



AHLERS AG, HERFORD
Interim Report Q1 2012/13

AHLERS AG

INTERIM REPORT Q1 2012/13

(December 1, 2012 to February 28, 2013)

BUSINESS PERFORMANCE IN THE FIRST THREE MONTHS OF FISCAL 2012/13

Q1 2012/13 - Highlights

- Premium segment continues to grow, with sales revenues up by 5.3 percent
- Premium segment now accounts for 68 percent of total sales revenues (previous year: 61 percent)
- Sales revenues down by 5.2 percent due to discontinuation of Gin Tonic Woman and seasonal shifts
- Consolidated net income after taxes slightly below previous year at EUR 4.6 million (previous year: EUR 4.8 million)
- Equity ratio climbs to 63 percent (previous year: 61 percent)

1. BUSINESS AND GENERAL CONDITIONS

Having declined in the fourth quarter of 2012, Germany's gross domestic product (GDP) has returned to moderate growth, with economists projecting a growth rate of less than one percent for the full year 2013. Between them, the economies of the other eurozone countries are on the decline again; the situation in Southern Europe remains especially difficult. Although some Eastern European countries are in a recession, the region as a whole should again post solid GDP growth this year.

On balance, this means that the economic situation in Europe is largely unchanged from the previous year. This also applies to unemployment, which is below the long-term average in Germany. By contrast, unemployment is a big problem in other European countries, where it is having a strong influence on private consumption. This means that the German economy is performing well both in absolute figures and in comparison with other countries, and consumer confidence has returned to a high level. Sales of textiles in the retail sector nevertheless declined by 9 percent in the important month of December 2012 and by 2 percent in January/February 2013 (source: Textilwirtschaft). The figures for March 2013 are also weak.

The sales situation for clothing retailers in other European countries is even more difficult, with most countries likely to post declining sales figures. Even retailers in Poland, whose economy has proved to be robust so far, reported declines in the past months, due to growing unemployment.

2. EARNINGS, FINANCIAL AND NET WORTH POSITION

Sales revenues in Premium segment up by 5.3 percent

The Baldessarini and Pierre Cardin Premium brands increased their sales revenues by 5.3 percent to EUR 45.3 million (previous: EUR 43.0 million) in the first three months of the fiscal year 2012/13. As a result, the Premium segment's contribution to total sales revenues increased from 61 percent in the prior year period to 68 percent in Q1 2012/13.

Decline in sales revenues due to discontinuation of Gin Tonic Woman and seasonal effects

In the previous year, the Management Board decided to reorganise Gin Tonic from scratch and to discontinue the ladieswear operations. In addition, some Gin Tonic stores were closed and the December delivery programme was cancelled. The articles for spring/summer were delivered later this year due to the cold weather prevailing throughout Europe. Moreover, intra-seasonal orders were down on the previous year due to the belated start of the season in the retail sector. The 5.2 percent decline in Group's consolidated sales revenues was therefore due in almost equal parts to seasonal influences (-2.6 percent) and the discontinuation of Gin Tonic Woman (-2.6 percent). Total sales amounted to EUR 66.8 million (previous year: EUR 70.5 million).

Sales by segments

| in EUR million | Q1 2012/13 | Q1 2011/12 | Change in % |
|---|-------------|-------------|-------------|
| Premium Brands* | 45.3 | 43.0 | 5.3 |
| Jeans & Workwear | 14.6 | 17.2 | -15.1 |
| Men's & Sportswear - continued activities | 6.8 | 8.4 | -19.0 |
| - Gin Tonic Woman | 0.1 | 1.9 | -94.7 |
| Total - continued activities | 66.7 | 68.6 | -2.8 |
| - incl. Gin Tonic Woman | 66.8 | 70.5 | -5.2 |

* incl. "miscellaneous" EUR 0.1 million (previous year: EUR 0.1 million)

EBIT before special effects

| in EUR million | Q1 2012/13 | Q1 2011/12 | Change in % |
|--------------------|------------|------------|--------------|
| Premium Brands | 5.7 | 5.3 | 7.5 |
| Jeans & Workwear | 1.0 | 2.4 | -58.3 |
| Men's & Sportswear | -0.9 | -0.5 | -80.0 |
| Total | 5.8 | 7.2 | -19.4 |

Sales revenues in the company's own Retail segment increased by 2 percent in spite of the unfavourable market situation in the first quarter and the closure of some Gin Tonic stores. As a result, the Retail segment's contribution to total sales revenues climbed from 8.7 percent to 9.3 percent.

