REPORT ON THE THIRD QUARTER OF 2015/16

(MAY 2015 – JANUARY 2016)

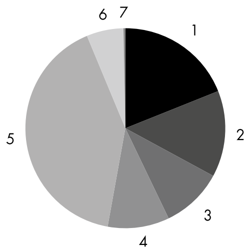
Wolford Group Key Data

Earnings Data		05/15 - 01/16	05/14 - 01/15	Chg. in %	2014/15
Revenues	in € mill.	128.71	121.13	+6	157.35
EBIT	in € mill.	2.16	7.08	-70	2.17
Earnings before tax	in € mill.	1.39	6.39	-78	1.21
Earnings after tax	in € mill.	0.70	4.46	-84	1.03
Capital expenditure	in € mill.	5.24	8.24	-36	10.97
Free cash flow	in € mill.	1.10	0.79	+39	-0.54
Employees (on average)	FTE	1,574	1,567	+1	1,574

Balance Sheet Data		31.01.2016	31.01.2015	Chg. in %	30.04.2015
Equity	in € mill.	75.21	79.22	-5	74.83
Net debt	in € mill.	17.37	15.76	+10	17.12
Working capital	in € mill.	38.97	39.14	-1	38.14
Balance sheet total	in € mill.	145.91	150.51	-3	147.44
Equity ratio	in %	52	53	-2	51
Gearing	in %	23	20	+15	23

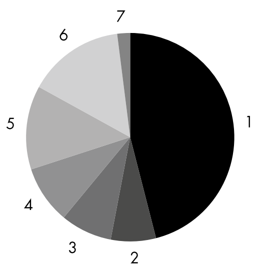
Stock Exchange Data		05/15 - 01/16	05/14 - 01/15	Chg. in %	2014/15
Earnings per share	in €	0.14	0.91	-85	0.21
Share price high	in €	25.48	24.05	+6	24.12
Share price low	in €	21.35	18.75	+14	18.75
Share price at end of period	in €	25.05	21.29	+18	24.00
Shares outstanding (weighted)	in 1,000	4,912	4,900	+1	4,900
Market capitalization (ultimo)	in € mill.	125.23	106.45	+18	120.00

REVENUES BY MARKET



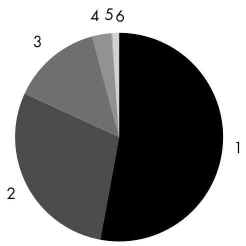
1 North America 19 %
2 Germany 14 %
3 Austria 10 %
4 France 10 %
5 Rest of Europe 41 %
6 Asia/Oceania 6 %
7 Rest of the World 0 %

REVENUES BY DISTRIBUTION



1 Boutiques 46 %
2 Concession-Shop-in-shops 7 %
3 Online Business 8 %
4 Factory Outlets 9 %
5 Department Stores 13 %
6 Multi-brand Retailers 15 %
7 Private Label 2 %

REVENUES BY PRODUCT GROUP



1 Legwear 53 %
2 Ready-to-wear 29 %
3 Lingerie 14 %
4 Accessories 3 %
5 Swimwear 0%
6 Trading goods 1%

Contents

Letter from the Board


Ashish Sensarma and Axel Dreher, Management Board of Wolford AG

Dear shareholders,

The third quarter of the 2015/16 financial year continued to be shaped by the ongoing difficult economic and political conditions in our core markets as well as a very competitive development in the premium and luxury goods sector. Against the backdrop of a challenging environment additionally burdened by the warm temperatures in the winter months, the Wolford Group could not fully maintain the strong momentum over the last three months which it had built up during the first half of the current financial year. Nevertheless, Wolford reported a revenue increase of 6% in the first nine months of the reporting period, not least thanks to positive currency effects particularly related to the increase in value of the US dollar and the British pound.

Retail and online business as growth drivers

On balance, the Wolford Group achieved revenues of € 128.7 million in the first nine months of 2015/16. From a sales channel perspective, Wolford's own retail and online business made a substantial contribution to revenue growth. Revenues generated by Wolford-owned retail stores rose by 5% in absolute terms and 4% on a like-for-like basis, whereas our online business even expanded by 66%. At the same time, on a cumulative basis the wholesale business remained at about the same level as in the previous year. This was in contrast to a third-quarter decline mainly attributable to the changed distribution timing, in particular a shift in delivery dates into the first half of the current financial year.

We successfully achieved a milestone in our efforts to update our product portfolio on the basis of our autumn/winter collection 2015/16 sold off in the third quarter of this financial year. The individual product groups as well as the Trend and Essentials collection offering were harmonized and can be effectively combined with each other in terms of colors and styles. We resolutely continued along this path with the latest spring/summer 2016 collection under the leadership of the new Creative Director Grit Seymor. Up until now, we have been able to report double-digit increases in revenues and the number of items sold for the new collection at our own retail stores.

