

HUGO BOSS

Ad-hoc Announcement

HUGO BOSS announces preliminary third quarter results and adjusts its full year 2019 outlook

Metzingen, October 10, 2019. The management of HUGO BOSS AG updates its outlook for full year 2019. In doing so, HUGO BOSS takes account of the persistent macroeconomic uncertainties that increasingly weigh on consumer demand. In particular, in North America, the market environment further deteriorated during the third quarter, hence weighing on the Group's sales and earnings development. In addition, business in Hong Kong has been substantially negatively affected since the beginning of the political unrest and demonstrations.

On a preliminary basis, currency-adjusted Group sales in the third quarter remained on the prior-year level. This represents an increase of 1% in the reporting currency to EUR 720 million. Group-wide retail sales increased 3% in total and 2% on a comp store basis, both adjusted for currency effects. Operating profit (EBIT, defined as group earnings before taxes less financial result) in the third quarter amounted to EUR 80 million on a preliminary basis (excluding the effects of IFRS 16; prior year: EUR 92 million), and thus below expectations.

Against this background, HUGO BOSS adjusts its financial outlook for the current year. Management now expects currency-adjusted Group sales for the full year 2019 to increase at a low single-digit percentage rate (previously: expectation of an increase at the lower end of a mid-single-digit percentage range). At the same time, HUGO BOSS now expects to generate an operating profit (EBIT) of between EUR 330 million and EUR 340 million for the full year (excluding the effects of IFRS 16; prior year: EUR 347 million). Management's previous outlook provided for an increase in EBIT at the lower end of a high single-digit percentage range.

The Managing Board