

# GERRY WEBER NEWS

## Retail ONGOING INTERNATIONAL EXPANSION

Highly publicised openings in Warsaw and Prague; next stop Bratislava.



## Wholesale FIRST HOUSE OF GERRY WEBER IN SOUTH AMERICA

Store opened in Santiago de Chile



## AG LOGISTIC CENTRE "RAVENNA PARK"

Omnichannel warehouses are the future.



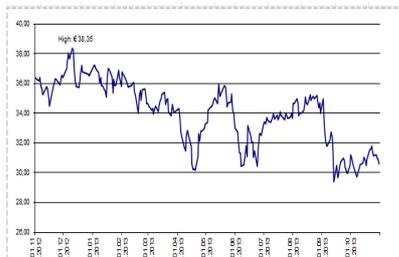
## Brands GERMANY'S MOST POPULAR BRANDS

GERRY WEBER still in the front line



## GERRY WEBER SHARE

Communication with shareholders intensified



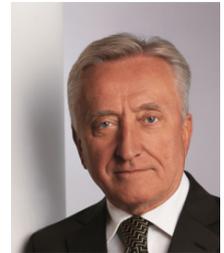
**GERRY WEBER**

**GERRY WEBER  
EDITION**

**G.W.**

**TAIFUN**

**SAMOON  
by GERRY WEBER**



Dear reader,

Transparency, openness and communication are essential elements of our corporate culture. This is why we have decided to publish a new Investor Newsletter which is designed to inform you about current topics around GERRY WEBER outside the regular reporting seasons.

Our Investor Newsletter will not only present purely financial topics but also keep you abreast of some of the issues driving our company and our business. You will find stories on our Retail and Wholesale distribution channels, our brands as well as reports on internal events within our Group. In addition, we will be providing you with updates on our activities in the capital market.

These newsletters will be published at irregular intervals, i.e. only if and when we actually have something to report. You may also find the occasional story dealing with a matter of personal concern and going beyond the usual scope of financial reporting, the idea being to allow you to peek behind the scenes at the GERRY WEBER Group.

My fellow Managing Board members and I hope that our new Investor Newsletter will give you even better insight into our company and our corporate culture. We trust you will find our Investor Newsletter an interesting read.

Best regards,

Gerhard Weber



Marcelina Zawadzka presented the new Autumn/Winter collection .

## ONGOING INTERNATIONAL RETAIL EXPANSION

### Highly publicised openings in Warsaw and Prague; next stop Bratislava

Eastern European women love GERRY WEBER. Back in 2011 the first company-managed GERRY WEBER stores were opened in Poland where market research and the high level of brand awareness suggested that there was a lot of potential for more stores. In early September the Polish web shop went online, followed by the highly publicised opening of the Warsaw House of GERRY WEBER on 19 September 2013. Highlights of the store opening in the Centrum Handlowe Arkadia included the catwalk presentation of the new Autumn/Winter collection show by Marcelina Zawadzka (Miss Poland 2011) and Justyna Pawlicka (of Poland's Next Top Model fame). Apart from numerous media representatives, the opening was attended by many Polish celebrities. Among the guests celebrating the collection were the first lady of Polish cinema, Beata Tyszkiewicz, Polish entrepreneur Catherine Skrzynecka and actress Ilona Felicjanska. As a result, the event received widespread coverage in the Polish media.

### Another grand opening in Prague

Today, in the run-up to Christmas, GERRY WEBER is opening its first company managed store in the Czech Republic. The 200 square meter store is located in the capital's Novy Smichov luxury shopping centre which already houses numerous international and exclusive brands. Dubbed the "golden city", Prague offers significant potential market for the GERRY WEBER brand. This was also reflected at Wednesday's by-invitation-only VIP opening where strong interest in the brand was noted. Another two Houses of GERRY WEBER are to be opened in the Czech Republic during 2014.



Actresses Olga Kalicka, Oliwia Angerstein und Izabela Zwierzyńska enjoyed the show.



Model Justyna Pawlicka in Warsaw

### Bratislava: coming soon

Apart from Poland and the Czech Republic, Slovakia now also features big in our expansion programme. Another two stores are soon to open their doors in Bratislava, the country's wealthiest and economically most prosperous city. Like their Polish and Czech counterparts, these stores will be set in the capital's top retail locations.

### Sweden: Northern Europe in our sights

Our fashion has been sold in Scandinavia for a number of years already. Apart from franchisee-managed stores in Finland, Norway and Sweden, several department stores and fashion boutiques carry our collections. To build on this existing presence and local brand awareness, we have meanwhile opened our first company-managed House of GERRY WEBER in Scandinavia. The store in the Swedish city of Malmö has showcased the GERRY WEBER and GERRY WEBER EDITION collections since 23 October 2013. The first half of 2014 will see another two openings in major Stockholm shopping centres.

The new openings demonstrate that the focus of the expansion pushed ahead by GERRY WEBER Retail is focused on Europe. This is consistent with our objective to raise our export share to approximately 50%.

