H U G O B O S S



HSBC's Luxury Goods Conference

PARIS MAY 24&25, 2018

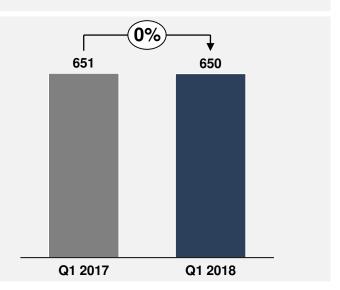




HUGO BOSS records solid currency-adjusted sales growth in the first quarter





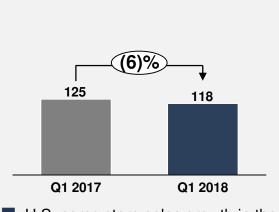


All regions contribute to currency-adjusted Group sales growth



by UK, Benelux and France

Americas Sales* +7% fx-adjusted



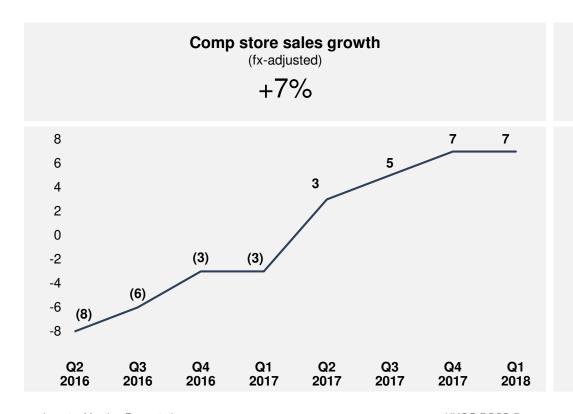
U.S. comp store sales growth in the double digits

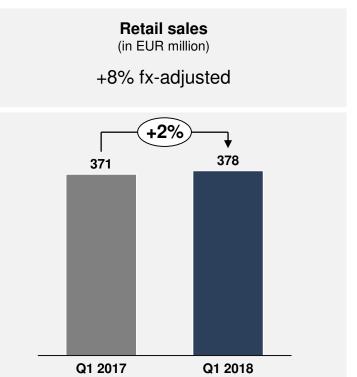
Asia/Pacific Sales* +12% fx-adjusted



Strong recovery in Hong Kong and Macau contributes to sales increase in China

First quarter performance confirms good momentum in own retail

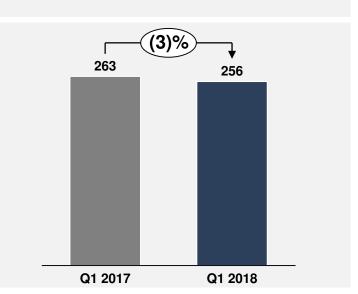




Mixed sales trends in the wholesale channel

- Declines in the Americas offset by Europe
- Online outperforms the physical channel
- Challenging overall market conditions set to continue





Sales decline in the quarter masks positive outlook for license business

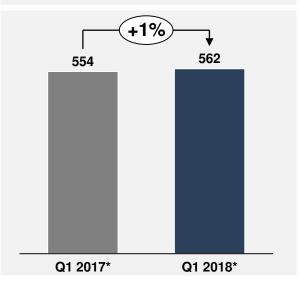




Casualwear grows disproportionately at both brands

- Collection upgrade drives growth of BOSS Casualwear
- Strategic distribution changes impact HUGO sales
- Menswear up 6%, womenswear down 3%







