

H U G O B O S S

A man in a dark grey checkered suit, white shirt, and black tie is walking towards the camera in a bright, minimalist hallway. He is carrying a black bag in his right hand. The hallway has white walls and a light-colored floor. The lighting is soft and even.

Third Quarter Results 2017

HUGO BOSS

HUGO BOSS records solid sales increase in the third quarter

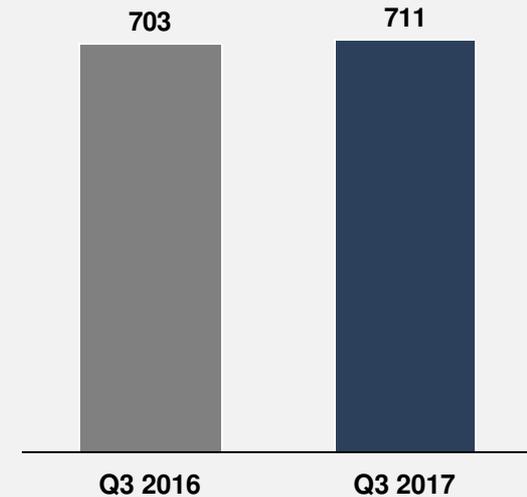
- Improved sales momentum in own retail
- Healthy increases in Europe and China
- US retail business returns to comp store sales growth

Group Sales

(in EUR million)

