PVH – Condensed Financial Analysis
(1/21'-1/25')
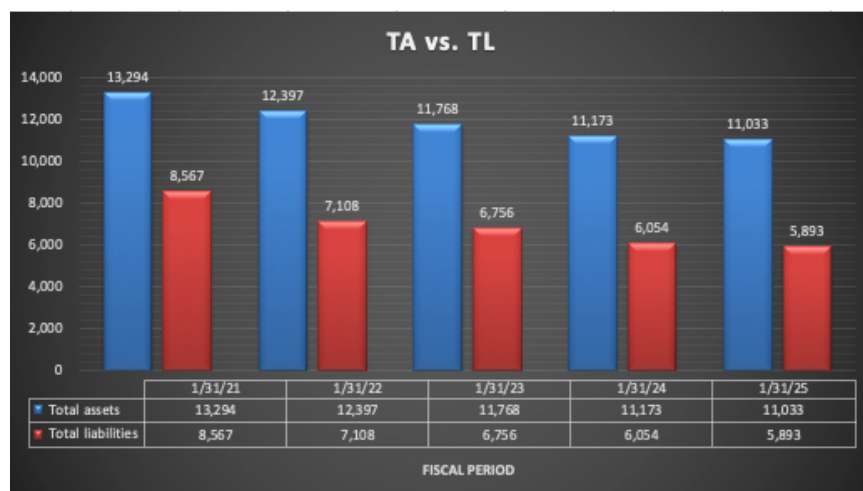

Nick Galvani

Balance Sheet

PVH					
Condensed - Balance Sheet		**Input Area**			
$ in Millions	**1/31/21**	**1/31/22**	**1/31/23**	**1/31/24**	**1/31/25**
Cash & Cash Equivalents	$ 1,651	$ 1,243	$ 551	$ 708	$ 748
Temporary Investments					
Accounts Receivable, net	667	765	945	807	876
Inventories	1,417	1,349	1,803	1,420	1,509
MISC. Prepaid Expenses & OTHER	50	128	72	88	144
Current assets	**3,944**	**3,654**	**3,580**	**3,260**	**3,488**
Property, plant, and equipment, net	2,508	2,255	2,200	2,075	1,899
Equity and Other Investments					
Goodwill and other intangible assets	6,473	6,136	5,609	5,420	5,281
Other assets					
Total assets	**13,294**	**12,397**	**11,768**	**11,173**	**11,033**
Accounts Payable	1,124	1,221	1,327	1,073	1,151
Other Current Liabilities					
Total Current liabilities	**2,582**	**2,788**	**2,768**	**2,772**	**2,742**
Long-term Debt	4,944	3,532	3,324	2,673	2,594
Other long term liabilities	1,040	798	671	615	560
Total liabilities	**8,567**	**7,108**	**6,756**	**6,054**	**5,893**
Preferred Stock					
Common Stock	86	87	88	89	89
Retained earnings	3,613	4,563	4,753	5,407	5,997
Treasury stock	(1,580)	(1,947)	(2,359)	(2,937)	(3,463)
Accumulated Other Comprehensive Income	(519)	(613)	(713)	(754)	(857)
Share Holder Equity	4,730	5,289	5,013	5,119	5,141
Total equity	**13,294**	**12,397**	**11,768**	**11,173**	**11,033**

The balance sheet highlights the PVH's strong financial position, with assets consistently surpassing liabilities. This indicates liquidity and a capacity to support operations and investments.

Total Assets vs. Total Liabilities

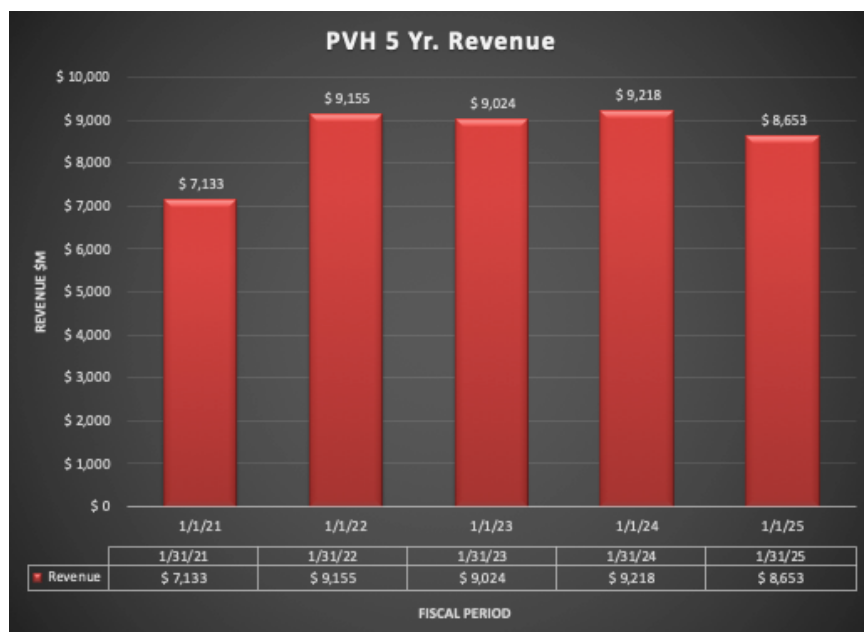| TA vs. TL					
	1/31/21	1/31/22	1/31/23	1/31/24	1/31/25
Total assets	13,294	12,397	11,768	11,173	11,033
Total liabilities	8,567	7,108	6,756	6,054	5,893

FISCAL PERIOD

The bar chart above shows a comparison of the assets vs. liabilities. This comparison reveals a consistent surplus of assets over liabilities, indicating sound financial health and an ability to meet obligations.

