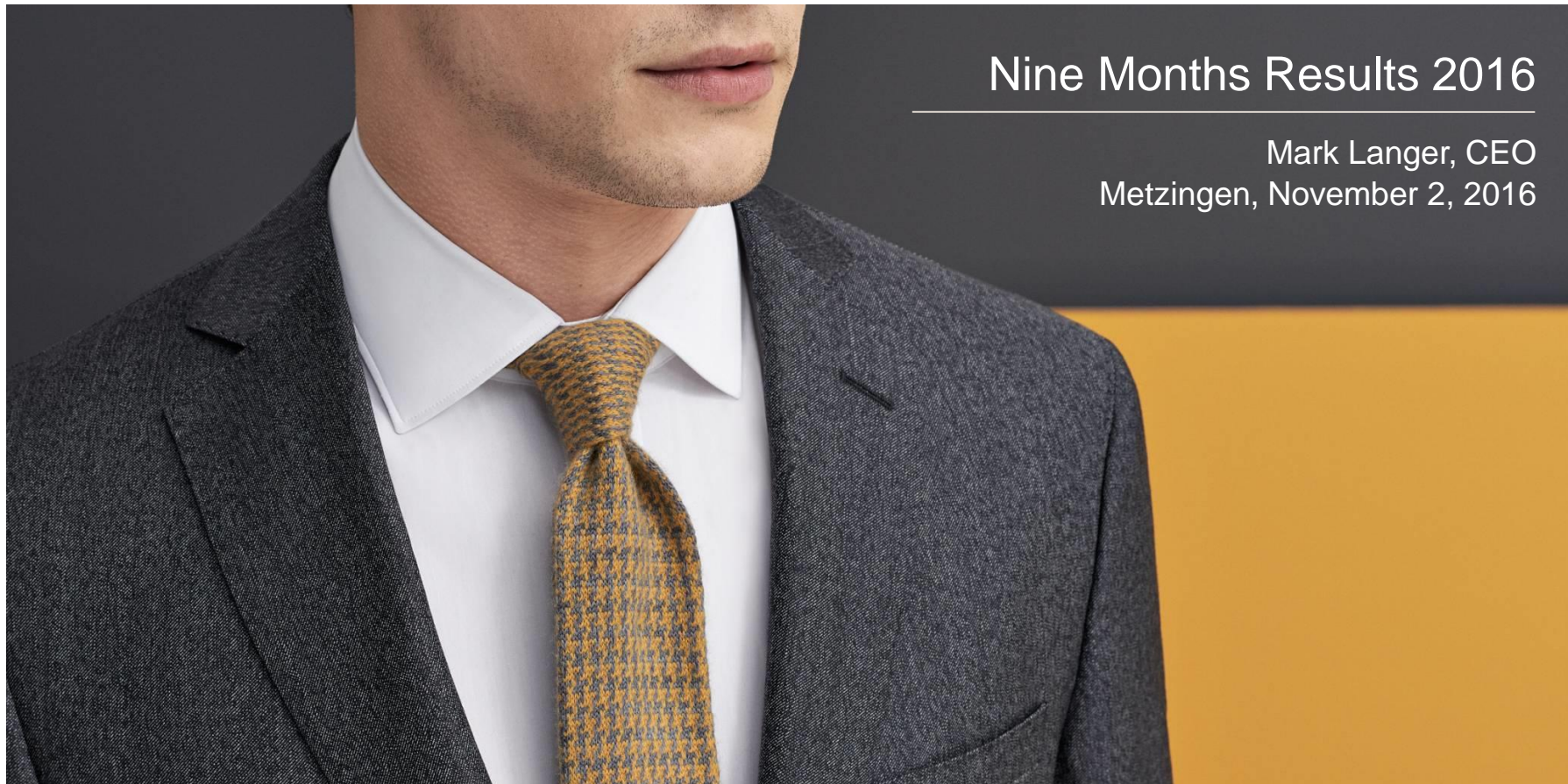


H U G O B O S S

Nine Months Results 2016

Mark Langer, CEO
Metzingen, November 2, 2016



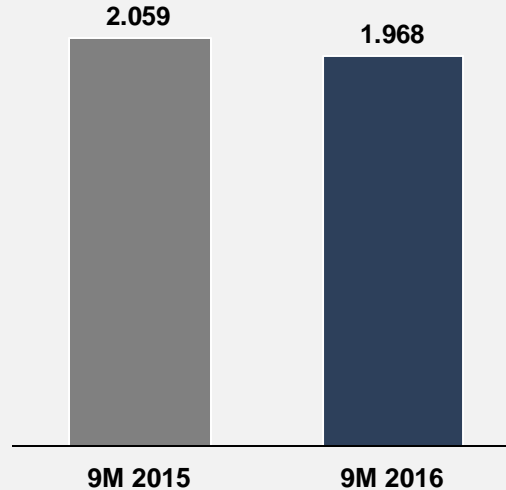
Pricing discipline and cost savings limit sales-driven earnings decline



Sales
(in EUR million)