+1 %

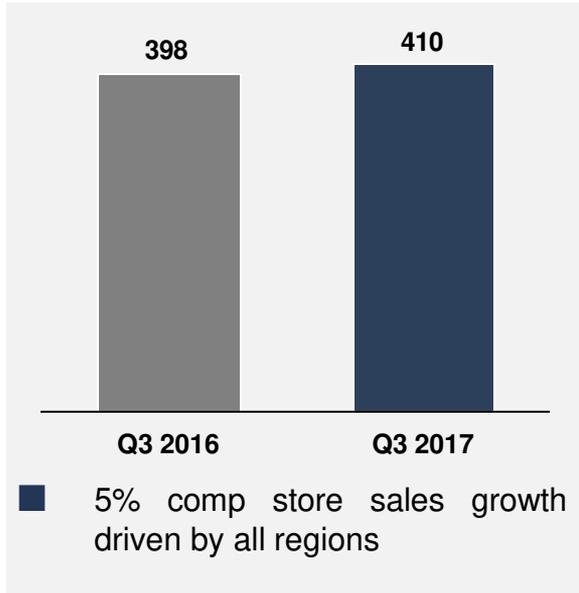
+3 % fx-adjusted



Pace of growth in own retail accelerates

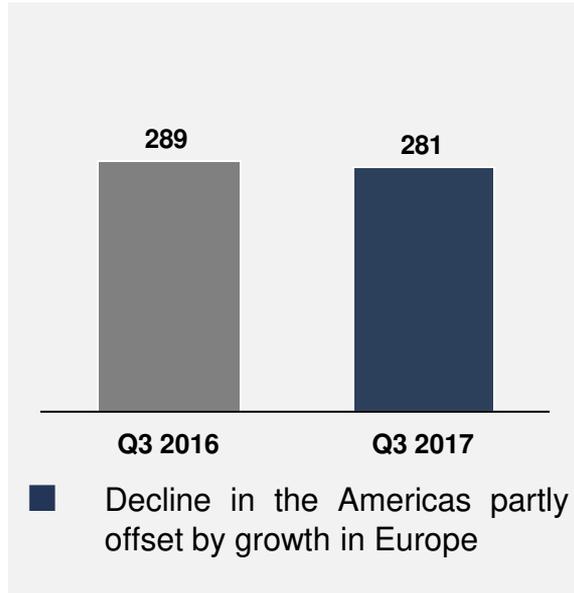
Retail Sales*

+3 %
+6 % fx-adjusted



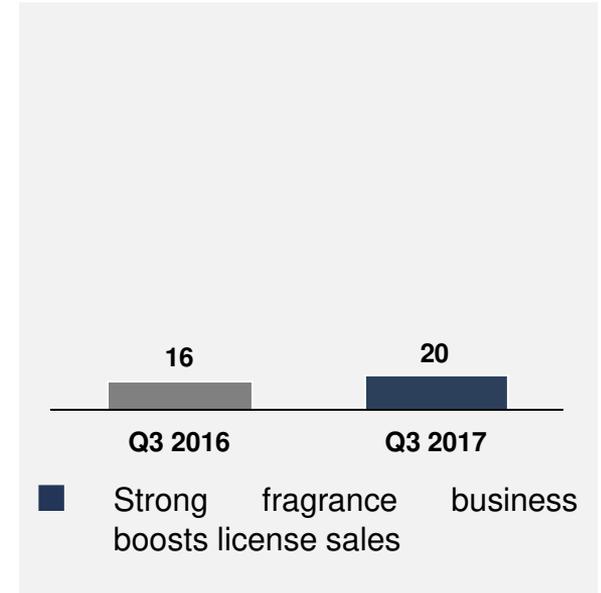
Wholesale Sales*

(3) %
(1) % fx-adjusted



License Sales*

+24 %
+24 % fx-adjusted



*in EUR million

Sales and earnings increase in the first nine months

Group Sales (Jan. - Sep. 2017)

1.998 Mio. EUR  **+2%**
+2% fx-adjusted

EBITDA (before special items)

348 Mio. EUR  **+1%**

Net income

186 Mio. EUR  **+43%**

Sales by Region (Jan. - Sep. 2017)