Income Statement

| PVH					
Condensed - Income Statement		**Input Area**			
$ in Millions	1/31/21	1/31/22	1/31/23	1/31/24	1/31/25
Revenue	$ 7,133	$ 9,155	$ 9,024	$ 9,218	$ 8,653
Cost of goods sold / Cost of Sales	3,356	3,831	3,901	3,855	3,510
Gross profit	**3,777**	**5,324**	**5,123**	**5,363**	**5,143**
Operating Expenses	3,912	4,366	4,652	4,450	4,390
Operating Income	**(135)**	**958**	**470**	**914**	**753**
Interest Expense	115	106	90	103	97
Non-opp other income / expenses	(75)	(5)	41	2	36
Income Taxes	(56)	21	189	177	107
Income from Continuing Operations	**$ (1,138)**	**$ 952**	**$ 200**	**$ 664**	**$ 599**
Net Income	**$ (1,136)**	**$ 952**	**$ 200**	**$ 664**	**$ 599**
Earnings per share (basic)	$ (15.96)	$ 13.45	$ 3.05	$ 10.88	$ 10.69
Earnings per share (diluted)	$ (15.96)	$ 13.25	$ 3.03	$ 10.76	$ 10.56

The income statement reveals trends in profitability, showcasing revenue growth and fluctuations in net income over the past five years. Despite some variances, the company has maintained a positive bottom line, excluding 2021 (during peak of the pandemic), indicating effective cost control and operational efficiency. The was a dip in 2023 but has since recovered.

5 Year Revenue

PVH 5 Yr. Revenue

	1/31/21	1/31/22	1/31/23	1/31/24	1/31/25
Revenue	$ 7,133	$ 9,155	$ 9,024	$ 9,218	$ 8,653

The graph above illustrates the revenue trend from 2021 to 2025. The graphs show growth until 2023, followed by a slight uptick in 2024 and slight decline in 2025. The decline could indicate challenges such as market saturation, increased competition, or external economic factors, such as the current tariffs and looming idea of a recession. The steady growth prior suggests strong brand performance and customer loyalty. The fluctuation is very subtle after the uptick from 2021 to 2022, post the pandemic peak. Overall the baseline is over a billion more today than it was back in 2021.

5 Year Net Income with Trend Line
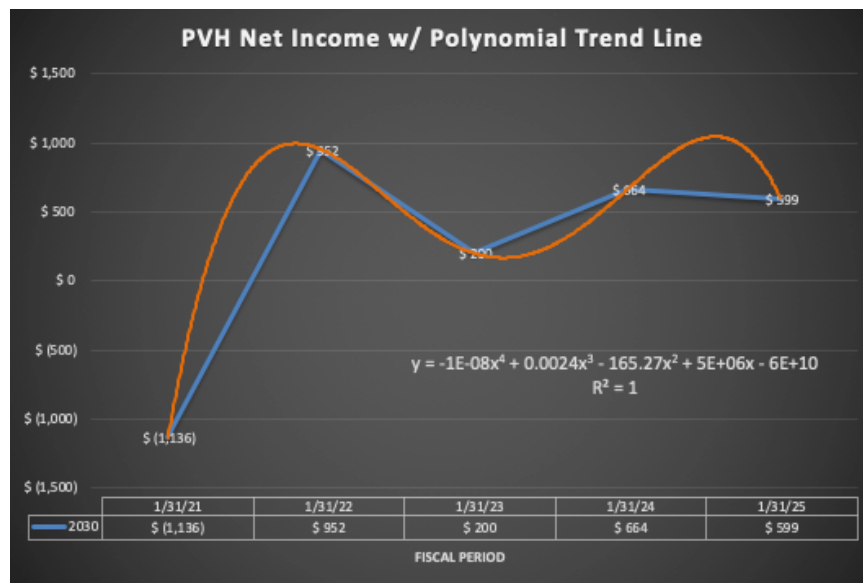
Net income demonstrates a fluctuating pattern, influenced by operational costs, market conditions, or strategic investments. The polynomial trendline provides a more nuanced view, indicating potential cyclical behavior. This suggests that forecasting net income requires factoring in both revenue trends and cost management efficiencies. The R^2 is showing equal to 1, which indicates the formula strongly follows the trend of the variables throughout the time periods. Two things not shown in the graph but on the income statement, is during the past four years, the COGS and operating expenses has increased, along with income taxes increasing significantly over the past three years. These factors have a direct negative impact on Net income. It's important to note, a polynomial regression is not something to trust long term, it currently follows this graph with very little data points, but it can be more erratic with more complex data.

