HUGO BOSS

Quarterly Statement for Q3 2019

Metzingen, November 5, 2019

HUGO BOSS expects sales and earnings growth in the fourth quarter – ongoing focus on strategic initiatives

- **Currency-adjusted Group sales remain stable in the third quarter**
- **Sales growth in online business accelerates to 36% in Q3**
- **Challenging market environment in North America and Hong Kong weighs on earnings development in the third quarter**
- **Significant increase in earnings expected in the fourth quarter**

"The challenging market environment demonstrates the importance of focusing on the execution of our strategic priorities," says **Mark Langer, Chief Executive Officer of HUGO BOSS AG**. "Especially in our own online business and in the important growth market China, we are already seeing the successes today. We are also working to significantly improve our profitability in structural terms.
In the important final quarter, we intend to significantly increase our operating profit again."

As already announced in October, the persistent macroeconomic uncertainties weighed on the sales development of HUGO BOSS in the third quarter. Consequently, currency-adjusted Group sales remained at the prior year level. This represents an increase of 1% to EUR 720 million in the reporting currency. In particular, in North America, the market environment further deteriorated. Besides lower local demand, also sales generated with tourists decreased in this market. Overall, currency-adjusted sales in the Americas were 8% below the prior year level. In Asia/Pacific, currency-adjusted sales rose 2%. While in Mainland China, HUGO BOSS once again recorded double-digit growth on a comp store and currency-adjusted basis, business in Hong Kong is substantially negatively affected since the beginning of the political

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unrest and demonstrations. In Europe, currency-adjusted sales also rose 2%, with significant differences in the individual markets. While sales in Great Britain continued to develop positively, sales in Germany were below the prior year level.

In the third quarter, the own retail business recorded currency-adjusted sales growth of 3%. Currency-adjusted comp store sales increased 2%. While growth in the own online business accelerated to 36%, wholesale sales were below the prior year level.

Operating profit (EBIT) decreased 13% to EUR 80 million in the third quarter (excluding the effects of IFRS 16), and thus fell short of expectations. Besides lower than anticipated sales growth, higher operating expenses also contributed to this.

In total, HUGO BOSS achieved currency-adjusted sales growth of 1% in the first nine months of 2019. This corresponds to an increase of 2% to EUR 2,059 million in the reporting currency. At EUR 211 million, EBIT was 10% below the prior year level (excluding the effects of IFRS 16).

Full year 2019 outlook adjusted in October – sales and earnings growth expected in Q4

Against the background of the persistently difficult market environment, HUGO BOSS has already adjusted its financial outlook for the current year in October. Management assumes that currency-adjusted Group sales for full year 2019 will increase at a low single-digit percentage rate. In addition, the Group expects to generate an EBIT of between EUR 330 million and EUR 340 million for the full year (excluding the effects of IFRS 16; prior year: EUR 347 million).

In addition to sales growth, HUGO BOSS consequently also expects a significant increase in operating profit for the fourth quarter. In particular, the own retail business should contribute to this. In this regard, for the final quarter, management expects above all positive effects from the intensification of online partnerships in the concession model and from the ongoing modernization of the store network.

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HUGO BOSS

Focus on the successful implementation of strategic initiatives

Despite the heightened macroeconomic uncertainties that the Group is currently facing, HUGO BOSS continues to make significant progress in executing against its strategic initiatives. One focus is on the continuous optimization of the global retail store network. Since the beginning of October, also the world's largest BOSS flagship store on the Champs-Élysées in Paris has been presenting the latest store concept. At around 1,200 m^2, customers can now experience the complete BOSS Menswear and Womenswear collections in a new ambience. The seamless integration of modern architectural elements and various digital services significantly enhances the shopping experience. The wide product range is rounded off with the personalized offers "BOSS Made to Measure" and "BOSS Made for Me".

In addition, HUGO BOSS opened its new outlet at the Group's headquarters in Metzingen, Germany, in September. Menswear, womenswear as well as shoes and accessories from the BOSS and HUGO brands are offered in the company's largest outlet globally. The well thought-out building structure is characterized by clearly organized brand spaces and guarantees the quick and efficient supply of goods.

In the last few weeks, BOSS also received international attention with two fashion shows in Milan and Shanghai. At the end of September, BOSS Menswear and BOSS Womenswear presented their Spring/Summer 2020 collection in a combined show in the fashion metropolis of Milan. In October, BOSS was again represented at a fashion show in Shanghai for the first time since 2013, thus underlining the importance of China as a strategic growth market for the company. Overall, the response to both fashion shows and the accompanying social media campaigns was extremely positive – thanks also to the close involvement of international bloggers and influencers.

