

Metzingen, May 4, 2022

HUGO BOSS WITH RECORD FIRST QUARTER SALES BRAND MOMENTUM ACCELERATES GLOBALLY DRIVEN BY SUCCESSFUL BRANDING REFRESH

- Currency-adjusted Group sales grow 52% to EUR 772 million; 17% above 2019 levels
- Ongoing robust momentum in Europe (+21% vs. Q1 2019) and the Americas (+17%)
- Significant marketing investments drive brand momentum across all touchpoints
- EBIT amounts to EUR 40 million in Q1, well above the prior-year level
- Top- and bottom-line outlook for full year 2022 confirmed

"We have made a kickstart to fiscal year 2022, with record first quarter sales," says Daniel Grieder, Chief Executive Officer of HUGO BOSS. "Supported by our bold branding refresh, momentum for BOSS and HUGO has accelerated around the globe. Together with the ongoing rigorous execution of our 'CLAIM 5' strategy, this provides us with strong tailwinds to achieve record sales in fiscal year 2022."

In the first three months of 2022, HUGO BOSS continued its strong financial and operational performance, posting significant top- and bottom-line improvements year-on-year. Group sales increased 52% currency-adjusted to EUR 772 million (Q1 2021: EUR 497 million), marking the strongest first quarter in the history of HUGO BOSS from a top-line perspective. In Group currency, revenues increased 55%. The strong sales development primarily reflects ongoing robust momentum in the Company's largest regions – Europe and the Americas. In addition, the successful execution of important strategic initiatives as part of the "CLAIM 5" strategy provided further tailwind. Consequently, revenues in the first quarter of 2022 strongly exceeded pre-pandemic levels, up 17% currency-adjusted as compared to the first three months of 2019, representing a further acceleration as compared to the final quarter of 2021.

Successful branding refresh drives brand momentum globally

In the first quarter, HUGO BOSS successfully implemented its comprehensive branding refresh – from new product, to record-breaking marketing campaigns, up to the relaunch of its digital flagship hugoboss.com – significantly driving relevance and perception of its brands. In particular, the two star-studded global campaigns for BOSS and HUGO, perfectly embodying the brands' younger and more confident image, drove brand momentum and attracted new and younger customers worldwide. Sell-through rates for the brands' Spring/Summer 2022

collections – the first ones to fully embody the branding refresh – clearly exceed those of previous collections. Fueled by this success, HUGO BOSS recorded significant double-digit growth in currency-adjusted sales for BOSS Menswear (+53%), BOSS Womenswear (+41%), and HUGO (+52%). On a three-year-stack basis, currency-adjusted sales for BOSS Menswear exceeded pre-pandemic levels by 17%, while sales for BOSS Womenswear remained on par. At HUGO, currency-adjusted sales grew a strong 26% as compared to 2019.

Strong momentum in Europe and the Americas continues

Momentum was particularly strong in Europe and the Americas. Compared to the prior-year period, currency-adjusted sales in Europe increased 69%, translating into strong growth of 21% on a three-year-stack basis. This development represents a further acceleration as compared to the final quarter of 2021, driven by robust local demand across key European markets, particular in Great Britain and France. Also in Eastern Europe, momentum remained strong despite the war in Ukraine and the corresponding suspension of business activities in Russia, implemented as of March 9. Regardless of this, HUGO BOSS remains deeply concerned by the humanitarian crisis in the region, contributing financial aid to organizations aimed at supporting those affected by the war. The Company will continue to closely follow the dramatic developments in Ukraine and the region and take further decisions and actions as needed.

In the Americas, currency-adjusted revenues were up 56% compared to the prior year. Consequently, sales grew 17% as compared to 2019 levels, with all of the region's markets recording sales increases versus pre-pandemic levels. While the Group's business in Asia/Pacific also recorded a promising start to the year, renewed COVID-19-related restrictions – including temporary store closures and reduced opening hours – weighed on consumer sentiment and store traffic in mainland China towards the end of the quarter. As a result, currency-adjusted sales in mainland China remained 13% below the prior-year period but were up 12% versus 2019 levels. Overall, revenues in the Asia/Pacific region came in 3% above the prior-year level and only 1% below that of 2019.