Revenue growth in all segments

From a product perspective, the trend towards figure-shaping lingerie with a functional character continued unabated. Wolford has decisively shaped this development for many years by resorting to highly innovative materials and production processes. Accordingly, the Lingerie segment generated significant revenue growth in the first nine months of the financial year. At the same time, the Legwear, Ready-to-wear, Accessories and Trading Goods segments also increased revenues.

Differing regional market development

From a regional perspective, the development of revenues clearly reflected the current economic and political conditions prevailing in the individual markets. Wolford generated double-digit growth respectively in two markets which have gained in strength recently, namely Italy and Spain. Revenues also rose in Scandinavia, Netherlands and Belgium. Positive currency effects supported the good revenue development in the USA, Great Britain and Switzerland. Following the good revenue development in France during the first six months of the financial year, revenues dropped in the third quarter as a result of the tragic events which took place in Paris. Nevertheless, Wolford still succeeded in keeping revenues constant in France in the first three quarters compared to the prior-year level. Austria and Germany showed a slight drop in revenues. The weakening economy in Asia and the economically tense situation in Russia impacted sales in Asia as well as in Central and Eastern Europe.

Operating results still burdened by one-off effects

The positive revenue development in the first nine months had little impact on operating results, due to the fact that Wolford was also faced with cost increases within the context of the strengthened US dollar and British pound. These cost rises and one-off effects reported in the 2014/15 financial year negatively impacted the company's earnings development. Adjusted for these effects, which strongly distort the comparability of business results, EBIT in the current financial year increased by € 1.02 million compared to the prior-year level. In absolute terms, the Wolford Group generated an EBIT of € 2.16 million in the first three quarters of 2015/16.

The asset and capital structure of the company remained sound. As at January 31, 2016, equity of the Wolford Group totaled € 75.21 million, corresponding to an equity ratio of 52%.

Wolford launches new product innovation

As a strongly innovation-driven company, Wolford unceasingly pursues new ideas. Our innovations always focus on the fashion-conscious and self-confident woman. Products such as PURE tights, the Cotton Contour line or the large selection of Shape & Control styles underline Wolford's extensive innovative strength. The latest innovation from the House of Wolford will be presented as part of the autumn/winter collection 2016/17. We will launch our new revolutionary Comfort Cut 40 tights developed to completely and individually adapt to fit every figure, thus ensuring the highest wearing comfort.

All Wolford products not only stand out because of their unique design, high quality materials and incomparable fit, but also because of their long-lasting quality. In this way, Wolford proactively contributes to greater sustainability. Wolford has voluntarily committed itself to complying with the bluesign® system, the world's highest ecological, occupational safety and consumer protection standard. Since February 2016, all Essential Legwear products made of cotton or polyamide and knitted or dyed by Wolford itself are bluesign® approved and thus demonstrably produced in a sustainable manner. Accordingly, Wolford's production processes demonstrably fulfill the world's highest sustainability standards for the textile industry. Moreover, our R&D team is collaborating with the industry network smart-textiles on a project to develop a completely recyclable lingerie product line which can be returned to the so-called cradle to cradle production process.

Business environment remains challenging

It is difficult at the present time to make predictions about the further development of our core markets. This especially applies to our retail activities in France. As long as no recovery takes place in these markets, it will be a challenge for Wolford to achieve its declared objective of generating positive operating results. Nevertheless, the management expects higher revenues in the 2015/16 financial year also under these circumstances compared to the previous year.

We would like to thank you for the confidence you have placed in Wolford AG.

Ashish Sensarma, CEO

Axel Dreher, COO/CFO

Management Report

EARNINGS (MAY 2015 TO JANUARY 2016)

Against the backdrop of a globally challenging market environment, the Wolford Group generated revenues of € 128.71 million in the first nine months of the current financial year, comprising a rise of 6.3% from the prior-year level of € 121.13 million. Revenue growth amounted to 1.1% when adjusted in particular to take account of currency effects related to the increase in value of the US dollar and the British pound.

Revenue increase especially in the online business

The Wolford Group's own online business, which expanded by 65.8% in a year-on-year comparison, was largely responsible for the revenue increase. Revenues generated by Wolford-owned retail stores rose by 5.2% in absolute terms and by 4.3% on a like-for-like basis, which can be especially attributed to the positive currency effects. Adjusted to reflect the above-mentioned currency effects, Wolford's retail segment performed below expectations, showing a revenue rise of only 0.3%. The main reasons were the uncertain political and economic situation as well as the warm temperatures in the winter months which combined to negatively impact customer frequencies in the Wolford shops. This development also indirectly affected the wholesale business, where revenues remained at the prior-year level due to a shift in delivery dates into the first half of 2015/16.

