HUGO BOSS
HUGO BOSS Nine Months Results 2012

Mark Langer (CFO)

October 30, 2012
AGENDA

OPERATIONAL HIGHLIGHTS

NINE MONTHS RESULTS

OUTLOOK
AGENDA

OPERATIONAL HIGHLIGHTS

NINE MONTHS RESULTS

OUTLOOK
Solid top and bottom line improvements in the first nine months

Sales (in EUR million)

- **9M 2011**: 1,560
- **9M 2012**: 1,739
  - +11%
  - (+7% fx-adjusted)

EBITDA before special items (in EUR million)

- **9M 2011**: 372
- **9M 2012**: 392
  - +5%
Wholesale – Collection cycle changes affect quarterly growth

- Introduction of four season cycle
- Early shipments of Fall collection in Q2
- Franchise takeovers

- Clear outperformance of top key account business
- Strong growth of short-term replenishment business
Retail – Own retail continues to grow at a double-digit rate

- Space expansion and comp store sales growth drive double-digit increases

- Currency-adjusted retail comp store sales increase 2% in Q3 and 5% in the first nine months

- Only moderate deceleration across all three regions
Retail – Network grows by 169 to 791 stores

Number of own retail stores as of September 30, 2012
(December 31, 2011: 622):

**TOTAL** 791 (+169)
Openings: 184
thereof takeovers: 94
Closings: 15

**EUROPE** * 428 (+118)
Openings: 122
thereof takeovers: 66
Closings: 4

**AMERICAS** 142 (+18)
Openings: 22
thereof takeovers: 9
Closings: 4

**ASIA/PACIFIC** 221 (+33)
Openings: 40
thereof takeovers: 19
Closings: 7

* incl. Middle East / Africa
Retail – Renovation upgrades Shenzhen Mix City store

BOSS Store // Mix City
Shenzhen, China
Re-Opening: September 2012
Net size: 234 sqm
Retail – Sydney flagship store renovated and extended

BOSS Store // King Street
Sydney, Australia
Re-Opening: October 2012
Net size: 673 sqm
Retail – New Manhasset store key opening in the Americas

BOSS Store
Manhasset (NY), USA
Opening: September 2012
Net size: 272 sqm
Royalties – Successful fragrance launch drives double-digit growth

Sales (in EUR million)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>12</td>
<td>14</td>
</tr>
<tr>
<td>9M</td>
<td>33</td>
<td>38</td>
</tr>
</tbody>
</table>

Sales growth (in %)

<table>
<thead>
<tr>
<th>Period</th>
<th>2012</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>9M</td>
<td>17</td>
<td>17</td>
</tr>
</tbody>
</table>
Europe – Wholesale decline masks positive underlying performance

- High wholesale exposure affects quarterly sales development
- Positive underlying retail performance
- UK and Germany remain stronghold markets
Americas – Region Americas going from strength to strength

- No signs of weakness
- Double-digit growth in both wholesale and retail supports continued market share gains in the US
- Brazil drives growth in Latin America
Asia Pacific – Growth moderates despite stabilising trends in China

- Weaker performance in Japan and Australia slows down regional growth compared to first half year.
- Quarterly sales growth in China accelerates to 5%, up 7% year-to-date currency-adjusted.
- Continued traffic declines affect performance in mainland China whereas momentum in Hong Kong improves.
New advertising campaign with Chow Yun-Fat catches consumer attention
HUGO BOSS sales up 7% currency-adjusted in the first nine months

Sales growth by channel, y-o-y
9M 2012 (in %)

- Wholesale: -1%
- Retail: 19%
- Royalties: 17%
- Group: 7%

Sales growth by region, y-o-y
9M 2012 (in %)

- Europe*: 7%
- Americas: 6%
- Asia/Pacific: 13%
- Group: 11%

* incl. Middle East / Africa
Higher retail share
Efficiency improvements in production and sourcing
Higher discounts
Inventory devaluations

Group gross margin increases

9M 2011 9M 2012
59.9% 61.1%
+1.2pp

Q3 2011 Q3 2012
58.8% 60.1%
+1.3pp
Ongoing retail and brand investments affect operating profit growth

