FULL YEAR 2019
RESULTS PRESENTATION

MARCH 5, 2020
HUGO BOSS with **strong sales and earnings** growth in Q4

**Group sales*** +4%  
EUR 825 MILLION

**EBIT** **  +9%  
EUR 122 MILLION

* Currency-adjusted  
**Excluding IFRS 16 impact
Adjusted full year 2019 targets achieved

GROUP SALES 2019

EUR 2.9 BILLION

CURRENCY-ADJUSTED

+2%
Own online business generates sales of EUR 151 million in FY 2019

New online partnerships contribute strongly to sales growth in 2019

Successful expansion of own online store hugoboss.com to Scandinavia and Ireland

* Currency-adjusted
Increase in retail productivity supported by rollout of store concept

Further optimization of global store network through renovations and new openings

New store concept implemented in around 100 BOSS stores
Momentum at HUGO accelerates, driven by casualwear

Casualwear with strong double-digit sales increases in 2019

Logo-inspired products very well received by HUGO customers

* Currency-adjusted
Collaboration with Liam Payne successfully initiated in 2019
Above-average growth in Asia/Pacific reflects the region’s high potential

Mainland China with double-digit growth on a comparable store basis

Hong Kong impacted by political unrest and demonstrations

Japan, South Korea, and Singapore with robust growth in 2019

* Currency-adjusted
Li Yifeng named new
BOSS Brand Ambassador
Strong **momentum in the UK** drives sales growth in Europe

- Sales increase in the **UK and France**
- Challenging market environment in **Germany** continues in 2019

**Europe sales**

- +4%

**Americas sales**

- (7)%

**Asia/Pacific sales**

- +5%

* Currency-adjusted
**Including Middle East and Africa
Americas impacted by challenging market environment in North America

- Sales in **North America** decline, reflecting challenging environment in U.S. wholesale
- **Brazil and Mexico** with robust sales increases

* Currency-adjusted
YVES MÜLLER

CHIEF FINANCIAL OFFICER
### EBIT development impacted by lower gross margin and increase in operating expenses

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross margin (%)</td>
<td>65.0%</td>
</tr>
<tr>
<td>Operating expenses* (%)</td>
<td>+4%</td>
</tr>
<tr>
<td>Operating expenses % of sales*</td>
<td>+70 bp</td>
</tr>
<tr>
<td>EBIT*</td>
<td>(4)%</td>
</tr>
<tr>
<td>Net income*</td>
<td>(10)%</td>
</tr>
</tbody>
</table>

- **(20) bp**
- **EUR 1,543 MILLION**
- **53.5%**
- **EUR 333 MILLION**
- **EUR 212 MILLION**

* Excluding IFRS 16 impact
Normalized inventory growth over the course of 2019

Ongoing strict focus on **inventory management** leads to normalization of inventory growth

**Trade net working capital** declines by 3%
Free cash flow with strong improvement in 2019

Higher capital expenditure mainly driven by further investments in own retail

Free cash flow up 22% due to improvements in trade net working capital

**Capital expenditure**
Jan.–Dec.

+24%

YOY

EUR 192 MILLION

**Free cash flow**
Jan.–Dec.

+22%

YOY

EUR 207 MILLION

*Excluding IFRS 16 impact
Increase in dividend reflects strong improvement in free cash flow

**Dividend per share** (in EUR)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>2.60</td>
</tr>
<tr>
<td>2017</td>
<td>2.65</td>
</tr>
<tr>
<td>2018</td>
<td>2.70</td>
</tr>
<tr>
<td>2019</td>
<td>2.75*</td>
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</tbody>
</table>

**Dividend proposal** of EUR 2.75 per share (+2% versus prior year)

Total **dividend payment** of EUR 190 million (2018: EUR 186 million)

**Payout ratio** of 93% (2018: 79%)

*Proposal for the 2019 fiscal year
Focus remains on further executing strategic initiatives
Driving brand desirability
with Fall/Winter 2020 Fashion Show

FALL/WINTER 2020 FASHION SHOW
MILAN, ITALY
Driving brand desirability
with innovative product launches
Focus on strengthening the business in North America
Update on coronavirus
Outlook
for the full year 2020

GROUP SALES

Development within a range of 0% to +2%

EUR 320 million to EUR 350 million

EBIT*

* Including the effects of IFRS 16
Investor Day
2020

JUNE
METZINGEN, GERMANY
18 | 19