REPORT ON THE THIRD QUARTER OF 2014/15

(MAY 2014 – JANUARY 2015)

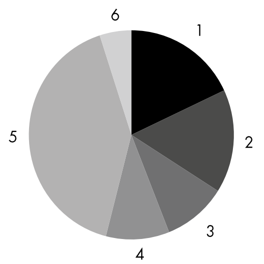
Wolford Group Key Data

Earnings Data		05/14 - 01/15	05/13 - 01/14	Chg. in %	2013/14
Revenues	in € mill.	121.13	123.42	-2	155.87
EBITDA adjusted	in € mill.	10.49	8.68	+21	7.11
EBIT adjusted	in € mill.	4.09	2.80	+46	-0.97
EBIT	in € mill.	7.08	2.16	>100	-4.72
Earnings before tax	in € mill.	6.39	1.26	>100	-5.89
Earnings after tax	in € mill.	4.46	1.74	>100	-2.81
Capital expenditure	in € mill.	8.24	6.06	+36	7.87
Free cash flow	in € mill.	0.79	0.92	-14	-0.97
Employees (on average)	FTE	1,567	1,563	0	1,562

Balance Sheet Data		31.01.2015	31.01.2014	Chg. in %	30.04.2014
Equity	in € mill.	79.22	78.95	0	74.38
Net debt	in € mill.	15.76	15.16	+4	17.04
Working capital	in € mill.	39.14	35.95	+9	33.72
Balance sheet total	in € mill.	150.51	144.72	+4	138.12
Equity ratio	in %	53	55	-4	54
Gearing	in %	20	19	+5	23

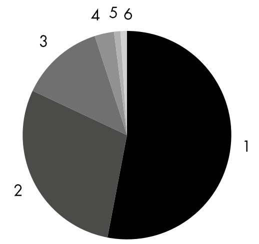
Stock Exchange Data		05/14 - 01/15	05/13 - 01/14	Chg. in %	2013/14
Earnings per share	in €	0.91	0.35	>100	-0.57
Share price high	in €	24.05	22.77	+6	22.77
Share price low	in €	18.75	16.81	+12	16.81
Share price at end of period	in €	21.29	18.20	+17	19.10
Shares outstanding (weighted)	in 1,000	4,900	4,900	0	4,900
Market capitalization (ultimo)	in € mill.	106.45	91.00	+17	95.48

REVENUES BY MARKET



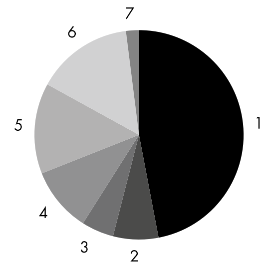
1 North America 18 %
2 Germany 16 %
3 Austria 10 %
4 France 10 %
5 Rest of Europe 41 %
6 Asia/Oceania 5 %

REVENUES BY PRODUCT GROUP



1 Legwear 53 %
2 Ready-to-wear 29 %
3 Lingerie 13 %
4 Accessories 3 %
5 Swimwear 1 %
6 Trading goods 1 %

REVENUES BY DISTRIBUTION



1 Boutiques 47 %
2 Concession-Shop-in-shops 7 %
3 Online Business 5 %
4 Factory Outlets 10 %
5 Department Stores 14 %
6 Multi-brand Retailers 15 %
7 Private Label 2 %

Contents

From the Essentials Collection: Pure String Body

Management Board Review

Thomas Melzer, Ashish Sensarma, Axel Dreher, Management Board of Wolford AG

Dear Shareholders, Dear Ladies and Gentlemen,

Sound Christmas business, but ongoing difficult conditions in a number of core markets

In the first nine months of the 2014/15 financial year, earnings developed in line with expectations, but revenues were slightly lower at € 121.1 million. The 2% year-on-year decline resulted, above all, from the obviously difficult conditions in our most important markets during the second quarter. Business in the third quarter generally matched the previous year: after a weak November, revenues recovered clearly in December with the Christmas shopping season. Revenues were also slightly higher than the previous year in January – not least due to positive foreign currency effects. Our business in the key US market has stabilized in recent months and Great Britain, Italy and Spain recorded growth, but revenues in the core markets of Germany, Austria and France were still negatively influenced by the ongoing weakness in the fashion trade. In Germany, for example, the branch reported in part double-digit revenue declines for 21 consecutive weeks with growth in only two of these weeks.