EARNINGS POSITION

Group result only slightly below prior year at EUR 4.6 million

In the period under review, the gross profit margin rose moderately from 51.2 percent to 52.2 percent. Gross profit nevertheless declined by EUR 1.2 million to EUR 34.9 million (previous year: EUR 36.1 million) due to lower sales. With expenses more or less stable, EBIT before special effects declined at more or less the same rate from EUR 7.2 million to EUR 5.8 million (-19.4 percent).

Two cases that had been pending for quite some time were settled in the reporting period. This led to positive extraordinary income, which offset the decline in sales and lifted consolidated net income after taxes almost to the prior year level. At EUR 4.6 million, Ahlers' earnings after taxes were thus almost on a par with the previous year's EUR 4.8 million.

The changes in earnings in the individual segments were primarily influenced by the changes in sales revenues. As the sales trends, especially in the Jeans & Workwear and Men's Sportswear segments, were largely influenced by seasonal factors, the deviations should improve as the year progresses.

Earnings Position

| in EUR million | Q1 2012/13 | Q1 2011/12 | Change in % |
|-----------------------------------|-------------|-------------|--------------|
| Sales | 66.8 | 70.5 | -5.2 |
| Gross profit | 34.9 | 36.1 | -3.3 |
| in % of sales | 52.2 | 51.2 | |
| Personnel expenses* | -13.1 | -13.2 | 0.8 |
| Balance of other expenses/income* | -14.7 | -14.3 | -2.8 |
| EBITDA* | 7.1 | 8.6 | -17.4 |
| Depreciation and amortisation | -1.3 | -1.4 | 7.1 |
| EBIT* | 5.8 | 7.2 | -19.4 |
| Special effects | 0.4 | -0.2 | |
| Financial result | -0.1 | -0.2 | 50.0 |
| Pre-tax profit | 6.1 | 6.8 | -10.3 |
| Income taxes | -1.5 | -2.0 | 25.0 |
| Net income | 4.6 | 4.8 | -4.2 |

* before special effects

FINANCIAL AND NET WORTH POSITION

Equity ratio climbs to 63 percent

As of February 28, 2013 Ahlers' equity ratio had improved by another 2 percent to 63 percent (previous year: 61 percent). The increase was mainly due to lower total assets, which, in turn were the result of reduced inventories (EUR -2.5 million) and receivables (EUR -3.5 million). Operating cash flow was up by 15 percent on the previous year thanks to the positive change in net working capital. Free cash flow (= changes in cash and cash equivalents) was up by as much as 31 percent on the prior year period, as the payment of the final purchase price instalment for Baldessarini GmbH had resulted in higher capital expenditures in the previous year.

Key management and financial indicators

| | | | Q1 2012/13 | Q1 2011/12 |
|----------------------------|-------------------------|----------------|------------|------------|
| Sales | - continued activities | in EUR million | 66.7 | 68.6 |
| | - incl. Gin Tonic Woman | in EUR million | 66.8 | 70.5 |
| Gross margin | | in % | 52.2 | 51.2 |
| EBITDA* | | in EUR million | 7.1 | 8.6 |
| EBIT* | | in EUR million | 5.8 | 7.2 |
| EBIT margin* | | in % | 8.7 | 10.2 |
| Net income | | in EUR million | 4.6 | 4.8 |
| Profit margin before taxes | | in % | 9.2 | 9.7 |
| Profit margin after taxes | | in % | 6.9 | 6.9 |
| Earnings per share | | | | |
| | common shares | in EUR | 0.31 | 0.33 |
| | preferred shares | in EUR | 0.36 | 0.38 |
| Net Working Capital** | | in EUR million | 97.6 | 102.8 |
| Equity ratio | | in % | 63.2 | 61.0 |

* before special effects

** inventories, trade receivables and trade payables

3. POST BALANCE SHEET EVENTS

No events of special significance for the Ahlers Group occurred between the end of the first three months and the publication of the interim report.