Broad-based growth across all channels

From a channel perspective, the Group's digital business – including the digital flagship hugoboss.com as well as digital revenues generated with partners – successfully continued its double-digit growth trajectory. Despite being up against a particularly strong comparison base from the prior-year period, currency-adjusted sales increased 22% in the first quarter of 2022, with double-digit improvements across all digital touchpoints. This development was supported by the successful relaunch of hugoboss.com implemented in January. Compared

to 2019, total digital sales more than doubled, up 145% currency-adjusted. The Group's brick-and-mortar retail business also recorded double-digit sales improvements, with revenues up a strong 76%, partly reflecting long-lasting temporary store closures in the prior-year period. Consequently, revenues were 5% above 2019 levels. At the same time, sales in brick-and-mortar wholesale grew 44%, marking the channel's return to pre-pandemic levels with an increase of 2% as compared to 2019, both currency-adjusted. This mainly reflects the strong demand of wholesale partners for the Spring/Summer 2022 collections fully incorporating the branding refresh.






EBIT increases strongly to EUR 40 million despite significant brand investments

In the first quarter of 2022, HUGO BOSS generated an operating profit (EBIT) of EUR 40 million, well above the prior-year level (Q1 2021: EUR 1 million) and despite significant investments into the business. In particular, marketing investments effectively doubled, first and foremost reflecting the comprehensive BOSS and HUGO campaigns as part of the branding refresh, aimed at driving brand relevance globally. The increase in EBIT is mainly attributable to the strong sales growth as well as an improvement in gross margin, as a higher share of full-price sales more than compensated for the persistently high level of global freight and transportation costs.

HUGO BOSS confirms outlook for full year 2022

Following its successful start to 2022, HUGO BOSS confirms its top- and bottom-line outlook for the current fiscal year. Accordingly, the Group continues to expect sales in 2022 to increase between +10% and +15% to a new record level of between EUR 3.1 billion and EUR 3.2 billion. This outlook is underpinned by the persisting strong brand momentum generated by BOSS and HUGO in the wake of the successful branding refresh. Additionally, HUGO BOSS expects ongoing robust momentum in Europe and the Americas, supported by a particularly strong order intake for Fall/Winter 2022, which is forecast to drive wholesale sales in the second half of the year. Driven by the anticipated robust top-line improvements, HUGO BOSS remains confident of generating significant bottom-line growth in 2022. The Company thus continues to forecast EBIT to increase within a range of +10% to +25% to an amount of between EUR 250 million and EUR 285 million, despite ongoing investments into product, brand, and digital as part of "CLAIM 5", and against the backdrop of the current geopolitical and macroeconomic uncertainties.






Q1 sales development by segment

		in EUR million	Change in %	Change in % currency-adjusted
Europe		505	+69	+69
Americas	 134		+68	+56
Asia/Pacific	 110		+9	+3
Licenses	 23		+34	+34
Group		772	+55	+52

- In the first quarter of 2022, HUGO BOSS recorded significant top-line improvements, with currency-adjusted Group sales up 52% against the prior-year period. Consequently, revenues increased 17% currency-adjusted compared to the first quarter of 2019, representing a further acceleration as compared to the final quarter of 2021. While momentum in Europe and the Americas continued throughout the first three months of the year, renewed pandemic-related restrictions in mainland China weighed on the overall business performance in Asia/Pacific.
 - In Europe, currency-adjusted sales increased 69% on the prior-year level, translating into growth of 21% on a three-year-stack basis. This development represents a further acceleration compared to the final quarter of 2021, driven by robust local demand across key European markets. Great Britain and France recorded a particularly strong performance with three-year-stack growth of 32% and 13%, respectively, while sales in Germany were effectively in line with 2019 levels. Also in Eastern Europe, momentum remained robust, as reflected by high double-digit growth as compared to 2019 levels.
 - Revenues in the Americas were up 56% currency-adjusted as compared to the prior-year period. Consequently, sales grew 17% versus 2019 levels, with all of the region's markets recording sales increases versus pre-pandemic levels. In the important U.S. market, where HUGO BOSS continues to successfully foster its 24/7 brand image, revenues increased 9% versus 2019. While trends were similar in Canada, HUGO BOSS was able to continue its particularly strong momentum in Latin America as reflected by high double-digit sales growth compared to 2019 levels.
 - Sales in the Asia/Pacific region came in 3% above the prior-year level and only 1% below that of 2019, both currency-adjusted. While HUGO BOSS recorded a promising start to the year also in this region, renewed COVID-19-related restrictions – including temporary store closures and reduced opening hours – weighed on consumer

