

THIRD QUARTER 2019 RESULTS PRESENTATION

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MARK LANGER

CHIEF EXECUTIVE OFFICER

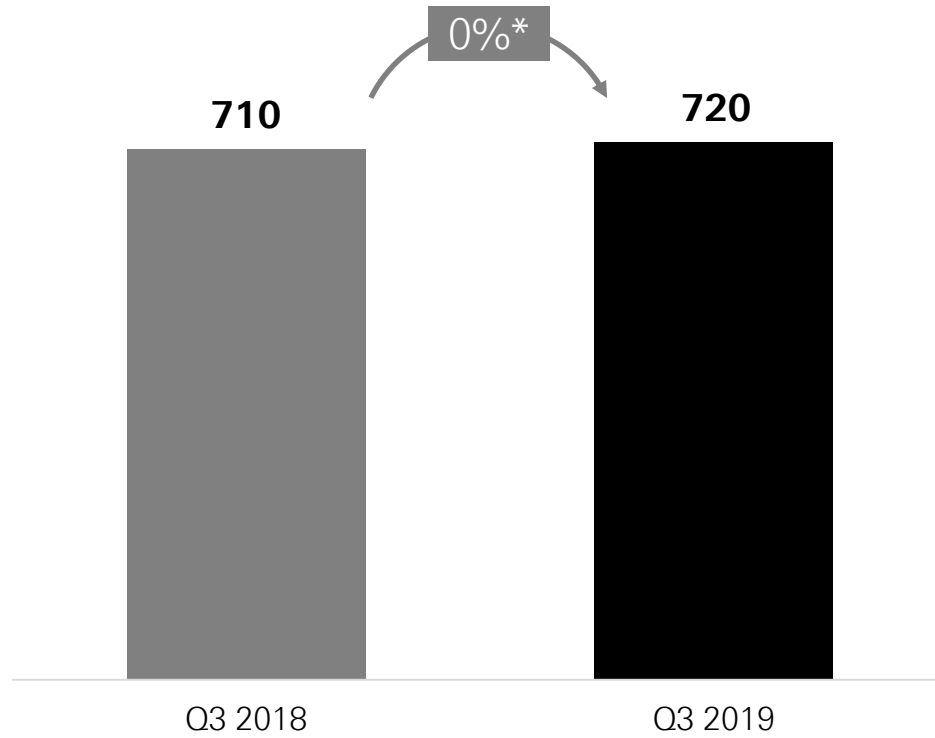
YVES MÜLLER

CHIEF FINANCIAL OFFICER



Group sales

(in EUR million)

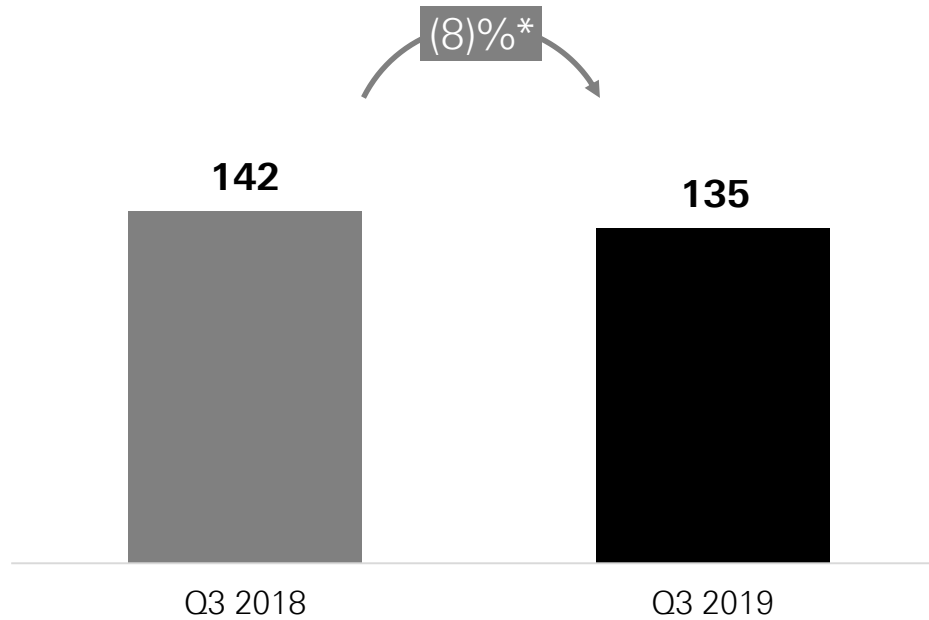


Sales development impacted by macroeconomic uncertainties

*Currency-adjusted

Americas sales

(in EUR million)



North America impacted by general softness in local demand and lower tourism spend.

