HUGO BOSS

FIRST HALF YEAR REPORT
JANUARY – JUNE 2015

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TO OUR SHAREHOLDERS

LETTER TO SHAREHOLDERS

Dear Shareholders,
Dear Ladies and Gentlemen,

HUGO BOSS performed well in the first half of 2015 in a market environment of uncertainty and instability. Growth picked up in the second quarter compared to the start of the year. Group sales rose by 12 percent in the first six months, representing currency-adjusted growth of five percent to which all three regions again contributed. The operating result (EBITDA before special items) increased by six percent.

This performance is particularly pleasing in light of the difficult business conditions in many markets. While the widespread economic recovery in Europe has made for a better consumer climate generally, fashion retailing lags behind many other segments. The North American market continues to be driven by rebates, particularly harming the perception of premium and luxury brands. And sector growth has slowed in Asia/Pacific, especially in Hong Kong, one of the most important global markets for luxury goods. Against this background, we can be satisfied with what we achieved: sales trends showed an upturn in all regions in the past three months. Growth gained pace in Europe in particular, boosted by the continued strength of the UK market and favorable developments across most countries in the region.

The Group's own retail business plays a leading role in everything we accomplished. We are working steadily in this sales channel to elevate our BOSS core brand. Thanks to the excellent shopping experience that we create in our stores, we further expanded the sales share of our luxury offering with BOSS Tailored and BOSS Made To Measure in the tailoring segment. BOSS Womenswear, a segment to which we are successively allocating additional selling space, also grew at a double-digit rate. Retail comp store sales therefore achieved substantial growth of five percent in the first half, actually reaching six percent in the second quarter.

However, this success was not limited to bricks-and-mortar retail stores. The online business was once again our fastest growing sales channel. The past months' investments in functionality and online marketing are producing the expected impact. In addition to a high, double-digit percentage increase in the number of visitors to the hugoboss.com site, our online shoppers are now spending significantly more per purchase. This has confirmed us in our decision to put every effort behind the further expansion of our omnichannel capabilities in the second half of the year.

At the same time, we will not take our eyes off our established wholesale business. We are making good progress in Europe with the changes in our distribution strategy: all our major business partners in Germany have already completed the transition to HUGO and BOSS Green in the category business, i.e. in the traditional multi-brand departments. At the same time, many business partners have upgraded the distribution of the BOSS core brand to shop-in-shop formats. In the forthcoming seasons we will further optimize the content of the HUGO and BOSS Green collections so as to compensate as effectively as possible on the sales side for the gradual withdrawal of BOSS from entry price levels. We will also implement the strategy in the remaining European markets before the end of this year.

The success of HUGO BOSS illustrates the fact that the Group is excellently positioned for intense competition in an unstable market environment. We are therefore confirming our targets for the full year. Supported by growth in our own retail business that has exceeded original expectations, sales will increase in the mid-single-digit range after adjustment for currency effects. And we remain on course to achieve our goal of a five to seven percent increase in earnings in 2015. However, we are already looking beyond the current fiscal year: with extensive investments in the desirability of the BOSS brand, the quality of our distribution and the strength of our organization, we are equipping the Group for a future of secure long-term growth.

Sincerely yours,

Claus-Dietrich Lahrs
CEO and Chairman of the Managing Board

KEY FIGURES

	Jan. – June 2015	Jan. – June 2014	Change in %	2nd Quarter 2015	2nd Quarter 2014	Change in %
Net sales (in EUR million)	**1,314.6**	**1,171.5**	**12**	**647.1**	**558.9**	**16**
Net sales by segments						
Europe incl. Middle East and Africa	773.3	726.2	6	363.6	331.5	10
Americas	315.2	255.5	23	172.0	136.8	26
Asia/Pacific	198.8	165.0	21	97.9	78.7	24
Licenses	27.3	24.8	10	13.6	11.9	14
Net sales by distribution channel						
Group's own retail business	801.3	675.6	19	431.2	353.0	22
Wholesale	486.0	471.1	3	202.3	194.0	4
Licenses	27.3	24.8	10	13.6	11.9	14
Results of operations (in EUR million)						
Gross profit	867.3	773.6	12	430.4	373.1	15
Gross profit margin in %	66.0	66.0	0 bp	66.5	66.7	(20) bp
EBITDA	254.9	240.7	6	124.9	107.9	16
EBITDA before special items	254.8	241.5	6	123.3	110.2	12
Adjusted EBITDA margin in % [1]	19.4	20.6	(120) bp	19.1	19.7	(60) bp
EBIT	197.2	191.6	3	94.4	82.9	14
Net income attributable to equity holders of the parent company	146.1	143.2	2	70.6	62.5	13
Net assets and liability structure as of June 30 (in EUR million)						
Trade net working capital	537.0	456.3	18			
Non-current assets	730.6	622.9	17			
Equity	782.1	637.6	23			
Equity ratio in %	46.6	43.0				
Total assets	1,677.8	1,481.1	13			
Financial position (in EUR million)						
Free cash flow	72.7	95.9	(24)	80.3	65.2	23
Net financial liabilities (as of June 30)	214.3	209.6	2			
Capital expenditure	87.4	52.2	67	47.8	31.6	51
Depreciation/amortization	57.8	49.1	18	30.5	25.0	22
Total leverage (as of June 30) [2]	0.4	0.4				
Additional key figures						
Employees (as of June 30)	14,756	14,029	5			
Personnel expenses (in EUR million)	283.0	257.2	10	138.8	128.6	8
Number of Group's own retail stores	1,088	1,028		28	21	
Shares (in EUR)						
Earnings per share	2.12	2.07	2	1.02	0.90	13
Last share price (as of June 30)	100.25	109.15	(8)	100.25	109.15	(8)
Number of shares (as of June 30)	70,400,000	70,400,000		70,400,000	70,400,000	

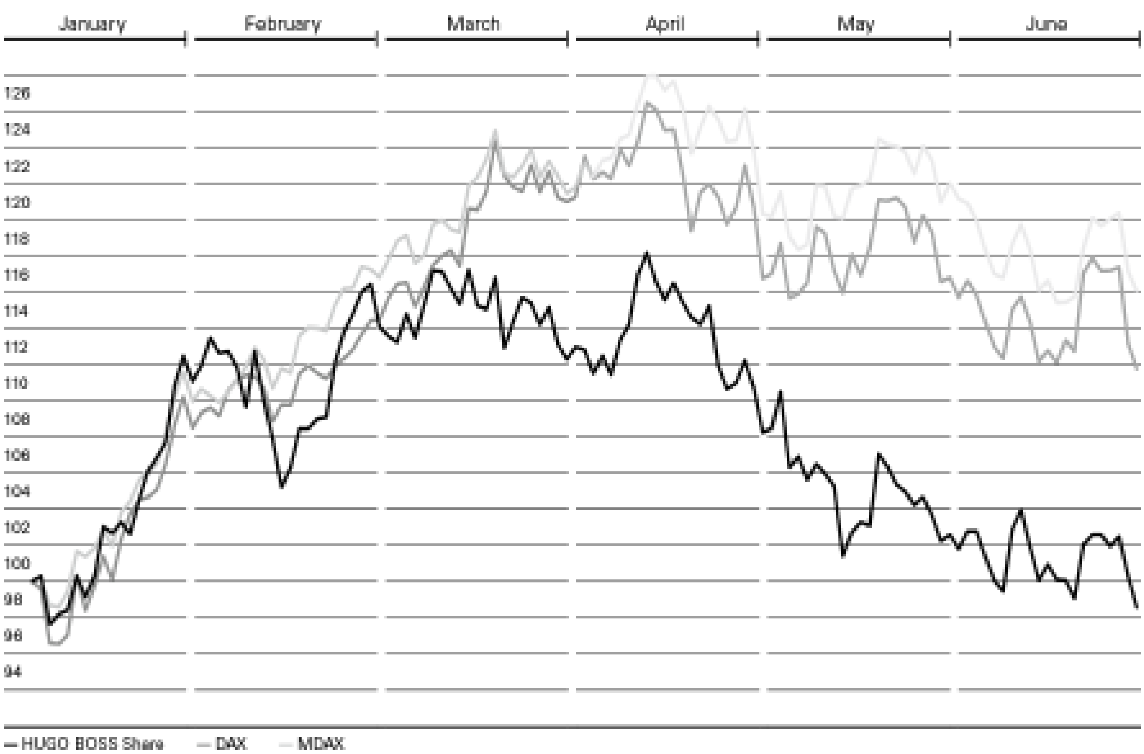
[1] EBITDA before special items/sales.

[2] Net financial liabilities/EBITDA before special items of the last 12 months.

HUGO BOSS ON THE CAPITAL MARKET

Following significant price gains in the first three months of the stock market year, the crisis in Greece and concerns regarding economic developments in China weighed on the equity markets as the year progressed. The historical highs attained by the German benchmark indices at the beginning of the year proved unsustainable. From mid-April onwards, the DAX and MDAX lost ground. The HUGO BOSS share followed this trend. This was due to the palpable slowdown in growth across the industry.

01|01 SHARE PRICE PERFORMANCE 2015 (Index: December 31, 2014 = 100)



Equity markets take their cue from the ECB's accommodative monetary policy and the Greek crisis

As a result of the expansion of the ECB's bond-buying program, the associated continuing depreciation of the euro and improved macroeconomic data in the Eurozone, the German equity markets entered 2015 with substantial gains. Towards the end of the first quarter, persistent concerns about the Chinese economy and first signs of an economic slowdown in the United States weighed on momentum. In the second quarter, the markets were also impacted by the risks associated with a possible Greek insolvency and the country consequently exiting the Eurozone. This led to increased volatility and declining prices. The **DAX** was unable to sustain the all-time high it had reached in April and fell by more than 1,000 points by the end of June. Nonetheless, Germany's leading index closed the first half of the year up 12% on the end of 2014. The **MDAX** rose by 16% in the same period.

Dampened expectations for the luxury goods sector adversely affect the HUGO BOSS share's performance

During the first quarter of 2015, the HUGO BOSS share also benefited from the positive market environment and reached new highs. However, this upward trend was temporarily disrupted both by the placements of the remaining share packages by principal shareholder Permira and by the financial outlook for 2015, published in March at the annual press and analysts' conference, which in part disappointed investors' expectations. The share ran into further headwind in the second quarter due to lowered growth expectations for the premium and luxury goods sector, which were reflected in the disappointing financial reports of some competitors. On the other hand, the dividend payment for fiscal year 2014 in mid-May only had a short-term negative impact. Influenced by an extremely volatile trading environment during the second quarter, the share closed on the last day of the reporting period at EUR 100.25, equivalent to a decrease of 1% compared to the end of the previous year.

The **MSCI World Textiles, Apparel & Luxury Goods Index**, which tracks the share price performance of companies operating in these sectors, rose by 1% in the first six months. Accordingly, the HUGO BOSS share slightly underperformed the average for its peer group in the same period, but significantly underperformed the German benchmark MDAX and DAX indices.

Dividend of EUR 3.62 paid

Held on May 12, 2015, the Annual Shareholders' Meeting of HUGO BOSS AG approved the proposal of the Managing Board and the Supervisory Board to pay a dividend of EUR 3.62 per share for fiscal year 2014, equivalent to an 8% increase on the previous year (2013: EUR 3.34). The payout ratio was 75% of the consolidated net income attributable to the shareholders of the parent company in 2014 (2013: 70%). The dividend was thus in line with the Group's dividend policy, according to which between 60% and 80% of consolidated net income should normally be paid out to the shareholders. The payout took place on the day after the Annual Shareholders' Meeting, May 13, 2015.

Weighting of HUGO BOSS in the MDAX increases

The MDAX-listed HUGO BOSS share held 8th place in the Deutsche Börse ranking at the end of June 2015 on the basis of market capitalization adjusted for free float (December 31, 2014: 8th place). It ranked 4th by trading volume (December 31, 2014: 4th place). This means that the HUGO BOSS share's weighting in the MDAX at the end of June was 3.8% (December 31, 2014: 3.6%). On average, 250,619 shares per day were traded on XETRA in the first half of 2015 (2014: 153,578).

Increase in free float of HUGO BOSS shares

Following the placement of a total of some 14 million shares on February 10, 2015, principal shareholder Permira sold its remaining holding of around 8 million shares via Red & Black Lux S.à r.l. on March 17, 2015. As a result, HUGO BOSS AG had the following shareholder structure as of June 30, 2015: 90% of the shares were in free float (December 31, 2014: 66%). 8% of the share capital was attributed to Zignago Holding S.p.A. and PFC S.r.l., two entities controlled by the Marzotto family, as well as Tamburi Investment Partners S.p.A. (December 31, 2014: 0%). The three companies have pooled their shares by way of a shareholder agreement. 2% of the capital was held by HUGO BOSS AG as own shares (December 31, 2014: 2%).

Voting right notifications in accordance with section 21 WpHG

In accordance with Sec. 21 WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act], shareholders are obligated to report their share of voting rights if they exceed or fall below certain reporting thresholds. The reporting thresholds are set at 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75%. In the period from January 1 to June 30, 2015, the Company received several such notifications, the wording of which has been published under "Financial Releases" in the Investor Relations section of the Group's website at group.hugoboss.com.

