



REPORT ON THE FIRST QUARTER OF 2015/16

(MAY 2015 – JULY 2015)

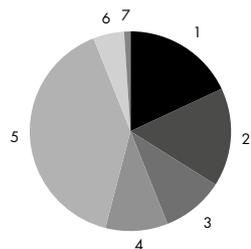
Wolford Group Key Data

Earnings Data		05 - 07/15	05 - 07/14	Chg. in %	2014/15
Revenues	in € mill.	33.98	31.91	+7	157.35
EBIT	in € mill.	-3.04	3.02	>100	2.17
Earnings before tax	in € mill.	-3.33	2.79	>100	1.21
Earnings after tax	in € mill.	-2.55	1.49	>100	1.03
Capital expenditure	in € mill.	1.99	2.07	-4	10.97
Free cash flow	in € mill.	-8.76	-1.03	>100	-0.54
Employees (on average)	FTE	1,583	1,555	+2	1,574

Balance Sheet Data		31.07.2015	31.07.2014	Chg. in %	30.04.2015
Equity	in € mill.	72.47	75.99	-5	74.83
Net debt	in € mill.	25.98	17.95	+45	17.12
Working capital	in € mill.	39.76	38.11	+4	38.14
Balance sheet total	in € mill.	150.58	142.54	+6	147.44
Equity ratio	in %	48	53	-9	51
Gearing	in %	36	24	+50	23

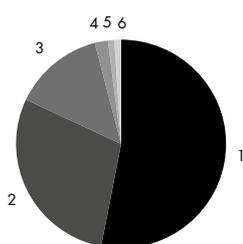
Stock Exchange Data		05 - 07/15	05 - 07/14	Chg. in %	2014/15
Earnings per share	in €	-0.52	0.30	>100	0.21
Share price high	in €	23.98	24.05	0	24.12
Share price low	in €	22.05	18.75	+18	18.75
Share price at end of period	in €	22.37	23.00	-3	24.00
Shares outstanding (weighted)	in 1,000	4,900	4,900	0	4,900
Market capitalization (ultimo)	in € mill.	111.85	112.70	-1	120.00

REVENUES BY MARKET



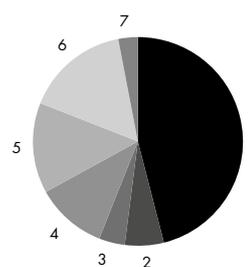
- 1 North America 19 %
- 2 Germany 16 %
- 3 Austria 10 %
- 4 France 8 %
- 5 Rest of Europe 40 %
- 6 Asia/Oceania 7 %
- 7 Rest of the World 0 %

REVENUES BY PRODUCT GROUP



- 1 Legwear 42%
- 2 Ready-to-wear 33%
- 3 Lingerie 22%
- 4 Accessories 2%
- 5 Swimwear 0%
- 6 Trading goods 1%
- 7

REVENUES BY DISTRIBUTION



- 1 Boutiques 47 %
- 2 Concession-Shop-in-shops 7 %
- 3 Online Business 7 %
- 4 Factory Outlets 10 %
- 5 Department Stores 14 %
- 6 Multi-brand Retailers 14 %
- 7 Private Label 1 %

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Letter from the Board



Ashish Sensarma and Axel Dreher, Management Board of Wolford AG

Dear shareholders,

Retail and Online Business grew

Our company generated a significant increase in revenues in the first quarter of 2015/16, not least due to positive currency effects. Revenues rose by 6.5% from the prior-year quarter to € 34.0 million. In particular, the USA, which is our most important market, performed well, as did our business in Great Britain. In contrast, in the month of July Wolford's business heavily suffered from the consequences of the ongoing heat wave in Europe, especially in Germany, Austria and France.

Revenues from Wolford-owned retail stores climbed 8% both in absolute terms and on a like-for-like basis in spite of the partially weak customer traffic. This segment grew even without currency tailwinds, which confirms our strategy of further strengthening the Wolford-owned retail business. The wholesale business reported a slight 2% decline in revenues compared to the first quarter of the previous financial year as a consequence of continuing problems of some wholesale partners and also due to the replanning of delivery deadlines for parts of the autumn/winter collection. Once again our online business was extremely successful, showing a revenue increase of close to 58%.

