GERRY WEBER
INTERNATIONAL AG

THE FASHION AND LIFESTYLE COMPANY

MORE THAN STYLE

QUARTERLY STATEMENT TO THE THIRD QUARTER 2016 / 17

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9M AT A GLANCE

GERRY WEBER INTERNATIONAL AG

	9M 2016/17 **GERRY WEBER Core** (GERRY WEBER, TAIFUN, SAMOON)	9M 2016/17 **HALLHUBER**
	Sales decrease to EUR **479.4** million (-5.0%)	Sales increase to EUR **140.8** million (+5.3% compared to the first nine months of the previous year)
%	Decrease in gross margin to 58.8% (9M prev. year: 62.0%)	Increase in gross margin to 64.1% (9M 2015/16: 61.3%)
	EBITDA: EUR 29.0 million (9M prev. year: EUR 33.0 million)	EBITDA: EUR 6.1 million (9M prev. year: EUR 7.7 million)
	867 company-managed Retail spaces	**376** company-managed Retail spaces
	Like-for-like Retail sales: -2.5%	Like-for-like Retail sales: -10.3%

(Market development in Germany acc. to Textilwirtschaft: 1% / 0% / -7% / -9% / +9% / -7% / -6% / -2% / -8% from Nov. 2016 until July 2017)

**9M
AT A GLANCE**

GERRY WEBER
INTERNATIONAL AG

Sales and Earnings Figures

in EUR millions	Q3 2016/17 1 May 17 - 31 July 17	Q3 2015/16 1 May 16 – 31 July 16	9M 2016/17 1 Nov.16 – 31 July 17	9M 2015/16 1 Nov. 15 – 31 July 16
Sales revenues	**192.3**	**194.8**	**620.1**	**638.5**
GERRY WEBER Core Wholesale	45.0	45.7	187.5	191.4
GERRY WEBER Core Retail	99.5	107.1	291.8	313.5
HALLHUBER	47.8	42.0	140.8	133.6
Earnings figures				
EBITDA	6.1	10.8	35.1	40.7
EBITDA margin	3.2%	5.5%	5.7%	6.4%
EBIT	-5.8	-7.8	0.2	0.6
EBIT margin	-3.0%	-4.0%	0.0%	0.1%
EBT	-7.6	-10.1	-5.2	-6.0
EBT margin	-3.9%	-5.2%	-0.8%	-0.9%
Net result of the period	-5.2	-6.9	-3.4	-4,0

Balance Sheet Figures

in EUR millions	9M 2016/17 31 July 2017	2015/16 31 Oct. 2016
Balance sheet total	**795.8**	**900.7**
Liabilities	387.8	454.2
Equity ratio	51.3%	49.6%
Net debt	217.4	204.1
Average headcount	6,935	7,022

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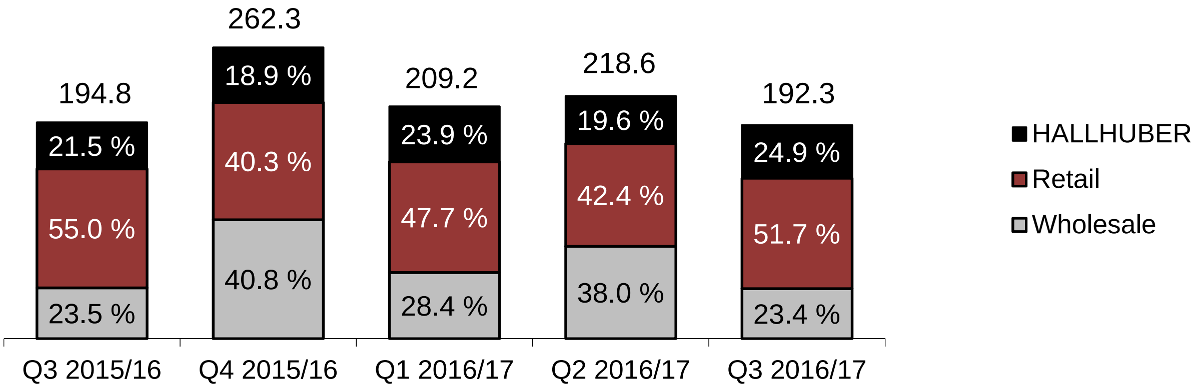
Segment Sales by Quarters



Sales by segments	Q4 2014/15	Q1 2015/16	Q2 2015/16	Q3 2015/16	Q4 2015/16	Q1 2016/17	Q2 2016/17	Q3 2016/17
GERRY WEBER Core Retail	124.2	109.6	96.7	107.1	105.7	99.7	92.6	99.5
GERRY WEBER Core Wholesale	121.7	53.6	92.0	45.7	107.1	59.5	83.1	45.0
HALLHUBER	44.5	50.5	41.2	42.0	49.5	50.0	42.9	47.8
Total	**290.4**	**213.7**	**230.0**	**194.8**	**262.3**	**209.2**	**218.6**	**192.3**

Consolidated revenues in Q3 2016/17 almost at prior year level in spite of store closures of the GERRY WEBER Core brands

Thanks to the fact that sales revenues of our HALLHUBER subsidiary increased from EUR 42.0 million to EUR 47.8 million (+13.9%) in the third quarter of the current financial year, consolidated sales revenues of the GERRY WEBER Group amounted to EUR 192.3 million in Q3 2016/17. This means that the moderate decline by 1.3% is exclusively attributable to the drop in GERRY WEBER Core revenues from EUR 152.9 million to EUR 144.4 million (-5.5%). This reduction results primarily from the closure of 128 GERRY WEBER stores in the context of the FIT4GROWTH realignment programme.

GERRY WEBER Core revenues comprise the revenues from the company's own Retail operations and the revenues generated with Wholesale partners. Compared to the third quarter of the previous year, Core Retail revenues decreased from EUR 107.1 million to EUR 99.5 million. The 7.1% decline is essentially attributable to 88 store closures compared to the third quarter of the previous year. Like-for-like Retail revenues declined by 3.1% between May and July 2017. During the same period, the German fashion retail sector recorded a drop in revenues of approx. 5.5% compared to the same period of the previous year. The 3.1% decline in like-for-like revenues thus means that the GERRY WEBER Core Retail segment outperformed the industry as a whole and continued its recovery. Sales revenues of the GERRY WEBER Core Wholesale segment declined slightly by 1.7% to EUR 45.0 million in Q3 2016/17.

