

# Investor Day

## Strategy update

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**Mark Langer**

Chief Executive Officer

November 15, 2018

# Focus of the Investor Day 2018

**1** Update on strategic fields of action

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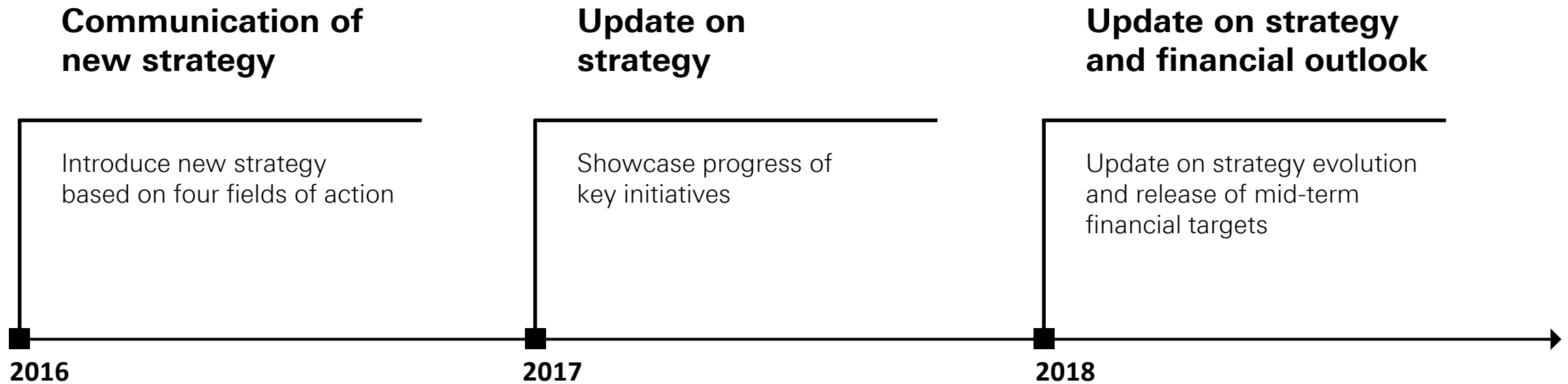
**2** Strategic priorities going forward

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**3** Mid-term financial outlook

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**Continuous progress in**  
strategy execution

# Achievements provide **solid foundation for future growth**



Simplification of  
brand portfolio



Harmonization  
of global pricing  
architecture



Investments in  
product quality



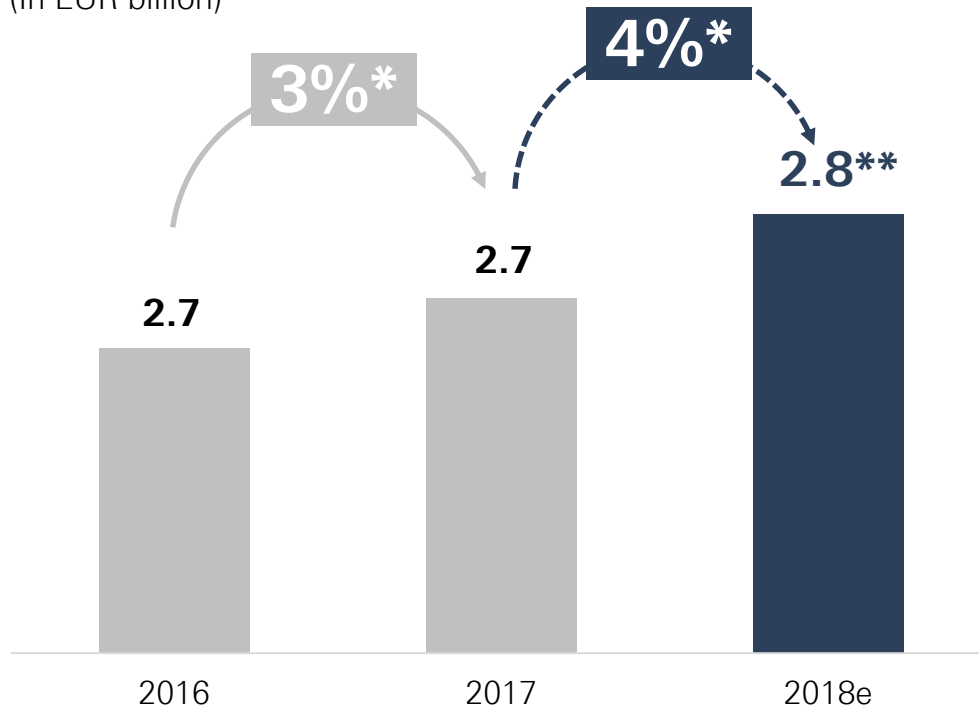
Empowerment of  
digital capabilities



Increase of  
retail sales  
productivity

## Sales

(In EUR billion)



