






GERRY WEBER

INTERNATIONAL AG



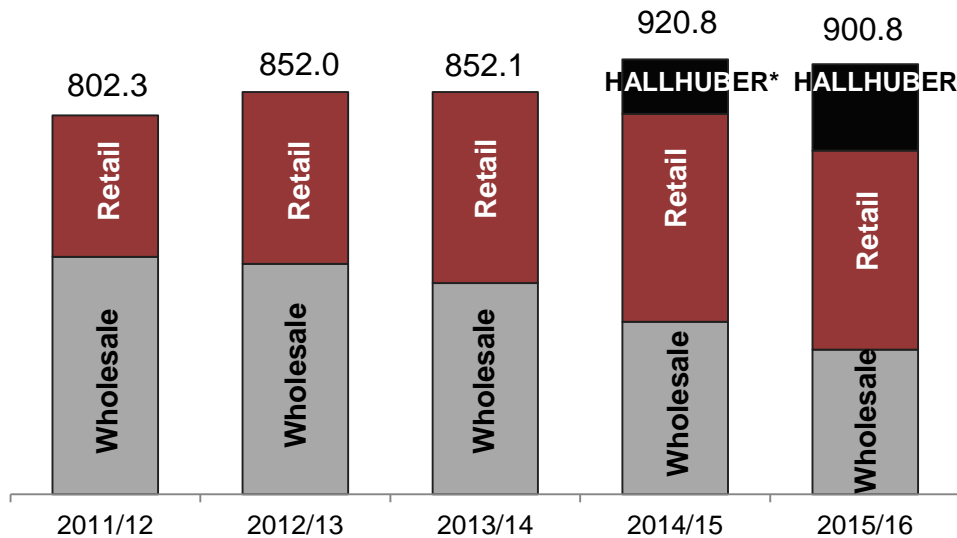
Consolidated Financial Statements 2015/16

Halle/Westphalia, 23 February 2017

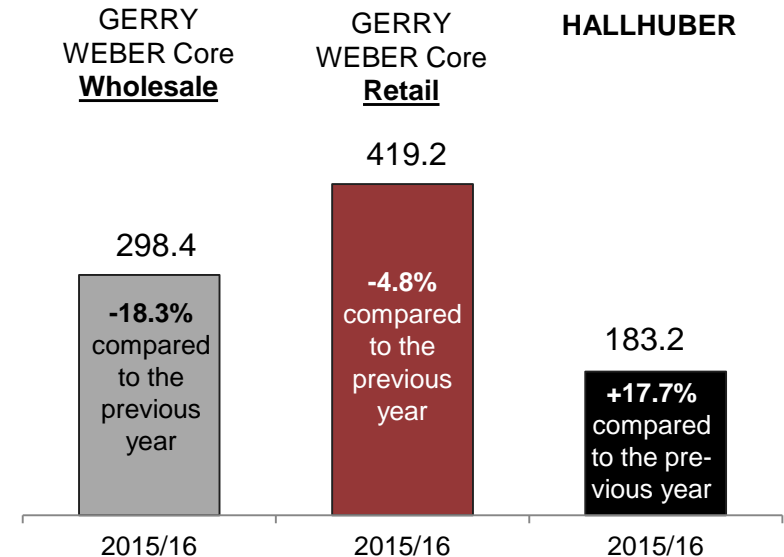
	2015/16	2015/16
	GERRY WEBER Core (GERRY WEBER, TAIFUN, SAMOON)	HALLHUBER*
	Decrease in revenues of 10.9% to EUR 717.6 million due to negative like-for-likes (-7.6%) as well as store closures	Sales increase to EUR 183.2 million (+17.7% compared to the full previous year)
	Increase in gross margin to 60.3% (2014/15: 57.5 %)	Gross margin of 60.5% (2014/15: 67.1%)
	EBITDA reported = EUR 77.3 million EBITDA adjusted = EUR 71.6 million	EBITDA = EUR 8.3 million
	924 company-managed sales spaces (previous year: 987)	342 company-managed sales spaces (previous year: 275)
	Like-for-like Retail sales: -7.6%	Like-for-like Retail sales: +2.1%
	(Market Development in Germany from Nov. 2015 until Oct. 2016: -3% to -4%)	