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Q3 sales development by segment

	in EUR million	Change in %	Change in % currency-adjusted
Europe	471	↗ +2	↗ +2
Americas	135	↘ (5)	↘ (8)
Asia/Pacific	91	↗ +5	↗ +2
Licenses	22	↗ +14	↗ +14
Group	**720**	↗ **+1**	→ **0**

- In the third quarter, currency-adjusted Group sales were on the prior year level. In North America, the market environment further deteriorated, resulting in sales declines in the Americas. In Europe, however, sales increased slightly. Growth was also recorded in Asia. However, business in Hong Kong has been substantially negatively affected since the beginning of the political unrest and demonstrations, which had a negative impact on the region's sales development.
  - In **Europe**, sales in the own retail business grew at a mid-single-digit rate. Wholesale sales, on the other hand, declined slightly. While sales in Great Britain increased 5% overall, Germany recorded a decline of 5% against the backdrop of an ongoing challenging market environment. Both distribution channels recorded lower sales as compared to the prior year. In France and the Benelux countries, sales decreased 4% and 5%, respectively. In both markets, slight growth in the own retail business only partially compensated for a decline in wholesale.
  - The difficult market environment in the U.S. and Canada weighed on the sales performance in the **Americas**. Besides lower local demand, sales generated with tourists in North America also declined. While sales in the own retail business in the U.S. were slightly below the prior year level, wholesale sales saw a double-digit decline. Overall, currency-adjusted sales in the U.S. and in Canada were down 10% and 7%, respectively. Latin America recorded a sales decline of 1% in the third quarter.

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- Sales development in **Asia/Pacific** was negatively affected by the political unrest and demonstrations in Hong Kong. A significant double-digit sales decline in this market partially offset the continued strong momentum in Mainland China, where sales on a comp store and currency-adjusted basis again grew at a double-digit rate. In total, currency-adjusted sales in China were 1% below the prior year level. In Japan and Southeast Asia, on the other hand, currency-adjusted sales increased 7% and 3%, respectively.

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Q3 sales development by channel

	in EUR million	Change in %	Change in % currency-adjusted
Group´s own retail business	433	↗ +4	↗ +3
Wholesale	265	↘ (4)	↘ (5)
Licenses	22	↗ +14	↗ +14
Group	**720**	↗ **+1**	→ **0**

- Sales in the **Group's own retail business** (including shop-in-shops, outlets and online stores) showed currency-adjusted growth of 3% in the third quarter.
  - On a comp store and currency-adjusted basis, sales grew 2%. While HUGO BOSS increased currency-adjusted comp store sales in the Asia/Pacific region at a mid-single-digit rate, sales in Europe grew at a low single-digit rate. In the Americas, currency-adjusted comp store sales remained stable.
  - Overall, own retail sales in Europe were up 4% on a currency-adjusted basis and came to EUR 257 million (Q3 2018: EUR 246 million). Sales in the Americas amounted to EUR 93 million (Q3 2018: EUR 92 million). This represents a currency-adjusted sales decrease of 2%. In the Asia/Pacific region, the company achieved a currency-adjusted sales increase of 3% to EUR 82 million in its own retail business (Q3 2018: EUR 77 million).
  - In the third quarter, currency-adjusted sales growth in the own online business accelerated to 36%. Besides intensifying partnerships in the concession model, the further improvement of the own online store hugoboss.com and its expansion to the markets of Scandinavia and Ireland contributed to growth in the online business.
- Sales in the **wholesale business** declined in the third quarter. In particular, the difficult market environment in North America contributed to this development. In addition, the intensification of online partnerships as part of the concession model attributable to the own retail business led to declines in the wholesale channel.

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  - At EUR 214 million, currency-adjusted wholesale sales in Europe were 1% below the prior year level (Q3 2018: EUR 216 million). In the Americas, currency-adjusted sales declined 20% to EUR 42 million (Q3 2018: EUR 50 million). The Asia/Pacific region saw a 7% decrease in currency-adjusted sales to EUR 9 million (Q3 2018: EUR 9 million).
- Sales in the **license business** developed very well in the third quarter. In particular, growth in the fragrances and eyewear product groups contributed to this.

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Q3 sales development by brand and gender

	in EUR million	Change in %	Change in % currency-adjusted
BOSS	614	→ 0	↘ (1)
HUGO	105	↗ +7	↗ +6
Group	**720**	**↗ +1**	**→ 0**

- In the third quarter, sales of the BOSS and HUGO brands developed heterogeneously. While HUGO recorded significant growth, currency-adjusted sales at BOSS declined slightly.
  - Currency-adjusted sales of **BOSS** businesswear were on the prior year level. On the other hand, both casualwear and athleisurewear sales were slightly below the prior year level.
  - **HUGO** continued to benefit from strong double-digit growth in casualwear. This more than compensated for declining sales in businesswear.

	in EUR million	Change in %	Change in % currency-adjusted
Menswear	650	↗ +2	→ 0
Womenswear	69	↘ (1)	↘ (2)
Group	**720**	**↗ +1**	**→ 0**

- Currency-adjusted sales for **menswear** remained stable. Growth in casualwear sales offset a slight decline in businesswear sales.
- The decline in sales in **womenswear** is mainly due to lower sales in businesswear and is primarily attributable to the reduction of retail space of the BOSS brand in freestanding stores in 2018. Growth in casualwear only partially compensated for this.