Reportable securities transactions in accordance with section 15a WpHG

Four notifications of reportable transactions in the Company's shares in accordance with section 15 a WpHG were presented to the Company by the Managing Board and Supervisory Board in the period from January 1 to June 30, 2015. In total, Members of the Managing Board and Supervisory Board hold less than 1% of the shares issued by HUGO BOSS AG. Reportable securities transactions are published under "Financial Releases" in the Investor Relations section of the Group's website at group.hugoboss.com.

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CONSOLIDATED INTERIM MANAGEMENT REPORT

GENERAL ECONOMIC SITUATION AND INDUSTRY DEVELOPMENT

GENERAL ECONOMIC SITUATION

Global economic growth moderate since start of year

In the first half of 2015, the global economy displayed mixed performance. Whereas global growth generally remained more or less on a par with the previous year, regional trends were disparate. Contrary to expectations, the US economy got off to a surprisingly weak start to the new year, whereas other industrialized nations, particularly in the Eurozone, exceeded their growth forecasts. The slowdown in the growth of the Chinese economy continued.

Monetary policy measures buoy up European economy

The **European economy** continued to expand in the first six months of the year, slightly exceeding expectations. This is chiefly attributable to the depreciation of the single European currency as a consequence of further monetary easing by the ECB as well as to the lower oil price. Export-oriented countries, particularly Germany, benefited the most from this. As a result of these factors, the business climate was generally favorable. Spurred by solid growth in wages and salaries in tandem with low inflation and declining unemployment rates, consumer confidence also rose, fueling private consumption. In the Southern European countries too, particularly Spain and France, there was further growth in economic output. However, primarily in Italy and Greece, structural deficits, weak investment and a failure to implement reforms placed a damper on growth.

Disappointing US economy at beginning of year

The **US economy** suffered as a result of the sustained appreciation of the US dollar and the unusually harsh winter. At the same time, lower oil prices led to appreciable investment cutbacks in the energy sector. These developments brought about a decline in economic output in the United States in the first quarter. However, in the course of the second quarter consumer spending again experienced solid growth and the employment figures also indicated a recovery towards mid-year. The economy in **Latin America** remained subdued in the first six months of the year. Despite increased exports in some countries, investment demand stayed at a very low level. Structural deficits in Brazil as well as political uncertainty in Venezuela and Argentina overshadowed the progress achieved in countries such as Chile, Colombia and Peru.

Further slowdown in the Asian economy
In **Asia** the economic slowdown also continued during the first six months of the year despite repeated intervention by a number of central banks. The perceived risk of a further downturn was reflected in extensive monetary policy measures. China was particularly hard hit, with economic growth falling to 7% in the first half of the year. On the other hand, Japan was able to maintain the upward trajectory that had become apparent at the beginning of 2015, with the sustained depreciation of the yen improving export companies' competitiveness and consequently boosting capital expenditure and employment. The postponement of a VAT hike and rising numbers of foreign tourists also stimulated consumer spending. The spread of the MERS virus had a negative impact, but as things stood at the end of the second quarter, this was limited mainly to South Korea. In Australia, the continued depreciation of the Australian dollar provided some stimulus following the pressure which had previously been exerted on the country's economy by declining commodity prices and scaled-back mining investment.

INDUSTRY DEVELOPMENT

Moderate growth for premium and luxury goods industry in first half
The global premium and luxury goods industry performed unevenly by region in the first six months of 2015, with companies reporting percentage sales increases at a low- to mid-single digit rate on average. The apparel sector tended to underperform other market segments. In terms of distribution channels, many market participants' own retail businesses continued to outperform the wholesale businesses despite a reduced rate of expansion in many cases.

In **Europe** the sector benefited from further growth in business with tourists, particularly from Asia. However, this effect was to some extent negated by decreasing numbers of visitors from Russia. Local demand varied, although an improvement over the start of the year could be observed six months on. Overall, the apparel sector nonetheless only benefited to a below-average degree from growth in disposable income in much of the region. In the **United States** too, the premium and luxury goods industry entered the year on a mixed note. An unexpectedly weak economy meant that there was no sign of positive impetus. The apparel segment saw below-average performance as compared to the other segments. Whereas the unusually cold winter inevitably triggered lower retail sales, heavy discounting in the months that followed took an additional toll on earnings. In **Asia**, the sector continued to perform unevenly in the different markets during the first six months of 2015. Slower macroeconomic growth in China exerted pressure, as did the muted consumer demand in the wake of anti-corruption legislation. Moreover, Chinese consumers make an increasing share of premium and luxury purchases abroad, particularly in South Korea, Thailand and Japan, as well as in Europe. In Hong Kong, which in the past was one of the most popular destinations for Chinese tourists, the market suffered as a result of persistent political and social tensions. In Japan, by contrast, the industry continued to grow, both on the back of healthy domestic demand and as a result of increasing numbers of visitors from other Asian countries due to currency swings.

GROUP EARNINGS DEVELOPMENT

SALES PERFORMANCE

HUGO BOSS grows sales by 5% on a currency-adjusted basis

Against the backdrop of muted macroeconomic conditions and mixed regional performance, the HUGO BOSS Group recorded **Group sales** of EUR 1,315 million in the first six months of fiscal year 2015. Sales were therefore up 12% over the comparable prior-year period in the Group's reporting currency (prior year: EUR 1,172 million). Currency effects had a positive impact on Group sales in the reporting period. Thus, HUGO BOSS achieved a 5% increase in sales on a currency-adjusted basis. The favorable sales performance was again mainly driven by growth in the Group's own retail business.

SALES BY REGION (in EUR million)

	Jan. – June 2015	**In % of sales**	Jan. – June 2014	In % of sales	Change in %	Currency-adjusted change in %
Europe[1]	773.3	58.8	726.2	62.0	6	5
Americas	315.2	24.0	255.5	21.8	23	3
Asia/Pacific	198.8	15.1	165.0	14.1	21	3
Licenses	27.3	2.1	24.8	2.1	10	10
TOTAL	**1,314.6**	**100.0**	**1,171.5**	**100.0**	**12**	**5**

[1] Including the Middle East and Africa.

Currency-adjusted sales growth in all regions

In the first half of fiscal year 2015, sales in the reporting currency in **Europe** including the Middle East and Africa increased by 6% to EUR 773 million (prior year: EUR 726 million). In local currencies, sales in this region rose by 5%. The main underlying driver were a double-digit increase in sales in Great Britain and solid growth in Germany and France. Sales in the **Americas** climbed by 23% to EUR 315 million (prior year: EUR 256 million), particularly as a result of growth in the United States and Canada. In local currencies, the region reported a 3% increase. Sales in the reporting currency in **Asia/Pacific** came to EUR 199 million, up 21% on the prior year (prior year: EUR 165 million). In local currencies, sales in this region were up 3% over the comparable prior-year period. Sales increases in all markets contributed to this growth.

SALES BY DISTRIBUTION CHANNEL (in EUR million)

	Jan. – June 2015	**In % of sales**	Jan. – June 2014	In % of sales	Change in %	Currency-adjusted change in %
Group's own retail business	801.3	60.9	675.6	57.7	19	9
Directly operated stores	526.1	40.0	454.8	38.8	16	6
Outlet	234.2	17.8	188.4	16.1	24	15
Online	41.0	3.1	32.4	2.8	27	23
Wholesale	486.0	37.0	471.1	40.2	3	(2)
Licenses	27.3	2.1	24.8	2.1	10	10
TOTAL	**1,314.6**	**100.0**	**1,171.5**	**100.0**	**12**	**5**

Growth in Group's own retail business supported by 5% increase in retail comp store sales

With growth rates in double digits, the **Group's own retail business (retail)** again contributed to Group sales performance in the first six months of 2015. In the reporting period, comp store sales and the expansion of the Group's own retail business through new openings and takeovers resulted in a 19% increase in sales to EUR 801 million (prior year: EUR 676 million). This is equivalent to a currency-adjusted increase of 9%. Retail comp store sales were up 13% over the comparable prior-year period in the reporting currency and up 5% adjusted for currency effects. The share of the Group's own retail business in Group sales was additionally widened to 61% in the reporting period (prior year: 58%).

Sales growth in directly operated stores (DOS)

Sales from **directly operated stores (DOS)** grew by 16% in the first half of the year, or by 6% in currency-adjusted terms, to EUR 526 million (prior year: EUR 455 million). This includes sales from directly operated freestanding stores as well as sales generated with concession partners. With the concession model, the Group directly operates HUGO BOSS shop-in-shop units in retail partners' selling space. **Outlet business** achieved a 24% increase in sales in the Group currency to EUR 234 million, thus making a positive contribution to sales growth in the Group's own retail business in the first six months of fiscal year 2015 (prior year: EUR 188 million). This is equivalent to an increase of 15% adjusted for currency effects. The **Group's own online retail business** increased with double-digit growth rates. In the first six months of fiscal year 2015, sales via this distribution channel rose by 27% in the reporting currency to EUR 41 million (prior year: EUR 32 million), corresponding to a currency-adjusted sales increase of 23%.

Currency-adjusted decline in sales in the wholesale channel

Sales in the **wholesale channel** were up 3% on the prior year in the reporting currency at the end of the first six months of fiscal 2015, coming to a total of EUR 486 million (prior year: EUR 471 million). They were down 2% in currency-adjusted terms. This reflected takeovers of selling space previously operated by wholesale partners, which resulted in a shift in sales from wholesale business to the Group's own retail business. Replenishment business, which allows HUGO BOSS to react to short-term surges in business partners' demand, was up in the first six months. The share of wholesale business in Group sales contracted from 40% in the comparable prior-year period to 37% in the reporting period.

Increase in sales in the license business

Sales in the **license business** increased by 10% to EUR 27 million in the first six months of the year (prior year: EUR 25 million) and were also up 10% after currency adjustment. The products produced by partners include fragrances, eyewear and watches. License income grew significantly in the case of eyewear and watches in particular. The share of the license business in consolidated sales remained unchanged at 2%.

7% increase in sales of BOSS core brand after currency adjustment

In the first half of fiscal year 2015, the **BOSS** core brand reported growth of 15% compared to the prior-year period, achieving sales of EUR 965 million (prior year: EUR 838 million). This translates into a 7% increase after currency adjustment. Sales of the **BOSS Green** brand climbed by 18% in the same period to EUR 117 million (prior year: EUR 99 million) and by 9% in local currencies. At EUR 109 million, sales of the **BOSS Orange** brand were 9% down on the comparable prior-year period (prior year: EUR 119 million) and down 12% in currency adjusted terms, whereas the **HUGO** brand generated sales of EUR 123 million, an increase of 7% over the comparable prior-year period (prior year: EUR 115 million). HUGO increased 3% after currency adjustment.

BOSS womenswear achieves double-digit growth

In the reporting period, **menswear** sales were up 13% over the comparable prior-year period, coming to a total of EUR 1,169 million (prior year: EUR 1,037 million). Sales growth of 5% was reported after currency adjustment. The proportion of menswear in total sales is unchanged at 89%. **Womenswear** sales grew by 8% in the reporting currency and 5% in local currencies, coming to EUR 145 million (prior year: EUR 134 million). The BOSS womenswear, led by Artistic Director Jason Wu, achieved double-digit sales growth in the reporting currency as well as in local currencies. This development echoed the positive customer response to the collections presented and was supported by extended brand communication activities and an associated increased brand awareness. Womenswear continued to contribute 11% to total sales.

Net addition of 47 stores to Group’s own retail store network in reporting period

In the first six months of fiscal year 2015, the total number of the **Group’s own retail stores** climbed by a net 47 to 1,088 (December 31, 2014: 1,041). The total selling space of the Group's own retail stores rose by 4 % to around 147,000 sqm (December 31, 2014: 140,000 sqm).

The **takeover** of 51 stores previously operated by wholesale partners particularly strengthened the concession model in South Korea and China. At the same time, the Group continued its organic expansion strategy with 35 **new openings** during the reporting period. On the other hand, 39 mostly smaller points of sale were closed in the same period, primarily in connection with efforts to improve the quality of the store portfolio.

NUMBER OF GROUP´S OWN RETAIL STORES BY REGION

June 30, 2015	Freestanding stores	Shop-in-shops	Outlets	**TOTAL**
Europe	182	367	54	**603**
Americas	86	72	46	**204**
Asia/Pacific	153	101	27	**281**
TOTAL	**421**	**540**	**127**	**1,088**
Dec. 31, 2014				
Europe	183	363	49	**595**
Americas	83	75	46	**204**
Asia/Pacific	122	93	27	**242**
TOTAL	**388**	**531**	**122**	**1,041**

Concession model strengthened by new openings in France and Spain

In **Europe**, the retail store network was additionally expanded by 25 new openings and six takeovers. The Group was able to expand its position in France in particular by opening six new shop-in-shop. In addition, four shop-in-shop were taken over in Spain. Taking into account the closure of 23 mostly smaller stores, there was a net increase of eight to a total of 603 own retail stores in Europe (December 31, 2014: 595).

