H U G O B O S S

Press Release

HUGO BOSS First Quarter Results 2013

Wholesale sales decline affects HUGO BOSS earnings development in the first quarter

- **Own retail business continues to grow at double-digit rates**
- **Group sales decline by 2% as a result of a different timing of wholesale deliveries compared to the prior year**
- **Increased gross profit margin partly compensates for lower sales and higher operating expenses**
- **Positive outlook for 2013 reconfirmed**

Metzingen, May 2, 2013. The persistently challenging economic environment and a different timing of product deliveries to wholesale partners had an adverse impact on the HUGO BOSS Group's sales and earnings performance in the first quarter. Nevertheless, the Company reaffirms its growth forecast for the year as a whole.

"The market environment proved to be very challenging in the early months of this year", says Claus-Dietrich Lahrs, Chief Executive Officer of HUGO BOSS AG. "With a better performance of the wholesale business in the further course of this year, we shall return to renewed growth in the second quarter already. We therefore reconfirm our sales and profit targets for 2013."

Continued double-digit growth in own retail

In the first quarter of 2013, the HUGO BOSS Group achieved sales of EUR 593 million. This corresponds to a decline of 2% both in euro and in local currencies compared with the previous year (Q1 2012: EUR 607 million). The different timing of product deliveries compared to the prior year following the introduction of the more season focused collection cycle and the resulting increasing importance of the Summer collection, which is mainly delivered in the second quarter, had a material impact on the negative development in the wholesale business. Overall, sales generated in the wholesale business in the first quarter were down 14% compared to the previous year after adjustment for currency effects. The Group's own retail business (including outlets and online business) posted a sales increase of 15% in local currencies. The growth in retail comp store sales amounted to 2% after adjustment for currency effects. The Group's own retail network was expanded by 36 in net terms to 876 locations in the first quarter of 2013 (December 31, 2012: 840).

From a regional perspective, growth was mixed in the first quarter. Sales in Europe, where wholesale remains the most important distribution channel, were down 5% compared to the previous year. In the Americas, sales in local currencies increased by 6% supported by a continued positive performance in the U.S. Slight growth in China led to a 1% increase in sales in Asia after adjustment for currency effects.

The gross profit margin improved by 80 basis points to 61.8%, which was attributable primarily to the expansion of the Group's own retail business and the positive development in the royalty business (Q1 2012: 61.0%). Higher operating expenses, caused in particular by the continued expansion of the Group's own retail business, led to a decrease in EBITDA before special items of 11% to EUR 133 million (Q1 2012: EUR 148 million). The adjusted EBITDA margin declined by 220 basis points in the first quarter to 22.3% (Q1 2012: 24.5%).

Inventory decline supports reduction in trade net working capital

The Group's key balance sheet metrics improved further. Trade net working capital decreased by 5% to EUR 454 million (March 31, 2012: EUR 476 million). The reduction in inventories of 5% to EUR 400 million (March 31, 2012: EUR 422 million) played an important role in this development. In the first quarter of 2013, investment was well up on the level of the previous year, at EUR 31 million (Q1 2012: EUR 15 million). The increase was mainly driven by investments in the new flat-packed goods distribution center and in the Group's own retail business. Net financial liabilities fell by 12% to EUR 124 million (March 31, 2012: EUR 141 million) thanks to strict capital management.

Outlook for 2013 reconfirmed

HUGO BOSS continues to expect high single-digit currency-adjusted sales growth in 2013. All regions are projected to contribute to the increase. The Group anticipates continued double-digit growth in its own retail business, while the wholesale channel is expected to record an approximately stable development. The Group plans to expand its network with around 50 new stores excluding takeovers. Capital expenditure in 2013 will increase compared to the prior year on a comparable basis, excluding expenditures for the current construction of the new flat-packed goods distribution center, and will focus primarily on the planned expansion and renovation of the Group's own store network. Like sales, EBITDA before special items is expected to rise at a high single-digit rate.

Additional information

The First Quarter Report 2013 is available for downloading from the Company's website www.group.hugoboss.com.