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Q3 earnings development

Income statement (in EUR million)

	Q3 2019 including IFRS 16	IFRS 16 impact	Q3 2019 excluding IFRS 16	Q3 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Sales	**720**	**0**	**720**	**710**	**1**	**1**
Cost of sales	(264)	0	(264)	(266)	1	1
Gross profit	**456**	**0**	**456**	**444**	**3**	**3**
In % of sales	63.3	0	63.3	62.5	80 bp	80 bp
Operating expenses	**(373)**	**3**	**(375)**	**(351)**	**(6)**	**(7)**
In % of sales	(51.8)	40 bp	(52.1)	(49.5)	(230) bp	(260) bp
Thereof selling and distribution expenses	(306)	3	(308)	(281)	(9)	(10)
Thereof administration expenses	(67)	0	(67)	(68)	1	1
Thereof other operating income and expenses	-	-	-	(3)	-	-
Operating result (EBIT)	**83**	**3**	**80**	**92**	**(10)**	**(13)**
In % of sales	11.5	40 bp	11.2	13.0	(150) bp	(180) bp
Financial result	(8)	(6)	(2)	(3)	<(100)	47
Earnings before taxes	**75**	**(3)**	**79**	**89**	**(15)**	**(12)**
Income taxes	(20)	1	(20)	(23)	15	12
Net income	**56**	**(3)**	**58**	**66**	**(15)**	**(12)**
Income tax rate in %	**26**		**26**	**26**		

- The increase in **gross profit margin** in the third quarter is mainly attributable to positive effects from inventory valuation. In addition, the company benefitted from the growing share of sales from the own retail business. On the other hand, currency effects continued to weigh on the gross profit margin.
- **Operating expenses** were above the prior year level, both in absolute terms and as a percentage of sales.
  - The increase in **selling and distribution expenses** in the third quarter is mainly attributable to investments in the own retail business. In addition to modernizing and selectively expanding the store network over the last twelve months, the expansion of the concession model in the online business over the same period also contributed to the increase. Moreover, increased marketing investments as well as negative currency effects weighed on sales and distribution expenses.
  - **Administration expenses** were slightly below the prior year level. Higher expenses relating to management changes were more than offset by high cost discipline in general administration.

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- The decline in **operating result (EBIT)** in the third quarter is related to the lower than anticipated sales growth and the increase in operating expenses. In addition, currency effects had a negative impact on earnings development in the third quarter. As a result, the **EBIT margin** also declined.
- Also in the third quarter, higher interest expenses resulting from the first-time adoption of IFRS 16 led to a significant increase in the **financial result**, defined as the net expense of the interest result and other financial items. Excluding the effects of IFRS 16, however, the financial result was below the prior year level.
- The **Group's net income** declined, both with and without the effects of IFRS 16 being taken into account.

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Q3 earnings development by segment

Segment profit	in EUR million	Change in %
Europe	128	↘ (3)
Americas	13	↘ (17)
Asia/Pacific	11	↗ +1
Licenses	18	↗ +10

- Starting in fiscal year 2019, **EBIT** replaces EBITDA before special items used by the Group up through 2018 as one of the key performance indicators. As such, from this year onwards, segment profits will also be presented on the basis of EBIT. The corresponding prior year figures therefore deviate from the figures reported in 2018.
- In the third quarter, segment profit in **Europe** was below the prior year level. Higher sales only partially compensated for negative currency effects and an increase in operating expenses. As a result, the EBIT margin decreased 130 basis points to 27.2% (Q3 2018: 28.5%). Excluding the effects of IFRS 16, EBIT decreased 4% to EUR 127 million. This corresponds to an EBIT margin of 26.9%.
- In the **Americas**, lower sales and an increase in operating expenses led to a decrease in the segment profit. At 9.9%, the EBIT margin was down 150 basis points on the prior year (Q3 2018: 11.3%). Excluding the effects of IFRS 16, the EBIT of EUR 13 million was 20% below the prior year level. The corresponding EBIT margin was 9.4%.
- The segment profit for the **Asia/Pacific** region was slightly above the prior year level. The increase in sales was partly offset by higher operating expenses. At 12.2%, the EBIT margin was down 40 basis points on the prior year (Q3 2018: 12.6%). Excluding the effects of IFRS 16, EBIT decreased 5% to EUR 10 million. This corresponds to an EBIT margin of 11.4%.
- The **license** segment profit was significantly up on the prior year due to the increase in sales. The first-time adoption of IFRS 16 did not have any effect on segment profit.

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Net assets and financial position

Sep. 30, 2019	in EUR million	Change in %[1]	Change in % currency-adjusted[1]
TNWC	624	↗ +2	→ 0
Inventories	650	↗ +4	↗ +1
Net financial liabilities	1,222	↗ >100	

[1] Change compared to September 30, 2018.

- Adjusted for currency effects, **trade net working capital (TNWC)** at the end of the third quarter was on the prior year level. While **inventories** recorded a slight increase, the company was able to achieve a further normalization and thus a significant improvement compared to the end of 2018.
- The adoption of IFRS 16 led to a significant increase in **net financial liabilities** due to the first-time inclusion of lease liabilities. Excluding the effects of IFRS 16, net financial liabilities amounted to EUR 201 million and were therefore up 13% on the prior year level. This is mainly attributable to the development of free cash flow of the last twelve months.