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Like-for-like Sales Development in the Financial Year 2016/17

	Q1 2016/17	Q2 2016/17	Q3 2016/17	**9M 2016/17**
GERRY WEBER Core Retail	-3.4%	-1.5%	-3.1%	**-2.5%**
Market development in Germany	-3%	-3%	-5.5%	**-3.2%-3.5%**

Revenue growth of 13.9% in Q3 2016/17 puts HALLHUBER back on the growth track

HALLHUBER, our Munich-based subsidiary, generated revenues of EUR 47.8 million in the third quarter of 2016/17, up 13.9% on the prior year period. While most of this growth is attributable to the newly opened points of sale, HALLHUBER's like-for-like revenues also showed an upward trend in the third quarter. While they were still down by 7.6% on the previous year, the decline in the third quarter of 2016/17 was much lower than in Q1 and Q2. The fact that like-for-like revenues were below average in the first half of the financial year was mainly due to a change in merchandise management during this period. To prevent excess inventories at the end of the season and improve the gross margin, an average of approx. 25% less merchandise was delivered to the HALLHUBER POS during the first six months of 2016/17. The number of items per square metre was increased again gradually only as of the end of April 2017 and the first positive effects of this adjustment became apparent in the third quarter of 2016/17. Given that inventories were back at their prior year level only as of July 2017, we do not expect HALLHUBER's like-for-like revenues to return to normal before the fourth quarter.

After the first nine months of 2016/17, total sales revenues thus stood at EUR 140.8 million, up 5.3% on the same period of the previous year.

HALLHUBER's online revenues showed a positive trend. At EUR 14.1 million, they were up by as much as 17.5% on the first nine months of the previous year. Online revenues now account for 9.9% of HALLHUBER's total revenues, up from 8.9% in the previous year.

HALLHUBER	Q1	Q2	Q3	**9M**
Sales revenues 2016/17	50.0	42.9	47.9	**140.8**
Sales revenues 2015/16	50.5	41.2	42.0	**133.6**

Group revenues in line with expectations at the nine-month stage

Consolidated sales revenues of the GERRY WEBER Group totalled EUR 620.1 million at the nine-month stage of the current financial year 2016/17, down 2.9% on the previous year.

Store closures reduce GERRY WEBER Core Retail revenues by 6.9%

Sales revenues of the GERRY WEBER Core brands (GERRY WEBER, TAIFUN and SAMOON) declined from EUR 504.8 million in the prior year period to EUR 479.4 million in the first nine months of 2016/17. The 5.0% decline is primarily attributable to the sharp drop in revenues of the GERRY WEBER Core Retail segment.

Between the launch of the FIT4GROWTH realignment programme at the beginning of the financial year 2015/16 and 31 July 2017, 128 stores and points of sale of the GERRY WEBER Core brands were closed with a view to streamlining the portfolio. The resulting shortfall of revenues and the drop in like-for-like revenues sent GERRY WEBER's Core Retail revenues falling from EUR 313.5 million to EUR 291.8 million for the first nine months of 2016/17.

Online business remains in the focus

The GERRY WEBER Core Retail segment also comprises the online business of the GERRY WEBER, TAIFUN and SAMOON brands. Online revenues were up by 10.5% on the first nine months of the previous year to EUR 20.8 million. Online sales on external platforms showed a particularly positive trend and more than doubled to EUR 2.3 million. Including HALLHUBER's online revenues of EUR 14.1 million, the Group's total online revenues amounted to EUR 37.2 million, which represents a 16.6% increase on the previous year.

Group Online Sales

In EUR millions	9M 2016/17	9M 2015/16	*Changes in %*
GERRY WEBER Core Retail	20.8	18.8	*10.4%*
GERRY WEBER external platforms	2.3	1.1	*116.2%*
HALLHUBER	14.1	12.0	*17.5%*
Group Online sales	**37.2**	**31.9**	***16.6%***

	Q3 2016/17	2015/16	2014/15
GERRY WEBER Stores	465	487	520
Monolabel Stores	84	107	142
Concession Stores	282	295	291
Factory Outlets	36	35	34
Total GWI Core	**867**	**924**	**987**
HALLHUBER	**376**	**342**	**275**
Total	**1,243**	**1,266**	**1,262**

Country/ Region	Total	thereof GWI Core	thereof HALLHUBER
Germany	811	558	253
Austria	53	38	15
Netherlands	111	104	7
Belgium	46	29	17
Scandinavia	46	38	8
Eastern Europe	22	22	0
Spain	50	50	0
UK & Irleand	62	27	35
Switzerland	40	0	40
Others	2	1	1
Total	**1,243**	**867**	**376**

GERRY WEBER Core Wholesale revenues exceed expectations at the nine-month stage

Sales revenues of the GERRY WEBER Core Wholesale segment declined from EUR 191.4 million in the first nine months of the previous year to EUR 187.5 million. This represents a decline by 2.0%, which is more or less unchanged from the 2.1% decline in the first half of 2016/17. This means that Wholesale revenues in the first nine months of the current financial year were better than expected. We had projected a decline in Wholesale revenues in the medium single-digit percentage range for the total financial year 2016/17. This trend shows that our strategy of modernising the GERRY WEBER brands is paying off and that the adjustments to the collections are very well received by our Wholesale partners.

The store portfolio

In the context of the "Optimise the Retail operations" module of the FIT4GROWTH programme, 103 company-managed GERRY WEBER stores and TAIFUN and SAMOON mono-label stores were earmarked for closure at the beginning of 2016. The closure of these stores was completed at the end of the first quarter of the current financial year. Another 50 stores and concession stores of the Core brands were put on a watch list. A decision regarding their potential closure will be taken depending on the general market environment and the individual performance of each store. 25 of these POS were closed with effect from 31 July 2017 in the context of the general performance review. As of the end of the third quarter, there were a total of 549 GERRY WEBER stores and TAIFUN and SAMOON mono-label stores (31 October 2016: 594). 465 of these were GERRY WEBER stores, while 84 were TAIFUN and SAMOON mono-label stores.

