

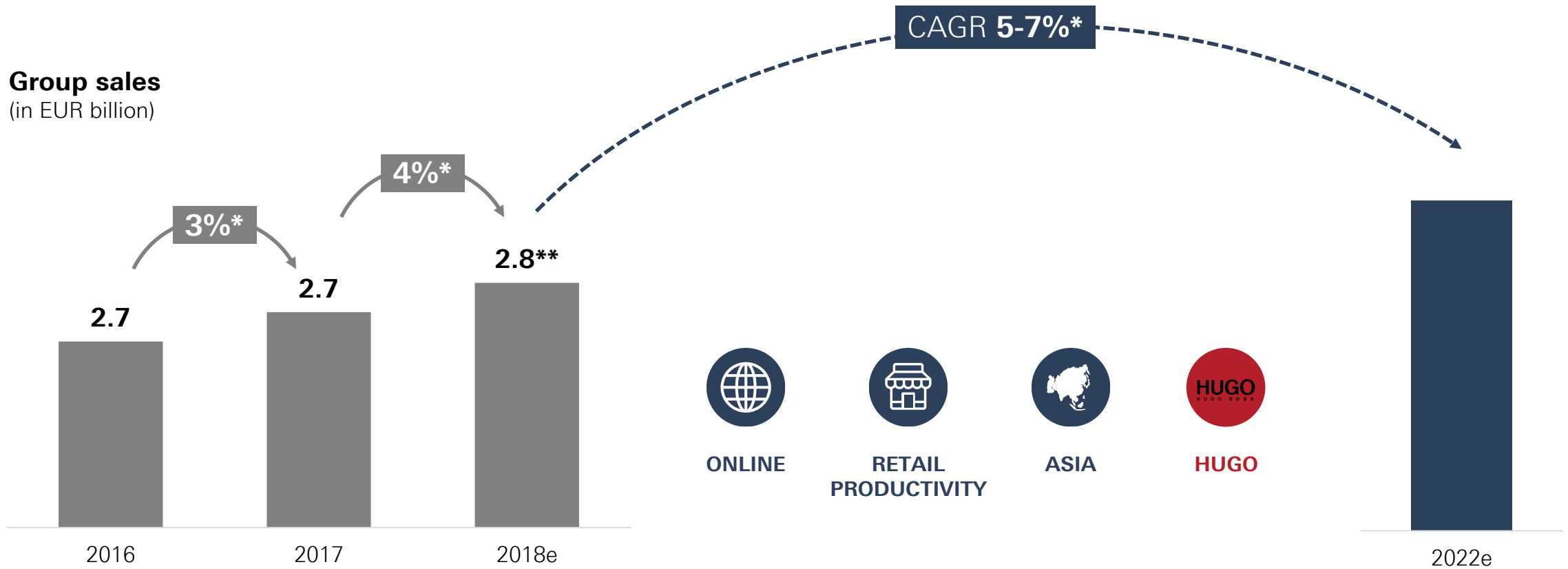
Investor Day

Financial outlook

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Chief Financial Officer

November 15, 2018



Key sales growth drivers identified across channels, regions, and brands

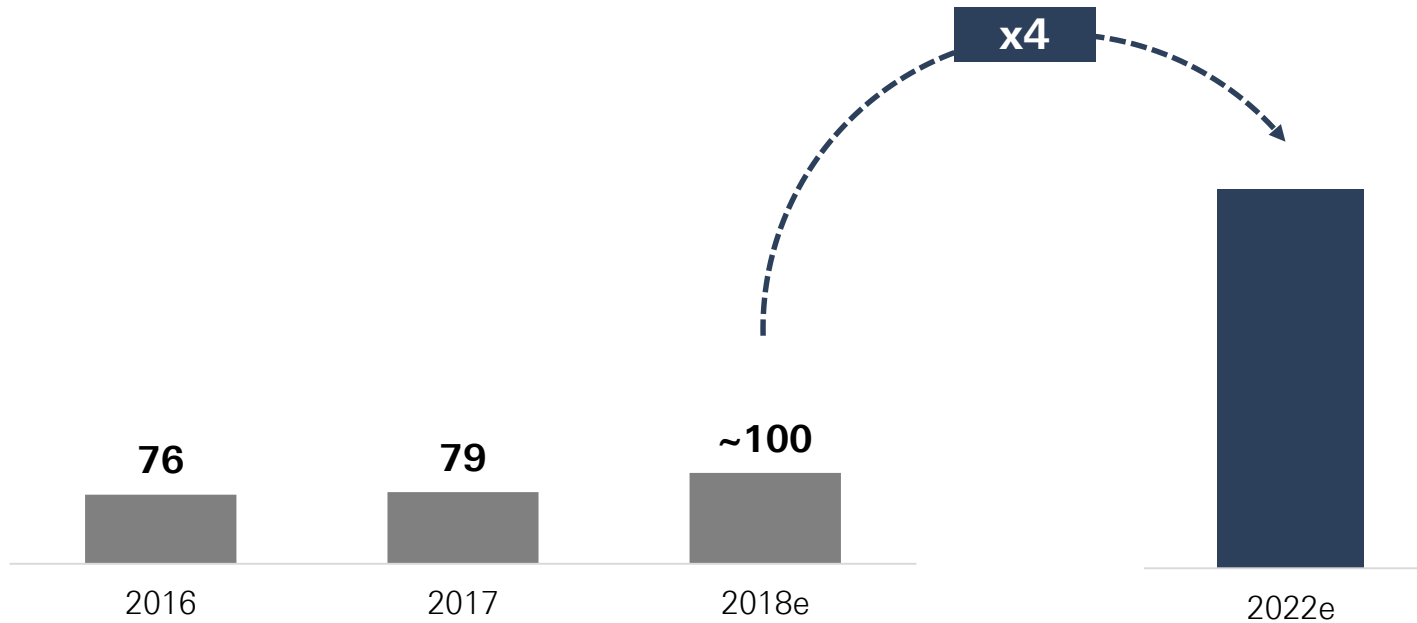
