



THE NEW CODE

Journal 2014

TOM TAILOR GROUP

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JOURNAL 2014



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THE NEW CODE

The TOM TAILOR GROUP is one of the fastest-growing fashion companies in Europe. Our urban casual wear and wide selection of accessories in the mid-range price segment appeal to a target group ranging in age from 0 to 60.

THE NEW CODE represents the most recent optimisation of our brand and expansion strategy: In 2014 we positioned our four strong brands more clearly than ever before to provide desirable and accessible fashion to style- and quality-conscious consumers.

THE NEW CODE also means optimising the financial side of our business: Profitability is the defining coordinate for our growth trajectory. This strategy will carry the TOM TAILOR GROUP's success well into the future and reinforce our position both among Germany's top 10 fashion companies and in the international fashion scene.

T O M T A I L O R GROUP

LOOKING AHEAD

Dear friends of the TOM TAILOR GROUP,

It is with great pleasure that I present to you this year's Journal entitled "THE NEW CODE". The theme is our insights, our "Code", for creating successful fashion brands.

It's something that requires efficient, flexible systems and processes. That is what our strategy aims to achieve by increasing our verticalisation and expanding our international market position with a multi-brand approach. And it's exactly what our business model focuses on as well. That is why we repositioned our TOM TAILOR brand in 2014. We refined the brand's core identity and honed its profile, and our customers are responding positively to the change. Today, we have four strong brands capable of taking on international markets and serving a broad range of consumers. The overall concept for each brand is tailored individually to the associated target group and addresses it directly. We understand our customers and create desirable and accessible clothing brands for them. With some 1,400 of our own stores and more than 11,000 points of sale, we have a substantial worldwide presence.

And we plan to add even more locations. As we do so, we will continue to adhere to our motto of inspiring customers with lifestyle brands. That means giving them fashion that highlights their own personality and outlook on life while ensuring that they receive good value for money. The key here is the time spent in our store – whether it's a brick-and-mortar or an online one. Those moments must always be special and fuel a passion for our clothes.

In the textile industry, this means we always have to look ahead: It all depends on identifying, managing and quickly turning trends into fashion. This is an ongoing process featuring constant change and increasing momentum. The market began playing by international rules a long time ago. New retailing



Dieter Holzer, CEO of the TOM TAILOR GROUP

concepts and online sales have transformed the shopping experience. Consumers demand fashionable pieces at reasonable, accessible prices, while deliveries must be made faster and faster, and trends are multiplying all the time. Collections must tap into the zeitgeist and be suitable for sale anywhere in the world. This begins with the selection of products, styles and colours and ends with the presentation of the clothing at the point of sale. In short: having the right quantity of the right product at the right place at the right time.

Our approach called “THE NEW CODE” has already been successful – and we will stay this course in the future. I would be pleased if you would join us on this journey!

Yours sincerely,

A handwritten signature in blue ink that reads 'Dieter Holzer'.

*Dieter Holzer
Hamburg, March 2015*



BRAND WORLD



High-quality, contemporary styles
for women, men and children

DESIRABLE AND ACCESSIBLE FOR ANY AGE

With their two umbrella brands – TOM TAILOR and BONITA – the four brand personalities of the TOM TAILOR GROUP form a precisely differentiated yet completely coherent world. At home in the mid-range price segment, they collectively offer consumers high-quality, confidently stylish clothing tailored to the needs of various target groups aged 0 to 60. Our customers feel understood, and we have laid the cornerstone for our success: Our brands are both desirable and accessible.

FOUR STRONG BRANDS



The TOM TAILOR brand projects a fashionable, confident and authentic style. The TOM TAILOR WOMEN and TOM TAILOR MEN lines are aimed at adults aged 25 to 40. The TOM TAILOR KIDS, TOM TAILOR MINIS and TOM TAILOR BABY lines cater to the younger target groups from 0 to 14 years old.