sentiment and store traffic in mainland China towards the end of the quarter. Consequently, currency-adjusted sales in mainland China remained 13% below the prior-year level, but were up 12% compared to the first quarter of 2019. While business in Hong Kong and Macao continued to be significantly impacted by lower tourism flows, markets such as Japan and Australia continued their overall business recovery, recording robust growth versus 2019 levels.





Q1 sales development by channel

		in EUR million	Change in %	Change in % currency-adjusted
Brick-and-mortar retail		383	+81	+76
Brick-and-mortar wholesale		220	+46	+44
Digital		146	+25	+22
Licenses		23	+34	+34
Group		772	+55	+52

For details by channel and region, please refer to page 16.

- The Group's brick-and-mortar retail business (including freestanding stores, shop-in-shops, and outlets) recorded strong double-digit sales improvements in the first quarter, with currency-adjusted revenues up 76% year-on-year. This development was driven by the successful execution of important strategic initiatives as part of "CLAIM 5" as well as robust consumer sentiment, particularly in Europe and the Americas. At the same time, the prior-year period was marked by long-lasting temporary store closures, as reflected by an average store closing rate of around 25% in the first quarter of 2021. On a three-year-stack basis, revenues were up 5%.
- Currency-adjusted sales in brick-and-mortar wholesale grew 44% compared to the prior-year period, marking the channel's return to pre-pandemic levels with an increase of 2% as compared to 2019. This mainly reflects robust demand of wholesale partners for the Spring/Summer 2022 collections of BOSS and HUGO, fully incorporating the branding refresh. At the same time, delivery shifts compared to the prior year weighed on wholesale growth to some extent.
- The Group's digital business (including the Company's digital flagship hugoboss.com as well as digital revenues generated with partners) successfully continued its double-digit growth trajectory. Despite being up against a particularly strong comparison base from the prior-year period, currency-adjusted sales increased 22% in the first quarter of 2022, with double-digit improvements across all digital touchpoints. This development was supported by the successful relaunch of hugoboss.com implemented in January. Compared to 2019, the Company's digital business more than doubled, with currency-adjusted revenues up 145%.
- Sales in the license business increased by 34% compared to the prior-year level, currency-adjusted, reflecting strong double-digit growth across all key product groups including fragrances, watches, and eyewear. Consequently, currency-adjusted revenues exceeded 2019 levels for the first time, growing 29% on a three-year-stack basis.

Q1 sales development by brand

		in EUR million	Change in %	Change in % currency-adjusted
BOSS Menswear		604	+57	+53
BOSS Womenswear	 51		+43	+41
HUGO	 116		+54	+52
Group		772	+55	+52

- Both, BOSS Menswear and BOSS Womenswear, as well as HUGO recorded strong double-digit growth in the first quarter, driven by high global demand for the brands' Spring/Summer 2022 collections, the first collections fully incorporating the bold branding refresh. On a three-year-stack basis, currency-adjusted sales for BOSS Menswear exceeded pre-pandemic levels by 17%, while sales for BOSS Womenswear remained on par. At HUGO, currency-adjusted sales grew a strong 26% as compared to 2019.
 - The Company's casualwear business continued to drive growth across all brands, with a particularly strong contribution from product groups such as jersey, denim, and sneakers. For HUGO, casualwear sales even doubled compared to 2019 levels.
 - The brands' formalwear offerings also recorded a robust performance in the first quarter, driven by its modern interpretation focused on comfort, innovation, and casualization.

