

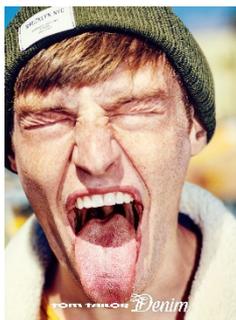


NOVEMBER 2017

ANALYST & INVESTOR PRESENTATION
Q3 2017

TOM TAILOR GROUP

Q3 2017 AT A GLANCE



- **Strong results: Group EBIT sky-rocketing** in Q3 and YTD (both +>100%)
 - **RESET ahead of plan: Group EBITDA** substantial increase of €21.1 mn (+67%) YTD. **Group EBIT** improved by €30.1 mn YTD (vs planned EBIT savings of €30-40 mn by end FY 2018)
 - **Group gross margin** surges, leaping by 2.8 pp in Q3 2017 (0.8 pp in 9M 2017)
-

- **BONITA:** positive LfL sales in Q3, strong LfL growth in refurbished pilot stores; “shrink-to-profitability” shows first positive signs and will continue in Q4 and 2018
- **TT German Wholesale** continued **growth path with +9% net sales in Q3**
- **TT eCom:** Q3 focus on Go Live of new eShop; still, Q3 net sales growing 17%
- **Consumer engagement:** new campaign launched Q3, strong ROI on marketing spend

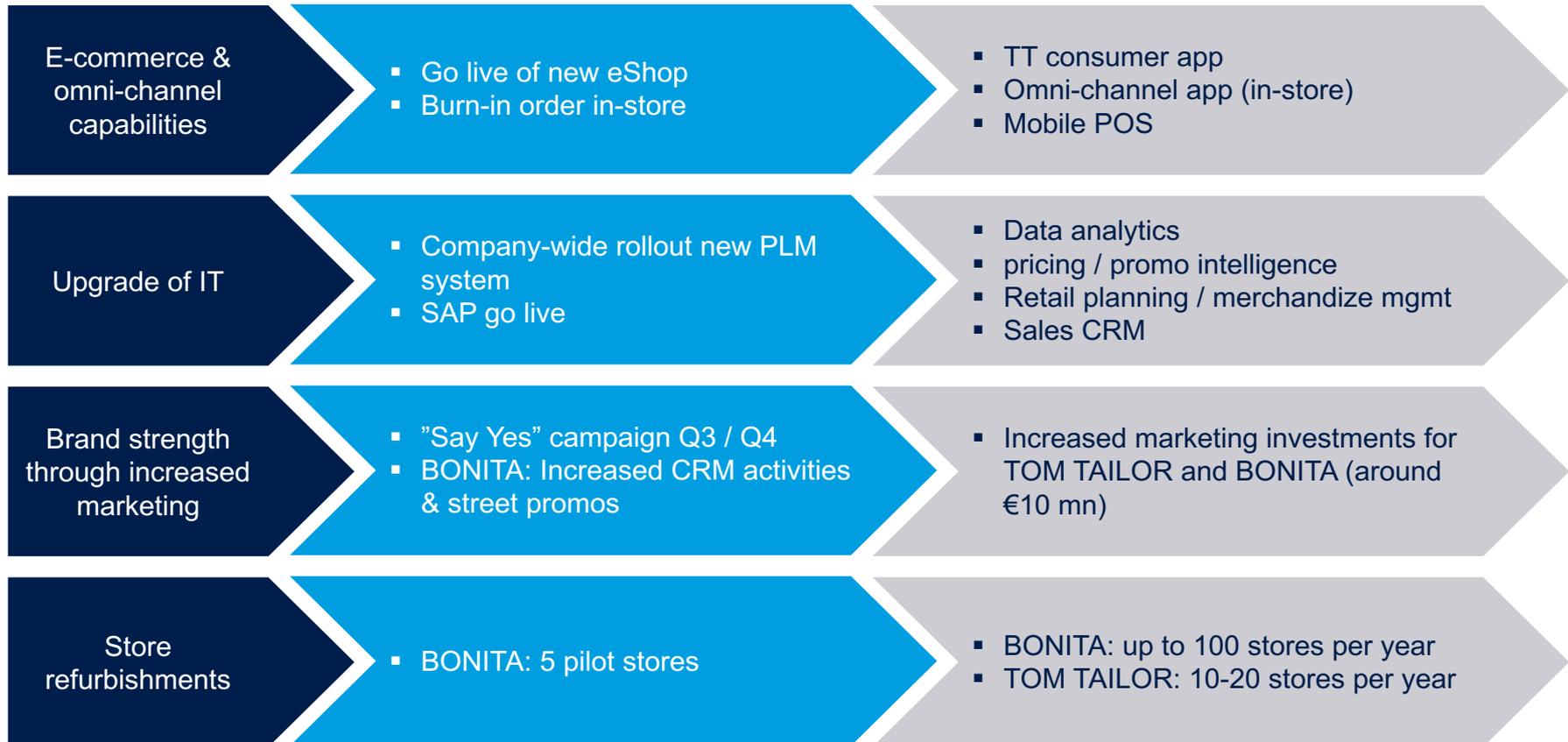
All PY figures exclude impact of RESET program

