



TOM TAILOR GROUP

COMMIT AND DELIVER

INTERIM STATEMENT
AS AT 31 MARCH 2018

KEY FIGURES TOM TAILOR GROUP

| EUR million | Q1 2018 | Q1 2017 | Change relative |
|-----------------------------------|-------------------|-------------------|-----------------|
| Revenue | 189.7 | 218.9 | -13.3% |
| TOM TAILOR Retail | 57.2 | 64.8 | -11.7% |
| TOM TAILOR Wholesale | 80.8 | 87.5 | -7.7% |
| BONITA | 51.8 | 66.6 | -22.3% |
| Share of revenue (in %) | | | |
| TOM TAILOR Retail | 30.1 | 29.6 | |
| TOM TAILOR Wholesale | 42.6 | 40.0 | |
| BONITA | 27.3 | 30.4 | |
| Gross profit | 108.7 | 116.2 | -6.4% |
| Gross profit margin (in %) | 57.3 | 53.1 | |
| EBITDA | 4.1 | 8.7 | -52.6% |
| EBITDA margin (in %) | 2.2 | 4.0 | |
| EBIT | -5.2 | -1.6 | > -100% |
| EBIT margin (in %) | -2.7 | -0.7 | |
| Net income for the period | -8.6 | -6.5 | -32.1% |
| Earnings per share (in EUR) | -0.24 | -0.25 | 4.0% |
| Cash generated from in operations | -31.6 | -3.7 | > -100% |
| | 31/03/2018 | 31/12/2017 | |
| Total assets | 680.9 | 646.3 | 5.4% |
| Equity | 199.9 | 213.0 | -6.1% |
| Equity ratio (in %) | 29.4 | 32.9 | |
| Cash funds | 35.6 | 24.2 | 47.3% |
| Net debt | 161.1 | 113.3 | 42.3% |
| Employees (total) | 6,062 | 6,071 | -0.1% |

General note: Due to the presentation of rounded figures, some totals might deviate from the sum total of the respective individual items.

MANAGEMENT BOARD STATEMENT

Dear Shareholders, Business Partners and Employees,

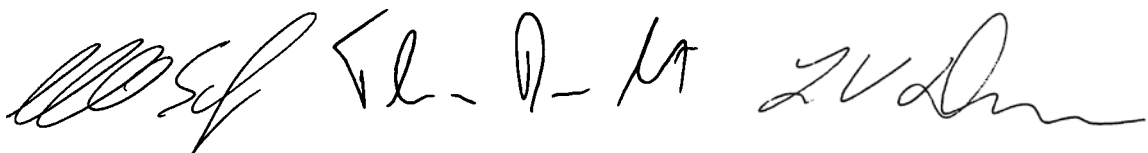
The results for the 2017 financial year showed that RESET and the strategic realignment of the Group have put us on the right track. While we significantly increased our margins by consistently reducing complexity across the entire TOM TAILOR GROUP, consolidated revenue fell slightly due to streamlining of the product, country and store portfolio. Nevertheless, a quick look at the figures for the first quarter shows that we raised revenue in the TOM TAILOR brand by around three percent in the first three months when adjusting this figure for brands, branches and countries closed as part of RESET. This trend is also apparent in gross profit and EBITDA, both of which also showed growth in absolute terms.

We are very proud of these results in light of the current market situation in the first quarter. Using Germany as an example, the overall fashion industry experienced a significant decline in revenue of around 4% in the first three months of 2018. That is why we want to use this momentum during the current financial year and focus our efforts on profitable growth. We want to selectively expand our sales channels to gain further market share in relevant product areas. We are continuing to push ahead with the targeted optimisation of our internal operating processes and systems, including the recently completed SAP implementation and optimisation of our e-commerce presence, as well as operating planning processes and systems.

To achieve these objectives, we have reinforced our team with several experienced specialists. For example, as the new Chief Sales Officer for BONITA, Karsten Oberheide will reorganise the brand's operating structures and processes to lay a foundation for its sustainable development. We also brought renowned digital expert and former Ebay Germany boss Stefan Wenzel on board to further enhance growth in our e-commerce and omni-channel business. What's more, with our new Vice President Retail Andreas Kaczmarczyk, we will continue to optimise and increase the efficiency of our retail activities, particularly in Germany, to enable the Group to react more flexibly to new trends.

