

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) May 30, 2018

**PVH CORP.**

(Exact name of registrant as specified in its charter)

<u>Delaware</u>	<u>001-07572</u>	<u>13-1166910</u>
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)
<u>200 Madison Avenue, New York, New York</u>		<u>10016</u>
(Address of principal executive offices)		(Zip Code)
Registrant's telephone number, including area code <u>(212)-381-3500</u>		

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 30, 2018, PVH Corp. (the “Company”) issued a press release to report the Company’s earnings for the first quarter 2018, which is attached to this report as Exhibit 99.1.

The information in this Form 8-K and the Exhibit attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, regardless of any general incorporation language in such filing.

## ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) *Exhibits.*

<b>Exhibit</b>	<b>Description</b>
99.1	<a href="#">Press Release, dated May 30, 2018.</a>

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PVH CORP.

By: /s/ James W. Holmes

James W. Holmes

Senior Vice President and Controller

Date: May 30, 2018

**PVH CORP.  
200 MADISON AVENUE  
NEW YORK, NY 10016**

**FOR IMMEDIATE RELEASE:  
May 30, 2018**

**Contact: Dana Perlman  
Treasurer, Senior Vice President, Business Development and Investor Relations  
(212) 381-3502  
investorrelations@pvh.com**

**PVH CORP. REPORTS 2018 FIRST QUARTER REVENUE AND EPS ABOVE GUIDANCE  
AND RAISES FULL YEAR EPS OUTLOOK**

- First quarter revenue increased 16% (increased 10% on a constant currency basis) compared to the prior year period and exceeded guidance across all businesses
- First quarter EPS exceeded guidance and was:
  - GAAP basis: \$2.29 compared to guidance of \$2.13 to \$2.18
  - Non-GAAP basis: \$2.36 compared to guidance of \$2.20 to \$2.25
  - EPS included a positive impact of \$0.20 per share related to foreign currency translation, which was in line with guidance
- Full year 2018 EPS outlook raised despite reduced foreign currency benefit:
  - GAAP basis: Raised to \$8.81 to \$8.91 from \$8.76 to \$8.86 previously
  - Non-GAAP basis: Raised to \$9.05 to \$9.15 from \$9.00 to \$9.10 previously
  - EPS outlook now includes a reduced positive impact of \$0.12 per share related to foreign currency translation, compared to \$0.35 previously

New York, New York - PVH Corp. [NYSE: PVH] reported 2018 first quarter results.

**Non-GAAP Amounts:**

Amounts stated to be on a non-GAAP basis exclude the items that are described below under the heading “Non-GAAP Exclusions.” Amounts stated on a constant currency basis are also deemed to be on a non-GAAP basis. Reconciliations of amounts on a GAAP basis to amounts on a non-GAAP basis are presented later in this release and identify and quantify all excluded items.

**CEO Comments:**

Commenting on these results, Emanuel Chirico, Chairman and Chief Executive Officer, noted, “We are very pleased with our first quarter 2018 results, which exceeded our expectations. We experienced broad-based strength across our businesses globally and our performance underscored the power of our diversified business model and the continued momentum in our global designer lifestyle brands, *CALVIN KLEIN* and *TOMMY HILFINGER*.”

Mr. Chirico continued, “We are applying our consumer-centric mindset by growing our presence where our consumers prefer to shop, creating exciting brand experiences across our distribution channels and capitalizing on creative new ways to connect with the next generation of consumers. We are also driving our long-term vision by making investments to ensure that we adapt to the evolving consumer landscape, without compromising on our commitment to sustainable development throughout the business.”

Mr. Chirico concluded, “We are pleased to increase our earnings guidance for the year, despite the continuing volatility in the macroeconomic and geopolitical environments, which is resulting in a significantly lower foreign currency benefit than previously planned for the year. As I think about the strength of our teams, our brands and our platforms, I believe that PVH is in a powerful position to deliver a sustainable trajectory of long-term growth and stockholder value creation. Our strategic priorities will continue to serve as our guidelines for growth and I believe that we will execute on the significant opportunities that PVH has ahead of it.”

## **First Quarter Business Review:**

Due to the 53rd week in 2017, first quarter 2018 comparable store sales are more appropriately compared with the thirteen week period ended May 7, 2017, instead of the period ended April 30, 2017. All comparable store sales discussed in this release are presented on this one week shifted basis.

### Calvin Klein

Revenue in the Calvin Klein business for the quarter increased 18% to \$890 million (increased 12% on a constant currency basis) compared to the prior year period. Calvin Klein International revenue increased 25% to \$475 million (increased 14% on a constant currency basis) compared to the prior year period, driven by continued outstanding performance in Europe and Asia, including a 9% increase in comparable store sales. Calvin Klein North America revenue increased 10% (also on a constant currency basis) to \$415 million compared to the prior year period as a result of strong wholesale performance across all categories and a 5% increase in comparable store sales.

Earnings before interest and taxes for the quarter increased to \$109 million, inclusive of a \$5 million positive impact due to foreign currency translation, from \$93 million in the prior year period, principally attributable to the revenue increase noted above.

### Tommy Hilfiger

Revenue in the Tommy Hilfiger business for the quarter increased 21% to \$1.0 billion (increased 11% on a constant currency basis) compared to the prior year period. Tommy Hilfiger International revenue increased 25% to \$655 million (increased 10% on a constant currency basis) compared to the prior year period, driven by continued strong performance across all regions and channels, including a 9% increase in comparable store sales. Tommy Hilfiger North America revenue increased 13% (also on a constant currency basis) to \$361 million compared to the prior year period, principally attributable to a 9% increase in comparable store sales and strong performance in the wholesale business.

Earnings before interest and taxes on a GAAP basis for the quarter increased to \$132 million from \$33 million in the prior year period. Included in earnings before interest and taxes for

the quarter were costs of \$7 million incurred related to the April 2016 acquisition of the 55% interest in the Company's former Tommy Hilfiger joint venture in China ("TH China") that it did not already own (the "TH China acquisition"), consisting of noncash amortization of short-lived assets. Included in earnings before interest and taxes for the prior year period were costs of (i) \$54 million incurred in connection with the agreements to restructure the Company's supply chain relationship with Li & Fung Trading Limited ("Li & Fung"), under which the Company terminated its non-exclusive buying agency agreement with Li & Fung during 2017 (the "Li & Fung termination"), (ii) \$7 million incurred related to the TH China acquisition, primarily consisting of noncash amortization of short-lived assets, and (iii) \$7 million incurred in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense. Earnings before interest and taxes on a non-GAAP basis discussed below excludes these amounts.

Earnings before interest and taxes on a non-GAAP basis for the quarter increased to \$139 million, inclusive of a \$12 million positive impact due to foreign currency translation, from \$101 million in the prior year period. The earnings increase was principally due to the strong revenue increase noted above, as well as gross margin improvements across all regions and channels.

