HUGO BOSS

HUGO BOSS Investor Day 2012
Americas Strategy

Mark Brashear, Chairman & CEO Americas
December 6, 2012

Agenda

HUGO BOSS in the Americas

Key market trends

Long-term strategy update

Summary

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HUGO BOSS in the Americas

EMPLOYEES

COUNTRIES

POINTS OF SALE

RETAIL
POINTS OF SALE

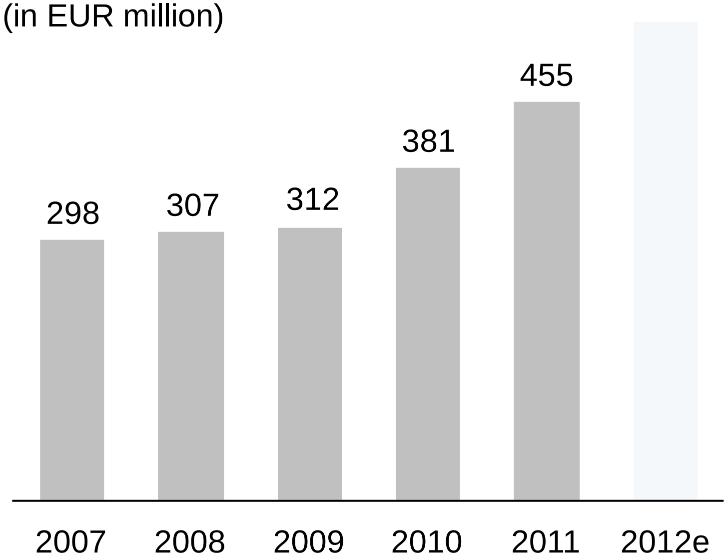
WHOLESALE
POINTS OF SALE

WHOLESALE PARTNERS

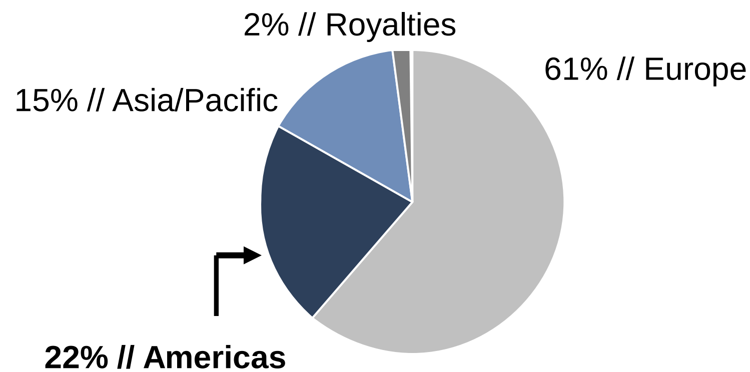
A dynamic growth region

- Strong top line momentum
- Second-largest region within the Group
- North America accounting for vast majority of business

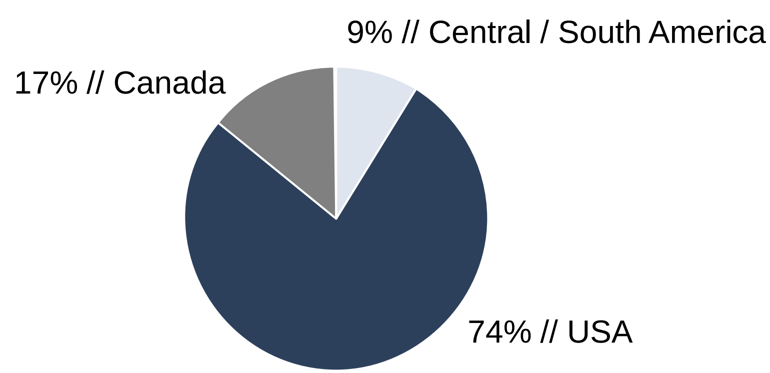
Sales in Americas
(in EUR million)