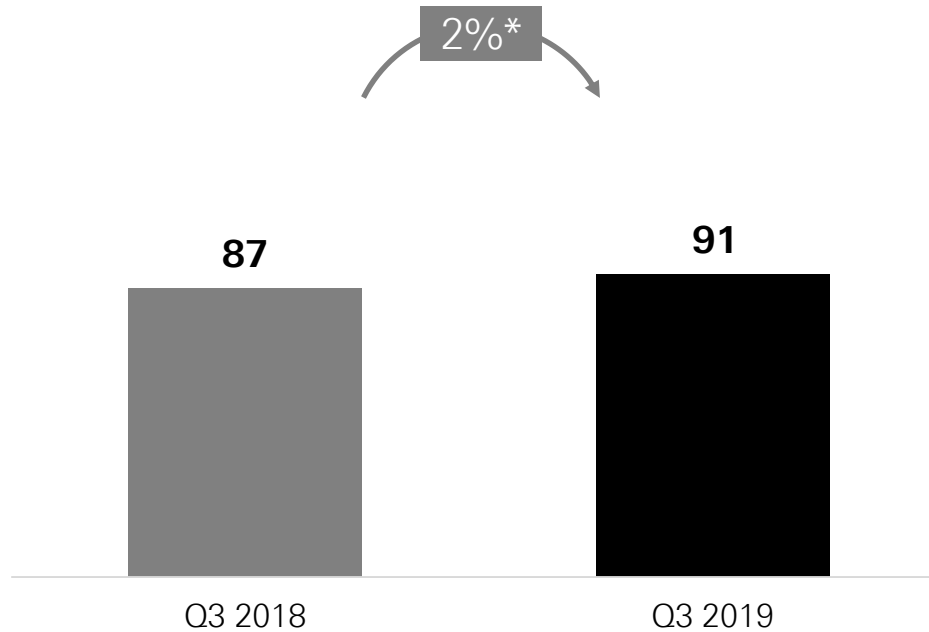
U.S. wholesale business declines at a double-digit rate.

Revenues in **Latin America** slightly below prior year level.

Challenging market environment
in North America continues in Q3

Asia/Pacific sales

(in EUR million)



Mainland China with double-digit comp store sales increases.

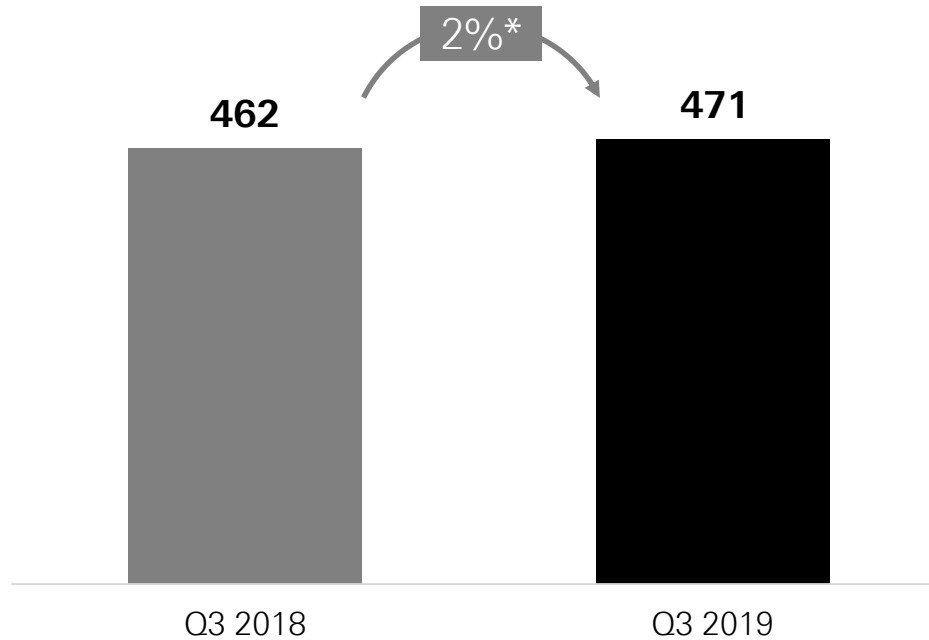
Situation in **Hong Kong** weighs on sales growth in Asia/Pacific.

Revenues in **Japan** grow at a high single-digit rate in Q3.

Strong momentum in Mainland China
partly offset by declines in Hong Kong

Europe sales

(in EUR million)



Robust momentum in the **UK** continues, supported by comp store sales increases.

