

H U G O B O S S

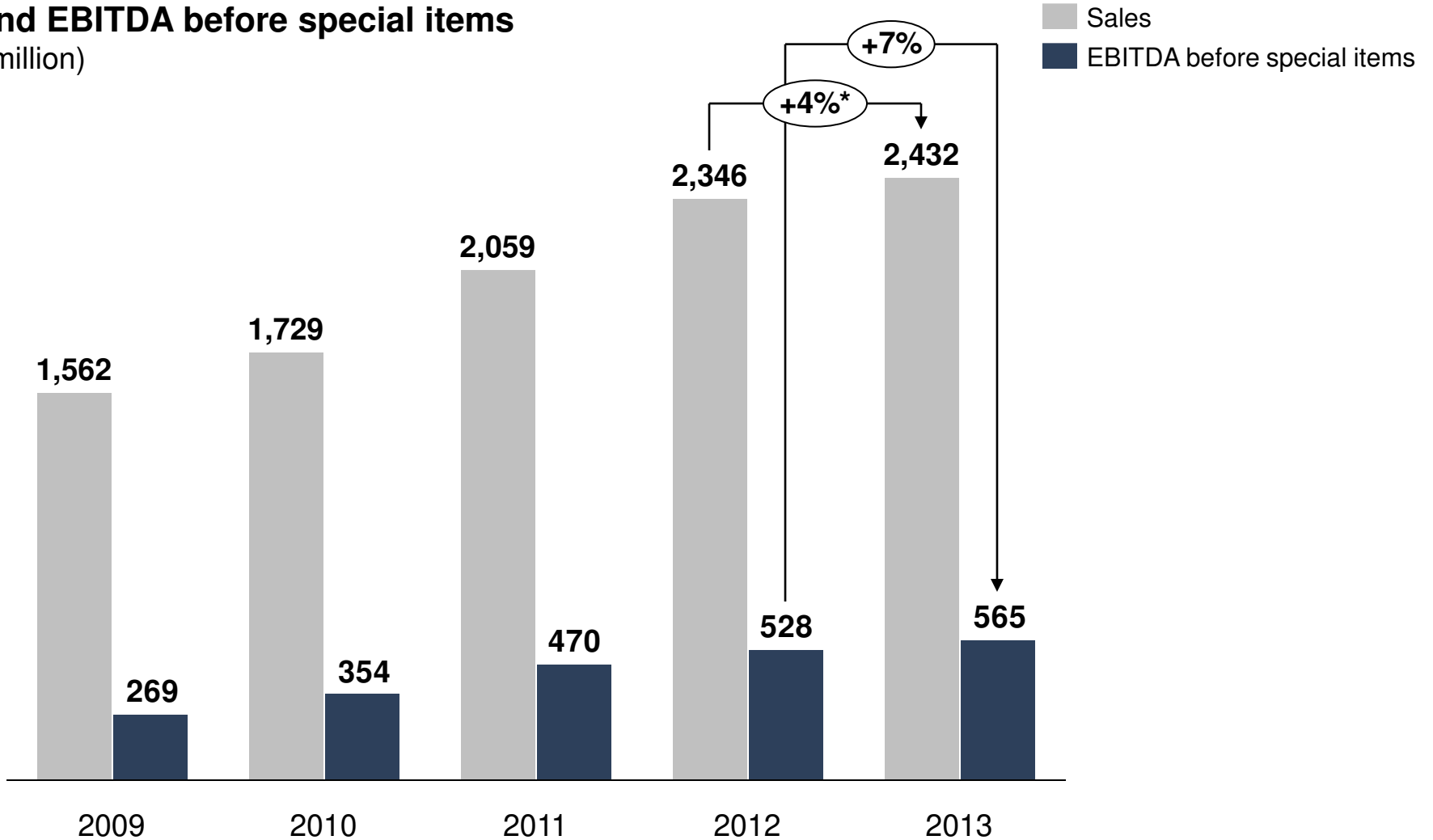
ANNUAL SHAREHOLDERS' MEETING 2014

Claus-Dietrich Lahrs (CEO)
Stuttgart, May 13, 2014

2013 a year of good strategic and financial progress

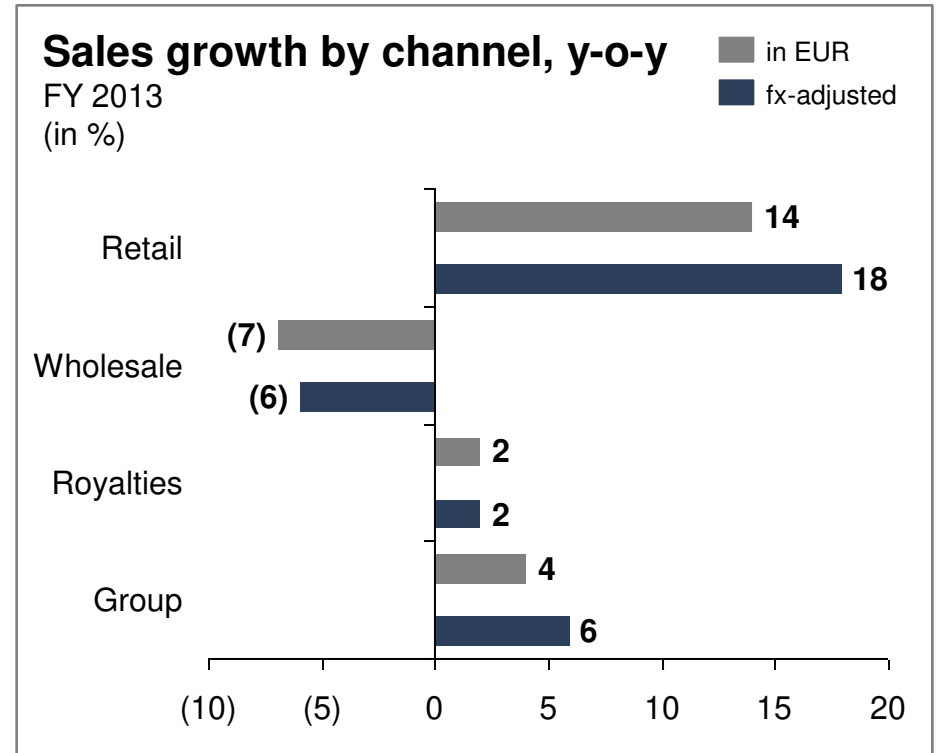
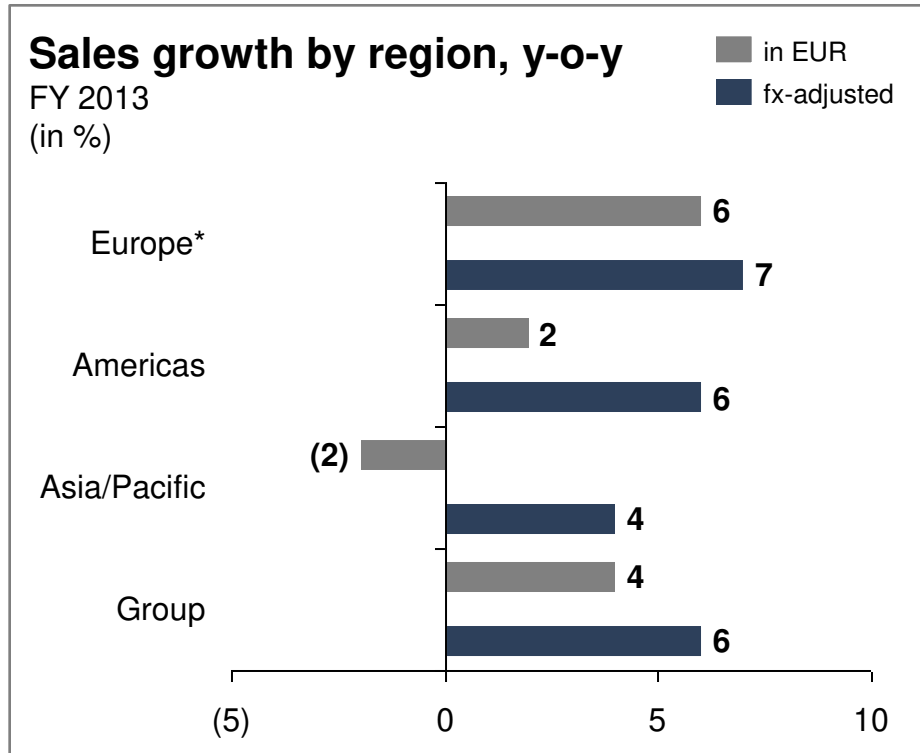
Sales and EBITDA before special items

(in EUR million)



*+6% fx-adjusted.

Retail continues to drive Group sales increases

