






**GERRY WEBER**  
INTERNATIONAL AG



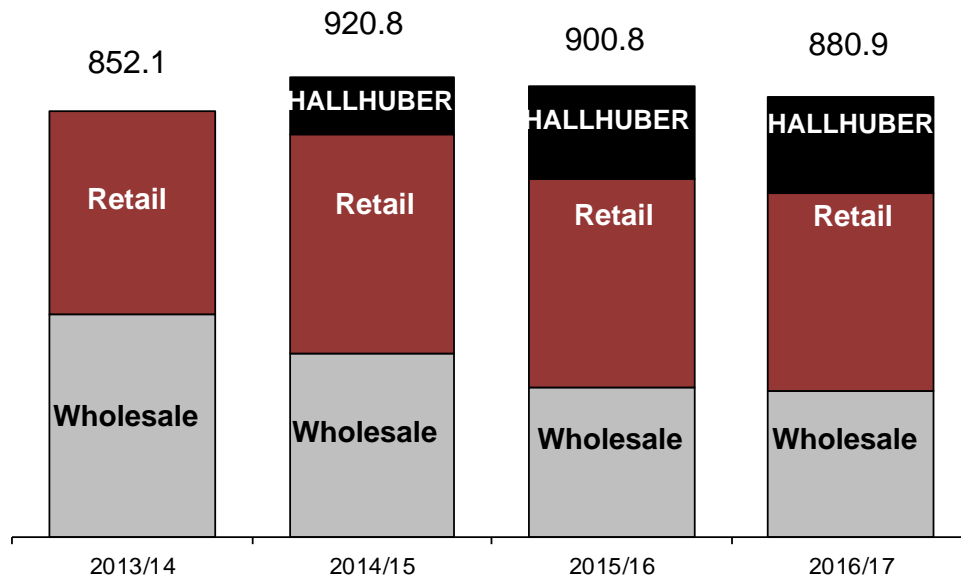
**CONSOLIDATED FINANCIAL STATEMENTS**  
**2016/17**

Halle/Westphalia, 27 February 2018

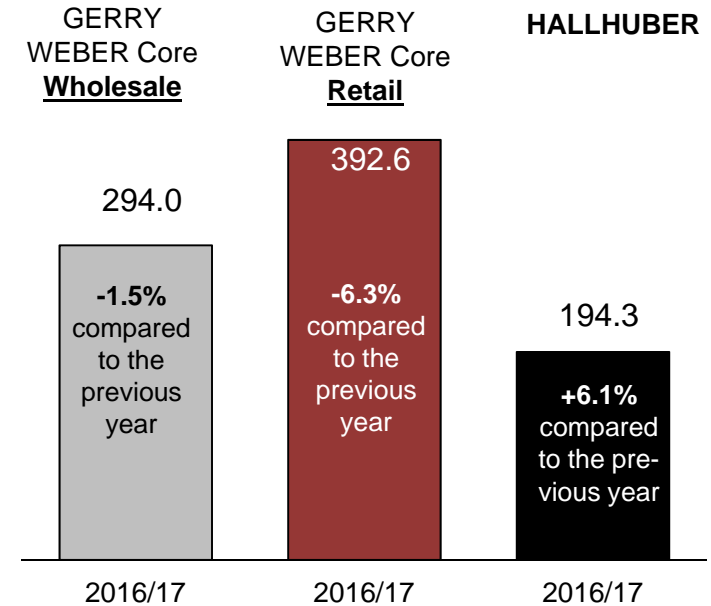
	<b>2016/17</b>	<b>2016/17</b>
	<b>GERRY WEBER Core</b> (GERRY WEBER, TAIFUN, SAMOON)	<b>HALLHUBER</b>
	Decrease in revenues of 4.4% to EUR 686.8 million due to negative like-for-likes (-1.9%) as well as to store closures (68 stores)	Sales increase to EUR 194.3 million (+6.1% compared to the previous year)
	Decrease in gross margin to 57.1% (2015/16: 60.3%)	Gross margin of 63.7% (2015/16: 60.5%)
	EBITDA reported = EUR 47.1 million EBITDA adjusted = EUR 53.3 million	EBITDA = EUR 11.1 million
	850 company-managed sales spaces (previous year: 924)	397 company-managed sales spaces (previous year: 342)
	Like-for-like Retail sales: -1.9%	Like-for-like Retail sales: -3.5%
	(Market Development in Germany from Nov. 2016 until Oct. 2017: approx. -2.0%)	

