangements	January 1, 2014
IFRS 12	Disclosure of interests in other entities	January 1, 2014
Amendments to IFRS 10, IFRS 11 and IFRS 12	Transition requirements	January 1, 2014
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment entities	January 1, 2014
Amendments to IAS 27	Separate financial statements	January 1, 2014
Amendments to IAS 28	Investments in associates and joint ventures	January 1, 2014
Amendments to IAS 32	Offsetting financial assets and financial liabilities	January 1, 2014
Amendments to IAS 36	Recoverable amount disclosures	January 1, 2014
Amendments to IAS 39	Novation of derivatives and continuation of hedge accounting	January 1, 2014

The application of the new or revised standards is not expected to have any material effect on the financial position, financial performance or cash flows of the Wolford Group.

The preparation of the consolidated financial statements is the responsibility of the Management Board. The financial reporting by the Wolford Group is based on thousand euros (TEUR). Rounding differences may arise from the application of commercial rounding principles.

Other operating income from the invoicing of costs was offset against the related expense items on the statement of comprehensive income for the first time in 2013/14 to more clearly represent the respective expense items in relation to revenues. The prior year data were adjusted accordingly. This led to the following changes in the amounts previously reported for 2012/13: a reduction of TEUR 1,642 in other operating income, a reduction of TEUR 1,188 in personnel expenses and a reduction of TEUR 454 in other operating expenses.

Bank balances that are not available for discretionary use were reclassified from liquid funds to other receivables and assets to reconcile cash and cash equivalents as reported on the cash flow statements directly with the balance sheet. The prior year amount reported for the new balance sheet position "cash and cash equivalents" is TEUR 226 lower than the former position "liquid funds". Other receivables and assets were increased by the same amount.

In order to more transparently present the development of the Wolford Group's operating business, all non-recurring effects are excluded from the calculation of adjusted EBITDA and adjusted EBIT and reported separately as non-recurring items on the statement of comprehensive income according to IAS 1.98. These non-recurring items represent the major costs related to the strategic refocusing, e.g. expenses for closing company-owned locations, one-off expenses from changes in concepts and strategies or the relocation of production as well as severance compensation. Book gains arising from the sale of non-core assets in subsequent periods will also be reported separately as non-recurring income in the future.

2. BASIS OF CONSOLIDATION AND CONSOLIDATION PRINCIPLES

The scope of consolidation is determined in accordance with IAS 27 (Consolidated and Separate Financial Statements). In addition to the parent company, the following subsidiaries are directly included in the consolidated financial statements:

Company	Registered office	Direct interest in %
Wolford Beteiligungs GmbH	Bregenz	100
Wolford proizvodnja in trgovina d.o.o.	Murska Sobota	100

Wolford Beteiligungs GmbH holds all shares in the following companies:

Company	Registered office	Direct interest in %
Wolford Deutschland GmbH	Munich	100
Wolford (Schweiz) AG	Glattbrugg	100
Wolford Paris S.A.R.L.	Paris	100
Wolford London Ltd.	London	100
Wolford Italia S.r.L.	Milan	100
Wolford España S.L.	Madrid	100
Wolford Scandinavia ApS	Copenhagen	100
Wolford America, Inc.	New York	100
Wolford Nederland B.V.	Amsterdam	100
Wolford Canada Inc.	Vancouver	100
Wolford Boutiques, LLC. ¹⁾	New York	100
Wolford Asia Limited	Hong Kong	100
Wolford Belgium N.V.	Antwerp	100
Wolford (Shanghai) Trading Co., Ltd.	Shanghai	100

1) Wolford Boutiques, LLC., New York, is a wholly owned subsidiary of Wolford America, Inc.

Branch offices are operated in Norway, Finland and Sweden by Wolford Scandinavia ApS, in Ireland by Wolford London Ltd., in Luxembourg by Wolford Belgium N.V., in Macao by Wolford Asia Limited and in Portugal by Wolford España S.L.

There were no changes in the scope of consolidation during the reporting year.

The closing date for the consolidated financial statements of the parent company and all companies included in the consolidation is April 30. With the exception of Wolford Asia Limited and Wolford (Shanghai) Trading Co., Ltd., which have a closing date of December 31 in accordance with the respective national laws. These two companies prepare interim financial statements as of April 30 for consolidation purposes.

The consolidated financial statements include estimates and valuations by management.

The consolidated financial statements include all assets, liabilities, income and expenses of Wolford AG and its included subsidiaries after the elimination of intra-group transactions.

The acquisition method of accounting defined by IFRS 3 is applied to all companies included through full consolidation. In accordance with this standard, all identifiable assets, liabilities and contingent liabilities resulting from a business combination are recognized at fair value on the acquisition date. If the acquisition cost for the subsidiary exceeds the fair value of the acquired assets, liabilities and contingent liabilities, the difference is recognized as goodwill. Negative differences are recognized immediately to profit or loss. Companies acquired or sold during the financial year are included in the consolidated financial statements as of the acquisition date or up to the date of sale.

The functional currency method is used to translate the foreign currency financial statements of companies included in the consolidation. The local currency represents the functional currency for all companies. The euro is the functional currency of the Wolford Group. The assets and liabilities of companies with a different functional currency are translated at the exchange rate in effect on the balance sheet date. Income and expenses are translated at average rates for the year. The resulting differences are recorded on the statement of comprehensive income.

The major exchange rates used for foreign currency translation developed as follows:

Currency	Average rate on the balance sheet date		Average rate for the year	
	30.04.2014	30.04.2013	2013/14	2012/13
1 EUR / USD	1.3801	1.3055	1.34767	1.28975
1 EUR / GBP	0.8200	0.8461	0.84454	0.81803
1 EUR / CHF	1.2193	1.2245	1.23079	1.21131
1 EUR / DKK	7.4640	7.4550	7.45931	7.44989
1 EUR / SEK	9.0760	8.5400	8.72926	8.62542
1 EUR / NOK	8.2500	7.6200	8.01425	7.45096
1 EUR / CAD	1.5150	1.3230	1.41847	1.29182
1 EUR / HKD	10.7200	10.1600	10.45160	10.00765
1 EUR / CNY	8.5298	8.1253	8.24007	8.1065

3. ACCOUNTING POLICIES

Property, plant and equipment are recognized and measured at their production or acquisition cost in accordance with IAS 16. Scheduled depreciation is generally calculated over the expected useful life of the respective asset based on the straight-line method. Borrowing costs are capitalized if the asset meets the eligibility criteria defined by IAS 23. No borrowing costs were capitalized in 2013/14 or the prior year.

The scheduled straight-line depreciation of property, plant and equipment is based on the following expected useful lives:

Site values (based on rental agreements)	max. 10 years
Land, land rights and buildings	10 to 50 years
Technical equipment and machinery	4 to 20 years
Other equipment, furniture and fittings	2 to 10 years

Impairment charges are recognized in accordance with IAS 36 (Impairment of Assets) when assets are impaired above and beyond the scope of scheduled depreciation.

Repair and maintenance costs relating to property, plant and equipment are generally expensed as incurred. These costs are only capitalized if the additional expenditures are expected to increase the future economic benefits from the use of the respective asset.

Items of property, plant and equipment that are obtained through lease or rental contracts are attributed to the lessor or landlord and accounted for as operating leases if the applicable requirements are met. The related lease and rental payments are recognized as expenses.

Goodwill resulting from business combinations is recognized as an asset. In accordance with IAS 36, goodwill is subjected to an impairment test at least once each year or more frequently if there are signs of impairment.

Other amortizable intangible assets are recognized at cost and amortized over a useful life of three to ten years based on the straight-line method. Impairment charges are recognized if necessary. Intangible assets with an indefinite useful life are tested annually for impairment. The procedure for impairment testing involves comparing the recoverable amount of the cash-generating unit (CGU), i.e. the higher of the fair value less costs to sell and the value in use, with the carrying amount as of the balance sheet date. If the recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to the recoverable amount. The estimates made by management to establish the recoverable amount are related, above all, to the determination of expected cash flows, discount rates and growth rates as well as expected changes in selling prices and related direct costs.

The discount factor used for the impairment tests (WACC) range from 6.6% to 11.1% (2012/13: 8.0%) and are derived from regional interest rates. These rates reflect the differences in inflation compared with the risk-free base interest rate, country risk premium and different tax rates in the respective countries. The expected changes in selling prices and related direct costs are based on past experience and estimates of possible future changes in the Group's markets and range after the budget period from 1% to 5%. The Wolford Group prepares its cash flow forecasts based on the latest four-year budgets presented to the Supervisory Board.

In accordance with IAS 38 (Intangible Assets), research costs do not qualify for capitalization and are therefore expensed as incurred. Development costs may only be capitalized when the related activities are expected to generate probable future inflows of financial resources that will cover not only the normal costs, but also the associated development costs. Moreover, development projects must meet the cumulative criteria listed under IAS 38. No development costs were eligible for capitalization in 2012/13 or 2013/14. Research and development costs of TEUR 6,578 were recognized as expenses during the reporting year (2012/13: TEUR 6,744).

Financial instruments: Transactions with financial instruments are recognized as of the settlement date in accordance with IAS 39. Financial assets comprise other securities and investment funds. These instruments are classified as available for sale and carried at fair value as required by IAS 39, whereby fair value represents the market price as of the balance sheet date. Any gain or loss on valuation is recognized under other comprehensive income. When these securities are sold, previously accumulated gains and losses are transferred to the income statement and reported under net investment securities income. If impairment charges were recognized in earlier periods, the changes in fair value are recognized to the income statement until the original cost is reached.

Inventories: Raw materials and supplies are reported at the lower of cost or net realizable value. Work-in-process and finished goods are recognized at the lower of production cost or net realizable value. Production cost includes all expenses that are directly related to the product. Appropriate write-downs are recognized to reflect inventory risks arising from slow-moving items or a reduction in the ability of the items to generate revenue. The share of administrative expenses attributable to production cost was reviewed during the reporting year in connection with an internal cost accounting project and adjusted to reflect a change in estimates. This led to an increase of TEUR 974 in the carrying amount of work-in-process and finished goods as of April 30, 2014.

Receivables and other assets: In accordance with IAS 39, receivables are capitalized at the fair value of the goods or services provided. Other assets are capitalized at cost. Identifiable risks are accounted for through the recognition of impairment losses.

Treasury shares are reported on the balance sheet as a deduction from equity in accordance with IAS 32.

Income taxes: The provision for current taxes covers all tax obligations as of the balance sheet date. Deferred tax assets and liabilities are recognized according to the balance sheet liability method prescribed by IAS 12. This method involves the recognition of deferred taxes for all temporary valuation and accounting differences arising between the tax bases and the IFRS financial statements of the Group companies as well as the recognition of deferred taxes on eliminations. The tax rate used for this calculation is the rate that is expected to apply during the period in which the asset will be realized or the liability settled. Deferred tax assets are also recognized for all loss carryforwards that are realistically expected to be used. For domestic entities, the calculation of deferred taxes is based on a tax rate of 25%. For foreign entities, the respective local tax rate is used.

Liabilities are initially recognized at the fair value of the goods or services provided. Financial liabilities are valued at amortized cost as of the balance sheet date.

Employee-related provisions: The calculation of the provisions for severance compensation and jubilee benefits in the Austrian parent company was based on the requirements of IAS 19 (revised) and the application of the Projected Unit Credit Method. The following parameters were used:

Biometric parameters	AVÖ 2008 - P
Interest rate	3.10% p.a. (2012/13: 3.60%)
Wage/salary trend	2.60% p.a. (2012/13: 2.70%)
Retirement age	61.5 – 65 / 56.5 – 60 years
Employee turnover (graduated)	
0 – 3 years	19%
3 – 5 years	13%
5 – 10 years	9%
10 – 15 years	5%
15 – 20 years	1%
over 20 years	0%

The calculation of the severance compensation provisions for the subsidiaries were based on local biometric parameters, interest rates, wage and salary trends and appropriately adjusted retirement ages.

The provision for pensions was calculated in accordance with actuarial principles and based on the requirements of IAS 19 (revised). The Projected Unit Credit Method and the following parameters were used for the calculation:

Biometric parameters	AVÖ 2008 - P
Interest rate	3.10% p.a. (2012/13: 3.60%)
Wage/salary trend	2.60% p.a. (2012/13: 2.70%)

Provisions: Other provisions were created in accordance with IAS 37 when the company has a current obligation arising from a past event and the outflow of resources to meet this obligation is probable. Non-current provisions are discounted if the interest component included in the obligation is material.

Earnings per share are calculated by dividing earnings after tax by the number of shares outstanding.

The following table shows the basis for the calculation of earnings per share:

	2013/14	2012/13
Total number of shares outstanding	5,000,000	5,000,000
Less average number of treasury shares	-100,000	-100,000
	4,900,000	4,900,000

Revenue recognition: Revenue is recognized when the risks and rewards of ownership have been transferred or when the service has been rendered and in accordance with the other criteria listed in IAS 18. The customer loyalty program “My Wolford” was accounted for in accordance with IFRIC 13. Interest income and interest expense are recognized on a pro-rata basis in accordance with the effective interest method. Step-up leases are also recognized on a pro-rata basis.

Foreign currency translation: Foreign exchange differences arising from the translation of monetary items in the individual financial statements, which are caused by exchange rate fluctuations between the recognition date of a transaction and the balance sheet date, are recognized to profit or loss during the respective period. Currency translation differences of TEUR -399 were recognized to profit or loss in 2013/14 (2012/13: TEUR +12). This amount also includes negative currency translation differences of TEUR 49 (2012/13: TEUR 66), which were realized through the application of cash flow hedge accounting in accordance with IAS 39 and arose during the settlement of the related forward exchange contracts.

Derivative financial instruments: Wolford uses forward currency contracts to hedge the potential effects of foreign currency fluctuations on various balance sheet positions and on future transactions. The conclusion of hedging contracts includes the assignment of individual derivatives to certain underlying transactions. Consequently, these contracts meet requirements of IAS 39 for qualification as hedging instruments. All derivative financial instruments are recognized at fair value in accordance with IAS 39. Changes in the fair value of the derivative financial instruments are recognized through profit or loss. If the financial instruments are classified as effective hedges within the context of a hedging relationship based on the requirements of IAS 39 (cash flow hedges), fluctuations in fair value do not have an effect on net earnings during the term of the derivative.

Non-current and current assets and liabilities: Assets and liabilities with a term to maturity of up to one year are classified as current (short-term), whereas items with a term to maturity of more than one year are classified as non-current (long-term). The Wolford Group received government grants, as defined in IAS 20, totaling TEUR 579 in 2013/14 (2012/13: TEUR 988). These grants were recognized as revenue on the basis of binding commitments, official notifications and legal entitlement. They consist primarily of non-repayable subsidies for research and development projects and the qualification of employees.

Estimates: The preparation of the consolidated financial statements involves the use of estimates and assumptions that influence the recognition and measurement of assets, provisions and liabilities, the disclosure of other obligations as of the balance sheet date and the recognition of revenues and expenses during the reporting period. These estimates and assumptions generally involve the determination of the economic useful life for property, plant and equipment and intangible assets, the forecasts and assumptions used for impairment tests, the recognition of impairment charges to receivables and inventories, the recognition of deferred taxes and the measurement of financial liabilities and provisions. The amount of required provisions is estimated on the basis of past experience and reflects all information available as of the date the consolidated financial statements are prepared. The calculation of long-term employee benefits involves actuarial calculations. These calculations are based on assumptions, among others, for discount rates, future increases in wages and salaries, employee turnover and mortality rates, retirement ages and life expectancy as well as future pension trends. Changes in these parameters may lead to a material change in the calculation results. The determination of impairment charges to receivables is also based to a significant degree on assumptions and estimates that include, among others, the credit standing of the customer and expectations for future economic development.

4. SEGMENT REPORTING

The Wolford Group is organized according to regions in order to achieve optimal market penetration. Every sales company has a market director on location, who can best evaluate the specific characteristics of the country and manage business operations accordingly. The subsidiaries are responsible for the distribution of all products developed by the Wolford Group: high-quality Legwear, Ready-to-wear, Lingerie, Accessories, Swimwear and Trading goods .

The Wolford Group has four reportable operating segments: Austria, Other Europe, North America and Asia. Austria includes the production and sales activities in Austria as well as the countries without Wolford subsidiaries. Other Europe contains the European sales subsidiaries outside Austria as well as the manufacturing subsidiary in Slovenia. North America covers the company's operations in the USA and Canada, while Asia includes the companies in Hong Kong and Shanghai.

The management of the regional sales companies is based on operating profit (EBIT). Monthly reports are prepared for the sales companies, which include an evaluation of the retail points of sale at the boutique level. Reporting for the Wholesale segment focuses on the most important key accounts.

Intersegment pricing is based on standard wholesale prices less country-specific discounts.

Revenues in the Other Europe segment were generated in the following countries: 26% (2012/13: 26%) in Germany, 18% (2012/13: 19%) in France, 14% (2012/13: 14%) in Great Britain, 12% (2012/13: 12%) in Scandinavia, 6% (2012/13: 7%) in Switzerland and 24% (2012/13: 22%) in other European countries. Of the revenues recorded in North America, 94% (2012/13: 94%) were attributable to the USA and 6% (2012/13: 6%) to Canada. The preparation of the segment information is based on the same accounting, disclosure and valuation methods applied to the consolidated financial statements. No customers or customer groups account for more than 10% of total revenues. The Legwear product group generated more than half of total revenues for the reporting year with 53% (2012/13: 53%). Ready-to-wear again ranked as the second largest product group with 30% of revenues in 2013/14 (2012/13: 31%). Lingerie, Accessories, Swimwear and Trading goods were responsible in total for 17% of revenues in 2013/14 (2012/13: 16%).

II. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

(1) REVENUES

Detailed information on revenues by operating segment is provided in Section I. Accounting Principles under Point 4. Segment Reporting.

(2) OTHER OPERATING INCOME

in TEUR	2013/14	2012/13
Grants and subsidies	337	616
Restaurant revenue	180	203
Commissions	160	79
Rental income	61	68
Refunds	54	70
Gain on the disposal of property, plant and equipment and intangible assets	32	32
Insurance benefits	23	17
Other	505	795
Total	1,352	1,880

Other income from the invoicing of costs was offset against the related expense items. This led to an adjustment of the previous year's figures totaling TEUR 1,642.

(3) COST OF MATERIALS

in TEUR	2013/14	2012/13
Cost of materials	19,424	22,390
Cost of energy	1,791	2,031
Cost of services	4,404	4,509
Total	25,619	28,930

(4) PERSONNEL EXPENSES

in TEUR	2013/14	2012/13
Wages	10,184	11,315
Salaries	46,218	45,450
Expenses for statutory social security contributions, payroll-based duties and other mandatory contributions	13,144	13,721
Expenses for severance compensation and pensions	1,327	1,344
thereof Management Board	-161	602
thereof management	37	46
Other employee benefits	1,220	1,216
Total	72,093	73,046

In 2012/13 personnel expenses were reduced by TEUR 1,188 due to the offsetting of other operating income from the invoicing of costs with personnel expenses.

Employees

The following table shows the average number of employees in the Wolford Group based on full-time employment:

Number of employees, full-time basis	2013/14	2012/13
Average number of employees	1,562	1,606
thereof wage	449	486
thereof salaried	1,101	1,108
thereof apprentices	12	12

(5) OTHER OPERATING EXPENSES

in TEUR	2013/14	2012/13
Rental and lease payments	20,149	19,283
Advertising expenses	8,027	6,617
Legal and consulting fees	3,074	3,528
Freight costs	2,695	3,055
Customs duties	2,182	2,020
Online distribution	1,874	1,664
Credit card fees and bank charges	1,652	1,586
Travel costs	1,396	1,549
IT expenses	1,233	1,148
Insurance premiums	1,206	1,143
Other taxes	906	768
Maintenance expenses	752	666
Vehicle fleet	733	766
Other	4,695	4,307
Total	50,573	48,100

In 2012/13 other operating expenses were reduced by TEUR 454 due to the offsetting of other operating income from the invoicing of costs with other operating expenses.

The fees charged by the Group's auditor comprise the following:

in TEUR	2013/14	2012/13
Audit of financial and consolidated financial statements	119	147
Other assurance services	3	3
Tax consulting services	0	0
Other services	0	0
Total	122	150

(6) DEPRECIATION AND AMORTIZATION

In 2013/14, scheduled depreciation and amortization amounted to TEUR 8,077 (2012/13: TEUR 8,802) and impairment charges resulting from the strategic refocusing totaled TEUR 605 (2012/13: TEUR 0). Depreciation and amortization are classified as scheduled or non-recurring for the purpose of segment reporting. The impairment charges are related to property, plant and equipment in boutiques defined for closure.

(7) NON-RECURRING EXPENSES

Non-recurring expenses represent the major costs of the strategic refocusing, e.g. expenses for closing company-owned locations, one-off expenses from changes in concepts and strategies or the relocation of production as well as severance compensation. These expenses were reclassified from the following expense categories to non-recurring expenses:

in TEUR	2013/14	2012/13
Changes in inventories of finished goods and work-in-process	71	0
Cost of materials and purchased services	146	0
Personnel expenses	1,274	0
Other operating expenses	1,659	0
Depreciation and amortization	605	0
Total	3,755	0

The changes in work-in-process and finished goods and in materials include expenses from the disposal of older stock items and raw materials in excess of the regular annual inventory write-downs. These items are no longer considered usable due to the strategic refocusing.

Personnel expenses include severance compensation, salaries for lay-off phases and the costs for redundancy plans that are related to the closing of points of sale, the relocation of parts of the production to Slovenia and changes on the Management Board.

Other operating expenses include contractual penalties resulting from the closing of locations and the related premature cancellation of rental agreements, losses on the disposal of property, plant and equipment that is no longer required due to the relocation of production or the implementation of new concepts and expenses related to changes on the Management Board and other personnel changes. Also included here are renovation projects in Bregenz.

Depreciation and amortization also include impairment charges that resulted from a decline in the value of property, plant and equipment due to the closing of locations.

(8) NET INTEREST COST

in TEUR	2013/14	2012/13
Interest and similar income	33	27
Interest and similar expenses	-677	-872
Total	-644	-845

In the prior year, interest expense was negatively influenced by a non-recurring interest payment related to a tax audit in Germany and interest related to the repayment of a previously granted subsidy in Slovenia.

(9) NET INVESTMENT SECURITIES INCOME

in TEUR	2013/14	2012/13
Income from investments in securities	71	100
Expenses from investments in securities	-59	0
Total	12	100

(10) INCOME TAX

The major components of income tax expense are as follows:

in TEUR	2013/14	2012/13
Statement of comprehensive income		
Tax expense / income for the reporting year	765	-530
Deferred taxes	2,306	18
Total	3,071	-512

in TEUR	2013/14	2012/13
Development of net deferred taxes		
Net deferred tax assets and deferred tax liabilities as of 01.05.	5,429	4,955
Currency translation differences	-112	50
Deferred taxes recognized in after tax profit	2,306	18
Deferred taxes recognized in other comprehensive income	187	406
Net deferred tax assets and deferred tax liabilities as of 30.04.	7,810	5,429

The reconciliation of tax expense based on the Austrian corporate tax rate of 25% to the effective tax rate for the period is based on the following calculation:

in TEUR	2013/14	2012/13
Profit before tax	-5,885	-2,245
Tax income at 25%	1,471	561
Foreign tax rates	353	279
Effects of tax audit	0	109
Effects related to loss carryforwards	2,292	-432
Losses for which no deferred tax assets were recognized	-508	-454
Permanent differences	-129	-179
Taxes from prior periods	-247	-280
Other	-161	-116
Effective tax income / expense	3,071	-512
Effective tax rate	52 %	-23 %

The negative Profit before tax and the effects from the capitalization of deferred tax assets from loss carryforwards result in a positive effective tax rate of 52% (previous year -23%).

(11) NOTES TO OTHER COMPREHENSIVE INCOME

An after-tax actuarial loss of TEUR 557 was recorded for the year, above all due to the decline in benchmark interest rates. This actuarial loss combined with negative currency translation differences of TEUR 398 from foreign operations and a positive change TEUR 2 in the hedging reserve (both after tax) led to other comprehensive income of TEUR -953. The addition of other comprehensive income and the after-tax loss of TEUR 2,814 resulted in negative total comprehensive income of TEUR 3,767 for the 2013/14 financial year (2012/13: TEUR -3,661).

(12) EARNINGS PER SHARE / RECOMMENDATION FOR THE USE OF EARNINGS

Earnings per share are calculated by dividing net profit after tax by the weighted average number of common shares outstanding, after an adjustment for treasury shares. Earnings per share equaled € -0.57 for the reporting year (2012/13: € -0.56). Based on the development of earnings, the Management Board will recommend that the Annual General Meeting on September 18, 2014 waive the dividend for the 2013/14 financial year.

III. NOTES TO THE CONSOLIDATED BALANCE SHEET

(13) PROPERTY, PLANT AND EQUIPMENT

Detailed information on the development of property, plant and equipment is presented in the consolidated statement of changes in fixed assets. Property, plant and equipment includes non-core assets held for sale in the form of land and company-owned apartments with a net book value of TEUR 3,659 which were reclassified to current assets.

Obligations for the purchase of property, plant and equipment amounted to TEUR 1,523 as of April 30, 2014 (April 30, 2013: TEUR 380).

Due to the strategic refocusing, impairment charges for retail boutiques totaling TEUR 605 in 2013/14 (2012/13: TEUR 0) were recognized through profit and loss.

(14) OTHER INTANGIBLE ASSETS

Detailed information is presented in the consolidated statement of changes in fixed assets. There were no commitments to purchase intangible assets in the current or previous financial year. Key money (payments for rental rights) totaling TEUR 5,748 was capitalized as of April 30, 2014 (April 30, 2013: TEUR 4,838). Of this amount, TEUR 3,993 (April 30, 2013: TEUR 3,153) represented key money with an indefinite useful life and TEUR 1,755 (April 30, 2013: TEUR 1,685) key money with a definite useful life. Impairment testing did not indicate a need for the recognition of impairment losses to intangible assets in 2013/14 or 2012/13.

(15) FINANCIAL ASSETS

The securities and investment funds included in this position are classified as available for sale and reported at their fair value in accordance with IAS 39. The fair value of these financial assets represents the applicable market value as of the balance sheet date. The change in fair value equaled TEUR -59 for the reporting year (2012/13: TEUR 45) and was recognized through profit or loss because of impairment charges recorded in earlier years.

(16) NON-CURRENT RECEIVABLES AND ASSETS

This item is related primarily to advance rental and lease payments and security deposits.

(17) DEFERRED TAXES

Deferred tax assets and deferred tax liabilities are the result of temporary valuation and accounting differences between the IFRS carrying amount and the corresponding tax base of the respective items:

in TEUR	30.04.2014		30.04.2013	
	Assets	Liabilities	Assets	Liabilities
Property, plant and equipment, intangible assets	1,088	-197	1,183	-216
Valuation of inventories	47	-40	50	-53
Accrued rental costs	357	-117	347	-142
Provisions for employee benefits	1,444	-3	1,282	-3
Other provisions	308	0	294	0
Treasury shares	0	-689	0	-651
Untaxed reserves	0	-298	0	-297
Foreign currency translation	0	-1	0	-13
Deferred taxes on loss carryforwards and write-downs to fair value	3,726	0	1,434	0
Consolidation entries	1,978	0	2,015	0
Other	230	-23	207	-8
Deferred tax assets and deferred tax liabilities	9,178	-1,368	6,812	-1,383
Offset within legal tax units and jurisdictions	-1,256	1,256	-1,244	1,244
Net deferred tax assets and liabilities	7,922	-112	5,568	-139

In accordance with IAS 12, deferred taxes of TEUR 3,726 (April 30, 2013: TEUR 1,434) were recognized for loss carryforwards that are expected to be used in the future. Deferred taxes were not recognized on loss carryforwards of TEUR 6,622 (April 30, 2013: TEUR 5,380). The deferred taxes that were not recognized amounted to TEUR 1,659 (April 30, 2013: TEUR 1,339). The unrecognized tax loss carryforwards can be used within the following time periods:

in TEUR	30.04.2014	30.04.2013
One year	0	0
Two to five years	869	76
Over five years	1,334	2,404
Unlimited loss carryforwards	4,419	2,900
Total	6,622	5,380

(18) INVENTORIES

The classification of inventories is shown in the following table:

in TEUR	30.04.2014	30.04.2013
Finished goods and trading goods	28,185	29,754
Work-in-process	7,003	7,328
Raw materials and supplies	4,880	5,610
Total	40,068	42,692

Inventories are valued separately by article. The valuation procedure accounts for the different resale characteristics of the Essentials and Trend models as well as the age of the articles. Impairment charges recognized to inventories during the reporting year totaled TEUR 1,233 (2012/13: TEUR 958).

(19) TRADE RECEIVABLES

in TEUR	30.04.2014	30.04.2013
Trade receivables	9,356	9,453
Impairment losses	-566	-620
Trade receivables after impairment losses	8,790	8,833

No trade receivables were secured by bills of exchange during the reporting year or the prior year.

Impairment losses of TEUR 566 (April 30, 2013: TEUR 620) were recognized to trade receivables. The development of these impairment losses is shown in the following table:

in TEUR	2013/14	2012/13
01.05.	620	527
Addition (+) / release (-)	131	313
Use	-178	-225
Currency translation differences	-7	5
30.04.	566	620

In determining the recoverability of trade receivables, all changes in the credit standing of customers from the initial establishment of payment terms up to the balance sheet date are taken into account. There is no material concentration of credit risk because individual receivables represent a comparatively low share of total receivables and there is no correlation between the individual balances.

The payment terms granted to customers are different and reflect standard practices in the respective country. The credit standing of all prospective customers is evaluated in advance. Trade receivables are monitored continuously, and external service providers are used to collect overdue payments. The company further reduces the default risk on receivables with credit insurance.

in TEUR	30.04.2014	30.04.2013
Trade receivables after impairment losses	8,790	8,833
thereof neither impaired nor overdue as of the balance sheet date	4,888	5,889
thereof overdue as of the balance sheet date as follows (net amount):		
less than 30 days	2,174	1,438
30 – 90 days	893	812
91 – 180 days	473	358
181 – 365 days	259	143
over 1 year	103	193

Receivables of TEUR 62 were derecognized in 2013/14 (2012/13: TEUR 225) because they were uncollectible. This amount includes the deduction of compensation received from credit insurance. With respect to trade receivables that are neither impaired nor overdue, there were no indications as of the balance sheet date that customers would be unable to meet their contractual obligations.

(20) OTHER RECEIVABLES AND ASSETS

in TEUR	30.04.2014	30.04.2013
Other receivables and assets	2,921	4,224
thereof cash flow hedge	7	16
Securities and financial investments	94	46
Total	3,015	4,270

Bank balances that are not available for discretionary use were reclassified from liquid funds to other receivables and assets. This led to an increase of TEUR 266 in the prior year figure. Other receivables and assets, prepaid expenses and deferred charges have a term to maturity of less than one year.

Securities and financial investments include TEUR 94 (April 30, 2013: TEUR 46) of available-for-sale securities.

(21) NON-CURRENT ASSETS HELD FOR SALE

These assets consist of non-core land and rental apartments that are designated for sale. The contract for the sale of the land was signed on May 26, 2014. Additional information is provided in the section on "Significant events after the balance sheet date".

(22) EQUITY

The composition and development of shareholders' equity is presented on the consolidated statement of changes in equity.

Share capital

Share capital consists of 5,000,000 zero par value shares, each of which represents an equal interest in share capital. There are no preferred shares or shares with special control rights.

Capital reserves

Appropriated reserves represent the premium (less issue costs) on the stock issue in 1995.

Other reserves

No dividend was distributed for the 2012/13 financial year. In September 2012, a dividend of EUR 0.40 per outstanding share was paid for the 2011/12 financial year.

Reserve for cash flow hedges

in TEUR	2013/14	2012/13
01.05.	-5	-9
Fair value measurement of derivatives	-46	-61
Realized hedge transactions	49	66
Applicable income taxes	-1	-1
30.04.	-3	-5

Reserve for actuarial gains and losses

in TEUR	2013/14	2012/13
01.05.	-985	218
Actuarial gains and losses resulting from changes in actuarial parameters	-745	-1,610
Related income taxes	188	407
30.04.	-1,542	-985

Treasury shares

Wolfford AG holds 100,000 treasury shares, which represent 2% (April 30, 2013: 2%) of share capital. In accordance with a resolution of the 24th Annual General Meeting in September 2011, Wolfford AG must sell these shares over the stock exchange by March 6, 2015.

(23) NON-CURRENT FINANCIAL LIABILITIES

Financial liabilities consist of the following items:

in TEUR	30.04.2014	30.04.2013
Loans from banks, variable interest rates from 0.7% to 6.2% (30.04.2013: 0.7% to 6.2%)	16,217	17,658
Loans from banks, fixed interest rates from 1.75% to 5.1% (30.04.2013: 5.1%)	5,657	3,200
Loans from the Austrian Research Promotion Agency, fixed interest rates from 0.75% to 2.0% (30.04.2013: 1.0% to 2.0%)	1,057	1,332
Interest-free loan from the Federal Province of Vorarlberg	228	286
Total	23,159	22,476
thereof current	16,767	3,327

The scheduled repayments for financial liabilities are based on the following terms to maturity:

in TEUR	Up to 1 year	1 – 5 years	Over 5 years
As of 30.04.2014	16,767	6,392	0
As of 30.04.2013	3,327	19,149	0

As of April 30, 2014, the market value of the fixed-interest financial liabilities was TEUR 269 higher than the acquisition cost (April 30, 2013: TEUR 350).

(24) CURRENT FINANCIAL LIABILITIES

Current financial liabilities are classified as follows:

in TEUR	30.04.2014	30.04.2013
Loans	11,592	1,170
Foreign currency cash advances	425	407
Euro cash advances	4,750	1,750
Total	16,767	3,327

The carrying amount of the bank liabilities reflects the cost of these items. Collateral for current liabilities is provided by maturity-linked surety commitments issued by the Republic of Austria with refinancing commitments by Oesterreichische Kontrollbank Aktiengesellschaft.

(25) PROVISIONS FOR LONG-TERM EMPLOYEE BENEFITS

The provisions for pensions, severance compensation and jubilee payments are calculated in accordance with IAS 19 (revised).

in TEUR	30.04.2014	30.04.2013
Provisions for pensions	4,511	4,312
Provisions for severance compensation	9,219	9,007
Provisions for jubilee payments	1,967	1,903
Total	15,697	15,222

Provision for pensions

Wolford AG is required to make direct pension payments to three former members of the Management Board based on individual commitments. Collective agreements in France require the company to make payments to employees on retirement. The related calculation is based on generally accepted actuarial rules.

