

H U G O B O S S

Investor Day 2016 – Agenda

- | | |
|---------------------------------|-----------------------------------|
| ▶ Group Strategy | Mark Langer (CEO) |
| ▶ Brand Strategy | Ingo Wilts (CBO) |
| ▶ Sales & Distribution Strategy | Bernd Hake (CSO) |
| ▶ Digital Strategy | Richard Lloyd-Williams (Director) |
| ▶ UK Market Update | Stephan Born (MD) |
| ▶ US Market Update | Anthony Lucia (MD) |
| ▶ China Market Update | Marc le Mat (MD) |
| ▶ Wrap-Up & Outlook | Mark Langer (CEO) |



Brand Strategy

Ingo Wilts

Chief Brand Officer

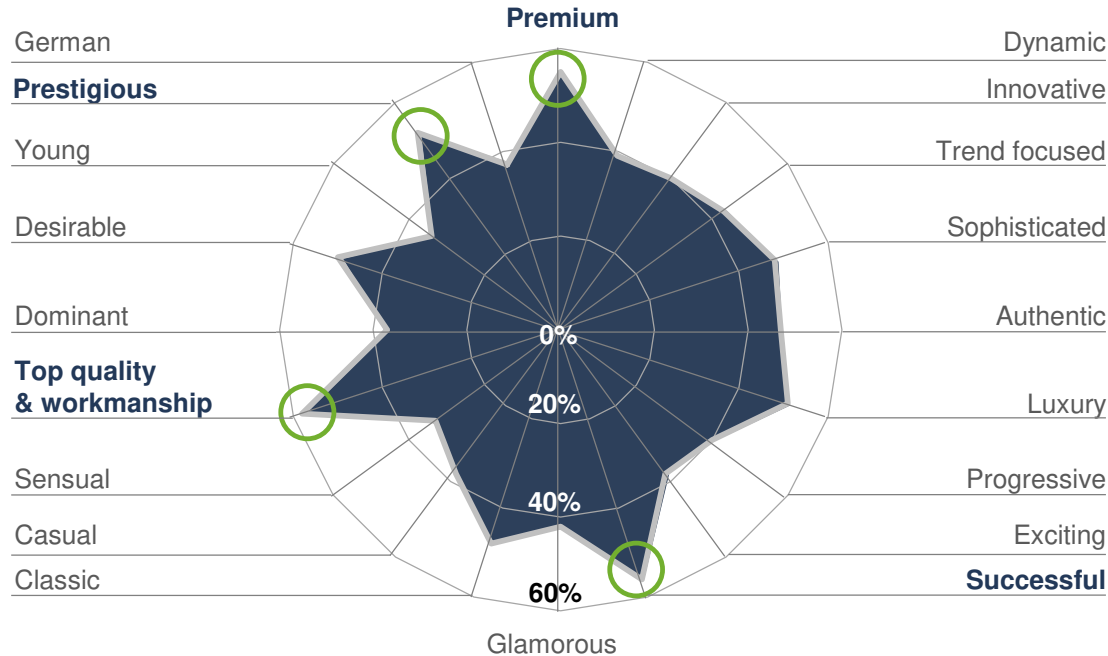


REFOCUS THE BRAND

We have managed to establish a strong global brand