* = currency-adjusted

** = based on consensus



Online sales

(in EUR million)

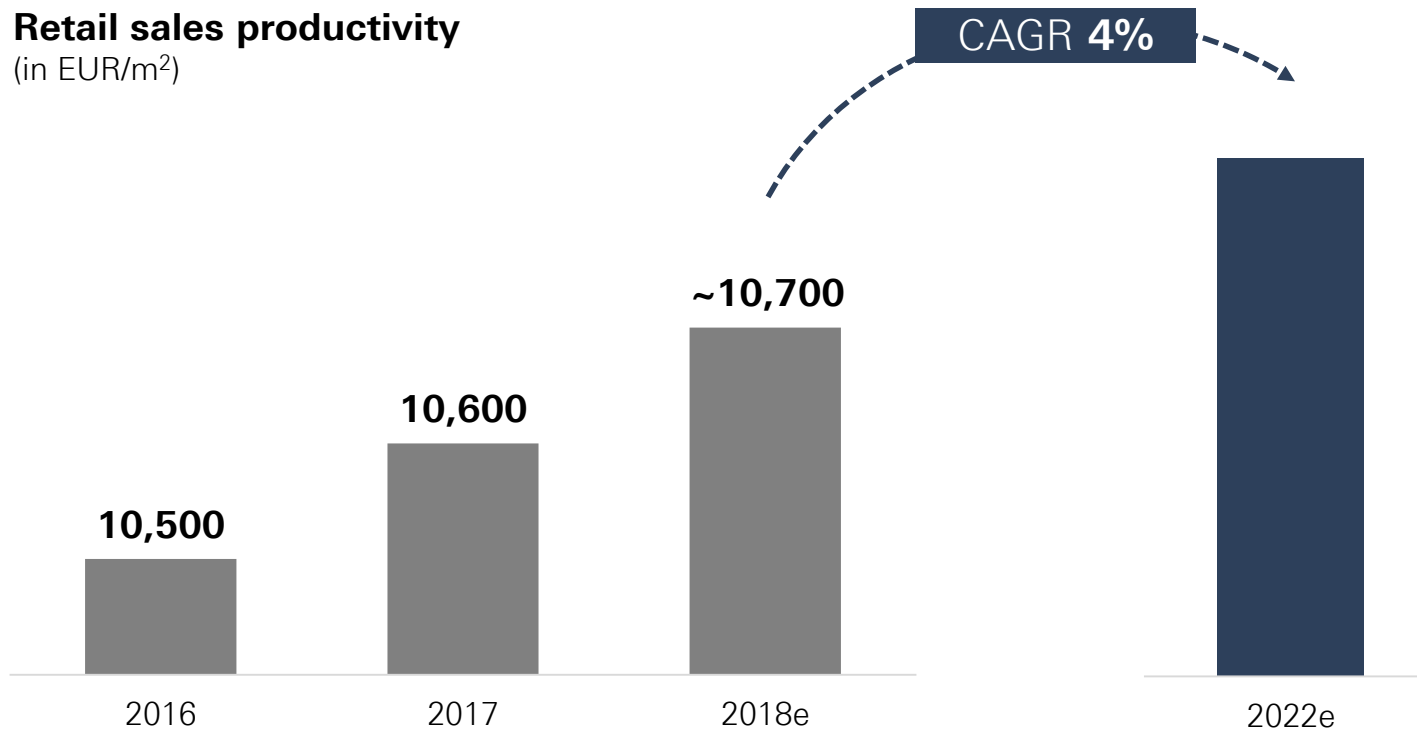


- 1 Accelerate online concession** business
- 2 Exploit full potential** of hugoboss.com
- 3 Enlarge omnichannel** services
- 4 Expand social** commerce