<table>
<thead>
<tr>
<th></th>
<th>9M 2012</th>
<th>9M 2011</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>1,738.5</td>
<td>1,559.6</td>
<td>11</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>1,061.7</td>
<td>934.2</td>
<td>14</td>
</tr>
<tr>
<td>in % of sales</td>
<td>61.1</td>
<td>59.9</td>
<td>1.2 pp</td>
</tr>
<tr>
<td><strong>Selling and distribution expenses</strong></td>
<td>(573.3)</td>
<td>(473.2)</td>
<td>(21)</td>
</tr>
<tr>
<td><strong>Administration costs and other operating income and expenses</strong></td>
<td>(156.8)</td>
<td>(139.6)</td>
<td>(12)</td>
</tr>
<tr>
<td><strong>Operating result (EBIT)</strong></td>
<td>331.6</td>
<td>321.4</td>
<td>3</td>
</tr>
<tr>
<td>in % of sales</td>
<td>19.1</td>
<td>20.6</td>
<td>(1.5 pp)</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>(15.0)</td>
<td>(10.6)</td>
<td>(42)</td>
</tr>
<tr>
<td><strong>Earnings before taxes</strong></td>
<td>316.6</td>
<td>310.8</td>
<td>2</td>
</tr>
<tr>
<td><strong>Income taxes</strong></td>
<td>(76.0)</td>
<td>(74.6)</td>
<td>(2)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>240.6</td>
<td>236.2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Attributable to:</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Equity holders of the parent company</td>
<td>237.7</td>
<td>231.1</td>
<td>3</td>
</tr>
<tr>
<td><strong>Earnings per share (EUR)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary share</td>
<td>3.44</td>
<td>3.34</td>
<td>3</td>
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</tbody>
</table>

**EBITDA before special items** up 5% to EUR 392 million

- Higher **selling & distribution expenses** driven by own retail expansion and increased marketing expenditures
- **Adminstration costs** grow broadly in line with sales
- **EBITDA before special items** up 5% to EUR 392 million

* Basic and diluted shares
Strong operating profit improvements in the Americas

<table>
<thead>
<tr>
<th>Segment profit in EUR million</th>
<th>9M 2012</th>
<th>in % of sales</th>
<th>9M 2011</th>
<th>in % of sales</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe*</td>
<td>392.0</td>
<td>37.3</td>
<td>397.9</td>
<td>40.4</td>
<td>(2)</td>
</tr>
<tr>
<td>Americas</td>
<td>106.3</td>
<td>26.6</td>
<td>83.7</td>
<td>25.6</td>
<td>27</td>
</tr>
<tr>
<td>Asia/Pacific</td>
<td>87.0</td>
<td>34.8</td>
<td>75.0</td>
<td>34.9</td>
<td>16</td>
</tr>
<tr>
<td>Royalties</td>
<td>34.3</td>
<td>90.0</td>
<td>27.7</td>
<td>85.0</td>
<td>24</td>
</tr>
<tr>
<td>Segment profit operating segments</td>
<td>619.6</td>
<td>35.6</td>
<td>584.3</td>
<td>37.5</td>
<td>6</td>
</tr>
<tr>
<td>Corporate units / consolidation</td>
<td>227.9</td>
<td></td>
<td>212.2</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>EBITDA before special items</td>
<td>391.7</td>
<td></td>
<td>372.1</td>
<td></td>
<td>5</td>
</tr>
</tbody>
</table>

- Higher own retail expenses result in profit decline in Europe
- Growth across all channels supports margin expansion in the Americas
- Profit margin in Asia broadly unchanged

*incl. Middle East and Africa
Trade net working capital growth moderates sequentially

**Inventories**
- **Sep. 30, 2012**: 447 EUR million
- **Sep. 30, 2011**: 399 EUR million
- **Growth**: +12% (+6% fx-adjusted)
- **Reason**: Continued retail expansion

**Trade receivables**
- **Sep. 30, 2012**: 262 EUR million
- **Sep. 30, 2011**: 234 EUR million
- **Growth**: +12% (+9% fx-adjusted)
- **Reason**: Timing of deliveries

