URBAN OUTFITTERS, INC.

Consolidated Balance Sheets (in thousands, except share and per share data)

		January 31, 2019		January 31, 2018	
ASSETS		_			
Current assets:					
Cash and cash equivalents	\$	358,260	\$	282,220	
Marketable securities		279,232		165,125	
Accounts receivable, net of allowance for doubtful accounts of \$1,499 and \$1,326, respectively		80,461		76,962	
Inventory		370,507		351,395	
Prepaid expenses and other current assets		114,296		103,055	
Total current assets		1,202,756		978,757	
Property and equipment, net		796,029		813,768	
Marketable securities		57,292		58,688	
Deferred income taxes and other assets		104,438		101,567	
Total Assets	\$	2,160,515	\$	1,952,780	
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Accounts payable	\$	144,414	\$	128,246	
Accrued compensation and benefits		54,799		36,058	
Accrued expenses and other current liabilities		187,431		195,910	
Total current liabilities		386,644		360,214	
Long-term debt		_		_	
Deferred rent and other liabilities		284,773		291,663	
Total Liabilities	' <u></u>	671,417		651,877	
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, 105,642,283 and 108,248,568					
shares issued and outstanding, respectively		11		11	
Additional paid-in-capital		_		684	
Retained earnings		1,516,190		1,310,859	
Accumulated other comprehensive loss		(27,103)		(10,651)	
Total Shareholders' Equity		1,489,098		1,300,903	
Total Liabilities and Shareholders' Equity	\$	2,160,515	\$	1,952,780	

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,				
	2019		2018		2017
Net sales	\$ 3,950,623	\$	3,616,014	\$	3,545,794
Cost of sales	2,603,911		2,440,507		2,301,181
Gross profit	1,346,712		1,175,507		1,244,613
Selling, general and administrative expenses	965,399		915,615		906,086
Income from operations	381,313		259,892		338,527
Interest income	9,530		4,879		1,879
Other income	1,035		1,435		2,280
Other expenses	(6,325)		(4,840)		(4,587)
Income before income taxes	385,553		261,366		338,099
Income tax expense	87,550		153,103		119,979
Net income	\$ 298,003	\$	108,263	\$	218,120
Net income per common share:					
Basic	\$ 2.75	\$	0.97	\$	1.87
Diluted	\$ 2.72	\$	0.96	\$	1.86
Weighted-average common shares outstanding:					
Basic	108,303,594		111,887,308		116,873,023
Diluted	109,706,007		112,367,924		117,291,117

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

URBAN OUTFITTERS, INC.

Consolidated Statements of Cash Flows (in thousands)