Differing regional market development

From a regional perspective, the development of revenues varied considerably in the first nine months of the 2015/16 financial year, in part as a consequence of the difficult market environment. Wolford generated double-digit growth in Italy and Spain, and also increased revenues in Scandinavia, Netherlands and Belgium. Positive currency effects supported the good revenue development in the USA, Great Britain and Switzerland. Wolford faced a weakening of sales momentum in its relevant Asian markets. Nevertheless, it bucked the prevailing trend, continuing to report accumulated double-digit revenue growth in Asia. Wolford still succeeded in maintaining revenues in France at a constant level in spite of the decrease related to the consequences of the dramatic events taking place in Paris in the middle of November. In contrast, the core markets of Austria and Germany showed a slight drop in revenues. Revenues were down in Central and Eastern Europe due to the difficult situation on the Russian market.

Growth in all segments

The trend towards figure-shaping lingerie with a functional character continued unabated in the first three quarters of 2015/16, as shown by double-digit revenue growth in the Lingerie segment. The other segments of the Wolford Group i.e. Legwear, Ready-to-wear, Accessories and Trading Goods also generated slight revenue increases in the same period.

The positive revenue development hardly had any impact on operating results in the first nine months, due to the fact that Wolford was also faced with cost increases within the context of the increased value of the US dollar and British pound. This mainly related to rental costs as well as revenue-related costs (other operating expenses). Moreover, there was a slight increase of € 2.12 million for personnel expenses, which can be attributable to the filling of key positions in the online, marketing, creative and design areas and due to general salary increases. On balance, the Wolford Group employed an average of 1,574 people (FTE) in the first nine months of 2015/16, compared to 1,567 in the prior-year period.

EBIT above the previous year after excluding one-off effects

A comparison of interim results for the first nine months shows that earnings were strongly influenced by one-off effects reported in the 2014/15 financial year. Against this backdrop, and in light of the fact that no significant costs are expected to arise any longer in connection with the restructuring of the company, Wolford AG is returning to simply reporting its operating results as EBIT in the current 2015/16 financial year without distinguishing it from EBIT adjusted for restructuring costs. Accordingly, no "non-recurring expenses" and "non-recurring income" will be recognized in the 2015/16 financial year, but will only be included in the comparisons to the previous year. As a result, EBIT and adjusted EBIT will subsequently coincide starting in the 2015/16 financial year. The book gain amounting to € 1.09 million from the sale of employee apartments concluded at the beginning of May 2015 was recognized as other operating income (totaling € 1.81 million).

In the first nine months of the current financial year, EBIT totaled to € 2.16 million (previous year: € 7.08 million). Prior-year EBIT not only included the sale of the above-mentioned lease option (other operating income to the amount of € 4.04 million), but also the book gain from the sale of non-core land in Bregenz (non-recurring income of € 3.37 million). This was in contrast to non-recurring expenses of € 0.38 million to update the Essentials collection as well as follow-up costs for closing company-owned locations. EBIT in the first nine months of 2015/16 rose by € 1.02 million from the previous year excluding all one-off effects, but including the recent income from the sale of employee apartments (other operating income amounting to € 1.09 million).

Positive earnings after tax

In the light of a negative net investment securities income, the financial result was at € -0.77 million and thus lower than € -0.69 million in the previous year, due to the development of the securities held by the Group. Earnings before tax before the above-mentioned effects totaled € 1.39 million, compared to € 6.39 million in the previous year. The income tax expense equaled € 0.69 million (previous year: € 1.94 million). Accordingly, earnings after tax amounted to € 0.70 million, compared to the prior-year level of € 4.46 million. Earnings per share equaled € 0.14, down from € 0.91 in the first nine months of 2014/15.

CASH FLOW (MAY 2015 TO JANUARY 2016)

Lower working capital despite increase in inventories

The cash flow from operating activities (operating cash flow) rose by € 2.69 million to € 5.45 million in the first nine months of the current financial year. This development can be primarily attributed to improved receivables management, which significantly reduced the level of outstanding trade receivables. In addition, inventories expanded due to delivery of the new fashion collection. The cash flow from investing activities in the reporting period amounted to € -4.36 million, comprising a rise of € 2.38 million from the comparable figure in the previous year. During the first nine months of the 2015/16 financial year, Wolford mainly invested in a new company-owned retail location in Puerto Banús, Marbella, which opened at the end of June 2015. In addition, the Milan location was further expanded by opening the flagship store and showroom, and investments were made in the interior of the shops in Harbour City (Hong Kong) and Bal Harbour (USA).

The free cash flow (cash flow from operating activities less the cash flow from investing activities) climbed from € 0.79 million to € 1.10 million. At the same time, the cash flow from financing activities fell from € 4.81 million in the first three quarters of 2014/15 to € -0.06 million during the reporting period. Cash and cash equivalents amounted to € 5.78 million at the end of the period under review, compared to € 10.63 million in the previous year.

ASSETS AND FINANCIAL POSITION (AS OF JANUARY 31, 2016)

Solid balance sheet structure, equity ratio of 52%

The Wolford Group continued to boasts a sound asset and capital structure at the balance sheet date of January 31, 2016. The balance sheet total fell to € 145.91 million compared to € 150.51 million at the end of the prior-year period. This was the result of lower receivables and the drop in cash and cash equivalents. Equity of the Wolford Group as of January 31, 2016 amounted to € 75.21 million, a drop of € 4.01 million from the comparable figure in the previous year. Accordingly, net debt rose from € 15.76 million to € 17.37 million. The equity ratio was 52% (January 31, 2015: 53%) and gearing equaled 23% (January 31, 2015: 20%).