Provision for severance compensation

Legal regulations entitle employees who joined the Austrian parent company before 2003 to a one-time severance payment if their employment relationship is terminated or when they retire. The amount of this payment depends on the length of service and the employee's wage or salary at the end of employment. In Switzerland, the company is required to make certain payments to employees on retirement, death or disability. The payments are dependent on the employee's age, number of years worked, salary and individual contributions. This plan is financed jointly by the employees and employer, whereby the obligation is counter-financed by Swiss Life insurance company through qualified insurance policies that serve as plan assets. There are other smaller defined benefit severance compensation plans in Italy and Slovenia. The development of the provisions for pensions and severance compensation is shown in the following table:

in TEUR	2013/14	2012/13	2011/12	2010/11	2009/10
Present value of obligations as of 01.05.	13,319	12,069	12,988	12,414	12,180
Current service cost	601	561	766	642	599
Past service cost	0	0	-210	0	0
Interest expense	466	522	720	675	663
Pension and severance compensation payments	-1,401	-1,443	-1,900	-1,256	-952
Actuarial gain / loss	745	1,610	-295	513	-76
Present value of obligations as of 30.04.	13,730	13,319	12,069	12,988	12,414

Expenses totaling TEUR 222 were recognized for defined benefit contributions in 2013/14 (2012/13: TEUR 224). Defined benefit payments of TEUR 700 are planned for pensions and severance compensation for the following 2014/15 financial year (2012/13: TEUR 483).

Provisions for jubilee payments

The development of the provision for jubilee payments is shown in the following table:

in TEUR	2013/14	2012/13	2011/12	2010/11	2009/10
Present value of obligation as of 01.05.	1,903	1,658	1,593	1,479	1,576
Current service cost	156	141	140	129	132
Interest expense	67	72	91	84	85
Jubilee payments	-71	-54	-31	-39	-192
Actuarial gain / loss	-88	86	-135	-60	-122
Present value of obligation as of 30.04.	1,967	1,903	1,658	1,593	1,479

Defined benefit payments from jubilee obligations are expected to total TEUR 158 in 2014/15 (2012/13: TEUR 74).

Provisions for pensions, severance and jubilee payments

The actuarial gains and losses resulted solely from changes in financial assumptions and are included under other comprehensive income for the pension and severance compensation provisions and under personnel expenses for the jubilee provisions.

The current and past service cost are reported under expenses for severance compensation and pensions, while interest expense is included under interest on employee benefits.

in TEUR	2013/14	2012/13	2011/12	2010/11	2009/10
Expenses for pensions, severance compensation and jubilee payments	757	702	697	1,225	533
Interest on employee benefits	533	594	798	759	748

The weighted average term of the defined benefit obligation (duration) is 15 years.

(26) OTHER NON-CURRENT LIABILITIES

Other non-current liabilities are classified as follows:

in TEUR	30.04.2014	30.04.2013
Government grant for Slovenia project	1,038	1,107
Other	58	142
Total	1,096	1,249

A subsidy was granted for the construction of a production facility in Slovenia. It will be released through depreciation and expenses (personnel expenses).

(27) CURRENT PROVISIONS

The following table shows the development of the major other current provisions, which were accounted for in accordance with IAS 37:

in TEUR	01.05.2013	Currency translation differences	Use	Reversal	Addition	30.04.2014
Sales bonuses	557	-5	-446	-10	468	564
Staff	2,003	-27	-1,860	-74	2,013	2,055
Advertising	444	0	-438	-3	349	352
Tax consulting / auditing	510	-6	-494	-2	490	498
Legal fees	63	-2	-57	0	20	24
Other	1,853	-41	-1,374	-20	1,408	1,826
Total	5,430	-81	-4,669	-109	4,748	5,319

The provision for sales bonuses represents outstanding obligations to customers. The staff provisions are related primarily to variable remuneration. Other provisions involve, among others, outstanding remuneration for the Supervisory Board and outstanding commissions on sales.

(28) OTHER CURRENT LIABILITIES

Other current liabilities include the following:

in TEUR	30.04.2014	30.04.2013
Unused vacation time	3,002	2,718
Obligations to taxation authorities	2,010	1,629
Bonus payments	1,856	1,918
Accrued rental and lease payments	1,239	1,119
Social security obligations	1,202	1,220
Obligations from credit vouchers	1,194	1,244
Obligations to staff	450	582
Overtime credits (time-off)	178	126
Subsidy for project in Slovenia	0	1,221
Other	1,613	914
thereof cash flow hedge	11	22
Total	12,744	12,691

In 2011/12, an additional grant of TEUR 1,080 was approved and disbursed for the expansion of the production facility in Slovenia. The subsidy was linked to commitments that would require repayment if certain conditions were not met. Since the project to expand the production facility was not realized, the subsidy was repaid together with interest in 2013/14.

(29) CONTINGENT LIABILITIES

The company has issued rental guarantees totaling TEUR 2,784 (2012/13: TEUR 2,305) as well as other guarantees amounting to TEUR 4,821 (2012/13: TEUR 6,412).

(30) OTHER FINANCIAL OBLIGATIONS

The company has concluded a significant volume of rental contracts, which are classified as operating leases based on the economic content. The related assets are therefore attributed to the lessor. These leases will result in the following payments during the time periods indicated below:

in TEUR	30.04.2014	30.04.2013
Minimum lease and rental payments due in		
up to 1 year	15,313	14,034
1 to 5 years	27,648	21,565
over 5 years	10,134	826

The rental contracts cover office space used by Group companies as well as the worldwide retail activities of the Wolford Group. Most of the related leases are based on minimum lease payments. The Wolford Group has also concluded rental agreements that call for conditional payments, in particular based on sales. Rental and leasing expenses totaled TEUR 19,545 for the reporting year (2012/13: TEUR 14,765). This amount includes TEUR 8,357 (2012/13: TEUR 8,796) of contingent payments in the form of sales-based rents (rents and ancillary costs). As of April 30, 2014, the Wolford Group expected future payments of TEUR 274 (April 30, 2013: TEUR 552) from sub-leases which are due and payable within one year.

IV. NOTES TO THE CASH FLOW STATEMENT

The cash flow statement of the Wolford Group shows the changes in cash and cash equivalents resulting from cash inflows and outflows during the financial year. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities. Cash flow from operating activities is calculated according to the indirect method. The starting point for this calculation is formed by earnings before tax, which are adjusted for non-cash income and expenses. These earnings are then adjusted for the changes in net working capital to determine cash flow from operating activities. Cash inflows and outflows from interest income and interest expense are reported under cash flow from operating activities.

(31) INVESTMENTS IN PROPERTY, PLANT AND EQUIPMENT AND OTHER INTANGIBLE ASSETS

The Wolford Group purchased property, plant and equipment and intangible assets totaling TEUR 7,873 in 2013/14 (2012/13: TEUR 6,025). The related cash outflows amounted to TEUR 6,949 (2012/13: TEUR 5,517). Investments made in 2012/13 resulted in payments of TEUR 508 during the reporting year (2012/13: TEUR 344). The sale of property, plant and equipment and intangible assets generated proceeds of TEUR 192 (2012/13: TEUR 32).

V. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT

Goals and methods for financial and capital management

The goal of financial risk management is to identify and evaluate uncertainty factors that could have a negative impact on the company's performance. The purpose of financial risk management is to protect liquidity, to ensure efficient liquidity management throughout the Group, to increase the Group's financial strength and to reduce financial risk - also through the use of financial instruments. The most important goal of financial and capital management in the Wolford Group is to ensure sufficient liquidity at all times to offset seasonal, sector-related fluctuations and to finance further strategic growth.

The Wolford Group is exposed to the following major risks in connection with financial instruments: interest-related cash flow risks as well as liquidity, credit and currency risks. The Management Board has implemented strategies and processes to manage the individual types of risk.

The major primary financial liabilities include bank borrowings, overdrafts and trade payables. These financial liabilities are used, above all, to finance the Group's business operations. Wolford holds a variety of financial assets, such as trade receivables, bank balances, cash and cash equivalents and short-term investments, which result directly from its business activities.

The Wolford Group also uses derivative financial instruments, in particular forward currency contracts. Derivative financial instruments are financial instruments whose value changes in response to a change in a specific underlying variable (e.g. interest rate or market price), that require little or no initial net investment and that are settled at a future date. Derivative financial instruments are only used by the Wolford Group to hedge the risks arising from changes in foreign exchange rates or interest rates. Currency risk is hedged to create a sufficiently secure calculation basis to support budgeting over a period of six to twelve months.

Capital risk management

The main goal of capital risk management is to minimize the company's cost of capital by maintaining a high equity ratio and a sound credit standing and thereby limit the negative effects on earnings. Wolford AG manages and adjusts the Group's capital structure to meet the changes in the general business environment. The strategy of the Wolford Group has remained largely unchanged since the previous financial year.

The key indicator used for capital risk management is the gearing ratio, which shows the relation of net debt to equity. Net debt is defined as long- and short-term financial liabilities less financial assets and cash and cash equivalents.. Based on medium-term forecasts, the Management Board expects a long-term capital structure with gearing of approx. 20%. The following table shows the development in recent years:

in %	30.04.2014	30.04.2013	30.04.2012	30.04.2011
Gearing	22.9%	20.4%	17.3%	14.1%

Credit and default risk management

The Woldford Group only concludes business transactions with creditworthy partners and evaluates the credit standing of all new customers in advance. In addition, trade receivables are continuously monitored and default risk is limited by credit insurance. There is no significant concentration of default risk in the Woldford Group.

The default risk associated with other financial assets held by the Woldford Group - e.g. cash and cash equivalents, available-for-sale financial assets and certain derivative financial instruments - is considered to be low because transactions are only carried out with financial institutions that have sound credit ratings.

Interest rate risk management

The Woldford Group manages interest expense with a combination of fixed-interest and variable-interest borrowings. The following table shows the sensitivity of Group pre-tax earnings to changes in the interest rates for variable rate financial liabilities. The sensitivity refers to an interest rate change of +/- 0.5 percentage points:

in TEUR	2013/14	2012/13
Interest rate risk	+/- 127	+/- 110

The following table shows the sensitivity of Group comprehensive income before tax to changes of +/- 1.0 percentage points in the interest rates for employee-related provisions:

in TEUR	2013/14	2012/13
Interest rate risk	+/- 95	+/- 83

Foreign exchange risk management

Exchange rate risks arising from existing foreign currency receivables and planned transactions are hedged by the Group treasury department, in part through forward exchange contracts (currency forwards) and currency options.

The following table shows the potential effect of a +/- 10 percentage point change in exchange rates on Group earnings before tax of the Woldford Group:

in TEUR for currency	2013/14	2012/13
USD	+/- 605	+/- 525
GBP	+/- 308	+/- 409
CHF	+/- 257	+/- 219
DKK	+/- 226	+/- 198
SEK	+/- 59	+/- 64
NOK	+/- 72	+/- 68
CAD	+/- 38	+/- 30
HKD	+/- 159	+/- 102
CNY	+/- 47	+/- 0

The carrying amount of the assets and liabilities held in foreign currencies on the balance sheet date is as follows:

in TEUR for currency	Assets		Liabilities	
	30.04.2014	30.04.2013	30.04.2014	30.04.2013
USD in USA	8,009	8,384	1,372	1,216
GBP in Great Britain	2,732	2,240	1,105	949
CHF in Switzerland	1,167	1,343	144	137
DKK in Denmark	2,760	2,877	303	174
Other	3,289	2,405	920	765
Total	17,957	17,249	3,844	3,241

The following table shows the potential effect of a +/- 10 percentage point change in exchange rates on Group comprehensive income before tax based on the carrying amount of the assets and liabilities held by the Wolford Group:

in TEUR for currency	2013/14	2012/13
USD	+/- 737	+/- 791
GBP	+/- 181	+/- 147
CHF	+/- 114	+/- 134
Other	+/- 536	+/- 483

A change of +/- 10 percentage points in exchange rates would lead to a change of TEUR +/- 359 (April 30, 2013: TEUR +/- 481) in derivative financial instruments.

Liquidity risk management

The Wolford Group manages liquidity risks and monitors financial risks by a central treasury department. The treasury department prepares monthly liquidity forecasts for the Group and reports to the Management Board on the current financial status.

The goal is to ensure sufficient liquidity at all times by concluding appropriate lines of credit with banks, by continuously monitoring forecasted and actual cash flows, and by coordinating the terms to maturity of financial assets and liabilities.

The following table shows the contractual terms to maturity of the financial liabilities held by the Wolford Group. These figures are based on the respective undiscounted cash flows (interest and principal payments).

in TEUR	Carrying amount	Cash flows	Cash flows	Cash flows
	30.04.2014	2014/15	2015/16 to 2018/19	2019/20 ff
Interest-bearing liabilities	22,931	16,928	6,565	0
Non-interest-bearing liabilities	228	87	141	0
Total	23,159	17,015	6,706	0

in TEUR	Carrying amount	Cash flows	Cash flows	Cash flows
	30.04.2013	2013/14	2014/15 to 2017/18	2018/19 ff
Interest-bearing liabilities	22,190	3,557	19,418	0
Non-interest-bearing liabilities	286	86	200	0
Total	22,476	3,643	19,618	0

As of April 30, 2014, 25% of the existing credit lines were in use (April 30, 2013: 22%). Of the total credit lines, 60% are committed.

Primary financial instruments

The primary financial instruments held by the Wölford Group are reported on the balance sheet. Primary financial assets include securities, cash and cash equivalents, trade receivables and other receivables. Primary financial liabilities include trade payables, other liabilities and interest-bearing financial liabilities. The carrying amount of the primary financial instruments reported on the balance sheet basically corresponds to the market value. The amounts recognized also represent the maximum default and credit risk because there are no offsetting agreements.

Derivative financial instruments

Forward exchange contracts are used to hedge the risks arising from changes in exchange rates. The derivatives positions open as of April 30, 2014 had terms of less than 12 months.

30.04.2014	Nominal amount		Fair value	
	Foreign currency in 1,000	TEUR	Positive TEUR	Negative TEUR
Currency forwards				
USD	1,200	870	3	-1
GBP	1,150	1,387	0	-9
CHF	800	657	1	0
DKK	0	0	0	0
SEK	1,000	112	2	0
NOK	1,500	180	0	-1
CAD	150	99	0	0
HKD	3,000	280	1	0

30.04.2013	Nominal amount		Fair value	
	Foreign currency in 1,000	TEUR	Positive TEUR	Negative TEUR
Currency forwards				
USD	1,700	1,293	6	-7
GBP	1,150	1,354	5	-7
CHF	850	691	0	-4
DKK	4,500	603	0	0
SEK	1,200	141	1	0
NOK	1,800	237	2	-1
CAD	250	186	0	-3
HKD	3,000	297	2	-1

Currency forwards are recognized at their fair value in accordance with IAS 39. Under cash flow hedge accounting, the effective portion of the change in fair value is recognized in other comprehensive income and the ineffective portion is recognized in earnings before tax. If a cash flow hedge results in an asset or a liability, the amounts recorded under equity are transferred to the income statement when the hedged item influences earnings. All hedges were effective in 2013/14 and 2012/13.

Fair value

The carrying amounts of cash and cash equivalents, current receivables and other assets, trade payables, current liabilities and current provisions can be regarded as reasonable estimates of their current values in view of the short terms of these assets and liabilities.

30.04.2014 in TEUR	Level 1	Level 2	Level 3
Non-current assets			
Financial investments	1,471	0	0
Current assets			
Other receivables	0	7	0
Securities and financial investments	94	0	0
Current liabilities			
Other liabilities	0	-11	0
Total	1,565	-4	0

30.04.2013			
in TEUR	Level 1	Level 2	Level 3
Non-current assets			
Financial investments	1,530	0	0
Current assets			
Other receivables	0	16	0
Securities and financial investments	46	0	0
Current liabilities			
Other liabilities	0	-22	0
Total	1,576	-6	0

The following hierarchy is used to determine and report the value of financial instruments depending on the valuation method:

Level 1: Quoted prices for identical assets or liabilities on active markets.

Level 2: Valuation factors other than quoted prices that can be directly (i.e. as prices) or indirectly (i.e. derived from prices) monitored for assets and liabilities

Level 3: Valuation factors for assets and liabilities that are not based on observable market data

The financial assets classified under Level 1 consist of publicly traded investment fund shares, while the securities and financial assets reported under current assets represent securities used to hedge rental and leasing obligations. The other receivables and other liabilities included under Level 2 result from the valuation of outstanding foreign currency derivative transactions.