France records comp store sales improvements in Q3.

Business in **Germany** declines, reflecting lower sales in both retail and wholesale.

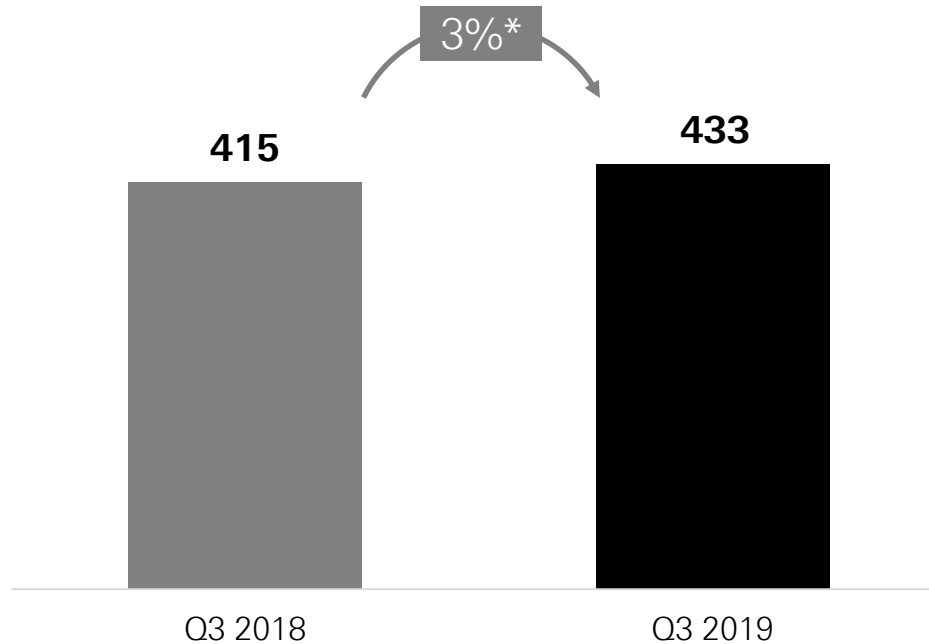
Sales growth in Europe driven by
ongoing momentum in the UK

New BOSS Outlet in Germany opens its doors



Retail sales

(in EUR million)



Comp store sales growth driven by mid-single-digit increase in Asia/Pacific.

Sales growth benefits from ongoing **modernization of store network** and further **expansion of online concessions**.

Online growth of 36%* driven by ongoing expansion of e-concessions and further rollout of hugoboss.com.

Retail comp store sales
grow 2%* in the third quarter

*Currency-adjusted

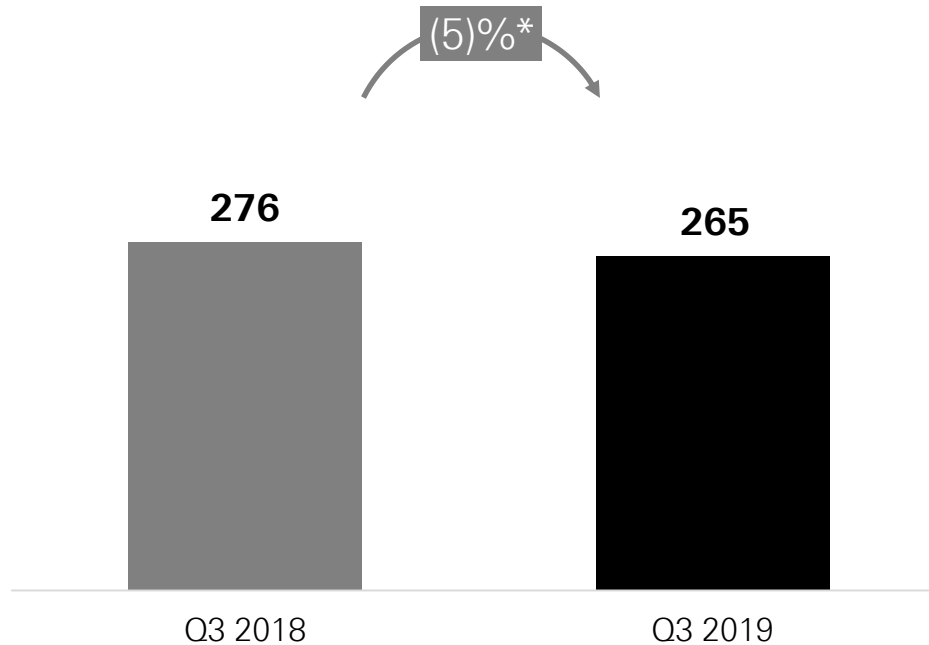
BOSS celebrates reopening of its flagship store on the Champs-Élysées

BOSS
HUGO BOSS



Wholesale sales

(in EUR million)



U.S. market weakness weighs on overall wholesale sales development in Q3.