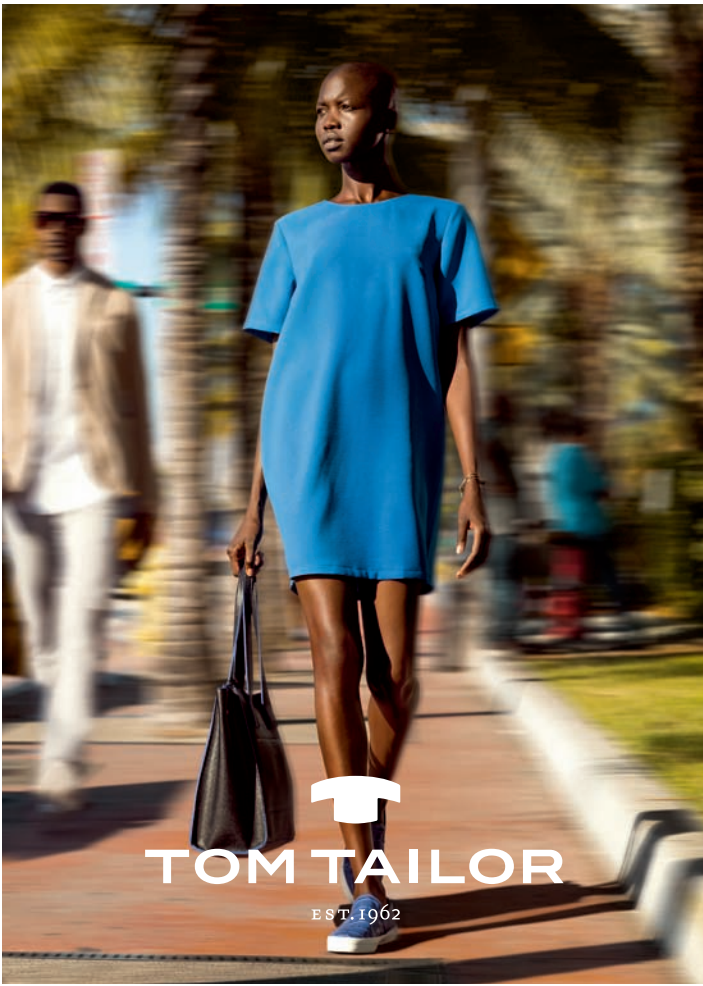
Stylish, sexy, trendy – these looks are targeted at young people aged 15 to 25. Focusing on denim, the TOM TAILOR Denim Female and TOM TAILOR Denim Male lines appeal to anyone who likes an unconventional lifestyle.



In 2012 TOM TAILOR POLO TEAM was launched as the third TOM TAILOR brand. This premium brand caters to women and men ages 25 to 40 with uncomplicated, but elegant and meticulously finished sportswear.

BONITA

Women and men over 40 are the target group for BONITA and BONITA men. These collections continually highlight new trends and feature high-quality items of clothing that can be mixed and matched over and over to create stylish new outfits.



**TOM TAILOR**
EST. 1962



TOM TAILOR *Denim*



TOM TAILOR
POLO TEAM



BONITA



TOM TAILOR

EST. 1962



*Image motif for spring/summer 2015:
"Gear up for the streets of Miami"*

5 lines

*TOM TAILOR WOMEN, TOM TAILOR MEN,
TOM TAILOR KIDS, TOM TAILOR MINIS, TOM TAILOR BABY*

Target group: 0 to 40 years

Authentic fashion for confident people

12 collections per year

In 16 European markets, we operate 318 TOM TAILOR stores and around 8,000 other points of sale for multi-channel distribution. And we sell our products in 20 countries through our e-shop. In total, we reach an estimated 190 million potential customers. The relaunch in 2014 refined the positioning of the TOM TAILOR brand.

TOM TAILOR Denim

2 lines

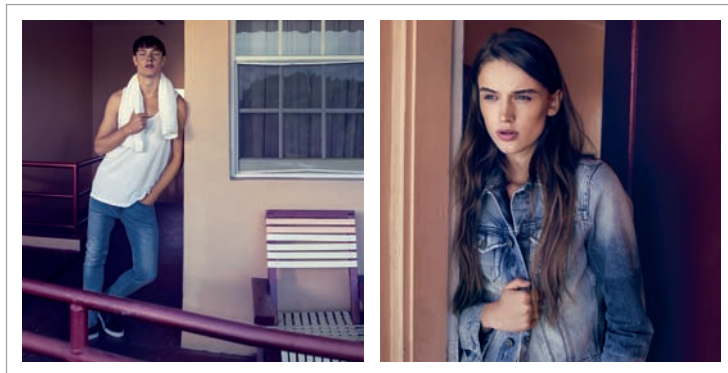
TOM TAILOR Denim Female
TOM TAILOR Denim Male

Target group: 15 to 25 years

On-trend looks for young women and men

12 collections per year

TOM TAILOR Denim is available in 151 of our own stores and at approximately 3,000 additional points of sale in 16 European markets. Another four countries are served through the TOM TAILOR e-shop, which covers 20 countries in total. Multi-channel sales therefore help us reach an estimated 60 million potential customers.



