

H U G O B O S S

FINANCIAL INFORMATION

on Q1, Q2 and Jan. – June 2019

The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year. The following tables reflect these adjustments.

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

HUGO BOSS

Consolidated income statement – Q1

(in EUR million)

	Q1 2019 including IFRS 16	IFRS 16 impact	Q1 2019 excluding IFRS 16	Q1 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Sales	664	0	664	650	2	2
Cost of sales	(240)	0	(240)	(234)	(3)	(3)
Gross profit	424	0	424	416	2	2
In % of sales	63.8	0	63.8	64.0	(20) bp	(20) bp
Operating expenses	(367)	3	(370)	(346)	(6)	(7)
In % of sales	(55.2)	40 bp	(55.6)	(53.3)	(190) bp	(230) bp
Thereof selling and distribution expenses	(286)	2	(288)	(272)	(5)	(6)
Thereof administration expenses	(80)	1	(81)	(74)	(9)	(10)
Thereof other operating income and expenses	-	-	-	0	-	-
Operating result (EBIT)	57	3	55	70	(17)	(22)
In % of sales	8.6	40 bp	8.2	10.7	(210) bp	(250) bp
Financial result	(8)	(6)	(2)	(3)	<(100)	36
Earnings before taxes	50	(3)	53	67	(26)	(21)
Income taxes	(13)	1	(14)	(17)	26	21
Net income	37	(2)	39	50	(26)	(21)
Earnings per share (in EUR)¹	0.53	(0.03)	0.57	0.72	(26)	(21)
Income tax rate in %	26		26	26		

¹ Basic and diluted earnings per share.

EBIT and EBITDA – Q1

(in EUR million)

	Q1 2019 including IFRS 16	IFRS 16 impact	Q1 2019 excluding IFRS 16	Q1 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
EBIT	57	3	55	70	(17)	(22)
In % of sales	8.6	40 bp	8.2	10.7	(210) bp	(250) bp
Depreciation and amortization	(85)	(57)	(28)	(29)	<(100)	2
EBITDA	142	60	83	99	45	(16)
In % of sales	21.4	890 bp	12.5	15.1	630 bp	(260) bp

HUGO BOSS

Consolidated income statement – Q2

(in EUR million)

	Q2 2019 including IFRS 16	IFRS 16 impact	Q2 2019 excluding IFRS 16	Q2 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Sales	675	0	675	653	3	3
Cost of sales	(230)	0	(230)	(216)	(6)	(6)
Gross profit	445	0	445	437	2	2
In % of sales	66.0	0	66.0	66.9	(100) bp	(100) bp
Operating expenses	(365)	4	(369)	(363)	(1)	(2)
In % of sales	(54.1)	60 bp	(54.7)	(55.6)	150 bp	90 bp
Thereof selling and distribution expenses	(293)	5	(298)	(289)	(1)	(3)
Thereof administration expenses	(72)	(1)	(71)	(73)	2	4
Thereof other operating income and expenses	-	-	-	(1)	-	-
Operating result (EBIT)	80	4	76	74	8	3
In % of sales	11.8	60 bp	11.2	11.3	60 bp	(10) bp
Financial result	(9)	(5)	(4)	(2)	<(100)	<(100)
Earnings before taxes	71	(1)	72	72	(2)	(1)
Income taxes	(18)	0	(19)	(18)	2	1
Net income	52	(1)	53	54	(2)	(1)
Earnings per share (in EUR)¹	0.76	(0.01)	0.77	0.77	(2)	(1)
Income tax rate in %	26		26	26		

¹ Basic and diluted earnings per share.

EBIT and EBITDA – Q2

(in EUR million)

	Q2 2019 including IFRS 16	IFRS 16 impact	Q2 2019 excluding IFRS 16	Q2 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
EBIT	80	4	76	74	8	3
In % of sales	11.8	60 bp	11.2	11.3	60 bp	(10) bp
Depreciation and amortization	(86)	(55)	(30)	(31)	<(100)	5
EBITDA	165	59	106	105	57	0
In % of sales	24.5	880 bp	15.7	16.2	830 bp	(40) bp

HUGO BOSS

Consolidated income statement – H1

(in EUR million)

