

**CONSOLIDATED BALANCE SHEETS**

	January 31,	
(in millions, except per share amounts)	2018	2017
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 970.7	\$ 928.0
Short-term investments	320.5	57.8
Accounts receivable, less allowances of \$17.2 and \$11.5	231.2	226.8
Inventories, net	2,253.5	2,157.6
Prepaid expenses and other current assets	207.4	203.4
Total current assets	3,983.3	3,573.6
Property, plant and equipment, net	990.5	931.8
Deferred income taxes	188.2	301.8
Other assets, net	306.1	290.4
	<u>\$ 5,468.1</u>	<u>\$ 5,097.6</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Short-term borrowings	\$ 120.6	\$ 228.7
Accounts payable and accrued liabilities	437.4	312.8
Income taxes payable	89.4	22.1
Merchandise credits and deferred revenue	77.4	69.2
Total current liabilities	724.8	632.8
Long-term debt	882.9	878.4
Pension/postretirement benefit obligations	287.4	318.6
Deferred gains on sale-leasebacks	40.5	45.9
Other long-term liabilities	284.3	193.5
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock, \$0.01 par value; authorized 2.0 shares, none issued and outstanding	—	—
Common Stock, \$0.01 par value; authorized 240.0 shares, issued and outstanding 124.5 and 124.5	1.2	1.2
Additional paid-in capital	1,256.0	1,190.2
Retained earnings	2,114.2	2,078.3
Accumulated other comprehensive loss, net of tax	(138.0)	(256.2)
Total Tiffany & Co. stockholders' equity	3,233.4	3,013.5
Non-controlling interests	14.8	14.9
Total stockholders' equity	3,248.2	3,028.4
	<u>\$ 5,468.1</u>	<u>\$ 5,097.6</u>
See notes to consolidated financial statements.		

# CONSOLIDATED STATEMENTS OF EARNINGS

	Years Ended January 31,		
	2018	2017	2016
<i>(in millions, except per share amounts)</i>			
Net sales	\$ 4,169.8	\$ 4,001.8	\$ 4,104.9
Cost of sales	1,565.1	1,511.5	1,613.6
Gross profit	2,604.7	2,490.3	2,491.3
Selling, general and administrative expenses	1,810.2	1,769.1	1,731.2
Earnings from operations	794.5	721.2	760.1
Interest expense and financing costs	42.0	46.0	49.0
Other (income) expense, net	(8.0)	(1.4)	1.2
Earnings from operations before income taxes	760.5	676.6	709.9
Provision for income taxes	390.4	230.5	246.0
Net earnings	\$ 370.1	\$ 446.1	\$ 463.9
Net earnings per share:			
Basic	\$ 2.97	\$ 3.57	\$ 3.61
Diluted	\$ 2.96	\$ 3.55	\$ 3.59
Weighted-average number of common shares:			
Basic	124.5	125.1	128.6
Diluted	125.1	125.5	129.1
<i>See notes to consolidated financial statements.</i>			

# CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Years Ended January 31,		
	2018	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net earnings	\$ 370.1	\$ 446.1	\$ 463.9
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	206.9	208.5	202.5
Amortization of gain on sale-leasebacks	(8.2)	(8.5)	(8.3)
Provision for inventories	28.9	19.2	25.4
Deferred income taxes	96.8	46.1	(1.9)
Provision for pension/postretirement benefits	35.0	45.4	65.8
Share-based compensation expense	28.0	24.3	24.5
Loan impairment charges	3.0	12.6	37.9
Asset impairment charges	10.0	25.4	—
Gains on sales of marketable securities	(3.5)	—	—
Changes in assets and liabilities:			
Accounts receivable	7.0	(19.2)	(16.7)
Inventories	(52.9)	54.8	63.7
Prepaid expenses and other current assets	(28.8)	33.6	1.1
Other assets, net	(3.7)	0.8	(17.5)
Accounts payable and accrued liabilities	98.8	(21.7)	(13.7)
Income taxes payable	149.7	(39.3)	3.1
Merchandise credits and deferred revenue	6.2	1.5	3.0
Other long-term liabilities	(11.1)	(123.9)	(15.4)
Net cash provided by operating activities	932.2	705.7	817.4
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchases of marketable securities and short-term investments	(598.0)	(125.5)	(100.0)
Proceeds from sales of marketable securities and short-term investments	351.4	109.8	73.6
Capital expenditures	(239.3)	(222.8)	(252.7)
Other, net	4.8	1.7	0.9
Net cash used in investing activities	(481.1)	(236.8)	(278.2)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
(Repayment of) proceeds from credit facility borrowings, net	(67.8)	14.2	(11.3)
Proceeds from other credit facility borrowings	39.2	76.8	24.8
Repayment of other credit facility borrowings	(96.1)	(83.1)	(16.0)
Proceeds from the issuance of long-term debt	—	98.1	—
Repayment of long-term debt	—	(97.1)	—
Repurchase of Common Stock	(99.2)	(183.6)	(220.4)
Proceeds from exercised stock options	54.6	15.3	2.0
Payments related to tax withholding for share-based payment arrangements	(8.7)	(2.9)	(1.6)
Cash dividends on Common Stock	(242.6)	(218.8)	(203.4)
Distribution to non-controlling interest	(0.5)	(3.8)	—
Financing fees	—	(1.5)	(0.2)
Net cash used in financing activities	(421.1)	(386.4)	(426.1)
Effect of exchange rate changes on cash and cash equivalents	12.7	1.9	0.5
Net increase in cash and cash equivalents	42.7	84.4	113.6
Cash and cash equivalents at beginning of year	928.0	843.6	730.0
Cash and cash equivalents at end of year	\$ 970.7	\$ 928.0	\$ 843.6
See notes to consolidated financial statements.			

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