Number of stores in Americas remains unchanged

In the **Americas**, the takeover of one store in the United States and the opening of four new ones in Canada, Brazil and the U.S were offset by the closure of five smaller stores. This resulted in an unchanged number of own stores 204 in this region in the first half of the year (December 31, 2014: 204).

Market presence in Asia/Pacific strengthened by takeovers in South Korea and China

In the course of expansion in **Asia/Pacific** 23 stores were taken over in South Korea and 21 stores in China in the first half of fiscal year 2015. In addition, the store network was expanded with new openings in South Korea, Australia and China. Including the closure of eleven stores, there was a net increase of 39 to a total of 281 own retail stores in this region (December 31, 2014: 242).

EARNINGS DEVELOPMENT

INCOME STATEMENT (in EUR million)

	Jan. – June 2015	**In % of sales**	Jan. – June 2014	In % of sales	Change in %
Sales	**1,314.6**	**100.0**	**1,171.5**	**100.0**	**12**
Cost of sales	(447.3)	(34.0)	(397.9)	(34.0)	(12)
Gross profit	**867.3**	**66.0**	**773.6**	**66.0**	**12**
Selling and distribution expenses	(532.2)	(40.5)	(460.4)	(39.3)	(16)
Administration costs	(138.0)	(10.5)	(120.8)	(10.3)	(14)
Other operating income and expenses	0.1	<0,1	(0.8)	<0,1	
Operating result (EBIT)	**197.2**	**15.0**	**191.6**	**16.4**	**3**
Net interest income/expenses	(3.8)	(0.3)	(2.0)	(0.2)	(90)
Other financial items	(3.5)	(0.3)	(2.0)	(0.2)	(75)
Financial result	**(7.3)**	**(0.6)**	**(4.0)**	**(0.4)**	**(83)**
Earnings before taxes	**189.9**	**14.4**	**187.6**	**16.0**	**1**
Income taxes	(43.7)	(3.3)	(43.2)	(3.7)	(1)
Net income	**146.2**	**11.1**	**144.4**	**12.3**	**1**
Attributable to:					
Equity holders of the parent company	146.1	11.1	143.2	12.2	2
Non-controlling interests	0.1	<0,1	1.2	0.1	(92)
Earnings per share (EUR)[1]	**2.12**		**2.07**		**2**
EBITDA	**254.9**	**19.4**	**240.7**	**20.6**	**6**
Special items	0.1	<0,1	(0.8)	<0,1	
EBITDA before special items	**254.8**	**19.4**	**241.5**	**20.6**	**6**
Income tax rate in %	**23**		**23**		

[1] Basic and diluted earnings per share.

Gross profit margin unchanged at 66.0%

Gross profit at the end of the first six months of fiscal year 2015 stood at EUR 867 million, up 12% over the prior-year level (prior year: EUR 774 million). At 66.0%, the **gross profit margin** was unchanged from the prior-year level (prior year: 66.0%). Positive effects stemming from above-average growth in the Group's own retail business, in which HUGO BOSS generates a higher gross profit margin than it does in the wholesale channel, were offset by higher rebates and negative inventory valuation effects.

Expansion of the Group’s own retail business resulting in higher selling expenses

Selling and distribution expenses came to EUR 532 million in the first six months of fiscal year 2015, up 16% on the prior-year figure (prior year: EUR 460 million). Relative to sales, selling and distribution expenses increased from 39.3% to 40.5%. Currency effects made a material contribution to this increase. Selling expenses rose by 16% in the reporting period particularly as a result of the global expansion of the Group’s own retail business, accounting for 32.8% of sales (prior year: 31.7%). Marketing expenses climbed by 14% compared to the prior-year period. This increase mainly reflects intensified brand communication activities in the areas of advertising, digital and retail marketing. Relative to sales, marketing expenses accounted for 6.6 % (prior year: 6.5 %). Additional lease expenses associated with the commissioning of the new flat-packed goods distribution center in Germany in the third quarter of 2014 contributed to an 11% increase in logistics expenses compared with the prior year. At 2.7% of sales, they were slightly lower than in the prior year (2014: 2.8 %).

Slight increase in administration expenses relative to sales

Administration expenses came to EUR 138 million in the first six months of fiscal year 2015, up 14% over the prior-year figure (prior year: EUR 121 million). Relative to sales, they came to 10.5% (prior year: 10.3 %). Currency effects made a material contribution to this increase. General administration expenses increased by 18% and, at 8.1% of sales, were slightly up on the prior-year period (prior year: 7.7 %). Research and development costs incurred in the creation of fashion collections rose by 4% compared to the prior-year period and accounted for 2.4% of sales, less than in the prior year (prior year: 2.6 %).

Earnings unaffected by special items in the first six months

Other operatingexpenses and income canceled each other out over the last six months (prior year: net expenses of EUR 1 million). In the second quarter of 2015, the sale of the production site in Cleveland, Ohio led to the release of provisions recognized in 2014. The resulting income was offset by expenses arising from special items, which mainly relate to early dissolutions of contracts with trade agents and service providers as well as organizational changes in Europe and the Americas.

6% increase in EBITDA before special items

The key internal performance indicator **EBITDA before special items** increased by 6% compared to the prior-year period to EUR 255 million (prior year: EUR 242 million). The adjusted EBITDA margin came to 19.4%, down 120 basis points on the prior year (prior year: 20.6%). This was chiefly due to the increase in operating expenses in the selling and marketing areas, which could not be offset fully by the increased gross profit margin. **Amortization and depreciation** came to EUR 58 million, up 18% over the prior year (prior year: EUR 49 million), due to an increase in the ratio of property, plant and equipment to total assets as a result of investments in the Group's own retail business. 49 Mio. EUR). At the end of the first six months of fiscal year 2015, **EBIT** stood at EUR 197 million, up 3% on the prior year (prior year: EUR 192 million).

Increase in financial result

The **financial result**, measured as a net expense after aggregating net interest income/expenses and other financial items, increased in the first six months of fiscal year 2015 to EUR 7 million (prior year: EUR 4 million). This increase resulted partly from exchange rate effects, but was also due to interest expenses in connection with the tax field audit for the years 2007 to 2011 at HUGO BOSS AG.

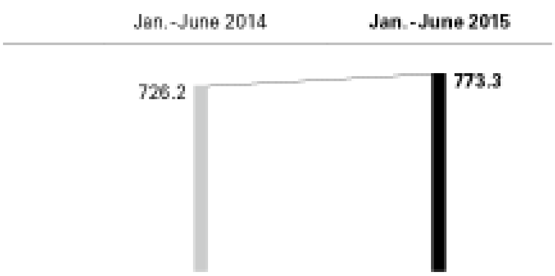
Net income up slightly on prior-year period

Earnings before taxes at the end of the first half of the year stood at EUR 190 million, up 1% on the prior-year level (prior year: EUR 188 million). At 23%, the Group's tax rate remained unchanged at the prior-year level. In the first six months of fiscal year 2015, **net income** rose by 1% to EUR 146 million (prior year: EUR 144 million). The consolidated net income attributable to equity holders of the parent company increased by 2% to EUR 146 million (prior year: EUR 143 million). In the reporting period, net income attributable to non-controlling interests came to EUR 0 million (prior year: EUR 1 million). **Earnings per share** thus climbed by 2% compared to the prior year to EUR 2.12 (prior year: EUR 2.07).

SALES AND PROFIT DEVELOPMENT OF THE BUSINESS SEGMENTS

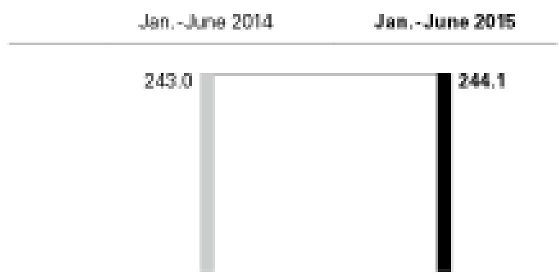
EUROPE

02|01 SALES DEVELOPMENT EUROPE
(in EUR million)



+ 6% (currency-adjusted: + 5%)

02|02 PROFIT DEVELOPMENT EUROPE
(in EUR million)



0 %

Currency-adjusted 5% increase in sales
In the first half of fiscal year 2015, **sales in the reporting currency** in **Europe** including the Middle East and Africa increased by 6% to EUR 773 million (prior year: EUR 726 million). This corresponds to an increase of 5% in local currencies.

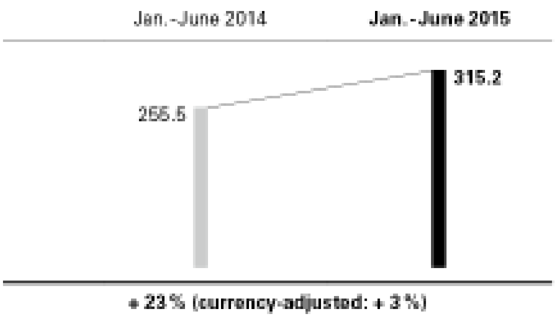
Sales in region determined by Group's own retail business
Sales in the **Group’s own retail business** increased by 13% to EUR 448 million in Europe in the reporting period (prior year: EUR 397 million), and were also up 10 % in local currencies. In addition to continued selling space expansion, this favorable performance was due to increased retail comp store sales. In the same period, sales with **wholesale** customers declined by 1 % in the reporting currency and in local currencies to EUR 326 million (prior year: EUR 329 million).

Great Britain still the fastest growing core market in Europe
At EUR 218 million, sales in **Germany** were up 5 % on the comparable prior-year period (prior year: EUR 208 million). This positive performance was supported by both the Group's own retail business and the wholesale business. In **Great Britain**, sales in the reporting currency came to EUR 141 million, up 23% on the comparable prior-year period (prior year: EUR 114 million). In the local currency, this corresponds to sales growth of 11%. This positive performance was supported by both the Group's own retail business and the wholesale business. In **France**, double-digit growth in the Group's own retail business made up for the declining wholesale business. Thus, at EUR 88 million, sales were up 5% on the comparable prior-year period (prior year: EUR 84 million). Reflecting the continuing consolidation in the wholesale channel, sales in the **Benelux countries** were at the same level as in the prior year at EUR 68 million (prior year: EUR 68 million). However, the Group’s own retail business also grew in this market during the reporting period.

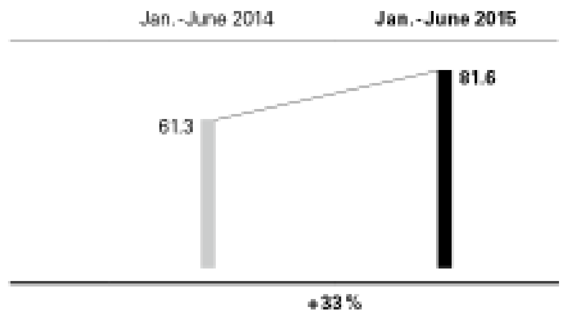
Segment profit up slightly on prior-year period
At EUR 244 million, **segment profit** in Europe was slightly above the comparable prior-year period (prior year: EUR 243 million). Increased selling and marketing costs as well as negative exchange rate effects depressed earnings in this region. The adjusted EBITDA margin narrowed by 190 basis points to 31.6% (prior year: 33.5%).

AMERICAS

02|03 SALES DEVELOPMENT AMERICAS
(in EUR million)



02|04 PROFIT DEVELOPMENT AMERICAS
(in EUR million)



3% increase in currency adjusted sales in the Americas

In the **Americas sales** in the reporting currency rose by 23% compared to the prior-year period to EUR 315 million (prior year: EUR 256 million). Currency effects exerted a material influence in this respect. In currency adjusted terms, sales were up 3%.

Wholesale trend offset by sales growth in the Group's own retail business

Sales in the **Group's own retail business** climbed by 28% in the reporting currency, coming to EUR 180 million in the first half year (prior year: EUR 141 million). This is equivalent to an increase of 7% adjusted for currency effects. Sales in the **wholesale channel** reached EUR 135 million in the first six months of 2015 (prior year: EUR 114 million), an increase of 18% in the reporting currency but a decrease of 1% in currency adjusted terms.

After currency adjustments, sales growth across all markets in the region

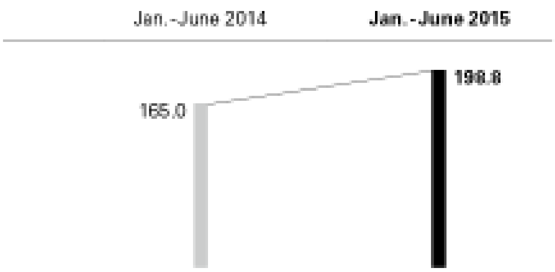
Sales in the **United States** increased by 26% to EUR 254 million in the reporting currency in the first six months of 2015 (prior year: EUR 203 million). In a mixed market environment, this positive performance was underpinned by two-digit sales growth in both the Group's own retail business and in the wholesale channel. In the local currency, this corresponds to sales growth of 2%. In **Canada**, sales in the reporting currency climbed by 20% to EUR 33 million (prior year: EUR 27 million) and were up 10% in currency adjusted terms. Despite the continued weak economic performance in **Central and South America**, sales in this market increased to EUR 28 million (prior year: EUR 26 million). This resulted in an increase of 9% in the reporting currency and of 6% in local currencies, with the positive performance supported in particular by the Group's own retail business.

