

Media release

CALIDA-Group with a very solid 2009 financial year

Best result for CALIDA brand - restructuring completed at AUBADE

In the 2009 financial year, the CALIDA-Group achieved its best ever operating result before non-recurring costs. With a slight, currency-adjusted decline in sales of 3.5 percent to CHF 213 million, an operating profit (EBIT) of CHF 20.9 million and an operating cash flow of CHF 32.9 million were achieved. Despite the extraordinary charge of CHF 60.4 million at AUBADE, as announced in the middle of the year, and a consequent net loss of CHF 39 million, the Group is in a very solid financial condition. The Board of Directors is recommending to the General Meeting of CALIDA Holding AG a distribution of an unchanged amount in the form of a par value reduction of CHF 8 per registered share.

Despite recessive consumption and difficult market circumstances, the CALIDA-Group developed positively in 2009. "We are pleased that despite the difficult circumstances, we are able to present the best operating result in our history", says Felix Sulzberger, the CEO of the CALIDA-Group. "It proves the strength of our brand and underlines that we have the right business model and sales strategy." In total, the Group recorded sales of CHF 213 million in 2009, CHF 16.6 million or 7.2 percent lower than in the previous year. This decline in sales is largely due to the stronger Swiss Franc against the most important export currencies. Adjusted for the currency effect, the drop in sales amounted to merely 3.5 percent.

All the key operating figures have developed positively and reflect the strong profitability and outstanding financial position of the Group. The operating profit (EBIT) was raised in the reporting year by 31.4 percent from CHF 15.9 million to CHF 20.9 million. The Group's operating cash flow also developed positively, rising by 48.2 percent from CHF 22.2 million in the previous year to CHF 32.9 million. Equally gratifying was the rise in net liquidity from CHF 4.7 million to CHF 27.8 million at the end of 2009. The equity ratio declined slightly from 68.4 percent to 65.4 percent.

The extraordinary charge announced last June for the AUBADE brand, comprised of impairment adjustments and restructuring costs, amounted to CHF 60.4 million. After offsetting this against the operating profit, the resultant net loss was CHF 39 million. Most of the restructuring measures were concluded by the end of the reporting year. With the final phase of restructuring, the integration of AUBADE into the CALIDA-Group has now been completed.

CALIDA brand

The CALIDA brand was fully responsible for the solid result of the Group in the reporting year. Products made of natural materials in outstanding quality and with high comfort, providing excellent value for money, are particularly attractive in economically difficult times. In a declining consumption environment, the CALIDA brand therefore recorded only a mild decline in sales of 1.7 percent to CHF 150.4 million. With an EBIT of 16.2 percent in the reporting year, the best operating result in history was achieved.

Adjusted for currency and sales space effects, the CALIDA stores achieved growth in sales of 4 percent. They are of major strategic importance to compensate for the wholesale business which is tending to decline. The retail strategy will therefore be forced forward even more intensively in the current year.

AUBADE brand

In a tightly squeezed luxury market, the AUBADE brand, with a currency-adjusted decline in sales of 7.5 percent, performed better than the overall market. The structural adjustments carried out in recent years have led to a lower cost structure. Together with the investments in 27 of the brand's own stores and the introduction of new product segments, all the prerequisites are now given for a positive development of AUBADE.

AUBADE's General Manager, Philippe Bernaud, who was appointed last year, will also become a member of the CALIDA-Group Management as from 1st March 2010.

Outlook 2010

In view of the uncertain economic prospects, the CALIDA-Group is orientating itself to a flat development of the market. Due to the excellent financial health of the Group with two strong brands, first class products and a reputation as a reliable partner, we nevertheless aim to gain further market shares in stable market conditions. The Group intends to invest more in the retail strategy and new product segments this year. We shall retain the flexible business model so that we can react quickly and efficiently to changes in product demand.

Sursee (Switzerland), 26th February 2010

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The CALIDA-Group is comprised of the CALIDA and AUBADE brands and employs 1340 people. Group sales in 2009 amounted to CHF 213 million. The CALIDA Group is listed on the SIX Swiss Exchange. The CALIDA brand, with its headquarters in Sursee (Switzerland), is one of Europe's leading bodywear brands with its main markets in Switzerland and Germany. The high quality day- and nightwear for women, men and children has been convincing consumers since 1941 by virtue of excellent quality, comfort and natural materials. The AUBADE brand, with its headquarters in Paris, is a leading luxury lingerie brand which excels through innovative styling, seduction, creativity and glamour. The campaign under the title "Leçons de seduction" enjoys cult status in France and gave the brand worldwide recognition.