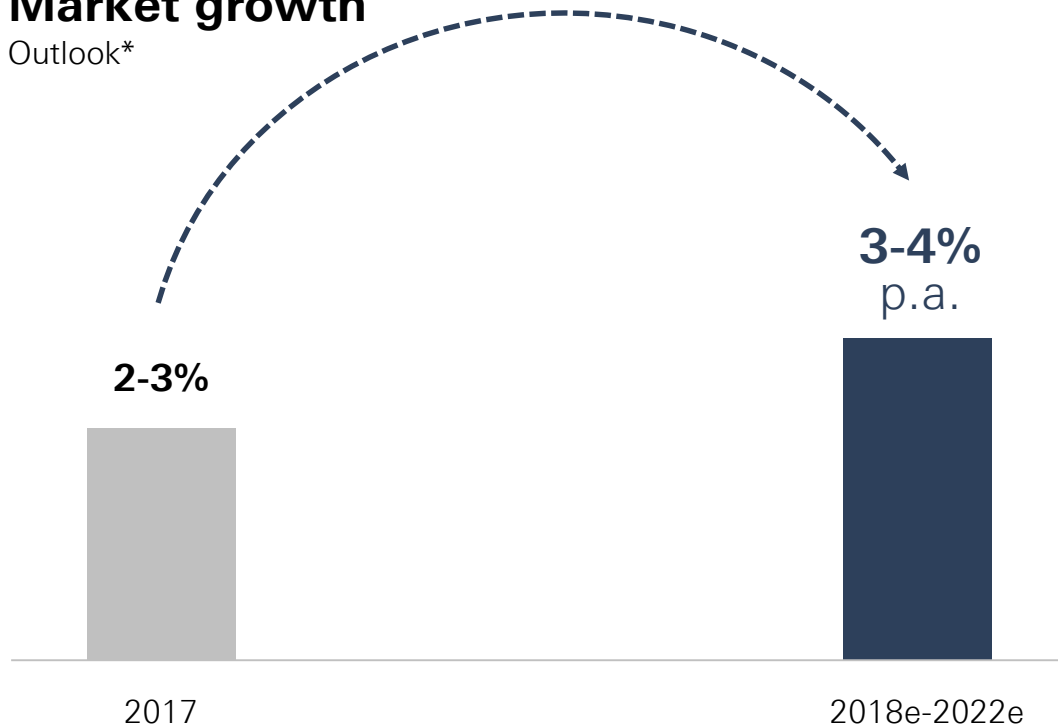
**Progress** in strategy execution drives sales growth

\* = currency-adjusted

\*\* = based on consensus

## Market growth

Outlook\*



## Overarching industry trends

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- **Casualization** of formalwear
- Increasing **online** penetration
- Growing focus on personalized product and shopping **experiences**

**Market dynamics provide solid base for future growth**

\* HUGO BOSS estimate of relevant target market growth based on McKinsey/Business of Fashion: Global Fashion Index 2017, Bain/Altgamma: Luxury Spring Update 2017, BCG/Altgamma: The True-Luxury Global Consumer Insight 2017, Euromonitor

**CUSTOMER-  
CENTRICITY**  
IS KEY IN AN EVER  
CHANGING WORLD

# Customer expectations have changed



## The new customer is...

Well informed

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Always on

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Time-constrained

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In search of authenticity and meaning

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Deeply connected with brands

