HUGO BOSS

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Warburg Highlights 2018

Yves Müller, CFO Hamburg, June 22, 2018

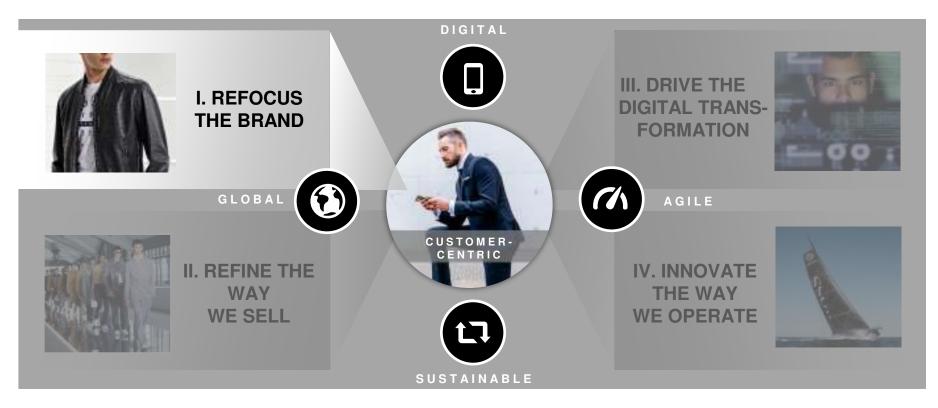


GROUP STRATEGY

Group strategy focuses on four fields of action



Strategic Fields of Action



HUGO BOSS

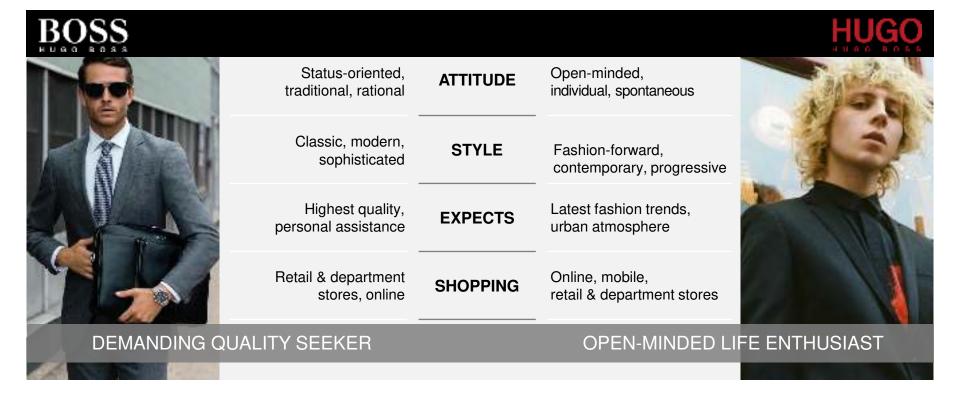
Two brands: BOSS and HUGO

#THISISBOSS

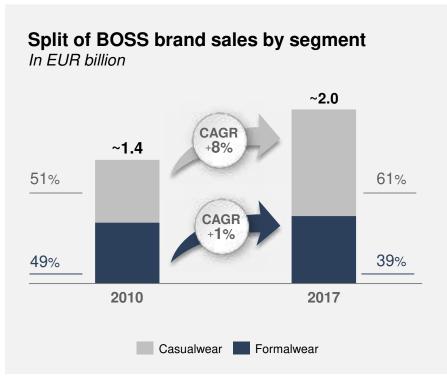
#IAMHUGO



BOSS and HUGO customers have different attitudes towards fashion



Athleisure influence runs through the core of the BOSS collection





Global pricing architecture implemented to ensure global brand positioning

Americas

 Pricing remained virtually unchanged

Europe

 All European countries now fully aligned

Asia

 Price gap narrowed to European levels

Strategic Fields of Action



Three key distribution priorities

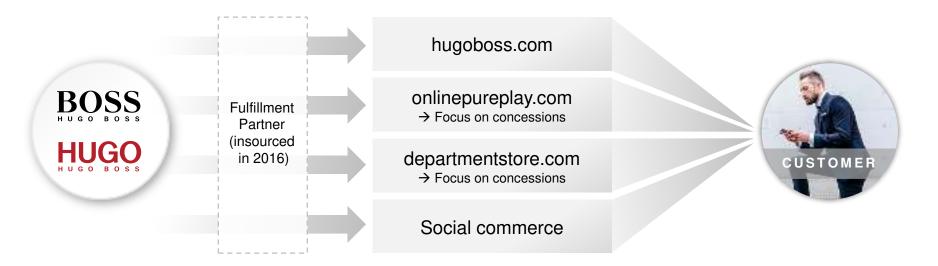


Exploit the full potential of online





Further integrate distribution across all channels



Three key distribution priorities



Omnichannel services link online and physical retailing



Exploit the full potential of online





Increase own retail sales



Further integrate distribution across all channels



Investor Meeting Presentation

Store renovations will upgrade own retail network



Openings

