

COTY INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)

	Year Ended June 30,		
	2019	2018	2017
Net revenues	\$ 8,648.5	\$ 9,398.0	\$ 7,650.3
Cost of sales	3,306.5	3,607.8	3,028.3
Gross profit	5,342.0	5,790.2	4,622.0
Selling, general and administrative expenses	4,563.9	5,018.1	4,040.7
Amortization expense	353.5	352.8	275.1
Restructuring costs	44.2	173.2	374.8
Acquisition-related costs	—	64.2	355.4
Asset impairment charges	3,851.9	—	—
Loss (gain) on sale of brand assets	—	28.6	(3.1)
Operating (loss) income	(3,471.5)	153.3	(420.9)
Interest expense, net	275.7	265.0	218.6
Loss on early extinguishment of debt	—	10.7	—
Other expense, net	30.9	30.1	18.5
Loss before income taxes	(3,778.1)	(152.5)	(658.0)
Benefit for income taxes	(8.5)	(24.7)	(259.5)
Net loss	(3,769.6)	(127.8)	(398.5)
Net income attributable to noncontrolling interests	2.5	2.0	15.4
Net income attributable to redeemable noncontrolling interests	12.1	39.0	8.3
Net loss attributable to Coty Inc.	\$ (3,784.2)	\$ (168.8)	\$ (422.2)
Net loss attributable to Coty Inc. per common share:			
Basic	\$ (5.04)	\$ (0.23)	\$ (0.66)
Diluted	(5.04)	(0.23)	(0.66)
Weighted-average common shares outstanding:			
Basic	751.2	749.7	642.8
Diluted	751.2	749.7	642.8

See notes to Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except per share data)

	June 30, 2019	June 30, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 340.4	\$ 331.6
Restricted cash	40.0	30.6
Trade receivables—less allowances of \$48.1 and \$81.8, respectively	1,161.2	1,536.0
Inventories	1,153.3	1,148.9
Prepaid expenses and other current assets	577.8	603.9
Total current assets	3,272.7	3,651.0
Property and equipment, net	1,600.6	1,680.8
Goodwill	5,073.8	8,607.1
Other intangible assets, net	7,422.3	8,284.4
Deferred income taxes	146.3	107.4
Other noncurrent assets	149.7	299.5
TOTAL ASSETS	\$ 17,665.4	\$ 22,630.2
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 1,732.7	\$ 1,928.6
Accrued expenses and other current liabilities	1,483.7	1,844.4
Short-term debt and current portion of long-term debt	193.8	218.9
Income and other taxes payable	66.9	52.1
Total current liabilities	3,477.1	4,044.0
Long-term debt, net	7,469.9	7,305.4
Pension and other post-employment benefits	593.5	533.3
Deferred income taxes	652.5	842.5
Other noncurrent liabilities	427.2	388.5
Total liabilities	12,620.2	13,113.7
COMMITMENTS AND CONTINGENCIES (Note 25)		
REDEEMABLE NONCONTROLLING INTERESTS	451.8	661.3
EQUITY:		
Preferred stock, \$0.01 par value; 20.0 shares authorized; 9.4 and 5.0 issued and outstanding, at June 30, 2019 and 2018, respectively	0.1	—
Class A Common Stock, \$0.01 par value; 1,000.0 shares authorized, 819.2 and 815.8 issued and 754.2 and 750.7 outstanding at June 30, 2019 and 2018, respectively	8.1	8.1
Additional paid-in capital	10,620.5	10,750.8
Accumulated deficit	(4,541.2)	(626.2)
Accumulated other comprehensive (loss) income	(58.8)	158.8
Treasury stock—at cost, shares: 65.0 at June 30, 2019 and 2018, respectively	(1,441.8)	(1,441.8)
Total Coty Inc. stockholders' equity	4,586.9	8,849.7
Noncontrolling interests	6.5	5.5
Total equity	4,593.4	8,855.2
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY	\$ 17,665.4	\$ 22,630.2

See notes to Consolidated Financial Statements.

COTY INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended June 30,		
	2019	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	\$ (3,769.6)	\$ (127.8)	\$ (398.5)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	736.0	737.0	555.1
Asset impairment charges	3,851.9	—	—
Deferred income taxes	(175.7)	(101.7)	(390.0)
Provision for bad debts	11.6	24.0	23.4
Provision for pension and other post-employment benefits	29.5	32.4	53.6
Share-based compensation	14.8	30.6	24.6
Loss on assets under restructuring programs	27.8	15.6	6.7
Loss (gain) on sale of brand assets	—	28.6	(3.1)
Loss on early extinguishment of debt	—	10.7	—
Other	43.1	(16.9)	19.2
Change in operating assets and liabilities, net of effects from purchase of acquired companies:			
Trade receivables	344.9	(79.6)	(279.8)
Inventories	(21.9)	(60.0)	162.3
Prepaid expenses and other current assets	11.5	(107.6)	(105.7)
Accounts payable	(127.3)	159.5	540.9
Accrued expenses and other current liabilities	(378.1)	(22.5)	479.2
Income and other taxes payable	66.4	(83.2)	85.0
Other noncurrent assets	24.5	(17.9)	23.4
Other noncurrent liabilities	(49.8)	(7.5)	(38.8)
Net cash provided by operating activities	639.6	413.7	757.5
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(426.6)	(446.4)	(432.3)
Payments for business combinations, net of cash acquired	(40.8)	(278.0)	(742.6)
Proceeds from sale of long term assets, including assets under restructuring programs	13.4	36.8	11.3
Net cash used in investing activities	(454.0)	(687.6)	(1,163.6)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from short-term debt, original maturity more than three months	—	—	9.5
Repayments of short-term debt, original maturity more than three months	—	—	(10.2)
Net proceeds from (repayments of) short-term debt, original maturity less than three months	(21.3)	21.0	(49.2)
Proceeds from revolving loan facilities	2,183.3	3,185.5	2,244.4
Repayments of revolving loan facilities	(1,729.1)	(3,643.2)	(2,074.4)
Proceeds from term loans and other long term debt	—	7,467.2	1,075.0
Repayments of term loans and other long term debt	(189.8)	(6,492.6)	(136.1)
Dividend payments	(346.2)	(375.8)	(372.6)
Net proceeds from issuance of Class A Common Stock and Series A Preferred Stock	5.9	22.6	22.8
Payments for purchases of Class A Common Stock held as Treasury Stock	—	—	(36.3)
Net (payments) proceeds for foreign currency contracts	(0.4)	12.4	(1.2)
Distributions to mandatorily redeemable financial interests, redeemable noncontrolling interests and noncontrolling interests	(38.1)	(66.4)	(42.3)
Purchase of additional mandatorily redeemable financial interests, redeemable noncontrolling interests and noncontrolling interests	—	—	(9.8)
Payment of debt issuance costs	(17.4)	(55.1)	(24.4)
All other	(7.2)	(6.3)	—