



Corporate News

LUDWIG BECK ends 1st quarter of 2012 with record earnings / branch-adjusted sales rise 7.8%

Munich, April 19, 2012 – In the first three months of the 2012 fiscal year, Munich fashion group LUDWIG BECK (Security Identification Number: 519 990) expanded its success at a high level, clearly exceeding last year's earnings.

Development of sales

In the months from January to March 2012, the Group achieved gross sales in the amount of € 22.9m, thus gaining 3.9%, compared to last year's € 22.0m. Like-to-like sales even rose by 7.8%, not only far exceeding the expectations of the management, but also the development of the retail industry, which ended the 1st quarter with a modest 1% increase (source: TWTtestclub). As before, the flagship store at Munich's Marienplatz generated the lion share of the sales with € 22.1m (previous year: € 20.4m). A reliable guarantor of success, the "Store of the Senses" achieved a disproportionately high result and gained a remarkable 8.4%.

Earnings situation

In the 1st quarter of 2012, LUDWIG BECK's gross profit grew by 2.7% to € 9.4m compared to € 9.1m in the previous year. The gross profit margin was at 48.7% (previous year: 49.3%).

The expense ratio (expenses against corresponding income) decreased by 6.0%-points from 45.1% in the previous year to 39.1%. The absolute amount of expenses netted against corresponding income was only € 7.5m (previous year: € 8.3m), primarily thanks to a decrease in other operating expenses by more than € 0.8m. Last year showed € 0.7m in special anniversary costs for this period.

All in all, EBIT amounted to € 1.8m, a € 1.0m increase compared to the previous year (€ 0.8m). Accordingly, at 9.6%, the EBIT margin was high compared to 4.2% in the 1st quarter of 2011.

Earnings before taxes (EBT) climbed even higher and reached € 1.4m (previous year: € 0.2m). The EBT margin was 7.2% (previous year: 1.0%)

Net profits for the first three months of 2012 rose from last year's € 0.1m to € 0.9m.

Therefore, yield development for the 1st quarter of 2012 can only be described as highly satisfactory.

Outlook

Economic experts agree: After a good start in 2012, the German economy will experience further growth over the course of the year. The Kiel Institute for the World Economy (IfW) anticipates economic growth of 0.7%, the Hamburg Institute of International Economics (HWWI) expects a 0.5% increase. According to the Association for Consumption Research (GfK), the retail industry can look forward to a slight rise of 1% in consumer spending. Many German

managers share the positive mood, and pushed up the Ifo-Institute's business climate index for the fourth consecutive time.

Dieter Münch, Executive Board member of LUDWIG BECK AG, has a very positive outlook on the Group's further path: "LUDWIG BECK's running start into the year 2012 was an impressive confirmation for the strategic approach of the Group. Especially the strong increase in sales was a great surprise for us!"

Based on these deliberations, the LUDWIG BECK management confirms its already published forecast for the current fiscal year of a branch-adjusted sales growth by 2% to 3 % and earnings before taxes (EBT) between € 10.0m and € 12.0m.

The detailed Three Months' Report will be published on the Internet at www.ludwigbeck.de in the "Quarterly Reports" section under "Financial Publications".

Key Figures of the Group

| in €m | 1/1/2012 – 3/31/2012 | 1/1/2011 – 3/31/2011 |
|-------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Sales (gross) | 22.9 | 22.0 |
| Sales (net) | 19.2 | 18.5 |
| Gross profit¹⁾ | 9.4 | 9.1 |
| Earnings before interests, taxes on income, depreciation and amortisation (EBITDA) | 2.6 | 1.5 |
| Operational result (EBIT) | 1.8 | 0.8 |
| Earnings before taxes on income (EBT) | 1.4 | 0.2 |
| Net profit for the period | 0.9 | 0.1 |
| Earnings per share (in €) | 0.26 | 0.03 |
| Investments | 0.3 | 0.5 |
| Employees (number at relevant date 3/31)²⁾ | 443 | 466 |

¹⁾ Net profits from turnover minus costs of material used; ²⁾ without apprentices

About LUDWIG BECK

Founded in 1861 as a trimmings and button-making workshop with four journeymen and one apprentice, over time, LUDWIG BECK advanced to become one of the most innovative retail businesses in Germany.

Located at Marienplatz in the heart of Munich, with a sales area of 11,500 m² spread over seven floors, and close to 500 employees, LUDWIG BECK offers an extraordinary blend of goods in its selection: hip fashion, exclusive leather goods and accessories, unique beauty products, original gift ideas, traditionally exquisite sewn and knitted creations, and the finest of auditory pleasures.

In 2011, LUDWIG BECK generated gross sales of € 103.3m and earnings before taxes (EBT) of € 11.3m.

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