

**PVH CORP.**

**CONSOLIDATED INCOME STATEMENTS**  
**(In millions, except per share data)**

	2017	2016	2015
Net sales	\$ 8,439.4	\$ 7,791.4	\$ 7,605.5
Royalty revenue	366.3	320.6	324.8
Advertising and other revenue	109.1	91.1	90.0
Total revenue	8,914.8	8,203.1	8,020.3
Cost of goods sold (exclusive of depreciation and amortization)	4,020.4	3,832.8	3,858.7
Gross profit	4,894.4	4,370.3	4,161.6
Selling, general and administrative expenses	4,248.2	3,636.7	3,417.7
Debt modification and extinguishment costs	23.9	15.8	—
Other noncash gain, net	—	71.3	—
Equity in net income of unconsolidated affiliates	10.1	0.1	16.6
Income before interest and taxes	632.4	789.2	760.5
Interest expense	128.5	120.9	117.0
Interest income	6.3	5.9	4.0
Income before taxes	510.2	674.2	647.5
Income tax (benefit) expense	(25.9)	125.5	75.1
Net income	536.1	548.7	572.4
Less: Net loss attributable to redeemable non-controlling interest	(1.7)	(0.3)	—
Net income attributable to PVH Corp.	\$ 537.8	\$ 549.0	\$ 572.4
Basic net income per common share attributable to PVH Corp.	\$ 6.93	\$ 6.84	\$ 6.95
Diluted net income per common share attributable to PVH Corp.	\$ 6.84	\$ 6.79	\$ 6.89

See notes to consolidated financial statements.

**PVH CORP.**

**CONSOLIDATED BALANCE SHEETS**  
(In millions, except share and per share data)

	February 4, 2018	January 29, 2017
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 493.9	\$ 730.1
Trade receivables, net of allowances for doubtful accounts of \$21.1 and \$15.0	658.5	616.0
Other receivables	37.9	25.4
Inventories, net	1,591.3	1,317.9
Prepaid expenses	184.5	133.2
Other	64.7	57.0
Total Current Assets	3,030.8	2,879.6
Property, Plant and Equipment, net	899.8	759.9
Goodwill	3,834.7	3,469.9
Tradenames	2,928.4	2,783.4
Other Intangibles, net	798.2	826.6
Other Assets, including deferred taxes of \$25.4 and \$17.4	393.8	348.5
Total Assets	\$ 11,885.7	\$ 11,067.9
<b>LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 889.8	\$ 682.6
Accrued expenses	923.1	832.4
Deferred revenue	39.2	30.7
Short-term borrowings	19.5	19.1
Current portion of long-term debt	—	—
Total Current Liabilities	1,871.6	1,564.8
Long-Term Debt	3,061.3	3,197.3
Other Liabilities, including deferred taxes of \$663.0 and \$877.7	1,414.4	1,499.3
Redeemable Non-Controlling Interest	2.0	2.0
Stockholders' Equity:		
Preferred stock, par value \$100 per share; 150,000 total shares authorized	—	—
Common stock, par value \$1 per share; 240,000,000 shares authorized; 84,851,079 and 83,923,184 shares issued	84.9	83.9
Additional paid in capital – common stock	2,941.2	2,866.2
Retained earnings	3,625.2	3,098.0
Accumulated other comprehensive loss	(321.5)	(710.8)
Less: 7,672,317 and 5,371,660 shares of common stock held in treasury, at cost	(793.4)	(532.8)
Total Stockholders' Equity	5,536.4	4,804.5
Total Liabilities, Redeemable Non-Controlling Interest and Stockholders' Equity	\$ 11,885.7	\$ 11,067.9

See notes to consolidated financial statements.

PVH CORP.

CONSOLIDATED STATEMENTS OF CASH FLOWS  
(In millions)

	2017	2016	2015
OPERATING ACTIVITIES			
Net income	\$ 536.1	\$ 548.7	\$ 572.4
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation and amortization	324.9	321.8	257.4
Equity in net income of unconsolidated affiliates	(10.1)	(0.1)	(16.6)
Deferred taxes	(224.6) <sup>(1)</sup>	1.3	(8.7)
Stock-based compensation expense	44.9	38.2	42.0
Impairment of long-lived assets	7.5	10.1	11.4
Actuarial loss (gain) on retirement and benefit plans	2.5	(39.1)	(20.2)
Settlement loss on retirement plans	9.4	—	—
Debt modification and extinguishment costs	23.9	15.8	—
Gain to write-up equity investment in joint venture to fair value	—	(153.1)	—
Net loss on deconsolidation of subsidiary	—	81.8	—
Changes in operating assets and liabilities:			
Trade receivables, net	3.3	22.3	33.2
Inventories, net	(163.5)	2.2	(96.2)
Accounts payable, accrued expenses and deferred revenue	185.9	166.9	58.6
Prepaid expenses	(41.0)	19.2	(21.3)
Employer pension contributions	(0.3)	(100.0)	(1.5)
Other, net	0.9	19.7	94.6
Net cash provided by operating activities	699.8	955.7	905.1
INVESTING ACTIVITIES <sup>(2)</sup>			
Business acquisitions, net of cash acquired	(40.1)	(157.7)	—
Purchases of property, plant and equipment	(358.1)	(246.6)	(263.8)
Contingent purchase price payments	(56.4)	(53.7)	(51.3)
Proceeds from sale of building	3.4	16.7	—
Change in restricted cash	—	—	20.2
Investments in and advance to unconsolidated affiliates	(14.2)	(32.0)	(26.6)
Payment received on advance to unconsolidated affiliate	6.3	6.2	—
Loan to a supplier	—	(13.8)	—
Net cash used by investing activities	(459.1)	(480.9)	(321.5)
FINANCING ACTIVITIES <sup>(2)</sup>			
Net proceeds from (payments on) short-term borrowings	0.4	(6.8)	17.4
Proceeds from 3 1/8% senior notes, net of related fees	701.6	—	—
Redemption of 4 1/2% senior notes, including premium	(715.8)	—	—
Proceeds from 2016 facilities, net of related fees	—	571.1	—
Repayment of Term Loan B in connection with amendment to 2014 facilities	—	(582.0)	—
Repayment of 2016/2014 facilities	(250.0)	(350.0)	(350.0)
Proceeds from 3 5/8% senior notes, net of related fees	—	389.6	—
Net proceeds from settlement of awards under stock plans	30.0	13.1	7.4
Cash dividends	(11.9)	(12.2)	(12.5)
Acquisition of treasury shares	(259.1)	(322.1)	(138.4)
Payments of capital lease obligations	(5.1)	(7.0)	(7.8)
Contributions from non-controlling interest	1.7	2.2	—
Net cash used by financing activities	(508.2)	(304.1)	(483.9)
Effect of exchange rate changes on cash and cash equivalents	31.3	3.0	(22.6)
(Decrease) increase in cash and cash equivalents	(236.2)	173.7	77.1
Cash and cash equivalents at beginning of year	730.1	556.4	479.3
Cash and cash equivalents at end of year	\$ 493.9	\$ 730.1	\$ 556.4

<sup>(1)</sup> Includes the impact of the recent tax legislation. See Note 9 for further information.

<sup>(2)</sup> See Note 18 for information on noncash investing and financing transactions.

See notes to consolidated financial statements.