

# LUDWIG BECK

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## Corporate News

**LUDWIG BECK still on growth track in 2014 despite negative branch trend – Executive and supervisory board proposes to increase the dividend by 50% to € 0.75 (previous year: € 0.50)**

**Munich, March 30, 2015** – The Munich fashion group LUDWIG BECK (ISIN DE 0005199905) remained on its growth track in the fiscal year 2014. The Group was thus able to further pursue its course of stability, and to successfully defy problematic factors like counter-cyclical weather patterns, a decline in tourist visits from Eastern Europe or protracted construction works on the mezzanine subway/suburban train level at Munich's Marienplatz.

“The year 2014 has shown that we are well capable of coping with and absorbing the impacts of a whole range of negative events. This gives us the leverage to further expand our market position“, notes Dieter Münch, member of the Executive Board of LUDWIG BECK AG. “We will embark on this path also in 2015“.

### Development of sales

In 2014, the Group generated gross sales of € 102.7m as compared to € 102.1m in the previous year. This equals a 0.5% increase. The online shop at [www.ludwigbeck.de](http://www.ludwigbeck.de) proved to be a safe bet for continuous sales growth with a lot of further development potential. Germany's textile retail sector closed the 2014 fiscal year with a 3% sales decline.

### Earnings situation

Earnings before interest and taxes (EBIT) amounted to € 10.6m (previous year: € 12.3m). The EBIT margin was at 12.3% as compared to 14.4% in the previous year.

Earnings before taxes (EBT) came to € 9.5m (previous year: € 10.8m). The EBT margin was 11.0% (previous year: 12.6%). Taxes on income totaled € 2.8m (previous year: € 3.4m).

Accordingly, consolidated net profits amounted to € 6.7m (previous year: € 7.4m). The result yielded in the fiscal year 2014 thus remained at a high level even though it could not quite match last year's result on account of the aforementioned special items.

A key component in 2014 was the investment amount of € 6.5m (previous year: € 3.2m). The major part of the investment total was channeled into the expansion and remodeling of the Men's Fashion department on the lower ground floor – one of the most extensive construction projects ever realized in the company's recent history.

Equity rose from € 64.4m to € 67.2m in the 2014 fiscal year. Major influential factors were the positive 2014 result and the dividend payout for 2013 resolved by the Annual General Meeting on May 8, 2014. The equity ratio came to 60.5% (previous year: 60.6%).

## Dividend payment

The Executive Board and the Supervisory Board will propose to the Annual General Meeting on May 13, 2015 to distribute a dividend of € 0.75 per no-par share entitled to profit. Last year's dividend was € 0.50 per share. This is a way for the Group to assure shareholders that it will use its best efforts to reinforce and stabilize the value of the LUDWIG BECK share as an attractive investment and to let investors benefit from the achieved yields level.

## Outlook

Leading economic researchers expect the German economy to continue on its growth trajectory in 2015 with the consumer climate remaining on a high level and the purchasing power of consumers enhanced as a result of higher net income and the low oil price.

While the management of LUDWIG BECK backs up these favorable economic forecasts, it nevertheless expects the crises of the year 2014 to further weigh heavily on the progress of the German textile retail sector. However, the positive economic prospects for Germany together with the expected stable consumer spending will form a sound and sustainable basis for a healthy business development.

Confident of this, the Executive Board anticipates an increase in consolidated sales between 2% and 4%, and earnings before interest and taxes (EBIT) of approximately € 10m in the fiscal year 2015.

For more information about the company and its stock please visit the company website at [www.ludwigbeck.de/english](http://www.ludwigbeck.de/english).

## Key figures of the Group

| in €m   | 2014  | 2013  |
|---|-------|-------|
| Gross sales   | 102.7 | 102.1 |
| Net sales   | 86.3  | 85.8  |
| Earnings before interest, taxes and depreciation (EBITDA) | 13.4  | 15.1  |
| Earnings before interest and taxes (EBIT)                 | 10.6  | 12.3  |
| Earnings before taxes (EBT)                               | 9.5   | 10.8  |
| Consolidated net profit                                   | 6.7   | 7.4   |
| Equity  | 67.2  | 64.4  |
| Equity ratio in %   | 60.5  | 60.6  |
| Investments   | 6.5   | 3.2   |
| Employees (persons) <sup>1)</sup>                         | 478   | 463   |
| Earnings per share (in €)                                 | 1.81  | 2.00  |
| Dividend (in €)   | 0.75  | 0.50  |

<sup>1)</sup> without apprentices

**About LUDWIG BECK**

The Munich fashion group is one of the top fashion retail companies in Germany. With approximately 500 employees on an area of about 12,400 sqm, it generates € 102.7m in group sales (as of December 31, 2014).

LUDWIG BECK is located right at Marienplatz in the heart of Munich. On seven floors LUDWIG BECK presents international fashion, leather goods, accessories and exclusive cosmetics. With more than 120,000 songs it offers the biggest collection of classical music, jazz, world music and audio books of any in-store location in Europe. Since the end of 2012, LUDWIG BECK has offered the extraordinary brand portfolio of its beauty department also online at [www.ludwigbeck.de](http://www.ludwigbeck.de). A unique selection of almost 10,000 products featuring more than 100 luxury and niche cosmetics brands awaits online customers.

**Investor Relations contact:**

esVedra consulting GmbH

Metis Tarta

t: +49 89 206021-210

f: +49 89 206021-610

mt@esvedragroup.com

**Group accounting contact:**

LUDWIG BECK AG

Jens Schott

t: +49 89 23691-798

f: +49 89 23691-600

jens.schott@ludwigbeck.de