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Consolidated Income Statement

in EUR million	Q1 2013	Q1 2012	Change in %
Net sales	**593.5**	**606.8**	**(2)**
Cost of sales	(213.9)	(224.2)	5
Direct selling expenses	(12.5)	(12.5)	0
Gross profit	**367.1**	**370.1**	**(1)**
in % of sales	61.8	61.0	0.8 pp
Selling and distribution expenses	(199.0)	(189.2)	(5)
Administration costs and other operating income and expenses	(56.7)	(51.5)	(10)
Operating result (EBIT)	**111.4**	**129.4**	**(14)**
in % of sales	18.8	21.3	(2.5) pp
Net interest income/expense	(3.8)	(3.3)	(15)
Other financial items	(1.2)	(0.9)	(33)
Financial result	**(5.0)**	**(4.2)**	**(19)**
Earnings before taxes	**106.4**	**125.2**	**(15)**
Income taxes	(24.4)	(30.0)	19
Net income	**82.0**	**95.2**	**(14)**
Attributable to:			
Equity holders of the parent company	81.6	93.9	(13)
Minority interests	0.4	1.3	(69)
Net income	**82.0**	**95.2**	**(14)**
Earnings per share (EUR)[1]			
Ordinary share	1.18	1.36	(13)
Preferred share[2]		1.37	

[1] Basic and diluted earnings per share.

[2] Preferred shares were converted into ordinary shares on June 15, 2012 after the close of stock market trading.

EBITDA and Special Items

in EUR million	Q1 2013	Q1 2012	Change in %
EBITDA before special items	**132.6**	**148.4**	**(11)**
in % of sales	22.3	24.5	(2.2) pp
Special items	(0.1)	0.7	<(100)

Sales by Region and Channel

in EUR million	Q1 2013	Q1 2012	Change in %	Change in % currency-adjusted
Europe	366.7	385.2	(5)	(5)
Americas	127.6	121.7	5	6
Asia/Pacific	86.3	87.8	(2)	1
Royalties	12.9	12.1	6	6
Total	**593.5**	**606.8**	**(2)**	**(2)**
Wholesale	301.9	350.4	(14)	(14)
Group's own retail business	278.7	244.3	14	15

Consolidated Balance Sheet

Assets **in EUR million**	**March 31, 2013**	**March 31, 2012**	**December 31, 2012**
Intangible assets	140.5	139.4	142.2
Property, plant and equipment	371.4	282.1	357.5
Deferred tax assets	67.5	54.1	66.7
Non-current financial assets	15.7	13.5	14.5
Non-current tax receivables	2.1	2.7	2.1
Other non-current assets	2.7	2.6	2.6
Non-current assets	**599.9**	**494.4**	**585.6**
Inventories	400.0	421.9	430.3
Trade receivables	249.7	237.8	214.9
Current tax receivables	15.4	10.4	10.9
Current financial assets	17.9	25.8	26.6
Other current assets	79.4	52.2	61.3
Cash and cash equivalents	57.3	211.0	254.6
Assets classified as held for sale	0.0	0.0	0.0
Current assets	**819.7**	**959.1**	**998.6**
Total assets	**1,419.6**	**1,453.5**	**1,584.2**

Equity and Liabilities **in EUR million**	**March 31, 2013**	**March 31, 2012**	**December 31, 2012**
Subscribed capital	70.4	70.4	70.4
Own shares	(42.3)	(42.3)	(42.3)
Capital reserve	0.4	0.4	0.4
Retained earnings	595.3	493.1	287.9
Accumulated other comprehensive income	2.9	(20.7)	(8.7)
Profit attributable to equity holders of the parent company	81.6	93.9	307.4
Equity attributable to equity holders of the parent company	**708.3**	**594.8**	**615.1**
Minority interests	25.8	24.5	24.6
Group equity	**734.1**	**619.3**	**639.7**
Non-current provisions	53.4	34.0	53.1
Non-current financial liabilities	154.8	348.9	63.3
Deferred tax liabilities	18.9	20.3	19.6
Other non-current liabilities	12.3	13.8	14.0
Non-current liabilities	**239.4**	**417.0**	**150.0**
Current provisions	71.0	94.3	90.3
Current financial liabilities	32.7	26.5	332.2
Income tax payables	53.2	45.3	51.2
Trade payables	195.3	183.6	227.5
Other current liabilities	93.9	67.5	93.3
Current liabilities	**446.1**	**417.2**	**794.5**
Total equity and liabilities	**1,419.6**	**1,453.5**	**1,584.2**