



PRESS RELEASE

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Supervisory Board and Management Board of Ahlers AG adopt comprehensive set of measures to sustainably improve results in the medium term. One-time effects of approx. EUR 5 million expected in the 2017/18 annual financial statements. Probably no dividend for the current financial year.

The Supervisory Board and the Management Board of Ahlers AG today adopted the basic resolutions for a comprehensive set of measures. It comprises the concentration on Ahlers AG's core brands, the streamlining of the organisation and a reduction in complexity. The aim is to make the company future-proof and sustainably profitable in a strongly changing market environment. The full set of measures will lead to job cuts of about 130, including presumably 100 in Germany. The Management Board aims to implement the job cuts in constructive cooperation with the staff representatives. Preparatory talks with the competent employee bodies will start soon. It is already certain that the business activity of Jupiter, the sportswear brand, will be discontinued after distribution of the 2019 winter season. From today's point of view, extraordinary one-time expenses of approx. EUR 5 million will be incurred in the financial year 2017/18 mainly as a result of the measures planned. The changes to be implemented will also result in a reduction in net working capital, which is why there will be no additional financing requirements during the implementation period up to the end of 2019.

According to initial estimates, business in the first nine months of the financial year 2017/18 was at the lower end of the company's expectations. Sales revenues in the



first nine months are estimated to amount to approx. EUR 168 million (previous year EUR 180 million; -6.7 percent), also due to the fact that deliveries were shifted to the fourth quarter. Earnings before taxes are estimated to come in slightly positive (previous year: EUR 5.8 million). The full figures for the nine-month period of 2017/18 will be published on October 10, 2018.

The revenue trend for the full year 2017/18 is expected to be slightly better in percentage terms than for the first nine months (-6.7 percent, total revenues in 2016/17: EUR 235.9 million). Before one-time effects EBIT will be slightly negative (previous year: EUR +3.5 million) and will additionally be affected by the extraordinary one-time expenses. It is unlikely that a dividend will be paid for the 2017/18 financial year. Management expects earnings to improve sustainably as of 2020.

Your contact for inquiries:

Carla Henkel

Editor

Telefon: +49 5221 979-2717

Fax: +49 5221 979-274

E-Mail: carla.henkel@ahlers-group.com