

GERRY WEBER

INTERNATIONAL AG

Press Release

GERRY WEBER: talkabout's first year a success

(Halle/Westphalia, 17 July 2017) **talkabout**, the most recent addition to the brand portfolio of international fashion group GERRY WEBER International AG of Halle/Westphalia, looks back on a successful first year in the marketplace. Specifically developed for sale by selected Wholesale customers, the brand has gone down well with specialist retailers and end consumers alike.

"Our talkabout brand effectively fills the niche between the Mainstream and Contemporary segments, offering our customers a clean, feminine look at the best price points. Clothing retailers appreciate this innovative and modern concept," says a gratified Ralf Weber, CEO of GERRY WEBER International AG.

This success is visible not only in the volume of sales. Sell-off rates have been above average and demand continues to increase. An average price of 65 euros per item and stock turnover rates of up to 4.2 have resulted in space productivity between 4000 and 7000 euros. The 180% mark-up and the 59% gross mark-up ratio are equally impressive.

Thirty retailers signed up to the new talkabout brand ahead of the August 2016 launch. Just under one year later, the brand is carried by 100 customers and should be in approximately 150 showrooms by the end of the year. At present talkabout is being marketed in Germany, Austria, Switzerland, the Benelux as well as in Budapest and Prague.

In moving forward with the expansion, Jens Herzig, Managing Director Wholesale GERRY WEBER, is prioritising quality over quantity. This way the experience gained in stores can be leveraged effectively by feeding it back into product development in an ongoing process.

Retailers appreciate the orientation of the product both in terms of the price points, the tailoring, the level of quality and the colour palette. Aside from some minor overlays with younger competitors, there is no cannibalisation, enabling retailers to actually add sales volume. talkabout's highly feminine appeal and clean style have been praised, as has the brand's sophisticated inventory management system.

Head of Product Viktoria Simeoni goes for a contemporary design with a clean look and very feminine accents. "There has to be added fashion value, what we call a "special add-on", in each and every item," she says emphatically. The brand's fashion image is to be sharpened without moving out of its price range.

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Retailers are equally enthusiastic about the smart and customisable inventory management system. Built around coverage planning, the sophisticated system offers retailers a fully verticalised system for today's market and allows for fully customised inventory management for each partner. Combining algorithms with individual learnings, the system offers the company fresh opportunities for understanding their customers' needs and optimising their services and support accordingly.

"In view of our partners' positive KPIs, we feel encouraged to roll out the experience gained with his system to other brands in our Group's portfolio and look to the future with great optimism," says Jens Herzig, Managing Director Wholesale GERRY WEBER.

talkabout's upcoming collections can be viewed in Düsseldorf's **Halle 29** showroom centre on July 22 and 23, 2017.

About the GERRY WEBER Group

GERRY WEBER International AG, headquartered in Halle/Westphalia, operates on a global scale and unites five strong fashion brands under one roof: GERRY WEBER, TAIFUN, SAMOON by GERRY WEBER, talkabout and HALLHUBER. Since its beginning in 1973 GERRY WEBER International AG, which is listed in the S-DAX, has become one of the best-known German fashion and lifestyle companies with approximately 1,260 company-managed stores and sales spaces (incl. 376 from HALLHUBER), more than 2,450 shop-in-shops and 270 franchised stores worldwide as well as brand online-shops in nine countries. With some 6,900 employees worldwide (including about 2,000 from HALLHUBER) and distribution channels in roughly 60 countries, the GERRY WEBER Group is one of the largest listed fashion companies in Germany. In the financial year 2015/16 (1 November 2015 to 31 October 2016) the GERRY WEBER Group generated sales revenues of EUR 900.8 million (date: April 2017).

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