

**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) August 31, 2021

**PVH CORP.**

(Exact name of registrant as specified in its charter)

Delaware    001-07572    13-1166910  
(State or other jurisdiction of                      (Commission File Number)                      (I.R.S. Employer Identification No.)  
incorporation)

200 Madison Avenue, New York, New York    10016  
(Address of principal executive offices)    (Zip Code)

Registrant's telephone number, including area code (212)-381-3500

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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, \$1.00 par value	PVH	New York Stock Exchange

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 August 31, 2021, PVH Corp. (the “Company”) issued a press release to report the Company’s earnings for the second quarter 2021, 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 regarding second quarter 2021 earnings, dated August 31, 2021.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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## 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: August 31, 2021

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

**FOR IMMEDIATE RELEASE:  
August 31, 2021**

**PVH CORP. REPORTS 2021 SECOND QUARTER RESULTS ABOVE GUIDANCE AND RAISES  
FULL YEAR OUTLOOK**

- Second quarter revenue increased 46% to \$2.313 billion (increased 40% on a constant currency basis) compared to the prior year period and exceeded guidance
  - Revenue in international businesses significantly exceeded 2019 pre-pandemic levels
  - Revenue through digital channels grew approximately 35% compared to the prior year period
  - Digital penetration as a percentage of total revenue continues to be approximately 25%
- Gross margin for the quarter exceeded 2019 pre-pandemic levels
- Second quarter EPS exceeded guidance and was:
  - GAAP basis: \$2.51 compared to guidance of \$0.79 to \$0.82
  - Non-GAAP basis: \$2.72 compared to guidance of \$1.15 to \$1.18
- Raising full year 2021 EPS outlook despite continued COVID-19 uncertainty:
  - GAAP basis: Raising to approximately \$8.80 from approximately \$6.60 previously
  - Non-GAAP basis: Raising to approximately \$8.50 from approximately \$6.50 previously
- Made \$700 million of voluntary term loan payments in the first six months of 2021 (\$200 million in the second quarter), equal to the incremental amount borrowed during 2020
- Closed the sale of certain intellectual property and other assets of the Heritage Brands business in August 2021, with approximately \$200 million of net proceeds to be utilized to repurchase shares in 2021

New York, New York - PVH Corp. [NYSE: PVH] reported its 2021 second quarter results.

**Non-GAAP Amounts:**

Amounts stated to be on a non-GAAP basis exclude the items that are defined or described in greater detail near the end of this release under the heading “Non-GAAP Exclusions.” Reconciliations of amounts on a GAAP basis to amounts on a non-GAAP basis are presented after the “Non-GAAP Exclusions” and identify and quantify all excluded items.

**CEO Comments:**

Stefan Larsson, Chief Executive Officer, commented “We delivered another quarter of high-quality growth and strong performance above our guidance. This was driven by disciplined execution of our key strategic priorities, led by *Calvin Klein* and *TOMMY HILFIGER* and our international markets, focused on product strength and winning in the marketplace, super-charged by e-commerce. Our international performance was particularly strong, which performed above 2019 pre-pandemic levels. Based on our strong first half results, along with strong underlying trends, we are raising our full year outlook, which continues to reflect gross margins above 2019 pre-pandemic levels and further improvement in our operating margin.”

Mr. Larsson added, “Looking ahead, we are pleased with our recovery, which has been faster than expected across both global brands. Our continued execution of our key strategic priorities will drive business performance in the near-term, while also positioning the Company for long-term, sustainable profitable growth.”

**Second Quarter Review:**

- **Revenue:** Overall revenue for the second quarter increased 46% (increased 40% on a constant currency basis) compared to the prior year period. The Company experienced strong performance in its international businesses, primarily driven by Europe. The prior year period was impacted negatively by extensive temporary store closures, as virtually all of the Company’s retail stores and the majority of its wholesale customers’ stores globally were closed during the first month of the

second quarter and were operating at significantly reduced capacity for the remainder of the quarter.

- **Direct to Consumer:** Total direct to consumer revenue for the second quarter increased 19% compared to the prior year period. Digital commerce was flat to the prior year period despite exceptionally strong growth in 2020 due to temporary store closures and occupancy restrictions. In addition, traffic in stores in the current year has significantly improved compared to the prior year due to reopenings and reduced occupancy restrictions. The Company's retail stores continued to face some pressure as a result of the pandemic, with certain stores in Europe, Australia and Japan temporarily closed for varying periods of time during the current year's second quarter.
- **Wholesale:** Total wholesale revenue for the second quarter increased 77% compared to the prior year period, driven by strong performance in Europe. In addition, the Company experienced a significant increase in its sales to the digital businesses of its traditional and pure play wholesale customers.
- **Gross Margin:** Overall gross margin in the second quarter was 57.7% as compared to 55.9% in the prior year period, with substantial improvements across all regions, primarily due to less promotional selling. Inventory levels remain lean, down 13% compared to the prior year period.

#### **Second Quarter Consolidated Results:**

Second quarter revenue increased 46% to \$2.313 billion (increased 40% on a constant currency basis) compared to the prior year period. The revenue increase compared to the prior year period reflects:

- A 41% increase (35% increase on a constant currency basis) in the Tommy Hilfiger business compared to the prior year period, including a 40% increase (32% increase on a constant currency basis) in Tommy Hilfiger International revenue and a 45% increase (43% increase on a constant currency basis) in Tommy Hilfiger North America revenue.

- A 56% increase (50% increase on a constant currency basis) in the Calvin Klein business compared to the prior year period, including a 47% increase (37% increase on a constant currency basis) in Calvin Klein International revenue and a 75% increase (74% increase on a constant currency basis) in Calvin Klein North America revenue.
- A 37% increase in the Heritage Brands business compared to the prior year period.

Earnings per share on a GAAP basis was \$2.51 for the second quarter of 2021 compared to a loss per share of \$(0.72) in the prior year period. These results include the amounts for 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 \$2.72 for the second quarter of 2021 compared to \$0.13 in the prior year period.

Earnings before interest and taxes on a GAAP basis for the quarter was \$279 million compared to a loss before interest and taxes of \$(2) million in the prior year period. Included in earnings before interest and taxes for the second quarter of 2021 were costs of \$15 million consisting of (i) \$13 million in connection with the exit from the Heritage Brands Retail business announced in July 2020, consisting of \$6 million of severance and other termination benefits, \$4 million of contract termination and other costs, and \$3 million of accelerated amortization of lease assets, and (ii) \$2 million in connection with actions to streamline the Company’s organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures (in addition to the exit from the Heritage Brands Retail business described above), consisting of \$1 million of severance and \$1 million of contract termination and other costs. Included in loss before interest and taxes for the prior year period were costs of \$51 million consisting of (i) \$38 million related to the North America workforce reduction, primarily consisting of severance, and (ii) \$12 million in connection with the exit from the Heritage Brands Retail business. Earnings before interest

and taxes on a non-GAAP basis for these periods, as discussed below, exclude these amounts.

Earnings before interest and taxes on a non-GAAP basis for the quarter increased to \$294 million compared to \$49 million in the prior year period. The increase was primarily driven by the revenue increase and gross margin improvements discussed above, as well as a leveraging of expenses. Earnings before interest and taxes on both a GAAP basis and non-GAAP basis for the quarter exceeded 2019 pre-pandemic levels, driven by strength in the international businesses, particularly in Europe.