INVESTMENT OF CAPITAL INCREASE PROCEEDS STARTED

Investments in key initiatives:

HY2 2017

2018-2020

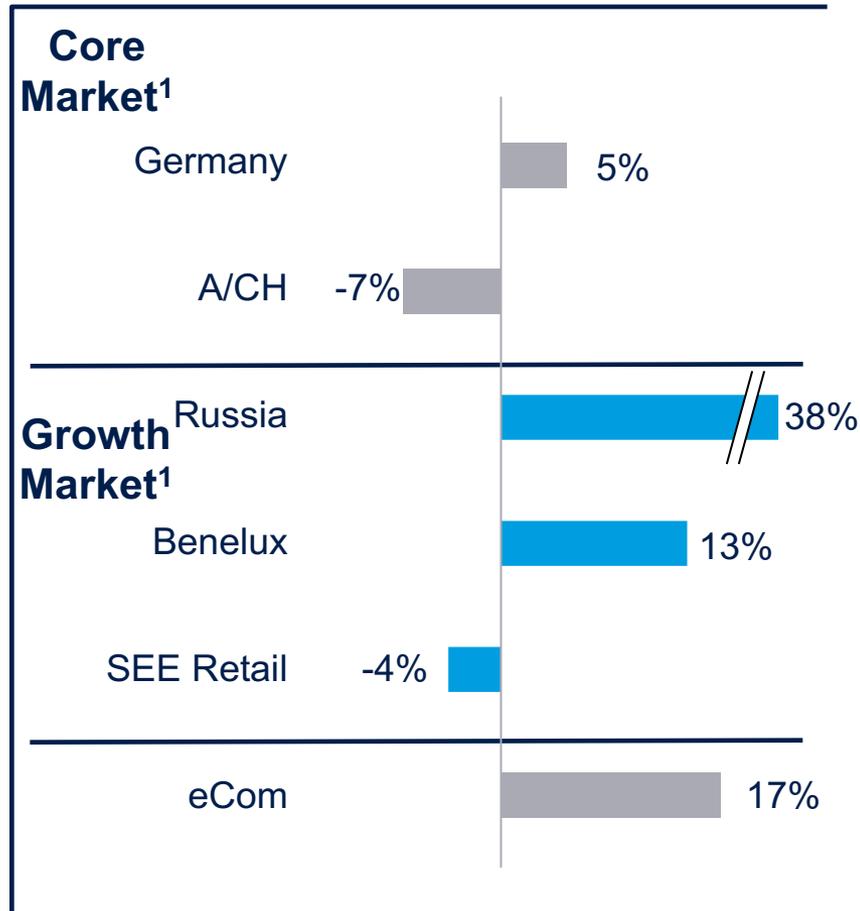




BUSINESS HIGHLIGHTS
Q3 2017

TOM TAILOR BRAND SALES GROWING STRONGLY IN Q3, ESP. GERMANY & RUSSIA

Q3 Y-o-Y net sales change in %



1) WHS+Retail; including discontinued stores (RESET projects)

Germany, biggest market, driven by...

- Strong Wholesale sell-in (e.g., jackets) & accelerated account / door expansion

Russia's Q3 push driven by ...

- WHS (Franchise) & Retail store expansion
- Strong LfL trend in Retail (Aug / Sept) & selected online WHS key accounts

South East Europe (SEE) Retail sales

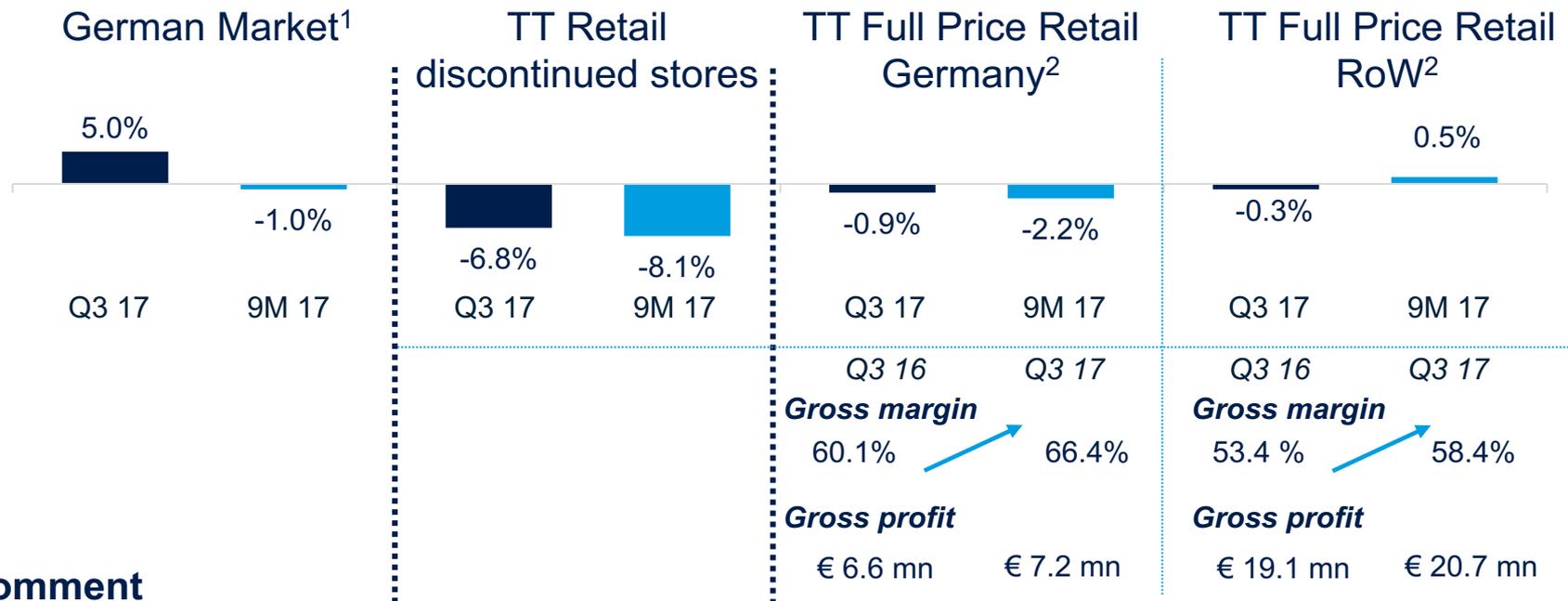
- Switching business model: prioritizing profit over sales.

