Erste Bank Group
Investor Conference
Stegersbach

WOLFORD AG
Axel Dreher (COO/CFO)

Stegersbach, 5. – 9. October 2015
Content

The Wolford Group at a Glance

The 2014/15 Financial Year

1st Quarter 2015/16

Strategy

Outlook 2015/16 and Targets

The Wolford Share
The Wolford Group

at a Glance
Who is Wolford?

► Leading brand in luxury legwear with established positions in exclusive lingerie and bodywear
  ► Founded 1950 in Bregenz, Austria
  ► Present in over 60 countries
  ► 271 monobrand POS globally
  ► 2 production facilities in Austria and Slovenia (only Europe!)

► 157.35 Mio. € revenues with 1,574 employees in FY 2014/15

► Stable shareholder structure
  ► ~ 33% free float
  ► Founder family holds >40% via 2 private foundations
  ► Investor Ralph Bartel owns >25%
  ► 2% of treasury stock
65 Years of History with Pioneering Innovations

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

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

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

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

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

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

Photo: Jean-Baptiste Mondino
Photo: Helmut Newton

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

Photo: Helmut Newton
Legwear as the Core Product

May 2014 – April 2015

- Legwear: 53%
- Lingerie: 14%
- Ready-to-wear: 29%
- Accessories: 2%
- Swimwear: 1%
- Trading goods: 1%

Erste Group Investor Conference, Stegersbach, 2015
Number One Position in Legwear Worldwide

Luxury/Aspirational
- WOLFORD

Premium
- GERBE
- DONNA KARAN
- CALVIN KLEIN
- SPANX
- FALKE

Middle
- OROBLU
- KUNERT

Mass
- CALZEDONIA
- DIM
- GOLDEN LADY
Global Presence

Monobrand locations worldwide: 271*

- Thereof Wolford-owned Points of sale:
  - 116 boutiquen
  - 39 concession shop-in-shops
  - 26 factory Outlets

- Thereof partner-operated Points of sale
  - 90 boutiques
  - and about 3,000 other distribution partners

North America: 35

Europe: 189
  excl. Russia, Ukraine

Asia: 39
  incl. Russia, Ukraine

* Including 8 partner-operated Boutiques in Africa, Australia and South America
Key markets Europe and USA

May 2014 – April 2015

- Germany: 16%
- Austria: 10%
- France: 10%
- Rest of Europe: 40%
- Asia/Oceania: 5%
- North America: 18%
- Rest of World: 1%

Market shares by region for the period from May 2014 to April 2015.
70% of Revenues with Monobrand-POS

May 2014 – April 2015

- Boutiques: 48%
- Controlled Distribution: 70%
- Private Label: 2%
- Multi-brand Retailers: 15%
- Department Stores: 13%
- Factory Outlets: 10%
- Concession SIS: 7%
- Online: 5%

70% of Revenues with Monobrand-POS
## Group Earnings 2014/15

<table>
<thead>
<tr>
<th></th>
<th>2014/15</th>
<th>2013/14</th>
<th>Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>in € mill.</td>
<td>157.35</td>
<td>155.87</td>
</tr>
<tr>
<td>EBITDA adjusted*</td>
<td>in € mill.</td>
<td>10.33</td>
<td>7.11</td>
</tr>
<tr>
<td>EBIT adjusted*</td>
<td>in € mill.</td>
<td>1.56</td>
<td>-0.97</td>
</tr>
<tr>
<td>Non recurring items*</td>
<td>in € mill.</td>
<td>0.61</td>
<td>-3.76</td>
</tr>
<tr>
<td>EBIT</td>
<td>in € mill.</td>
<td>2.17</td>
<td>-4.72</td>
</tr>
<tr>
<td>Earnings before tax</td>
<td>in € mill.</td>
<td>1.21</td>
<td>-5.89</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>in € mill.</td>
<td>1.03</td>
<td>-2.81</td>
</tr>
<tr>
<td>Employees (on average)</td>
<td>FTE</td>
<td>1,574</td>
<td>1,562</td>
</tr>
</tbody>
</table>

* Adjusted for non-recurring income of 3.37 million and non-recurring expenses of 2.76 million
The Financial Year 2014/15

► Growing revenues in the second half year
  ► Weak first half year due to difficult market conditions (-3%)
  ► Stabilized revenues in Q3 and strong growth in Q4 (+12%), also due to FX effects
  ► Strong online business (+24%) and slightly growing retail business – despite the effect of the closing of unprofitable points of sale
  ► Wholesale Business also performed better in the second half year (full year -2%)

