

HUGO BOSS

Press Release

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Currency-adjusted Group sales rise by 1%

Net income for the year increases by 10%

Metzingen. The fashion group HUGO BOSS has been able to increase sales in fiscal 2003 by a currency-adjusted 1% despite the continued weak market. When currency effects are taken into account, Group sales decreased by 4% from the previous year's sales of EUR 1,093 million to EUR 1,054 million.

Net earnings rose by 10% to EUR 82.4 million (2002: EUR 74.7 million). Earnings before taxes grew at an above-average rate of 27% to EUR 120.6 million. Moreover, the HUGO BOSS Group achieved a free cashflow before dividend payments of EUR 60.5 million in fiscal 2003 on the same level as the previous year's record (2002: EUR 61.0 million).

BOSS Woman recorded sales growth of 37% to EUR 50.8 million (2002: EUR 37.0 million) and significant earnings improvement (2003: EUR -3.0 million, 2002: EUR -18.1 million). As expected, BOSS Woman achieved break-even during the second half of the year under review. This is an important step in ensuring that BOSS Woman becomes a pillar for both earnings and sales in the medium term.

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The Group sees additional growth potential in the formerly licensed product lines of bodywear, knitwear, shoes and leather accessories, which have now been integrated in the business.

For fiscal 2004, the Managing Board of HUGO BOSS AG is assuming a slight increase in currency-adjusted sales and a disproportionate rise in net income.

For more information on HUGO BOSS AG, please visit our website at www.hugoboss.com.

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