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## ...and expects from us

→ More personalization

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→ Instant gratification

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→ Return on time spent

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→ Emotional connection

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→ Fulfilling experiences

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→ OUR VISION

**BE THE MOST  
DESIRABLE PREMIUM  
FASHION AND  
LIFESTYLE BRAND**

Personalization and Speed  
are key to achieve our vision



**PERSONALIZATION**



**SPEED**

HUGO BOSS



### Customer expectations

More personalization

Emotional connection

Fulfilling experiences

### Building on our strengths

Broad network of own retail stores

Strong reputation for style advice and fitting

Growing in-house CRM database

Personalized product offering

**Personalization:**  
Driving customer engagement

# Personalization: Driving customer engagement



### Customer expectations

Instant gratification

Return on time spent

Fulfilling experiences

### Building on our strengths

Excellence in product design and development

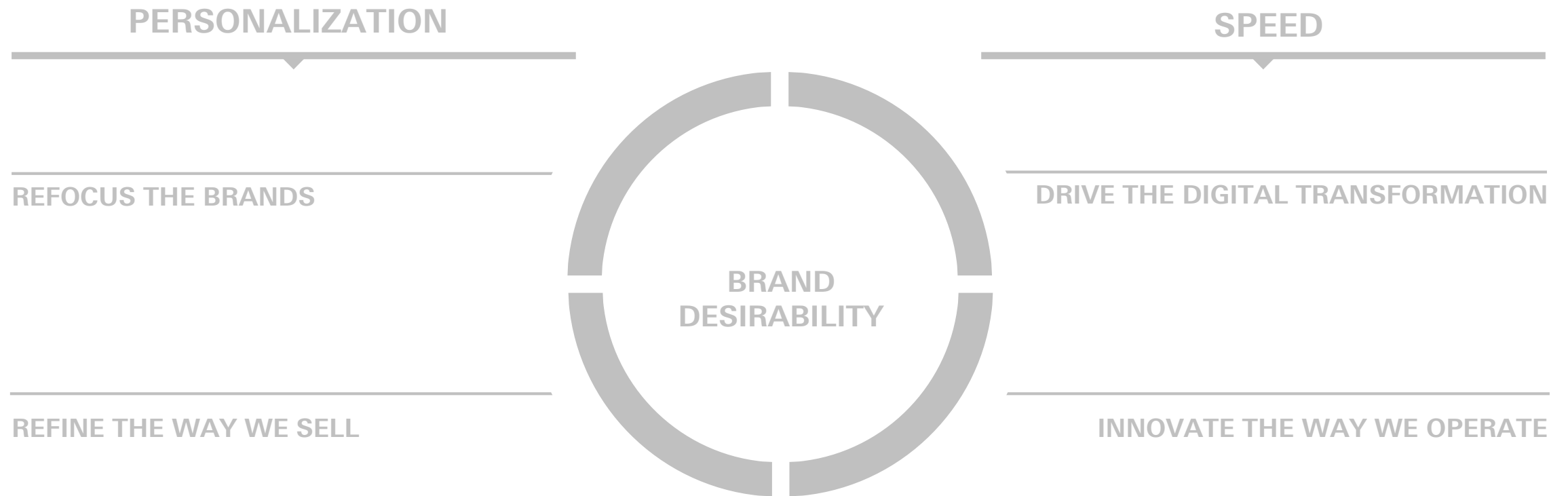
Industry-leading IT and logistic systems

Robust supply chain

**Speed:** Winning customers with industry-leading responsiveness

**Speed:**  
Winning customers  
with industry-leading  
responsiveness

**Personalization and Speed** are our priorities along the four strategic fields of action



# Personalization and Speed are our priorities along the four strategic fields of action

## PERSONALIZATION

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### REFOCUS THE BRANDS

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Address two distinct customers with BOSS and HUGO

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Establish clear and distinct brand values

