Interim financial report
on the first quarter of the 2010/11 fiscal year

(May 1, 2010 – July 31, 2010)

Contents

Inerim Report Q1 2010/11

Key Figures for the Wolford Group

May 1, 2010 – July 31, 2010

in EUR '000	3 months ended		Change from previous year	
	July 31, 2010	**July 31, 2009**	***absolute***	***percent***
Sales	29,842	27,319	2,523	9.2%
EBITDA	-459	-1,377	918	66.6%
Operating profit (EBIT)	-2,446	-3,307	861	26.0%
Result from continuing operations (before taxes)	-2,817	-3,646	829	22.7%
Net result for the period	-2,512	-3,295	783	23.8%
Earnings per share in EUR	-0.51	-0.67	0.16	23.8%
Gross cash flow*	-291	-1,354	1,063	78.5%
Capital investments excluding financial assets	805	1,191	-386	-32.4%
Net debt	27,499	41,558	-14,059	-33.8%
Gearing ratio in %	35.6%	56.6%	-21.0%	
Shareholders' equity	77,186	73,473	3,713	5.1%
Equity ratio based on total assets	51.3%	46.1%	5.2%	
Average number of full-time equivalents	1,469	1,496	-27	-1.8%
Number of full-time equivalents at period end	1,494	1,499	-5	-0.4%

**Gross cash flow* = Net profit/loss for the period
+ / - Depreciation, amortization, impairment losses/reversals of impairment losses on intangible assets and property, plant and equipment
- / + Gains/losses on the disposal of property, plant and equipment
+ / - Change in non-current provisions
= ***Gross cash flow***

Management Report

May 1, 2010 – July 31, 2010

Sales development

In the first quarter of the 2010/11 fiscal year, the Wolford Group succeeded in seamlessly following up on its good business development in the third and fourth quarters of the 2009/10 fiscal year. The positive sales trend was further strengthened in comparison to the previous quarterly periods, and earnings indicators showed double-digit growth rates in the reporting period.

On balance, total sales of the Wolford Group in the reporting period (May 1, 2010 – July 31, 2010) climbed to EUR 29.8 million, up from EUR 27.3 million in the first three months of the previous fiscal year. Thus the sales upswing which first became evident in the middle of 2009/10 continued. Whereas Group sales increased by 5.7 percent in the third quarter and 8.7 percent in the fourth quarter of 2009/10 compared to the prior-year quarters, the Wolford Group boosted sales by 9.2 percent in the period under review from the first quarter of the previous year. This positive development can be attributed to a considerable rise in demand in most of Wolford's core geographic markets, with all distribution channels posting higher sales.

Wolford posted a significant sales increase in most markets in the first quarter of the 2010/11 fiscal year. Accordingly, a considerable rise in sales was achieved in the Asia/Oceania region (+46.1 percent) and in the countries of Central and Eastern Europe (+ 38.8 percent) during the reporting period. Wolford also generated gratifying sales growth in most of its core markets. The USA (+38.7 percent in Group currency, +27.8 percent in the local currency), Spain (+28.9 percent), UK (+18.7 percent in Group currency, +15.5 percent in the local currency), Belgium (+8.6 percent), Italy (+6.9 percent), Germany (+5.7 percent) and Scandinavia (+3.8 percent) showed substantial sales increases for the most part. In contrast, only Switzerland (-1.2 percent in Group currency, -9.3 percent in the local currency), Austria (-4.7 percent), France (-5.6 percent) and the Netherlands (-17.1 percent) reported declining sales in the period under review.

In the first three months of the current fiscal year, a pronounced sales increase was achieved both in the business with distribution partners (+4.9 percent) as well as with Wolford's proprietary stores (boutiques, shop-in-shops and factory outlets), which showed a 13.9 percent increase from the prior-year quarter (up 5.1 percent on a like-for-like basis). As a consequence of the disproportionately high sales growth of Wolford's proprietary stores, the Retail segment increased its share of total Group sales to 49.2 percent, up from 47.1 percent in the first quarter of the 2009/10 fiscal year.

Management Report

May 1, 2010 – July 31, 2010

Considering the sales development of the individual distribution channels in greater detail, sales with department stores showed an extremely positive trend, improving by 19.0 percent. This is related to the business with prominent department store chains as well as the good performance of Wolford's own concession shop-in-shops (retail space operated by Wolford itself). Sales with traditional multi-brand retailers also rose by 3.2 percent. Once again, factory outlets posted gratifying growth, raising sales by 15.1 percent in the first quarter of the 2011/11 fiscal year. On balance, the largest distribution channel boutiques, accounting for 48.6 percent of total Group sales, registered a 10.0 percent sales increase in the reporting period. Sales with the 105 Wolford-owned boutiques climbed 12.9 percent.