Sales by region FY 2011

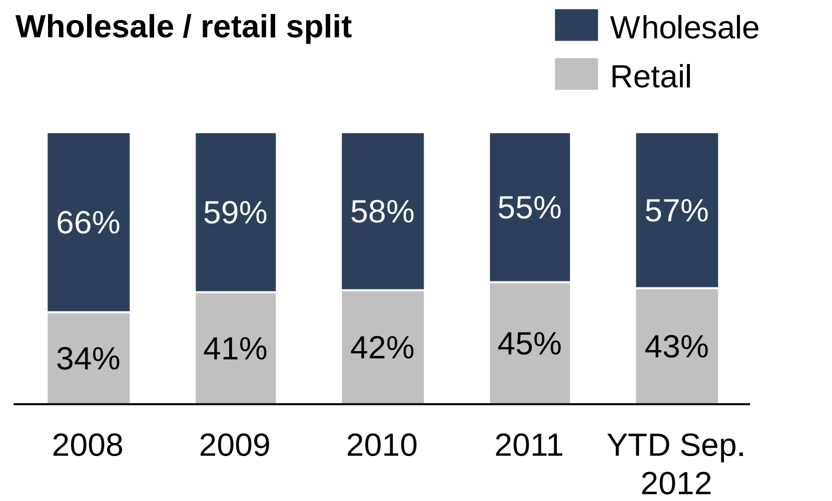


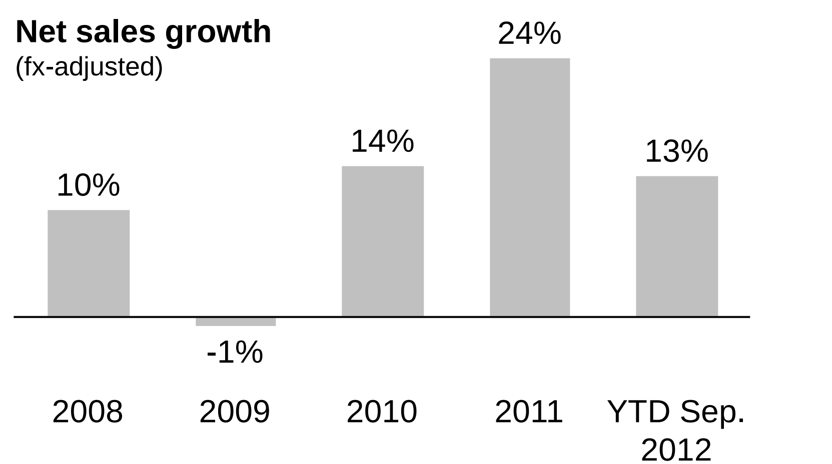
Sales by market / Americas FY 2011



Solid growth across all distribution channels

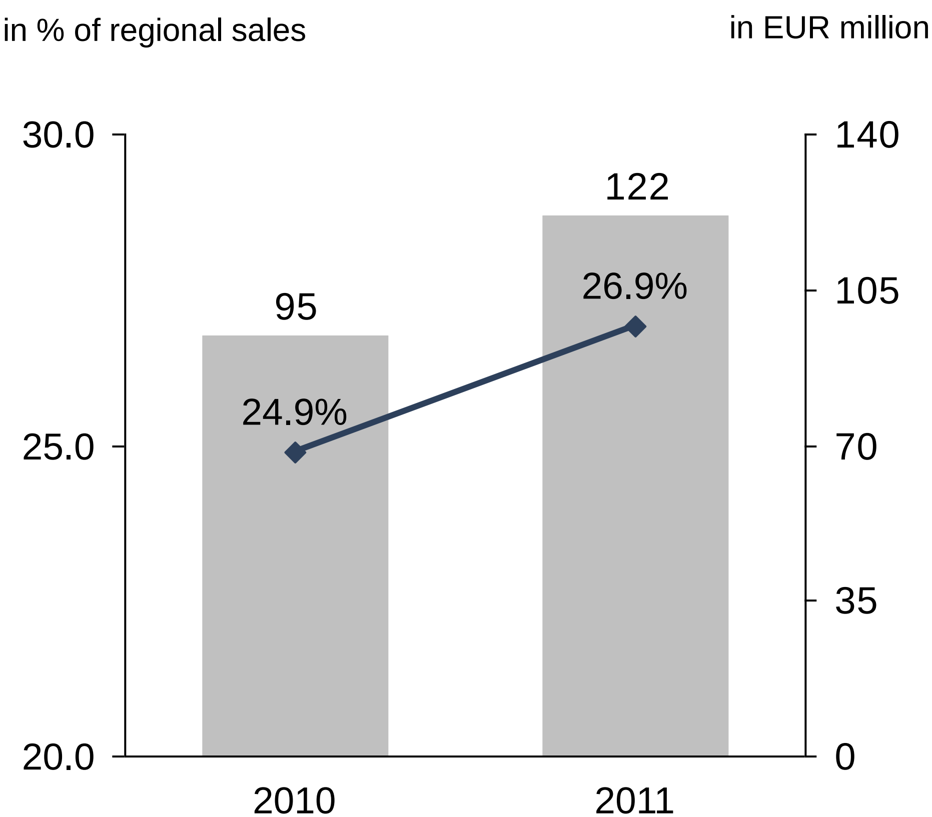
- Pursuing multi-channel growth model through expansion in retail, wholesale and e-commerce
- Double-digit growth across retail channel
- Double-digit growth in the wholesale channel
- Increased e-commerce business by 70% in 2012

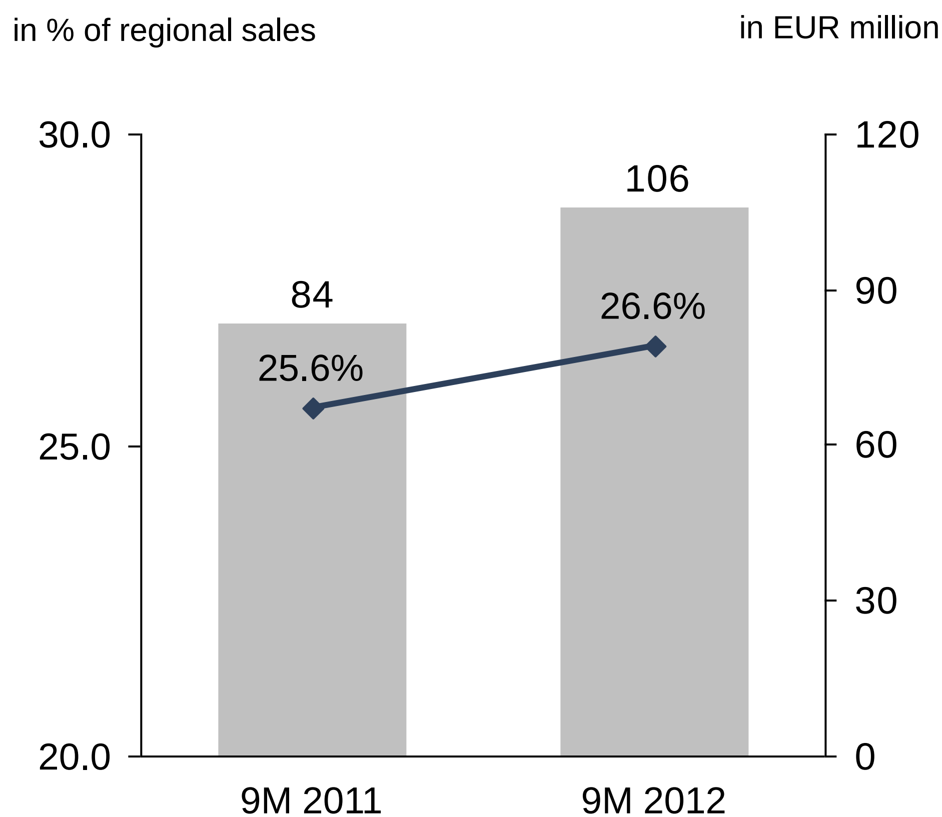




Strong profitability improvements

Segment profit development





Favorable brand perception across all markets

USA	CANADA	MEXICO	BRAZIL
Modern Well-tailored Easy to fit Consistent	Prestigious Good price-value Easy to fit Consistent	Luxurious Classic Elegant Quality	Modern Classic Sophisticated Masculine
Seen as a premium to entry luxury High awareness of individual brand lines BOSS Black and HUGO are the major brands	Seen as an entry into the luxury world	Good brand positioning in clothing, jeans, jersey and shirts	Recognized as a fashion brand for perfect fitted suits A top of mind in fragrances

HUGO BOSS has clear competitive advantages in the Americas

Style

- HUGO BOSS leads the modern, wear-to-work market for men and women and will continue to leverage this position
- HUGO BOSS has great name recognition in all regional markets

