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COTY INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(in millions, except per share data)	Three Months Ended December 31,		Six Months Ended December 31,	
	2017	2016	2017	2016
Net revenues	\$ 2,637.6	\$ 2,296.7	\$ 4,875.9	\$ 3,376.9
Cost of sales	1,025.0	892.3	1,899.3	1,337.1
<i>as % of Net revenues</i>	38.9%	38.9%	39.0%	39.6%
Gross profit	1,612.6	1,404.4	2,976.6	2,039.8
<i>Gross margin</i>	61.1%	61.1%	61.0%	60.4%
Selling, general and administrative expenses	1,319.9	1,170.2	2,511.7	1,649.1
<i>as % of Net revenues</i>	50.0%	51.0%	51.5%	48.8%
Amortization expense	89.6	95.2	167.8	116.4
Restructuring costs	21.7	15.8	32.9	23.2
Acquisition-related costs	7.0	135.9	61.1	217.4
Operating income (loss)	174.4	(12.7)	203.1	33.7
<i>as % of Net revenues</i>	6.6%	(0.6%)	4.2%	1.0%
Interest expense, net	60.3	57.9	126.7	98.3
Other expense (income), net	3.4	(0.6)	7.1	0.7
Income (loss) before income taxes	110.7	(70.0)	69.3	(65.3)
<i>as % of Net revenues</i>	4.2%	(3.0%)	1.4%	(1.9%)
Benefit for income taxes	(7.9)	(122.1)	(33.2)	(127.2)
Net income	118.6	52.1	102.5	61.9
<i>as % of Net revenues</i>	4.5%	2.3%	2.1%	1.8%
Net (loss) income attributable to noncontrolling interests	(1.9)	2.5	(4.1)	10.7
Net income attributable to redeemable noncontrolling interests	11.3	2.8	17.1	4.4
Net income attributable to Coty Inc.	\$ 109.2	\$ 46.8	\$ 89.5	\$ 46.8
<i>as % of Net revenues</i>	4.1%	2.0%	1.8%	1.4%
Net income attributable to Coty Inc. per common share:				
Basic	\$ 0.15	\$ 0.06	\$ 0.12	\$ 0.09
Diluted	\$ 0.15	\$ 0.06	\$ 0.12	\$ 0.09
Weighted-average common shares outstanding:				
Basic	749.6	746.6	749.1	539.8
Diluted	752.7	752.4	752.5	545.8
Cash dividend declared per common share	\$ 0.125	\$ 0.125	\$ 0.250	\$ 0.400

COTY INC.
SUPPLEMENTAL SCHEDULES INCLUDING NON-GAAP FINANCIAL MEASURES

RECONCILIATION OF REPORTED TO ADJUSTED RESULTS FOR THE CONSOLIDATED STATEMENTS OF OPERATIONS

These supplemental schedules provide adjusted Non-GAAP financial information and a quantitative reconciliation of the difference between the Non-GAAP financial measure and the financial measure calculated and reported in accordance with GAAP.

Three Months Ended December 31, 2017					
(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)	Foreign Currency Translation	Adjusted Results at Constant Currency
Net revenues	\$ 2,637.6		\$ 2,637.6	\$ (103.8)	\$ 2,533.8
Gross profit	1,612.6	11.3	1,623.9	(64.4)	1,559.5
<i>Gross margin</i>	61.1%		61.6%		61.5%
Operating income	174.4	173.1	347.5	(13.1)	334.4
<i>as % of Net revenues</i>	6.6%		13.2%		13.2%
Net income attributable to Coty Inc.	\$ 109.2	\$ 128.0	\$ 237.2		
<i>as % of Net revenues</i>	4.1%		9.0%		
EPS (diluted)	\$ 0.15		\$ 0.32		