Earnings development shaped by one-off effects in the previous year

Wolford's earnings development shows a distorted picture in a quarterly comparison due to the fact that the previous year was heavily impacted by two one-off effects. The reported operating results (EBIT) in the first quarter of 2015/16 amount to € -3.0 million (previous year: € +3.0 million), whereas first-quarter earnings after tax total € -2.6 million, compared to the prior-year level of € +1.5 million. However, the positive results in the first quarter of 2014/15 can be attributed to proceeds from the sale of a lease option in Switzerland and the disposal of non-core commercial property in Bregenz which together totaled € 7.4 million.

Adjusted for all these one-off effects, first quarter 2015/16 EBIT improved marginally year-on-year by € 0.1 million, notwithstanding significantly higher rental and personnel expenses, especially in the USA and Great Britain, which is due to the current exchange rate situation. All in all the performance of the company to date was in line with our expectations and does not allow conclusions to be drawn about the earnings in the entire 2015/16 financial year. This is also due to the fact that the first quarter is usually Wolford's weakest period for seasonal reasons.

The development of the cash flow from operating activities at € -8.0 million is mainly related to building up a stock of finished goods to prepare for delivery of the 2015/16 autumn/winter fashion

collection. In this way, Wolford considerably improved its delivery capabilities for both basic and trend-setting products to wholesale customers and Wolford-owned retail stores, which should positively impact the company's revenue development in the coming months. Wolford continued to boast a sound asset and capital structure on the balance sheet date of July 31, 2015, featuring equity of € 72.1 million and an equity ratio of close to 48%.

Wolford's operating performance in recent months confirms that the strategic reorientation is taking the company in the right direction. However, this process of realignment and returning to the company's core strengths has not yet been concluded, and is being systematically pursued by the management and employees. Also after the resignation of Thomas Melzer as CFO effective July 31, 2015, the newly structured Management Board team is continuing to focus on resolutely orienting Wolford's business model to the needs of the retail segment and establishing a new go-to-market model enabling us to fully exploit the strengths of our monobrand stores.

Progress in strategic reorientation

The related activities go hand in hand with the four other strategic measures described in detail in the Wolford Annual Report 2014/15, encompassing the revitalization of the brand, adjustments to the product portfolio and refocusing of market communications along with the optimization and globalization of our controlled multi-channel distribution.

Here we have made substantial progress over the last few months. One example is the resolute streamlining of our Essentials collection within the context of adjustments made to the product portfolio. In the current autumn/winter collection available at the point of sale, we have already reduced the number of stock keeping units by about 700, a decrease of close to 20%. The underlying objective of this streamlining is to reduce the complexity of the collection and thus ensure an optimized presentation of Wolford products at the point of sale while simultaneously establishing a "never out of stock" (NOOS) product line.

We also made headway with respect to the internationalization and optimization of our multi-channel distribution. In contrast to the general trend prevailing in the luxury goods sector, we increased our revenues in China and Hong Kong by more than 40%. Both the 2015 summer collection and the current 2015/16 autumn/winter collection have met with exceptionally positive feedback in Asia. Furthermore, since the end of August Wolford has also been represented on Tmall, the largest online shopping platform in China used by well-known brands such as Gucci and Burberry to market their products. At the same time, we are also working on expanding our sales and distribution capabilities in Eastern Europe and the Middle East, where Wolford has initiated negotiations with two potential master franchise holders. Following a corresponding startup phase, these partnerships offer substantial potential involving a manageable expense and risk for our company.

Dear shareholders, as already mentioned, the first quarter does not allow reliable conclusions to be drawn concerning the current financial year. The main season lies ahead of us, and we have implemented the measures required to further raise revenues and generate improved earnings in the second and above all in the third quarter. After the heat wave in Europe came to an end, we once again saw a rebound of retail sales in this region. Against this backdrop, we are still planning to further increase revenues and conclude the 2015/16 financial year with positive operating results.

Positive operating results expected

We would like to thank you for the confidence you have placed in Wolford AG.



Ashish Sensarma, CEO



Axel Dreher, COO/CFO

Management Report

Significant rise in revenues thanks to currency effects

EARNINGS (MAY TO JULY 2015)

The Wolford Group generated revenues of € 33.98 million in the first three months of the current financial year, comprising a rise of 6.5% or € 2.07 above the prior-year level. Wolford profited from currency effects, in particular within the context of the appreciation in value of the US dollar and the British pound. Adjusted for these currency effects, revenues were at the same level as in the previous year. Following two strong months of sales in May and June, Wolford suffered from a considerable drop in revenues in July, mainly as a consequence of the ongoing heat wave in the affected European markets.