► EBIT in the black
  ► Due to one-off effects (sale of lease options and of non-core land in Bregenz)
  ► Despite higher marketing costs and higher expenses in context of the new collection as well as higher personal costs

► Earnings after tax of 1,03 Mio. €
  ► Special dividend of € 0.20 – thanks to the special income from the sale of non-core land
Growing Online Business

May 2014 – April 2015 vs. PY

Dist. Channels

<table>
<thead>
<tr>
<th>Channel Type</th>
<th>Total</th>
<th>Wholesale</th>
<th>Retailstores</th>
<th>B2C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ 1%</td>
<td>- 2%</td>
<td>+ 24%</td>
<td></td>
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</table>

Boutiques

<table>
<thead>
<tr>
<th>Channel Type</th>
<th>Total</th>
<th>Wholesale</th>
<th>Retailstores</th>
<th>B2C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ 1%</td>
<td>+ 1%</td>
<td>- 8%</td>
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</table>

Department Stores

<table>
<thead>
<tr>
<th>Channel Type</th>
<th>Total</th>
<th>Wholesale</th>
<th>Retailstores</th>
<th>B2C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ 1%</td>
<td></td>
<td>+ 1%</td>
<td></td>
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</table>

Factory Outlets

<table>
<thead>
<tr>
<th>Channel Type</th>
<th>Total</th>
<th>Wholesale</th>
<th>Retailstores</th>
<th>B2C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ 1%</td>
<td></td>
<td></td>
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</table>

Multibrands

<table>
<thead>
<tr>
<th>Channel Type</th>
<th>Total</th>
<th>Wholesale</th>
<th>Retailstores</th>
<th>B2C</th>
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</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ 3%</td>
<td></td>
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Private Label

<table>
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<th>Channel Type</th>
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<th>Wholesale</th>
<th>Retailstores</th>
<th>B2C</th>
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</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>+ 42%</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

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Mixed picture in the markets

May 2014 – April 2015 vs. PY

AT -7%  DE -2%
CH -9%  FR -3%
IT 9%  ES 11%
UK 7%  UK (GBP) -1%
SCAN 2%  NL 5%
BE -7%  CEE -14%
USA 5%  USA (USD) -3%
Far East 23%
# Balance Sheet Data 30.04.15

<table>
<thead>
<tr>
<th></th>
<th>30.04.2015</th>
<th>30.04.2014</th>
<th>Chg. in %</th>
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</thead>
<tbody>
<tr>
<td><strong>Equity</strong> in € mill.</td>
<td>74.83</td>
<td>74.38</td>
<td>+1</td>
</tr>
<tr>
<td><strong>Net Debt</strong> in € mill.</td>
<td>17.12</td>
<td>17.04</td>
<td>+1</td>
</tr>
<tr>
<td><strong>Working Capital</strong>¹) in € mill.</td>
<td>38.14</td>
<td>33.72</td>
<td>+13</td>
</tr>
<tr>
<td><strong>Equity Ratio</strong> in %</td>
<td>51</td>
<td>54</td>
<td>-</td>
</tr>
<tr>
<td><strong>Gearing</strong> in %</td>
<td>23</td>
<td>23</td>
<td>-</td>
</tr>
<tr>
<td><strong>Debt Repayment Period</strong>²)</td>
<td>1.7</td>
<td>2.4</td>
<td>-</td>
</tr>
</tbody>
</table>

¹) Including outstanding purchase price receivable from the sale of a lease option
²) Net Debt to EBITDA adjusted
1st Quarter 2015/16
## Group Earnings 1st Quarter 2015/16

<table>
<thead>
<tr>
<th></th>
<th>05/15 - 07/15</th>
<th>05/14 - 07/14</th>
<th>Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>33,984</td>
<td>31,910</td>
<td>+6.5</td>
</tr>
<tr>
<td>EBITDA adjusted*</td>
<td>-747</td>
<td>1,937</td>
<td>&gt;100</td>
</tr>
<tr>
<td>EBIT adjusted*</td>
<td>-3,041</td>
<td>-168</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Non recurring items*</td>
<td>0</td>
<td>3,184</td>
<td>&gt;100</td>
</tr>
<tr>
<td>EBIT</td>
<td>-3,041</td>
<td>3,016</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Earnings before tax</td>
<td>-3,325</td>
<td>2,785</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>-2,554</td>
<td>1,490</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Employees (on average)</td>
<td>1,583</td>
<td>1,555</td>
<td>+1.8</td>
</tr>
</tbody>
</table>