Stable retail revenues, continued weakness in wholesale business

The Wolford-owned retail business was overall stable during the first nine months, but revenues in the wholesale segment declined by more than 4%. This development was, not least, a result of the Ukraine crisis and the weak Ruble, which not only had a negative effect on our direct business in this region, but was also felt through a sharp drop in Russian tourism to the major European cities. Our partners reacted very sensitively to the lower customer frequency and reduced their orders accordingly. While the demand for our Ready-to-Wear products was weaker and Legwear revenues declined slightly, the Lingerie segment recorded substantial growth.

The development of revenues was also significantly affected by the closing of more than 20 unprofitable boutiques during the previous and current year. However, Wolford held revenues in its own retail business overall stable during the first nine months of 2014/15. The online business remained on a growth course with an increase of 17%. While the closure of the points of sale effected revenues by roughly € 4.7 million, earnings benefited, as expected, from these measures.

Sound improvement in EBIT

Wolford recorded an increase of € 4.9 million in EBIT to € 7.1 million in the first nine months of 2014/15. Adjusted EBIT also improved substantially to € 4.1 million. Included here is the gain on the sale of a lease option, but we also made further progress in the operating business. Process optimization in product development, production and logistics led to the realization of more than € 1.8 million in cost savings. On the other side, we increased marketing expenditures by nearly € 1.6

million year-on-year in the first nine months – this represents an investment to strengthen the brand whose effects will only be noticeable over the medium-term.

Earnings after tax amounted to € 4.5 million for the first nine months, positively influenced by the book gain on the sale of non-core land in Bregenz. This special effect also had a positive effect on our balance sheet: In spite of a substantially higher level of investment we held net debt and the solid equity ratio nearly constant at the prior year level.

We systematically eliminated a number of "blank spots" on our map during the first nine months and opened new own points of sale in key strategic cities like Barcelona, Florence and Frankfurt. Our new flagship store on Munich's Weinstrasse opened on March 5 – where we are presenting Wolford's complete product line on roughly 100 square meters of selling space.

Management Board team complete, Ashish Sensarma as new CEO

Since January 7, our Management Board team is again complete – with Ashish Sensarma as the new Chief Executive Officer who is responsible, above all, for marketing and sales. The first one hundred days are not yet over, but we all agree that Wolford must significantly strengthen its sales and marketing organization and use its available assets – above all our own points of sale – much more effectively in the future. Our plans include, among others, the further upgrading of our shop windows and the optimization of visual merchandising.

These planned measures go hand in hand with the reshaping of our collection – whereby the appointment of Grit Seymour to the newly created position of creative director at the end of last year plays an important role. We have already reached an important milestone in the repositioning of our product portfolio: the 2015/16 fall/winter collection that was presented at the end of January was very well received by the trade. We are also working to streamline our product assortment to improve the presentation at the point of sale, simplify production and reduce inventory levels.

Outlook remains unchanged

Our message to you, our shareholders, is that Wolford is on a good course to close the current financial year, as expected, with positive EBIT. As previously communicated, 2014/15 is a year of transition – and the company's transformation is well underway. The management team and employees are directing their full efforts to create the necessary basis to return our company to a growth course.

Thank you for your trust.

Ashish Sensarma, CEO

Axel Dreher, COO/CTO

Thomas Melzer, CFO

Management Report

EARNINGS (MAY 2014 TO JANUARY 2015)

Retail business at prior year level, online business grows by 17%, wholesale business with 4% decline

The Wolford Group generated revenues of € 121.13 million in the first nine months of the 2014/15 financial year, for a year-on-year decline of 1.9% or € 2.30 million. The closing of over 20 sales locations during the previous and current financial year had a negative effect of € 4.66 million on revenues. The difficult second quarter and weaker revenues in November were followed by sound business development during the Christmas shopping season: revenues in December 2014 were 4% higher than the same month in the previous year. In January, Wolford recorded a 2% increase in revenues, but also benefited from foreign exchange effects following an increase in the US dollar, British pound and Swiss franc versus the euro. In total, foreign exchange effects had a positive effect of € 1.21 million on revenues for the first nine months.

Revenues in the Wolford-owned retail business rose marginally by 0.1% in the first nine months despite the negative effects from the closing of sales locations. The online business generated further sound growth with a revenue increase of 17%. In contrast, the wholesale business reported a decline of 4% due to problems with individual retail partners and as a consequence of the Ukraine crisis.