Net interest expense on a GAAP basis decreased to \$26 million from \$32 million in the prior year period. Included in net interest expense for the prior year period was a \$5 million expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition. Net interest expense on a non-GAAP basis for the prior year period excludes this amount. Net interest expense of \$26 million on a GAAP basis (there were no non-GAAP exclusions in the second quarter of 2021) is a decrease from \$28 million on a non-GAAP basis in the prior year period.

The effective tax rate on a GAAP basis for the second quarter of 2021 was 28.1% as compared to (53.0)% in the prior year period. The effective tax rate on a non-GAAP basis for the second quarter of 2021 was 26.2% as compared to 56.7% in the prior year period.

#### **2021 Outlook:**

*The Company is providing its updated 2021 outlook despite the continued uncertainty due to the COVID-19 pandemic globally and, as such, it could be subject to material change. The outlook does not contemplate any significant new temporary store closures, new lockdowns, or extensions of current lockdowns beyond what is already known. In addition, the outlook contemplates higher freight and other logistics costs in the second half of the year to mitigate delays of approximately four to six weeks on average for certain inventory orders, but does not contemplate any greater supply chain disruptions beyond that. The*



*Company's 2021 results could differ materially from its current outlook as a result of the occurrence of any of these, or any other, unanticipated events.*

The Company expects 2021 revenue and earnings will be impacted by the pandemic in the second half of 2021. While the international businesses have exceeded and are expected to continue to exceed 2019 pre-pandemic revenue levels for the remainder of 2021, the North America businesses are expected to remain challenged, as international tourism, which is the source of a significant portion of regional revenue, is not expected to return to any significant level this year.

The updated 2021 outlook also reflects the sale of certain intellectual property and other assets in connection with the Heritage Brands transaction. This transaction will result in a decrease to 2021 revenue of approximately 2% as compared to 2020. The Company expects to record a pre-tax net gain of approximately \$110 million in its 2021 earnings on a GAAP basis, which includes an estimated gain on the sale, less costs to sell, and severance and other termination benefits associated with the transaction. The Company's estimate of 2021 earnings on a non-GAAP basis, as discussed below, excludes this pre-tax net gain. The transaction is expected to be slightly dilutive to 2021 earnings on a non-GAAP basis.

The Company expects gross margin to continue to reflect improvements for the remainder of 2021 compared to 2020 due to less promotional selling and a favorable shift in regional sales mix.

#### Full Year Guidance

Revenue in 2021 is projected to increase 26% to 28% (increase 24% to 26% on a constant currency basis) as compared to 2020.

The Company currently projects that 2021 earnings per share on a GAAP basis will be approximately \$8.80 compared to a loss per share of \$(15.96) in 2020. These results include the amounts for the applicable period described under the heading "Non-GAAP Exclusions" later in this release. Earnings per share and loss per share on a non-GAAP basis for these periods, respectively, as discussed below, exclude these amounts.

The Company currently projects that 2021 earnings per share on a non-GAAP basis will be approximately \$8.50 compared to a loss per share of \$(1.97) in 2020.

Net interest expense in 2021 on a GAAP basis is projected to decrease to approximately \$105 million compared to \$121 million in 2020. Included in net interest expense for the prior year was a \$5 million expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition. Net interest expense on a non-GAAP basis for the prior year excludes this amount. Net interest expense in 2021 on a GAAP basis (there are no non-GAAP exclusions in 2021) is projected to decrease to approximately \$105 million compared to \$116 million on a non-GAAP basis in 2020. The Company estimates that the 2021 effective tax rate will be in a range of 17% to 18%.

The Company's estimate of 2021 earnings per share on a non-GAAP basis excludes (i) a pre-tax net gain of approximately \$110 million expected to be recorded in connection with the Heritage Brands transaction, (ii) approximately \$60 million of pre-tax costs expected to be incurred in connection with actions to streamline its organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, and (iii) \$21 million of pre-tax costs incurred in connection with exiting the Heritage Brands Retail business, and the resulting estimated tax effects of these pre-tax items.

#### Third Quarter Guidance

Revenue in the third quarter of 2021 is projected to increase 11% to 13% compared to the prior year period.

The Company currently projects that third quarter 2021 earnings per share on a GAAP basis will be in a range of \$3.00 to \$3.05 compared to \$0.98 in the prior year period. These results include the amounts for the applicable period described under the heading "Non-GAAP Exclusions" later in this release, including the pre-tax net gain of approximately \$110 million expected to be recorded in the third quarter of 2021 in connection with the

Heritage Brands transaction. Earnings per share on a non-GAAP basis for these periods, as discussed below, exclude these amounts.

The Company currently projects that third quarter 2021 earnings per share on a non-GAAP basis will be in a range of \$1.95 to \$2.00 compared to \$1.32 in the prior year period.

Net interest expense in the third quarter of 2021 on a GAAP basis is projected to decrease to approximately \$25 million compared to \$34 million in the prior year period. Included in net interest expense for the prior year period was a \$1 million expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition. Net interest expense on a non-GAAP basis for the prior year period excludes this amount. Net interest expense in the third quarter of 2021 on a GAAP basis (there are no non-GAAP exclusions in the third quarter of 2021) is projected to decrease to approximately \$25 million compared to \$32 million on a non-GAAP basis in the prior year period. The Company estimates that the third quarter 2021 effective tax rate will be in a range of 26% to 28%.

The Company's estimate of third quarter 2021 earnings per share on a non-GAAP basis excludes (i) a pre-tax net gain of approximately \$110 million expected to be recorded in connection with the Heritage Brands transaction and (ii) approximately \$8 million of pre-tax costs expected to be incurred in connection with the previously described actions to streamline its organization and reduce its real estate footprint.

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.

**Non-GAAP Exclusions:**

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

- Pre-tax costs of approximately \$60 million incurred and expected to be incurred in 2021 in connection with actions to streamline the Company's organization through

reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, consisting of noncash asset impairments, severance, and contract termination and other costs, of which \$43 million was incurred in the first quarter, \$2 million was incurred in the second quarter and approximately \$8 million is expected to be incurred in the third quarter.

- Pre-tax costs of \$21 million incurred in 2021 in connection with the exit from the Heritage Brands Retail business announced in July 2020 that was substantially completed in the second quarter of 2021, consisting of severance and other termination benefits, accelerated amortization of lease assets and contract termination and other costs, of which \$8 million was incurred in the first quarter and \$13 million was incurred in the second quarter.
- Pre-tax net gain of approximately \$110 million expected to be recorded in the third quarter of 2021 in connection with the sale of certain intellectual property and other assets of the Company's Heritage Brands business that closed on the first day of the third quarter of 2021 (the "Heritage Brands transaction"), which includes an estimated gain on the sale, less costs to sell, and severance and other termination benefits associated with the transaction.
- Pre-tax noncash impairment charges of \$1.021 billion recorded in 2020, primarily resulting from the impact of the COVID-19 pandemic on the Company's business, including \$933 million related to goodwill and other intangible assets, \$75 million related to store assets, and \$12 million related to an equity method investment, of which \$962 million was recorded in the first quarter and \$59 million was recorded in the fourth quarter.
- Pre-tax costs of \$7 million incurred in the first quarter of 2020 in connection with a consolidation within the Company's warehouse and distribution network in North America.
- Pre-tax noncash net loss of \$3 million recorded in the first quarter of 2020 related to the April 2020 sale of the Company's Speedo North America business to Pentland Group PLC, the parent company of the *Speedo* brand (the "Speedo transaction") and the resulting deconsolidation of the net assets of the Speedo North America business.

