
GERRY WEBER

&

HALLHUBER



DISCLAIMER

This document contains forward-looking statements that reflect GERRY WEBER International AG management's current views with respect to future events. The words "anticipate ", "assume ", "believe", "estimate", "expect", "intend", "may", "plan", "project", "should", and similar expressions identify forward-looking statements. Such statements are not be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the actually achieved results by GERRY WEBER Group depend on a number of risks and uncertainties. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

**HALLHUBER
at a GLANCE**

- ➔ Established fashion company with a strong brand in German speaking countries
- ➔ Target group between 25 and 45
- ➔ Urban, stylish and exceptional fashion statement
- ➔ Fully-vertical business and distribution model
- ➔ EUR 109.2 mn sales in 2013 and expected growth rate of approx. 20% in 2014 (c. EUR 140 mn sales)

**STRATEGIC
RATIONALE**

- ➔ Investment in a well-known brand with an attractive positioning and customer group
- ➔ Combination of two established fashion companies
GERRY WEBER – already with an established footprint in Europe and a strong operational excellence
and HALLHUBER – a strong growing player targeting a younger, more urban style oriented customer on
its way to enter European markets

**VALUE
CREATION**

- ➔ Positive contribution to earnings per share from the first year of consolidation
- ➔ Risk diversification due to extension of the customer base to a younger target group
- ➔ Considerable growth potential in the upcoming years
- ➔ Increasing potential to improve margins





Fashion statement

Urban, timeless style with a fashion twist, feminine, stylish and nevertheless elegant
A touch of exclusivity

Target Group

Fashion conscious modern woman between 25 and 45.
Urban, well educated and more affluent

Product

High quality products with excellent fit, material, finishing and great attention to product details

HALLHUBER IS...



Product development

Vertically integrated business model.
Fully-controlled from product development to the POS

Price Positioning

Upper mid-price positioning



Stores

Retail-only distribution model
219 fully-controlled retail POS
5 own online shops
14 third-party e-commerce platforms

HALLHUBER LINE

Sales contribution: 74%
Target group: 25 to 35+

- **Objective** - fashionable and urban items for every occasion
- **Trends** - latest catwalk trends picked up and made affordable
- Bold to fashion conscious cuts and materials
- **Collection Cycles** – nineteen delivery dates per year, each of which has its own consistent color theme with two to three basic tones