Revenues in the Wolford-owned retail business rose by more than 8% in absolute terms and on a like-for-like basis. Adjusted to reflect the above-mentioned currency effects, the retail segment still posted growth of more than 2%. The wholesale segment reported a 2% decline in revenues compared to the prior-year quarter as a result of problems faced by individual retail partners and replanning delivery deadlines for parts of the autumn/winter collection. Once again Wolford's own online business generated significant growth in revenues, expanding by 58%.

Growth in the USA and Great Britain even without currency effects

The development of revenues in the first three months differed substantially by region. The USA, the most important sales market, as well as Great Britain developed extremely positively in the first quarter. Wolford generated double-digit growth rates in both markets, even adjusted for currency effects these markets did grow. Spain, Italy, Netherlands and Belgium also saw revenue growth. The markets of Germany, Austria and France, which are all important for Wolford, reported single-digit decreases in revenues, clearly suffering from the negative consequences of the long heat wave in Europe. Central and Eastern Europe saw a double-digit drop in revenues, whereas Wolford achieved strong revenue growth of over 40% in Asia.

The trend towards figure-shaping lingerie with a functional character continues unabated, as reflected in double-digit revenue growth in the Lingerie Segment. The Legwear, Ready-to-wear and Trading Goods segments also increased revenues, whereas the Accessories product group suffered from a revenue decline.

EBIT slightly above the previous year after excluding one-off effects

The positive revenue development in the first quarter was not yet reflected in the company's operating results. This can be attributed to the fact that Wolford was faced with cost increases within the context of the appreciation in value of the US dollar and British pound, especially with respect to personnel expenses as well as rental and freight costs (other operating expenses). Moreover, there was a slight increase in the number of employees working for the Wolford Group to 1,583 people from the prior-year level of 1,555.

A quarterly comparison shows that earnings were strongly influenced by one-off effects in the previous year. Against this backdrop, and in light of the fact that no significant costs are expected to arise any longer in connection with the restructuring of the company, Wolford AG is returning to simply reporting its operating results as EBIT without distinguishing it from an adjusted EBIT taking restructuring costs into consideration. Accordingly, no "non-recurring expenses" and "non-recurring income" will be recognized in the 2015/16 financial year, but will only be included in the comparisons to the previous year. As a result, starting in this quarter EBIT and adjusted EBIT will subsequently coincide. The book gain amounting to € 1.09 million from the sale of employee apartments concluded at the beginning of May 2015 was recognized as other operating income (totaling € 1.33 million).

First-quarter EBIT amounted to € -3.04 million compared to € 3.02 million in the first quarter of 2014/15. Prior-year EBIT not only included the sale of the above-mentioned lease option (other operating income to the amount of € 4.04 million), but also the book gain from the sale of non-core land in Bregenz (non-recurring income of € 3.37 million). This was in contrast to non-recurring expenses of € 0.19 million to update the Essentials collection as well as follow-up costs for closing company-owned locations. EBIT rose by € 0.1 million from the previous year excluding all one-off effects including the recent income from the sale of employee apartments (other operating income totaling € 1.09 million).

In the light of a negative net investment securities income, the financial result was at € -0.28 million and thus marginally lower than € -0.23 million in the previous year due to the development of the securities held by the Group. Earnings before tax before the above-mentioned effects totaled € -3.33 million, compared to € 2.79 million in the previous year. Tax income equaled € 0.77 million, which is mainly due to the capitalization of deferred tax assets (previous year: income tax expense of € 1.30 million). Earnings after tax thus amounted to € -2.55 million compared to the prior-year level of € 1.49 million. Earnings per share equaled € -0.52, down from € 0.30 in the first quarter of 2014/15.

**Earnings after tax of
€ -2.55 million**

CASH FLOW (MAY TO JULY 2015)

The cash flow from operating activities (operating cash flow) fell by € 1.53 million in the first three months of 2015/16 to € -8.02 million. This development can be mainly attributed to the lower proceeds from one-off effects. The cash flow from investing activities in the reporting period amounted to € 0.74 million, comprising a decrease of € 6.23 million from the previous year, which was influenced by the sale of non-core land. In the first quarter of 2015/16, Wolford mainly invested in a new company-owned retail location in Puerto Banús, Marbella.