(6)% fx-adjusted

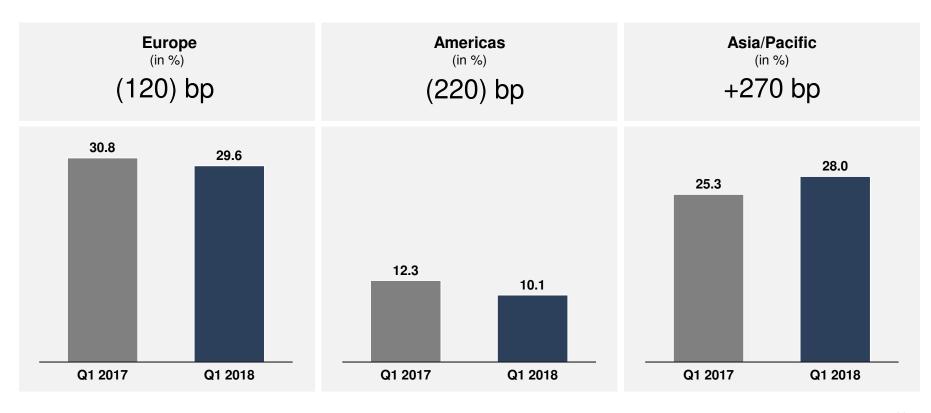


*in EUR million.

Operating expense decline supports EBITDA growth

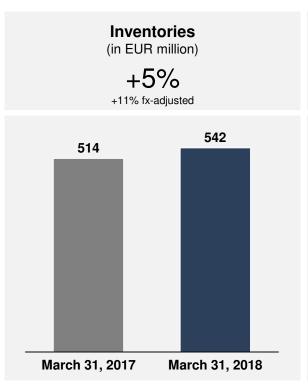


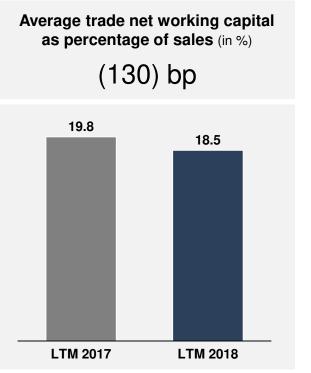
Margin in Asia/Pacific expands strongly



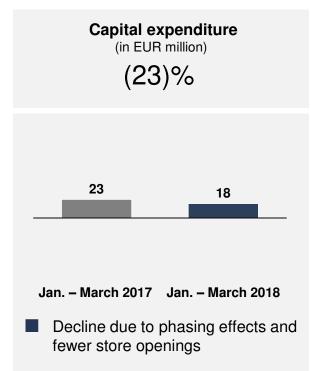
Inventory development normalizes following significant declines in 2017

- Inventory growth to support future sales increases in own retail
- Trade net working capital up 3% on a currency-adjusted basis
- Ratio of working capital to sales still significantly below prior-year level

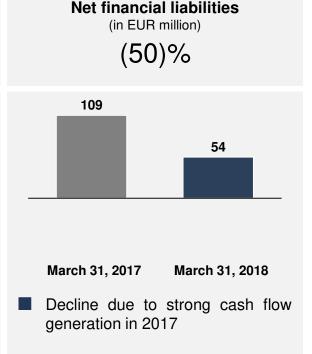




Working capital build-up affects free cash flow in seasonally small quarter

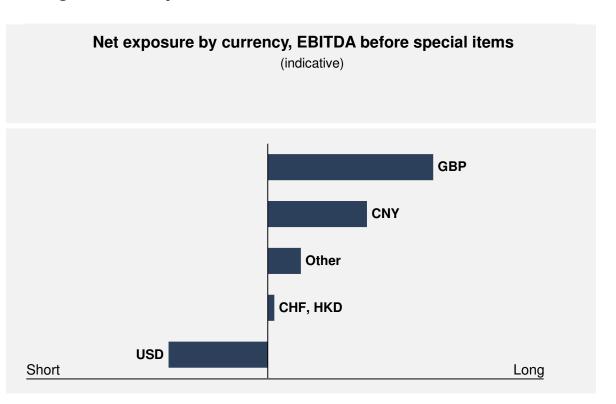






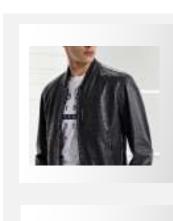
Exchange rate effects are impacting the Group's financial results

- Translation of foreign subsidiary results and split of sourcing operations create currency risks
- Impact from euro appreciation versus British pound and Chinese yuan
- Impact on EBITDA before special items amounted to around EUR 20 million in 2017, around EUR 10 million in 2018e





