

H U G O B O S S

Balance Sheet Press Conference

March 21, 2007

HUGO BOSS 2006

- Net sales EUR 1,495.5 million (+14% versus previous year)
- Gross margin EUR 854.5 million (+17% versus previous year)
- EBIT EUR 184.4 million (+13% versus previous year)
- Income before taxes EUR 179.9 million (+14% versus previous year)
- Net income EUR 128.7 million (+19% versus previous year)

HUGO BOSS 2006

- Share price common share (12/31/2006) EUR 41.00 (+34% versus previous year)
- Share price preferred share (12/31/2006) EUR 38.92 (+31% versus previous year)
- Market capitalization (12/31/2006) EUR 2,815 million (+ EUR 695 million versus previous year)
- DAX development (12/31/2006) +22%
- MDAX development (12/31/2006) +29%

Strategic Growth Areas

BOSS Womenswear



- Turnover EUR 162 m
- Growth +69%

Shoes and Leather Accessories



- Turnover EUR 151 m
- Growth +28%

Directly Operated Stores



- Turnover EUR 192 m
- Growth +39%

Sales by Region

	2006 <i>EUR mill.</i>	2005 <i>EUR mill.</i>	<i>Change</i> <i>in %</i>	2006 <i>sales split in %</i>
Germany	346.9	318.4	9	23
Other European countries	681.9	582.5	17	46
Americas	273.6	233.4	17	18
Asia / other regions	150.1	134.2	12	10
Royalties	43.0	40.9	5	3
TOTAL	1,495.5	1,309.4	14	100

Sales by Brand

	2006 <i>EUR mill.</i>	2005 <i>EUR mill.</i>	<i>Change in %</i>
BOSS	1,347.9	1,167.5	15
Menswear	1,185.7	1,071.8	11
Womenswear	162.2	95.7	69
HUGO	136.2	124.5	9
Others	11.4	17.4	(34)
TOTAL	1,495.5	1,309.4	14

BOSS Menswear

- Market presence in 106 countries with more than 4,600 points of sale (apparel only)
- Sales split
 - Businesswear 49%
 - Leisurewear 41%
 - Shoes and Leather Accessories 10%
- BOSS Stores achieve 37% of net sales
- BOSS Selection grows 62% and achieves EUR 33 million net sales in 59 countries