- Pre-tax expense of \$5 million recorded in 2020 resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Company's acquisition of the approximately 78% interest in Gazal Corporation Limited that it did not already own (the "Australia acquisition"), of which \$4 million of income was recorded in the first quarter, \$5 million of expense was recorded in the second quarter, \$1 million of expense was recorded in the third quarter and \$3 million of expense was recorded in the fourth quarter.
- Pre-tax costs of \$40 million incurred in 2020 related to the reduction in the Company's North America office workforce announced in July 2020 (the "North America workforce reduction"), primarily consisting of severance, of which \$38 million was recorded in the second quarter and \$1 million was recorded in the third quarter.
- Pre-tax costs of \$29 million incurred in 2020 in connection with exiting the Heritage Brands Retail business, consisting of \$15 million of severance, \$7 million of noncash asset impairments and \$7 million of accelerated amortization of lease assets and other costs, of which \$12 million was incurred in the second quarter, \$9 million was incurred in the third quarter and \$8 million was incurred in the fourth quarter.
- Pre-tax gain of \$65 million recorded in the fourth quarter of 2020 related to the recognized actuarial gain on retirement plans.
- Discrete tax expense of \$33 million recorded in the fourth quarter of 2020 related to the remeasurement of certain of the Company's net deferred tax liabilities in connection with the enactment of legislation in the Netherlands known as the "2021 Dutch Tax Plan," which became effective on January 1, 2021.
- 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 applicable income tax rate in 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 relevant 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 relevant 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 9 and the sections entitled "Reconciliations of 2021 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.

**Contact: Dana Perlman**  
**(212) 381-3502**  
**investorrelations@pvh.com**

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The Company webcasts its conference calls to review its earnings releases. **The Company's conference call to review its second quarter earnings release is scheduled for Wednesday, September 1, 2021 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 5686480. 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, 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's ability to realize anticipated benefits and savings from restructuring and similar plans, such as the workforce reductions in North America and certain international markets, and the reductions in its office and store real estate footprint, all as previously announced; (iii) 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; (iv) the levels of sales of the Company's apparel, footwear and related products, both to its wholesale customers and in its retail stores and its directly operated digital commerce sites, 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, consumer sentiment and other factors; (v) the Company's ability to manage its growth and inventory; (vi) quota restrictions, the imposition of safeguard controls and the imposition of new or increased 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, or require the Company to absorb costs or try to pass costs onto consumers, which could materially impact the Company's revenue and profitability; (vii) the availability and cost of raw materials; (viii) 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); (ix) the regulation or prohibition of the transaction of business with specific individuals or entities and their affiliates or goods manufactured in (or containing raw materials or components from) certain regions, such as the listing of a person or entity as a Specially Designated National or Blocked Person by the U.S. Department of the Treasury's Office of Foreign Assets Control and the issuance of Withhold Release Orders by the U.S. Customs and Border Patrol; (x) 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; (xi) disease epidemics and health-related concerns, such as the ongoing COVID-19 pandemic, which could result in (and, in the case of the COVID-19 pandemic, has resulted in some of the following) supply-chain disruptions due to closed factories, reduced workforces and production capacity, scarcity of raw materials and scrutiny or embargoing of goods produced in affected areas, closed stores, reduced consumer traffic and purchasing, as consumers become ill or limit or cease shopping in order to avoid exposure, or governments implement mandatory business closures, travel restrictions or the like to prevent the spread of disease, and market or other changes that could result (or, with respect to the COVID-19 pandemic, could continue to result) in noncash impairments of the Company's goodwill and other intangible assets, operating lease right-of-use assets, and property, plant and equipment; (xii) acquisitions and divestitures and issues arising with acquisitions, divestitures and proposed transactions, including, without limitation, the ability to realize the strategic benefits of transactions (such as the Company's sale of certain intellectual property and other assets of, and exit from, its Heritage Brands business to focus on its Calvin Klein and Tommy Hilfiger businesses), 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; (xiii) 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; (xiv) significant fluctuations of the U.S. dollar against foreign currencies in which the Company transacts significant levels of business; (xv) 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; (xvi) the impact of new and revised tax legislation and regulations; and (xvii) 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 following this Safe Harbor Statement, 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 Statements of Operations**  
(In millions, except per share data)

	Quarter Ended		Six Months Ended	
	<u>8/1/21</u>	<u>8/2/20</u>	<u>8/1/21</u>	<u>8/2/20</u>
Net sales	\$ 2,221.5	\$ 1,531.2	\$ 4,202.0	\$ 2,788.4
Royalty revenue	72.9	37.0	150.6	106.0
Advertising and other revenue	18.8	12.5	39.9	30.3
Total revenue	<u>\$ 2,313.2</u>	<u>\$ 1,580.7</u>	<u>\$ 4,392.5</u>	<u>\$ 2,924.7</u>
Gross profit on net sales	\$ 1,241.9	\$ 833.8	\$ 2,372.2	\$ 1,412.9
Gross profit on royalty, advertising and other revenue	91.7	49.5	190.5	136.3
Total gross profit	<u>1,333.6</u>	<u>883.3</u>	<u>2,562.7</u>	<u>1,549.2</u>
Selling, general and administrative expenses	1,062.0	882.2	2,101.4	1,822.3
Goodwill and other intangible asset impairments				933.5
Non-service related pension and postretirement income	(3.3)	(0.7)	(7.3)	(4.3)
Other noncash loss, net				3.1
Equity in net income (loss) of unconsolidated affiliates	4.1	(3.5)	7.8	(14.7)
Earnings (loss) before interest and taxes	<u>279.0</u>	<u>(1.7)</u>	<u>476.4</u>	<u>(1,220.1)</u>
Interest expense, net	26.3	32.1	55.7	53.3
Pre-tax income (loss)	252.7	(33.8)	420.7	(1,273.4)
Income tax expense (benefit)	70.9	17.9	139.2	(124.5)
Net income (loss)	181.8	(51.7)	281.5	(1,148.9)
Less: Net loss attributable to redeemable non-controlling interest <sup>(1)</sup>	(0.1)	(0.3)	(0.3)	(0.7)
Net income (loss) attributable to PVH Corp.	<u>\$ 181.9</u>	<u>\$ (51.4)</u>	<u>\$ 281.8</u>	<u>\$ (1,148.2)</u>
Diluted net income (loss) per common share attributable to PVH Corp. <sup>(2)</sup>	\$ 2.51	\$ (0.72)	\$ 3.89	\$ (16.12)
	Quarter Ended		Six Months Ended	
	<u>8/1/21</u>	<u>8/2/20</u>	<u>8/1/21</u>	<u>8/2/20</u>
Depreciation and amortization expense	\$ 78.3	\$ 78.9	\$ 155.9	\$ 160.0

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

<sup>(1)</sup> The Company and Arvind Limited had a joint venture in Ethiopia in which the Company owned a 75% interest until May 31, 2021. The Company, since May 31, 2021, has managed and effectively owned all economic interests in the joint venture.