*Impressions for spring/summer 2015:
"Motel Paradise"*



TOM TAILOR *Denim*



TOM TAILOR
POLO TEAM



TOM TAILOR POLO TEAM



Image motifs for spring/summer 2015:
"Let's start the games!"

2 lines

TOM TAILOR POLO TEAM WOMEN
TOM TAILOR POLO TEAM MEN

Target group: 25 to 40 years

Elegant, sporty, superior quality for women and men

10 collections per year

TOM TAILOR POLO TEAM is sold separately or with other TOM TAILOR brands in 70 stores and at some 380 additional points of sale in 13 European markets. Another seven countries are served through the TOM TAILOR e-shop, which covers 20 countries in total. Our multi-channel sales reach an estimated 110 million potential customers.

BONITA

2 lines

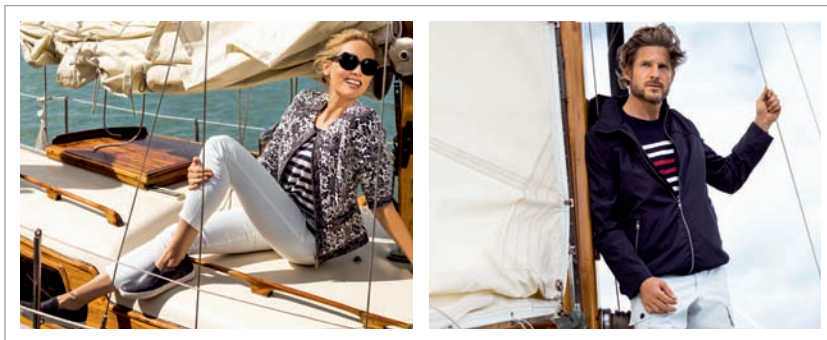
BONITA
BONITA men

Target group: over 40 years

Fashion for style- and quality-conscious women and men

12 collections per year

You can only get BONITA at BONITA. Some 100 million potential customers can shop for this brand at the German BONITA webshop as well as 1,013 of our own stores in seven countries: Germany, Austria, Switzerland, the Netherlands, Belgium, Poland and Italy. Even during the ongoing revamp of the brand strategy and optimisation of the store portfolio in 2014, the BONITA brand's revenue amounted to EUR 324.9 million – a share of 34.9 percent of the TOM TAILOR GROUP's total revenue.



*Image motifs for spring/summer 2015:
"With the wind into the sun"*



BONITA



Udo Greiser, Managing Director BONITA

BONITA – ON THE RIGHT TRACK

INTERVIEW WITH MANAGING DIRECTOR UDO GREISER
ABOUT BONITA'S PERFORMANCE

Mr Greiser, you stepped down from the Management Board of the TOM TAILOR GROUP to steer the ship as sole managing director of BONITA. What led you to make that choice?

At that time, BONITA was at a critical juncture and needed a managing director who would be there every day to pull everything together. This was the only way to ensure that the measures initiated after the acquisition in 2012 would take root seamlessly across the company. The latitude this position offered was also incredibly attractive: I would be able to vertically manage

every activity fully from the idea through implementation. That's something I hadn't been able to do to such an extent in any of my previous jobs.

BONITA's revenue dropped quite considerably in the past financial year. Were you surprised?

Not at all. It's part of our plan to boost profitability. Profitability can also mean giving up some revenue that does not contribute positively to the bottom line. And we did that. At BONITA we will continue to focus on increasing profitability and growth going forward.

Earnings performance indicates that you have successfully steered BONITA onto a profitable course. What were the key steps?

We moved most of our procurement activities to Asia. Around 65 percent of BONITA products today are sourced and produced via our eight sourcing offices in Asia. This allowed us to positively impact margins. We also cut back significantly on promotions in 2014, a measure also reflected in improved margins. The collection's price structure was adjusted in favour of higher-margin pieces. On the whole, BONITA is again offering improved quality and embodying greater value.