- ⇒ **Group sales** were down by 2.2% on the previous year and amounted to EUR 900.8 million
- ⇒ **GERRY WEBER Core** sales declined by 10.9% and contributed 717.6 million to group sales
- ⇒ **HALLHUBER** sales rose by 17.7% yoy and amounted to EUR 183.2 million
- ⇒ **Retail sales** declined by 4.8% and amounted to EUR 419.2 million
- ⇒ **Wholesale sales** amounted to EUR 298.4 million, down 18.3% on the previous year

SALES DEVELOPMENT (EUR million)



SALES SPLIT BY SEGMENT (EUR million)



*initial consolidation of HALLHUBER in Q2 2014/15

GERRY WEBER Core Retail

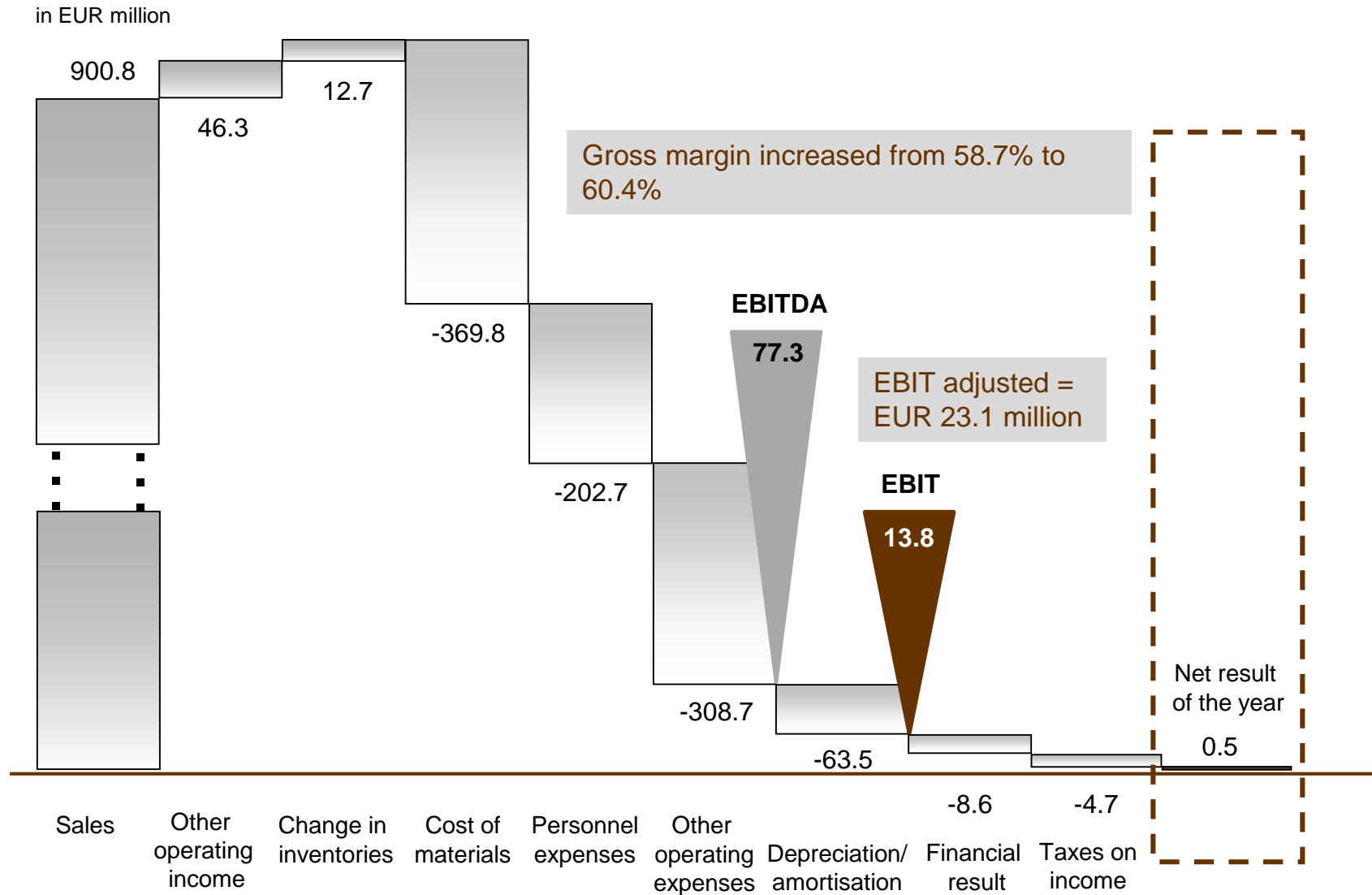
- ➔ **Retail sales** decreased by 4.8% to EUR 419.2 million (previous year: EUR 440.3 million) due to
 - store closures in the context of the FIT4GROWTH programme (75 in 2015/16)
 - a like-for-like sales decrease of 7.6% (decline of the German fashion market -3 % to -4%)
- ➔ **Online sales** rose by 10.3 % to EUR 26.1 million
- ➔ **Share in Group sales:** 46.5%