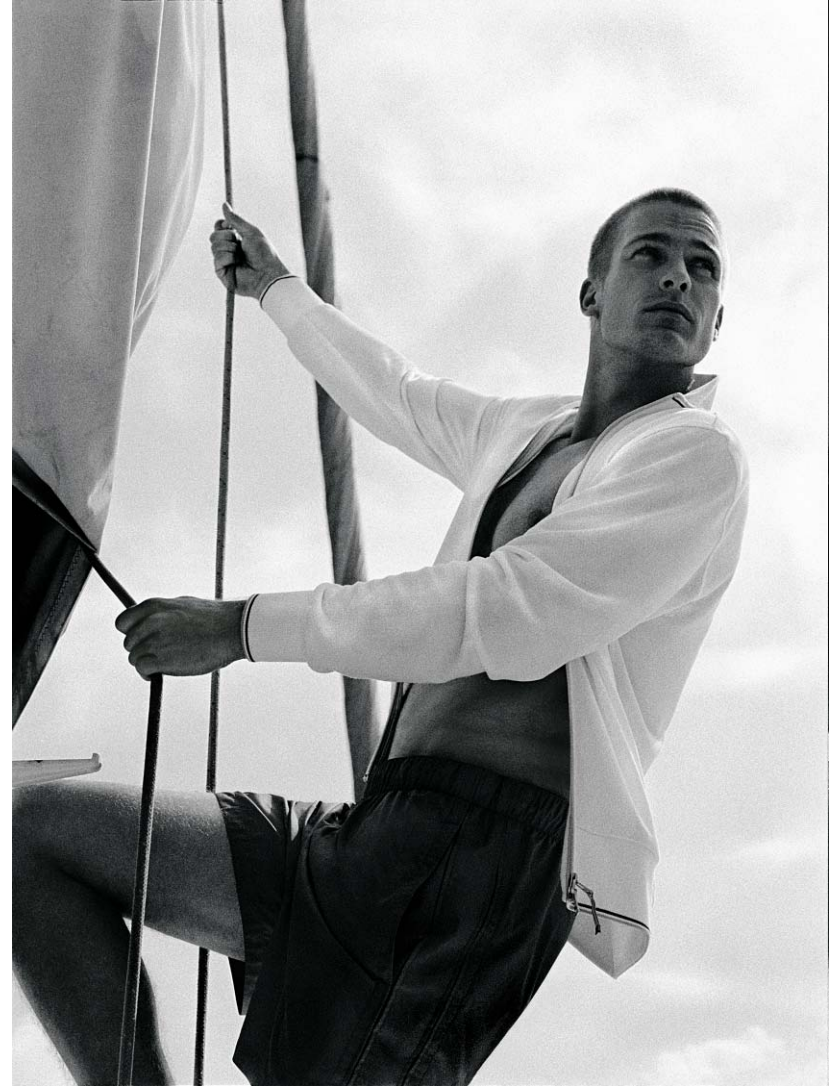
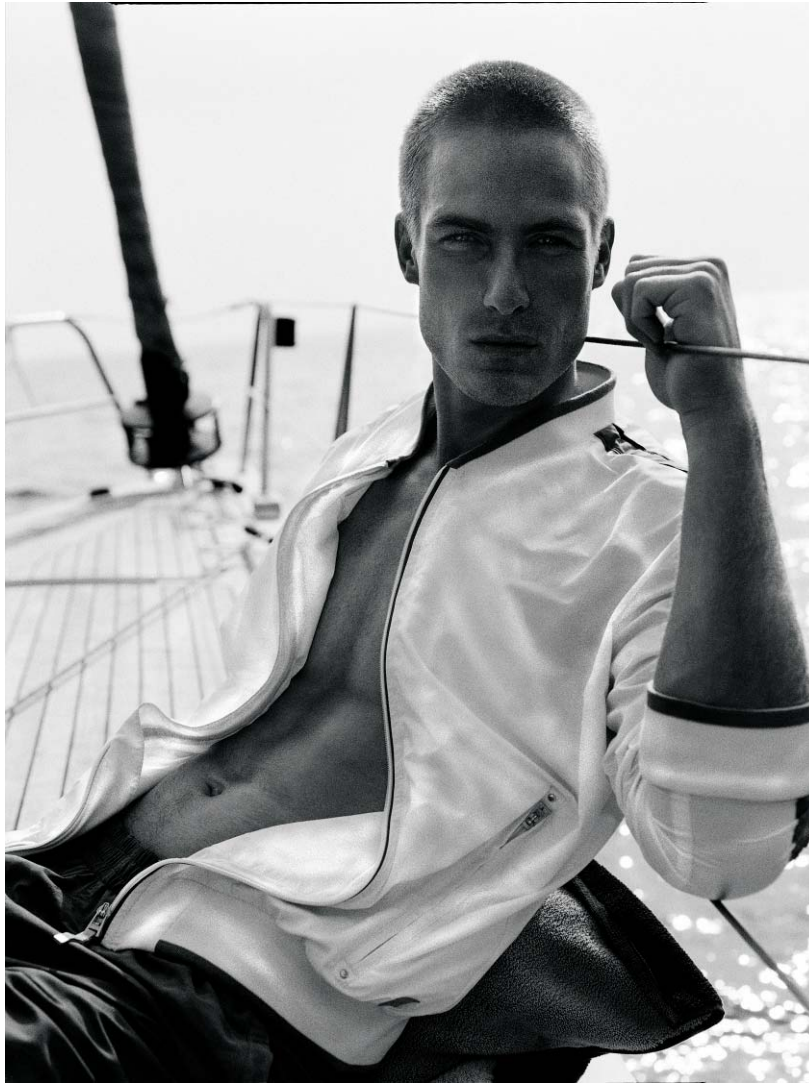
BOSS Womenswear

- Market presence in 69 countries with more than 1,200 points of sale (apparel only)
- Sales split
 - Businesswear 48%
 - Leisurewear 36%
 - Shoes and Leather Accessories 16%
- BOSS Stores achieve 63% of net sales
- 11% share of total net sales