Europe   **+2%**
+3% fx-adjusted

Americas   **(2)%**
(3)% fx-adjusted

Asia/Pacific   **+4%**
+5% fx-adjusted



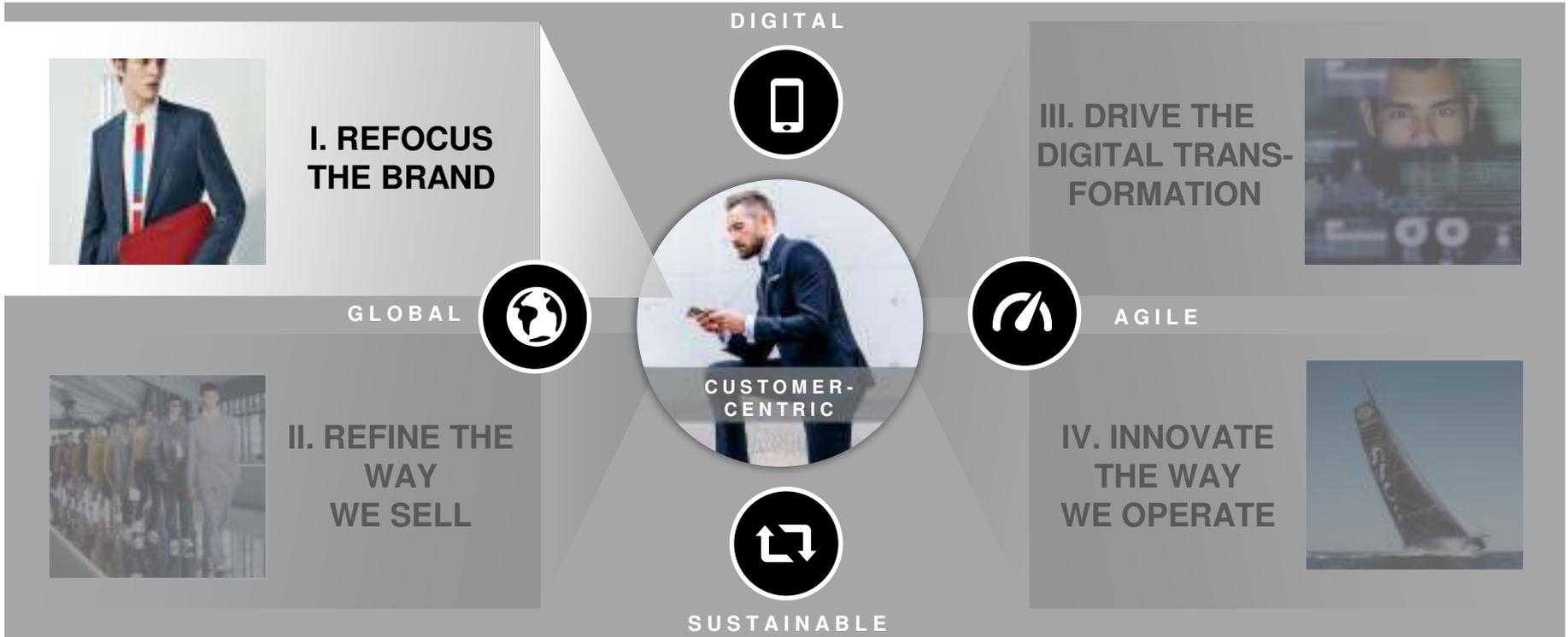
Group Strategy Update

HUGO BOSS

Group strategy focuses on four fields of action



Strategic Fields of Action



Two brands: BOSS and HUGO

#THISISBOSS



TWO BRANDS

#IAMHUGO



TWO TARGET CUSTOMERS

TWO BRAND IDENTITIES

BOSS: Upgrade of casualwear and new interpretation of formalwear

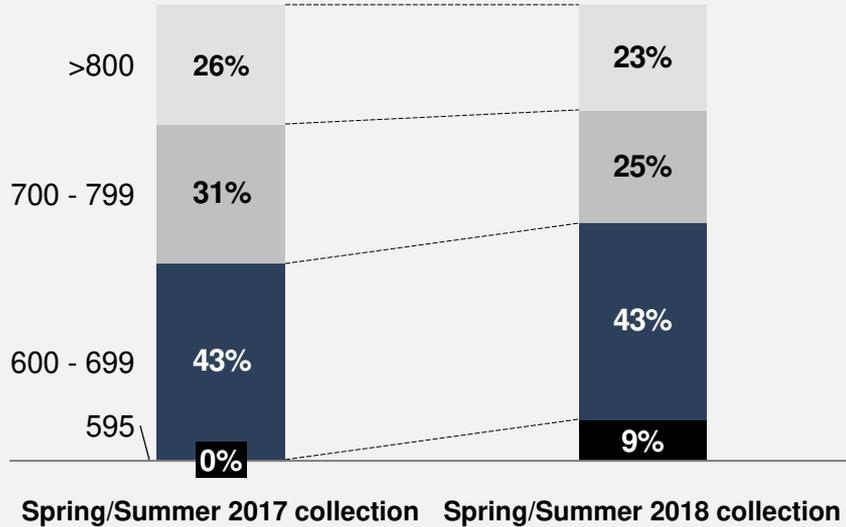
Split of BOSS brand sales by segment
In EUR billion



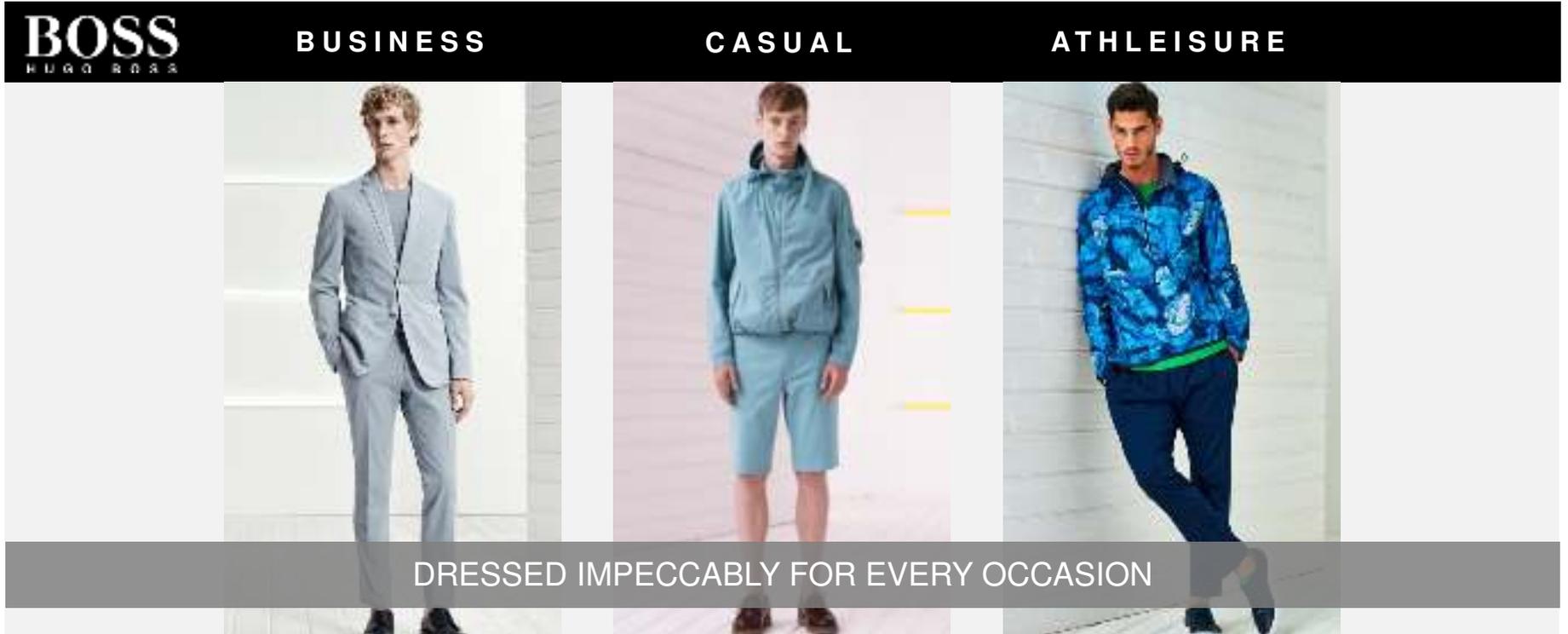
BOSS: Rebalanced offer takes advantage of BOSS core strength in upper premium