- ⇒ **Group sales** were down by 2.2% on the previous year and amounted to EUR 880.9 million
- ⇒ **GERRY WEBER Core** sales (Core Retail and Core Wholesale) declined by 4.4% and contributed EUR 686.6 million to group sales
- ⇒ **HALLHUBER** sales rose by 6.1% yoy and amounted to EUR 194.3 million

**SALES DEVELOPMENT** (EUR million)



**SALES SPLIT BY SEGMENT** (EUR million)



**GERRY WEBER Core Retail**

- **Retail sales** decreased by 6.3% to EUR 392.6 million (previous year: EUR 419.2 mn) due to
  - 68 store closures in the context of the FIT4GROWTH programme (75 in 2015/16)
  - a like-for-like sales decrease of 1.9% (decline of the German fashion market of approx. 2.0%)
- **Online sales** rose by 9.5% to EUR 28.6 million
- Share in Group sales: 44.5%

**GERRY WEBER Core Wholesale**

- **Wholesale sales declined** by 1.5 % to EUR 294.0 million (previous year: EUR 298.4 mn) due to
  - a continuously challenging market environment also for our Wholesale partners
- **Decline was lower than expected as**
  - we successfully implemented attractive measures to support our Wholesale customers
  - we managed to modernize the brands to make them more attractive for our partners
- Wholesale share in total Group sales: 33.4%

**HALLHUBER**

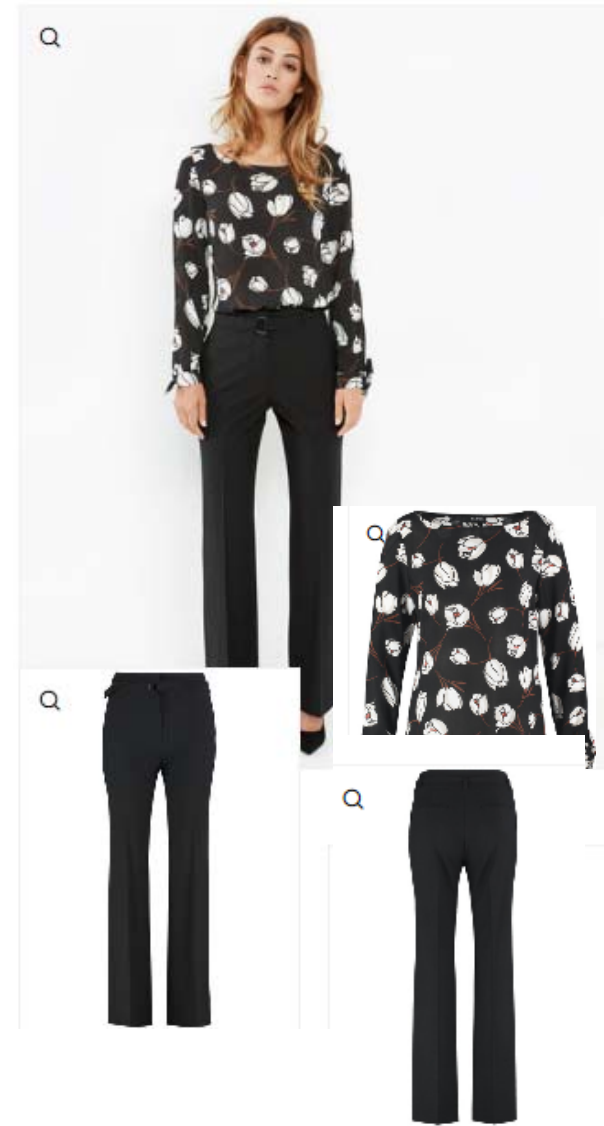
- **Sales rose by 6.1%** to EUR 194.3 million on the one hand due to
  - an increase in online sales by 14.2% to EUR 20.1 million. This equals almost 10,4% of HALLHUBER sales
  - 55 newly opened sales spaces in 2016/17
- **But on the other hand due to**
  - a like-for-like decline in sales of 3.5%, due to changes in the merchandise management
- Share in Group sales: 22.1% (prev. year: 20.3%)