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No major events occurred after the balance sheet date that would have had a significant effect on the financial position, financial performance or cash flows of the Wolford Group.

OUTLOOK

Hard to predict development of core markets

Due to the demanding macroeconomic and industry-specific environment, the Wolford Group did not succeeded in maintaining the sales impetus prevailing in the first half of the current financial year. In particular, the retail business, above all in France, remained below expectations due to the uncertain political and economic situation and the warm winter months. From the company's perspective, the further development of its core markets of the USA, Germany and France are difficult to predict. If the market environment does not improve in a timely manner, it will be a challenge for Wolford to achieve its declared objective of generating positive operating results for the 2015/16 financial year. Nevertheless, the Wolford Group expects higher revenues in the 2015/16 financial year also under these circumstances compared to the previous year.

Interim Financial Statements (IFRS)

Statement of Comprehensive Income

in TEUR	11/15 - 01/16	11/14 - 01/15	05/15 - 01/16	05/14 - 01/15
Revenues	**49,478**	**48,494**	**128,713**	**121,125**
Other operating income	227	1,290	1,811	6,404
Changes in inventories of finished goods and work-in-process	-3,189	-1,771	-91	370
Own work capitalized	27	2	55	30
Operating output	**46,543**	**48,015**	**130,488**	**127,929**
Cost of materials and purchased services	-7,420	-7,939	-22,186	-22,944
Personnel expenses	-19,142	-18,528	-56,322	-54,204
Other operating expenses	-15,227	-15,282	-42,892	-40,288
Depreciation and amortization	-2,310	-2,216	-6,929	-6,400
EBIT adjusted	**2,444**	**4,050**	**2,159**	**4,093**
Non-recurring expenses	0	-135	0	-382
Non-recurring income	0	0	0	3,370
EBIT	**2,444**	**3,915**	**2,159**	**7,081**
Net interest cost	-145	-191	-475	-489
Net investment securities income	-39	64	-75	145
Interest cost of employee benefit liabilities	-73	-115	-219	-345
Financial result	**-257**	**-242**	**-769**	**-689**
Earnings before tax	**2,187**	**3,673**	**1,390**	**6,392**
Income tax	-591	-600	-694	-1,936
Earnings after tax	**1,596**	**3,073**	**696**	**4,456**
Amounts that will not be recognized through profit and loss in future periods	0	-1,164	0	-1,164
thereof actuarial gains and losses	0	-1,164	0	-1,164
Amounts that will potentially be recognized through profit and loss in future periods	44	1,095	375	1,545
thereof currency translation differences	44	1,105	370	1,593
thereof change from cash flow hedges	0	-10	5	-48
Other comprehensive income [1]	**44**	**-69**	**375**	**381**
Total comprehensive income	**1,640**	**3,004**	**1,071**	**4,837**
Attributable to the equity holders of the parent company	1,640	3,004	1,071	4,837
Earnings after tax attributable to equity holders of the parent company	1,596	3,073	696	4,456
Earnings per share (diluted = basic)	**0.32**	**0.63**	**0.14**	**0.91**

1) The items presented under other comprehensive income are shown after tax..

Cash Flow Statement

in TEUR	05/15 - 01/16	05/14 - 01/15
Earnings before tax	**1,390**	**6,392**
Depreciation and amortization	6,929	6,400
Interest result	550	344
Gains / losses from disposal of property, plant and equipment	-914	-3,363
Changes in non-current provisions	-535	211
Changes in inventories	56	-827
Changes in trade receivables	-926	-4,506
Changes in other assets	1,169	-2,235
Changes in trade payables	-625	-350
Changes in current provisions	-1,757	384
Changes in other liabilities	699	683
Changes in the cash flow hedge reserve	6	63
Currency translation differences	643	599
Net interest paid	-500	-475
Income taxes paid / received	-734	-557
Cash flow from operating activities	**5,451**	**2,763**
Investments in property, plant and equipment and other intangible assets	-5,793	-8,737
Proceeds from the sale of property, plant and equipment and other intangible assets	1,437	6,764
Proceeds from the disposal of securities	0	0
Cash flow from investing activities	**-4,356**	**-1,973**
Payment received from current and non-current financing liabilities	2,144	5,082
Repayment of current and non-current financing liabilities	-1,219	-274
Dividends paid	-980	0
Cash flow from financing activities	**-55**	**4,808**
Change in cash and cash equivalents	**1,040**	**5,598**
Cash and cash equivalents at the beginning of the period	4,785	4,653
Effects of exchange rate fluctuations on cash and cash equivalents	-46	374
Cash and cash equivalents at the end of the period	**5,779**	**10,625**