The number of concession stores also declined from 295 on the balance sheet date to 282. In turn, one outlet store was opened, bringing the total number of outlet stores to 36. As of 31 July

Number of HALLHUBER sale spaces	2015	2016	July 2017
Germany	203	231	253
Switzerland	31	38	40
Austria	1	16	15
Belgium	15	17	17
The Netherlands	1	6	7
UK/ Ireland	19	26	35
Norway	5	7	8
Luxemburg	0	1	1
	275	**342**	**376**
Thereof Monolabels	117	138	144
Thereof Concessions	145	188	216
Thereof Outlets	13	16	16

2017, there were a total of 867 company-managed points of sale in the GERRY WEBER Core Retail segment (31 October 2016: 924).

In contrast to GERRY WEBER Core, HALLHUBER is in the midst of a controlled expansion. Of the 40 to 50 new HALLHUBER points of sale planned for the current financial year 2016/17, 34 had already been opened as of the end of the third quarter, bringing the total number of HALLHUBER POS to 376 as of 31 July 2017. The regional focus of the new stores was on the German market (22 new stores) and the British/Irish market (9 new stores opened since the beginning of the financial year). As far as the store format is concerned, most of the new points of sale are concession stores.

The regional breakdown of the HALLHUBER POS shows that 253 of all HALLHUBER POS were located in Germany as of 31 July 2017. Switzerland is the second biggest HALLHUBER market (40 POS), followed by Great Britain (35 POS). Especially in the markets outside Germany, the main focus is on concession stores, with over 40% of the 216 concession stores being located abroad.

A breakdown of the points of sale of GERRY WEBER and HALLHUBER by format and region is provided on the top of this page and on page 7.

In the Wholesale segment, the number of franchised GERRY WEBER stores declined from 269 on 31 October 2016 to 255, as our franchise structures in Russia were reorganised. The partnership with a Russian franchisee has been terminated and new stores will now gradually be opened by a new franchisee under contracts which have already been signed. In addition, there were 2,400 shop-in-shops as of 31 July 2017, compared to 2,396 shop-in-shops at the end of the financial year 2015/16. 534 of these shops are located outside Germany (31 October 2016: 550).

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in KEUR	Q3 2016/17	Q3 2015/16	9M 2016/17	9M 2015/16
Sales revenues	192.3	194.8	620.1	638.5
Other operating income	1.5	7.2	7.7	14.2
Changes in inventories	8.7	18.5	-2.8	19.1
Cost of materials	-82.4	-88.3	-245.1	-262.8
Personnel expenses	-48.5	-50.4	-143.3	-147.7
Depreciation/amortisation	-11.9	-18.6	-34.9	-40.1
Other operating expenses	-65.2	-70.7	-200.5	-219.6
Other taxes	-0.3	-0.3	-1.0	-1.0
EBITDA	**6.1**	**10.8**	**35.1**	**40.7**
OPERATING RESULT (EBIT)	**-5.8**	**-7.8**	**0.2**	**0.6**
Financial result	-1.8	-2.3	-5.4	-6.6
RESULTS FROM OPERATING ACTIVITIES	**-7.6**	**-10.1**	**-5.2**	**-6.0**
NET RESULT OF THE PERIOD	**-5.1**	**-6.9**	**-3.4**	**-4.0**