Online: Own online business to quadruple until 2022

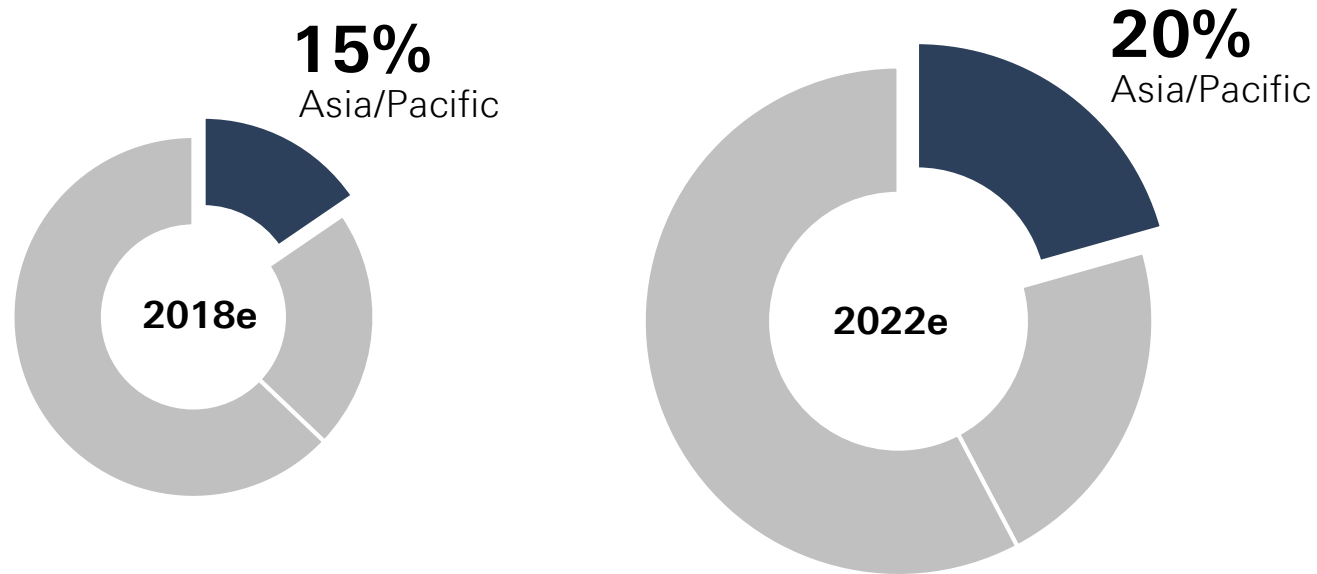


Retail sales productivity (in EUR/m²)



- 1 Accelerate** rollout of **new store** concept
- 2 Optimize store** network
- 3 Enlarge omnichannel** services
- 4 Enhance product** range
- 5 Drive retail** excellence

Retail: Further improving retail sales productivity



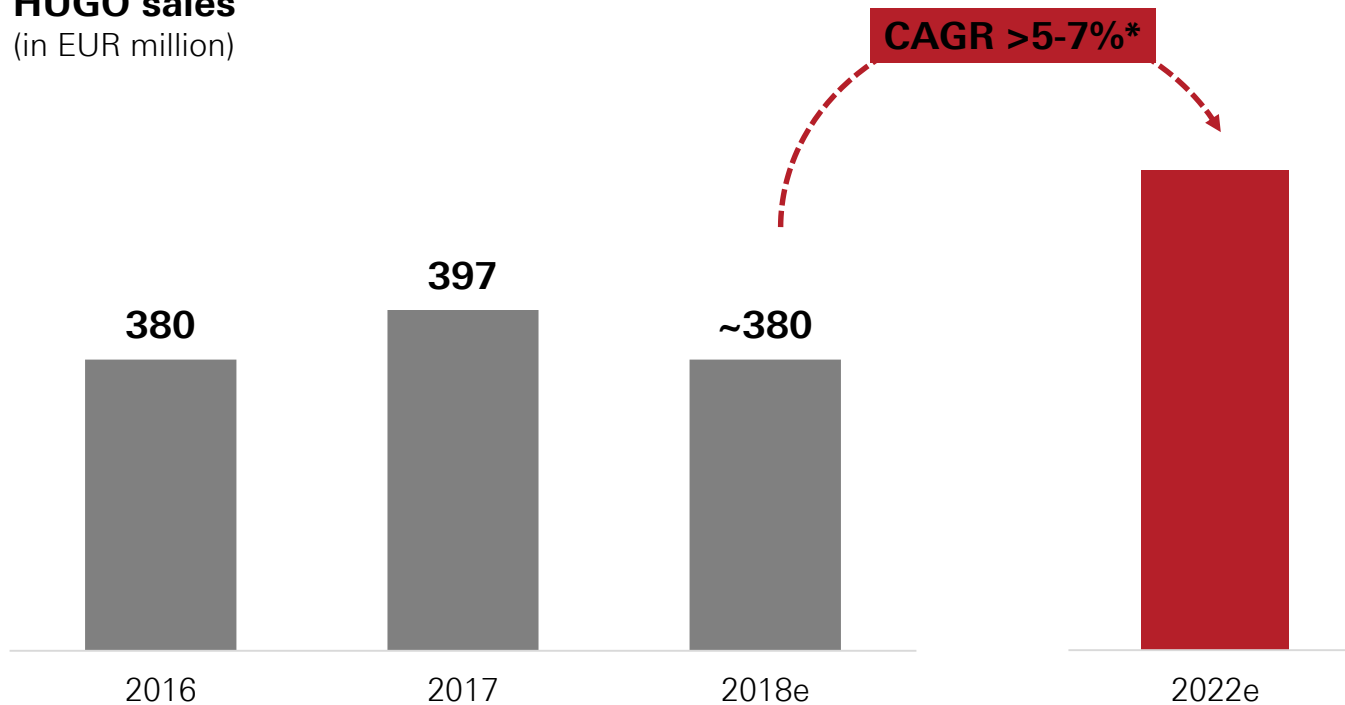
- 1 Leverage Chinese demand** across the region
- 2 Expand retail footprint** in Mainland China
- 3 Grow travel retail** business
- 4 Leverage digital opportunities** via leading online platforms