Quality

- HUGO BOSS is recognized as providing consistency in fit and quality

Price

- HUGO BOSS is seen as having a strong price/value relationship

European lifestyle brand value in the Americas

HUGO BOSS has a competitive and performance oriented organization

High performance culture

- Embracing and communicating HUGO BOSS Company values throughout the Americas; becoming one "Employer of Choice" across the region
- Strong focus on execution of plans

Retail focus

- Aligned retail organization within the Americas with common planning, buying and store operations standards
- Progressive transition into retail-driven organization in other functions

Regional integration

- Continued shared best practices across the region from customer-facing to operational functions

Agenda

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Menswear market grows faster than womenswear

U.S. menswear sales

- 2.6% growth projected in 2012
- 25-34 year old segment projected to grow by 6%

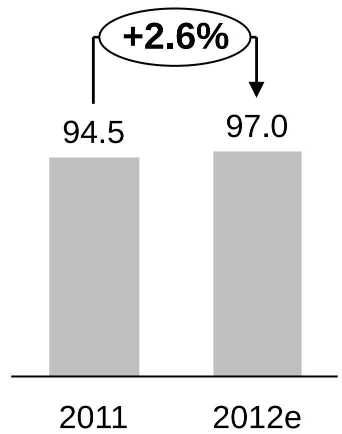
U.S. womenswear sales

- 0.3% growth projected in 2012

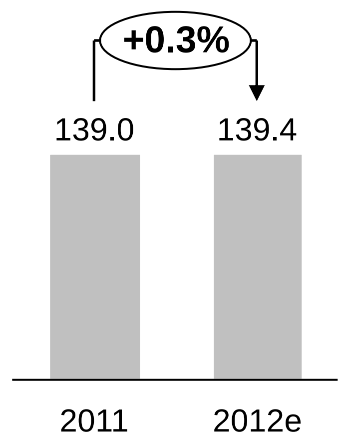
Sources: Lifestyle Monitor™, The Male Storm, Retailers Catching Up To Men's Escalating Interest in Apparel, 9/7/2012. Euro Monitor International

USA

U.S. menswear sales
(in USD billion)



U.S. womenswear sales
(in USD billion)



Younger generation male customers drive U.S. market growth

Affinity for shopping

- More and more men interested in fashion, in premium items

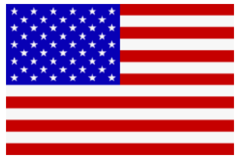
Younger generation more interested in dressing up

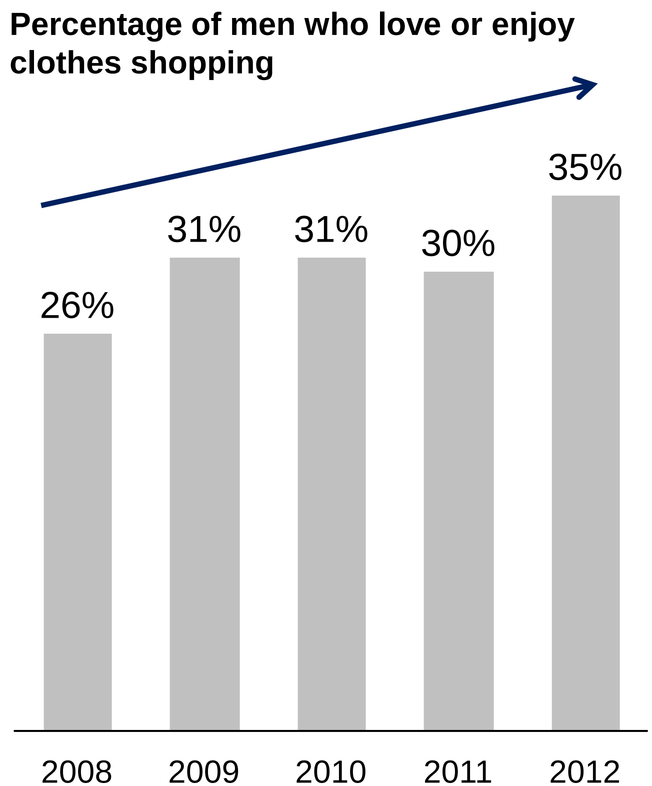
- New leaner and more modern silhouette
- Style and image as key drivers
- Growing importance of made to measure, customization

Online purchases

- Execution - best practices and new standards - changing rapidly
- Men shop online once each month and spend one hour and half

USA





Source: Lifestyle Monitor™ Survey

Canadian menswear market growth supported by clothing

Growth in men's apparel

- Only segment growing in fashion industry: growth reached 3% in 2011
- Other segments declining

Men pay more attention to style

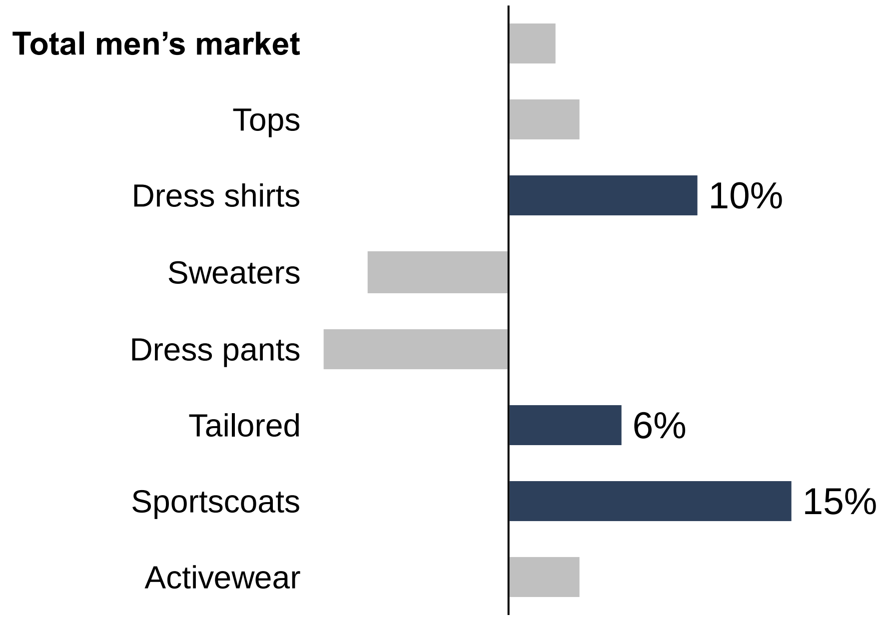
- Growth shifting from casual wear towards tailored categories

