

H U G O B O S S

Investor Day 2016 – Agenda

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|---------------------------------|-----------------------------------|
| ▶ 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) |

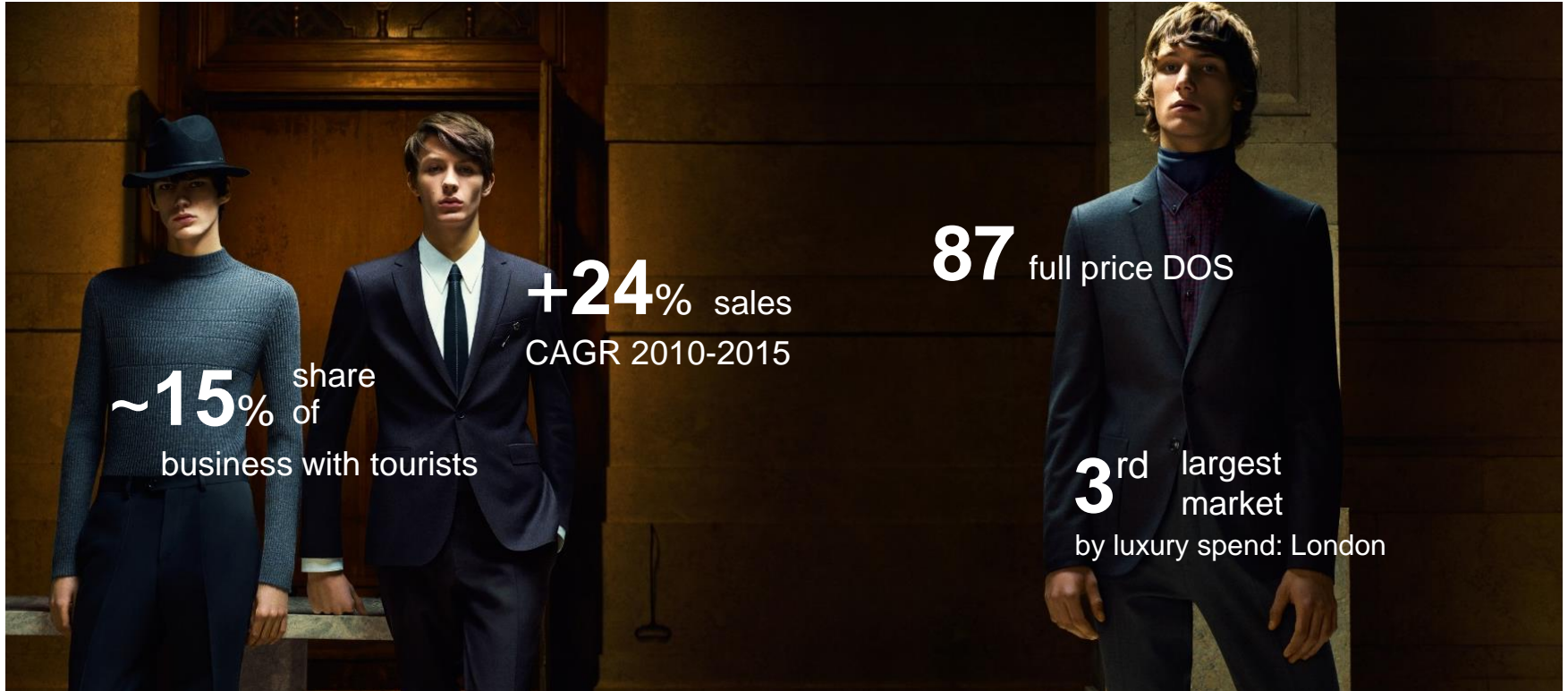


UK Market Update

Stephan Born

Managing Director UK

Key market data

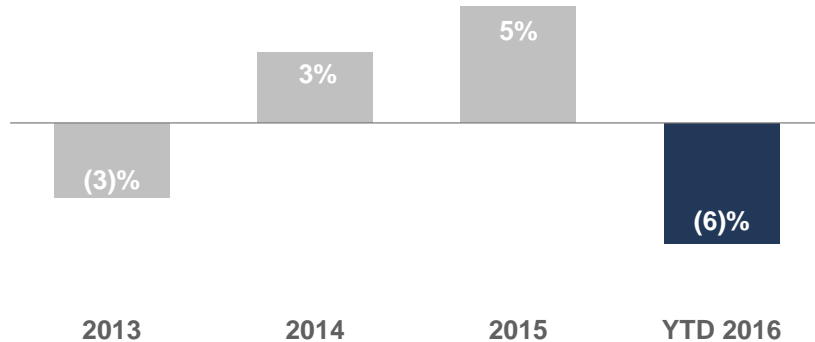


Market presence

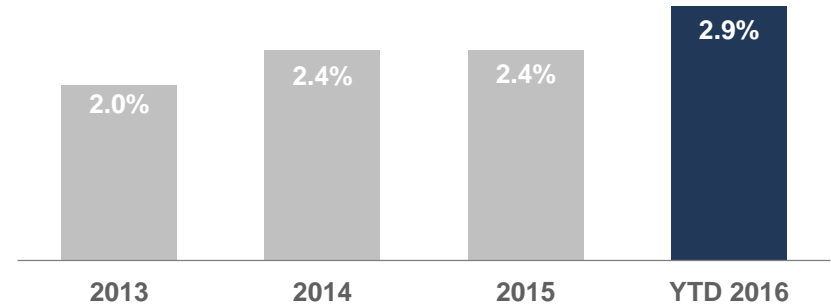


UK branded apparel market growth has slowed most recently

UK branded apparel market¹ (in %)



HUGO BOSS market share¹ (in %)

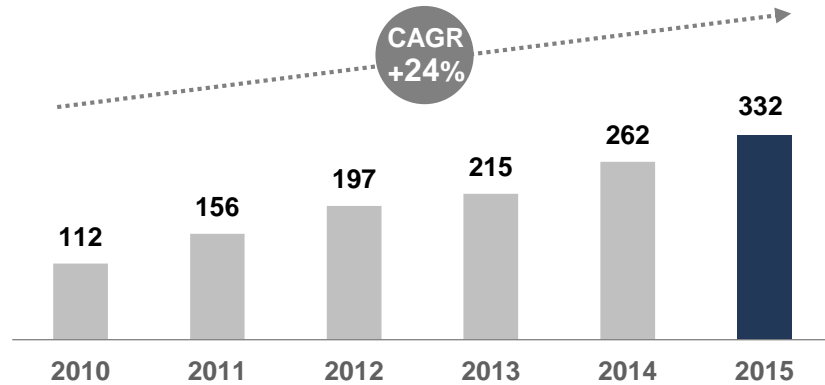


- Market has deteriorated since the beginning of 2016
- Brexit and threat of terrorism have caused consumer uncertainty
- Growing tourist demand following the GBP depreciation supports the luxury end of the market

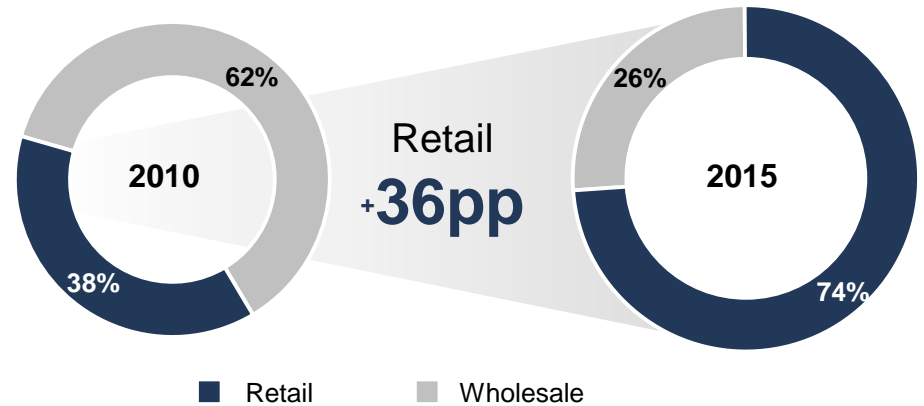
¹ Source: Kantar

Business model has been transformed successfully

Sales (in EUR million)



Sales by channel (in %)



- Most dynamic business model transformation in the European region
- Business driven primarily by local consumers
- Remaining wholesale business focused on key premium and luxury players as well as online

BOSS is perceived as a modern and authentic premium brand in the UK



- High brand awareness with strong brand loyalty and recommendation rates
- A higher proportion of customers who are some of the most financially successful people in the UK
- Armani and Ralph Lauren are seen as most relevant competitors

New BOSS brand strategy builds on the strengths of the brand in the UK market



- Expansion of well-performing entry price point styles will further drive success
- Expansion and upgrade of casualwear addresses shift of consumer preferences towards this category
- Athleisure offers tremendous growth potential

HUGO equips us to effectively address a younger brand audience

- Fragrance business has built strong brand recognition for HUGO in the UK
- The addressable market for HUGO in the UK is large and highly attractive
- Opens up new growth opportunities in wholesale and own retail



