

**PRESS RELEASE**  
**26.08.2011**

#### **TURNOVER GROWTH FIRST HALF-YEAR**

Turnover grew in the first half-year 2011 by 9% (from €79.0m to €86.2m). In June 2011 more of the autumn/winter collection (the collection for the second half of the year) was delivered than was the case the previous year. On a comparable basis with 2010, turnover growth was approximately 7%. These figures are excluding the retail turnover of Intimacy.

Turnover growth was primarily due to a rise in volume. There was fairly generalised growth, but clearly not in Northern Europe and Greece. Otherwise, there was a positive price and exchange rate effect of approximately 2% in total.

With retail turnover of Intimacy included, turnover rose by 17% (from €83.4m to €97.9m). Only two months of Intimacy were included in the first half of 2010.

The retail turnover of Intimacy for the first half of 2011 was \$20.6m. This is a rise of 20% compared with the same period the year before, mainly thanks to the opening of new stores. Intimacy experienced a tough spring. The general economic conditions are tough in the United States.

Oreia continued to grow in Germany. On a store-to-store basis (5 stores), Oreia grew by 12.5% in Germany.

#### **GROWTH OF GROSS MARGIN AND EBITDA**

The gross margin (excluding Intimacy) was higher in the first half of 2011 than in the first half of 2010. This was primarily due to efficiency improvements (including lower stitching costs and write-downs) and to the positive price and exchange rate effect.

Fixed costs remained relatively stable, as did all cost factors that promote growth (marketing, sales programmes, prospecting new zones).

EBITDA (excluding Intimacy) rose by 19% along with turnover growth of 9%. However, when turnover growth is pegged at 7% (see above) the rise in EBITDA for the first half of 2011 was 14%.

#### **MINORITY PARTICIPATIONS AND FINANCIAL RESULT**

In the first half of 2011 the contribution of Top Form to the result before tax was €1.1m, of which €0.4m was recognised as financial result (dividends) and €0.7m as profit based on the equity method.

The financial result also contributed positively. The financial result in 2010 was impacted by a non-recurring profit on the Intimacy participation of €4.4m.

Excluding Intimacy, net profit rose by 18% (11% on a comparable basis). Including Intimacy, net profit rose by 18% (not taking into account the non-recurring financial result from the Intimacy participation in 2010).

#### **INTIMACY**

Despite a tough first half-year, turnover of around \$40m and EBITDA above \$1.6m is expected for the whole year 2011. Four new stores will open in 2011 (three of which were opened in the spring), bringing the total stores up to 17 at the end of 2011. The target is 20 stores in the United States by the end of 2012.

The market share of our brands (Marie Jo and PrimaDonna) in the Intimacy stores continues to grow.

## PROSPECTS

Van de Velde expects the autumn to be tougher. The economic developments in Europe and North America do not stimulate consumer confidence.

Excluding Intimacy, the expectation is that turnover growth for the whole year will be 2% to 3%. This percentage will be highly dependent (as always) on the follow-up orders in the second half of the year. EBITDA is expected to grow on an annual basis at the same rate as turnover.

For Intimacy, we expect annual turnover of about \$40m and EBITDA higher than \$1.6m.

From August Rigby & Peller will be included in the consolidated figures (based on the full consolidation method at 87%). The impact of this enlargement in the consolidation will be explained in the annual figures.

Oreia and LinChérie are developing well. A new Oreia store will open in the centre of Berlin and the partnership with the LinChérie independent retailers is going very well.

## INTERIM FINANCIAL REPORT

The interim financial report (including regulated information and the report of the statutory auditor on the half year information) is available through the following link

A number of key figures are presented below and explained more fully in the financial report:

<b>Financial key figures</b>		
<b>Profit and loss statement (in m€)</b>	<b>30.06.2011</b>	<b>30.06.2010</b>
Turnover	97.9	83.4
Ebitda (operating profit plus depreciation)	34.0	28.5
Ebit or operating profit	31.8	26.7
Profit before taxes	33.0	33.0
Profit for the period	24.6	25.3
<b>Balance sheet (in m€)</b>	<b>30.06.2011</b>	<b>31.12.2010</b>
Fixed assets	87.3	89.0
Current assets	89.8	92.9
<b>Total assets</b>	<b>177.1</b>	<b>181.9</b>
Shareholders' equity	150.9	153.6
Non-controlling interest	7.5	8.1
Non-current liabilities	2.1	3.3
Current liabilities	16.6	16.9
<b>Total equity and liabilities</b>	<b>177.1</b>	<b>181.9</b>
<b>Key figures in € per share</b>	<b>30.06.2011</b>	<b>30.06.2010</b>
Profit for the period	1.86	1.91

## **CONTACTS**

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## **VAN DE VELDE**

Van de Velde NV is a leading player in the luxury and fashionable women's lingerie sector. Van de Velde is convinced of a long-term strategy based on developing and expanding brands around the Lingerie Styling concept (fit, style and fashion), especially in Europe and North America.