Continued strong momentum with **online marketplaces**.

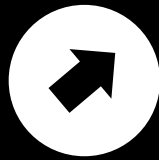
Brick-and-mortar wholesale business suffers from traffic declines.

Wholesale performance
impacted by U.S. market weakness

*Currency-adjusted

License sales

(in EUR million)



+14%

Q3 2019 vs. Q3 2018*

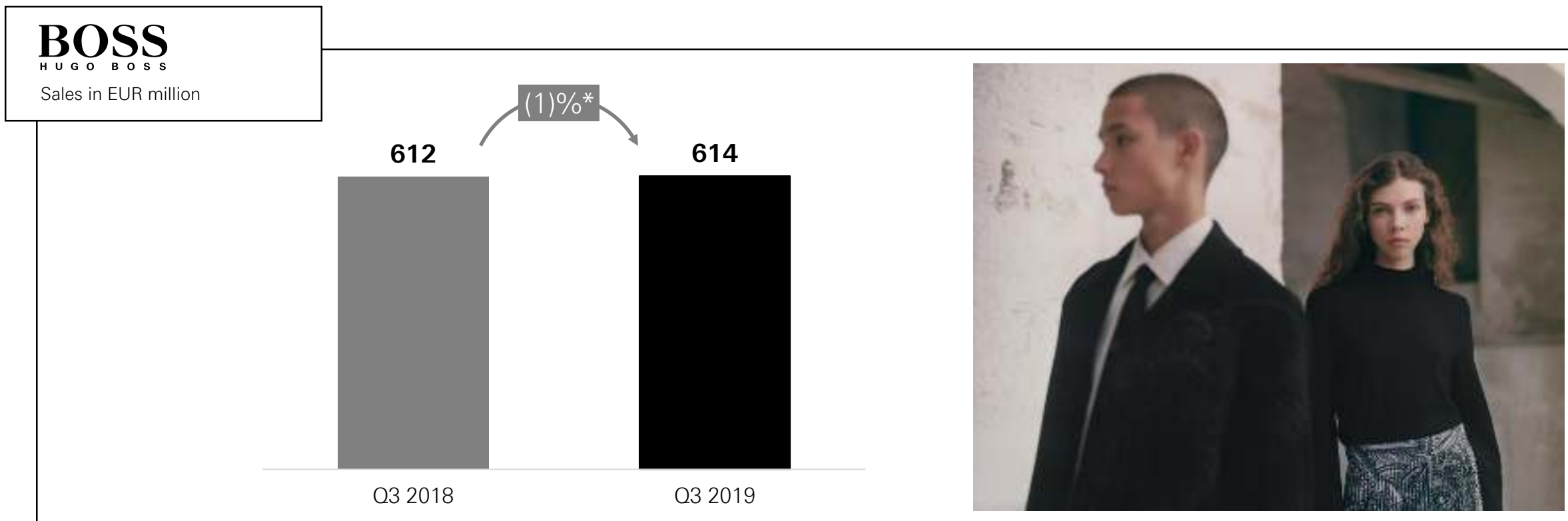
Launch of "BOSS The Scent Absolute" supports sales growth in **fragrance business**.

License for **eyewear business** renewed in Q3.