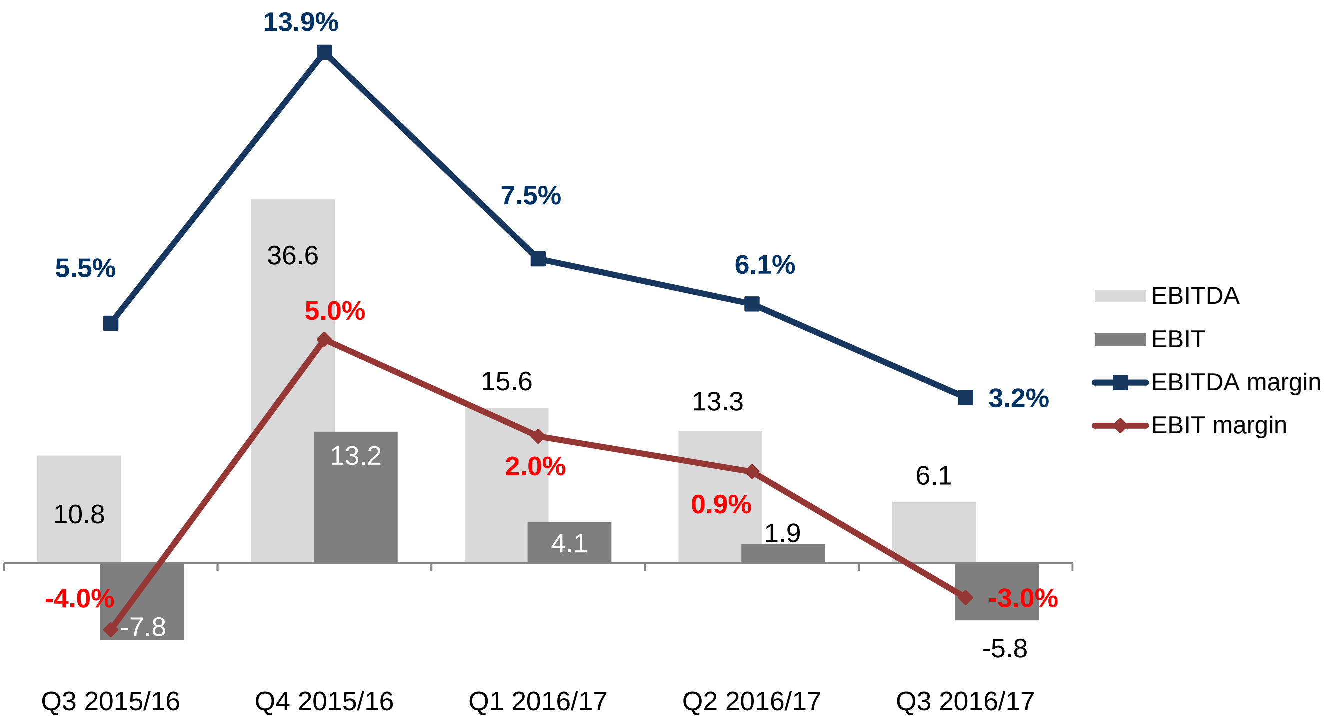
EARNINGS POSITION

Q3 2016/17

Changed merchandise management showing first positive effects at HALLHUBER

The first half of the financial year 2016/17 was marked by changes to HALLHUBER's merchandise management strategy. To avoid excess inventories and improve the gross margin, about 25% less merchandise was supplied to the HALLHUBER POS during the first six months of the financial year. While this sent like-for-like revenues falling, it also led to an increase in the gross margin from 60.6% to 63.3%.

In accordance with the defined merchandise management strategy, inventories were slowly increased starting May 2017 until they reached the prior year level in July 2017. Although no positive like-for-like revenue growth was achieved in the third quarter due to the weak market environment, HALLHUBER's gross margin improved notably, climbing from 62.9% to 65.6% on a quarterly basis. As the new merchandise management strategy will be fully implemented in the fourth quarter, we project a pick-up in sales revenues and a notable improvement in HALLHUBER's gross margin for the coming months.



HALLHUBER remains in the midst of an expansion. The resulting start-up costs, increased personnel expenses and rents again weighed on HALLHUBER's operating result in the third quarter. In addition, the purchase price allocation led to consolidated depreciation of EUR 1.6 million. Consequently, HALLHUBER's EBITDA amounted to EUR 1.9 million, while earnings before interest and taxes stood at EUR -1.6 million in the third quarter. Adjusted for the depreciation in the context of the purchase price allocation, EBITDA (adjusted) and EBIT (adjusted) amounted to EUR 3.5 million and EUR 0.1 million, respectively.

GERRY WEBER Core: FIT4GROWTH almost fully completed but changed merchandise management weighs on Q3

Following the successful optimisation of HALLHUBER's merchandise management, we began to adjust the order and merchandise management structures of the GERRY WEBER Core segment. To support the ongoing vertical integration of the GERRY WEBER Group and to respond to the changing market situation, we have begun to adjust the ordering system and, hence, the delivery cycles of the TAIFUN and SAMOON brands successively.

While in the past about 80% of the revenues with a Wholesale customer was ordered at the pre-order, i.e. about six months prior to the start of the season and the delivery, our medium-term objective is to reduce the pre-order portion to below 40% of the sales volume. The remaining sales volume is composed of capsule collections during the season, recurring seasonal bestsellers (never-out-of-stock merchandise) as well as accessories and lifestyle products. The aim of this approach is to improve merchandise management during the season, to avoid excess inventories and to optimise the pricing policy. We want consumers to find (ready-to-wear) merchandise that fits the respective season at the points of sale of our Wholesale partners.

We began to introduce the new order and merchandise management system together with the current autumn/winter collection. Consequently, inventory changes of Q3 2016/17 are not readily comparable with the previous year's Q3 inventories. In the past, the third quarter was typically characterised by a strong increase in inventories. The winter merchandise ordered by retailers was produced in the third quarter and led to increased inventories prior to delivery in the fourth quarter.

Against the background of the reduced pre-orders, inventories increased far less strongly in the third quarter of the current financial year. As a result, the gross result of the GERRY WEBER Core segment deteriorated compared to the previous year. The gross margin declined from 64.5% to 60.3% on a quarterly basis.

Cost-saving measures almost fully implemented

The success of the FIT4GROWTH programme was again very apparent in the third quarter of 2016/17. On a quarterly basis, personnel expenses of the GERRY WEBER Core segment declined from EUR 42.1 million to EUR 39.1 million, while other operating expenses even dropped from EUR 53.1 million to EUR 44.8 million.

As the burden resulting from the temporary decline in gross profit more than offset the cost reductions in the third quarter of 2016/17, the Core segment's EBITDA declined from EUR 9.7 million to EUR 4.2 million in spite of the sustained cost savings.

As in the previous year, a negative operating result was posted for the third quarter at Group level. While we were able to slightly improve the operating loss from EUR 7.8 million to EUR 5.8 million, the increased costs of goods and services for the current autumn/winter collection, in conjunction with the changed merchandise management system, had an adverse impact in the third quarter, resulting again in a loss in the smallest of our quarters.

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Nine months of FY 2016/17

in EUR millions	GERRY WEBER Core Wholesale	GERRY WEBER Core Retail	HALLHUBER	Consolidation	GERRY WEBER Group
Sales revenues	187.5	291.8	140.8	0	620.1
EBITDA	24.7	4.3	6.1	0.1	35.1
Depreciation/ amortisation	7.9	16.7	10.3	0	34.9
EBIT	16.8	-12.5	-4.2	0.1	0.2
Average headcount	760	4,136	2,040	0	6,936

Positive trend in HALLHUBER's gross margin fails to offset negative trend at GERRY WEBER Core

The Core segment's gross margin declined from 62.0% in the first nine months of the previous year to 58.8% in the same period of the current financial year. This deterioration is attributable to several factors:

- Consistent elimination of old inventories from previous years, especially in the first half of the financial year
- Reduced inventory building in Q3 of the current financial year due to the start of a changed order and merchandise management system at TAIFUN and SAMOON. For a detailed presentation of the reasons for and the implementation of these changes, refer to the section on Q3 2016/17 in this quarterly statement.
- Moderate increase in the cost of materials for the autumn/winter collection due to exchange rate effects and the product mix
- Typical sales mix in Q3 characterised by a low Wholesale share and a high Retail share

The above effects sent the gross profit of the GERRY WEBER Core segment falling from EUR 312.9 million to EUR 282.0 million. By contrast, HALLHUBER was able to increase its gross profit from EUR 81.9 million to EUR 90.2 million, which led to an improved gross margin of 64.1% (previous year: 61.3%).