Most importantly, we now want to work together to drive the operational transformation of the entire company, launch new growth initiatives in profitable areas and ensure we do not rest on our laurels after the achievements of the past financial year. The TOM TAILOR GROUP team are on the ball.

The Management Board team



Dr Heiko Schäfer

Thomas Dressendörfer

Liam Devoy

Hamburg, May 2018

SIGNIFICANT EVENTS

JANUARY

SECOND STAR COLLABORATION AS PART OF NEW BRAND STRATEGY

The modern, provocative and distinctive “ARE YOU READY...?” marketing campaign supports the realignment of the core TOM TAILOR and TOM TAILOR Denim brands. After a successful partnership with supermodel Naomi Campbell, we unveiled our latest star collaboration with the band Revolverheld in January 2018.

The first of three capsule collections featuring the personal touch of the Hamburg group will be available from August 2018. The range features jeans, comfortable outerwear with olive cowboy shirts, basic t-shirts with breast pockets, and plain shirts with stand-up collars and check shirts with a rocky vibe. Particular attention has been paid to the use of sustainable materials and compliance with BSCI and Global Organic Textile standards. The next capsule collection is planned for November 2018.

FEBRUARY

NEW ADDITIONS TO RETAIL AND E-COMMERCE TEAM

The TOM TAILOR GROUP is continuing to work on the restructuring of its retail and e-commerce business. In this context, consolidation of the branch network combined with a stronger focus on e-commerce is having a particularly positive effect on the Group's earnings performance. Andreas Kaczmarczyk has been responsible for the entire retail business in Germany and the global outlet business since February 2018. The Group's aim is to be able to react more flexibly to new trends, realise additional savings potential and make the brand even more desirable to consumers.

To further reinforce growth in the e-commerce and omnichannel business, seasoned digital expert Stefan Wenzel also joined the Company in February 2018. He is tasked with accelerating digital activities across the entire TOM TAILOR GROUP. Bundling e-commerce and digital activities should simplify processes further, enabling the Group to react more quickly to new developments in the fashion industry, for example.

MARCH / APRIL

EARLY REFINANCING SUCCESSFULLY COMPLETED

On 29 March 2018, the TOM TAILOR GROUP completed the early refinancing of its existing syndicated loan on significantly better terms, thus lowering its future financing costs. The new credit agreement has a term of five years and a total volume of EUR 400 million. Due to strong interest among the banks, the consortium was reduced from 12 banks to eight.

As well as successfully carrying out the capital increase in the past year, this agreement secured another pillar of the Group's strategic financing in the long term. The new financing package also increases the TOM TAILOR GROUP's flexibility, enabling it to selectively pursue its planned growth initiatives.

RESULTS OF OPERATIONS, FINANCIAL POSITION AND NET ASSETS

RESULTS OF OPERATIONS

CONSOLIDATED REVENUE DECLINES TO EUR 189.7 MILLION

In the first quarter of 2018, the TOM TAILOR GROUP's consolidated revenue was EUR 189.7 million, down 13.3% from the prior-year figure (2017: EUR 218.9 million). The decline in all segments was due to both the absence of revenue as a result of planned closures and a market environment that was generally very weak in the first quarter of 2018. Revenue in the German textile market fell by an average of 4% in the first quarter of 2018.

Revenue in the TOM TAILOR Retail segment decreased by 11.7% in the first quarter of 2018 to EUR 57.2 million (2017: EUR 64.8 million). As a result of planned closures, the number of stores fell by 24 or 5.1% to 445 compared with the prior-year quarter (2017: 469). E-commerce revenue also declined year-on-year due to initial performance issues experienced by the newly introduced e-shop.

The revenue of the TOM TAILOR Wholesale segment decreased by 7.7% in the first three months of 2018 to EUR 80.8 million (2017: EUR 87.5 million). Compared with the prior-year quarter, the number of shop-in-shops fell by 473 or 16.1% to 2,463 (2017: 2,936 shops). The number of franchise stores was reduced by 15 to 180 in the same period (2017: 195 stores).

In the first quarter of 2018, BONITA contributed EUR 51.8 million to consolidated revenue (2017: EUR 66.6 million). Revenue fell by 22.3% as against the prior-year period, mainly as a result of the planned store closures. Compared with 31 March 2017, the number of stores decreased by 115 or 12.6% to 799 (2017: 914 stores). In addition to the store closures and the declining market, an exceedingly high proportion of summer and NOS items in the stores also contributed to the loss of revenue.