Based on the good performance of Wolford's controlled distribution channels (own and partner-operated boutiques, factory outlets and concession shop-in-shops), the sales share of monobrand distribution was up to 61.9 percent of total Group sales (Q1 2009/10: 61.0 percent).

Development of earnings

Generally, the seasonality of business development means the first quarter of the fiscal year is traditionally the weakest for the Wolford Group and also usually involves disproportionately high costs in relation to sales. As a result, the relevant earnings indicators are generally negative in the first quarter, even in growth years. This was also the case in the first quarter of the 2010/11 fiscal year, although earnings indicators developed significantly better than sales in the reporting period. Against this backdrop, EBITDA of the Wolford Group was EUR -0.5 million in the first quarter of the 2010/11 fiscal year, up 66.6 percent year-on-year (Q1 2009/10: EUR -1.4 million). The operating profit (EBIT) also climbed considerably, rising by 26.0 percent from the level of EUR -3.3 million in the prior-year quarter to EUR -2.4 million at present. The improved operating earnings are the result of the persistent implementation of cost reduction and efficiency-enhancing measures. The result from continuing operations also showed a gratifying increase of 22.7 percent in the reporting period.

In the first quarter of 2011/11, the Wolford Group continued its efforts to optimize its asset structure. On the basis of rigorous inventory management, inventories could be reduced by EUR 6.9 million from the prior-year quarter without impairing the company's delivery capacity.

During the reporting period, borrowings from banks also decreased by 33.7 percent or EUR 13.6 million. Accordingly, net debt was only at EUR 27.5 million as at July 31, 2010. In comparison, net debt was still at a level of EUR 41.6 million one year earlier. The corresponding gearing ratio improved to 35.6 percent (July 31, 2009: 56.6 percent). The equity ratio rose by 5.2 percentage points in a year-on-year comparison to 51.3 percent, which is related to the consistent reduction in financial liabilities. Shareholders' equity of the Wolford Group at the balance sheet date of July 31, 2010 amounted to EUR 77.2 million (July 31, 2009: EUR 73.5 million).

Outlook

In the first quarter of the 2010/11 fiscal year, the Wolford Group was able to continue the positive development of previous quarters. The upswing in consumer confidence demonstrated during the second half of the 2009/10 fiscal year continued in the reporting period. At a company level, the market launch of new products and the already-planned measures to expand market penetration should contribute to boosting demand. Moreover, the initiated cost optimization measures should have a sustainably positive impact on the earnings development of the Wolford Group. Against this backdrop, the Executive Board of Wolford Aktiengesellschaft expects an increase in sales and a further improvement in earnings for the 2010/11 fiscal year as a whole.

Interim Consolidated Financial Statements

May 1, 2010 – July 31, 2010

Consolidated balance sheet at July 31, 2010 (IFRS)

ASSETS	July 31, 2010	April 30, 2010	July 31, 2009
in EUR '000			
Non-current assets			
Property, plant and equipment	63,928	64,418	64,394
Goodwill	1,199	1,188	1,153
Intangible assets excluding goodwill	10,047	10,580	10,381
Non-current available-for-sale financial assets	4,985	4,977	4,867
Non-current receivables and other assets	1,185	1,120	1,230
	81,344	**82,283**	**82,025**
Deferred tax assets	**5,310**	**4,903**	**5,354**
Current assets			
Inventories	40,869	37,557	47,782
Current receivables and other assets	15,286	13,933	15,292
Prepaid expenses	3,963	2,144	4,228
Current available-for-sale financial assets	38	38	39
Cash and cash equivalents	3,559	4,677	4,715
	63,715	**58,349**	**72,056**
TOTAL ASSETS	**150,369**	**145,535**	**159,435**