Different developments in regional markets, negative effects of Ukraine crisis

The development of revenues in the first half-year differed substantially by region, in part due to the closing of individual sales locations. Revenues declined, above all, in Wolford's key markets of Germany (-5%), Austria (-6%) and France (-5%). Above all in Germany, the fashion trade has been negatively affected by substantial weakness in consumer spending for clothes over recent months. Business in the USA declined slightly during the first nine months (-2%), but recently stabilized noticeably. Sound revenue growth was recorded in Italy (+10%) and Spain (+10%), and moderate growth (+4%) in Great Britain. Revenues were slightly lower in Scandinavia, but the retail business in this region grew substantially on a like-for-like basis (excluding the effects from the opening or closing of locations). In Central and Eastern Europe, the Ukraine crisis led to a sharp drop in revenues (-21%). Wolford currently generates roughly 3% of its revenues in these markets, but the absence of Russian tourists has also had a negative effect on business in the major West European cities. Revenues on the Asian market rose by 13% due to the opening of new sales locations and the expansion of the partner business as well as a like-for-like increase in the retail business.

The trend to figure-shaping lingerie with a functional character remains strong and was reflected in strong revenue growth in the Lingerie Segment. Legwear revenues were slightly lower, while the Ready-to-wear and Accessories product groups were faced with revenue declines in the mid-single-digit range.

Positive adjusted EBIT

Earnings showed sound development in the first nine months with an increase in adjusted EBIT from € 2.80 million to € 4.09 million. The sale of a lease option generated net proceeds of € 4.04 million. Specially directed investments to strengthen the brand led to an increase in marketing expenses (+ € 1.64 million) as planned. In contrast, Wolford realized cost savings of € 1.83 million in the first nine months through further process optimization in product development, production and logistics. Personnel costs rose slightly by € 0.37 million as the result of new appointments to key positions. The Wolford Group had an average of 1,567 employees during the reporting period, compared with 1,563 in the previous year.

Earnings after tax rise to € 4.46 million, earnings per share to € 0.91

Non-recurring expenses cover all major costs for the strategic refocusing, e.g. expenses for closing company-owned locations as well as changes in concepts and strategy. This position includes costs of € 0.38 million in the first nine months to update the Essentials Collection and for severance compensation as well as other follow-up expenses related to the closing of company-owned locations. Non-recurring income includes a book gain of € 3.37 million on the sale of non-core land in Bregenz. Wolford generated positive EBIT of € 7.08 million in the first nine months of 2014/15, compared with € 2.16 million in the previous year, for an improvement of € 4.92 million in earnings.

Financial results improved from € -0.90 million to € -0.69 million due to a slight reduction in financing costs and the positive development of securities held by the Group. Earnings before tax amounted to € 6.39 million, compared with € 1.26 million in the previous year. Income tax expense equaled € 1.94 million (previous year: tax income of € 0.48 million). It mainly reflected the tax due on the proceeds from the sale of the lease option, in contrast to the refund reported in the prior year. Earnings after tax rose from € 1.74 million to € 4.46 million, and earnings per share increased from € 0.35 to € 0.91.

THIRD QUARTER (NOVEMBER 2014 TO JANUARY 2015)

Stable revenues in third quarter, earnings below prior year

Revenue reflected the prior year level during the third quarter of 2014/15. The 19% quarter-on-quarter increase is explained primarily by the seasonality of business with a generally stronger Christmas shopping season. Costs were only slightly higher than the second quarter, and adjusted EBIT therefore improved significantly from € 0.15 million in the previous quarter to € 4.05 million.

However, adjusted EBIT was € 1.04 million lower than the comparable prior year period, whereby higher rental and marketing expenses were only partly offset by foreign exchange differences. Earnings after tax totaled € 3.07 million, which is approx. € 0.63 million lower than the previous year.

CASH FLOW (MAY 2014 TO JANUARY 2015)

Higher inventories and receivables lead to increase in working capital

Cash flow from operating activities fell by € 4.46 million to € 2.76 million in the first nine months of 2014/15. This decline resulted primarily from an increase in inventories due to a change in the product assortment and the related increase in fabric purchases and, in part, due to later product deliveries. Also higher receivables were recorded as of January 31, 2015. Cash flow from investing activities amounted to € -1.97 million for the reporting period, which represents an increase of € 4.33 million over the previous year. This change reflected the sale of non-core land, which was offset in part by a year-on-year increase of € 2.43 million in investments. In the first nine months of 2014/15, Wolford invested in new strategic locations in Barcelona, New York, Florence, Munich and Frankfurt, in the modernization of production machinery and equipment, and in the expansion of the online business.

