HUGO BOSS Annual Shareholders' Meeting 2020 – Speech

Mark Langer (CEO)

Metzingen, May 27, 2020

- The spoken word shall prevail -

Dear Shareholders,

ladies and gentlemen,

On behalf of myself, my fellow members of the Managing Board and all HUGO BOSS employees, I'd like to extend a very warm welcome to this year's Annual Shareholders' Meeting — the first in our company's history to take place in virtual format. I can't deny that this is a very special situation for all of us. We were looking forward to welcoming you in person in Stuttgart today, but the current situation makes that impossible. While acknowledging our disappointment, we must not forget that this is certainly the right choice under the current circumstances. Your safety and health ultimately is what matters most to us! That is, why we are making use of the option newly granted us by law to hold a virtual Annual Shareholders' Meeting.

What can you expect over the next 30 minutes?

As usual, I will start by providing you with details of our operational and financial development over the past fiscal year, and explain the progress we've made from a strategic perspective. I will then move on to talk about current business developments in the context of the COVID-19 pandemic and our crisis management measures. Finally, I will take a look ahead, with a particular focus on our two brands BOSS and HUGO, our sustainability initiatives and the ongoing digitization of our business model.

Let me start, however, by saying a few words on my own behalf. As you probably already know, at the end of September I will step down from the Managing Board of HUGO BOSS AG after 18 years with the company. I am grateful for having had the opportunity to work for HUGO BOSS in various roles over almost two decades. In particular, I would like to thank all colleagues who have supported me on this journey with such dynamism and commitment.

Our company means a lot to me. That is why I will continue to work with utmost passion and dedication for HUGO BOSS over the coming months. Together with my fellow members of the Managing Board, I will do everything in my power to guide HUGO BOSS safely through these exceptional times.

In common with the overall apparel industry, our company is currently navigating an unprecedented time in history. Managing the impact of the COVID-19 pandemic on our business will require absolute commitment and focus from all HUGO BOSS employees.

Nevertheless, let's take a look at the last fiscal year first.

2019 was an eventful year for HUGO BOSS. Business was more difficult than anticipated in certain markets, particularly North America. Yet at the same time, we made significant progress in further executing our strategic initiatives, something I will address in more detail shortly.

Thanks to strong sales and earnings growth in the all-important final quarter, we achieved our full year targets for fiscal year 2019 that had been adjusted in October. Total sales for our brands BOSS and HUGO stood at 2.9 billion euros. This corresponds to an increase of 3% on the prior year, or a currency-adjusted increase of 2%.

I’m pleased to report that significant increases were recorded for all of our strategic growth drivers—our online business, retail productivity, HUGO, and the region of Asia—which all made a significant contribution to overall Group sales growth.

We recorded strong double-digit growth in our own online business for the second year in a row. Currency-adjusted sales growth of 35% reflects the steadily increasing relevance of our own online store, hugoboss.com. We made important strides forward in this respect last summer by expanding into key online markets such as Scandinavia and Ireland. Consequently, we are now offering our BOSS and HUGO collections online in 15 countries, with others to follow this year.

The dynamic growth of our online business is also proof positive for the success of our many online partnerships, some of which have been newly established over the past few years while others have been significantly stepped up. I’ll go into the strategic importance of these partnerships, for example with the online retailer Zalando, in more detail later on.

Overall, our own online business generated sales of around 150 million euros in 2019, which was equivalent to 8% of retail revenues.

We also made significant progress along the further optimization of our global store network. For example, we have renovated our BOSS store on the Champs-Élysées in Paris—our largest flagship store worldwide—as well as almost 50 other BOSS stores around the globe.

Our BOSS collections are already being showcased in cutting-edge interiors in more than 100 of our retail stores. In addition to an attractive look and feel, these stores also offer our customers a wide range of digital services for a very special shopping experience. Which is yet another reason why we succeeded in growing retail productivity in our own brick-and-mortar retail business by 4% in total.

With strong sales growth of 5% currency-adjusted, HUGO – our brand targeted at the dynamic contemporary fashion segment – also enjoyed robust momentum. This was driven by double-digit growth in casualwear, reflecting strong demand among fashion-conscious HUGO customers. Products such as sweaters, hoodies and T-shirts bearing new, modern versions of the HUGO logo resonated particularly well.