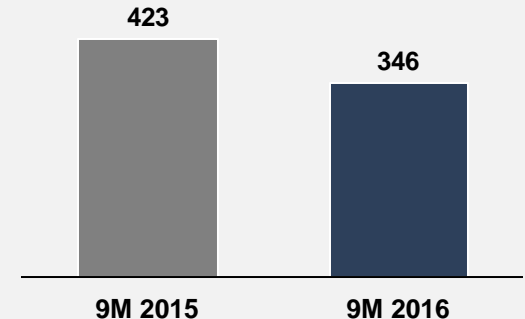
(4) %

(2) % fx-adjusted



EBITDA before special items
(in EUR million)

(18) %



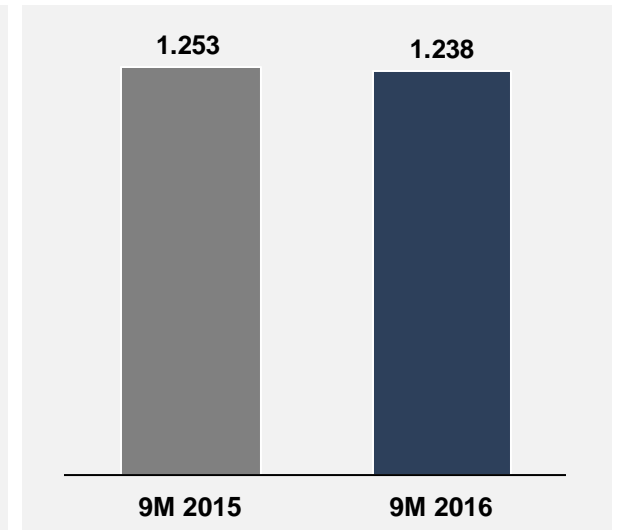
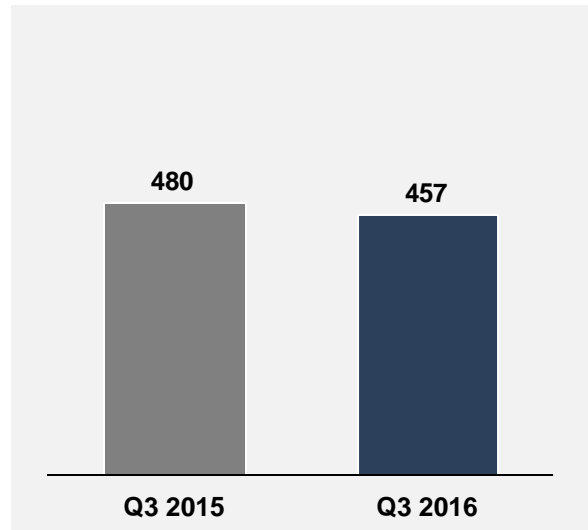
Negative market trends impact performance in Europe