Growth in segment profit

At EUR 82 million **segment profit** in the Americas was up 33% on the comparable prior-year period (prior year: EUR 61 million). This was particularly due to positive exchange rate effects, which were especially visible in the gross profit margin. A higher rebates level as well as negative effects from inventory valuation counterbalanced this development partially. At the end of the first half the adjusted EBITDA margin stood at 25.9%, 190 basis points above the prior year (prior year: 24.0%).

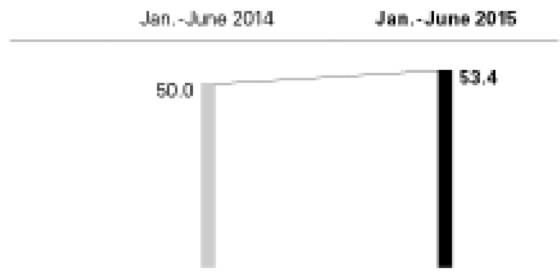
ASIA/PACIFIC

02|05 SALES DEVELOPMENT ASIA/PACIFIC
(in EUR million)



+21 % (currency-adjusted: + 3 %)

02|06 PROFIT DEVELOPMENT ASIA/PACIFIC
(in EUR million)



+7 %

Currency adjusted sales growth of 3%

In the first six months of fiscal year 2015,**sales** in **Asia/Pacific** rose by 21% compared to the prior-year period to EUR 199 million in the reporting currency (prior year: EUR 165 million). Against the backdrop of persistently uneven industry development, sales in local currencies increased by 3%.

Increased sales in the Group's own retail business

Sales in the **Group's own retail business** in this region rose by 26% to EUR 173 million in the reporting currency (prior year: EUR 137 million). This is equivalent to growth of 8% in local currencies compared to the prior-year period. By contrast, at EUR 26 million, sales with **wholesale** customers were down 7% from the prior year in the Group’s reporting currency (prior year: EUR 28 million). This translates into a 21% decline in local currencies. Takeovers of selling space previously operated by wholesale partners in South Korea and China made a material contribution to this.

Sales growth in all markets

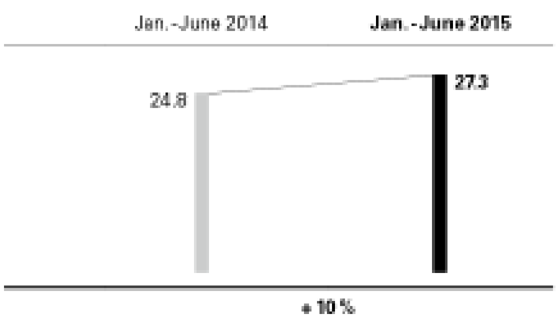
Sales in **China** came to EUR 123 million and were up thus 24% on the prior year in the reporting currency (prior year: EUR 99 million). Despite the unabated economic slowdown in this market, currency adjusted sales rose by 1%. In **Oceania**, sales came to EUR 29 million, up 19% on the comparable prior-year period (prior year: EUR 25 million). In local currencies, HUGO BOSS reported a 13% increase in sales. At EUR 21 million, sales in **Japan** climbed to 11% above the prior year's level (prior year: EUR 19 million), equivalent to a currency adjusted increase of 6%.

Moderate increase in segment profit

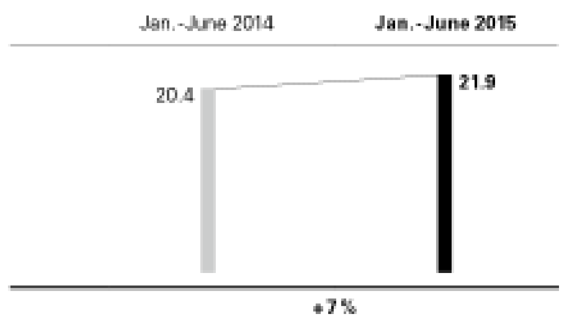
At EUR 53 million, **segment profit** in Asia/Pacific was up 7 % on the comparable prior-year period (prior year: EUR 50 million). This was mainly due to positive exchange rate effects in this region also. As a result of negative effects from inventory valuation and a disproportionate increase in selling and distribution expenses, particularly due to expansion of the Group's own retail activities, at 26.8% the adjusted EBITDA margin was down 350 basis points on the prior year (prior year: 30.3%).

LICENSES

02|07 SALES DEVELOPMENT LICENSES
(in EUR million)



02|08 PROFIT DEVELOPMENT LICENSES
(in EUR million)



License business up 10%

Sales in the **license business** increased by 10% to EUR 27 million in the first half year (prior year: EUR 25 million) and were also up 10% adjusted for currency effects. The articles produced by partners include fragrances, eyewear and watches. License income grew significantly in the case of eyewear and watches in particular.

At EUR 22 million, the license **segment profit** was 7 % up on the comparable prior-year period (prior year: EUR 20 million).

NET ASSETS

02|09 STATEMENT OF FINANCIAL POSITION (in %)

ASSETS	June 30, 2014	June 30, 2015
Property, plant and equipment and intangible assets	35	35
Inventories	33	34
Trade receivables	14	12
Other assets	15	16
Cash and cash equivalents	3	3
TOTAL	100	**100**
ASSETS (in EUR million)	1,481.1	**1,677.8**

Increase in total assets due to higher inventories, property, plant and equipment and intangible assets
Total assets increased by 13% to EUR 1,678 million at the end of the second quarter of 2015 (June 30, 2014: EUR 1,481 million). This change was driven in particular by an increase in inventories, property, plant and equipment and intangible assets in which currency effects and the expansion of the Group's own retail business played a key role. At 57%, the **proportion of current assets** was down slightly from the comparable prior-year period (June 30, 2014: 58 %). Accordingly, the **proportion of non-current assets** as of June 30, 2015 came to 43% (June 30, 2014: 42 %).

At EUR 580 million, at the end of the reporting period **property, plant and equipment and intangible assets** were up 13% on the prior year (June 30, 2014: EUR 514 million). This was due in particular to capital expenditure on the expansion and enhancement of the Group's own retail business.

Expansion of Group's own retail business drives up inventories
Inventories increased by 15% to EUR 563 million as of June 30, 2015 (June 30, 2014: EUR 488 million). After adjustment for currency effects, this represented a rise of 4% year on year. The greater volume of inventories was largely driven by the further expansion of the Group's own retail business.

Currency adjusted decrease in trade receivables
Trade receivables increased by 1% compared to the prior-year period to EUR 211 million (June 30, 2014: EUR 209 million). Adjusted for currency effects, this equates to a decrease of 6%. This was mainly due to declining wholesale business in the reporting period.

Other assets rose by 21% compared to the prior-year period to EUR 268 million (June 30, 2014: EUR 220 million). This development is mainly attributable to an increase in deferred tax assets because of additional temporary differences and higher refund claims from returns.

At EUR 56 million, **cash and cash equivalents** were up 13% over the prior year (June 30, 2014: EUR 50 million).

02|10 STATEMENT OF FINANCIAL POSITION (in %)

EQUITY AND LIABILITIES	June 30, 2014	**June 30, 2015**
Shareholders' equity	43	**47**
Provisions and deferred taxes	11	**12**
Trade payables	16	**14**
Other liabilities	12	**11**
Financial liabilities	18	**16**
TOTAL	100	**100**
EQUITY AND LIABILITIES (in EUR million)	1,481.1	**1,677.8**

Equity ratio increases to 47%

Equity rose by 23% to EUR 782 million as of the reporting date (June 30, 2014: EUR 638 million). Consequently, the **equity ratio** increased to 47% (June 30, 2014: 43%).

Provisions and deferred taxes, at EUR 194 million, were up 17% on the prior year (June 30, 2014: EUR 166 million). This includes provisions for pensions and other personnel expenses of EUR 96 million (June 30, 2014: EUR 81 million). Other provisions came to EUR 89 million (June 30, 2014: EUR 69 million) and deferred tax liabilities to EUR 9 million (June 30, 2014: EUR 16 million). The increase in other provisions compared to June 30, 2014 was essentially related to provisions related to the early dissolution of the agreement with a trade agent in the Middle East and higher provisions for returns and restoration obligations.

Decrease in trade payables

Trade payables decreased by 1% compared to the prior-year period to EUR 237 million (June 30, 2014: EUR 241 million). Adjusted for currency effects, this corresponds to a decrease of 7%.

Other liabilities increased by 10% compared to the prior-year period to EUR 191 million (June 30, 2014: EUR 173 million) and, in addition to VAT liabilities and outstanding social security liabilities, mainly contain accruals of rental obligations for the Group's own retail business as well as accrued vacation, wages and salaries. The year-on-year change primarily results from an increase in the accruals of rental obligations as a result of the expansion of the Group's own retail business.

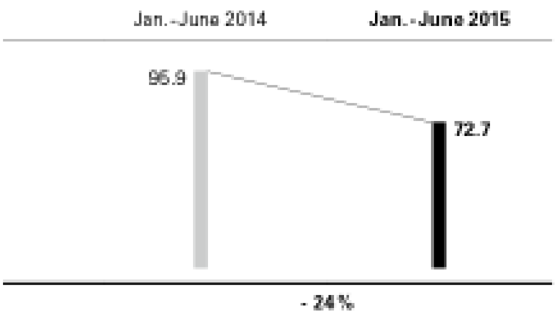
Total **current and non-current financial liabilities** increased by 4% to EUR 275 million as of the reporting date (June 30, 2014: EUR 265 million), primarily due to increased working capital. However, this did not have any impact on the utilization of the syndicated loan of EUR 100 million (June 30, 2014: EUR 100 million.

Trade net working capital as a percentage of sales above prior-year level

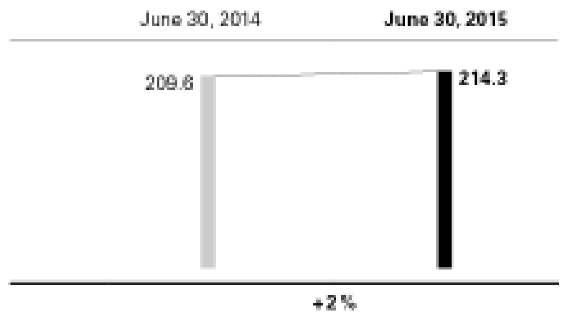
Trade net working capital is the HUGO BOSS Group's key performance indicator for measuring the efficiency of capital employed. The only three components factored into the calculation of this indicator are inventories, trade receivables and trade payables. Trade net working capital increased by 18% year on year to EUR 537 million (June 30, 2014: EUR 456 million), primarily as a result of increased inventories. The moving average of **trade net working capital as a percentage of sales** on the basis of the last four quarters came to 19.8% and was thus higher than in the prior year (prior year: 18.1 %).

FINANCIAL POSITION

02|11 FREE CASH FLOW (in EUR million)



02|12 NET FINANCIAL LIABILITIES (in EUR million)



The statement of cash flows is presented in accordance with IAS 7. The cash and cash equivalents reported here correspond to the "Cash and cash equivalents" item in the balance sheet. As cash flow is presented after adjustment for currency effects, these figures cannot be derived from the statement of financial position.

At EUR 165 million, **cash flow from operating activities** was 13% up on the prior-year period (prior year: EUR 146 million). There was a cash inflow from net working capital in the first six months of 2015 as opposed to a cash outflow in the comparable prior-year period. This development was partially offset by an increased cash outflow from income taxes paid compared with the prior-year period. The **cash outflow from investing activities** came to EUR 92 million, substantially higher than in the prior-year period (prior year: EUR 50 million). This was mainly driven by increased capital expenditure on property, plant and equipment in connection with the expansion of the Group's own retail business. A cash outflow of EUR 21 million is attributable to property, plant and equipment and current assets acquired in the purchase of business entities in South Korea and China.

Reduced free cash flow

Free cash flow, measured as the cash inflow from operating activities and the cash outflow from investing activities, decreased in the reporting period to EUR 73 million (prior year: EUR 96 million).

The **cash inflow from financing activities** totaled EUR 148 million in the first six months of fiscal year 2015 (prior year: cash outflow of EUR 166 million).

Cash and cash equivalents came to EUR 56 million as of the reporting date (June 30, 2014: EUR 50 million).

Slight increase in net financial liabilities due to free cash flow

Net financial liabilities, the total of all financial liabilities due to banks less cash and cash equivalents, increased by 2% compared to the first six months of the prior year to EUR 214 million (prior year: EUR 210 million), mainly due to the development of the free cash flow.