**Trade payables**
- **Sep. 30, 2012**: 199 EUR million
- **Sep. 30, 2011**: 163 EUR million
- **Growth**: +22% (+20% fx-adjusted)
- **Reason**: Shift in sourcing volumes
Free cashflow increases despite higher investments

**Investments** (in EUR million)

<table>
<thead>
<tr>
<th>9M 2011</th>
<th>9M 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>61</td>
<td>88</td>
</tr>
</tbody>
</table>

**Free cash flow** (in EUR million)

<table>
<thead>
<tr>
<th>9M 2011</th>
<th>9M 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>97</td>
<td>102</td>
</tr>
</tbody>
</table>

**Net debt** (in EUR million)

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>247</td>
<td>250</td>
</tr>
</tbody>
</table>

- **Focus on own retail and infrastructure projects**
- **Reduction of working capital outflows**
- **Almost stable level despite higher dividend**

Almost stable level despite higher investments
AGENDA

OPERATIONAL HIGHLIGHTS

NINE MONTHS RESULTS

OUTLOOK
## 2012 guidance confirmed

### 2012 Outlook

<table>
<thead>
<tr>
<th>Category</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales growth (currency-adjusted)</td>
<td>Up to 10%</td>
</tr>
<tr>
<td>Growth of EBITDA before special items</td>
<td>10% to 12%</td>
</tr>
<tr>
<td>Capex</td>
<td>Above prior year level</td>
</tr>
<tr>
<td>Own retail network</td>
<td>Around 80 net organic openings</td>
</tr>
</tbody>
</table>
Execution of medium-term strategy key to sustainable growth

- Quarterly performance primarily reflects changing business model
- Visible acceleration of top and bottom line growth expected in the fourth quarter
- Strict focus on medium-term strategy to ensure long-term growth
**NINE MONTHS RESULTS AT A GLANCE**

**Sales**
- 9M 2011: 1,560 EUR million
- 9M 2012: 1,739 EUR million
- +11% increase

**Gross margin**
- 9M 2011: 59.9%
- 9M 2012: 61.1%
- +1.2pp increase

**EBITDA before special items**
- 9M 2011: 372 EUR million
- 9M 2012: 392 EUR million
- +5% increase

**Net debt**
- Sep. 30, 2011: 247 EUR million
- Sep. 30, 2012: 250 EUR million
- +1% increase
# PROFIT & LOSS STATEMENT

<table>
<thead>
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<tr>
<td>Net sales</td>
<td>646.3</td>
<td>615.0</td>
<td>5</td>
<td>1,738.5</td>
<td>1,559.6</td>
<td>11</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(245.0)</td>
<td>(241.1)</td>
<td>(2)</td>
<td>(642.8)</td>
<td>(596.4)</td>
<td>(8)</td>
</tr>
<tr>
<td>Direct selling expenses</td>
<td>(12.6)</td>
<td>(12.0)</td>
<td>(5)</td>
<td>(34.0)</td>
<td>(29.0)</td>
<td>(17)</td>
</tr>
<tr>
<td>Gross profit</td>
<td>388.7</td>
<td>361.9</td>
<td>7</td>
<td>1,061.7</td>
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<td>(43.1)</td>
<td>(22)</td>
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<td>26.0</td>
<td>(39 pp)</td>
<td>19.1</td>
<td>20.6</td>
<td>(1.5 pp)</td>
</tr>
<tr>
<td>Net interest income/expense</td>
<td>(4.2)</td>
<td>(4.1)</td>
<td>(2)</td>
<td>(11.6)</td>
<td>(11.8)</td>
<td>2</td>
</tr>
<tr>
<td>Other financial items</td>
<td>(2.6)</td>
<td>2.0</td>
<td>&lt;(100)</td>
<td>(3.4)</td>
<td>1.2</td>
<td>(100)</td>
</tr>
<tr>
<td>Financial result</td>
<td>(6.8)</td>
<td>(2.1)</td>
<td>&lt;(100)</td>
<td>(15.0)</td>
<td>(10.6)</td>
<td>(42)</td>
</tr>
<tr>
<td>Earnings before taxes</td>
<td>136.0</td>
<td>157.6</td>
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<td>Equity holders of the parent company</td>
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<td>118.0</td>
<td>(12)</td>
<td>237.7</td>
<td>231.1</td>
<td>3</td>
</tr>
<tr>
<td>Minority interests</td>
<td>(0.2)</td>
<td>1.7</td>
<td>&lt;(100)</td>
<td>2.9</td>
<td>5.1</td>
<td>(43)</td>
</tr>
<tr>
<td>Net income</td>
<td>103.4</td>
<td>119.7</td>
<td>(14)</td>
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</tr>
<tr>
<td>Earnings per share (EUR)*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ordinary share</td>
<td>1.50</td>
<td>1.71</td>
<td>(12)</td>
<td>3.44</td>
<td>3.34</td>
<td>3</td>
</tr>
<tr>
<td>Preferred share**</td>
<td></td>
<td>1.71</td>
<td></td>
<td></td>
<td></td>
<td>3.35</td>
</tr>
<tr>
<td>EBITDA before special items</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td>391.7</td>
<td>372.1</td>
<td>5</td>
</tr>
</tbody>
</table>