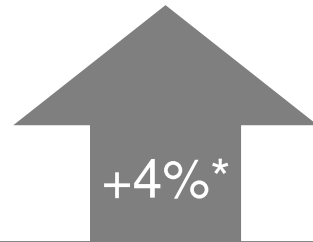


*Incl. Middle East and Africa.

Gross profit margin increase supports operating margin expansion

Sales

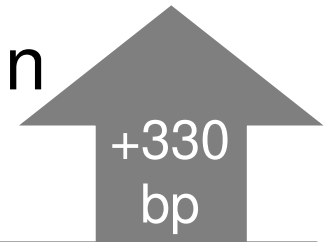
2,432 EUR million



*+6% fx-adjusted.

Gross profit margin

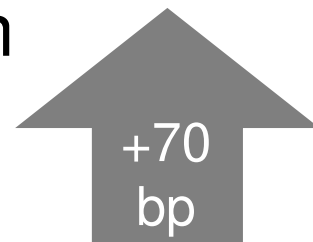
64.9 %



Operating margin

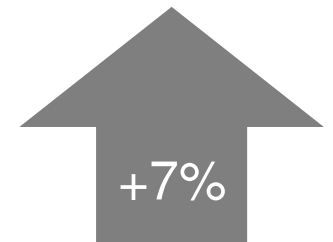
(adjusted)