- 15-20 freestanding store openings will strengthen the network
- This includes the opening of around 10 HUGO stores



Closures

 Store closures based on expiration of rental contract

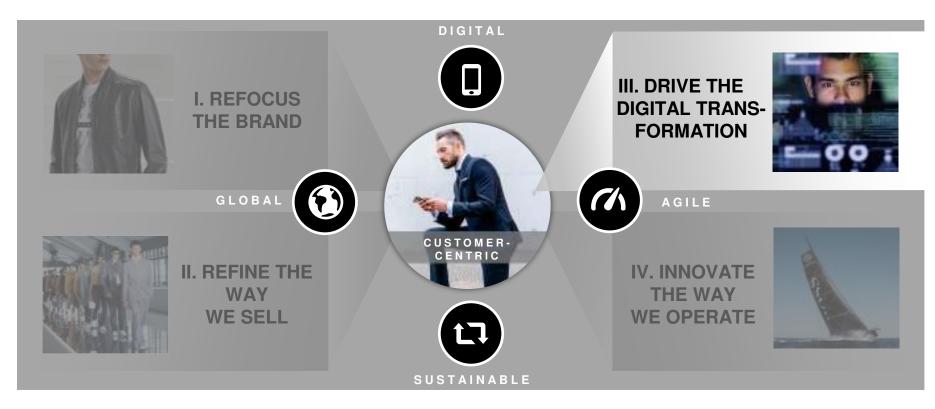


Renovations

 Renovations to account for the bulk of retail investments

Own retail selling space will remain largely stable going forward

Strategic Fields of Action



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HUGO will launch first fully digitally designed capsule //////// DIGITAL [e] VOLUTION

Investor Meeting Presentation

Strategic Fields of Action



Speed drives commercial success

Replenish sold-out bestsellers in-season Adjust collection content based on short-term trends

Become more flexible in our approach towards seasons

Demand-driven supply

Supplement the regular collection development process with a fast track concept which reduces the time to market to weeks rather than months



FINANCIAL PERFORMANCE Q1 2018

HUGO BOSS records solid currency-adjusted sales growth in the first quarter

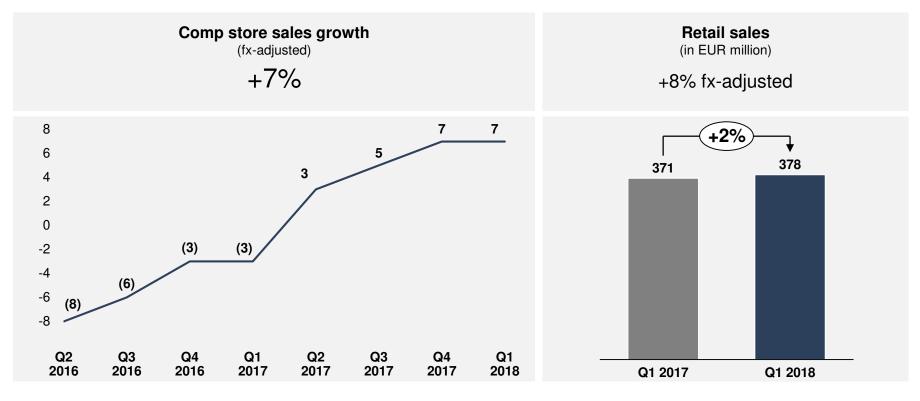


All regions contribute to currency-adjusted Group sales growth



Investor Meeting Presentation

First quarter performance confirms good momentum in own retail



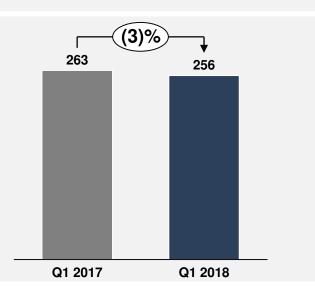
Mixed sales trends in the wholesale channel