July – Sep. 2019	in EUR million	Change in %[1]
Capital expenditure	52	↗ +19
Free cash flow	63	↗ >100

[1] Change compared to Q3 2018.

- Also in the past quarter, **investment activity** was focused on further optimizing and modernizing the own store network. Besides the completion of the newly constructed outlet at the company's headquarters in Metzingen, Germany, the reopening of the world's largest BOSS flagship store on the Champs-Élysées in Paris with the latest store concept also took place in the last few weeks.
- Taking into account IFRS 16, **free cash flow** in the third quarter amounted to EUR 63 million. Excluding IFRS 16, however, free cash flow for the quarter was EUR 0 million (Q3 2018: EUR –18 million). Higher cash inflow from operating

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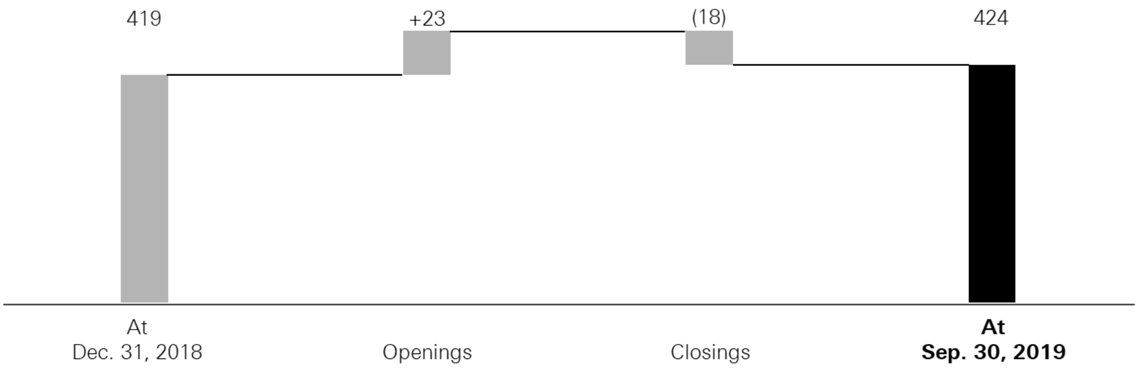
activities as a result of the improvements achieved in trade net working capital was offset by higher capital expenditures in the third quarter.

Network of freestanding retail stores



- The number of own **freestanding retail stores** saw a net increase of five in the first nine months, to 424 (December 31, 2018: 419).
  - 19 newly opened **BOSS stores**, mainly in Asia, contrasted with the closures of 17 stores with expiring leases.
  - In the first nine months, four newly opened **HUGO stores** with their own store concept opened. On the other hand, one store with an expired lease was closed.

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Outlook 2019

	Previous outlook 2019	**Adjusted outlook 2019**
Group sales (currency-adjusted)	Lower end of an increase at a mid-single-digit percentage rate	Increase at a low single-digit percentage rate
Sales by region (currency-adjusted)		
Europe	Increase at a low to mid-single-digit percentage rate	Increase at a low to mid-single-digit percentage rate
Americas	Slight decline	Decrease at a mid- to high single-digit percentage rate
Asia/Pacific	Increase at a mid- to high single-digit percentage rate	Increase at a mid-single-digit percentage rate
Sales by distribution channel (currency-adjusted)		
Group´s own retail business	Increase at a mid- to high single-digit percentage rate	Increase at a low to mid-single-digit percentage rate
Wholesale	Slightly below the prior year level	Decrease at a low single-digit percentage rate
Licenses	Increase at a mid-single-digit percentage rate	Increase at a high single-digit percentage rate
Gross profit margin	Increase of up to 50 basis points	Largely stable development
Operating result (EBIT)[1]	Lower end of an increase at a high single-digit percentage rate	Decrease to an amount of between EUR 330 million to EUR 340 million
Consolidated net income[1]	Increase at a high single-digit percentage rate	Decrease at a mid- to high single-digit percentage rate
Trade net working capital as a percentage of sales	Decrease of 50 to 100 basis points	Increase of up to 50 basis points
Capital expenditure	EUR 170 million to EUR 190 million	EUR 180 million to EUR 190 million
Free cash flow[1]	EUR 210 million to EUR 260 million	EUR 160 million to EUR 180 million

[1] Not considering the anticipated impact of IFRS 16.

- With the announcement of the preliminary results for the third quarter on October 10, 2019, HUGO BOSS has adjusted its financial outlook for full year 2019. The decisive factor has been the increase in macroeconomic uncertainties over the course of the year, which in particular impacted business in North America and Hong Kong.
  - Thus, management now assumes that currency-adjusted **Group sales** for the full year 2019 will increase at a low single-digit percentage rate.
  - In addition, HUGO BOSS now expects to generate **operating profit (EBIT)** of between EUR 330 million and EUR 340 million (excluding the effects of IFRS 16) for the full year (prior year: EUR 347 million).