#### Heritage Brands

Revenue in the Heritage Brands business for the quarter increased 5% to \$409 million compared to the prior year period, principally due to a shift in the timing of shipments into the first quarter from the second quarter as compared to the prior year periods. Comparable store sales increased 1%.

Earnings before interest and taxes for the quarter increased to \$42 million from \$32 million in the prior year period, primarily driven by the increase in revenue noted above, as well as gross margin improvements.

**First Quarter Consolidated Results:**

First quarter revenue increased 16% to \$2.3 billion (increased 10% on a constant currency basis) compared to the prior year period.

Earnings per share on a GAAP basis was \$2.29 for the first quarter of 2018 compared to \$0.89 in the prior year period. These results include the amounts with respect to the applicable period described under the heading “Non-GAAP Exclusions” later in this release. Earnings per share on a non-GAAP basis for these periods, as discussed below, exclude these amounts.

Earnings per share on a non-GAAP basis was \$2.36 for the first quarter of 2018 compared to \$1.65 in the prior year period. Earnings per share on both a GAAP and non-GAAP basis for the first quarter of 2018 included the \$0.20 positive impact related to foreign currency translation.

Earnings before interest and taxes on a GAAP basis for the quarter increased to \$244 million from \$113 million in the prior year period. Included in earnings before interest and taxes for the quarter were costs of \$7 million incurred related to the TH China acquisition. Included in earnings before interest and taxes for the prior year period were \$79 million of costs consisting of (i) \$54 million incurred in connection with the Li & Fung termination, (ii) \$9 million incurred in connection with the noncash settlement of certain of the Company’s retirement plan benefit obligations, (iii) \$7 million incurred in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense, (iv) \$7 million incurred related to the TH China acquisition and (v) \$2 million incurred in connection with the consolidation within the Company’s warehouse and distribution network in North America. Earnings before interest and taxes on a non-GAAP basis discussed below excludes these amounts.

Earnings before interest and taxes on a non-GAAP basis for the quarter was \$251 million compared to \$193 million in the prior year period. The improvement in earnings was driven by growth across all businesses.



Net interest expense of \$28 million was relatively flat as compared to the prior year period. The effective tax rate on a GAAP basis was 17.1% as compared to 17.0% in the prior year period. The effective tax rate on a non-GAAP basis was 17.3% as compared to 20.7% in the prior year period.

Inventory levels increased 22% as compared to the prior year period due to a shift in the timing of inventory receipts as a result of the 53rd week in 2017 and an expected increase in second quarter of 2018 sales as compared to the prior year period.

**Stock Repurchase Program:**

During the first quarter of 2018, the Company repurchased 400,000 shares of its common stock for \$54 million (7.1 million shares for \$745 million since inception) under the \$1.250 billion stock repurchase program authorized by the Board of Directors through June 3, 2020. Stock repurchases under the program may be made from time to time over the period through open market purchases, accelerated share repurchase programs, privately negotiated transactions or other methods, as the Company deems appropriate. Purchases are made based on a variety of factors, such as price, corporate requirements and overall market conditions, applicable legal requirements and limitations, restrictions under the Company's debt arrangements, trading restrictions under the Company's insider trading policy and other relevant factors. The program may be modified by the Board, including to increase or decrease the repurchase limitation or extend, suspend, or terminate the program, at any time, without prior notice.

**2018 Outlook:**

*The Company's effective tax rate projections for 2018 include estimates of the impacts of the U.S. Tax Cuts and Jobs Act of 2017 (the "Tax Legislation") enacted on December 22, 2017, including (i) the reduction of the corporate income tax rate from 35% to 21%, (ii) the implementation of a modified territorial tax system, (iii) the introduction of a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations (known as "GILTI") and (iv) the introduction of a base erosion anti-abuse tax measure (known as "BEAT") that taxes certain payments between U.S. corporations and their subsidiaries. These projections are subject to adjustment in 2018, including as a result of changes in the provisional*

*net tax benefit of \$53 million recorded in the fourth quarter of 2017, during the measurement period allowed by the Securities and Exchange Commission as regulatory guidance needs to be issued in regard to the Tax Legislation and as the Company completes its final analysis of the impacts of the Tax Legislation.*

Please see the section entitled “Full Year and Quarterly Reconciliations of GAAP to Non-GAAP Amounts” at the end of this release for further detail and reconciliations of GAAP to non-GAAP amounts discussed in this section.

#### Full Year Guidance

The Company currently projects that 2018 earnings per share on a GAAP basis will be in a range of \$8.81 to \$8.91 compared to \$6.84 in 2017. The Company currently projects that 2018 earnings per share on a non-GAAP basis will be in a range of \$9.05 to \$9.15 compared to \$7.94 in 2017. Both the GAAP and non-GAAP projections include the expected positive impact of approximately \$0.12 per share related to foreign currency translation.

Revenue in 2018 is projected to increase approximately 6% (increase approximately 5% on a constant currency basis) as compared to 2017. Revenue for the Calvin Klein business is projected to increase approximately 8% (increase approximately 7% on a constant currency basis). Revenue for the Tommy Hilfiger business is projected to increase approximately 7% (increase approximately 6% on a constant currency basis). Revenue for the Heritage Brands business is projected to be relatively flat.

Net interest expense in 2018 is projected to decrease to approximately \$120 million from \$122 million in 2017. The Company estimates that the 2018 effective tax rate will be in a range of 14% to 15%, which includes the estimated impact of the Tax Legislation.

The Company’s estimate of 2018 earnings per share on a non-GAAP basis excludes approximately \$25 million of pre-tax costs to be incurred related to the TH China acquisition, consisting of noncash amortization of short-lived assets, and the resulting estimated tax effect.

## Second Quarter Guidance

Second quarter 2018 earnings per share on a GAAP basis is projected to be in a range of \$1.98 to \$2.03 compared to \$1.52 in the prior year period. The Company projects that second quarter 2018 earnings per share on a non-GAAP basis will be in a range of \$2.05 to \$2.10 compared to \$1.69 in the prior year period. Both the GAAP and non-GAAP projections include the expected positive impact of approximately \$0.03 per share related to foreign currency translation.

Revenue in the second quarter of 2018 is projected to increase approximately 10% (increase approximately 9% on a constant currency basis) compared to the prior year period. Revenue for the Calvin Klein business in the second quarter is projected to increase approximately 15% (increase approximately 14% on a constant currency basis). Revenue for the Tommy Hilfiger business in the second quarter is projected to increase approximately 13% (increase approximately 12% on a constant currency basis). Revenue for the Heritage Brands business in the second quarter is projected to decrease approximately 4% compared to the prior year period.