**Higher working capital related to
higher inventories**

Within the context of the above-mentioned effects, the free cash flow (cash flow from operating activities minus the cash flow from investing activities) declined from € -1.00 million to € -8.76 million. The cash flow from financing activities rose from € 2.67 million to € 8.50 million during the reporting period, which is attributable to the higher working capital and increased intangible assets as a result of the payment of key money. Cash and cash equivalents at the end of the first quarter of 2015/16 amounted to € 4.53 million, compared to € 6.38 million in the prior-year quarter.

ASSETS AND FINANCIAL POSITION (AS OF JULY 31, 2015)

The Wolford Group continued to boast a sound asset and capital structure as of the balance sheet date of July 31, 2015. The balance sheet total increased to € 150.58 million compared to € 147.44 million at the end of the 2014/15 financial year on April 30, 2015 as a result of higher inventories and higher deferred tax assets. Equity of the Wolford Group as of July 31, 2015 amounted to € 72.47 million, a drop of € 2.36 million from the comparable figure at the end of 2014/15. As a result, net debt rose from € 17.12 million to € 25.98 million as of July 31, 2015. The equity ratio was 48% (July 31, 2014: 53%), and gearing equaled 36% (July 31, 2014: 24%).

**Solid balance sheet structure,
equity ratio of 48%**

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No major events occurred after that balance sheet date that would have had a significant effect on the financial position, financial performance or cash flows of the Wolford Group.

OUTLOOK

The first quarter of the Wolford business year is traditionally the weakest for seasonal reasons. The quarterly periods which are decisive for the 2015/16 financial year still lie ahead. The necessary steps have been taken to raise revenues and improve earnings. Therefore Wolford confirms its original target of generating a further increase in revenues and to conclude the current financial year with positive operating results.

**Positive operating results (EBIT)
expected**

Interim Financial Statements (IFRS)

Statement of Comprehensive Income

in TEUR	05 - 07/15	05 - 07/14
Revenues	33,984	31,910
Other operating income	1,332	4,514
Changes in inventories of finished goods and work-in-process	3,612	3,488
Own work capitalized	9	13
Operating output	38,937	39,925
Cost of materials and purchased services	-7,710	-8,242
Personnel expenses	-18,907	-17,802
Other operating expenses	-13,067	-11,944
Depreciation and amortization	-2,294	-2,105
EBIT adjusted	-3,041	-168
Non-recurring expenses	0	-186
Non-recurring income	0	3,370
EBIT	-3,041	3,016
Net interest cost	-163	-161
Net investment securities income	-48	45
Interest cost of employee benefit liabilities	-73	-115
Financial result	-284	-231
Earnings before tax	-3,325	2,785
Income tax	771	-1,295
Earnings after tax	-2,554	1,490
Amounts that will not be recognized through profit and loss in future periods	0	0
thereof actuarial gains and losses	0	0
Amounts that will potentially be recognized through profit and loss in future periods	194	116
thereof currency translation differences	189	162
thereof change from cash flow hedges	5	-46
Other comprehensive income¹⁾	194	116
Total comprehensive income	-2,360	1,606
Attributable to the equity holders of the parent company	-2,360	1,606
Earnings after tax attributable to equity holders of the parent company	-2,554	1,490
Earnings per share (diluted = basic)	-0.52	0.30

