



Corporate News

LUDWIG BECK acquires the men's fashion store chain WORMLAND

- With the acquisition, LUDWIG BECK takes an important step forward in expanding its market position in the field of men's fashion Germany-wide.
- **WORMLAND** offers the ideal expansion for generating a significant growth potential for the group.

Munich, May 13, 2015 – The Munich fashion group LUDWIG BECK (ISIN DE 0005199905) yesterday announced the full acquisition of the Hanover-based men's fashion store chain **WORMLAND**. The fashion company, which was founded in 1935, is considered the "avant-gardist in men's fashion" in the German retail sector, a genuine lifestyle brand offering a unique trading concept. Germany-wide, the company is represented with 15 branches. In 2014, it produced sales in the amount of approximately € 79.6m with a total of 465 employees on a sales area of 13,600 sqm.

Since the year 2000, the company has been managed by Oliver Beuthien whose management will in the future be supported by Dieter Münch and Christian Greiner, the two Executive Board members of LUDWIG BECK AG.

WORMLAND will continue to exist as an independent brand also under the umbrella of LUDWIG BECK AG. With two concepts the corporate strategy addresses two target groups. **WORMLAND** itself stands for stylish fashion for the well-funded, fashion-conscious man who is served in branches characterized by their top inner city locations with a size of 1,000 – 2,500 sqm each. The trading concept **THEO** focuses on jeans and casual wear and addresses a younger target group, which is served in the **THEO** branches on approximately 300 - 500 sqm each. Since the beginning of 2015, in addition to the future-oriented brand spectrum available in its brick-and-mortars stores, the company has offered a selection of trendy styles also online.

The acquisition of this brand with a unique positioning in the German retail sector considerably strengthens the market position of the LUDWIG BECK group, and is based on strategic reasons. So far, LUDWIG BECK has stood primarily for premium women's fashion and non-textile product ranges like cosmetics and sound recordings. The acquisition of **WORMLAND** is intended to render LUDWIG BECK one of the top addresses Germany-wide also in the field of men's fashion.

Like LUDWIG BECK, **WORMLAND** relies on the magic of brands, sensuous product staging, distinguished advice and prime locations. A successful example is offered by the **WORMLAND**-Music label, which produces its own compilations and, with its latest club sounds makes shopping a multidimensional experience. Both companies adhere to a similar corporate philosophy and rely on the customers' high-level expectations as well as the stronger demand for an outstanding shopping experience.

"For us the acquisition of **WORMLAND** is the perfect complement to successfully steer LUDWIG BECK into the future. We take pride in carrying on the legacy of Theo Wormland, the company's founder", Dieter Münch, member of the Executive Board of LUDWIG BECK AG says. **WORMLAND** will equip the *Store of the Senses* with an additional sense", Christian Greiner, member of the Executive Board of LUDWIG BECK AG adds.

WORMLAND manager Oliver Beuthien sees the acquisition by LUDWIG BECK as a new opportunity for the company: “LUDWIG BECK offers **WORMLAND** a stable platform for continuing its exciting, successful company history“.

On account of the acquisition of **WORMLAND**, LUDWIG BECK’s forecast for the year 2015 has to be adjusted. The management now expects sales to increase by approximately 60% (previously 2 - 4%). With the pro-rated sales of **WORMLAND** included, LUDWIG BECK could thus attain accumulated gross sales of approximately € 164m in aggregate in 2015 (previous year: € 102.7m). The anticipated earnings before interest and taxes (EBIT) are expected to rise considerably to approximately € 17 – 19m (previously approximately € 10m) – basically due to non-recurring effects.

About LUDWIG BECK

The Munich fashion group is one of the top textile retail companies in Germany. With approximately 500 employees on an area of about 12,400 sqm, it generates € 102.7m in group sales (as of December 31, 2014).

LUDWIG BECK is located right at Marienplatz in the heart of Munich. On seven floors, LUDWIG BECK presents international fashion, leather goods, accessories and exclusive cosmetics. With more than 120.000 songs it offers the biggest collection of classical music, jazz, world music and audio books of any in-store location in Europe. Since the end of 2012, LUDWIG BECK has offered the extraordinary brand portfolio of its beauty department also online at www.ludwigbeck.de. A unique selection of almost 10,000 products featuring more than 100 luxury and niche cosmetics brands awaits online customers.

About WORMLAND:

Theo Wormland GmbH & Co. KG, with a staff of 465 employees, generated gross sales in the amount of approximately € 79.6m (as at December 31, 2014) on a sales area of approximately 13,600 sqm. The company’s headquarters are located in Hanover.

In 1935, Theo Wormland (1907 - 1983) founded the company for men’s fashion bearing his name. Meanwhile the business group comprises two differing store concepts: **WORMLAND** and **THEO**. With 15 branches Theo Wormland GmbH & Co. KG today ranges among Germany’s top men’s fashion store chains, and also operates an online store at www.shop.wormland.de.

The company’s founder additionally assembled one of Germany’s major private surrealism collections. The works were in the meantime donated to the Munich Gallery of Modern Art by the **WORMLAND** foundation.

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