23.2 %



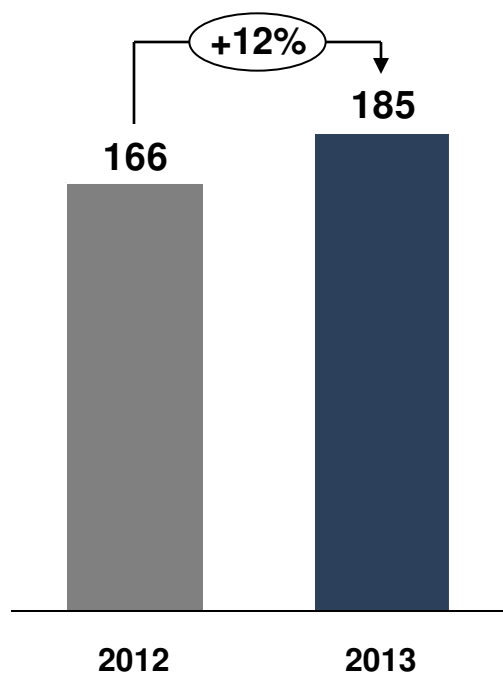
Net income

333 EUR million



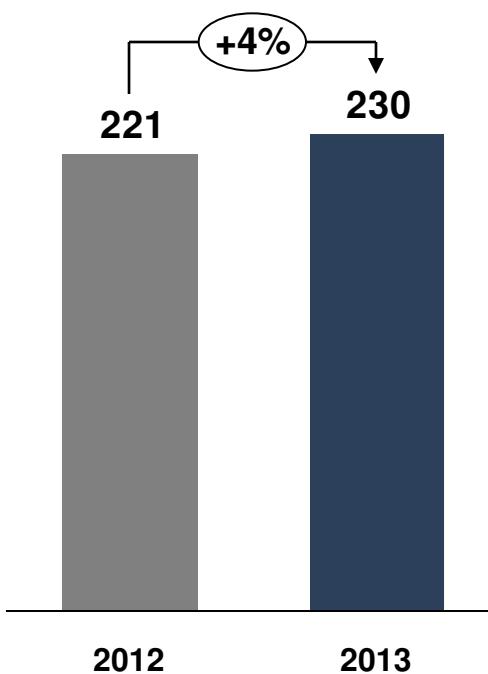
Further improvement of balance sheet metrics despite higher investments

Investments (in EUR million)



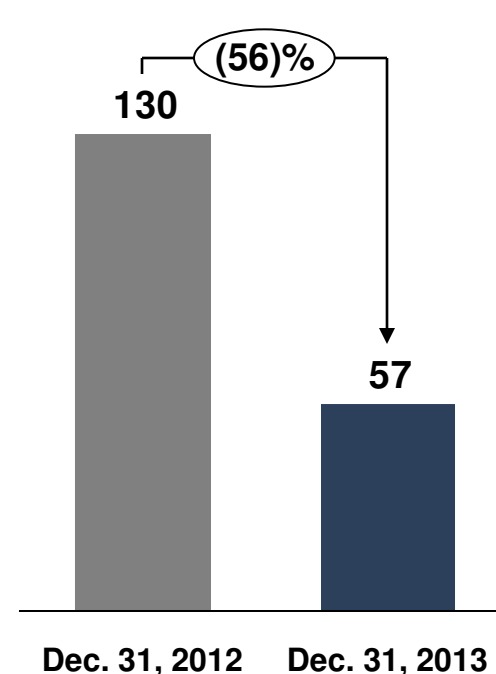
■ Own retail expansion and infrastructure projects drive increase

Free cash flow (in EUR million)



■ Increase due to profit growth and working capital discipline

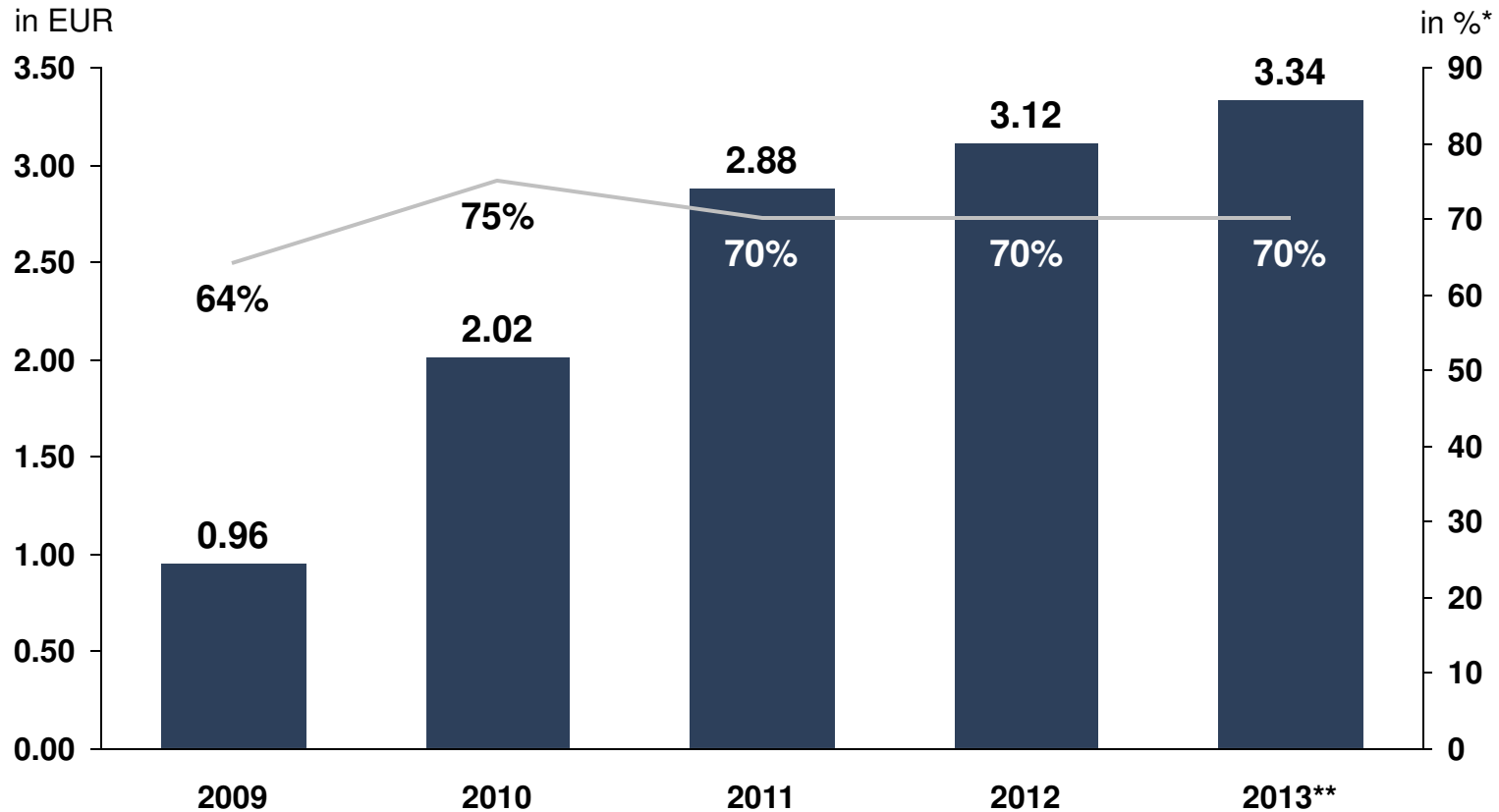
Net debt (in EUR million)