Free cash flow at prior year level

Free cash flow (cash flow from operating activities less cash flow from investing activities) declined only slightly from € 0.92 million to € 0.79 million. Cash flow from financing activities rose from € 3.30 million to € 4.81 million during the same period due to the increase in working capital. Cash and cash equivalents totaled € 10.63 million at the end of the reporting period, compared with € 9.17 million in the previous year.

ASSET AND FINANCIAL POSITION (AS OF JANUARY 31, 2015)

Solid balance sheet structure, equity ratio at 53%

The asset and capital structure of the Wolford Group remained very solid as of the balance sheet date on January 31, 2015. The balance sheet total rose from € 138.12 million on April 30, 2014 to € 150.51 million due to the increase in equity, receivables and cash and cash equivalents. The Wolford Group's equity amounted to € 79.22 million as of January 31, 2015, for an increase of € 4.84 million over the last annual financial statements. Net debt rose slightly from € 15.16 million to € 15.76 million as of January 31, 2015. The equity ratio reached 53% (January 31, 2014: 55%) and gearing equaled 20% (January 31, 2014: 19%).

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.

OUTLOOK

Positive EBIT expected

Wolford is making further progress toward the operating turnaround and should, as expected, close the current financial year with positive EBIT. Non-recurring income and the cost savings from process optimization are being invested in product development, sales and marketing to create the basis for sustainable growth in the future.

Interim Financial Statements (IFRS)

STATEMENT OF COMPREHENSIVE INCOME

in TEUR	11/14 - 01/15	11/13 - 01/14 1)	05/14 - 01/15	05/13 - 01/14 1)
Revenues	**48,494**	**48,607**	**121,125**	**123,421**
Other operating income	1,290	305	6,404	868
Changes in inventories of finished goods and work-in-process	-1,771	-4,295	370	-4,471
Own work capitalized	2	15	30	27
Operating output	**48,015**	**44,632**	**127,929**	**119,845**
Cost of materials and purchased services	-7,939	-6,209	-22,944	-19,639
Personnel expenses	-18,528	-17,827	-54,204	-53,834
Other operating expenses	-15,282	-13,564	-40,288	-37,695
Depreciation and amortization	-2,216	-1,942	-6,400	-5,881
EBIT adjusted	**4,050**	**5,090**	**4,093**	**2,796**
Non-recurring expenses	-135	-637	-382	-637
Non-recurring income	0	0	3,370	0
EBIT	**3,915**	**4,453**	**7,081**	**2,159**
Net interest cost	-191	-175	-489	-497
Net investment securities income	64	11	145	-10
Interest cost of employee benefit liabilities	-115	-131	-345	-392
Financial result	**-242**	**-295**	**-689**	**-899**
Earnings before tax	**3,673**	**4,158**	**6,392**	**1,260**
Income tax	-600	-458	-1,936	478
Earnings after tax	**3,073**	**3,700**	**4,456**	**1,738**
Amounts that will not be recognized through profit and loss in future periods	-1,164	-617	-1,164	-617
thereof actuarial gains and losses	-1,164	-617	-1,164	-617
Amounts that will potentially be recognized through profit and loss in future periods	1,095	-26	1,545	-318
thereof currency translation differences	1,105	2	1,593	-307
thereof change from cash flow hedges	-10	-28	-48	-11
Other comprehensive income 2)	**-69**	**-643**	**381**	**-935**
Total comprehensive income	**3,004**	**3,057**	**4,837**	**803**
Attributable to the equity holders of the parent company	3,004	3,057	4,837	803
Earnings after tax attributable to equity holders of the parent company	3,073	3,700	4,456	1,738
Earnings per share (diluted = basic)	**0.63**	**0.76**	**0.91**	**0.35**

1) Adjustment to reflect the offsetting of other operating income from the invoicing of costs with the related expense items.

