

**H U G O   B O S S**

HUGO BOSS

# Annual Shareholders' Meeting 2018

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Stuttgart – May 3, 2018

Mark Langer, Chief Executive Officer



## HUGO BOSS achieves its goals in 2017

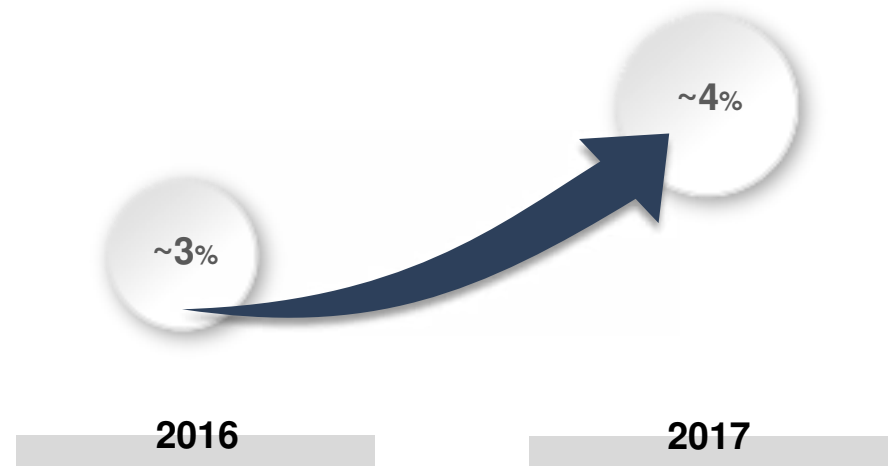


## Market growth accelerates slightly in 2017

### Regional performance

- Trends marked by substantial regional differences in Europe
- High levels of discounting persist in the US
- Asia benefits from recovery in local demand

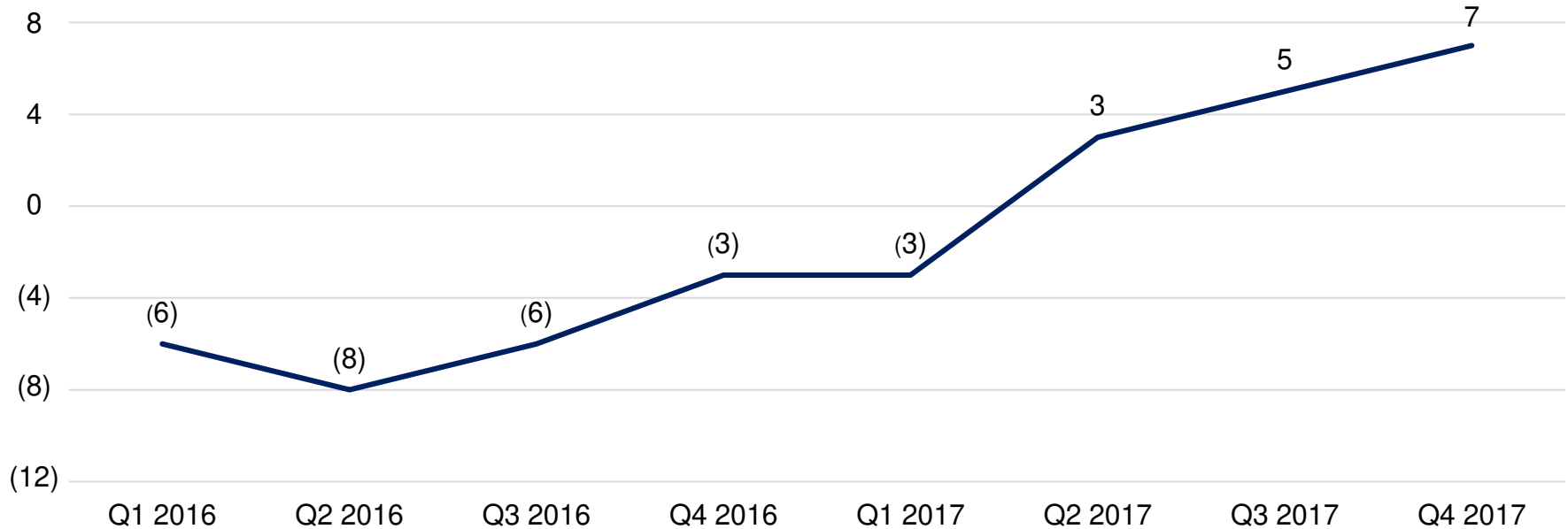
### Growth of global premium apparel market\*



\*The Business of Fashion and McKinsey & Company.