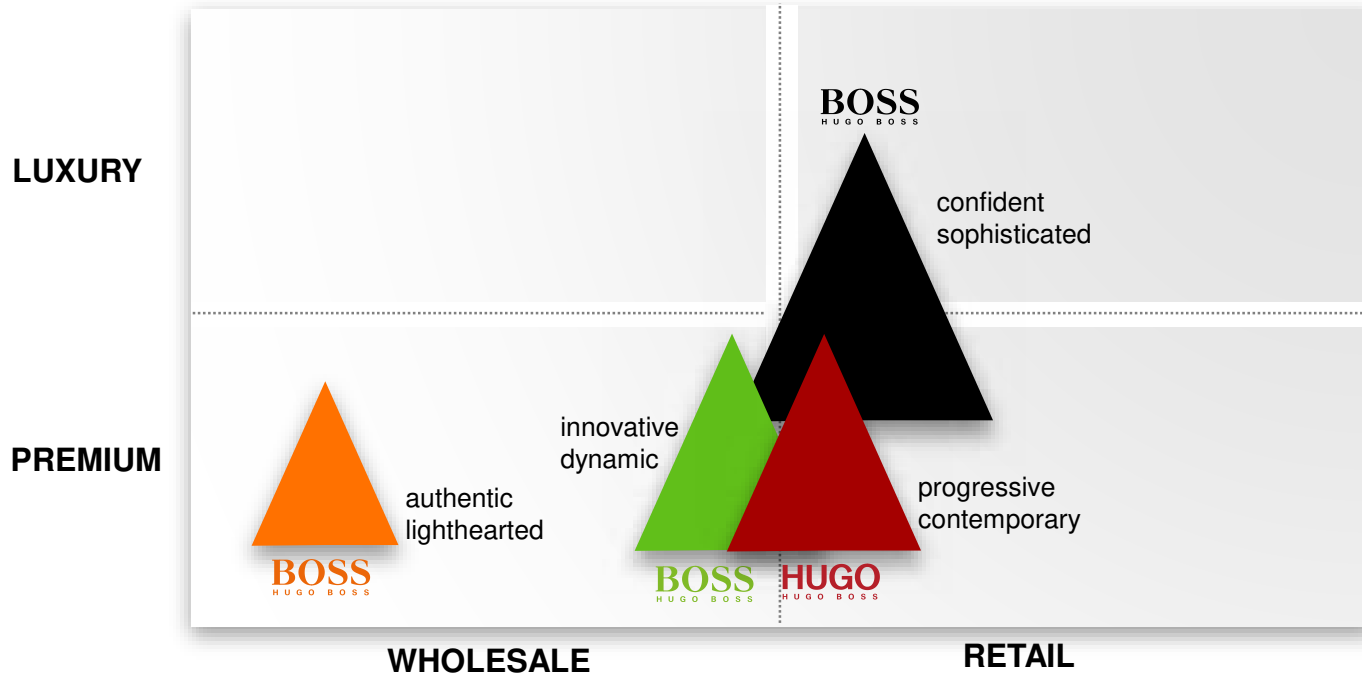


Our brand is closely associated with four key attributes



The overall brand stands for
Top Quality and Workmanship
 and is perceived as
Successful, Prestigious and Premium

However, the complexity of our brand portfolio has led to confusion among our customers



Key concerns:

- Brand DNAs not sufficiently clear
- High levels of brand and product complexity
- Brand differentiation unclear

From a product & distribution-led brand portfolio to a customer-centric approach

Fashion level

A large variety of customers with different expectations, needs and shopping behavior

