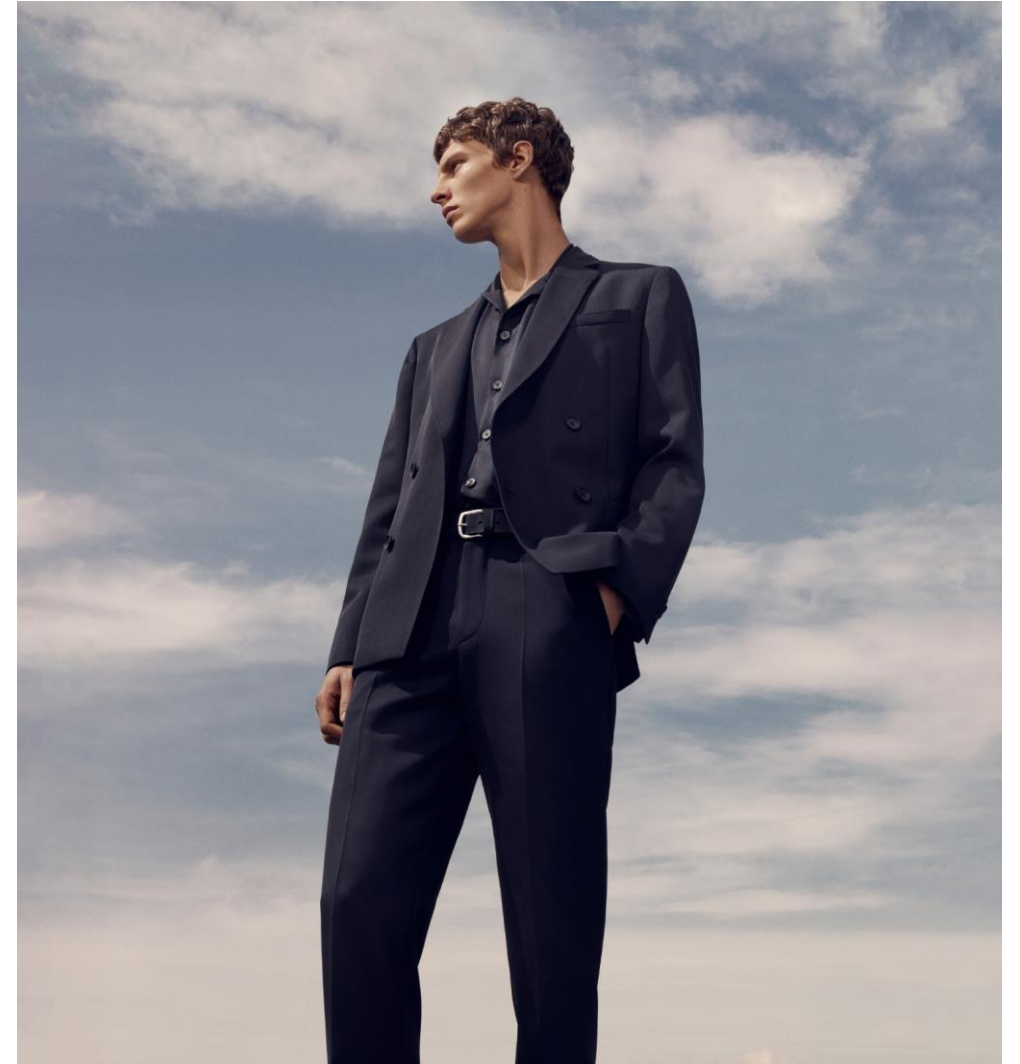


Full Year 2018 Results Presentation

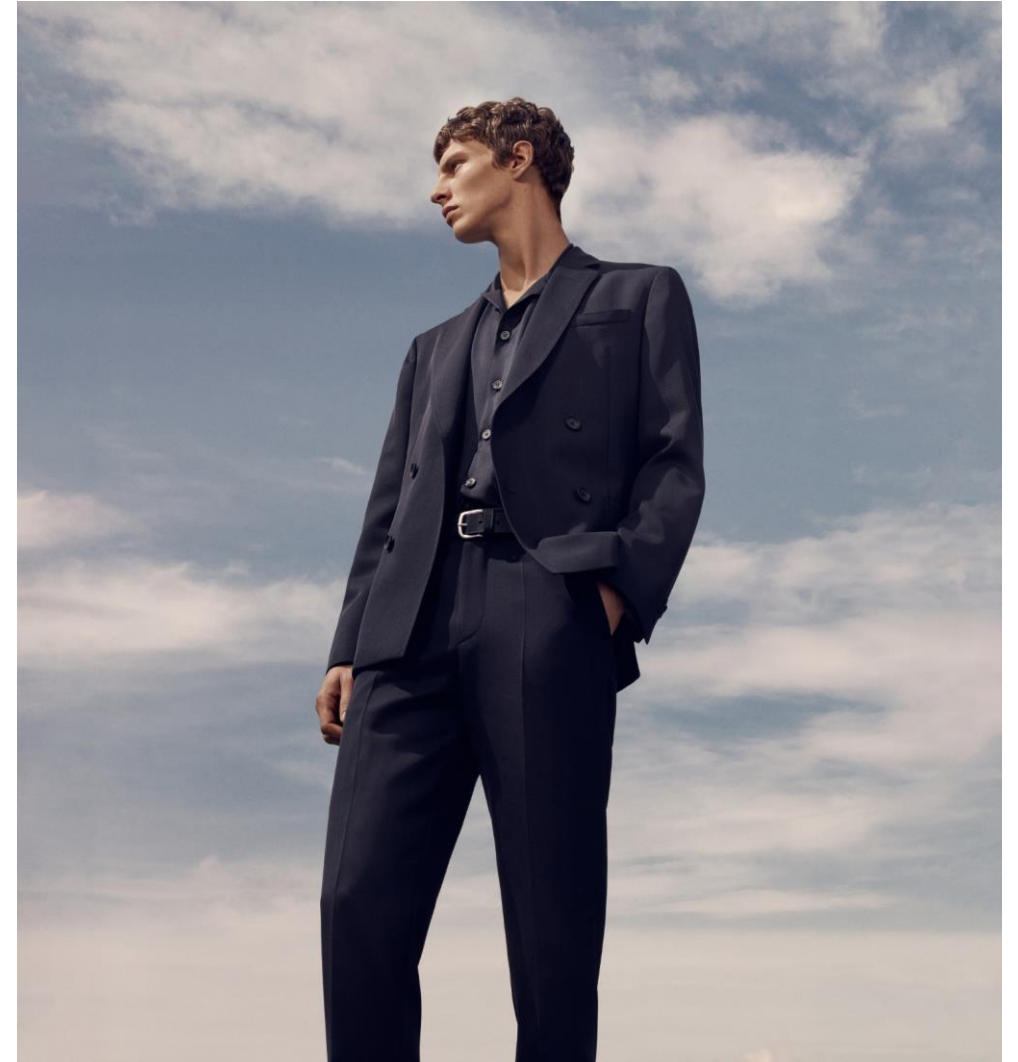
March 7, 2019



Full Year 2018 Results Presentation

Mark Langer
Chief Executive Officer

Yves Müller
Chief Financial Officer



AGENDA

1 Review 2018

2 Financial highlights 2018/2019

3 Outlook 2019

