

082-04403



08000219

RECEIVED

2008 JAN 15 A 3:29

OFFICE OF INTERNATIONAL
CORPORATE FINANCE

Suppl

[Wolford]

PROCESSED

JAN 16 2008

THOMSON
FINANCIAL *3*

Report on the first half of the fiscal year 2007/08

De 1/15

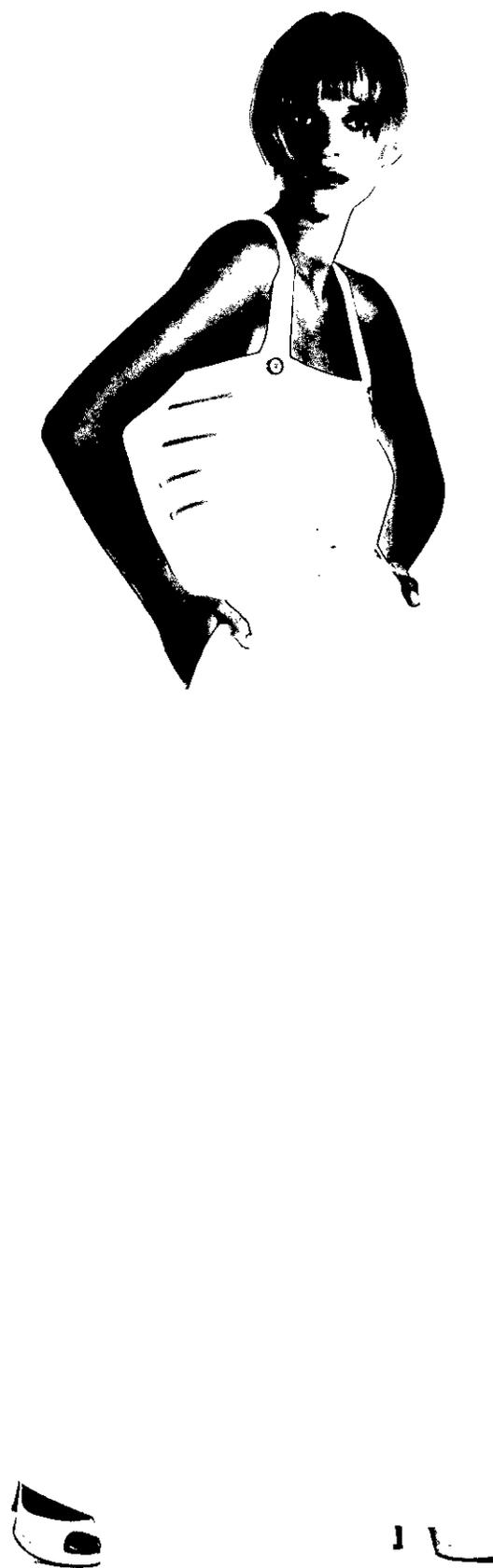
Key Figures for the Wolford Group (May 1 to October 31, 2007)

Amounts in thousands of EUR except per-share data	First quarter ended July 31, 2007	Second quarter ended Oct. 31, 2007	Six months ended Oct. 31, 2007	Oct. 31, 2006	Cha
Sales	30,517	45,990	76,507	64,737	18.
EBITDA	(1,427)	9,842	8,415	6,704	25.
EBITDA margin	-4.68%	21.40%	11.00%	10.36%	
EBIT	(3,066)	8,162	5,096	3,562	43.
EBIT margin	-10.05%	17.75%	6.66%	5.50%	
Profit/(loss) from continuing operations before taxes	(3,544)	7,551	4,007	2,605	53.
Net profit/(loss) for the period	(2,999)	6,613	3,614	2,543	42.
Earnings/(loss) per share in EUR	(0.61)	1.35	0.74	0.54	37.
Profit from continuing operations before taxes, plus depreciation, amortization and impairment	(1,905)	9,231	7,326	5,746	27.
Capital expenditure excluding financial assets	2,665	1,723	4,388	4,011	9.
Depreciation, amortization and impairment	1,639	1,680	3,319	3,142	5.
Net debt			29,098	28,014	3.
Shareholders' equity			76,187	66,366	14.
Equity ratio based on total assets			47.92%	46.09%	
Debt/equity ratio			38.19%	42.21%	
Average staff count for period (in full-time equivalents)			1,630	1,426	14.

