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PRESS RELEASE

Ahlers more than doubles its result

Ahlers AG, Herford. The Ahlers Group more than doubled its earnings before and after tax in the first three months of the fiscal year 2009/10. Sales revenues in the premium segment increased by 2 percent and now account for 54 percent of total sales (previous year: 51 percent). Total sales revenues of the menswear manufacturer declined by 3.6 percent for economic reasons.

Menswear manufacturer Ahlers generated earnings after taxes of EUR 4.4 million in the first quarter of 2009/10, EUR 2.3 million more than in the same period of the previous year. The increase is primarily attributable to rising gross profits resulting from the consistent relocation of production facilities and reduced write-downs of excess inventories as well as lower costs. Sales revenues declined by a moderate 3.6 percent to EUR 67.1 million from the high level of the prior year quarter (EUR 69.6 million). The company reported a gratifying 2.3 percent increase in sales in the premium segment and in the Retail business.

The company's financial position remains sound. An equity ratio of 59 percent (previous year: 53 percent) and very low financial liabilities mean that the fashion company rests on a solid foundation.

The Management Board of the Ahlers Group projects earnings to increase in 2009/10 on slightly lower sales. The percentage increase of the first quarter should slow down as the year progresses, however, as the cost-saving programme primarily took effect in the second half of 2008/09 and the first half of 2009/10.

On March 24, 2010, the Management Board of Ahlers AG and the management of Hatico Mode GmbH announced their intention to establish a joint venture under the name of Jupiter Shirt GmbH, which will become fully operational on October 1, 2010. This should have hardly any impact on Ahlers AG's projections for the current fiscal year.