Retail environment moving fast

- New retailers entering market over next few years

CANADA

Total men's apparel market development
(2010 vs. 2011)



Source: Lifestyle Monitor™ Survey

Brand image and technology play key role in fast-growing Brazilian market

BRAZIL

Retail landscape

- Opening of new shopping malls or retail developments

Brand consciousness

- 64% preference for known brand names vs. 47% in 2001
- Men more interested (68% vs. 61%)
- Attraction to more upmarket products

Technology savvy

- Second largest country on Facebook and Twitter
- World’s highest social media penetration with 85%

Source: Global Lifestyle Monitor, Survey 2102, Supply Chain Insights

Fast changing retail landscape in other Latin American markets

MEXICO

COLUMBIA

CHILE

Retail landscape

- Progressive shift to suburban shopping centers

Social media

- Mexico City as one of the top-five most popular cities on Facebook
- HUGO BOSS as one of the most talked about brands in Mexico City on Facebook

Market growth

- Strongest growing markets in the region

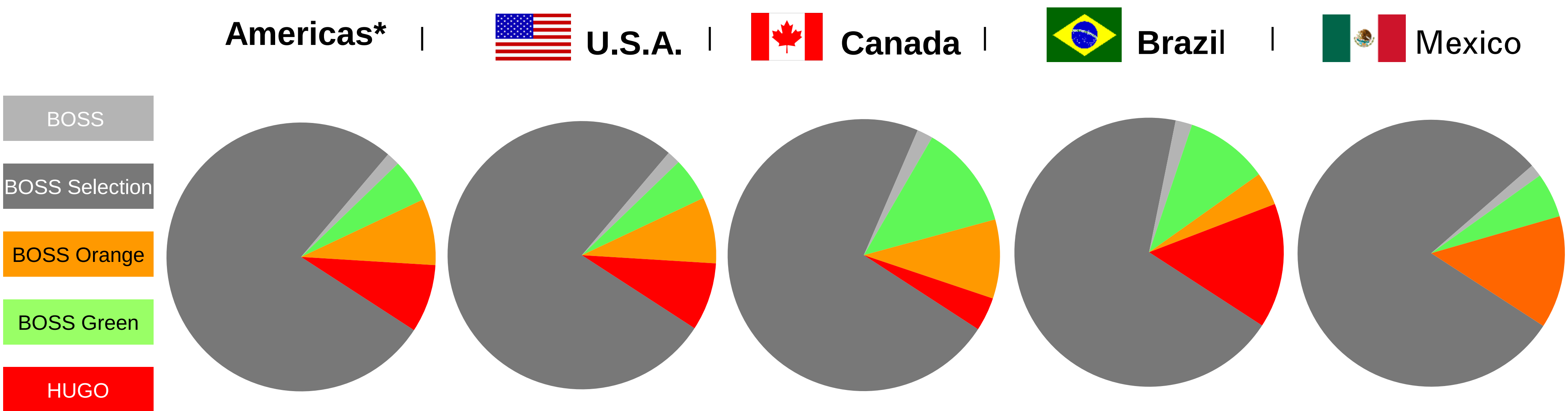
Retail market

- Transforming retail sector

Source: L2 Think Tank, Digital Insider Fashion 2012

Agenda

Broad portfolio of unique brands



76% // BOSS
2% // BOSS Selection
8% // BOSS Orange
7% // BOSS Green
7% // HUGO

*All splits based on full year 2012 sales estimates

Differentiated brands allow us to speak to different customer segments

Attractive growth opportunities across several categories

HUGO menswear clothing

- Introduction of suit separates in Fall ‘12 with positive early response

BOSS womenswear clothing

- Direct involvement with designers in the U.S. to increase regionally relevant content

BOSS men’s shoes

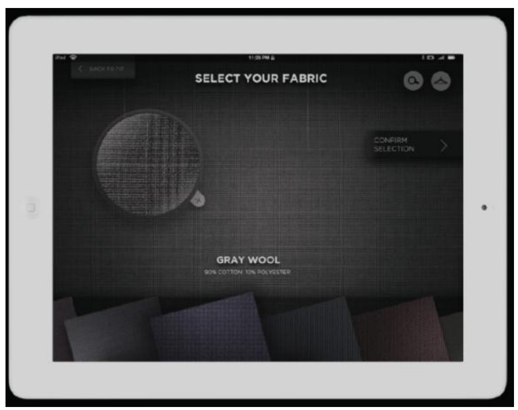
- Development of strong good/better/best strategy with $295 Italian made shoes for Fall ‘13

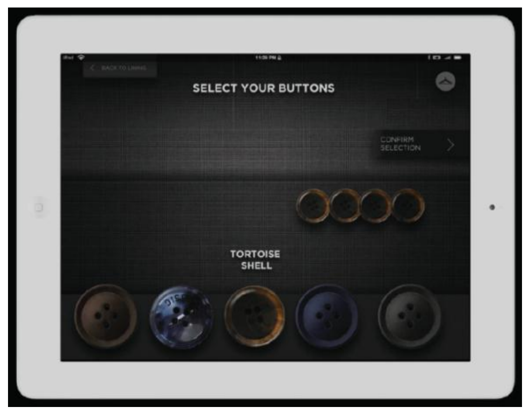
BOSS replenishment programs

- Relaunch of sportswear basics and bodywear businesses over the course of 2013

Made to Order program newly launched

- Program launched in selected U.S. own retail stores in October ‘12
- Customization of two suit models in four key components:
  - Fabric, buttons, lining and coat/trouser separate sizing
- Specially designed iPad app for in-store suit customization and customer facing transaction
- Short lead time, Made in the U.S.