■ FCF generation and deconsolidation effects lead to reduction

Dividend to grow in line with consolidated net income

Dividend and payout ratio



➔ Proposal in line with dividend policy of 60% to 80% payout of consolidated net profit

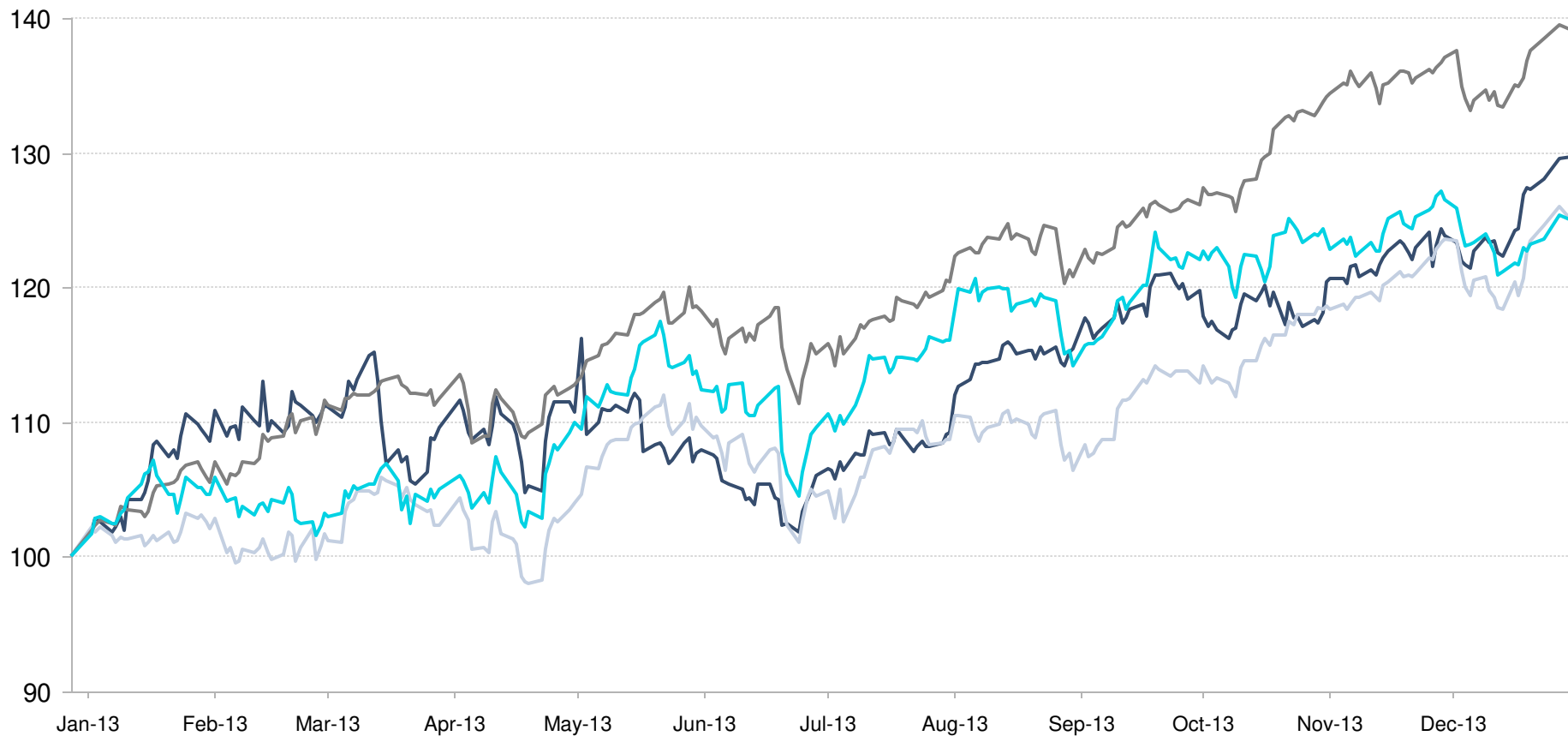
*As a percentage of net income attributable to the shareholders of the parent company. // **2013: Dividend proposal.