Group strategy focuses on four fields of action



I. REFOCUS
THE BRAND

GLOBAL



II. REFINE THE WAY WE SELL



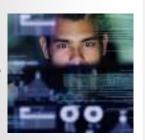






SUSTAINABLE

III. DRIVE THE DIGITAL TRANS-FORMATION



AGILE

IV. INNOVATE THE WAY WE OPERATE



Strategic Fields of Action



Two brands: BOSS and HUGO

#THISISBOSS



TWO BRANDS



#IAMHUGO

TWO TARGET CUSTOMERS

TWO BRAND IDENTITIES

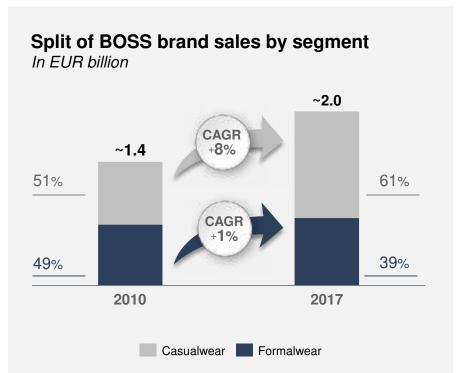
BOSS and HUGO customers have different attitudes towards fashion



BOSS and HUGO are distinct brands based on a common set of values



BOSS: Upgrade of casualwear and new interpretation of formalwear



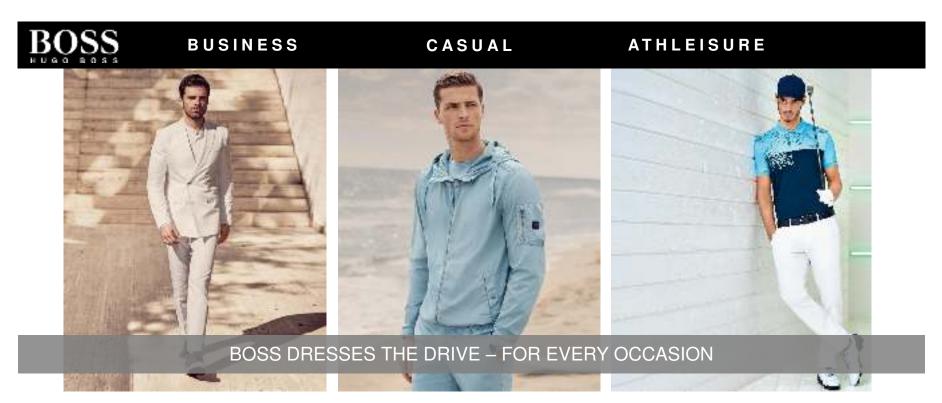


BOSS: Rebalanced offer takes advantage of BOSS core strength in upper premium

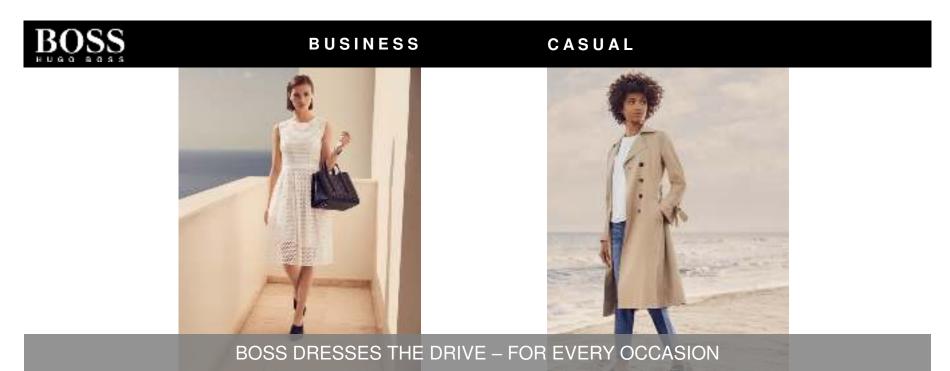




BOSS Menswear collection spans three wearing occasions



BOSS Womenswear collection consists of Business and Casual



Business and Casual form HUGO Menswear



HUGO IS THE PLATFORM OF SELF-EXPRESSION - FOR EVERY OCCASION

...and HUGO Womenswear collections



HUGO IS THE PLATFORM OF SELF-EXPRESSION - FOR EVERY OCCASION

Positive feedback on BOSS fashion shows

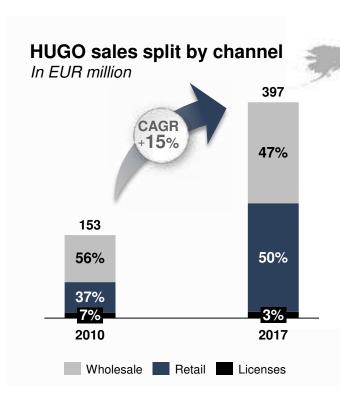




Florence fashion show marks the start of a new era for HUGO



HUGO has grown significantly above industry average in recent past

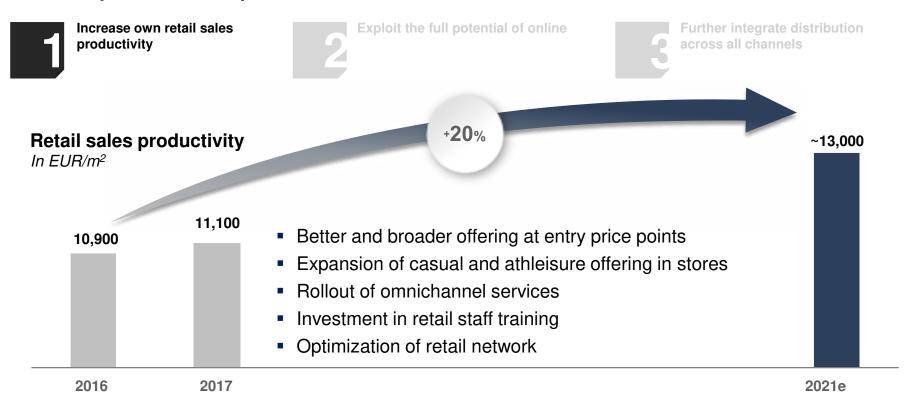


- Strong position in central European markets
- Short-term growth focus on other European markets
- Ambition to grow in the US and key Asian markets

Strategic Fields of Action



Three key distribution priorities



Three key distribution priorities



Increase own retail sales productivity



Exploit the full potential of online



Further integrate distribution across all channels



hugoboss.com

onlinepureplay.com

departmentstore.com

Social commerce



Improvements to hugoboss.com site will propel growth of online business



Increase own retail sales productivity