Notes to the IFRS interim consolidated financial statements for the period ended October 31, 2007: Wolford's fiscal year ends on April 30. Information on the first half of the year thus relates to the period from May 1 to October 31. The interim report for the period ended October 31, 2007 was prepared in accordance with International Financial Reporting Standards, specifically IAS 34 (Interim Reporting). The accounting policies from April 30, 2007 were applied unchanged. This report and these financial statements have not been audited or reviewed by an independent auditor.

Stock Data

in EUR	2007/08	2006
ISIN		AT0000834
Number of shares outstanding at Oct. 31	5,000,000	5,000,000
of which dividend-bearing	4,900,000	4,750,000
Earnings per share for the period	0.74 EUR	0.54 EUR
Stock price on April 30	34.99 EUR	19.40 EUR
Stock price high for first half of fiscal year	39.74 EUR	32.50 EUR
Stock price low for first half of fiscal year	30.50 EUR	16.66 EUR
Stock price on Oct. 31	30.70 EUR	32.50 EUR
Market capitalization on Oct. 31	153,500,000 EUR	162,500,000 EUR
Trading volume (average daily number of shares)	16,725	20,000



Market environment

Key drivers of the global economy in the first half of the Woford Group's 2007/08 fiscal year (the six months from May 1 to October 31, 2007) were the continuing tight international commodity markets and, critically, the difficulties of US subprime mortgage lenders and the resulting slump in the mortgage market. Propelled by

brisk internal consumption and sustained vigorous exports, the positive economic trend in Euroland continued despite the euro's growing strength against the American dollar. In Asia as well, the business trend during the reporting period remained strong.

* Sources: WIFO, OECD, OeNB

Sales

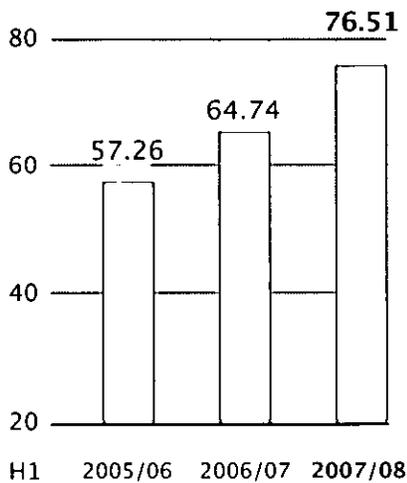
Double-digit growth in all principal markets and strategic distribution channels

Even amid the significant volatility that characterized the market especially during the second half of the 2007 calendar year, the Woford Group kept up its rapid growth, with pronounced sales increases both in the first and second quarter of the 2007/08 fiscal year. Cumulative sales over the first six months of the fiscal year grew by 18.2 percent from EUR 64.7 million to EUR 76.5 million. In the

process, Woford delivered double-digit growth rates in all markets and strategic distribution channels. This is eloquent proof that the consistent realignment of the Woford product offering – particularly in the Ready-to-Wear lines – and the clearly focussed investment at the points of sale have been the right strategies to pursue.

Sales

(in EUR million)



Region by region, the Wolford Group's sales performance was as follows: In markets such as the Netherlands (up 34.3 percent), the United Kingdom (up 32.6 percent in Group currency; 33.1 percent in British pounds) and Scandinavia (up 23.6 percent), the international luxury label from Austria made excellent headway in the first half of the fiscal year. Wolford also achieved substantial growth in the Austrian home market (up 18.6 percent), in France (up 16.3 percent), Switzerland (up 13.6 percent in Group currency; 19.1 percent in Swiss francs) and Spain (up 13.0 percent). Double-digit growth also continued in Germany (up 10.9 percent) and Italy (up 10.3 percent) as well as the USA (up 10.3 percent in Group currency; 18.9 percent in US dollars). In Central and Eastern Europe and Asia/Oceania, Wolford enjoyed attractive sales growth thanks to the intensified, controlled growth strategy implemented in these regions.

