

URBAN OUTFITTERS, INC.
Consolidated Balance Sheets
(in thousands, except share and per share data)

	January 31, 2018	January 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 282,220	\$ 248,140
Marketable securities	165,125	111,067
Accounts receivable, net of allowance for doubtful accounts of \$1,326 and \$588, respectively	76,962	54,505
Inventory	351,395	338,590
Prepaid expenses and other current assets	103,055	129,095
Total current assets	978,757	881,397
Property and equipment, net	813,768	867,786
Marketable securities	58,688	44,288
Deferred income taxes and other assets	101,567	109,166
Total Assets	<u>\$ 1,952,780</u>	<u>\$ 1,902,637</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 128,246	\$ 119,537
Accrued compensation and benefits	36,058	58,782
Accrued expenses and other current liabilities	195,910	174,609
Total current liabilities	360,214	352,928
Long-term debt	—	—
Deferred rent and other liabilities	291,663	236,625
Total Liabilities	651,877	589,553
Commitments and contingencies (see Note 14)		
Shareholders' equity:		
Preferred shares; \$.0001 par value, 10,000,000 shares authorized, none issued	—	—
Common shares; \$.0001 par value, 200,000,000 shares authorized, 108,248,568 and 116,233,781 shares issued and outstanding, respectively	11	12
Additional paid-in-capital	684	—
Retained earnings	1,310,859	1,347,141
Accumulated other comprehensive loss	(10,651)	(34,069)
Total Shareholders' Equity	1,300,903	1,313,084
Total Liabilities and Shareholders' Equity	<u>\$ 1,952,780</u>	<u>\$ 1,902,637</u>

The accompanying notes are an integral part of these consolidated financial statements.

URBAN OUTFITTERS, INC.
Consolidated Statements of Income
(in thousands, except share and per share data)

	Fiscal Year Ended January 31,		
	2018	2017	2016
Net sales	\$ 3,616,014	\$ 3,545,794	\$ 3,445,134
Cost of sales	2,440,507	2,301,181	2,243,232
Gross profit	1,175,507	1,244,613	1,201,902
Selling, general and administrative expenses	915,615	906,086	848,323
Income from operations	259,892	338,527	353,579
Interest income	4,879	1,879	943
Other income	1,435	2,280	958
Other expenses	(4,840)	(4,587)	(5,449)
Income before income taxes	261,366	338,099	350,031
Income tax expense	153,103	119,979	125,542
Net income	\$ 108,263	\$ 218,120	\$ 224,489
Net income per common share:			
Basic	\$ 0.97	\$ 1.87	\$ 1.79
Diluted	\$ 0.96	\$ 1.86	\$ 1.78
Weighted-average common shares outstanding:			
Basic	111,887,308	116,873,023	125,232,499
Diluted	112,367,924	117,291,117	126,013,414

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URBAN OUTFITTERS, INC.
Consolidated Statements of Cash Flows
(in thousands)

	Fiscal Year Ended January 31,		
	2018	2017	2016
Cash flows from operating activities:			
Net income	\$ 108,263	\$ 218,120	\$ 224,489
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	128,408	135,330	142,722
Provision (benefit) for deferred income taxes	8,329	(4,801)	13,662
Share-based compensation expense	14,517	18,291	15,623
Impairment	11,410	4,341	8,928
Loss on disposition of property and equipment, net	4,037	3,667	1,400
Changes in assets and liabilities:			
Receivables	(21,744)	20,934	(13,820)
Inventory	(8,644)	(9,963)	26,739
Prepaid expenses and other assets	12,967	(10,359)	3,811
Payables, accrued expenses and other liabilities	45,516	39,692	(3,940)
Net cash provided by operating activities	303,059	415,252	419,614
Cash flows from investing activities:			
Cash paid for property and equipment	(83,813)	(143,714)	(134,950)
Cash paid for marketable securities	(281,385)	(318,742)	(265,872)
Sales and maturities of marketable securities	243,818	243,159	374,057
Acquisition of business	—	(15,325)	—
Net cash used in investing activities	(121,380)	(234,622)	(26,765)
Cash flows from financing activities:			
Borrowings under long-term debt	—	—	291,612
Repayments of long-term debt	—	(150,000)	(141,612)
Proceeds from the exercise of share-based awards	—	4,096	46,400
Share repurchases related to share repurchase program	(157,044)	(45,787)	(465,304)
Share repurchases related to taxes for share-based awards	(2,182)	(2,052)	(10,120)
Net cash used in financing activities	(159,226)	(193,743)	(279,024)
Effect of exchange rate changes on cash and cash equivalents	11,627	(4,023)	(3,107)
Increase (decrease) in cash and cash equivalents	34,080	(17,136)	110,718
Cash and cash equivalents at beginning of period	248,140	265,276	154,558
Cash and cash equivalents at end of period	\$ 282,220	\$ 248,140	\$ 265,276
Supplemental cash flow information:			
Cash paid during the year for:			
Income taxes	\$ 83,986	\$ 111,958	\$ 99,359
Non-cash investing activities—Accrued capital expenditures	\$ 10,144	\$ 17,020	\$ 11,607

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