Q1 earnings development

(in EUR million)	Jan.-March 2022	Jan.-March 2021	Change in %
Sales	772	497	55
Cost of sales	(296)	(197)	(51)
Gross profit	476	300	58
In % of sales	61.6	60.4	120 bp
Operating expenses	(436)	(300)	(45)
In % of sales	(56.5)	(60.3)	380 bp
Thereof selling and distribution expenses	(344)	(231)	(49)
Thereof administration expenses	(92)	(68)	(34)
Operating result (EBIT)	40	1	>100
In % of sales	5.2	0.2	500 bp
Financial result	(3)	(11)	71
Earnings before taxes	37	(11)	>100
Income taxes	(10)	3	<(100)
Net income	26	(8)	>100
Attributable to:			
Equity holders of the parent company	24	(9)	>100
Non-controlling interests	2	1	57
Earnings per share (in EUR) ¹	0.35	(0.13)	>100
Tax rate in %	28	28	

¹ Basic and diluted earnings per share.

- The improvement in gross margin, up 120 basis points to 61.6%, mainly reflects a higher share of full-price sales, which was partly offset by persistently high levels of global freight and transportation costs.
- Operating expenses increased 45% in the first quarter of 2022, mainly reflecting a significant step-up in brand and digital investments as part of "CLAIM 5" as well as a normalization in rental and payroll expenses given long-lasting temporary store closures in the prior-year period. As a percentage of sales, however, operating expenses decreased to a level of 56.5%.
 - Selling and distribution expenses were up 49% compared to the prior-year period. While own retail expenses effectively returned to pre-pandemic levels, HUGO BOSS recorded a particularly strong increase in marketing investments, fully in line with its "CLAIM 5" strategy aimed at driving brand relevance. Consequently, as compared to 2019 and 2021 levels, marketing investments effectively doubled to EUR 80 million, representing 10.4% of Group sales. This development reflects the comprehensive global marketing campaigns for BOSS and HUGO as part of the successful branding refresh. As a percentage of sales, however, selling and distribution expenses decreased to 44.6%.
 - Administration expenses increased 34% as compared to the prior-year period, driven by higher payroll expenses and digital investments. As a percentage of sales, however, administration expenses decreased to 11.9%.

- Despite significant investments into the business, aimed at driving the successful execution of "CLAIM 5," the operating profit (EBIT) totaled EUR 40 million in the first quarter of 2022, well above the prior-year level. The increase in EBIT mainly reflects the strong top-line development as well as the improvement in gross margin.
- Consequently, net income increased to EUR 26 million, also supported by lower net financial expenses mainly attributable to a favorable development of exchange rates in the three-month period.

Net assets and financial position

March 31, 2022		in EUR million	Change in % ¹	Change in % currency-adjusted ¹
TNWC	████████████████████	472	(14)	(20)
Inventories	████████████████████	646	+1	(3)
Net financial position ²	██████ 120		>100	

¹ Change compared to March 31, 2021.

² Excl. the impact of IFRS 16.

- Trade net working capital (TNWC) decreased 20% on a currency-adjusted basis, reflecting lower inventories and a strong increase in trade payables, which more than compensated for higher trade receivables. The increase in trade payables was mainly attributable to an increased utilization of the Company's supplier financing program. The moving average of TNWC as a percentage of sales based on the last four quarters amounted to 15.0%, well below the level recorded in the prior-year period (Q1 2021: 29.6%).
- Inventories decreased 3% currency-adjusted, reflecting the strong sales growth in the first quarter of 2022.
- Excluding the impact of IFRS 16, the net financial position of HUGO BOSS totaled plus EUR 120 million at the end of the first quarter of 2022 (March 31, 2021: minus EUR 221 million), reflecting the strong free cash flow generation over the last twelve months as well as the associated lower utilization of credit lines. Including the impact of IFRS 16, the net financial position totaled minus EUR 663 million, representing a 38% decrease against the prior-year level (March 31, 2021: minus EUR 1,076 million).