The tight focus on monobrand distribution quality was reflected, among other ways, in the growth in controlled distribution. With a sales expansion of 26.7 percent (or 13.3 percent on a like-for-like basis), Wolford's proprietary stores – boutiques, shop-in-shops and factory outlets – accounted for much of the growth. In the first half of 2007/08 the prime movers of revenue among these points of sale remained the Wolford boutiques. Thus, sales with partner-operated boutiques increased by 21.5 percent and Wolford-owned boutiques saw even higher sales growth of 28.7 percent. Overall, the boutiques registered revenue growth of 25.9 percent in the six-month reporting period compared to the first half of the prior year.

Earnings

Vigorous earnings growth outpaces rate of sales expansion

Even steeper than the sales trend in the first six months of the fiscal year was Wolford's growth in earnings.

In the second quarter, which along with the third quarter is traditionally one of the strongest periods of the fiscal year, the Austrian luxury fashion house was able to grow its earnings even more swiftly than sales. Thus, in the second quarter alone, EBITDA jumped 53.9 percent to

EUR 9.8 million (Q2 2006/07: EUR 6.4 million) and operating profit (EBIT) expanded even more powerfully, by 71.0 percent to EUR 8.2 million (Q2 2006/07: EUR 4.8 million). For the EBITDA margin this translated to an increase of almost 5 percentage points to 21.4 percent; at 17.8 percent the EBIT margin as well was considerably higher than one year earlier (Q2 2006/07: 12.4 percent).

The compelling second quarter made itself felt in earnings figures for the first half of the fiscal year. In total over the first six months of the fiscal year, Woford's EBITDA climbed 25.5 percent from EUR 6.7 million to EUR 8.4 million and EBIT rose by 43.1 percent to EUR 5.1 million (H1 2006/07: EUR 3.6 million). There was also a marked improvement in pre-tax profit from continuing operations, which measured EUR 4.0 million, up 53.8 percent from twelve months earlier (H1 2006/07: EUR 2.6 million). Profit from continuing operations before taxes plus depreciation, amortization and impairment was boosted by EUR 1.6 million to EUR 7.3 million.

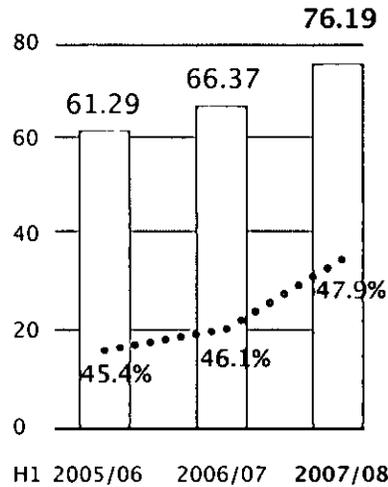
At the reporting date of October 31, 2007, shareholders' equity was EUR 76.2 million, or 14.8 percent higher than the year-earlier level of EUR 66.4 million.

Earnings per share rose by 37.8 percent from EUR 0.54 to EUR 0.74.

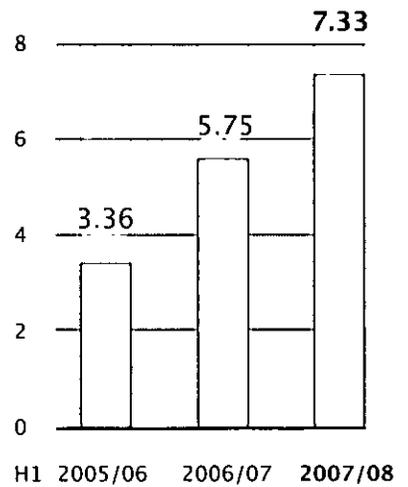
On July 24, 2007 the Woford stock price reached its high for the period at EUR 39.74. The share price generally moved in step with the performance of the ATX Prime index. Woford's stock price marked its low of EUR 30.50 for the period on October 11, 2006 as well as on October 30, 2007 and closed the first half of the fiscal year at EUR 30.70.