Asia/Pacific: Sales to increase at a double-digit rate



HUGO sales

(in EUR million)

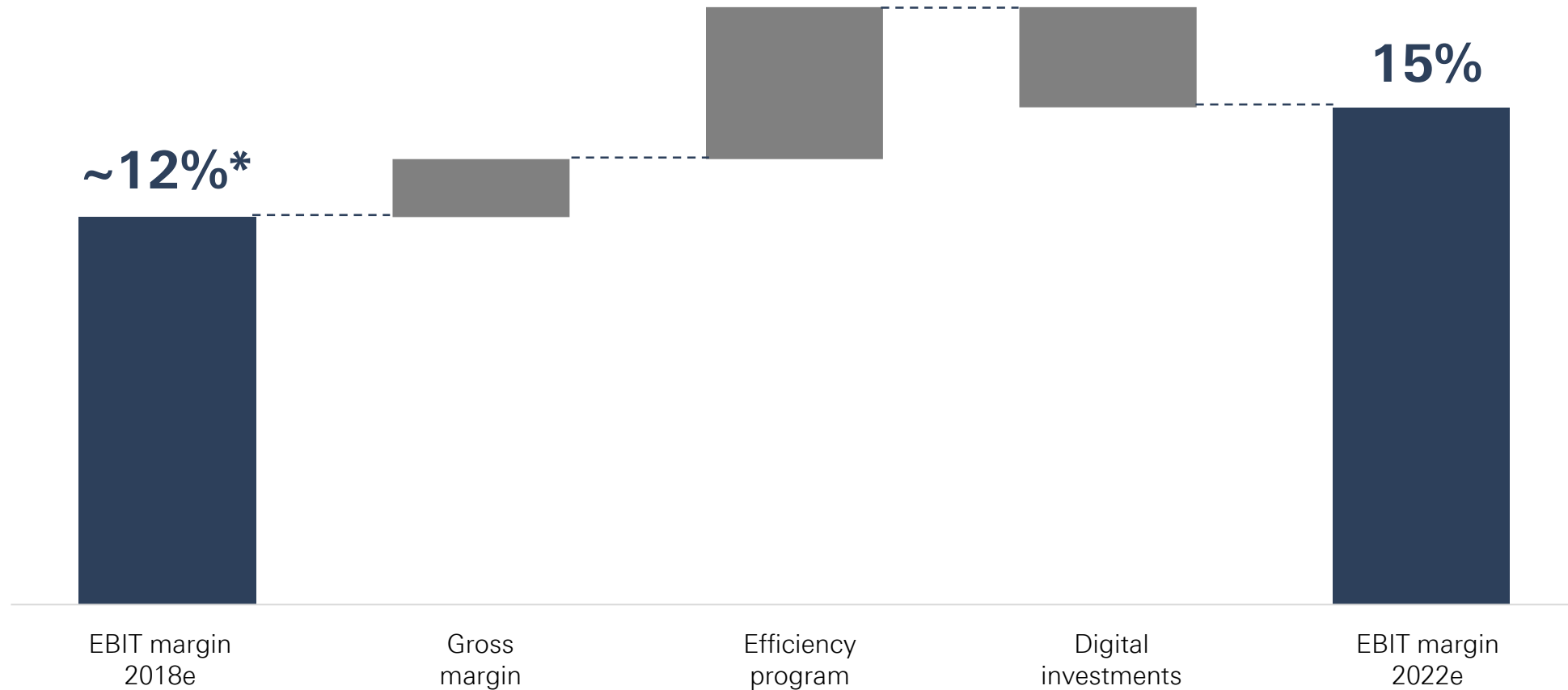


- 1** Strengthen positioning in contemporary fashion segment
- 2** Focus on casualwear to benefit from casualization trend
- 3** Expand store network across key metropolitan cities
- 4** Leverage social media presence