Exploit the full potential of online



Further integrate distribution across all channels





Omnichannel services link online and physical retailing



Increase own retail sales productivity



Exploit the full potential of online



Further integrate distribution across all channels



Store renovations will upgrade own retail network



Openings

- 15-20 freestanding store openings will strengthen the network
- This includes the opening of around 10 HUGO stores



Closures

 Store closures based on expiration of rental contract



Renovations

- Renovations to account for the bulk of retail investments
- Around 150 POS renovations planned in 2018

Own retail selling space will remain largely stable going forward

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

HUGO will launch first fully digitally designed capsule



Production facility in Izmir is developing into a "smart factory"



Product and collection development | Sourcing and production | Distribution and logistics | Sales

Key elements of logistics infrastructure upgraded or renewed

European flat-packed goods distribution center Filderstadt, Germany

> New construction completed in 2014



US distribution center Midway (Georgia), **United States**

> SAP implementation completed in 2017



2014

2016

2017

European e-Com and B-pool distribution center Wendlingen, Germany

> Refurbishment completed in 2016



New store concepts create strong link between physical and digital retailing





Strategic Fields of Action



HUGO contributes to the transformation of the Group's culture

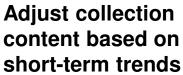


HUGO digital showroom rolled out in more European markets



Speed drives commercial success

Replenish sold-out bestsellers in-season





Become more flexible in our approach towards seasons

Demand-driven supply

Supplement the regular collection development process with a fast track concept which reduces the time to market to weeks rather than months