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

## **PVH CORP.**

### **Non-GAAP Measures**

The Company believes it is useful to investors to present its results for the periods ended August 1, 2021 and August 2, 2020 on a non-GAAP basis by excluding (i) the costs incurred in the first and second quarters of 2021 and the second quarter of 2020 related to exiting the Heritage Brands Retail business, consisting of severance and other termination benefits, accelerated amortization of lease assets, contract termination and other costs, and noncash asset impairments; (ii) the costs incurred in the first and second quarters of 2021 in connection with actions announced in March 2021 to streamline the Company's organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures, consisting of noncash asset impairments, severance, and contract termination and other costs; (iii) the income (expense) recorded in the first and second quarters of 2020 resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the acquisition of the approximately 78% interest in Gazal Corporation Limited that the Company did not already own (the "Australia acquisition"); (iv) the noncash impairment charges recorded in the first quarter of 2020 related to store assets as a result of the significant negative impacts of the COVID-19 pandemic on the Company's business, consisting of property, plant and equipment; (v) the noncash impairment charges recorded in the first quarter of 2020 related to goodwill, tradenames, and other intangible assets, as well as an equity method investment, as a result of the significant negative impacts of the COVID-19 pandemic on the Company's business; (vi) the noncash net loss recorded in the first quarter of 2020 related to the sale of the Speedo North America business in April 2020 (the "Speedo transaction") and the resulting deconsolidation of the net assets of the business; (vii) the costs incurred in the first quarter of 2020 in connection with the consolidation within the Company's warehouse and distribution network in North America; (viii) the costs incurred in the second quarter of 2020 in connection with the reduction in the North America office workforce announced in July 2020 (the "North America workforce reduction"), primarily consisting of severance; and (ix) the tax effects associated with the foregoing pre-tax items. The Company excludes these amounts because it deems them to be non-recurring or non-operational and believes that their exclusion (i) facilitates comparing the results being reported 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.

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

The following table presents the non-GAAP measures that are discussed in this release. Please see Tables 1 through 9 for the reconciliations of the GAAP amounts to amounts on a non-GAAP basis.

<b>Non-GAAP Measures</b>	<b>Quarter Ended</b>		<b>Six Months Ended</b>	
	<u>8/1/21</u>	<u>8/2/20</u>	<u>8/1/21</u>	<u>8/2/20</u>
Selling, general and administrative expenses <sup>(1)</sup>	\$ 1,047.1	\$ 834.5	\$ 2,035.2	\$ 1,751.8
Goodwill and other intangible asset impairments <sup>(2)</sup>				—
Non-service related pension and postretirement income <sup>(3)</sup>		(3.7)		(7.3)
Other noncash loss, net <sup>(4)</sup>				—
Equity in net loss of unconsolidated affiliates <sup>(5)</sup>				(2.4)
Earnings (loss) before interest and taxes <sup>(6)</sup>	293.9	49.0	542.6	(197.7)
Interest expense, net <sup>(7)</sup>		27.5		52.4
Income tax expense (benefit) <sup>(8)</sup>	70.2	12.2	150.9	(42.7)
Net income (loss) attributable to PVH Corp. <sup>(9)</sup>	197.5	9.6	336.3	(206.7)
Diluted net income (loss) per common share attributable to PVH Corp. <sup>(10)</sup>	\$ 2.72	\$ 0.13	\$ 4.64	\$ (2.90)

<sup>(1)</sup> Please see Table 3 for the 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 the reconciliation of GAAP goodwill and other intangible asset impairments to goodwill and other intangible asset impairments on a non-GAAP basis.

<sup>(3)</sup> Please see Table 5 for the reconciliations of GAAP non-service related pension and postretirement income to non-service related pension and postretirement income on a non-GAAP basis.

<sup>(4)</sup> Please see Table 6 for the reconciliation of GAAP other noncash loss, net to other noncash loss, net on a non-GAAP basis.

<sup>(5)</sup> Please see Table 7 for the reconciliation of GAAP equity in net loss of unconsolidated affiliates to equity in net loss of unconsolidated affiliates on a non-GAAP basis.

<sup>(6)</sup> Please see Table 2 for the reconciliations of GAAP earnings (loss) before interest and taxes to earnings (loss) before interest and taxes on a non-GAAP basis.

<sup>(7)</sup> Please see Table 8 for the reconciliations of GAAP interest expense, net to interest expense, net on a non-GAAP basis.

<sup>(8)</sup> Please see Table 9 for the reconciliations of GAAP income tax expense (benefit) to income tax expense (benefit) 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>(9)</sup> Please see Table 1 for the reconciliations of GAAP net income (loss) to net income (loss) on a non-GAAP basis.

<sup>(10)</sup> Please see Note A in Notes to Consolidated GAAP Statements of Operations for the reconciliations of GAAP diluted net income (loss) per common share to diluted net income (loss) per common share on a non-GAAP basis.

**PVH CORP.**

**Reconciliations of GAAP to Non-GAAP Amounts**

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

	Quarter Ended		Six Months Ended	
	8/1/21	8/2/20	8/1/21	8/2/20
Net income (loss) attributable to PVH Corp.	\$ 181.9	\$ (51.4)	\$ 281.8	\$ (1,148.2)
Diluted net income (loss) per common share attributable to PVH Corp. <sup>(1)</sup>	\$ 2.51	\$ (0.72)	\$ 3.89	\$ (16.12)
Pre-tax items excluded:				
SG&A expenses associated with store asset impairments				16.0
SG&A expenses associated with the consolidation within the Company's warehouse and distribution network in North America				6.8
SG&A expenses associated with actions announced in March 2021 to reduce the Company's workforce, primarily in international markets, and its real estate footprint	1.8		45.1	
SG&A expenses associated with the North America workforce reduction		35.4		35.4
SG&A expenses associated with exiting the Heritage Brands Retail business	13.1	12.3	21.1	12.3
Goodwill and other intangible asset impairments				933.5
Special termination benefits expense associated with the North America workforce reduction (recorded in non-service related pension and postretirement income)		3.0		3.0
Noncash net loss related to the Speedo transaction (recorded in other noncash loss, net)				3.1
Impairment of an equity method investment (recorded in equity in net income (loss) of unconsolidated affiliates)				12.3
Expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest in connection with the Australia acquisition (recorded in interest expense, net)		4.6		0.9
Tax effects of the pre-tax items above <sup>(2)</sup>	0.7	5.7	(11.7)	(81.8)
Net income (loss) on a non-GAAP basis attributable to PVH Corp.	\$ 197.5	\$ 9.6	\$ 336.3	\$ (206.7)
Diluted net income (loss) per common share on a non-GAAP basis attributable to PVH Corp. <sup>(1)</sup>	\$ 2.72	\$ 0.13	\$ 4.64	\$ (2.90)

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

<sup>(2)</sup> Please see Table 9 for an explanation of the calculation of the tax effects of the above items.