HUGO: Overproportionate growth in contemporary fashion segment

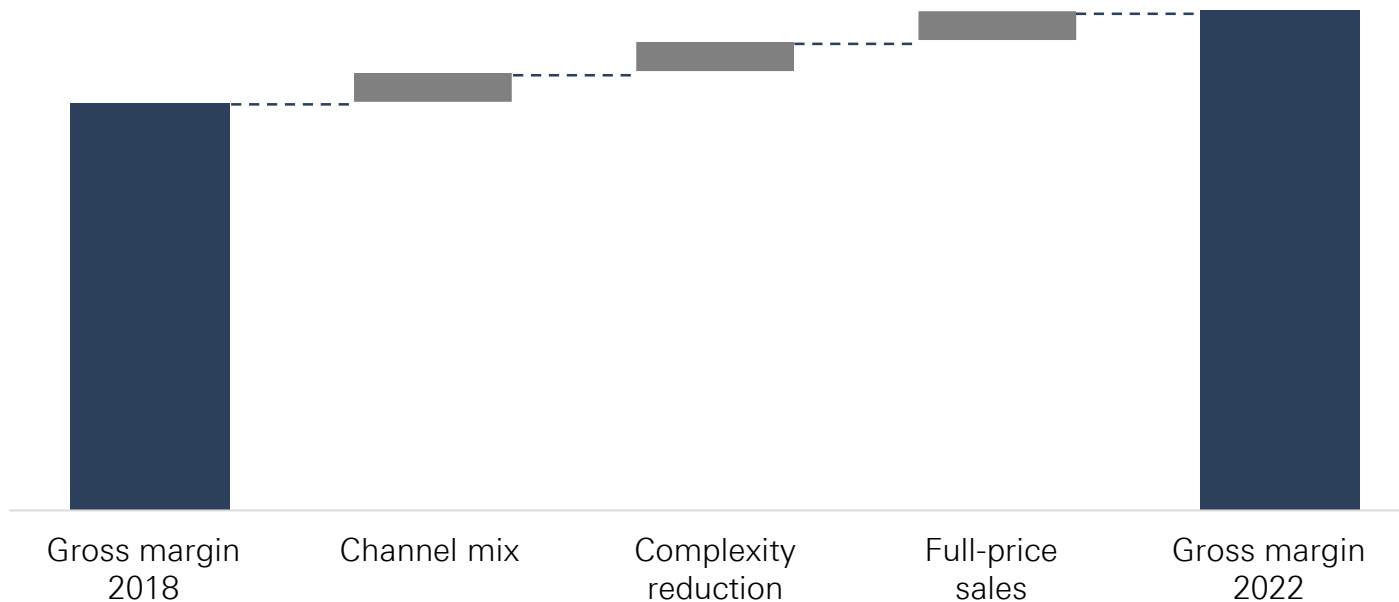
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EBIT margin targeted at 15% in 2022



