



Ad-hoc Information

Wolford Publishes Interim Report on the First Half of 2015/16

- **Revenue growth in all segments**
- **Further strengthening of retail competence**
- **Revenue increase and positive operating results expected for the entire year 2015/16**

Vienna/Bregenz, December 14, 2015. Wolford AG, which is listed on the Vienna Stock Exchange, generated a substantial increase in revenues in all segments in the first half of the 2015/16 financial year (May 1, 2015 to October 31, 2015) against the backdrop of a challenging economic and political environment. It also gained momentum in its operating business by increasing second-quarter EBIT in a year-on-year comparison.

On balance, Wolford reported significant revenue growth in the first six months of the current financial year, with revenues up 9.1% to € 79.24 million, also due to positive currency effects of the US dollar and British pound. Revenue growth was 3.1% when adjusted for currency effects. The development of Wolford's operating earnings indicators should be considered in connection with the one-off effects reported in the 2014/15 financial year, cost increases related to the appreciation of the US dollar and British pound as well as a slight expansion of the Wolford workforce as a means of strengthening its retail business. Against this backdrop, the half-year operating results (EBIT) of € -0.28 million were below the prior-year figure (H1 2014/15: € 3.17 million). However, when adjusted to take account of all one-off effects, EBIT in the first half of the current financial year actually rose by € 2.63 million. Wolford gained additional strength in its operating business by posting a year-on-year EBIT increase in the second quarter of 2015/16. Earnings after tax totaled € -0.90 million compared to € 1.38 million in the previous year. Earnings per share equalled € -0.18, down from € 0.28 in the first half of 2014/15.

Retail and online businesses as growth drivers

A declared objective of Wolford is to enhance its retail competence in all regions. In this regard, Wolford considerably strengthened its international retail team in the first half-year. The expansion of operations and hiring of new staff was also reflected in the revenue development of the retail business. Revenues generated by Wolford-owned retail stores rose by more than 7% in both absolute terms and on a like-for-like basis. Year-on-year retail growth was also achieved taking currency effects into account. The online business once again developed very successfully, showing a 63.9% increase in revenues. The wholesale segment reported growth of 5.2%, which can be attributed to changed delivery dates.

Revenue growth in most core sales markets

From a regional perspective, Wolford's core sales markets showed a fundamentally positive picture. Wolford generated double-digit revenue increases in the USA, Great Britain and on the Asian growth market. In spite of the difficult economic conditions prevailing in Europe, Wolford still reported a rise in revenues in Belgium, Netherlands, France and southern European markets, whereas Austria and Germany were particularly impacted by the long heat wave and witnessed a slight drop in revenues.

Solid balance sheet structure

The Wolford Group continued to boast a sound asset and capital structure at the balance sheet date of October 31, 2015. The balance sheet total increased to € 154.28 million compared to € 148.14 million at the prior half-year balance sheet date of October 31, 2014, which was the result of higher inventories and higher deferred tax assets. Equity of the Wolford Group as of October 31, 2015 amounted to € 73.28 million, a drop of

€ 2.94 million from the comparable figure at the end of 2014/15. As a result, net debt rose from € 20.66 million to € 25.50 million. The equity ratio was 48% (October 31, 2014: 51%) and gearing equaled 35% (October 31, 2014: 27%).

Strengthening of innovation capabilities

The consistent orientation of all activities to the company's strategic reorientation initiative not only led to significant revenue growth in Wolford's online and retail businesses, but also led to a more dynamic innovation process. One direct result was a further milestone set by Wolford following the launch last year of the world's first bonded tights (Pure 50 Tights). This autumn Wolford presented its Pure 10 Tights, a unique bonding technique developed by Wolford after years of research, which attracted considerable attention.

Outlook

The first half of the Wolford business year is traditionally the weakest for seasonal reasons. Wolford implemented the strategic reorientation in recent months, thus laying the groundwork for increased revenues and improved earnings. For this reason, Wolford confirms its original target of generating a further increase in revenues and once again concluding the current financial year with positive operating results.

The report on the first quarter of 2015/16 is available at company.wolford.com / Investor

Relations: http://company.wolford.com/wp-content/uploads/2015/12/Wolford_HY_Report_2015_16.pdf

Earnings Data		05 -10/15	05 -10/14	Chg. in %	2014/15
Revenues	in € mill.	79.24	72.63	+9	157.35
EBIT	in € mill.	-0.28	3.17	>100	2.17
Earnings before tax	in € mill.	-0.80	2.72	>100	1.21
Earnings after tax	in € mill.	-0.90	1.38	>100	1.03
Capital expenditure	in € mill.	3.60	5.44	-34	10.97
Free cash flow	in € mill.	-7.33	-3.87	-89	-0.54
Employees (on average)	FTE	1,578	1,567	+1	1,574

Balance Sheet Data		31.10.2015	31.10.2014	Chg. in %	30.04.2015
Equity	in € mill.	73.28	76.22	-4	74.83
Net debt	in € mill.	25.50	20.66	+23	17.12
Working capital	in € mill.	43.74	39.97	+9	38.14
Balance sheet total	in € mill.	154.28	148.14	+4	147.44
Equity ratio	in %	48	51	-	51
Gearing	in %	35	27	-	23

Stock Exchange Data		05 -10/15	05 -10/14	Chg. in %	2014/15
Earnings per share	in €	-0.18	0.28	>100	0.21
Share price high	in €	23.98	24.05	0	24.12
Share price low	in €	20.89	18.75	+11	18.75
Share price at end of period	in €	22.42	19.45	+15	24.00
Shares outstanding (weighted)	in 1,000	4,900	4,900	0	4,900
Market capitalization (ultimo)	in € mill.	112.10	97.25	+15	120.00

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About Wolford AG

Wolford AG, which is headquartered in Bregenz on Lake Constance (Austria) has 16 subsidiaries and markets its products in more than 60 countries through 270 Monobrand points of sale (company-owned and partner-operated), approx. 3,000 distribution partners and online. The company, which has been listed on the Vienna Stock Exchange since 1995, generated revenues of € 157.4 million in the 2014/15 financial year (May 1, 2014 – April 30, 2015) with roughly 1,570 employees. Since its founding in 1950, Wolford has grown to become the leading global brand for luxurious legwear, exclusive lingerie and high-quality bodywear