The **cost, market values and carrying amounts** of non-current securities are shown in the following table:

30.04.2014	Market value			thereof
in TEUR	Cost	carrying amount	=	recognized
				gains/losses
				profit or loss
Non-current securities				
Investment fund shares	1,668	1,471		-197
Total	1,668	1,471		-197

30.04.2013	Market value			thereof
in TEUR	Cost	carrying amount	=	recognized
				gains/losses
				profit or loss
Non-current securities				
Investment fund shares	1,668	1,530		-138
Total	1,668	1,530		-138

Carrying amounts, valuation base and fair value of financial instruments according to measurement criteria, maturity and class

The following table shows the reconciliation of the carrying amounts of financial instruments to the IAS 39 valuation categories:

30.04.2014 in TEUR	IAS 39 valuation category	Carrying amount	Amortized cost	Fair value not through profit /loss	Fair value through profit / loss	Current	Non- current
Cash and cash equivalents	L&R	4,653	4,653	0	0	4,653	0
Securities and financial investments	Afs	94	0	94	0	94	0
Trade receivables	L&R	8,790	8,790	0	0	8,790	0
Prepaid expenses and deferred charges	L&R	2,710	2,710	0	0	2,710	0
Other receivables and assets	L&R	4,459	4,459	0	0	3,008	1,451
Derivatives	CFH	7	0	7	0	7	0
Financial assets	Afs	1,471	0	1,471	0	0	1,471
Total financial assets		22,184	20,612	1,572	0	19,262	2,922
Trade payables	FL	5,410	5,410	0	0	5,410	0
Bank loans and overdrafts	FL	16,174	16,174	0	0	16,174	0
Financial liabilities, non-current	FL	6,392	6,392	0	0	0	6,392
Financial liabilities, current	FL	593	593	0	0	593	0
Derivatives	CFH	11	0	11	0	11	0
Other liabilities	FL	13,829	13,829	0	0	12,733	1,096
Total financial liabilities		42,409	42,398	11	0	34,921	7,488

According to IAS 39, a distinction is made between the following categories:

Loans and receivables	L&R	TEUR	20,612
Cash flow hedge	CFH	TEUR	-4
Available-for-sale assets	Afs	TEUR	1,565
Other financial obligations	FL	TEUR	42,398

30.04.2013 in TEUR	IAS 39 valuation category	Carrying amount	Amortized cost	Fair value not through profit / loss	Fair value through profit / loss	Current	Non-current
Cash and cash equivalents	L&R	4,990	4,990	0	0	4,990	0
Securities and financial investments	AfS	46	0	46	0	46	0
Trade receivables	L&R	8,833	8,833	0	0	8,833	0
Prepaid expenses and deferred charges	L&R	2,707	2,707	0	0	2,707	0
Other receivables and assets	L&R	5,477	5,477	0	0	4,208	1,269
Derivatives	CFH	16	0	16	0	16	0
Financial assets	AfS	1,530	0	1,530	0	0	1,530
Total financial assets		23,599	22,007	1,592	0	20,800	2,799
Trade payables	FL	4,618	4,618	0	0	4,618	0
Bank loans and overdrafts	FL	2,658	2,658	0	0	2,658	0
Financial liabilities, non-current	FL	19,149	19,149	0	0	0	19,149
Financial liabilities, current	FL	669	669	0	0	669	0
Derivatives	CFH	22	0	22	0	22	0
Other liabilities	FL	13,918	13,918	0	0	12,669	1,249
Total financial liabilities		41,034	41,012	22	0	20,636	20,398

According to IAS 39, a distinction is made between the following categories:

Loans and receivables	L&R	TEUR	22,007
Cash flow hedge	CFH	TEUR	-6
Available-for-sale assets	AfS	TEUR	1,576
Other financial obligations	FL	TEUR	41,012

Net results by class

2013/14 in TEUR			From subsequent measurement at fair value		Total through profit or loss	Total not through profit or loss
	From interest	From other ¹⁾		From disposal		
Loans and receivables (L&R)	33	0	0	0	33	0
Derivatives (CFH)	0	0	46	-49	-49	46
Available-for-sale assets (AfS)	71	0	-59	0	12	0
Other financial assets (FL)	-489	-188	0	0	-677	0
Net results	-385	-188	-13	-49	-681	46

2012/13 in TEUR			From subsequent measurement at fair value		Total through profit or loss	Total not through profit or loss
	From interest	From other ¹⁾		From disposal		
Loans and receivables (L&R)	27	0	0	0	27	0
Derivatives (CFH)	0	0	61	-66	-66	61
Available-for-sale assets (AfS)	55	0	45	0	100	0
Other financial assets (FL)	-712	-160	0	0	-872	0
Net results	-630	-160	106	-66	-811	61

1) Other: fees and other premiums that cannot be directly classified as interest income.

VI. OTHER DISCLOSURES

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On May 26, 2014, Wolford AG signed a contract for the sale of non-core land in Bregenz. The net proceeds from this transaction total TEUR 6,713. The sale of this land generated a book profit of TEUR 3,370 in the first quarter of the 2014/15 financial year. The sale of non-core assets represents an important element of the strategic refocusing, which will be financed internally, among others, through the sale of this property. In addition, Wolford sold a lease option for a sales location in Switzerland in July 2014 which generated net proceeds of approx. TEUR 4,000. The sale was carried out at the lessor's request due to the planned reconstruction of the entire building complex. The transaction will result in pre-tax profit of approx. TEUR 4,000 in the first quarter of the 2014/15 financial year. Wolford intends to reinvest these proceeds in the expansion of its own retail network in strategically important locations.

RELATED PARTY TRANSACTIONS

The company maintains business relationships with individual members of the Supervisory Board, which are immaterial in scope and are billed at ordinary market rates.

INFORMATION ON THE MANAGEMENT AND SUPERVISORY BOARDS

2013/14	Severance			
in TEUR	Remuneration	compensation	Pensions	Total
Expenses for members of the Management Board	1,333	-161	0	1,172
thereof variable	280	0	0	280
Former members of the Management Board	0	797	399	1,196
Total	1,333	636	399	2,368

The former Chief Executive Officer, Holger Dahmen, received severance compensation of TEUR 797 as of January 31, 2014 in connection with his resignation. A provision of TEUR 161 was reversed against this severance compensation.

2012/13	Severance			
in TEUR	Remuneration	compensation	Pensions	Total
Expenses for members of the Management Board	1,108	-54	0	1,054
thereof variable	209	0	0	209
Former members of the Management Board	0	0	656	656
Total	1,108	-54	656	1,710

The provision for the remuneration of the Supervisory Board members amounted to TEUR 181 in 2013/14 (2012/13: TEUR 80). The individual remuneration depends on the particular position and function, and the remuneration structure must be approved by the 27th AGM on September 18, 2014.

The members of the Management Board in 2013/14 were:

- Axel Dreher, Speaker of the Board
- Thomas Melzer, Board Member
- Holger Dahmen, CEO up to January 10, 2014

The members of the Supervisory Board in 2013/14 were:

- Emil Flückiger, Chairman since September 17, 2013; Deputy Chairman up to September 17, 2013
- Antonella Mei-Pochtler, Deputy Chairwoman since September 17, 2013
- Claudia Beermann, Member since September 17, 2013
- Lothar Reiff, Member since September 17, 2013
- Birgit G. Wilhelm, Member
- Theresa Jordis, Chairwoman up to September 7, 2013 (deceased)
- Werner Baldessarini, Member up to September 17, 2013

The Staff Council's representatives on the Supervisory Board were:

- Anton Mathis
- Peter Glanzer

Information on the terms of office for the members of the Supervisory Board and the composition of the Supervisory Board's committees is provided in the corporate governance report.

The Management Board of Woford AG released the consolidated financial statements on July 4, 2014 for presentation to the Supervisory Board. The Supervisory Board is responsible for examining and stating whether it approves the consolidated financial statements.

Wolford Group:

Statement by the Management Board

Statement by the Management Board of Wolford AG in accordance with § 82 (4) no. 3 of the Austrian Stock Exchange Act

We confirm to the best of our knowledge that the consolidated financial statements as of April 30, 2014 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties the Group faces.

We confirm to the best of our knowledge that the separate financial statements as of April 30, 2014 give a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report gives a true and fair view of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties the company faces.

Bregenz, July 4, 2014



Axel Dreher



Thomas Melzer

Wolford Group: Auditor's Report

Auditor's Report

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of Wolford AG, Bregenz, for the fiscal year from May 1, 2013 to April 30, 2014. These consolidated financial statements comprise the consolidated balance sheet as of April 30, 2014, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the fiscal year which ended on April 30, 2014, and the notes to the consolidated financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND FOR THE ACCOUNTING SYSTEM

The company's management is responsible for the Group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable given the circumstances.

AUDITOR'S RESPONSIBILITY AND DESCRIPTION OF TYPE AND SCOPE OF THE STATUTORY AUDIT

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing, as well as in accordance with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC).

Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as of April 30, 2014, of its financial performance and its cash flows for the fiscal year from May 1, 2013 to April 30, 2014 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

COMMENTS ON THE MANAGEMENT REPORT FOR THE GROUP

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to § 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report for the Group is consistent with the consolidated financial statements. The disclosures pursuant to § 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, July 4, 2014

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Manfred Geritzer
Certified Public Accountant



i.V. Robert von der Dollen
Certified Tax Advisor

This English translation of the audit report was prepared for the client's convenience only. It is no legally binding translation of the German audit report. The financial statements may only be published or transmitted together with our audit opinion based on the above audited version. § 281 para 2 ACC applies to all differing forms.

Wolford AG

LAGEBERICHT der Wolford AG 2013/14

GESCHÄFTSVERLAUF, GESCHÄFTSERGEBNIS UND LAGE DES UNTERNEHMENS

Der Umsatz der Wolford Gruppe ist im Geschäftsjahr 2013/14 gegenüber der Vergleichsperiode des Vorjahres um 0,4% bzw. EUR 0,6 Mio geringfügig gesunken. Ebenso lag der Umsatz der Wolford Aktiengesellschaft mit EUR 92,2 Mio um EUR 3,5 Mio unter dem Vorjahreswert. Von dieser Veränderung resultiert EUR 1,0 Mio aus der Erhöhung der Rabatte an einzelne Tochtergesellschaften. Die anhaltende schwache wirtschaftliche Entwicklung in einzelnen Ländern trug ebenfalls zum Rückgang des Umsatzes bei.

Mit den Produktgruppen Accessories, Swimwear und Handelsware konnte eine Umsatzsteigerung erzielt werden. Der Exportanteil verringerte sich leicht um 0,4%. Der Umsatz im Heimmarkt Österreich blieb knapp unter dem Vorjahresniveau.

Auch im Geschäftsjahr 2013/14 konnte der Bestand an Vorräten um 10,9% bzw. EUR 3,5 Mio auf EUR 28,6 Mio reduziert werden

Der Aufwand für Material und sonstige bezogene Herstellungsleistungen belief sich auf EUR 30,2 Mio und war gegenüber dem Vorjahresvergleichszeitraum um EUR 2,5 Mio geringer. Der Personalaufwand in Höhe von EUR 45,2 Mio reduzierte sich gegenüber dem Vorjahr um EUR 1,4 Mio. Die Anpassung des Rechenzinssatzes für die Berechnung des Sozialkapitals und die daraufhin erfolgte Neuberechnung des Rückstellungbedarfs führte zu einer Gesamtdotation von EUR 0,4 Mio. Die Personalkostentangente betrug 49,1% (Vorjahr: 48,7%).

Der Beschäftigungsstand zum Stichtag 30. April 2014 betrug 732 Vollzeitmitarbeiter (30. April 2013: 799 Vollzeitmitarbeiter), davon 214 Arbeiter (30. April 2013: 270 Arbeiter), 499 Angestellte (30. April 2013: 507 Angestellte) und 19 Lehrlinge (30. April 2013: 22 Lehrlinge), was einer Reduktion von 8,4% Vollzeitkräften bzw. 67 Vollzeitmitarbeitern entspricht. Um den zukünftigen Fachkräftebedarf abzudecken, wird Wolford im Herbst 2014 neun zusätzliche Lehrlinge einstellen.

Die Abschreibungen auf immaterielle Vermögensgegenstände des Anlagevermögens und Sachanlagen beliefen sich auf EUR 5,0 Mio (Vorjahr: EUR 4,8 Mio). Die Investitionen in immaterielle Vermögensgegenstände und Sachanlagen betragen EUR 2,7 Mio und konnten somit zur Gänze aus dem operativen Cashflow finanziert werden.

Die sonstigen betrieblichen Aufwendungen erhöhten sich gegenüber dem Vergleichszeitraum des Vorjahres um 8,3% bzw. um EUR 1,6 Mio. Die wesentlichen Steigerungen resultierten aus erhöhten Marketingaufwendungen, Beratungsaufwand, Reparaturen, Aufwand aus Anlagenabgang und den

umsatzrelevanten Kosten für E-Commerce. Rückläufig waren Aufwendungen für Mieten und Frachten mit EUR 0,7 Mio.

Das EBITDA verringerte sich im Geschäftsjahr 2013/14 auf EUR -0,4 Mio (Vorjahr: EUR 4,2 Mio). Entsprechend verringerte sich auch das EBITDA in Relation zum Umsatz (EBITDA-Marge) von 4,4% im Vorjahr auf -0,5%.

Das EBIT (Betriebsergebnis) lag mit EUR -5,4 Mio um EUR 4,8 Mio unter dem Vorjahreswert und ist vor allem auf Maßnahmen im Zusammenhang mit der Refokussierung zurückzuführen. Als nicht wiederkehrende Aufwendungen sind Einmalaufwendungen aus Konzept- und Strategieänderungen mit EUR 1,1 Mio, bzw. Produktionsverlagerungen mit EUR 0,2 Mio sowie Abfindungsaufwendungen in Höhe von EUR 0,9 Mio und anderer nicht jährlich wiederkehrender Aufwendungen in Höhe von EUR 0,2 Mio berücksichtigt.

Den Kreditzinsen und den Abschreibungen von Finanzanlagen standen Zinserträge und Erträge aus Beteiligungen gegenüber aus deren Summe sich ein negatives Finanzergebnis von EUR 0,3 Mio (Vorjahr EUR 0,6 Mio) ergab.

Durch die Neubewertung der eigenen Aktien sind Kursverluste in Höhe von EUR 0,2 Mio angefallen.

Das Ergebnis der gewöhnlichen Geschäftstätigkeit der Wolford Aktiengesellschaft verschlechterte sich von EUR -1,2 Mio auf EUR -5,8 Mio. Der Cashflow aus laufender Geschäftstätigkeit verringerte sich um EUR 0,6 Mio auf EUR 2,9 Mio.

Durch die Veranlagung der Geschäftsjahre 2010/11 und 2011/12 und der dadurch ergangenen Steuerbescheide ergaben sich Steuererstattungen in Höhe von insgesamt EUR 1,2 Mio. Die ausgewiesenen Steuererträge betrafen die Vorperioden.

Dem Jahresfehlbetrag von EUR 4,6 Mio stand im Vorjahr ein Jahresfehlbetrag von EUR 1,0 Mio gegenüber. Der Bilanzgewinn verringerte sich auf EUR 8,0 Mio (Vorjahr: EUR 12,6 Mio).

In der am 17. September 2013 abgehaltenen Hauptversammlung wurde beschlossen, keine Dividendenzahlung vorzunehmen.

Das Anlagevermögen zum Stichtag 30. April 2014 verringerte sich gegenüber dem Vorjahr um EUR 3,1 Mio auf EUR 70,4 Mio.

Das Umlaufvermögen verringerte sich um EUR 0,6 Mio auf EUR 58,4 Mio. Dieser Rückgang resultierte einerseits aus dem Abbau der Vorräte, der sonstigen Forderungen und der Bankbestände. Andererseits erhöhten sich die Forderungen aus Lieferungen und Leistungen. Die sonstigen

Forderungen beinhalten unter anderem auch die Körperschaftsteuervorauszahlungen, welche durch die Veranlagung der Geschäftsjahre 2010/11 und 2011/12 umgebucht und verwendet wurden.

Das Eigenkapital unter Berücksichtigung der un versteuerten Rücklagen belief sich auf EUR 77,7 Mio (Vorjahr: EUR 82,3 Mio). Die Eigenkapitalquote reduzierte sich auf 59,9% (Vorjahr: 61,6%).

Die Verbindlichkeiten gegenüber Kreditinstituten erhöhten sich von EUR 18,8 Mio im Vorjahresvergleichszeitraum um EUR 2,9 Mio auf EUR 21,7 Mio, was auf die erhöhte Mittelbindung bei Forderungen gegenüber verbundenen Unternehmen zurückzuführen war.

Die Nettofinanzverschuldung belief sich auf EUR 22,3 Mio und berechnet sich aus der Summe von Verbindlichkeiten gegenüber Kreditinstituten und Verbindlichkeiten gegenüber Land Vorarlberg und Forschungsförderungsgesellschaft, abzüglich dem Zahlungsmittelbestand sowie liquidierbarer Wertpapiere. Im Verhältnis zur Summe aus Eigenkapital und un versteuerten Rücklagen errechnet sich ein Verschuldungsgrad (Gearing Ratio) von 28,7 % (Vorjahr: 23,4 %).

AUSBLICK UND ZIELE

Die Gesellschaft hatte sich für das Geschäftsjahr 2013/14 ursprünglich weiteres Umsatzwachstum sowie ein positives operatives Ergebnis als Ziel gesetzt. Auf Basis der Halbjahresberichtergebnisse, sowie der vom Aufsichtsrat genehmigten strategischen Refokussierung musste im Dezember 2013 die Guidance für das laufende Jahr angepasst werden. Das EBIT-Ziel der Gruppe für das Geschäftsjahr 2013/14 lautete danach auf rund EUR - 5,00 Mio., inklusive nicht wiederkehrender Aufwendungen von rund EUR 3,00 Mio. bei einem Umsatz auf Vorjahresniveau. Diese Ziele wurden erreicht.