* = based on consensus

Gross margin expansion supported by multiple levers



Channel mix

- Increase share of controlled distribution

Complexity reduction

- Simplified brand portfolio leads to complexity reduction

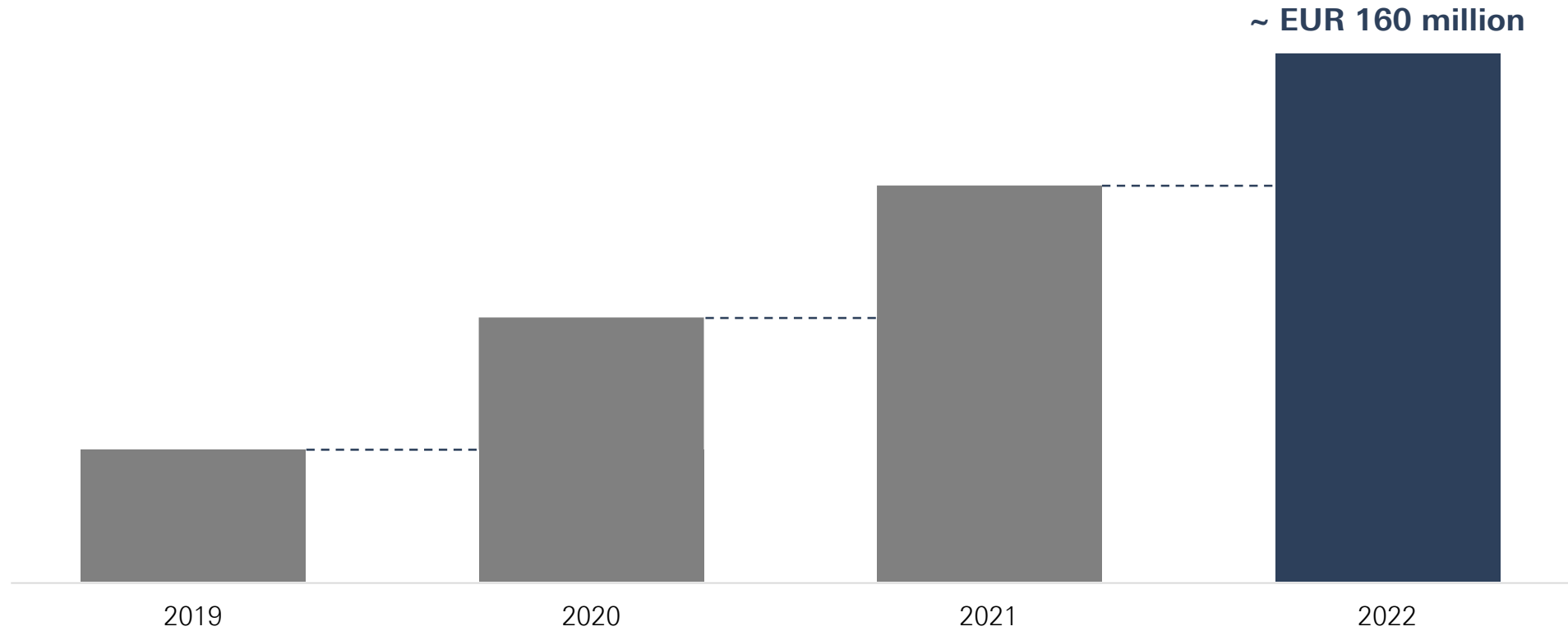
Full-price sales

- Reduce share of outlet business
- Focus on advanced markdown management

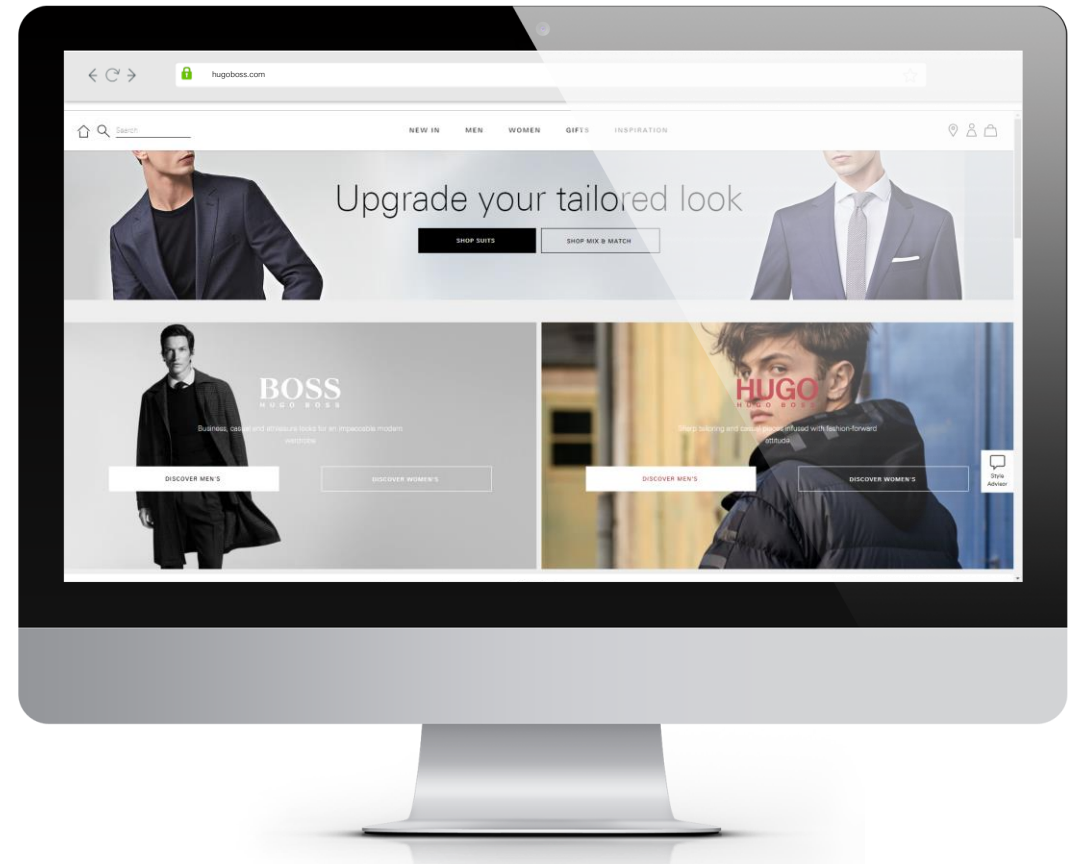