SHAREHOLDERS' EQUITY AND LIABILITIES	July 31, 2010	April 30, 2010	July 31, 2009
in EUR '000			
Shareholders' equity			
Share capital and capital reserves	38,168	38,168	38,168
Other reserves	32,923	32,852	32,641
Currency translation differences	-2,828	-3,076	-3,243
Retained earnings	13,587	16,099	10,571
Treasury stock	-4,664	-4,664	-4,664
	77,186	**79,379**	**73,473**
Deferred tax liabilities	**224**	**228**	**341**
Non-current liabilities			
Long-term debt	5,231	16,359	7,314
Provisions for employee benefits	14,127	13,893	13,772
Other non-current liabilities	1,457	1,470	161
	20,815	**31,722**	**21,247**
Current liabilities			
Current portion of long-term debt	2,889	2,235	2,379
Bank loans and overdrafts	26,695	9,500	40,265
Current provisions	5,169	5,554	4,895
Trade payables	4,857	4,776	4,164
Other current liabilities	12,534	12,141	12,671
	52,144	**34,206**	**64,374**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**150,369**	**145,535**	**159,435**

Interim Consolidated Financial Statements

May 1, 2010 – July 31, 2010

Consolidated income statement for the first quarter of 2010/11 (IFRS)

in EUR '000	3 months ended		Change from previous year	
	July 31, 2010	**July 31, 2009**	***absolute***	***percent***
Sales	29,842	27,319	2,523	9.2%
Other operating income	719	905	-186	-20.5%
Change in inventories of finished goods and work-in-process	3,241	3,653	-412	-11.3%
Own work capitalised	29	22	7	27.4%
Operating output	**33,831**	**31,899**	1,932	6.1%
Cost of materials and purchased services	-7,301	-7,994	693	8.7%
Staff costs	-17,632	-16,873	-759	-4.5%
Depreciation, amortization and impairment losses on property, plant and equipment and intangible assets	-1,987	-1,930	-57	-2.9%
Other operating expenses	-9,357	-8,409	-948	-11.3%
Operating profit (EBIT)	**-2,446**	**-3,307**	861	26.0%
Net interest cost	-183	-153	-30	-19.2%
Net investment securities income	1	1	0	0.0%
Interest cost of employee benefit liabilities	-189	-187	-2	-1.4%
Financial result	**-371**	**-339**	-32	-9.4%
PROFIT FROM CONTINUING OPERATIONS (BEFORE TAXES)	**-2,817**	**-3,646**	829	22.7%
Income taxes	305	351	-46	-13.0%
NET PROFIT FOR THE PERIOD	**-2,512**	**-3,295**	783	23.8%
Earnings per share in EUR (diluted = undiluted)	-0.51	-0.67	0.16	23.8%
Weighted average number of shares outstanding in '000	4,900	4,900	0	0.0%

Interim Consolidated Financial Statements

May 1, 2010 – July 31, 2010

Consolidated cash flow statement (IFRS)

in EUR '000	3 months ended July 31, 2010	3 months ended July 31, 2009
Gross cash flow	**-291**	**-1,354**
Net cash from operating activities	**-6,954**	**-6,063**
Net cash used in investing activities	**-930**	**-1,686**
Net cash from financing activities	**6,721**	**8,713**
Changes in cash and cash equivalents	-1,163	964
Cash and cash equivalents at beginning of period	4,677	3,752
Effect of exchange rate fluctuations on cash and cash equivalents at beginning of period	45	-1
Cash and cash equivalents at end of period	**3,559**	**4,715**

Interim Consolidated Financial Statements

May 1, 2010 – July 31, 2010

Consolidated statement of changes in equity (IFRS)

in EUR '000	**April 30, 2010**	**Result**	**July 31, 2010**
Authorized capital	36,350	0	36,350
Capital reserves	1,817	0	1,817
Changes in available-for-sale financial instruments	-387	5	-382
Cash flow hedge reserve	-185	67	-118
Other reserves	49,523	-2,512	47,011
Adjustment resulting from currency translation	-3,076	247	-2,829
Treasury stock	-4,663	0	-4,663
Total	**79,379**	**-2,193**	**77,186**

in EUR '000	**April 30, 2009**	**Result**	**July 31, 2009**
Authorized capital	36,350	0	36,350
Capital reserves	1,817	0	1,817
Changes in available-for-sale financial instruments	-546	91	-455
Cash flow hedge reserve	0	0	0
Other reserves	46,962	-3,295	43,667
Adjustment resulting from currency translation	-3,102	-141	-3,243
Treasury stock	-4,663	0	-4,663
Total	**76,818**	**-3,345**	**73,473**