Three Months Ended December 31, 2016				
(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)	
Net revenues	\$ 2,296.7		\$ 2,296.7	
Gross profit	1,404.4	55.4	1,459.8	
<i>Gross margin</i>	61.1%		63.6%	
Operating (loss) income	(12.7)	320.7	308.0	
<i>as % of Net revenues</i>	(0.6%)		13.4%	
Net income attributable to Coty Inc.	\$ 46.8	\$ 176.5	\$ 223.3	
<i>as % of Net revenues</i>	2.0%		9.7%	
EPS (diluted)	\$ 0.06		\$ 0.30	

^(a) Adjustments to Gross profit for the three months ended December 31, 2017 are primarily due to costs incurred for the realignment of the business due to the P&G Beauty Business and the impact of the revaluation of acquired inventory from the Burberry Beauty Business acquisition. For other adjustments to Operating income (loss) and Net income attributable to Coty Inc, see "Reconciliation of Reported Operating Income to Adjusted Operated Income" and "Reconciliation of Reported Net Income to Adjusted Net Income", respectively, for a detailed description of adjusted items.

Six Months Ended December 31, 2017

(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)	Foreign Currency Translation	Adjusted Results at Constant Currency
Net revenues	\$ 4,875.9	\$ —	\$ 4,875.9	\$ (146.8)	\$ 4,729.1
Gross profit	2,976.6	25.3	3,001.9	(89.0)	2,912.9
<i>Gross margin</i>	61.0%		61.6%		61.6%
Operating income	203.1	339.5	542.6	(12.1)	530.5
<i>as % of Net revenues</i>	4.2%		11.1%		11.2%
Net income attributable to Coty Inc.	\$ 89.5	\$ 224.0	\$ 313.5		
<i>as % of Net revenues</i>	1.8%		6.4%		
EPS (diluted)	\$ 0.12		\$ 0.42		

Six Months Ended December 31, 2016

(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
Net revenues	\$ 3,376.9		\$ 3,376.9
Gross profit	2,039.8	55.6	2,095.4
<i>Gross margin</i>	60.4%		62.1%
Operating income	33.7	440.7	474.4
<i>as % of Net revenues</i>	1.0%		14.0%
Net income attributable to Coty Inc.	\$ 46.8	\$ 254.8	\$ 301.6
<i>as % of Net revenues</i>	1.4%		8.9%
EPS (diluted)	\$ 0.09		\$ 0.55

^(a) See "Reconciliation of Reported Operating Income to Adjusted Operating Income" and "Reconciliation of Reported Net Income to Adjusted Net Income" for a detailed description of adjusted items.

RECONCILIATION OF REPORTED OPERATING INCOME TO ADJUSTED OPERATING INCOME

(in millions)	Three Months Ended December 31,			Six Months Ended December 31,		
	2017	2016	Change	2017	2016	Change
Reported Operating Income (Loss)	174.4	(12.7)	>100%	203.1	33.7	>100%
<i>% of Net revenues</i>	6.6%	(0.6%)		4.2%	1.0%	
Amortization expense ^(a)	89.6	95.2	(6%)	167.8	116.4	44%
Restructuring and other business realignment costs ^(b)	75.6	22.6	>100%	106.2	35.0	>100%
Costs related to acquisition activities ^(c)	7.9	190.1	(96%)	65.5	273.4	(76%)
Pension settlement charge ^(d)	—	12.8	(100%)	—	15.9	(100%)
Total adjustments to Reported Operating Income	173.1	320.7	(46%)	339.5	440.7	(23%)
Adjusted Operating Income	347.5	308.0	13%	542.6	474.4	14%
<i>% of Net revenues</i>	13.2%	13.4%		11.1%	14.0%	

^(a) In the three months ended December 31, 2017, amortization expense decreased to \$89.6 from \$95.2 in the three months ended December 31, 2016 primarily as a result of the acquisitions. In the three months ended December 31, 2017, amortization expense of \$40.3, \$32.6, and \$16.7 was reported in the Luxury, Consumer Beauty and Professional Beauty segments, respectively. In the three months ended December 31, 2016, amortization expense of \$30.9, \$47.6, and \$16.7 was reported in the Luxury, Consumer Beauty and Professional Beauty segments, respectively.