4. RISK REPORT

No changes with respect to risks related to future developments have occurred since the start of the new fiscal year. The statements made in the risk report of the 2011/12 consolidated financial statements remain valid.

5. EMPLOYEES

As of February 28, 2013, Ahlers employed 2,232 people, 27 less than one year ago. The decline is attributable to the redundancy programmes implemented at Gin Tonic in Sindelfingen and at Pionier Jeans & Casuals in Austria in the second half of 2012, which reduced the headcount by 46 people this year. By contrast, new jobs were created in our own Retail segment and as a result of the takeover of Danish workwear manufacturer HBI.

6. PERFORMANCE OF THE AHLERS SHARES

On February 28, 2013, Ahlers shares traded at EUR 10.99 (common share) and EUR 11.29 (preferred share), which was up by 8 percent and by 7 percent, respectively, on the share price quoted on February 29, 2012. Including the dividend paid out in May 2012, the share prices were up by 15 percent and 14 percent, respectively, on the previous year.

Prices have also picked up since the end of the last fiscal year. The prices of the ordinary shares and the preferred shares were up by 8 percent and 4 percent, respectively, on the prices quoted on November 30, 2012.

7. FORECAST REPORT

Retail sales in Germany expected to stagnate on balance

The Management Board expects sales in the German fashion retail sector to remain more or less stable in the full year 2013. The belated start of the spring season, which is attributable to the cold weather, could be offset, all the more so as the prior year basis is not very high. On the whole, the European markets outside Germany will continue to contract moderately.

Stable sales in spite of the discontinuation of Gin Tonic Woman and sharp rise in earnings projected for the fiscal year 2012/13

After the first three months, the Ahlers Management Board has confirmed its guidance for the full year 2012/13. The discontinuation of Gin Tonic Woman will shave off about EUR 10 million of the total sales revenues in the still young fiscal year 2012/13. This is equivalent to about 4 percent of total sales revenues. The Management Board nevertheless expects the company's total sales revenues to remain more or less stable, as the Premium segment, in particular, should grow strongly. This forecast is based on good pre-sales for the autumn/winter season 2013.

The fact that the restructuring of Gin Tonic was completed last year will lead to much better earnings in 2012/13. The other brands are also expected to make growing profit contributions. On balance, the Management Board therefore expects consolidated net income to come in between the previous year's EUR 7.3 million and the EUR 10.1 million posted in 2010/11, with a tendency towards the upper end of this range.

Fixed asset investments in the current fiscal year should be higher than in the previous year but are unlikely to exceed depreciation and amortisation of approx. EUR 6.0 million. Management will work hard to further reduce net working capital in order to generate good cash flow and to further expand the solid financial structure.