eCommerce growing in all channels

- Marketplace growth esp. in Zalando
- TT eShop w/ strong growth in all countries

TOM TAILOR RETAIL: STORE EFFICIENCY FURTHER IMPROVING

Like-for-Like development in sales; Q3 2017 and 9M 2017 in %



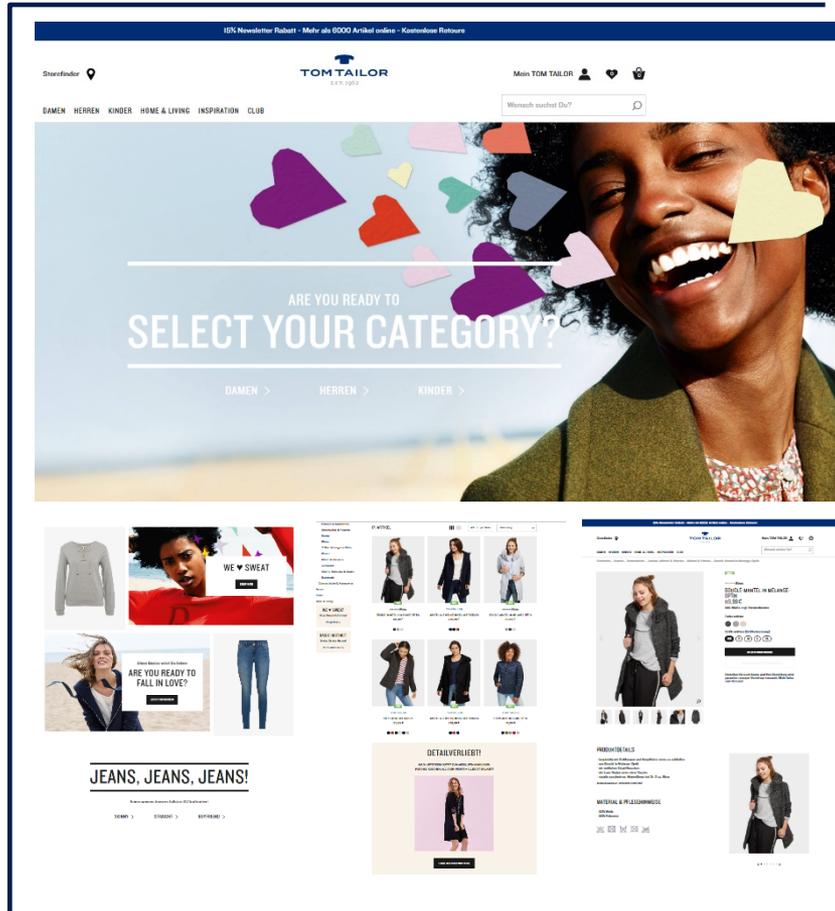
Comment

- TOM TAILOR Retail Germany showing strong gross margin improvement
- TOM TAILOR RoW mixed: Russia as a perfect growth example, whereas sales in SEE declined
- Gross margin expansion moves on

1) According to TextilWirtschaft-Testclub (July: -8%, Aug.: +3%, Sep.: +20%) 2) Excluding discontinued stores (RESET projects)

ECOM: NEW ESHOP HAD 1ST GO LIVE IN SEPTEMBER

Sept: Go Live of new TT eShop in D



1st milestone on strategic roadmap

- From concept to 1st Go Live in 9 months
- Insourcing & upgrading shop platform
- Insourcing key roles & team capabilities
- Country rollout & Bonita Go Live in Q4