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

Cash Flow Statement

in TEUR	05 - 07/15	05 - 07/14 ¹⁾
Earnings before tax	-3,325	2,785
Depreciation and amortization	2,317	1,808
Interest result	210	116
Gains / losses from disposal of property, plant and equipment	-1,064	-3,357
Changes in non-current provisions	-314	60
Changes in inventories	-3,889	-3,529
Changes in trade receivables	561	-622
Changes in other assets	490	-2,115
Changes in trade payables	-840	-1,258
Changes in current provisions	-2,105	-595
Changes in other liabilities	222	477
Changes in the cash flow hedge reserve	6	-61
Currency translation differences	0	0
Net interest paid	-186	-150
Income taxes paid / received	-101	-50
Cash flow from operating activities	-8,018	-6,491
Investments in property, plant and equipment and other intangible assets	-2,102	-1,549
Proceeds from the sale of property, plant and equipment and other intangible assets	1,360	7,040
Proceeds from the disposal of securities	0	0
Cash flow from investing activities	-742	5,491
Payment received from current and non-current financing liabilities	9,115	2,946
Repayment of current and non-current financing liabilities	-619	-274
Dividends paid	0	0
Cash flow from financing activities	8,496	2,672
Change in cash and cash equivalents	-264	1,672
Cash and cash equivalents at the beginning of the period	4,785	4,653
Effects of exchange rate fluctuations on cash and cash equivalents	6	59
Cash and cash equivalents at the end of the period	4,527	6,384

1) Adjusted to reflect the allocation of currency translation differences to the individual cash flow positions.

Balance Sheet

in TEUR	31.07.2015	31.07.2014	30.04.2015
Property, plant and equipment	53,190	53,259	53,470
Goodwill	1,285	1,182	1,278
Other Intangible assets	12,327	10,026	12,311
Financial assets	1,547	1,519	1,595
Non-current receivables and assets	2,175	1,373	2,168
Deferred tax assets	11,413	7,532	10,445
Non-current assets	81,937	74,891	81,267
Inventories	46,287	43,721	42,201
Trade receivables	9,554	9,480	10,081
Other receivables and assets	2,612	2,908	5,219
Prepaid expenses	5,663	4,863	3,595
Cash and cash equivalents	4,527	6,384	4,785
Non-current assets held for sale	0	289	289
Current assets	68,643	67,645	66,170
Total assets	150,580	142,536	147,437
Share capital	36,350	36,350	36,350
Capital reserves	1,817	1,817	1,817
Other reserves	35,353	40,640	37,902
Currency translation differences	-1,052	-2,819	-1,241
Equity	72,468	75,988	74,828
Financial liabilities	4,962	5,676	4,940
Other liabilities	1,041	1,085	1,052
Provision for long-term employee benefits	18,905	15,758	19,220
Deferred tax liabilities	48	105	54
Non-current liabilities	24,956	22,624	25,266
Financial liabilities	27,095	20,177	18,572
Trade payables	4,209	4,679	5,155
Other liabilities	14,483	13,321	14,204
Income tax liabilities	1,609	978	1,568
Other provisions	5,760	4,769	7,844
Current liabilities	53,156	43,924	47,343
Total equity and liabilities	150,580	142,536	147,437

Statement of Changes in Equity

in TEUR	Attributable to equity holders of parent company							Total equity
	Share capital	Capital reserves	Hedging reserve	Actuarial gain/loss	Other reserves	Treasury stock	Currency translation	
1.05.2014	36,350	1,817	-3	-1,542	45,404	-4,663	-2,981	74,382
Dividends 2013/14	0	0	0	0	0	0	0	0
Earnings after tax	0	0	0	0	1,490	0	0	1,490
Other comprehensive income	0	0	-46	0	0	0	162	116
31.07.2014	36,350	1,817	-49	-1,542	46,894	-4,663	-2,819	75,988
01.05.2014	36,350	1,817	-5	-3,867	46,437	-4,663	-1,241	74,828
Dividends 2014/15	0	0	0	0	0	0	0	0
Earnings after tax	0	0	0	0	-2,554	0	0	-2,554
Other comprehensive income	0	0	5	0	0	0	189	194
31.07.2015	36,350	1,817	0	-3,867	43,883	-4,663	-1,052	72,468

Segment Reporting

05 - 07/15 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	21,106	20,625	6,653	1,521	-15,921	33,984
thereof intersegment	13,673	2,248	0	0	-15,921	0
External revenues	7,433	18,377	6,653	1,521	0	33,984
EBIT adjusted	972	-2,541	-1,380	-432	340	-3,041
Non-recurring expenses	0	0	0	0	0	0
Non-recurring income	0	0	0	0	0	0
EBIT	972	-2,541	-1,380	-432	340	-3,041
Segment assets	174,867	47,403	17,558	3,797	-93,045	150,580
Segment liabilities	74,322	39,101	11,807	2,759	-49,877	78,112
Investments	544	1,065	161	227	-7	1,990
Depreciation and amortization	1,290	748	176	86	-6	2,294
Employees on average (FTE)	725	721	100	37	0	1,583