- Wholesale sales decline in the U.S. due to shop-in-shop takeovers now accounted for as own retail
- Online outperforms the physical channel



Wholesale sales (in EUR million)

+1% fx-adjusted

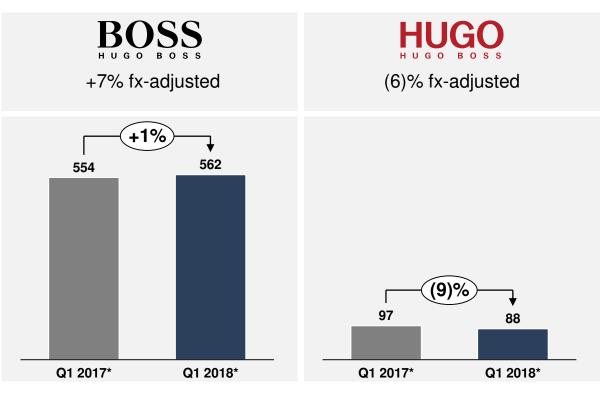


Casualwear grows disproportionately at both brands

Collection upgrade drives growth of BOSS Casualwear

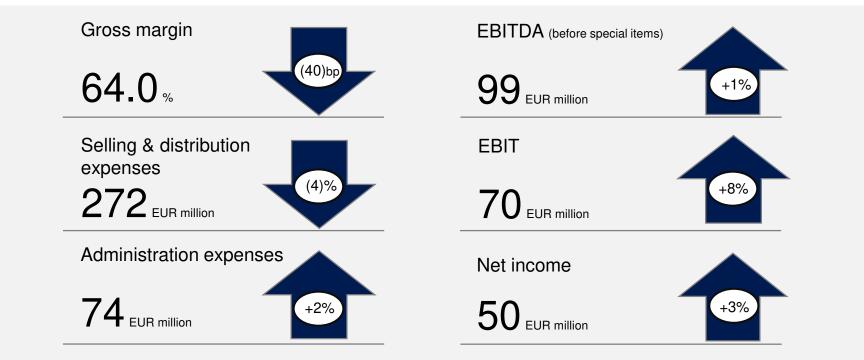
Strategic distribution changes impact HUGO sales

Menswear up 6%, womenswear down 3%



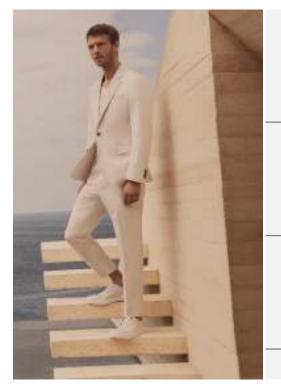
*in EUR million.

Operating expense decline supports EBITDA growth



FINANCIAL AND OPERATIONAL OUTLOOK

Outlook 2018 reconfirmed



Group sales

Increase at a low to mid single-digit percentage rate (fx-adjusted)

Gross profit margin

Largely stable

EBITDA (before special items)