Net interest expense in the second quarter of 2018 is projected to be relatively flat compared to \$30 million in the prior year period. The Company estimates that the second quarter 2018 effective tax rate will be in a range of 19% to 20%, which includes the estimated impact of the Tax Legislation.

The Company's estimate of second quarter 2018 earnings per share on a non-GAAP basis excludes approximately \$7 million of pre-tax costs to be incurred related to the TH China acquisition, consisting of noncash amortization of short-lived assets, and the resulting estimated tax effect.

**Non-GAAP Exclusions:**

The discussions in this release that refer to non-GAAP amounts exclude the following:

- Pre-tax costs of approximately \$25 million to be incurred in 2018 related to the TH China acquisition, consisting of noncash amortization of short-lived assets, of which \$7 million was incurred in the first quarter and approximately \$7 million is to be incurred in the second quarter.
- Pre-tax costs of \$83 million incurred in the fourth quarter of 2017 in connection with an amendment to Mr. Tommy Hilfiger's employment agreement pursuant to which the Company made a cash buyout of a portion of the future payments to Mr. Hilfiger.
- Pre-tax costs of \$54 million incurred in the first quarter of 2017 in connection with the Li & Fung termination.
- Pre-tax costs of \$28 million incurred in the fourth quarter of 2017 in connection with the Company's redemption and issuance of senior notes, including \$24 million related to the early redemption of the \$700 million 4 1/2% senior notes and \$4 million related to the issuance of €600 million 3 1/8% senior notes.
- Pre-tax costs of \$27 million incurred in 2017 related to the TH China acquisition, primarily consisting of noncash amortization of short-lived assets, of which \$7 million was incurred in the first quarter, \$7 million was incurred in the second quarter, \$6 million was incurred in the third quarter and \$7 million was incurred in the fourth quarter.
- Pre-tax costs of \$19 million incurred in 2017 in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense, of which \$7 million was incurred in the first quarter, \$7 million was incurred in the second quarter and \$5 million was incurred in the third quarter.
- Pre-tax costs of \$9 million incurred in the first quarter of 2017 in connection with the noncash settlement of certain of the Company's benefit obligations related to its retirement plans as a result of an annuity purchased for certain participants, under which such obligations were transferred to an insurer.
- Pre-tax net costs of \$8 million incurred in 2017 in connection with the consolidation within the Company's warehouse and distribution network in North America, of which \$2 million of costs were incurred in the first quarter, \$6 million of costs were incurred in the second quarter, \$3 million of costs were incurred in the third quarter and a net

gain of \$2 million was recorded in the fourth quarter, which included the impact of the sale of a warehouse and distribution center.

- Pre-tax loss of \$3 million recorded in the fourth quarter of 2017 related to the recognized actuarial loss on retirement plans.
- Discrete tax benefits of \$23 million recorded in 2017 primarily related to the resolution of uncertain tax positions, of which \$13 million was recorded in the third quarter and \$10 million was recorded in the fourth quarter.
- Discrete net tax benefit of \$53 million recorded in the fourth quarter of 2017 in connection with the Tax Legislation, consisting of a \$265 million benefit primarily from the remeasurement of the Company's net deferred tax liabilities, partially offset by a \$38 million valuation allowance on the Company's foreign tax credits and a \$174 million transition tax on earnings of foreign subsidiaries deemed to be repatriated.
- Discrete tax benefit of \$15 million recorded in the fourth quarter of 2017 related to an excess tax benefit from the exercise of stock options by the Company's Chief Executive Officer.
- Estimated tax effects associated with the above pre-tax items, which are based on the Company's assessment of deductibility. In making this assessment, the Company evaluated each item that it had identified above as a non-GAAP exclusion to determine if such item is taxable or tax deductible, and if so, in what jurisdiction the tax expense or tax deduction would occur. All items above were identified as either primarily taxable or tax deductible, with the tax effect taken at the statutory income tax rate of the local jurisdiction, or as non-taxable or non-deductible, in which case the Company assumed no tax effect.

As a supplement to the Company's GAAP results, the Company presents constant currency revenue information, which is a non-GAAP financial measure. The Company presents results in this manner because it is a global company that transacts business in multiple currencies but reports financial information in U.S. dollars. Foreign currency exchange rate fluctuations affect the amounts reported by the Company in U.S. dollars with respect to its foreign revenues. Exchange rate fluctuations can have a significant effect on reported revenues. The Company believes presenting constant currency revenue information provides useful information to investors, as it provides information to assess how its businesses performed

excluding the effects of changes in foreign currency exchange rates and assists investors in evaluating the effectiveness of the Company's operations and underlying business trends in a manner that is consistent with management's evaluation of business performance.

The Company calculates constant currency revenue information by translating its foreign revenues for the current year period into U.S. dollars at the average exchange rates in effect during the comparable prior year period (rather than at the actual exchange rates in effect during the current year period).

Constant currency performance should be viewed in addition to, and not in lieu of or as superior to, the Company's operating performance calculated in accordance with GAAP. The constant currency revenue information presented may not be comparable to similarly described measures reported by other companies.

Please see Tables 1 through 6 and the sections entitled "Reconciliations of 2018 Constant Currency Revenue" and "Full Year and Quarterly Reconciliations of GAAP to Non-GAAP Amounts" later in this release for reconciliations of GAAP to non-GAAP amounts.

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The Company webcasts its conference calls to review its earnings releases. **The Company's conference call to review its first quarter earnings release is scheduled for Thursday, May 31, 2018 at 9:00 a.m. EDT.** Please log on to the Company's web site at [www.PVH.com](http://www.PVH.com) and go to the Events page included in the Investors section to listen to the live webcast of the conference call. The webcast will be available for replay for one year after it is held, commencing approximately two hours after the live broadcast ends. Please log on to [www.PVH.com](http://www.PVH.com) as described above to listen to the replay. In addition, an audio replay of the conference call is available for 48 hours starting approximately two hours after it is held. The replay of the conference call can be accessed by calling (domestic) 888-203-1112 and (international) 719-457-0820 and using passcode 2302365. The conference call and webcast consist of copyrighted material. They may not be re-recorded, reproduced, re-transmitted, rebroadcast or otherwise used without the Company's express written permission. Your participation represents your consent to these terms and conditions, which are governed by New York law.