Suit offer by price point

Based on number of styles offered in France, in % of total



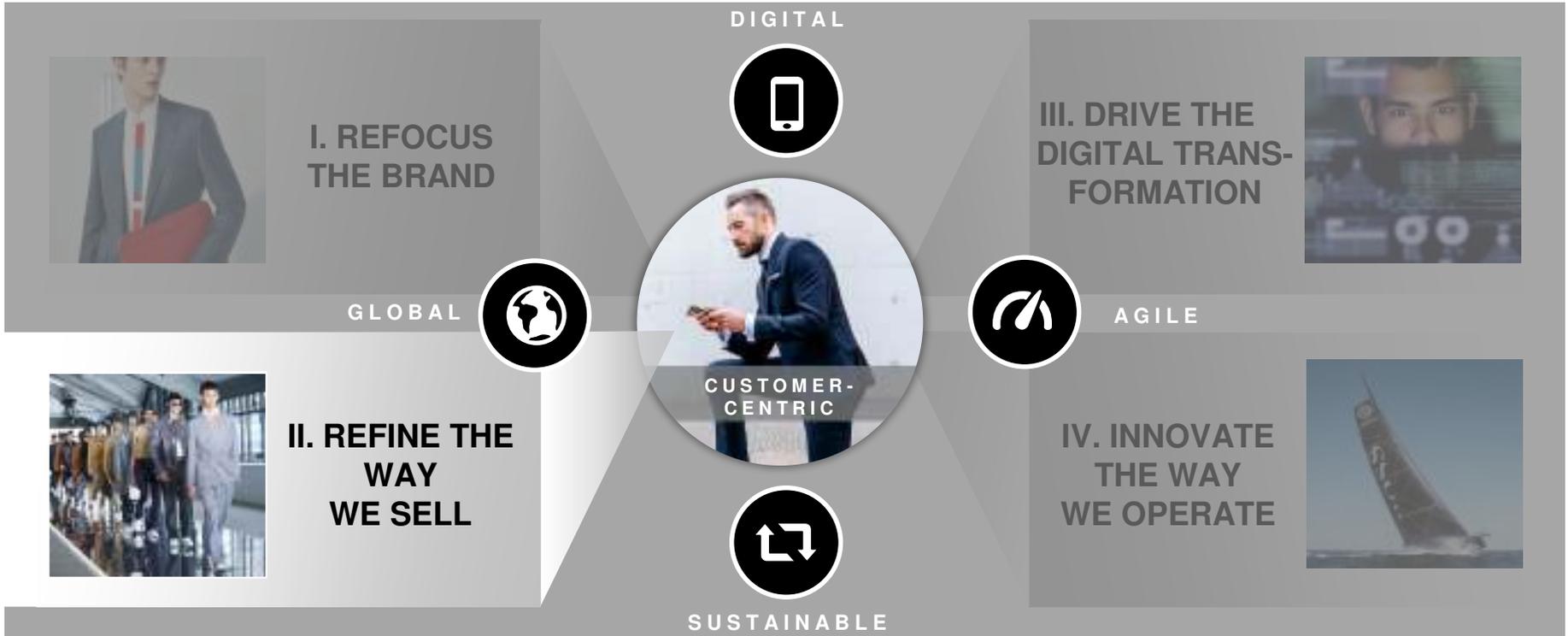
BOSS Menswear collection spans three wearing occasions