Efficiency program **drives**
operating leverage

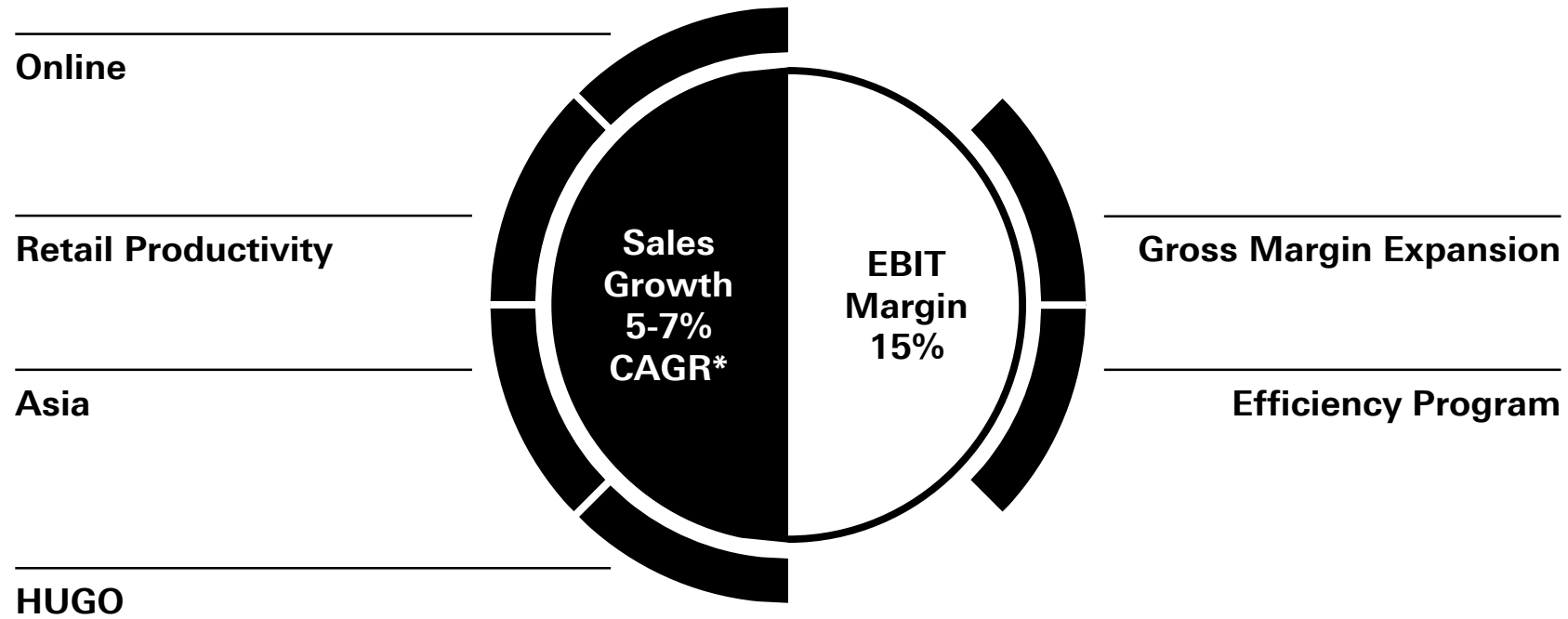
Efficiency Program to generate total cost savings of ~ EUR 160 million



- 1** Exploit full potential of **omnichannel**
- 2** Rollout **hugoboss.com** website
- 3** Strengthen **IT** capabilities
- 4** Expand **digital** content teams
- 5** Enable best-in-class **supply chain** capabilities