- Overall apparel market very weak in August and September
- Business with tourists declines in all major markets except for the UK
- Negative timing effect in wholesale affects sales in the third quarter

HUGO BOSS Europe sales (in EUR million)

(5) %
(2) % fx-adjusted

(1) %
+1 % fx-adjusted



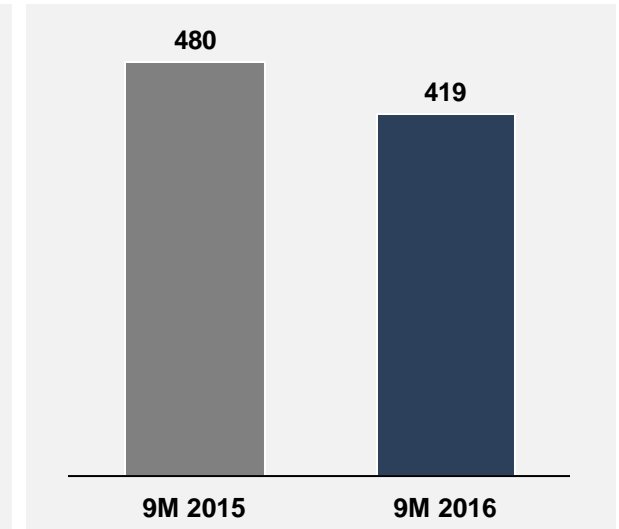
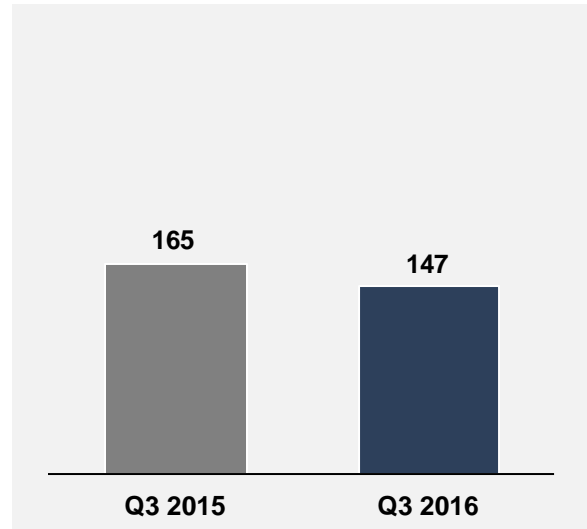
Decline of US business impacts regional performance in the Americas

- 9M sales in the US down 17% currency-adjusted, wholesale down 24%
- Measures taken to structurally improve the quality of the wholesale business account for around half of the sales decline in the channel
- US own retail sales under pressure from traffic shortfalls

HUGO BOSS Americas sales
(in EUR million)