GERRY WEBER Core reaches FIT4GROWTH cost-saving targets already at the end of Q3 2016/17

The FIT4GROWTH realignment programme was aimed, among other things, at streamlining the store portfolio and optimising existing processes and structures in order to reduce the personnel and operating expenses by between EUR 20 million and EUR 25 million. This target was almost reached at the end of the third quarter of the current financial year.

The Group's personnel expenses declined from EUR 147.7 million to EUR 143.3 million (EUR -4.4 million), with the Core segment's personnel expenses dropping by as much as EUR 8.1 million and HALLHUBER's personnel expenses increasing by EUR 3.7 million as a result of the expansion. The situation is similar for the Group's other operating expenses, which were reduced by EUR 19.1 million to EUR 200.5 million. The Core segment's other operating expenses declined from EUR 167.2 million in the first nine months of the previous year to EUR 142.9 million in the same period of the current financial year. The EUR 7.9 million reduction in rental costs was one of the main drivers of the cost savings (9M 2016/17: EUR 69.3 million).

HALLHUBER's other operating expenses increased from EUR 52.4 million to EUR 57.6 million as a result of the ongoing expansion. The newly opened points of sale sent HALLHUBER's rental costs climbing from EUR 38.3 million to EUR 41.4 million.

HALLHUBER's adjusted EBIT reach EUR 0.7 million at the nine-month stage

As outlined above, the changes to HALLHUBER's merchandise management system led to a notable improvement in HALLHUBER's gross margin from 61.3% in the first nine months of the previous year to EUR 64.1% in the same period of the current financial year. As increased costs resulting from the opening of 64 new points of sale since 31 July of the previous year resulted in higher operating expenses, however, HALLHUBER again posted a negative operating result (including depreciation) as of the end of the third quarter of 2016/17. The operating loss of EUR 4.2 million was influenced by depreciation of EUR 10.3 million, including EUR 4.9 million attributable to the purchase price allocation. Adjusted for this Group-related depreciation, HALLHUBER's EBIT stood at EUR 0.7 million. Adjusted EBITDA amounted to EUR 11.0 million, while HALLHUBER's reported EBITDA totalled EUR 6.1 million.

GERRY WEBER Core EBIT at the nine-month stage of 2016/17

As a result of the cost-saving measures and the closure of 128 points of sale, earnings before interest and taxes (EBIT) of the GERRY WEBER Core segment improved from EUR 2.4 million to EUR 4.4 million. In this context, it should be noted, however, that the third quarter of the previous year was adversely affected by extraordinary effects resulting from the FIT4GROWTH programme in the amount of EUR 10.2 million. During the first nine months of the current financial year, these extraordinary charges amounted to EUR 2.2 million. Consequently, the Core segment's adjusted EBIT stood at EUR 6.7 million (previous year: EUR 12.5 million).

Adjusted earnings at Group level

in EUR millions	9M 2016/17	9M 2015/16
EBITDA reported	35.1	40.7
Costs relating to the realignment programme FIT4GROWTH	1.0	2.7
EBITDA adjusted	**36.1**	**43.4**
EBIT reported	0.2	0.6
Extraordinary costs (EUR 1.0 million) as well as write-downs (EUR 1.1 million) resulting from FIT4GROWTH	2.2	10.2
EBIT adjusted	**2.4**	**10.8**

Generally positive review of the first nine months of 2016/17

All measures of the FIT4GROWTH realignment programme were implemented successfully within the planned timeframe. The first positive effects are coming through on the cost side and with regard to sales revenues. Especially the Core segment's like-for-like revenues in a weak market environment reflect the success of the modernisation measures and the strengthening of the brands' Wholesale activities.

We were nevertheless unable to improve our earnings position notably. This is exclusively attributable to the changed merchandise management system at HALLHUBER and in the Core segment, which is described in detail above and to the elimination of inventories in the first half of 2016/17. We will continue to restructure the merchandise flow over the next quarters.

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OUTLOOK/FORECAST

The environment for the German fashion industry has failed to improve over the past nine months of the financial year 2016/17. Declining customer footfall in city centres and shopping malls and consumers' changed shopping behaviour continue to represent challenges for the fashion industry.

By launching its realignment programme, GERRY WEBER responded to the difficult market situation already at the beginning of the past financial year 2015/16. The success of the FIT4GROWTH programme is clearly reflected both in the revenue trend and on the cost side.

Optimise the Retail operations:

- All planned store closures were implemented within the defined timeframe
- Relaunch of the online shops of the GERRY WEBER, TAIFUN and SAMOON brands
- Successful expansion of the external platform business

Adjust structures and processes:

- Headcount reduced by roughly 200 jobs at the headquarters in Halle/Westphalia
- Cost-saving target of EUR 20 – 25 million reached at the nine-month stage 2016/17
- Transfer of all brands to the new logistic centre
- Creation of individual and independent strategic business units (SBUs) for each brand. Cross-SBU use of the holding company services.

Strengthen the Wholesale operations:

- Introduction of partnership schemes with improved services for our Wholesale partners
- Start of the adjustment of the order and merchandise management structures at TAIFUN and SAMOON
- Successful launch of the new talkabout brand as a pure-play Wholesale brand

Modernise the brands

- Strengthen the brand identity of TAIFUN
- Modernisation of the GERRY WEBER brand and expansion of the GERRY WEBER Casual sub-label
- Like-for-like revenues consistently above market average since the beginning of the current financial year
- Improved acceptance of the brands among our Wholesale partners has led to lower revenue shortfalls than expected in view of the difficult market environment

Forecast for full financial year 2016/17 confirmed

In view of the successfully implemented measures, the ongoing reorganisation of the order and merchandise management and the importance of the fourth quarter for the earnings position of the GERRY WEBER Group, the Managing Board continues to assume that the financial targets set for the financial year 2016/17 can be reached. For the current financial year, the Managing Board expects consolidated sales revenues to be down by between 2% and 4% on the previous year's EUR 900.8 million, not least because of the store closures already implemented. Accordingly, consolidated earnings before interest, taxes, depreciation and amortisation (reported consolidated EBITDA) are expected to amount to between EUR 60 million and EUR 70 million (previous year: EUR 77.3 million), while consolidated EBIT (reported) are projected to come in at between EUR 10 million and EUR 20 million.