	Jan. – June 2019 including IFRS 16	IFRS 16 impact	Jan. – June 2019 excluding IFRS 16	Jan. - June 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Sales	1,339	0	1,339	1,303	3	3
Cost of sales	(470)	0	(470)	(450)	(4)	(4)
Gross profit	869	0	869	853	2	2
In % of sales	64.9	0	64.9	65.5	(60) bp	(60) bp
Operating expenses	(732)	7	(739)	(710)	(3)	(4)
In % of sales	(54.6)	50 bp	(55.2)	(54.5)	(20) bp	(70) bp
Thereof selling and distribution expenses	(580)	7	(587)	(562)	(3)	(4)
Thereof administration expenses	(152)	0	(152)	(147)	(3)	(3)
Thereof other operating income and expenses	-	-	-	(1)	-	-
Operating result (EBIT)	137	7	130	143	(4)	(9)
In % of sales	10.3	50 bp	9.7	11.0	(70) bp	(130) bp
Financial result	(17)	(11)	(6)	(4)	<(100)	(45)
Earnings before taxes	121	(4)	125	139	(13)	(11)
Income taxes	(31)	1	(32)	(36)	13	11
Net income	89	(3)	92	103	(13)	(11)
Earnings per share (in EUR)¹	1.29	(0.04)	1.34	1.49	(13)	(11)
Income tax rate in %	26		26	26		

¹ Basic and diluted earnings per share.

EBIT and EBITDA – H1

(in EUR million)

	Jan. – June 2019 including IFRS 16	IFRS 16 impact	Jan. – June 2019 excluding IFRS 16	Jan. - June 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
EBIT	137	7	130	143	(4)	(9)
In % of sales	10.3	50 bp	9.7	11.0	(70) bp	(130) bp
Depreciation and amortization	(170)	(112)	(59)	(61)	<(100)	3
EBITDA	308	119	189	204	51	(7)
In % of sales	23.0	890 bp	14.1	15.6	730 bp	(150) bp

HUGO BOSS

Consolidated statement of financial position as of March 31 – assets

(in EUR million)

	March 31, 2019 including IFRS 16	IFRS 16 impact	March 31, 2019 excluding IFRS 16	March 31, 2018	December 31, 2018
Property, plant and equipment	394	0	394	356	389
Intangible assets	188	0	188	179	185
Right-of-use assets	988	988	0	0	0
Deferred tax assets	97	13	84	95	90
Non-current financial assets	20	0	20	18	19
Non-current tax receivables	0	0	0	0	0
Other non-current assets	2	0	2	1	3
Non-current assets	1,689	1,001	688	649	686
Inventories	615	0	615	542	618
Trade receivables	211	0	211	206	214
Current tax receivables	44	0	44	51	39
Current financial assets	24	0	24	24	32
Other current assets	124	0	124	118	123
Cash and cash equivalents	99	0	99	97	147
Current assets	1,117	0	1,117	1,038	1,172
TOTAL	2,805	1,001	1,805	1,687	1,858

HUGO BOSS

Consolidated statement of financial position as of March 31 – equity and liabilities

(in EUR million)

	March 31, 2019 including IFRS 16	IFRS 16 impact	March 31, 2019 excluding IFRS 16	March 31, 2018	December 31, 2018
Subscribed capital	70	0	70	70	70
Own shares	(42)	0	(42)	(42)	(42)
Capital reserve	0	0	0	0	0
Retained earnings	970	4	966	919	926
Accumulated other comprehensive income	39	0	39	15	26
Equity attributable to equity holders of the parent company	1,037	4	1,033	962	981
Non-controlling interests	0	0	0	0	0
Group equity	1,037	4	1,033	962	981
Non-current provisions	74	0	74	69	69
Non-current financial liabilities	110	0	110	90	83
Non-current lease liabilities	838	838	0	0	0
Deferred tax liabilities	15	3	12	11	13
Other non-current liabilities	1	0	1	55	61
Non-current liabilities	1,038	841	197	225	225
Current provisions	73	0	73	84	98
Current financial liabilities	75	0	75	71	93
Current lease liabilities	227	227	0	0	0
Income tax payables	32	0	32	19	44
Trade payables	230	0	230	221	295
Other current liabilities	95	(71)	166	105	123
Current liabilities	730	156	574	500	653
TOTAL	2,805	1,001	1,805	1,687	1,858

HUGO BOSS

Consolidated statement of financial position as of June 30 – assets

(in EUR million)