## Sales growth of HUGO BOSS is gaining significant momentum

Retail LFL sales development, in % (fx-adjusted)



Fourth-quarter 2017 performance represents strongest growth in more than five years

## HUGO BOSS grows on a broad base



### EUROPE

**+2%\***

- UK is the region's growth engine
- Stable sales performance in Germany



### AMERICAS

**+1%\***

- US business returns to growth
- Rationalization of US wholesale business completed



### ASIA/ PACIFIC

**+6%\***

- Double-digit retail LFL increase in China
- Japan benefits from strong tourist demand

\*2017 sales growth on a currency-adjusted basis.

## HUGO BOSS increases sales and earnings in 2017

- Sales up despite negative currency effects
- Strict cost discipline
- Consolidated net income benefits from the non-recurrence of prior-year expenditures

GROUP SALES

**2,733** EUR million



**+1%\***

EBITDA (before special items)

**491** EUR million



**0%**

CONSOLIDATED NET INCOME

**231** EUR million

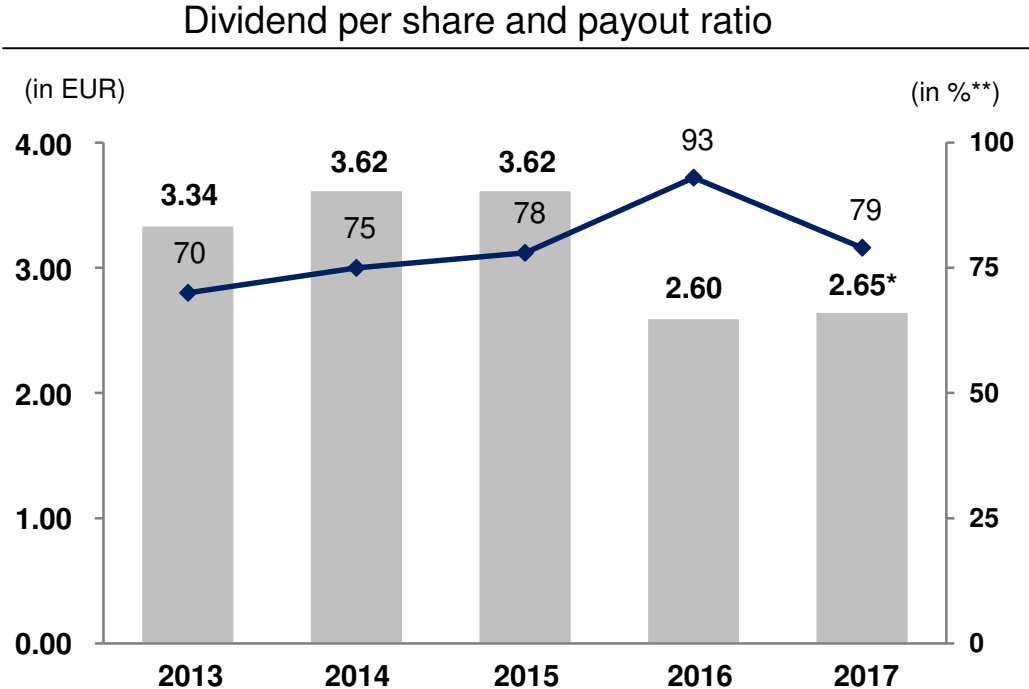


**+19%**

\*+3% on a currency-adjusted basis.

## Dividend increase contributes to attractive shareholder returns

- Dividend increase proposed to EUR 2.65 per share
- Return to dividend policy of paying out between 60% and 80% of consolidated net income



\* Proposal for fiscal year 2017. \*\*As a percentage of net income attributable to shareholders.