Focus on enhancing the HUGO BOSS retail experience

Sales

- Continue network expansion
- Focus on proactive selling: Business generated through customer outreach to represent 25% of total business

Customer service

- Further develop own retail competencies and in-store technology to enhance the HUGO BOSS retail experience
- Leverage in-store clientelling system

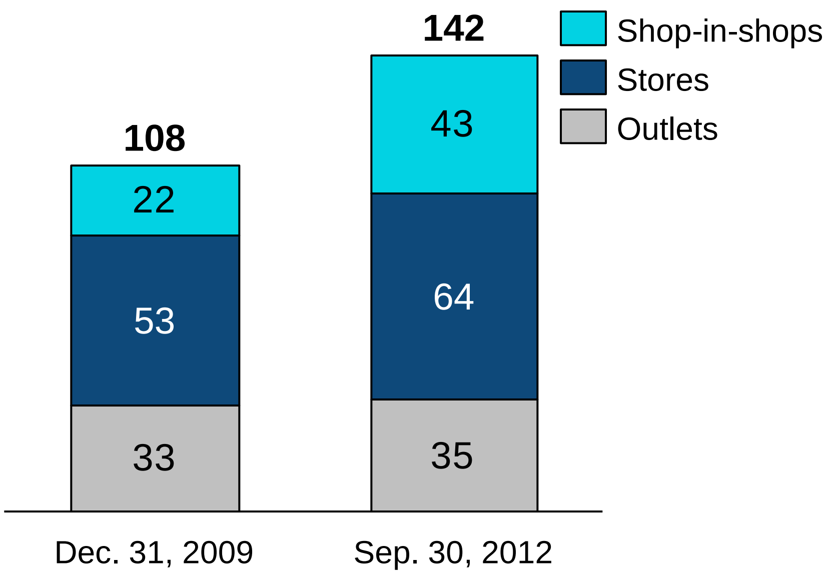
Store format and merchandising

- Redefine store format for success: space allocation, store size
- Enhance in-store presentation and merchandising

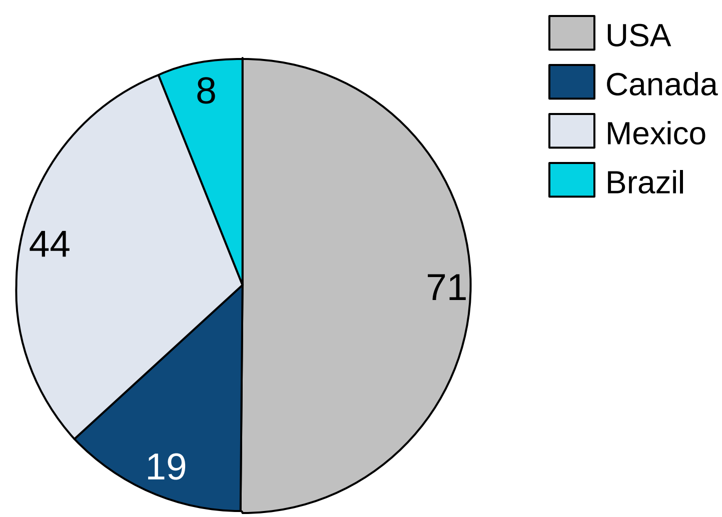
Continued store expansion in the region

- Total number of own retail stores in the Americas amounts to 142 stores at the end of September 2012
- 15-18 store openings across the region projected for 2013
- Number of stores in Brazil to double between 2011 and 2013, expanding from three to six cities

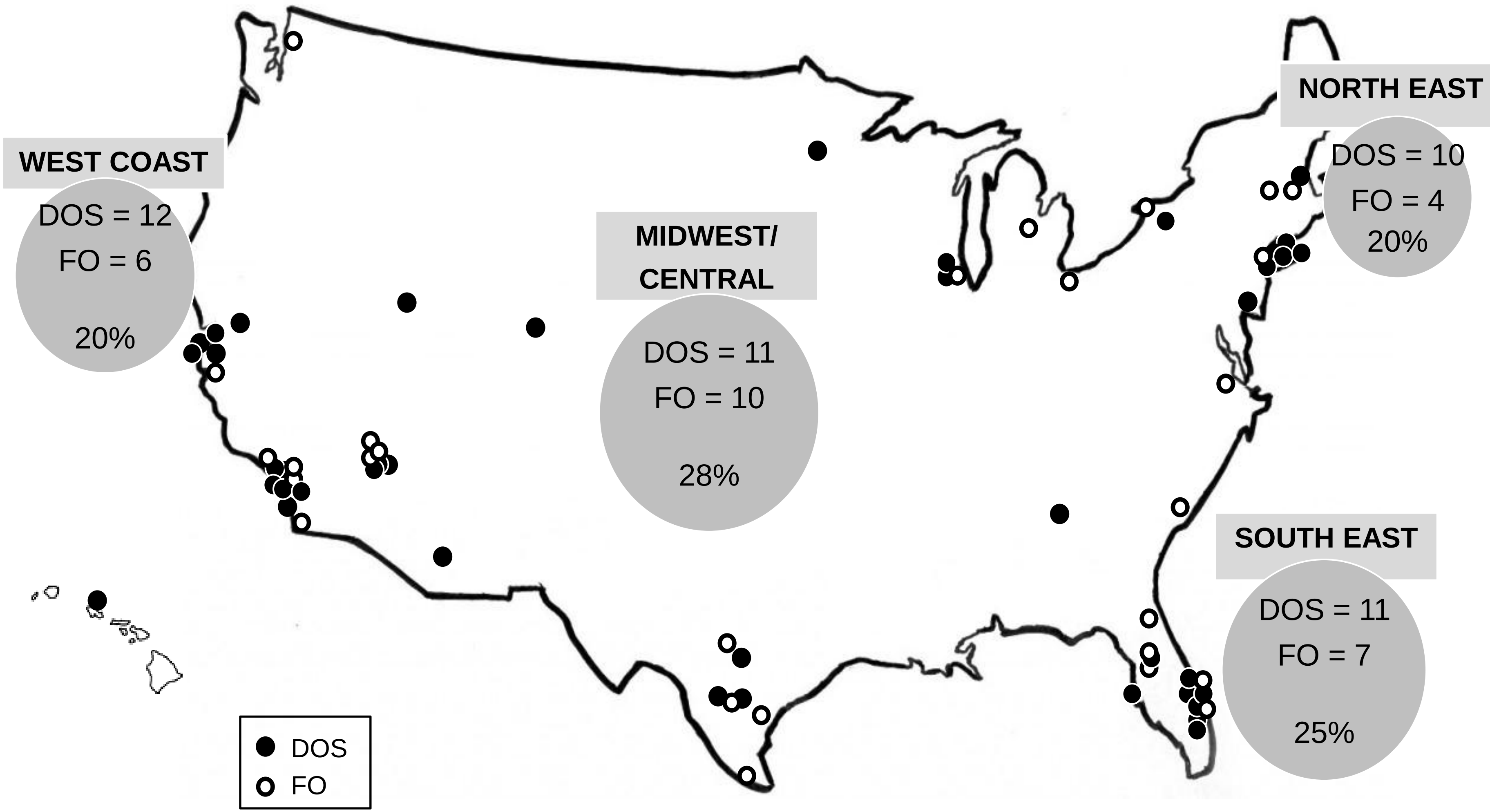
Number of own retail POS // Americas



Own retail POS in the Americas by country
(as of Sep. 30, 2012)