Shareholders' equity (in EUR million)

..... Equity ratio as a percentage of total assets



Profit from continuing operations before taxes, plus depreciation, amortization and impairment (in EUR million)



New look

Worldwide rollout of new store concept continued apace

Growth remained especially good in those Woford boutiques and department store shop-in-shops which already feature the new store design's bright and modern look that befits Woford's positioning in the luxury segment of the market. From the launch of the new concept's rollout in August 2005 to the October 31, 2007 reporting date, the concept has already been put in place at 121 locations (47 Woford-owned

and 74 partner-operated ones), including 20 stores in the second quarter of this fiscal year alone. The new and distinctive Woford premium look thus now also graces stores such as the Woford boutique in New York's trendy Soho area, Woford's shop-in-shop at London's luxury department store, Harrods, and the Woford boutiques in Oslo and on Rue St. Honoré in Paris.

Growth in all major product groups

In the first six months of the fiscal year, Woford recorded significant growth in brand sales across all important product groups. Particularly Legwear and Ready-to-Wear

showed compelling increases of, respectively, 16 and 19 percent. Brand sales in the Lingerie and Accessories product groups likewise grew at double-digit rates.

Outlook

Sales expected to rise to about EUR 155 million

In the second half of the year Woford will continue to focus on the twin strategic goals of systematic brand development and the permanent positioning as a luxury fashion brand. Alongside the ongoing optimization of the product portfolio in the areas of women's outer garments (Ready-to-Wear) and Lingerie, Woford will continue to emphasize the

steady expansion of controlled distribution, primarily in the form of monobrand stores.

For the current 2007/08 fiscal year as a whole, the Executive Board expects the good business performance to continue, with an increase in sales to about EUR 155 million and earnings that grow more rapidly than sales.

Financial calendar

<u>Tuesday</u>	<u>March 18, 2008</u>	<u>Sales/earnings for third quarter of 2007/08</u>
<u>Friday</u>	<u>July 25, 2008</u>	<u>Press conference on results for 2007/08 fiscal year, 9:30 a.m., Vienna</u>
<u>Tuesday</u>	<u>September 16, 2008</u>	<u>Annual shareholder meeting, 2:00 p.m., Bregenz</u>
<u>Friday</u>	<u>September 19, 2008</u>	<u>Sales/earnings for first quarter of 2008/09</u>
<u>Thursday</u>	<u>September 25, 2008</u>	<u>Ex-dividend date</u>
<u>Thursday</u>	<u>October 2, 2008</u>	<u>Dividend payment date</u>
<u>Friday</u>	<u>December 19, 2008</u>	<u>Press conference on results for first half of 2008/09 fiscal year, 9.30 a.m., Vienna</u>

Current updates are available on the Woford website at www.woford.com under Business: World/Investor Relations

Consolidated balance sheet at October 31, 2007 (IFRS)

In thousands of EUR	Six months ended		Fiscal year ended
	Oct. 31, 2007	Oct. 31, 2006	Apr. 30, 2006
ASSETS			
Non-current assets			
Property, plant and equipment	60,934	61,525	61,812
Goodwill	683	681	681
Intangible assets excluding goodwill	6,497	5,146	4,600
Non-current available-for-sale financial assets	8,680	8,873	8,600
Non-current receivables and other assets	1,167	967	1,100
	77,961	77,192	77,093
Deferred tax assets	5,890	4,910	5,700
Current assets			
Inventories	41,276	31,090	34,300
Current receivables and other assets	26,381	22,859	18,500
Prepaid expenses	3,178	2,597	1,300
Current available-for-sale financial assets	36	0	0
Cash and cash equivalents	4,250	5,337	3,400
	75,121	61,883	57,500
Total Assets	158,972	143,985	140,593
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' Equity			
Share capital and capital reserves	38,168	38,168	38,168
Other reserves	24,051	24,500	24,800
Retained earnings	18,632	13,447	16,000
Treasury stock	(4,664)	(9,749)	(4,600)
	76,187	66,366	74,368
Deferred tax liabilities	438	152	100
Non-current liabilities			
Long-term debt	8,140	8,497	10,900
Provisions for employee benefits	14,762	13,734	14,400
Other non-current liabilities	110	174	100
	23,012	22,405	25,400
Current liabilities			
Bank loans and overdraft, and current portion of long-term debt	32,817	31,481	15,200
Current provisions	6,201	5,372	5,500
Trade payables	5,686	5,809	5,900
Advance payments received	841	759	800
Other current liabilities	13,790	11,641	12,800
	59,335	55,062	40,300
Total shareholders' equity and liabilities	158,972	143,985	140,593