Mr Greiser, when can we again expect positive growth on a like-for-like basis at BONITA?

The steps we took last year aim to permanently stabilise our growth on a like-for-like basis. As it looks today, we are shooting for positive growth again in the third quarter of 2015. Maybe we'll be able to do it sooner.

What is done differently at BONITA compared with TOM TAILOR?

The TOM TAILOR GROUP has organised the logistics activities for its two brands – TOM TAILOR and BONITA – differently. BONITA is purely a retailer and supplies more than 1,000 of our own stores using cutting-edge, fully automated warehousing and logistics processes. Deliveries are made to stores based on an analytical, integrated push-pull process. That means that initially around 80 percent of the ordered goods are delivered to the stores. Based on a daily analysis of sales information from the point of sales systems, each store then reorders as needed at the touch of a button. Products can also be transferred between stores fully automatically. Our logistics excellence makes the flow of goods extremely fast and efficient, and ensures that we always have the right product at the right store at the right time. We will also increasingly leverage this expertise and the associated competitive edge at TOM TAILOR.

You have been working in the fashion industry since 1997. Are you personally interested in fashion as well?

Absolutely. My favourites are leather accessories like belts, shoes and bags. I'm also a fan of jackets and denim. Over the years, I've amassed quite a collection. My wife loves that I like to go shopping with her and, for a man, have an above-average tolerance for it.

**FOCUS ON
BOOSTING PROFITABILITY
AND GROWTH**

You are a mountaineer and passionate about skiing. How do you balance your job, your family and time on the slopes?

When you commute between work and home, it's very important to plan out the rest of the time carefully. Since I like to play guitar, I signed up for music lessons right here in Hamminkeln, where BONITA's offices are located. I have played guitar since I was a child, and now it's a great diversion. Once I'm home, we're drawn to the mountains: My family and I are particularly happy if we're more than 1,500 metres above sea level!

Hamminkeln, January 2015

TOM TAILOR RE-BRANDED



TOM TAILOR

LIFE IS A GAME

~ PLAY IT ~

BE CONFIDENT

DRESS IN STYLE

EST.

1962

TOM-TAILOR.COM



FITTED STYLE

TOM TAILOR
EST. 1962
LIFE IS A GAME
PLAY IT
BE CONFIDENT
DRESS IN STYLE
M

URBAN · FASHION · GEAR
TOM TAILOR
Life is a game
PLAY IT
Be confident
DRESS IN STYLE
EST. 1962

RE- BRANDED



Relaunch of the TOM TAILOR brand identity

THE NEW CODE AS PART OF THE BRAND STRATEGY

With the further refinement of its core brand, TOM TAILOR is strengthening its international profile and positioning itself as a “new urban player”. The new brand attitude reflects the slogan which appeals to self-confident target groups with a high affinity for lifestyle and fashion: “Life is a game, play it, be confident, dress in style.” The new TOM TAILOR styles are more detailed, clearer and more fashionable. The product strategy and brand design were inspired by international zeitgeist and shaped by the history of the TOM TAILOR brand.



NEW IMAGES AND LOGO RELAUNCH



TOM TAILOR



TOM TAILOR

EST. 1962

*The new TOM TAILOR logo:
modern, sleek, international*

FASHION FOR URBAN PLAYERS

THE NEW CODE shapes the TOM TAILOR visual experience: Coolness and confidence are expressed in casual scenes. A mix of inspirations from the brand's history and international style is reflected in the new logo. The combined word/design mark was carefully simplified and the founding year 1962 added.

HIGH QUALITY BRAND DESIGN



*Identifiable and recognizable:
TOM TAILOR's new branding thrives on vibrant colours
and distinctive typography.*

MAKING A SPLASH

Historical, modern and now also feminine touches shape the new TOM TAILOR brand visual experience. The TT stripes stand out in particular. Blue and pink, they create a strong and easily identifiable frame or background for the brand's visual presentation. The mix of typefaces used underscores the liveliness and multi-faceted nature of the brand.





