HUGO BOSS

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Conference Call

Interim Financial Report

January – June 2010

Mark Langer
Chief Financial Officer

Metzingen | July 29th 2010

Key figures of the first half 2010
in EUR mill.

Net Sales	769.0	- 2%	(fx-adj. - 4%)
EBITDA before special items	123.3	+ 7%	
Net income	62.6	+ 31%	
Cash flow from operating activities	120.8	- 19%	
Net financial position	338.6	- 36%	

Key impacts on the first half 2010

Continuing easing of global economic situation characterized the first six months 2010.

Measures implemented at an early stage to ensure long-term profitability are reflected in key figures.

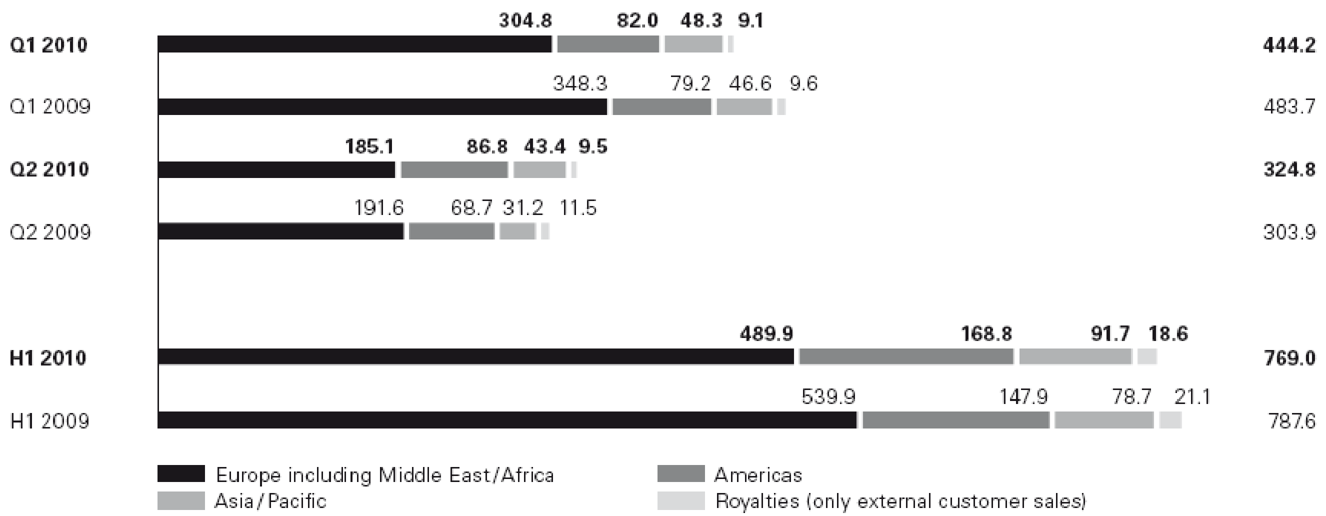
Sales in first half 2010 were slightly down as compared to last year. In defined growth markets a double digit increase in sales was realized.

In the second quarter 2010 sales increased by 7% year-on-year. Net income was positive, amounting to EUR 6 million.

Retail sales grew overproportionally due to continued expansion of retail network and professionalization of existing locations. Also positive like-for-like sales increase to be pointed out.

Joint venture was founded with Rainbow Group in China – clear sign of further internationalization and expansion of retail network.

Sales by region
in EUR mill.