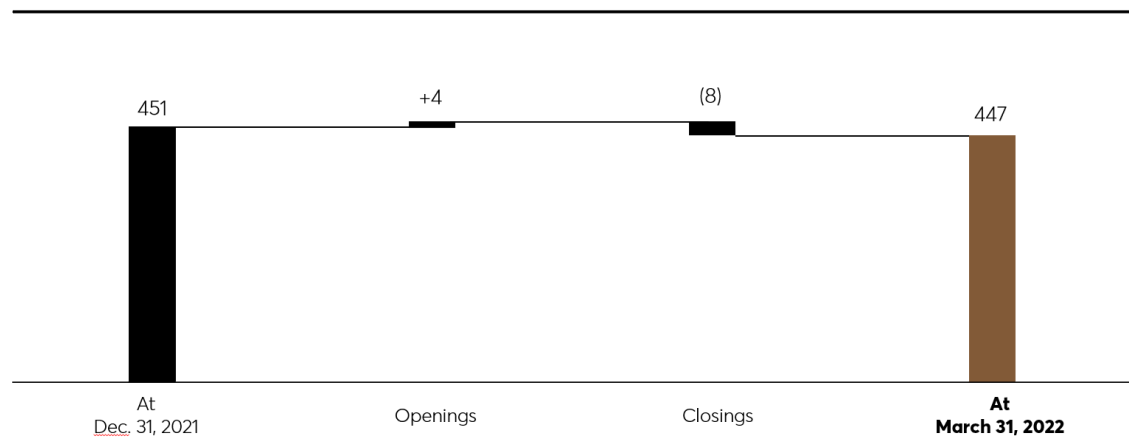
January - March 2022		in EUR million	Change in %
Capital expenditure	████████████████████	18	+13
Free cash flow	███ 1		>100

¹ Change compared to Q1 2021.

- Capital expenditure increased by 13% to EUR 18 million in the three-month period (Q1 2021: EUR 16 million). Investment activity was once again focused on the further optimization and modernization of the own store network, as well as on expanding the Group's digital capabilities along the entire value chain.

- Free cash flow amounted to EUR 1 million (Q1 2021: minus EUR 30 million). The increase mainly reflects the strong bottom-line performance as well as further improvements in TNWC.

Network of freestanding retail stores



- As of March 31, 2022, the number of own freestanding retail stores amounted to 447, representing a slight decrease compared to December 31, 2021.
 - In the first three months of the year, a total of four BOSS stores were newly opened in mainland China and in the United Arab Emirates.
 - At the same time, eight stores with expiring leases across Europe and the Americas were closed in the first quarter.

Outlook

- Following its successful start to 2022, HUGO BOSS confirms its top- and bottom-line outlook for the current fiscal year as issued on March 10, 2022:
 - The Company continues to expect Group sales in 2022 to increase between +10% and +15% to a new record level of between EUR 3.1 billion and EUR 3.2 billion (2021: EUR 2.8 billion). This outlook is underpinned by the persisting strong brand momentum generated by BOSS and HUGO in the wake of the successful branding refresh. In addition, HUGO BOSS is confident that the ongoing robust momentum in Europe and the Americas will continue, supported by a particularly strong order intake for Fall/Winter 2022, which is expected to drive wholesale sales in the second half of the year. Together, these developments should enable the Company to more than compensate for the ongoing pandemic-related implications in mainland China.
 - Driven by the anticipated robust top-line improvements, EBIT in fiscal year 2022 is expected to increase within a range of +10% to +25% to an amount of between EUR 250 million and EUR 285 million (2021: EUR 228 million), despite ongoing investments into product, brand, and digital as part of "CLAIM 5", and against the backdrop of the current geopolitical and macroeconomic uncertainties – including the war in Ukraine, ongoing COVID-related restrictions in mainland China, the persistently high level of global freight costs, as well as general cost inflation.
 - At the same time, the Company continues to expect the **Group's net income** to improve to a level of between EUR 150 million and EUR 180 million (2021: EUR 144 million).
- HUGO BOSS also continues to expect trade net working capital (TNWC) as a percentage of sales to increase to a level of between 18% and 19% in 2022 (2021: 17.2%).
- Capital expenditure is still forecasted to total between EUR 200 million and EUR 230 million in 2022 (2021: EUR 104 million).
- Detailed information on the outlook for fiscal year 2022 can be found in the [Annual Report 2021](#).

Financial calendar and contacts

May 24, 2022

Virtual Annual Shareholders' Meeting

August 3, 2022

Second Quarter Results 2022 & First Half Year Report 2022

November 3, 2022

Third Quarter Results 2022

If you have any questions, please contact:

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HUGO BOSS

FINANCIAL INFORMATION

for Q1 2022

Due to rounding, some numbers may not add up precisely to the totals provided.