Key principles of financial management reconfirmed



All regions and distribution channels will contribute to sales growth in 2018



| Europe | Retai |
|--------|-------|
| | |

Increase at a low to mid single-digit percentage rate

Increase at a

mid single-digit percentage rate

Americas

Increase at a low single-digit percentage rate

Wholesale

Increase at a low single-digit percentage rate

Asia/Pacific

Increase at a mid to high single-digit percentage rate

Licenses

Increase at a mid single-digit percentage rate

Outlook 2018: Growth set to accelerate compared to 2017 levels



| Group sales | Consolidated net income |
|---|---|
| Increase at a low to mid single-digit percentage rate (fx-adjusted) | Increase at a low to mid single-digit percentage rate |
| Gross profit margin | Capital expenditure |
| Largely stable | EUR 170 million to EUR 190 million |
| EBITDA (before special items) | Free cash flow |
| Development within a range of -2% to +2% | EUR 150 million to EUR 200 million |

Strategy execution will drive profitable and sustainable growth

Profitable and sustainable growth

2019+

Stabilization

2017

 Sales up 3%*, stable operating profit 2018

Acceleration

 Sales forecasted to increase in the low to mid single-digits*, broadly in line with the market, operating profit should remain approximately stable

 Grow sales stronger than market, increase operating profit stronger than sales



Sales by region and major markets

Share of Group sales*



Europe (incl. Middle East/Africa)