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SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: Forward-looking statements in this press release and made during the conference call/webcast, including, without limitation, statements relating to the Company's future revenue and earnings, plans, strategies, objectives, expectations and intentions are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not be anticipated, including, without limitation, (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company may be considered to be highly leveraged and uses a significant portion of its cash flows to service its indebtedness, as a result of which the Company might not have sufficient funds to operate its businesses in the manner it intends or has operated in the past; (iii) the levels of sales of the Company's apparel, footwear and related products, both to its wholesale customers and in its retail stores, the levels of sales of the Company's licensees at wholesale and retail, and the extent of discounts and promotional pricing in which the Company and its licensees and other business partners are required to engage, all of which can be affected by weather conditions, changes in the economy, fuel prices, reductions in travel, fashion trends, consolidations, repositionings and bankruptcies in the retail industries, repositionings of brands by the Company's licensors, and other factors; (iv) the Company's ability to manage its growth and inventory, including the Company's ability to realize benefits from acquisitions; (v) quota restrictions, the imposition of safeguard controls and the imposition of duties or tariffs on goods from the countries where the Company or its licensees produce goods under its trademarks, any of which, among other things, could limit the ability to produce products in cost-effective countries, or in countries that have the labor and technical expertise needed; (vi) the availability and cost of raw materials; (vii) the Company's ability to adjust timely to changes in trade regulations and the migration and development of manufacturers (which can affect where the Company's products can best be produced); (viii) changes in available factory and shipping capacity, wage and shipping cost escalation, civil conflict, war or terrorist acts, the threat of any of the foregoing, or political or labor instability in any of the countries where the Company's or its licensees' or other business partners' products are sold, produced or are planned to be sold or produced; (ix) disease epidemics and health related concerns, which could result in closed factories, reduced workforces, scarcity of raw materials and scrutiny or embargoing of goods produced in infected areas, as well as reduced consumer traffic and purchasing, as consumers become ill or limit or cease shopping in order to avoid exposure; (x) acquisitions and divestitures and issues arising with acquisitions, divestitures and proposed transactions, including, without limitation, the ability to integrate an acquired entity or business into the Company with no substantial adverse effect on the acquired entity's, the acquired business's or the Company's existing operations, employee relationships, vendor relationships, customer relationships or financial performance, and the ability to operate effectively and profitably the Company's continuing businesses after the sale or other disposal of a subsidiary, business or the assets thereof; (xi) the failure of the Company's licensees to market successfully licensed products or to preserve the value of the Company's brands, or their misuse of the Company's brands; (xii) significant fluctuations of the U.S. dollar against foreign currencies in which the Company transacts significant levels of business; (xiii) the Company's retirement plan expenses recorded throughout the year are calculated using actuarial valuations that incorporate assumptions and estimates about financial market, economic and demographic conditions, and differences between estimated and actual results give rise to gains and losses, which can be significant, that are recorded immediately in earnings, generally in the fourth quarter of the year; (xiv) the impact of new and revised tax legislation and regulations, particularly the recently enacted U.S. Tax Cuts and Jobs Act that might disproportionately affect the Company as compared to some of its peers due to the specific tax structure of the Company and its greater percentage of revenues and income generated outside of the U.S.; and (xv) other risks and uncertainties indicated from time to time in the Company's filings with the Securities and Exchange Commission ("SEC").

This press release includes, and the conference call/webcast will include, certain non-GAAP financial measures, as defined under SEC rules. Reconciliations of these measures are included in the financial information later in this release, as well as in the Company's Current Report on Form 8-K furnished to the SEC in connection with this earnings release, which is available on the Company's website at [www.PVH.com](http://www.PVH.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov).

The Company does not undertake any obligation to update publicly any forward-looking statement, including, without limitation, any estimate regarding revenue or earnings, whether as a result of the receipt of new information, future events or otherwise.

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**PVH CORP.**  
**Consolidated GAAP Income Statements**  
(In millions, except per share data)

	Quarter Ended	
	5/6/18	4/30/17
Net sales	\$ 2,193.5	\$ 1,875.0
Royalty revenue	89.4	87.3
Advertising and other revenue	31.7	26.7
Total revenue	<u>\$ 2,314.6</u>	<u>\$ 1,989.0</u>
Gross profit on net sales	\$ 1,169.9	\$ 966.8
Gross profit on royalty, advertising and other revenue	121.1	114.0
Total gross profit	1,291.0	1,080.8
Selling, general and administrative expenses	1,053.0	960.9
Non-service related pension and postretirement (income) cost	(2.5)	7.1
Equity in net income of unconsolidated affiliates	3.8	0.4
Earnings before interest and taxes	244.3	113.2
Interest expense, net	28.4	28.7
Pre-tax income	215.9	84.5
Income tax expense	37.0	14.4
Net income	178.9	70.1
Less: Net loss attributable to redeemable non-controlling interest <sup>(1)</sup>	(0.5)	(0.3)
Net income attributable to PVH Corp.	<u>\$ 179.4</u>	<u>\$ 70.4</u>
Diluted net income per common share attributable to PVH Corp. <sup>(2)</sup>	<u>\$ 2.29</u>	<u>\$ 0.89</u>
	Quarter Ended	
	5/6/18	4/30/17
Depreciation and amortization expense	\$ 83.2	\$ 77.2

Please see following pages for information related to non-GAAP measures discussed in this release.

<sup>(1)</sup> The Company and Arvind Limited have a joint venture in Ethiopia in which the Company owns a 75% interest.

<sup>(2)</sup> Please see Note A in the Notes to Consolidated GAAP Income Statements for reconciliations of GAAP diluted net income per common share to diluted net income per common share on a non-GAAP basis.

**PVH CORP.**  
**Non-GAAP Measures**  
(In millions, except per share data)

The Company believes it is useful to investors to present its results for the quarters ended May 6, 2018 and April 30, 2017 excluding (i) the costs incurred in those quarters related to the acquisition of the 55% interest in TH Asia, Ltd. ("TH China"), its former joint venture for TOMMY HILFIGER in China, that it did not already own (the "TH China acquisition"), primarily consisting of noncash amortization of short-lived assets; (ii) the costs incurred in the first quarter of 2017 in connection with agreements to restructure its supply chain relationship with Li & Fung Trading Limited ("Li & Fung"), under which the Company terminated its non-exclusive buying agency agreement with Li & Fung in 2017 (the "Li & Fung termination"); (iii) the costs incurred in the first quarter of 2017 in connection with the noncash settlement of certain of its benefit obligations related to its retirement plans as a result of an annuity purchased for certain participants, under which such obligations were transferred to an insurer; (iv) the costs incurred in the first quarter of 2017 in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense; (v) the costs incurred in the first quarter of 2017 in connection with the consolidation within its warehouse and distribution network in North America; and (vi) the tax effects associated with the foregoing pre-tax items, which are on a non-GAAP basis. The Company excludes such amounts that it deems non-recurring or non-operational and believes that this (i) facilitates comparing current results against past and future results by eliminating amounts that it believes are not comparable between periods, thereby permitting management to evaluate performance and investors to make decisions based on the ongoing operations of the Company and (ii) assists investors in evaluating the effectiveness of the Company's operations and underlying business trends in a manner that is consistent with management's evaluation of business performance. The Company believes that investors often look at ongoing operations of an enterprise as a measure of assessing performance. The Company uses its results excluding these amounts to evaluate its operating performance and to discuss its business with investment institutions, the Company's Board of Directors and others. The Company's results excluding the items described above are also the basis for certain incentive compensation calculations. The non-GAAP measures should be viewed in addition to, and not in lieu of or superior to, the Company's operating performance measures calculated in accordance with GAAP. The information presented on a non-GAAP basis may not be comparable to similarly titled measures reported by other companies.