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

CASH FLOW STATEMENT

in TEUR	05/14 - 01/15	05/13 - 01/14
Earnings before tax	**6,392**	**1,260**
Depreciation	6,400	5,881
Amortization	0	0
Interest result	344	507
Gains / losses from disposal of property, plant and equipment	-3,363	389
Changes in non-current provisions	211	646
Changes in inventories	-827	4,940
Changes in trade receivables	-4,506	-2,867
Changes in other assets	-2,235	-1,119
Changes in trade payables	-350	360
Changes in current provisions	384	-544
Changes in other liabilities	683	-772
Changes in the cash flow hedge reserve	63	-14
Currency translation differences	599	-493
Net interest paid	-475	-505
Income taxes paid / received	-557	-445
Cash flow from operating activities	**2,763**	**7,224**
Investments in property, plant and equipment and other intangible assets	-8,737	-6,303
Proceeds from the sale of property, plant and equipment and other intangible assets	6,764	2
Proceeds from the disposal of securities	0	0
Cash flow from investing activities	**-1,973**	**-6,301**
Payment received from current and non-current financing liabilities	5,082	3,645
Repayment of current and non-current financing liabilities	-274	-343
Dividends paid	0	0
Cash flow from financing activities	**4,808**	**3,302**
Change in cash and cash equivalents	**5,598**	**4,225**
Cash and cash equivalents at the beginning of the period	4,653	4,990
Effects of exchange rate fluctuations on cash and cash equivalents	374	-47
Cash and cash equivalents at the end of the period	**10,625**	**9,168**

BALANCE SHEET

in TEUR	31.01.2015	31.01.2014 [1]	30.04.2014
Property, plant and equipment	53,542	58,461	53,005
Goodwill	1,267	1,176	1,168
Other Intangible assets	12,027	10,423	10,205
Financial assets	1,581	1,452	1,473
Non-current receivables and assets	1,676	1,340	1,451
Deferred tax assets	7,592	5,905	7,922
Non-current assets	**77,685**	**78,757**	**75,224**
Inventories	40,895	37,752	40,068
Trade receivables	13,296	11,700	8,790
Other receivables and assets	2,965	3,290	3,015
Prepaid expenses	4,755	4,057	2,710
Cash and cash equivalents	10,625	9,168	4,653
Non-current assets held for sale	289	0	3,659
Current assets	**72,825**	**65,967**	**62,895**
Total assets	**150,510**	**144,724**	**138,119**
Share capital	36,350	36,350	36,350
Capital reserves	1,817	1,817	1,817
Other reserves	42,440	43,675	39,196
Currency translation differences	-1,388	-2,890	-2,981
Equity	**79,219**	**78,952**	**74,382**
Financial liabilities	5,209	6,591	6,392
Other liabilities	1,075	1,109	1,096
Provision for long-term employee benefits	17,460	15,868	15,697
Deferred tax liabilities	125	108	112
Non-current liabilities	**23,869**	**23,676**	**23,297**
Financial liabilities	22,758	19,188	16,767
Trade payables	4,566	4,737	5,410
Other liabilities	13,450	12,059	12,744
Income tax liabilities	942	1,226	200
Other provisions	5,706	4,886	5,319
Current liabilities	**47,422**	**42,096**	**40,440**
Total equity and liabilities	**150,510**	**144,724**	**138,119**

1) Adjustment to reflect the reclassification of funds that are not available for discretionary use to other receivables and assets.

STATEMENT OF CHANGES IN EQUITY

in TEUR	Attributable to equity holders of the parent company Share capital	Capital reserves	Hedging reserve	Actuarial gain/loss	Other reserves	Treasury stock	Currency translation	Total equity
01.05.2013	**36,350**	**1,817**	**-5**	**-985**	**48,218**	**-4,663**	**-2,583**	**78,149**
Dividends 2012/13	0	0	0	0	0	0	0	0
Income after tax	0	0	0	0	1,738	0	0	1,738
Total comprehensive income	0	0	-11	-617	0	0	-307	-935
31.01.2014	**36,350**	**1,817**	**-16**	**-1,602**	**49,956**	**-4,663**	**-2,890**	**78,952**
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
Income after tax	0	0	0	0	4,456	0	0	4,456
Total comprehensive income	0	0	-48	-1,164	0	0	1,593	381
31.01.2015	**36,350**	**1,817**	**-51**	**-2,706**	**49,860**	**-4,663**	**-1,388**	**79,219**

SEGMENT REPORTING

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**

05/13 - 01/14 in TEUR	Austria	Rest of Europe	North America	Asia	Consolidations	Group
Revenues	**73,755**	**75,433**	**21,930**	**4,168**	**-51,865**	**123,421**
thereof intersegment	48,591	3,274	0	0	-51,865	0
External revenues	**25,164**	**72,159**	**21,930**	**4,168**	**0**	**123,421**
EBIT adjusted	**520**	**1,540**	**253**	**334**	**149**	**2,796**
Non-recurring expenses	-637	0	0	0	0	-637
Non-recurring income	0	0	0	0	0	0
EBIT	**-117**	**1,540**	**253**	**334**	**149**	**2,159**
Segment assets	153,316	46,818	13,619	4,330	-73,359	144,724
Segment liabilities	51,591	34,442	7,347	1,794	-29,402	65,772
Investments	1,846	3,497	151	592	-24	6,062
Depreciation and amortization	3,735	1,774	251	166	-45	5,881
Employees on average (FTE)	**766**	**639**	**125**	**33**	**0**	**1,563**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

GENERAL INFORMATION

The consolidated interim financial statements of the Wolford Group for the first nine months of the 2014/15 financial year (May 1, 2014 to January 31, 2015) 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 2013/14 financial year. The following new or revised standards and interpretations require mandatory application in the 2014/15 financial year.