Phased upgrade of user experience

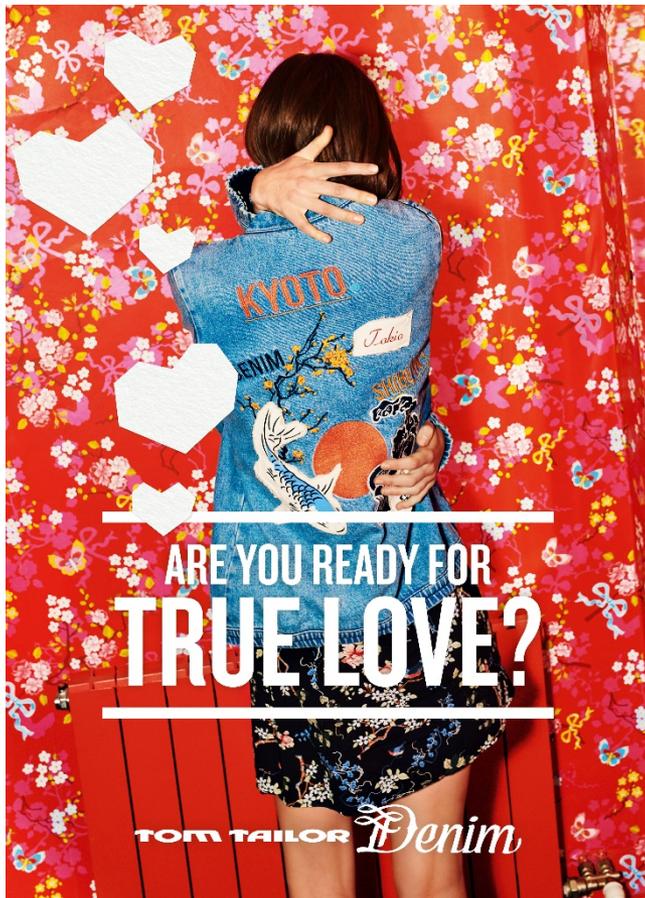
- Better photo quality, content, functionality (speed, mobile, personalization)

Delivered strong Q3 despite Go Live

- TT eCom net sales +17% vs. PY
- Gross margin +7.4%-points vs. PY
- Continued focus on reducing markdowns

MARKETING: Q3/Q4 FOCUS ON ROLLING OUT NEW IMAGE CAMPAIGN

New brand image campaign
“Say YES” kicked off in Q3



Investing again to strengthen the brand

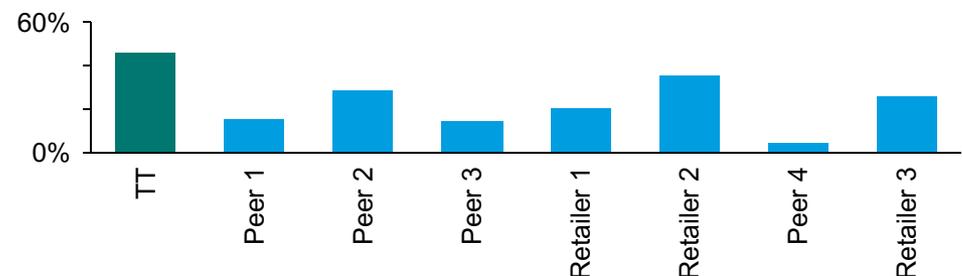
360° campaign

- Always on in online marketing
- Out of home campaign in 10 cities
- Print campaign in 12 magazines
- Wild postering in 10 cities
- Viral videos – first video with 2.7 Mio. views

Quantitative analysis: good response on invest

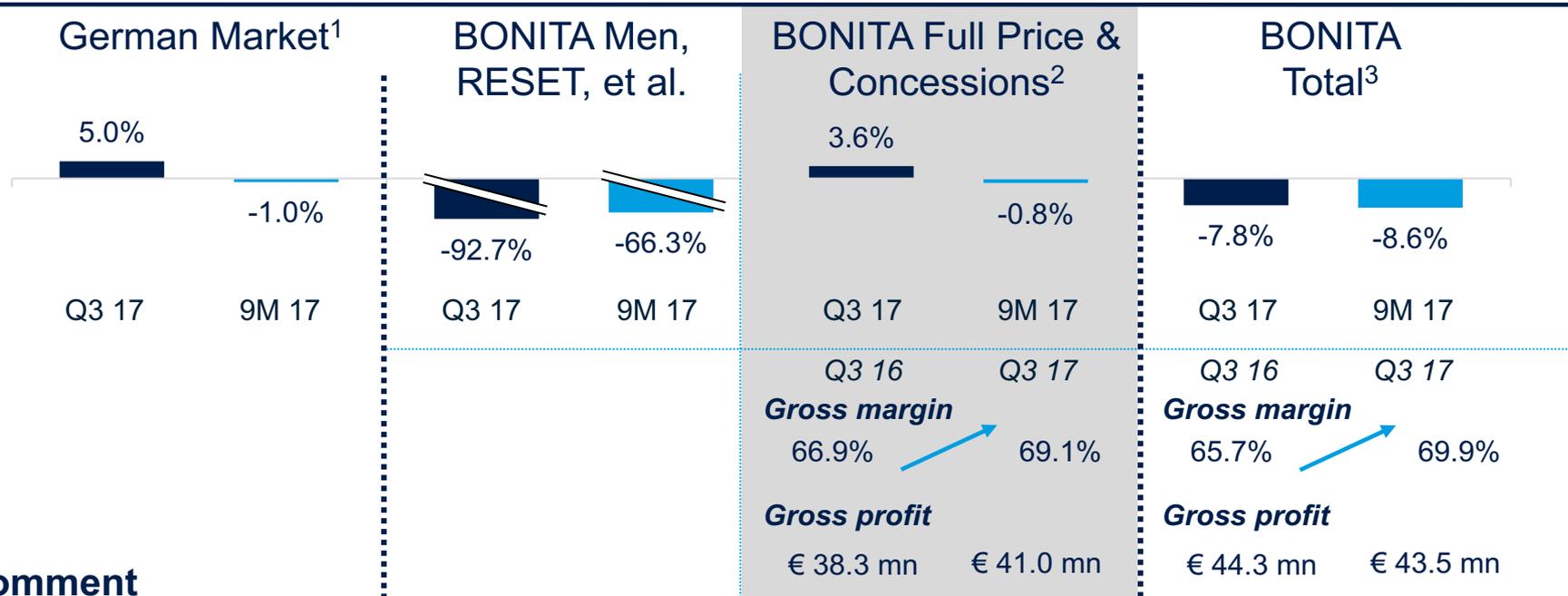
- Consideration rate +2 points in last 12 months
- Double digit growth in e-com traffic in campaign weeks
- Outgrowing competition in online search queries:

MoM growth search
volume (09'17 vs. 08'17)



BONITA: ONGOING TRANSFORMATION PROPELS GROSS MARGIN EXPANSION

Like-for-Like development in sales; Q3 2017 and 9M 2017 in %



Comment

- BONITA on growth course in its healthy core
- Transformation with focus on full-price stores with new collections works
- Still to rebuild sales

1) According to TextilWirtschaft-Testclub (July: -8%, Aug.: +3%, Sep.: +20%) 2) Excluding discontinued stores (RESET projects); 3) Reported figures

BONITA: FIRST POSITIVE SIGNS & INCREASING MOMENTUM FOR 2018

Strategic cornerstones defined

Modernization

- Product range
- Stores
- Brand marketing



Sales channel expansion

- eCom: own eShop & marketplaces
- Concession space in Wholesale



Consumer (Re-) Activation

- CRM (loyalty marketing, mailings)
- Street promotions
- Online Marketing



Q3 with first positive signs

- Consumer research done
- Future consumer target groups profiled
- Store refurbishment roadmap defined
- Go Live on Amazon marketplace
- Roadmap for concession expansion defined; 1st new partner signed
- Mailings to existing customers re-started
- Online campaign in September (positive traffic impact)

"Traditional BONITA consumer - "Golden Girls"	New BONITA consumer - "City Girls"
Sociodemographic characteristics <ul style="list-style-type: none"> Female, 40-55 years, 20+ Longer tenure with the brand Income in excess Interested in accessories, cosmetics Suburban areas Lifestyle <ul style="list-style-type: none"> Urban conscious / conservative Minimal clothing habits, no new purchases Family oriented Buying behavior / behavior <ul style="list-style-type: none"> Suburban / conservative Fixed Open, positive communication, improve 	Sociodemographic characteristics <ul style="list-style-type: none"> Female, 20-35 years, 20+ City in metropolitan areas High income Conscious of new models, trends Suburban areas Lifestyle <ul style="list-style-type: none"> Active, not conservative Minimal clothing habits, no new purchases, always, she wears open to new things Buying behavior / behavior <ul style="list-style-type: none"> Urban / conservative Open, positive communication, improve
Keep	Win



FINANCIAL FIGURES
Q3 2017

KEY FINANCIAL HIGHLIGHTS

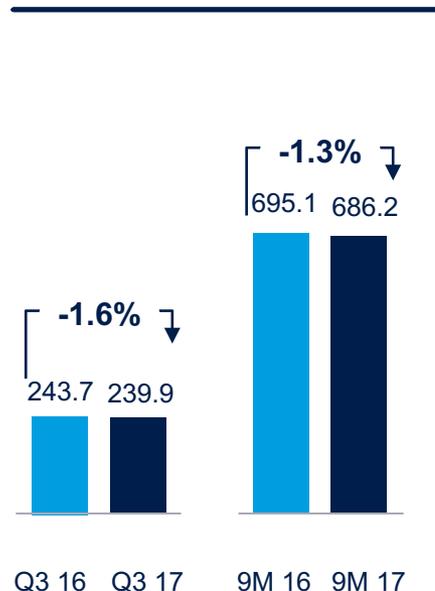


- **Strong earnings with Group EBIT sky-rocketing** in Q3 and YTD (both +>100%).
- **Group EBIT improvement** by €30.1 mn YTD shows that RESET savings of €30-40 mn by end of FY 2018 are well ahead of plan, building the ground for future investments in the businesses
- **Group gross margin** surges, leaping by 2.8 pp in Q3 2017 (0.8 pp in 9M 2017)
- **Massive free cash flow improvement** despite modestly resumed capex q-on-q
- **Net debt cut back significantly** by 36% to €125.3 mn, resulting in Net Debt/LTM EBITDA ratio below 1.5