AGENDA

1 **Review 2018**

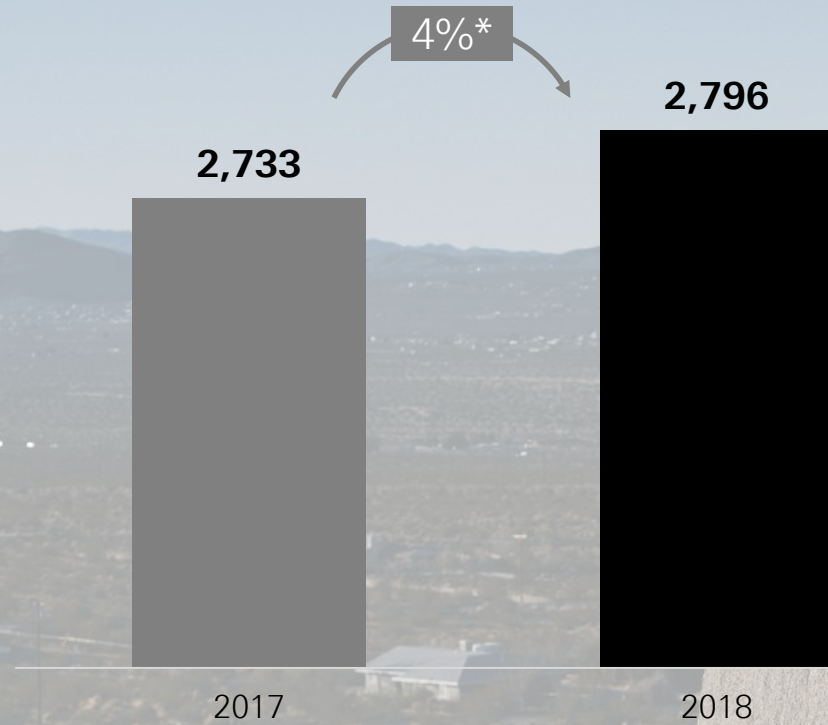
2 Financial highlights 2018/2019

3 Outlook 2019

HUGO BOSS ACHIEVES TARGETS IN 2018



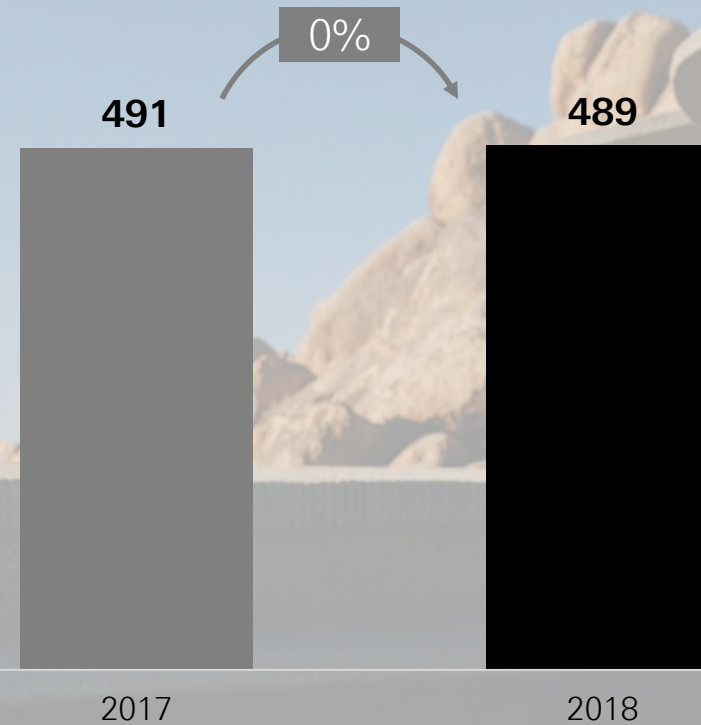
Group sales
(in EUR million)



Acceleration
in top-line growth

*Currency-adjusted

EBITDA (before special items)
(in EUR million)