**PVH CORP.**

**Reconciliations of GAAP to Non-GAAP Amounts (continued)**

(In millions)

	Quarter Ended		Six Months Ended	
	8/1/21	8/2/20	8/1/21	8/2/20
Earnings (loss) before interest and taxes	\$ 279.0	\$ (1.7)	\$ 476.4	\$ (1,220.1)
Items excluded:				
SG&A expenses associated with store asset impairments				16.0
SG&A expenses associated with the consolidation within the Company's warehouse and distribution network in North America				6.8
SG&A expenses associated with actions announced in March 2021 to reduce the Company's workforce, primarily in international markets, and its real estate footprint	1.8		45.1	
SG&A expenses associated with the North America workforce reduction		35.4		35.4
SG&A expenses associated with exiting the Heritage Brands Retail business	13.1	12.3	21.1	12.3
Goodwill and other intangible asset impairments				933.5
Special termination benefits expense associated with the North America workforce reduction (recorded in non-service related pension and postretirement income)		3.0		3.0
Noncash net loss related to the Speedo transaction (recorded in other noncash loss, net)				3.1
Impairment of an equity method investment (recorded in equity in net income (loss) of unconsolidated affiliates)				12.3
Earnings (loss) before interest and taxes on a non-GAAP basis	\$ 293.9	\$ 49.0	\$ 542.6	\$ (197.7)

	Quarter Ended		Six Months Ended	
	8/1/21	8/2/20	8/1/21	8/2/20
SG&A expenses	\$ 1,062.0	\$ 882.2	\$ 2,101.4	\$ 1,822.3
Items excluded:				
Expenses associated with store asset impairments				(16.0)
Expenses associated with the consolidation within the Company's warehouse and distribution network in North America				(6.8)
Expenses associated with actions announced in March 2021 to reduce the Company's workforce, primarily in international markets, and its real estate footprint	(1.8)		(45.1)	
Expenses associated with the North America workforce reduction		(35.4)		(35.4)
Expenses associated with exiting the Heritage Brands Retail business	(13.1)	(12.3)	(21.1)	(12.3)
SG&A expenses on a non-GAAP basis	\$ 1,047.1	\$ 834.5	\$ 2,035.2	\$ 1,751.8

**PVH CORP.**

**Reconciliations of GAAP to Non-GAAP Amounts (continued)**

(In millions)

**Table 4 - Reconciliation of GAAP goodwill and other intangible asset impairments to goodwill and other intangible asset impairments on a non-GAAP basis**

	<b>Six Months Ended</b>	
	<b>8/2/20</b>	
Goodwill and other intangible asset impairments	\$	933.5
Item excluded:		
Goodwill and other intangible asset impairments		(933.5)
Goodwill and other intangible asset impairments on a non-GAAP basis	\$	—

**Table 5 - Reconciliations of GAAP non-service related pension and postretirement income to non-service related pension and postretirement income on a non-GAAP basis**

	<b>Quarter Ended</b>	<b>Six Months Ended</b>
	<b>8/2/20</b>	<b>8/2/20</b>
Non-service related pension and postretirement income	\$ (0.7)	\$ (4.3)
Item excluded:		
Special termination benefits expense associated with the North America workforce reduction	(3.0)	(3.0)
Non-service related pension and postretirement income on a non-GAAP basis	\$ (3.7)	\$ (7.3)

**Table 6 - Reconciliation of GAAP other noncash loss, net to other noncash loss, net on a non-GAAP basis**

	<b>Six Months Ended</b>	
	<b>8/2/20</b>	
Other noncash loss, net	\$	3.1
Item excluded:		
Noncash net loss related to the Speedo transaction		(3.1)
Other noncash loss, net on a non-GAAP basis	\$	—

**Table 7 - Reconciliation of GAAP equity in net loss of unconsolidated affiliates to equity in net loss of unconsolidated affiliates on a non-GAAP basis**

	<b>Six Months Ended</b>	
	<b>8/2/20</b>	
Equity in net loss of unconsolidated affiliates	\$	(14.7)
Item excluded:		
Impairment of an equity method investment		12.3
Equity in net loss of unconsolidated affiliates on a non-GAAP basis	\$	(2.4)

**PVH CORP.****Reconciliations of GAAP to Non-GAAP Amounts (continued)****(In millions)****Table 8 - Reconciliations of GAAP interest expense, net to interest expense, net on a non-GAAP basis**

	Quarter Ended		Six Months Ended	
	8/2/20		8/2/20	
Interest expense, net	\$	32.1	\$	53.3
Item excluded:				
Expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest in connection with the Australia acquisition		(4.6)		(0.9)
Interest expense, net on a non-GAAP basis	\$	27.5	\$	52.4

**Table 9 - Reconciliations of GAAP income tax expense (benefit) to income tax expense (benefit) on a non-GAAP basis**

	Quarter Ended		Six Months Ended	
	8/1/21	8/2/20	8/1/21	8/2/20
Income tax expense (benefit)	\$ 70.9	\$ 17.9	\$ 139.2	\$ (124.5)
Item excluded:				
Tax effects of pre-tax items identified as non-GAAP exclusions <sup>(1)</sup>	(0.7)	(5.7)	11.7	81.8
Income tax expense (benefit) on a non-GAAP basis	\$ 70.2	\$ 12.2	\$ 150.9	\$ (42.7)

<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 applicable income tax rate in the local jurisdiction, or as non-taxable or non-deductible, in which case the Company assumed no tax effect.

**PVH CORP.**  
**Notes to Consolidated GAAP Statements of Operations**  
(In millions, except per share data)

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

	Quarter Ended 8/1/21			Quarter Ended 8/2/20		
	GAAP Results	Adjustments <sup>(1)</sup>	Non-GAAP Results	GAAP Results	Adjustments <sup>(2)</sup>	Non-GAAP Results
Net income (loss) attributable to PVH Corp.	\$ 181.9	\$ (15.6)	\$ 197.5	\$ (51.4)	\$ (61.0)	\$ 9.6
Weighted average common shares	71.4		71.4	71.1		71.1
Weighted average dilutive securities	1.1		1.1	—	0.2	0.2
Total shares	<u>72.5</u>		<u>72.5</u>	<u>71.1</u>		<u>71.3</u>
Diluted net income (loss) per common share attributable to PVH Corp.	\$ 2.51		\$ 2.72	\$ (0.72)		\$ 0.13

	Six Months Ended 8/1/21			Six Months Ended 8/2/20		
	GAAP Results	Adjustments <sup>(1)</sup>	Non-GAAP Results	GAAP Results	Adjustments <sup>(2)</sup>	Non-GAAP Results
Net income (loss) attributable to PVH Corp.	\$ 281.8	\$ (54.5)	\$ 336.3	\$ (1,148.2)	\$ (941.5)	\$ (206.7)
Weighted average common shares	71.3		71.3	71.2		71.2
Weighted average dilutive securities	1.1		1.1	—		—
Total shares	<u>72.4</u>		<u>72.4</u>	<u>71.2</u>		<u>71.2</u>
Diluted net income (loss) per common share attributable to PVH Corp. <sup>(3)</sup>	\$ 3.89		\$ 4.64	\$ (16.12)		\$ (2.90)

<sup>(1)</sup> Represents the impact on net income in the periods ended August 1, 2021 from the elimination of (i) the costs related to exiting the Heritage Brands Retail business; (ii) the costs related to actions announced in March 2021 to reduce the Company's workforce, primarily in international markets, and its real estate footprint; and (iii) the tax effects associated with the foregoing pre-tax items. Please see Table 1 for the reconciliation of GAAP net income (loss) to net income (loss) on a non-GAAP basis.