Consolidated income statement (IFRS)

In thousands of EUR	Second quarter ended		Six months ended	
	Oct. 31, 2007	Oct. 31, 2006	Oct. 31, 2007	Oct. 31, 2006
Sales	45,990	38,626	76,507	64,737
Other operating income	1,265	1,103	1,994	2,300
Change in inventories of finished goods and work-in-process	(800)	(1,965)	5,179	2,564
Own work capitalized	16	3	57	23
Operating output	46,471	37,767	83,737	69,624
Cost of materials and purchased services	(9,581)	(5,938)	(20,930)	(14,379)
Staff costs	(17,406)	(15,693)	(36,146)	(31,646)
Depreciation, amortization and impairment losses on property, plant and equipment and intangible assets excluding goodwill	(1,680)	(1,623)	(3,319)	(3,141)
Goodwill impairment	0	0	0	0
Other operating expenses	(9,642)	(9,740)	(18,246)	(16,896)
Operating profit (EBIT)	8,162	4,773	5,096	3,562
Net interest cost	(447)	(356)	(749)	(633)
Net investment securities income	37	22	62	46
Interest cost of employee benefit liabilities	(201)	(185)	(402)	(370)
Profit from continuing operations before taxes	7,551	4,254	4,007	2,605
Income taxes	(938)	(406)	(393)	(62)
Net profit for the period	6,613	3,848	3,614	2,543

Stock data

	Oct. 31, 2007	Oct. 31, 2006
Earnings per share in EUR*	0.74	0.54
Weighted average number of shares outstanding in '000	4,900	4,750

*Earnings per share for the prior-year period represent basic earnings per share, as there was no dilution effect

Condensed consolidated cash flow statement (IFRS)

In thousands of EUR	Six months ended	
	Oct. 31, 2007	Oct. 31, 2006
Net cash used in operating activities	(8,064)	(3,500)
Net cash used in investing activities	(4,404)	(4,300)
Net cash from financing activities	13,334	10,000
Net increase in cash and cash equivalents	866	3,000
Cash and cash equivalents at beginning of period	3,434	2,000
Effect of exchange rate fluctuations on cash and cash equivalents at beginning of period	(50)	
Cash and cash equivalents at end of period	4,250	5,000

Consolidated statement of changes in equity (IFRS)

In thousands of EUR	Six months ended	
	Oct. 31, 2007	Oct. 31, 2006
Shareholders' equity at beginning of period	74,442	63,000
Net profit for the period	3,614	2,000
Dividends	(1,470)	
Increase in share capital	0	
Sale of treasury stock	0	
Currency translation	(858)	
Other changes	459	
Shareholders' equity at end of period	76,187	66,000

Condensed primary segment information (by region; IFRS)

In thousands of EUR	Austria	Other European countries	North America	Asia	Consolidation	Growth
Oct. 31, 2006						
Sales	52,136	46,712	11,602	532	(34,475)	76,500
Profit from continuing operations before taxes	482	2,802	1,715	115	(1,107)	4,000



WOLFORD AKTIENGESELLSCHAFT
Wolfordstraße 1
6901 Bregenz on Lake Constance, Austria

For further information:
WOLFORD AKTIENGESELLSCHAFT
Katrin Flatz
Tel.: (+43 5574) 690 1268
Fax: (+43 5574) 690 1219
E-mail: investor@wolford.com
Website: www.wolford.com

The report on the first half of 2007/08
in German or English can be ordered
by calling (+43 5574) 690 1268. It is also
available on the Internet at www.wolford.com.

Consulting: Pleon Publico
Public Relations & Lobbying
Layout: www.gruenberg4.at
Photography: Wolford Aktiengesellschaft
Translation: Martin Focken Translating & Editing
Printing: Buchdruckerei Lustenau
Millennium Park 10
Paper: Hello Silk

We have prepared this English translation of the German
report on the first half of 2007/08 with great care, but cannot
rule out the possibility of discrepancies between them. The
English translation is provided solely for readers' convenience
and is non-binding. Only the German report is definitive.

© WOLFORD AKTIENGESELLSCHAFT

END