# GROUP ONLINE SALES – REMAINS IN THE FOCUS

- ➔ **GERRY WEBER Core** brands are marketed through the company’s own online shops (=Retail sales) and on external platforms (=Wholesale sales)  
 Sales generated by our own Core-Online shops amounted to EUR 28.6 million; a plus of 9.5% on the previous year  
 Core-Online sales generated via external platforms increased by an impressive 62.0% to EUR 2.9 million
- ➔ **HALLHUBER** Online sales amounted EUR 20.1 (+14.2%) million, which corresponds to 10.4% of total HALLHUBER sales

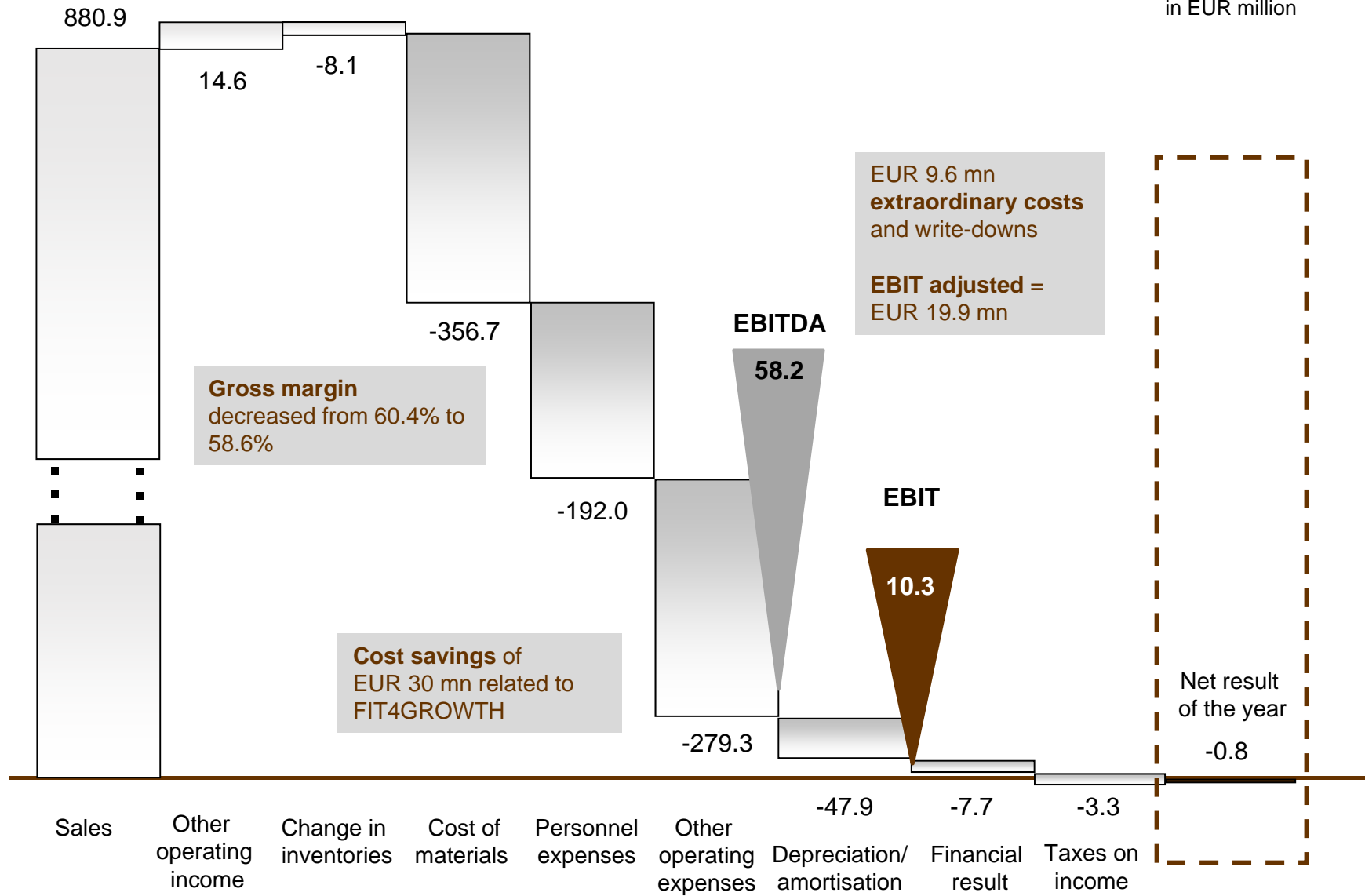
in EUR millions	2016/17	2015/16	Change
Core own Online Shops = Retail	28.6	26.1	9.5%
Core external platforms = Wholesale	2.9	1.8	62.0%
HALLHUBER	20.1	17.6	14.2%
<b>GERRY WEBER Group</b>	<b>51.6</b>	<b>45.5</b>	<b>13.4%</b>