(11) %
(9) % fx-adjusted

(13) %
(10) % fx-adjusted



Mainland China returns to underlying growth in the third quarter

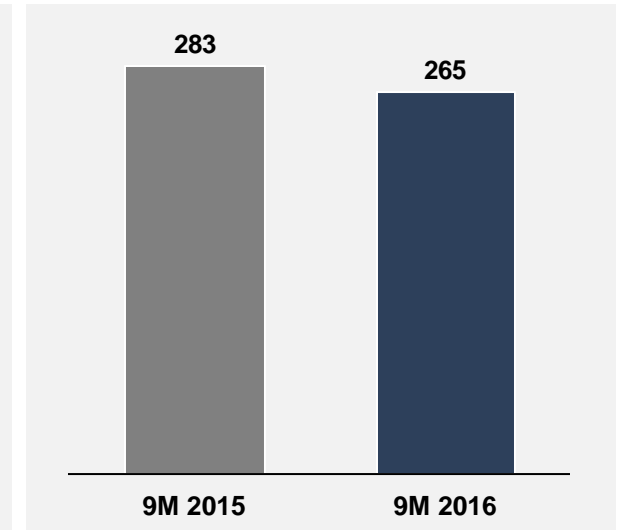
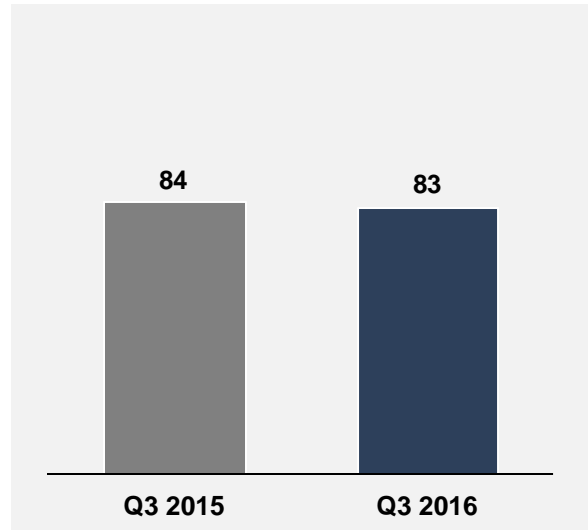
- Sales in Greater China decline 4% in Q3, down 11% year-to-date
- Store closures and decreases in Hong Kong and Macau continue to impact overall market sales
- Comp store sales performance in Mainland China improves strongly in August and September, positive in the quarter

HUGO BOSS Asia/Pacific sales

(in EUR million)

(2) %
(3) % fx-adjusted

(6) %
(5) % fx-adjusted



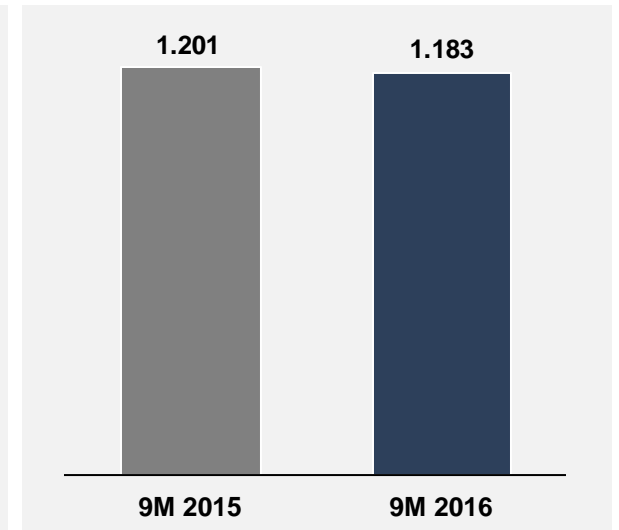
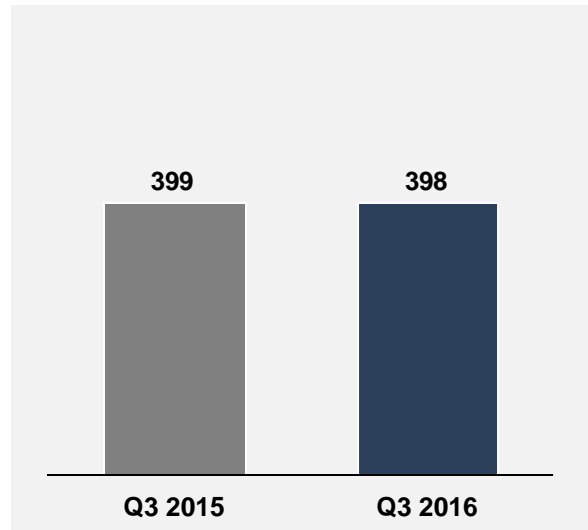
Own retail business up slightly in the first nine months

- Sales contribution from new space more than offsets comp store sales decline of 6% in Q3 (negative 7% in 9M)
- Comp store sales performance in Europe and Asia/Pacific better than the Group average
- Website relaunch and new mobile app to support online sales performance going forward

HUGO BOSS Retail sales (in EUR million)

