

# SECOND QUARTER 2019 RESULTS PRESENTATION

AUGUST 1, 2019

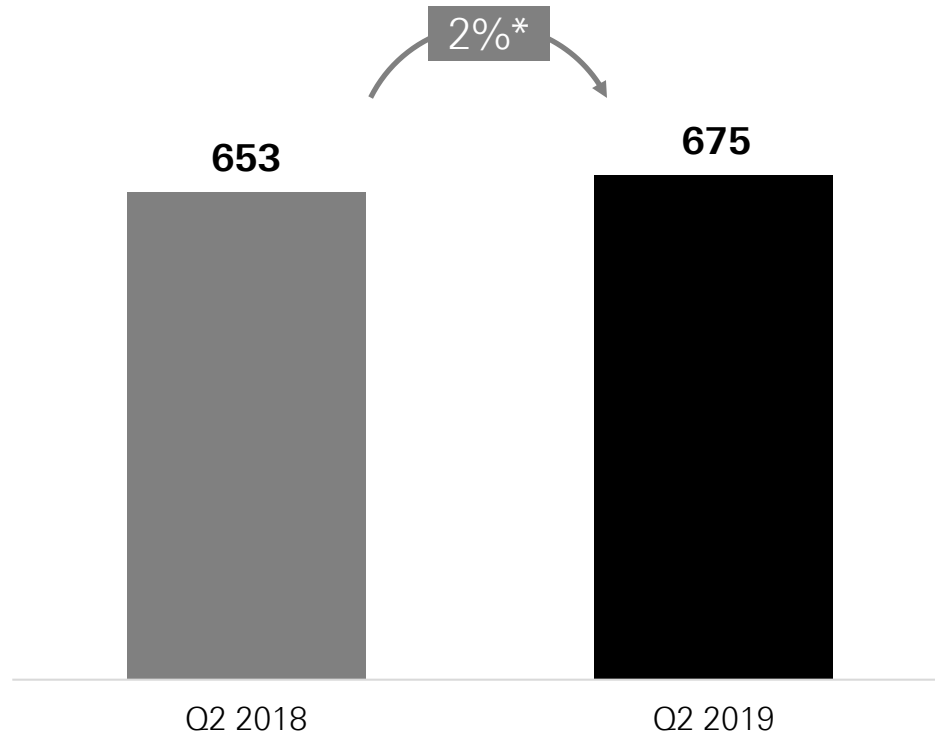


# SECOND QUARTER 2019 RESULTS PRESENTATION

YVES MÜLLER | CHIEF FINANCIAL OFFICER

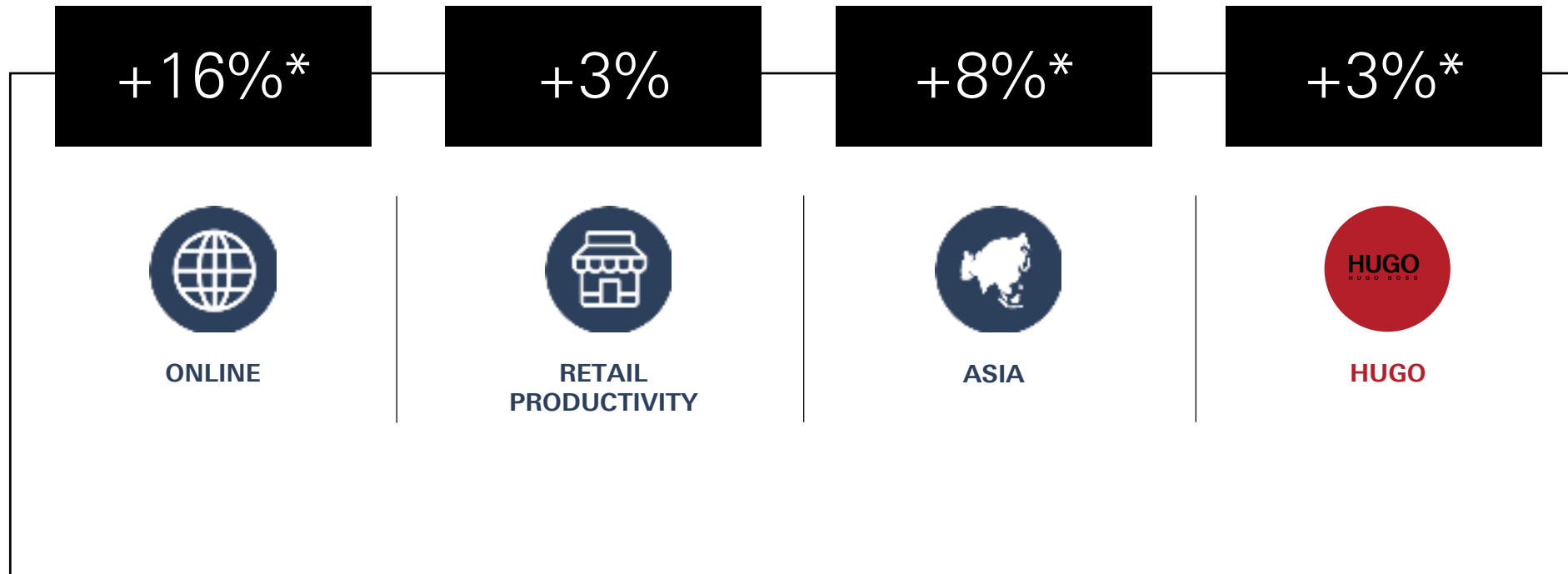


**Group sales**  
(in EUR million)



**Solid sales growth**  
in the second quarter of 2019