US store network concentrated around the East and West coasts



Manhasset, New York, USA

Beverly Center, California, USA

Fashion Show, Las Vegas, USA

JK Iguatemi, Sao Paulo, Brazil

Iguatemi, Sao Paulo, Brazil

Yorkdale, Toronto, Canada

Agenda

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Beginning transition from wholesale business model to concession

- Increased sales at retail through:
  - Dominant assortments
  - Controlled merchandising
  - Dedicated sales associates
- Experience in the Americas region
  - Existing model in Mexico with Liverpool and Palacio de Hierro
  - Concession development in 2012 in Canada with Holt Renfrew
  - Strong interest from U.S. retail partners

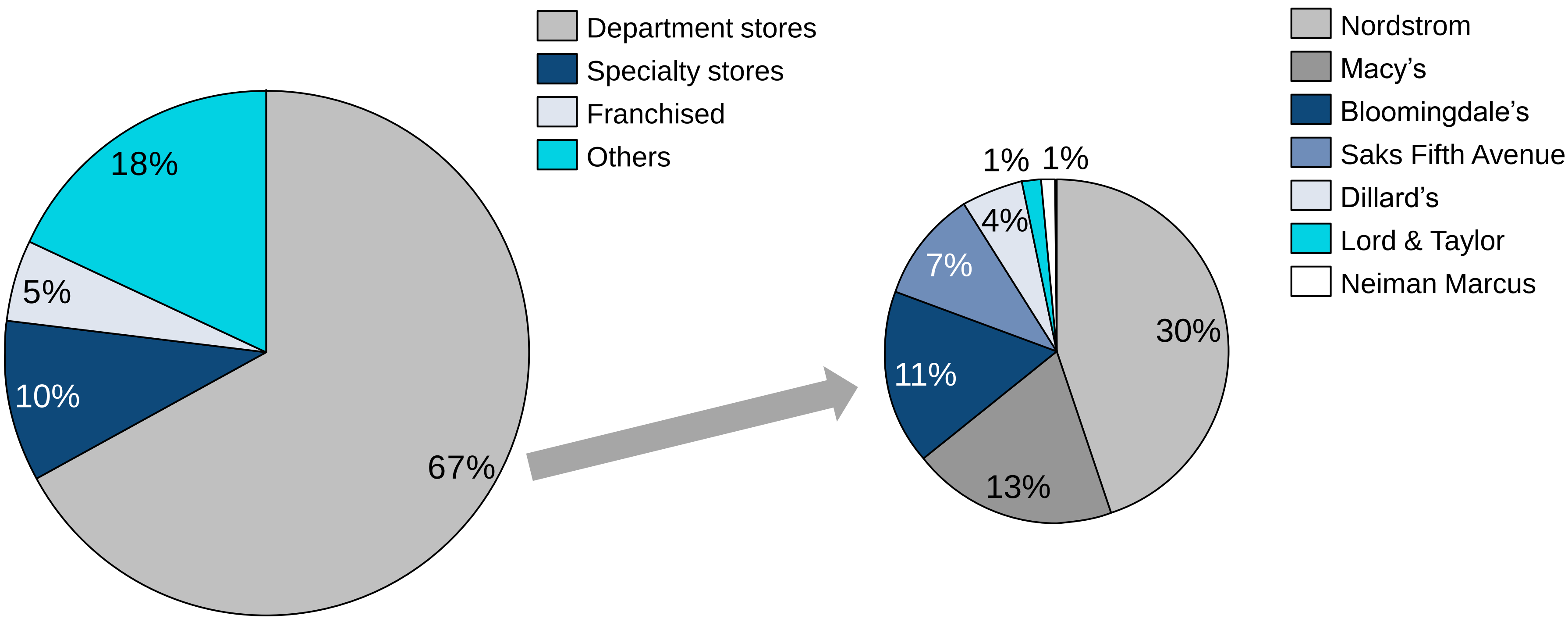
Concession business model established with Holt Renfrew in Canada

Sherway, Toronto, Canada

Ste Foy, Quebec, Canada

Department stores account for two thirds of U.S. wholesale business

Breakdown of U.S. wholesale business by customer group
(YTD Sep. 2012)



HUGO BOSS wins market share at wholesale

	Reported comp store sales growth*			Wholesale sales YTD Sep. ’12**
	Q1 2012	Q2 2012	Q3 2012	BOSS HUGO BOSS
Neiman Marcus	+4.3%	+5.3%	+3.5%	+14%
Saks Fifth Avenue	+4.8%	+4.7%	+3.3%	
NORDSTROM	+9.3%	+4.9%	+11.2%	
macy's / bloomingdale's	+4.4%	+3.0%	+3.7%	
Dillard's	+5.0%	+3.0%	+5.0%	

* Figures exclude online sales segment whenever available
** Total U.S. wholesale sales

Shop-in-shop expansion upgrades brand presentation at wholesale

Shop-in-shop expansion

- Aggressive development over past two years
  - From 2 shops in 2010 to 45 by year-end 2012
- BOSS collection launched in 18 Neiman Marcus doors for the Holiday 2011 Season
  - Tailored clothing and dress furnishings

