

# CALVIN KLEIN

## Seductive, Minimalist *CALVIN KLEIN* Products Generated \$9.1 Billion in 2017 Global Retail Sales

### Business Strategies

Enhancing global brand relevance through marketing campaigns and consumer engagement initiatives that are based on consumer insights.

Innovating and driving product improvement and expansion, particularly within denim, accessories and underwear.

Growing and elevating the consumer shopping experience, including digital commerce, specialty stores and travel retail, while opportunistically opening specialized brick and mortar locations and modernizing our presence in department stores.

Expanding globally and extending greater control of the brand by taking back licensed businesses to operate them directly.

### Financial History

(\$ IN MILLIONS)	2015	2016	2017
TOTAL REVENUE	\$2,923	\$3,135	\$3,462
REVENUE GROWTH	2%	7%	10%
EBIT*	\$434	\$425	\$411
EBIT MARGIN*	14.9%	13.6%	11.9%

\*2015 and 2016 EBIT figures exclude certain amounts that were deemed non-recurring or non-operational. See back of page for GAAP to non-GAAP reconciliations.

### Product Categories



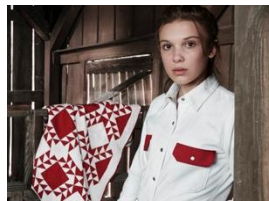
**CALVIN KLEIN  
205 W39 NYC**

Our "halo" brand, offering men's and women's high-end designer apparel and accessories, as well as items for the home. *CALVIN KLEIN BY APPOINTMENT*, a bespoke collection, launched in April 2017.



**CK CALVIN KLEIN**

Our "contemporary" brand, offering modern, sophisticated items including apparel and accessories.



**CALVIN KLEIN**

Our "master" brand, offering men's and women's sportswear, outerwear, fragrance, accessories, footwear, performance apparel, men's dress furnishings, women's dresses, suits and handbags, and items for the home.



**CALVIN KLEIN JEANS**

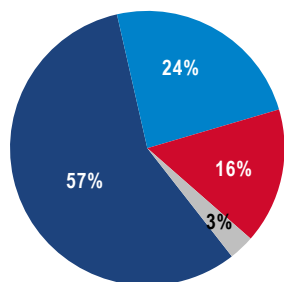
The casual expression of the *CALVIN KLEIN* brand with roots in denim, offering men's and women's jeanswear, related apparel and accessories. *CALVIN KLEIN* jeanswear is known for its unique details and innovative washes.



**CALVIN KLEIN  
UNDERWEAR**

Known across the globe for provocative, cutting-edge products and marketing campaigns and consistently delivering innovative designs with superior fit and quality. Offerings include men's and women's underwear, women's intimates, sleepwear and loungewear.

### 2017 Global Retail Sales Overview



GLOBAL RETAIL SALES BY REGION



(1) Includes the U.S., Canada and Mexico. (2) Includes Central and South America and the Caribbean. (3) Includes Australia and New Zealand. (4) Includes the Middle East and Africa. (5) Includes franchisee and distributor locations. (6) Includes concession and franchisee locations. (7) Includes concession, franchisee and distributor locations.

# EBIT Reconciliations

(\$ IN MILLIONS)

		GAAP EBIT	ADJUSTMENTS	NON-GAAP EBIT	NON-GAAP EBIT %
2016 <sup>(1)</sup>	TOTAL CALVIN KLEIN	\$334	(\$91)	\$425	13.6%
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2015 <sup>(2)</sup>	TOTAL CALVIN KLEIN	\$413	(\$21)	\$434	14.9%

(1) ADJUSTMENTS FOR 2016 REPRESENT THE ELIMINATION OF (i) THE COSTS INCURRED IN CONNECTION WITH OUR INTEGRATION OF THE WARNACO GROUP, INC. ("WARNACO") AND THE RELATED RESTRUCTURING; (ii) THE NONCASH LOSS RECORDED IN CONNECTION WITH THE DECONSOLIDATION OF OUR SUBSIDIARY THAT PRINCIPALLY OPERATED AND MANAGED OUR CALVIN KLEIN BUSINESS IN MEXICO IN CONNECTION WITH THE FORMATION OF A JOINT VENTURE IN MEXICO TO OPERATE THAT AND OTHER BUSINESSES; AND (iii) THE COSTS INCURRED IN CONNECTION WITH THE RESTRUCTURING ASSOCIATED WITH THE GLOBAL CREATIVE STRATEGY FOR CALVIN KLEIN.

(2) ADJUSTMENTS FOR 2015 REPRESENT THE ELIMINATION OF THE COSTS INCURRED IN CONNECTION WITH OUR INTEGRATION OF WARNACO AND THE RELATED RESTRUCTURING.