\*Currency-adjusted

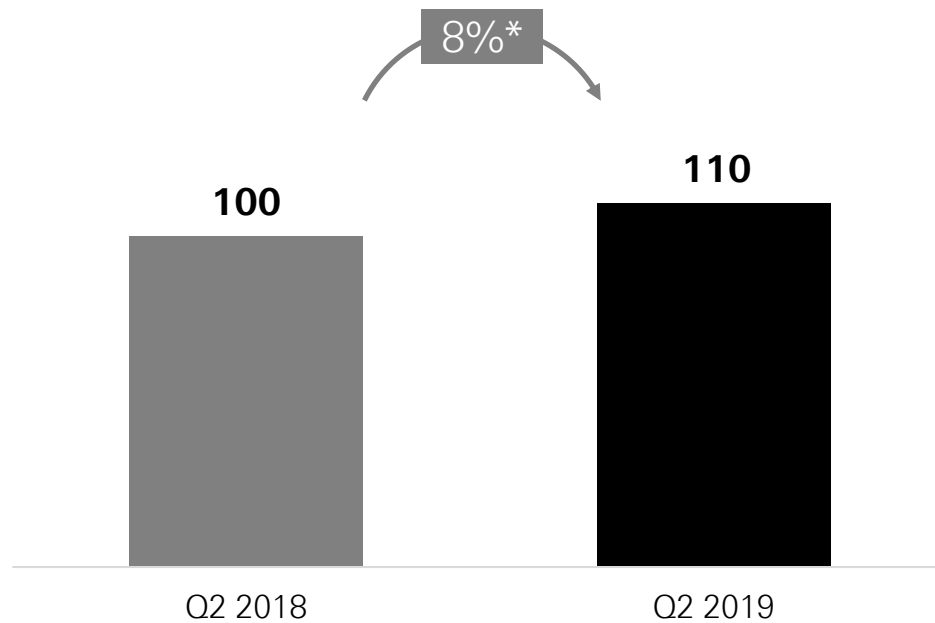


Further progress along  
**strategic growth drivers**

\*Currency-adjusted

## Asia/Pacific sales

(in EUR million)



### Asia/Pacific

Sales in China grow 7% currency-adjusted, driven by double-digit comp store sales increases