CAPITAL EXPENDITURE

Capital expenditure focuses on own retail business
The HUGO BOSS Group's total capital expenditure on property, plant and equipment and intangible assets came to EUR 87million in the first six months of 2015, marking a substantial increase on the prior year (prior year: EUR 52 million). Property, plant and equipment and intangible assets to the value of EUR 15 million were acquired as part of the purchase of other business entities in South Korea and China.

Accounting for 62 % of the total, **the global expansion and modernization of the Group's own retail business** remained the focus of capital expenditure in the reporting period (prior year: 76 %). This translates into total capital expenditure of EUR 54 million (prior year: EUR 40 million). Capital expenditure on **openings** of the Group's own new retail stores came to EUR 35 million in the first six months of fiscal year 2015 (prior year: EUR 21 million). In Europe, new retail stores were amongst others opened in Athens, Moscow and Warsaw. In the Americas, the opening of stores in Vancouver and Toronto was the main focus, while in Asia the main highlight was the takeover of 44 stores in South Korea and China. In addition, EUR 19 million was spent on the **renovation and modernization** of existing retail locations in the reporting period (prior year: EUR 19 million). The bulk of these investments were in Europe, with the primary focus on the modernization of stores in Liverpool and Frankfurt am Main.

Capital expenditure on the **production, logistics and distribution structure** and on **research and development** came to EUR 14 million (prior year: EUR 5 million). This includes spending on the construction of a new showroom in New York. Capital expenditure on **administration** came to EUR 19 million in the first six months of fiscal year 2015 (prior year: EUR 8 million) and primarily includes IT infrastructure investments.

REPORT ON RISKS AND OPPORTUNITIES

HUGO BOSS has a comprehensive risk management system enabling Management to identify and analyze opportunities and risks as well as to take appropriate measures at an early stage. The risk situation has not changed materially compared to the reporting year 2014. A detailed overview of the risks and opportunities can be found in the Annual Report 2014. All statements included therein regarding risks and opportunities continue to be valid.

SUBSEQUENT EVENTS AND OUTLOOK

HUGO BOSS expects continued growth in 2015 despite a still-challenging economic and sector-specific environment. Implementation of the Group's strategy and the initiatives derived from it will raise sales and operating profit to record heights for the Company. Group sales should grow at a rate in the mid-single digits after adjustment for currency effects. The Group also assumes that it will be able to increase its operating profit (EBITDA before special items) by 5 % to 7 %.

SUBSEQUENT EVENTS

No events requiring disclosure
Between the end of the first half of fiscal year 2015 and the publication of this report, there were no material macroeconomic, socio-political, sector-related or company-specific changes that the Management expects to have a significant influence on the earnings, net assets, and financial position of the Group.

OUTLOOK

Forward-looking statements
The following report presents the forecasts by the management of HUGO BOSS with respect to the future course of business and describes the expected development of significant macroeconomic and sector-specific conditions. It reflects management's understanding at the time when the report was being prepared, while also taking into account the fact that actual developments may differ considerably from these forecasts, either positively or negatively, due to the occurrence of risks and opportunities as described in the report on risks and opportunities in the Annual Report 2014. Other than the statutory publication requirements, the HUGO BOSS Group does not assume any obligation to update the statements contained in this report.

External factors influence development of business
Economic and sector-specific developments influence the development of the operations and financial position of HUGO BOSS. It is therefore imperative for the Group to detect related trends early in order to respond promptly with suitable measures.

Outlook for global growth subject to increasing risks
The IMF continues to expect the **global economy** to grow by 3.5% in 2015 as a whole. This estimate is roughly in line with the development experienced in the previous year. The still relatively low price of oil will provide positive stimulus for economic development in many countries. The extensive monetary policy measures by the ECB and the associated depreciation of the euro should result in a continued economic recovery, particularly in the industrialized nations of Europe. After surprisingly weak economic performance in the United States at the beginning of the year, growth should pick up as the year progresses. If this proves to be the case, however, there would be a greater likelihood of the Federal Reserve raising interest rates in the second half of the year, which could have an adverse impact on the already dampened rate of growth in emerging markets such as China, Brazil and Russia.

The European economy should continue to recover

According to the IMF's estimates, the **European economy** will expand by 1.5% in 2015. This marks an improvement on earlier forecasts. In addition to the positive effects caused by lower energy costs, the depreciation of the euro in the wake of the ECB's significant expansion of the sovereign bond-buy scheme should generate further growth stimulus, particularly in the second half of the year. The IMF projects growth of 1.6% in Germany in 2015. Here consumer spending should benefit from real wage and salary increases and low interest rates. The countries of Southern Europe are also likely to contribute to growth, primarily Spain, for which economic growth of 2.5% is expected. Structural deficits in France and Italy are impeding economic recovery in these countries, while the development of Greece with regard to the implementation of agreed austerity measures and economic policy reforms will remain a source of uncertainty for the Eurozone for the foreseeable future. For Great Britain, the IMF projects continued economic growth of 2.7%.

Recovery of economic upturn in the United States after weak start to the year

The economic upturn in the **United States** should continue in 2015 as a whole despite a surprisingly weak first quarter. According to the IMF, the country will see growth of 3.1%. This marks a downward revision of earlier forecasts against the backdrop of lower capital expenditure in the energy sector due to lower oil prices and competitive disadvantages for United States exporters as a result of the stronger US dollar. Growth stimulus is once again expected from consumer spending. Higher wages and salaries, low inflation and the improved situation on the real estate market should boost spending as the year progresses. By contrast, the outlook for the **Latin American economy** has continued to deteriorate, meaning that economic growth may be slower than in 2014. The IMF is expecting growth of only 0.9% in 2015. This is primarily due to softer consumer spending and muted investing activities. In this regard, a possible interest rate hike by the U.S. Federal Reserve in the second half of the year could pose a further risk to economic development. While there have been no structural reforms in many countries for years, lower commodity prices are also taking their toll on oil-exporting countries in particular.

Regional variations in economic growth in Asia

The regional differences in economic performance in **Asia** that have been observed in the past are likely to persist. The IMF reckons with growth of 6.6% for the region as a whole (excluding Japan), i.e. virtually unchanged from the previous year. However, it has recently scaled back its growth expectations for the Chinese economy slightly to 6.8%. Whereas conditions in the real estate market there have eased somewhat, the sharp dip in the Chinese equity markets towards mid year could have considerable effects on consumer spending. The upward trend in Japan is expected to continue thanks to the positive performance observed in the first months of the year. The IMF forecasts growth of 1.0% for 2015, mainly borne by higher employment levels and therefore increased consumer spending. The outlook for the Australian economy has clouded over following an increase in unemployment and reduced capital spending in the mining industry. However, the IMF still projects growth of 2.8%, roughly in line with the previous year.

Slight slowdown in industry growth expected in 2015

After currency adjusted growth of 4% in the premium and luxury goods industry in 2014, Altagamma and Bain & Company expect growth of 2% to 4% for the current year. This forecast falls short of an anticipated medium-term industry growth of 4% to 6% annually.

In 2015, growth in the industry will mainly be supported by the optimization and upgrading of manufacturers' own retail activities and by the linking of online and offline activities. In contrast, the pace of expansion in bricks-and-mortar retail operations will decline further as compared to previous years. Nonetheless, most brands will grow more strongly in their own retail businesses, particularly online, than in the wholesale business, where department stores and specialist multi-brand retailers, often still owner-operated, are under strong competitive pressure.

In 2015, Europe will provide the greatest stimulus for industry growth, followed by the Americas. On the other hand, the Asian market for premium and luxury goods will stagnate for the first time. In **Europe**, Bain & Company anticipates industry growth of between 3% and 5%. The sector should benefit in particular from growth in the business with tourists, primarily from Asia. The depreciation of the euro and an industry-wide price level that is lower than in other regions will likely contribute to this. Some market players have announced price increases in this connection. However, despite signs of macroeconomic recovery, such rises will depress local demand. Overall, the decline in footfall in retail stores is therefore expected to persist. Eastern European markets will continue to suffer from the political tensions emanating from the Ukraine conflict. In the **Americas**, the luxury goods industry should perform solidly in 2015, albeit with considerable regional differences, and achieve overall growth of 1% to 3%. In the United States, reviving local demand on account of economic growth will be partly offset by declining sales to tourists. Retailers are expected to remain promotional. In Latin America, the sector looks set to show a weaker development due to the substantial deterioration in underlying conditions and persistently muted consumer confidence. For **Asia** (excluding Japan), experts are now forecasting for the first time that the industry will stagnate, mainly due to the difficulties in the Chinese market. Lower social acceptance of premium and luxury brands following the implementation of the anti-corruption program, a further slowdown in macroeconomic growth, price erosion in the real estate and capital markets and a shift towards purchasing luxury goods abroad are the main reasons for the local reluctance to consume. In Hong Kong, the future development of the sector is expected to suffer from politically motivated protests and growing resentment towards Chinese tourists. By contrast, the Japanese market for premium and luxury goods should see perceptible benefits from rising numbers of tourists and healthy local demand and, after adjustment for currency effects, achieve a growth rate of between 5% and 7%, the highest in the region.

Solid increase in Group sales expected

HUGO BOSS expects sales to increase at a mid-single-digit rate in currency adjusted terms in 2015 despite the challenging macroeconomic and sector-specific conditions in many markets. In this context, the Group assumes that growth will exceed the rate of expansion in the global economy.

OUTLOOK 2015

SALES GROWTH (CURRENCY-NEUTRAL)	At a mid-single-digit rate
GROWTH IN EBITDA BEFORE SPECIAL ITEMS	5% to 7%
CAPITAL EXPENDITURE	Between EUR 220 million and EUR 240 million
OWN RETAIL NETWORK	Opening of around 65 new stores (excluding takeovers)

Sales growth forecasted in all regions

In 2015, all regions are likely to contribute to the forecasted solid increase in total Group sales. HUGO BOSS anticipates that the growth rates in the individual regions will not differ significantly from one another. Growth is expected in all important European markets and will be borne by the increasing focus on own retail in the region. The Americas should see growth supported not only by gains in the United States market but also substantial improvements in Central and South America. The Group also plans to increase sales in Asia. In the Chinese market in particular, HUGO BOSS is working to implement various measures to continue its growth even in the current difficult market environment. Sales in the license segment should similarly develop well.

Group's own retail business expected to show above-average growth

Sales in the Group's own retail business are likely to grow faster than the Group as a whole in 2015. Alongside growth in own retail stores, online in particular will also contribute with double-digit growth rates.

Expansion of store network through new openings and takeovers

The Group plans to expand its retail network in 2015 with the addition of around 65 new stores. Based on an analysis of its market penetration, the Group sees opportunities for profitable selling space expansion in all regions. Apart from opening freestanding stores, HUGO BOSS intends to further grow its shop-in-shop portfolio by opening new shop-in-shop units at retail partners. In addition, the Group will be taking over a total of 75 points of sale from partners. These include 44 former franchises stores in China and Korea as well as approximately 20 shop-in-shop units, which the Group will operate directly at a department store partner in Mexico in the future. However, the Group also intends to close points of sale as part of its measures to upgrade the quality of its store portfolio, particularly in Asia. In many cases, this development will be associated with the relocation and consolidation of existing stores to form higher-end, larger points of sale.

Focus on boosting selling-space productivity

In addition to the expansion of its own store network and takeovers, the focus is on increasing selling space productivity in the Group's own retail business. Accordingly, the Group assumes a mid-single-digit increase in currency adjusted comp store sales in this channel. Important levers in this respect are the expansion of brand communication activities, intensified customer relationship management and the implementation of various measures for improving retail management, such as the introduction of a SAP-based system for merchandise flow planning and the continuous further training of the sales staff by means of Group-wide training programs.

Takeover and consolidation effects impact sales in the wholesale segment

Wholesale sales are forecasted to be slightly down on the prior year. This will be primarily due to the takeovers of franchise stores and shop-in-shop units from retail partners. After the takeovers, the sales generated at these points of sale will be accounted for as retail instead of wholesale. The ongoing consolidation of the customer portfolio and the resultant decline in business with smaller partners will also have a negative impact on sales through this distribution channel. On the other hand, HUGO BOSS is planning further growth with major department stores in particular. This outlook is based on trends in order intake, feedback from business partners on the new collections and expectations for the replenishment business.

Gross profit margin expected to increase further

HUGO BOSS expects a further improvement in its gross profit margin in 2015. The growing share of sales generated by the Group’s own retail business is likely to support this increase. The gross profit margin generated through this distribution channel is higher than in wholesale. Particularly in the first half of the year, however, higher discounts in the Group's own retail business and write-downs on inventory will partly offset this effect.

Operating expenses rise primarily due to retail expansion

Operating expenses will increase primarily on account of the continued expansion of the Group's own store network and investment in the Group's retail-related processes and competencies. HUGO BOSS is also driving forward the integration of its online activities with the bricks-and-mortar retail business. The Group will also further expand its brand communication activities in order to strengthen customer demand. Marketing expenses will accordingly increase at least as strongly as Group revenues. The share of research and development expenses in Group sales should remain more or less stable. Efficiency gains in connection with the flat-packed goods distribution center, which went into operation in 2014, will have a positive impact on logistics costs.