Consolidated balance sheet

as of February 28, 2013

ASSETS

| KEUR | Feb. 28, 2013 | Feb. 29, 2012 | Nov. 30, 2012 |
|--|----------------|----------------|----------------|
| A. Non-current assets | | | |
| I. Property, plant and equipment | | | |
| 1. Land, land rights and buildings | 16,577 | 16,984 | 16,690 |
| 2. Technical equipment and machines | 1,141 | 1,488 | 1,176 |
| 3. Other equipment, plant and office equipment | 10,431 | 11,551 | 10,619 |
| 4. Payments on account and plant under construction | 111 | 20 | 103 |
| | 28,260 | 30,043 | 28,588 |
| II. Intangible assets | | | |
| Industrial property rights and similar rights and assets | 11,901 | 12,250 | 11,987 |
| III. At-equity investments | 211 | 211 | 211 |
| IV. Other non-current assets | | | |
| 1. Other financial assets | 1,529 | 1,711 | 1,562 |
| 2. Other assets | 19,767 | 18,472 | 19,224 |
| | 21,296 | 20,183 | 20,786 |
| V. Deferred tax assets | 1,077 | 1,600 | 1,215 |
| Total non-current assets | 62,745 | 64,287 | 62,787 |
| B. Current assets | | | |
| I. Inventories | | | |
| 1. Raw materials and consumables | 18,474 | 17,425 | 22,840 |
| 2. Work in progress | 367 | 263 | 336 |
| 3. Finished goods and merchandise | 43,676 | 47,353 | 42,741 |
| | 62,517 | 65,041 | 65,917 |
| II. Trade receivables | 43,737 | 47,176 | 32,717 |
| III. Other current assets | | | |
| 1. Other financial assets | 806 | 934 | 615 |
| 2. Receivables from affiliates | 4,184 | 4,339 | 0 |
| 3. Current income tax claims | 2,116 | 1,969 | 2,944 |
| 4. Other assets | 3,764 | 3,644 | 3,914 |
| | 10,870 | 10,886 | 7,473 |
| IV. Cash and cash equivalents | 6,355 | 9,790 | 11,855 |
| Total current assets | 123,479 | 132,893 | 117,962 |
| Total assets | 186,224 | 197,180 | 180,749 |

EQUITY AND LIABILITIES

| KEUR | Feb. 28, 2013 | Feb. 29, 2012 | Nov. 30, 2012 |
|---|----------------|----------------|----------------|
| A. Equity | | | |
| I. Subscribed capital | 43,200 | 43,200 | 43,200 |
| II. Capital reserve | 15,024 | 15,024 | 15,024 |
| III. Retained earnings | 58,254 | 61,131 | 53,724 |
| IV. Currency translation adjustments | -883 | -959 | -1,140 |
| Equity attributable to shareholders of Ahlers AG | 115,595 | 118,396 | 110,808 |
| V. Non-controlling interest | 2,116 | 1,885 | 2,089 |
| Total equity | 117,711 | 120,281 | 112,897 |
| B. Non-current liabilities | | | |
| I. Pension provisions | 5,047 | 4,893 | 5,140 |
| II. Other provisions | 329 | 337 | 372 |
| III. Financial liabilities | | | |
| 1. Other financial liabilities | 22,154 | 20,742 | 22,290 |
| 2. Non-controlling interests in partnerships | 1,243 | 1,252 | 1,226 |
| | 23,397 | 21,994 | 23,516 |
| IV. Other liabilities | 26 | 27 | 26 |
| V. Deferred tax liabilities | 2,285 | 2,324 | 2,190 |
| Total non-current liabilities | 31,084 | 29,575 | 31,244 |
| C. Current liabilities | | | |
| I. Current income tax liabilities | 1,179 | 3,322 | 683 |
| II. Other provisions | 3,656 | 3,588 | 3,369 |
| III. Financial liabilities | 8,566 | 13,445 | 4,465 |
| IV. Trade payables | 8,659 | 9,465 | 14,911 |
| V. Other liabilities | | | |
| 1. Liabilities to affiliates | 144 | 954 | 2,187 |
| 2. Other liabilities | 15,225 | 16,550 | 10,993 |
| | 15,369 | 17,504 | 13,180 |
| Total current liabilities | 37,429 | 47,324 | 36,608 |
| Total liabilities | 68,513 | 76,899 | 67,852 |
| Total equity and liabilities | 186,224 | 197,180 | 180,749 |

Consolidated income statement

for Q1 of 2012/13

| KEUR | Q1 2012/13 | Q1 2011/12 |
|--|--------------|--------------|
| 1. Sales | 66,769 | 70,514 |
| 2. Change in inventories of finished goods and work in progress | 1,138 | 644 |
| 3. Other operating income | 1,151 | 898 |
| 4. Cost of materials | -33,049 | -35,057 |
| 5. Personnel expenses | -13,051 | -13,280 |
| 6. Other operating expenses | -15,419 | -15,253 |
| 7. Depreciation, amortisation, and impairment losses on property, plant, and equipment, intangible assets and other non-current assets | -1,341 | -1,404 |
| 8. Interest and similar income | 164 | 70 |
| 9. Interest and similar expenses | -221 | -273 |
| 10. Pre-tax profit | 6,141 | 6,859 |
| 11. Income taxes | -1,555 | -2,012 |
| 12. Net income for the period | 4,586 | 4,847 |
| 13. of which attributable to: | | |
| - Shareholders of Ahlers AG | 4,530 | 4,768 |
| - Non-controlling interest | 55 | 79 |
| Earnings per share (EUR) | | |
| - common shares | 0.31 | 0.33 |
| - preferred shares | 0.36 | 0.38 |

