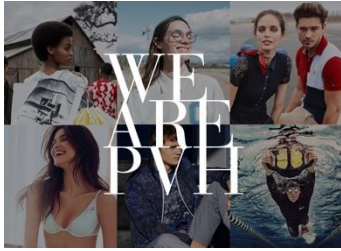


**PVH**

# We are PVH, One of the World's Largest Apparel Companies with \$8.9 Billion in 2017 Revenues



## PVH CORP 2017

Global Retail Sales: ~\$20B  
Reported Revenue: \$8.9B  
EBIT Margin\*: 9.7%

## CALVIN KLEIN 2017

Global Retail Sales: \$9.1B  
Reported Revenue: \$3.5B  
EBIT Margin: 11.9%

## TOMMY HILFIGER 2017

Global Retail Sales: \$7.4B  
Reported Revenue: \$3.9B  
EBIT Margin\*: 12.9%

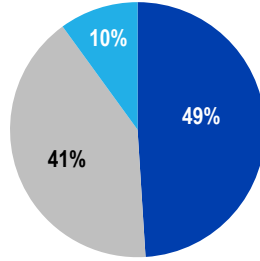
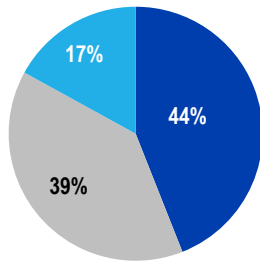
## HERITAGE BRANDS 2017

Global Retail Sales: \$3.4B  
Reported Revenue: \$1.6B  
EBIT Margin: 6.7%

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

## 2017 Financial Breakdown by Business

Calvin Klein & Tommy Hilfiger currently account for Over 80% of PVH's revenues and 90%<sup>(1)</sup> of PVH's EBIT



TOTAL REVENUE BY BUSINESS

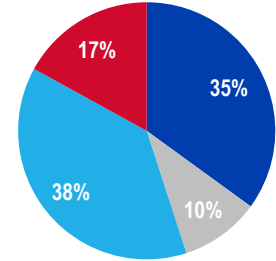
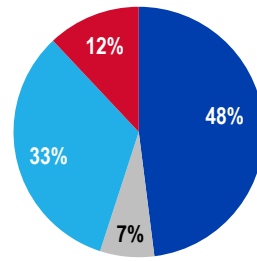
EBIT BY BUSINESS<sup>(1)</sup>

■ CALVIN KLEIN ■ TOMMY HILFIGER ■ HERITAGE BRANDS

(1) Figures exclude certain amounts that were deemed non-recurring or non-operational, as well as corporate expenses. See back of page for GAAP to non-GAAP reconciliation of EBIT.

## 2017 Financial Breakdown by Region

Just over 50% of PVH's revenues and approximately 65% of PVH's EBIT<sup>(1)</sup> are generated outside the U.S.



TOTAL REVENUE BY REGION

EBIT BY REGION<sup>(1)(2)</sup>

■ U.S. ■ AMERICAS (EXCLUDING U.S.) ■ ASIA PACIFIC ■ EUROPE

(1) Figures exclude certain amounts that were deemed non-recurring or non-operational, as well as corporate expenses.  
(2) Americas (excluding U.S.) includes Canada, Mexico, South America, Central America and the Caribbean; Europe includes the Middle East and Africa; Asia Pacific includes Australia and New Zealand.

## 2012-2017 Financial Summary <sup>(1)</sup>

	2012	2013 <sup>(2)</sup>	2014	2015	2016	2017	CAGR
(DOLLARS IN MILLIONS, EXCEPT PER SHARE DATA)							
<b>TOTAL REVENUE</b>	\$6,043	\$8,216	\$8,241	\$8,020	\$8,203	\$8,915	8%
REVENUE GROWTH	3%	36%	0%	(3%)	2%	9%	-
<b>GROSS PROFIT</b>	\$3,249	\$4,305	\$4,333	\$4,142	\$4,378	\$4,894	9%
GROSS PROFIT MARGIN	53.8%	52.4%	52.6%	51.6%	53.4%	54.9%	-
<b>EBIT</b>	\$752	\$967	\$921	\$842	\$794	\$864	3%
EBIT MARGIN	12.4%	11.8%	11.2%	10.5%	9.7%	9.7%	-
<b>EARNINGS PER SHARE (EPS)</b>	\$6.58	\$7.03	\$7.30	\$7.05	\$6.80	\$7.94	4%
EPS GROWTH	21%	7%	4%	(3%)	(4%)	17%	-

(1) Some figures exclude certain amounts that were deemed non-recurring or non-operational. 2012-2016 figures reconciled in PVH's current reports on Form 8-K filed with the SEC on 3/25/14, 3/23/16 and 3/22/17, which are available on sec.gov and through the investors page on PVH.com. See back of page for GAAP to non-GAAP reconciliations of 2017 figures.  
(2) Warnaco acquisition closed on 2/13/13.