Strong performance of HUGO BOSS share

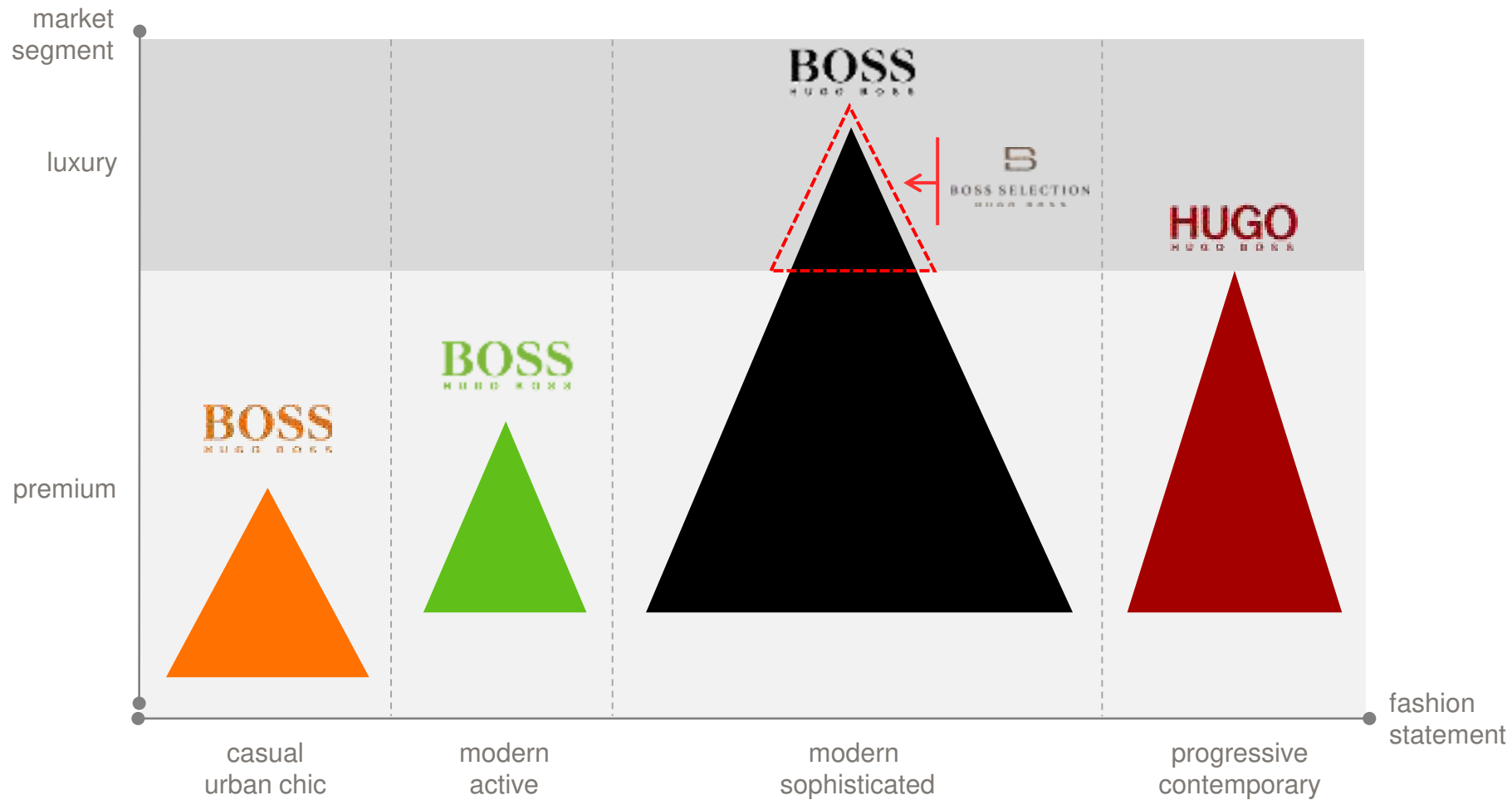
Share price development: December 31, 2012 – December 31, 2013

(Index: December 31, 2012 = 100)

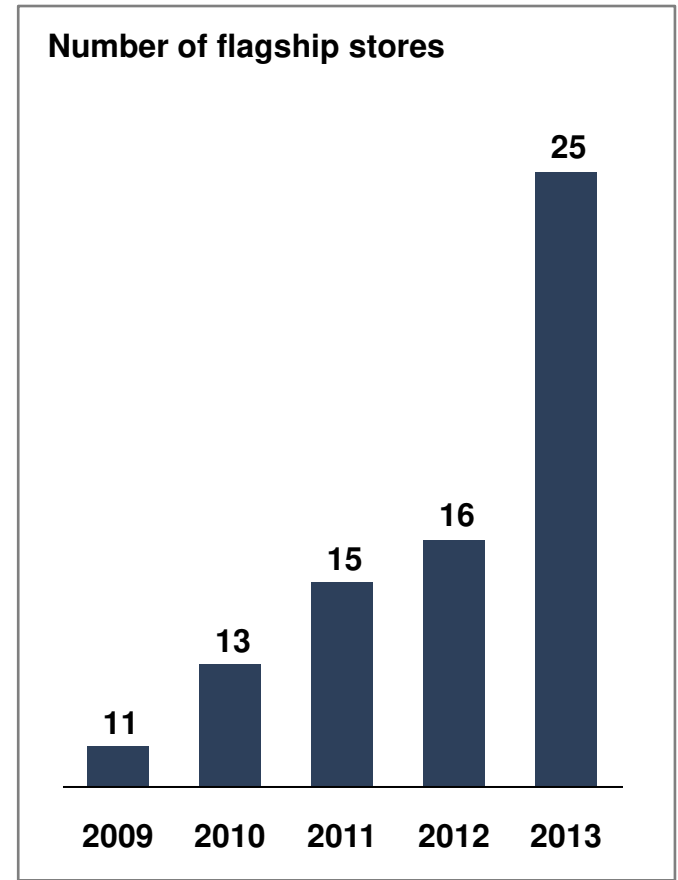
— HUGO BOSS	+30%
— DAX	+25%
— MDAX	+39%
— MSCI World Textiles	+25%