Strong momentum in Mainland China continues in Q2

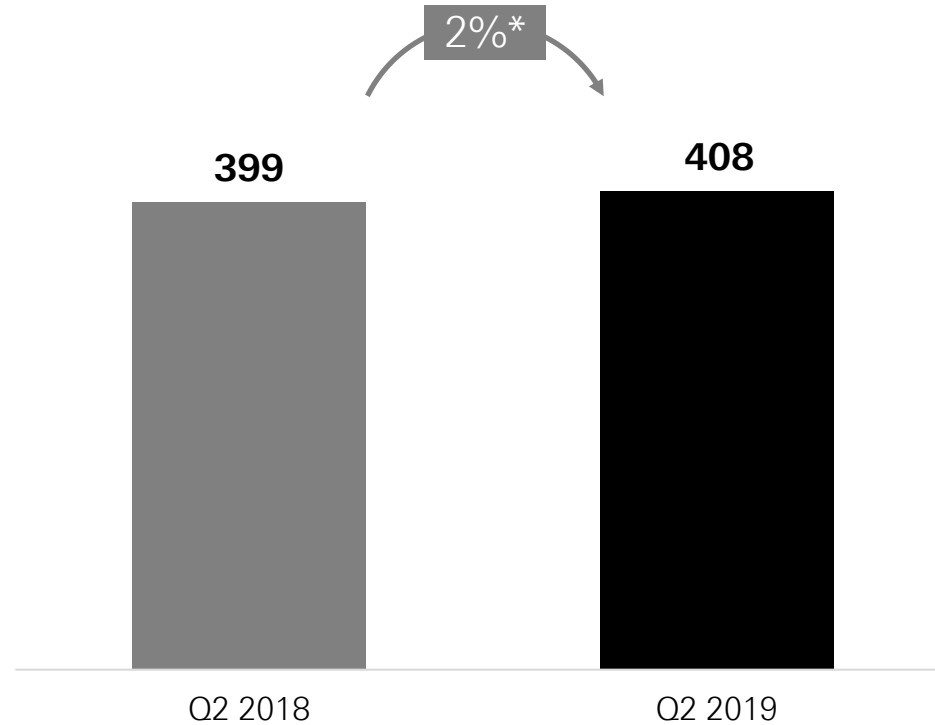
Japan and Southeast Asia record double-digit sales increases

**Momentum in Asia/Pacific**  
accelerates in the second quarter

\*Currency-adjusted

## Europe sales

(in EUR million)



### Europe

Retail and wholesale with low-single-digit sales increases each

Revenues in France and the UK grow 6% and 2%, respectively

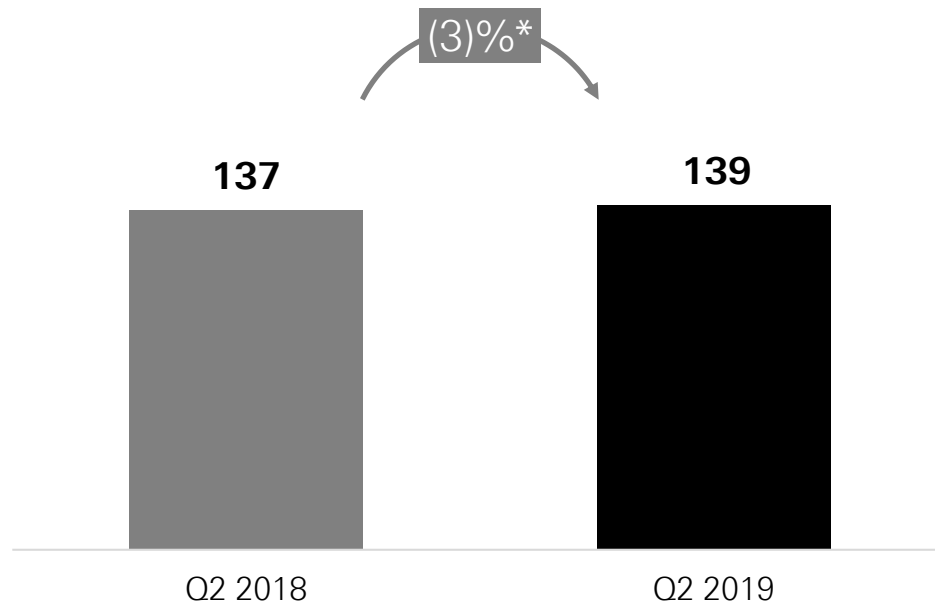
Sales in Germany decline, reflecting challenging market environment