All PY figures exclude impact of RESET program

TOM TAILOR GROUP: EARNINGS BOOST

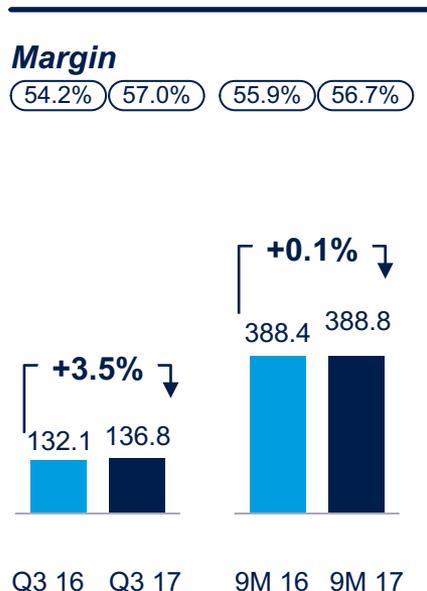
Sales [€ mn]



Comment

- Group sales affected by divestures in countries and stores
- Good sales performance driven in particular by strong Wholesale business

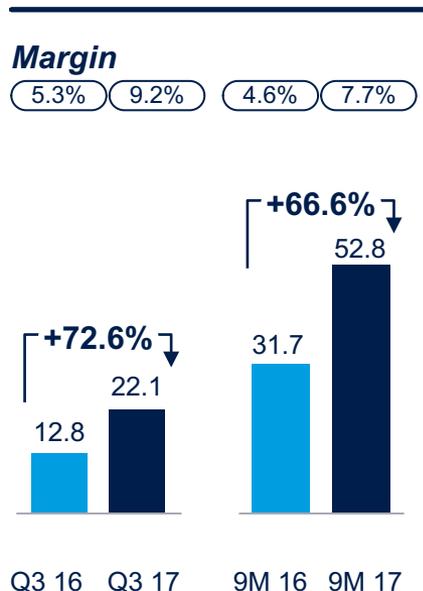
Gross Profit* [€ mn]



Comment

- Excellent gross profit and margin development in Q3
- Result of better price management and product steering
- First results of sourcing efficiency

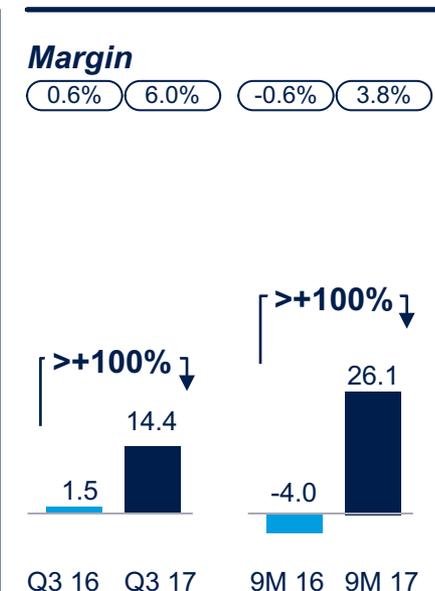
EBITDA* [€ mn]



Comment

- Outstanding opex performance, particularly of BONITA

EBIT* [€ mn]



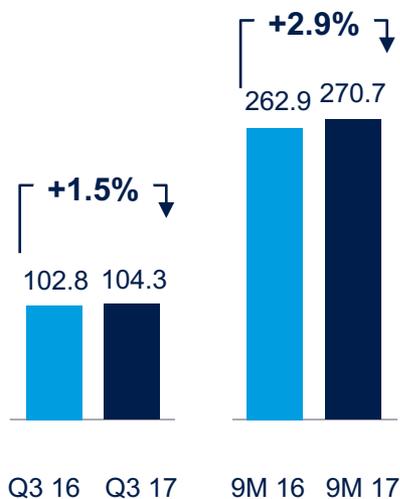
Comment

- Sky-rocketing EBIT performance
- Ahead of RESET saving target

* PY figures exclude impact of RESET program

TOM TAILOR WHOLESALE: CONTINUES AS KEY GROWTH DRIVER

Sales [€ mn]



Comment

- Continuous good WHS sales development in difficult market
- Germany and Russia key growth drivers

Gross Profit* [€ mn]

Margin

(47.4%) (49.5%) (47.0%) (47.3%)



Comment

- Strong gross profit goes hand in hand with margin expansion

EBITDA* [€ mn]

Margin

(14.9%) (19.6%) (10.0%) (14.9%)



Comment

- Improving gross profits and lowered opex drive EBITDA

* PY figures exclude impact of RESET program

TOM TAILOR RETAIL: GREAT JOB ON GROSS MARGIN EXPANSION

Sales [€ mn]



Comment

- Flat topline, despite shop closures
- Market conditions remain challenging

Gross Profit* [€ mn]

Margin

(53.2%) (56.8%) (55.7%) (57.8%)



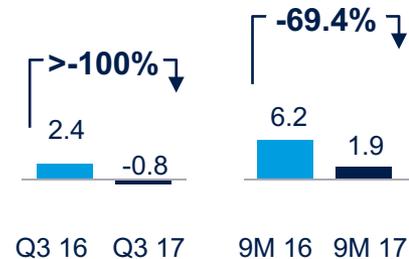
Comment

- RESET and better product mix result in strongly improved gross profit and gross margin
- Significantly reduced markdowns