Extravagant

Edgy

Fashionable

Modern

Classic



Formal

Business

Business
Casual

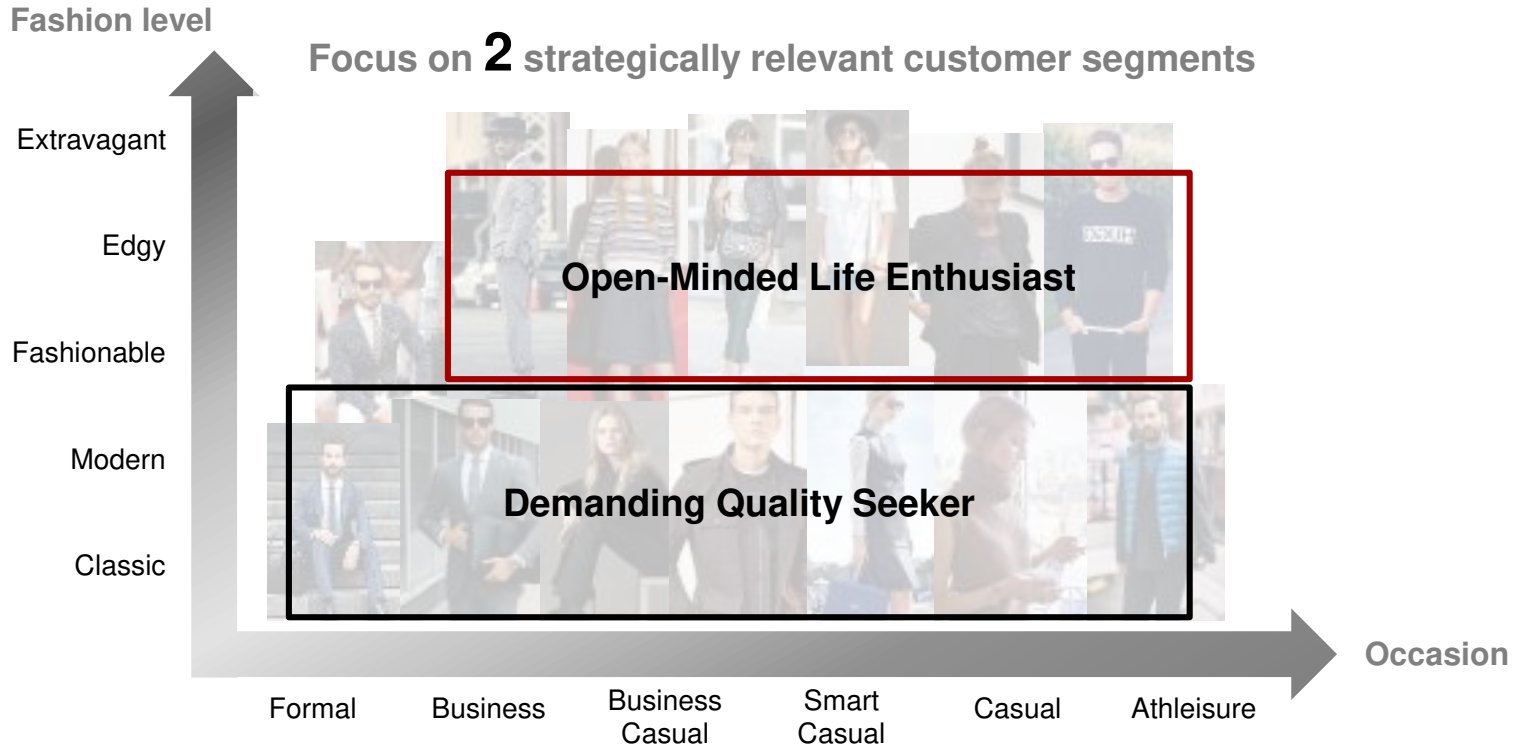
Smart
Casual

Casual

Athleisure

Occasion

From a product & distribution-led brand portfolio to a customer-centric approach



Demanding Quality Seeker



Attitude	Status-oriented, traditional, rational
Style	Classic, modern, sophisticated
Expectations	Top quality, personal assistance
Shopping	Retail & department stores, online
Purchase frequency	Low - Medium
Price per unit	High

Open-Minded Life Enthusiast



Attitude	Open-minded, individual, spontaneous
Style	Fashionable, progressive, contemporary
Expectations	Latest fashion trends, urban atmosphere
Shopping	Online, mobile, retail & department stores
Purchase frequency	High
Price per unit	Medium

Demanding Quality Seeker



BOSS
HUGO BOSS

**Be relevant and desirable for
demanding quality seekers**

Open-Minded Life Enthusiast



HUGO
HUGO BOSS

**Establish HUGO as a strong brand
for open-minded life enthusiasts**

Demanding Quality Seeker



Estimated number of consumers:
50-70 Mill.

Estimated market size:
€ 230-320 Bill.

Open-Minded Life Enthusiast



Estimated number of consumers:
90-110 Mill.

Estimated market size:
€ 210-250 Bill.