Standard/ Interpretation	Description	Effective date
IFRS 10	Consolidated financial statements	January 1, 2014
IFRS 11	Joint arrangements	January 1, 2014
IFRS 12	Disclosure of interests in other entities	January 1, 2014
Amendments to IFRS 10, IFRS 11 and IFRS 12	Transition requirements	January 1, 2014
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment entities	January 1, 2014
Amendments to IAS 27	Separate financial statements	January 1, 2014
Amendments to IAS 28	Investments in associates and joint ventures	January 1, 2014
Amendments to IAS 32	Offsetting financial assets and financial liabilities	January 1, 2014
Amendments to IAS 36	Recoverable amount disclosures	January 1, 2014
Amendments to IAS 39	Novation of derivatives and continuation of hedge accounting	January 1, 2014

The application of the new standards and interpretations had no effect on the consolidated financial statements of the Wolford Group. The consolidated interim financial statements do not include all information and disclosures required for consolidated annual financial statements. Therefore, the consolidated interim financial statements should also be read in connection with the latest consolidated financial statements as of April 30, 2014. The amounts included in this quarterly report are presented in thousand euros (TEUR), and rounding differences may arise from the application of commercial rounding principles. The prior year data were adjusted to reflect the offsetting of other operating income from the invoicing of costs with the related expense items to more clearly represent the respective expense items in relation to revenues. This led to the following changes in the amounts previously reported for the first nine months (third quarter) of 2013/14: a reduction of TEUR 1,258 (Q3: TEUR 388) in other operating income, a reduction of TEUR 94 (Q3: TEUR 21) in the cost of materials, a reduction of TEUR 812 (Q3: TEUR 261) in personnel expenses and a reduction of TEUR 352 (Q3: TEUR 106) in other operating expenses. Furthermore, bank balances that are not available for discretionary use were reclassified from liquid funds to other receivables and assets to reconcile cash and cash equivalents as reported on the cash flow statements directly with the balance sheet. The prior year amount reported for the new balance sheet position "cash and cash equivalents" is TEUR 231 lower than the former position "liquid funds". Other receivables and assets increased by the same amount.

In order to more transparently present the development of the Wolford Group's operating business, all non-recurring effects related to the strategic refocussing are excluded from the calculation of adjusted EBITDA and adjusted EBIT and reported separately as non-recurring items on the statement of comprehensive income according to IAS 1.98. These non-recurring items include expenses for updating the Essentials Collection and closing company-owned locations (including related severance compensation) 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, 2014.

SEASONALITY OF BUSINESS

Wolford generates lower revenues in the first and last months 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 TO THE STATEMENT OF COMPREHENSIVE INCOME

Revenues recorded by the Wolford Group declined by 1.9%, or TEUR 2,296 to TEUR 121,125 in the first nine months of 2014/15 (previous year: TEUR 123,421). Operating output rose by TEUR 8,084 to TEUR 127,929 (previous year: TEUR 119,845) due to other operating income generated by the sale of a lease option for a location in Switzerland and an increase in changes in inventories from TEUR -4,471 to TEUR 370. Changes in the product line with an increase in fabric purchases and in part later product deliveries were responsible for the increase in inventories.

The development of operating profit was influenced by an increase of TEUR 3,305 in the cost of materials, TEUR 370 in personnel expenses and TEUR 1,640 in advertising costs to strengthen the brand. In spite of these developments, adjusted EBIT rose significantly to TEUR 4,093 (previous year: TEUR 2,796). The non-recurring expenses include costs for updating the Essentials Collection and closing company-owned locations (including related severance compensation), while non-recurring income represents the book gain on the sale of non-core land.

Financial result improved by TEUR 210 to TEUR -689 in the first nine months of 2014/15 due to an increase of TEUR 145 (previous year: TEUR 10) in the fair value measurement of securities and lower interest on employee-related provisions.