Operating income
on prior year level

Successful realignment of BOSS and HUGO

#iamHUGO

2 brands
customers
lifestyles



#ThisIsBOSS



Driving brand excitement

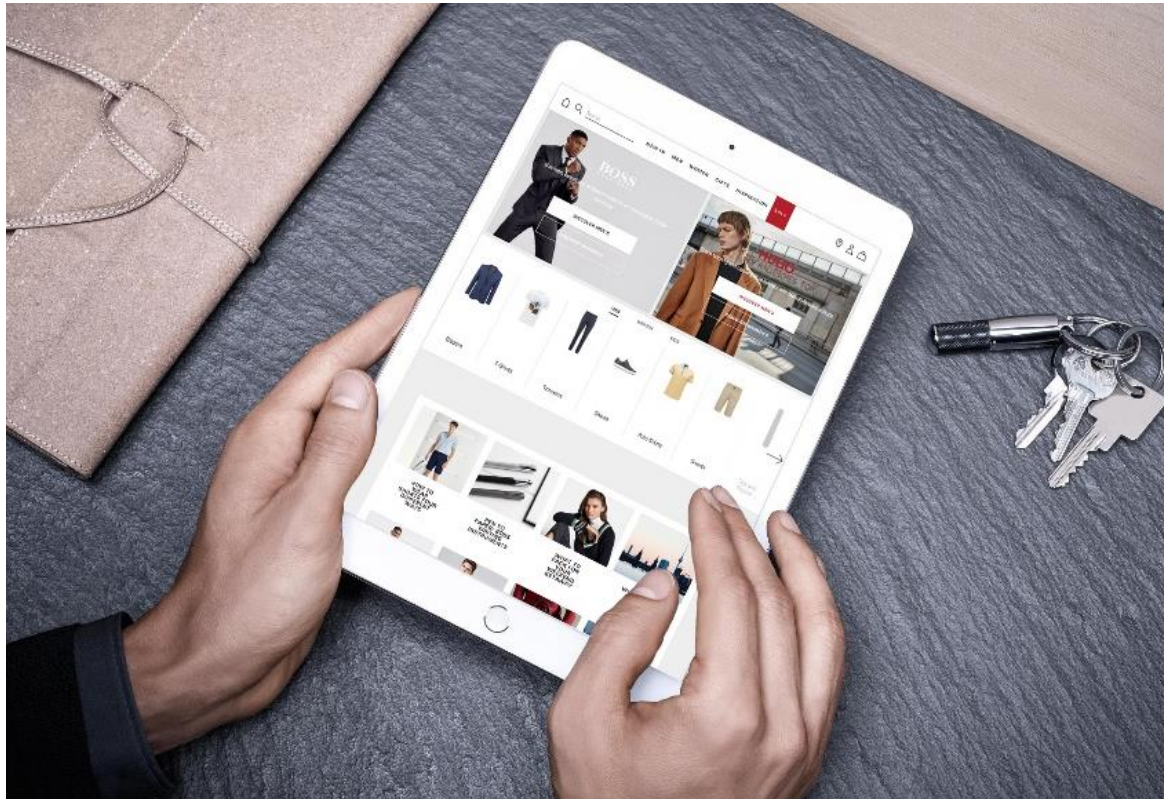
BOSS fashion show in New York City



Modern mix masters

HUGO fashion show in Berlin





Strong momentum
in online business continues



Online concession model
further extended



Additional cooperations planned
for 2019 and beyond

Own online sales
> EUR 100 million in 2018

BOSS store concept

Successful rollout



HUGO store concept

Successful implementation





- ✓ **Digitally developed HUGO collection**
successfully launched
- ✓ **HUGO digital showroom**
rolled out across key European markets
- ✓ **Omnichannel services**
enhance shopping experience

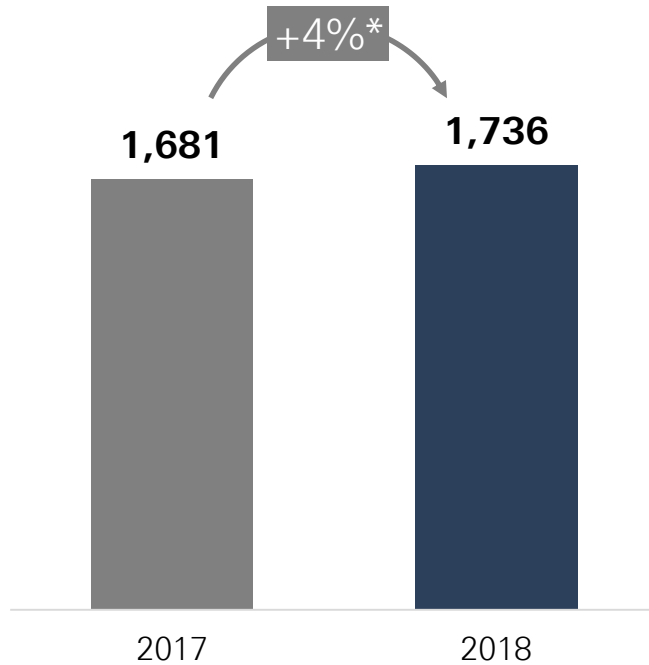
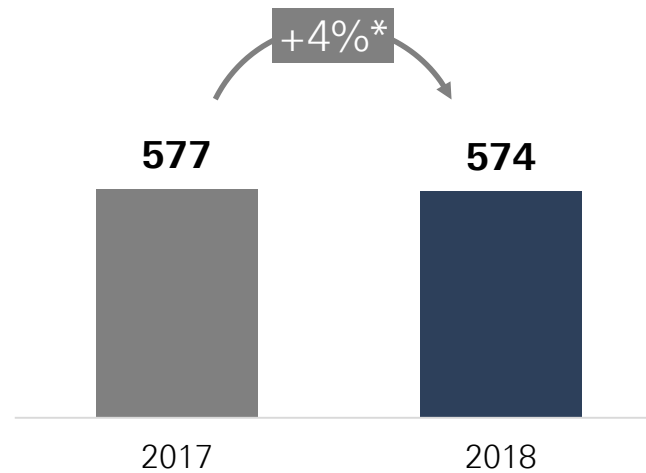
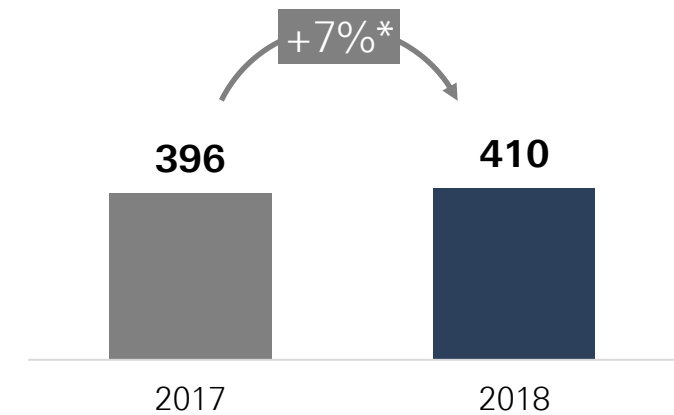
Digitization of business model
in full swing

AGENDA

1 Review 2018

2 **Financial highlights 2018/2019**

3 Outlook 2019

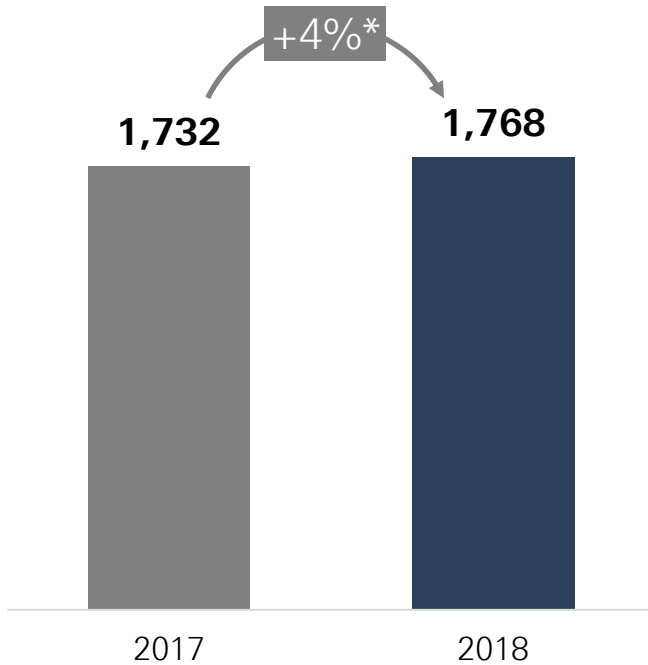
Europe
(in EUR million)**Americas**
(in EUR million)**Asia/Pacific**
(in EUR million)