Share-based compensation expense 18,104 14,517 18,291 Impairment 3,544 11,410 4,341 Loss on disposition of property and equipment, net 3,492 4,037 3,667 Changes in assets and liabilities: 8,605 21,744 20,934 Receivables (4,012) (21,744) 20,934 Inventory (21,696) (8,644) (9,963) Prepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net cash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities 28,805 (8,843) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities (36,646) (281,385) (318,742) Sales and maturities of marketable securities (26,7072 243,818 243,159 Acquisition of business — — — (15,325) Net cash used		Fiscal Year Ended January 31,					
Net income \$ 298,003 \$ 108,263 \$ 218,120 Adjustments to reconcile net income to net cash provided by operating activities: activities: Depreciation and amortization 117,986 128,408 135,330 Genefity provision for deferred income taxes (11,141) 8,329 (4,801) Share-based compensation expense 18,104 14,517 18,291 Impairment 3,542 11,410 4,341 Loss on disposition of property and equipment, net 3,492 4,037 3,667 Changes in assets and liabilities 3,492 4,037 3,667 Receivables (4,012) (21,744) 20,934 Inventory (21,696) (8,644) 9,093 Prepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 3,602 446,624 303,059 415,252 Cash flows from investing activities 3,962 4,813 4,152 4,252			2019		2018		2017
Adjustments to reconcile net income to net cash provided by operating activities: Depreciation and amortization 117,986 128,408 135,330 (Benefit) provision for deferred income taxes (11,414) 8,329 (4,801) Share-based compensation expense 18,104 14,517 18,291 Impairment 3,544 11,410 4,341 Loss on disposition of property and equipment, net 3,544 11,410 4,341 Loss on disposition of property and equipment, net 3,492 4,037 3,667 Changes in assets and liabilities: Receivables (4,012) (21,744) 20,934 Inventory (21,696) (8,644) (9,663) Prepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 45,516 39,692 Payables, accrued expenses and other liabilities 34,022 44,692 20,393 Payables, accrued expenses and other liabilities 34,022 20,022 24,023 24,022 24,022 24,023 24,022 24,02	Cash flows from operating activities:						
Recivities	Net income	\$	298,003	\$	108,263	\$	218,120
(Benefit) provision for deferred income taxes (11,414) 8,329 (4,801) Share-based compensation expense 18,104 14,517 18,291 Impairment 3,544 11,410 4,341 Loss on disposition of property and equipment, net 3,492 4,037 3,667 Changes in assets and liabilities: 8 (4,012) (21,744) 20,934 Inventory (21,696) (8,644) (9,963) Prepaid expenses and other assets 8,605 12,967 (10,559) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net eash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813)	activities:						
Share-based compensation expense 18,104 14,517 18,291 Impairment 3,544 11,410 4,341 Loss on disposition of property and equipment, net 3,492 4,037 3,667 Changes in assets and liabilities: 3,492 (21,744) 20,934 Receivables (4,012) (21,744) 20,934 Inventory (21,696) (8,644) (9,963) Pepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net cash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities 26,002 (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities 267,072 243,818 243,159 Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business - - (15,025) Net cash used in investing activities	Depreciation and amortization		117,986		128,408		135,330
Impairment 3,544 11,410 4,341 Loss on disposition of property and equipment, net 3,492 4,037 3,667 Changes in assets and liabilities: Tecevivables (4,012) (21,744) 20,934 Inventory (21,696) (8,644) (9,663) Pepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net cash provided by operating activities 446,624 303,059 415,252 Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities 396,646 (281,385) 318,742 Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business ————————————————————————————————————	(Benefit) provision for deferred income taxes		(11,414)		8,329		(4,801)
Loss on disposition of property and equipment, net			18,104		14,517		18,291
Changes in assets and liabilities: Receivables	1		3,544		11,410		4,341
Receivables (4,012) (21,744) 20,934 Inventory (21,696) (8,644) (9,663) Prepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net cash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business ————————————————————————————————————	Loss on disposition of property and equipment, net		3,492		4,037		3,667
Inventory	Changes in assets and liabilities:						
Prepaid expenses and other assets 8,605 12,967 (10,359) Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net cash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities (114,924) (83,813) (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business — — — (15,325) Net cash used in investing activities (244,498) (12,380) (234,622) Cash flows from financing activities (244,498) (12,380) (234,622) Cash flows from financing activities — — — (150,000) Proceeds from the exercise of share-based awards 13,618 — — — (150,000) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) <	Receivables						
Payables, accrued expenses and other liabilities 34,012 45,516 39,692 Net cash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities: 88,813 (143,714) Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business - - - (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities - - - (15,325) Net cash used in investing activities - - (15,000) (234,622) Cash flows from financing activities - - (150,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) (21,000) <							(9,963)