License business with strong momentum in Q3

*Currency-adjusted



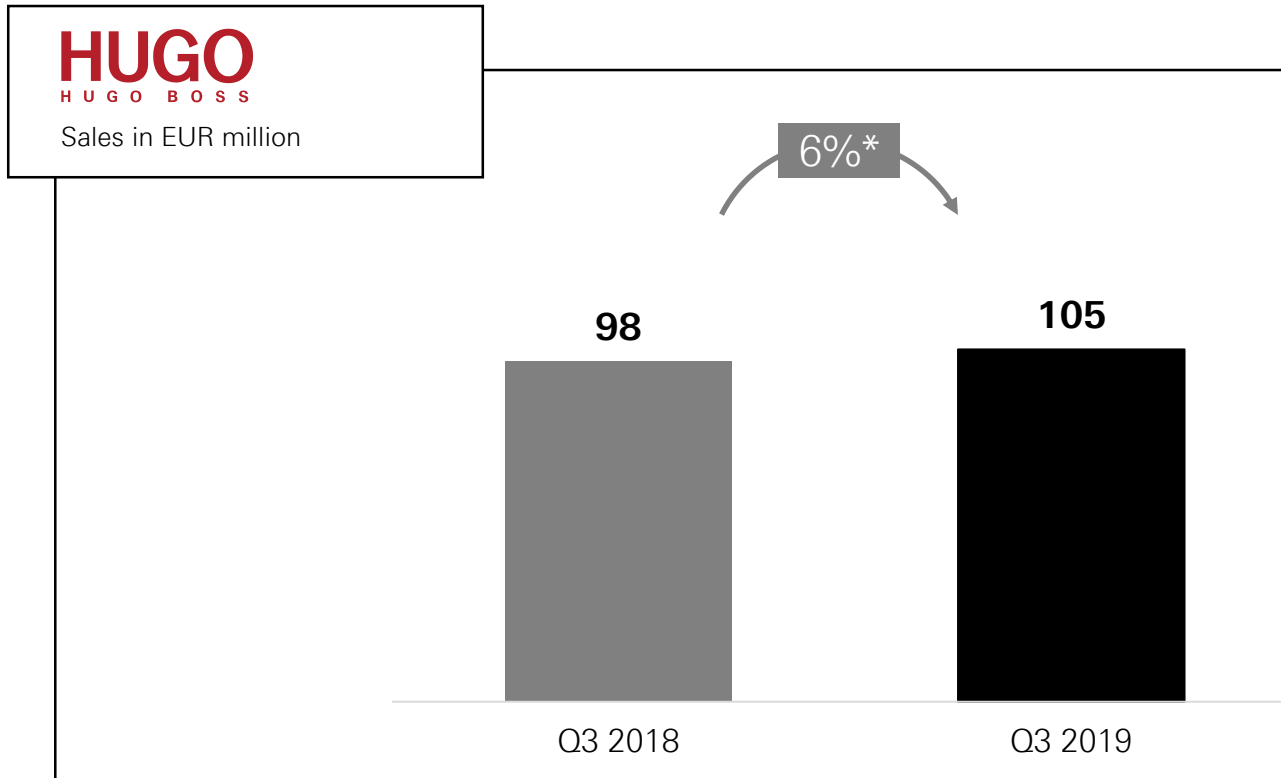
Growth in Europe and Asia/Pacific
more than offset by declines in the U.S.