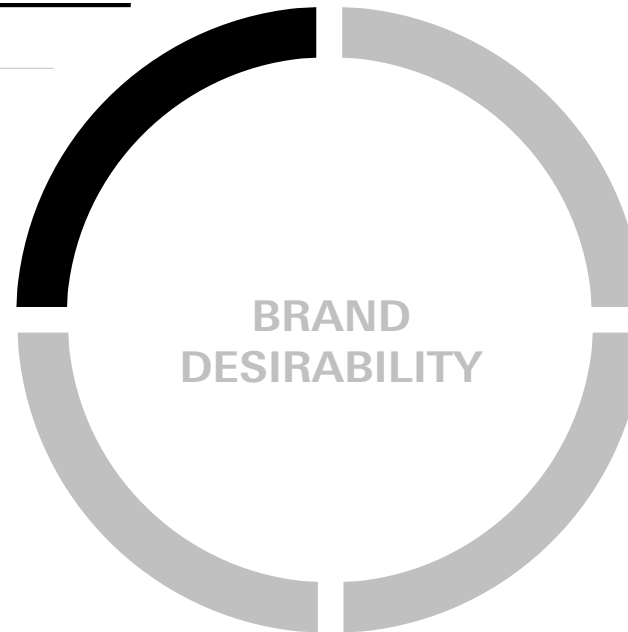
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Create unique product and marketing concepts

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REFINE THE WAY WE SELL



## SPEED

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DRIVE THE DIGITAL TRANSFORMATION

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INNOVATE THE WAY WE OPERATE



# Personalization and Speed are our priorities along the four strategic fields of action

## PERSONALIZATION

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REFOCUS THE BRANDS

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### REFINE THE WAY WE SELL

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Improve retail sales productivity

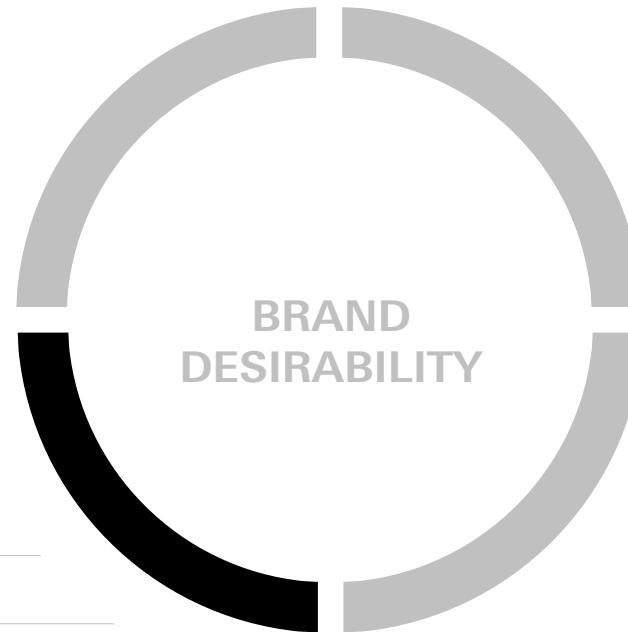
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Exploit full potential of online

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Leverage strong opportunity in Asia/Pacific

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## SPEED

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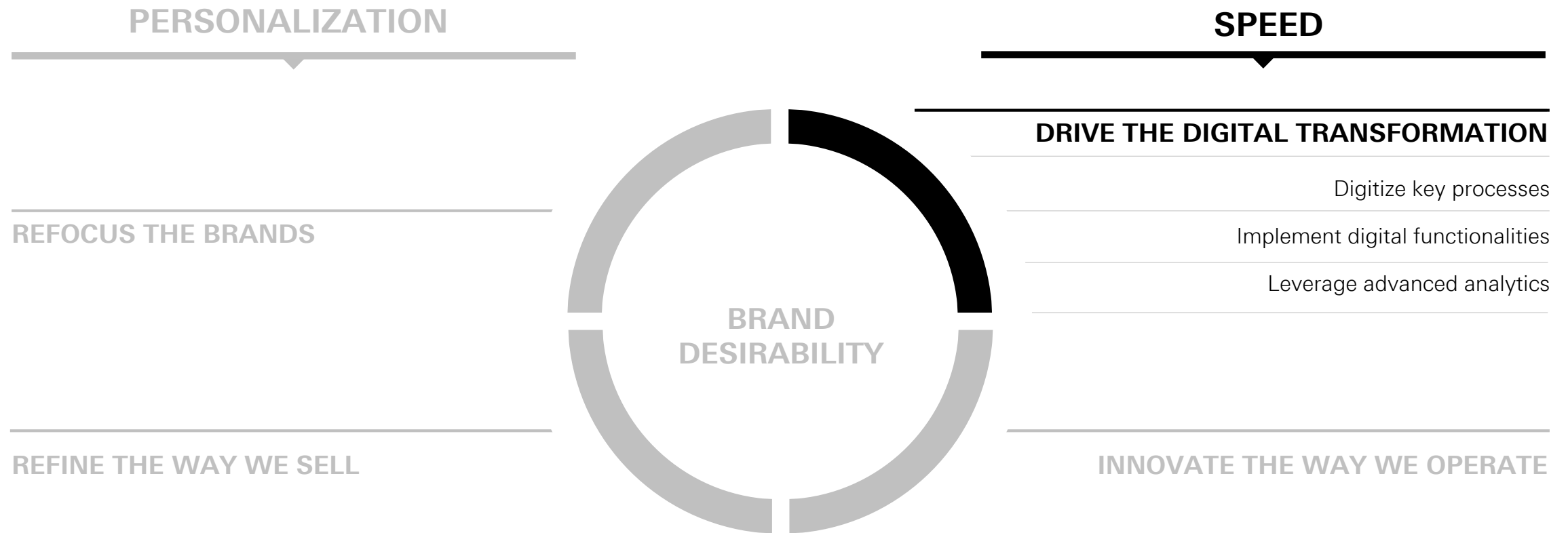
DRIVE THE DIGITAL TRANSFORMATION