	2002	2003	2004	2005	2006
Net sales in EUR million	37.0	50.8	69.3	95.7	162.2
(Development in %)	(24)	37	36	38	69
Net income in EUR million	(18.1)	(3.0)	0.2	2.1	7.8







HUGO

- Market presence in 48 countries with more than

1,100 HUGO Menswear points of sale and
370 HUGO Womenswear points of sale (apparel only)

- Sales split
 - HUGO Menswear 75%
 - HUGO Womenswear 25%
- HUGO Stores achieve 28% of net sales



Shoes and Leather Accessories

- Shoes and leather accessories complement all our fashion lines
- Sales split
 - Menswear 81%
 - Womenswear 19%
- 10% share of total net sales

Royalties

- The licensed out product groups fragrances, eyewear and watches achieve EUR 43 million (+5% versus previous year)
- With Safilo SpA, the new license partner for eyewear, the new collections have been introduced in the second half of the year
- Successful launch of “Femme by BOSS“ und continuously successful development of the „BOSS Selection“ men's fragrance

Directly Operated Stores

- 210 own stores (+65 versus previous year) in 16 countries, thereof
 - 67 freestanding Stores (+20 versus previous year)
 - 143 shop-in-shops (+45 versus previous year)
- 6% sales increase on comparable selling space
- 13% share of total net sales

HUGO BOSS Stores by Region

Market presence in 76 countries with 1,051 Stores, thereof

- 375 freestanding Stores
- 676 shop-in-shops

	2006	2005
Germany	187	156
Other European countries	470	370
Americas	113	104
Asia / other regions	281	247
TOTAL	1,051	877
Share of net sales in %	39	34

Highlights 2006



Highlights 2006



Highlights 2006



BOSS STORE HAWAII WAIKIKI

Highlights 2006

Los actores Sergio Mayer y su pareja, la bella Isabella Camil.

Alexia Camil e Isaac Bissu quedaron fascinados con las colecciones.

El desfile se distinguió por la elegancia clásica de **Hugo Boss** y sus talentosos diseñadores

Daniel Richmond, Martha Leyva, Esther Porto, Jacobo Jorregaurdi (presidente de Hugo Boss para Latinoamérica) y Lianette Beltrán.

BOSS FASHION SHOW MEXICO CITY

El desfile fue un éxito. Se llevó a cabo en el Palacio de Minería, y antes hubo una cena en la terraza del hotel Condesa D.F.

Hugo
BOSS
EN MEXICO

Jessica y Bruno Seltzer, presidente de la firma Hugo Boss Woman.

“IMPECABLEMENTE Suntuosa”

El popular locutor de la TV, Pepe Ortaño, fue acompañado por una amiga.

Así fue la presentación de las nuevas colecciones exclusivas de **Hugo Boss** que se realizó en Ciudad de México. Dos excelentes diseñadores, el alemán **Ingo Wilts**, y el italiano **Andrea Cannelloni**, presentaron lo mejor de sus creaciones para la prestigiosa marca Hugo Boss, en un evento que fue catalogado como todo un éxito. La presentación tuvo dos vertientes: la colección **Boss Black Label**, o etiqueta negra, que se distingue por su elegancia clásica

y lo depurado de sus líneas, creación de Wilts, y la línea **Orange**, que se compone de modelos más deportivos e informales, que juegan con la figura y la imaginación, y resultan sumamente versátiles. A pesar de lo disímiles, y muchos dirían que hasta opuestos, de sus estilos, ambos diseñadores son creadores realmente excepcionales, llegando a alcanzar el primer puesto en ventas en Europa este año dentro de las colecciones *prêt-à-porter*.

Highlights 2006



Highlights 2006



Sales Trends 2007 by Region

	2007	2006 <i>EUR mill.</i>
Germany	↗	346.9
Other European countries	↗	681.9
Americas	↗	273.6
Asia / other regions	↗	150.1
Royalties	↗	43.0
TOTAL	↗	1,495.5

Earnings Trends 2007

	2007	2006 <i>EUR mill.</i>
Sales	↗	1,495.5
Gross margin	↗	854.5
in % of sales	↗	57.1
EBIT	↗	184.4
Income before taxes	↗	179.9
Net income	↗	128.7

