

CALVIN KLEIN

SEDUCTIVE, MINIMALIST *CALVIN KLEIN* PRODUCTS
GENERATED \$8.4 BILLION IN 2016 GLOBAL RETAIL SALES

BUSINESS STRATEGIES

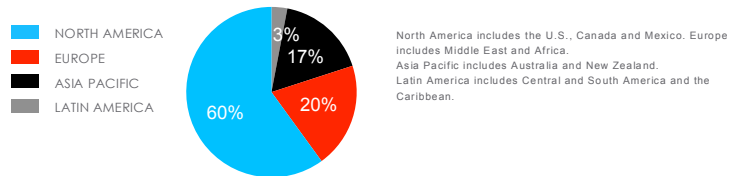
- Enhancing global brand relevance and premium designer status worldwide through marketing campaigns and consumer engagement initiatives designed to drive growth and further resonate with more youth-minded consumers.
- Driving product improvement and expansion, particularly within apparel, accessories and women's intimates.
- Pursuing growth channels, including digital commerce, specialty stores and travel retail, while opportunistically opening specialized brick & mortar locations.
- Gaining greater control of the brand, as we continue to evolve from licensor to owner.
- Evolving our supply chain, including through our speed to market initiatives, to drive efficiencies and other benefits.

FINANCIAL HISTORY*

(\$ IN MILLIONS)	2014	2015	2016
TOTAL REVENUES	\$2,859	\$2,923	\$3,135
REVENUE GROWTH	2%	2%	7%
2016 CONSTANT CURRENCY REVENUE GROWTH	-	-	9%
EBIT	\$401	\$434	\$425
EBIT MARGIN	14.0%	14.9%	13.6%
2016 CONSTANT CURRENCY EBIT MARGIN	-	-	15.2%

*EBIT figures exclude certain amounts that were deemed non-recurring or non-operational. Constant currency figures exclude the impact of foreign currency. See back of page for GAAP to non-GAAP and constant currency reconciliations.

2016 GLOBAL RETAIL SALES BY REGION



PRODUCT CATEGORIES

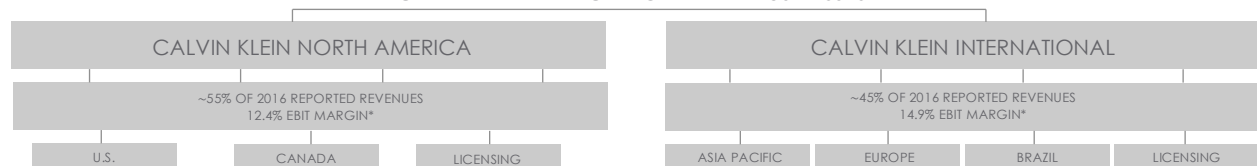
	NORTH AMERICA ~190 STORES	EUROPE ~825 STORES ⁽¹⁾	ASIA PACIFIC (INCL JVs) ~1,925 STORES ⁽²⁾	LATIN AMERICA DISTRIBUTORS	BRAZIL ~110 STORES ⁽³⁾	DIGITAL COMMERCE
CALVIN KLEIN - 205W39NYC Our "halo" brand, under which men's and women's high-end designer ready-to-wear apparel & accessories, as well as items for the home, are sold. This line was formerly called <i>Calvin Klein Collection</i> . <i>Calvin Klein By Appointment</i> , a bespoke collection, was launched in April 2017.	•	•	•			• (OWNED & THIRD PARTY)
CK CALVIN KLEIN Our "contemporary" brand, offering modern, sophisticated, fashionable items including apparel and accessories. This line was formerly called <i>Calvin Klein Platinum</i> . The line is sold online in the U.S. and distribution is growing internationally across select markets.	•	•	•			• (OWNED & THIRD PARTY)
CALVIN KLEIN Our "master" brand includes offerings such as 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.	•	• (OUTLET)	• (AUSTRALIA & INDIA)	•	•	• (OWNED & THIRD PARTY)
CALVIN KLEIN JEANS Offerings include men's and women's jeans and related apparel, which are distributed worldwide, and accessories, which are distributed in Europe, Asia and Brazil. With roots in denim, it is the casual expression of the <i>CALVIN KLEIN</i> brand and is known for its unique details and innovative washes.	•	•	•	•	•	• (OWNED & THIRD PARTY)
CALVIN KLEIN UNDERWEAR As one of the world's leading designer underwear brands for men and women, <i>Calvin Klein Underwear</i> is known across the globe for provocative, cutting-edge products and marketing campaigns, consistently delivering innovative designs with superior fit and quality.	•	•	•	•	•	• (OWNED & THIRD PARTY)