**Europe with solid sales increases**  
in the second quarter

\*Currency-adjusted

## Americas sales

(in EUR million)



### Americas

Market environment for the U.S. and Canada remains challenging

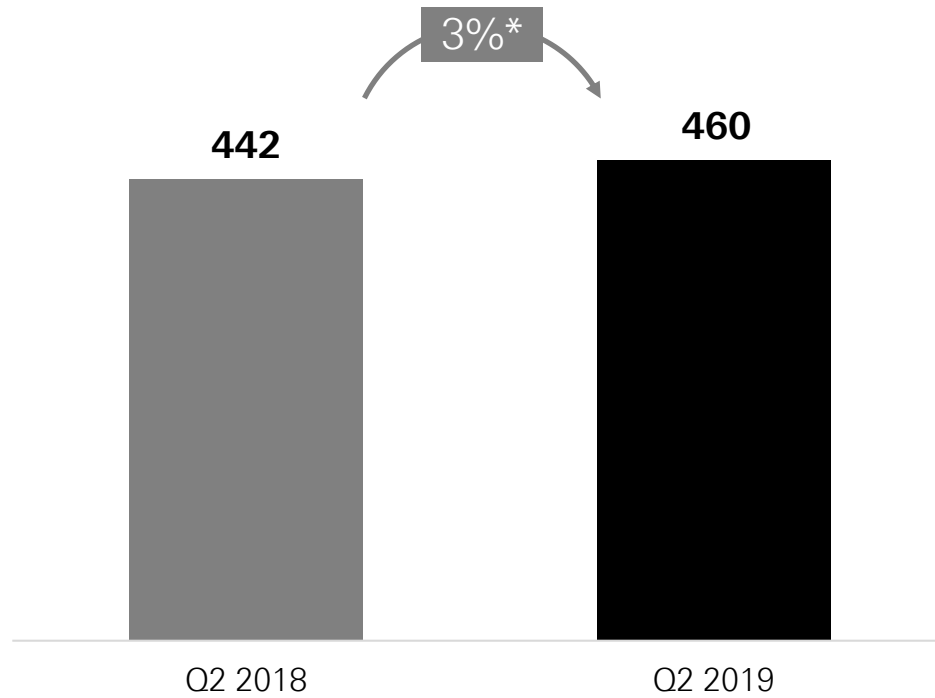
Both distribution channels in the U.S. negatively affected