NET WORTH POSITION

Compared to the end of the past financial year 2015/16, the GERRY WEBER Group's total assets declined by 11.6% or EUR 104.9 million to EUR 795.8 million as of 31 July 2017. The changes to the balance sheet structure were primarily driven by the receipt of the proceeds from the sale of Hall 30, an investment property not needed for the company's operations, the scheduled repayment of the first tranche of the note loan issued in November 2014, the acquisition of the remaining 49% in our Dutch and Belgian subsidiaries and a strong reduction in provisions compared to the prior year period.

On the assets side, non-current assets declined by a moderate 1.1% compared to 31 October 2016 and amounted to EUR 518.4 million on 31 July 2017. The biggest change was within non-current assets related to property, plant and equipment, which declined by 3.2% or EUR 9.2 million to EUR 278.8 million due, inter alia, to the defined closures of the company-managed Retail stores and the related shop fittings.

Current assets amounted to EUR 277.4 million as of 31 July 2017, which represents a decline by EUR 99.1 million or 26.3% compared to 31 October 2016. This is primarily attributable to the reduction in other assets, which decreased from EUR 87.0 million to EUR 24.6 million. This item also included the purchase price receivable from the sale of Hall 30. When the conditions for payment were fulfilled in December 2016, the purchase price of EUR 49.1 million was paid. Upon receipt of the purchase price, cash and cash equivalents increased accordingly, while the repayment of the first tranche of the note loan (EUR 20.0 million), the exercise of the call option of the remaining 49% in our Dutch and Belgian subsidiaries (EUR 17.2 million) and the payments for the repurchased shares (EUR 5.0 million) led to a reduction in cash and cash equivalents. At the end of the reporting period, cash and cash equivalents totalled EUR 33.2 million, compared to EUR 50.8 million on 31 October 2016. In the first nine months of the financial year 2016/17, inventories declined by EUR 5.4 million or 3.1% as of 31 July 2017. In this context, it should be noted that the inventory figures cannot be fully compared with the previous year due to the fact that the order and merchandise management system of the TAIFUN and SAMOON brands has been adjusted with a view to reducing the pre-order share from 80% to a lower level which more appropriately reflects actual merchandise requirements.

On the liabilities side, equity was down by 8.6% (EUR 38.5 million) on the end of the financial year 2015/16 to EUR 408.0 million on 31 July 2017. Due to the share buy-back programme, equity capital is shown less the shares held by the company. GERRY WEBER International AG launched a programme for the buy-back of own shares in an amount of up to 500,000 shares at a maximum total purchase price (excl. ancillary expenses) of EUR 5.0 million on 28 March 2017. The share buy-back programme was terminated on 13 June 2017. During the reporting period, 398,245 own shares were repurchased at a price of EUR 5.0 million. Against the background of the changes in the EUR/USD exchange rate, accumulated other comprehensive income/loss pursuant to IAS 39 declined by EUR -18.4 million to EUR -7.5 million on 31 July 2017. The equity ratio climbed from 49.6% on 31 October 2016 to 51.3% at the end of the reporting period.

GERRY WEBER INTERNATIONAL AG

Non-current liabilities declined by 5.7% to EUR 264.2 million, which is due, among other things, to the EUR 2.3 million reduction in non-current financial liabilities to EUR 219.0 million and the EUR 8.7 million decline in other liabilities to now EUR 3.5 million.

Current liabilities declined even more strongly by 28.9% or EUR 50.3 million and stood at EUR 123.5 million at the end of the first nine months of the financial year, compared to EUR 173.9 million on 31 October 2016. This was primarily due to the notable decline in trade liabilities from EUR 57.3 million to EUR 35.7 million as of 31 July 2017. Due to the payments made in conjunction with the measures implemented as part of the FIT4GROWTH programme, personnel provisions declined from EUR 16.2 million at the end of the financial year to EUR 9.2 million, while other provisions dropped from EUR 18.0 million to EUR 11.7 million. Total current provisions were reduced from EUR 45.4 million to EUR 24.0 million.

As of the end of the first nine months of the financial year 2016/17, current and non-current financial liabilities totalled EUR 250.6 million, compared to EUR 254.8 million on 31 October 2016. Given that cash and cash equivalents declined in the third quarter, net debt increased by 6.5% to EUR 217.4 million on 31 July 2017. In Q3 of each financial year, we typically prefinance the autumn/winter collection, which is delivered and invoiced in the fourth quarter. The third quarter of the current financial year was additionally influenced by the dividend payout of EUR 11.4 million and share repurchases worth EUR 5.0 million.

CONSOLIDATED INCOME STATEMENT (IFRS) in EUR'000

for the Third Quarter 2016/17 (1 May 2017 - 31 July 2017)
and the First Nine Months of 2016/17 (1 November 2016 - 31 July 2017)

in KEUR	Q3 2016/17 1 May 17 - 31 July 17	Q3 2015/16 1 May 16 - 31 July 16	9M 2016/17 1 Nov. 16 - 31 July 17	9M 2015/16 1 Nov. 15 - 31 July 16
Sales	192,265.4	194,828.7	620,096.2	638,472.0
Other operating income	1,516.1	7,234.2	7,663.4	14,282.9
Changes in inventories	8,727.6	18,511.9	-2,814.7	19,124.8
Cost of materials	-82,454.2	-88,354.5	-245,105.1	-262,821.5
Personnel expenses	-48,478.0	-50,429.9	-143,325.5	-147,729.3
Depreciation/Amortisation	-11,940.2	-18,571.6	-34,873.2	-40,054.9
Other operating expenses	-65,179.9	-70,675.6	-200,491.4	-219,622.9
Other taxes	-274.9	-339.7	-964.9	-1,021.0
OPERATING RESULT	**-5,818.1**	**-7,796.5**	**184.8**	**630.1**
Financial result				
Income from long-term loans	0.0	0.7	0.4	2.1
Interest income	3.5	156.6	7.5	160.6
Write downs of financial assets	0.0	0.0	0.0	-3.0
Incidential bank charges	-462.6	-387.3	-1,357.7	-1,044.0
Interest expenses	-1,316.5	-2,127.6	-4,017.0	-5,736.2
	-1,775.6	**-2,357.6**	**-5,366.8**	**-6,620.5**
RESULTS FROM ORDINARY ACTIVITIES	**-7,593.7**	**-10,154.1**	**-5,182.0**	**-5,990.4**
Taxes on income				
Taxes of the reporting period	796.1	2,141.4	-504.6	-261.9
Deferred taxes	1,651.4	1,077.9	2,249.3	2,273.6
	2,447.5	**3,219.3**	**1,744.7**	**2,011.7**
NET RESULT OF THE REPORTING PERIOD	**-5,146.2**	**-6,934.8**	**-3,437.3**	**-3,978.7**
Earnings per share (basic)	-0.11	-0.15	-0.07	-0.08