**All regions record
currency-adjusted sales growth**

*Currency-adjusted

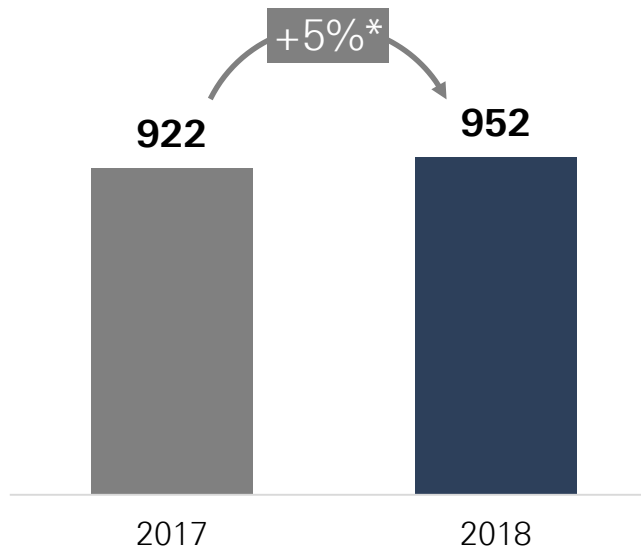
Retail

(in EUR million)



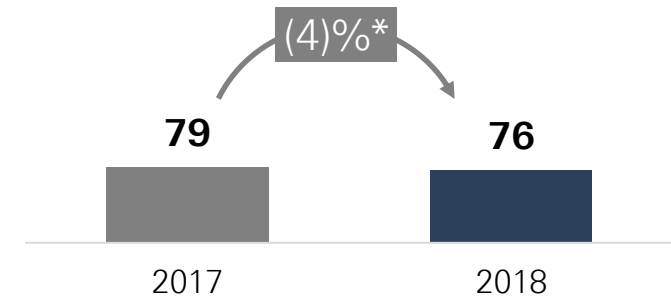
Wholesale

(in EUR million)



Licenses

(in EUR million)

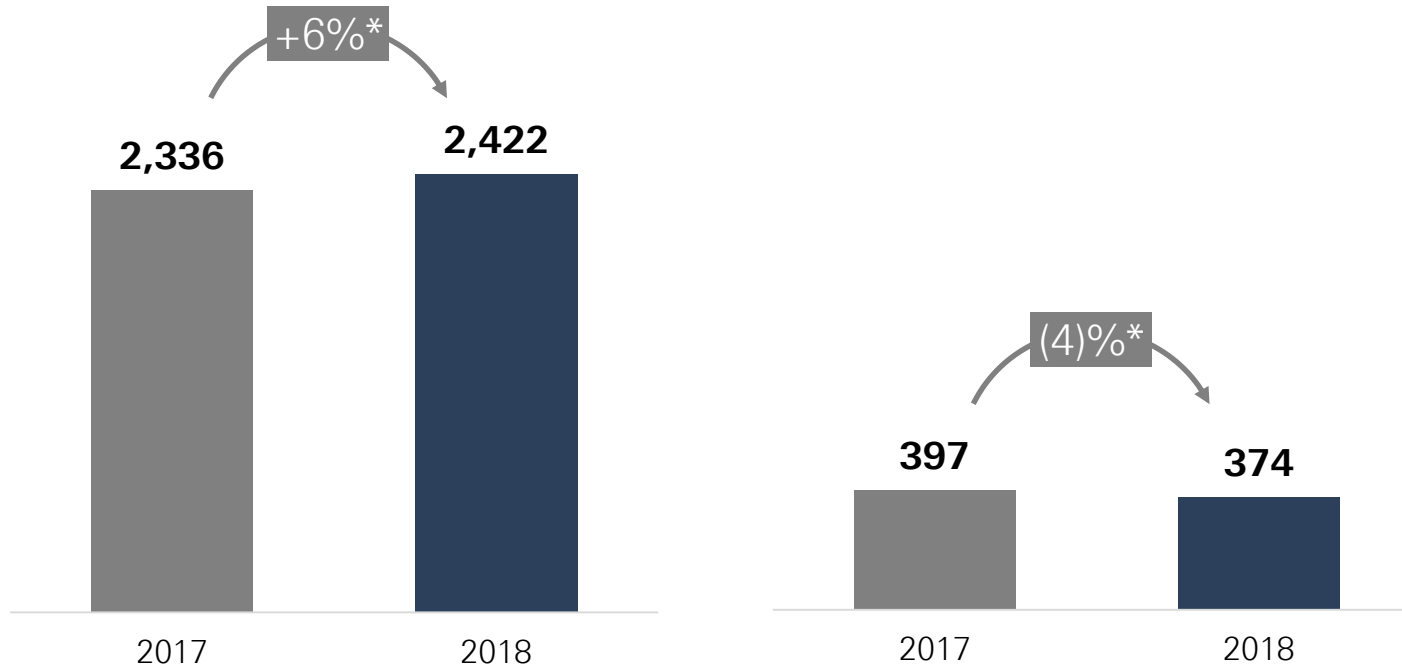


Retail comp store sales
grow 5% in 2018

*Currency-adjusted

BOSS
HUGO BOSS

HUGO
HUGO BOSS



BOSS

High single-digit growth in businesswear and casualwear

Athleisurewear sales remain broadly stable

HUGO

Double-digit growth in casualwear

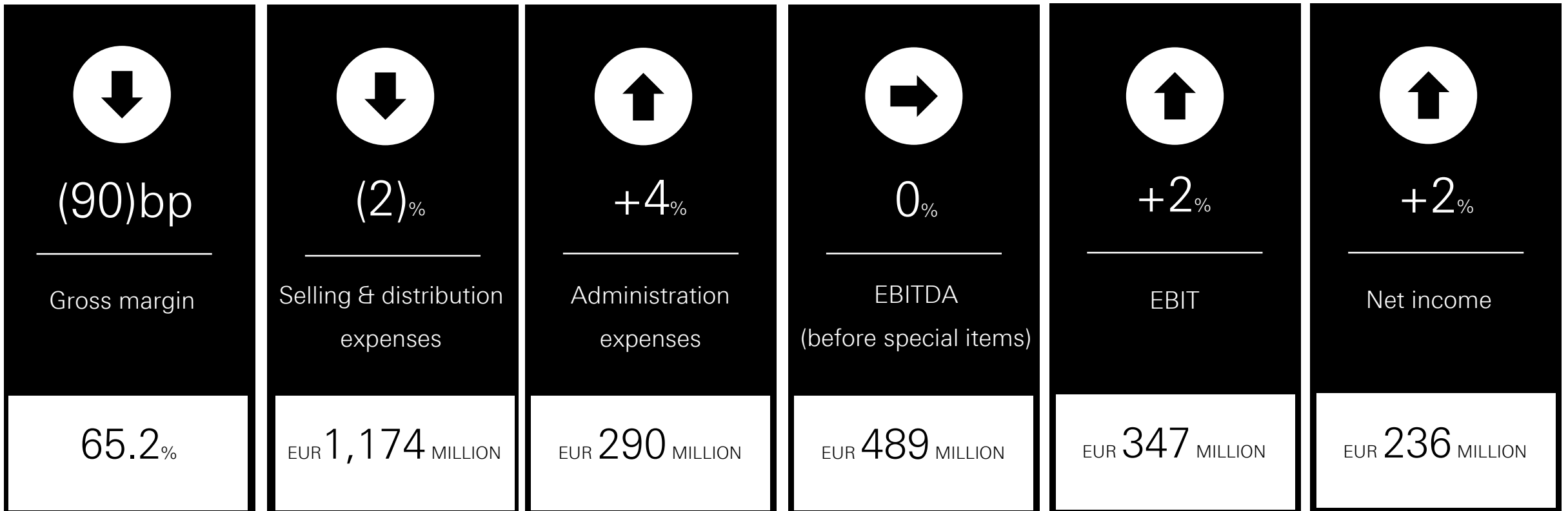
Declines in businesswear reflect strategic changes in distribution strategy