Development within a range of -2% to +2%

Consolidated net income

Increase at a low to mid single-digit percentage rate

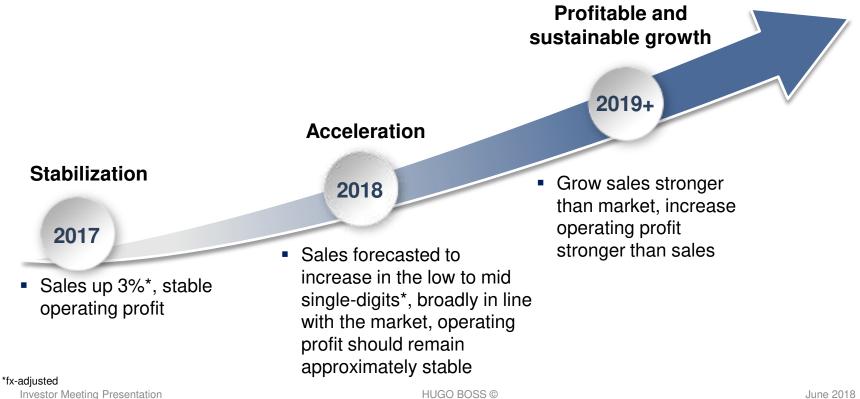
Capital expenditure

EUR 170 million to EUR 190 million

Free cash flow

EUR 150 million to EUR 200 million

Strategy execution will drive profitable and sustainable growth



HUGO BOSS

Backup

Sales by region and major markets

Share of Group sales*



Europe (incl. Middle East/Africa)

62%

| Germany: | 18% |
|----------------|-----|
| Great Britain: | 12% |
| France: | 6% |
| Benelux: | 5% |
| Other: | 21% |
| | |



Americas

| 21% | |
|-------------------------------|-----------|
| U.S.: Canada: Central & | 15% 3% |
| South America: | 3% |

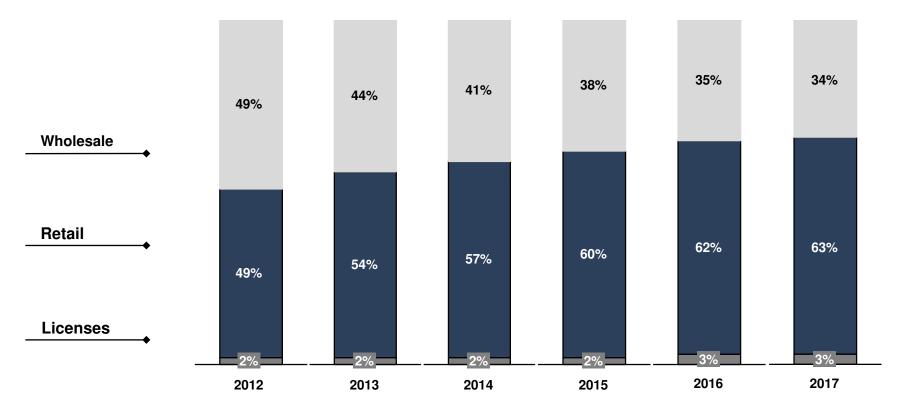


Asia/Pacific

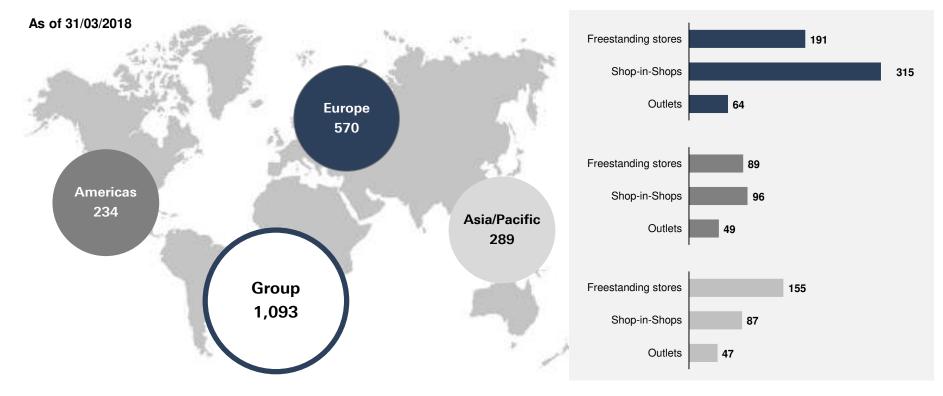
14%

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Sales by distribution channel

