Investor Meeting Presentation

First Quarter 2019
AGENDA

1. First Quarter Results & Outlook 2019
2. 2022 Strategy
3. Backup
Group sales (in EUR million)

Q1 2018: 650
Q1 2019: 664

1%*

Solid top-line performance in the first quarter

*Currency-adjusted
<table>
<thead>
<tr>
<th></th>
<th>ONLINE</th>
<th>RETAIL PRODUCTIVITY</th>
<th>ASIA</th>
<th>HUGO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>+26%*</td>
<td>+3%</td>
<td>+4%*</td>
<td>+4%*</td>
</tr>
</tbody>
</table>

Strategic growth drivers make further progress

*Currency-adjusted
Sales growth in APAC and Europe more than offsets decline in the Americas

*Currency-adjusted*
Retail comp store sales grow 4% in Q1 2019

*Currency-adjusted*
BOSS shows ongoing momentum in casual- and athleisurewear

in EUR million

*Currency-adjusted
HUGO records double-digit growth in casualwear

HUGO records double-digit growth in casualwear
Gross margin development negatively impacted by currency effects

- Gross margin: 63.8% (20)bp
- Selling & distribution expenses*: EUR 288 MILLION +6%
- Administration expenses*: EUR 81 MILLION +10%
- EBIT*: EUR 55 MILLION (22)%
- Net income*: EUR 39 MILLION (21)%

*Excluding IFRS 16 impact
Timing of marketing spend and efficiency measures weigh on EBIT development in Q1

(in EUR million)

*Excluding IFRS 16 impact
Inventory growth y-o-y
(in % currency-adjusted)

Inventory growth continues to decline as planned

Inventories
Ongoing tight focus on inventory management
Further normalization of inventory levels expected over the course of the year
Increase in TNWC in line with inventory development
Higher capital expenditure weighs on FCF as expected

Capital expenditure

$+13$ EUR million (Jan. – March 2019)

Free cash flow*

$(13)$ EUR million (Jan. – March 2019)

Free cash flow

Capital expenditure increases to EUR 30 million, driven by store renovations and IT investments.

FCF decreases to minus EUR 60 million, reflecting the increase in capital expenditure.

*Excluding IFRS 16 impact
HUGO BOSS confirms outlook for full year 2019

<table>
<thead>
<tr>
<th>Category</th>
<th>Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group sales*</td>
<td>Increase at a mid-single-digit percentage rate</td>
</tr>
<tr>
<td>Gross margin</td>
<td>Increase of up to 50 basis points</td>
</tr>
<tr>
<td>EBIT**</td>
<td>Increase at a high single-digit percentage rate</td>
</tr>
<tr>
<td>Consolidated net income**</td>
<td>Increase at a high single-digit percentage rate</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>EUR 170 million to EUR 190 million</td>
</tr>
<tr>
<td>Free cash flow**</td>
<td>EUR 210 million to EUR 260 million</td>
</tr>
</tbody>
</table>

*Currency-adjusted

**Excluding IFRS 16 impact
AGENDA

1. First Quarter Results & Outlook 2019
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OUR VISION

BE THE MOST DESIRABLE PREMIUM FASHION AND LIFESTYLE BRAND
Personalization and Speed are priorities along the four strategic fields of action.
Personalization:
Driving customer engagement

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

<table>
<thead>
<tr>
<th>Customer expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instant gratification</td>
</tr>
<tr>
<td>Return on time spent</td>
</tr>
<tr>
<td>Fulfilling experiences</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Building on our strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellence in product design and development</td>
</tr>
<tr>
<td>Industry-leading IT and logistic systems</td>
</tr>
<tr>
<td>Robust supply chain</td>
</tr>
</tbody>
</table>
Key sales growth drivers identified across channels, regions, and brands

Group sales (in EUR billion)

- 2016: 2.7 (3%*)
- 2017: 2.7 (4%*)
- 2018: 2.8

CAGR 5-7%*

2022e

* = currency-adjusted
Online sales (in EUR million)