GERRY WEBER Core Wholesale

- ➔ **Wholesale sales declined by 18.3 %** to EUR 298.4 million (previous year: EUR 365.4 million) due to
 - a continuously challenging market environment also for our Wholesale partners
 - lower orders by our Wholesale customers
- ➔ **Wholesale share in total Group sales** was 33.1%

HALLHUBER

- ➔ **Sales rose by 17.7%** to EUR 183.2 million due to
 - a plus in like-for-like sales of 2.1%, which was well above the overall market trend in Germany
 - an increase in online sales by 44.9% to EUR 17.8 million. This equals almost 10% of HALLHUBER sales
 - 67 newly opened sales spaces in 2015/16
- ➔ **Share in Group sales:** 20.3%



➔ Cost effects coming from the realignment programme FIT4GROWTH amounted to EUR 31.2 million in financial year 2015/16. On the other hand profit of the Hall 30 sale amounted to EUR 21.9 million

in EUR million	2015/16
EBITDA reported	77.3
Costs relating to the realignment programme FIT4GROWTH	16.2
Profit of the Hall 30 sale	21.9
EBITDA adjusted	71.6

EBIT reported	13.8
Extraordinary costs (EUR 16.2 million) as well as write-downs (EUR 15 million) resulting from FIT4GROWTH	31.2
Profit of the Hall 30 sale	21.9
EBIT adjusted	23.1



RETAIL

- Optimisation of the store network
- Improved customer approach
- Digitalisation
- Optimisation of merchandise/inventory management

1

→ Optimisation of the store network

- 75 of 103 planned stores closed by 31 October 2016. The remaining ones are expected to be closed by mid-2017

→ Improved customer approach and brand experience

- Start of the refurbishment of the TOP 17 stores as well as new design of our shop windows
- Implementation of new shop-in-shop-concepts GERRY WEBER Casual and TAIFUN 2.0

STRUCTURE AND PROCESSES

2

→ Digitalisation strategy

- Long-term and forward looking digitalisation strategy developed
- Definition of a roadmap for the next three years
- Introduction of “Click&Collect” in all German HALLHUBER mono-label stores
- Relaunch GERRY WEBER Online Shops in Spring 2017 – first separate shops for TAIFUN and SAMOON

WHOLESALE

3

BRANDS

4



2017	2018	2019	2020
EVOLUTION		FURTHER DEVELOPMENT	
<ul style="list-style-type: none"> ▪ Relaunch of GERRY WEBER online shops ▪ Relaunch of HALLHUBER online shops ▪ Online availability of the entire collection ▪ “Online-only” collections ▪ Extension of the platform business 		<ul style="list-style-type: none"> ▪ Introduction of cross channel services at GERRY WEBER and extension at HALLHUBER ▪ Introduction of CRM system ▪ Expansion of the e-Commerce business abroad ▪ Extension of customer acquisition 	
OPIMIZATION ACROSS CHANNELS AND BRANDS			
<ul style="list-style-type: none"> ▪ Implementation of a “modular system“ ▪ Harmonisation of B2C handling ▪ Complete integration of the distribution channels 			

TARGETS

Strengthen individuality of each brand

- Brand and target group specific approach of the individual online shops

Exploit synergies

- Collective use of background systems and processes (e.g. IT, Logistic)

1 RETAIL

STRUCTURES & PROCESSES

- Reduce non-staff and personnel expenses
- Efficiency potential of logistic centre