The broad-based response in the eastern European media shows that the GERRY WEBER brand's long-standing engagement with local franchisees has born fruit. Now the company is able to build on the strong brand awareness achieved to date. We will keep you informed of our progress!



## FIRST HOUSE OF GERRY WEBER IN SOUTH AMERICA

### Store opened in Santiago de Chile

Economic growth and steadily increasing tourism have turned Santiago de Chile into one of South America's most vibrant metropolitan centres. The New York Times even singled it out as the "#1 place to visit". Quite obviously this was just the right spot for opening the first House of GERRY WEBER on the South American continent.

Early October 2013 saw the opening of the new Santiago de Chile store by our franchise partner. All three brands – GERRY WEBER, TAIFUN and SAMOON – are presented on some 200 square metres of showroom space benefiting from an exclusive ambiance.

The opening of the first-ever House of GERRY WEBER on the South American continent is a clear reflection of our policy of teaming up with experienced local partners when it comes to entering new markets. This approach has once again been vindicated by the success of this venture; the next store in Chile is already at the planning stage.



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## *Chilean market entered jointly with an experienced local partner*

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## LOGISTICS CENTRE "RAVENNA PARK"

**GERRY WEBER International AG plans to build a logistic centre in close proximity to its Group head office in Halle/Westphalia. The new centre will be located at "Ravenna Park", a 36-hectare industrial and trading estate currently being built right in the middle of the economically prospering eastern Westphalian region.**

Plans provide for direct access to the soon to be completed A33 motorway which will not only connect the cities of Bielefeld and Osnabrück but also tie together two important north-south and east-west axes, namely the A1 and A2 autobahns.

The company's existing decentralised logistic facilities in Ibbenbüren, Osnabrück, Brockhagen and Dortmund are to be optimised and pooled in this economic region served by an efficient good traffic. The 145,000 square metre site will house a logistic centre completely tailored to our specific needs as well as a factory outlet store.

#### Why is GERRY WEBER investing in its own logistic centre?

**Dr. David Frink:** Our present setup means that we have different warehouses for hanging and folded garments. By pooling both in a central warehouse we want to streamline and improve the management of shipments to customers and stores while at the same time speeding up our processes. This move will also allow us to merge our currently separate processes for hanging and folded garments, which is an important prerequisite for managing our combined collections.

Moreover, the future of this industry belongs to what is now commonly referred to as "omni

channel" warehouses where articles are allocated to a specific sales channel only at the very last moment, thereby improving product availability across all channels. Add to this the fact that the new logistics centre will be carefully customised to meet our unique needs in terms of capacity, technical equipment, processes, etc. This, too, is expected to yield a significant reduction in logistics cost per item.

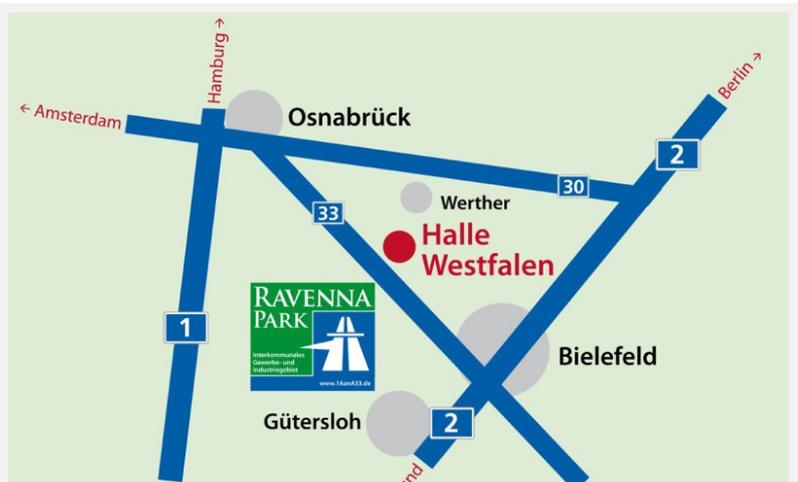


#### What will be the volume of investment? When do you intend to start construction?

**Dr. David Frink:** We are still in the detail planning phase, which is why we cannot announce the volume of investment and the schedule. However, we envisage an investment between EUR 80 million and EUR 90 million. The plot of land will be purchased at the beginning of the first quarter of 2014 so that the implementation of the construction project can proceed as soon as possible. Our target is to have the new warehouse operational by year-end 2015.

We will keep you updated on the progress of our new logistic centre and report regularly on the project in this newsletter.