The following table presents the non-GAAP measures that are discussed in this release. Please see Tables 1 through 6 for reconciliations of the GAAP amounts to amounts on a non-GAAP basis.

	Quarter Ended	
	5/6/18	4/30/17
<b>Non-GAAP Measures</b>		
Selling, general and administrative expenses <sup>(1)</sup>	\$ 1,046.1	\$ 891.0
Non-service related pension and postretirement income <sup>(2)</sup>		(2.3)
Earnings before interest and taxes <sup>(3)</sup>	251.2	192.5
Income tax expense <sup>(4)</sup>	38.5	33.9
Net income attributable to PVH Corp. <sup>(5)</sup>	184.8	130.2
Diluted net income per common share attributable to PVH Corp. <sup>(6)</sup>	\$ 2.36	\$ 1.65
Depreciation and amortization expense <sup>(7)</sup>	\$ 76.3	\$ 66.4

<sup>(1)</sup> Please see Table 3 for reconciliations of GAAP selling, general and administrative ("SG&A") expenses to SG&A expenses on a non-GAAP basis.

<sup>(2)</sup> Please see Table 4 for reconciliation of GAAP non-service related pension and postretirement cost to non-service related pension and postretirement income on a non-GAAP basis.

<sup>(3)</sup> Please see Table 2 for reconciliations of GAAP earnings before interest and taxes to earnings before interest and taxes on a non-GAAP basis.

<sup>(4)</sup> Please see Table 5 for reconciliations of GAAP income tax expense to income tax expense on a non-GAAP basis and an explanation of the calculation of the tax effects associated with the pre-tax items identified as non-GAAP exclusions.

<sup>(5)</sup> Please see Table 1 for reconciliations of GAAP net income to net income on a non-GAAP basis.

<sup>(6)</sup> Please see Note A in the Notes to Consolidated GAAP Income Statements for reconciliations of GAAP diluted net income per common share to diluted net income per common share on a non-GAAP basis.

<sup>(7)</sup> Please see Table 6 for reconciliations of GAAP depreciation and amortization expense to depreciation and amortization expense on a non-GAAP basis.

**PVH CORP.**  
**Reconciliations of GAAP to Non-GAAP Amounts**  
*(In millions, except per share data)*

Table 1 - Reconciliations of GAAP net income to net income on a non-GAAP basis

	<b>Quarter Ended</b>	
	<b><u>5/6/18</u></b>	<b><u>4/30/17</u></b>
Net income attributable to PVH Corp.	\$ 179.4	\$ 70.4
Diluted net income per common share attributable to PVH Corp. <sup>(1)</sup>	\$ 2.29	\$ 0.89
Pre-tax items excluded:		
SG&A expenses associated with the Li & Fung termination		54.2
SG&A expenses associated with the relocation of the Tommy Hilfiger office in New York (including noncash depreciation expense)		7.0
SG&A expenses associated with the TH China acquisition (primarily consisting of noncash amortization of short-lived assets)	6.9	6.9
SG&A expenses associated with the consolidation within the Company's warehouse and distribution network in North America		1.8
Expenses associated with the noncash settlement of certain of the Company's retirement plan benefit obligations (recorded in non-service related pension and postretirement (income) cost)		9.4
Tax effects of the above pre-tax items <sup>(2)</sup>	<u>(1.5)</u>	<u>(19.5)</u>
Net income on a non-GAAP basis attributable to PVH Corp.	\$ 184.8	\$ 130.2
Diluted net income per common share on a non-GAAP basis attributable to PVH Corp. <sup>(1)</sup>	\$ 2.36	\$ 1.65

<sup>(1)</sup> Please see Note A in the Notes to the Consolidated GAAP Income Statements for reconciliations of GAAP diluted net income per common share to diluted net income per common share on a non-GAAP basis.

<sup>(2)</sup> Please see Table 5 for an explanation of the calculation of the tax effects of the above items.

Table 2 - Reconciliations of GAAP earnings before interest and taxes to earnings before interest and taxes on a non-GAAP basis

	<b>Quarter Ended</b>	
	<b><u>5/6/18</u></b>	<b><u>4/30/17</u></b>
Earnings before interest and taxes	\$ 244.3	\$ 113.2
Items excluded:		
SG&A expenses associated with the Li & Fung termination		54.2
SG&A expenses associated with the relocation of the Tommy Hilfiger office in New York (including noncash depreciation expense)		7.0
SG&A expenses associated with the TH China acquisition (primarily consisting of noncash amortization of short-lived assets)	6.9	6.9
SG&A expenses associated with the consolidation within the Company's warehouse and distribution network in North America		1.8
Expenses associated with the noncash settlement of certain of the Company's retirement plan benefit obligations (recorded in non-service related pension and postretirement (income) cost)		9.4
Earnings before interest and taxes on a non-GAAP basis	<u>\$ 251.2</u>	<u>\$ 192.5</u>

**PVH CORP.****Reconciliations of GAAP to Non-GAAP Amounts (continued)****(In millions)****Table 3 - Reconciliations of GAAP SG&A expenses to SG&A expenses on a non-GAAP basis**

	<b>Quarter Ended</b>	
	<b><u>5/6/18</u></b>	<b><u>4/30/17</u></b>
SG&A expenses	\$ 1,053.0	\$ 960.9
Items excluded:		
Expenses associated with the Li & Fung termination		(54.2)
Expenses associated with the relocation of the Tommy Hilfiger office in New York (including noncash depreciation expense)		(7.0)
Expenses associated with the TH China acquisition (primarily consisting of noncash amortization of short-lived assets)	(6.9)	(6.9)
Expenses associated with the consolidation within the Company's warehouse and distribution network in North America		(1.8)
SG&A expenses on a non-GAAP basis	<u>\$ 1,046.1</u>	<u>\$ 891.0</u>

**Table 4 - Reconciliation of GAAP non-service related pension and postretirement cost to non-service related pension and postretirement income on a non-GAAP basis**

	<b>Quarter Ended</b>	
	<b><u>4/30/17</u></b>	
Non-service related pension and postretirement cost	\$	7.1
Items excluded:		
Expenses associated with the noncash settlement of certain of the Company's retirement plan benefit obligations		(9.4)
Non-service related pension and postretirement income on a non-GAAP basis	<u>\$</u>	<u>(2.3)</u>