76 79 110 2022e
2016 2017 2018

~ x4

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)

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>10,500</td>
</tr>
<tr>
<td>2017</td>
<td>10,600</td>
</tr>
<tr>
<td>2018</td>
<td>10,700</td>
</tr>
<tr>
<td>2022e</td>
<td></td>
</tr>
</tbody>
</table>

**CAGR 4%**

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**Retail: Further improving retail sales productivity**

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

* = retail sales (excl. online) / net selling space
Asia/Pacific: Sales to increase at a double-digit rate

15% Asia/Pacific in 2018
20% Asia/Pacific 2022e

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
HUGO: Overproportionate growth in contemporary fashion segment

HUGO sales (in EUR million)

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (EUR million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>380</td>
</tr>
<tr>
<td>2017</td>
<td>397</td>
</tr>
<tr>
<td>2018</td>
<td>374</td>
</tr>
<tr>
<td>2022e</td>
<td></td>
</tr>
</tbody>
</table>

CAGR >5-7%*

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

* = currency-adjusted
EBIT margin targeted at 15% in 2022
Gross margin expansion supported by multiple levers

- Increase share of controlled distribution
- Simplified brand portfolio leads to complexity reduction
- Reduce share of outlet business
- Advanced markdown management
Efficiency Program to generate total cost savings of ~ EUR 160 million
Efficiency program to drive operating leverage

**Retail**
- Improve retail productivity
- Improve pay-to-sales ratio
- Renegotiate rental contracts
- Right-size existing store base
- Optimize CAPEX-to-sales ratio

**Organize**
- Review existing overhead cost structure
- Clarify roles and responsibilities
- Rollout digital capabilities
- Implement shared services

**Marketing**
- Grow marketing effectiveness
- Review effectiveness of marketing mix
- Measure return on marketing investments
- Drive digital marketing activities
- Grow social media presence

**Efficiency Program**
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 until 2022

- Online
- Retail Productivity
- Asia

Sales Growth 5-7% CAGR*
EBIT Margin 15%
Gross Margin Expansion
Efficiency Program

* = currency-adjusted
Personalization and Speed are our priorities along the four strategic fields of action.
Successful realignment of BOSS and HUGO

2 brands
customers
lifestyles
BRAND STRATEGY

BOSS
#1 reason for customers to buy BOSS is the QUALITY

Strengthen tailoring heritage to drive customer value and brand desirability

+15% Sales growth YOY Mix & Match

Every 3rd BOSS suit sold with Stretch Tailoring

+50% Sales growth YOY Made-to-Measure
Exploit potential with BOSS Casual- and Athleisurewear
Analyze product groups and customer needs

Reorganize collection structure to minimize overlaps

Reallocate resources for product innovation

Free up resources for capsule collections

Complexity reduction for BOSS Casual- and Athleisurewear
Product | Innovation

Driving innovation to excite customers
360° marketing approach to consistently engage with the BOSS customer
BRAND STRATEGY

HUGO
Offering progressive collections for the “mix-masters”
HUGO REVERSED represents

~10%

of HUGO Casualwear sales

HUGO REVERSED offers personalized premium fashion
DIGITAL

HUGO Bits and Bytes collection

- increases brand desirability
- excites customers
- offers new possibilities

Expansion of digitally developed HUGO collection in 2019
Marketing initiatives aim at connecting with the HUGO customer.
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
RETAIL
Accelerate rollout
of new BOSS store concept
New BOSS store concept improves performance across KPIs
HUGO: expansion of store network ongoing

23 HUGO Stores by the end of 2018
Maintain retail selling space

01

Openings
Expand BOSS footprint in Asia/Pacific
Open HUGO stores in key metropolitan cities
Focus on “new role of stores”

02

Relocations & closures
Right-size stores
Relocate within the same city or mall
Close selective stores