Brand portfolio streamlined and sharpened



Retail store universe upgraded and expanded



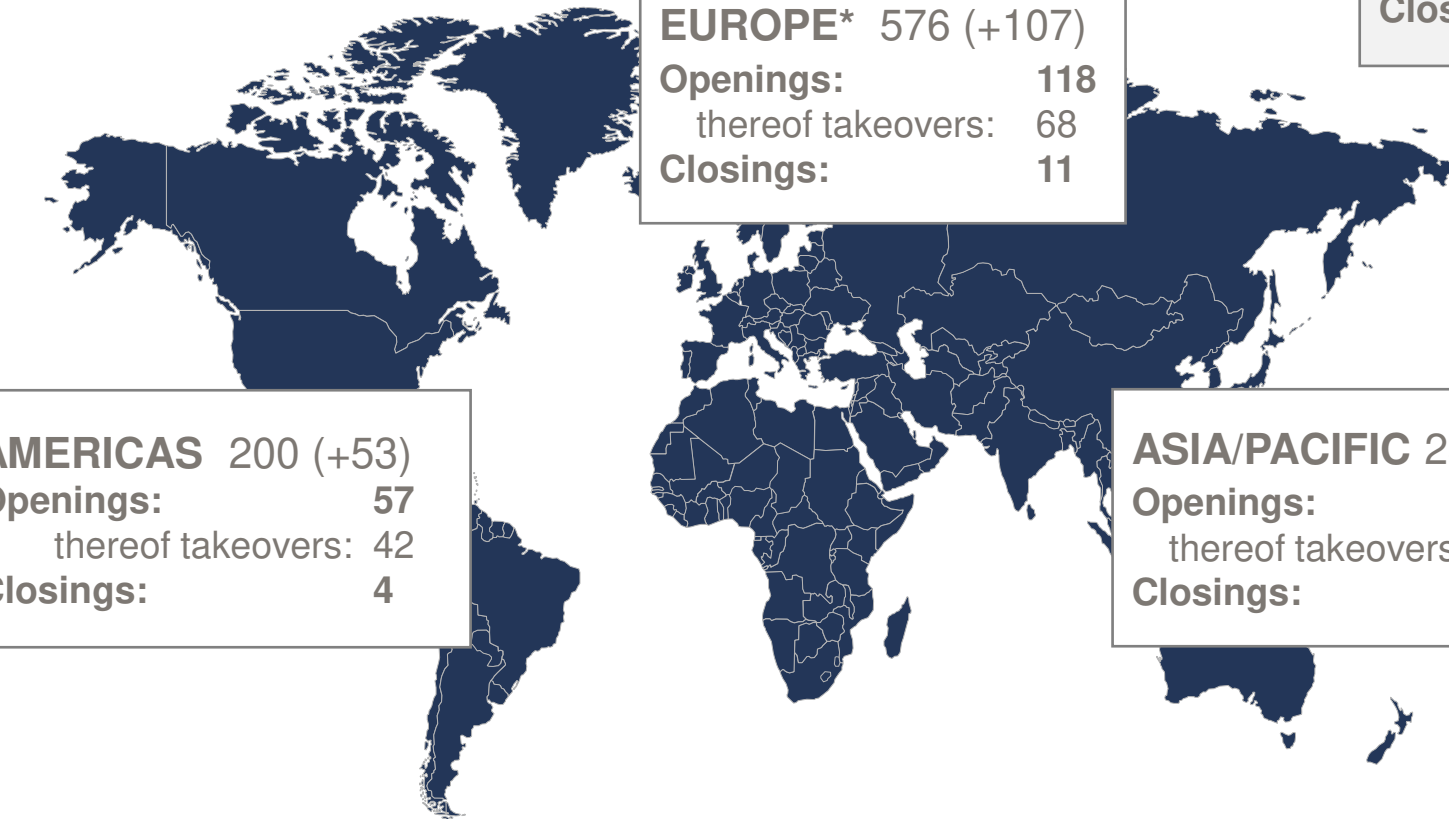
Extended brand control in department stores



Shop-in-shop takeovers main driver of considerable store count increase

Number of own retail stores as of December 31, 2013

(December 31, 2012: 840)