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- The **Group's net income** is now expected to decrease at a mid- to high single-digit percentage rate. Besides the decrease in operating profit, this outlook reflects an anticipated Group tax rate of around 32% for the full year.
- From now on, the company also expects to generate **free cash flow** of between EUR 160 million and EUR 180 million (excluding the effects of IFRS 16) for the full year. In addition to the expected decrease in earnings, the adjustment of the outlook is also attributable to updated expectations with regard to trade net working capital and capital expenditure.
  - As a result, it is now expected that **trade net working capital as a percentage of sales** in 2019 will be up to 50 basis points above the prior year level. In this regard, the company expects inventories at the end of the year to be roughly on the prior year level.
  - **Capital expenditure** for full year 2019 should add up to an amount of between EUR 180 million and EUR 190 million.
- To facilitate comparison, the **effects of IFRS 16** have not been taken into account in the outlook statements for fiscal year 2019. Based on lease contracts as of September 30, 2019, the Group now expects operating profit (EBIT) to increase by an amount of around EUR 10 million in fiscal year 2019 due to the first-time adoption of IFRS 16 (previous assumption: decrease by a low single-digit million euro amount). At the same time, the Group's net income should decrease by an amount of around EUR 7 million (previous assumption: decrease by a low double-digit million euro amount).

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Financial calendar and contacts

March 5, 2020
Full Year Results 2019

May 5, 2020
First Quarter Results 2020

May 7, 2020
Annual Shareholders' Meeting

August 4, 2020
Second Quarter Results 2020 & First Half Year Report 2020

November 3, 2020
Third Quarter Results 2020

If you have any questions, please contact:

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FINANCIAL INFORMATION

on Q3 and Jan. – Sep. 2019

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

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Sales figures – quarter

(in EUR million)

	Q3 2019	Q3 2018	Change in %	Change in %[1]
Sales	**720**	**710**	**1**	**0**
Sales by segment				
Europe incl. Middle East and Africa	471	462	2	2
Americas	135	142	(5)	(8)
Asia/Pacific	91	87	5	2
Licenses	22	19	14	14
Sales by distribution channel				
Own retail business	433	415	4	3[2]
Wholesale	265	276	(4)	(5)
Licenses	22	19	14	14
Sales by brand				
BOSS	614	612	0	(1)
HUGO	105	98	7	6
Sales by gender				
Menswear	650	640	2	0
Womenswear	69	70	(1)	(2)

[1] currency-adjusted.

[2] on a comp store basis 2%.

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Further key figures – quarter

	Q3 2019 including IFRS 16	IFRS 16 impact	Q3 2019 excluding IFRS 16	Q3 2018	Change in %	Change in %
Results of operations (in EUR million)						
Sales	720	0	720	710	1	1
Gross profit	456	0	456	444	3	3
Gross profit margin in %	63.3	0	63.3	62.5	80 bp	80 bp
EBIT	83	3	80	92	(10)	(13)
EBIT margin in %[1]	11.5	40 bp	11.2	13.0	(150) bp	(180) bp
EBITDA	173	61	112	123	41	(9)
EBITDA margin in %[2]	24.0	850 bp	15.6	17.3	670 bp	(180) bp
Net income attributable to equity holders of the parent company	56	(3)	58	66	(15)	(12)
Financial position (in EUR million)						
Capital expenditure	52	0	52	44	19	19
Free cash flow	63	63	0	(18)	>100	-
Depreciation/amortization	90	58	32	31	>100	3
Additional key figures (in EUR million)						
Personnel expenses	160	0	160	150	7	7
Shares (in EUR)						
Earnings per share	0.81	(0.04)	0.84	0.96	(15)	(12)
Last share price (as of Sep. 30)	49.15	0	49.15	66.32	(26)	(26)
Number of shares (as of Sep. 30)	70,400,000	0	70,400,000	70,400,000	0	0

[1] EBIT/sales.

[2] EBITDA/sales.

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Sales figures – nine months

(in EUR million)

	Jan. – Sep. 2019	Jan. – Sep. 2018	Change in %	Change in %[1]
Sales	**2,059**	**2,013**	**2**	**1**
Sales by segment				
Europe incl. Middle East and Africa	1,304	1,278	2	2
Americas	390	397	(2)	(7)
Asia/Pacific	307	286	7	5
Licenses	58	52	10	10
Sales by distribution channel				
Own retail business	1,290	1,235	4	3[2]
Wholesale	711	726	(2)	(3)
Licenses	58	52	10	10
Sales by brand				
BOSS	1,772	1,742	2	0
HUGO	286	271	6	4
Sales by gender				
Menswear	1,861	1,809	3	1
Womenswear	198	204	(3)	(4)

[1] currency-adjusted.

[2] on a comp store basis 3%.