62%

Germany: 18%
Great Britain: 12%
France: 6%
Benelux: 5%
Other: 21%



Americas

21%

U.S.: 15%
Canada: 3%
Central &
South America: 3%



Asia/Pacific

14%

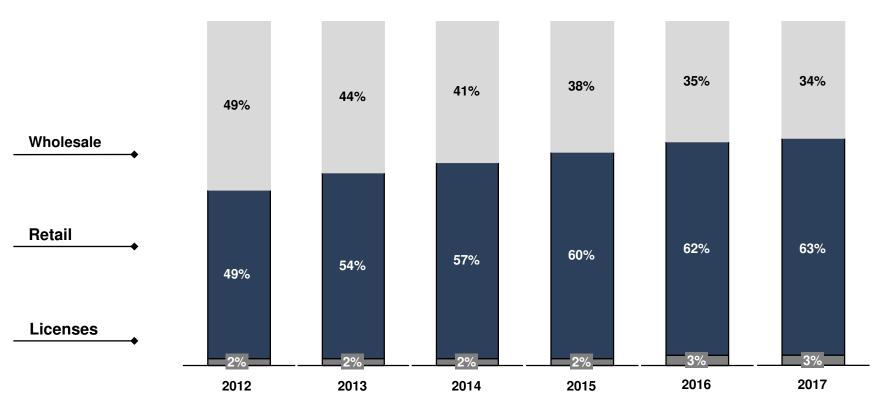
 China:
 8%

 Oceania:
 2%

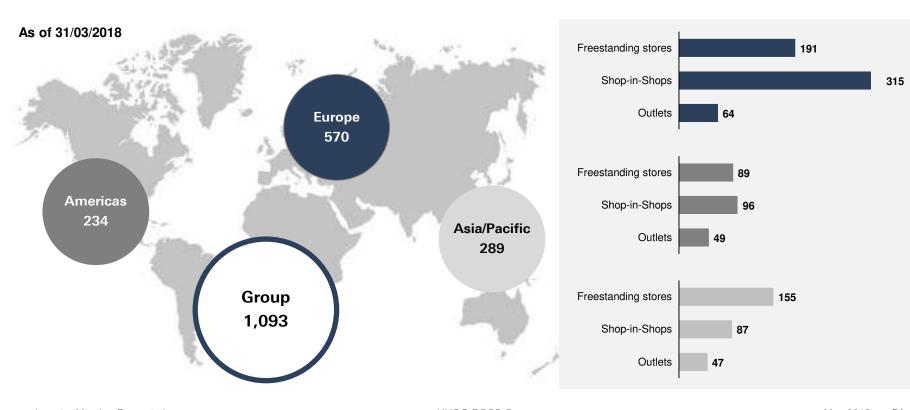
 Japan:
 2%

 Other:
 2%

Sales by distribution channel

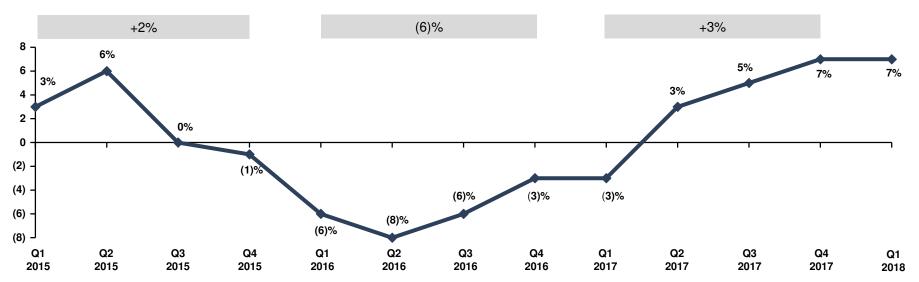


Number of Group's own retail stores by region



Retail comp stores sales

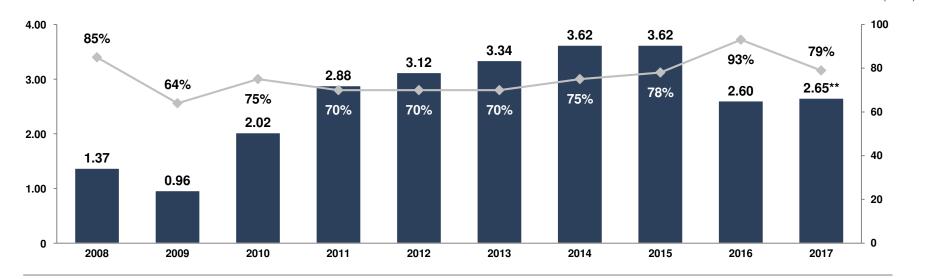
Retail I-f-I sales development*



Dividend policy

Dividend per share and payout ratio* (in EUR)

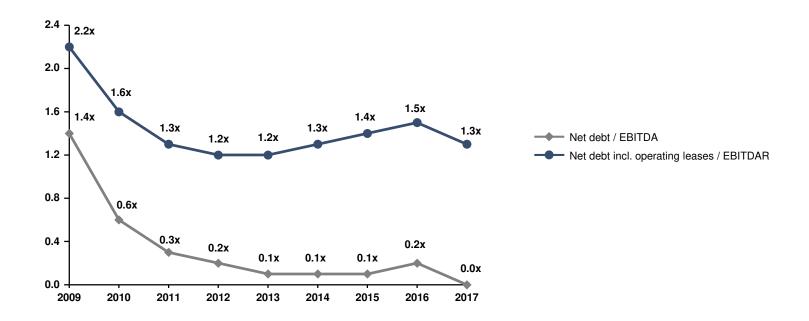
(in %)



▶ Dividend policy of paying out between 60% and 80% of consolidated net income reconfirmed

^{*} As a percentage of net income attributable to shareholders ** Proposal for fiscal year 2017

(Adjusted) financial leverage

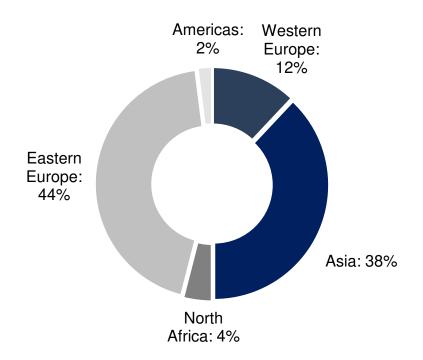


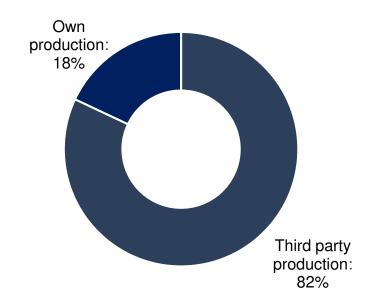
Operating leases EBITDAR

= Future committed operating lease obligations capitalized according to S&P methodology