05 - 07/14 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	20,180	19,787	5,191	1,138	-14,386	31,910
thereof intersegment	13,028	1,358	0	0	-14,386	0
External revenues	7,152	18,429	5,191	1,138	0	31,910
EBIT adjusted	-713	1,522	-1,910	-255	1,188	-168
Non-recurring expenses	-172	-14	0	0	0	-186
Non-recurring income	3,370	0	0	0	0	3,370
EBIT	2,485	1,508	-1,910	-255	1,188	3,016
Segment assets	158,726	45,614	12,410	4,028	-78,242	142,536
Segment liabilities	57,018	33,813	8,636	2,145	-35,064	66,548
Investments	1,507	351	155	60	-4	2,069
Depreciation and amortization	1,264	655	109	84	-7	2,105
Employees on average (FTE)	713	686	119	37	0	1,555

Notes to the Interim Financial Statements

GENERAL INFORMATION

The consolidated interim financial statements of the Wolford Group for the first three months of the 2015/16 financial year (May 1, 2015 to July 31, 2015) were prepared in accordance with International Financial Reporting Standards (IFRS) on the basis of IAS 34 (Interim Financial Reporting). The accounting and valuation policies applied in preparing the consolidated interim financial statements reflect the policies applied to the consolidated financial statements for the 2014/15 financial year. The following new or revised standards and interpretations require mandatory application in the 2015/16 financial year.

Standard / Interpretation	Description	Effective date
IFRIC 21	Levies	June 17, 2014
Improvements to IFRS 2011-2013	Changes to IFRS 1, IFRS 3, IFRS 13 und IAS 40	January 1, 2015
Improvements to IFRS 2010-2012	Changes to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24 und IAS 38	February 1, 2015
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions	February 1, 2015

The application of the new standards and interpretations has no effect on the consolidated interim financial statements of the Wolford Group. The consolidated interim financial statements do not include all information and disclosures required for the consolidated annual financial statements. For this reason, the consolidated interim financial statements should also be read in connection with the latest consolidated financial statements as of April 30, 2015. The amounts included in this quarterly report are presented in thousands of euros (TEUR). Rounding differences may arise from the application of commercial rounding principles.

No significant costs should arise from Wolford's strategic refocusing efforts in the future. Therefore no additional non-recurring expenses and income will be reported in the current financial year but only in the comparison with prior-year figures. In order to more transparently present the development of the Wolford Group's operating business, all non-recurring effects in previous years related to the strategic refocusing were excluded from the calculation of adjusted EBITDA and adjusted EBIT and reported separately as non-recurring items in the statement of comprehensive income in accordance with IAS 1.98. These non-recurring items include expenses for updating the Essentials collection, follow-up costs from closing company-owned locations and the related severance payments as well as income from the sale of non-core land.

SCOPE OF CONSOLIDATION

There were no changes in the scope of consolidation since the balance sheet date on April 30, 2015.

SEASONALITY OF BUSINESS

Wolford generates lower revenues in the first and last months of the financial year due to the weather. These seasonal fluctuations are reflected in revenues for the first and fourth quarters, which are generally lower than the comparable figures for the second and third quarters.

NOTES ON THE STATEMENT OF COMPREHENSIVE INCOME

Revenues recorded by the Wolford Group rose by 6.5%, or TEUR 2,074 to TEUR 33,984 in the first three months of 2015/16 (previous year: TEUR 31,910). The increase can mainly be attributed to currency effects. Operating output was down by TEUR 998 to TEUR 38,937 (previous year: TEUR 39,925) due to the fact that the prior-year quarter included other operating income generated by the sale of a lease option for a location in Switzerland (TEUR 4,043) in contrast to lower proceeds from the sale of employee apartments (TEUR 1,091) in the current financial year.

The development of operating profit was influenced by an increase in personnel expenses of TEUR 1,105 and a rise in other operating expenses to the amount of TEUR 1,123 mainly related to higher rental and lease payments as well as freight costs. Adjusted EBIT in the first three months of the 2015/16 financial year totaled TEUR -3,041 compared to TEUR -168 in the prior-year quarter. Adjusted EBIT was slightly higher than in the first quarter of 2014/15 after taking account of the proceeds from the sale of the lease option in the previous year and the employee apartments in the current year.