Balance Sheet

in TEUR	31.01.2016	31.01.2015	30.04.2015
Property, plant and equipment	52,280	53,542	53,470
Goodwill	1,285	1,267	1,278
Other Intangible assets	11,487	12,027	12,311
Financial assets	1,291	1,581	1,595
Non-current receivables and assets	1,905	1,676	2,168
Deferred tax assets	10,037	7,592	10,445
Non-current assets	**78,285**	**77,685**	**81,267**
Inventories	42,145	40,895	42,201
Trade receivables	11,007	13,296	10,081
Other receivables and assets	4,758	2,965	5,219
Prepaid expenses	3,932	4,755	3,595
Cash and cash equivalents	5,779	10,625	4,785
Non-current assets held for sale	0	289	289
Current assets	**67,621**	**72,825**	**66,170**
Total assets	**145,906**	**150,510**	**147,437**
Share capital	36,350	36,350	36,350
Capital reserves	1,817	1,817	1,817
Other reserves	37,917	42,440	37,902
Currency translation differences	-870	-1,388	-1,241
Equity	**75,214**	**79,219**	**74,828**
Financial liabilities	4,979	5,209	4,940
Other liabilities	1,006	1,075	1,052
Provision for long-term employee benefits	18,685	17,460	19,220
Deferred tax liabilities	45	125	54
Non-current liabilities	**24,715**	**23,869**	**25,266**
Financial liabilities	19,458	22,758	18,572
Trade payables	3,999	4,566	5,155
Other liabilities	14,948	13,450	14,204
Income tax liabilities	1,485	942	1,568
Other provisions	6,087	5,706	7,844
Current liabilities	**45,977**	**47,422**	**47,343**
Total equity and liabilities	**145,906**	**150,510**	**147,437**

Statement of Changes in Equity

in TEUR	Share capital	Capital reserves	Hedging reserve	Actuarial gain/loss	Other reserves	Treasury stock	Currency translation	Total equity
	Attributable to equity holders of the parent company							
01.05.2014	**36,350**	**1,817**	**-3**	**-1,542**	**45,404**	**-4,663**	**-2,981**	**74,382**
Dividends 2013/14	0	0	0	0	0	0	0	0
Total comprehensive income	0	0	-48	-1,164	4,456	0	1,593	4,837
31.01.2015	**36,350**	**1,817**	**-51**	**-2,706**	**49,860**	**-4,663**	**-1,388**	**79,219**
01.05.2015	**36,350**	**1,817**	**-5**	**-3,867**	**46,437**	**-4,663**	**-1,241**	**74,828**
Dividends 2014/15	0	0	0	0	-980	0	0	-980
Total comprehensive income	0	0	5	0	696	295	370	1,366
31.01.2016	**36,350**	**1,817**	**0**	**-3,867**	**46,152**	**-4,368**	**-870**	**75,214**

Segment Reporting

05/15 -01/16 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	**74,854**	**77,815**	**24,975**	**6,052**	**-54,983**	**128,713**
thereof intersegment	48,393	6,590	0	0	-54,983	0
External revenues	**26,461**	**71,225**	**24,975**	**6,052**	**0**	**128,713**
EBIT adjusted	**2,124**	**786**	**-415**	**-533**	**197**	**2,159**
Non-recurring expenses	0	0	0	0	0	0
Non-recurring income	0	0	0	0	0	0
EBIT	**2,124**	**786**	**-415**	**-533**	**197**	**2,159**
Segment assets	160,084	49,335	17,004	3,814	-84,331	145,906
Segment liabilities	60,250	38,145	10,689	2,901	-41,294	70,691
Investments	2,488	2,063	388	321	-14	5,246
Depreciation and amortization	3,859	2,271	528	286	-15	6,929
Employees on average (FTE)	**719**	**722**	**98**	**35**	**0**	**1,574**

05/14 -01/15 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	**70,524**	**74,566**	**21,349**	**4,783**	**-50,097**	**121,125**
thereof intersegment	46,080	4,017	0	0	-50,097	0
External revenues	**24,444**	**70,549**	**21,349**	**4,783**	**0**	**121,125**
EBIT adjusted	**588**	**3,690**	**-315**	**-52**	**182**	**4,093**
Non-recurring expenses	-338	-25	-19	0	0	-382
Non-recurring income	3,370	0	0	0	0	3,370
EBIT	**3,620**	**3,665**	**-334**	**-52**	**182**	**7,081**
Segment assets	162,280	53,687	17,138	4,255	-86,850	150,510
Segment liabilities	61,950	39,105	10,896	1,801	-42,461	71,291
Investments	3,635	3,771	589	252	-5	8,242
Depreciation and amortization	3,814	1,971	362	271	-18	6,400
Employees on average (FTE)	**716**	**697**	**116**	**38**	**0**	**1,567**