Das neue Geschäftsjahr hat für die Wolford Gruppe in den ersten Wochen verhalten begonnen. Insbesondere der Wholesale-Bereich konnte noch nicht auf den angestrebten Wachstumspfad zurückkehren. Auch das Retail-Geschäft bleibt noch hinter den eigenen Erwartungen zurück. Anhaltend positiv entwickelt sich im laufenden Wirtschaftsjahr erneut das Online-Geschäft. Im Geschäftsjahr 2014/15 hat sich die Wolford Gruppe den operativen Turnaround als Ziel gesetzt. In den ersten Wochen des laufenden Geschäftsjahres wurde mit dem Verkauf eines nicht betriebsnotwendigen Grundstücks ein Buchgewinn von EUR 3,4 Mio erwirtschaftet.

EREIGNISSE NACH DEM BILANZSTICHTAG

Die Wolford AG hat am 26. Mai 2014 einen Vertrag zum Verkauf eines nicht-betriebsnotwendigen Grundstücks in Bregenz abgeschlossen. Der Netto-Verkaufserlös beläuft sich auf rund EUR 6,7 Mio. Durch den Grundstücksverkauf entsteht im 1. Quartal des Geschäftsjahres 2014/15 ein Buchgewinn von rund EUR 3,4 Mio. Der Verkauf nicht betriebsnotwendiger Vermögenswerte ist ein wesentlicher Teil der strategischen Refokussierung, die unter anderem durch diesen Grundstücksverkauf aus eigenen Mitteln finanziert werden kann.

RISIKOMANAGEMENT

Die Wolford AG ist im Rahmen ihrer globalen Geschäftstätigkeit unterschiedlichen Risiken ausgesetzt. Wolford sieht in einem effektiven Risikomanagement einen wesentlichen Erfolgsfaktor für die nachhaltige Sicherung des Unternehmenserfolges und die Schaffung von Shareholder Value. Als Risiko wird daher nicht nur die Möglichkeit der negativen Abweichung von Unternehmenszielen verstanden, sondern auch die Nichtrealisierung von potenziellen Gewinnen (Chancen). Ziel des Risikomanagements ist es, Chancen aufzuzeigen und durch gezielte Maßnahmen zu nutzen sowie Risiken frühzeitig zu erkennen und ihnen durch geeignete Maßnahmen zu begegnen, um Zielabweichungen so gering wie möglich zu halten.

Dazu ist die Identifikation, Bewertung, Steuerung und Überwachung der Chancen und Risiken erforderlich, die regelmäßig im Rahmen unseres Chancen- und Risikomanagementprozesses erfolgt. Dabei wird die aus Vorperioden vorliegende Risikoerhebung einmal jährlich durch das Top Management aktualisiert. Anhand von Eintrittswahrscheinlichkeiten und möglichen Auswirkungen werden die identifizierten Risiken nach deren Risikowert gereiht und die größten Risiken einer detaillierten Analyse unterzogen.

Die wichtigsten Instrumente zur Risikoüberwachung und -kontrolle sind der Planungs- und Controlling-Prozess, konzernweite Richtlinien sowie die laufende Berichterstattung und das Forecasting. Zur Risikovermeidung und -bewältigung werden Risiken bewusst nur im operativen Geschäft eingegangen und dabei immer im Verhältnis zum möglichen Gewinn analysiert. Insbesondere sind Spekulationen außerhalb der operativen Geschäftstätigkeit unzulässig. Risiken außerhalb der operativen Tätigkeit, wie finanzielle Risiken, werden von der Wolford AG beobachtet und im notwendigen Maße abgesichert.

Nach aktueller Einschätzung weist die Wolford Gruppe keine einzelnen bestandsgefährdenden Risiken mit nennenswerter Eintrittswahrscheinlichkeit auf. Die Bewertung aller Top 10 Risiken beläuft sich in Summe auf unter 15 % des Eigenkapitals, für den unwahrscheinlichen Fall, dass alle Risiken gleichzeitig schlagend werden.

Markt-, Produktions- und Preisrisiken

Die Geschäftsentwicklung in der Modeindustrie ist vor allem von der Konsumstimmung der Kundinnen abhängig, welche wiederum stark mit der Entwicklung der Volkswirtschaften in den jeweiligen Ländern korreliert. Um die Performance des in den letzten Jahren stark rückläufigen Wholesale-Geschäft zu verbessern, werden neue Konzepte zur Unterstützung der Handelspartner entwickelt. Gleichzeitig zielt die Wolford AG strategisch auf eine weitere Optimierung der eigenen Retail-Standorte ab, mit denen das Unternehmen über die letzten Jahre stetige Umsatzzuwächse verzeichnen konnte. Schlecht performende Standorte wurden zur Reduktion der Verlustrisiken geschlossen, neue eigene Standorte werden künftig nur mehr in strategisch wichtigen Städten und Top-Lagen eröffnet. Bei schwacher wirtschaftlicher Entwicklung und einem resultierenden Nachfragerückgang verstärkt sich das Risiko von Überkapazitäten und ungedeckten Fixkosten, insbesondere durch die mittel- bis langfristig abgeschlossenen Mietverträge. Dies kann zu Preisdruck führen und Preisadjustierungen erforderlich machen. Im Geschäftsjahr 2013/14 konnte Wolford inflationäre Kostensteigerungen durch Preiserhöhungen nur zum Teil kompensieren. Um die Auswirkungen dieser Risiken auf die Ertragslage zu minimieren, analysiert Wolford laufend die Kapazitätsauslastung und passt sie gegebenenfalls an die Markterfordernisse an.

Wolford steht in den verschiedenen Produktsegmenten im Wettbewerb mit anderen Fashion Brands, wodurch sich ein Substitutionsrisiko ergibt. Mittels der neuen, noch schärferen Positionierung als Qualitätsführer bei Strümpfen und anderen körpernahen Produkten, sowie durch Investitionen in die Entwicklung neuer hochwertiger, kreativer Produkte zielt Wolford darauf ab, Preisrisiken zu minimieren.

Um das Risiko von Produktionsausfällen zu minimieren, wird den Gefahren durch Naturgewalten (Hochwasser, Starkregen, Blitzschlag, Sturm etc.) mit umfangreichen technischen und organisatorischen Schutzmaßnahmen begegnet. Für mögliche Notfälle wurde im abgelaufenen Geschäftsjahr ein "Business Continuity Management" Konzept erarbeitet.

Finanzielle Risiken

Die wesentlichsten finanziellen Risiken sind unzureichende Liquidität und Finanzierung. Das Vorhalten ausreichender Liquidität sowie die Aufrechterhaltung und Absicherung der starken Kapitalbasis sind daher zentrale Anliegen der Wolford AG. Diesem Risiko begegnet Wolford durch die Maximierung des Free Cashflow mittels Kostenoptimierung, Working Capital Management und Investitionsmonitoring. Um das Forderungsausfallsrisiko zu verringern, arbeitet die Wolford AG seit Jahren mit zwei Kreditversicherern zusammen. Das Liquiditätsrisiko wird durch laufende Finanzplanungen von der Abteilung Treasury in der Wolford AG überwacht.

Die Finanzierung der Wolford AG basiert auf einer soliden Bilanzstruktur mit einer Eigenkapitalquote von 60%, einem Gearing von 28,7% und einem Zahlungsmittelbestand von EUR 0,43 Mio zum 30. April 2014. Wolford arbeitet zur Finanzierung der Betriebsmittel und Investitionen mit zahlreichen nationalen und internationalen Bankpartnern zusammen und verfügt per 30. April 2014 über

ausreichend hohe Kreditlinien, die nur zu 24% ausgenutzt sind. Zusätzlich werden das Working Capital im Verhältnis zum Umsatz intensiv gemanagt und nicht betriebsnotwendige Vermögenswerte wertmaximierend veräußert. Die Refinanzierungsmöglichkeiten des Unternehmens sind jedoch durch zahlreiche finanzielle, gesamtwirtschaftliche und sonstige Einflussgrößen bestimmt, die sich teilweise dem Einfluss des Vorstandes der Wolford AG entziehen.

Neben dem Liquiditätsrisiko bestehen Währungs- und Zinsrisiken. Wolford produziert ausschließlich im Euro-Raum und vermarktet seine Produkte weltweit. Die wesentlichsten Fremdwährungen für das Unternehmen sind der US-Dollar, der Schweizer Franken, das Britische Pfund, die Dänische Krone sowie der Hongkong-Dollar. Ziel ist es, durch gezielte Devisentermingeschäfte rund 50 % der freien Cashflows aus Fremdwährung abzusichern, um die Auswirkungen von Währungsschwankungen auf das Konzerneigenkapital gering zu halten und die Planungssicherheit zu verbessern.

Das Zinsänderungsrisiko stellt das Risiko dar, das sich aus der Änderung von Wertschwankungen von Finanzinstrumenten infolge einer Änderung der Marktzinssätze ergibt. Die Finanzverbindlichkeiten der Wolford AG zum Bilanzstichtag sind zu 21% fix und zu 79% variabel verzinst. Zahlungsmittel werden in der Regel nicht veranlagt, sondern als Guthaben auf Bankkonten gehalten, um ausreichend Liquidität vorzuhalten.

Die Ziele des Unternehmens im Hinblick auf das Management des Kapitalrisikos liegen zum einen in der Sicherstellung der Unternehmensfortführung, zum anderen in der Aufrechterhaltung einer kostenseitig optimierten Kapitalstruktur. Wolford unterliegt keinen satzungsmäßigen Kapitalerfordernissen.

Beschaffungsrisiken

Zur Kontrolle der Qualitäts- und Versorgungsrisiken in der Beschaffung von Materialien, Halb- und Fertigartikeln, betreibt die Wolford AG ein intensives Qualitätsmanagement über die gesamte Supply-Chain und führt auch entsprechende Prüfungen vor Ort bei Lieferanten durch. Für Wolford sind besonders Garne eine wesentliche Ressource im Produktionsprozess. Dem Risiko von Versorgungsengpässen oder Preissteigerungen bei Hauptmaterialien begegnet das Unternehmen durch laufende Beobachtung der Situation an den relevanten Märkten, und die frühzeitige Fixierung der Bezugspreise sowie längerfristige Lieferverträge. Für 2014 wurde bereits ein wesentlicher Teil der benötigten Mengen an wichtigen Garnen abgesichert. Kunstfasern, deren Preise den Rohölquotierungen folgen, waren in den letzten Jahren starken Preisschwankungen unterworfen. Dies erfordert ein flexibles und zeitnahes Management im Beschaffungsprozess.

Die durch den komplexen Herstellungsprozess sehr langen Vorlaufzeiten im Bereich der textilen Materialien erfordern eine frühzeitige Disposition. Dem Fehlmengenrisiko begegnet Wolford durch umfangreiche Planungs- und Steuerungssysteme in Vertrieb und Produktion. Die Vermeidung von Überproduktion steht im Fokus des Managements und wird kontinuierlich vorangetrieben.

Rechtliche Risiken

Für spezifische Haftungsrisiken und Schadensfälle werden Versicherungen abgeschlossen, deren Umfang laufend überprüft und am wirtschaftlichen Verhältnis von maximalem Risiko zu Versicherungsprämien ausgerichtet wird. Um Risiken zu begegnen, die aus den vielfältigen steuerlichen, wettbewerbs-, patent-, kartell- und umweltrechtlichen Regelungen und Gesetzen resultieren, trifft das Management Entscheidungen auf Basis interner und externer Beratungen. Die konsequente Befolgung der Regeln und die Kontrolle der Mitarbeiter im Umgang mit Risiken gehören zu den grundlegenden Aufgaben aller Verantwortlichen im Konzern.

INTERNES KONTROLLSYSTEM

Der Vorstand trägt die Verantwortung für die Einrichtung und Ausgestaltung des rechnungslegungsbezogenen internen Kontroll- und Risikomanagementsystems und für die Sicherstellung der Einhaltung aller rechtlichen Anforderungen. Die Konzernrechnungslegung der Wolford Gruppe liegt organisatorisch in der Wolford AG. Die Abteilungen Finanz und Rechnungswesen sowie Konzernkonsolidierung, zuständig für das externe Berichtswesen, und Financial Controlling, zuständig für das konzerninterne Berichtswesen, unterstehen direkt dem Finanzvorstand.

Für das interne Management Reporting wird eine gängige Planungs- und Reportingsoftware verwendet. Für die Übernahme der Ist-Daten aus den Primärsystemen wurden automatisierte Schnittstellen geschaffen, die Eingabe der Werte für Vorschaurechnungen erfolgt in einem standardisierten Prozess. Die Berichterstattung erfolgt nach Regionen und pro Gesellschaft. Neben einer Berichterstattung über die operative Ergebnisentwicklung für den jeweils abgelaufenen Monat erfolgte im Geschäftsjahr 2013/14 dreimal eine Ganzjahresvorschaurechnung.

Die beschriebenen Finanzinformationen sind in Zusammenhang mit den Quartalszahlen Basis der Berichterstattung des Vorstandes an den Aufsichtsrat. Der Aufsichtsrat wird in den regelmäßigen Sitzungen über die wirtschaftliche Entwicklung in Form von konsolidierten Darstellungen, bestehend aus Segmentberichterstattung, Ergebnisentwicklung mit Budget- und Vorjahresvergleich, Vorschaurechnungen, Konzernabschlüssen, Personal- und Auftragsentwicklungen sowie ausgewählten Finanzkennzahlen informiert.

INTERNE REVISION

Durch die Einrichtung der Stabstelle Interne Revision ist der Umsetzung der Grundsätze der Corporate Governance und des Internen Kontrollsystems (IKS) Sorge getragen. Auf Grundlage eines vom Vorstand genehmigten jährlichen Revisionsplans sowie einer konzernweiten Risikobewertung aller Unternehmensaktivitäten überprüfen der Vorstand und die Interne Revision regelmäßig operative

Prozesse auf Risikomanagement und Effizienzverbesserungsmöglichkeiten und überwachen die Einhaltung gesetzlicher Bestimmungen, interner Richtlinien und Prozesse.

Ein weiteres Betätigungsfeld der Internen Revision sind Ad-hoc-Prüfungen, die auf Veranlassung des Managements erfolgen und auf aktuelle und zukünftige Risiken abzielen. Das in der Wolford Gruppe implementierte Interne Kontrollsystem wird zur Unterstützung der Früherkennung und Überwachung von Risiken aus unzulänglichen Überwachungssystemen und betrügerischen Handlungen regelmäßig von den ausführenden Organen in Form von Self-Assessments beurteilt sowie von der Internen Revision gemeinsam mit den entsprechenden Fachabteilungen laufend überarbeitet und erweitert.

Die Bereichs- und Abteilungsleiter der Wolford AG sowie die Geschäftsführer der einzelnen Tochterunternehmen sind angehalten, anhand des zur Verfügung gestellten Internen Kontrollsystems die Einhaltung der Kontrollen durch Selbstüberprüfungen zu evaluieren und zu dokumentieren. Die Interne Revision überwacht in der Folge die Einhaltung dieser Prüfungsschritte durch die lokalen Manager. Die Ergebnisse werden an das jeweilige Management und in weiterer Folge an den Gesamtvorstand der Wolford AG berichtet. Die interne Revision berichtet dem Prüfungsausschuss des Aufsichtsrates mindestens einmal jährlich über wesentliche Erkenntnisse aus dem Risikomanagement und getroffene Prüfungsfeststellungen aus Audits, relevante Umsetzungsaktivitäten sowie Verbesserungsmaßnahmen für die im Internen Kontrollsystem identifizierten Schwachstellen.

FORSCHUNG UND ENTWICKLUNG

Die Forschungs- und Entwicklungstätigkeiten (F&E) bei Wolford stehen in engem Zusammenhang mit der Weiterentwicklung und strategischen Positionierung der Gesellschaft als Fashion-Unternehmen in der Nische der körpernahen Produkte, das höchste Qualitätsstandards in seinem Leitbild klar definiert hat. Mehrere F&E-Schwerpunkte wurden im Geschäftsjahr 2013/14 in den Produktgruppen Legwear, Lingerie und Ready-to-wear gesetzt.

Der Forschungs- und Entwicklungsaufwand betrug im abgelaufenen Geschäftsjahr EUR 6,6 Mio (Vorjahr: EUR 6,7 Mio).

HUMAN RESOURCES

Mitarbeiter sind für den Erfolg eines Unternehmens entscheidend. Dieser Tatsache ist sich das Wolford Management bewusst und arbeitet daher kontinuierlich an Maßnahmen, um die Unternehmensidentifikation, Motivation und Gesundheit der Mitarbeiter zu fördern. Neue Mitarbeiter werden anhand eines maßgeschneiderten Einführungsprogramms im Headquarter in Bregenz in die Philosophie, die Produkte und die Struktur von Wolford eingeführt.

Im Headquarter Bregenz lag der Mitarbeiterstand über das Wirtschaftsjahr verteilt bei durchschnittlich 750 Personen (Vorjahr 831 Personen). Durch die Ausbildung junger Menschen kann Wolford die zukünftigen Facharbeiterpotenziale sichern.