The financial result in the first three months of the current financial year deteriorated by TEUR 53 to TEUR -284, which is due to the negative value development of the securities held by the Wolford Group totaling TEUR -48 (previous year: TEUR 45).

The reported tax income amounted to TEUR 771 in the first quarter of 2015/16 as a consequence of the capitalization of deferred taxes, whereas a tax expense of TEUR 1,295 related to the taxable sale of a lease option was recognized in the previous year. Accordingly, earnings after tax were TEUR -2,554 (previous year: TEUR 1,490).

Positive currency translation differences of TEUR 189 (previous year: TEUR 162) which were recorded without recognition through profit or loss as well as a positive change in the hedging reserve of TEUR 5 (previous year: TEUR -46) led to other comprehensive income of TEUR 194 (previous year: TEUR 116). The total comprehensive income resulted in a decline in equity in the reporting period by TEUR 2,360 (previous year: increase of TEUR 1,606).

NOTES ON SEGMENT REPORTING

The Wolford Group has four reportable segments: Austria, Other Europe, North America and Asia. Segment reporting is based on the same accounting and valuation policies applied in preparing the consolidated financial statements.

External sales declined by 0.3% in the Other Europe segment. In contrast, external sales were up 4% in the Austria segment. The North America and Asia segments showed particularly gratifying growth, with sales increasing by 28% and 34% respectively.

Adjusted EBIT in the Austria segment rose by TEUR 594 after taking accounting of the proceeds from the sale of employee apartments. Adjusted EBIT in Other Europe was down by TEUR 20 year-on-year after taking account of proceeds from the sale of a lease option in Switzerland in the previous year. The North America segment showed a particularly gratifying performance, with adjusted EBIT up TEUR 530 from the prior-year quarter. Only in Asia did the adjusted EBIT decline by TEUR 177. Segment assets rose by TEUR 8,084 year-on-year to TEUR 150,580. This increase reflects the higher working capital and the payment of key money.

NOTES ON THE CASH FLOW STATEMENT

The cash flow from operating activities (operating cash flow) fell by TEUR 1,527 to TEUR -8,018 in the first three months of 2015/16. This development can be mainly attributed to the lower proceeds from one-off effects. The cash flow from investing activities amounted to TEUR 742, comprising a drop of TEUR 6,233 year-on-year. The prior-year cash flow from investing activities included net proceeds of TEUR 6,713 from the sale of non-core land and a year-on-year increase in cash outflows for investments of TEUR 533. Net proceeds from the sale of employee apartments totaled TEUR 1,357 in the current financial year. Moreover, Wolford invested in a new company-owned retail location in Marbella.

The above-mentioned developments led to a decline in the free cash flow (cash flow from operating activities minus the cash flow from investing activities) from TEUR -1,000 to TEUR -8,760.

Accordingly, the cash flow from financing activities rose from TEUR 2,672 to TEUR 8,496 during the reporting period. Cash and cash equivalents totaled TEUR 4,527 at the end of the reporting period compared with TEUR 6,384 on July 31, 2014.

NOTES ON THE BALANCE SHEET

The balance sheet total amounted to TEUR 150,580 as of the balance sheet date of July 31, 2015, which represents an increase of 6% over the level at July 31, 2014. Non-current assets rose by 9% to TEUR 81,937, accounting for 54% of total assets. Investments of TEUR 1,990 in intangible assets and property, plant and equipment were in contrast to scheduled amortization and depreciation of TEUR 2,294. Current assets equaled about 46% of total assets as of July 31, 2015. Inventories rose by 6% to TEUR 46,287 or 31% of total assets, whereas trade receivables remained almost constant, comprising about 6% of total assets.

Equity totaled TEUR 72,468 as of July 31, 2015, which represents an equity ratio of 48% (previous year: 53%). Non-current liabilities rose by TEUR 2,332, from TEUR 22,624 to TEUR 24,956, or 17% of the balance sheet total, primarily due to an interest rate-related increase in non-current employee-related provisions. Current liabilities rose to TEUR 53,156 (previous year: TEUR 43,924), primarily owing to an increase of TEUR 6,918 in current financial liabilities to TEUR 27,095 and an increase in other liabilities. Working capital rose from TEUR 38,109 on July 31, 2014 to TEUR 39,761 due to the increase in inventories. Net debt totaled TEUR 25,983 at the reporting date, representing a rise of TEUR 8,033 from the comparable figure at July 31, 2014.