Net cash provided by operating activities 446,624 303,059 415,252 Cash flows from investing activities: (114,924) (83,813) (143,714) Cash paid for property and equipment (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business — — (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities — — — (15,000) Proceeds from the exercise of share-based awards 13,618 — — (150,000) Proceeds from the exercise of share-based awards 13,618 — — — (150,000) Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (8,605				(10,359)
Cash flows from investing activities: Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business — — (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities — — — (150,000) Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Ca	Payables, accrued expenses and other liabilities		34,012		45,516		39,692
Cash paid for property and equipment (114,924) (83,813) (143,714) Cash paid for marketable securities (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business — — — (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities: — — — (150,000) Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 Supplemental cash flow information: — — —	Net cash provided by operating activities		446,624		303,059		415,252
Cash paid for marketable securities (396,646) (281,385) (318,742) Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business — — — (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities: — — — (150,000) Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Effect of exchange rate changes on cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$358,260 \$282,220 \$248,140 Supplemental cash flow information: C	Cash flows from investing activities:		_				
Sales and maturities of marketable securities 267,072 243,818 243,159 Acquisition of business — — — (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities: — — — (150,000) Proceeds from the exercise of share-based awards — — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$358,260 282,220 \$248,140 Supplemental cash flow information: Cash paid during the year for: 102,211 <	Cash paid for property and equipment		(114,924)		(83,813)		(143,714)
Acquisition of business — — — (15,325) Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities: Repayments of long-term debt — — (150,000) Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: 11,958 Income taxes \$ 102,211 \$ 83,986 \$ 111,958	Cash paid for marketable securities		(396,646)		(281,385)		(318,742)
Net cash used in investing activities (244,498) (121,380) (234,622) Cash flows from financing activities: — — (150,000) Repayments of long-term debt — — (150,000) Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 282,220 248,140 Supplemental cash flow information: Cash paid during the year for: 10,221 \$ 83,986 111,958	Sales and maturities of marketable securities		267,072		243,818		243,159
Cash flows from financing activities: Repayments of long-term debt — (150,000) Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$358,260 282,220 \$248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$102,211 \$83,986 \$111,958	Acquisition of business		<u> </u>				(15,325)
Repayments of long-term debt	Net cash used in investing activities		(244,498)		(121,380)		(234,622)
Proceeds from the exercise of share-based awards 13,618 — 4,096 Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958	Cash flows from financing activities:		_				_
Share repurchases related to share repurchase program (121,397) (157,044) (45,787) Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: \$ 102,211 \$ 83,986 \$ 111,958	Repayments of long-term debt		_		_		(150,000)
Share repurchases related to taxes for share-based awards (10,245) (2,182) (2,052) Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: \$ 102,211 \$ 83,986 \$ 111,958	Proceeds from the exercise of share-based awards		13,618		_		4,096
Net cash used in financing activities (118,024) (159,226) (193,743) Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958	Share repurchases related to share repurchase program		(121,397)		(157,044)		(45,787)
Effect of exchange rate changes on cash and cash equivalents (8,062) 11,627 (4,023) Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958	Share repurchases related to taxes for share-based awards		(10,245)		(2,182)		(2,052)
Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958	Net cash used in financing activities		(118,024)		(159,226)		(193,743)
Increase (decrease) in cash and cash equivalents 76,040 34,080 (17,136) Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958	Effect of exchange rate changes on cash and cash equivalents		(8,062)		11,627		(4,023)
Cash and cash equivalents at beginning of period 282,220 248,140 265,276 Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958			76,040		34,080		(17,136)
Cash and cash equivalents at end of period \$ 358,260 \$ 282,220 \$ 248,140 Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958			282,220				
Supplemental cash flow information: Cash paid during the year for: Income taxes \$ 102,211 \$ 83,986 \$ 111,958		\$	358,260	\$	282,220	\$	248,140
Cash paid during the year for: \$ 102,211 \$ 83,986 \$ 111,958	•		<u> </u>				
Income taxes <u>\$ 102,211</u> <u>\$ 83,986</u> <u>\$ 111,958</u>							
		\$	102.211	\$	83,986	\$	111.958
	Non-cash investing activities—Accrued capital expenditures	\$	7,193	\$	10,144	\$	17,020

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