03

Renovations
Accelerate global rollout of new BOSS store concept
Focus on key metropolitan cities
Renovate shops and outlets
WHOLESALE
Further strengthening strategic wholesale partnerships

01 | Enhance brand presentation
02 | Simplify selling process
03 | Increase marketing support
04 | Expand online cooperation
05 | Grow demand-driven supply
Accelerate online concession business to control distribution

- Strong development of online concessions contributes to online growth
- Zalando concession partnership marks major milestone
- Online concession model to be extended in the coming years
Coverage of >90% of global online apparel and footwear market

Rollout of hugoboss.com increases global online presence
Omnichannel services increase convenience and speed

Target 2022
Omnichannel services to grow to 5% of store sales

- In-Store Availability Check
- Click & Collect
- Click & Reserve
- Demand-driven Delivery
- Order from Store
- Store Locator
- Return to Store
Unleash the full potential across all regions
Drive quality growth in the Americas

- Leverage trend towards casual- and athleisurewear
- Review and optimize existing store network
- Reduce share of outlet business
- Grow quality business through strategic wholesale partners

License business represents 3% of Group sales
Maintain leading position in Europe*

- Grow productivity of existing store base
- Rollout HUGO stores across major European cities
- Expand concession business with large online platforms
- Strengthen existing partnerships with key wholesale partners

*incl. Middle East/Africa

License business represents 3% of Group sales
Leverage strong potential in Asia/Pacific

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

Sales share 2018: 15%
CAGR:
Sales share 2022e: 20%

License business represents 3% of Group sales
Personalization and Speed are our priorities along the four strategic fields of action.
Two different initiatives to drive Speed

ADVANCED ANALYTICS
Operations-related dimensions

HUGO TRANSFORMATION
Product-related dimensions & cultural transformation
Multiple measures along the value chain
Digitally developed collection as a measure for speeding up

- 100% non-physical
  - No prototypes, no samples
- 75:25
  - 75% of styles from current patterns, 25% from new
- From known materials
  - Made from fabrics applied in latest collections
- By digitally enabled vendors
  - Made by fast and digitally enabled vendors
Digital development reduces lead times by 50%
Markdown management optimization via advanced analytics
AGENDA

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Sales by region and major markets
Share of Group sales*

Europe
(incl. Middle East/Africa)

62%
- Germany: 15%
- Great Britain: 13%
- France: 6%
- Benelux: 5%
- Other: 23%

Americas

20%
- U.S.: 15%
- Canada: 3%
- Central & South America: 2%

Asia/Pacific

15%
- China: 8%
- Oceania: 2%
- Japan: 2%
- Other: 3%

* = as of 2018; 3% licenses
Sales by distribution channel

**RETAIL**

- 2013: 54%
- 2014: 57%
- 2015: 60%
- 2016: 62%
- 2017: 63%
- 2018: 63%

**WHOLESALE**

- 2013: 44%
- 2014: 41%
- 2015: 38%
- 2016: 35%
- 2017: 34%
- 2018: 34%

**LICENSES**

- 2013: 2%
- 2014: 2%
- 2015: 2%
- 2016: 3%
- 2017: 3%
- 2018: 3%
Number of Group’s own retail stores by region
As of 31/03/2019

<table>
<thead>
<tr>
<th>Region</th>
<th>Group</th>
<th>Europe</th>
<th>Americas</th>
<th>Asia/Pacific</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freestanding stores</td>
<td>198</td>
<td>198</td>
<td>198</td>
<td>198</td>
</tr>
<tr>
<td>Shop-in-Shops</td>
<td>307</td>
<td>307</td>
<td>307</td>
<td>307</td>
</tr>
<tr>
<td>Outlets</td>
<td>67</td>
<td>67</td>
<td>67</td>
<td>67</td>
</tr>
<tr>
<td>Freestanding stores</td>
<td>90</td>
<td>90</td>
<td>90</td>
<td>90</td>
</tr>
<tr>
<td>Shop-in-Shops</td>
<td>83</td>
<td>83</td>
<td>83</td>
<td>83</td>
</tr>
<tr>
<td>Outlets</td>
<td>49</td>
<td>49</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td>Freestanding stores</td>
<td>129</td>
<td>129</td>
<td>129</td>
<td>129</td>
</tr>
<tr>
<td>Shop-in-Shops</td>
<td>108</td>
<td>108</td>
<td>108</td>
<td>108</td>
</tr>
<tr>
<td>Outlets</td>
<td>54</td>
<td>54</td>
<td>54</td>
<td>54</td>
</tr>
</tbody>
</table>
Retail comp stores sales
Retail l-f-l sales development*