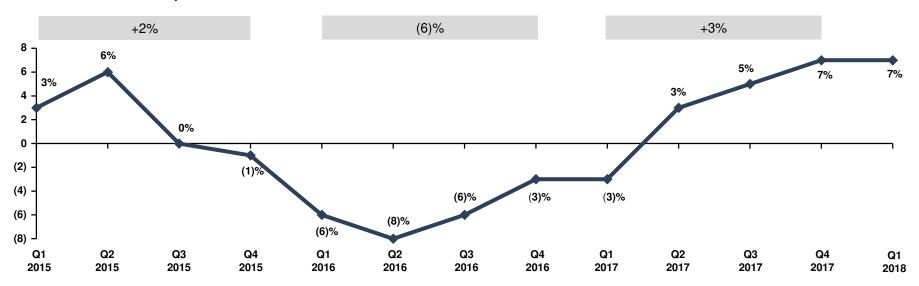


Number of Group's own retail stores by region



Retail comp stores sales

Retail I-f-I sales development*

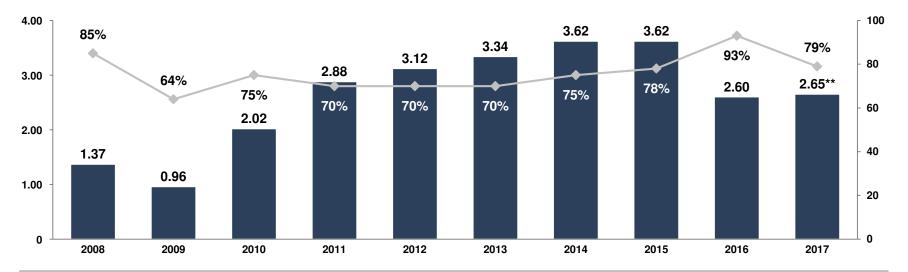


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Dividend policy

Dividend per share and payout ratio* (in EUR)

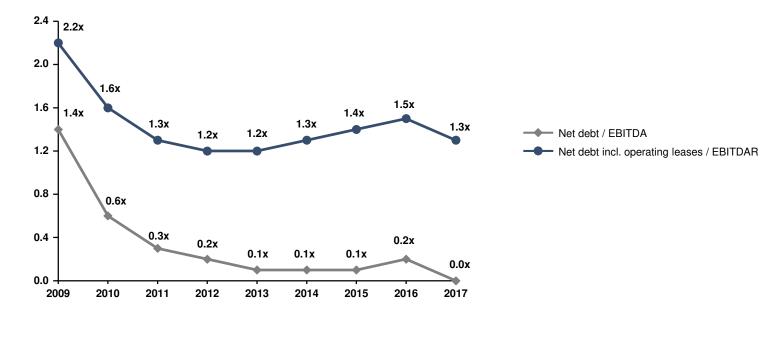




Dividend policy of paying out between 60% and 80% of consolidated net income reconfirmed

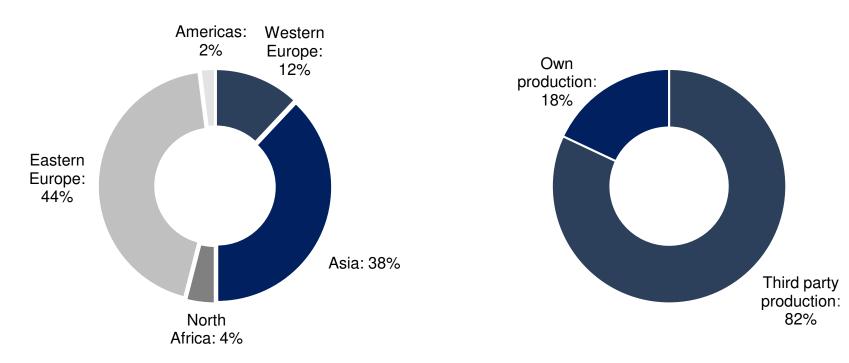
* As a percentage of net income attributable to shareholders ** Proposal for fiscal year 2017

(Adjusted) financial leverage



Operating leases EBITDAR = Future committed operating lease obligations capitalized according to S&P methodology = EBITDA + minimum rents + contingent rents

