Institutional Investors Conference
Raiffeisen Centrobank

Wolford AG

Ashish Sensarma, CEO
Thomas Melzer, CFO

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Content

The Wolford Group at a Glance

3rd Quarter 2014/15

Strategy

Outlook 2014/15 and Targets

The Wolford Share
Who is Wolford?

- Leading brand in luxury legwear with established positions in exclusive lingerie and bodywear
  - Founded 1950 in Bregenz, Austria
  - Present in 63 countries
  - 272 monobrand POS globally
  - 2 production facilities in Austria and Slovenia (only Europe!)

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

- Stable shareholder structure
  - <33% free float
  - Founder family holds >40% via 2 private foundations
  - Investor Ralph Bartel owns >25%
  - 2% of treasury stock

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

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

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

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

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

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

65 Years of History with Pioneering Innovations
Legwear as the Core Product


May 2014 - January 2015

Number One Position in Legwear Worldwide
Global Presence

Monobrand locations worldwide: 272*
- Thereof Wolford-owned Points of sale:
  - 116 boutiques
  - 38 concession shop-in-shops
  - 26 factory outlets
- Thereof partner-operated Points of sale
  - 92 boutiques
  - and about 3,000 other distribution partners

Online Shops in 15 countries
- Europe: 191
- North America: 34
- Asia: 39

* Including 8 partner-operated Boutiques in Africa, Australia and South America

3rd Quarter 2014/15
## Group Earnings May 2014 – January 2015

<table>
<thead>
<tr>
<th></th>
<th>9 months 05/14 – 01/15</th>
<th>9 months 05/13 – 01/14</th>
<th>Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues (€ mill.)</td>
<td>121.13</td>
<td>123.42</td>
<td>-2</td>
</tr>
<tr>
<td>EBITDA adjusted 1) (€ mill.)</td>
<td>10.49</td>
<td>8.68</td>
<td>+21</td>
</tr>
<tr>
<td>EBIT adjusted 1) (€ mill.)</td>
<td>4.09</td>
<td>2.80</td>
<td>+46</td>
</tr>
<tr>
<td>EBIT (€ mill.)</td>
<td>7.08</td>
<td>2.16</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Earnings before tax (€ mill.)</td>
<td>6.39</td>
<td>1.26</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Earnings after tax (€ mill.)</td>
<td>4.46</td>
<td>1.74</td>
<td>&gt;100</td>
</tr>
<tr>
<td>Employees (on average) FTE</td>
<td>1,567</td>
<td>1,563</td>
<td>0</td>
</tr>
</tbody>
</table>

1) Adjusted for non-recurring income of € 3.37 million and non-recurring expenses of € 0.38 million in the first nine months of 2014/15

## Group Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>31.01.2015</th>
<th>31.01.2014</th>
<th>Chg. in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity (€ mill.)</td>
<td>79.22</td>
<td>78.95</td>
<td>0</td>
</tr>
<tr>
<td>Net Debt (€ mill.)</td>
<td>15.76</td>
<td>15.16</td>
<td>+4</td>
</tr>
<tr>
<td>Working Capital (€ mill.)</td>
<td>39.14</td>
<td>35.95</td>
<td>+9</td>
</tr>
<tr>
<td>Balance Sheet Total (€ mill.)</td>
<td>150.51</td>
<td>144.72</td>
<td>+4</td>
</tr>
<tr>
<td>Equity Ratio (%)</td>
<td>53</td>
<td>55</td>
<td>-</td>
</tr>
<tr>
<td>Gearing (%)</td>
<td>20</td>
<td>19</td>
<td>-</td>
</tr>
</tbody>
</table>
Key Markets Europe and USA

May 2014 – January 2015

North America 18%

Germany 16%

Austria 10%

France 10%

Rest of Europe 41%

Asia/Oceania 5%

Strong own Retail Network

May 2014 – January 2015

Controlled Distribution: 69%

Boutiques * 47%

Private Label 2%

Multi-brand retailers 15%

Department Stores 14%

Factory outlets 10%

Online Business 5%

Concession-SIS 7%

*Thereof ca. 80% from own stores, 20 % partner-operated stores
Mixed Picture in the Markets

May 2014 – January 2015 vs. PY

Retail stable, Wholesale weak, Online grows

May 2014 – January 2015 vs. PY
New CEO Ashish Sensarma (since January 2015)

► **Background**
Retail-Expert with 30 years of experience in the fashion business, e.g.