HALLHUBER DONNA

Sales contribution: 10%
Target group: 35 to 45

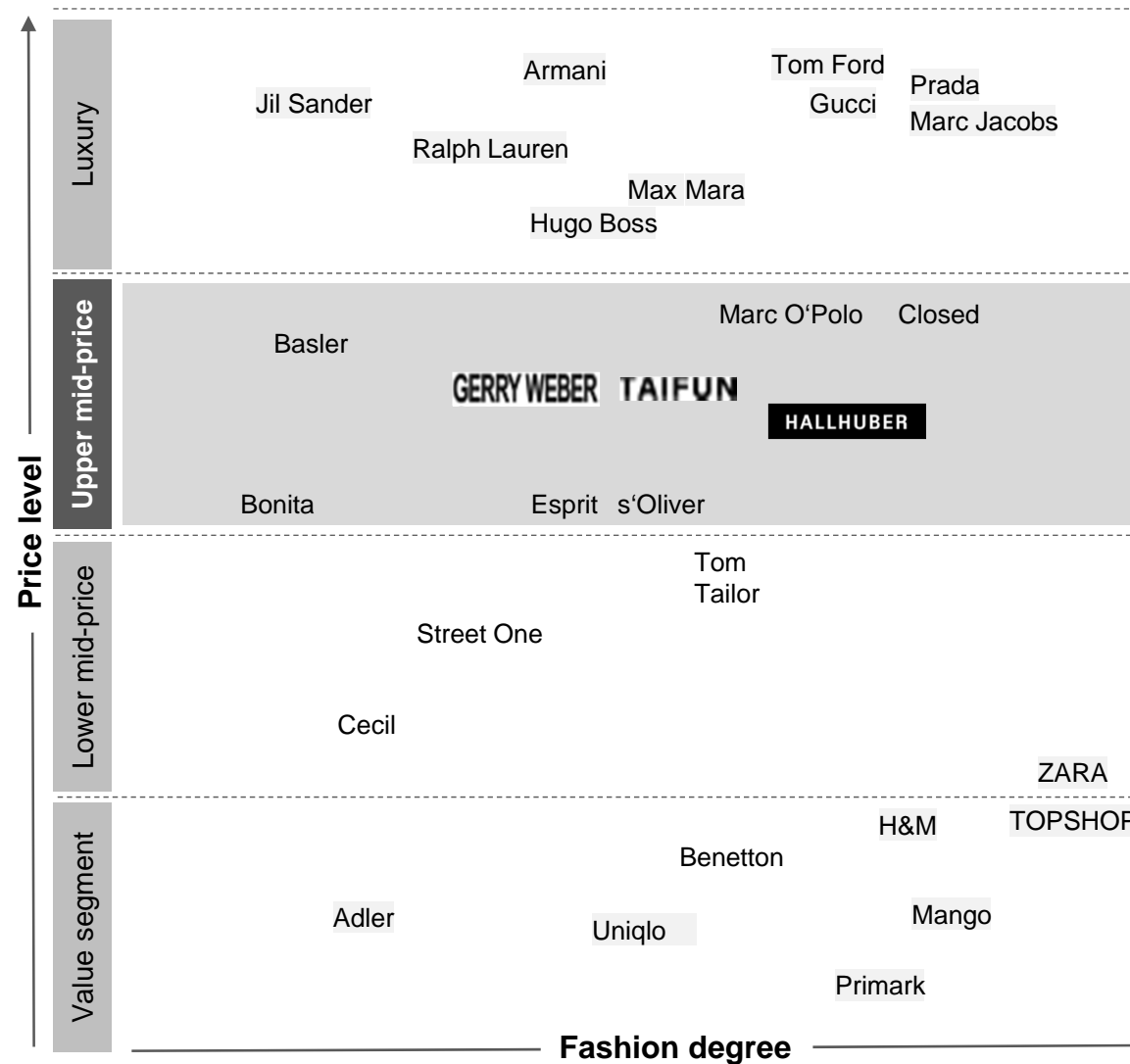
- **Objective** - classical elegant to modern items with a stronger emphasis on business wear and event fashion
- **Trends** picked up and translated into modern looks for modern women