Number of shop-in-shops

Neiman Marcus shop-in-shops

Westchester, New York

Chevy Chase, Washington DC

Saks Fifth Avenue, New York shop-in-shop

Bloomingdale's shop-in-shops

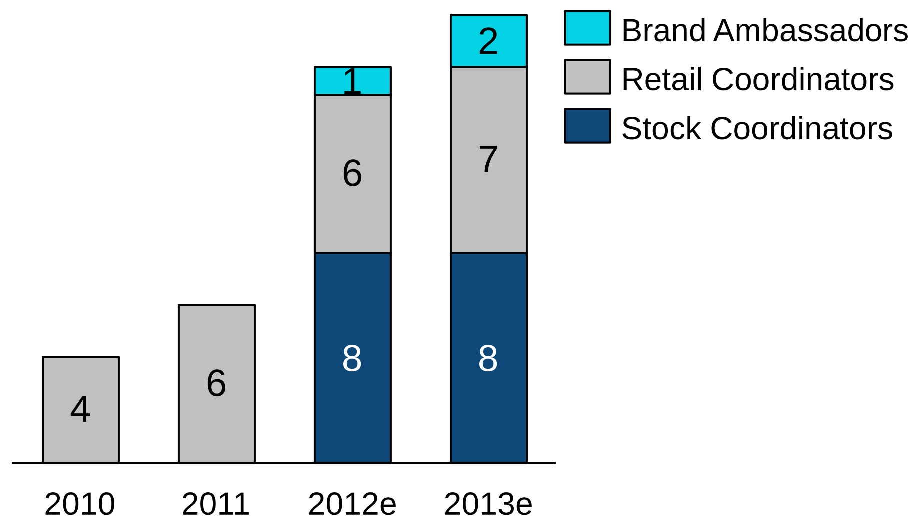
Women's shop, San Francisco

Men's shop, Roosevelt Field, New York

Retail coordinators program yields positive results

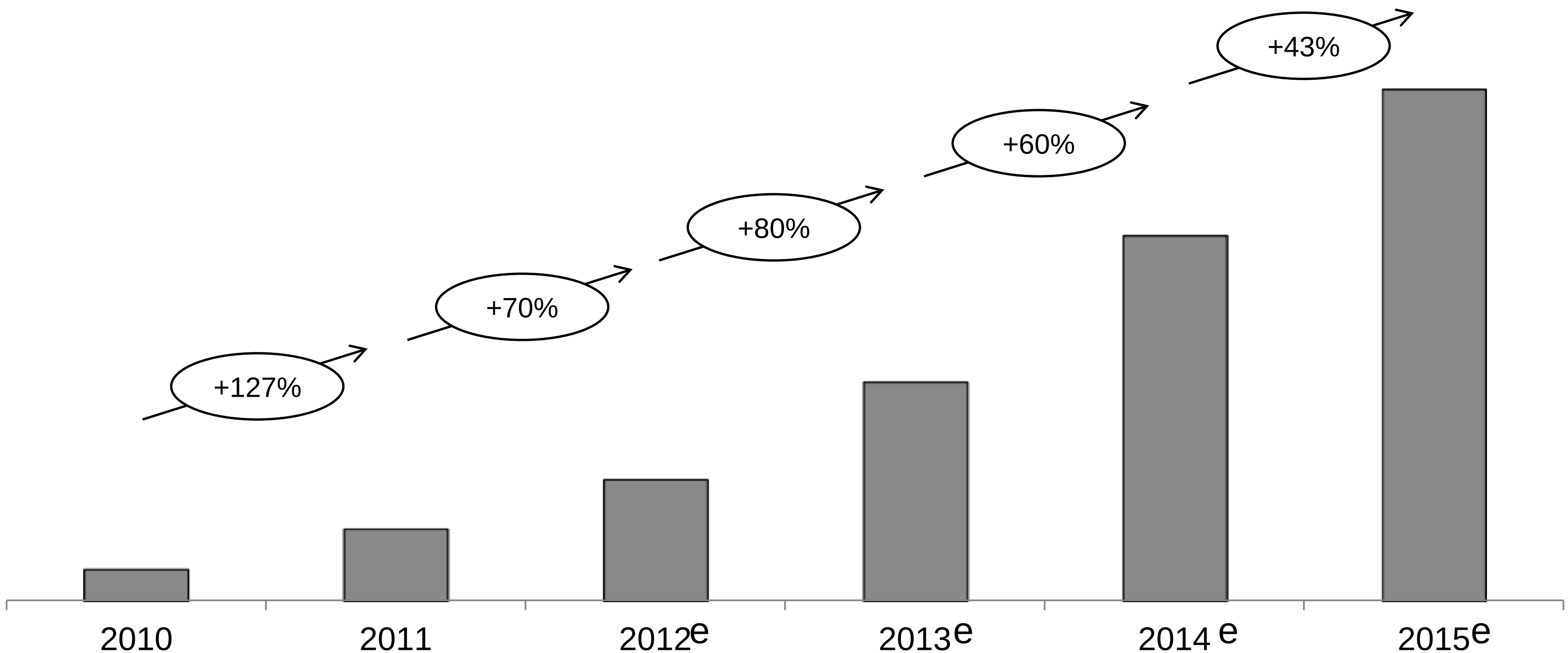
Retail coordinators program expanded since 2010

- Expansion to include Brand Ambassadors and Stock Coordinators
- Program projected to cover close to 40% of total wholesale sales by year-end
- Store covered by retail coordinators showed sales increases 7% higher than those without