Consolidated statement of comprehensive income

for Q1 of 2012/13

| KEUR | Q1 2012/13 | Q1 2011/12 |
|---|--------------|--------------|
| 12. Net income for the period | 4,586 | 4,847 |
| Not to be reclassified to profit and loss | | |
| 14. Actuarial gains/losses on defined benefit pension plans | - | - |
| To be reclassified to profit and loss | | |
| 15. Net result from cash flow hedges | 272 | -703 |
| 16. Currency translation differences | -15 | 825 |
| 17. Other changes | -29 | -9 |
| 18. Other comprehensive income after taxes | 228 | 113 |
| 19. Comprehensive income | 4,814 | 4,960 |
| 20. of which attributable to: | | |
| - Shareholders of Ahlers AG | 4,788 | 4,890 |
| - Non-controlling interest | 26 | 70 |

Consolidated cash flow statement

for Q1 of 2012/13

| KEUR | Q1 2012/13 | Q1 2011/12 |
|---|---------------|----------------|
| Net income for the period | 4,586 | 4,847 |
| Income taxes | 1,555 | 2,012 |
| Interest income / Interest expenses | 57 | 203 |
| Depreciation and amortisation | 1,341 | 1,404 |
| Gains / losses from the disposals of non-current assets (net) | -3 | 10 |
| Increase / decrease in inventories and other current and non-current assets | -12,160 | -12,101 |
| Change in non-current provisions | -137 | -33 |
| Change in non-controlling interests in partnerships and other non-current liabilities | 18 | 35 |
| Change in current provisions | 287 | 2 |
| Change in other current liabilities | -4,143 | -3,371 |
| Interest paid | -156 | -144 |
| Interest received | 64 | 70 |
| Income taxes paid | -1,408 | -3,230 |
| Income taxes received | 1,389 | 0 |
| Cash flow from operating activities | -8,710 | -10,296 |
| Cash receipts from disposals of items of property, plant, and equipment | 5 | 92 |
| Cash receipts from disposals of intangible assets | 0 | 2 |
| Payments for investment in property, plant, and equipment | -923 | -931 |
| Payments for investment in intangible assets | -47 | -2,278 |
| Cash flow from investing activities | -965 | -3,115 |
| Repayment of non-current financial liabilities | -136 | -1,330 |
| Cash flow from financing activities | -136 | -1,330 |
| Net change in liquid funds | -9,811 | -14,741 |
| Effects of changes in the scope of exchange rates | 10 | 764 |
| Liquid funds as of December 1 | 11,783 | 13,619 |
| Liquid funds as of February 28 (previous year February 29) | 1,982 | -358 |

Consolidated statement of changes in equity

as of February 28, 2013 (previous year as of February 29, 2012)