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INNOVATE THE WAY WE OPERATE

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# Personalization and Speed are our priorities along the four strategic fields of action

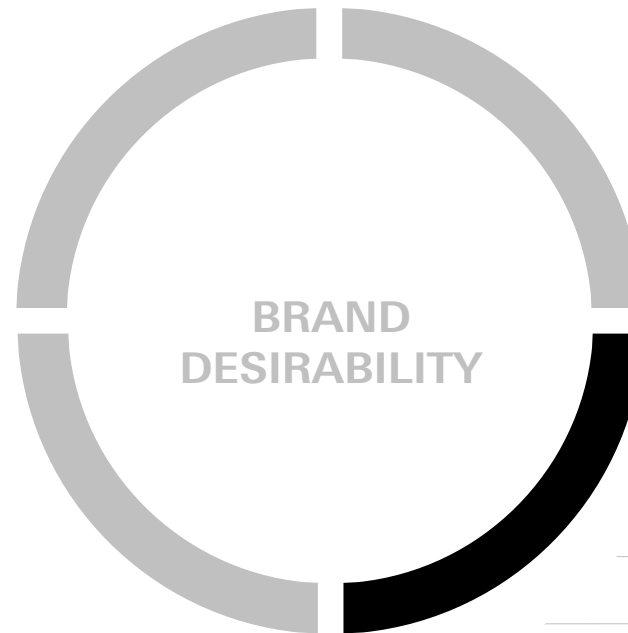


# Personalization and Speed are our priorities along the four strategic fields of action

## PERSONALIZATION

REFOCUS THE BRANDS

REFINE THE WAY WE SELL