- Fitting and higher quality materials allow to target a more affluent customer
- **Collection cycles** – 6 delivery dates per year, each of which has its own consistent color theme featuring more discrete and elegant tones

ACCESSORIES and SHOES

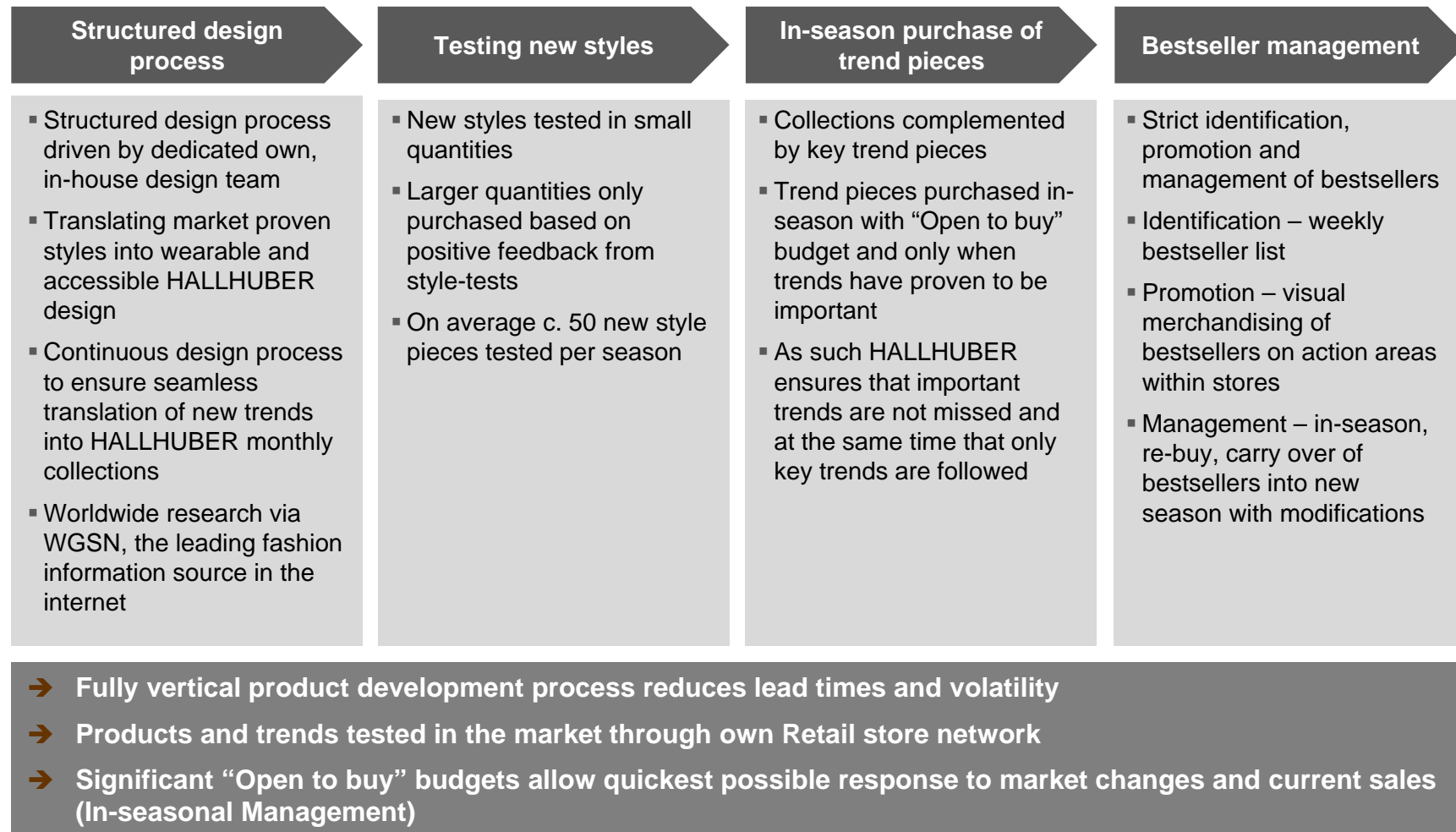
Sales contribution: 16%
Target group: 25 to 45