Robust top-line momentum in Latin America continues

**Challenging market environment**  
continues to weigh on performance

\*Currency-adjusted

**Retail sales**  
(in EUR million)



BOSS Store, Tokyo

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

\*Currency-adjusted



**BOSS STORE**  
MEXICO CITY



**BOSS STORE**  
AMSTERDAM



NEW **BOSS**  
STORE CONCEPT

52

**BOSS** STORES  
WITH NEW CONCEPT

8

RENOVATIONS  
IN Q2 2019

Further roll-out of  
**new BOSS store concept**

**HUGO STORE**  
TOKYO



**HUGO STORE**  
MOSCOW



**HUGO STORE**  
CONCEPT

26

HUGO STORES  
IN TOTAL

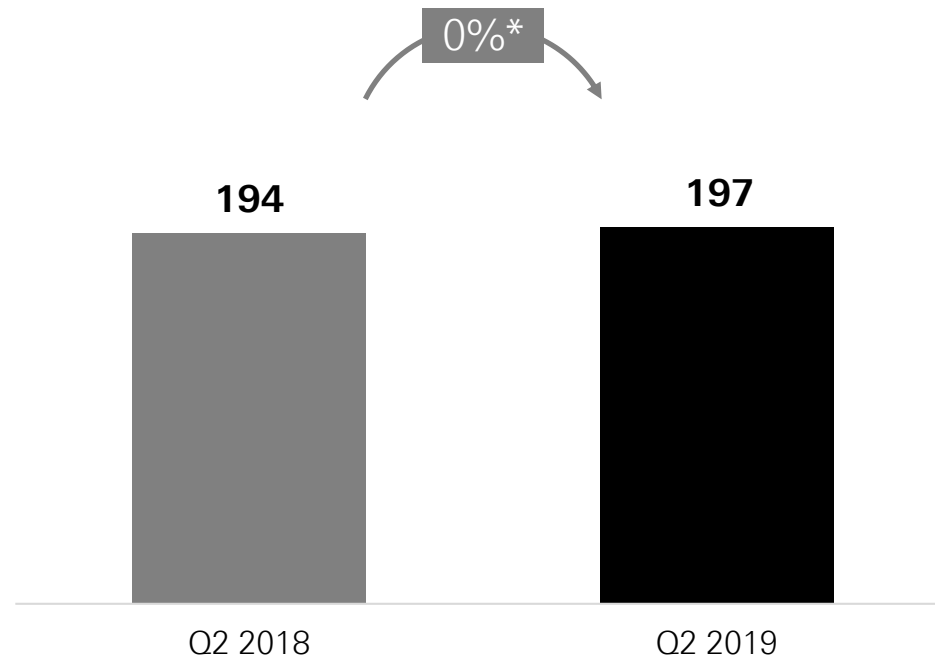
3

OPENINGS  
IN Q2 2019

**Expansion of HUGO stores**  
with own store concept continues

## Wholesale sales

(in EUR million)



## Wholesale

Currency-adjusted sales in Europe and Asia/Pacific increase 1% and 14%, respectively

Online sales with marketplaces and department stores continue to grow at double-digit rates

**Wholesale business**  
remains stable in the second quarter

\*Currency-adjusted

## License sales



↑  
**+8%**

Q2 2019 vs. Q2 2018\*

### License business

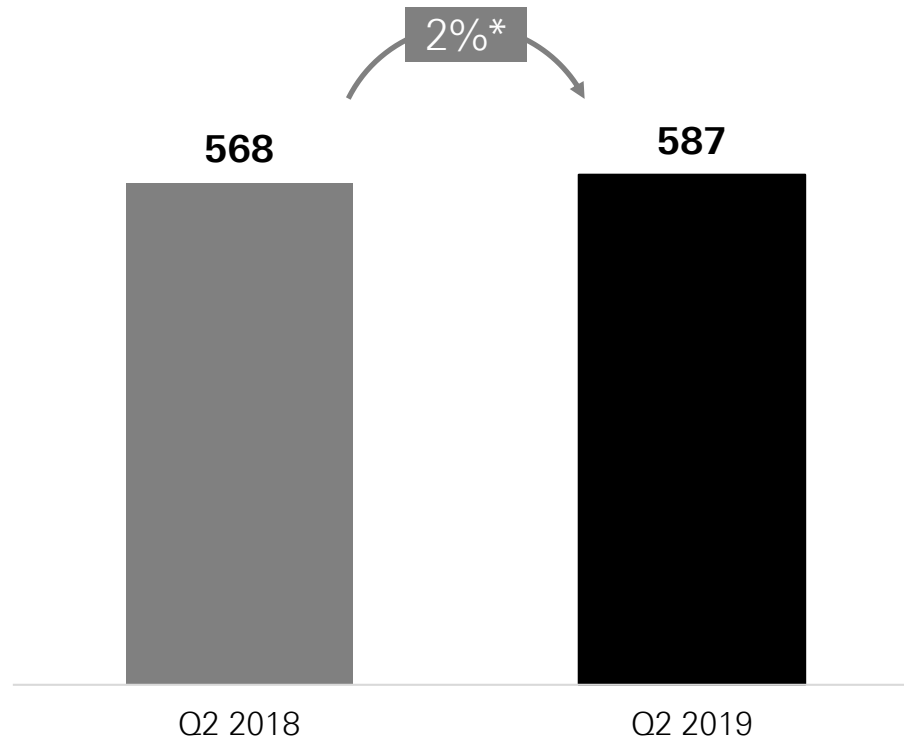
Robust sales increases mainly driven by fragrance and eyewear businesses