IDEAL LOCATIONS



Our stores
are everywhere

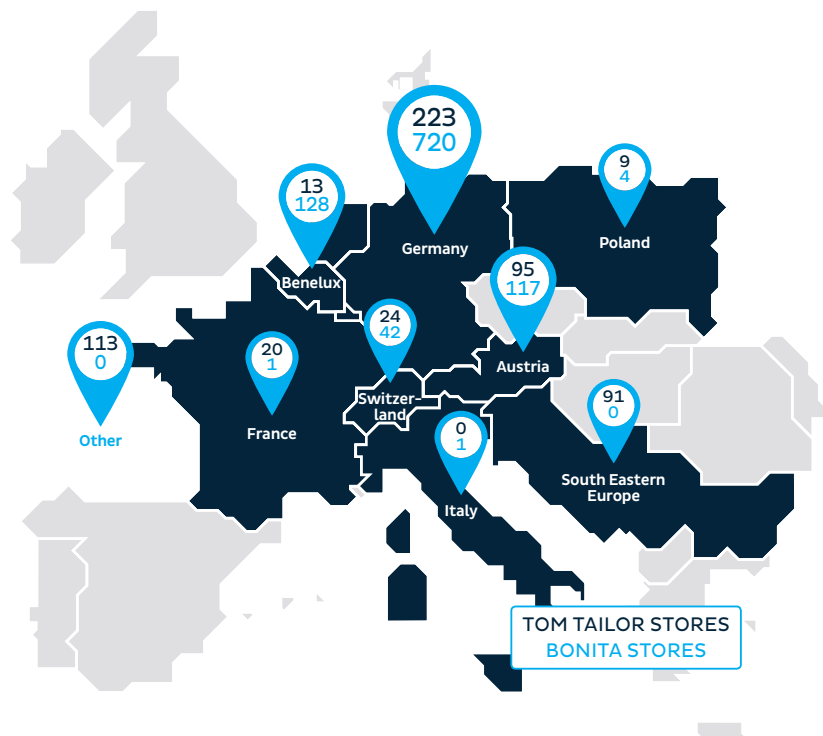
CENTRALLY LOCATED ACROSS EUROPE

TOM TAILOR and BONITA are an integral part of the European retail landscape in both established and growing markets. Our stores and brands purposefully occupy only top-quality spaces in busy malls, central shopping districts and prominent department stores. During our expansion, we continue to focus on the optimal positioning of our stores. We are gaining ground, both financially and visually – in selected areas in Europe.

STRONG PRESENCE WITH OUR STORES

1,601 INTERNATIONAL POINTS OF PRESENCE

Where things stood at the end of 2014: 382 TOM TAILOR stores and 1,013 BONITA shops are the nucleus of our international brand sales. While expanding controlled selling spaces, the TOM TAILOR GROUP is also advancing the Wholesale segment with currently 206 TOM TAILOR franchise stores.







TOM TAILOR

EXPANDS FURTHER



*TOM TAILOR store,
Düsseldorf*

PROFITABLE GROWTH THROUGH EFFICIENT SPACES

The focus of the TOM TAILOR GROUP's expansion strategy is growing our controlled selling spaces based on a sophisticated plan that focuses on our own stores. At the same time, Wholesale is a key growth area, and the focus of this segment for the Group is Europe as a whole as well as dynamically developing countries such as Russia and China. TOM TAILOR opened more than 400 new shop-in-shops in 2014.

BONITA

FORGES AHEAD

POSITIONING REFINED FURTHER

The TOM TAILOR GROUP improved BONITA's positioning in 2014 with a special view to the brand's presence and profitability. The product strategy and brand image pay homage to the excellent quality and contemporary relevance of the brand with a stabilised pricing policy and refreshed shop design. The network of stores was also optimised and all selling spaces were updated. Remaining the same is the heart of the brand: the ability to optimally mix and match pieces from the collections. Regular monitoring supports compliance with the new BONITA standard – THE NEW CODE.



BONITA's shops can be found in top locations.



DON'T FOLLOW. EXPLORE.



DON'T FOLLOW. EXPLORE.



Our employees
are cosmopolitan

INTERNATIONAL STAFF

The TOM TAILOR GROUP is an international fashion and lifestyle group. The fashion industry and customer expectations must be viewed from a global perspective. Having an answer available is therefore a given for the TOM TAILOR GROUP and is reflected in the figures: employees from 52 nations, a presence in over 35 countries, 660 stores abroad and growing with trend scouts all over the world.