Linear Forecasting: Revenue

Years	Rev.
2021	$ 7,133
2022	$ 9,155
2023	$ 9,024
2024	$ 9,218
2025	$ 8,653
Linear Regression	
y = 310.36x - 619222	
$R^2 = 0.3191$	
2026	$ 9,567
2027	$ 9,878
2028	$ 10,188
2029	$ 10,498
2030	$ 10,809

Revenue Linear Regression

$y = 310.36x - 619222$
$R^2 = 0.3191$
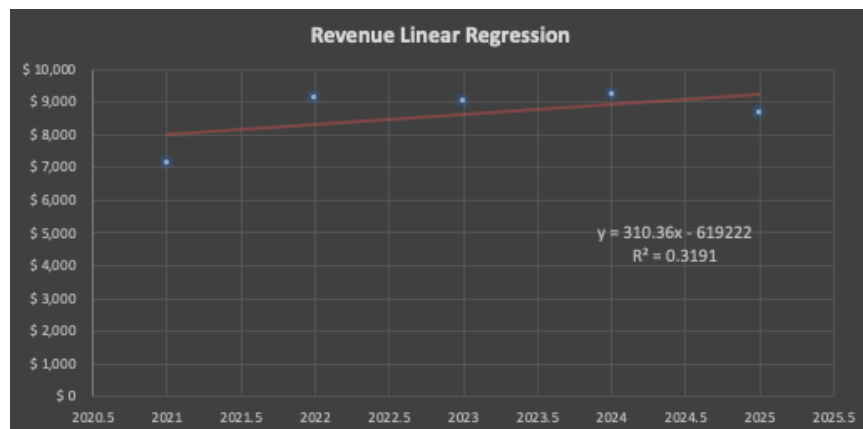
The linear regression model above was selected for its simplicity and utility in projecting revenue trends based on historical data of only five years. The slope (310.36x) indicates an average yearly increase of approximately $310 million in revenue, while the R^2 value of 0.32 suggests low predictive reliability. This model provides a baseline for anticipating steady growth, assuming external factors remain consistent.

5 Year Forecast

Revenue 5 Yr Linear Forecast
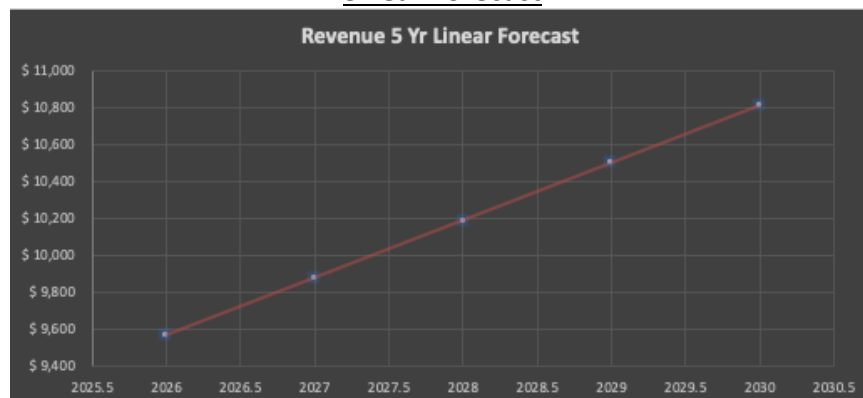
Using the linear regression model from before, I was able to project steady revenue growth for the next five years (2026 to 2030). The model assumes historical trends persist, with annual increases of approximately $310 million. This model is not that accurate, given only an R^2 of

.32. This model gives a simple projection with only one variable but can give some indication of where revenue is headed during the next five years. using a more complex model, such as triple exponential smoothing, which considers trend, seasonality and level. Using formulas that give weights to more recent factors and less to past factors, can give a much more accurate and better predictive formula.

Summary

After analyzing the balance sheet and income statement for PVH over the past five years, I can see that the company is in good overall standing. There are no major red flags or concerns for becoming insolvent. There has been one black swan event over the past five years, and the new administration has added many tariffs and continues to do so, which causes increases in costs for companies and also decrease in spending by the consumers. PVH is still projected to increase their revenue over the next five years, assuming everything stays the same. The total gap between total assets and total liabilities has been shrinking over the past few years, so that is something to keep an eye on. This period in time is unprecedented, so I know PVH is constantly looking for areas to improve on and pivot quickly. This could include finding new manufactures in different countries to cut costs, changing price structures to be more competitive, or even downsizing on overall product portfolio. Overall, they are in good financial health and will continue to be.

Work Cited:

https://www.wsj.com/market-data/quotes/PVH/financials/annual/income-statement

https://www.macrotrends.net/stocks/charts/PVH/pvh/balance-sheet