Momentum in fragrance business driven by new product launches such as BOSS Bottled Infinite and HUGO Reversed

**License business** with ongoing strong momentum in Q2

\*Currency-adjusted

**BOSS**  
HUGO BOSS



**Businesswear and casualwear**  
drive growth at BOSS

Sales in EUR million  
\*Currency-adjusted



## BOSS Made for Me

“BOSS Made for Me” expands **personalization** offering for suits and shoes

Personalization of **key product groups** by choosing preferred fabrics, linings and buttons

**Personalization services**  
further enhanced

## NEW BRAND AMBASSADOR

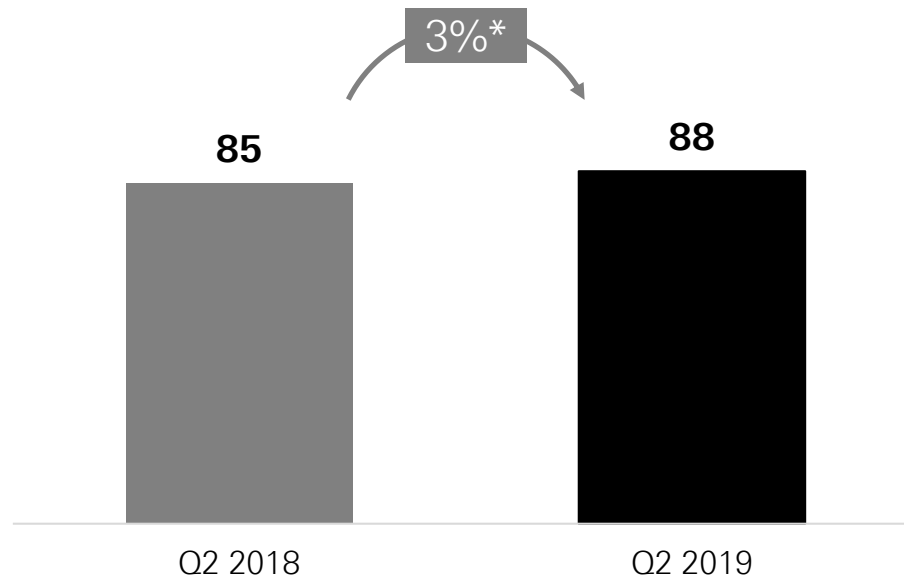
Partnership to further increase  
**desirability of BOSS** in Asia/Pacific