Im abgeschlossenen Geschäftsjahr erarbeitete das Management zusammen mit Führungskräften aus den Fachabteilungen ein gemeinsames Verständnis über die zukünftige Ausrichtung des Unternehmens, dem ein gemeinsames Leitbild zugrunde liegt. Dieses Leitbild dient als Orientierung für die unternehmerische Ausrichtung und das tägliche Handeln der Mitarbeiterinnen und Mitarbeiter. Es gliedert sich in die Teilbereiche Mission, Vision und Werte und wurde vom Leitgedanken: "The Unforgettable Touch of Wolford" geprägt. Eine dynamische Unternehmens- und Führungskultur soll den begonnenen Prozess des Wandels im Unternehmen nachhaltig verankern und dabei die Belegschaft in einer konstruktiven Weise einbeziehen.

Professionelle Personalentwicklung und die gezielte Förderung der Mitarbeiter sind Schlüsselfaktoren für den Unternehmenserfolg. Wolford investiert daher laufend in die Weiterbildung ihrer Mitarbeiter und verbessert die Rahmenbedingungen zur Förderung der individuellen Fähigkeiten. In allen Unternehmensbereichen werden standardisierte Mitarbeiterentwicklungsgespräche geführt, um das persönliche Entwicklungspotenzial und interne Karrieremöglichkeiten zu identifizieren und gezielt zu fördern. Für Aus- und Weiterbildung von Mitarbeitern wurden im Geschäftsjahr 2013/14 rund EUR 0,15 Mio aufgewendet.

Speziell für den Vertrieb steht eine interne Trainingsabteilung zur Verfügung. Im Jahr 2013/14 wurden von Wolford Mitarbeitern aus Verkauf und Administration insgesamt 465 Schulungstage absolviert. Diese umfassten Einführungsmodule zu Unternehmen, Marke, Produkt und Verkaufsschulungen sowohl im Headquarter in Bregenz als auch international in den Ländergesellschaften. In den Tochtergesellschaften finden Gruppenschulungen durch eine Trainingsmanagerin statt, die für mehrere Märkte zuständig ist und diese in regelmäßigen Abständen weiterbildet. Dabei kommt ein Train-the-Trainer-System Anwendung: Die Store-Managerinnen ihrerseits nehmen im Anschluss an ihre Trainings die Aufgabe wahr, Ausbildungsinhalte an die Belegschaft vor Ort weiterzugeben. Auch Handelspartnern steht die Möglichkeit offen, das Trainingsangebot zu nutzen. Die Überprüfung der erlernten Inhalte wird von den Trainingsmanagern, gemeinsam mit den Monobrand-Managern anhand von Besuchen in einzelnen Retail Stores sowie Feedbackgesprächen durchgeführt.

Sich verändernden persönlichen Rahmenbedingungen der Mitarbeiter versucht Wolford auch über die gesetzlichen Erfordernisse hinaus entsprechend flexibel entgegenzukommen. Das Unternehmen bietet Wiedereinsteigerinnen das Modell der Elternteilzeit an, was im abgelaufenen Geschäftsjahr 60 Mitarbeiterinnen nutzten. Individuelle Wünsche von Arbeitnehmern, z.B. für Arbeitszeitflexibilisierung und veränderten betrieblichen Einsatz, werden in Abstimmung mit Vorgesetzten und dem Betriebsrat geprüft und im Rahmen des betrieblich Möglichen umgesetzt. Seit 2013 bietet Wolford auch wieder die Möglichkeit in ein Altersteilzeitmodell mit einer kontinuierlichen Reduzierung der Arbeitszeit zu wechseln.

Die Wolford AG verfügt über eine große Anzahl an ausgebildeten Arbeitssicherheitsfachkräften, Ersthelfern sowie eine eigene Betriebsfeuerwehr. Für die Versorgung von Verletzungen, zur Diagnose und Behandlung stehen zwei Betriebsärzte zur Verfügung. Als Arbeitsmediziner überwachen diese alle notwendigen Arbeitsschutzuntersuchungen und Maßnahmen zur Gesundheitsvorsorge. Neben Fitnesskursen bietet Wolford auch die Möglichkeit an, Heilmassagen nach Verordnung durch den Betriebsarzt, im Unternehmen durchführen zu lassen. Als besondere Auszeichnung wurde Wolford im Jahr 2013 das Gesundheitsgütesiegel „salvus“ in Gold durch das Land Vorarlberg verliehen. Damit wurde das Engagement des Unternehmens im Bereich der betrieblichen Gesundheitsförderung von externer Seite honoriert.

ANGABEN NACH § 243 A ABS. 1 UGB

Das Grundkapital der im Prime Market der Wiener Börse notierten Wolford AG beträgt EUR 36,350.000 und zerlegt sich in fünf Millionen auf Inhaber lautende nennbetragslose Stückaktien. Dem Vorstand sind keine Beschränkungen bekannt, die Stimmrechte oder die Übertragung von Aktien betreffen. Es gibt keine Aktien mit besonderen Kontrollrechten.

Nach Kenntnis der Gesellschaft bestanden per 30. April 2014 folgende direkte oder indirekte Beteiligung am Kapital der Wolford AG, die zumindest 10 % betragen: Die WMP Familien-Privatstiftung hielt über 25 % der Anteile. Mehr als 15 % entfielen auf die Sesam Privatstiftung. Die Privatstiftungen und deren Tochtergesellschaft M. Erthal GmbH sind gemeinsam vorgehende Rechtsträger, die ihr Stimmrecht einvernehmlich ausüben. Weitere 25 % wurden von Herrn Ralph Bartel gehalten. Die Wolford Aktiengesellschaft verfügte nach wie vor über 2 % der Aktien. Der Rest der Aktien befand sich im Streubesitz. Es bestehen keine über das Gesetz hinausgehenden Befugnisse der Mitglieder des Vorstandes insbesondere hinsichtlich der Möglichkeit, Aktien auszugeben oder zurückzukaufen. Es existiert kein genehmigtes Kapital. In der 24. ordentlichen Hauptversammlung vom 15. September 2011 wurde die Frist zur Veräußerung von 100.000 Stück der gemäß Hauptversammlungsbeschluss vom 6. September 1999 erworbenen eigenen Aktien bis zum 6. März 2015 verlängert.

Im Wolford Konzern besteht kein Stock Option Plan oder Mitarbeiterbeteiligungsmodell. Es bestehen keine über das Gesetz hinausgehenden Bestimmungen hinsichtlich der Mitglieder des Vorstandes und des Aufsichtsrates.

Zwischen der Gesellschaft und einem Vorstandsmitglied ist eine Entschädigungsvereinbarung für den Fall eines öffentlichen Übernahmeangebots vereinbart. Dieses Vorstandsmitglied ist im Falle eines Kontrollwechsels (Änderung der Beteiligungsverhältnisse direkt oder indirekt im Ausmaß von mehr als 50 % der stimmberechtigten Aktien) berechtigt unter Einhaltung einer dreimonatigen Frist sein Vorstandsmandat zurückzulegen. Die Gesellschaft ist in diesem Fall verpflichtet, diesem

Vorstandsmitglied sämtliche Entgeltansprüche abzugelten, die ihm bis zum Ende seiner Tätigkeit bei voller vereinbarter Laufzeit seines Vorstandsvertrages zustehen. Darüber hinaus bestehen keine weiteren bedeutenden Vereinbarungen der Gesellschaft, die bei einem Kontrollwechsel infolge eines Übernahmeangebotes wirksam werden, sich ändern oder enden.

Bregenz, 4. Juli 2014

Axel Dreher e.h.

Thomas Melzer e.h.

Jahresabschluss der Wolford AG

BILANZ zum 30. April 2014

Anlage 1

(Beträge in Euro)

		30.04.2013	
		TEUR	
A. Anlagevermögen			
I. Immaterielle Vermögensgegenstände			
	Immaterielle Vermögensgegenstände Konzessionen, gewerbliche Schutzrechte und ähnliche Rechte und Vorteile sowie daraus abgeleitete Lizenzen	4.300.136,55	36.350.000,00
II. Sachanlagen			
	1. Grundstücke, grundstücksgleiche Rechte und Bauten		1.818
	2. technische Anlagen und Maschinen		1.818
	3. andere Anlagen, Betriebs- und Geschäftsausstattung		26.464
	4. geleistete Anzahlungen und Anlagen in Bau		2.062
		225.631,00	12.581
		43.781.921,00	81.091
III. Finanzanlagen			
	1. Anteile an verbundenen Unternehmen	18.907.644,17	
	2. Wertpapiere des Anlagevermögens	1.471.190,00	1.180
	3. eigene Anteile	1.909.500,00	
		22.288.334,17	1.178.469,00
		70.370.391,72	
B. Umlaufvermögen			
I. Vorräte			
	1. Roh-, Hilfs- und Betriebsstoffe	4.879.914,75	8.864
	2. unfertige Erzeugnisse	6.805.889,34	4.240
	3. fertige Erzeugnisse und Waren	16.956.030,19	1.937
		28.641.834,28	7.111
II. Forderungen und sonstige Vermögensgegenstände			
	1. Forderungen aus Lieferungen und Leistungen	2.499.671,48	18.752
	2. Forderungen gegenüber verbundenen Unternehmen	26.330.563,68	992
	3. sonstige Forderungen und Vermögensgegenstände	473.781,57	3.087
		29.304.016,73	892.395,23
III. Kassenbestand, Guthaben bei Kreditinstituten			
		426.549,11	4.015
		56.372.420,12	2.433
C. Rechnungsabgrenzungsposten			
		1.052.257,73	26.279
		129.795.069,57	133.502
Passiva			
I. Eigenkapital			
	1. Grundkapital		36.350.000,00
	II. Kapitalrücklagen		1.817.500,00
	gebundene		1.818
	III. gesetzliche Rücklage		1.818
	1. 1.817.500,00		1.818
	2. freie Rücklage		26.464
	3. Rücklage für eigene Anteile		2.062
	IV. Bilanzgewinn		12.581
	(davon Gewinnvortrag EUR 12.581.242,08; VJ: TEUR 13,541)		12.581
		76.507.403,89	81.091
B. Unversteuerte Rücklagen			
	Bewertungsreserve aufgrund von Sonderabschreibungen		1.180
		1.178.469,00	
C. Rückstellungen			
	1. Rückstellungen für Abfertigungen	8.869.914,00	8.864
	2. Rückstellungen für Pensionen	4.408.946,00	4.240
	3. Steuerrückstellungen	0,00	1.937
	4. sonstige Rückstellungen	7.553.356,00	7.111
		20.833.216,00	21.952
D. Verbindlichkeiten			
	1. Verbindlichkeiten gegenüber Kreditinstituten	21.650.426,28	18.752
	2. erhaltene Anzahlungen auf Bestellungen	983.468,80	992
	3. Verbindlichkeiten aus Lieferungen und Leistungen	4.111.980,14	3.087
	4. Verbindlichkeiten gegenüber verbundenen Unternehmen	892.395,23	2.433
	5. sonstige Verbindlichkeiten	3.637.710,23	4.015
	(davon aus Steuern EUR 462.697,02; VJ: TEUR 594)		4.015
	(davon im Rahmen der sozialen Sicherheit EUR 833.824,26; VJ: TEUR 871)		4.015
		31.275.990,68	26.279
		129.795.069,57	133.502
Haftungsverhältnisse			
		6.903.953,28	6.330

GEWINN- und VERLUSTRECHNUNG für das Geschäftsjahr
vom 1. Mai 2013 bis zum 30. April 2014

(Beträge in Euro)

		2012/13 TEUR
1. Umsatzerlöse	92.154.134,37	95.611
2. Veränderung des Bestands an fertigen und unfertigen Erzeugnissen	(3.010.012,23)	(744)
3. andere aktivierte Eigenleistungen	43.548,00	101
4. sonstige betriebliche Erträge		
a) Erträge aus dem Abgang vom Anlagevermögen mit Ausnahme der Finanzanlagen	11.205,67	32
b) Erträge aus der Auflösung von Rückstellungen	21.453,16	65
c) übrige	<u>5.841.282,16</u>	<u>6.913</u>
	5.873.940,99	7.010
5. Aufwendungen für Material und sonstige bezogene Herstellungsleistungen		
a) Materialaufwand	(20.784.382,68)	(23.130)
b) Aufwendungen für bezogene Leistungen	<u>(9.385.545,24)</u>	<u>(9.541)</u>
	(30.169.927,92)	(32.671)
6. Personalaufwand		
a) Löhne	(7.507.800,77)	(8.997)
b) Gehälter	(26.273.469,65)	(25.177)
c) Aufwendungen für Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen	(1.691.952,28)	(2.017)
d) Aufwendungen für Altersversorgung	(399.371,32)	(656)
e) Aufwendungen für gesetzlich vorgeschriebene Sozialabgaben sowie vom Entgelt abhängige Abgaben und Pflichtbeiträge	(9.002.820,29)	(9.364)
f) sonstige Sozialaufwendungen	<u>(367.985,26)</u>	<u>(389)</u>
	(45.243.399,57)	(46.599)
7. Abschreibungen auf immaterielle Gegenstände des Anlagevermögens und Sachanlagen	(5.014.239,24)	(4.821)
8. sonstige betriebliche Aufwendungen		
a) Steuern, soweit sie nicht unter Z 18 fallen	(98.604,77)	(74)
b) übrige	<u>(19.972.673,84)</u>	<u>(18.438)</u>
	(20.071.278,61)	(18.512)
9. Zwischensumme aus Z 1 bis 8 (Betriebsergebnis)	<u>(5.437.234,21)</u>	<u>(625)</u>
10. Erträge aus Beteiligungen	400.000,00	250
(davon aus verbundenen Unternehmen EUR 400.000,00; VJ: TEUR 250)		
11. Erträge aus anderen Wertpapieren des Finanzanlagevermögens	71.400,00	55
12. sonstige Zinsen und ähnliche Erträge	2.386,19	2
(davon aus verbundenen Unternehmen EUR 522,72; VJ: TEUR 0)		
13. Erträge aus dem Abgang von und der Zuschreibung zu Finanzanlagen	0,00	45
14. Aufwendungen aus Finanzanlagen	(211.500,00)	(269)
(davon aus Abschreibungen EUR 211.500,00; VJ: TEUR 269)		
15. Zinsen und ähnliche Aufwendungen	(611.269,59)	(634)
(davon betreffend verbundene Unternehmen EUR 2.783,02; VJ: TEUR 26)		
16. Zwischensumme aus Z 10 bis 15 (Finanzergebnis)	<u>(348.983,40)</u>	<u>(552)</u>
17. Ergebnis der gewöhnlichen Geschäftstätigkeit	<u>(5.786.217,61)</u>	<u>(1.177)</u>
18. Steuern vom Einkommen und vom Ertrag	1.200.788,42	215
19. Jahresfehlbetrag	<u>(4.585.429,19)</u>	<u>(961)</u>
20. Auflösung unsteuerter Rücklagen	1.591,00	2
21. Gewinnvortrag aus dem Vorjahr	12.581.242,08	13.541
22. Bilanzgewinn	<u>7.997.403,89</u>	<u>12.581</u>

ANLAGENSPIEGEL ZUM 30.04.2014
(Beträge in Euro)

POSTEN	ANSCHAFFUNGS-/HERSTELLUNGSKOSTEN				KUMULIERTE ABSCHREIBUNG				Buchwert	Buchwert	
	Stand am 01.05.2013	Zugang	Umbuchung	Abgang	Stand am 30.04.2014	Stand am 01.05.2013	Abschreibung im Geschäftsjahr	Abschreibung Abgang	Zuschreibung im Geschäftsjahr	Stand am 30.04.2014	Buchwert 30.04.2013
I. Immaterielle Vermögensgegenstände											
1. Konzessionen, gewerbliche Schutzrechte und ähnliche Rechte und Vorteile sowie daraus abgeleitete Lizenzen	15.774,178,80	869.683,12	-	412.451,00	16.231.410,92	11.170.631,80	1.173.093,57	412.451,00	-	11.931.274,37	4.603.547,00
Summe immaterielle Vermögensgegenstände	15.774.178,80	869.683,12	-	412.451,00	16.231.410,92	11.170.631,80	1.173.093,57	412.451,00	-	11.931.274,37	4.603.547,00
II. Sachanlagen											
1. Grundstücke, grundstücksgleiche Rechte und Bauten einschließlich der Bauten auf fremdem Grund	1.439.853,00	-	-	-	1.439.853,00	-	-	-	-	-	1.439.853,00
a) bebaute Grundstücke	67.042,430,88	249.449,47	-	330.375,77	66.961.504,58	32.722.581,88	2.042.880,47	151.848,77	-	34.613.613,58	34.319.849,00
aa) Geschäfts- oder Fabrikgebäude											
oder andere Baulichkeiten											
ab) Wohngebäude	33.345,00	-	-	-	33.345,00	-	-	-	-	-	33.345,00
Grundwert	872.513,34	7.114,33	-	-	879.627,67	609.331,34	18.686,33	-	-	628.017,67	263.182,00
Gebäudewert	4.436.796,00	-	-	-	4.436.796,00	-	-	-	-	-	4.436.796,00
b) unbebaute Grundstücke	73.824,938,22	256.563,80	-	330.375,77	73.751.126,25	33.331.913,22	2.061.566,80	151.848,77	-	35.241.631,25	40.493.025,00
2. technische Anlagen und Maschinen	32.260,078,34	444.576,66	-	4.253,449,31	28.451.205,69	28.687.706,34	997.964,66	3.884.556,31	-	25.801.114,69	3.572.372,00
3. andere Anlagen, Betriebs- und Geschäftsausstattung	16.608,770,27	949,956,63	-	1.057,244,36	16.501.482,54	14.363.637,27	781.614,21	1.040.472,94	-	14.104.778,54	2.245.133,00
4. geleistete Anzahlungen und Anlagen in Bau	102.562,33	213,098,97	-	90,030,30	225.631,00	-	-	-	-	-	102.562,33
Summe Sachanlagen	122.796.349,16	1.864.196,06	-	5.731.099,74	118.929.446,48	76.383.256,83	3.841.145,67	5.076.878,02	-	75.147.524,48	46.413.092,33
III. Finanzanlagen											
1. Anteile an verbundenen Unternehmen	18.907.644,17	-	-	-	18.907.644,17	-	-	-	-	-	18.907.644,17
2. Wertpapiere des Anlagevermögens	1.668.562,18	-	-	-	1.668.562,18	137.872,18	59.500,00	-	-	197.372,18	1.530.690,00
3. eigene Anteile	4.663.533,80	-	-	-	4.663.533,80	2.602.033,80	152.000,00	-	-	2.754.033,80	2.061.500,00
Summe Finanzanlagen	25.239.740,15	-	-	-	25.239.740,15	2.739.905,98	211.500,00	-	-	2.951.405,98	22.499.834,17
SUMME ANLAGEVERMÖGEN	163.810.266,11	2.733.873,18	-	6.143.550,74	160.400.596,95	90.293.794,61	5.225.739,24	5.489.329,02	-	90.030.204,83	73.516.473,50

Wolford Aktiengesellschaft
Bregenz

ENTWICKLUNG DER UNVERSTEUERTEN RÜCKLAGEN

(Beträge in Euro)

	<u>Stand</u> 1.5.2013	<u>Auflösung</u>	<u>Stand</u> 30.04.2014
1. Bewertungsreserve aufgrund von Sonderabschreibungen			
Übertragung stiller Reserven gemäß § 12 EStG 1988			
Grundstücke, grundstücksgleiche Rechte und Bauten	<u>1.180.060,00</u>	<u>1.591,00</u>	<u>1.178.469,00</u>

ANHANG für das Geschäftsjahr 2013/14

I. BILANZIERUNGS- UND BEWERTUNGSGRUNDSÄTZE

Der Jahresabschluss wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung, sowie unter Beachtung der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit eingehalten.