= EBITDA + minimum rents + contingent rents

Sourcing and production structure*





Multi-Year overview

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|------------------------------|------------------|-------|-------|-------|-------|
| Sales | 2.733 | 2.693 | 2.809 | 2.572 | 2.432 |
| Gross profit | 1.808 | 1.777 | 1.853 | 1.699 | 1.580 |
| Gross profit margin in % | 66,2 | 66,0 | 66,0 | 66,1 | 64,9 |
| EBITDA | 499 | 433 | 590 | 572 | 561 |
| EBITDA before special items | 491 | 493 | 594 | 591 | 565 |
| Adjusted EBITDA margin in %1 | 18,0 | 18,3 | 21,2 | 23,0 | 23,2 |
| EBIT | 341 | 263 | 448 | 449 | 456 |
| Net income | 231 | 194 | 319 | 333 | 329 |
| Trade net working capital | 459 | 524 | 528 | 503 | 432 |
| Non-current assets | 662 | 752 | 765 | 660 | 612 |
| Shareholders equity | 915 | 888 | 956 | 844 | 740 |
| Equity ratio in % | 53 | 49 | 53 | 51 | 49 |
| Total assets | 1.720 | 1.799 | 1.800 | 1.662 | 1.501 |
| Free cash flow | 294 | 220 | 208 | 268 | 230 |
| Net debt | 7 | 113 | 82 | 36 | 57 |
| Capex | 128 | 157 | 220 | 135 | 185 |
| Depreciation/amortization | 158 | 170 | 142 | 123 | 105 |
| Total leverage ² | 0,0 | 0,2 | 0,1 | 0,1 | 0,1 |
| Dividend | 183 ³ | 179 | 250 | 250 | 231 |

¹ EBITDA before special items/Sales.

² Net financial liabilities/EBITDA before special items.

³ Dividend proposal.

Analyst coverage

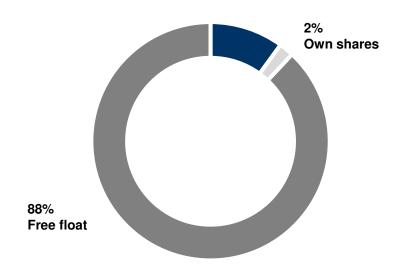
The HUGO BOSS AG share is covered by the following financial analysts:

| Institution | Analyst |
|-------------------------------|--------------------|
| Baader Bank | Volker Bosse |
| Bankhaus Lampe | Peter Steiner |
| Bank of America Merrill Lynch | Ashley Wallace |
| Berenberg Bank | Zuzanna Pusz |
| Bloomberg Intelligence | Chris Chaviaras |
| Bryan Garnier | Cédric Rossi |
| Citigroup | Thomas Chauvet |
| Commerzbank | Andreas Riemann |
| Credit Suisse | Guillaume Gauville |
| Deutsche Bank | Warwick Okines |
| DZ Bank | Herbert Sturm |
| equinet | Mark Josefson |
| Equita | Fabio Fazzari |
| Evercore ISI | Omar Saad |
| Exane BNP Paribas | Luca Solca |
| Goldman Sachs | Alberto D'Agnano |
| Hamburger Sparkasse | Christian Hamann |

| Institution | Analyst | | |
|---------------------|-----------------------|--|--|
| Hauck & Aufhäuser | Christian Salis | | |
| HSBC | Antoine Belge | | |
| Intermonte | Daniele Alibrandi | | |
| Invest Securities | Peter Farren | | |
| J.P. Morgan | Melanie Flouquet | | |
| Kepler Cheuvreux | Jürgen Kolb | | |
| LBBW | Thomas Hofmann | | |
| M.M. Warburg | Jörg Philipp Frey | | |
| Macquarie | Andreas Inderst | | |
| MainFirst | John Guy | | |
| Mirabaud Securities | Alessandro Migliorini | | |
| Morgan Stanley | Elena Mariani | | |
| Oddo BHF | Nicolas Kieffer | | |
| RBC | Piral Dadhania | | |
| Société Générale | Thierry Cota | | |
| UBS | Fred Speirs | | |

Shareholder structure*

10% PFC S.r.l. / Zignago Holding S.p.A.



Financial Calendar 2018 and Investor Relations contact

| Date | Event |
|-------------------|---|
| August 2, 2018 | Second Quarter Results 2018 & First Half Year Report 2018 |
| November 6, 2018 | Third Quarter Results 2018 |
| November 15, 2018 | Investor Day in London |

Investor Relations Contact

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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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