Successful launch of jointly developed  
**"Luxury Travel" collection**



Mark Chao becomes the  
**new face of BOSS in Asia/Pacific**

**HUGO**  
HUGO BOSS



**HUGO with double-digit increases  
in casualwear**

Sales in EUR million  
\*Currency-adjusted



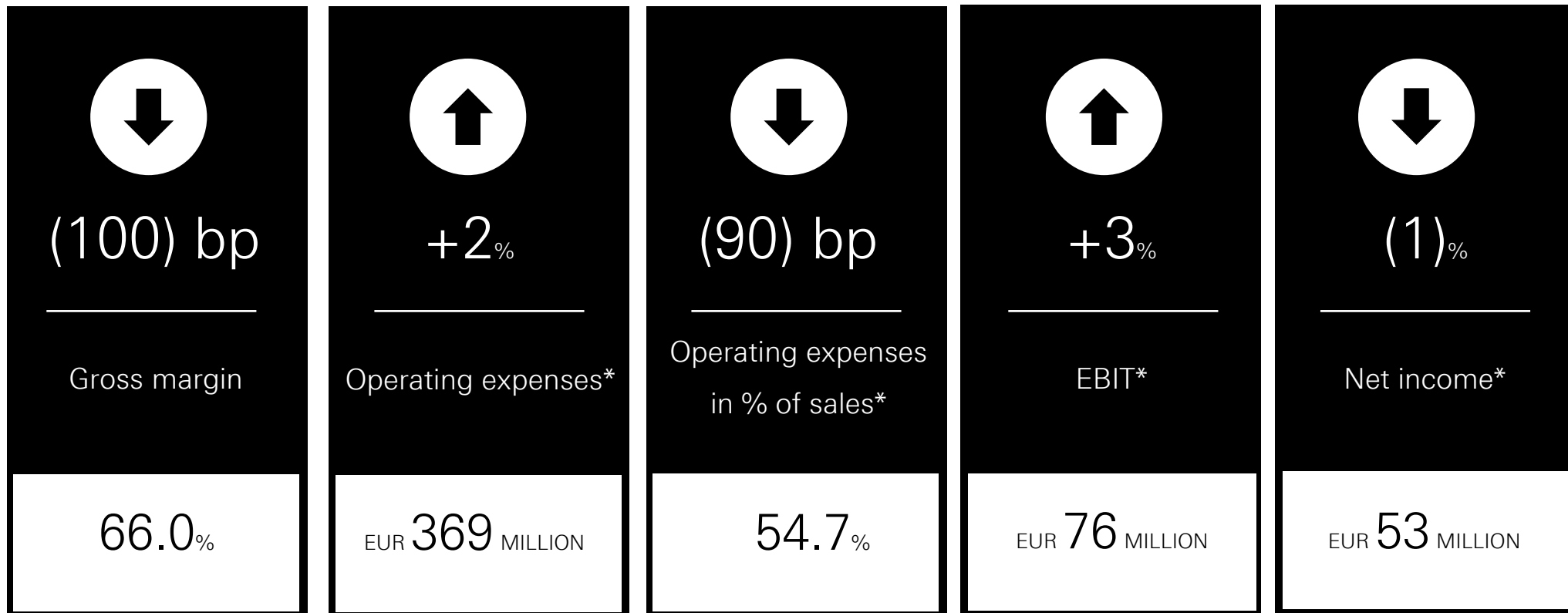
# HUGO announces partnership with Liam Payne



Exclusive **capsule launch party** with new brand ambassador at **Berlin Fashion Week**