AMERICAS 200 (+53)
Openings: 57
 thereof takeovers: 42
Closings: 4

EUROPE* 576 (+107)
Openings: 118
 thereof takeovers: 68
Closings: 11

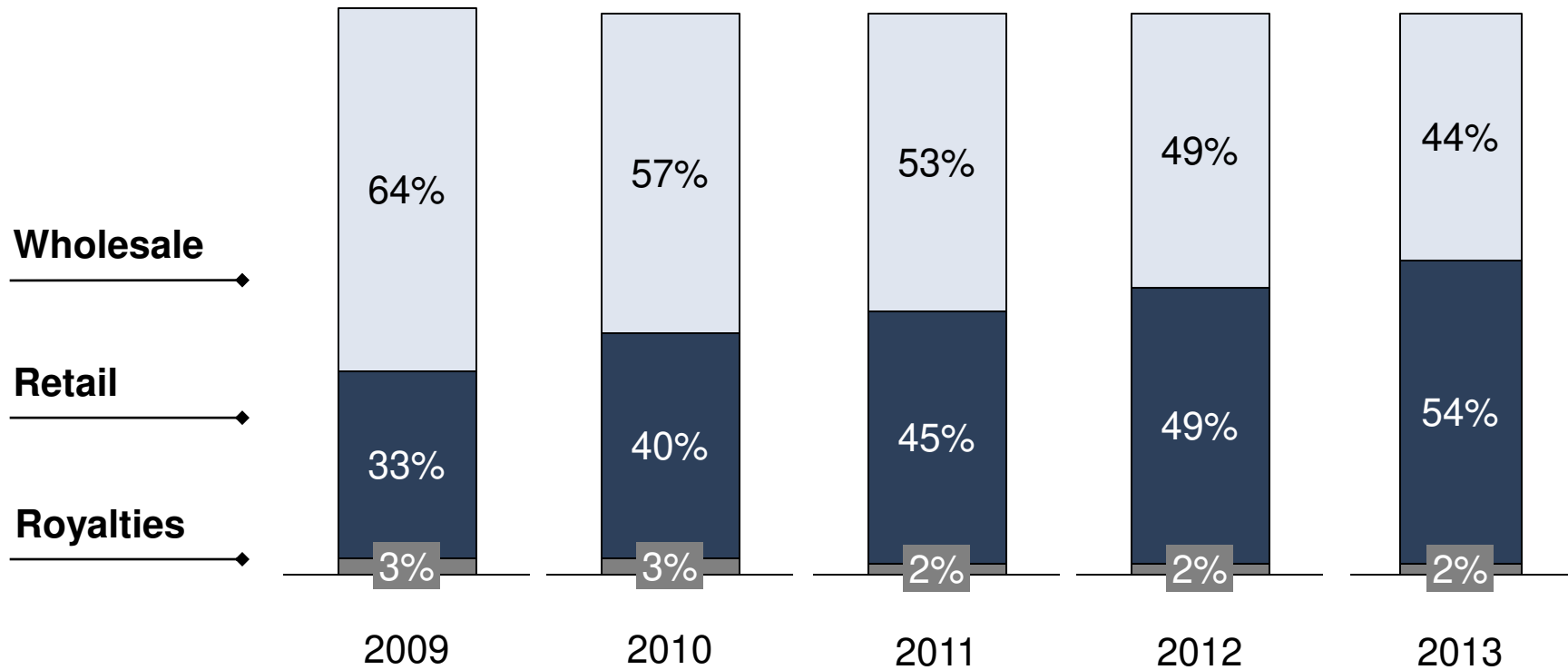
ASIA/PACIFIC 234 (+10)
Openings: 31
 thereof takeovers: 5
Closings: 21

TOTAL 1,010 (+170)
Openings: 206
 thereof takeovers: 115
Closings: 36

*Incl. Middle East and Africa.

Faster than expected business model transformation

Sales by distribution channel



Main elements of 2010 growth agenda implemented



BRAND PORTFOLIO

Brand portfolio streamlined and sharpened



OWN RETAIL

Own retail network upgraded and expanded



GLOBAL GROWTH

Regional exposure more balanced



OPERATIONAL PROCESSES

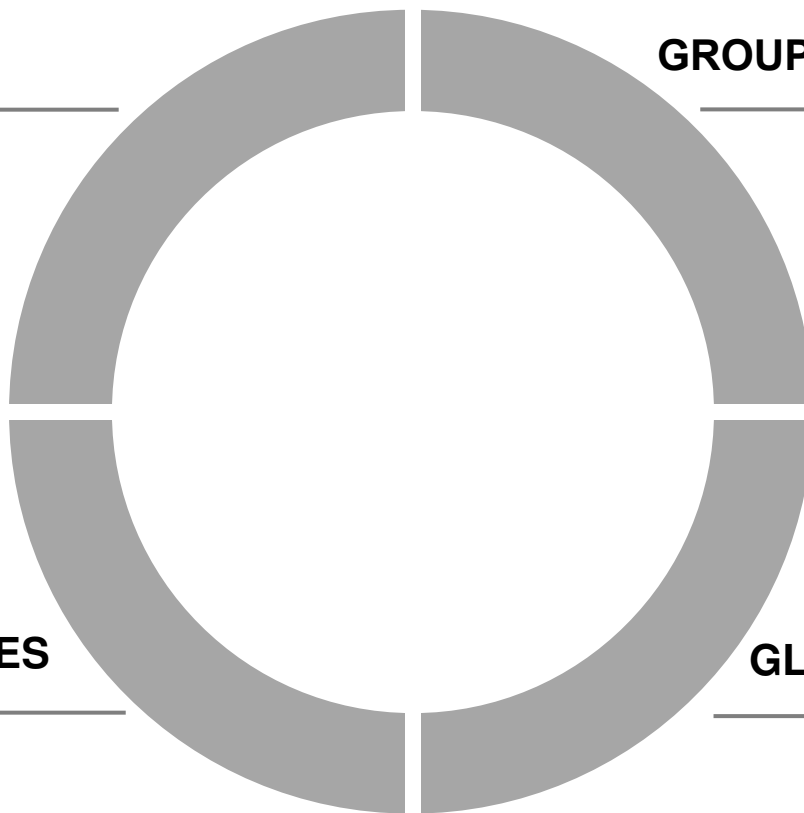
Further process improvements sustain competitive advantage