Equity attributable to shareholders of Ahlers AG

| KEUR | Subscribed capital | | Own shares | Capital-reserve | Retained earnings | Adjustment item for currency translation | Total Group holdings | Non-controlling interest | Total Equity |
|------------------------------------|--------------------|------------------|------------|-----------------|-------------------|--|----------------------|--------------------------|----------------|
| | Common shares | Preferred shares | | | | | | | |
| Balance as of Dec. 1, 2011 | 24,000 | 19,200 | 0 | 15,024 | 56,363 | -1,081 | 113,506 | 1,815 | 115,321 |
| Total net income for the period | | | | | 4,768 | 122 | 4,890 | 70 | 4,960 |
| Dividends paid | | | | | | | 0 | | 0 |
| Others | | | | | | | 0 | | 0 |
| Balance as of Feb. 29, 2012 | 24,000 | 19,200 | 0 | 15,024 | 61,131 | -959 | 118,396 | 1,885 | 120,281 |
| Balance as of Dec. 1, 2012 | 24,000 | 19,200 | 0 | 15,024 | 53,724 | -1,140 | 110,807 | 2,090 | 112,897 |
| Total net income for the period | | | | | 4,530 | 258 | 4,788 | 26 | 4,814 |
| Dividends paid | | | | | 0 | | 0 | | 0 |
| Others | | | | | 0 | | 0 | | 0 |
| Balance as of Feb. 28, 2013 | 24,000 | 19,200 | 0 | 15,024 | 58,254 | -882 | 115,595 | 2,116 | 117,711 |

Group Segment Information

as of February 28, 2013 (previous year as of February 29, 2012)

by
business
segment

| | Premium Brands | | Jeans & Workwear | | Men's & Sportswear | | Miscellaneous | | Total | |
|-------------------------------|----------------|---------|------------------|---------|--------------------|---------|---------------|---------|---------|---------|
| KEUR | 2012/13 | 2011/12 | 2012/13 | 2011/12 | 2012/13 | 2011/12 | 2012/13 | 2011/12 | 2012/13 | 2011/12 |
| Sales | 45,262 | 42,963 | 14,553 | 17,227 | 6,883 | 10,268 | 71 | 56 | 66,769 | 70,514 |
| Intersegment sales | - | - | - | - | - | - | - | - | - | - |
| Segment result | 5,600 | 5,021 | 986 | 2,349 | -443 | -509 | -2 | -2 | 6,141 | 6,859 |
| thereof | | | | | | | | | | |
| Depreciation and amortisation | 803 | 778 | 330 | 318 | 202 | 303 | 6 | 5 | 1,341 | 1,404 |
| Other non-cash items | 3,272 | 230 | 416 | 132 | 81 | 13 | - | - | 3,769 | 375 |
| Interest income | 112 | 46 | 36 | 14 | 16 | 10 | - | - | 164 | 70 |
| Interest expense | 153 | 180 | 48 | 62 | 20 | 31 | - | - | 221 | 273 |
| Net assets | 115,066 | 116,030 | 30,118 | 33,239 | 17,103 | 25,263 | 20,743 | 19,078 | 183,030 | 193,610 |
| Capital expenditure | 692 | 626 | 205 | 114 | 73 | 234 | 480 | 52 | 1,450 | 1,026 |
| Liabilities | 42,614 | 43,145 | 14,134 | 16,633 | 7,918 | 10,172 | 204 | 863 | 64,870 | 70,813 |

by
geographic
region

| | Premium Brands | | Jeans & Workwear | | Men's & Sportswear | | Miscellaneous | | Total | |
|---------------------------------------|----------------|---------|------------------|---------|--------------------|---------|---------------|---------|---------|---------|
| KEUR | 2012/13 | 2011/12 | 2012/13 | 2011/12 | 2012/13 | 2011/12 | 2012/13 | 2011/12 | 2012/13 | 2011/12 |
| Germany | | | | | | | | | | |
| Sales | 20,476 | 20,428 | 10,610 | 12,363 | 3,036 | 5,367 | 71 | 56 | 34,193 | 38,214 |
| Net Assets | 84,476 | 81,257 | 14,445 | 14,564 | 11,004 | 17,520 | 20,730 | 19,065 | 130,655 | 132,406 |
| Western Europe | | | | | | | | | | |
| Sales | 12,849 | 12,932 | 3,003 | 3,337 | 2,964 | 3,715 | - | - | 18,816 | 19,984 |
| Net Assets | 9,467 | 9,534 | 12,501 | 13,404 | 4,885 | 5,872 | - | - | 26,853 | 28,810 |
| Central/ Eastern Europe/ Other | | | | | | | | | | |
| Sales | 11,937 | 9,603 | 940 | 1,527 | 883 | 1,186 | - | - | 13,760 | 12,316 |
| Net Assets | 21,123 | 25,239 | 3,172 | 5,271 | 1,214 | 1,871 | 13 | 13 | 25,522 | 32,394 |

8. NOTES TO THE FINANCIAL STATEMENTS

Accounting and valuation principles

The interim financial statements for the first three months of fiscal 2012/13 have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretation Committee's interpretations of the IFRS (IFRIC). They comply in particular with the provisions of IAS 34 - Interim financial reporting.