North America includes the U.S., Canada and Mexico; Europe includes Middle East and Africa; Latin America includes Central and South America and the Caribbean; Asia Pacific includes Australia and New Zealand.

(1) Includes concession, franchisee and distributor locations. (2) Includes concession and franchisee locations. (3) Includes franchisee and distributor locations.

ORGANIZATION CHART

CALVIN KLEIN DIRECTLY OPERATED BUSINESSES



*Excludes certain amounts deemed non-recurring or non-operational. See back of page for GAAP to non-GAAP reconciliations.

GAAP TO NON – GAAP RECONCILIATIONS

(\$ IN MILLIONS)

REVENUE RECONCILIATION

		REVENUES	FOREIGN EXCHANGE IMPACT	CONSTANT CURRENCY REVENUES
2016	CALVIN KLEIN NORTH AMERICA	\$1,690		
2016	CALVIN KLEIN INTERNATIONAL	\$1,445		
2016	TOTAL CALVIN KLEIN	\$3,135	(\$53)	\$3,188
2015	TOTAL CALVIN KLEIN	\$2,923		
2014	TOTAL CALVIN KLEIN	\$2,859		

EBIT RECONCILIATIONS

		GAAP EBIT	ADJUSTMENTS	NON-GAAP EBIT	FOREIGN EXCHANGE IMPACT	CONSTANT CURRENCY EBIT	NON-GAAP EBIT%	CONSTANT CURRENCY EBIT%
2016 ⁽¹⁾	CALVIN KLEIN NORTH AMERICA	\$124	(\$86)	\$210			12.4%	
2016 ⁽²⁾	CALVIN KLEIN INTERNATIONAL	\$210	(\$5)	\$215			14.9%	
2016 ⁽¹⁾	TOTAL CALVIN KLEIN	\$334	(\$91)	\$425	(\$58)	\$483	13.6%	15.2%
2015 ⁽³⁾	TOTAL CALVIN KLEIN	\$413	(\$21)	\$434			14.9%	
2014 ⁽⁴⁾	TOTAL CALVIN KLEIN	\$344	(\$57)	\$401			14.0%	

(1) ADJUSTMENTS FOR 2016 REPRESENT THE ELIMINATION OF (i) THE COSTS INCURRED IN CONNECTION WITH THE INTEGRATION OF WARNACO AND THE RELATED RESTRUCTURING; (ii) THE NONCASH COSTS 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 NEW GLOBAL CREATIVE STRATEGY FOR CALVIN KLEIN.

(2) ADJUSTMENTS FOR 2016 REPRESENT THE ELIMINATION OF (i) THE COSTS INCURRED IN CONNECTION WITH THE INTEGRATION OF WARNACO AND THE RELATED RESTRUCTURING AND (ii) THE COSTS INCURRED IN CONNECTION WITH THE RESTRUCTURING ASSOCIATED WITH THE NEW GLOBAL CREATIVE STRATEGY FOR CALVIN KLEIN.

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

(4) ADJUSTMENTS FOR 2014 REPRESENT THE ELIMINATION OF (i) THE COSTS INCURRED IN CONNECTION WITH THE INTEGRATION OF WARNACO AND THE RELATED RESTRUCTURING AND (ii) THE NET GAIN ON THE DECONSOLIDATION OF CERTAIN CALVIN KLEIN SUBSIDIARIES IN AUSTRALIA AND NEW ZEALAND AND THE PREVIOUSLY CONSOLIDATED CALVIN KLEIN JOINT VENTURE IN INDIA.