New initiatives and areas of growth enhance successful growth strategy

**MAXIMIZING
BRAND ATTRACTIVENESS**

**GROWING THE
GROUP'S OWN RETAIL BUSINESS**



**IMPROVING
OPERATIONAL PROCESSES**

**LEVERAGING
GLOBAL GROWTH POTENTIAL**

Emotional strength of the HUGO BOSS brand creates close consumer ties



Jason Wu has established a clear signature at BOSS Womenswear



BOSS Womenswear makes impressive debut at New York Fashion Week



BOSS Womenswear Fashion Show, New York



Womenswear visibility increasing at wholesale and in own retail



BOSS womenswear shop, Matsuya Ginza, Tokyo



BOSS womenswear shop, Printemps Haussmann, Paris



BOSS womenswear floor, Columbus Circle, New York



BOSS
HUGO BOSS

BOSS
HUGO BOSS





HUGO
HUGO BOSS



Expansion and productivity improvements to drive future retail growth

- Successful exploitation of white space opportunities
- Around 50 new store openings expected in 2014
- Focus on sales productivity improvements



Stores Europe*

2009:	219
2013:	576
	+ 357



Stores Americas

2009:	108
2013:	200
	+92



Stores Asia/Pacific

2009:	111
2013:	234
	+123

*Incl. Middle East and Africa.

Improving frontline execution

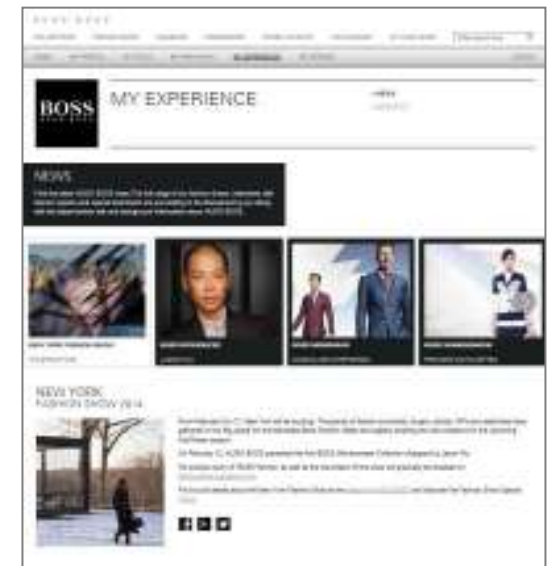
- Superior service levels in line with brand proposition
- Focus on ensuring high standards globally
- Strong emphasis on customer feedback and constant evaluation



Omnichannel main strategic focus in coming years



Rollout of myhugoboss.com started



Further operational process improvements offer significant long-term potential

- Retail merchandise planning tool provides integrated view of sales and inventories
- Positive impact on full-price sell-throughs
- Rollout in phases until end of 2015



Migration to new distribution center according to plan

- Migration under way and to be completed by the end of June
- Shorter time to market
- Efficiency gains through comprehensive automation and close upstream integration



HUGO BOSS expects to grow in all regions

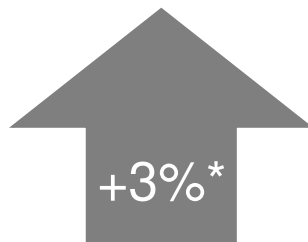
- Improving sentiment among customers and retail partners in Europe
- Positive outlook for the Americas despite weak start to the year
- Important investments in retail presence and brand perception support growth in China and Asia



Robust own retail sales growth in the first quarter of 2014

Sales

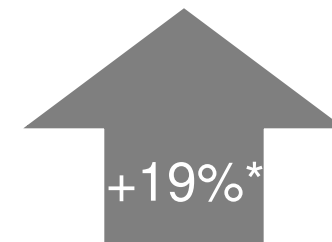
613 EUR million



*+6% fx-adjusted.

Own retail

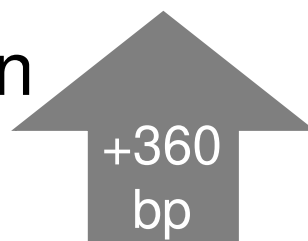
323 EUR million



*Same store sales growth: +6%, both currency-adjusted.

Gross profit margin

65.4 %



EBITDA

(before special items)

131 EUR million



Positive outlook for 2014

2014 Outlook

Sales growth (currency-adjusted)

High single-digit

Own retail network

Around 50 organic openings

Growth of EBITDA before special items

High single-digit

Capex

EUR 110 million - EUR 130 million

Building the business for long-term sustainable growth

- 2013 a year of solid financial performance and good strategic progress
- Clear plan in place to accelerate growth in 2014
- Long-term focus areas defined
 - Brand elevation and emotionalization
 - Omnichannel
 - Retail excellence



Thank you very much for your attention.

H U G O B O S S