The accounting and valuation principles and principles of consolidation are consistent with those applied in the preparation of the consolidated financial statements as of November 30, 2012. A detailed explanation of these principles has been published in the notes to the consolidated financial statements of the 2011/12 Annual Report.

The interim report is prepared in euros and all figures are given in thousands of euros (KEUR). Due to the fact that the report is prepared in EUR thousands, rounding differences can arise, since computations of individual items are based on figures in euros.

Earnings per share

Earnings per share are defined as net income (attributable to the shareholders of the Ahlers AG) divided by the weighted average number of shares outstanding during the reporting period. No shares existed either as of February 28, 2013, or February 29, 2012, that would have a diluting effect on earnings per share.

Contingent liabilities

Contingent liabilities have not changed materially since the last balance sheet date on November 30, 2012.

Segment reporting

The Ahlers Group defines its reporting segments by the type of products. This primarily reflects the internal reporting system as well as the internal decision-making processes.

The Group's reporting segments are Premium Brands, Jeans & Workwear and Men's & Sportswear. Expenses for central functions are charged to the segments with due consideration to the arm's length principle and based on actual usage. Due to the different positionings of the segments, no inter-segment revenues are generated. Where a clear allocation of assets and liabilities is not possible, these are allocated using appropriate distribution ratios. The segment result is the result before taxes, as income taxes are not segmented due to the central management. For the same reason, assets and liabilities do not include deferred or current tax assets and liabilities. This means that the total assets stated in the balance sheet (EUR 186,224 thousand) result from the assets as derived from the segment information (EUR 183,030 thousand) plus deferred tax assets and current income tax assets (EUR 3,194 thousand). Accordingly, the liabilities stated in the balance sheet (EUR 68,513 thousand) result from the liabilities as derived from the segment information (EUR 64,870 thousand) plus deferred tax liabilities and current income tax liabilities (EUR 3,464 thousand) as well as leasing liabilities (EUR 179 thousand).

The Group segment information by geographic regions reflects the main output markets of the Ahlers Group.

The valuation principles for the segment report are the same as for the consolidated financial statements.

Herford, April 2013

The Management Board

Forward-looking statements

This report contains forward-looking statements, which are subject to a number of uncertainties that could cause actual results to differ materially from expectations of future developments should one or more of these uncertainties, whether specified or not, materialise or if the assumptions underlying the statements above prove to be incorrect.

Financial Calendar

DATES

| | |
|--|------------------|
| Interim report Q1 2012/13 | April 15, 2013 |
| Analysts' conference in Frankfurt am Main | April 17, 2013 |
| Annual Shareholders' Meeting in Düsseldorf | May 7, 2013 |
| Half year report 2012/13 | July 11, 2013 |
| Interim report Q3 2012/13 | October 14, 2013 |
| Analysts' conference in Frankfurt am Main | October 16, 2013 |

If you have any questions regarding
this interim report, please contact:

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ISIN DE0005009708 and DE0005009732

Ahlers AG

- is a fashion manufacturer specialising in menswear
- produces fashion under several brands, tailored to its respective target groups
- is one of the biggest listed European manufacturers of menswear
- is family-run in the third generation by Dr. Stella A. Ahlers
- was established by Adolf Ahlers in 1919 and listed as a joint stock corporation in 1987
- employs approximately 2,200 people
- generates more than 60 percent of its sales revenues from premium brands

The Brands

BALDESSARINI


pierre cardin


OTTO KERN

PIONEER®
AUTHENTIC JEANS


PIONIER®
JEANS & CASUALS

Pionier®
workwear

JUPITER® 

GIN TONIC®

ahlers group

Ahlers AG, Herford

ISIN DE0005009708 und DE0005009732