3 WHOLESALE

4 BRANDS

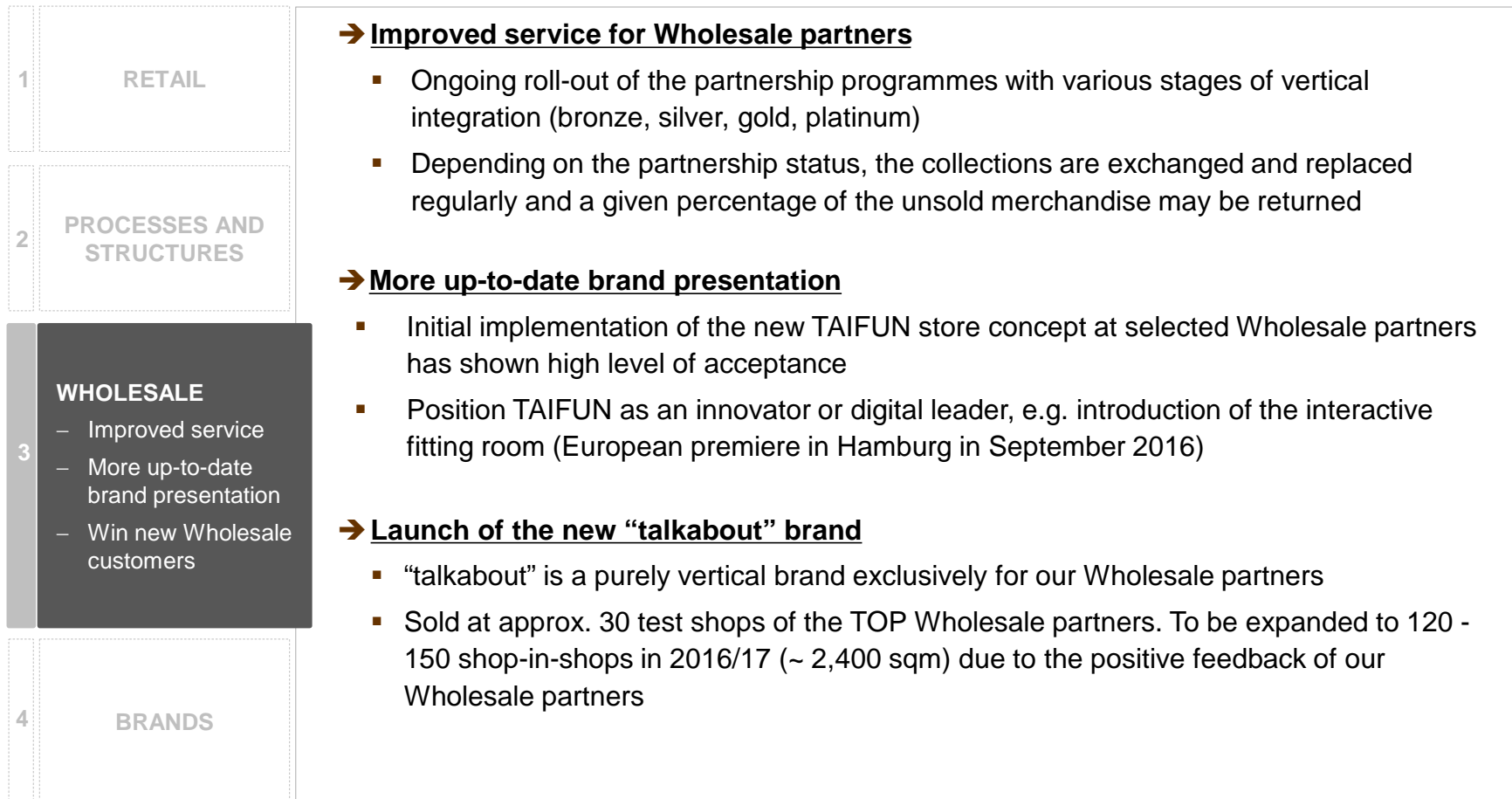
➔ **Reduce personnel expenses**

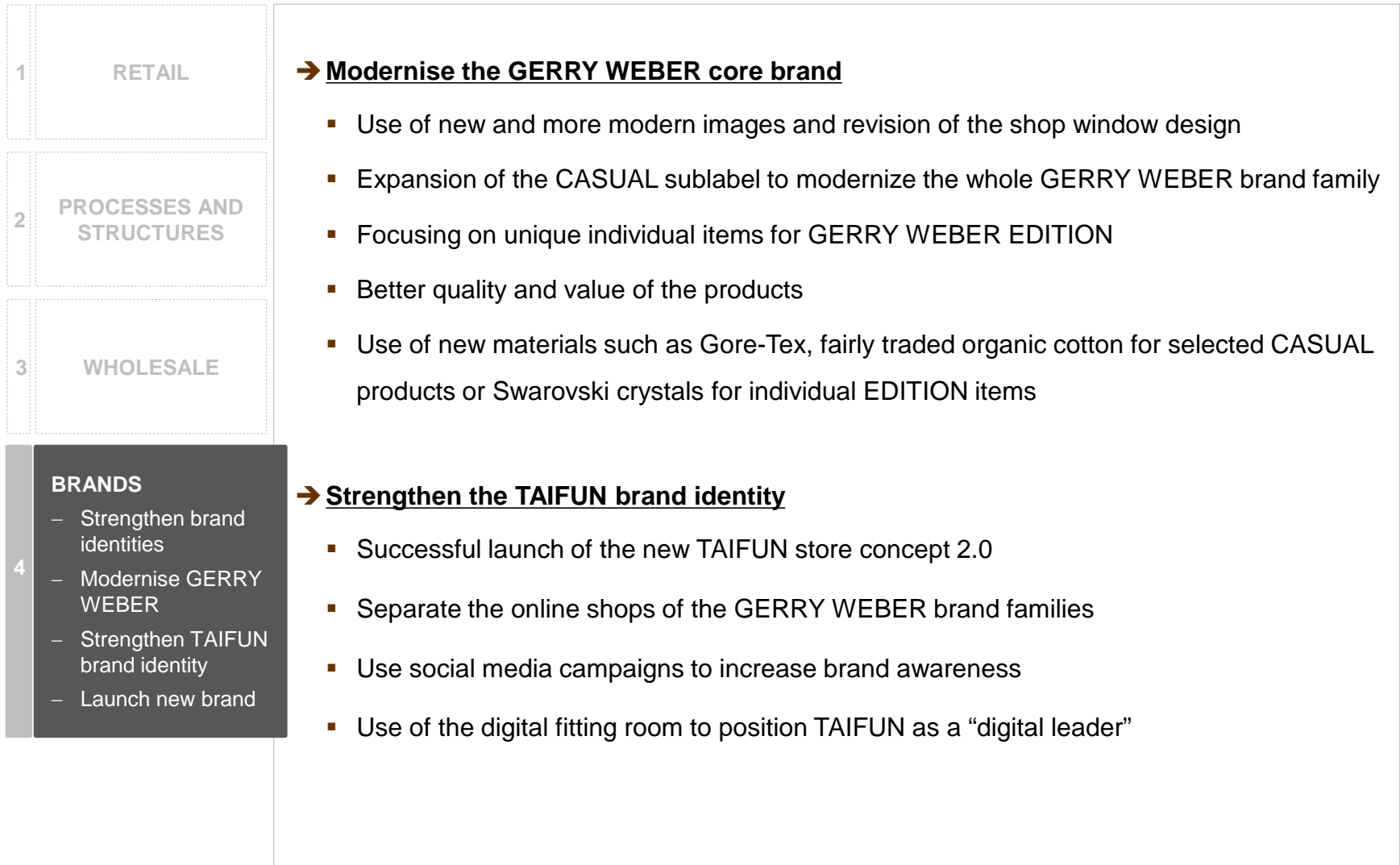
- As a result of the more efficient processes and workflows at the head office in Halle/Westphalia, we were able to cut approx. 200 positions

➔ **Logistic center**

- Since the beginning of 2016, the products of the individual brands have been transferred to the new logistic centre and delivered from there according to a precisely defined process and time schedule
- For contractual reasons the online merchandise will be transferred to the new logistic centre at a later date. Up to this date, online sales to our end customers will continue to be handled by our external partners







- ➔ Even if the market situation remains difficult for our business model, we are nevertheless well prepared for the changing market environment
- ➔ With our FIT4GROWTH programme we have reacted early on the changing business environment and we will consequently stick to the further implementation of the programme
- ➔ Consequently, sales and the key earnings figures continue to be affected by the realignment programme also in the financial year 2016/17

in EUR million	GERRY WEBER GROUP 2015/16	GERRY WEBER GROUP GUIDANCE 2016/17
Sales	900.8	-2% to -4%
EBITDA	77.3	60 - 70
EBIT	13.8	10 - 20
CAPEX	59.9	25 - 30

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Thank you for your attention!