**Table 5 - Reconciliations of GAAP income tax expense to income tax expense on a non-GAAP basis**

	<b>Quarter Ended</b>	
	<b><u>5/6/18</u></b>	<b><u>4/30/17</u></b>
Income tax expense	\$ 37.0	\$ 14.4
Items excluded:		
Tax effects of pre-tax items identified as non-GAAP exclusions <sup>(1)</sup>	1.5	19.5
Income tax expense on a non-GAAP basis	<u>\$ 38.5</u>	<u>\$ 33.9</u>

<sup>(1)</sup> The estimated tax effects associated with the Company's exclusions on a non-GAAP basis are based on the Company's assessment of deductibility. In making this assessment, the Company evaluated each pre-tax item that it had identified above as a non-GAAP exclusion to determine if such item is taxable or tax deductible and, if so, in what jurisdiction the tax expense or tax deduction would occur. All of the pre-tax items identified as non-GAAP exclusions were identified as either primarily taxable or tax deductible, with the tax effect taken at the statutory income tax rate of the local jurisdiction, or as non-taxable or non-deductible, in which case the Company assumed no tax effect.

**PVH CORP.****Reconciliations of GAAP to Non-GAAP Amounts (continued)****(In millions)**

Table 6 - Reconciliations of GAAP depreciation and amortization expense to depreciation and amortization expense on a non-GAAP basis

	Quarter Ended	
	<u>5/6/18</u>	<u>4/30/17</u>
Depreciation and amortization expense	\$ 83.2	\$ 77.2
Items excluded:		
Amortization of short-lived assets associated with the TH China acquisition	(6.9)	(6.3)
Depreciation associated with the relocation of the Tommy Hilfiger office in New York		(4.5)
Depreciation and amortization expense on a non-GAAP basis	\$ 76.3	\$ 66.4

**PVH CORP.**

**Notes to Consolidated GAAP Income Statements**

**(In millions, except per share data)**

A. The Company computed its diluted net income per common share as follows:

	Quarter Ended 5/6/18			Quarter Ended 4/30/17		
	<u>GAAP Results</u>	<u>Adjustments</u> <sup>(1)</sup>	<u>Non-GAAP Results</u>	<u>GAAP Results</u>	<u>Adjustments</u> <sup>(2)</sup>	<u>Non-GAAP Results</u>
Net income attributable to PVH Corp.	\$ 179.4	\$ (5.4)	\$ 184.8	\$ 70.4	\$ (59.8)	\$ 130.2
Weighted average common shares	77.1		77.1	78.2		78.2
Weighted average dilutive securities	1.1		1.1	0.8		0.8
Total shares	<u>78.2</u>		<u>78.2</u>	<u>79.0</u>		<u>79.0</u>
Diluted net income per common share attributable to PVH Corp.	<u>\$ 2.29</u>		<u>\$ 2.36</u>	<u>\$ 0.89</u>		<u>\$ 1.65</u>

<sup>(1)</sup> Represents the impact on net income in the quarter ended May 6, 2018 from the elimination of the costs incurred related to the TH China acquisition, consisting of noncash amortization of short-lived assets, and the resulting tax effect. Please see Table 1 for a reconciliation of GAAP net income to net income on a non-GAAP basis.

<sup>(2)</sup> Represents the impact on net income in the quarter ended April 30, 2017 from the elimination of (i) the costs incurred related to the TH China acquisition, primarily consisting of noncash amortization of short-lived assets; (ii) the costs incurred in connection with the Li & Fung termination; (iii) the costs incurred in connection with the noncash settlement of certain of the Company's benefit obligations related to its retirement plans as a result of an annuity purchased for certain participants, under which such obligations were transferred to an insurer; (iv) the costs incurred in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense; (v) the costs incurred in connection with the consolidation within the Company's warehouse and distribution network in North America; and (vi) the tax effects associated with the foregoing pre-tax items. Please see Table 1 for a reconciliation of GAAP net income to net income on a non-GAAP basis.

**PVH CORP.**  
**Consolidated Balance Sheets**  
(In millions)

	<u>5/6/18</u>	<u>4/30/17</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 434.5	\$ 490.9
Receivables	812.3	712.5
Inventories	1,524.9	1,253.8
Other	269.9	198.0
Total Current Assets	<u>3,041.6</u>	<u>2,655.2</u>
Property, Plant and Equipment	873.5	751.6
Goodwill and Other Intangible Assets	7,434.9	7,163.4
Other Assets	364.6	342.1
	<u>\$ 11,714.6</u>	<u>\$ 10,912.3</u>
<b>LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND STOCKHOLDERS' EQUITY</b>		
Accounts Payable and Accrued Expenses	\$ 1,472.6	\$ 1,335.7
Short-Term Borrowings	254.5	42.5
Current Portion of Long-Term Debt	—	—
Other Liabilities	1,408.2	1,498.6
Long-Term Debt	3,013.2	3,157.1
Redeemable Non-Controlling Interest	1.5	3.4
Stockholders' Equity	5,564.6	4,875.0
	<u>\$ 11,714.6</u>	<u>\$ 10,912.3</u>

Note: Year over year balances are impacted by changes in foreign currency exchange rates.

**PVH CORP.**  
**Segment Data**  
(In millions)

**REVENUE BY SEGMENT**

	Quarter Ended 5/6/18	Quarter Ended 4/30/17
<u>Calvin Klein North America</u>		
Net sales	\$ 367.3	\$ 330.1
Royalty revenue	34.0	35.1
Advertising and other revenue	13.2	10.2
Total	<u>414.5</u>	<u>375.4</u>
<u>Calvin Klein International</u>		
Net sales	448.8	354.8
Royalty revenue	18.5	19.6
Advertising and other revenue	8.2	6.0
Total	<u>475.5</u>	<u>380.4</u>
<b><u>Total Calvin Klein</u></b>		
<b>Net sales</b>	<b>816.1</b>	<b>684.9</b>
<b>Royalty revenue</b>	<b>52.5</b>	<b>54.7</b>
<b>Advertising and other revenue</b>	<b>21.4</b>	<b>16.2</b>
<b>Total</b>	<b><u>890.0</u></b>	<b><u>755.8</u></b>
<u>Tommy Hilfiger North America</u>		
Net sales	338.9	298.1
Royalty revenue	18.4	16.5
Advertising and other revenue	3.9	3.9
Total	<u>361.2</u>	<u>318.5</u>
<u>Tommy Hilfiger International</u>		
Net sales	637.2	507.8
Royalty revenue	12.0	10.1
Advertising and other revenue	5.4	5.6
Total	<u>654.6</u>	<u>523.5</u>
<b><u>Total Tommy Hilfiger</u></b>		
<b>Net sales</b>	<b>976.1</b>	<b>805.9</b>
<b>Royalty revenue</b>	<b>30.4</b>	<b>26.6</b>
<b>Advertising and other revenue</b>	<b>9.3</b>	<b>9.5</b>
<b>Total</b>	<b><u>1,015.8</u></b>	<b><u>842.0</u></b>
<u>Heritage Brands Wholesale</u>		
Net sales	340.8	326.8
Royalty revenue	5.4	5.0
Advertising and other revenue	0.9	0.9
Total	<u>347.1</u>	<u>332.7</u>
<u>Heritage Brands Retail</u>		
Net sales	60.5	57.4
Royalty revenue	1.1	1.0
Advertising and other revenue	0.1	0.1
Total	<u>61.7</u>	<u>58.5</u>
<b><u>Total Heritage Brands</u></b>		
<b>Net sales</b>	<b>401.3</b>	<b>384.2</b>
<b>Royalty revenue</b>	<b>6.5</b>	<b>6.0</b>
<b>Advertising and other revenue</b>	<b>1.0</b>	<b>1.0</b>
<b>Total</b>	<b><u>408.8</u></b>	<b><u>391.2</u></b>
<b><u>Total Revenue</u></b>		
<b>Net sales</b>	<b>2,193.5</b>	<b>1,875.0</b>