*Currency-adjusted

BOSS fashion shows in Milan and Shanghai attract worldwide attention

BOSS
HUGO BOSS



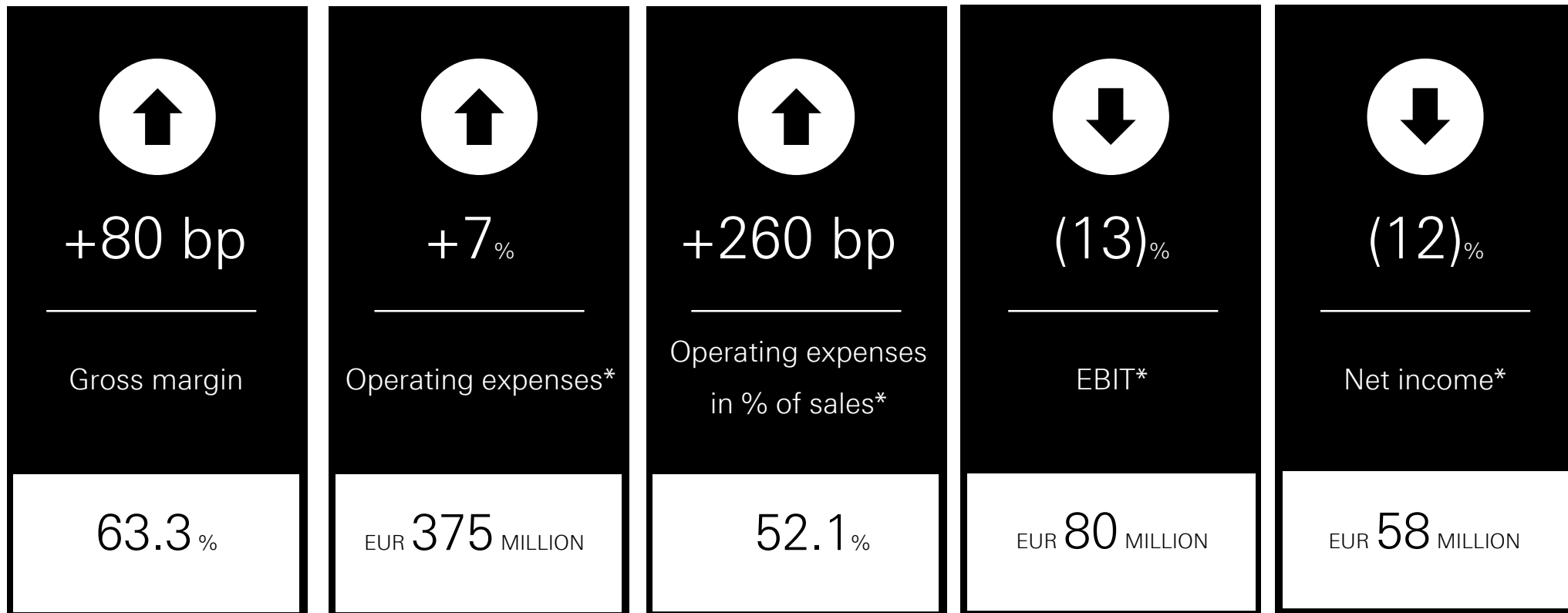


Momentum at HUGO accelerates,
as casualwear grows double digit

*Currency-adjusted

EBIT development in Q3

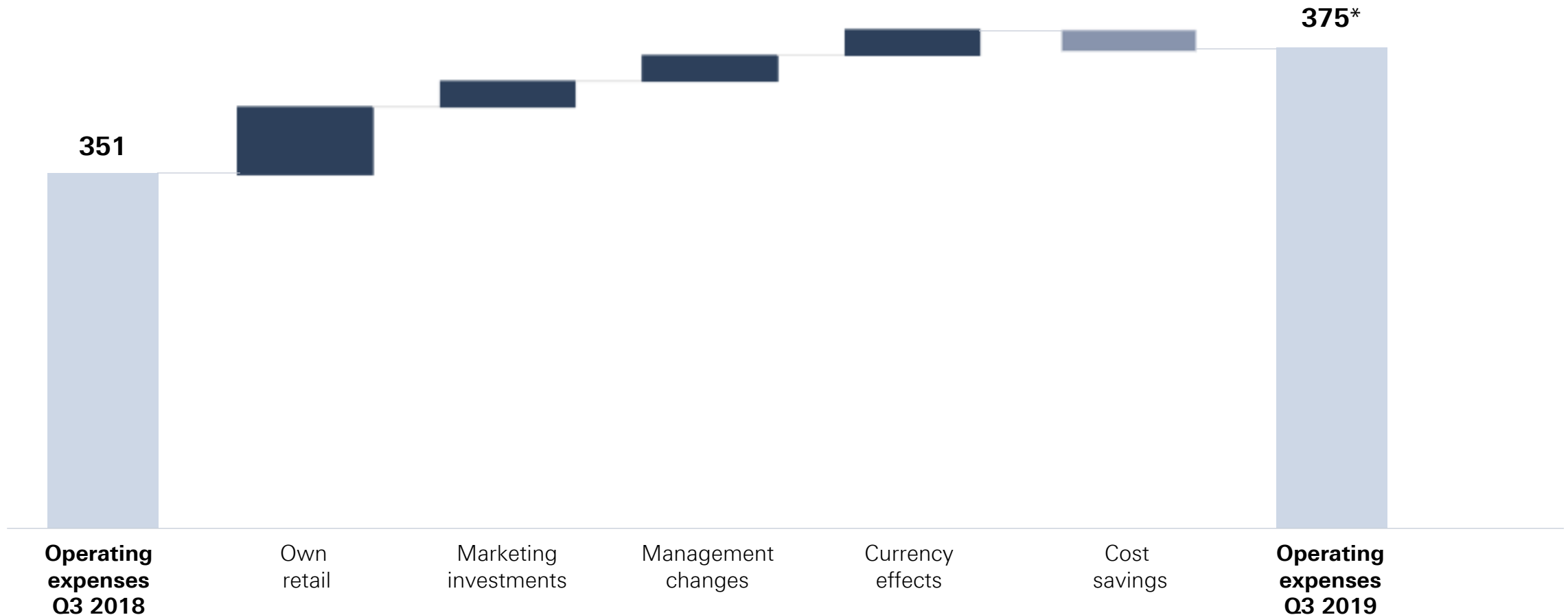
impacted by increase in operating expenses