Tax expense amounted to TEUR 1,936. The year-on-year increase of TEUR 2,414 reflects a tax refund in the prior year that led to tax income of TEUR 478 and the taxable sale of a lease option in 2014/15. Earnings after tax were positive at TEUR 4,456 (previous year: TEUR 1,738).

Other comprehensive income totaled TEUR 381 (previous year: TEUR 935) and comprised actuarial losses of TEUR 1,164 (previous year: TEUR -617), positive currency translation differences of TEUR 1,593 (previous year: 307 TEUR), which were recorded without recognition through profit or loss, and a negative change of TEUR 48 (previous year: TEUR -11) in the hedging reserve. Total comprehensive income led to an increase of TEUR 4,837 in equity for the first nine months of the reporting year (previous year: TEUR 803).

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 declined by 3% each in the North America and Austria segments and by 2% in the Other Europe segment. In the Asia segment, the opening of new locations in China led to an increase of 15% in external revenues. Adjusted EBIT in the Austria segment was higher than the previous year despite higher advertising expenses. Adjusted EBIT in Other Europe rose by TEUR 2,150 year-on-year based on the sale of a lease option in Switzerland. Adjusted EBIT declined by TEUR 386 in Asia because of higher rental expenses and by TEUR 568 in North America due to the decrease in sales and higher marketing expenses.

Segment assets rose by TEUR 5,786 year-on-year to TEUR 150,510. This increase reflected the payment of key money for the locations in Zurich and Florence, higher inventories and receivables as well as higher provisions for pensions and financial liabilities

NOTES TO THE CASH FLOW STATEMENT

Cash flow from operating activities fell by TEUR 4,461 to TEUR 2,763 in the first nine months of 2014/15. Positive effects from the sale of a lease option in Switzerland and an increase in current provisions were contrasted by higher inventories and trade receivables. Cash flow from investing activities amounted to TEUR -1,973 for the reporting period, or TEUR 4,328 higher than the previous year, and included net proceeds of TEUR 6,713 from the sale of non-core land and a year-on-year increase of TEUR 2,434 in cash outflows for investments. Wolford invested in new strategic locations in Barcelona, New York, Florence, Munich and Frankfurt, in the modernization of production machinery and equipment and in the expansion of the online business.

The above developments led to a decline in free cash flow (cash flow from operating activities minus cash flow from investing activities) from TEUR 923 to TEUR 790.

Cash flow from financing activities rose from TEUR 3,302 to TEUR 4,808. Cash and cash equivalents totaled TEUR 10,625 as of January 31, 2015, compared with TEUR 9,168 on January 31, 2014.

NOTES TO THE BALANCE SHEET

The balance sheet total amounted to TEUR 150,510 as of January 31, 2015, which represents an increase of 4% over the level on January 31, 2014. Non-current assets declined by 1% to TEUR 77,685 and remained constant at 52% of total assets. Investments of TEUR 8,242 in intangible assets and property, plant and equipment were contrasted by scheduled amortization and depreciation of TEUR 6,400. Current assets equaled 48% of total assets as of January 31, 2015. Inventories rose by 8% to TEUR 40,895 or 27% of total assets, while trade receivables increased 14% to TEUR 13,296 or 9% of total assets. The non-current assets classified as held for sale represent employee-occupied apartments that are designated for sale.

Equity totaled TEUR 76,219 as of January 31, 2015, which represents an equity ratio of 53% (previous year: 55%). Non-current liabilities rose by TEUR 193 from TEUR 23,676 to TEUR 23,869, or 16% of the balance sheet total, primarily due to an interest rate-related increase in non-current employee-related provisions that was offset in part by a decline in non-current financial liabilities. Current liabilities rose to TEUR 47,422 (previous year: TEUR 42,096), primarily owing to an increase of TEUR 3,570 in current financial liabilities to TEUR 22,758 and an increase in other liabilities. Working capital rose from TEUR 35,946 on January 31, 2014 to TEUR 39,140 due to the increase in inventories and trade receivables. Net debt totaled TEUR 15,764 as of January 31, 2015, for an increase of TEUR 602 over the level on January 31, 2014.