Interim Consolidated Financial Statements

May 1, 2010 – July 31, 2010

Operating segment report (IFRS)

in EUR '000	Q1 2010/11 Austria	Q1 2010/11 Rest of Europe	Q1 2010/11 North America	Q1 2010/11 Asia	Q1 2010/11 Consolidations/ Eliminations	Q1 2010/11 Group	Q1 2009/10 Austria	Q1 2009/10 Rest of Europe	Q1 2009/10 North America	Q1 2009/10 Asia	Q1 2009/10 Consolidations/ Eliminations	Q1 2009/10 Group
Sales	**19,232**	**17,783**	**4,803**	**547**	**-12,523**	**29,842**	**18,902**	**17,225**	**3,398**	**348**	**-12,554**	**27,319**
thereof inter-segment	12,095	428	0	0	-12,523	0	12,488	66	0	0	-12,554	0
External sales	7,137	17,355	4,803	547	0	29,842	6,414	17,159	3,398	348	0	27,319
Result from continuing operations (before taxes)	**-985**	**-1,041**	**-661**	**28**	**-158**	**-2,817**	**-986**	**-1,611**	**-779**	**-100**	**-170**	**-3,646**
Segment assets	**155,785**	**38,060**	**12,663**	**1,013**	**-57,152**	**150,369**	**163,319**	**38,565**	**12,421**	**1,110**	**-55,980**	**159,435**
Segment liabilities	**60,445**	**26,687**	**5,487**	**237**	**-19,672**	**73,184**	**73,597**	**30,429**	**5,589**	**656**	**-24,309**	**85,962**

The basis for segment reporting and the valuation of segment profit have remained unchanged since the consolidated financial statements for the 2009/10 fiscal year.

Notes on the Interim Financial Report

at July 31, 2010

General information

The consolidated interim financial statements of the Wolford Group for the first quarter of the 2010/11fiscal year were prepared under the responsibility of the Executive Board in compliance with the International Financial Reporting Standards (IFRS) on the basis of IAS 34 (Interim Financial Reporting).

The accounting and valuation policies applied to the consolidated financial statements of the Wolford Group for the 2009/10 fiscal year remained unchanged.

The consolidated interim financial statements do not include all information and explanatory notes which are required in relation to the consolidated financial statements for the fiscal year as a whole. For this reason, this interim report should be read together with the Annual Report 2009/10 of the Wolford Group applying to the balance sheet date of April 30, 2010.

In all financial reporting of the Wolford Group, amounts are reported in thousands of euros (TEUR). Rounding differences may occur due to the use of automated aids.

Change in the scope of consolidation

The number of companies included in the scope of consolidation has not changed since the last reporting date.

Acquisition and disposal of property, plant and equipment and intangible assets

In the first three months of the 2010/11 fiscal year, the Wolford Group acquired property, plant and equipment and intangible assets amounting to TEUR 804.8 (previous year: TEUR 1,191.1). No disposal of property, plant and equipment or intangible assets took place, neither in the first quarter of the 2009/10 fiscal year nor the first quarter of 2010/11.

Notes on the Interim Financial Report

at July 31, 2010

Seasonality of business operations

Generally, the seasonality of business development means the first quarter of the fiscal year is traditionally the weakest for the Wolford Group and also usually involves disproportionately high costs in relation to sales. As a result, the relevant earnings indicators are generally negative in this period, even in growth years. This was also the case in the first quarter (May 1 – July 31) of the 2010/11 fiscal year, although earnings indicators developed significantly better than sales in the reporting period.

Contingent liabilities

There have been no material changes in contingent liabilities since the last reporting date.

Related party transactions

There are immaterial business relationships with related companies and individuals. All transactions are conducted at normal market prices, terms and conditions.

Significant events after the reporting date

There were no significant events requiring disclosure between the balance sheet date on July 31, 2010 and the publication of this interim financial report.

Report on the auditor's review

The consolidated interim financial statements were neither subject to a comprehensive audit nor to an auditor's review by chartered accountants.

Statement of all Legal Representatives

according to Para. 87 Sect. 1 (3) Austrian Stock Exchange Act

The members of the Executive Board of Wolford Aktiengesellschaft confirm to the best of their knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit and loss of the group as required by the applicable accounting standards. The interim report of the Wolford Group for the first quarter of the 2010/11 fiscal year gives a true and fair view of important events that have occurred during the first three months of the financial year and their impact on the condensed interim financial statements, of the principal risks and uncertainties for the remaining nine months of the financial year, and of the major related party transactions to be disclosed.