Key figures – quarter

(in EUR million)	Jan. -March 2022	Jan. -March 2021	Change in %	Currency-adjusted change in %
Sales	772	497	55	52
Sales by segment				
Europe incl. Middle East and Africa	505	299	69	69
Americas	134	80	68	56
Asia/Pacific	110	101	9	3
Licenses	23	17	34	34
Sales by distribution channel				
Brick-and-mortar retail	383	212	81	76
Brick-and-mortar wholesale	220	151	46	44
Digital	146	117	25	22
Licenses	23	17	34	34
Sales by brand				
BOSS Menswear	604	386	57	53
BOSS Womenswear	51	36	43	41
HUGO	116	76	54	52
Results of operations				
Gross profit	476	300	58	
Gross margin in %	61.6	60.4	120 bp	
EBIT	40	1	>100	
EBIT margin in %	5.2	0.2	500 bp	
EBITDA	116	77	51	
EBITDA margin in %	15.1	15.5	(40) bp	
Net income attributable to equity holders of the parent company	24	(9)	>100	
Net assets and liability structure as of March 31				
Trade net working capital	472	550	(14)	(20)
Trade net working capital in % of sales ¹	15.0	29.6	(1,460) bp	
Non-current assets	1,448	1,510	(4)	
Equity	986	767	29	
Equity ratio in %	36.7	29.4	730 bp	
Total assets	2,686	2,611	3	
Financial position				
Capital expenditure	18	16	13	
Free cash flow	1	(30)	>100	
Depreciation/amortization	(76)	(76)	0	
Net financial liabilities (as of March 31)	663	1,076	(38)	
Additional key figures				
Employees (as of March 31) ²	14,569	13,476	8	
Personnel expenses	188	134	41	
Shares (in EUR)				
Earnings per share	0.35	(0.13)	>100	
Last share price (as of March 31)	52.64	33.47	57	
Number of shares (as of March 31)	70,400,000	70,400,000	0	

¹ Moving average on the basis of the last four quarters.

² Full-time equivalent (FTE).

Sales by region and distribution channel - quarter

Europe¹

(in EUR million)	Jan. -March 2022	Jan.-March 2021	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	201	75	169	170
Brick-and-mortar wholesale	181	124	46	46
Digital	123	101	22	21
Total	505	299	69	69

¹ Incl. Middle East and Africa.

Americas

(in EUR million)	Jan. -March 2022	Jan.-March 2021	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	88	50	77	65
Brick-and-mortar wholesale	30	19	63	52
Digital	16	12	37	27
Total	134	80	68	56

Asia/Pacific

(in EUR million)	Jan. -March 2022	Jan.-March 2021	Change in %	Currency-adjusted change in %
Brick-and-mortar retail	94	88	7	1
Brick-and-mortar wholesale	9	8	4	(2)
Digital	8	5	54	46
Total	110	101	9	3

Consolidated income statement – quarter

(in EUR million)	Jan.-March 2022	Jan.-March 2021	Change in %
Sales	772	497	55
Cost of sales	(296)	(197)	(51)
Gross profit	476	300	58
In % of sales	61.6	60.4	120 bp
Operating expenses	(436)	(300)	(45)
In % of sales	(56.5)	(60.3)	380 bp
Thereof selling and distribution expenses	(344)	(231)	(49)
Thereof administration expenses	(92)	(68)	(34)
Operating result (EBIT)	40	1	>100
In % of sales	5.2	0.2	500 bp
Financial result	(3)	(11)	71
Earnings before taxes	37	(11)	>100
Income taxes	(10)	3	<(100)
Net income	26	(8)	>100
Attributable to:			
Equity holders of the parent company	24	(9)	>100
Non-controlling interests	2	1	57
Earnings per share (in EUR) ¹	0.35	(0.13)	>100
Tax rate in %	28	28	

¹ Basic and diluted earnings per share.