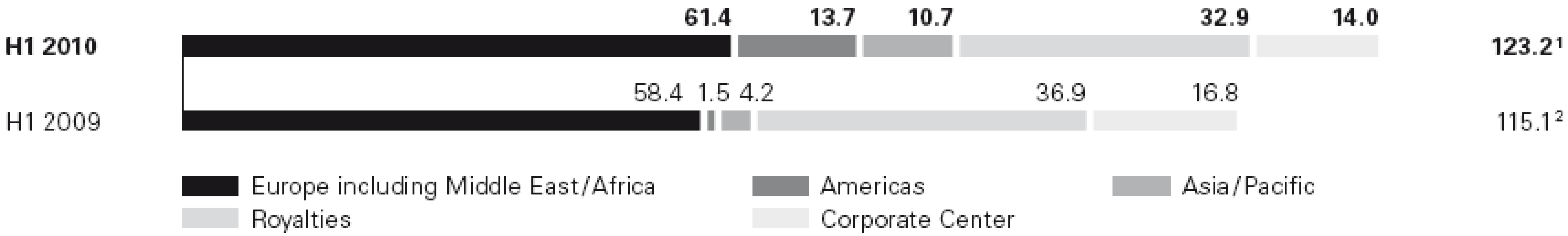


Due to high dependence on wholesale business, sales in the European region declined by 9% (fx-adj. -10%).

On the American continent sales increased by 14% (fx-adj. 10%) especially due to strong growth in the U.S., where sales grew 13% (fx-adj. 13%).

Sales in the Asia/Pacific region were up 10% (fx-adj. 17%). As a result of targeted retail expansion in China, sales in this market grew fx-adj. by 52%.

Earnings by region
in EUR mill.



1 including consolidation amounting to EUR -9.5 million.
2 including consolidation amounting to EUR -2.7 million.

In Europe, negative impacts from lower sales have been completely offset by an improved contribution margin and an increase in own retail business with higher margins.

In the Americas, next to the increase in sales, an improved profit margin and a non-compromising pricing strategy in own retail resulted in a significant profit improvement.

The ongoing expansion of the Group‘s own retail business in the Asia/Pacific region led, together with higher sales, to a strong increase in segment profit.

Development of operating performance

- Increase of contribution margin by + 5.5 ppt. to 57.1%.
- Higher selling & distribution expenses as a result of retail expansion (incl. expenses for 26 net new locations).
- Flat development of administration costs & other operating income and expenses.
- Increase of EBIT due to higher contribution margin.
- Net financial result reduced to EUR 5 mill. due to lower interest payments and positive foreign exchange effects.

in EUR million	Jan. - June 2010	Jan. - June 2009	Change in %
Sales	**769,0**	**787,6**	**(2)**
Cost of Sales[1]	(315,9)	(364,7)	13
Direct selling expenses	(13,9)	(16,6)	16
Contribution Margin	**439,2**	**406,3**	**8**
in % of Sales	57,1	51,6	
Selling and distribution expenses	(262,1)	(244,2)	(7)
Administration costs and other operating income and expenses	(90,0)	(90,4)	0
Operating result (EBIT)	**87,1**	**71,7**	**22**
Financial result[1]	**(4,7)**	**(8,5)**	**45**
Earnings before taxes	**82,4**	**63,2**	**30**
Income taxes	(19,8)	(15,5)	(28)
Net income	**62,6**	**47,7**	**31**
Earnings per share (EUR)[2]			
Common stock	0,90	0,69	30
Preferred stock	0,91	0,70	30