Continued investments
in driving the digitization

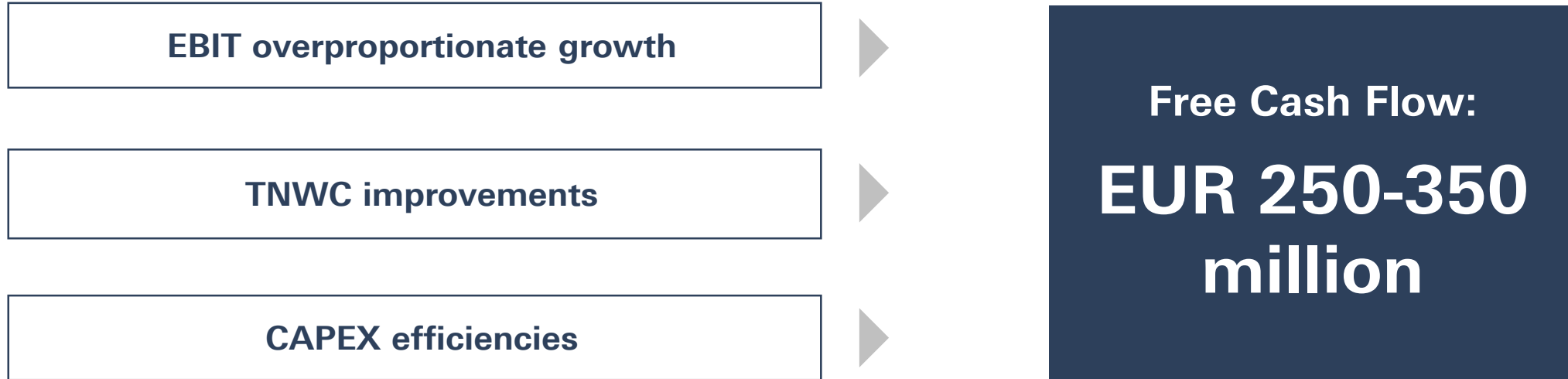


Key drivers of **sales growth** and **EBIT margin expansion**

* = currency-adjusted

EBIT as the future key performance indicator

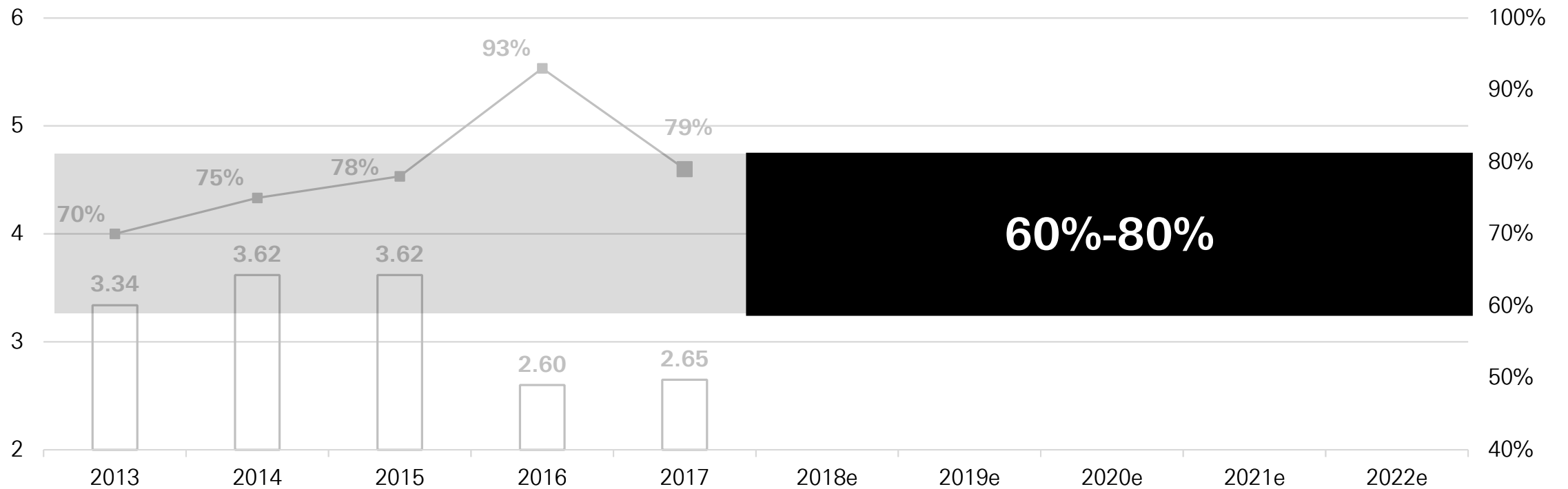
- Enhanced comparability with peers
- Emphasize focus on capital efficiency
- Better reflection of operating performance following IFRS 16 implications



**Strong free cash flow-generating
business model**

Shareholder return

Strong commitment to net profit-based dividend policy



Dividend payout ratio in % of net income, dividend in EUR

SALES

5-7%
CAGR

Online	Retail
Asia	HUGO

EBIT MARGIN

15%

Gross margin
Efficiency Program

Free Cash Flow

EUR
250-350
million

CAPEX
TNWC

Financial targets 2022

Creating shareholder value



Strategic
framework
focused on brand
desirability



Strong top- and
bottom-line
improvements



Highly cash-
generative
business model



Focus on
driving capital
efficiency



Attractive
dividend
policy