0 %
+2 % fx-adjusted

(1) %
+1 % fx-adjusted



Streamlining of store network progressing as planned

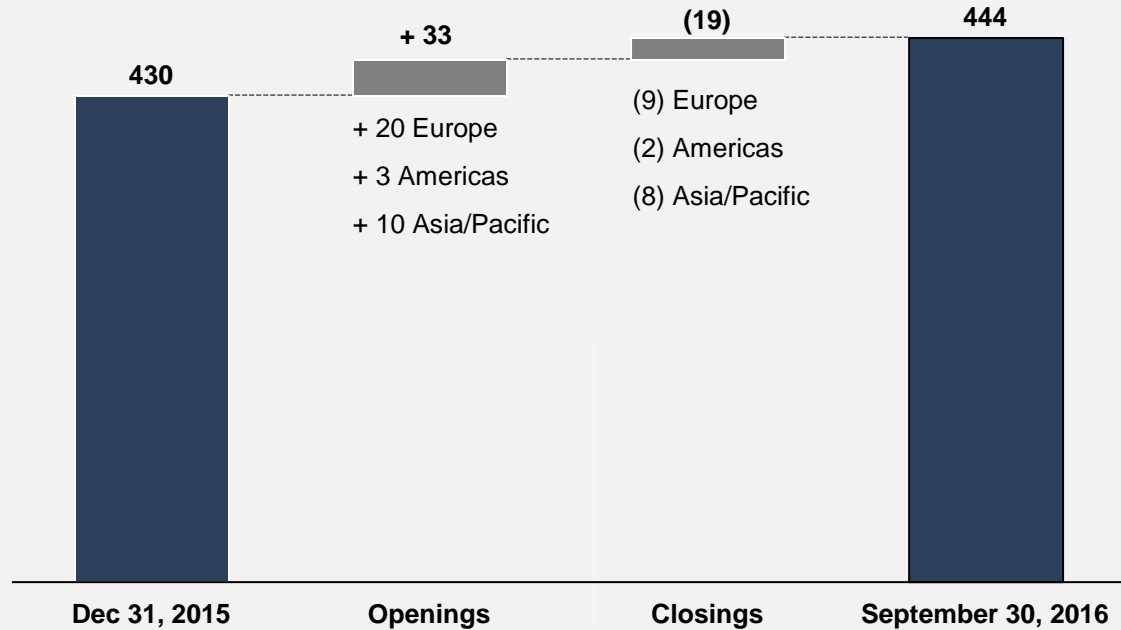
BOSS Store Cannes • Opening: July 2016 •



BOSS Store New York • Opening: August 2016 •



Freestanding Stores



Wholesale sales affected by declines in the US and subdued global market trends

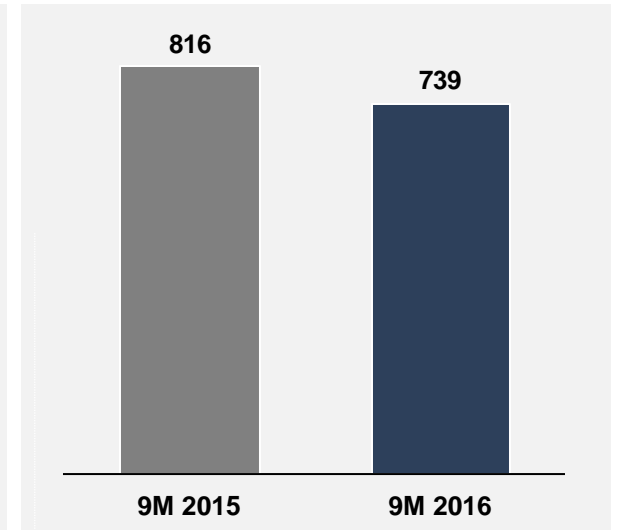
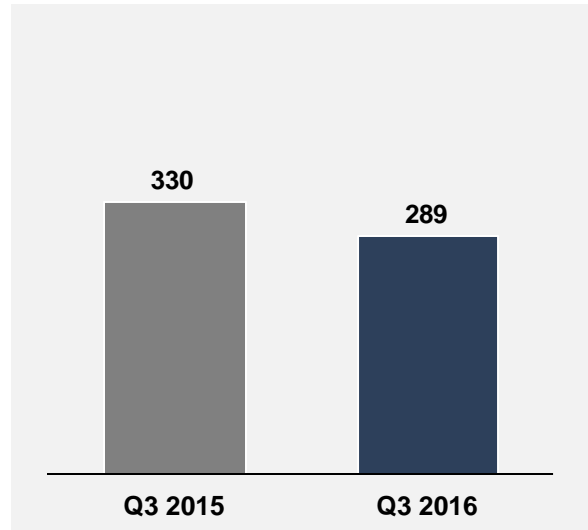
- Distribution changes in the US key driver of declines
- Demand from retail partners weak globally
- Negative timing effect impacts third quarter revenues