*Excluding IFRS 16 impact

Increase in operating expenses

reflects higher own retail and marketing expenses

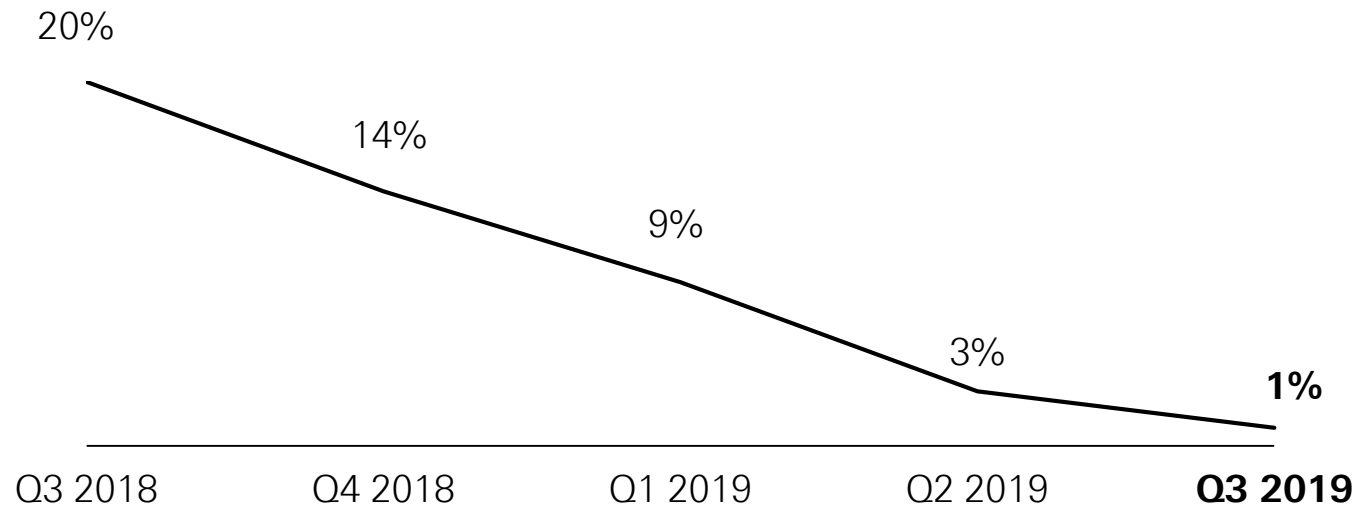


(in EUR million)

*Excluding IFRS 16 impact

Inventory growth yoy

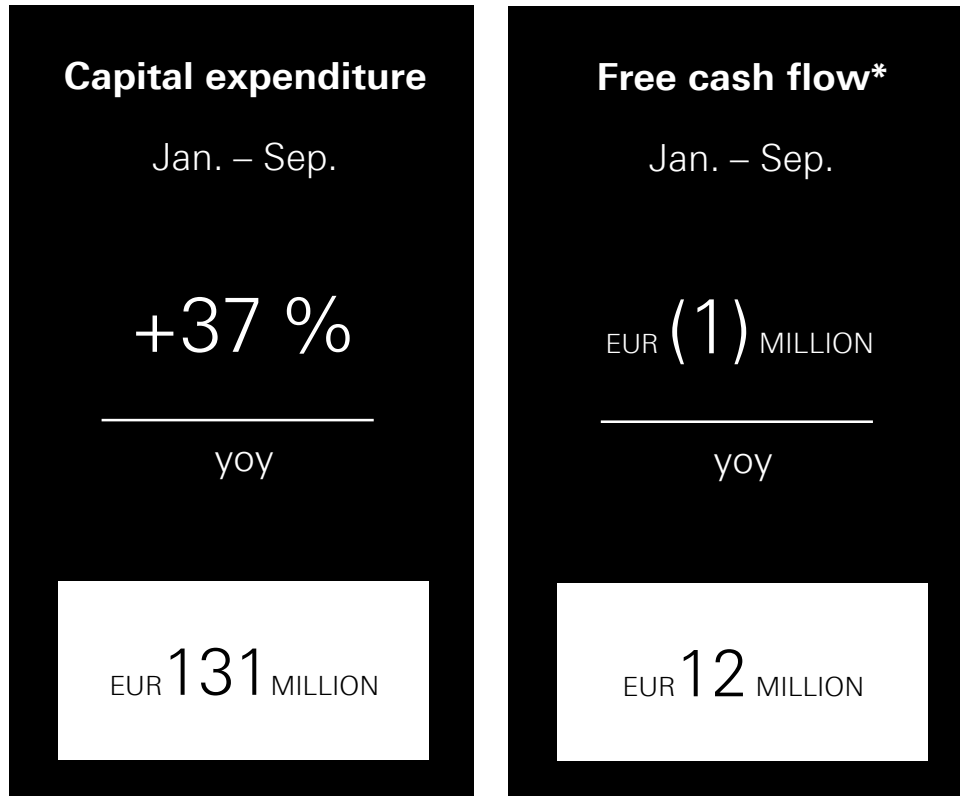
(in % currency-adjusted)



Further reduction in **inventory growth** reflects ongoing strict focus on inventory management.

