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Bogner stabilises business in the current fiscal year – 2016/17 below expectations

On the basis of visibly increased orders for the spring/summer season and also the autumn/winter season 2018, along with a successfully implemented cost management system, the new management led by CEO Andreas Baumgärtner has been able to noticeably stabilise business development in the Bogner corporate group over the course of the fiscal year so far until 31 October 2018. With this in mind, the Executive Committee assumes there will be a noticeable turnover increase for the complete fiscal year and expects a slight increase in the year-end result.

Over the past fiscal year 2016/17 (as of 31 October 2017), it was not possible to fully realise the objective of keeping the operational group turnover of Willy Bogner GmbH & Co KGaA at the same level as the previous year. Operationally, a turnover decrease of 2.5% (EUR 150.6 million 2016/17 vs. EUR 154.4 million 2015/16) was recorded.

This was primarily due to decreases in both the wholesale and the retail business, which could not be compensated for in full by the growth of the digital distribution channel.

Due to the amended turnover definition in the German Accounting Directive Implementation Act (BilRUG), in which revenue other than turnover was declared for the first time, a total turnover of EUR 155.2 million was achieved compared to EUR 153 million in the previous year.

Despite the decrease in gross profit, it was possible to show an operating income (EBT) of EUR 2.7 million in the reporting year and thus end slightly above the previous

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year's level of EUR 2.3 million. At just shy of 48 percent, the equity capital ratio was slightly under the previous year's level of around 49 percent. The number of employees in the corporate group came to an average of 773 people in the reporting period.

The start of the new fiscal year 2017/18 has been positive in all geographical markets, and was even very good in the company's own retail stores due to the prolonged winter and equally so in the e-commerce business. Bogner is planning for increasing incoming orders from the wholesale sector in the coming winter. The Munich-based fashion company also expects a turnover increase in this area, even though the prerequisites for growth in the company's own retail are most difficult in view of the continuing industry-wide decrease in customer frequency in retail stores as well as the significant increases in competition with online providers. The turnover increase in the online business is set to be larger, with high growth rates expected for the USA and the newly opened European markets.

Provided that there is growth in all three distribution channels, the company is expecting a solid turnover increase "in the mid-single digit range" for the fiscal year as of 31 October 2018.

Willy Bogner GmbH & Co. KGaA, based in Munich, is an internationally successful lifestyle company and the leading provider of exclusive sport fashion, luxurious sportswear and designer fashion. The company employs over 800 people worldwide and appears in over 50 countries with the Bogner (Woman, Man, Sport, Kids) and Bogner Fire Ice brands as well as licences. The company, which has existed since 1932, is led by CEO Andreas Baumgärtner, while the owner is Willy Bogner, the son of the founder. More information at bogner.com