► **Rituals (until Jan 2015)**
Business Partner and Advisor to the CEO on global business development

► **Vilebrequin (2008-2012)**
COO, responsible for all „front-end“ activities of the brand

► **Mexx (1984-2006)**
Latest position as VP Consumer Sales, responsible for P&L of the retail and online divisions
Renewed Strategic Vision for Wolford

Our Vision:

„To be the global dominating brand in the aspirational luxury segment of legwear, lingerie & bodywear by providing the consumer with an unforgettable experience“

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%)

Reflection and Realignment

Key Elements of Strategic Refocusing

<table>
<thead>
<tr>
<th>Key Elements of Strategic Refocusing</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. <strong>Re-energize the Brand:</strong> Modernization of a strong heritage</td>
<td>○</td>
</tr>
<tr>
<td>2. <strong>Adjustment of product portfolio</strong> with a consistent collection statement and securing competitive edge</td>
<td>○</td>
</tr>
<tr>
<td>3. Reorientation of <strong>marketing communication</strong> in all areas</td>
<td>○</td>
</tr>
<tr>
<td>4. Optimization of the <strong>controlled multi-channel distribution</strong> and <strong>globalisation</strong></td>
<td>○</td>
</tr>
<tr>
<td>5. <strong>New Go-to-market model</strong></td>
<td>○</td>
</tr>
<tr>
<td>6. Establishment of new <strong>management culture</strong> and <strong>incentive system</strong></td>
<td>●</td>
</tr>
</tbody>
</table>

► **Financing from internal sources!**
1. Re-energize the Brand

► Make the strong heritage relevant in today’s environment
  ► Focus on creating demand instead of following supply
  ► Bring back the exclusivity and edginess

► Create consumer experience via shop windows and store design

► Focus on digital marketing

<table>
<thead>
<tr>
<th>Brand DNA</th>
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</thead>
<tbody>
<tr>
<td>► Undisputed leader in legwear</td>
</tr>
<tr>
<td>► Technology as the soul</td>
</tr>
<tr>
<td>► Timeless products</td>
</tr>
<tr>
<td>► Innovation</td>
</tr>
<tr>
<td>► Excellent quality</td>
</tr>
<tr>
<td>► Sensuality</td>
</tr>
<tr>
<td>► Comfort – second skin</td>
</tr>
<tr>
<td>► Elegance</td>
</tr>
<tr>
<td>► Functionality</td>
</tr>
</tbody>
</table>

2. Adjustment of Product Portfolio…

► Back to the roots: Create stronger ties to Legwear (company’s DNA)
  ► Innovate, innovate, innovate!
  ► Re-establish and secure leadership position in legwear (create the distance)
  ► Expansion of Lingerie and Bodywear product lines (above all Shapewear), reduction of Clothing (Ready-to-wear)
  ► Create iconic products instead of collections
  ► Introduction of a NOOS-Business System (Never Out Of Stock)
  ► Reduce cycle times (currently 15 months from the idea to the POS!)
... with a consistent Collection Statement

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

Securing of Competitive Edge

- Create products with Legitimacy and Credibility (based on targeted market research)
  - With a perfect fit to the DNA of the Brand
  - Meeting and exceeding expectations of the consumer

![Diagram showing the relationship between Brand, Legitimacy & Credibility, Product, and Consumer]
3. Reorientation of Marketing Communication

**Goals:** Modernization of the brand, increase in appeal, creation of consumer experience

- Shop windows are key!
- New shop concept and appealing visual merchandising
- New storytelling (selling dreams instead of products) and digital content
- Relationship & dialogue with the consumer (use of social media as the new benchmark)

4. Optimized Controlled Multi-Channel Distribution

**Retail**
- Increase in floor space profitability as the main target
- Openings of flagship stores in mega-cities
- Expansion of our own retail business in A-Cities
- Expansion of Wolford-controlled points of sale in B+C cities, e.g. through Concession shop-in-shops and high street partnership stores (where we own the merchandise)

**Wholesale**
- Expansion of multi-brand distribution with a focus on premium stores
- Introduction of master franchise model in emerging markets

**E-Commerce**
- Expansion of online business (omni-channel for seamless experience)
- Simple shopping of the complete assortment
Balanced Mix of Retail and Wholesale Business...