BOSS with strong performance
across major wearing occasions

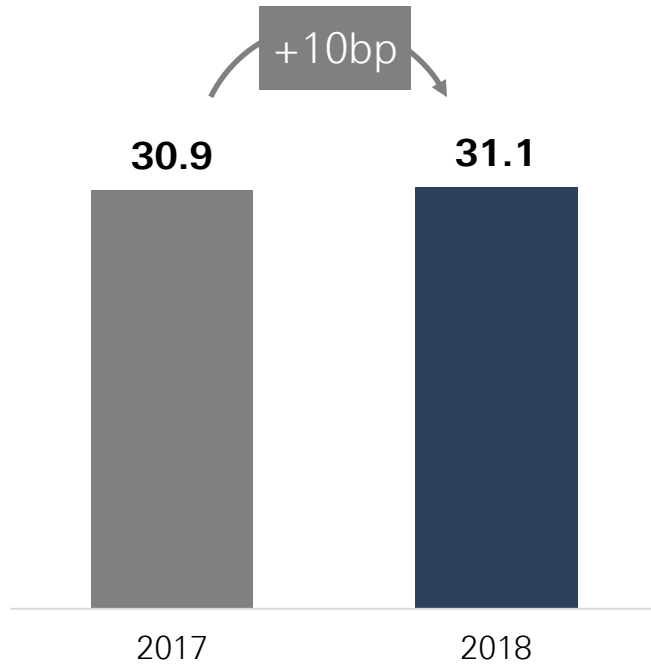
*Currency-adjusted

Strategic investments

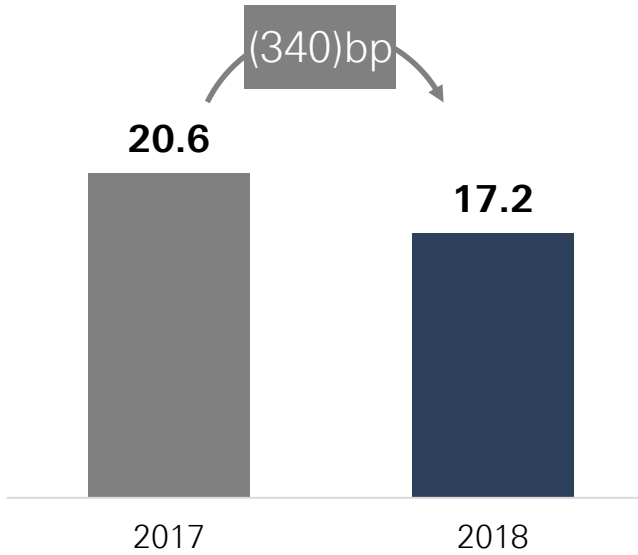
weigh on earnings development



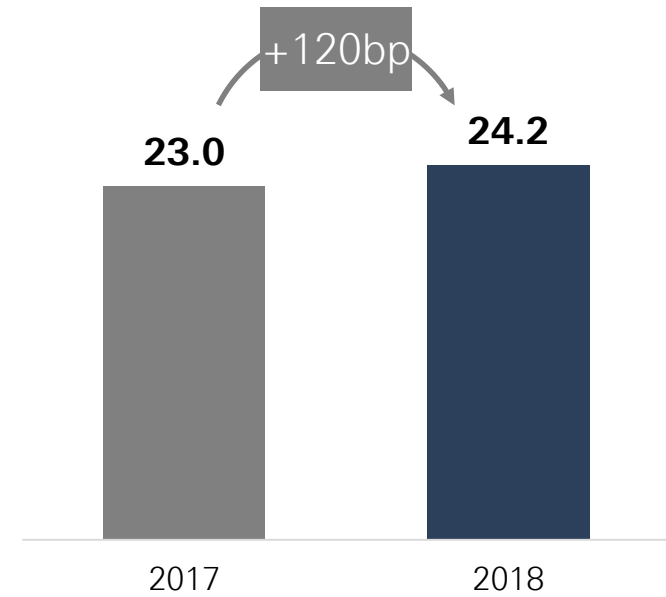
Europe
(in %)



Americas
(in %)

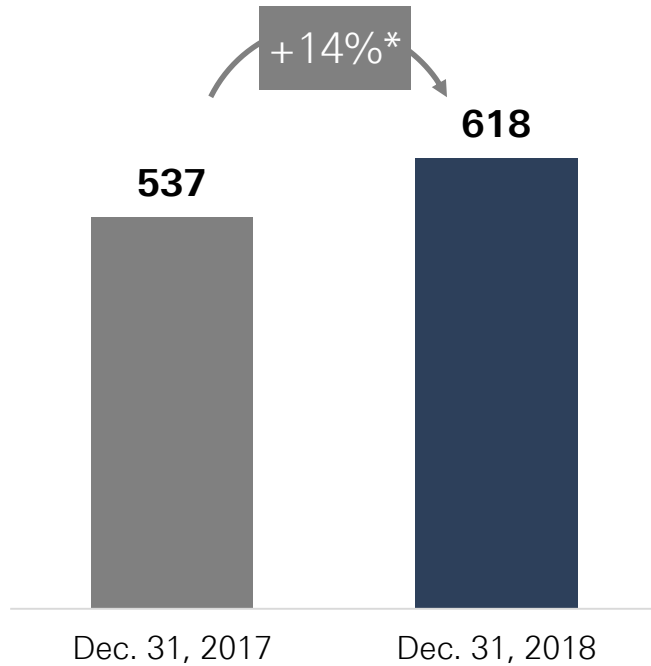


Asia/Pacific
(in %)