Sourcing and production structure*



HUGO BOSS —

Multi-Year overview

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|------------------|-------|-------|-------|-------|
| Sales | 2.733 | 2.693 | 2.809 | 2.572 | 2.432 |
| Gross profit | 1.808 | 1.777 | 1.853 | 1.699 | 1.580 |
| Gross profit margin in % | 66,2 | 66,0 | 66,0 | 66,1 | 64,9 |
| EBITDA | 499 | 433 | 590 | 572 | 561 |
| EBITDA before special items | 491 | 493 | 594 | 591 | 565 |
| Adjusted EBITDA margin in % ¹ | 18,0 | 18,3 | 21,2 | 23,0 | 23,2 |
| EBIT | 341 | 263 | 448 | 449 | 456 |
| Net income | 231 | 194 | 319 | 333 | 329 |
| Trade net working capital | 459 | 524 | 528 | 503 | 432 |
| Non-current assets | 662 | 752 | 765 | 660 | 612 |
| Shareholders equity | 915 | 888 | 956 | 844 | 740 |
| Equity ratio in % | 53 | 49 | 53 | 51 | 49 |
| Total assets | 1.720 | 1.799 | 1.800 | 1.662 | 1.501 |
| Free cash flow | 294 | 220 | 208 | 268 | 230 |
| Net debt | 7 | 113 | 82 | 36 | 57 |
| Capex | 128 | 157 | 220 | 135 | 185 |
| Depreciation/amortization | 158 | 170 | 142 | 123 | 105 |
| Total leverage ² | 0,0 | 0,2 | 0,1 | 0,1 | 0,1 |
| Dividend | 183 ³ | 179 | 250 | 250 | 231 |
| 1 EBITDA before special items/Sales | | | | | |

1 EBITDA before special items/Sales.

2 Net financial liabilities/EBITDA before special items.

3 Dividend proposal.

Investor Meeting Presentation

Analyst coverage

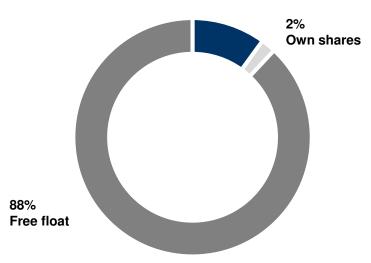
The HUGO BOSS AG share is covered by the following financial analysts:

| Institution | Analyst |
|-------------------------------|--------------------|
| Baader Bank | Volker Bosse |
| Bankhaus Lampe | Peter Steiner |
| Bank of America Merrill Lynch | Ashley Wallace |
| Berenberg Bank | Zuzanna Pusz |
| Bloomberg Intelligence | Chris Chaviaras |
| Bryan Garnier | Cédric Rossi |
| Citigroup | Thomas Chauvet |
| Commerzbank | Andreas Riemann |
| Credit Suisse | Guillaume Gauville |
| Deutsche Bank | Warwick Okines |
| DZ Bank | Herbert Sturm |
| equinet | Mark Josefson |
| Equita | Fabio Fazzari |
| Evercore ISI | Omar Saad |
| Exane BNP Paribas | Luca Solca |
| Goldman Sachs | Alberto D'Agnano |
| Hamburger Sparkasse | Christian Hamann |

| Institution | Analyst |
|---------------------|-----------------------|
| Hauck & Aufhäuser | Christian Salis |
| HSBC | Antoine Belge |
| Intermonte | Daniele Alibrandi |
| Invest Securities | Peter Farren |
| J.P. Morgan | Melanie Flouquet |
| Kepler Cheuvreux | Jürgen Kolb |
| LBBW | Thomas Hofmann |
| M.M. Warburg | Jörg Philipp Frey |
| Macquarie | Andreas Inderst |
| MainFirst | John Guy |
| Mirabaud Securities | Alessandro Migliorini |
| Morgan Stanley | Elena Mariani |
| Oddo BHF | Nicolas Kieffer |
| RBC | Piral Dadhania |
| Société Générale | Thierry Cota |
| UBS | Fred Speirs |

Shareholder structure*

10% PFC S.r.l. / Zignago Holding S.p.A.



Financial Calendar 2018 and Investor Relations contact

| Date | Event |
|-------------------|---|
| August 2, 2018 | Second Quarter Results 2018 & First Half Year Report 2018 |
| November 6, 2018 | Third Quarter Results 2018 |
| November 15, 2018 | Investor Day in London |

Investor Relations Contact

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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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