HUGO BOSS Wholesale sales

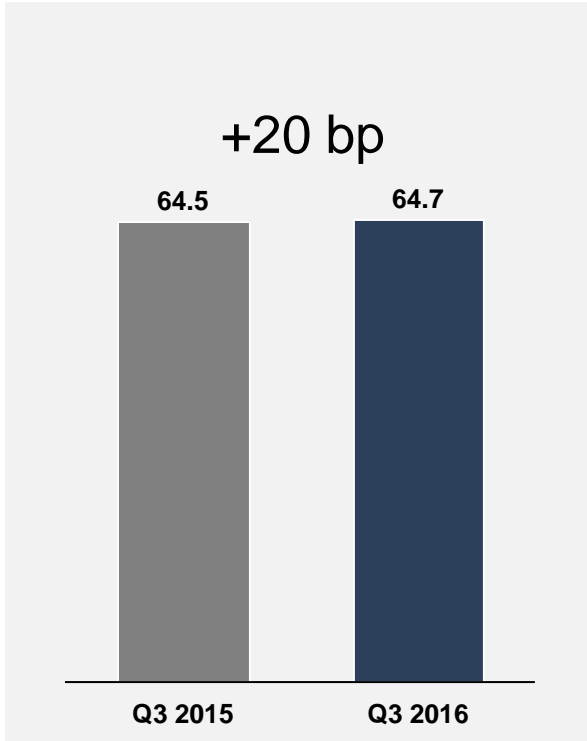
(in EUR million)

(12) %
(11) % fx-adjusted

(9) %
(8) % fx-adjusted

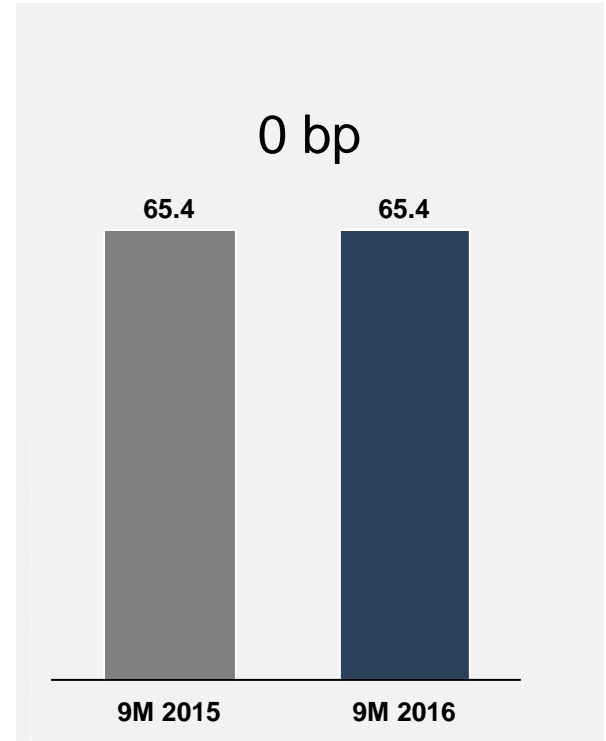


Reduction of rebates supports gross margin in the third quarter



- Positive effect from channel mix and lower rebates in all channels partially offset by negative currency translation effects