Operating profit expected to increase by 5% to 7%

The forecasted growth in sales and gross profit margin will support a 5% to 7% increase in operating profit (EBITDA before special items). Currency effects will have a positive effect on this growth. The Group's net income and earnings per share are also expected to improve. Alongside the increase in EBITDA, another contributor to this will be a decrease in net financial expenses on account of a falling average level of liabilities. However, depreciation and amortization expenses will rise in comparison to the previous year.

Trade net working capital expected to remain more or less stable relative to sales

Strict management of trade net working capital continues to be given high priority in order to support improvements in the operating cash flow. In 2015, the Group is striving to achieve an approximately stable development of trade net working capital as a percentage of sales. This outlook implies an improved performance in the second half of the year compared to the first, a development that should in particular be supported by a decrease in the days' inventories outstanding. Optimized merchandise flow planning and increased replenishment flexibility and speed thanks to the new distribution center will contribute to this.

Capital expenditure focuses on Group's own retail business

Expanding the Group's own retail business through new openings and takeovers together with the renovation of existing stores and shops will continue to be the focal point of the Group's capital expenditure in 2015. Furthermore, the Group plans to reinforce its operating infrastructure primarily in the areas of IT and logistics. Special consideration is being given to the implementation of measures for the introduction of omnichannel services. Accordingly, capital expenditure will come to between EUR 220 million and EUR 240 million in 2015.

Significant positive free cash flow development expected

The Group anticipates a significantly positive free cash flow in 2015 mainly on account of the forecasted earnings growth, strict management of trade net working capital and value-enhancing capital expenditure. The free cash flow should exceed the dividend payment. Surplus funds are to be retained as a liquidity reserve. The Group is accordingly working on the assumption that cash and cash equivalents will roughly equal gross financial liabilities at the end of the year.

Further sales and earnings improvements in 2016 and beyond

The Group intends to generate further increases in sales and earnings in 2016 and beyond. Its strategy is oriented towards organic growth of the existing brand portfolio. It aims to grow Group sales at a high-single-digit rate annually on average in the period up to 2020. More than 75% of sales are expected to be generated by the Group's own retail business in the year 2020. HUGO BOSS has also set itself the objective of earning an adjusted operating margin (EBITDA before special items in relation to sales) of 25% in the same period. Adverse macroeconomic and sector-specific developments in key sales markets, cost inflation in sourcing processes or a loss of appeal of the Group's brands could jeopardize the ability to meet these targets. The Group has contingency plans in place to limit the likelihood and impact of these and other risks. Details are presented in the risk report in the Annual Report 2014.

SUMMARY ON EARNINGS, NET ASSETS AND FINANCIAL POSITION

In summary, the results of operations, net assets, and financial position indicate that the HUGO BOSS Group continued to be in a sound financial position as of the date on which this report for the first six months of fiscal year 2015 was prepared.

Metzingen, July 21, 2015

HUGO BOSS AG
The Managing Board

Claus-Dietrich Lahrs
Christoph Auhagen
Mark Langer

3

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

OF THE HUGO BOSS GROUP FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2015

CONSOLIDATED INCOME STATEMENT (in EUR million)

	2015	2014
Sales	**1,314.6**	**1,171.5**
Cost of sales	(447.3)	(397.9)
Gross profit	**867.3**	**773.6**
In % of sales	66.0	66.0
Selling and distribution expenses	(532.2)	(460.4)
Administration expenses	(138.0)	(120.8)
Other operating income and expenses	0.1	(0.8)
Operating result (EBIT)	**197.2**	**191.6**
Net interest income/expenses	(3.8)	(2.0)
Other financial items	(3.5)	(2.0)
Financial result	**(7.3)**	**(4.0)**
Earnings before taxes	**189.9**	**187.6**
Income taxes	(43.7)	(43.2)
Net income	**146.2**	**144.4**
Attributable to:		
Equity holders of the parent company	146.1	143.2
Non-controlling interests	0.1	1.2
Earnings per share (EUR)[1]	**2.12**	**2.07**

[1] Basic and diluted earnings per share.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OF THE HUGO BOSS GROUP FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in EUR million)

	2015	2014
Net income	**146.2**	**144.4**
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	1.1	(3.5)
Items to be reclassified subsequently to profit or loss		
Currency differences	41.6	7.3
Gains/losses from cash flow hedges	(0.8)	(1.6)
Other comprehensive income, net of tax	**41.9**	**2.2**
Total comprehensive income	**188.1**	**146.6**
Attributable to:		
Equity holders of the parent company	188.0	145.7
Non-controlling interests	0.1	0.9
Total comprehensive income	**188.1**	**146.6**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

OF THE HUGO BOSS GROUP AS OF JUNE 30, 2015

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in EUR million)

Assets	**June 30, 2015**	June 30, 2014	Dec. 31, 2014
Intangible assets	165.5	137.8	148.0
Property, plant and equipment	414.4	376.4	383.3
Deferred tax assets	117.5	87.0	100.4
Non-current financial assets	22.9	16.0	19.7
Non-current tax receivables	1.2	1.7	1.2
Other non-current assets	9.1	4.0	7.7
Non-current assets	**730.6**	**622.9**	**660.3**
Inventories	563.4	487.8	507.4
Trade receivables	210.5	209.0	250.5
Current tax receivables	13.4	13.5	8.3
Current financial assets	18.3	18.9	22.5
Other current assets	85.3	79.3	83.1
Cash and cash equivalents	56.3	49.7	128.6
Assets held for sale	0.0	0.0	1.1
Current assets	**947.2**	**858.2**	**1,001.5**
TOTAL	**1,677.8**	**1,481.1**	**1,661.8**

Equity and liabilities	**June 30, 2015**	June 30, 2014	Dec. 31, 2014
Subscribed capital	70.4	70.4	70.4
Own shares	(42.3)	(42.3)	(42.3)
Capital reserve	0.4	0.4	0.4
Retained earnings	698.7	619.4	801.3
Accumulated other comprehensive income	55.4	(9.8)	14.6
Equity attributable to equity holders of the parent company	**782.6**	**638.1**	**844.4**
Non-controlling interests	(0.5)	(0.5)	(0.5)
Group equity	**782.1**	**637.6**	**843.9**
Non-current provisions	75.3	61.0	70.6
Non-current financial liabilities	232.5	238.3	153.6
Deferred tax liabilities	9.1	15.8	10.1
Other non-current liabilities	46.8	32.2	37.9
Non-current liabilities	**363.7**	**347.3**	**272.2**
Current provisions	109.2	88.7	115.7
Current financial liabilities	42.1	26.7	18.2
Income tax payables	41.3	59.7	59.9
Trade payables	236.9	240.5	255.0
Other current liabilities	102.5	80.6	96.9
Current liabilities	**532.0**	**496.2**	**545.7**
TOTAL	**1,677.8**	**1,481.1**	**1,661.8**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

OF THE HUGO BOSS GROUP FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2015

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in EUR million)

				Retained earnings		Accumulated other comprehensive income		Group equity		
	Subsribed capital	Own shares	Capital reserve	Legal reserve	Other reserves	Currency translation	Gains/ losses from cash flow hedges	Total before non-controlling interests	Non-controlling interests	Group equity
January 1, 2014	**70.4**	**(42.3)**	**0.4**	**6.6**	**694.9**	**(16.7)**	**0.9**	**714.2**	**26.1**	**740.3**
Net income					143.2			143.2	1.2	144.4
Other income					(3.5)	7.6	(1.6)	2.5	(0.3)	2.2
Comprehensive income					**139.7**	**7.6**	**(1.6)**	**145.7**	**0.9**	**146.6**
Dividend payment					(230.5)			(230.5)		(230.5)
Acquisition of non-controlling interests					8.7			8.7	(27.5)	(18.8)
June 30, 2014	**70.4**	**(42.3)**	**0.4**	**6.6**	**612.8**	**(9.1)**	**(0.7)**	**638.1**	**(0.5)**	**637.6**
January 1, 2015	**70.4**	**(42.3)**	**0.4**	**6.6**	**794.7**	**15.3**	**(0.7)**	**844.4**	**(0.5)**	**843.9**
Net income					146.1			146.1	0.1	146.2
Other income					1.1	41.6	(0.8)	41.9		41.9
Comprehensive income					**147.2**	**41.6**	**(0.8)**	**188.0**	**0.1**	**188.1**
Dividend payment					(249.8)			(249.8)		(249.8)
Acquisition of non-controlling interests					(0.1)			(0.1)		(0.1)
June 30, 2015	**70.4**	**(42.3)**	**0.4**	**6.6**	**692.1**	**56.9**	**(1.5)**	**782.6**	**(0.5)**	**782.1**

CONSOLIDATED STATEMENT OF CASH FLOWS

OF THE HUGO BOSS GROUP FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2015

CONSOLIDATED STATEMENT OF CASH FLOWS (in EUR million)

	2015	2014
Net income	146.2	144.4
Depreciation/amortization	57.8	49.1
Unrealized net foreign exchange gain/loss	0.6	(5.1)
Other non-cash transactions	(0.4)	5.0
Income tax expense/refund	43.7	43.2
Interest income and expenses	3.8	2.0
Change in inventories	(21.9)	(38.6)
Change in receivables and other assets	56.1	9.2
Change in trade payables and other liabilities	(21.1)	1.9
Result from disposal of non-current assets	(2.1)	(1.9)
Change in provisions for pensions	2.3	6.5
Change in other provisions	(12.2)	(11.0)
Income taxes paid	(86.8)	(57.2)
Cash flow from operations	**166.0**	**147.5**
Interest paid	(2.1)	(2.2)
Interest received	0.7	1.0
Cash flow from operating activities	**164.6**	**146.3**
Investments in property, plant and equipment	(65.8)	(44.6)
Investments in intangible assets	(6.2)	(7.6)
Acquisition of subsidiaries and other business entities less cash and cash equivalents acquired	(20.8)	0.0
Cash receipts from disposal of property, plant and equipment and intangible assets	0.9	1.8
Cash flow from investing activities	**(91.9)**	**(50.4)**
Dividends paid to equity holders of the parent company	(249.8)	(230.5)
Change in current financial liabilities	24.0	11.0
Cash receipts from non-current financial liabilities	79.1	72.6
Repayment of borrowings	(0.9)	(0.5)
Cash outflows for the purchase of additional interests in subsidiaries	(0.1)	(18.8)
Cash flow from financing activities	**(147.7)**	**(166.2)**
Exchange-rate related changes in cash and cash equivalents	2.7	0.7
Change in cash and cash equivalents	**(72.3)**	**(69.6)**
Cash and cash equivalents at the beginning of the period	128.6	119.3
Cash and cash equivalents at the end of the period	**56.3**	**49.7**

CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1 // GENERAL INFORMATION

The interim financial statements of HUGO BOSS AG as of June 30, 2015, were prepared pursuant to Sec. 37w WpHG [“Wertpapierhandelsgesetz”: Securities Trading Act] in accordance with the International Financial Reporting Standards (IFRSs) and their interpretations applicable as of the reporting date. The provisions of IAS 34 on interim financial reporting were applied in particular.

This interim management report and the consolidated interim financial statements were neither audited in accordance with Sec. 317 HGB [“Handelsgesetzbuch”: German Commercial Code] nor reviewed by a person qualified to audit financial statements. In a resolution dated July 21, 2015, the condensed interim financial statements and the interim management report were authorized for issue to the Supervisory Board by the Managing Board. Before they were published, the interim management report and the condensed interim financial statements were also discussed with the audit committee of the Supervisory Board.

2 // ACCOUNTING POLICIES

All the interim financial statements of the companies included in the consolidated interim financial statements were prepared in accordance with uniform accounting policies. A detailed description of the accounting policies and consolidation measures applied can be found in the notes to the 2014 consolidated financial statements.

CHANGED ACCOUNTING RULES

The consolidated interim financial statements were prepared in accordance with the IFRSs effective on the balance sheet date, as published by the IASB and applicable in the EU.

The annual improvements to the IFRSs implemented in the 2010 – 2012 cycle are effective from February 1, 2015. This concerns IFRS 2 "Share-based Payment", IFRS 3 "Business Combinations", IFRS 8 "Operating Segments", IFRS 13 "Fair Value Measurement", IAS 16 "Property, Plant and Equipment", IAS 24 "Related Party Disclosures" and IAS 38, "Intangible Assets". The 2011 – 2013 improvement cycle, which is effective from January 1, 2015, concerns IFRS 1 "First-time Adoption of International Financial Reporting Standards", IFRS 3 "Business Combinations", IFRS 13 "Fair Value Measurement" and IAS 40 "Investment Property". In addition, the revisions to IAS 19 "Employee Benefits" must be applied from February 1, 2015. The application of these revisions does not have any impact on the Group's net assets, financial position or results of operations.