FINANCIAL INSTRUMENTS

The following hierarchy is used to determine and report the fair value of financial instruments:

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 in the prior year 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. No financial instruments are valued in accordance with Level 3, and there were no reclassifications between the fair value hierarchy levels during the reporting period.

in TEUR	31.07.2015		31.07.2014		
	Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	1	1,547	1,547	1,519	1,519
Trade receivables		9,554	9,554	9,480	9,480
Other receivables and assets		2,612	2,612	2,908	2,908
thereof derivatives	2	0	0	2	2
thereof securities and financial investments	1	0	0	60	60
Deferred expenses		5,663	5,663	4,863	4,863
Liquid funds		4,527	4,527	6,384	6,384
Total financial assets		23,903	23,903	25,154	25,154
Financial liabilities, non-current		4,962	4,962	5,676	5,676
Financial liabilities, current		27,095	27,095	20,177	20,177
Trade payables		4,209	4,209	4,679	4,679
Other liabilities		14,483	14,483	13,321	13,321
thereof derivatives	2	0	0	66	66
Total financial liabilities		50,749	50,749	43,853	43,853

OTHER DISCLOSURES

There were no material changes in contingent liabilities since the last balance sheet date.

RELATED PARTY TRANSACTIONS

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

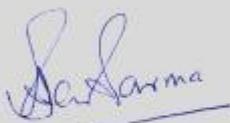
SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No major events occurred after that balance sheet date that would have had a significant effect on the financial position, financial performance or cash flows of the Wolford Group.

WAIVER OF REVIEW

This report on the first quarter of the 2015/16 financial year was neither audited nor reviewed by a certified public accountant.

Bregenz, September 14, 2015



Ashish Sensarma
CEO

Responsible for Marketing, Sales and
Coordination of the Corporate
Strategy



Axel Dreher
Deputy CEO

Responsible for Product Development,
Production and Technology, Procurement,
Distribution Logistics and Quality
Management

Financial Calender

Datum	Event
September 17, 2015	28th Annual General Meeting
September 22, 2015	Deduction of dividends (ex-day)
September 24, 2015	First day of dividend payment
December 14, 2015	Half-Year Report 2015/16
March 18, 2016	Q3 Report 2015/16
July 15, 2016	Press conference on 2015/16 annual results

Information on the company and the share

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This report on the first quarter of 2015/16 is available in the Internet under company.wolford.com in the Investor Relations section.

To ensure readability, statements referring to her or she are intended to be gender neutral and are equally valid for both women and men.

Disclaimer

This quarterly report was prepared with the greatest possible care, and all data were subjected to multiple reviews by Wolford AG. Nevertheless, rounding, typesetting or printing errors cannot be excluded. This report is also published in English, but only the German text is binding. The quarterly report contains forward-looking statements which reflect the opinions and expectations of the Management Board and are subject to risks and uncertainties that could have a significant impact on actual results. Readers are therefore cautioned not to place undue reliance on these forward-looking statements. Wolford AG is not required to publish any updates or revisions of the forward-looking statements contained in this report unless required by law.

Monobrand Points of Sale

WORLDWIDE

Monobrand points of sale
July 31, 2015: 272

- Thereof Woldford-owned points of sale:
115 boutiques
41 concession shop-in-shops
25 factory outlets
- Thereof partner-operated points of sale:
91 boutiques
approx. 3,000 other distribution partners



NORTH AMERICA: 36

- Thereof Woldford-owned points of sale:
24 boutiques
7 concession shop-in-shops
3 factory outlets
- Thereof partner-operated points of sale:
2 boutiques



ASIA: 40 ¹⁾

- Thereof Woldford-owned points of sale:
6 boutiques
3 concession shop-in-shop
- Thereof partner-operated points of sale:
31 boutiques

¹⁾Including Russia, Ukraine

EUROPE: 188 ²⁾

- Thereof Woldord-owned points of sale:
85 boutiques
31 concession shop-in-shops
22 factory outlets

- Thereof partner-operated points of sale:
50 boutiques

²⁾Excluding Russia, Ukraine