Bregenz, September 2010

The Executive Board signed:

Holger Dahmen
Chairman of the Executive Board

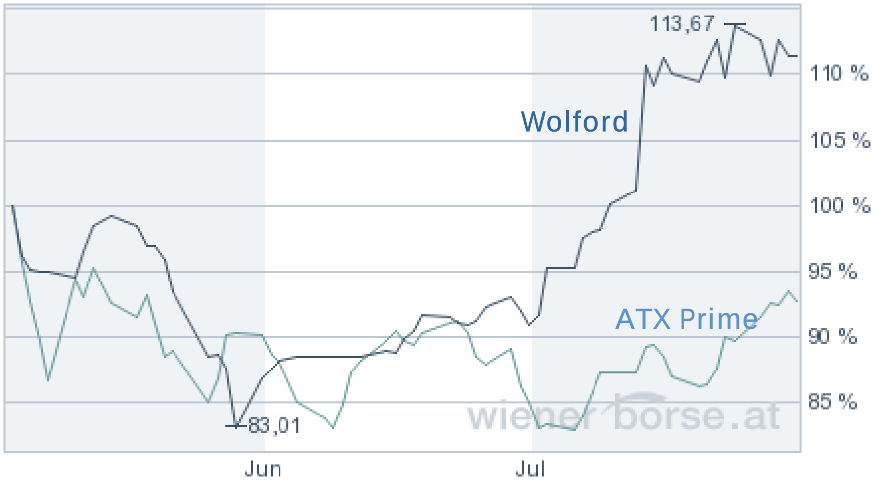
Management responsibility for Marketing, Sales, Production and Technology, Strategic License Management and Designer Partnerships

Peter Simma
Deputy Chairman of the Executive Board

Management responsibility for Finance, Human Resources, IT and Procurement

Wolford Share

Share performance May 1, 2010 – July 31, 2010



Highest closing price:
EUR 18.87 (July 23, 2010)

Lowest closing price:
EUR 13.78 (May 28, 2010)

General information on the Wolford share

ISIN Code	AT0000834007
Stock exchange centers	Vienna Stock Exchange (Prime Market segment)
	Frankfurt (OTC segment)
	New York (ADR program, Level 1)
Initial listing	February 14, 1995
Stock type	Bearer shares (no par value)
Total number of outstanding shares	5,000,000
Authorized capital	EUR 36,350,000
Indices	ATX Prime
Ticker symbols	Reuters: WLFD.VI, Bloomberg: WOL AV

Ownership structure

In the first quarter of the 2010/11 fiscal year the WMP family private trust held more than 25 percent, and the Sesam private trust more than 15 percent. The Bartel 2006 Trust und Bartel Family Trust held eight percent. Wolford Aktiengesellschaft held another two percent as treasury stock. The remaining shares were in free float.

Dividend

The 23rd Annual General Meeting of Shareholders of Wolford Aktiengesellschaft held on September 14, 2010 voted to distribute a dividend of EUR 0.20 per share for the 2009/10 fiscal year. The dividend will be paid as of September 30, 2010.

Financial Calendar

Friday	September 17, 2010	Results Q1 2010/11
Thursday	September 23, 2010	Ex-dividend date
Thursday	September 30, 2010	Dividend payment date
Friday	December 17, 2010	Results H1 2010/11
Friday	March 18, 2011	Results Q3 2010/11
Friday	July 22, 2011	Press conference on 2010/11 annual results, 9.30 a.m., Vienna
Tuesday	September 13, 2011	Annual Shareholders' Meeting, 2.00 p.m., Bregenz

Updates are available at www.wolford.com

About this report

For further information

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This interim report is available in German and English on the internet at www.wolford.com.

Definitions of financial indicators are contained in the latest annual report for the 2009/10 fiscal year.

Disclaimer

The consolidated annual report of the Wolford Group has been put together with the greatest possible care. All data has been carefully checked. Nevertheless, rounding off, typesetting or printing errors cannot be excluded.

This interim financial report has also been prepared in English. However, only the German version is definite.
This annual report contains forward-looking statements which reflect the opinions and expectations of the Executive Board, and include risks and uncertainties which could have a significant impact on actual circumstances and thus actual results. For this reason, readers are cautioned not to place undue reliance upon any forward-looking statements. Wolford Aktiengesellschaft is not obliged to publish any update or revision of the forward-looking statements contained in this report, unless otherwise required by law.