## HUGO BOSS share outperforms benchmark indices



## Consequent implementation of strategic realignment



## Focus on two strong brands – BOSS and HUGO



## Positive feedback on BOSS fashion shows



## Fashion show in Florence marks the beginning of a new era for HUGO





## Sales productivity in own retail expected to increase significantly



## Expansion of casualwear offering in own retail



## Implementation of new store concepts for BOSS and HUGO





## New construction of the flagship outlet in Metzingen



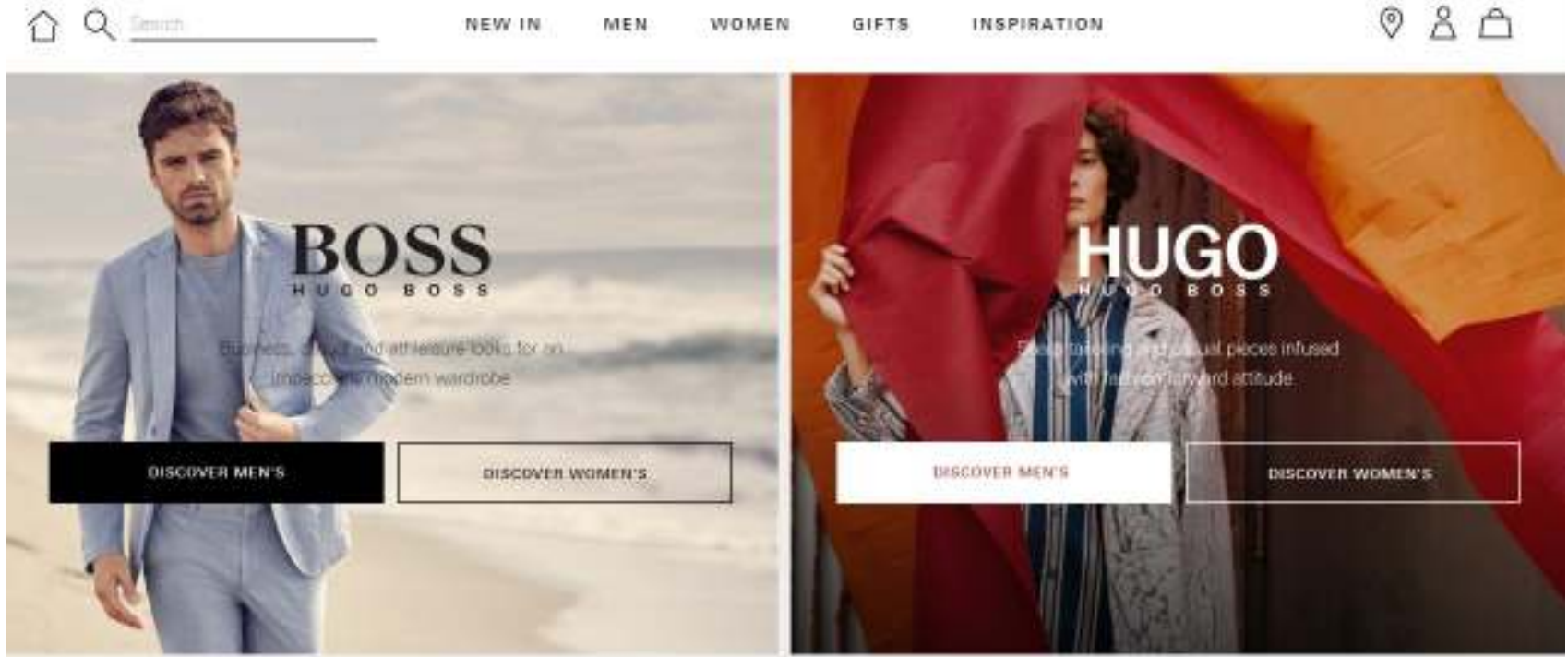
## Personalized service will further elevate the shopping experience



## Omnichannel services link online and physical retailing



## HUGO BOSS makes significant progress in the online business





# HUGO presents first completely digitally developed collection



////////// DIGITAL [ e ] VOLUTION //////////////////////////////////////

## HUGO digital showroom rolled out in additional European markets



## HUGO transformation accelerates the change of corporate culture



Agile management



## HUGO BOSS included in the Dow Jones Sustainability Index for the first time

**Stakeholder dialog  
intensified**

**Transparency  
increased**



**Collaboration in alliances  
extended**

**Sustainable products  
developed**



## Outlook 2018: higher sales, higher consolidated net income

### GROUP SALES

#### **Increase**

at a low to mid single-digit percentage rate

### EBITDA (before special items)

Development within a range of  
**(2)% and +2%**

### CONSOLIDATED NET INCOME

#### **Increase**

at a low to mid single-digit percentage rate



# First Quarter Results 2018 reconfirm full-year outlook

## SALES Q1 2018 (by region)

GROUP SALES Q1 2018

**650** EUR million

**+5%\***

in EUR: 0%

EBITDA (before special items)

**99** EUR million

**+1%**

NET INCOME

attributable to equity holders of the parent company

**50** EUR million

**+3%**



EUROPE\*\*

**+3%\***

in EUR: +1%



AMERICAS

**+7%\***

in EUR: (6)%



ASIA/PACIFIC

**+12%\***

in EUR : +2%

\*FX-adjusted. \*\*Incl. Middle East and Africa.

## Strategic realignment is progressing well

The **refocusing** of **BOSS** and **HUGO**  
has generated strong initial results.

**Multiple drivers** in place to drive  
further **sales growth**.

**Investments** and **efficiency**  
improvements will yield  
**profitable growth**.



HUGO BOSS

Many thanks for  
your attention!

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## **Forward-looking statements contain risks**

This document contains forward-looking statements that reflect management's current views with respect to future events. The words "anticipate", "assume", "believe", "estimate", "expect", "intend", "may", "plan", "project", "should", and similar expressions identify forward-looking statements. Such statements are subject to risks and uncertainties. If any of these or other risks and uncertainties occur, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. We do not intend or assume any obligation to update any forward-looking statement, which speaks only as of the date on which it is made.

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