Rapid expansion of the e-commerce business

- Launch in April 2010
- Continuous operating improvement since launch



Net Sales Growth by Year

Multiple initiatives in place to drive online growth

Increase traffic & demand

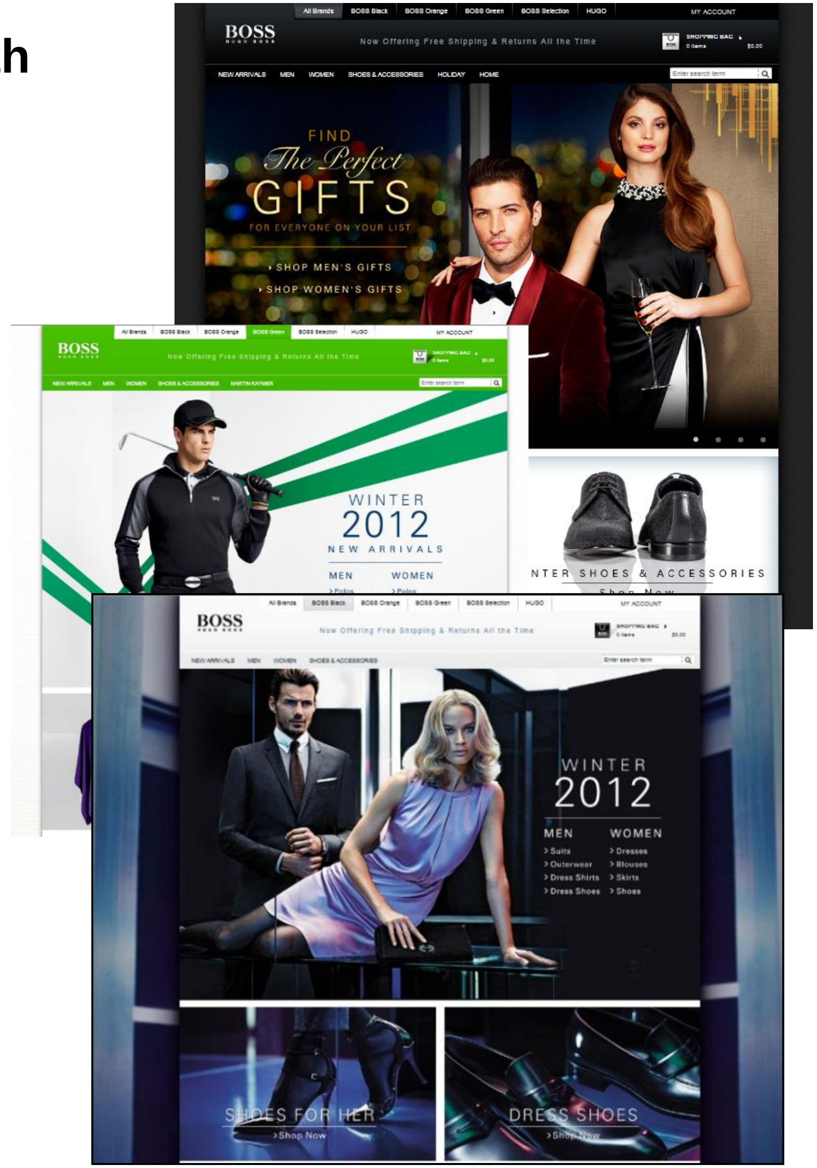
- Better integration with own retail stores
- Advanced social media drive-to-site

Increase conversion & offering

- Broader offer
- Recommendation engine
- Drop-ship from Savannah
- Made to Order program

Enhance customer service

- Free customer exchanges and free returns
- Piloting “live chat”
- Order online / pick-up in store



Marketing and communication activities further build brand awareness

Social media and digital marketing

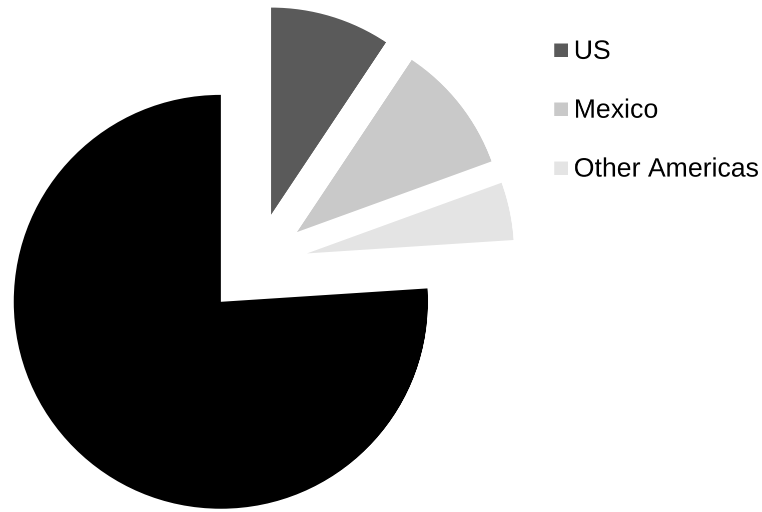
- Continue develop social media presence and fan base in the Americas

CRM

- Optimize customer engagement through active CRM

Regional events

- BOSS Fashion Show in New York City in September '13



Global Facebook fans: 3.1 million

Supply chain, production and IT initiatives support operational excellence

Supply chain

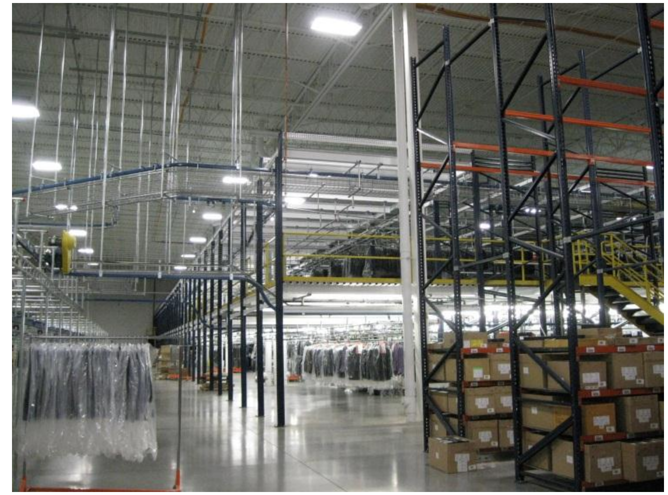
- Savannah capacity expansion
- New distribution center in Mexico
- Foreign trade zone creation
- Introduction of targeted drop ship programs

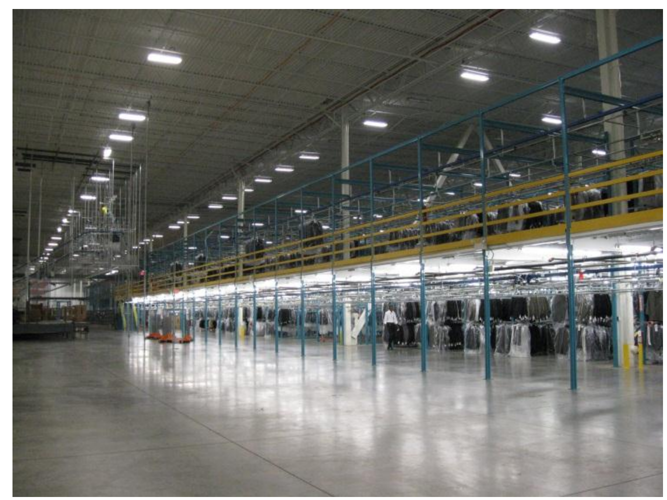
Production

- Introduction of fast replenishment program in Cleveland

IT

- In-store technology enhancements
- IT infrastructure upgrade





Clear strategy defines solid foundation for future growth in the Americas

Sales Performance

- Double-digit growth across all channels

Distribution

- Successful multi-channel distribution strategy
- Expansion through several distribution formats in department stores
- Retail execution targeted to local market needs

Price

- Historic strong price/value relationship
- Product consistency and easiness to fit

Organization

- High performance culture organization
- Supply chain and operating excellence

Target: USD 1 billion net sales in 2015

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.

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