- **Objective** – complement HALLHUBER product range by accessories and shoes
- **Trend** colors and styles of HALLHUBER's collections adopted so that customers can easily assemble a convincing head-to-toe look
- **Collection cycles** – product range is consistently adapted and includes all essential items needed to complete entire outfits





- ➔ Positioned in the upper mid-price segment
- ➔ Fast follower with adoption of latest trends
- ➔ More exclusive than the fashion giants Inditex or H&M
- ➔ Less-crowded than other segments
- ➔ A high value-add segment of the market where significant price markups can be achieved

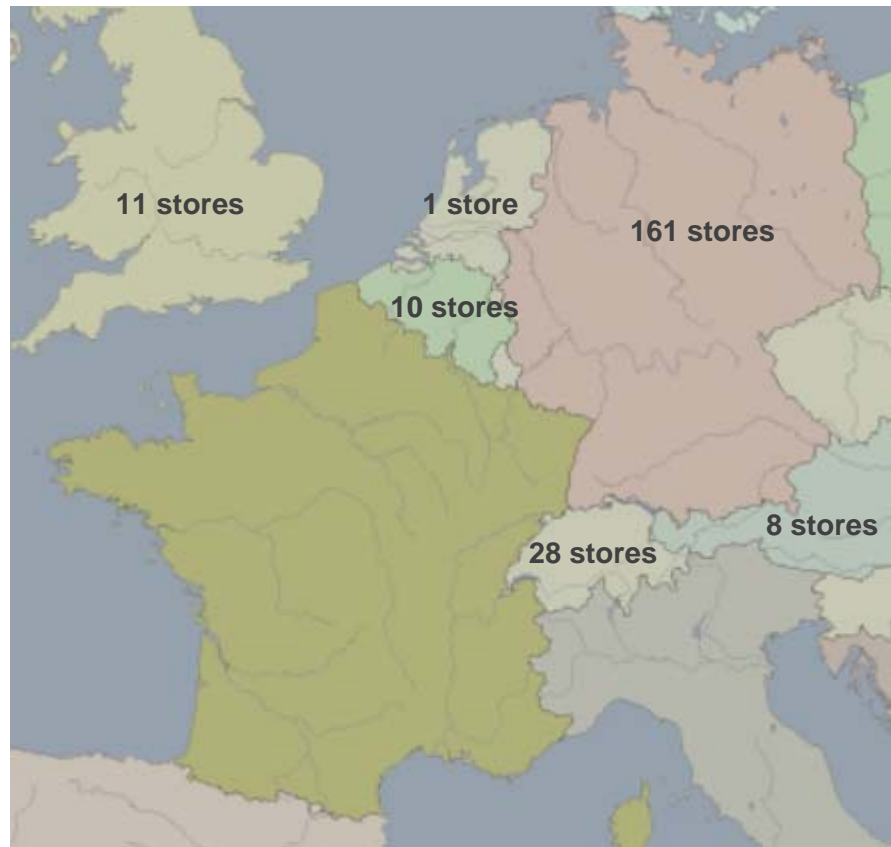




	Monolabel stores	Concessions	Outlet stores	E-commerce
Key characteristics	<ul style="list-style-type: none"> ▪ Highly frequented high street and shopping centers ▪ Strong and recognizable store concept 	<ul style="list-style-type: none"> ▪ Concession space in established department stores ▪ Entry model into new markets ▪ Reflecting “one brand one store” credo 	<ul style="list-style-type: none"> ▪ Efficient channel to profitably out-channel merchandise ▪ Separate outlet collection with additional styles ▪ Safeguarding other HALLHUBER Retail channels 	<ul style="list-style-type: none"> ▪ Efficiently using own online shops and third-party e-commerce platforms ▪ Fast growing and profitable ▪ Own online shops grow faster and more profitable
Number of POS December 2014	94	113	12	5 (own) + 14 (third party)
Average size	230 sqm	60 sqm	173 sqm	
Average net sales per sqm (in Euro)	4,784	3,724	6,763	
Inventory owned and controlled by HALLHUBER	✓	✓	✓	✓ (own) X (third party)

- ➔ Current focus on own Retail stores in Germany
- ➔ HALLHUBER’s fully controlled retail store model allows for stronger operational control of the product cycle
- ➔ The vertical model strongly reduces volatility and creates more value for the brand

- ➔ Current store focus in Germany
- ➔ Germany generates approx. 82.4 % of HALLHUBER's turnover



	Number of stores			
	2011	2012	2013	2014
Germany	98	108	141	161
Switzerland	17	17	24	28
Austria	3	5	7	8
Belgium	--	--	3	10
Netherlands	1	1	1	1
UK	--	--	6	11
TOTAL	119	131	182	219
thereof Monolabels	53	61	79	94
thereof Concessions	57	60	91	113



RETAIL EXPANSION	<ul style="list-style-type: none"> ▪ GERRY WEBER as a platform and growth driver for accelerated expansion of Hallhuber in markets with strong GERRY WEBER presence ▪ Acceleration of HALLHUBER Retail expansion in Germany ▪ Support market entry in other European countries ▪ Making use of existing GERRY WEBER distribution structures and expertise
SOURCING	<ul style="list-style-type: none"> ▪ Hallhuber gains access to the well-established sourcing network of GERRY WEBER ▪ Transfer of GERRY WEBER's know-how in flexible and global sourcing processes to Hallhuber ▪ Use of the GERRY WEBER type of direct sourcing and of GERRY WEBER owned sourcing offices in Shanghai and Istanbul
LOGISTICS & IT	<ul style="list-style-type: none"> ▪ Aggregation and integration of existing warehouses into GERRY WEBER's multi-channel logistic center ▪ Introduction of RFID technology to HALLHUBER ▪ Use of GERRY WEBER's sophisticated IT systems
OTHERS	<ul style="list-style-type: none"> ▪ Integration of administrative functions ▪ Cooperation in sustainability and marketing/communication matters ▪ Cooperation and coordination regarding rental contracts, fees and costs where possible

