



Pressemitteilung/Press release

DOUGLAS ANNOUNCES INVESTMENT PROGRAM TO ACCELERATE GROWTH AND TO STRENGTHEN ITS POSITION AS THE EUROPEAN OMNI-CHANNEL BEAUTY CHAMPION

- Over EUR 100 million of additional investments in fundamental growth drivers over the next three years
- Focus on becoming a fully integrated omni-channel retailer with new headquarters in Dusseldorf

Hagen, 16 February 2016. DOUGLAS HOLDING AG has set a clear innovation and growth plan to strengthen the company's competitive edge going forward and expand its position as the European omni-channel retail champion. The company plans to accelerate growth and expand its leading position in the highly competitive European retail market for beauty and cosmetics. The key lever is an investment program of more than EUR 100 million, in addition to existing budget, focussing on fundamental growth drivers as the Douglas brand, its private label product range, enhancement of customer experience and omni-channel capabilities over the next three years. The company will furthermore invest significantly into broadening its international footprint.

Moreover, Douglas will move its headquarters from Hagen to Dusseldorf, merging all customer-facing functions currently based in Hagen with the company's online team currently based in Cologne. Going forward, Douglas will steer all channels from Dusseldorf, a hub for beauty and fashion, as a truly integrated omni-channel retailer. Administrative back office functions will remain in Hagen. The relocation is expected to be completed by fall 2016.

The growth program demonstrates Douglas' continued commitment to change, which is deeply rooted in the company's DNA. "We are convinced that this is the right strategy to secure and expand Douglas' international market leadership", says Dr Henning Kreke, chairman of the DOUGLAS HOLDING AG supervisory board. "While we are aware that the move marks a major change for Douglas and

Douglas

its employees, the ability to change has always been a key driver for Douglas' long-term success."

To fund investments in growth, the company plans to gain significant resources by organisational improvements across the board. The existing corporate structure partially still reflects the old holding, which was organised around five separate businesses. Now, the organisational set-up will be adjusted to the needs of a pure omni-channel retailer for selective beauty products. Furthermore, overlapping functions between headquarters and country subsidiaries will be reduced to make the organisation more agile and responsive to customer needs.

"Douglas is in an excellent starting position to further expand its position as the leading European champion in omni-channel beauty retail. In an increasingly competitive environment, it is our goal to become even more innovative and agile to meet the changing customer demands and further accelerate our growth. With the strategic investment and action plan presented today, we are paving the way for Douglas' success in the decades to come", says Dr Daniel Pindur, Senior Managing Director at CVC, shareholder of DOUGLAS HOLDING AG.

Isabelle Parize, the newly appointed Chief Executive Officer of DOUGLAS HOLDING AG, adds: "The management team fully supports this decision. It is our firm belief that Douglas will emerge from this process a stronger company: with our significant investments we will improve our ability to set market trends, address the needs of our clients and take the Douglas brand to the next level internationally. The combination of all customer-facing functions under one roof will foster a truly customer-oriented culture."