BOSS
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**Be relevant and desirable for
demanding quality seekers**




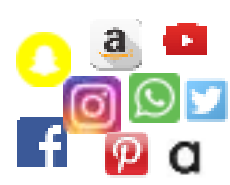




HUGO
HUGO BOSS

**Establish HUGO as a strong brand
for open-minded life enthusiasts**

The world of the BOSS customer

		
Home	Job	Friday Night
		
Online	Style	Shopping
		
Restaurants		

The world of the HUGO customer

		
Home	Job	Friday Night
		
Online	Style	Shopping
		
		Restaurants

Two strong brands with distinctive cores



Brand values	Top quality, sharp tailoring, clear designs
Brand message & USP	BOSS offers confident business wear and refined casual wear for sophisticated customers who want to be impeccably dressed for every situation
Brand personality	Successful, confident, sophisticated, reliable, responsible, authentic, dynamic, quality-oriented
Pricing	Upper premium



Brand values	Progressive & contemporary design, expressive fashion statement
Brand message & USP	HUGO offers designer clothes at an affordable price which give the wearer a 24-hour look
Brand personality	Spontaneous, individual, contemporary, trend-oriented, creative, fashion-forward, experimental
Pricing	Premium

Price positioning

Upper
Premium

BOSS
HUGO BOSS

Premium

HUGO
HUGO BOSS

Two competitive environments



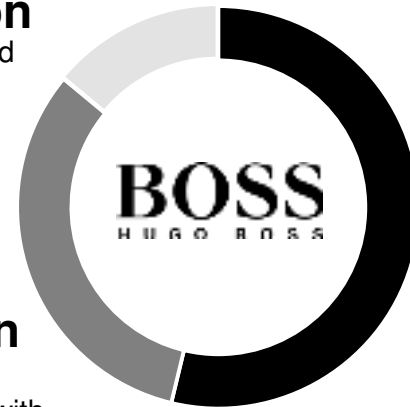
The world of BOSS



Focus on timeless quality and modern elegance

Fashion

Drives brand desirability



Classic

Drives sales volumes

Modern

Enriches collections with relevant, modern pieces

BOSS: Impeccably dressed whatever the occasion



BUSINESS



SMART CASUAL



ATHLEISURE

BOSS strives to be the industry's leader in terms of quality



Leading price-value relationship



Strict design-to-value approach



The perfect combination of craftsmanship and modern engineering

The world of HUGO



Focus on fast-moving fashion trends

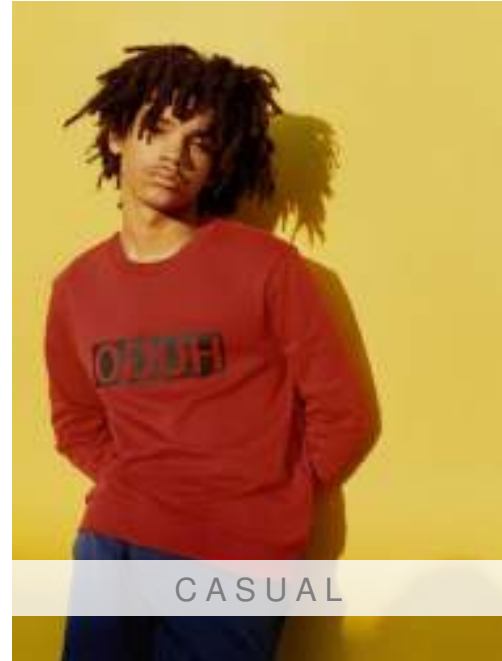
Fashion
Offers wide range of latest fashion trends



Classic
Complements collections with HUGO basics

Modern
Commercializes modern style trends

HUGO: Designer clothes at an affordable price



Womenswear continues to be an important part of our business

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BUSINESS



CASUAL

HUGO
HUGO BOSS



BUSINESS



CASUAL

Communication strategy

Two distinctive communication strategies targeting two different customer segments



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- Focus on **traditional and digital** communication channels
- **Sport & art** sponsorship
- **Sophisticated, confident and quality orientated** visual language across all consumer touchpoints
- Brand ambassadors relevant to the target group