- ➔ **Total online sales** account for 8.8% of total Retail sales – which includes Core Retail and HALLHUBER sales.



# EARNINGS 2016/17

in EUR million



## EXTRAORDINARY COST EFFECTS

➔ Cost effects resulting from the realignment programme FIT4GROWTH amounted to EUR 9.6 million in the financial year 2016/17.

in EUR million	2016/17	2015/16
<b>EBITDA reported</b>	<b>58.2</b>	<b>77.3</b>
Costs relating to the realignment programme FIT4GROWTH	6.2	16.2
Profit of the Hall 30 sale	0	21.9
<b>EBITDA adjusted</b>	<b>64.4</b>	<b>71.6</b>

<b>EBIT reported</b>	<b>10.3</b>	<b>13.8</b>
Extraordinary costs as well as write-downs resulting from FIT4GROWTH	9,6	31.2
Profit of the Hall 30 sale	0	21.9
<b>EBIT adjusted</b>	<b>19.9</b>	<b>23.1</b>



1 OPTIMISE RETAIL OPERATIONS

- I. **Consolidate the store network** → closure of 143 stores during the last two FYs ✓
- II. **Digitalization** → roadmap defined and measures well on track ✓
- III. **Optimised merchandise / inventory management** ✓

2 ADJUST STRUCTURES AND PROCESSES

- I. **Reduce complexity and inefficiencies** → processes analysed and optimised → headcount reduced → order and merchandise management already partly changed ✓
- II. **Creation of individual and independent strategic business units (SBUs) for each brand.** Cross-SBU use of the holding company services ✓