EBIT and EBITDA – quarter

(in EUR million)	Jan.-March 2022	Jan.-March 2021	Change in %
EBIT	40	1	>100
In % of sales	5.2	0.2	500 bp
Depreciation and amortization	(76)	(76)	0
EBITDA	116	77	51
In % of sales	15.1	15.5	(40) bp

Consolidated statement of financial position

(in EUR million)			
	March 31, 2022	March 31, 2021	December 31, 2021
Assets			
Property, plant, and equipment ¹	413	401	418
Intangible assets	162	169	164
Right-of-use assets ¹	689	736	695
Deferred tax assets	158	183	160
Non-current financial assets	24	22	20
Other non-current assets	1	1	1
Non-current assets	1,448	1,510	1,458
Inventories	646	638	606
Trade receivables	222	197	235
Current tax receivables	16	23	15
Current financial assets	11	14	27
Other current assets	109	106	111
Cash and cash equivalents	234	123	285
Current assets	1,238	1,101	1,278
Total	2,686	2,611	2,736
Equity and liabilities			
	March 31, 2022	March 31, 2021	December 31, 2021
Subscribed capital	70	70	70
Own shares	(42)	(42)	(42)
Capital reserve	0	0	0
Retained earnings	880	700	850
Accumulated other comprehensive income	61	31	47
Equity attributable to equity holders of the parent company	969	760	925
Non-controlling interests	17	8	14
Group equity	986	767	940
Non-current provisions	95	88	102
Non-current financial liabilities	100	268	103
Non-current lease liabilities	592	643	601
Deferred tax liabilities	11	12	11
Other non-current liabilities	1	2	1
Non-current liabilities	800	1,012	818
Current provisions ¹	87	66	99
Current financial liabilities	31	90	32
Current lease liabilities	191	212	193
Income tax payables	30	45	28
Trade payables	396	285	464
Other current liabilities ¹	165	133	161
Current liabilities	900	831	978
Total	2,686	2,611	2,736

¹Some amounts shown differ from those reported in the previous year due to reclassifications.

Trade net working capital (TNWC)

(in EUR million)				
	March 31, 2022	March 31, 2021	Change in %	Currency-adjusted change in %
Inventories	646	638	1	(3)
Trade receivables	222	197	13	7
Trade payables	(396)	(285)	39	35
Trade net working capital (TNWC)	472	550	(14)	(20)

Consolidated statement of cash flows

(in EUR million)	Jan. – March 2022	Jan. – March 2021
Net income	26	(8)
Depreciation/amortization	76	76
Unrealized net foreign exchange gain/loss	(1)	1
Other non-cash transactions	2	0
Income tax expense/income	10	(3)
Interest expense/income	6	5
Change in inventories	(37)	(12)
Change in receivables and other assets	30	(24)
Change in trade payables and other liabilities ¹	(70)	(29)
Result from disposal of non-current assets	(2)	0
Change in provisions for pensions	0	(1)
Change in other provisions ¹	(12)	(12)
Income taxes paid	(8)	(9)
Cash flow from operating activities	21	(14)
Investments in property, plant and equipment	(14)	(13)
Investments in intangible assets	(3)	(3)
Acquisition of subsidiaries and other business entities less cash and cash equivalents acquired	(2)	0
Cash receipts from disposal of property, plant, and equipment and intangible assets	0	0
Cash flow from investing activities	(19)	(16)
Dividends paid to equity holders of the parent company	0	0
Change in current financial liabilities	(4)	2
Cash receipts from non-current financial liabilities	0	75
Repayment of current and non-current lease liabilities	(46)	(48)
Interest paid	(6)	(5)
Interest received	0	0
Cash flow from financing activities	(55)	25
Exchange rate related changes in cash and cash equivalents	4	3
Change in cash and cash equivalents	(50)	(2)
Cash and cash equivalents at the beginning of the period	285	125
Cash and cash equivalents at the end of the period	234	123

¹Some amounts shown differ from those reported in the previous year due to reclassifications.

Free cash flow

(in EUR million)	Jan. – March 2022	Jan. – March 2021
Cash flow from operating activities	21	(14)
Cash flow from investing activities	(19)	(16)
Free cash flow	1	(30)

Number of own retail stores

March 31, 2022	Europe	Americas	Asia/Pacific	Total
Number of own retail points of sale	574	318	344	1,236
thereof freestanding retail stores	202	96	149	447
Dec. 31, 2021				
Number of own retail points of sale	579	310	339	1,228
thereof freestanding retail stores	206	98	147	451