CONSOLIDATED BALANCE SHEET (IFRS) in EUR'000

as of 31 July 2017

ASSETS

in KEUR	9M 2016/17 31 July 2017	2015/16 31 Oct. 2016
NON-CURRENT ASSETS		
Fixed Assets		
Intangible assets	225,135.4	226,224.0
Property, plant and equipment	278,807.4	287,978.6
Financial assets	2,439.6	2,274.2
Other non-current assets		
Other non-current assets	169.8	279.4
Deferred tax assets	**11,810.6**	**7,418.9**
	518,362.8	**524,175.1**
CURRENT ASSETS		
Inventories	**167,842.5**	**173,286.8**
Receivables and other assets		
Trade receivables	43,384.9	63,285.4
Other assets	24,610.3	86,957.9
Income tax claims	8,401.1	2,213.0
Cash and cash equivalents	**33,200.9**	**50,747.1**
	277,439.7	**376,490.2**
TOTAL ASSETS	**795,802.5**	**900,665.3**

CONSOLIDATED BALANCE SHEET (IFRS) in EUR'000

as of 31 July 2017

EQUITY AND LIABILITIES

in KEUR	9M 2016/17 31 July 2017	2015/16 31 Oct. 2016
EQUITY		
Share capital	45,507.7	45,906.0
Capital reserve	102,386.9	102,386.9
Retained earnings	225,778.9	230,380.6
Accumulated other comprehensive income/loss acc. to IAS 39	-7,468.1	10,930.1
Exchange differences	-1,766.5	-1,581.3
Accumulated profits	43,596.6	58,477.4
	408,035.5	**446,499.7**
NON-CURRENT LIABILITIES		
Provisions for personnel	142.7	184.6
Other provisions	8,668.5	8,324.6
Financial liabilities	219,000.0	221,250.0
Other liabilities	3,507.0	12,242.4
Deferred tax liabilities	32,905.2	38,307.7
	264,223.4	**280,309.3**
CURRENT LIABILITIES		
Provisions		
Tax liabilities	3,064.1	11,205.8
Provisions for personnel	9,160.7	16,198.7
Other provisions	11,737.1	17,967.6
LIABILITIES		
Financial liabilities	31,604.7	33,547.4
Trade payables	35,651.2	57,294.3
Other liabilities	32,325.8	37,609.1
Income tax liabilities	0.0	33.4
	123,543.6	**173,856.3**
TOTAL EQUITY AND LIABILITIES	**795,802.5**	**900,665.3**

SEGMENT REPORTING (IFRS) in EUR'000

for the Third Quarter 2016/17 (1 May 2017 - 31 July 2017)

Q3 2016/17

KEUR	GERRY WEBER Core Wholesale	GERRY WEBER Core Retail	HALLHUBER	Other Segments	Consolidated entries	Total
Sales by segment	**44,956**	**99,485**	**47,824**	**0**	**0**	**192,265**
EBITDA	4,796	-717	1,892	0	151	6,122
Depreciation/amortisation	2,630	5,856	3,454	0	0	11,940
EBIT (Earnings Before Interest and Tax)	2,166	-6,573	-1,562	0	151	-5,818
Personnel expenses	9,725	29,395	9,358	0	0	48,478
Assets	268,568	346,696	183,539	0	-3,001	795,802
Liabilities	65,664	126,903	197,224	0	-2,024	387,767
Investments in non-current assets	4,631	4,574	1,171	0	0	10,376
Number of employees (on average)	760	4,136	2,040	0	0	6,936

Q3 2015/16

KEUR	GERRY WEBER Core Wholesale	GERRY WEBER Core Retail	HALLHUBER	Other Segments	Consolidated entries	Total
Sales by segment	**45,750**	**107,105**	**41,974**	**0**	**0**	**194,829**
EBITDA	4,744	4,338	1,115	612	-34	10,775
Depreciation/amortisation	2,581	12,589	3,251	151	0	18,572
EBIT (Earnings Before Interest and Tax)	2,163	-8,250	-2,138	462	-34	-7,797
Personnel expenses	9,760	32,379	8,291	0	0	50,430
Assets	273,641	387,906	187,872	28,917	-4,305	874,031
Liabilities	58,232	185,406	191,578	0	-3,901	431,315
Investments in non-current assets	6,618	6,428	1,700	0	0	14,746
Number of employees (on average)	733	4,497	1,822	1	0	7,053

SEGMENT REPORTING (IFRS) in EUR'000

for the First Nine Months of 2016/17 (1 November 2016 - 31 July 2017)

9 Months 2016/17 in KEUR	**GERRY WEBER Core Wholesale**	**GERRY WEBER Core Retail**	**HALLHUBER**	**Other Segments**	**Consolidated entries**	**Total**
Sales by segment	**187,536**	**291,814**	**140,746**	**0**	**0**	**620,096**
EBITDA	24,688	4,245	6,068	0	57	35,058
Depreciation/amortisation	7,913	16,693	10,267	0	0	34,873
EBIT (Earnings Before Interest and Tax)	16,775	-12,448	-4,199	0	57	185
Personnel Expenses	29,419	86,141	27,767	0	0	143,325
Assets	268,568	346,696	183,539	0	-3,001	795,802
Liabilities	65,664	126,903	197,224	0	-2,024	387,767
Investments in non-current assets	11,387	9,250	4,589	0	0	25,226
Number of employees (on average)	760	4,136	2,040	0	0	6,936