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 were no reclassifications between the fair value hierarchy levels during the reporting period.

in TEUR		31.01.2015		31.01.2014	
	Level	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets	1	1,581	1,581	1,452	1,452
Trade receivables		13,296	13,296	11,700	11,700
Other receivables and assets		2,965	2,965	3,290	3,290
thereof derivatives	2	64	64	2	2
thereof securities and financial investments	1	0	0	130	130
Prepaid expenses		4,755	4,755	4,057	4,057
Cash and cash equivalents		10,625	10,625	9,168	9,168
Total financial assets		**33,222**	**33,222**	**29,667**	**29,667**
Financial liabilities, non-current		5,209	5,209	6,591	6,591
Financial liabilities, current		22,758	22,758	19,188	19,188
Trade payables		4,566	4,566	4,737	4,737
Other liabilities		13,450	13,450	12,059	12,059
thereof derivatives	2	131	131	22	22
Total financial liabilities		**45,983**	**45,983**	**42,575**	**42,575**

OTHER INFORMATION

There were no material changes in contingent liabilities since the last balance sheet date. Legal proceedings are pending in connection with the sale of a lease option in Switzerland, whereby the probability of a positive outcome for Wolford is estimated as good.

RELATED PARTY TRANSACTIONS

The company maintains business relationships with individual members 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 third quarter of 2014/15 was neither audited nor reviewed by a certified public accountant.

Bregenz, March 13, 2015

Ashish Sensarma CEO	Axel Dreher Deputy CEO	Thomas Melzer CFO
Responsible for Marketing, Sales as well as Coordination of the Corporate Strategy.	Responsible for Product Development, Distribution Logistics, Production and Technology, Procurement as well as Quality Management	Responsible for Finance, Internal Audit, Investor Relations, Legal Affairs, Human Resources and IT

FINANCIAL CALENDER

Date	Event
July 17, 2015	Press conference on 2014/15 annual results
September 14, 2015	Q1 Report 2015/16
September 17, 2015	28th Annual General Meeting
September 22, 2015	Deduction of dividends (ex-day)
September 24, 2015	First day of dividend payment
December 14, 2015	Half-Year Report 2015/16
March 18, 2016	Q3 Report 2015/16

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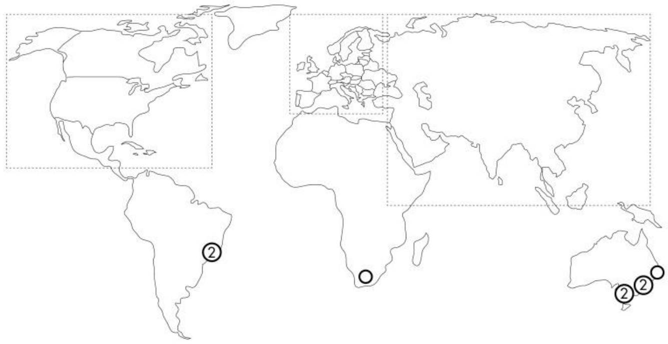
This report on the third quarter of 2014/15 is available in the Internet under company.wolford.com in the Investor Relations section.

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, 2015: 272



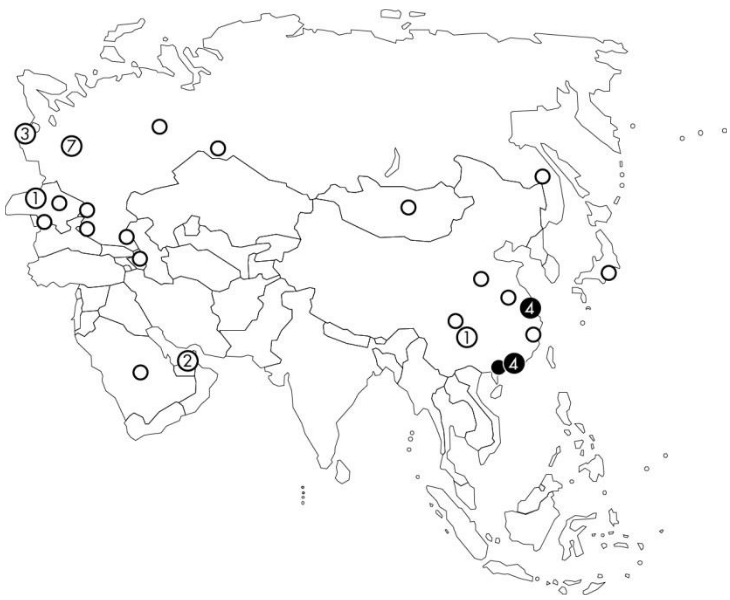
- ● Thereof Wolford-owned points of sale:
  116 boutiques
  31 concession shop-in-shops
  23 factory outlets

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

NORTH AMERICA: 34

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

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



ASIA: 39 [1)]

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

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

[1)] Including Russia, Ukraine

EUROPE: 191 [2)]

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

○ Thereof partner-operated points of sale:
52 boutiques

[2)] Excluding Russia, Ukraine