Revenue by Segment

| EUR million | Q1 2018 | Q1 2017 | Changes in % |
|-------------------------|--------------|--------------|--------------|
| TOM TAILOR Wholesale | 80.8 | 87.5 | -7.7 |
| TOM TAILOR Retail | 57.2 | 64.8 | -11.7 |
| BONITA | 51.8 | 66.6 | -22.3 |
| TOM TAILOR GROUP | 189.7 | 218.9 | -13.3 |

GROSS MARGIN UP 4.2 PERCENTAGE POINTS

The cost of materials was reduced by 21.1% during the period under review to EUR 81.0 million (2017: EUR 102.7 million). Compared with the prior-year quarter, the gross margin improved significantly by 4.2 percentage points to 57.3% in the first quarter of 2018. However, gross profit of the TOM TAILOR GROUP decreased by 6.4% in absolute terms to EUR 108.7 million in the first quarter of 2018 due to the decline in revenue (2017: EUR 116.2 million).

Gross Margin by Segment

| in % | Q1 2018 | Q1 2017 | Changes in percentage points |
|-------------------------|-------------|-------------|------------------------------------|
| TOM TAILOR Wholesale | 53.0 | 46.0 | 7.0 |
| TOM TAILOR Retail | 57.0 | 52.3 | 4.7 |
| BONITA | 64.5 | 63.1 | 1.4 |
| TOM TAILOR GROUP | 57.3 | 53.1 | 4.2 |

The gross margin in the TOM TAILOR Wholesale segment was up 7.0 percentage points year-on-year to 53.0% (2017: 46.0%). In the TOM TAILOR Retail segment, the gross margin also improved considerably by 4.7 percentage points to 57.0% (2017: 52.3%). The increase in the gross profit margin in both segments is attributable to a reduction in purchasing costs and lower discounts.

The gross margin in the BONITA segment also showed a slight improvement, edging up 1.4 percentage points year-on-year to 64.5% (2017: 63.1%). Without the deliberate, very high discounts, particularly in January, the gross profit margin would have seen a stronger increase.

CONSIDERABLE DECLINE IN EARNINGS AT BONITA – REPORTED EBITDA HALVED**Reported EBITDA and EBIT**

| EUR million | Q1 2018 | Q1 2017 | Changes in % |
|------------------------------|---------|---------|-----------------|
| Reported EBITDA (in EUR) | 4.1 | 8.7 | -52.6 |
| Reported EBITDA-Marge (in %) | 2.2 | 4.0 | |
| Reported EBIT (in EUR) | -5.2 | -1.6 | > -100.0 |
| Reported EBIT-Marge (in %) | -2.7 | -0.7 | |

Reported earnings before interest, taxes, depreciation and amortisation (reported EBITDA) of the TOM TAILOR GROUP declined by EUR 4.6 million year-on-year to EUR 4.1 million in the first quarter of 2018 (2017: EUR 8.7 million). The reported EBITDA margin fell from 4.0% to 2.2%. This decline was mainly driven by the performance of the BONITA segment. Reported EBITDA in the BONITA segment decreased by EUR 7.1 million year-on-year to EUR -7.6 million during the reporting period (2017: EUR -0.5 million), primarily as a result of the revenue-driven decline in gross profit.

Reported EBITDA in the TOM TAILOR Wholesale segment rose by EUR 2.2 million to EUR 16.1 million compared to the same period last year (2017: EUR 13.9 million). This increase was primarily attributable to higher gross profit and lower personnel expenses.

Reported EBITDA in the TOM TAILOR Retail segment improved by EUR 0.2 million compared with the prior-year quarter to EUR -4.4 million (2017: EUR -4.6 million).

Reported earnings before interest and taxes (reported EBIT) in the TOM TAILOR GROUP decreased by EUR 3.6 million to EUR -5.2 million in the first quarter of 2018 (2017: EUR -1.6 million). The decrease in reported EBITDA was partially offset by a EUR 1.0 million decline in depreciation, amortisation and impairments. The reported EBIT margin declined from -0.7% to -2.7% year-on-year.

