

PRESS RELEASE

WORTMANN with Good First Half Year Plus 1.1 % in the autumn-winter season 2014/15

Detmold, 19 February 2015 - Wortmann Schuh-Holding KG Internationale Schuhproduktionen, Detmold, well-known among others with the Tamaris brand, was successful at increasing the group turnover by 1.1% to 504.1 million euros in the first half of the current fiscal year (autumn-winter season from 01.06. to 30.11.2014). In the previous year, turnover was at 498.6 million euros. Based on the currently available orders for spring-summer 2015, a slight increase in turnover to approx. 1.018 billion euros is anticipated for the entire 2014/15 fiscal year (31.05.). In the previous year, the overall turnover was 1.013 billion euros. In this regard, the export quota will be at approx. 53% of the previous year's level.

For the shoe branch, the past year was, on the one hand, characterised by a favourable spring-summer business, however, in the second half of the year – as was the case in the previous years – turnover was disappointing, primarily due to the weather conditions. Despite this, the shoe retail industry's turnover in Germany increased by 1% for the entire year. During the first half of the fiscal year, the domestic turnover at Wortmann also increased slightly. Regarding the foreign markets, it was especially France, the Netherlands and Poland that demonstrated strong positive development. Significant drops were noted in the Russian markets – the strongest export market of Wortmann – and in the Ukraine. Also in the second half of the year, first and foremost due to the weak rouble and the conflicts in the Ukraine, negative influences made their presence felt. The private label business of the Wortmann subsidiary, Novi Footwear Singapore/Hong Kong in Asia, with customers from abroad, is once again showing moderate growth. The collections of the Wortmann group are offered in more than 70 countries worldwide and in more than 15,000 shoe stores.

The Tamaris system partnership with retail trade partners is growing continually, with a plus of about 9%. As per the end of January, 970 surfaces (previous 888 surfaces) were under contract in 33 countries. These include 313 Tamaris Mono Label stores (previously 274) and 657 Shop-in-Shops (previously 614). The share of the foreign surfaces is currently at 45%. Wortmann opened its new factory outlet at the headquarters in Detmold at the end of November of the past year. Surplus production, odd pairs, samples etc. are on offer on a surface of almost 800 sqm.

In December, Tamaris USA Inc., which was founded in 2014, was successfully launched at the FFA NY in New York, which is one of the most important trade fairs in the USA. The Tamaris collection for the coming autumn-winter was positively received by the American expert audience in every respect. Tamaris is currently presenting itself at additional trade fairs in all major cities in the USA.

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At the beginning of January 2015, Novi Footwear moved into new premises at its largest location in China, Dongguan, which offers space for more than 200 employees. The new spatial organisation, on a surface of approx. 3,000 sqm is linked to an adjustment and downsizing of the business processes in the Far East, and as such is solidifying its platform for further growth in Asia.

Also in the current fiscal year, the headquarters in Detmold are anticipating a satisfying profit situation. As profits traditionally remain within the company, it can finance itself completely on the basis of an equity capital quota of more than 75%. Bank credits are not required.

With a volume of approx. 31.8 million pairs of shoes in the current fiscal year in the fashion segment, and approx. 20 million pairs of shoes in the standard segment, the Wortmann Group is one of the largest shoe production and distribution companies in Europe. It is considered a market leader with fashionable women's shoes. Apart from the top brand **Tamaris**, other brands that are included in the European part of the corporate group are **Marco Tozzi**, **Caprice**, **Jana** and **s.Oliver shoes**. Still to be added to this is **Novi Footwear Fareast Ltd.** in Asia. Wortmann is represented with own companies at eight locations within Europe, an additional eleven in Asia and one in the USA. Internationally, the group currently has a total of 1,151 employees (previous 1,092) of which 722 in Europe. Globally, approx. 30,000 employees are producing for the Detmold Corporate Group.

The coming fiscal year 2015/16 is associated with a great degree of uncertainty, as it is very hard to assess the impact of a number of topical influencing factors such as the political and business developments in the Ukraine, in Russia and Greece, as well as the strength of the US dollar. First sales figures for the coming autumn-winter season do not allow any reliable prognoses.

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