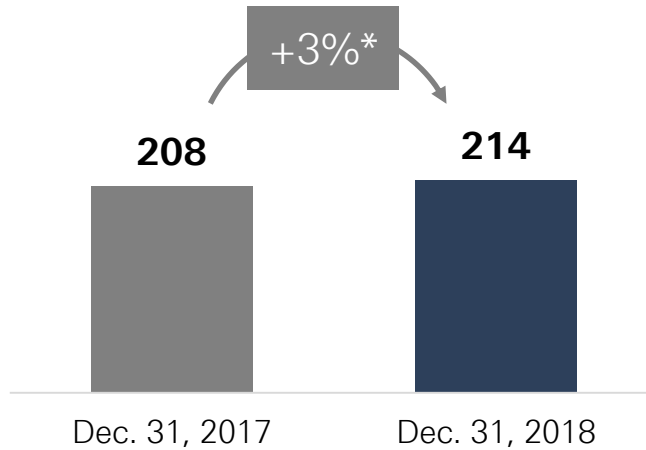


**Strong margin improvement
in Asia/Pacific**

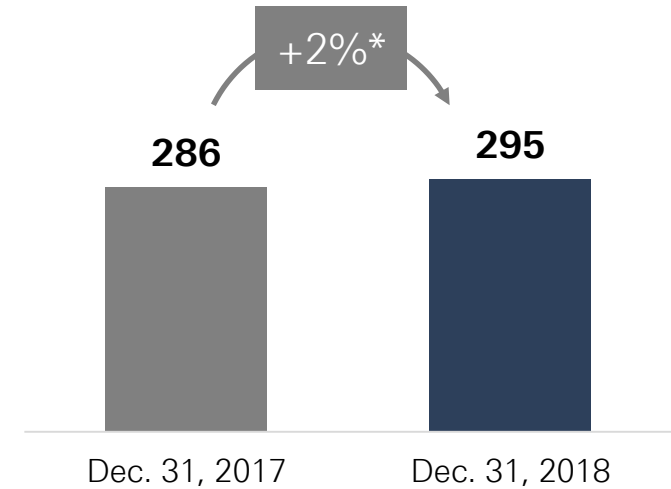
Inventories
(in EUR million)



Trade receivables
(in EUR million)



Trade payables
(in EUR million)

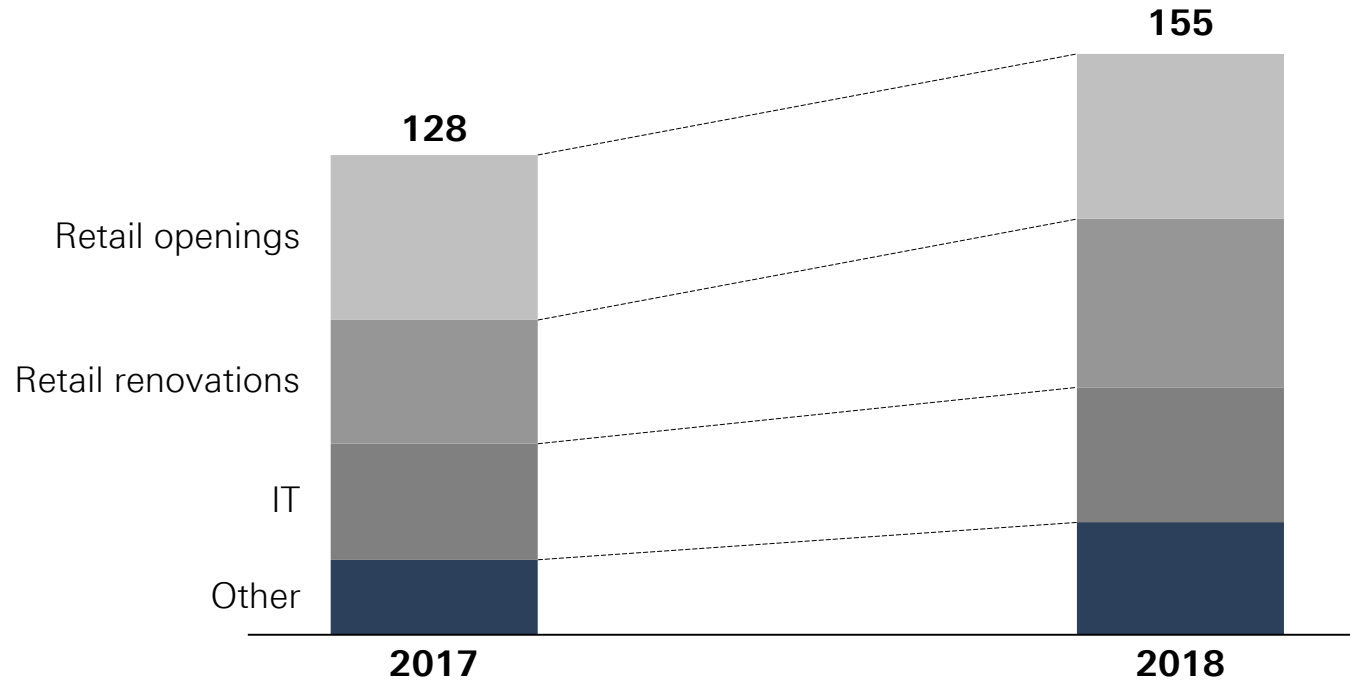


TNWC in % of sales up 110bp
reflecting higher inventories

*Currency-adjusted

Capital expenditure

(in EUR million)



Capital expenditure

Investments in store renovations increase by 36% to EUR 45 million

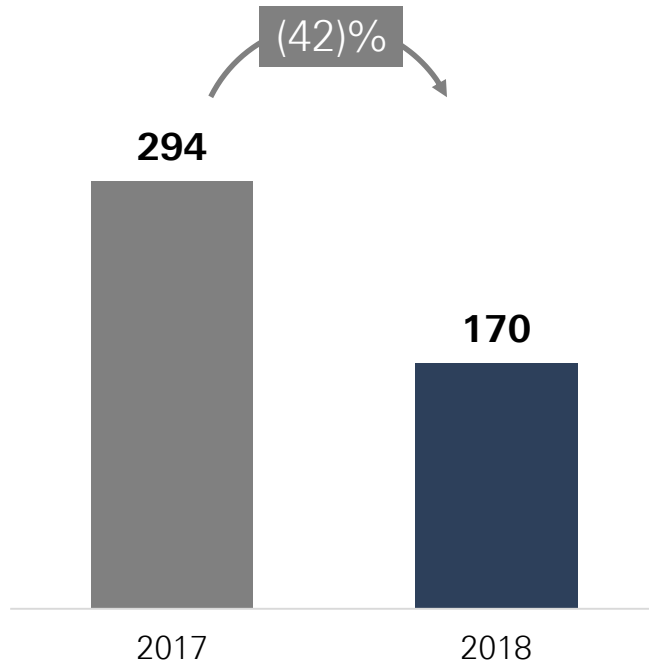
Investments in store openings on prior year level at EUR 44 million