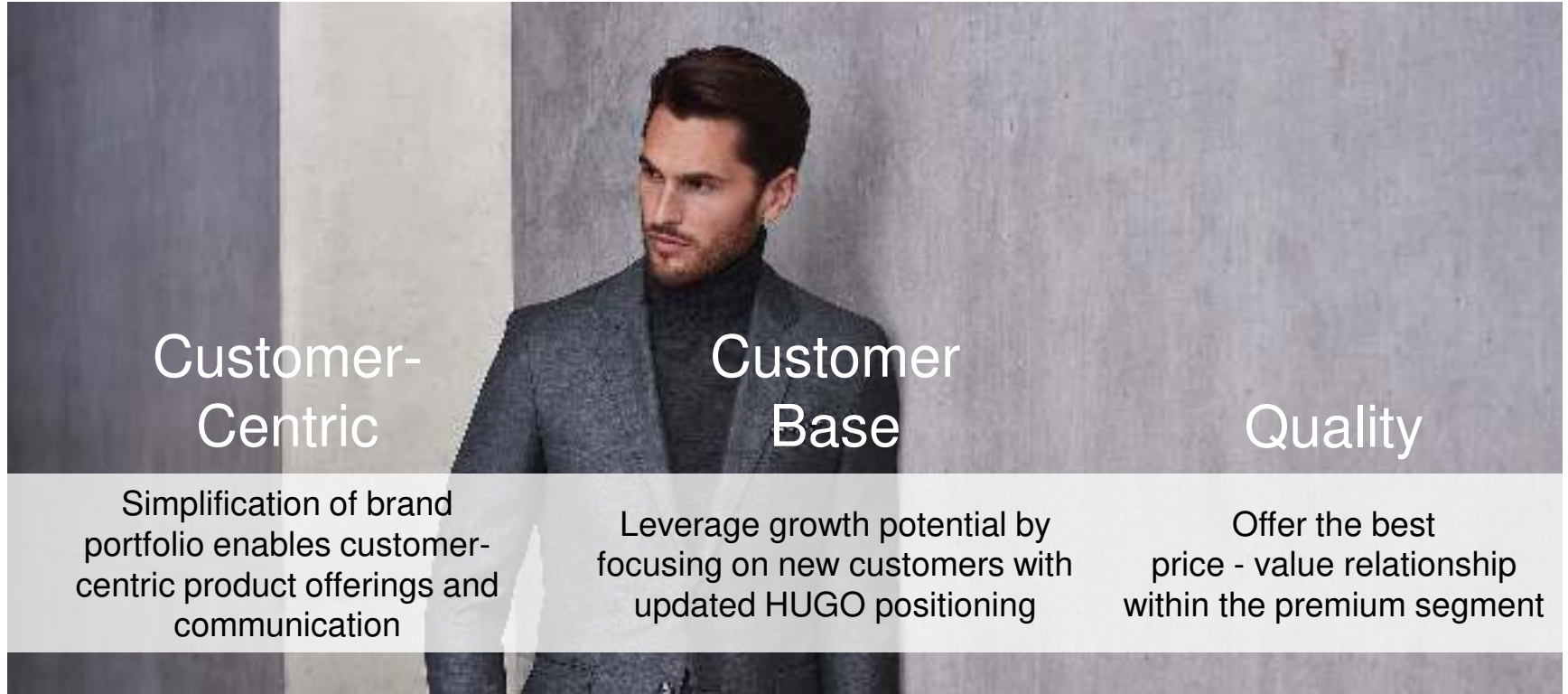


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- Focus mainly on **digital** communication channels
- **Film & music** sponsorship
- **Progressive, contemporary and fashionable** visual language across all consumer touchpoints
- Brand ambassadors relevant to the target group



Key messages



<h3>Customer-Centric</h3>	<h3>Customer Base</h3>	<h3>Quality</h3>
<p>Simplification of brand portfolio enables customer-centric product offerings and communication</p>	<p>Leverage growth potential by focusing on new customers with updated HUGO positioning</p>	<p>Offer the best price - value relationship within the premium segment</p>

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