Our collaboration with British singer and artist Liam Payne also proved a successful move in this respect. The styles designed by HUGO as part of this partnership were digitally presented in early July at Berlin Fashion Week. As a global brand ambassador, Liam Payne will continue to lend his support to key capsule collections and marketing campaigns in the future, raising and sharpening HUGO's profile around the world.

From a regional perspective, developments in the Asia/Pacific region were particularly positive in 2019. This is a vital market for HUGO BOSS, and our success was particularly visible in mainland China, where we recorded another year of double-digit comp store sales growth. We held a spectacular BOSS Menswear and Womenswear Fashion Show in Shanghai last year in acknowledgment of the importance of the Chinese market for our business.

Other markets in this region also recorded growth during 2019, including Japan, South Korea and Singapore. In contrast, our business in Hong Kong was severely impacted by the political unrest, thus weighing on the overall regional development. Altogether, at 5% currency-adjusted, Asia/Pacific recorded above-average sales growth.

We aim at further elevating the profile and popularity of the BOSS brand in the region. In this context, we will continue to develop marketing campaigns that are tailored to our Chinese customers. At the start of the year, we embarked on a partnership with Chinese actor and singer Li Yifeng, for example. As the new face and brand ambassador of BOSS for the Asia/Pacific region, he will support key marketing campaigns and boost our presence on the relevant social media platforms.

Our strategic initiatives are also increasingly paying off in Europe. In our largest sales region by far, we recorded currency-adjusted growth of 4% in 2019. Sales grew in core markets such as the United Kingdom and France, driven by a strong performance in our own retail business.

Against the backdrop of a challenging market environment, sales in Germany were down 4%, with sales declines in both channels – retail and wholesale. To secure future growth in our home market, we've taken a number of important initiatives. In this context, the 399 euros suit to be launched as part of our upcoming fall/winter collection in July this year will strengthen the entry-level price points at our German wholesale partners. This will lend further impetus to our suits business, which is an important pillar of our overall business.

The opening of our new outlet in Metzingen in September, at HUGO-BOSS-Platz 1, marked another key milestone last year. With a sales floor spanning over 5,000 square meters, it is our largest outlet in the world. In light of its innovative design, efficient supply of goods and high-end shopping experience it is guaranteeing high convenience for our customers. The new-build store is also a clear demonstration of our commitment to the location of Metzingen.

I'd like to finish my regional discussion with a closer look at developments in the Americas. We recorded a 7% currency-adjusted sales decline in this region. This was primarily due to a further deterioration of the market environment in North America, where local demand and tourism-related sales were both below the prior-year level. This resulted in an increased promotional activity, which put a strain on the wholesale business in particular. By contrast, our retail business continued to stabilize throughout the year, as reflected by stable comp store sales in the fourth quarter as compared to the prior year.

As I mentioned at the beginning of my speech, strong sales and earnings growth in the fourth quarter allowed us to achieve our adjusted targets for 2019. Nevertheless, our overall financial performance for the year as a whole was lower than originally anticipated. EBIT, our operating result, came in at 333 million euros, thus 4% below the prior-year level. That's equivalent to an EBIT margin of 11.5% for the fiscal year 2019.

The decline in earnings was primarily due to the aforementioned challenging and promotional market environment in North America as well as additional investments in our own retail business. These investments were aimed at further progressing strategically important online partnerships as well as expanding our own online store hugoboss.com into other key markets. We also accelerated our store optimization program by renovating significantly more stores than in previous years. This will allow us to further enhance the shopping experience for our customers.

Increasing the desirability of our brands BOSS and HUGO is crucial to our company's long-term success. The consistent execution of our four strategic initiatives—our online business, Asia, retail productivity and HUGO—will therefore remain our focus in the future. I firmly believe that these strategic fields of action are of decisive importance for the long-term success of our company.

Yet, in the short term, these initiatives must take sort of a back seat. For the present, our full energy must remain focused on the COVID-19 pandemic. In the next part of my speech, I will outline the impact of the pandemic on HUGO BOSS, and explain in detail the extensive measures and initiatives we have undertaken in response to this unprecedented situation.

We are fully aware of the corporate responsibility of HUGO BOSS. The health and wellbeing of our employees, our customers, our partners, and you, dear shareholders, is at the center of all our decision-making processes.