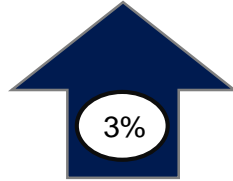
- Positive channel mix effect offset by price adjustments in Asia



Higher than initially planned savings limit operating expense increase

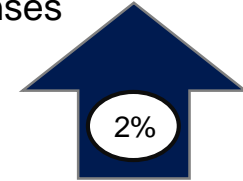
Selling & Distribution expenses

839 EUR million



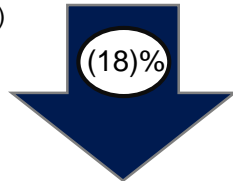
Administration expenses

204 EUR million



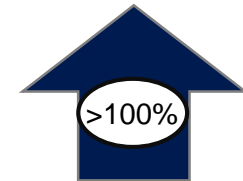
EBITDA (before special items)

346 EUR million



Special Items

66 EUR million



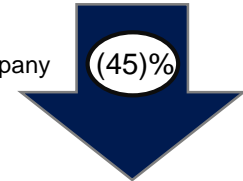
EBIT

179 EUR million



Net income attributable to equity holders of the parent company

130 EUR million



Profitability holds up relatively well in Europe

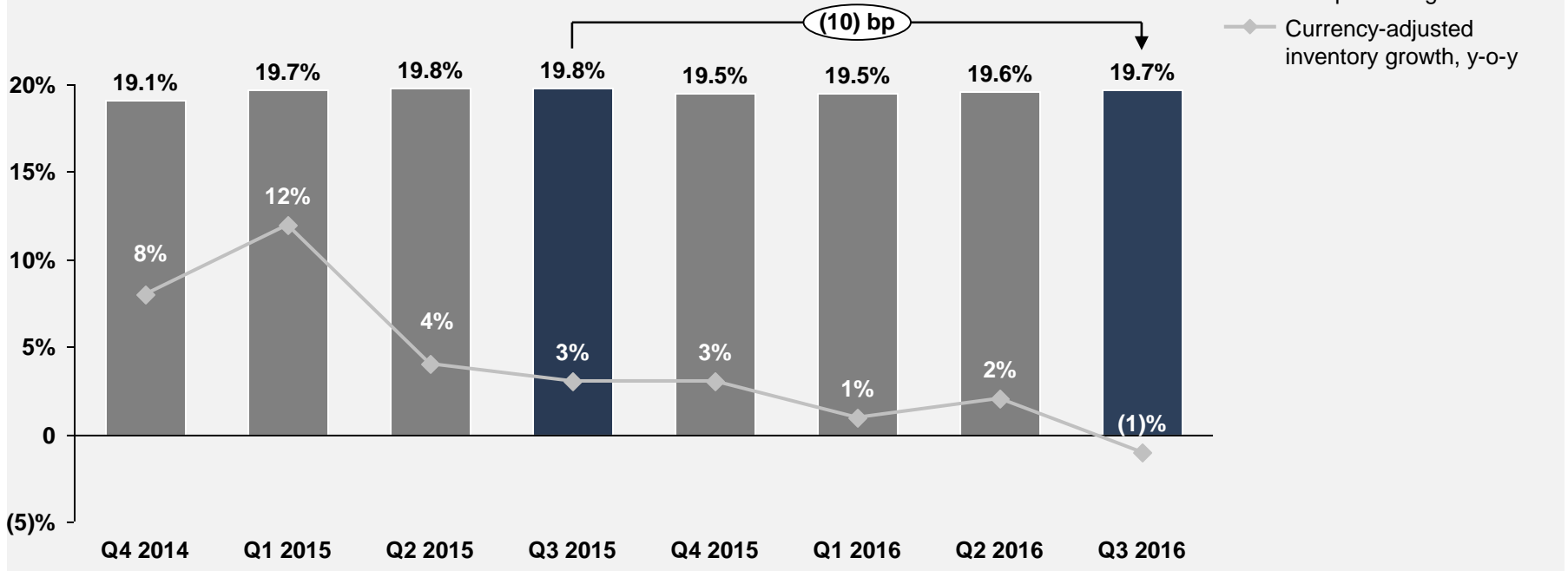
Segment profit

In EUR million	9M 2016	In % of sales	9M 2015	In % of sales	Change in %
Europe*	379.5	30.7	403.9	32.2	(6)
Americas	95.1	22.7	130.1	27.1	(27)
Asia/Pacific	48.0	18.1	70.3	24.8	(32)
Licenses	38.3	81.8	34.6	83.6	11
Segment profit operating segments	560.9	28.5	638.9	31.0	(12)
Corporate units/consolidation	(215.2)		(216.0)		0
EBITDA before special items	345.7	17.6	422.9	20.5	(18)

*Incl. Middle East and Africa

Inventory decline driven by the Americas and Asia/Pacific

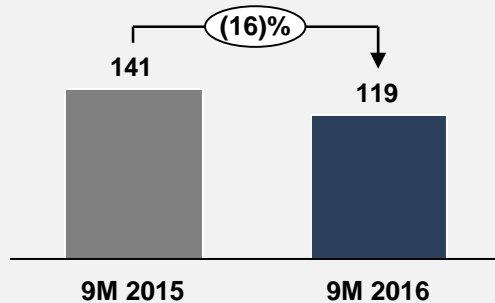
Average trade net working capital as a percentage of sales (in %)
 Currency-adjusted inventory growth, y-o-y