1 The previous year‘s figure has been adjusted.
2 No dilution: Only stock appreciation rights (SAR) issued.

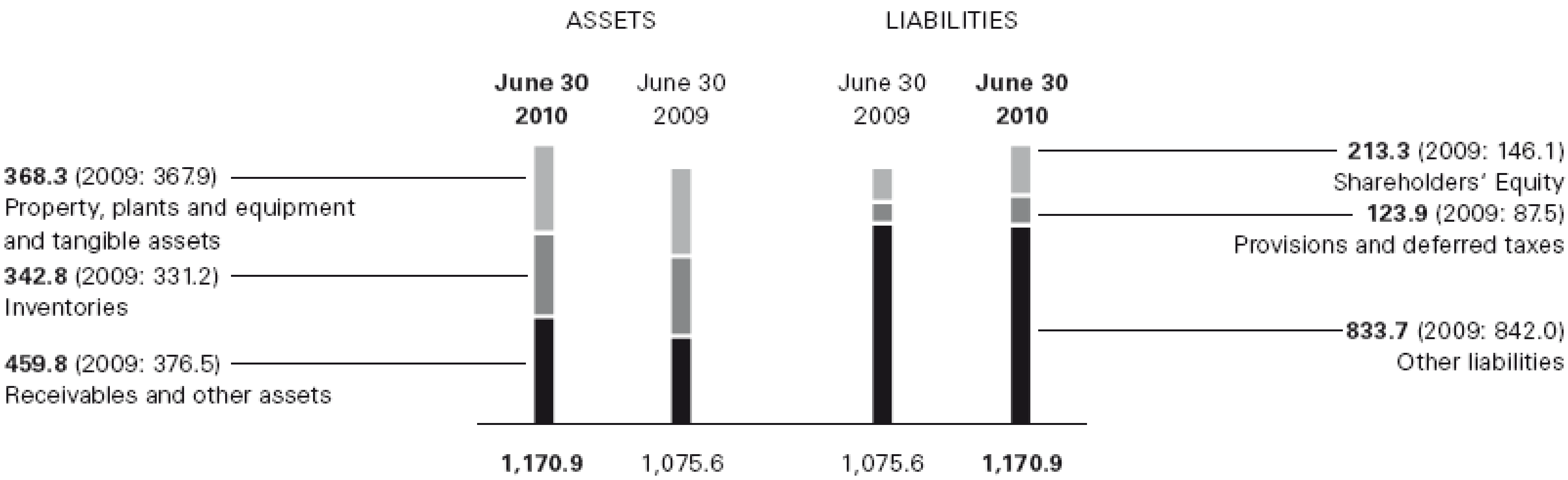
Analysis of financial requirements

- Improvement of net financial position due to positive cash flow development.
- NWC reduced significantly as a result of performance initiatives.
- Trade receivables below comparison period.
- Trade payables increased due to negotiation of longer payment terms.
- Slight increase in inventories due to negative foreign exchange effects and expansion of own retail.

in EUR million	June 30 2010	June 30 2009	December 31, 2009
Trade receivables, other assets[1]	231,9	252,0	210,3
Inventories	342,8	331,2	306,0
Trade payables and other liabilities[1]	(308,0)	(226,7)	(237,5)
Current provisions	(66,1)	(41,3)	(55,8)
Net working capital	**200,6**	**315,2**	**223,0**
Fixed assets	368,3	367,9	371,8
Other sundry assets	15,7	15,0	18,1
Non-current provisions	(40,9)	(29,5)	(32,5)
Other non-current liabilities	(28,5)	(27,3)	(28,1)
Net deferred taxes	36,7	33,4	28,6
Medium- and long-term net assets	**351,3**	**359,5**	**357,9**
Net assets	**551,9**	**674,7**	**580,9**
Net financial position[2]	338,6	528,6	379,1
Shareholder's equity	213,3	146,1	201,8
Net asset coverage	**551,9**	**674,7**	**580,9**

1 Payable within one year.
2 Not including negative market values of financial instruments.

Balance sheet structure
in EUR mill.



Total assets were up by 9% compared to previous year.

Equity ratio increased by 4 ppt. year-on-year to 18%.

Cash flow development
in EUR mill.

	Jan.–June 2010	Jan.–June 2009
Cash flow from operating activities [1]	**120.8**	**149.1**
Cash flow from investing activities	**(15.7)**	**(0.3)**
Cash flow from financing activities [1]	**(64.4)**	**(115.1)**
Change in cash and cash equivalents in the course of the fiscal year	44.5	34.8

1 The previous year's figure has been adjusted for unrealized gains resulting from currency translation effects.

Cash flow from operating activities below previous year figure e.g. due to changes in net working capital (increase in inventories).

Cash flow from investing activities below prior year figure, which was affected by cash inflows from the sale of building in Coldrerio.

Cash flow from financing activities mainly affected by dividend payment for fiscal year 2009.

Outlook

For the full-year 2010 HUGO BOSS expects an fx-adj. increase in sales of 3-5%.

EBITDA before special items expected to grow overproportionally by 10-12%.

Contribution margin expected to further improve in coming years due to retail expansion.

Core elements of growth strategy are increased customer proximity, professional retail business, intensified internationalization and clear differentiation of our brands.

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