Cost savings of approx. EUR 30 million p.a. realised

3 STRENGTHEN THE WHOLESALE OPERATIONS

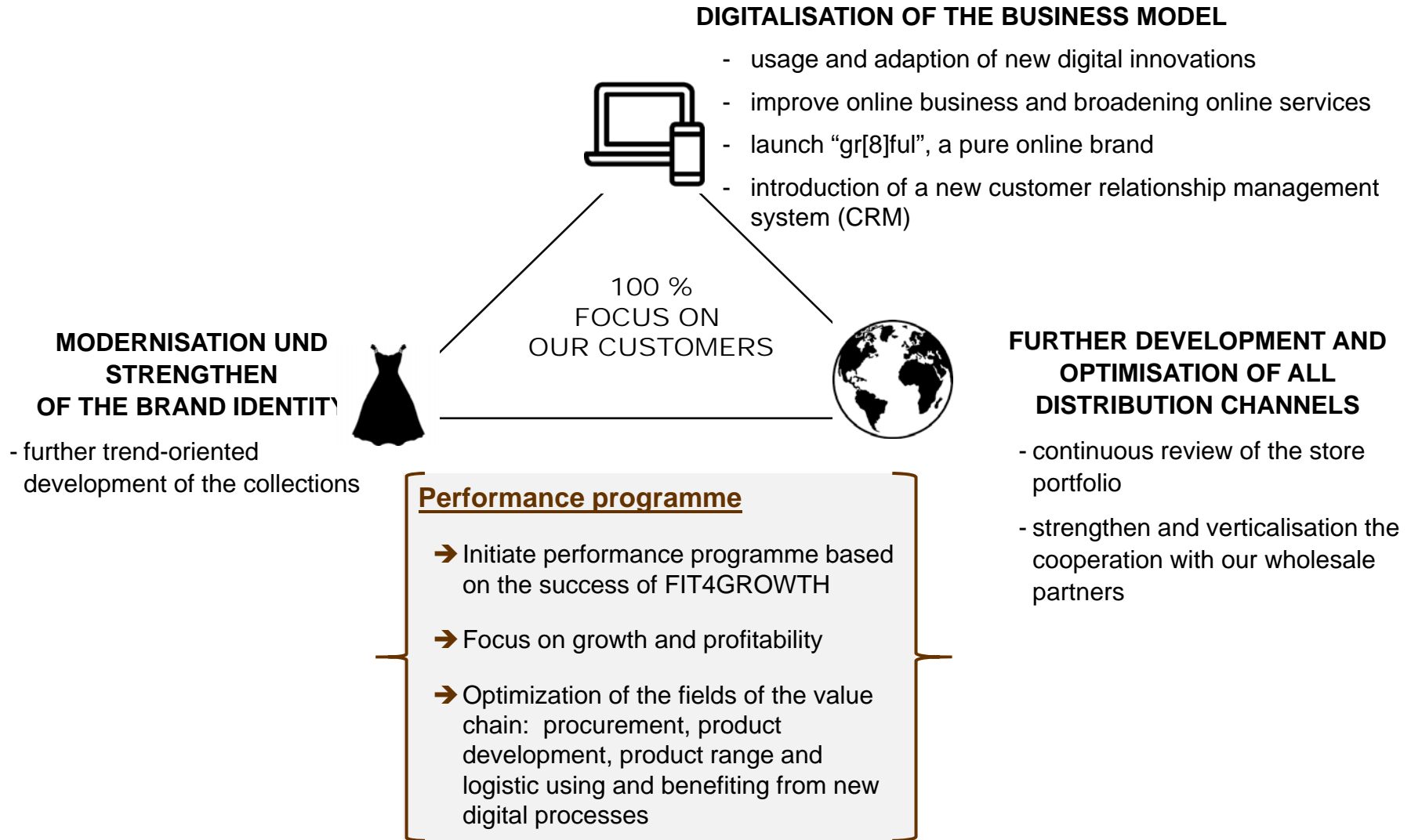
- I. **Improve the relationships with Wholesale partners** → partnership programmes and services introduced with more flexible order & merchandise management ✓
- II. **Successful launch of talkabout brand as a pure-play Wholesale brand** ✓

4 MODERNISE BRANDS

- I. **Refresh the GERRY WEBER core brand** → Investments in the perceived value of the products. → new GERRY WEBER image campaign with supermodel Eva Herzigova introduced ✓
- II. **Sharpen the brand identity of TAIFUN** → dependence on the main brand reduced ✓

Wholesale revenues stabilised / brand attractiveness increased





- ➔ The market situation remains difficult for our business model.
- ➔ The measures to be developed in the areas of procurement, product development processes and the product range design as well as the ongoing modernisation of our brands will continue to influence the profitability of the GERRY WEBER. In addition, we will continue to invest in the digitalisation of our value chain.
- ➔ Consequently, sales and the key earnings figures continue to be affected by the new measures also in the financial year 2017/18

in EUR million	GERRY WEBER GROUP 2016/17	GERRY WEBER GROUP GUIDANCE 2017/18
<b>Sales</b>	<b>880.9</b>	<b>870 - 890</b>
<b>EBITDA</b>	<b>58.2</b>	<b>55 - 68</b>
<b>EBIT</b>	<b>10.3</b>	<b>10 - 20</b>
<b>CAPEX</b>	<b>62.3</b>	<b>25 - 30</b>

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THANK YOU!