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Further key figures – nine months

	Jan. – Sep. 2019 including IFRS 16[1]	IFRS 16 impact[1]	Jan. – Sep. 2019 excluding IFRS 16	Jan. – Sep. 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Results of operations (in EUR million)						
Sales	2,059	0	2,059	2,013	2	2
Gross profit	1,325	0	1,325	1,297	2	2
Gross profit margin in %	64.3	0	64.3	64.4	(10) bp	(10) bp
EBIT	220	9	211	235	(6)	(10)
EBIT margin in %[2]	10.7	50 bp	10.2	11.7	(100) bp	(150) bp
EBITDA	481	180	301	327	47	(8)
EBITDA margin in %[3]	23.3	870 bp	14.6	16.2	710 bp	(160) bp
Net income attributable to equity holders of the parent company	145	(6)	150	169	(14)	(11)
Net assets and liability structure as of Sep. 30 (in EUR million)						
Trade net working capital	624	0	624	609	2	0
Trade net working capital in % of sales[4]	20.5	0	20.5	19.4	110 bp	110 bp
Non-current assets	1,686	944	742	668	> 100	11
Equity	947	(5)	952	912	4	4
Equity ratio in %	33.2	(1,670) bp	49.9	51.1	(1.790) bp	(130) bp
Total assets	2,853	946	1,907	1,784	60	7
Financial position (in EUR million)						
Capital expenditure	131	0	131	95	37	37
Free cash flow	198	186	12	14	> 100	(9)
Depreciation/amortization	260	170	90	92	> 100	(1)
Net financial liabilities (as of Sep. 30)	1,222	1,021	201	178	> 100	13
Total leverage (as of Sep. 30)[5]	n.a.	n.a.	0.4	0.4	n.a.	19
Additional key figures						
Employees (as of Sep. 30)	14,436	0	14,436	14,261	1	1
Personnel expenses (in EUR million)	496	0	496	465	7	7
Shares (in EUR)						
Earnings per share	2.10	(0.08)	2.18	2.45	(14)	(11)
Last share price (as of Sep. 30)	49.15	0	49.15	66.32	(26)	(26)
Number of shares (as of Sep. 30)	70,400,000	0	70,400,000	70,400,000	0	0

[1] The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year.

[2] EBIT/sales.

[3] EBITDA/sales.

[4] Moving average on the basis of the last four quarters.

[5] Net financial liabilities/EBITDA before special items.

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Consolidated income statement – quarter

(in EUR million)

	Q3 2019 including IFRS 16	IFRS 16 impact	Q3 2019 excluding IFRS 16	Q3 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Sales	**720**	**0**	**720**	**710**	**1**	**1**
Cost of sales	(264)	0	(264)	(266)	1	1
Gross profit	**456**	**0**	**456**	**444**	**3**	**3**
In % of sales	63.3	0	63.3	62.5	80 bp	80 bp
Operating expenses	**(373)**	**3**	**(375)**	**(351)**	**(6)**	**(7)**
In % of sales	(51.8)	40 bp	(52.1)	(49.5)	(230) bp	(260) bp
Thereof selling and distribution expenses	(306)	3	(308)	(281)	(9)	(10)
Thereof administration expenses	(67)	0	(67)	(68)	1	1
Thereof other operating income and expenses	-	-	-	(3)	-	-
Operating result (EBIT)	**83**	**3**	**80**	**92**	**(10)**	**(13)**
In % of sales	11.5	40 bp	11.2	13.0	(150) bp	(180) bp
Financial result	(8)	(6)	(2)	(3)	<(100)	47
Earnings before taxes	**75**	**(3)**	**79**	**89**	**(15)**	**(12)**
Income taxes	(20)	1	(20)	(23)	15	12
Net income	**56**	**(3)**	**58**	**66**	**(15)**	**(12)**
Earnings per share (in EUR)[1]	**0.81**	**(0.04)**	**0.84**	**0.96**	**(15)**	**(12)**
Income tax rate in %	**26**		**26**	**26**		

[1] Basic and diluted earnings per share.

EBIT and EBITDA – quarter

(in EUR million)

	Q3 2019 including IFRS 16	IFRS 16 impact	Q3 2019 excluding IFRS 16	Q3 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
EBIT	**83**	**3**	**80**	**92**	**(10)**	**(13)**
In % of sales	11.5	40 bp	11.2	13.0	(150) bp	(180) bp
Depreciation and amortization	(90)	(58)	(32)	(31)	<(100)	(3)
EBITDA	**173**	**61**	**112**	**123**	**41**	**(9)**
In % of sales	24.0	850 bp	15.6	17.3	670 bp	(180) bp

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Consolidated income statement – nine months

(in EUR million)