HUGO: Refined brand positioning receives strong feedback



Strategic Fields of Action



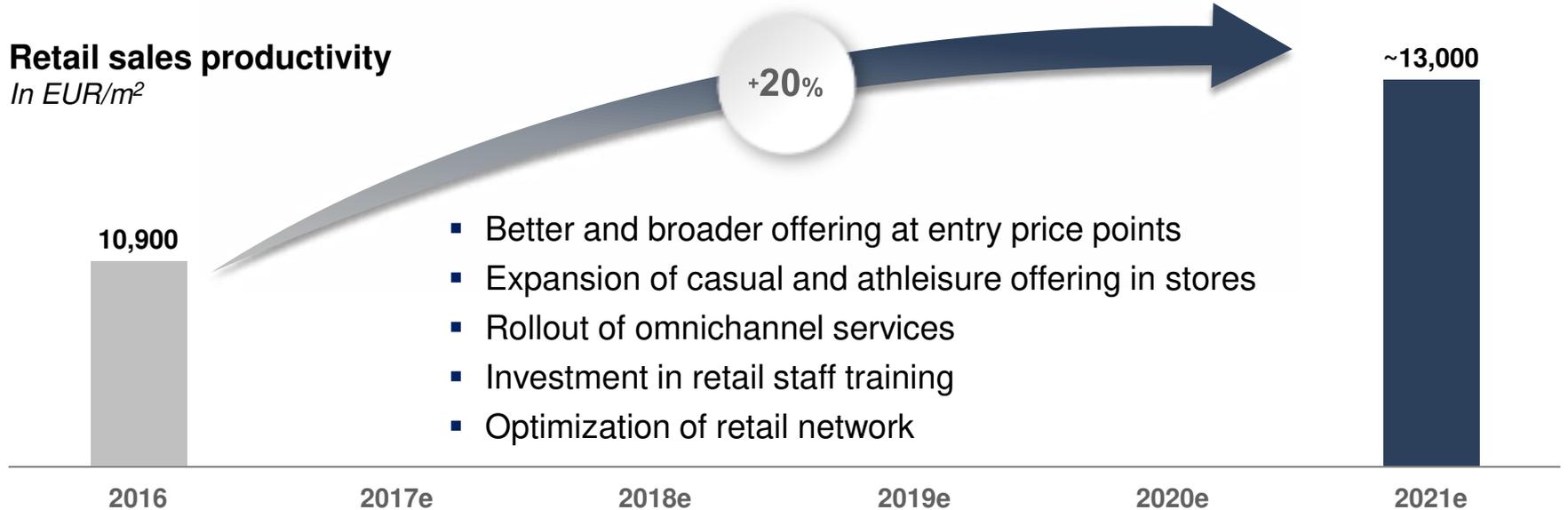
Three key distribution priorities

1 Increase own retail sales productivity

2 Exploit the full potential of online

3 Further integrate distribution across all channels

Retail sales productivity In EUR/m²

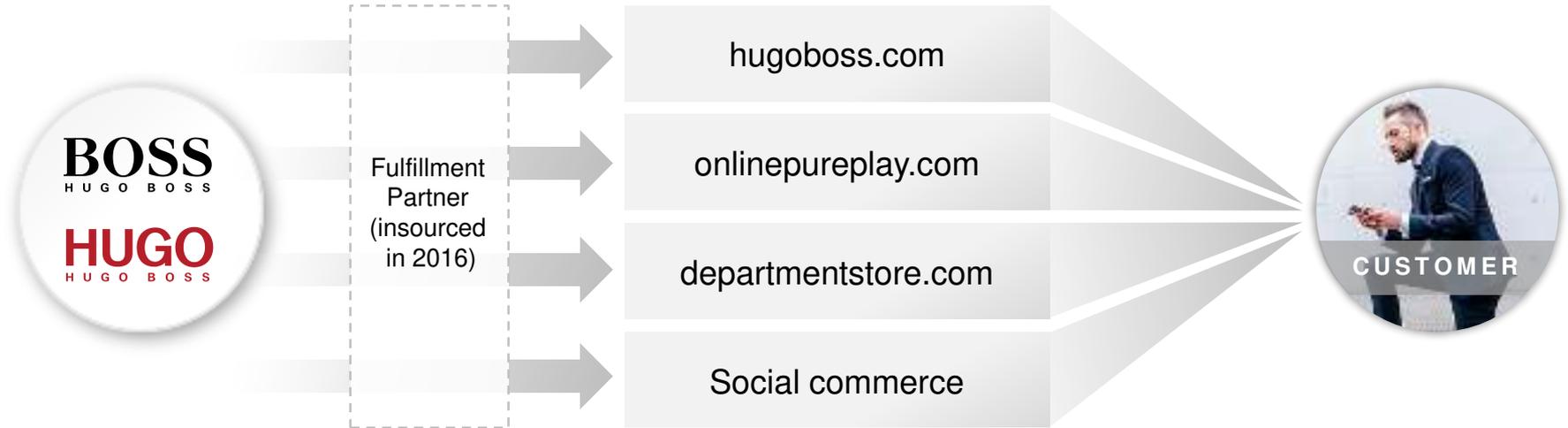


Three key distribution priorities

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Three key distribution priorities