IT investments grow by 16% to EUR 36 million

Capital expenditure
with focus on own retail and IT

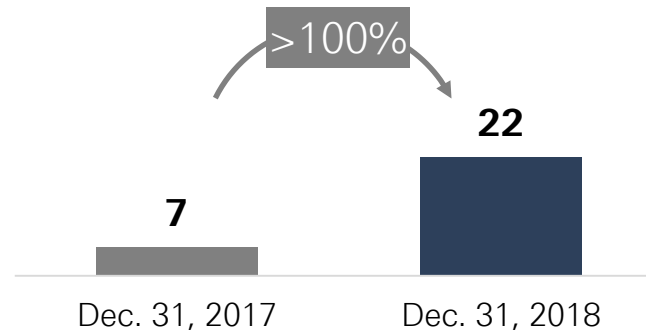
Free cash flow

(in EUR million)



Net financial liabilities

(in EUR million)



Free cash flow

Free cash flow impacted by inventory increase and higher capital expenditure

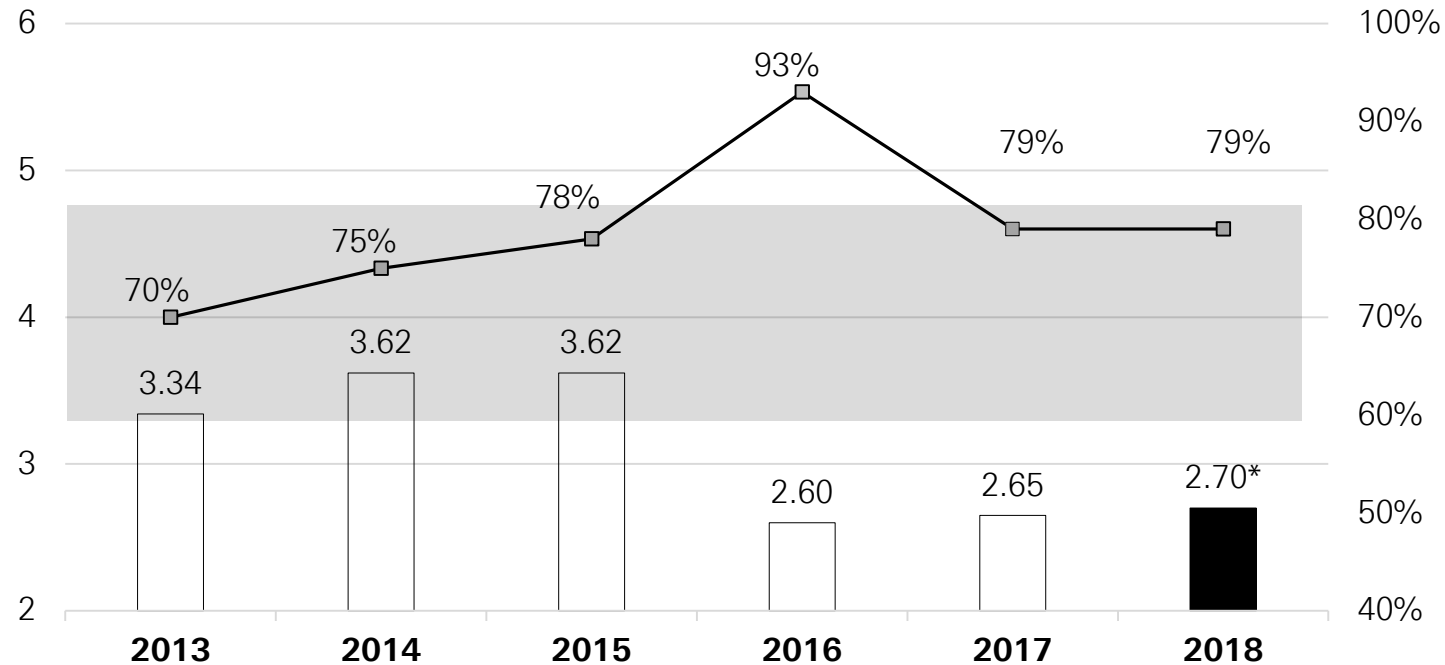
Net financial liabilities

Net financial liabilities remain at a very low level

Free cash flow development
in line with expectations

Dividend payout ratio in % of net income

(dividend in EUR)



Dividend

Dividend proposal of EUR 2.70 per share (+2% versus prior year)

Total dividend payment of EUR 186 million (2017: EUR 183 million)

Payout ratio of 79% of the Group's net income attributable to shareholders

Strong commitment to
profit-based dividend policy

*Proposal for fiscal year 2018

Financial outlook

2019



Group sales* Increase at a mid-single-digit percentage rate

Gross profit margin Increase of up to 50 basis points

EBIT Increase at a high single-digit percentage rate

Consolidated net income Increase at a high single-digit percentage rate

Capital expenditure EUR 170 million to EUR 190 million

Free cash flow EUR 210 million to EUR 260 million

IFRS 16

implications

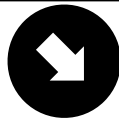
First-time application of IFRS 16 in 2019 using the modified retrospective approach

EBIT



low double-digit million EUR

Consolidated net income



single-digit million EUR

Free cash flow



low triple-digit million EUR

A full description of the expected impact of IFRS 16 can be found in the Notes to the Consolidated Financial Statements.

AGENDA

1 Review 2018

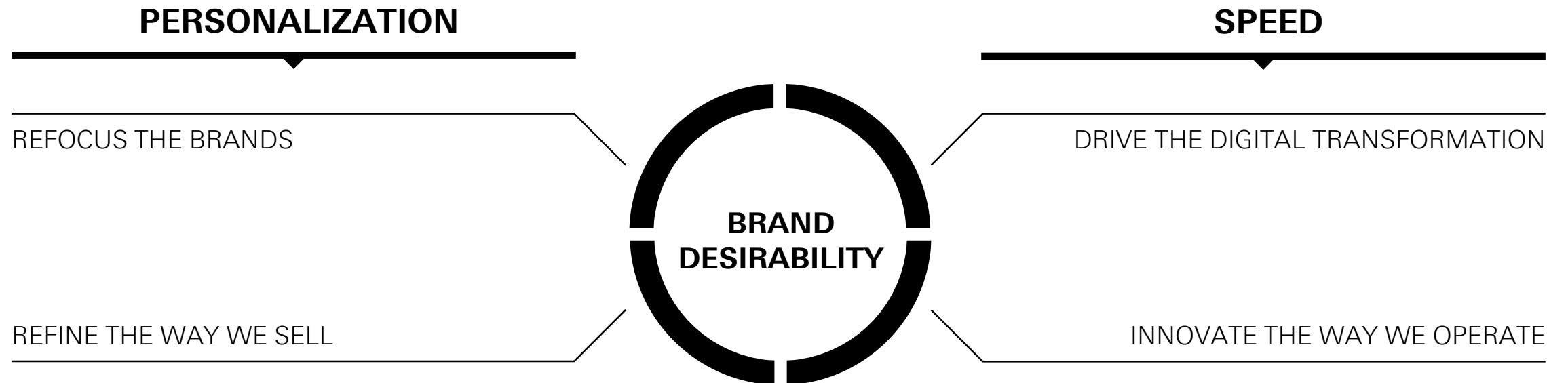
2 Financial highlights 2018/2019

3 Outlook 2019

→ OUR VISION

**BE THE MOST
DESIRABLE PREMIUM
FASHION AND
LIFESTYLE BRAND**

Personalization and Speed are our priorities along the four strategic fields of action