<sup>(2)</sup> Represents the impact on net (loss) income in the periods ended August 2, 2020 from the elimination of (i) the expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition; (ii) the noncash impairment charges related to goodwill, tradenames, and other intangible assets, store assets and an equity method investment as a result of the significant negative impacts of the COVID-19 pandemic on the Company's business; (iii) the noncash net loss recorded related to the Speedo transaction; (iv) the costs in connection with the consolidation within the Company's warehouse and distribution network in North America; (v) the costs related to exiting the Heritage Brands Retail business; (vi) the costs related to the North America workforce reduction; and (vii) the tax effects associated with the foregoing pre-tax items. Please see Table 1 for the reconciliation of GAAP net income (loss) to net income (loss) on a non-GAAP basis. Adjustments to weighted average dilutive securities for the quarter ended August 2, 2020 represent the dilutive impact of securities included in the non-GAAP diluted net income per share calculations. The GAAP diluted net loss per share calculation for the quarter ended August 2, 2020 excluded these potentially dilutive securities because there was a GAAP net loss attributable to PVH Corp. for the period, and, as such, the inclusion of these securities would have been anti-dilutive.

<sup>(3)</sup> Diluted net loss per common share attributable to PVH Corp. for the six months ended August 2, 2020 excluded all potentially dilutive securities because there was a net loss attributable to PVH Corp. for the period and, as such, the inclusion of these securities would have been anti-dilutive.



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

	<u>8/1/21</u>	<u>8/2/20</u>
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 1,152.6	\$ 1,394.3
Receivables	847.2	596.2
Inventories	1,421.3	1,642.2
Other	233.8	214.1
Assets Held For Sale	99.4	—
Total Current Assets	<u>3,754.3</u>	<u>3,846.8</u>
Property, Plant and Equipment	889.4	979.1
Operating Lease Right-of-Use Assets	1,476.3	1,692.5
Goodwill and Other Intangible Assets	6,323.8	6,369.2
Other Assets	353.5	364.9
	<u>\$ 12,797.3</u>	<u>\$ 13,252.5</u>
<b>LIABILITIES, REDEEMABLE NON-CONTROLLING INTEREST AND STOCKHOLDERS' EQUITY</b>		
Accounts Payable and Accrued Expenses	\$ 2,073.0	\$ 2,015.0
Current Portion of Operating Lease Liabilities	407.9	425.7
Short-Term Borrowings	19.2	70.6
Current Portion of Long-Term Debt	29.7	14.8
Current Liabilities Related to Assets Held For Sale	1.6	—
Other Liabilities	1,111.7	1,115.2
Long-Term Portion of Operating Lease Liabilities	1,338.9	1,532.1
Long-Term Debt	2,782.5	3,498.3
Redeemable Non-Controlling Interest	—	(2.7)
Stockholders' Equity	5,032.8	4,583.5
	<u>\$ 12,797.3</u>	<u>\$ 13,252.5</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 8/1/21	Quarter Ended 8/2/20
<u>Tommy Hilfiger North America</u>		
Net sales	\$ 273.9	\$ 194.1
Royalty revenue	15.4	7.1
Advertising and other revenue	3.6	0.8
Total	<u>292.9</u>	<u>202.0</u>
<u>Tommy Hilfiger International</u>		
Net sales	826.3	590.2
Royalty revenue	13.1	8.2
Advertising and other revenue	3.2	3.3
Total	<u>842.6</u>	<u>601.7</u>
<b>Total Tommy Hilfiger</b>		
<b>Net sales</b>	<b>1,100.2</b>	<b>784.3</b>
<b>Royalty revenue</b>	<b>28.5</b>	<b>15.3</b>
<b>Advertising and other revenue</b>	<b>6.8</b>	<b>4.1</b>
<b>Total</b>	<b><u>1,135.5</u></b>	<b><u>803.7</u></b>
<u>Calvin Klein North America</u>		
Net sales	311.0	180.7
Royalty revenue	28.6	13.7
Advertising and other revenue	9.5	5.3
Total	<u>349.1</u>	<u>199.7</u>
<u>Calvin Klein International</u>		
Net sales	560.6	381.6
Royalty revenue	11.0	6.4
Advertising and other revenue	1.7	2.8
Total	<u>573.3</u>	<u>390.8</u>
<b>Total Calvin Klein</b>		
<b>Net sales</b>	<b>871.6</b>	<b>562.3</b>
<b>Royalty revenue</b>	<b>39.6</b>	<b>20.1</b>
<b>Advertising and other revenue</b>	<b>11.2</b>	<b>8.1</b>
<b>Total</b>	<b><u>922.4</u></b>	<b><u>590.5</u></b>
<u>Heritage Brands Wholesale</u>		
Net sales	217.7	150.5
Royalty revenue	4.8	1.4
Advertising and other revenue	0.8	0.2
Total	<u>223.3</u>	<u>152.1</u>
<u>Heritage Brands Retail</u>		
Net sales	32.0	34.1
Royalty revenue	—	0.2
Advertising and other revenue	—	0.1
Total	<u>32.0</u>	<u>34.4</u>
<b>Total Heritage Brands</b>		
<b>Net sales</b>	<b>249.7</b>	<b>184.6</b>
<b>Royalty revenue</b>	<b>4.8</b>	<b>1.6</b>
<b>Advertising and other revenue</b>	<b>0.8</b>	<b>0.3</b>
<b>Total</b>	<b><u>255.3</u></b>	<b><u>186.5</u></b>
<b>Total Revenue</b>		
<b>Net sales</b>	<b>2,221.5</b>	<b>1,531.2</b>
<b>Royalty revenue</b>	<b>72.9</b>	<b>37.0</b>
<b>Advertising and other revenue</b>	<b>18.8</b>	<b>12.5</b>
<b>Total</b>	<b><u>\$ 2,313.2</u></b>	<b><u>\$ 1,580.7</u></b>