In the six months ended December 31, 2017, amortization expense increased to \$167.8 from \$116.4 in the six months ended December 31, 2016, primarily as a result of the acquisitions. In the six months ended December 31, 2017, amortization expense of \$73.5, \$59.0, and \$35.3 was reported in the Luxury, Consumer Beauty and Professional Beauty segments, respectively. In the six months ended December 31, 2016, amortization expense of \$45.4, \$52.4, and \$18.6 was reported in the Luxury, Consumer Beauty, and Professional Beauty segments, respectively.

^(b) In the three months ended December 31, 2017, we incurred restructuring and other business structure realignment costs of \$75.6. We incurred Restructuring costs of \$21.7 primarily related to Global Integration Activities, included in the Condensed Consolidated Statements of Operations. We incurred business structure realignment costs of \$53.9 primarily related to our Global Integration Activities. This amount primarily includes \$43.7 in Selling, general and administrative expense and \$10.2 in Cost of sales. In the three months ended December 31, 2016, we incurred restructuring and other business structure realignment costs of \$22.6. We incurred Restructuring costs of \$15.8 primarily related to Organizational Redesign and Acquisition Integration Program costs, included in the Condensed Consolidated Statements of Operations. We incurred business structure realignment costs of \$6.8 primarily related to our Organizational Redesign and certain other programs. Of this amount, \$3.2 is included in Cost of sales, \$2.2 is included in Selling, general and administrative expenses and \$1.4 is included in Other expense in the Condensed Consolidated Statements of Operations.

In the six months ended December 31, 2017, we incurred restructuring and other business structure realignment costs of \$106.2. We incurred Restructuring costs of \$32.9 primarily related to Global Integration Activities, included in the Condensed Consolidated Statements of Operations. We incurred business structure realignment costs of \$73.3 primarily related to our Global Integration Activities. This amount primarily includes \$52.6 in Selling, general and administrative expense and \$20.7 in Cost of sales. In the six months ended December 31, 2016, we incurred restructuring and other business structure realignment costs of \$35.0. We incurred Restructuring

costs of \$23.2 primarily related to the Global Integration Activities, Acquisition Integration Program and Organizational Redesign, included in the Condensed Consolidated Statements of Operations. We incurred business structure realignment costs of \$11.8 primarily related to our Organizational Redesign. Of this amount, \$7.0 is included in Selling, general and administrative expenses, \$3.4 is included in Cost of sales, and \$1.4 is included in Other expense in the Condensed Consolidated Statements of Operations.

^(c) In the three months ended December 31, 2017, we incurred \$7.9 of costs related to acquisition activities. We recognized Acquisition-related costs of \$7.0, included in the Condensed Consolidated Statements of Operations. These costs may include finder's fees, legal, accounting, valuation, and other professional or consulting fees, and other internal costs which may include compensation related expenses for dedicated internal resources. We also incurred approximately \$0.9 in Costs of sales primarily reflecting revaluation of acquired inventory in connection with the acquisitions of the Burberry Beauty Acquisition in the Condensed Consolidated Statements of Operations. In the three months ended December 31, 2016, we incurred \$190.1 of costs related to acquisition activities. We recognized Acquisition-related costs of \$135.9, included in the Condensed Consolidated Statements of Operations. These costs primarily consist of legal and consulting fees in connection with the acquisition of the P&G Beauty Business. We also incurred \$36.2 and \$16.1 in Cost of sales primarily reflecting revaluation of acquired inventory in connection with the acquisition of the P&G Beauty Business and ghd, respectively, and \$1.9 in Selling, general and administrative expense primarily related to P&G real estate in the Condensed Consolidated Statements of Operations six months ended December 31, 2016.

