



## Corporate News

### LUDWIG BECK raises consolidated net profit by 13% in 2017

**Munich, March 20, 2018** – The Munich Fashion Group LUDWIG BECK (ISIN DE 0005199905) had to measure up to the enormous pressures placed on traders and markets alike by the ongoing reforming processes marking the European fashion trade also in the 2017 fiscal year. Nevertheless, LUDWIG BECK managed to conclude the fiscal year 2017 with a significant increase in profits, and to maintain sales at a high level.

#### Development of sales

The Munich Fashion Group generated gross sales in the amount of € 173.2m at Group level (previous year: € 177.1m). The LUDWIG BECK segment including the online trade at [www.ludwigbeck.de](http://www.ludwigbeck.de) accounted for sales in the amount of € 99.0m (previous year: € 101.1m), and the WORMLAND segment contributed sales in the amount of € 74.2 (previous year: € 76.0m). The German fashion trade in general recorded a 2% loss in the past fiscal year (Source: TextilWirtschaft).

#### Earnings situation

Earnings before interest and taxes (EBIT) amounted to € 6.5m (previous year: € 6.3m), and, as a result of the company's stringent cost policy, exceeded the management's anticipated range of 4 – 6 million even in the face of the declining sales development.

Accordingly, earnings before taxes (EBT) amounted to € 5.6m (previous year: € 5.2m), with the LUDWIG BECK segment contributing € 8.1m (previous year: € 7.5m) and the WORMLAND segment contributing € -2.5m (previous year: € -2.3m). This result was influenced by the effects of an impairment write-off in the amount of € 0.4m concerning one of the WORMLAND branches. The EBT margin was 3.8% (previous year: 3.5%).

Taxes on earnings remained at last year's level and came to € 2.3m in the fiscal year 2017.

With € 3.3m, the consolidated net profit was up 13% in comparison to the previous year (€ 2.9m).

As per the reporting date December 31, 2017, the Group's equity totaled € 79.4m (previous year: € 79.0m). The equity ratio could be increased by 1.9 percentage points to a total of 60.8% (previous year: 58.9%).

#### Dividend payments

The Executive Board and the Supervisory Board of LUDWIG BECK AG will propose to the Annual General Meeting on May 15, 2018 to distribute a dividend of € 0.65 per participating no-par share (previous year: € 0.65 per share). The dividend amount basically relates to the stock corporation's financial goals, among which solid financial stability as the starting basis for the Group's financial planning has been given priority.

## Outlook

Leading economic researchers unanimously take a positive view on the economic prospects of Germany in 2018. At the same time, market observers expect zero-sum competition to further prevail in the fashion trade. The management of LUDWIG BECK shares this assessment, yet considers itself well-equipped for the coming fiscal year. Amidst ongoing profound, structural changes in the whole industry, the Group still sees sustainable, sound corporate development as its core objective.

Member of the Executive Board Dieter Münch: “In 2018, we’ll have to contrast the adversities of the market with our own corporate strengths. We want to continue to score highly with product quality, service and enhanced experiential value. This endeavor has, however, been further complicated by the weather conditions prevailing in the first months of the year“.

On that basis, the Executive Board expects gross sales at group level to range between € 170m and € 180m and the EBIT margin to reach between 3.5% and 5% of net sales.

For further information regarding the company and the share please refer to the corporate website at <https://kaufhaus.ludwigbeck.de/en/home>.

## Key figures of the Group

in €m	2017	2016
Gross sales	173.2	177.1
Net sales	145.6	148.9
Earnings before interest, taxes, depreciation and amortization (EBITDA)	10.9	10.3
Earnings before interest and taxes (EBIT)	6.5	6.3
Earnings before taxes (EBT)	5.6	5.2
Consolidated net profit	3.3	2.9
Equity	79.4	79.0
Equity ratio in %	60.8	58.9
Investments	2.5	5.4
Employees (average) <sup>1)</sup>	874	892
Earnings per share Aktie (in €)	0.88	0.78
Dividend (in €)	0.65	0.65

<sup>1)</sup> without apprentices

## About LUDWIG BECK

LUDWIG BECK is one of the top fashion retail companies in Germany. In 2017 with 451 employees it generated gross sales of € 99.0m (as per December 31, 2017) on an area of about 12,400 sqm.

LUDWIG BECK is located in the heart of Munich, directly at Marienplatz. On seven floors the Munich Fashion Group showcases international fashion, leather goods and accessories, exclusive cosmetics and with over 120,000 titles Europe’s largest onsite collection of classical, jazz and world music and audiobooks.

## About ludwigbeck.de

The special brand portfolio of the company’s beauty department was made available to online shoppers at the end of 2012 at [www.ludwigbeck.de](http://www.ludwigbeck.de) – a platform offering a unique selection of almost 10,000 products from more than 100 brands and especially featuring luxury and niche cosmetics.

**About WORMLAND**

THEO WORMLAND GmbH & Co. KG, based in Hanover, generated sales in the amount of € 74.2m with 417 employees on a total area of about 16,200 sqm in 2017 (as per December 31, 2017). The Group of companies is based on two differing store concepts: WORMLAND and THEO. Today, THEO WORMLAND GmbH & Co. KG ranges among Germany's top men's fashion retailers with a total of 15 outlets.

**Investor Relations contact:**

esVedra consulting GmbH

Metis Tarta

t: +49 89 206021 – 210

f: +49 89 206021 – 610

mt@esvedragroup.com

**Group accounting contact:**

LUDWIG BECK AG

Jens Schott

t: +49 89 23691 – 798

f: +49 89 23691 – 600

jens.schott@ludwigbeck.de