9 Months 2015/16 in KEUR	**GERRY WEBER Core Wholesale**	**GERRY WEBER Core Retail**	**HALLHUBER**	**Other Segments**	**Consolidated entries**	**Total**
Sales by segment	**191,354**	**313,477**	**133,641**	**0**	**0**	**638,472**
EBITDA	24,653	6,639	7,682	1,996	-285	40,685
Depreciation/amortisation	6,674	23,525	9,404	452	0	40,055
EBIT (Earnings Before Interest and Tax)	17,979	-16,886	-1,722	1,544	-285	630
Personnel Expenses	29,025	94,615	24,089	0	0	147,729
Assets	273,641	387,906	187,872	28,917	-4,305	874,031
Liabilities	58,232	185,406	191,578	0	-3,901	431,315
Investments in non-current assets	17,156	18,840	6,733	15	0	42,744
Number of employees (on average)	733	4,497	1,822	1	0	7,053

CONSOLIDATED CASH FLOW STATEMENT (IFRS) in EUR'000

for the First Nine Months of 2016/17 (1 November 2016 - 31 July 2017)

in KEUR	9M 2016/17 1 Nov.16 - 31 July 17	9M 2015/16 1 Nov.15 - 31 July 16
Operating result	184.8	630.1
Depreciation / amortisation	34,873.2	40,054.9
Loss from the disposal of fixed assets	365.6	353.8
Decrease / increase in inventories	5,444.3	-16,061.3
Decrease in trade receivables	19,900.5	23,609.6
Increase in other assets that do not fall under investing or financing activities	-2,976.2	-5,133.5
Decrease in provisions	-12,966.5	-7,120.7
Decrease in trade payables	-21,643.0	-24,175.9
Decrease in other liabilities that do not fall under investing or financing activities	-353.2	-6,097.3
Income tax payments	-14,867.8	10,003.0
CASH INFLOWS FROM OPERATING ACTIVITIES	**7,961.7**	**16,062.7**
Income from loans	0.4	2.1
Interest received	7.5	160.6
Incidential bank charges	-1,357.7	-1,044.0
Interest paid	-3,607.0	-4,476.2
CASH INFLOWS FROM CURRENT OPERATING ACTIVITIES	**3,004.9**	**10,705.2**
Proceeds from the disposal of properties, plant, equipment and intangible assets	268.2	294.1
Cash outflows for investments in property, plant, equipment and intangible assets	-25,226.1	-42,726.2
Cash outflows for the aquisition of fully consolidated businesses less cash and cash equivalents	-23,891.5	0.0
Cash inflows form the disposal of investment properties	49,100.0	0.0
Cash outflows for investments in investment properties	0.0	-14.6
Proceeds from investments in financial assets	75.8	291.9
Cash outflows for investments in financial assets	-241.2	-3.0
CASH INFLOWS / OUTFLOWS FROM INVESTING ACTIVITIES	**85.2**	**-42,157.8**
Dividends paid	-11,443.6	-18,362.4
Cash outflows from the sale of own shares	-5,000.0	0.0
Raising of financial liabilities	23,808.0	19,713.4
Repayment of financial liabilities	-28,000.7	0
CASH OUTFLOWS / INFLOWS FROM FINANCING ACTIVITIES	**-20,636.3**	**1,351.0**
Changes in cash and cash equivalents	-17,546.2	-30,101.6
Cash and cash equivalents at the beginning of the fiscal year	50,747.1	76,130.3
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**33,200.9**	**46,028.7**

STATEMENT OF CHANGES IN GROUP EQUITY (IFRS) in EUR'000

for the First Nine Months of 2016/17 (1 November 2016 - 31 July 2017)

in KEUR	Capital stock	Capital reserves	Retained earnings	Accumulated other comprehensive income/loss	Exchange differences	Accumulated profits	Equity
As of 1 November 2016	**45,906.0**	**102,386.9**	**230,380.6**	**10,930.1**	**-1,581.3**	**58,477.4**	**446,499.7**
Dividends paid						-11,443.6	-11,443.6
Adjustments of exchange differences					-185.2		-185.2
Acquisition of own shares	-398.3		-4,601.7				-5,000.0
Changes in equity acc. to IAS 39				-18,398.3			-18,398.3
Net result of the reporting period						-3,437.2	-3,437.2
As of 31 July 2017	**45,507.7**	**102,386.9**	**225,778.9**	**-7,468.2**	**-1,766.5**	**43,596.6**	**408,035.4**

in KEUR	Capital stock	Capital reserves	Retained earnings	Accumulated other comprehensive income/loss	Exchange differences	Accumulated profits	Equity
As of 1 November 2015	**45,906.0**	**102,386.9**	**230,380.6**	**31,491.5**	**-3,140.5**	**76,328.0**	**483,352.5**
Dividends paid						-18,362.4	-18,362.4
Adjustments of exchange differences					563.3		563.3
Changes in equity acc. to IAS 39				-18,859.3			-18,859.3
Net result of the reporting period						-3,978.7	-3,978.7
As of 31 July 2016	**45,906.0**	**102,386.9**	**230,380.6**	**12,632.2**	**-2,577.2**	**53,986.9**	**442,715.4**

SERVICE

GERRY WEBER
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FINANCIAL CALENDAR

Publication of the Quarterly Statement on the Third Quarter 2016/17	14 September 2017
Berenberg and Goldman Sachs Sixth German Corporate Conference 2017, Munich	19 September 2017
Baader Investment Conference, Munich	20 September 2017
End of the Financial Year 2016/17	31 October 2017
Deutsche Bank Retail Round Table, London	10 November 2017

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Disclaimer

This interim report contains forward-looking statements that are based on assumptions and/or estimates by the management of GERRY WEBER International AG. While it is assumed that these forward-looking statements are realistic, no guarantee can be given that these expectations will actually materialise. Rounding differences may occur in the percentages and figures stated in this interim report.