Notes to the Interim Financial Statements

GENERAL INFORMATION

The consolidated interim financial statements of the Wolford Group for the first nine months of the 2015/16 financial year (May 1, 2015 to January 31, 2016) were prepared in accordance with International Financial Reporting Standards (IFRS) on the basis of IAS 34 (Interim Financial Reporting). The accounting and valuation policies applied in preparing the consolidated interim financial statements reflect the policies applied to the consolidated financial statements for the 2014/15 financial year. The following new or revised standards and interpretations require mandatory application in the 2015/16 financial year:

Standard/ Interpretation	Description	Effective date
IFRIC 21	Levies	June 17, 2014
Improvements to IFRS 2011-2013	Changes to IFRS 1, IFRS 3, IFRS 13 und IAS 40	January 1, 2015
Improvements to IFRS 2010-2012	Changes to IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38	February 1, 2015
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions	February 1, 2015
Improvements to IFRS 2012-2014	Changes to IFRS 5, IFRS 7,IAS 19 und IAS 34	January 1, 2016

The application of the new standards and interpretations has no effect on the consolidated interim financial statements of the Wolford Group. These consolidated interim financial statements do not include all information and disclosures required for the consolidated annual financial statements. For this reason, the consolidated interim financial statements should also be read in connection with the latest consolidated financial statements as of April 30, 2015. The amounts included in this quarterly report are presented in thousands of euros (TEUR). Rounding differences may arise from the application of commercial rounding principles.

No significant costs should arise from Wolford's strategic refocusing efforts in the future. Therefore no additional non-recurring expenses and income will be reported in the current financial year but only in the comparison with prior-year figures. In order to more transparently present the development of the Wolford Group's operating business, all non-recurring effects in previous years related to the strategic refocusing were excluded from the calculation of adjusted EBITDA and adjusted EBIT and reported separately as non-recurring items in the statement of comprehensive income in accordance with IAS 1.98. These non-recurring items include expenses for updating the Essentials collection, follow-up costs from closing company-owned locations and the related severance payments as well as income from the sale of non-core land.

SCOPE OF CONSOLIDATION

There were no changes in the scope of consolidation since the balance sheet date on April 30, 2015.

SEASONALITY OF BUSINESS

Wolford generates lower revenues in the first and last months of the financial year compared to the middle of the financial year due to the weather. These seasonal fluctuations are reflected in revenues for the first and fourth quarters, which are generally lower than the comparable figures for the second and third quarters.

NOTES ON THE STATEMENT OF COMPREHENSIVE INCOME

Revenues recorded by the Wolford Group rose by 6.3% or a total of TEUR 7,588 to TEUR 128,713 in the first nine months of 2015/16 (previous year: TEUR121,125). The increase can mainly be attributed to currency effects. As a result, operating output was up by TEUR 2,559 to TEUR 130,488 (previous year: TEUR 127,929).

The development of operating profit was influenced by an increase in personnel expenses of TEUR 2,118 and a rise in other operating expenses to the amount of TEUR 2,604 mainly related to higher rental and freight costs. EBIT in the first nine months of the 2015/16 financial year totaled TEUR 2,159, compared to TEUR 7,081in the prior-year period, which was impacted by one-off effects. Adjusted EBIT rose by TEUR 1,016 in a year-on-year comparison after taking account of the proceeds from the sale of the lease option and non-core land in the previous year and the employee apartments in the current year.

The financial result in the first half of the current financial year deteriorated by TEUR 80 to TEUR -769, which is due to the negative value development of the securities held by the Wolford Group totaling TEUR -75 (previous year: TEUR 145).

The reported tax expense amounted to TEUR 694 in the first three quarters of 2015/16, whereas a tax expense of TEUR 1,936 related to the taxable sale of a lease option was recognized in the previous year. Accordingly, earnings after tax were TEUR 696 (previous year: TEUR 4,456).

Positive currency translation differences of TEUR 375 (previous year: TEUR 1,545) which were recorded without recognition through profit or loss as well as a positive change in the hedging reserve of TEUR 5 (previous year: TEUR -48) led to other comprehensive income of TEUR 375 (previous year: TEUR 381). The total comprehensive income resulted in a rise in equity during the reporting period of TEUR 1,071 (previous year: TEUR 4,837).

NOTES ON SEGMENT REPORTING

The Wolford Group has four reportable segments: Austria, Other Europe, North America and Asia. Segment reporting is based on the same accounting and valuation policies applied in preparing the consolidated financial statements.

External sales rose by 8% in the Austria segment and by 1% in the Other Europe segment. The North America and Asia segments showed particularly gratifying growth, with external sales increasing by 17% and 27% respectively. Adjusted EBIT in the Austria segment rose by TEUR 1,536 from the prior-year level after taking account of the proceeds from the sale of non-core land in Bregenz and employee apartments. Adjusted EBIT in the Other Europe segment amounted to TEUR 786, a drop of TEUR 2,904 in a year-on-year comparison after taking account of proceeds from the sale of a lease option in Switzerland in the previous year. The North America segment reported a decline in adjusted EBIT by TEUR 100, whereas the comparable figure for the Asia segment showed a decrease of TEUR 481 as a result of higher personnel and rental expenses. Segment assets fell by TEUR 4,604 from the previous year to TEUR 145,906. This drop reflects both the lower level of trade receivables as well as the decrease in cash and cash equivalents.

