

LUDWIG BECK

*seit 1861*

## Corporate News

### **LUDWIG BECK sells WORMLAND segment. The core activities are again in the foreground.**

**Munich, 15 April 2019** – Munich Fashion Group LUDWIG BECK (ISIN DE 0005199905) has parted company with the men's fashion chain WORMLAND, which it has owned since 2015. The sale process initiated at the end of January has now reached the hoped-for swift conclusion.

Under the purchase contract signed on April 15, 2019 all interests in THEO WORMLAND GmbH & Co. KG held by Ludwig Beck Unternehmensverwaltungs GmbH will pass to WL Erwerbs GmbH in a management buy-out (MBO). The closing date of the purchase contract is planned for April 30, 2019. WL Erwerbs GmbH is wholly owned by three WORMLAND managers. The buyer will acquire WORMLAND free of bank liabilities with an additional payment of approx. € 7.5m. The buyer has agreed to inject new equity of approx. € 0.5m.

For LUDWIG BECK this transaction will provide a stable footing for the continuing process of restructuring WORMLAND and steering it back to its former profitability. Although there were several prospective buyers, for WORMLAND's staff and the company's sense of identity the choice of buyer must be seen as very fortuitous.

### **Adjustment to forecast for 2019**

With the loss resulting inter alia from the additional payment and repayments to banks LUDWIG BECK now has no further commitments towards WORMLAND. In the light of the sale, the 2019 forecast for the LUDWIG BECK group has to be adjusted. Group sales are now expected to lie between € 114m and € 119m (hitherto: between € 165m and € 170m) and earnings before taxes of between € -12m and € -13m (hitherto: between € 1.5m and € 2.5m). The single-entity financial statements are expected to show a net loss for the year 2019 of around € -10m to € -11m. The 2019 profit available for distribution of LUDWIG BECK AG will thus probably be € 0, making a dividend payment for the 2019 fiscal year unlikely.

### **Outlook**

Once it has parted company with WORMLAND, LUDWIG BECK will once again focus fully on its core business: With the top-selling "Store of the Senses" flagship store at Munich's Marienplatz, with the FÜNF HÖFE beauty dependence in Munich and the ludwigbeck.de online shop.

"Focusing on our core activities will enable us to hold our own in the unrelenting predatory competition in the fashion sector", says board member Dieter Münch.

For further information on all aspects of the company and its share, please visit our website at <https://kaufhaus.ludwigbeck.de/en/home>.

**About LUDWIG BECK**

LUDWIG BECK is one of the top fashion retail companies in Germany. In 2018, with 455 employees, it generated gross sales of € 95.5m (as per December 31, 2018) 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 company 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**

Since the end of 2012, the singular brand portfolio of the beauty department is also available for online shopping at [www.ludwigbeck.de](http://www.ludwigbeck.de). Customers can expect a unique selection of almost 10.000 products of more than 100 luxury and niche cosmetics brands.

**About WORMLAND**

THEO WORMLAND GmbH & Co. KG, based in Hanover, generated in 2018 sales turnover in the amount of € 70.5m with 414 employees on a total area of about 16,200 sqm (as per December 31, 2018). 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](mailto: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](mailto:jens.schott@ludwigbeck.de)