EBITDA* [€ mn]

Margin

(3.3%) (-1.1%) (2.9%) (0.9%)



Comment

- Accrual of €3.5 mn for closing flagship store impacting EBITDA

* PY figures exclude impact of RESET program

BONITA: ROBUST PERFORMANCE, BOTTOMING OUT

Sales [€ mn]



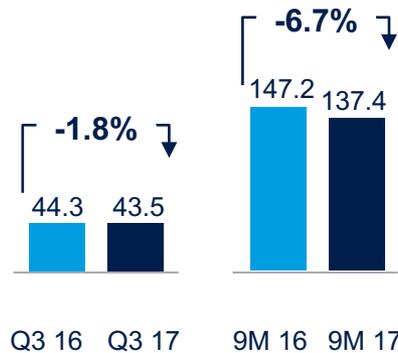
Comment

- Good performance within expectation, despite no clearance sales and closure of BONITA Men
- Sales bottoming out in Q3, rebuilding sales in remaining stores

Gross Profit* [€ mn]

Margin

(65.7%) (69.9%) (66.7%) (68.0%)



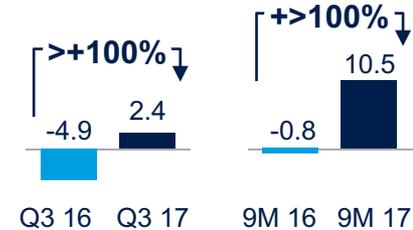
Comment

- Continued improvement of gross margin resulting from lowered opex
- Better product mix and reduced markdowns

EBITDA* [€ mn]

Margin

(-7.3%) (3.9%) (-0.4%) (5.2%)



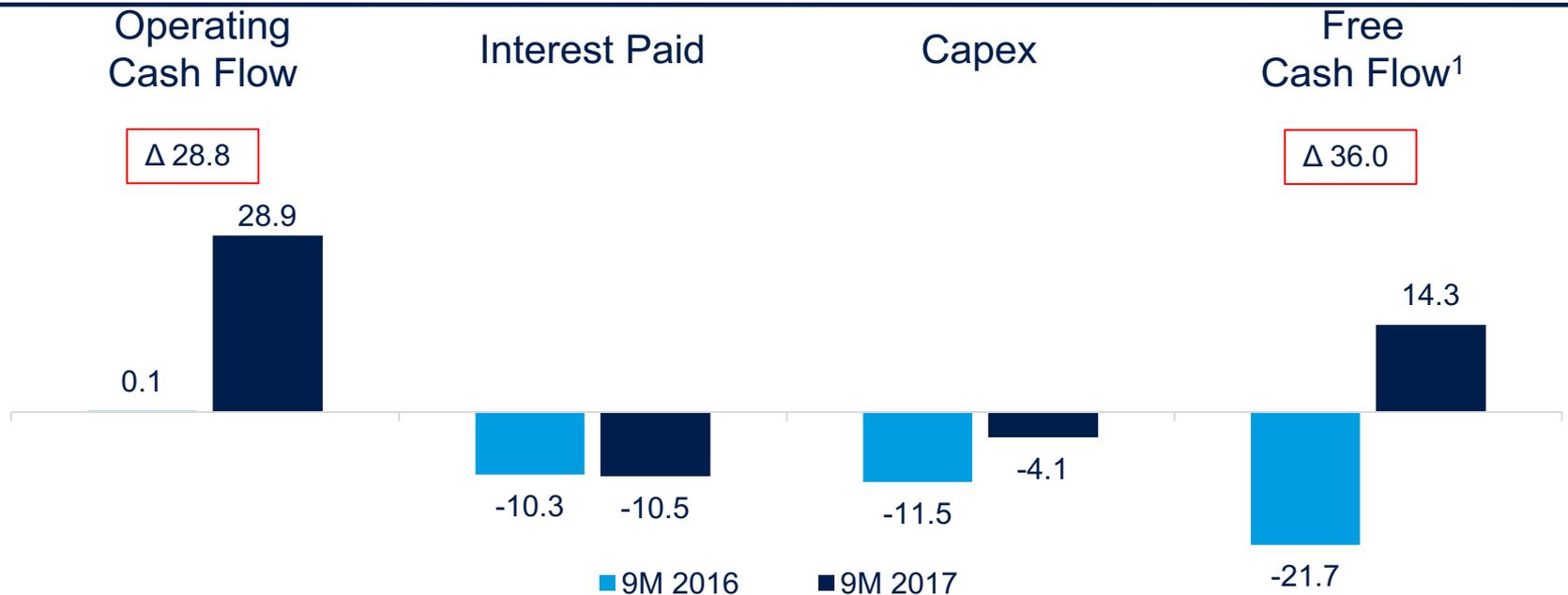
Comment

- Shrink-to-profitability move bears fruit
- Significant opex reduction

* PY figures exclude impact of RESET program

CASH FLOW: BACK TO REGAIN FLEXIBILITY

Cash flow development 9M 2016 – 9M 2017 [€ mn]



- Strong OCF lays foundation for sustained FCF generation
- FCF delta is widening compared to H1 comparison
- Investments resumed after subdued spending in H1; investments and marketing spending to be stepped up for the remainder of the year and throughout 2018