*There will be no „non-recurring items“ recognized in the 2015/16 financial year, but will only be included in the comparisons to the previous year.*

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**Erste Group Investor Conference, Stegersbach, 2015**
## Balance Sheet Data 1st Quarter 2015/16

<table>
<thead>
<tr>
<th></th>
<th>05/15 - 07/15</th>
<th>05/14 - 07/14 Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Equity</strong></td>
<td>72,468</td>
<td>75,988</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td>25,982</td>
<td>17,950</td>
</tr>
<tr>
<td><strong>Working Capital</strong></td>
<td>39,763</td>
<td>38,112</td>
</tr>
<tr>
<td><strong>Balance Sheet Total</strong></td>
<td>150,580</td>
<td>142,536</td>
</tr>
<tr>
<td><strong>Gearing in %</strong></td>
<td>35.9</td>
<td>23.6</td>
</tr>
<tr>
<td><strong>Equity ratio in %</strong></td>
<td>48.1</td>
<td>53.3</td>
</tr>
</tbody>
</table>
Seasonal Wolford Business

Revenue Development by Quarter (in € Mill.)

<table>
<thead>
<tr>
<th></th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014/15</td>
<td>31.91</td>
<td>40.72</td>
<td>48.49</td>
<td>36.23</td>
<td>157.35</td>
</tr>
<tr>
<td>2013/14</td>
<td>32.28</td>
<td>42.53</td>
<td>48.61</td>
<td>32.45</td>
<td>155.87</td>
</tr>
<tr>
<td>2012/13</td>
<td>33.08</td>
<td>43.51</td>
<td>47.54</td>
<td>32.34</td>
<td>156.47</td>
</tr>
</tbody>
</table>
Renewed Strategic Vision for Wolford

The Wolford Vision:

We want to be the leading global brand in the aspirational luxury segment of legwear, lingerie and bodywear by offering our consumer an unforgettable experience: „The Unforgettable Touch of Wolford.“

Strategic Goals:

► Reach every potential consumer in the world via controlled multi-channel distribution
► Tap the full potential of retail stores (average productivity of € 10,000 /m²)
► Generate profitable growth (EBIT margin of 10%)
## Return to core strengths & strategic reorientation

<table>
<thead>
<tr>
<th>Key elements of the strategic refocusing</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>Revitalization of the brand</strong> – Modernization of a strong heritage</td>
<td>●</td>
</tr>
<tr>
<td>2. <strong>Adjustments to the product portfolio</strong> – consistent fashion collection statement and securing competitive edge</td>
<td>●</td>
</tr>
<tr>
<td>3. Reorientation of <strong>market communication</strong> – online and offline</td>
<td>●</td>
</tr>
<tr>
<td>4. Optimization of controlled <strong>multi-channel distribution</strong> and <strong>globalization</strong></td>
<td>●</td>
</tr>
<tr>
<td>5. <strong>New go-to-market model</strong></td>
<td>●</td>
</tr>
<tr>
<td>6. Establishing of a new <strong>management culture</strong> and <strong>incentive system</strong></td>
<td>●</td>
</tr>
</tbody>
</table>

► **Financing from internal sources!**
1. Revitalization of the brand

► Modernization of a strong heritage
  ► Renewal of exclusivity and “edginess”
  ► Generate demand (appeal)
  ► Focus on the “brand DNA“, the inherent nature of the brand

► Consistent brand experience – from the product to shopping experience online and offline

Brand DNA

► Holistic comfort – understanding the layer closest to the skin
► Innovation
► Functionality

► Confidence
► Effortless sophistication
► Discreet and sensual
2. Refocusing of the product portfolio …

► Back to the roots: return to figure-embracing products

► Innovation, innovation, innovation!

