

Ad-hoc announcement pursuant to Article 17 MAR

Ahlers AG, Herford

ISIN DE0005009708 and ISIN DE0005009732

Decline in revenues and earnings due to shift of revenues into Q2 2018 and declining own retail sales. Revenues down by 3.8 percent or EUR 2.4 million and consolidated earnings by 31 percent or EUR 0.9 million in Q1 2017/18. Forecast for full year unchanged: revenues and earnings expected to pick up.

In the past years, the first and third quarter were influenced by a shift of revenues to the corresponding following quarters. These shifts are the result of the more effectively timed delivery of seasonal merchandise and the growing consignment sales. In the first quarter of 2017/18, revenues also shifted to the following three-month period. Sales revenues in the company's own retail stores also declined, primarily because of reduced sales per square metre but also due to the closure of some stores. Total revenues fell by EUR 2.4 million from EUR 63.1 million to EUR 60.7 million. The drop in revenues was the main reason for the reduction in consolidated earnings before taxes (EUR -1.3 million). Earnings after taxes declined by EUR 0.9 million from EUR 2.9 million to EUR 2.0 million in the first three months of 2017/18.

The Management Board confirms the forecast for the fiscal year 2017/18 published in the Annual Report 2016/17. Sales revenues are projected to increase moderately and consolidated earnings before and after taxes are expected to pick up in the medium double-digit percentage range. At the same time it has also pointed out that this forecast is subject to great uncertainty because of the volatile market conditions in the clothing retail industry.

All figures are preliminary. The final figures for Q1 2017/18 will be published on April 11, 2018.

Herford, March 26, 2018

The Management Board

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