FLAT HIERARCHIES

STRONG TEAM SPIRIT

OUR VALUES



Communicate
openly



Love
fashion



Show respect
for the performance
of others



Break
the rules
of the market



See change
as an
opportunity



Always
set yourself
new goals



Be predictable
and just



Celebrate
successes



Take on
responsibility



Burn
with passion
for the work



Be clear
and structured

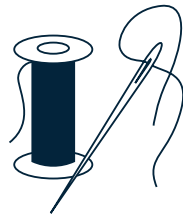
BRINGING AMBITION AND ENTHUSIASM TO WORK

The TOM TAILOR GROUP's ideas and actions are visionary with short decision-making chains, shaped by its dynamic environment. The people who work here are motivated, love to cultivate their skills, count on teamwork and are passionate about authentic fashion. Whether trainee or senior professional, we offer a variety of career opportunities to members of many different professions with a growing workforce – numbering 6,466 at the end of 2014.





FAST FORWARD

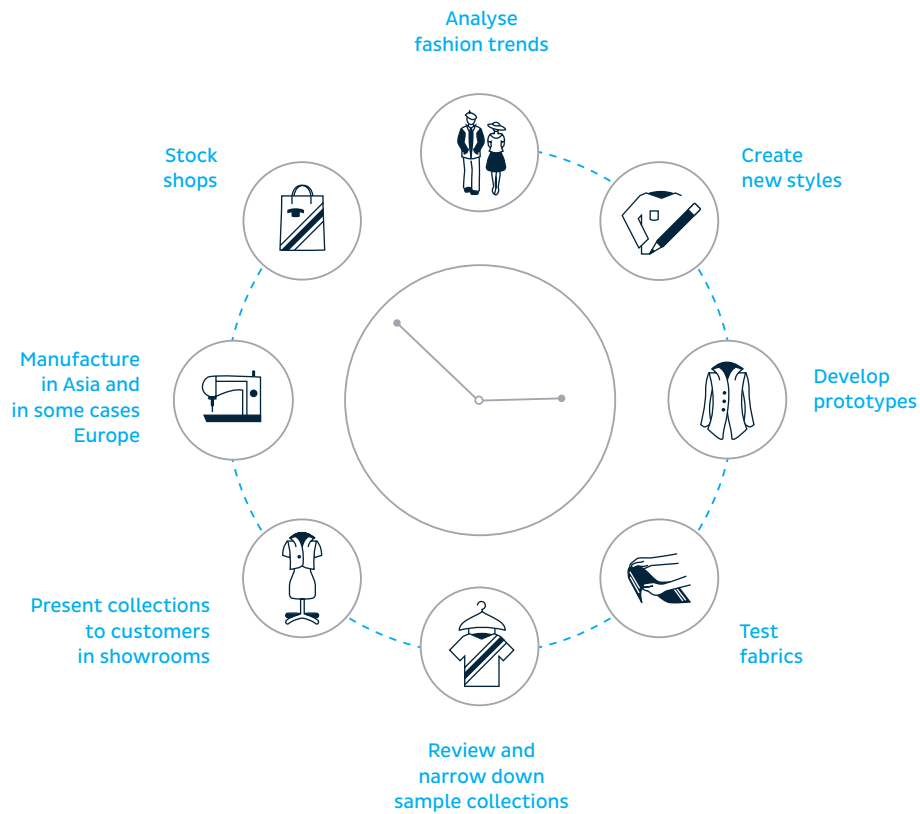


Trend management with
12 collections annually per line

DECIDE QUICKLY, PRODUCE DYNAMICALLY

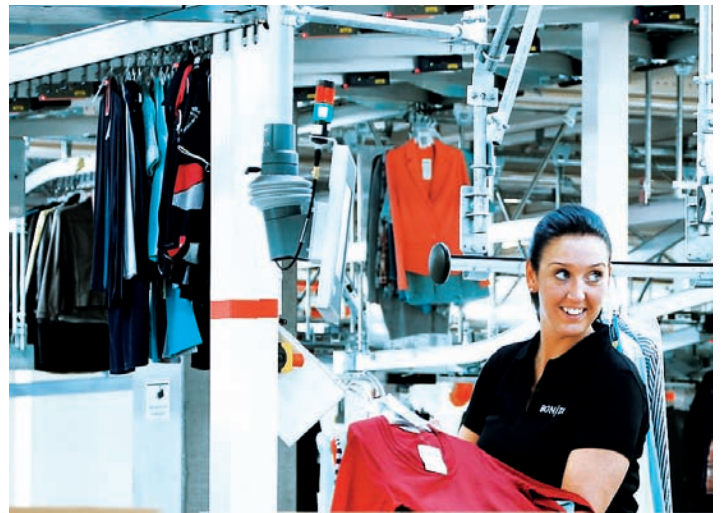
The value chains in the textile industry generally stretch around the globe. Still, at the TOM TAILOR GROUP, only a few months pass from when the trend is spotted to the delivery of stylish new clothing. The lead time of no more than 28 weeks is based on analytical processes that ensure efficient trend management worldwide. Delivering current fashion also requires covering peak demand with rapid re-ordering (open-to-buy) options and having the capability to speed processing of these orders to just weeks.