SEGMENT REPORTING

TOM TAILOR Retail Segment – Key Data

| | Q1 2018 | Q1 2017 |
|----------------------------------|---------|---------|
| Revenue (in EUR million) | 57.2 | 64.8 |
| Growth (in %) | -11.7 | 1.4 |
| Number of stores | 445 | 469 |
| Reported EBITDA (in EUR million) | -4.4 | -4.6 |
| Reported EBITDA margin (in %) | -7.7 | -7.1 |
| Reported EBIT (in EUR million) | -7.3 | -7.8 |
| Reported EBIT margin (in %) | -12.8 | -12.0 |

BONITA Segment – Key Data

| | Q1 2018 | Q1 2017 |
|----------------------------------|---------|---------|
| Revenue (in EUR million) | 51.8 | 66.6 |
| Growth (in %) | -22.3 | -1.7 |
| Number of stores | 799 | 914 |
| Reported EBITDA (in EUR million) | -7.6 | -0.5 |
| Reported EBITDA margin (in %) | -14.6 | -0.8 |
| Reported EBIT (in EUR million) | -9.8 | -4.3 |
| Reported EBIT margin (in %) | -18.8 | -6.5 |

TOM TAILOR Wholesale Segment – Key Data

| | Q1 2018 | Q1 2017 |
|----------------------------------|---------|---------|
| Revenue (in EUR million) | 80.8 | 87.5 |
| Growth (in %) | -7.7 | 0.2 |
| Number of shop-in-shops | 2,463 | 2,936 |
| Number of franchise stores | 180 | 195 |
| Reported EBITDA (in EUR million) | 16.1 | 13.9 |
| Reported EBITDA margin (in %) | 19.9 | 15.8 |
| Reported EBIT (in EUR million) | 11.9 | 10.5 |
| Reported EBIT margin (in %) | 14.8 | 12.0 |

NET ASSETS

NET WORKING CAPITAL UP EUR 27.7 MILLION

Net working capital rose by EUR 27.7 million to EUR 95.1 million as at 31 March 2018 (31 December 2017: EUR 67.3 million). This was mainly the result of the seasonal decrease in trade payables. As at 31 March 2018, inventories stood at EUR 110.1 million, down EUR 14.9 million on the figure at the last reporting date (31 December 2017: EUR 125.0 million). Furthermore, trade receivables rose by EUR 9.6 million to EUR 63.5 million compared with 31 December 2017 (31 December 2017: EUR 53.8 million). A portion of the increase in trade receivables is due to the granting of longer payment terms in connection with the introduction of new ERP software in Germany. Inventories rose by EUR 3.2 million to EUR 141.7 million as at 31 March 2018 (31 December 2017: EUR 138.5 million).

EQUITY RATIO DECREASES TO 29.4%

Equity fell to EUR 199.9 million in the first quarter of 2018 due to the net loss for the period and the decrease in other comprehensive income (31 December 2017: EUR 213.0 million). The change in other comprehensive income is mainly the result of a reporting-date decrease in the fair value of the foreign currency derivatives recognised in equity. The equity ratio fell by 3.5 percentage points to 29.4% (31 December 2017: 32.9%).

NET DEBT DOWN SIGNIFICANTLY YEAR-ON-YEAR

Compared with 31 December 2017, financial liabilities rose by EUR 59.3 million to EUR 196.8 million (31 December 2017: EUR 137.5 million). The increase is attributable to temporarily higher drawdowns of bank lines of credit and the seasonal increase in net working capital at the start of the year. Compared with the prior-year quarter, financial liabilities were reduced substantially by EUR 45.9 million (31 March 2017: EUR 242.7 million).

Net debt as at 31 March 2018 was EUR 161.1 million and thus EUR 47.9 million higher due to seasonal effects than the 31 December 2017 figure of EUR 113.3 million. Compared with the prior-year quarter, net debt fell by EUR 41.6 million (31 March 2017: EUR 202.8 million).

Selected Figures for Net Assets, Financial Position and Results of Operations

| EUR million | 31/03/2018 | 31/12/2017 | 31/03/2017 |
|------------------------------|------------|------------|------------|
| Equity | 199.9 | 213.0 | 152.2 |
| Non-current liabilities | 247.5 | 189.6 | 288.2 |
| Current liabilities | 233.6 | 243.8 | 242.9 |
| Financial liabilities | 196.8 | 137.5 | 242.6 |
| Cash funds | 35.6 | 24.2 | 39.9 |
| Net debt | 161.1 | 113.3 | 202.8 |
| Total equity and liabilities | 680.9 | 646.3 | 683.4 |

REPORT ON CHANGES IN EXPECTED DEVELOPMENTS

The TOM TAILOR GROUP confirms its guidance for the 2018 financial year.