	Jan. – Sep. 2019 including IFRS 16[1]	IFRS 16 impact[1]	Jan. – Sep. 2019 excluding IFRS 16	Jan. - Sep. 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
Sales	**2,059**	**0**	**2,059**	**2,013**	**2**	**2**
Cost of sales	(734)	0	(734)	(716)	(2)	(2)
Gross profit	**1,325**	**0**	**1,325**	**1,297**	**2**	**2**
In % of sales	64.3	0	64.3	64.4	(10) bp	(10) bp
Operating expenses	**(1,105)**	**9**	**(1,114)**	**(1,062)**	**(4)**	**(5)**
In % of sales	(53.6)	50 bp	(54.1)	(52.7)	(90) bp	(140) bp
Thereof selling and distribution expenses	(885)	10	(895)	(843)	(5)	(6)
Thereof administration expenses	(219)	0	(219)	(215)	(2)	(2)
Thereof other operating income and expenses	-	-	-	(4)	-	-
Operating result (EBIT)	**220**	**9**	**211**	**235**	**(6)**	**(10)**
In % of sales	10.7	50 bp	10.2	11.7	(100) bp	(150) bp
Financial result	(24)	(17)	(7)	(7)	<(100)	(6)
Earnings before taxes	**196**	**(7)**	**203**	**228**	**(14)**	**(11)**
Income taxes	(51)	2	(53)	(59)	14	11
Net income	**145**	**(6)**	**150**	**169**	**(14)**	**(11)**
Earnings per share (in EUR)[2]	**2.10**	**(0,08)**	**2.18**	**2.45**	**(14)**	**(11)**
Income tax rate in %	**26**		**26**	**26**		

[1] The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year.

[2] Basic and diluted earnings per share.

EBIT and EBITDA – nine months

(in EUR million)

	Jan. – Sep. 2019 including IFRS 16[1]	IFRS 16 impact[1]	Jan. – Sep. 2019 excluding IFRS 16	Jan. - Sep. 2018	Change in % including IFRS 16	Change in % excluding IFRS 16
EBIT	**220**	**9**	**211**	**235**	**(6)**	**(10)**
In % of sales	10.7	50 bp	10.2	11.7	(100) bp	(150) bp
Depreciation and amortization	(260)	(170)	(90)	(92)	<(100)	1
EBITDA	**481**	**180**	**301**	**327**	**47**	**(8)**
In % of sales	23.3	870 bp	14.6	16.2	710 bp	(160) bp

[1] The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year.

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Consolidated statement of financial position – assets

(in EUR million)

	Sep. 30, 2019 including IFRS 16	**IFRS 16 impact**	**Sep. 30, 2019 excluding IFRS 16**	Sep. 30, 2018	December 31, 2018
Property, plant and equipment	428	0	428	373	389
Intangible assets	193	0	193	179	185
Right-of-use assets	941	941	0	0	0
Deferred tax assets	100	3	97	95	90
Non-current financial assets	22	0	22	19	19
Non-current tax receivables	0	0	0	1	0
Other non-current assets	2	0	2	1	3
Non-current assets	**1,686**	**944**	**742**	**668**	**686**
Inventories	650	0	650	625	618
Trade receivables	223	0	223	219	214
Current tax receivables	39	0	39	45	39
Current financial assets	22	0	22	27	32
Other current assets	133	2	131	113	123
Cash and cash equivalents	100	0	100	87	147
Current assets	**1,167**	**2**	**1,165**	**1,116**	**1,172**
TOTAL	**2,853**	**946**	**1,907**	**1,784**	**1,858**

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Consolidated statement of financial position – equity and liabilities

(in EUR million)

	Sep. 30, 2019 including IFRS 16	IFRS 16 impact	Sep. 30, 2019 excluding IFRS 16	Sep. 30, 2018	December 31, 2018
Subscribed capital	70	0	70	70	70
Own shares	(42)	0	(42)	(42)	(42)
Capital reserve	0	0	0	0	0
Retained earnings	873	(3)	876	859	926
Accumulated other comprehensive income	46	(2)	48	25	26
Equity attributable to equity holders of the parent company	**947**	**(5)**	**952**	**912**	**981**
Non-controlling interests	0	0	0	0	0
Group equity	**947**	**(5)**	**952**	**912**	**981**
Non-current provisions	89	0	89	72	69
Non-current financial liabilities	145	0	145	167	79
Non-current lease liabilities	809	806	3	4	3
Deferred tax liabilities	12	(1)	13	12	13
Other non-current liabilities	1	(60)	60	55	61
Non-current liabilities	**1,056**	**745**	**310**	**310**	**225**
Current provisions	99	0	99	92	98
Current financial liabilities	153	0	153	108	93
Current lease liabilities	216	216	1	0	0
Income tax payables	33	0	33	24	44
Trade payables	249	0	249	235	295
Other current liabilities	100	(9)	109	103	123
Current liabilities	**850**	**206**	**644**	**562**	**653**
TOTAL	**2,853**	**946**	**1,907**	**1,784**	**1,858**

Trade net working capital (TNWC)

(in EUR million)

	Sep. 30, 2019	Sep. 30, 2018	Change in %	Currency-adjusted change in %
Inventories	650	625	4	1
Trade receivables	223	219	2	0
Trade payables	(249)	(235)	6	4
Trade net working capital (TNWC)	**624**	**609**	**2**	**0**

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Consolidated statement of cash flows

(in EUR million)