3 // CURRENCY TRANSLATION

The most important exchange rates applied in the interim financial statements developed as follows in relation to the euro:

	Currency	Average rate			Closing rate		
Country	1 EUR =	**June 2015**	June 2014	Dec. 2014	**June 30, 2015**	June 30, 2014	Dec. 31, 2014
Australia	AUD	1.4536	1.4996	1.4726	1.4526	1.4460	1.4829
China	CNY	6.9582	8.4490	8.1977	6.9121	8.4689	7.5358
Great Britain	GBP	0.7210	0.8216	0.8067	0.7085	0.7997	0.7789
Hong Kong	HKD	8.6922	10.6300	10.3179	8.6306	10.5573	9.4170
Japan	JPY	138.8083	140.4530	140.2427	136.8100	138.0900	145.2300
Switzerland	CHF	1.0454	1.2215	1.2149	1.0376	1.2162	1.2024
U.S.A.	USD	1.1212	1.3705	1.3305	1.1133	1.3620	1.2141

4 // ECONOMIC AND SEASONAL INFLUENCES

As a globally operating company, the HUGO BOSS Group is exposed to a variety of economic developments. Sector-related seasonal fluctuations are typical for HUGO BOSS. However, its business has changed fundamentally over the past few years. The business, which used to be dominated by the two pre-order seasons (spring/summer and fall/winter) with early orders placed accordingly, has become increasingly more complex. Pre-order business now consists of four seasonal pre-sales every year. Furthermore, the importance of seasonal influence is declining as a result of the global expansion of the Group's own retail operations. Moreover, HUGO BOSS is seeking to increase efficiency through greater use of replenishment business to service less fashion-oriented items. The number of monthly theme-oriented deliveries is also increasing continuously. These factors are steadily reducing the seasonality of its business.

5 // BASIS OF CONSOLIDATION

In the reporting period from January 1 to June 30, 2015, the number of consolidated companies did not change in comparison to the consolidated financial statements as of December 31, 2014. 56 companies continued to be consolidated.

In the first quarter, HUGO BOSS Korea Ltd., Seoul, South Korea, was consolidated as a 100% subsidiary for the first time.

Retroactively as of January 1, 2015, as part of the optimization of the Group structure, the previously fully consolidated subsidiary HUGO BOSS Switzerland Retail AG, Zurich, Switzerland was merged into the fully consolidated HUGO BOSS (Schweiz) AG, Zug, Switzerland and has therefore been removed from the basis of consolidation.

With effect from April 9, 2015 the HUGO BOSS Group established a new subsidiary in the United Arab Emirates, HUGO BOSS Middle East FZ-LLC, Dubai, U.A.E. The HUGO BOSS Group holds 100% of the equity in this company. On the grounds of immateriality for the Group, HUGO BOSS Middle East FZ-LLC is not included in the consolidated financial statements as of June 30, 2015.

As of May 18, 2015 the HUGO BOSS Group also established a subsidiary in New Zealand, namely HUGO BOSS New Zealand Ltd., Auckland, New Zealand. The HUGO BOSS Group holds 100% of the equity in this company. On grounds of immateriality for the Group, HUGO BOSS New Zealand Ltd. is not included in the consolidated financial statements as of June 30, 2015.

As was the case effective December 31, 2014, two companies in which HUGO BOSS and another party hold joint control are accounted for using the equity method as of June 30, 2015.

6 // BUSINESS COMBINATIONS/ACQUISITIONS OF OTHER BUSINESS UNITS

In the first six months of 2015, the HUGO BOSS Group took over a total of 44 stores and the related assets and inventories under asset deals with former franchise partners in South Korea and China. The stores in South Korea were acquired as of March 1, 2015 via HUGO BOSS Korea Ltd., South Korea, while the stores in China were acquired as of April 1, 2015 via HUGO BOSS China Retail Co. Ltd., Shanghai, China. The acquisitions serve the expansion of the Group's own retail business in Asia/Pacific.

The following overview shows the preliminary allocation of the purchase price to the acquired net assets as well as the resulting goodwill:

(in EUR million)	June 30, 2015
Purchase consideration transferred	
Purchase price payment	20.8
Liabilities incurred	0.0
Net cash flow on aquisition	**20.8**
Fair Value of the acquired assets and liabilities assumed	
Intangible assets	0.5
Property, plant and equipment	2.8
Inventories	5.8
Total assets	**9.1**
Total liabilities	**0.0**
Goodwill	**11.7**

Control over the assets is achieved through payment of the agreed purchase price. The goodwill relates to Asia/Pacific. In accordance with IAS 36, it is subject to annual impairment tests and is therefore not subject to scheduled amortization. Transaction costs of an immaterial amount arose and were recognized immediately through profit or loss in the consolidated income statement.

If the business acquisitions had been executed as of January 1, 2015, Group sales would have been EUR 2.5 million higher. The change in consolidated net income would have been immaterial.

The additional consolidated sales generated by the business acquisitions came to EUR 5.7 million in the first six months of fiscal year 2015.

7 // ACQUISITION OF NON-CONTROLLING INTERESTS WITHOUT CHANGE OF CONTROL

With effect from June 30, 2015 HUGO BOSS AG, Metzingen, Germany, exercised the option of transferring the remaining 6% share of the previously already fully consolidated ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Dieselstraße KG, Grünwald, Germany. In the future, HUGO BOSS AG will thus hold 100% of the shares in ROSATA Grundstücks-Vermietungsgesellschaft mbH & Co. Objekt Dieselstraße KG. The purchase price of EUR 0.1 million paid to the general partner in this transaction was capitalized as an investment. The carrying amount of the non-controlling shares acquired is EUR 0 million. The difference of EUR 0.1 million between the purchase price and carrying amount of the assets was recognized directly in equity.

(in EUR million)	**June 30, 2015**
Carrying amount of non-controlling interests acquired	0.0
Consideration paid to non-controlling interests	(0.1)
Excess of consideration paid recognised in Group's equity	**(0.1)**

8 // SELECTED NOTES TO THE CONSOLIDATED INCOME STATEMENT

COST OF SALES

(in EUR million)	**Jan. – June 2015**	Jan. – June 2014
Cost of purchase	385.4	340.1
Cost of conversion	61.9	57.8
TOTAL	**447.3**	**397.9**

Cost of purchase contains the cost of materials, which corresponds to the amount of inventories expensed in the fiscal year. This line item also mainly includes freight-in and customs costs.

Capitalized overheads allocated to production cost comprise the cost of technical product development in the third phase of the collection creation process and the overhead costs of the product implementation and procurement phase.

SELLING AND DISTRIBUTION EXPENSES

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Expenses for Group's own retail business, sales and marketing organization	409.5	352.0
Marketing expenses	86.7	76.1
Logistics expenses	36.0	32.3
TOTAL	**532.2**	**460.4**

The expenses for the Group's own retail business and the sales and marketing organization mostly relate to personnel and rental expenses for wholesale distribution and retail services. Moreover, selling expenses contain sales-based commission, freight-out, customs costs, credit card charges and impairments of receivables.

ADMINISTRATION EXPENSES

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
General administrative expenses	105.9	90.0
Research and development costs	32.1	30.8
TOTAL	**138.0**	**120.8**

Administration expenses mainly comprise rent for premises, maintenance expenses, IT operating expenses and legal and consulting fees as well as personnel expenses in these functions. Research and development costs in the HUGO BOSS Group primarily relate to the creation of collections.

OTHER OPERATING EXPENSES AND INCOME

Other operating expenses and income balanced each other out in the six-month period just ended (prior year: net expenses of EUR 1 million). In the second quarter of 2015, the sale of the production site in Cleveland, Ohio led to the release of provisions recognized in 2014. The resulting income was offset by expenses arising from special items, which mainly relate to early dissolutions of contracts with trade agents and service providers as well as organizational changes in Europe and the Americas.

PERSONNEL EXPENSES

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Wages and salaries	239.2	218.6
Social security	40.2	35.3
Expenses and income for retirement and other employee benefits	3.6	3.3
TOTAL	**283.0**	**257.2**

EMPLOYEES

	June 30, 2015	Dec. 31, 2014
Industrial employees	4,921	4,861
Commercial and administrative employees	9,835	9,652
TOTAL	**14,756**	**14,513**

AMORTIZATION AND DEPRECIATION

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Non-current assets		
Property, plant and equipment	49.0	39.3
Intangible assets	8.8	9.8
TOTAL	**57.8**	**49.1**

COST OF MATERIALS

In the first half of 2015, the cost of materials amounted to EUR 331 million (2014: EUR 319 million).

9 // EARNINGS PER SHARE

	Jan. – June 2015	Jan. – June 2014
Net income attributable to equity holders of the parent company (in EUR million)	146.1	143.2
Average number of shares outstanding[1]	69,016,167	69,016,167
Earnings per share (EPS) (in EUR)[2]	2.12	2.07

[1] Not including own shares.

[2] Basic and diluted earnings per share.

Pursuant to IAS 33, earnings per share are calculated by dividing the net income attributable to equity holders of the parent company by the weighted average number of shares outstanding during the reporting period. There were no shares outstanding capable of diluting earnings per share as of June 30, 2015, or June 30, 2014.

10 // NON-CURRENT ASSETS HELD FOR SALE

As part of the consolidation process for its production sites, HUGO BOSS sold its site in Cleveland, Ohio in the second quarter of 2015. As a result of the intent to sell property, plant and equipment and intangible assets relating to buildings, technical equipment and machines in the amount of EUR 1.1 million belonging to HUGO BOSS Cleveland, Inc., Cleveland, Ohio, United States, were classified as "non-current assets held for sale" as of December 31, 2014. The sale took place in the second quarter of 2015.

11 // OWN SHARES

In the first six months of fiscal year 2015, HUGO BOSS AG did not buy back any of its own shares. As a result, it continues to hold a total of 1,383,833 ordinary shares. This corresponds to a share of 1.97% or EUR 1,383,833 of the share capital.

12 // ACCUMULATED OTHER COMPREHENSIVE INCOME

The cumulative other comprehensive income contains the differences reported within equity arising from translation of the foreign currencies used for the financial statements of foreign subsidiaries in the amount of EUR 56.9 million (December 31, 2014: EUR 15.3 million) and the effects of the measurement of cash flow hedges after tax within equity. The deferred taxes recognized within equity on the measurement of cash flow hedges amount to EUR 0.3 million (December 31, 2014: EUR 0.4 million).

Reference is made to the consolidated statement of comprehensive income for the income and expenses recognized directly in equity.

13 // PROVISIONS FOR PENSIONS AND SIMILAR OBLIGATIONS

The provisions for pensions increased from EUR 46 million as at December 31, 2014 to EUR 48 million as at June 30, 2015. The actuarial calculation of the present value of the defined benefit obligation includes service cost, net interest expenses and other relevant parameters.

ACTUARIAL ASSUMPTIONS UNDERLYING THE CALCULATION OF THE PRESENT VALUE OF PENSION OBLIGATIONS AS AT JUNE 30, 2015

The following assumptions were applied:

Actuarial assumptions	**June 30, 2015**	Dec. 31, 2014
Discount rate		
Germany	2.36%	2.25%
Switzerland	1.10%	1.40%
Turkey	9.50%	8.50%
Future pension increases		
Germany	1.75%	1.75%
Switzerland	0.00%	0.00%
Turkey	0.00%	0.00%
Future salary increases		
Germany	2.50%	2.50%
Switzerland	3.50%	3.50%
Turkey	5.00%	5.00%

In comparison to December 31, 2014, the actuarial discount rate in Germany and Turkey rose, while it decreased in Switzerland. The pension trend and expected salary increase parameters remained unchanged in the first six months of fiscal year 2015.

BREAKDOWN OF PENSION EXPENSES IN THE PERIOD

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Current service cost	3.6	2.8
Net interest costs	0.6	0.5
Recognized pension expenses in the comprehensive statement of income	**4.2**	**3.3**
Return from plan assets (without interest effects)	(1.5)	0.0
Recognized actuarial (gains)/losses	(0.5)	7.6
Asset ceiling (without interest effects of asset ceiling)	0.0	(2.9)
Recognized remeasurement of the carrying amount in the comprehensive statement of income	**(2.0)**	**4.7**

14 // ADDITIONAL DISCLOSURES ON FINANCIAL INSTRUMENTS

Set out below is a comparison of the carrying amounts and fair value of the Group's financial instruments that are recognized in the financial statements.