## Strategic Priorities

**DRIVE** consumer engagement by investing in brand, product, channel and in-store and online experiences.

**EXPAND** CALVIN KLEIN's and TOMMY HILFIGER's worldwide reach and extend direct control over licensed businesses.

**INVEST** in and evolve our operating platforms through our systems, consumer data, speed to market, digitalization, supply chain initiatives and centers of excellence.

**DEVELOP** a talented and skilled organization that embodies our core values by attracting and retaining talent through associate engagement and career growth opportunities, while providing an inclusive workplace where every individual is valued.

**GENERATE** free cash flow by accelerating topline growth and focusing on margin and working capital opportunities, while maximizing returns.

# 2017 GAAP to NON-GAAP Reconciliations

(\$ IN MILLIONS, EXCEPT PER SHARE DATA)

	GAAP	ADJUSTMENTS <sup>(1)</sup>	NON-GAAP	NON-GAAP EBIT%
<b>EBIT</b>				
CALVIN KLEIN	\$411	-	\$411	11.9%
TOMMY HILFIGER	\$318	(\$184)	\$502	12.9%
HERITAGE BRANDS	\$104	-	\$104	6.7%
CORPORATE	<u>(\$201)</u>	<u>(\$48)</u>	<u>(\$153)</u>	
TOTAL EBIT	\$632	(\$232)	\$864	9.7%
<b>NET INCOME PER COMMON SHARE ATTRIBUTABLE TO PVH CALCULATION</b>				
NET INCOME	\$538	(\$86)	\$624	
TOTAL SHARES FOR DILUTED NET INCOME PER COMMON SHARE	<u>79</u>		<u>79</u>	
DILUTED NET INCOME PER COMMON SHARE	\$6.84		\$7.94	

(1) ADJUSTMENTS FOR 2017 REPRESENT THE ELIMINATION OF (i) THE COSTS INCURRED RELATED TO THE ACQUISITION OF THE 55% INTEREST IN TH ASIA, LTD. ("TH CHINA"), OUR FORMER JOINT VENTURE FOR TOMMY HILFIGER IN CHINA, THAT WE DID NOT ALREADY OWN (THE "TH CHINA ACQUISITION"), PRIMARILY CONSISTING OF NONCASH AMORTIZATION OF SHORT-LIVED ASSETS; (ii) THE COSTS INCURRED IN CONNECTION WITH AGREEMENTS TO RESTRUCTURE OUR SUPPLY CHAIN RELATIONSHIP WITH LI & FUNG TRADING LIMITED ("LI & FUNG"), UNDER WHICH WE TERMINATED OUR NON-EXCLUSIVE BUYING AGENCY AGREEMENT WITH LI & FUNG IN 2017; (iii) THE COSTS INCURRED IN CONNECTION WITH THE RELOCATION OF THE TOMMY HILFIGER OFFICE IN NEW YORK, INCLUDING NONCASH DEPRECIATION EXPENSE; (iv) THE COSTS INCURRED IN CONNECTION WITH THE NONCASH SETTLEMENT OF CERTAIN OF OUR BENEFIT OBLIGATIONS RELATED TO OUR RETIREMENT PLANS AS A RESULT OF AN ANNUITY PURCHASED FOR CERTAIN PARTICIPANTS, UNDER WHICH SUCH OBLIGATIONS WERE TRANSFERRED TO AN INSURER; (v) THE NET COSTS INCURRED IN CONNECTION WITH THE CONSOLIDATION WITHIN OUR WAREHOUSE AND DISTRIBUTION NETWORK IN NORTH AMERICA, WHICH INCLUDED A GAIN RECORDED ON THE SALE OF A WAREHOUSE AND DISTRIBUTION CENTER; (vi) THE COSTS INCURRED IN CONNECTION WITH AN AMENDMENT TO MR. TOMMY HILFIGER'S EMPLOYMENT AGREEMENT PURSUANT TO WHICH WE MADE A CASH BUYOUT OF A PORTION OF THE FUTURE PAYMENT OBLIGATION; (vii) THE COSTS INCURRED IN CONNECTION WITH THE EARLY REDEMPTION OF OUR \$700 MILLION 4 1/2% SENIOR NOTES; (viii) THE COSTS INCURRED IN CONNECTION WITH THE ISSUANCE OF OUR €600 MILLION 3 1/8% SENIOR NOTES; (ix) THE RECOGNIZED ACTUARIAL LOSS ON RETIREMENT PLANS; (x) THE TAX EFFECTS ASSOCIATED WITH THE FOREGOING PRE-TAX ITEMS; (xi) THE TAX BENEFITS ASSOCIATED WITH DISCRETE ITEMS RELATED TO THE RESOLUTION OF UNCERTAIN TAX POSITIONS; (xii) THE DISCRETE NET TAX BENEFIT RECORDED IN CONNECTION WITH THE ENACTMENT OF THE U.S. TAX CUTS AND JOBS ACT OF 2017 IN THE FOURTH QUARTER OF 2017; AND (xiii) THE DISCRETE TAX BENEFIT RELATED TO AN EXCESS TAX BENEFIT FROM THE EXERCISE OF STOCK OPTIONS BY OUR CHIEF EXECUTIVE OFFICER.