Increase own retail sales productivity



Exploit the full potential of online

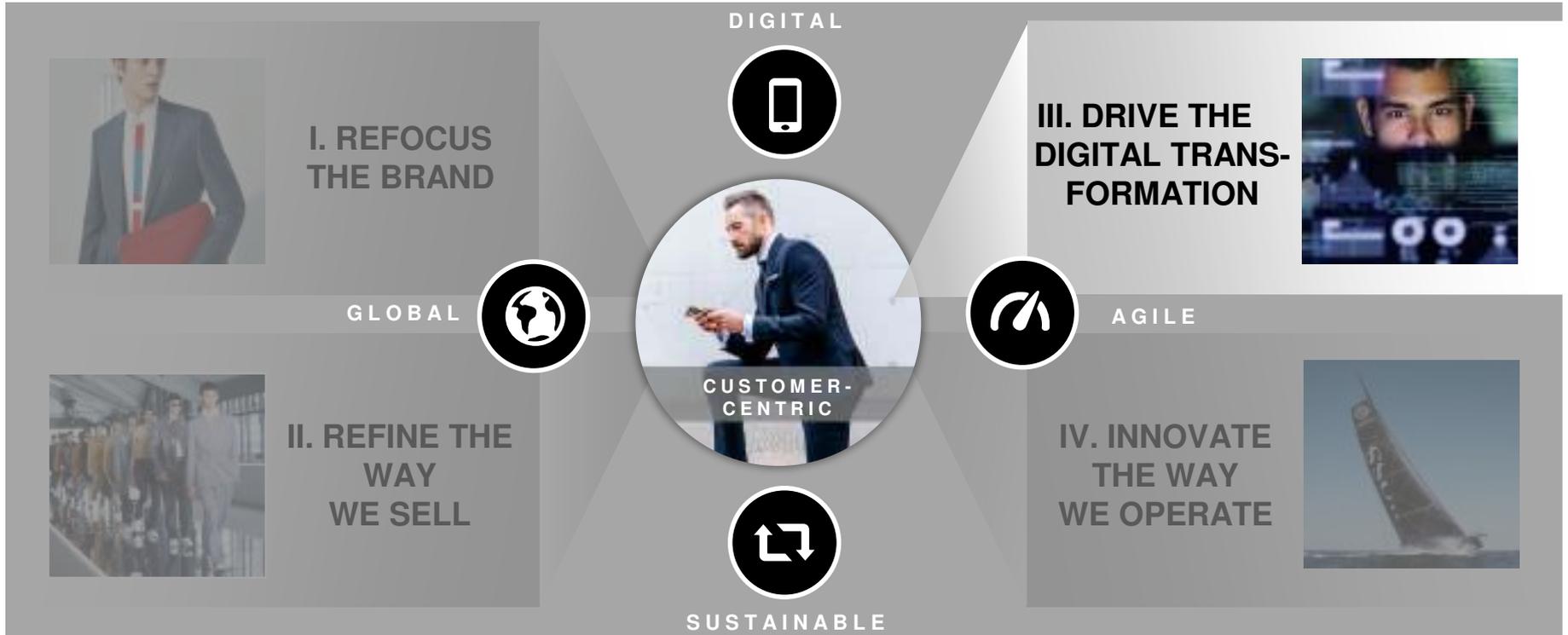


Further integrate distribution across all channels

90

% of European retail business omnichannel-enabled

Strategic Fields of Action



Digital transformation comprises the entire value chain



**Product & collection
development**



**Sourcing
and production**



**Distribution
and logistics**

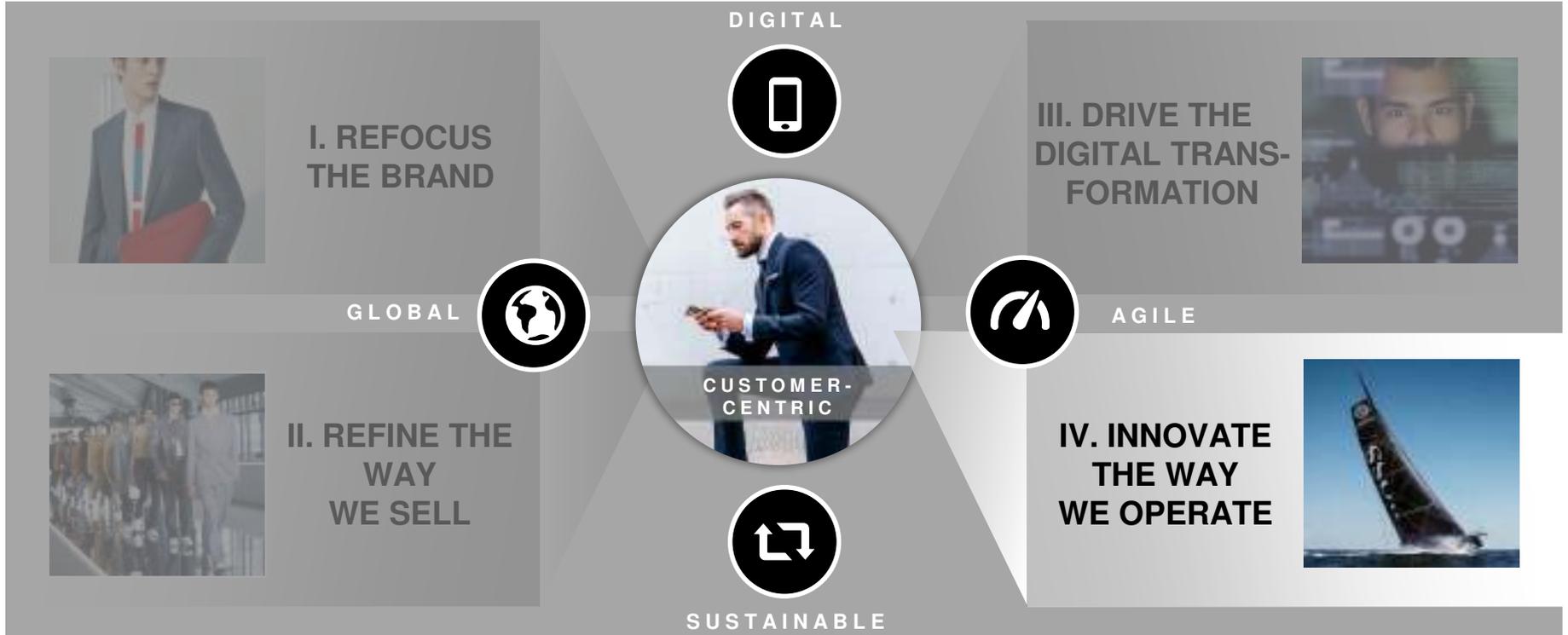


**Own retail and
wholesale distribution**

New store concepts create strong link between physical and digital retailing



Strategic Fields of Action



Digital showroom development demonstrates adoption of new ways of working



- Strict focus on customer value
- Delegation of decision making power