	Jan. – Sep. 2019 including IFRS 16[1]	IFRS 16 impact[1]	Jan. – Sep. 2019 excluding IFRS 16	Jan. – Sep. 2018
Net income	145	(6)	150	169
Depreciation/amortization	260	170	90	91
Unrealized net foreign exchange gain/loss	(4)	0	(4)	12
Other non-cash transactions	1	0	1	2
Income tax expense/income	51	(2)	53	59
Interest income and expenses	18	17	2	1
Change in inventories	(19)	0	(19)	(83)
Change in receivables and other assets	(3)	0	(3)	(6)
Change in trade payables and other liabilities	(64)	6	(71)	(63)
Result from disposal of non-current assets	(1)	0	(1)	0
Change in provisions for pensions	6	0	6	(3)
Change in other provisions	4	0	4	(12)
Income taxes paid	(65)	0	(65)	(62)
Cash flow from operating activities	**329**	**186**	**143**	**107**
Investments in property, plant and equipment	(106)	0	(106)	(76)
Investments in intangible assets	(24)	0	(24)	(19)
Cash receipts from disposal of property, plant and equipment and intangible assets	0	0	0	2
Cash flow from investing activities	**(131)**	**0**	**(131)**	**(93)**
Dividends paid to equity holders of the parent company	(186)	0	(186)	(183)
Change in current financial liabilities	62	0	62	34
Cash receipts from non-current financial liabilities	72	0	72	110
Repayment of non-current financial liabilities	(7)	0	(7)	(2)
Repayment of current and non-current lease liabilities	(169)	(169)	0	0
Interest paid	(19)	(17)	(2)	(1)
Interest received	1	0	1	1
Cash flow from financing activities	**(247)**	**(186)**	**(61)**	**(40)**
Exchange-rate related changes in cash and cash equivalents	1	0	1	(1)
Change in cash and cash equivalents	**(47)**	**0**	**(47)**	**(29)**
Cash and cash equivalents at the beginning of the period	147	0	147	116
Cash and cash equivalents at the end of the period	**100**	**0**	**100**	**87**

[1] The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year.

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Free cash flow

(in EUR million)

	Jan. – Sep. 2019 including IFRS 16[1]	IFRS 16 impact[1]	Jan. – Sep. 2019 excluding IFRS 16	Jan. – Sep. 2018
Cash flow from operating activities	329	186	143	107
Cash flow from investing activities	(131)	0	(131)	(93)
Free cash flow	**198**	**186**	**12**	**14**

[1] The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year.

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Segment earnings[1] – quarter

(in EUR million)

	Q3 2019 including IFRS 16	In % of sales including IFRS 16	Q3 2018[1]	In % of sales[1]	Change in %
Europe	128	27.2	132	28.5	(3)
Americas	13	9.9	16	11.3	(17)
Asia/Pacific	11	12.2	11	12.6	1
Licenses	18	83.6	17	86.8	10
Earnings of operating segments	**171**	**23.7**	**174**	**24.5**	**(2)**
Corporate units / consolidation	(88)		(82)		(7)
EBIT	**83**	**11.5**	**92**	**13.0**	**(10)**

[1] Starting in fiscal year 2019, EBIT will replace EBITDA before special items used by the Group up through 2018 as one of the key performance indicators. As such, from now on, segment profits will also be presented on the basis of EBIT. The corresponding prior year's figures therefore deviate from the figures reported in 2018.

Segment earnings[1] – nine months

(in EUR million)

	Jan. – Sep. 2019 including IFRS 16[2]	In % of sales including IFRS 16[2]	Jan. – Sep. 2018[1]	In % of sales[1]	Change in %
Europe	344	26.4	358	28.0	(5)
Americas	34	8.7	41	10.3	(17)
Asia/Pacific	65	21.2	53	18.4	23
Licenses	48	82.6	44	83.2	10
Earnings of operating segments	**491**	**23.8**	**496**	**24.6**	**(2)**
Corporate units / consolidation	(271)		(261)		(4)
EBIT	**220**	**10.7**	**235**	**11.7**	**(6)**

[1] Starting in fiscal year 2019, EBIT will replace EBITDA before special items used by the Group up through 2018 as one of the key performance indicators. As such, from now on, segment profits will also be presented on the basis of EBIT. The corresponding prior year's figures therefore deviate from the figures reported in 2018.

[2] The IFRS 16 impact on financials for the period from January to June 2019 has been adjusted in the course of the year.

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Number of own retail stores

Sep. 30, 2019	Freestanding stores	Shop-in-shops	Outlets	TOTAL
Europe	200	312	68	**580**
Americas	93	84	50	**227**
Asia/Pacific	131	108	57	**296**
TOTAL	**424**	**504**	**175**	**1,103**
Dec. 31, 2018[1]				
Europe	200	303	67	**570**
Americas	89	85	52	**226**
Asia/Pacific	130	112	54	**296**
TOTAL	**419**	**500**	**173**	**1,092**

[1] The prior year's figures were adjusted retrospectively as of December 31, 2018. As part of a redefinition of the criteria for differentiating freestanding stores and shop-in-shops, a number of points of sale in the Asia/Pacific region that were previously designated as freestanding stores were reclassified as shop-in-shops. In addition, in the course of the two brand strategy, individual points of sale of the BOSS brand within certain department stores were combined numerically into one shop-in-shop, mainly in Europe and the Americas. Both measures have no impact on the Group's total selling space.

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