With this in mind, we took action at a very early stage by setting up a cross-functional crisis team tasked with keeping a close eye on pandemic-related developments and coordinating all the measures necessary to mitigate the impact on our staff. For example, we've made it possible for employees with administrative roles to work from home. We've also introduced comprehensive social distancing and hygiene measures to ensure the safety of our global employees in production, logistics and retail.

To support society during these challenging times, we have temporarily dedicated production at our German site to the manufacture of reusable face masks. Since then, we've donated almost 200,000 of these masks to public institutions. We've also donated protective equipment and visors manufactured in-house.

Over the past few months, we've also closed the majority of our stores, including shops-in-shops and outlets, in order to protect our customers and retail employees and to comply with legal directives.

Around three quarters of our stores were closed on March 31, and most of the remaining stores were operating with shorter opening times. The end of the quarter saw the reopening of some of our stores in the Asia/Pacific region, but almost all of our stores in Europe and the Americas—by far our largest regions—were closed following the lockdown issued in mid-March.

Little has changed since then. Although a few individual stores in Europe were able to reopen in late April, our brick-and-mortar retail business remains under significant pressure in most of our core markets.

The inevitable result of all this is a significant downturn in sales, earnings and cash flow, as reflected in the results for the first quarter of 2020. Following an extremely promising and successful start to the year in all regions, the spread of the virus around the globe hit our business hard, first in Asia and then—some time later—in Europe and in the Americas.

Group sales decreased by 16% in the first quarter to 555 million euros. This corresponds to a year-on-year currency-adjusted decline of 17%. In Asia/Pacific, the effects began to be felt from late January. Quarterly sales in this region were down by a total of 31%, currency-adjusted. The decline in Europe and the Americas, however, was less pronounced at 14% and 17% respectively, currency-adjusted.

The double-digit decline in sales meant that EBIT and net income were significantly down against the prior-year level, thus ending the quarter at minus 14 million euros and minus 18 million euros, respectively.

Ladies and gentlemen, the challenges currently faced by our industry are the most severe in recent history. Many companies are struggling for their very existence. No one was able to fully prepare for the lockdown. Speaking for ourselves, we began the year in a confident mood. We were committed to the consistent and continued execution of our strategic initiatives, and to leveraging the dynamic growth that we had seen in the last quarter of 2019. Our priorities now look quite different. The main focus in the short term is to safeguard the long-term prosperity of our company.

Our Group's solid balance sheet structure has placed HUGO BOSS in a good position to weather this pandemic. At the same time, however, we can't ignore the fact that even companies with a healthy economic profile are coming under strain as a result of the current situation. And so we've decided on a wide range of measures aimed at safeguarding the financial flexibility and stability of HUGO BOSS. Together they will free up additional cash flow of around 600 million euros. That makes me very confident that HUGO BOSS will emerge from this challenging period in a position of strength.

Now let me explain the measures we have decided on in more detail.

Let's start by looking at operating expenses. In the context of our consistent cost management policy, we took action at an early stage by exploring all possible levers for making additional savings, particularly in terms of selling and distribution expenses. We aim to make additional cost savings of at least 150 million euros compared to our original plans.

- This includes payroll savings through the introduction of short-time work in Germany and other countries, the reduction of working hours in retail, the deferral of the salary increases planned for 2020, and a global hiring freeze.

- The entire Managing Board will also contribute to secure cash flow. We have waived 40% of our basic remuneration for the months of April and May.
- Our cost-saving initiatives relate not only to personnel costs, but also to rent for our own stores. We have a close and trusting relationship with our landlords in all the affected sales markets. Together, we are working as partners to identify rent relief solutions that are appropriate to the situation.
- We have also cut our marketing budget and either canceled or postponed various marketing events and campaigns. Areas of savings include media and print advertising as well as in-person events such as fashion shows.
- Last but not least, we are also eliminating all other operating costs that are not deemed to be business-critical. We are reducing external third-party services and travel expenses, and we have shelved all non-essential system implementations.

In addition to the operating cost savings I have already mentioned, we aim at reducing our investment budget for the current year—originally expected to be around 150 million euros—by around one third. In particular, this includes postponing planned store openings and renovations and placing a temporary freeze on non-essential IT investments.

With a view to limiting the increase in trade net working capital in the coming quarters, we will reduce inventory inflow by at least 200 million euros in fiscal year 2020. In particular, we intend to significantly reduce order volumes for the upcoming fall/winter collection. In order to do so, we will substantially reduce the number of orders we place with our most important suppliers, while at the same time taking steps to adapt our own production facility in Turkey to a short-term reduction in demand.