► Securing the leadership position in the Legwear segment

► Expansion of Lingerie and Bodywear product line (mainly Shapewear), refocusing of Ready-to-wear

► Creation of product icons instead of extensive collections

► Streamlining of Essentials collection (gradual reduction of SKUs)

► Launch of a never out of stock (NOOS) system for top sellers

► Reduction of time to market
... by sharpening the collection statement

- Harmonizing of product groups
- Harmonization of the Essentials and Trend collections
- Communication with clear concepts and consistent topics for the
  - Collection
  - Products
  - Marketing
  - Visual merchandising at the point of sale
... and a focus on innovation – Examples

► Pure 10 Tights
  ► Newest product in gluing technology
  ► The softest tights on the market thanks to the yarn innovation

► Nude 8
  ► “Cosmetics” on the leg
  ► 10,000 of yarn weigh 8 grams
  ► Almost invisible to the human eye

► Pure Plus Series
  ► Innovative material
  ► Cut edges
  ► Figure-embracing but not skin tight
Focus on product development

- **Creation of products with legitimacy and credibility** (based on targeted market research)
  - Compatible with brand DNA
  - Exceed customer expectations
3. Refocusing of market communication

**Objectives:** Increase appeal and optimize the shopping experience

- Display windows are the decisive asset!
- New shop concept and optimized product presentation
- Marketing using all communication channels (omni-channel marketing)
- Creation of digital contents and “storytelling” (arouse the imagination)
- More intensive communication on environmentally-compatible production and the USP “Made in Europe”
4. Optimization of multi-channel distribution

Retail
► Increase of floor space profitability
► Opening of flagship stores in megacities
► Expansion of Wolford-owned retail business in A cities
► Expansion of Wolford-controlled points of sale in B & C cities

Wholesale
► Expansion of multi-brand distribution with a focus on premium stores
► Launch of master franchise business models in emerging markets

Online business
► Expansion of the online business (omni-channel approach)
► Uncomplicated access to the entire production portfolio
Balanced Mix of Retail and Wholesale Business...

Retail
- own retail store
  - factory outlet
  - online business
  - travel retail

Wholesale
- multibrand
  - online business
  - travel retail

We own inventory
We invoice partner
...and Global Expansion

Core markets¹

Emerging markets²

- Push floor space profitability in Europe
- Grow business in the Americas
- Grow business in Asia

Mexico, Brazil, other Latin America
Greece, Eastern Europe, Russia, Turkey, Middle East, South Africa
South East Asia, Japan, Korea, Australia

¹ Company owned subsidiaries
² Master franchise
5. New go-to-market model

► Wolford is transforming itself from an (ex-) wholesaler to a real retailer with own production (leveraging of monobrand stores!)
► Consistent orientation of all processes to needs at the point of sale
► New products for retail space five times per year
► Strict timing of advance orders, 99% on schedule
► New system to plan requirements and manage product availability
Outlook 2015/16 and Targets
Environment with growth perspectives

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

► **Short-/Medium-term: Economic recovery in core markets**
  ► Slight economic upswing in the Eurozone (2015: +1.5%)
  ► Stronger growth in the USA (2015: +3.1%)

► **Short-/Medium-term: Cautious optimism in the industry**
  ► Renewed growth of 2-4% for premium and luxury goods expected around the world
  ► Fashion retail sector in main European markets suffered from hot august (Germany: -16%, France -1.3%), except Great Britain (+1.3%)
  ► Recovery in German fashion retail sector in september

Sources: Bain&Company and Altagamma, IMF Outlook, April 2015, textile industry
Clearly defined business targets

in the current 2015/16 financial year:

► Further rise in revenues
  ► Strategic measures beginning to have a positive impact
  ► Ongoing tailwinds thanks to currency effects

► Sustainable profitability (positive operating results)
  ► Further increase in floor space profitability in Wolford-owned retail stores
  ► Financing of strategic measures from the cash flow and unused lines of credit

Long-term:

► Sustainable revenue growth / EBIT margin of 10%
  ► New go-to-market model
  ► Exploiting of existing capacities (operating leverage)
Why to Invest in Wolford?

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

Based on available investment reports
Earnings and Dividend per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Earnings per Share</th>
<th>Dividend per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010/11</td>
<td>1.03</td>
<td>0.40</td>
</tr>
<tr>
<td>2011/12</td>
<td>0.26</td>
<td>0.40</td>
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<tr>
<td>2012/13</td>
<td>0.00</td>
<td>-0.56</td>
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<tr>
<td>2013/14</td>
<td>0.00</td>
<td>-0.57</td>
</tr>
<tr>
<td>2014/15</td>
<td>0.21</td>
<td>0.20</td>
</tr>
</tbody>
</table>

in €
## Financial Calendar and IR Information

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

### IR-Informationen

- Tel. +43 5574 690 1258
- investor@wolford.com
- company.wolford.com

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