FROM CATWALK TO CLOTHES HANGER



ALWAYS NEW

New trends pop up worldwide every day. International trend scouts spot and analyse style trends to kick off a global production cycle that continually produces must-haves for each season.





DIGITAL DIALOGUE



Brand management
and consumer needs

COMMUNICATION ON ALL CHANNELS

The TOM TAILOR GROUP is at home in the digital world and is capable of meeting the exact needs of each target group. The possibilities for interaction are as varied as the needs of consumers. Whether they communicate using Facebook, Twitter, our company homepage or webshop, the Internet allows them to experience our brand worlds. The Group's online activities reveal valuable data about the wishes of our target groups, while at the same time unlocking opportunities to attract new customers both online and offline.

OPEN 24/7 OUR E-SHOPS



All target groups can experience the latest trends in their brands and shop around the clock in the TOM TAILOR and BONITA e-shops.

COMFORTABLY SHOP ONLINE

E-commerce is a key element of the TOM TAILOR GROUP's growth strategy. The TOM TAILOR collections are sold in e-shops in 20 countries – in five of these, TOM TAILOR has not been available in brick-and-mortar stores to date. BONITA fashions are also sold online. Today people over 40 use the Internet as much as anyone and can easily access their brand at home and on the go.



~25 million

*Page impressions
per month*



777,026

*registered online customers
of TOM TAILOR and
BONITA e-shops*



926,605

*transactions
in our e-shops*

Land: 🇩🇪 | Kauf auf Rechnung | Kostenlose Retoure | TOM TAILOR Collectors Club | Weltgrößte TOM TAILOR Auswahl

Merktzettel Mein Konto | Warenkorb 0,00 €

TOM TAILOR
www.tomtailor.com

WOMEN MEN KIDS Neu Sale Fashionwelten Kollektionen Fashion Magazine

Suchbegriff ... 🔍

Die Frühjahrskollektion >

Neue Styles im Winter Sale

Frühlings-Essentials

Styles für echte Kerle

Jetzt Neu!

DIE FRÜHJAHRSKOLLEKTION

Jetzt shoppen >

Top Outfits
AUS DEN FASHIONWELTEN

WOMEN

MEN

KIDS

Land: 🇩🇪 | Kauf auf Rechnung | Kostenlose Retoure | Sicheres Einkaufen

Newsletter | Merktzettel | Mein Konto | Login

BONITA FASHION Card | **BONITA** | WARENKORB 0 Artikel / 0,00 €

NEU DAMEN HERREN SALE

Suchbegriff 🔍

Unsere
LIEBLINGSSTÜCKE
des Monats

Jetzt shoppen >

Hosen & Jeans
MODERNE PASSFORMEN

TOM TAILOR GROUP

FACTS & FIGURES



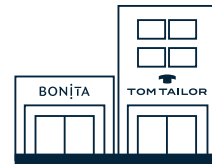
Four strong brands

TOM TAILOR
TOM TAILOR DENIM
TOM TAILOR POLO TEAM
BONITA



6,466 employees

TOM TAILOR 2,443
BONITA 4,023



1,395 retail outlets and e-shops

TOM TAILOR 382
BONITA 1,013



60 million items manufactured

TOM TAILOR 48 million items
BONITA 12 million items



EUR 932.1 million in total revenue

TOM TAILOR EUR 607.2 million
BONITA EUR 324.9 million



11,397 trading partners

FRANCHISE PARTNERS 206
SHOP-IN-SHOP 2,686
MULTI-LABEL SALES 8,505

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