We are also adopting an extremely conservative approach to our replenishment business for the current spring/summer collection, and plan to carry a greater share of products over to the next season.

Last but not least, in early April, the Managing Board and the Supervisory Board decided to propose to you, dear shareholders, that the payment of dividends for the fiscal year 2019 will be suspended, with the exception of the statutory minimum dividend of 4 cents per share.

Rest assured that this decision has been far from easy for us. We are aware that it will come as a disappointment to many of you. Yet the unprecedented circumstances we face mean that it is the only possible course of action for us. The retention of net profit is an important move and a correct one, because it will further increase the financial stability of HUGO BOSS during these challenging times.

Ladies and gentlemen, allow me to say a few words about our expectations for the full year, and in particular for the second quarter. Our sales and earnings growth will be severely impacted by the ongoing store closures in many of our markets, and an overall weak consumer sentiment. There is little indication of how long these challenging conditions will ultimately continue, or of when we can expect a return to growth.

As a result, it is currently not possible to quantify the negative consequences of the pandemic for the fiscal year 2020. This in turn means, that I cannot provide any forecasts today for 2020 as a whole.

Nevertheless, we must prepare ourselves for a very difficult second quarter. This applies in particular to our business in Europe and the Americas, which accounts for around 85% of Group sales under normal circumstances, but which continues to be heavily impacted by store closures and a weaker consumer sentiment. While we do not expect any noticeable upturn in the market environment before the third quarter, we remain optimistic to witness a more encouraging sales and earnings performance by HUGO BOSS in the second half of the year.

Ladies and gentlemen, even though the short-term macroeconomic outlook remains highly uncertain and our financial results for 2020 are likely to be impacted to a significant extent, I am confident that HUGO BOSS is well positioned for long-term success. We have laid the foundations for this success together over recent years.

I have already spoken about the importance of our four strategic growth drivers. My optimism is particularly based on our two strong brands, BOSS and HUGO, and the huge strides forward we have made in the fields of sustainability and digitization. I'd like to finish today by examining each of these three areas in more detail — our strong brands, our sustainability initiatives, and the digital transformation of our business model.

The decision to pursue a consistent two-brand strategy, which was taken back in 2016, has proved to be the right one. We are proud of the successful realignment of BOSS and HUGO. Our customer messaging is clearer and more targeted than ever before, meaning that we can respond to customer expectations more effectively and with stronger accuracy.

Let's start by looking at BOSS.

BOSS is a global brand that is rated highly around the world. Its extensive range of high-quality menswear and womenswear makes it one of the leaders in the premium segment of the global apparel market. The BOSS brand offers our customers premium quality paired with cutting-edge design and a perfect fit. As a result, our core brand stands in high regard around the world.

Meanwhile, BOSS is enjoying a high level of relevance not only in the businesswear segment, but also in the ever-more important casualwear segment. The fact that the brand is now able to tap into its full potential in this area too is further evidence that its realignment was successful. As you already know, the BOSS Orange and BOSS Green lines have been integrated into the core brand.

Over the past few years, we have significantly invested in the desirability of the BOSS brand. We've made further improvements to product quality, and significantly enhanced the shopping experience in our stores. We have also diversified our collections through successful partnerships, for example with the automotive manufacturer Porsche. And we have also worked hard to strengthen the appeal of BOSS to the younger generation, in particular online and on social media platforms.

Another success story is our successful positioning of the HUGO brand in the dynamic contemporary fashion segment. Meanwhile, we make full use of the enormous potential of HUGO in casualwear. Over the past few years, we have opened the first HUGO stores with their own store concept in major metropolitan areas such as London, Paris, Dubai and Tokyo, and expanded our channels of communication with customers via social media platforms.

I firmly belief in the huge potential of HUGO. Its modern and progressive design appeals to a broad and increasingly affluent group of customers. The brand's above-average growth over recent years is clear evidence that HUGO has successfully established itself in the growth market of contemporary fashion.

Both brands are united by their shared high standards of quality, fit and innovation. Another important feature they have in common is a deep commitment to sustainability, which is ever more visible in the individual collections. Sustainable management practices align well with the standards we apply and with our internal values. And they also respond to a steadily growing demand from our customer.