Best in class retail management to drive further sales productivity gains

Operational Excellence

Customer Experience

Training & Development

Talent Management



Deep customer insights enable location-specific merchandising strategy



- Strong business with locals
- High demand for casualwear and athleisure
- Offers BOSS, BOSS Orange and BOSS Green
- Focus on entry price points

- Strong business with tourists
- High demand for formalwear and womenswear
- Offers BOSS and HUGO
- Focus on upper premium price points

New season launch events to improve customer experience

- Marketing spend prioritizes in-store activities
- New season launch events for top customers received very well
- Local sponsorships generate high media interest (Ascott, Wentworth and others)

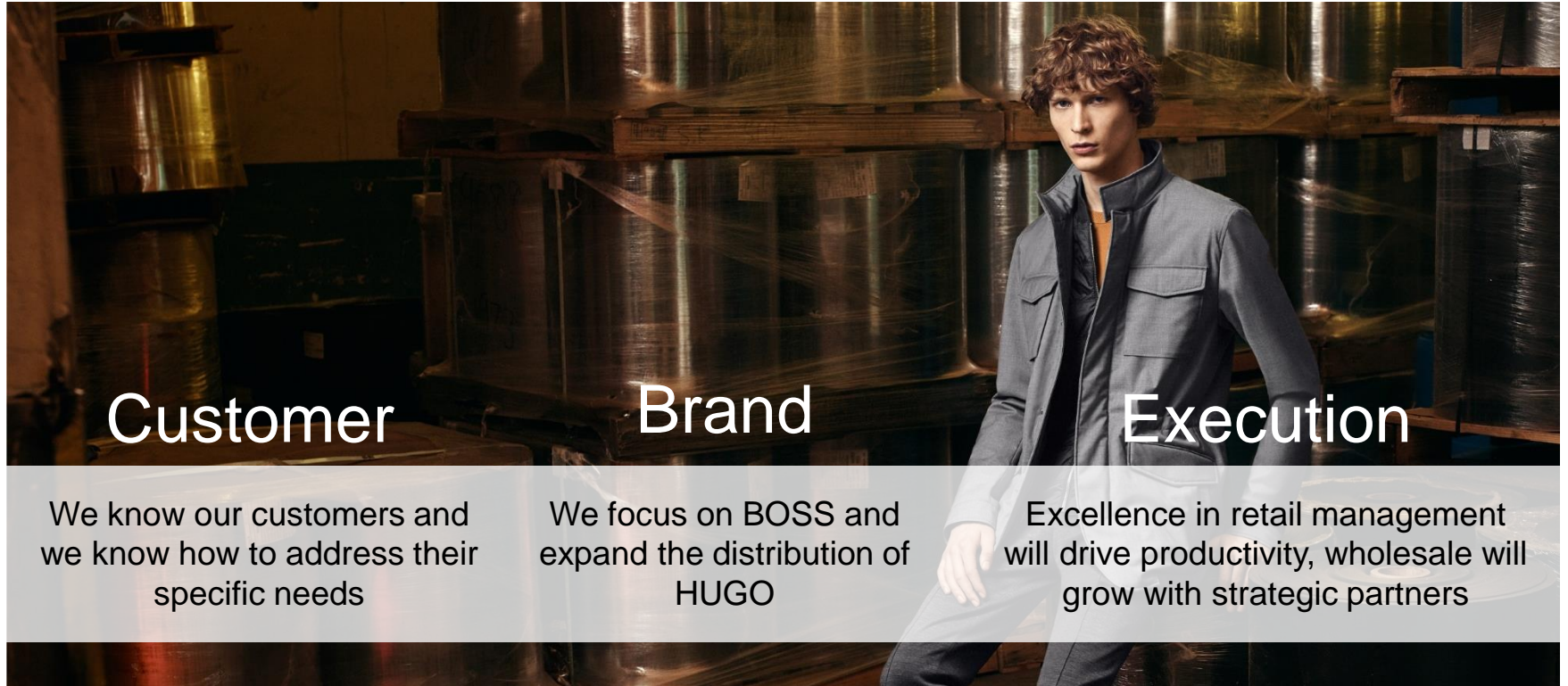


Successful introduction of omnichannel services at key locations



- Further rollout of omnichannel services offers significant growth potential
- Extensive organizational preparation
- Positive initial customer feedback

Key messages



Customer	Brand	Execution
We know our customers and we know how to address their specific needs	We focus on BOSS and expand the distribution of HUGO	Excellence in retail management will drive productivity, wholesale will grow with strategic partners

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