Royalty revenue  
Advertising and other revenue  
Total

89.4
31.7
<u>\$ 2,314.6</u>

87.3
26.7
<u>\$ 1,989.0</u>

**PVH CORP.**

**Segment Data (continued)**

**(In millions)**

**EARNINGS BEFORE INTEREST AND TAXES BY SEGMENT**

	Quarter Ended 5/6/18			Quarter Ended 4/30/17		
	Results Under GAAP	Adjustments <sup>(1)</sup>	Non-GAAP Results	Results Under GAAP	Adjustments <sup>(2)</sup>	Non-GAAP Results
Calvin Klein North America	\$ 43.5		\$ 43.5	\$ 41.9		\$ 41.9
Calvin Klein International	65.1		65.1	51.6		51.6
<b>Total Calvin Klein</b>	<b>108.6</b>		<b>108.6</b>	<b>93.5</b>		<b>93.5</b>
Tommy Hilfiger North America	40.8		40.8	(18.8)	\$ (38.3)	19.5
Tommy Hilfiger International	91.2	\$ (6.9)	98.1	52.1	(29.8)	81.9
<b>Total Tommy Hilfiger</b>	<b>132.0</b>	<b>(6.9)</b>	<b>138.9</b>	<b>33.3</b>	<b>(68.1)</b>	<b>101.4</b>
Heritage Brands Wholesale	39.8		39.8	30.3		30.3
Heritage Brands Retail	1.8		1.8	1.5		1.5
<b>Total Heritage Brands</b>	<b>41.6</b>		<b>41.6</b>	<b>31.8</b>		<b>31.8</b>
Corporate	(37.9)		(37.9)	(45.4)	(11.2)	(34.2)
<b>Total earnings before interest and taxes</b>	<b>\$ 244.3</b>	<b>\$ (6.9)</b>	<b>\$ 251.2</b>	<b>\$ 113.2</b>	<b>\$ (79.3)</b>	<b>\$ 192.5</b>

<sup>(1)</sup> Adjustment for the quarter ended May 6, 2018 represents the elimination of the costs incurred related to the TH China acquisition, consisting of noncash amortization of short-lived assets.

<sup>(2)</sup> Adjustments for the quarter ended April 30, 2017 represent the elimination of (i) the costs incurred related to the TH China acquisition, primarily consisting of noncash amortization of short-lived assets; (ii) the costs incurred in connection with the Li & Fung termination; (iii) the costs incurred in connection with the noncash settlement of certain of the Company's benefit obligations related to its retirement plans as a result of an annuity purchased for certain participants, under which such obligations were transferred to an insurer; (iv) the costs incurred in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense; and (v) the costs incurred in connection with the consolidation within the Company's warehouse and distribution network in North America.

**PVH CORP.**  
**Reconciliations of 2018 Constant Currency Revenue**  
**(In millions)**

As a supplement to the Company's reported operating results, the Company presents constant currency revenue information, which is a non-GAAP financial measure. The Company presents results in this manner because it is a global company that transacts business in multiple currencies but reports financial information in U.S. dollars. Foreign currency exchange rate fluctuations affect the amounts reported by the Company in U.S. dollars with respect to its foreign revenues. Exchange rate fluctuations can have a significant effect on reported revenues. The Company believes presenting constant currency revenue information provides useful information to investors, as it provides information to assess how its businesses performed excluding the effects of changes in foreign currency exchange rates and assists investors in evaluating the effectiveness of the Company's operations and underlying business trends in a manner that is consistent with management's evaluation of business performance.

The Company calculates constant currency revenue information by translating its foreign revenues for the current year period into U.S. dollars at the average exchange rates in effect during the comparable prior year period (rather than at the actual exchange rates in effect during the current year period).

Constant currency performance should be viewed in addition to, and not in lieu of or as superior to, the Company's operating performance calculated in accordance with GAAP. The constant currency revenue information presented may not be comparable to similarly described measures reported by other companies.

	GAAP Revenue		% Change		
	Quarter Ended		GAAP	Positive Impact of Foreign Exchange	Constant Currency
	5/6/18	4/30/17			
Calvin Klein North America	\$ 414.5	\$ 375.4	10.4%	0.5%	9.9%
Calvin Klein International	475.5	380.4	25.0%	10.7%	14.3%
Total Calvin Klein	890.0	755.8	17.8%	5.7%	12.1%
Tommy Hilfiger North America	\$ 361.2	\$ 318.5	13.4%	0.5%	12.9%
Tommy Hilfiger International	654.6	523.5	25.0%	14.8%	10.2%
Total Tommy Hilfiger	1,015.8	842.0	20.6%	9.4%	11.2%
Total Revenue	\$ 2,314.6	\$ 1,989.0	16.4%	6.2%	10.2%

**PVH CORP.****Full Year and Quarterly Reconciliations of GAAP to Non-GAAP Amounts**

The Company is presenting its 2018 estimated results excluding the costs to be incurred related to the TH China acquisition, consisting of noncash amortization of short-lived assets and the resulting estimated tax effect. The 2018 estimated results are presented on both a GAAP and non-GAAP basis. The Company believes presenting these results on a non-GAAP basis provides useful additional information to investors. The Company excludes such amounts that it deems non-recurring or non-operational and believes that this (i) facilitates comparing current results against past and future results by eliminating amounts that it believes are not comparable between periods, thereby permitting management to evaluate performance and investors to make decisions based on the ongoing operations of the Company, and (ii) assists investors in evaluating the effectiveness of the Company's operations and underlying business trends in a manner that is consistent with management's evaluation of business performance. The Company has provided the reconciliations set forth below to present its estimates on a GAAP basis and excluding these amounts. The Company uses its results excluding these amounts to evaluate its operating performance and to discuss its business with investment institutions, the Company's Board of Directors and others. The Company's results excluding the item described above are also the basis for certain incentive compensation calculations. The non-GAAP measures should be viewed in addition to, and not in lieu of or as superior to, the Company's operating performance measures calculated in accordance with GAAP. The information presented on a non-GAAP basis may not be comparable to similarly titled measures reported by other companies. The estimated tax effect associated with the above pre-tax item is based on the Company's assessment of deductibility. In making this assessment, the Company evaluated the item identified above as a non-GAAP exclusion to determine if such item is taxable or tax deductible, and if so, in what jurisdiction the tax expense or tax deduction would occur. The item is identified as tax deductible, with the tax effect taken at the statutory income tax rate of the local jurisdiction.

