



PRESS RELEASE

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Ahlers is growing in Germany

- **Stable revenues on the German market despite sharply falling overall trend in the retail trade and continued solid development in Western Europe and Poland**
- **Increase in revenue in the own retail trade**
- **Fall in total revenue and operating results marked by two major influences**
- **Solid equity ratio of 58 per cent**
- **Management Board decides to discontinue the business with Gin Tonic from the fall season 2016 and corrects the expected operating results downwards for the whole year 2014/15**

In Germany Ahlers gained market shares in the first six months of the fiscal year 2014/15 with almost stable revenues on a sharply falling clothing market. The good development of revenue also continues in Western Europe with sharp growth in the Netherlands and Italy. Growing and also satisfactory development was achieved in the important Eastern European markets of Poland and the Baltic States. In particular the two premium brands Pierre Cardin and Baldessarini distinguished themselves well from the generally falling trend in Western Europe and generated an increase in revenue of 2.5 per cent in the first half-year.

The own retail trade is also growing contrary to the trend on the market

The revenues in the own retail trade increased by 4.9 per cent in the first half-year of 2014/15. The share of the total revenue thus now amounts to 11.8 per cent (previous year 10.7 per cent). Like-for-like the revenues increased by 2.5 per cent compared with the same period of the previous year. With an increase in revenue of 26.5 per cent the eCommerce business continued to develop strongly in reporting period.

Minus in the total revenue and operating results owing to two major factors of influence

Sharp falls in the Russia business and reduction in revenues with the last major Private Label customer are the two decisive causes for the minus of EUR 5.8 million or 4.7 per cent in the total revenue. The gross profit which was reduced by the lower revenue was transferred with a slight reduction into the EBIT before special effects owing to the moderately lower material expenses and led to a fall in operating results from EUR 2.4 million to EUR 0.7 million (previous year EUR 3.1 million).

Equity ratio with solid 58 per cent with slightly changed balance sheet structure

The equity ratio fell slightly from 60 per cent to a continued very solid 58 per cent, because the balance sheet total has grown from EUR 176.3 million to EUR 181.7 million (3.1 per cent) owing to higher receivables above all from trade in the countries of France, Spain and Poland.



Ahlers reacts immediately to the difficult basic conditions

The Ahlers Management Board introduced measures immediately in order to increase the profitability again. The sales activity of the Gin Tonic trademark will be discontinued from the end of 2015. The delivery for the Gin Tonic summer season 2016 will be carried out as planned. Due to special burdens owing to the discontinuation of the business of Gin Tonic and revenue influences on the contribution margin the Ahlers' operating results will fall much sharper in 2014/15 than originally expected. Despite the falling operating results for the fiscal year 2014/15 a positive cashflow is expected, which should allow a satisfactory dividend.

Your contact in case of queries:

Ahlers AG
Götz Borchert
Head of Marketing and Corporate Communication
Phone: +49 (0)5221/ 979 270
E-mail: goetz.borchert@ahlers-ag.com

Yvonne Georgi
Press and public relations work
Tel. +49 (0)5221/ 979-260
Fax: +49 (0)5221/ 979-274
E-mail: yvonne.georgi@ahlers-group.com