1) Free Cash Flow before redemptions

2017 GUIDANCE CONFIRMED

Group Sales	Slight decrease compared to previous year due to Kids license model and RESET projects
Gross profit margin	Moderate increase compared to previous year
Reported EBITDA	Strong increase compared to previous year
Reported EBITDA margin	Strong increase compared to previous year

WRAP-UP



- **Strong earnings**, with **Group EBIT sky-rocketing** in Q3 (+>100%) and YTD (+>100%)
- **RESET ahead of plan**
- **Excellent gross margin** development **across all businesses**
- **BONITA sales bottoming out**
- **Wholesale** continues to drive **group performance** above market average
- New **eCommerce** platform **went live** in September 2017 – eCommerce defined as key investment area in light of capital increase
- Increased marketing spending as part of strive for **expanding market position**



OUTLOOK 2020

TTG STRATEGIC CORNERSTONES 2020: OUR PURPOSE REMAINS

2020: our environment will be different

Markets

No/slow growth in core European markets
Textile market growth driven by emerging markets

Channels

Declining high street traffic, role of stores changes
Online penetration for apparel sales >30%
WHS Trade consolidation, preference for concession models

Brand mix / segments

Hard discount will gain share; price erosion slows down
Mid-market brands will consolidate; „strong“ brands will survive

Business cycles / dynamics

Business volatility will increase, less predictable environment
Companies with „breathing“ cost structure & agility will win

Our Group's purpose will remain



FOCUS 2020: GROWING THE BOTTOM LINE

2017

- RESET – **refocus the company** on its healthy core (“cut the profit drainers”)
- **Lay the foundation** for healthy growth (e.g., IT, org. setup, incentives, talent)

2018 / 19

- Build a “**healthy & balanced portfolio**” to master industry volatility
 - Grow **eCom** @ >20% CAGR & expand omni-channel capabilities
 - **TT Internationalization**: grow Russia & prepare 2019 country portfolio expansion
 - **TT Own channels**: improve **space productivity** in WHS concessions & own retail
 - **TT Product**: further expand **TT Denim & Women** division’s distribution footprint
 - **Marketing**: boost invest by ~2x to rebuild brand equity & consumer engagement
 - **Bonita**: Modernize, expand sales channels, (re-) activate consumers
- “Shrink to grow sustainably”: Full-year effect of 2017 RESET closures / exits

2019 &
beyond

- Continue 2018’s strategic direction (“healthy & balanced portfolio”) & **expand portfolio**
 - **Product**: broaden wearing occasions & price point coverage
 - **Internationalization**: enter selected markets through own setup or licensing model

Target >12% EBITDA margin, close to €1B sales in 2020

TT BRAND OUTLOOK 2020: PROFIT GROWTH WILL DOMINATE TOPLINE GROWTH

5 Profit growth levers

- 1 E-Commerce growth
- 2 Selective international expansion (esp. RUS)
- 3 Own areas space productivity (esp. D/A)
- 4 D/A/CH market penetration (esp. TT Denim, Women)
- 5 Analytics-driven margin management

2020 success metrics

TT Sales out-growing market
Profit outgrows sales¹

TT Brand consideration
>23%

5 Enablers



1) Sales CAGR 2018-20 higher than mid-market segment growth rate

BONITA 2020 OUTLOOK: MODERNIZE, EXPAND SALES CHANNELS, (RE-)ACTIVATE CONSUMERS

2020
Reduced net sales
Improved EBITDA margin

Modernize

1

Store concept

- Modern store concept
- Refurbish up to 100 POS p.a.

2

Product range

- Add modern stylistic
- Expand assortment (wearing occasion)

3

eCom

- New eShop
- Traffic generation (marketing)
- Online WHS / marketplaces

4

Wholesale concessions

- Additional POS
- New WHS customers
- Boost space productivity

5

(Re-) activate consumers

- Target city girls
- Raise mktg. spend
- CRM & cust. acquisition

A

Continued non-performing store closures

B

Continued cost optimization & margin enhancement

FINANCIAL CALENDAR

Financial Calendar 2017/18

Events

Nov 23, 2017

Roadshow London

Nov 29, 2017

German Equity Forum, Frankfurt

Dec 7, 2017

Berenberg European Conference, Pennyhill (London)

Mar 20, 2018

Release of full results for FY 2017



Viona Brandt
Head of Investor Relations

TOM TAILOR HOLDING SE

Garstedter Weg 14

22453 Hamburg

Phone: +49.40.589 56 - 449

Fax: +49.40.589 56 - 199

Email: Viona.Brandt@tom-tailor.com

DISCLAIMER

This document contains forward-looking statements, which are based on the current estimates and assumptions by the management of TOM TAILOR Holding SE. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate and similar formulations. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the results actually achieved by TOM TAILOR Holding SE and its affiliated companies depend on a number of risks and uncertainties and may therefore differ materially from the forward-looking statements. Many of these factors are outside TOM TAILOR Holding SE's control and cannot be accurately estimated in advance, such as the future economic environment and the actions of competitors and others involved in the marketplace. TOM TAILOR Holding SE neither plans nor undertakes to update any forward-looking statements.