Ladies and gentlemen, we have made significant progress in recent years on our journey toward greater sustainability. We are proud of what we have already achieved, and we are proud that others have taken note of these achievements. We were included in the Dow Jones Sustainability Index – the most prestigious sustainability index – for the third consecutive time in 2019. Based on the Dow Jones criteria, HUGO BOSS is one of the top five most sustainable companies in its industry. We undertake a wide range of activities and initiatives in this vitally important area with the aim of creating added value for the environment, society, partners and employees, while at the same time increasing customer satisfaction.

Our first "Traceable Wool Collection" has attracted a lot of attention over the past year. The idea behind this initiative is to provide seamless traceability for our customers along the entire supply chain, from production of the wool through to the finished garment. The wool used is sourced from ZQ-certified farms in New Zealand. The ZQ program requires farmers to comply with stringent standards in terms of animal welfare, environmental sustainability, fiber quality and social responsibility. The wool sourced in New Zealand is then processed into high-quality fabrics by one of our long-standing partners in Italy. Finally, the products are manufactured at our site in Turkey, to the highest possible quality and labor standards.

This season also saw the unveiling of our first fully vegan BOSS suit. The suit is manufactured at our Metzingen site using organic linen cultivated in Europe. A premium suit traditionally contains animal materials such as wool or horsehair; in the vegan suit, these have all been replaced with vegan alternatives. We are delighted to announce that our vegan suit has been awarded the "PETA-Approved Vegan" label. Like the "Traceable Wool Collection," the vegan BOSS suit is available around the world. Customer feedback on both of these product initiatives has been extremely positive.

We are making consistent progress toward our ambitious and long-term goals in the area of sustainability. We are working together with many national and international partners from business, society and science to address the major challenges of tomorrow, such as the Partnership for Sustainable Textiles and the Science Based Targets initiative.

Protecting the climate is and will remain one of our key priorities. HUGO BOSS has signed the "Fashion Industry Charter for Climate Action," and last year we made the decision to align our climate protection targets with those of this initiative. That means committing to a shared vision of building a climate-neutral fashion industry by 2050. As an interim milestone, we have committed to a 30% reduction in our greenhouse gas emissions by 2030, along the entire value chain.

We have also set ourselves the goal of converting our product strategy to more sustainable materials; cotton, which is by far our most important raw material, provides a good example in this respect. We aim to source 100% of the cotton we use in our collections from sustainable sources by 2025; the figure currently stands at over 60%. We are working closely with our partners and suppliers to achieve this goal. It goes without saying that we apply stringent benchmarks in terms of the conditions and social standards under which our products are manufactured. The “RESPONSIBLE” label has been used to identify our most sustainable products since last year. Our aim is to make it easier for our customers to make responsible purchase decisions.

As you can see, ladies and gentlemen, sustainability is very important to us as a company. We have achieved a great deal over the past few years. But we are not willing to stand still and rest on our laurels, either now or in the future. At HUGO BOSS, we intend to continue making a significant contribution to the future of our society by means of comprehensive sustainability measures in the years to come.

The long-term success and future viability of our company strongly depends on the digital transformation of our business model. Digitization offers significant potential for HUGO BOSS, as it enables us to get even closer to our customers, while at the same time delivering greater benefits and improving efficiency in many areas. Our measures in this area are based on a strong IT and logistics platform that already today allows us to leverage the potential of digitization along the entire value chain.

Let me give you some examples of what I mean.

Over recent years, we have made steady progress digitizing our product development process. As a result, we have been able to significantly reduce lead times for a large portion of our collections — by as much as several months. This allows us to keep better pace with the latest trends and respond more rapidly to customer demand. The development process has already been fully digitized for around 40% of styles in the HUGO collections. This percentage will increase over the years to come, and we will also push ahead with the technology in relation to the BOSS brand. In addition, we expect development times for future collections to be reduced yet further through the increased use of digital trend detection tools and a digital fabrics and trimmings database, which has already been successfully launched.

Our main focus in the area of production is the digital transformation of our own production facility in Turkey, which is by far the largest of our sites. Over the past few years we have achieved key milestones on the journey to a “smart factory,” such as the digital networking of all manufacturing equipment, processes and products. As a result, we are already able to track various production data in real time. We are also expecting the use of artificial intelligence to deliver further improvements in respect of production processes. 2019 saw significant progress in this respect. We are now using artificial intelligence to identify areas for improvement and machinery faults at an early stage. And that’s just two examples of the enormous potential available to us in connection with digitalized production processes.