Employees – by Region

Full-time equivalents	2006	2005	Change in %
Germany	2,104	1,911	10
Other European countries	4,795	4,262	13
Americas	1,167	1,063	10
Asia / other regions	375	348	8
TOTAL	8,441	7,584	11

Employees – by Function

Full-time equivalents	2006	2005	<i>Change in %</i>
Production / Logistics	5,334	4,992	7
Sales / Creation / Marketing	2,441	2,025	21
Administration	666	567	17
TOTAL	8,441	7,584	11

Income Statement

	2006 EUR mill.	2005 EUR mill.	Change in %
Sales	1,495.5	1,309.4	14
Cost of materials incl. changes in inventories	(641.0)	(577.7)	(11)
Gross margin	854.5	731.7	17
in % of sales	57.1	55.9	
Other operating income and expenses	(343.3)	(289.3)	(19)
Personnel expenses	(277.8)	(238.2)	(17)
Depreciation / amortization ¹	(49.0)	(41.3)	(19)
EBIT	184.4	162.9	13
Net financial result	(4.5)	(5.7)	21
Income before taxes	179.9	157.2	14
Taxes on income	(51.2)	(49.0)	(4)
Tax rate in %	28.5	31.2	
Net income	128.7	108.2	19

¹ Incl. impairments.

Income Development

		<i>EUR mill.</i>
Net income 2005		108.2
Change in gross margin		122.8
Effect of sales volume on gross margin	100.2	
Effect from changes in the gross margin percentage	20.5	
Change in royalties	2.1	
Change in operating expenses and depreciation / amortization		(101.3)
From other operating expenses	(54.0)	
From personnel expenses	(39.6)	
From depreciation / amortization	(7.7)	
Change in financial result		1.2
Change in taxes		(2.2)
Change in income before taxes	(7.1)	
Other tax effects	4.9	
Net income 2006		128.7

Analysis of Financial Requirements

	2006 EUR mill.	2005 EUR mill.	Change in %
Trade receivables, other assets ¹	215.0	196.8	9
Inventories	290.2	265.7	9
Trade payables and other liabilities ¹	(174.1)	(146.6)	(19)
Current provisions	(32.4)	(36.4)	11
Net current assets²	298.7	279.5	7
Non-current assets	343.6	303.3	13
Other non-recurrent assets	28.9	26.0	11
Non-current provisions	(54.2)	(31.0)	(75)
Other non-current liabilities	(33.3)	(22.3)	(49)
Net deferred taxes	27.7	19.4	43
Medium- and long-term net assets	312.7	295.4	6
Net assets	611.4	574.9	6
Balance of cash at banks and due to banks	117.0	107.1	9
Shareholders' equity	494.4	467.8	6
Net asset coverage	611.4	574.9	6

¹ Payable within one year.

² Networking capital.

Free Cashflow

	2006 EUR mill.	2005 EUR mill.	Change	
			in%	absolute
Net income	128.7	108.2	19	20.5
Depreciation / amortization	49.0	41.3	19	7.7
Change in pension provisions	7.8	4.4	77	3.4
Cashflow	185.5	153.9	21	31.6
Net additions to fixed assets	(89.3)	(75.7)	(18)	(13.6)
Change in remaining net capital invested	(4.0)	25.5		(29.5)
Share repurchase	(19.0)	(10.0)	(90)	(9.0)
Currency translation and other equity changes	(12.9)	13.2		(26.1)
Free cash flow – before dividend	60.3	106.9	(44)	(46.6)
Dividend payment	(70.2)	(59.2)	(19)	(11.0)
Free Cashflow	(9.9)	47.7		(57.6)

Appendix

Disclaimer

Forward-looking Statements Contain Risks

This document contains forward-looking statements that reflect management's current views with respect to future events. The words "anticipate", "assume", "believe", "estimate", "expect", "intend", "may", "plan", "project", "should" and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

Financial Calendar

March 21, 2007	Annual Press and Analyst Conference
April 26, 2007	Publication of the First Quarter Report 2007
May 10, 2007	Annual Shareholders' Meeting in Stuttgart
August 01, 2007	Publication of the Interim Report January - June 2007
November 06, 2007	Publication of the Third Quarter Report 2007

Internet

Address	Contents	Languages
www.hugoboss.com	Annual Report	German
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