	June 30, 2019		June 30, 2019		June 30, 2018	December 31, 2018
	including IFRS 16	IFRS 16 impact	excluding IFRS 16			
Property, plant and equipment	406	0	406	359	389	
Intangible assets	189	0	189	180	185	
Right-of-use assets	924	924	0	0	0	
Deferred tax assets	96	4	92	98	90	
Non-current financial assets	21	0	21	18	19	
Non-current tax receivables	0	0	0	0	0	
Other non-current assets	2	0	2	1	3	
Non-current assets	1,638	928	710	656	686	
Inventories	641	0	641	615	618	
Trade receivables	207	0	207	190	214	
Current tax receivables	40	0	40	45	39	
Current financial assets	28	0	28	30	32	
Other current assets	114	0	114	104	123	
Cash and cash equivalents	106	0	106	99	147	
Current assets	1,135	0	1,135	1,083	1,172	
TOTAL	2,773	928	1,845	1,739	1,858	

HUGO BOSS

Consolidated statement of financial position as of June 30 – equity and liabilities

(in EUR million)

	June 30, 2019		June 30, 2019		June 30, 2018	December 31, 2018
	including IFRS 16	IFRS 16 impact	excluding IFRS 16			
Subscribed capital	70	0	70	70	70	
Own shares	(42)	0	(42)	(42)	(42)	
Capital reserve	0	0	0	0	0	
Retained earnings	823	0	823	791	926	
Accumulated other comprehensive income	35	0	35	24	26	
Equity attributable to equity holders of the parent company	886	0	886	843	981	
Non-controlling interests	0	0	0	0	0	
Group equity	886	0	886	843	981	
Non-current provisions	79	0	79	71	69	
Non-current financial liabilities	187	0	187	154	83	
Non-current lease liabilities	800	797	3	4	0	
Deferred tax liabilities	15	2	13	13	13	
Other non-current liabilities	0	(60)	60	55	61	
Non-current liabilities	1,081	738	342	297	225	
Current provisions	89	0	89	96	98	
Current financial liabilities	119	0	119	107	93	
Current lease liabilities	202	201	1	1	0	
Income tax payables	29	0	29	19	44	
Trade payables	272	0	272	270	295	
Other current liabilities	95	(11)	106	106	123	
Current liabilities	806	190	616	599	653	
TOTAL	2,773	928	1,845	1,739	1,858	

HUGO BOSS

Free cash flow – Jan. to March

(in EUR million)

	Jan. – March 2019 including IFRS 16	IFRS 16 impact	Jan. – March 2019 excluding IFRS 16	Jan. – March 2018
Cash flow from operating activities	33	61	(29)	(29)
Cash flow from investing activities	(30)	0	(30)	(18)
Free cash flow	3	61	(59)	(47)

Free cash flow – Jan. to June

(in EUR million)

	Jan. – June 2019 including IFRS 16	IFRS 16 impact	Jan. – June 2019 excluding IFRS 16	Jan. – June 2018
Cash flow from operating activities	214	123	91	81
Cash flow from investing activities	(78)	0	(78)	(50)
Free cash flow	136	123	13	31

HUGO BOSS

Segment earnings – Q1

(in EUR million)

	Q1 2019 including IFRS 16	In % of sales including IFRS 16	Q1 2018	In % of sales	Change in %
Europe	107	25.2	112	27.0	(4)
Americas	5	4.3	8	6.5	(35)
Asia/Pacific	26	24.7	24	24.2	10
Licenses	14	81.6	14	83.1	6
Earnings of operating segments	153	23.0	158	24.2	(3)
Corporate units / consolidation	(95)		(88)		9
EBIT	57	8.6	70	10.7	(17)

Segment earnings – Q2

(in EUR million)

	Q2 2019 including IFRS 16	In % of sales including IFRS 16	Q2 2018	In % of sales	Change in %
Europe	109	26.7	114	28.6	(5)
Americas	16	11.2	17	12.6	(10)
Asia/Pacific	28	25.2	18	17.7	56
Licenses	15	82.5	13	79.2	13
Earnings of operating segments	167	24.8	163	24.9	3
Corporate units / consolidation	(87)		(89)		(2)
EBIT	80	11.8	74	11.3	8

HUGO BOSS

Segment earnings – H1

(in EUR million)

	Jan. – June 2019	In % of sales	Jan. – June 2018	In % of sales	Change in %
	including IFRS 16	including IFRS 16			
Europe	216	26.0	226	27.8	(5)
Americas	21	8.1	25	9.8	(18)
Asia/Pacific	54	25.0	42	21.0	29
Licenses	29	82.0	27	81.1	9
Earnings of operating segments	320	23.9	321	24.6	0
Corporate units / consolidation	(183)		(178)		3
EBIT	137	10.3	143	11.0	(4)