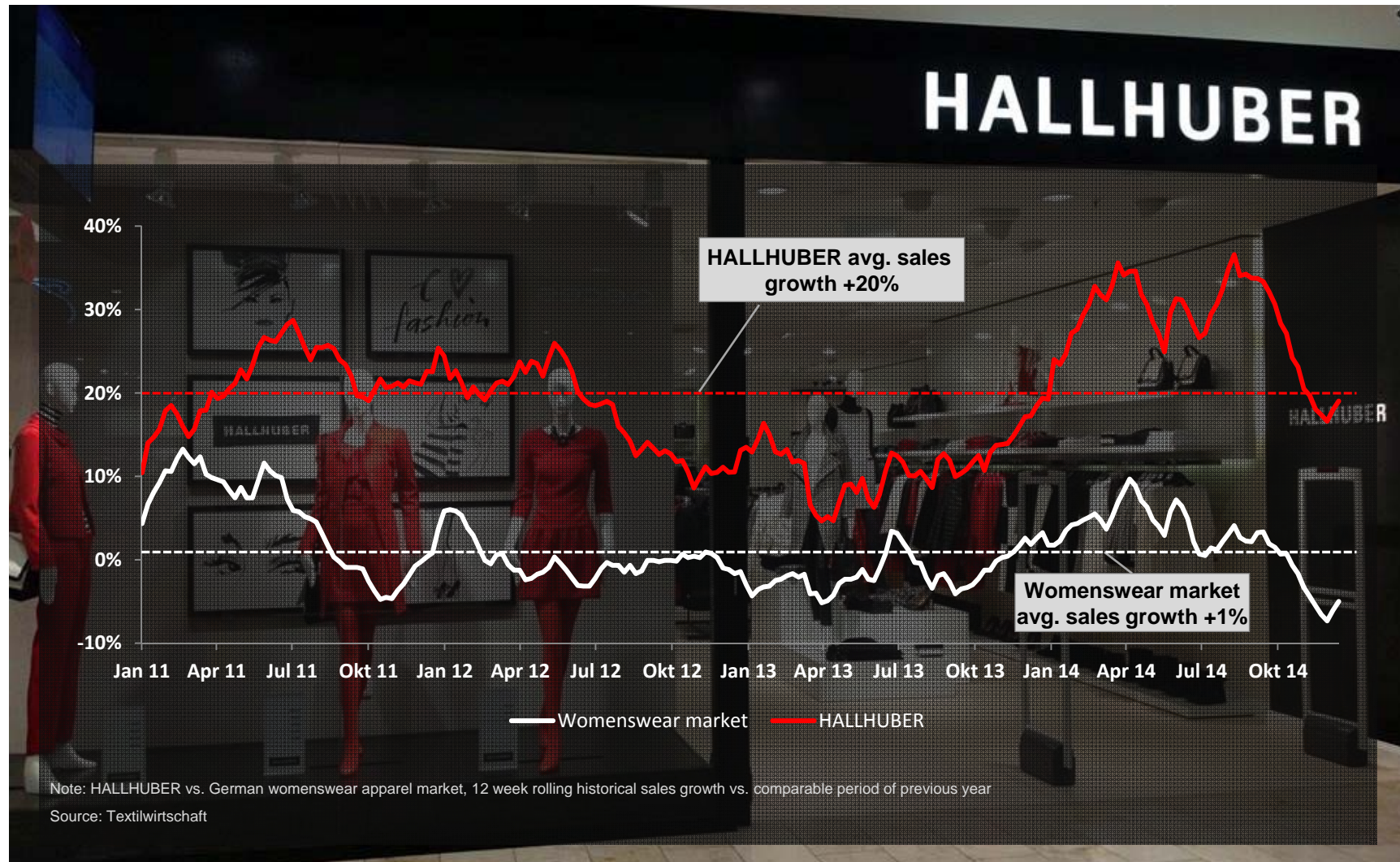
BENEFITS

- ➔ Extension of customer base to a younger, more urban target group
- ➔ Coordinated Retail expansion and scale benefits in store roll-out (e.g. leases etc.)
- ➔ Benefit from HALLHUBER's fully vertical approach and in-seasonal management know-how to reduce volatility of the business (e.g. weather-related)
- ➔ Realization of significant synergies in particular in logistics, IT and Retail expansion and sourcing
- ➔ Improvement of margins and profits
- ➔ Positive effect for shareholders due to constantly improving shareholder value

Together GERRY WEBER and HALLHUBER will serve the entire mid-price fashion segment of women from the age of 25 years up demanding classy fashion with superior quality.



→ HALLHUBER – strong growth rates in the last four years



- ➔ Positive contribution to earnings per share from the first year of consolidation
- ➔ Considerable growth potential in the upcoming years
- ➔ Increasing potential to improve margins

in EUR million	GERRY WEBER 2012/13	HALLHUBER 2013	TOTAL
Sales	852.0	109.2	961.2
EBITDA (Hallhuber adjusted)	127.4	9.5	136.9
% margin	15,0%	8,7%	14,2%

Hallhuber EBITDA based on the consolidated figures 2013 and adjusted for one-time effects.

Hallhuber's expectations for the current fiscal year 2014 (ending 31 December 2014) envisage a clear rise in sales to approximately EUR 140 million and an adjusted EBITDA of approximately EUR 14.0 million.

Thank you for your Attention

To be always updated, please have a look on our website
www.gerryweber.com

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