NOTES ON THE CASH FLOW STATEMENT

The cash flow from operating activities (operating cash flow) fell by TEUR 2,688 to TEUR 5,451 in the first nine months of 2015/16. This development can be mainly attributed to the improved receivables management, which in turn significantly reduced outstanding receivables. Moreover, inventories rose as a result of the delivery of Wolford's new fashion collection. The cash flow from investing activities amounted to TEUR -4,356 in the reporting period, comprising a year-on-year rise of TEUR 2,383. The prior-year cash flow from investing activities included net proceeds of TEUR 1,357 from the sale of employee apartments. Wolford's investment activity included a new company-owned retail location in Marbella which opened at the end of June. In addition, the store in Milan, Italy was further expanded, and investments were made to upgrade the shop interiors in Harbour City (Hong Kong) and Bal Harbour (USA).

The above-mentioned developments led to a decline in the free cash flow (cash flow from operating activities less the cash flow from investing activities) during the period under review from TEUR 790 to TEUR 1,095.

Accordingly, the cash flow from financing activities fell from TEUR 4,808 to TEUR -55 during the reporting period. Cash and cash equivalents totaled TEUR 5,779 at the end of the third quarter of the 2015/16 financial year, compared to TEUR 10,625 at the end of the first nine months of 2014/15.

NOTES ON THE BALANCE SHEET

The balance sheet total amounted to TEUR 145,906 as of the balance sheet date of January 31, 2016, which represents a drop of 3 % from the comparable level at January 31, 2015. Non-current assets rose by 1 % to TEUR 78,285, accounting for 54 % of total assets. Investments of TEUR 5,243 in intangible assets and property, plant and equipment were in contrast to scheduled amortization and depreciation of TEUR 9,929. Current assets equaled about 46 % of total assets as of January 31, 2016. Inventories rose by 3 % to TEUR 42,145 or 29 % of total assets, whereas trade receivables remained were down by 17 % to TEUR 11,007, comprising about 8 % of total assets.

Equity of the Wolford Group totaled TEUR 75,214 as of January 31, 2016, which represents an equity ratio of 52 % (previous year: 53 %). Non-current liabilities rose by TEUR 846, from TEUR 23,869 to TEUR 24,715, or 17 % of the balance sheet total, primarily due to an interest rate-related increase in non-current employee-related provisions accompanied by a decline in non-current financial liabilities. Current liabilities were down to TEUR 45,977 (previous year: TEUR 47,422), primarily owing to a drop of TEUR 567 in trade payables to TEUR 3,999. Working capital fell to TEUR 38,966 on January 31, 2016 from the prior-year figure of EUR 39,140. Net debt totaled TEUR 17,369 at the reporting date, representing a rise of TEUR 1,605 from the comparable figure as at January 31, 2015.

FINANCIAL INSTRUMENTS

The following hierarchy is used to determine and report the fair value of financial instruments:

Level 1: Quoted prices for identical assets or liabilities on active markets

Level 2: Valuation factors other than quoted prices that can be directly (i.e. as prices) or indirectly (i.e. derived from prices) monitored for assets and liabilities

Level 3: Valuation factors for assets and liabilities that are not based on observable market data.

The financial assets classified under Level 1 consist of publicly traded investment fund shares, while the securities and financial assets reported under current assets in the prior year represent securities used to hedge rental and leasing obligations. The other receivables and other liabilities included under Level 2 result from the valuation of outstanding foreign currency derivative transactions. No financial instruments are valued in accordance with Level 3, and there continued to be no reclassifications between the fair value hierarchy levels during the reporting period.

in TEUR		31.01.2016		31.01.2015	
	Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	1	1,291	1,291	1,581	1,581
Trade receivables		11,007	11,007	13,296	13,296
Other receivables and assets		4,758	4,758	2,965	2,965
thereof derivatives	2	0	0	64	64
Prepaid expenses		3,932	3,932	4,755	4,755
Cash and cash equivalents		5,779	5,779	10,625	10,625
Total financial assets		**26,767**	**26,767**	**33,222**	**33,222**
Financial liabilities, non-current		4,979	4,979	5,209	5,209
Financial liabilities, current		19,458	19,458	22,758	22,758
Trade payables		3,999	3,999	4,566	4,566
Other liabilities		14,948	14,948	13,450	13,450
thereof derivatives	2	0	0	131	131
Total financial liabilities		**43,384**	**43,384**	**45,983**	**45,983**

OTHER DISCLOSURES

There were no material changes in contingent liabilities since the last balance sheet date.

RELATED PARTY TRANSACTIONS

The company maintains business relationships with one member of the Supervisory Board, which are immaterial in scope and are billed at ordinary market rates.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No major events occurred after that balance sheet date that would have had a significant effect on the financial position, financial performance or cash flows of the Wolford Group.