*„By pooling both in a central warehouse we want to streamline and improve the management of shipments to customers and stores while at the same time speeding up our processes.“*



**GERMANY'S MOST POPULAR BRANDS:  
GERRY WEBER A TOP CONTENDER**

**More and more Germans name GERRY WEBER as their favourite brand**

**GERRY WEBER ranked ahead of Porsche and Coca Cola**

Recent years have seen steady improvements in GERRY WEBER's profile and popularity. In 2012 the GERRY WEBER brand was still ranked 17<sup>th</sup> among Germany's most popular brands in a survey commissioned by Brandmeyer Markenberatung. This year we have advanced to rank 11. Proven quality, perfect tailoring and our energetic market penetration strategy have combined to ensure that more and more consumers get to know GERRY WEBER. Thanks to many of these consumers naming GERRY WEBER as their favourite brand, the October 2013 survey placed us ahead of such big league names as Coca Cola and Porsche.

**GERRY WEBER appreciated primarily by women and best agers**

1	Adidas
2	Esprit
3	Nivea
4	Nike
5	VW
6	GERRY WEBER
7	BMW
8	Samsung
9	H&M
10	Apple

Favourite brands among German women  
Source: Brandmeyer Markenberatung

In the ranking of the most popular German brands among women, GERRY WEBER even finished in rank 6. And that's not all. Among the over sixties, GERRY WEBER was ranked in the second spot along with BMW, making us the most popular fashion brand among German consumers in this age group.

**TAIFUN, the young sister brand, is poised to catch up**

We are now challenged to transfer the positive brand image of GERRY WEBER to the TAIFUN brand which targets younger customers. Positioned to appeal to the 30+ group, TAIFUN offers fashionable and modern silhouettes both for leisure and day-to-day work. Customers can fill their wardrobes with TAIFUN garments from sportive outfits to classically modern evening dresses.

**Long-standing survey**

Forsa, one of Germany's leading market research and opinion polling companies, carried out a representative nationwide phone survey involving some 3,000 consumers over the age of 14. Respondents were asked to name their favourite brand using an "unaided" survey format (i.e. without prompting). Each respondent was allowed to name one brand only. This annual survey provides information about Germany's favourite brands broken down by respondents' age, gender, income and place of residence.

1	VW
2	BMW
2	GERRY WEBER
4	Mercedes
5	Nivea
6	Adidas
7	Audi
8	Miele
9	Opel
10	Trigema

Favourite brands among German consumers over sixty  
Source: Brandmeyer Markenberatung

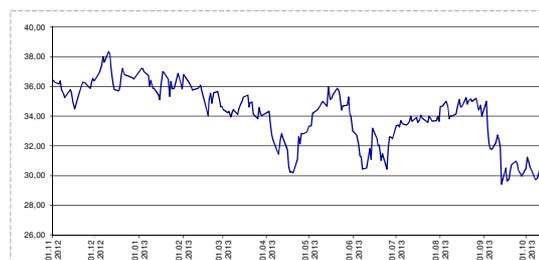


The past financial year 2012/13 proved challenging for the entire European fashion industry and even the GERRY WEBER Group was not able to completely isolate itself from the weather's impact on trading conditions, lower footfall in city centres and consumer spending restraint in some southern European countries. This was reflected in the performance of the GERRY WEBER share which saw its price reduced by 12.7 % to EUR 30.58 (XETRA closing price on 31 October 2013) in the course of the fiscal year 2012/13.

During this time we stepped up our communication with our domestic and international investors in order to highlight the special circumstances prevailing during the past financial year. We made clear that the GERRY WEBER Group's medium and long-term growth strategy remains intact notwithstanding the slowdown in growth experienced during 2012/13 and that we will continue to pursue our objectives consequently. We expect to report sales and EBIT of EUR 850 million and EUR 105 million, respectively, for the past financial year 2012/13.

We took part in nine domestic and international capital market conferences and held some 200 investor talks on eleven roadshow days in Germany, Europe and the USA. Moreover, we engaged in dialogue with private shareholders and presented the company and its business performance at various shareholder events. At latest count, GERRY WEBER International AG is covered and regularly rated by 19 analysts, of whom 12 currently recommend the share as a buy.

## YOUR GERRY WEBER SHARE

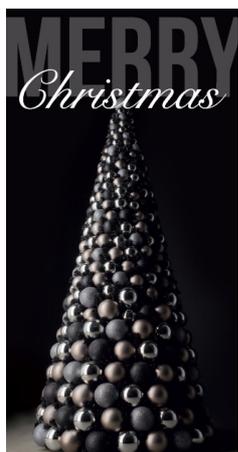


## GERRY WEBER SHARE PRICE PERFORMANCE DURING FY 2012/13

- High: € 38.35 (10 December 2012)
- Low: € 29.42 (13 September 2012)
- Performance since start of FY: -12.7%
- Closing price on 31 Oct.: € 30.575
- Dividend per share (2012): € 0.75

## IMPORTANT DATES IN Q1 2014

13-15 January 2014	Commerzbank Conference New York
26 February 2014	Annual Press Conference Düsseldorf
14 March 2014	Publication of 3-month report



*Dear investors and interested readers,*

May we use this opportunity to thank you for your continued support and wish you and your loved ones a Merry Christmas and a Happy New Year 2014.

Best regards,  
The GERRY WEBER Team

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