Retail
- own retail store
- department store concession
- partnership store concession
- factory outlet
- e-commerce
- travel retail

Wholesale
- multibrand
- department store
- franchise store
- e-commerce
- travel retail

...and Global Expansion

Emerging markets²
- Mexico, Brazil, other Latin America
- Greece, Eastern Europe, Russia, Turkey, Middle East, South Africa
- South East Asia, Japan, Korea, Australia

Core markets¹
- Push floor space profitability in Europe
- Grow business in Asia
- Grow business in the Americas

¹ Company owned subsidiaries
² Master franchise
5. New Go-to-Market Model

- Wolford evolving from an (ex-)wholesaler to a real retailer
- Fresh merchandise drops every two months for consumer excitements (using own shop floor and windows as most relevant marketing instruments)
- Strict sales timing of forward orders, 99% on time delivery, 1st on shop floor
- Reorganisation of product management: New merchandise planning & control position for better process coordination from line plan to POS

**Shorter Cycle times (from two collections per year to six delivery dates)**

![Graph showing shorter cycle times for Shop floor and Manufacturing](image)

**Outlook 2014/15 and Targets**
Longterm Growth Perspectives

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

► Short-/medium-term: Mixed perspectives in the key markets
  ▶ Weak growth in the Eurozone (2015:+1.2% / 2016:+1.4%)
  ▶ Higher expectations for growth in the US (2015: +3.6% / 2016: +3.3%)

► Difficult environment in fashion retail in our main markets
  ▶ Weak winter sales in German fashion retail (-4% in December, -3% in January, -7% in February)
  ▶ Declining sales in US retail (-6.5% in December, -7.7% in January), but generally satisfactory Christmas business in fashion industry
  ▶ Good Christmas business in French clothing sector (+2.6%), but again declining sales in January

Source: Global Luxury Study 2014 (Bain&Company), IMF Statistics Jan 2015, Textilwirtschaft, RetailNext, Institut Francais de la Mode

Clear Corporate Targets

In the current financial year 2014/15:

► Return to profitability as a top priority
  ▶ Optimization of internal processes and cost reduction

► Operative Turnaround (positive EBIT)
  ▶ High positive FX effects from weaker euro
  ▶ Earnings target confirmed following sale of real estate and lease option

Long-term:

► Sustainable and profitable revenue growth
  ▶ New Go-to-market model
  ▶ Increase in floor space profitability in retail business to € 10,000 /m²
  ▶ Utilization of existing manufacturing capacities (operating leverage)

► EBIT margin: 10%
Why to Invest in Wolford?

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

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

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>WMP Family Private Foundation*</td>
<td>&gt;25%</td>
</tr>
<tr>
<td>Sesam Private Foundation*</td>
<td>&gt;15%</td>
</tr>
<tr>
<td>Ralph Bartel</td>
<td>&gt;25%</td>
</tr>
<tr>
<td>Treasury Stock</td>
<td>2%</td>
</tr>
<tr>
<td>Free Float</td>
<td>&lt;33%</td>
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</table>

Based on available investment reports

## The Wolford Share Price Development

<table>
<thead>
<tr>
<th>Period</th>
<th>Price ($)</th>
<th>Volume</th>
</tr>
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<tbody>
<tr>
<td>1 DAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 M</td>
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<td></td>
</tr>
<tr>
<td>3 M</td>
<td></td>
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<tr>
<td>6 M</td>
<td></td>
<td></td>
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<tr>
<td>1 Y</td>
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<td></td>
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<td>3 Y</td>
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<td>5 Y</td>
<td></td>
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<tr>
<td>ALL</td>
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- Share: Wolford AG
- Benchmark: ATX Prime

Actual Market Capitalization: € 113 million
## Financial Calendar and IR-Information

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regine Petzsch</td>
<td>Vienna Stock Exchange: WOL</td>
</tr>
<tr>
<td>Tel. +43 5574 690 1359</td>
<td>Reuters: WLFD.VI</td>
</tr>
<tr>
<td><a href="mailto:investor@wolford.com">investor@wolford.com</a></td>
<td>Bloomberg: WOL:AV, WLFDY:US, WOF:GR</td>
</tr>
<tr>
<td>company.wolford.com</td>
<td>ISIN: AT0000834007</td>
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