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

**EARNINGS (LOSS) BEFORE INTEREST AND TAXES BY SEGMENT**

	Quarter Ended 8/1/21			Quarter Ended 8/2/20		
	Results Under GAAP	Adjustments <sup>(1)</sup>	Non-GAAP Results	Results Under GAAP	Adjustments <sup>(2)</sup>	Non-GAAP Results
Tommy Hilfiger North America	\$ 24.7	\$ —	\$ 24.7	\$ (32.2)	\$ (10.9)	\$ (21.3)
Tommy Hilfiger International	164.8	(1.4)	166.2	83.0	—	83.0
<b>Total Tommy Hilfiger</b>	<b>189.5</b>	<b>(1.4)</b>	<b>190.9</b>	<b>50.8</b>	<b>(10.9)</b>	<b>61.7</b>
Calvin Klein North America	39.7	—	39.7	(21.6)	(10.5)	(11.1)
Calvin Klein International	98.9	(0.4)	99.3	45.0	—	45.0
<b>Total Calvin Klein</b>	<b>138.6</b>	<b>(0.4)</b>	<b>139.0</b>	<b>23.4</b>	<b>(10.5)</b>	<b>33.9</b>
Heritage Brands Wholesale	22.2	—	22.2	(6.7)	(11.2)	4.5
Heritage Brands Retail	(20.6)	(13.1)	(7.5)	(25.4)	(12.3)	(13.1)
<b>Total Heritage Brands</b>	<b>1.6</b>	<b>(13.1)</b>	<b>14.7</b>	<b>(32.1)</b>	<b>(23.5)</b>	<b>(8.6)</b>
Corporate	(50.7)	—	(50.7)	(43.8)	(5.8)	(38.0)
<b>Total earnings (loss) before interest and taxes</b>	<b>\$ 279.0</b>	<b>\$ (14.9)</b>	<b>\$ 293.9</b>	<b>\$ (1.7)</b>	<b>\$ (50.7)</b>	<b>\$ 49.0</b>

<sup>(1)</sup> The adjustments for the quarter ended August 1, 2021 represent the elimination of (i) the costs related to exiting the Heritage Brands Retail business; and (ii) the costs related to actions announced in March 2021 to reduce the Company's workforce, primarily in international markets, and its real estate footprint.

<sup>(2)</sup> The adjustments for the quarter ended August 2, 2020 represent the elimination of (i) the costs related to exiting the Heritage Brands Retail business; and (ii) the costs related to the North America workforce reduction.

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

**REVENUE BY SEGMENT**

	Six Months Ended 8/1/21	Six Months Ended 8/2/20
<u>Tommy Hilfiger North America</u>		
Net sales	\$ 478.6	\$ 355.2
Royalty revenue	33.0	23.9
Advertising and other revenue	8.1	4.2
Total	<u>519.7</u>	<u>383.3</u>
<u>Tommy Hilfiger International</u>		
Net sales	1,636.3	1,044.1
Royalty revenue	26.0	17.0
Advertising and other revenue	7.2	5.8
Total	<u>1,669.5</u>	<u>1,066.9</u>
<b>Total Tommy Hilfiger</b>		
<b>Net sales</b>	<b>2,114.9</b>	<b>1,399.3</b>
<b>Royalty revenue</b>	<b>59.0</b>	<b>40.9</b>
<b>Advertising and other revenue</b>	<b>15.3</b>	<b>10.0</b>
<b>Total</b>	<b><u>2,189.2</u></b>	<b><u>1,450.2</u></b>
<u>Calvin Klein North America</u>		
Net sales	517.0	344.6
Royalty revenue	60.3	38.8
Advertising and other revenue	20.0	12.4
Total	<u>597.3</u>	<u>395.8</u>
<u>Calvin Klein International</u>		
Net sales	1,085.6	643.9
Royalty revenue	21.5	20.6
Advertising and other revenue	3.2	6.8
Total	<u>1,110.3</u>	<u>671.3</u>
<b>Total Calvin Klein</b>		
<b>Net sales</b>	<b>1,602.6</b>	<b>988.5</b>
<b>Royalty revenue</b>	<b>81.8</b>	<b>59.4</b>
<b>Advertising and other revenue</b>	<b>23.2</b>	<b>19.2</b>
<b>Total</b>	<b><u>1,707.6</u></b>	<b><u>1,067.1</u></b>
<u>Heritage Brands Wholesale</u>		
Net sales	408.9	345.8
Royalty revenue	9.8	4.8
Advertising and other revenue	1.4	1.0
Total	<u>420.1</u>	<u>351.6</u>
<u>Heritage Brands Retail</u>		
Net sales	75.6	54.8
Royalty revenue	—	0.9
Advertising and other revenue	—	0.1
Total	<u>75.6</u>	<u>55.8</u>
<b>Total Heritage Brands</b>		
<b>Net sales</b>	<b>484.5</b>	<b>400.6</b>
<b>Royalty revenue</b>	<b>9.8</b>	<b>5.7</b>
<b>Advertising and other revenue</b>	<b>1.4</b>	<b>1.1</b>
<b>Total</b>	<b><u>495.7</u></b>	<b><u>407.4</u></b>
<b>Total Revenue</b>		
<b>Net sales</b>	<b>4,202.0</b>	<b>2,788.4</b>
<b>Royalty revenue</b>	<b>150.6</b>	<b>106.0</b>
<b>Advertising and other revenue</b>	<b>39.9</b>	<b>30.3</b>
<b>Total</b>	<b><u>\$ 4,392.5</u></b>	<b><u>\$ 2,924.7</u></b>

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

**EARNINGS (LOSS) BEFORE INTEREST AND TAXES BY SEGMENT**

	Six Months Ended 8/1/21			Six Months Ended 8/2/20		
	Results Under GAAP	Adjustments <sup>(1)</sup>	Non-GAAP Results	Results Under GAAP	Adjustments <sup>(2)</sup>	Non-GAAP Results
Tommy Hilfiger North America	\$ 19.6	\$ (1.7)	\$ 21.3	\$ (82.2)	\$ (15.0)	\$ (67.2)
Tommy Hilfiger International	332.1	(7.1)	339.2	44.2	(3.1)	47.3
<b>Total Tommy Hilfiger</b>	<b>351.7</b>	<b>(8.8)</b>	<b>360.5</b>	<b>(38.0)</b>	<b>(18.1)</b>	<b>(19.9)</b>
Calvin Klein North America	38.9	(2.1)	41.0	(349.4)	(303.6)	(45.8)
Calvin Klein International	195.3	(5.7)	201.0	(388.8)	(395.8)	7.0
<b>Total Calvin Klein</b>	<b>234.2</b>	<b>(7.8)</b>	<b>242.0</b>	<b>(738.2)</b>	<b>(699.4)</b>	<b>(38.8)</b>
Heritage Brands Wholesale	43.4	—	43.4	(294.6)	(263.9)	(30.7)
Heritage Brands Retail	(33.9)	(21.1)	(12.8)	(48.4)	(16.1)	(32.3)
<b>Total Heritage Brands</b>	<b>9.5</b>	<b>(21.1)</b>	<b>30.6</b>	<b>(343.0)</b>	<b>(280.0)</b>	<b>(63.0)</b>
Corporate	(119.0)	(28.5)	(90.5)	(100.9)	(24.9)	(76.0)
<b>Total earnings (loss) before interest and taxes</b>	<b>\$ 476.4</b>	<b>\$ (66.2)</b>	<b>\$ 542.6</b>	<b>\$ (1,220.1)</b>	<b>\$ (1,022.4)</b>	<b>\$ (197.7)</b>

<sup>(1)</sup> The adjustments for the six months ended August 1, 2021 represent the elimination of (i) the costs related to exiting the Heritage Brands Retail business; and (ii) the costs related to actions announced in March 2021 to reduce the Company's workforce, primarily in international markets, and its real estate footprint.