Bei der Bewertung der einzelnen Vermögensgegenstände und Schulden wurde der Grundsatz der Einzelbewertung beachtet und eine Fortführung des Unternehmens unterstellt.

Alle erkennbaren Risiken und drohenden Verluste wurden berücksichtigt.

Erworbene immaterielle Vermögensgegenstände werden zu Anschaffungskosten bewertet, die um die planmäßigen Abschreibungen innerhalb der Nutzungsdauer vermindert sind. Die planmäßige Abschreibung wird linear vorgenommen.

Als immaterielle Vermögensgegenstände erfasste Standortwerte in Höhe von TEUR 217 (2012/13: TEUR 358) ergaben sich durch die Übernahme von insgesamt 15 von Palmers geführten Wolford Boutiquen, wobei eine Boutique 2008/09, eine Boutique 2005/06 und 13 Boutiquen 2004/05 übernommen wurden. In Abhängigkeit von der Dauer des jeweiligen Mietvertrages wird eine Nutzungsdauer von 4 – 10 Jahren angesetzt.

Für Spezialsoftware wird eine Nutzungsdauer von zehn Jahren zugrunde gelegt. Standardsoftware wird über vier Jahre abgeschrieben.

Das Sachanlagevermögen wird zu Anschaffungs- oder Herstellungskosten bewertet, die um die planmäßigen Abschreibungen vermindert sind.

Die planmäßige Abschreibung wird linear vorgenommen und richtet sich nach der betriebsgewöhnlichen Nutzungsdauer der jeweiligen Anlagegüter. Den planmäßigen linearen Abschreibungen liegt folgende Nutzungsdauer zugrunde:

Standortwerte (entsprechend den Mietverträgen)	max. 10 Jahre
Grundstücke, grundstücksgleiche Rechte und Bauten	10 bis 50 Jahre
Technische Anlagen und Maschinen	5 bis 20 Jahre
Andere Anlagen, Betriebs- und Geschäftsausstattung	2 bis 10 Jahre

Grundsätzlich wird die Abschreibung ab Inbetriebnahme der Zugänge auf Monatsbasis verrechnet.

Geringwertige Vermögensgegenstände werden im Jahr der Anschaffung voll abgeschrieben.

Außerplanmäßige Abschreibungen werden vorgenommen, wenn die Wertminderungen voraussichtlich von Dauer sind.

Das Finanzanlagevermögen wird zu Anschaffungskosten bewertet. Außerplanmäßige Abschreibungen werden vorgenommen, wenn die Wertminderungen voraussichtlich von Dauer sind.

Werterhöhungen abgeschriebener Vermögensgegenstände werden vorgenommen.

Die Bewertung der Roh-, Hilfs- und Betriebsstoffe erfolgt zu Anschaffungskosten unter Beachtung des Niederstwertprinzips.

Die Bewertung der unfertigen und fertigen Erzeugnisse erfolgt zu Herstellungskosten oder zum niedrigeren realisierbaren Nettoverkaufswert. Die Herstellungskosten umfassen alle Aufwendungen, die dem Gegenstand direkt zugerechnet werden können, sowie alle variablen und fixen Gemeinkosten, die im Zusammenhang mit der Herstellung anfallen. Bestandsrisiken, die sich aus der Lagerdauer sowie geminderter Verwertbarkeit ergeben, sind durch angemessene Wertabschläge berücksichtigt.

Die Forderungen und sonstigen Vermögensgegenstände sind mit dem Nennwert angesetzt. Fremdwährungsforderungen werden mit ihrem Entstehungskurs oder mit dem niedrigeren Devisenmittelkurs zum Bilanzstichtag bewertet. Bei erkennbaren Einzelrisiken wird der niedrigere beizulegende Wert ermittelt und angesetzt.

Die Ermittlung der Höhe der Abfertigungsrückstellung und der Rückstellung für Jubiläumsgelder erfolgte auf Grund der anerkannten Regeln der Versicherungsmathematik unter Beachtung der Berechnungsvorschriften gemäß IAS 19. Bei der Berechnung nach der Projected Unit Credit Method gebildeten Rückstellungen kamen folgende Parameter zur Anwendung:

Biometrische Rechnungsgrundlagen		AVÖ 2008 – P	
Rechnungszinssatz		3,1 % p.a.	(2012/13: 3,6 %)
Lohn-/ Gehaltstrend		2,6 % p.a.	(2012/13: 2,7 %)
Pensionsantrittsalter		61,5 – 65 / 56,5 – 60 Jahre	
Gestaffelte Fluktuation	0–3 Jahre	19 %	
	3-5 Jahre	13 %	
	5-10 Jahre	9 %	
	10-15 Jahre	5 %	
	15-20 Jahre	1 %	

Versicherungsmathematische Gewinne und Verluste werden sofort ergebniswirksam erfasst.

Die Berechnung der Rückstellung für Pensionen erfolgt aufgrund der anerkannten Regeln der Versicherungsmathematik unter Beachtung der Berechnungsvorschriften gemäß IAS 19. Bei der Berechnung nach der Projected Unit Credit Method gebildeten Rückstellungen kamen folgende Parameter zur Anwendung:

Biometrische Rechnungsgrundlagen	AVÖ 2008 – P	
Rechnungzinssatz	3,1 % p.a.	(2012/13: 3,6 %)
Lohn-/ Gehaltstrend	2,6 % p.a.	(2012/13: 2,7 %)

Versicherungsmathematische Gewinne und Verluste werden sofort ergebniswirksam erfasst.

In den sonstigen Rückstellungen werden unter Beachtung des Vorsichtsprinzips alle im Zeitpunkt der Bilanzerstellung erkennbaren Risiken sowie der Höhe und dem Grunde nach ungewisse Verbindlichkeiten mit den Beträgen berücksichtigt, die nach vernünftiger kaufmännischer Beurteilung erforderlich sind.

Verbindlichkeiten sind mit dem Nennwert oder dem höheren Rückzahlungsbetrag angesetzt. Fremdwährungsverbindlichkeiten sind mit dem Anschaffungskurs oder dem höheren Devisenmittelkurs zum Bilanzstichtag bewertet worden.

II. ERLÄUTERUNGEN ZUR BILANZ

Anlagevermögen

Bei den immateriellen Vermögensgegenständen handelt es sich um Standortwerte für übernommene Boutiquen und um Software. Für die Entwicklung des Anlagevermögens siehe Anlagenspiegel gemäß § 226 UGB (Beilage 1 zum Anhang).

Umlaufvermögen

Forderungen und sonstige Vermögensgegenstände mit einer Restlaufzeit bis zu einem Jahr

Alle Forderungen und sonstigen Vermögensgegenstände haben eine Restlaufzeit von weniger als einem Jahr.

Von den Forderungen gegenüber verbundenen Unternehmen stammen TEUR 23.130 (30.04.2013: TEUR 22.258) aus Lieferungen und Leistungen, sowie TEUR 3.200 (30.04.2013: TEUR 0) aus Finanzierungen.

In den sonstigen Forderungen und Vermögensgegenständen sind Erträge in Höhe von TEUR 64 (30.04.2013: TEUR 110) enthalten, die erst nach dem Abschlussstichtag zahlungswirksam werden.

Eigenkapital

Das Grundkapital beträgt TEUR 36.350 und setzt sich aus 5.000.000 Stück auf Inhaber lautenden Stammaktien zusammen. Es handelt sich dabei um Stückaktien, die alle im gleichen Ausmaß am Grundkapital beteiligt sind.

Im Rahmen der am 17.09.2013 abgehaltenen Hauptversammlung wurde keine Dividendenzahlung (30.04.2013: EUR 0,4 pro Stammaktie) beschlossen.

Die Erhöhung der freien Gewinnrücklagen resultiert aus einer Umgliederung aus der gemäß § 225 Abs 5 UGB vorgesehenen Rücklage für eigene Anteile in Höhe von TEUR 152.

Unversteuerte Rücklagen

(siehe Beilage 2 zum Anhang)

Rückstellungen

Die Entwicklung der wesentlichsten sonstigen Rückstellungen ist in folgender Übersicht dargestellt:

in TEUR	Stand 01.05.2013	Verbrauch	Auflösung	Dotierung	Stand 30.04.2014
Jubiläumsgelder	1.885	71	0	121	1.935
Prämien und Sondervergütungen	377	377	0	558	558
Gutstunden	96	93	0	148	151
Sonderzahlungen	1.893	1.893	0	1.821	1.821
Nicht konsum. Urlaub	1.499	1.499	0	1.602	1.602
Währungsdifferenzen	66	66	0	56	56
Übrige	1.295	1.222	30	1.387	1.430
Gesamt	7.111	5.221	30	5.693	7.553

Verbindlichkeiten mit einer Restlaufzeit von mehr als einem Jahr

30.04.2014 in TEUR	Gesamt	Bis 1 Jahr	Restlaufzeit 1 – 5 Jahre	Mehr als 5 Jahre
Verbindlichkeiten gegenüber Kreditinstituten	21.650	15.950	5.700	0
erhaltene Anzahlungen	984	984	0	0
Verbindlichkeiten aus Lieferungen und Leistungen	4.112	4.112	0	0
Verbindlichkeiten gegenüber verbundenen Unternehmen	892	892	0	0
sonstige Verbindlichkeiten	3.638	2.946	692	0
	31.276	24.884	6.392	0

30.04.2013 in TEUR	Gesamt	Bis 1 Jahr	Restlaufzeit 1 – 5 Jahre	Mehr als 5 Jahre
Verbindlichkeiten gegenüber Kreditinstituten	18.752	552	18.200	0
erhaltene Anzahlungen	992	992	0	0
Verbindlichkeiten aus Lieferungen und Leistungen	3.087	3.087	0	0
Verbindlichkeiten gegenüber verbundenen Unternehmen	2.433	2.433	0	0
sonstige Verbindlichkeiten	4.015	3.066	949	0
	29.279	10.130	19.149	0

In den sonstigen Verbindlichkeiten sind Aufwendungen in Höhe von TEUR 1.653 (30.04.2013: TEUR 1.564) enthalten, die erst nach dem Abschlussstichtag zahlungswirksam werden.

III. ERLÄUTERUNGEN ZUR GEWINN- UND VERLUSTRECHNUNG

Gesamtkostenverfahren

Die Gewinn- und Verlustrechnung wird nach dem Gesamtkostenverfahren erstellt.

Umsatzerlöse

in TEUR **2013/14** **2012/13**

Aufgliederung

a) nach geographischen Gesichtspunkten (nach Währungseffekten)

Inland	15.166	15.395
Ausland	76.988	80.216
	92.154	95.611

b) nach Produktgruppen

Legwear	48.842	51.152
Ready-to-wear	27.646	29.161
Lingerie	11.058	11.378
Accessories	2.765	2.295
Swimwear	922	860
Handelsware	921	765
	92.154	95.611

Sonstige betriebliche Erträge

in TEUR **2013/14** **2012/13**

Übrige		
Erträge aus Weiterverrechnung von Leistungen an verbundene Unternehmen	4.327	4.707
Kursdifferenzen	271	536
Sonstige Zuschüsse	266	503
Mieterträge	191	183
Erlöse Restaurant	180	203
Arbeitsmarktförderung	70	116
Steuerbegünstigungen	59	99
Sonstige	477	566
	5.841	6.913

Aufwendungen für Abfertigungen und Pensionen

in TEUR	2013/14		2012/13	
	Abfertigungen	Pensionen	Abfertigungen	Pensionen
Aufgliederung der Aufwendungen für				
Vorstandsmitglieder	-161	0	-54	0
ehemalige Vorstandsmitglieder	0	399	0	656
	-161	399	-54	656
leitende Angestellte	37	0	46	0
übrige Arbeitnehmer	1.816	0	2.025	0
	1.692	399	2.017	656

Die Zahlungen an betriebliche Mitarbeitervorsorgekassen beliefen sich auf TEUR 222 (2012/13: TEUR 224).

Aufwendungen für Material

in TEUR	2013/14	2012/13
Garne	7.217	8.831
Zukaufware	5.542	5.099
Stoffe	1.815	2.055
Zubehör, Gummibänder	1.809	2.292
Energie	1.720	1.941
Sonstiger Materialaufwand	3.120	3.428
Skontoerträge	-439	-516
	20.784	23.130

Sonstige betriebliche Aufwendungen

in TEUR	2013/14	2012/13
Marketing	5.432	4.789
Frachten	2.470	2.795
Mieten	1.834	2.173
Rechts- und Beratungskosten	1.733	1.287
Aufwand B2C	1.422	1.233
EDV inkl. Wartung	1.042	982
Reparaturen	758	483
Versicherungen	679	702
Aufwand aus Anlagenabgang	638	84
Kursdifferenzen	524	626
Fahrt- und Reisespesen	455	470
Sonstige	2.986	2.814
	19.973	18.438

Aufwendungen Abschlussprüfer

Bezüglich dieser Aufwendungen wird auf die Angabe im Konzernanhang verwiesen.

Erträge aus Beteiligungen

Die Wolford proizvodnja in trgovina d.o.o. hat eine Dividendenzahlung von TEUR 400 (2012/13: TEUR 250) an die Wolford AG vorgenommen.

Steuern vom Einkommen und vom Ertrag

Durch die Veranlagung der Geschäftsjahre 2010/11 und 2011/12 und der dadurch ergangenen Steuerbescheide ergaben sich Steuererstattungen in Höhe von insgesamt TEUR 1.197.

Gemäß § 198 Abs 10 UGB wurde von der Bilanzierung von aktiven latenten Steuern in Höhe von TEUR 1.387 (30.04.2013: TEUR 1.233) abgesehen. Die Bewertung erfolgte mit einem Steuersatz von 25 % (2012/13: 25 %).