**2018 Net Income Per Common Share Reconciliations**

	Current Guidance		Previous Guidance	
	Full Year 2018 (Estimated)	Second Quarter 2018 (Estimated)	Full Year 2018 (Estimated)	First Quarter 2018 (Estimated)
GAAP net income per common share attributable to PVH Corp.	\$8.81 - \$8.91	\$1.98 - \$2.03	\$8.76 - \$8.86	\$2.13 - \$2.18
Estimated per common share impact of item identified as a non-GAAP exclusion	\$(0.24)	\$(0.07)	\$(0.24)	\$(0.07)
Net income per common share attributable to PVH Corp. on a non-GAAP basis	\$9.05 - \$9.15	\$2.05 - \$2.10	\$9.10	\$ 2.20 - \$2.25

The GAAP net income per common share attributable to PVH Corp. amounts presented in the above table, as well as the amounts excluded in providing non-GAAP earnings guidance, would be expected to change as a result of (i) acquisition, restructuring, divestment or similar transactions or activities, (ii) the timing and strategy of restructuring and integration initiatives or other one-time events, if any, that the Company engages in or suffers during the period, (iii) any market or other changes affecting the Company's expected actuarial gain or loss on retirement plans, (iv) the imposition of significant tariffs on apparel, footwear and accessories imported from China or any of the Company's other significant sourcing countries, (v) adjustments to the Company's income tax provision related to the U.S. Tax Cuts and Jobs Act of 2017 (the "Tax Legislation"), including as a result of changes in the provisional amounts recorded in 2017, during the measurement period allowed by the SEC as regulatory guidance needs to be issued related to the Tax Legislation and as the Company completes its final analysis of the impacts of the Tax Legislation, or (vi) any discrete tax events including changes in tax rates or tax law and events arising from audits or the resolution of uncertain tax positions. The Company has no current understanding or agreement regarding any such transaction or definitive plans regarding any such activity that has not been announced or completed.

**PVH CORP.**

**Full Year and Quarterly Reconciliations of GAAP to Non-GAAP Amounts (continued)**

**2018 Estimated Revenue on a Constant Currency Basis Reconciliation**

	Full Year 2018 (Estimated) (Consolidated)	Full Year 2018 (Estimated) (Calvin Klein)	Full Year 2018 (Estimated) (Tommy Hilfiger)	Second Quarter 2018 (Estimated) (Consolidated)	Second Quarter 2018 (Estimated) (Calvin Klein)	Second Quarter 2018 (Estimated) (Tommy Hilfiger)
GAAP revenue increase	6%	8%	7%	10%	15%	13%
Positive impact of foreign exchange	1%	1%	1%	1%	1%	1%
Non-GAAP revenue increase on a constant currency basis	5%	7%	6%	9%	14%	12%

Please refer to the section entitled "Reconciliations of 2018 Constant Currency Revenue" for a description of the presentation of constant currency amounts.

**Reconciliation of GAAP Diluted Net Income Per Common Share to Diluted Net Income Per Common Share on a Non-GAAP Basis**

**(Net Income in millions)**

	Full Year 2017 (Actual)			Second Quarter 2017 (Actual)		
	Results Under GAAP	Adjustments <sup>(1)</sup>	Non- GAAP Results	Results Under GAAP	Adjustments <sup>(2)</sup>	Non- GAAP Results
<u>(In millions, except per share data)</u>						
Net income	\$ 537.8	\$ (86.6)	\$ 624.4	\$ 119.7	\$ (13.4)	\$ 133.1
Total weighted average shares	78.6		78.6	78.7		78.7
Diluted net income per common share	<u>\$ 6.84</u>		<u>\$ 7.94</u>	<u>\$ 1.52</u>		<u>\$ 1.69</u>

<sup>(1)</sup> Represents the impact on net income in the year ended February 4, 2018 from the elimination of (i) a \$2.5 million recognized actuarial loss on retirement plans; (ii) \$26.9 million of costs incurred related to the TH China acquisition, primarily consisting of noncash amortization of short-lived assets; (iii) \$54.2 million of costs incurred in connection with the Li & Fung termination; (iv) \$19.2 million of costs incurred in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense; (v) \$9.4 million of costs incurred in connection with the noncash settlement of certain of the Company's benefit obligations related to its retirement plans as a result of an annuity purchased for certain participants, under which such obligations were transferred to an insurer; (vi) \$8.0 million of net costs incurred in connection with the consolidation within the Company's warehouse and distribution network in North America, which included a gain recorded on the sale of a warehouse and distribution center; (vii) \$82.9 million of costs incurred in connection with an amendment to Mr. Tommy Hilfiger's employment agreement pursuant to which the Company made a cash buyout of a portion of future payments to Mr. Hilfiger; (viii) \$23.9 million of costs incurred in connection with the early redemption of the Company's \$700 million 4 1/2% senior notes; (ix) \$4.2 million of costs incurred in connection with the issuance of the Company's €600 million 3 1/8% senior notes; (x) \$54.0 million of tax benefits associated with the foregoing pre-tax items; (xi) \$22.6 million of discrete tax benefits related to the resolution of uncertain tax positions; (xii) a \$52.8 million discrete net tax benefit associated with the Tax Legislation; and (xiii) a \$15.2 million discrete tax benefit related to an excess tax benefit from the exercise of stock options by the Company's Chief Executive Officer.

<sup>(2)</sup> Represents the impact on net income in the quarter ended July 30, 2017 from the elimination of (i) \$6.6 million of costs incurred related to the TH China acquisition, primarily consisting of noncash amortization of short-lived assets; (ii) \$7.1 million of costs incurred in connection with the relocation of the Tommy Hilfiger office in New York, including noncash depreciation expense; (iii) \$5.5 million of costs incurred in connection with the consolidation within the Company's warehouse and distribution network in North America; and (iv) \$5.8 million of tax benefits associated with the foregoing pre-tax items.