

**RALPH LAUREN CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**

	March 30, 2019	March 31, 2018
	(millions)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 584.1	\$ 1,304.6
Short-term investments	1,403.4	699.4
Accounts receivable, net of allowances of \$192.2 million and \$222.2 million	398.1	421.4
Inventories	817.8	761.3
Income tax receivable	32.1	38.0
Prepaid expenses and other current assets	359.3	323.7
Total current assets	3,594.8	3,548.4
Property and equipment, net	1,039.2	1,186.3
Deferred tax assets	67.0	86.6
Goodwill	919.6	950.5
Intangible assets, net	163.7	188.0
Other non-current assets	158.5	183.5
Total assets	\$ 5,942.8	\$ 6,143.3
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term debt	\$ —	\$ 10.1
Current portion of long-term debt	—	298.1
Accounts payable	202.3	165.6
Income tax payable	29.4	30.0
Accrued expenses and other current liabilities	968.4	1,083.4
Total current liabilities	1,200.1	1,587.2
Long-term debt	689.1	288.0
Income tax payable	146.7	124.8
Non-current liability for unrecognized tax benefits	78.8	79.2
Other non-current liabilities	540.9	606.7
Commitments and contingencies (Note 14)		
Total liabilities	2,655.6	2,685.9
Equity:		
Class A common stock, par value \$.01 per share; 102.9 million and 102.0 million shares issued; 52.2 million and 55.4 million shares outstanding	1.0	1.0
Class B common stock, par value \$.01 per share; 25.9 million shares issued and outstanding	0.3	0.3
Additional paid-in-capital	2,493.8	2,383.4
Retained earnings	5,979.1	5,752.2
Treasury stock, Class A, at cost; 50.7 million and 46.6 million shares	(5,083.6)	(4,581.0)
Accumulated other comprehensive loss	(103.4)	(98.5)
Total equity	3,287.2	3,457.4
Total liabilities and equity	\$ 5,942.8	\$ 6,143.3

See accompanying notes.

**RALPH LAUREN CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Fiscal Years Ended		
	March 30, 2019	March 31, 2018	April 1, 2017
	(millions, except per share data)		
<b>Net revenues</b>	\$ 6,313.0	\$ 6,182.3	\$ 6,652.8
Cost of goods sold	(2,427.0)	(2,430.6)	(3,001.7)
<b>Gross profit</b>	3,886.0	3,751.7	3,651.1
Selling, general, and administrative expenses	(3,168.3)	(3,095.5)	(3,171.0)
Impairment of assets	(25.8)	(50.0)	(253.8)
Restructuring and other charges	(130.1)	(108.0)	(318.6)
<b>Total other operating expenses, net</b>	(3,324.2)	(3,253.5)	(3,743.4)
<b>Operating income (loss)</b>	561.8	498.2	(92.3)
Interest expense	(20.7)	(18.2)	(12.4)
Interest income	40.8	12.3	7.3
Other income (expense), net	0.6	(3.1)	(7.5)
<b>Income (loss) before income taxes</b>	582.5	489.2	(104.9)
Income tax benefit (provision)	(151.6)	(326.4)	5.6
<b>Net income (loss)</b>	\$ 430.9	\$ 162.8	\$ (99.3)
<b>Net income (loss) per common share:</b>			
Basic	\$ 5.35	\$ 1.99	\$ (1.20)
Diluted	\$ 5.27	\$ 1.97	\$ (1.20)
<b>Weighted-average common shares outstanding:</b>			
Basic	80.6	81.7	82.7
Diluted	81.7	82.5	82.7
Dividends declared per share	\$ 2.50	\$ 2.00	\$ 2.00

See accompanying notes.

**RALPH LAUREN CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Fiscal Years Ended		
	March 30, 2019	March 31, 2018	April 1, 2017
	(millions)		
<b>Cash flows from operating activities:</b>			
Net income (loss)	\$ 430.9	\$ 162.8	\$ (99.3)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization expense	281.3	295.2	307.5
Deferred income tax expense (benefit)	8.5	84.1	(38.9)
Loss on sale of property	11.6	—	—
Non-cash stock-based compensation expense	88.6	74.5	63.6
Non-cash impairment of assets	25.8	50.0	253.8
Non-cash restructuring-related inventory charges	7.2	7.6	197.9
Other non-cash charges	6.9	11.9	34.4
Changes in operating assets and liabilities:			
Accounts receivable	10.1	34.5	54.1
Inventories	(90.8)	57.8	120.4
Prepaid expenses and other current assets	(40.5)	(15.1)	(27.8)
Accounts payable and accrued liabilities	(4.7)	64.6	112.9
Income tax receivables and payables	29.7	165.1	(34.0)
Deferred income	(16.5)	1.4	(20.7)
Other balance sheet changes	35.7	(19.3)	28.7
<b>Net cash provided by operating activities</b>	<b>783.8</b>	<b>975.1</b>	<b>952.6</b>
<b>Cash flows from investing activities:</b>			
Capital expenditures	(197.7)	(161.6)	(284.0)
Purchases of investments	(3,030.8)	(1,605.6)	(860.4)
Proceeds from sales and maturities of investments	2,357.5	1,582.7	942.4
Acquisitions and ventures	(4.5)	(4.6)	(6.1)
Proceeds from sale of property	20.0	—	—
Settlement of net investment hedges	(23.8)	—	—
<b>Net cash used in investing activities</b>	<b>(879.3)</b>	<b>(189.1)</b>	<b>(208.1)</b>
<b>Cash flows from financing activities:</b>			
Proceeds from the issuance of short-term debt	—	10.1	3,735.2
Repayments of short-term debt	(9.9)	—	(3,851.3)
Proceeds from the issuance of long-term debt	398.1	—	—
Repayments of long-term debt	(300.0)	—	—
Payments of capital lease obligations	(19.6)	(28.2)	(27.3)
Payments of dividends	(190.7)	(162.4)	(164.8)
Repurchases of common stock, including shares surrendered for tax withholdings	(502.6)	(17.1)	(215.2)
Proceeds from exercise of stock options	21.8	0.1	5.0
Other financing activities	(2.8)	—	—
<b>Net cash used in financing activities</b>	<b>(605.7)</b>	<b>(197.5)</b>	<b>(518.4)</b>
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	(27.8)	55.2	(16.4)
Net increase (decrease) in cash, cash equivalents, and restricted cash	(729.0)	643.7	209.7
Cash, cash equivalents, and restricted cash at beginning of period	1,355.5	711.8	502.1
Cash, cash equivalents, and restricted cash at end of period	\$ 626.5	\$ 1,355.5	\$ 711.8

See accompanying notes.