* Basic and diluted shares
** Preferred shares were converted into ordinary shares on June 15, 2012
SALES BY CHANNEL

Sales growth by channel, y-o-y

Q3 2012
(in %)

- Wholesale: -9%
- Retail: 15%
- Royalties: 16%
- Group: 5%

Sales growth by channel, y-o-y

9M 2012
(in %)

- Wholesale: 2%
- Retail: 23%
- Royalties: 16%
- Group: 0%
SALES BY REGION

Sales growth by region, y-o-y
Q3 2012 (in %)

Europe*  -4  0
Americas  13  13
Asia/Pacific  5  0
Group  0  5

Sales growth by region, y-o-y
9M 2012 (in %)

Europe*  6  7
Americas  13  13
Asia/Pacific  5  16
Group  7  11

*incl. Middle East and Africa
TRADE NET WORKING CAPITAL

Trade net working capital as a percentage of sales by quarter (in %)

Q1 2009: 29.7
Q2 2009: 28.5
Q3 2009: 27.2
Q4 2009: 24.6
Q1 2010: 22.7
Q2 2010: 20.9
Q3 2010: 19.9
Q4 2010: 19.2
Q1 2011: 19.1
Q2 2011: 19.3
Q3 2011: 19.6
Q4 2010: 19.9
Q1 2012: 20.2
Q2 2012: 20.8
Q3 2012: 21.0

+1.4pp
RETAIL NETWORK

Number of own retail stores:

- 622 stores on December 31, 2011
- 791 stores on September 30, 2012

**Europe**
- +122 stores
  - +48 Spain
  - +25 France
  - +23 Switzerland
  - +7 Belgium
  - +4 Italy
  - +3 Germany
  - +3 Poland
  - +2 Austria
  - +2 Netherlands
  - +2 Portugal
  - +1 Luxembourg
  - +1 Sweden
  - +1 UK

**Americas**
- +22 stores
  - +11 Canada
  - +6 USA
  - +4 Mexico
  - +1 Brazil

**Asia/Pacific**
- +40 stores
  - +24 China
  - +4 Japan
  - +11 Taiwan
  - +1 Australia

**Closings**
- -15 stores
  - -4 Spain
  - -1 France
  - -1 Switzerland
  - -1 Belgium
  - -1 Italy
  - -1 Germany
  - -1 Poland
  - -1 Austria
  - -1 Netherlands
  - -1 Portugal
  - -1 Luxembourg
  - -1 Sweden
  - -1 UK

*Europe incl. Middle East / Africa*
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 6, 2012</td>
<td>Investor Field Trip, New York City</td>
</tr>
<tr>
<td>March 14, 2013</td>
<td>Press and Analysts’ Conference</td>
</tr>
<tr>
<td>May 2, 2013</td>
<td>First Quarter Results 2013</td>
</tr>
<tr>
<td>May 16, 2013</td>
<td>Annual Shareholders’ Meeting</td>
</tr>
</tbody>
</table>
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.