In terms of sales, the successful expansion of our own online business has been a particular growth area in recent years. We are well on track to establishing our online store, hugoboss.com, as a digital flagship store, while more and more exploiting its huge potential. As well as an extensive product range and a straightforward and rapid payment process, customers can now access a large number of additional services. Omnichannel features such as Click & Collect and Order-from-Store guarantee a seamless shopping experience. Services such as “Personal Fit” and personalized product recommendations allow customers to shop for exactly what they want and in exactly the way they want, based on their preferences and requirements.

Today, we are also reaching a growing number of customers via our partners’ websites, as we have accelerated the expansion of our online concession model over recent years. The successful conversion of our BOSS business on Zalando over the past year marked a key milestone in this respect. It provides us with an opportunity to directly control the way our collections are presented and sold on our partner's website, as well as helping us to enforce a uniform and strict price policy. We've also stepped up our efforts in respect of other strategic online partnerships. This allows us to become more familiar with Internet-savvy target groups, particularly in Asia, and to increase their loyalty to our brands.

Our online business plays a key role, particularly given the current situation. Therefore, I am particularly pleased to see that the strong momentum in our online business has continued over last several months. Encouragingly, we recorded currency-adjusted growth of 39% for our own online business in the first quarter of 2020, making it the tenth quarter in a row with strong double-digit growth.

Our ability to speak directly to our customers has been a major advantage in this respect. This is a direct consequence of our decision to introduce substantially more professional CRM processes over recent years and to increase their scope. We currently have a direct relationship with around 60% of our retail customers around the world, and communicate regularly and directly with them in over 30 markets, both online and offline. Measures such as personalized email newsletters allow us to send targeted and individual communications to them. This means that we can respond even more effectively to customer demands and further enhance their shopping experience. Close contact with our customers also allows us to pick up on changes in shopping behavior at an early stage, and make the corresponding changes to future collections that are still in development.

Digital marketing plays a key role. It has accounted for an ever larger share of our overall marketing budget in recent years. This reflects the growing relevance of digital channels, via which our customers can now source information and share their thoughts on current trends and our brands. On the social media platform Instagram alone, BOSS and HUGO now reach around 10 million followers on a daily basis.

We are also leveraging the benefits of digitization in terms of sales to our wholesale partners. Our digital showroom offers partners a flexible, convenient and fast alternative to conventional ordering, covering such aspects as the inspiration for the collection, the selection of individual products and the completion of the ordering process. This allows us to stock fewer physical samples in our showrooms. Already today, 100% of HUGO sales are made in a digital way. In the medium term, it is our clear target that both brands are being sold in digital showrooms. In doing so, we will ensure our future business model is fully digitized – from product development right through to sales, no matter whether that is for the own retail channel or the wholesale channel.

Ladies and gentlemen, I very much hope that I have been able to convey some idea of the strategic progress we have made in recent years. I am fully convinced that we have laid the right foundation to ensure long-term success of HUGO BOSS. This, in turn, will form the basis for future shareholder value creation.

I'd like to conclude with a brief summary:

- 2019 was an eventful year for HUGO BOSS. We made significant progress in executing our strategic initiatives. A strong final quarter allowed us to achieve our adjusted targets.
- The current fiscal year represents uncharted territory, since results for the year will be dominated by the COVID-19 pandemic.

- However, we have done our utmost to ensure the financial flexibility and stability of our company. Our healthy balance sheet structure is a further reason to be optimistic.
- Together, we will succeed in navigating HUGO BOSS through these unusual times.

And by “we,” I mean our employees, who number almost 15,000. I’d like to take this opportunity to thank them for the commitment and the passion with which they work every day for the satisfaction of our customers and the success of our brands, BOSS and HUGO. In such challenging times, these words have never been truer. They should all be very proud of the work they do.

I would also like to express my sincere thanks to our Chairman of the Supervisory Board, Michel Perraudin, and to all other members of the Supervisory Board departing today for the very constructive and highly trustful cooperation over the past years. Also on behalf of my fellow members of the Managing Board, I wish them all the best and good success for the future.

And I’d also like to thank you, dear shareholders, for your support over the past year and for honoring me with your attention today at our Annual Shareholders’ Meeting, despite the unusual format. We will respond to the questions you have submitted in advance during the further course of the Annual Stockholders’ Meeting.

Thank you very much for your attention.