Lower investments contribute to free cash flow increase

Investments

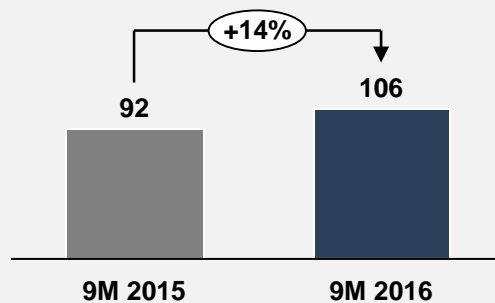
(in EUR million)



- Moderation of retail expansion and non-recurrence of prior year one-time projects

Free cash flow

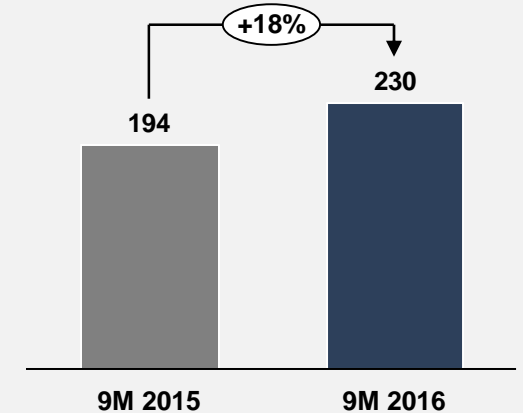
(in EUR million)



- Lower capex and working capital improvements more than offset earnings decline

Net debt

(in EUR million)



- Increase due to earnings decline and dividend payment in May

HUGO BOSS reconfirms sales and profit outlook for 2016

Outlook 2016

Sales (currency adjusted)	Stable or decline by up to 3%
Gross margin	Stable
EBITDA before special items	Decrease between 17% and 23%
Capex	EUR 160 million to EUR 180 million
Free cash flow	Stable

- Wholesale sales decline of up to 10% to weigh on Group sales performance
- Greater benefit from cost savings supports earnings and free cash flow outlook



Recent performance highlights success of cost saving and efficiency plan



- Price adjustments in Asia are starting to pay off
- Measures initiated in Spring to protect earnings and free cash flow have proven successful
- Strategic plans for the medium- and long-term to be presented at upcoming Investor Day

Questions & Answers

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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