



PRESS RELEASE

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Ahlere reports revenues and cash flow according to plan in FY 2016/17. Consolidated earnings after taxes come in below expectations at EUR 1.9 million due to increased expenses and lower gross profit margin. Stable dividend of EUR 0.15 per common share and EUR 0.20 per preferred share proposed.

Ahlere increased its sales revenues as expected by 5.7 percent in Q4 2017 in spite of the discontinuation of Gin Tonic and the private label business. This means that the continued operations grew as planned by 1.4 percent or EUR 3.3 million in the full year 2016/17. Total sales revenues in 2016/17 amounted to EUR 235.9 million (previous year: EUR 237.8 million). The decline by EUR -1.9 million or -0.8 percent means that revenues were essentially stable in spite of the discontinuation of activities (EUR -5.2 million).

Because of increased expenses for order picking for the e-commerce and wholesale business, start-up costs for the ERP project (Enterprise Resource Planning) in the go-live phase and a lower gross profit margin, the results of Q4 2017 were only slightly higher than those of the previous year. As the Management Board had expected much stronger increases, the full-year EBITDA target and the full-year consolidated EAT target were not reached (EBITDA 2016/17: EUR 8.3 million, previous year: EUR 9.2 million; EAT 2016/17: EUR 1.9 million, previous year: EUR 2.5 million). The Management Board had projected moderate earnings growth at all levels. By contrast, operating cash flow, at EUR 10.2 million, exceeded the previous year's EUR 4.9 million by over 100 percent and thus came in fully according to plan thanks to lower inventories and generally reduced net working capital.

The company plans to propose a stable dividend of EUR 0.15 per common share and EUR 0.20 per preferred share to the Annual Shareholders' Meeting on April 24, 2018

All figures are preliminary. The final figures for the fiscal year 2016/17 will be published on February 28, 2018. The first revenue and earnings forecast for the fiscal year 2017/18 will be presented on the same day. In view of the decisions and measures taken, the Management Board already projects higher revenues and earnings for the fiscal year that has just begun.

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