*currency-adjusted
Shareholder return

Strong commitment to profit-based dividend policy

Dividend payout ratio in % of net income, dividend in EUR
(Adjusted) financial leverage

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

- 38% ASIA
- 13% WESTERN EUROPE
- 2% AMERICAS
- 42% EASTERN EUROPE
- 5% NORTH AFRICA
- 17% OWN PRODUCTION
- 83% THIRD PARTY PRODUCTION

* = as of 2018, in value terms
## Multi-Year overview

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>2,796</td>
<td>2,733</td>
<td>2,693</td>
<td>2,809</td>
<td>2,572</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>1,824</td>
<td>1,808</td>
<td>1,777</td>
<td>1,853</td>
<td>1,699</td>
</tr>
<tr>
<td><strong>Gross profit margin in %</strong></td>
<td>65.2</td>
<td>66.2</td>
<td>66.0</td>
<td>66.0</td>
<td>66.1</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>476</td>
<td>499</td>
<td>433</td>
<td>590</td>
<td>572</td>
</tr>
<tr>
<td><strong>EBITDA before special items</strong></td>
<td>489</td>
<td>491</td>
<td>493</td>
<td>594</td>
<td>591</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA margin in %</strong></td>
<td>17.5</td>
<td>18.0</td>
<td>18.3</td>
<td>21.2</td>
<td>23.0</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>347</td>
<td>341</td>
<td>263</td>
<td>448</td>
<td>449</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>236</td>
<td>231</td>
<td>194</td>
<td>319</td>
<td>333</td>
</tr>
<tr>
<td><strong>Trade net working capital</strong></td>
<td>537</td>
<td>459</td>
<td>524</td>
<td>528</td>
<td>503</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td>686</td>
<td>662</td>
<td>752</td>
<td>765</td>
<td>660</td>
</tr>
<tr>
<td><strong>Shareholders equity</strong></td>
<td>981</td>
<td>915</td>
<td>888</td>
<td>956</td>
<td>844</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>1,858</td>
<td>1,720</td>
<td>1,799</td>
<td>1,800</td>
<td>1,662</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>170</td>
<td>294</td>
<td>220</td>
<td>208</td>
<td>268</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>22</td>
<td>7</td>
<td>113</td>
<td>82</td>
<td>36</td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td>155</td>
<td>128</td>
<td>157</td>
<td>220</td>
<td>135</td>
</tr>
<tr>
<td><strong>Depreciation/amortization</strong></td>
<td>129</td>
<td>158</td>
<td>170</td>
<td>142</td>
<td>123</td>
</tr>
<tr>
<td><strong>Total leverage</strong></td>
<td>0.0</td>
<td>0.0</td>
<td>0.2</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Dividend</strong></td>
<td>186</td>
<td>183</td>
<td>179</td>
<td>250</td>
<td>250</td>
</tr>
</tbody>
</table>

1 EBITDA before special items/Sales.
2 Net financial liabilities/EBITDA before special items.
3 Dividend proposal.
Financial Calendar & Investor Relations contact

- **May 16, 2019**: Annual Shareholders’ Meeting
- **August 1, 2019**: Second Quarter Results and First Half Year Report 2019
- **November 5, 2019**: Third Quarter Results 2019

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Forward looking statements contain risks

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