## SPEED

DRIVE THE DIGITAL TRANSFORMATION

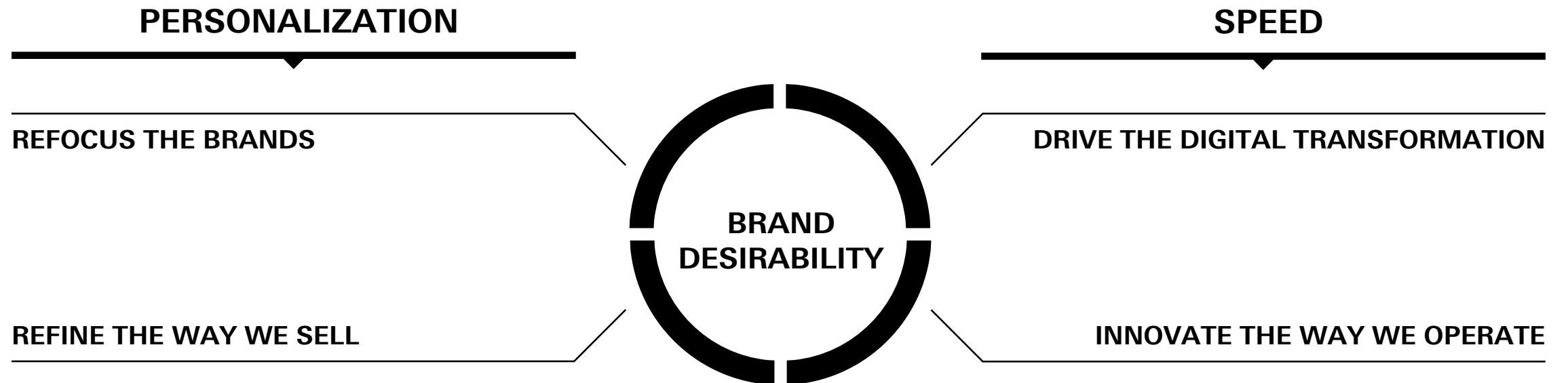
**INNOVATE THE WAY WE OPERATE**

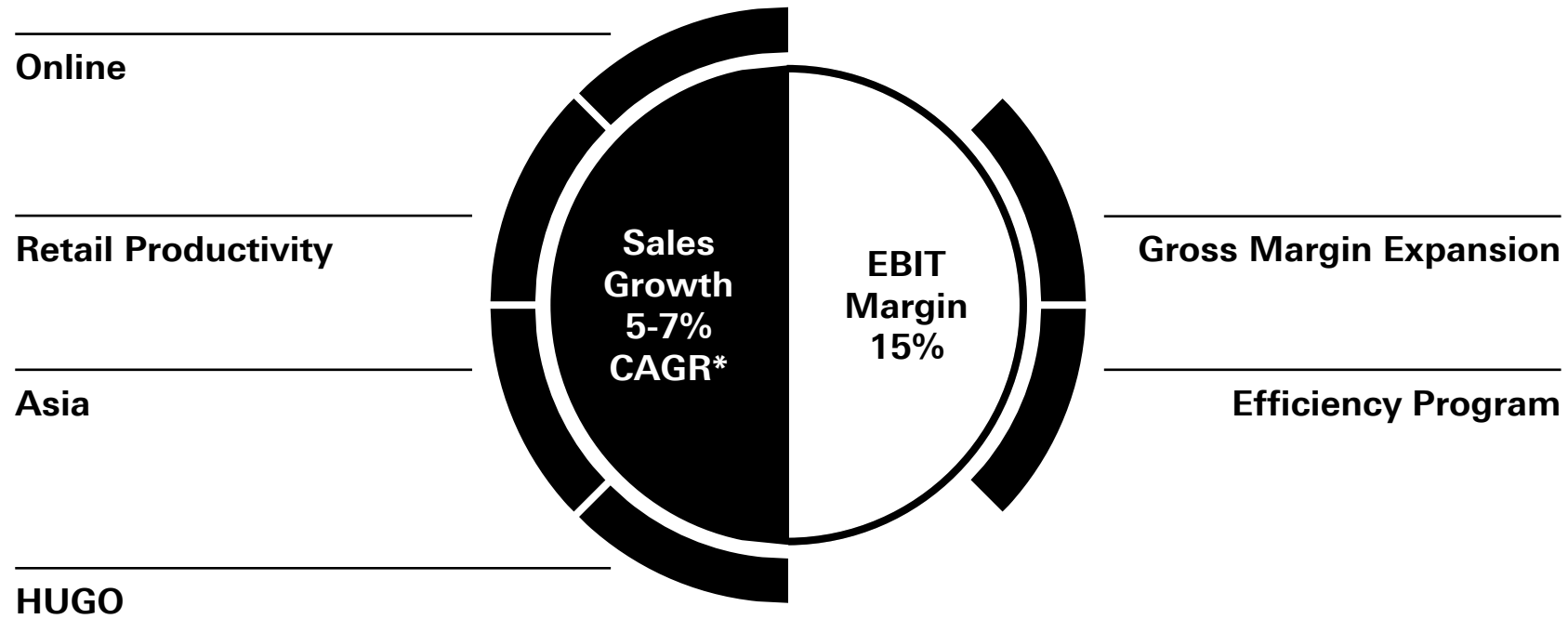
Shorten lead times

Implement flexible production processes

Rollout innovative work concepts

**Personalization and Speed** are our priorities along the four strategic fields of action





Key drivers of **sales growth** and **EBIT margin expansion** until 2022

\* = currency-adjusted