- Use of Scrum methodology

Speed drives commercial success



New Chief Financial Officer Yves Müller took office in December 2017

Responsibilities // Controlling, Finance, Central Services,
Investor Relations and IT

2006 – 2017: CFO at Tchibo

1999 – 2006: Head of group accounting and IT at Tchibo

1994 – 1999: Auditor at Arthur Andersen



Operating profit to remain on prior year level in 2017

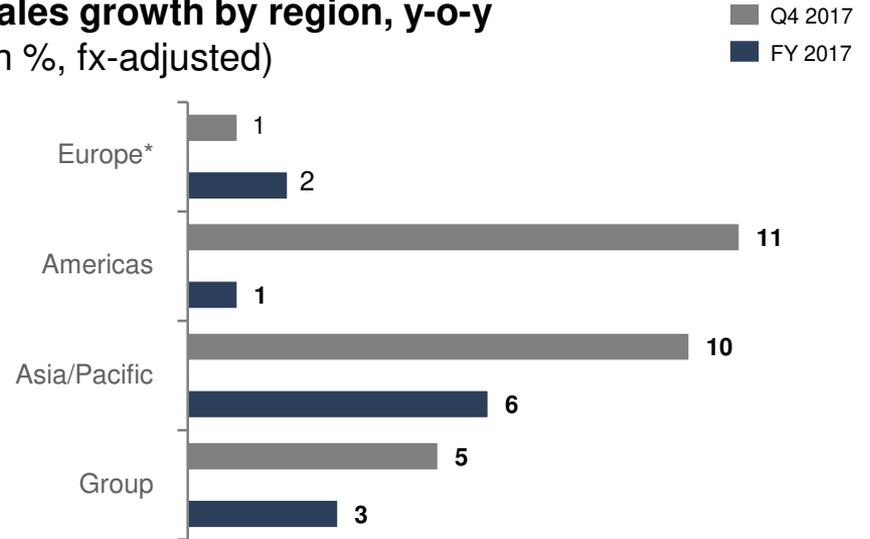
Sales*	Low single-digit percentage rate increase	
Gross profit margin	Slight increase	
EBITDA before special items	Largely stable	Specification
Consolidated net income	Low double-digit percentage rate increase	
Capital expenditure	EUR 130 million to EUR 150 million	
Free cash flow	Increase to around EUR 250 million	