WAIVER OF REVIEW

This report on the first three quarters of the 2015/16 financial year was neither audited nor reviewed by a certified public accountant.

Bregenz, March 18, 2016

Ashish Sensarma
CEO

Responsible for Marketing, Sales and Coordination of the Corporate Strategy

Axel Dreher
Deputy CEO

Responsible for Product Development, Production and Technology, Procurement, Distribution Logistics, Quality Management, Market Services, Merchandising, Finance, Internal Audit, Investor Relations, Legal Affairs and Human Resources

Financial Calender

Datum	Event
March 18, 2016	Q3 Report 2015/16
July 15, 2016	Press conference on 2015/16 annual results in Vienna
September 04, 2016	Record date AGM
September 09, 2016	Q1 Report 2016/17
September 14, 2016	29th Annual General Meeting
September 19, 2016	Deduction of dividends (ex-day)
September 20, 2016	Record date dividend
September 21, 2016	First day of dividend payment
December 16, 2016	Half-Year Report 2016/17
March 17, 2017	Q3 Report 2016/17
July 14, 2017	Press conference on 2016/17 annual results in Vienna

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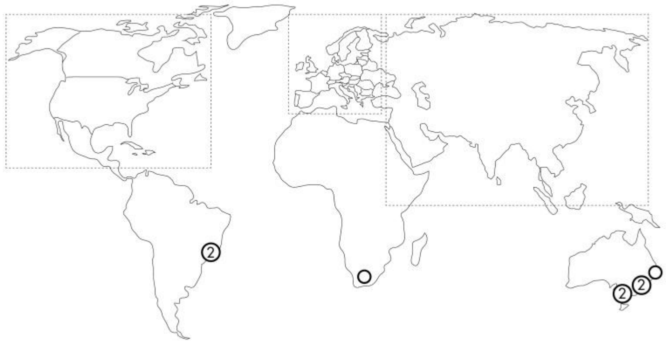
This report on the third quarter of 2015/16 is available in the Internet under company.wolford.com in the Investor Relations section.

To ensure readability, statements referring to her or she are intended to be gender neutral and are equally valid for both women and men.

Disclaimer
This quarterly report was prepared with the greatest possible care, and all data were subjected to multiple reviews by Wolford AG. Nevertheless, rounding, typesetting or printing errors cannot be excluded. This report is also published in English, but only the German text is binding. The quarterly report contains forward-looking statements which reflect the opinions and expectations of the Management Board and are subject to risks and uncertainties that could have a significant impact on actual results. Readers are therefore cautioned not to place undue reliance on these forward-looking statements. Wolford AG is not required to publish any updates or revisions of the forward-looking statements contained in this report unless required by law.

Monobrand Points of Sale



WORLDWIDE
Monobrand points of sale
January 31, 2016: 269

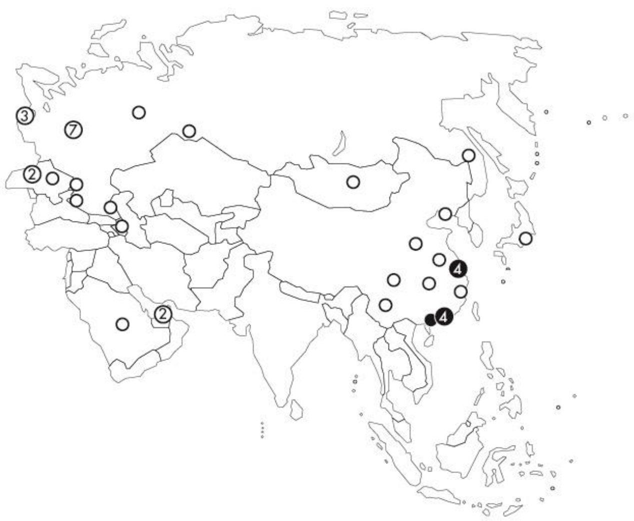
- ● Thereof Wolford-owned points of sale:
  113 boutiques
  41 concession shop-in-shops
  24 factory outlets

- ○ Thereof partner-operated points of sale:
  91 boutiques
  approx. 3,000 other distribution partners

NORTH AMERICA: 35

- ● Thereof Wolford-owned points of sale:
  24 boutiques
  7 concession shop-in-shops
  3 factory outlets

- ○ Thereof partner-operated points of sale:
  1 boutiques



ASIA: 37 [1)]

- ● Thereof Wolford-owned points of sale:
  6 boutiques
  3 concession shop-in-shop

- ○ Thereof partner-operated points of sale:
  28 boutiques

1) Including Russia, Ukraine

EUROPE: 189 [2)]

● Thereof Wolford-owned points of sale:
83 boutiques
31 concession shop-in-shops
21 factory outlets

○ Thereof partner-operated points of sale:
54 boutiques

2) Excluding Russia, Ukraine