IV. ERGÄNZENDE ANGABEN

1. Sonstige finanzielle Verpflichtungen

Es bestehen folgende Verpflichtungen aus langfristigen Mietverträgen und Operating-Leasingverhältnissen.

in TEUR	30.04.2014	30.04.2013
Mindest- Miet- und Leasingentgelte fällig in bis zu einem Jahr	1.216	1.158
mehr als einem Jahr bis zu fünf Jahren	1.599	1.124
mehr als fünf Jahren	0	0

2. Anteile an verbundenen Unternehmen

Die Wolford AG, Bregenz ist die Muttergesellschaft und jene Gesellschaft, die den Konzernabschluss aufstellt.

in TEUR Gesellschaftsname	Sitz	unmittelbarer Anteil in %	Eigenkapital 30.04.2014	Jahresüberschuss 2013/14
Wolford Beteiligungs GmbH	Bregenz	100	20.100	216
Wolford proizvodnja in trgovina d.o.o.	Murska Sobota	100	3.807	668

in TEUR Gesellschaftsname	Buchwert 30.04.2013	Buchwert 30.04.2014
Wolford Beteiligungs GmbH	16.408	16.408
Wolford proizvodnja in trgovina d.o.o.	2.500	2.500
	18.908	18.908

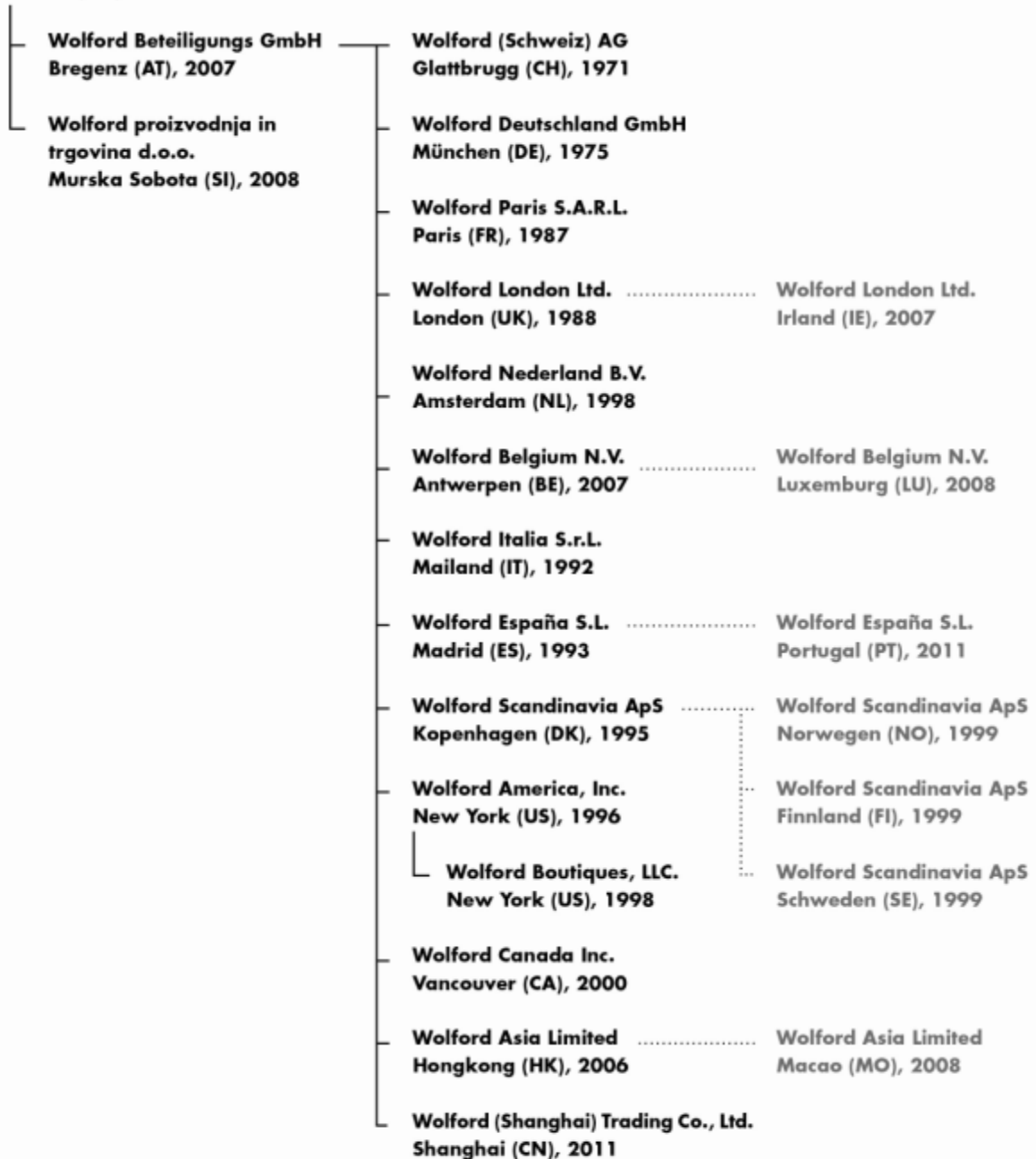
Mit Bescheid vom 16. August 2006 wurde dem Antrag der Gesellschaft auf Feststellung einer Gruppe gemäß § 9 Abs 8 KStG 1988 stattgegeben. Seit der Veranlagung 2006 ist die Gesellschaft Gruppenträgerin; die Gruppe beinhaltet zum Stichtag als Gruppenmitglied die Wolford Beteiligungs GmbH. Diese wurde mit Gruppen- und Steuerausgleichsvertrag vom 15. April 2008 als Gruppenmitglied in die Gruppe aufgenommen.

Erzielt die Wolford Beteiligungs GmbH in einem Wirtschaftsjahr einen steuerpflichtigen Gewinn, so hat sie eine Steuerumlage an die Wolford AG zu entrichten; erzielt sie einen steuerlichen Verlust bzw. einen steuerlich nicht ausgleichsfähigen Verlust, wird dieser Verlust evident gehalten und in jenen darauf folgenden Wirtschaftsjahren, in denen die Wolford Beteiligungs GmbH wieder einen steuerlichen Gewinn erzielt, gegen diesen steuerlichen Gewinn verrechnet.

Von der Wolford Beteiligungs GmbH während der Wirksamkeit der Unternehmensgruppe erzielte steuerliche Verluste bzw. nicht ausgleichsfähige Verluste, die im Zeitpunkt der Beendigung des Gruppen- und Steuerausgleichsvertrages noch nicht verrechnet sind, sind von der Wolford AG in Form einer Ausgleichszahlung angemessen abzugelten; zum 30. April 2014 bestehen keine solche noch nicht verrechneten Verluste.

STRUKTUR DER WOLFORD GRUPPE

WOLFORD AG BREGENZ (AT), 1950



100-prozentige Beteiligung

..... Betriebsstätte

3. Derivative Finanzinstrumente

An derivativen Finanzinstrumenten wurden vom Treasury Devisentermingeschäfte eingesetzt.

Nominalbetrag in Tausend	30.04.2014			30.04.2013		
	Fremd- währung	EUR	potenzielles Risiko zum Zeitwert	Fremd- währung	EUR	potenzielles Risiko zum Zeitwert
Terminkontrakte						
GBP	1.150	1.387	-9	1.150	1.354	-7
USD	1.200	870	-1	1.700	1.293	-7
NOK	1.500	180	-1	1.800	237	0
SEK	1.000	112	0	1.200	140	0
CHF	800	657	0	850	691	-4
CAD	150	99	0	250	186	-3
DKK	0	0	0	4.500	603	0
HKD	3.000	280	0	3.000	297	-1

Die Marktwerte der derivativen Devisengeschäfte ergeben sich aus den Marktwerten der Termingeschäfte, die zum Bilanzstichtag abgeschlossen werden müssten, um das jeweilige Derivat glattzustellen, ohne Berücksichtigung gegenläufiger Wertentwicklungen aus den Grundgeschäften. Für negative Zeitwerte wurden insgesamt Rückstellungen in Höhe von TEUR 11 (30.04.2013: TEUR 22) gebildet.

4. Personalstand

Der Beschäftigtenstand betrug zum 30. April 2014 732 (30. April 2013: 799) Mitarbeiter davon 214 (30. April 2013: 270) Arbeiter, 499 (30. April 2013: 507) Angestellte und 19 (30. April 2013: 22) Lehrlinge; die Berechnung erfolgte auf Vollzeitbasis.

Im Durchschnitt betrug der Beschäftigtenstand im Geschäftsjahr 2013/14 750 (2012/13: 831) Mitarbeiter davon 238 (2012/13: 294) Arbeiter, 500 (2012/13: 525) Angestellte und 12 (2012/13: 12) Lehrlinge; die Berechnung erfolgte auf Vollzeitbasis.

5. Organe

Aufgliederung der Aufwendungen für:

2013/14

in TEUR	Bezüge	Abfertigungen	Pensionen	Gesamtbezüge
Vorstandsmitglieder	1.333	-161	0	1.172
<i>davon variabel</i>	<i>280</i>	<i>0</i>	<i>0</i>	<i>280</i>
Ehemalige Vorstandsmitglieder	0	797	399	1.196
	1.333	636	399	2.368

2012/13

in TEUR	Bezüge	Abfertigungen	Pensionen	Gesamtbezüge
Vorstandsmitglieder	1.108	-54	0	1.054
<i>davon variabel</i>	<i>209</i>	<i>0</i>	<i>0</i>	<i>209</i>
Ehemalige Vorstandsmitglieder	0	0	656	656
	1.108	-54	656	1.710

Der Aufwand für die Vergütungen an den Aufsichtsrat betrug TEUR 180 (2012/13: TEUR 80), wobei diese nach den jeweiligen Funktionen bemessen werden und das Vergütungsschema von der 27. ordentlichen Hauptversammlung am 18. September 2014 zu genehmigen ist..

Als **Vorstandsmitglieder** waren im Geschäftsjahr 2013/14 bestellt:

Axel Dreher, Sprecher des Vorstandes

Thomas Melzer, Vorstand

Holger Dahmen, Vorsitzender, bis 10.01.2014

Der **Aufsichtsrat** bestand im Geschäftsjahr 2013/14 aus folgenden Mitgliedern:

Emil Flückiger, Stellvertreter der Vorsitzenden bis 17.09.2013; Vorsitzender seit 17.09.2013

Antonella Mei-Pochtler, Stellvertreterin des Vorsitzenden seit 17.09.2013

Claudia Beermann, Mitglied seit 17.09.2013

Lothar Reiff, Mitglied seit 17.09.2013

Birgit G. Wilhelm, Mitglied

Theresa Jordis, Vorsitzende bis 07.09.2013 (verstorben)

Werner Baldessarini, Mitglied bis 17.09.2013

Vom **Betriebsrat** waren in den Aufsichtsrat entsandt:

Anton Mathis, Mitglied

Peter Glanzer, Mitglied

6. Angabe gemäß § 240 Z 3 UGB

Bestand an eigenen Aktien: 100.000 Stück

Zeitpunkt und Gründe des Erwerbs:

100.000 Stück (entsprechend einem Grundkapital von TEUR 727) zwischen 9. August 1999 und 30. Dezember 1999 für ein Stock-Option-Modell. Das Unternehmen ist gemäß 24. Hauptversammlung vom 15. September 2011 verpflichtet, die eigenen Aktien bis 6. März 2015 über die Börse zu veräußern.

7. Haftungsverhältnisse

in TEUR	30.04.2014	30.04.2013
Mietgarantie für Wolford America Inc.	1.089	845
Sonstige Mietgarantien (Deutschland, Spanien, Niederlande, UK, Österreich)	1.035	1.115
Garantie für Förderzuschuss von Japti, Slowenien	0	1.080
Garantie für Kreditabsicherung Wolford Paris S.A.R.L.	2.000	2.000
Garantie für Kreditabsicherung Wolford d.o.o., Slowenien	1.500	1.500
Garantie für Kreditabsicherung Wolford America Inc.	651	1.070
Garantie für Kreditabsicherung Wolford (Shanghai) Trading Co., Ltd.	563	591
sonstige übernommene Garantien	66	130
	6.904	8.331

8. Sonstiges

Im Ergebnis sind keine Aufwendungen enthalten, die das Vorjahr betreffen (2012/13: TEUR 55).

Der Vorstand:

Axel Dreher e.h.

Thomas Melzer e.h

Bregenz, am 4. Juli 2014

Bestätigungsvermerk der Wolford AG

BERICHT ZUM JAHRESABSCHLUSS

Wir haben den beigefügten Jahresabschluss der Wolford Aktiengesellschaft, Bregenz, für das Geschäftsjahr vom 1. Mai 2013 bis zum 30. April 2014 unter Einbeziehung der Buchführung geprüft. Dieser Jahresabschluss umfasst die Bilanz zum 30. April 2014, die Gewinn- und Verlustrechnung für das am 30. April 2014 endende Geschäftsjahr sowie den Anhang.

Verantwortung der gesetzlichen Vertreter für den Jahresabschluss und für die Buchführung

Die gesetzlichen Vertreter der Gesellschaft sind für die Buchführung sowie für die Aufstellung und den Inhalt eines Jahresabschlusses verantwortlich, der ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage der Gesellschaft in Übereinstimmung mit den österreichischen unternehmensrechtlichen Vorschriften vermittelt. Diese Verantwortung beinhaltet: Gestaltung, Umsetzung und Aufrechterhaltung eines internen Kontrollsystems, soweit dieses für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, damit dieser frei von wesentlichen Fehldarstellungen ist, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern; die Auswahl und Anwendung geeigneter Bilanzierungs- und Bewertungsmethoden; die Vornahme von Schätzungen, die unter Berücksichtigung der gegebenen Rahmenbedingungen angemessen erscheinen.

Verantwortung des Abschlussprüfers und Beschreibung von Art und Umfang der gesetzlichen Abschlussprüfung

Unsere Verantwortung besteht in der Abgabe eines Prüfungsurteils zu diesem Jahresabschluss auf der Grundlage unserer Prüfung. Wir haben unsere Prüfung unter Beachtung der in Österreich geltenden gesetzlichen Vorschriften und Grundsätze ordnungsgemäßer Abschlussprüfung durchgeführt. Diese Grundsätze erfordern, dass wir die Standesregeln einhalten und die Prüfung so planen und durchführen, dass wir uns mit hinreichender Sicherheit ein Urteil darüber bilden können, ob der Jahresabschluss frei von wesentlichen Fehldarstellungen ist.

Eine Prüfung beinhaltet die Durchführung von Prüfungshandlungen zur Erlangung von Prüfungsnachweisen hinsichtlich der Beträge und sonstigen Angaben im Jahresabschluss. Die Auswahl der Prüfungshandlungen liegt im pflichtgemäßen Ermessen des Abschlussprüfers unter Berücksichtigung seiner Einschätzung des Risikos eines Auftretens wesentlicher Fehldarstellungen, sei es auf Grund von beabsichtigten oder unbeabsichtigten Fehlern. Bei der Vornahme dieser Risikoeinschätzung berücksichtigt der Abschlussprüfer das interne Kontrollsystem, soweit es für die Aufstellung des Jahresabschlusses und die Vermittlung eines möglichst getreuen Bildes der Vermögens-, Finanz- und Ertragslage der Gesellschaft von Bedeutung ist, um unter Berücksichtigung der Rahmenbedingungen geeignete Prüfungshandlungen festzulegen, nicht jedoch um ein Prüfungsurteil über die Wirksamkeit der internen Kontrollen der Gesellschaft

abzugeben. Die Prüfung umfasst ferner die Beurteilung der Angemessenheit der angewandten Bilanzierungs- und Bewertungsmethoden und der von den gesetzlichen Vertretern vorgenommenen wesentlichen Schätzungen sowie eine Würdigung der Gesamtaussage des Jahresabschlusses.

Wir sind der Auffassung, dass wir ausreichende und geeignete Prüfungsnachweise erlangt haben, sodass unsere Prüfung eine hinreichend sichere Grundlage für unser Prüfungsurteil darstellt.

Prüfungsurteil

Unsere Prüfung hat zu keinen Einwendungen geführt. Auf Grund der bei der Prüfung gewonnenen Erkenntnisse entspricht der Jahresabschluss nach unserer Beurteilung den gesetzlichen Vorschriften und vermittelt ein möglichst getreues Bild der Vermögens- und Finanzlage der Wolford Aktiengesellschaft zum 30. April 2014 sowie der Ertragslage der Gesellschaft für das Geschäftsjahr vom 1. Mai 2013 bis zum 30. April 2014 in Übereinstimmung mit den österreichischen Grundsätzen ordnungsmäßiger Buchführung.

Aussagen zum Lagebericht

Der Lagebericht ist auf Grund der gesetzlichen Vorschriften darauf zu prüfen, ob er mit dem Jahresabschluss in Einklang steht und ob die sonstigen Angaben im Lagebericht nicht eine falsche Vorstellung von der Lage der Gesellschaft erwecken. Der Bestätigungsvermerk hat auch eine Aussage darüber zu enthalten, ob der Lagebericht mit dem Jahresabschluss in Einklang steht und ob die Angaben nach § 243a UGB zutreffen.

Der Lagebericht steht nach unserer Beurteilung in Einklang mit dem Jahresabschluss. Die Angaben gemäß § 243a UGB sind zutreffend.

Wien, am 4. Juli 2014

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Manfred Geritzer e.h.
Wirtschaftsprüfer

i.V. Mag. Robert von der Dollen e.h.
Steuerberater

Wolford AG: Erklärung des Vorstandes

Erklärung des Vorstandes der Wolford AG gem. § 82 (4) Z 3 BörseG

Wir bestätigen nach bestem Wissen, dass der im Einklang mit den maßgebenden Rechnungslegungsstandards aufgestellte Konzernabschluss zum 30. April 2014 ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Konzerns vermittelt, dass der Konzernlagebericht den Geschäftsverlauf, das Geschäftsergebnis und die Lage des Konzerns so darstellt, dass ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Konzerns entsteht, und dass der Konzernlagebericht die wesentlichen Risiken und Ungewissheiten beschreibt, denen der Konzern ausgesetzt ist.

Wir bestätigen nach bestem Wissen, dass der im Einklang mit den maßgebenden Rechnungslegungsstandards aufgestellte Jahresabschluss des Mutterunternehmens zum 30. April 2014 ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens vermittelt, dass der Lagebericht den Geschäftsverlauf, das Geschäftsergebnis und die Lage des Unternehmens so darstellt, dass ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage entsteht, und dass der Lagebericht die wesentlichen Risiken und Ungewissheiten beschreibt, denen das Unternehmen ausgesetzt ist.

Bregenz, am 4. Juli.2014

Axel Dreher e.h.

Thomas Melzer e.h.