

Press Release

## **HUGO BOSS increases its sales and earnings targets for 2015**

- **Sales target raised to EUR 3 billion**
- **EBITDA before special items expected to reach EUR 750 million**
- **Sales share of Group's own retail business planned to reach approximately 55%**

Metzingen, November 8, 2011. HUGO BOSS has significantly raised its medium-term sales and profit forecasts and expects to generate sales of EUR 3 billion in 2015. At the same time, EBITDA before special items is projected to increase to EUR 750 million. The Group had previously forecasted sales of EUR 2.5 billion and EBITDA of EUR 500 million.

Claus-Dietrich Lahrs, CEO of HUGO BOSS AG, commented: "HUGO BOSS has turned in a dynamic performance in the past two years. I firmly believe that we will continue to outperform our competitors in terms of future growth. Our strong brands and the further optimization of our successful business model will be the platform for this."

The growth strategy of HUGO BOSS is based on four pillars: further expansion of the Group's own retail business, strengthening of the individual brand identities, exploiting growth potential especially in Asia and the Americas, and further improvement of operational processes.

The Group plans to generate around 55% of its sales from its own retail business in 2015. In addition to growth in the existing stores, approx. 50 new stores will be opened each year. HUGO BOSS also sees attractive potential in the acquisition of franchise partners and the active management of wholesale space.

# HUGO BOSS

The e-commerce business is also expected to help the company achieve its targets with increases significantly above the Group average.

Another potential for substantial growth is expansion of the individual Group brands, which address different customer groups on the basis of clearly differentiated brand identities. For instance, sales of EUR 100 million are forecast for the luxury brand BOSS Selection, supported by strong growth in Asia. Substantial increases in sales are also expected for the womenswear business and the shoes & accessories product segment.

The management firmly believes that the Group will continue to generate significant growth in Asia in particular. Sales in this region are projected to almost triple by 2015 compared with 2010, mainly as a result of sharp increases in China. Considerable growth is also predicted for the Americas.

The ongoing implementation of the Group-wide D.R.I.V.E. project will increase the company's focus on its customers and reinforce its retail expertise. In addition, the significant reduction of development time will enable the Group to be highly flexible in its response to market developments. HUGO BOSS is relying on its operational strength here, particularly in development, sourcing and production.

Further details on the growth strategy will be presented today at an Investor Day at the Group headquarters in Metzingen. The presentations by Management Board members will be broadcast live to the general public from 9:00am on the company's website, [www.group.hugoboss.com](http://www.group.hugoboss.com). A recorded version will be available afterwards.

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