CARRYING AMOUNTS AND FAIR VALUES BY CATEGORY OF FINANCIAL INSTRUMENTS

(in EUR million)

		June 30, 2015		Dec. 31, 2014	
Assets	IAS 39 category	**Carrying amount**	**Fair value**	Carrying amount	Fair value
Cash and cash equivalents	LaR	56.3	56.3	128.6	128.6
Trade receivables	LaR	210.5	210.5	250.5	250.5
Other financial assets		41.2	41.2	42.2	42.2
Thereof:					
Available for sale	AfS	0.1	0.1	0.1	0.1
Undesignated derivatives	FAHfT	1.5	1.5	3.4	3.4
Derivatives subject to hedge accounting	n.a.	0.2	0.2	0.5	0.5
Other financial assets	LaR	39.4	39.4	38.2	38.2
Liabilities					
Financial liabilities due to banks	FLAC	270.6	272.5	164.3	169.6
Trade payables	FLAC	236.9	236.9	255.0	255.0
Other financial liabilities		4.0	4.0	7.6	7.6
Thereof:					
Undesignated derivatives	FLHfT	3.2	3.2	6.1	6.1
Derivatives subject to hedge accounting	n.a.	2.0	2.0	1.5	1.5
Other financial liabilities	FLAC	(1.2)	(1.2)	0.0	0.0
Total for categories of financial instruments according to IAS 39:					
Loans and Receivables	LaR	306.2	306.2	417.3	417.3
Available-for-Sale investments	AfS	0.1	0.1	0.1	0.1
Financial Assets Held for Trading	FAHfT	1.5	1.5	3.4	3.4
Financial Liabilities Measured at Amortised Cost	FLAC	506.3	508.2	419.3	424.6
Financial Liabilities Held for Trading	FLHfT	3.2	3.2	6.1	6.1

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, trade receivables, other financial assets, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is calculated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with very good to good credit ratings (investment grade). Financial transactions with parties with a lower credit rating require the approval of the Managing Board and are concluded to only a limited degree. Derivatives valued using valuation techniques with observable market data are mainly interest rate swaps and forward exchange contracts. The most frequently applied techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit worthiness of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying base rates.

As of June 30, 2015, the marked to market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The credit risk of the counterparty did not lead to any significant effects.

FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other methods for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Methods that use inputs with a significant effect on the recorded fair value that are not based on observable market data

As in the prior year, all financial instruments measured at fair value in the categories FAHfT, FLHfT and derivatives designated to a hedge relationship were assigned to level 2 as of June 30, 2015. During the first six months of fiscal year 2015, there were no transfers between level 1 and level 2 or from level 3. The financial instruments measured at fair value comprised forward exchange contracts, currency swaps and interest derivatives. These were assigned to the categories FAHfT, FLHfT as well as derivatives used for hedging. The assets amounted to EUR 1.7 million and the liabilities to EUR 5.2 million. The fair value of financial instruments carried at amortized cost is also measured using the level 2 method.

INTEREST AND CURRENCY RISK HEDGES

To hedge against interest and currency risks, the HUGO BOSS Group enters into hedging transactions in some cases to mitigate risk. As of the reporting date, variable-interest financial liabilities of EUR 111 million (December 31, 2014: EUR 111 million) were hedged. Of these, an amount of EUR 100 million was designated as an effective hedging instrument. Moreover, as of the reporting date, future cash flows in foreign currencies of EUR 26 million (December 31, 2014: 13 million) were hedged and fully designated as an effective hedging instrument. The unrealized losses recognized in other comprehensive income from marking hedges to the market came to EUR 0.8 million (prior year: unrealized losses of EUR 1.6 million).

15 // OFFSETTING OF FINANCIAL INSTRUMENTS

(in EUR million)

	Gross amounts recognized assets	Gross amounts offset liabilities	Net asset amounts disclosed in statement of fin. pos.	Liabilities not offset in the statement of fin. pos.	Cash deposits received not offset in the statement of fin. pos.	Net amounts
June 30, 2015						
Cash and cash equivalents	56.3	0.0	56.3	0.0	0.0	56.3
Trade receivables	221.9	(11.4)	210.5	0.0	0.0	210.5
Other financial assets	41.2	0.0	41.2	(0.2)	0.0	41.0
Thereof available-for-sale	0.1	0.0	0.1	0.0	0.0	0.1
Thereof derivatives	1.7	0.0	1.7	(0.2)	0.0	1.5
Thereof other financial assets	39.4	0.0	39.4	0.0	0.0	39.4
TOTAL	**319.4**	**(11.4)**	**308.0**	**(0.2)**	**0.0**	**307.8**
Dec. 31, 2014						
Cash and cash equivalents	128.6	0.0	128.6	0.0	0.0	128.6
Trade receivables	264.6	(14.1)	250.5	0.0	0.0	250.5
Other financial assets	42.2	0.0	42.2	(1.5)	0.0	40.7
Thereof available-for-sale	0.1	0.0	0.1	0.0	0.0	0.1
Thereof derivatives	3.9	0.0	3.9	(1.5)	0.0	2.4
Thereof other financial assets	38.2	0.0	38.2	0.0	0.0	38.2
TOTAL	**435.4**	**(14.1)**	**421.3**	**(1.5)**	**0.0**	**419.8**

(in EUR million)

	Gross amounts recognized liabilities	Gross amounts offset assets	Net liabilities amounts disclosed in statement of fin. pos.	Assets not offset in the statement of fin. pos.	Cash deposits received not offset in the statement of fin. pos.	Net amounts
June 30, 2015						
Liabilities due to banks	270.6	0.0	270.6	0.0	0.0	270.6
Trade payables	243.9	(7.0)	236.9	0.0	0.0	236.9
Other financial assets	4.0	0.0	4.0	(0.2)	0.0	3.8
Thereof derivatives	5.2	0.0	5.2	(0.2)	0.0	5.0
Thereof other financial liabilities	(1.2)	0.0	(1.2)	0.0	0.0	(1.2)
TOTAL	**518.5**	**(7.0)**	**511.5**	**(0.2)**	**0.0**	**511.3**
Dec. 31, 2014						
Liabilities due to banks	164.3	0.0	164.3	0.0	0.0	164.3
Trade payables	259.8	(4.8)	255.0	0.0	0.0	255.0
Other financial assets	7.6	0.0	7.6	(1.5)	0.0	6.1
Thereof derivatives	7.6	0.0	7.6	(1.5)	0.0	6.1
Thereof other financial liabilities	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**431.7**	**(4.8)**	**426.9**	**(1.5)**	**0.0**	**425.4**

The liabilities of EUR 11.4 million (December 31, 2014: EUR 14.1 million) offset against trade receivables as of the reporting date are outstanding credit notes to customers. The assets offset against trade payables are receivables in the form of supplier credit notes of the HUGO BOSS Group. These amounted to EUR 7.0 million (December 31, 2014: EUR 4.8 million).

Standard master agreements for financial future contracts are in place between the HUGO BOSS Group and its counterparties, governing the offsetting of derivatives. These prescribe that derivative assets and derivative liabilities with the same counterparty can be combined into a single offsetting receivable.

16 // CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities in comparison to December 31, 2014. There were no contingent liabilities or assets as of June 30, 2015.

17 // STATEMENT OF CASH FLOWS

The statement of cash flows of the HUGO BOSS Group shows the change in cash and cash equivalents over the reporting period using cash transactions. In accordance with IAS 7, the sources and applications of cash flows are categorized according to whether they relate to operating, investing or financing activities. The cash inflows and outflows from operating activities are calculated indirectly on the basis of the Group's net income for the period. By contrast, cash flows from investing and financing activities are directly derived from the cash inflows and outflows. The changes in the items of the statement of financial position presented in the statement of cash flows cannot be derived directly from the statement of financial position on account of exchange rate translations.

18 // SEGMENT REPORTING

(in EUR million)

	Europe[1]	**Americas**	**Asia/Pacific**	**Licenses**	**Total operating segments**
Jan. – June 2015					
Sales	**773.3**	**315.2**	**198.8**	**27.3**	**1,314.6**
Segment profit	**244.1**	**81.6**	**53.4**	**21.9**	**401.0**
In % of sales	31.6	25.9	26.8	80.2	30.5
Segment assets	224.8	250.9	118.6	12.2	606.5
Capital expenditure	22.6	19.4	24.5	0.0	66.5
Impairments	0.0	0.0	0.0	0.0	0.0
Thereof property, plant and equipment	0.0	0.0	0.0	0.0	0.0
Thereof intangible assets	0.0	0.0	0.0	0.0	0.0
Depreciation/amortization	(18.0)	(12.0)	(12.3)	0.0	(42.3)

[1] Including the Middle East and Africa.

(in EUR million)

	Europe[1]	Americas	Asia/Pacific	Licenses	Total operating segments
Jan. – June 2014					
Sales	**726.2**	**255.5**	**165.0**	**24.8**	**1,171.5**
Segment profit	**243.0**	**61.3**	**50.0**	**20.4**	**374.7**
In % of sales	33.5	24.0	30.3	82.5	32.0
Segment assets	215.6	171.9	73.7	11.7	472.9
Capital expenditure	21.2	12.3	8.3	0.0	41.8
Impairments	0.0	0.0	0.0	0.0	0.0
Thereof property, plant and equipment	0.0	0.0	0.0	0.0	0.0
Thereof intangible assets	0.0	0.0	0.0	0.0	0.0
Depreciation/amortization	(15.0)	(9.0)	(8.6)	0.0	(32.6)

[1] Including the Middle East and Africa.

RECONCILIATION

SALES

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Sales - operating segments	**1,314.6**	**1,171.5**
Corporate units	0.0	0.0
Consolidation	0.0	0.0
TOTAL	**1,314.6**	**1,171.5**

OPERATING INCOME

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Segment profit – operating segments	**401.0**	**374.7**
Depreciation/amortization – operating segments	(42.3)	(32.6)
Impairments – operating segments	0.0	0.0
Special items – operating segments	0.9	0.7
Operating income (EBIT) – operating segments	**359.6**	**342.8**
Corporate units	(162.4)	(151.3)
Consolidation	0.0	0.1
Operating income (EBIT) HUGO BOSS Group	**197.2**	**191.6**
Net interest income/expenses	**(3.8)**	**(2.0)**
Other financial items	**(3.5)**	**(2.0)**
Earnings before taxes HUGO BOSS Group	**189.9**	**187.6**

SEGMENT ASSETS

(in EUR million)

	June 30, 2015	June 30, 2014	Dec. 31, 2014
Segment assets – operating segments	**606.5**	**472.9**	**553.2**
Corporate units	167.4	223.9	204.7
Consolidation	0.0	0.0	0.0
Current tax receivables	13.4	13.5	8.3
Current financial assets	18.3	18.9	22.5
Other current assets	85.3	79.3	83.1
Cash and cash equivalents	56.3	49.7	128.6
Assets held for sale	0.0	0.0	1.1
Current assets HUGO BOSS Group	**947.2**	**858.2**	**1,001.5**
Non-current assets	730.6	622.9	660.3
Total assets HUGO BOSS Group	**1,677.8**	**1,481.1**	**1,661.8**

CAPITAL EXPENDITURE

(in EUR million)

	June 30, 2015	June 30, 2014	Dec. 31, 2014
Capital expenditure - operating segments	**66.5**	**41.8**	**99.8**
Corporate units	20.9	10.4	34.9
Consolidation	0.0	0.0	0.0
TOTAL	**87.4**	**52.2**	**134.7**

IMPAIRMENTS/WRITE-UPS

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Impairment – operating segments	**0.0**	**0.0**
Corporate units	0.0	0.0
Consolidation	0.0	0.0
TOTAL	**0.0**	**0.0**

DEPRECIATION/AMORTIZATION

(in EUR million)

	Jan. – June 2015	Jan. – June 2014
Depreciation/amortization - operating segments	**42.3**	**32.6**
Corporate units	15.5	16.5
Consolidation	0.0	0.0
TOTAL	**57.8**	**49.1**

GEOGRAPHIC INFORMATION

(in EUR million)

	Third party sales		Non-current assets	
	Jan. – June 2015	Jan. – June 2014	June 30, 2015	Dec. 31, 2014
Germany	217.9	206.5	182.3	180.7
Other European markets	555.3	518.3	203.4	185.4
U.S.A.	254.3	203.7	67.2	58.8
Other North, Central and South American markets	60.9	52.9	17.6	13.6
China	122.7	99.2	44.0	36.5
Other Asian markets	76.2	66.1	60.8	50.2
Licenses	27.3	24.8	15.0	15.0
TOTAL	**1,314.6**	**1,171.5**	**590.3**	**540.2**

19 // SUBSEQUENT EVENTS

Between the end of the first six months of fiscal year 2015 and the publication of this report, there were no material macro-economic, socio-political, sector-related or company-specific changes that the Management expects to have a significant influence on the Company's results of operations, net assets and financial position.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the Group, and the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remaining months of the year.

Metzingen, July 21, 2015

HUGO BOSS AG
The Managing Board

Claus-Dietrich Lahrs
Christoph Auhagen
Mark Langer

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FURTHER INFORMATION

FORWARD-LOOKING STATEMENTS

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 or 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.

FINANCIAL CALENDAR

AUGUST 4, 2015
Publication of the First Half Year Report 2015

NOVEMBER 3, 2015
Publication of the Nine Months Report 2015

NOVEMBER 24, 2015
Investor Day

CONTACTS

INVESTOR RELATIONS
Phone +49 (0) 7123 94 - 80903
E-Mail investor-relations@hugoboss.com

DENNIS WEBER
Head of Investor Relations
Phone +49 (0) 7123 94 - 86267
Fax +49 (0) 7123 94 - 886267

DR. HJÖRDIS KETTENBACH
Head of Corporate Communication
Phone +49 (0) 7123 94 - 2375
Fax +49 (0) 7123 94 - 80237

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