TOM TAILOR GROUP: Key Data for the Company Forecast for 2018

| EUR million | Actual 2017 | Forecast Annual Report 2017 | Forecast Interim Management Statement Q1 2018 |
|----------------------------------|----------------|-----------------------------------|--|
| Consolidated revenue | 921.8 | slight decrease year-on-year | slight decrease year-on-year |
| Gross margin (in %) | 58.3 | moderate increase year-on-year | moderate increase year-on-year |
| Reported EBITDA | 83.1 | moderate increase year-on-year | moderate increase year-on-year |
| Reported EBITDA margin (in %) | 9.0 | moderate increase year-on-year | moderate increase year-on-year |
| Reported EBIT | 43.9 | strong increase year-on-year | strong increase year-on-year |
| Reported EBIT margin (in %) | 4.8 | strong increase year-on-year | strong increase year-on-year |

CONSOLIDATED INCOME STATEMENT

Consolidated Income Statement from 1 January to 31 March 2018

| in EUR thousand | Q1 2018 | Q1 2017 |
|--|----------------|----------------|
| Revenue | 189,728 | 218,900 |
| Other own work capitalized | 62 | - |
| Other operating income | 7,795 | 9,405 |
| Cost of materials | -81,012 | -102,733 |
| Personnel expenses | -46,373 | -48,311 |
| Depreciation, amortisation and impairments | -9,283 | -10,299 |
| Other operating expenses | -66,070 | -68,541 |
| Profit from operating activities | -5,153 | -1,579 |
| Financial result | -4,534 | -3,984 |
| Result before income taxes | -9,687 | -5,563 |
| Income taxes | 1,106 | -931 |
| Net income for the period | -8,581 | -6,494 |
| thereof: | | |
| Shareholders of TOM TAILOR Holding SE | -9,311 | -7,208 |
| Non-controlling interests | 730 | 714 |
| Earnings per share | | |
| Basic earnings per share (EUR) | -0.24 | -0.25 |
| Diluted earnings per share (EUR) | -0.24 | -0.25 |

Consolidated Balance Sheet as at 31 March 2018

| in EUR thousand | 31/03/2018 | 31/12/2017 |
|--|----------------|----------------|
| Equity and liabilities | | |
| Equity | | |
| Subscribed capital | 38,495 | 38,495 |
| Capital reserves | 346,639 | 346,528 |
| Consolidated net accumulated losses | -172,836 | -163,525 |
| Accumulated other comprehensive income | -17,673 | -13,461 |
| Attributable to shareholders of TOM TAILOR Holding SE | 194,625 | 208,037 |
| Non-controlling interests | 5,242 | 4,913 |
| | 199,867 | 212,950 |
| Non-current provisions and liabilities | | |
| Provisions for pensions | 1,520 | 1,530 |
| Other provisions | 19,652 | 19,734 |
| Deferred tax liabilities | 57,229 | 60,450 |
| Non-current financial liabilities | 160,809 | 101,385 |
| Other non-current liabilities | 8,247 | 6,489 |
| | 247,457 | 189,588 |
| Current provisions and liabilities | | |
| Other provisions | 47,969 | 44,657 |
| Income tax payables | 5,537 | 6,644 |
| Current financial liabilities | 35,963 | 36,077 |
| Trade payables | 110,141 | 125,022 |
| Other current liabilities | 33,943 | 31,359 |
| | 233,553 | 243,759 |
| Total equity and liabilities | 680,877 | 646,297 |

PRELIMINARY FINANCIAL CALENDAR

Preliminary Financial Calendar

| Date | Current Events |
|------------------|--|
| 30 May 2018 | Annual General Meeting, Hamburg / Germany |
| 8 August 2018 | Half-yearly financial report |
| 13 November 2018 | Quarterly management statement as at 30 September 2018 |

FORWARD-LOOKING STATEMENTS

This document contains forward-looking statements, which are based on the current estimates and assumptions by the management of TOM TAILOR Holding SE. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate and similar formulations. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the results actually achieved by TOM TAILOR Holding SE and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside TOM TAILOR Holding SE's control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. TOM TAILOR Holding SE neither plans nor undertakes to update any forward-looking statements.

PUBLICATION DETAILS

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COMMIT AND DELIVER