REFOCUS THE BRANDS



BOSS fashion show
in New York City

REFOCUS THE BRANDS



PORSCHE x BOSS
to drive brand excitement

REFOCUS THE BRANDS

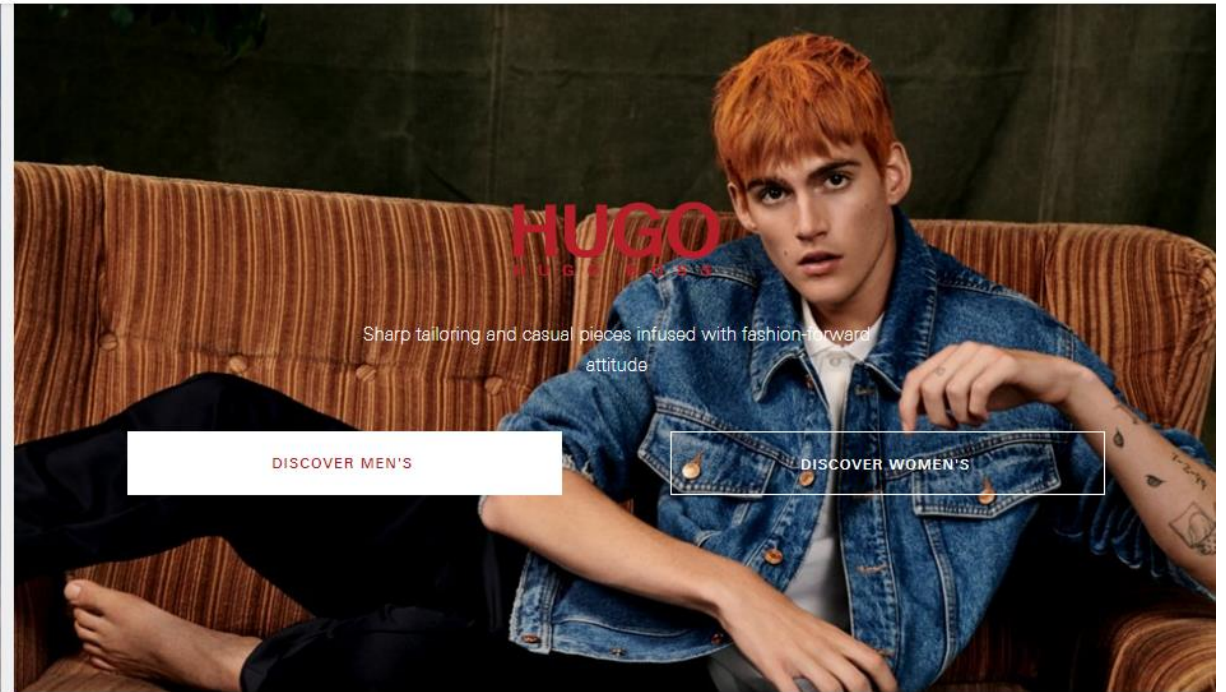
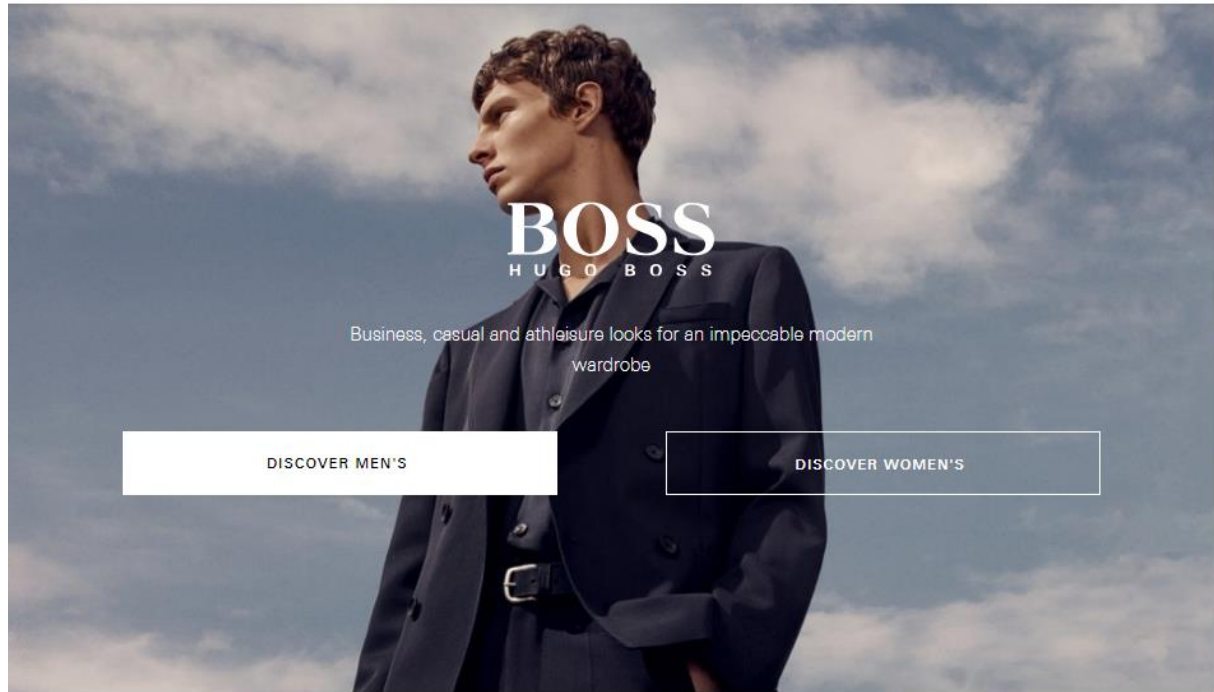


HUGO
expanding its digital collection

REFINE THE WAY WE SELL

🏠 🔍 Search _____

NEW IN MEN WOMEN GIFTS INSPIRATION PERSONALISATION



hugoboss.com
rollout to additional markets

REFINE THE WAY WE SELL



BOSS store concept
optimization of store network

REFINE THE WAY WE SELL



HUGO store network
further openings planned for 2019

A&A



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.