<sup>(2)</sup> The adjustments for the six months ended August 2, 2020 represent the elimination of (i) the noncash impairment charges related to goodwill, tradenames, and other intangible assets, store assets and an equity method investment as a result of the significant negative impacts of the COVID-19 pandemic on the Company's business; (ii) the noncash net loss recorded related to the Speedo transaction; (iii) the costs in connection with the consolidation within the Company's warehouse and distribution network in North America; (iv) the costs related to exiting the Heritage Brands Retail business; and (v) the costs related to the North America workforce reduction.

**PVH CORP.****Reconciliations of 2021 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 relevant 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 relevant 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
	8/1/21	8/2/20			
Tommy Hilfiger North America	\$ 292.9	\$ 202.0	45.0 %	1.8 %	43.2 %
Tommy Hilfiger International	842.6	601.7	40.0 %	8.2 %	31.8 %
Total Tommy Hilfiger	1,135.5	803.7	41.3 %	6.6 %	34.7 %
Calvin Klein North America	\$ 349.1	\$ 199.7	74.8 %	1.2 %	73.6 %
Calvin Klein International	573.3	390.8	46.7 %	9.3 %	37.4 %
Total Calvin Klein	922.4	590.5	56.2 %	6.6 %	49.6 %
Total Revenue	\$ 2,313.2	\$ 1,580.7	46.3 %	5.9 %	40.4 %

## **PVH CORP.**

### **Full Year and Quarterly Reconciliations of GAAP to Non-GAAP Amounts**

The Company is presenting its 2021 estimated results on a non-GAAP basis by excluding (i) the costs incurred in connection with the exit from the Heritage Brands Retail business that was substantially completed in the second quarter of 2021; (ii) the costs incurred and expected to be incurred in connection with actions announced in March 2021 to streamline its organization through reductions in its workforce, primarily in certain international markets, and to reduce its real estate footprint, including reductions in office space and select store closures; (iii) the pre-tax net gain expected to be recorded in connection with the sale of certain intellectual property and other assets of the Company's Heritage Brands business that closed on the first day of the third quarter of 2021 (the "Heritage Brands transaction"), which includes an estimated gain on the sale, less costs to sell, and severance and other termination benefits associated with the transaction; and (iv) the estimated tax effects associated with the foregoing pre-tax items. The Company has provided the reconciliations set forth below to present its estimates on a GAAP basis and excluding the foregoing amounts.

The 2021 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 to be non-recurring or non-operational and believes that excluding them (i) facilitates comparing the results being reported 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 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 estimated tax effects associated with the above pre-tax items are based on the Company's assessment of deductibility. In making this assessment, the Company evaluated each pre-tax 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. 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 applicable income tax rate in the local jurisdiction, or as non-taxable or non-deductible, in which case the Company assumed no tax effect.

#### **2021 Net Income Per Common Share Reconciliations**

	Current Guidance		Previous Guidance	
	Full Year 2021 (Estimated)	Third Quarter 2021 (Estimated)	Full Year 2021 (Estimated)	Second Quarter 2021 (Estimated)
GAAP net income per common share attributable to PVH Corp.	Approximately \$8.80	\$3.00 - \$3.05	Approximately \$6.60	\$0.79 - \$0.82
Estimated per common share impact of items identified as non-GAAP exclusions	\$0.30	\$1.05	\$0.10	\$(0.36)
Net income per common share attributable to PVH Corp. on a non-GAAP basis	Approximately \$8.50	\$1.95 - \$2.00	Approximately \$6.50	\$1.15 - \$1.18

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, including the recent volatility in the financial markets due, in part, to the COVID-19 pandemic, (iv) changes in the expected impacts of the COVID-19 pandemic on our business, including significant new temporary store closures, new lockdowns or extensions of current lockdowns or other implications of the pandemic subsequent to issuance of this press release, (v) greater supply chain disruptions beyond delays of approximately four to six weeks, 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. Other than the Heritage Brands transaction, the Company has no current understanding or agreement regarding any such transaction or definitive plans regarding any such activity identified in clause (i) or (ii) that has not been announced or completed.

**PVH CORP.****Full Year and Quarterly Reconciliations of GAAP to Non-GAAP Amounts (continued)****2021 Constant Currency Revenue Reconciliations**

	<u>Full Year 2021 (Estimated)</u>
GAAP revenue increase	26% to 28%
Positive impact of foreign exchange	2%
Non-GAAP revenue increase on a constant currency basis	24% to 26%

Please refer to the section entitled "Reconciliations of 2021 Constant Currency Revenue" for a description of the presentation of constant currency amounts.

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

	<u>Full Year 2020</u>			<u>Third Quarter 2020</u>		
	(Actual)			(Actual)		
<u>(In millions, except per share data)</u>	<u>Results</u>		<u>Non-GAAP</u>	<u>Results</u>		<u>Non-GAAP</u>
	<u>Under GAAP</u>	<u>Adjustments <sup>(1)</sup></u>	<u>Results</u>	<u>Under GAAP</u>	<u>Adjustments <sup>(2)</sup></u>	<u>Results</u>
Net (loss) income attributable to PVH Corp.	\$ (1,136.1)	\$ (996.2)	\$ (139.9)	\$ 69.8	\$ (24.4)	\$ 94.2
Total weighted average shares	<u>71.2</u>		<u>71.2</u>	<u>71.5</u>		<u>71.5</u>
Diluted net (loss) income per common share attributable to PVH Corp. <sup>(3)</sup>	<u>\$ (15.96)</u>		<u>\$ (1.97)</u>	<u>\$ 0.98</u>		<u>\$ 1.32</u>

<sup>(1)</sup> Represents the impact on net loss in the year ended January 31, 2021 from the elimination of (i) a \$64.5 million recognized actuarial gain on retirement plans; (ii) a \$4.9 million expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition; (iii) \$1,020.5 million of noncash impairment charges related to goodwill, tradenames, and other intangible assets, and store assets, as well as an equity method investment, primarily as a result of the significant negative impacts of the COVID-19 pandemic on the Company's business; (iv) a \$3.1 million noncash net loss related to the Speedo transaction; (v) \$6.8 million of costs in connection with the consolidation within the Company's warehouse and distribution network in North America; (vi) \$39.7 million of costs related to the North America workforce reduction, primarily consisting of severance; (vii) \$29.0 million of costs related to exiting the Heritage Brands Retail business consisting of severance, noncash asset impairments and accelerated amortization of lease assets and other costs; (viii) a \$33.1 million discrete tax expense related to the remeasurement of certain of the Company's net deferred tax liabilities related to the enactment of legislation in the Netherlands, which became effective on January 1, 2021; and (ix) \$76.4 million of net tax benefits associated with the foregoing pre-tax items.

<sup>(2)</sup> Represents the impact on net income in the quarter ended November 1, 2020 from the elimination of (i) a \$1.4 million expense resulting from the remeasurement of a mandatorily redeemable non-controlling interest that was recognized in connection with the Australia acquisition; (ii) \$1.3 million of costs related to the North America workforce reduction, primarily consisting of severance; (iii) \$8.7 million of costs related to exiting the Heritage Brands Retail business, consisting of severance and accelerated amortization of lease assets; and (iv) \$13.0 million net tax expense associated with the foregoing pre-tax items.

<sup>(3)</sup> Diluted net loss per common share for the period ended January 31, 2021 excluded all potentially dilutive securities because there was a net loss for the period and, as such, the inclusion of these securities would have been anti-dilutive.