TNWC remains stable in absolute terms, as compared to the prior year; in % of sales TNWC increases 110 basis points.

Increase in inventories
returns to normalized levels



Free cash flow at around prior year level, reflecting decline in EBIT and higher capital expenditure.

Higher **capital expenditure** reflects ongoing initiatives to optimize store network as well as further investments in IT.

Free cash flow development impacted by decline in EBIT and higher Capex

*Excluding IFRS 16 impact

Adjusted outlook for the full year 2019*

Group sales

Increase at a
low single-digit percentage rate

Europe

Increase at a
low to mid-single-digit
percentage rate



Americas

Decrease at a
mid- to high single-digit
percentage rate



Asia/Pacific

Increase at a
mid-single-digit
percentage rate



*Currency-adjusted


E-concessions and store optimizations to drive growth in Q4 2019

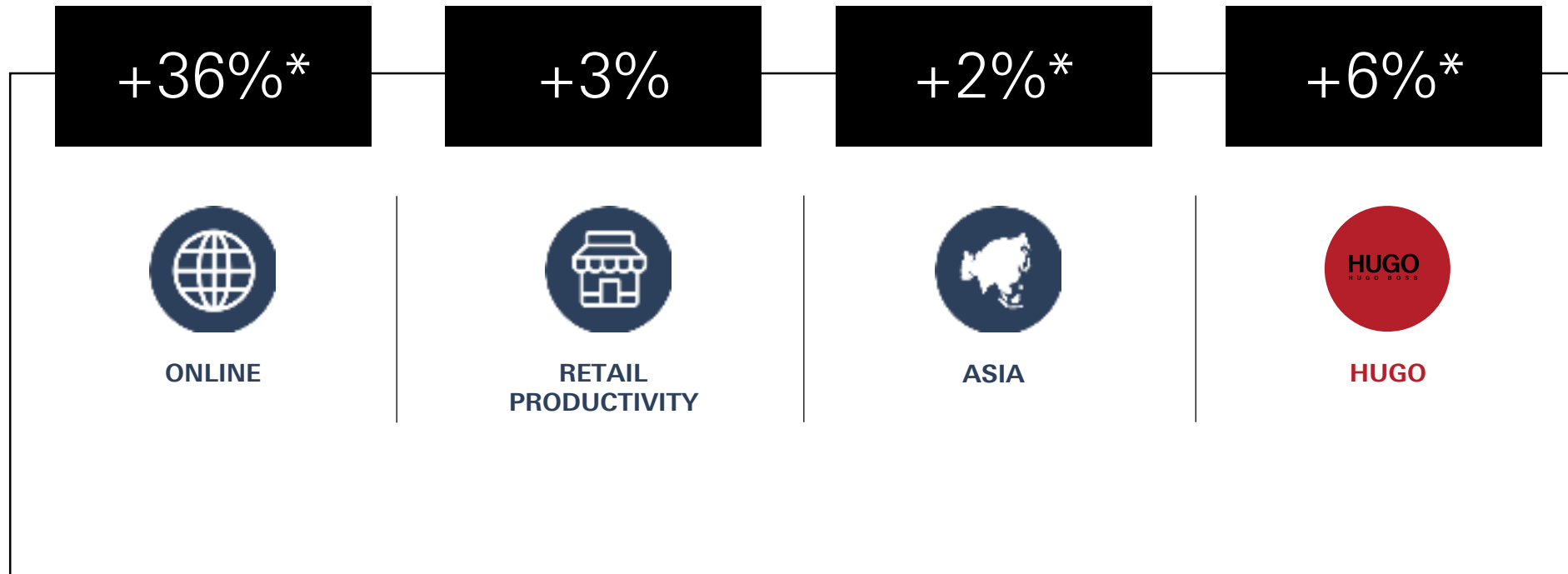


BOSS Store, Paris

Adjusted outlook for the full year 2019

Outlook 2019

| | | |
|--|---|--|
| Group sales (currency-adjusted) | Increase at a low single-digit percentage rate |  |
| Gross margin | Largely stable | |
| EBIT* | EUR 330 million to EUR 340 million | |
| Consolidated net income* | Decrease at a mid- to high single-digit percentage rate | |
| Capital expenditure | EUR 180 million to EUR 190 million | |
| Free cash flow* | EUR 160 million to EUR 180 million | |



Relentless focus on executing against **strategic initiatives**

*Currency-adjusted

Q&A

HUGO BOSS



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.