*on a currency-adjusted basis

Preliminary results reported yesterday underpin strong sales momentum

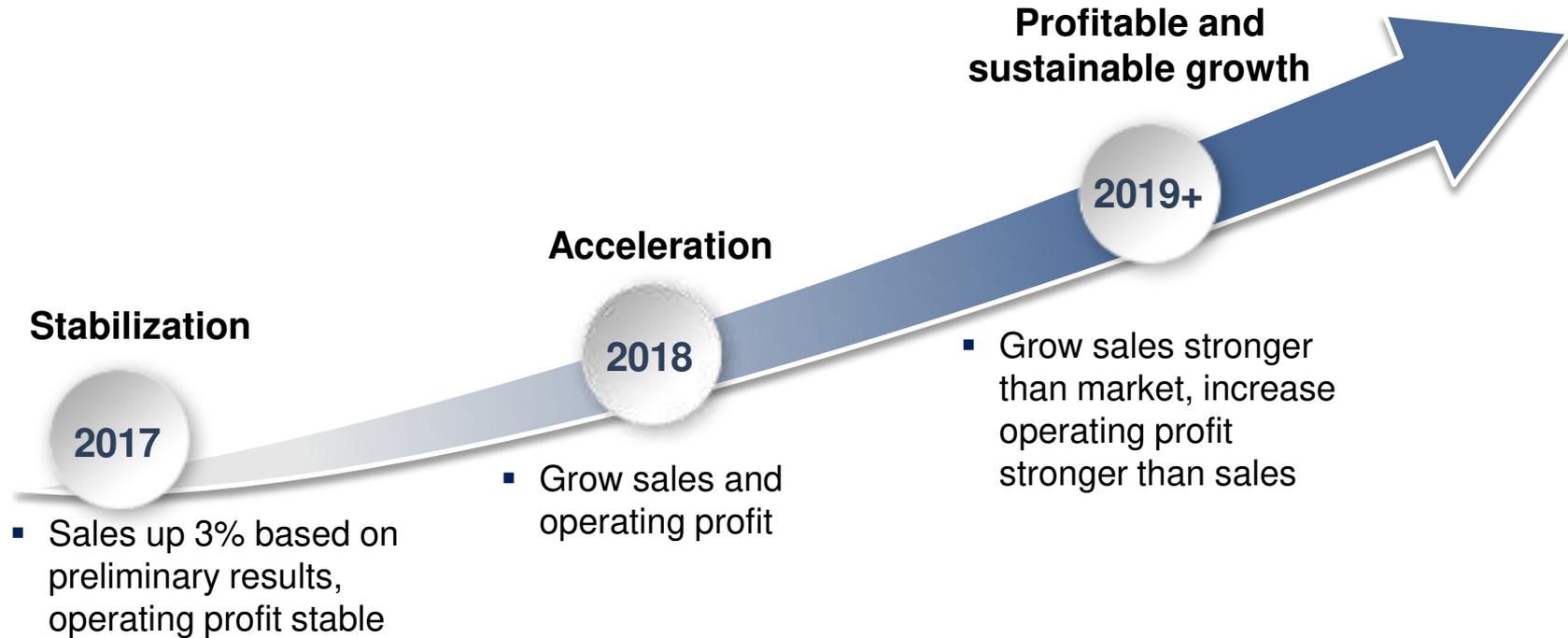
- Q4 retail comp store sales up 7% on prior year, online sales up 42%
- U.S. sales grow at double-digit rate in Q4, Great Britain and China also continue to grow strongly
- Full year 2017 operating profit (EBITDA before special items) expected to be on previous year's level (2016: EUR 493 million)

Sales growth by region, y-o-y (in %, fx-adjusted)



*Incl. Middle East and Africa

Strategy execution will drive profitable and sustainable growth



HUGO BOSS will further strengthen its position in the premium apparel industry



BOSS and HUGO will outgrow their respective market segments

Refined strategy will elevate brand desirability and customer experience

Agility will become key feature of the operating model

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