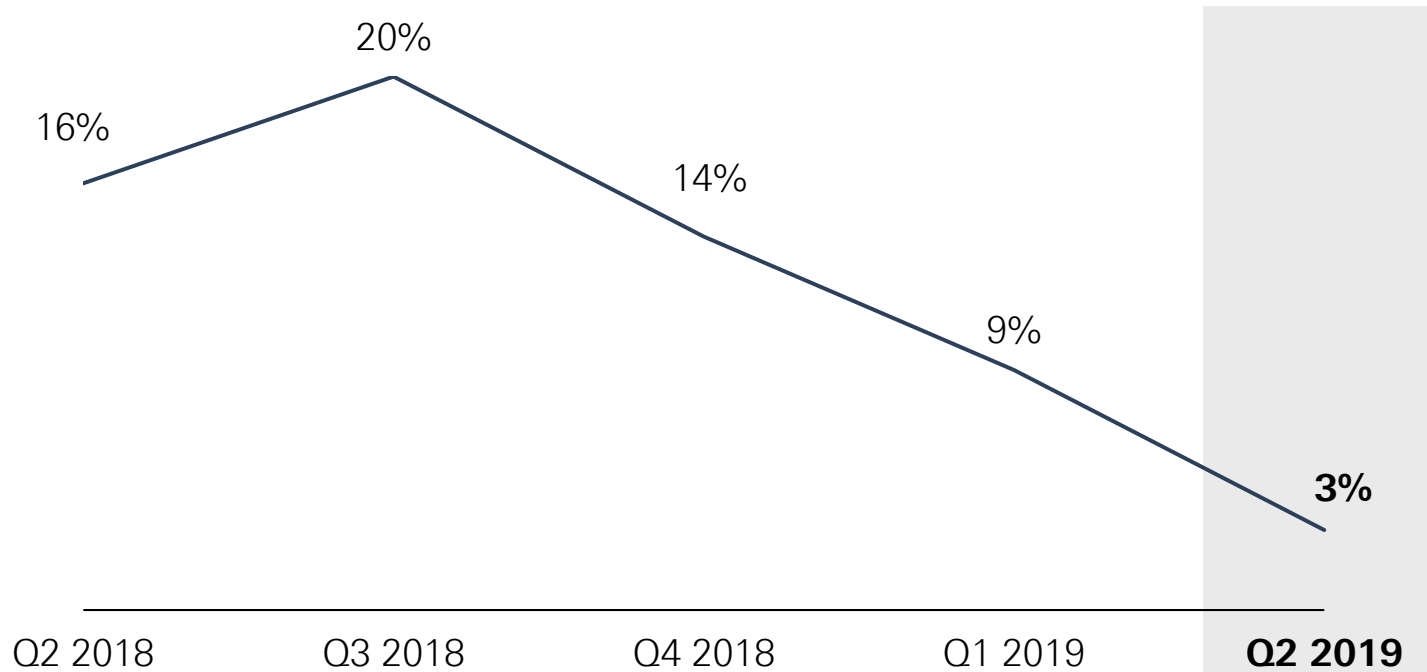


## EBIT returns to growth reflecting strong operating leverage



\*Excluding IFRS 16 impact

### Inventory growth yoy (in % currency-adjusted)

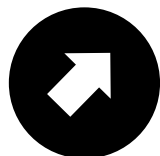


### Inventories and TNWC

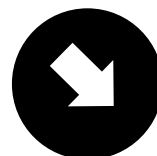
Further reduction in inventory growth reflecting ongoing strict focus on inventory management

TNWC up 6% currency-adjusted, reflecting temporary increase in trade receivables as well as higher inventories yoy

Further progress in  
**reducing inventory growth**

**Capital expenditure****+15** EUR million

(Q2 2019 vs. Q2 2018)

**Free cash flow\*****(7)** EUR million

(Q2 2019 vs. Q2 2018)

**Free cash flow**

Capital expenditure increases to EUR 48 million, mainly due to ongoing store renovations as well as further IT investments

Free cash flow decreases to EUR 72 million, reflecting higher investment volume

**Free cash flow development**  
impacted by higher capital expenditure

\*Excluding IFRS 16 impact

# HUGO BOSS reconfirms outlook for full year 2019

GROUP SALES \*

**INCREASE**  
AT A MID-SINGLE-DIGIT  
PERCENTAGE RATE

EBIT \*\*

**INCREASE**  
AT A HIGH SINGLE-DIGIT  
PERCENTAGE RATE

\*Currency-adjusted

\*\*Excluding IFRS 16 impact

## E-concessions and store renovations to deliver important stimuli for H2 2019



BOSS Store, Paris



# BOSS Fashion Shows in Milan and Shanghai

# #SuitChallenge

Show us what you can  
do in a suit



Increasing **community engagement**  
with marketing campaign



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Launch of 2nd  
**capsule  
collection**

for Fall/Winter 2019

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Cooperation **BOSS x Porsche**  
well underway

# HUGO BOSS reconfirms outlook for full year 2019

GROUP SALES \*

**INCREASE**  
AT A MID-SINGLE-DIGIT  
PERCENTAGE RATE

EBIT \*\*

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\*Currency-adjusted

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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.