In the six months ended December 31, 2017, we incurred \$65.5 of costs related to acquisition activities. We recognized Acquisition-related costs of \$61.1, included in the Condensed Consolidated Statements of Operations. These costs were primarily incurred in connection with the acquisition of P&G Beauty Business. These costs include amounts paid for external consulting fees and internal costs for converting the data received from P&G during the transition period to satisfy the Company's internal and external financial reporting, regulatory and other requirements, as well as legal, accounting, and valuation services, and fees paid directly to P&G. We also incurred \$3.5 and \$0.9 in Costs of sales primarily reflecting revaluation of acquired inventory in connection with the acquisitions of Younique and the Burberry Beauty Acquisition, respectively in the Condensed Consolidated Statements of Operations. In the six months ended December 31, 2016, we incurred \$273.4 of costs related to acquisition activities. We recognized Acquisition-related costs of \$217.4, included in the Condensed Consolidated Statements of Operations. These costs primarily consist of legal and consulting fees in connection with the acquisition of the P&G Beauty Business. We also incurred \$36.2 and \$16.1 in Cost of sales primarily reflecting revaluation of acquired inventory in connection with the acquisition of the P&G Beauty Business and ghd, respectively, and \$3.7 in Selling, general and administrative expense primarily related to P&G real estate in the Condensed Consolidated Statements of Operations in the six months ended December 31, 2016.

^(d) During the three months ended December 31, 2016, we incurred a charge of \$12.8, and in the six months ended December 31, 2016, we incurred a charge of \$15.9, in connection with the settlement of obligations related to the U.S. Del Laboratories, Inc. pension plan. The settlement of the plan was effectuated through the purchase of annuity contracts from a third-party insurance provider, effectively transferring the U.S. Del Laboratories, Inc. pension plan obligation to the insurance provider, during the three months ended December 31, 2016. The settlement charge is as a result of accelerating the recognition of losses previously deferred in other comprehensive income (loss).

RECONCILIATION OF REPORTED INCOME (LOSS) BEFORE INCOME TAXES AND EFFECTIVE TAX RATES TO ADJUSTED INCOME BEFORE INCOME TAXES, EFFECTIVE TAX RATES AND CASH TAX RATES

(in millions)	Three Months Ended December 31, 2017			Three Months Ended December 31, 2016		
	Income Before Income Taxes	(Benefit) Provision for Taxes	Effective Tax Rate	(Loss) Income Before Income Taxes	(Benefit) Provision for Taxes	Effective Tax Rate
Reported Income (Loss) Before Taxes	\$ 110.7	\$ (7.9)	(7.1)%	\$ (70.0)	\$ (122.1)	174.4%
Adjustments to Reported Operating Income ^(a) ^(b)	173.1	37.2		320.7	144.2	
Adjusted Income Before Taxes	\$ 283.8	\$ 29.3	10.3%	\$ 250.7	\$ 22.1	8.8%

^(a) See a description on adjustments under "Reconciliation of Reported Operating Income to Adjusted Operating Income".

^(b) The tax effects of each of the items included in adjusted income are calculated in a manner that results in a corresponding income tax benefit/provision for adjusted income. In preparing the calculation, each adjustment to reported income is first analyzed to determine if the adjustment has an income tax consequence. The benefit/provision for taxes is then calculated based on the jurisdiction in which the adjusted items are incurred, multiplied by the respective statutory rates and offset by the increase or reversal of any valuation allowances commensurate with the non-GAAP measure of profitability.

RECONCILIATION OF REPORTED NET INCOME TO ADJUSTED NET INCOME

(in millions)	Three Months Ended December 31,			Six Months Ended December 31,		
	2017	2016	Change	2017	2016	Change
Reported Net Income Attributable to Coty Inc.	\$ 109.2	\$ 46.8	>100%	\$ 89.5	\$ 46.8	91%
<i>% of Net revenues</i>	4.1%	2.0%		1.8%	1.4%	
Adjustments to Reported Operating Income ^(a)	173.1	320.7	(46%)	339.5	440.7	(23%)
Adjustments to Interest Expense ^(b)	—	—	N/A	—	1.4	(100%)
Adjustments to noncontrolling interests ^(c)	(7.9)	—	NM	(18.7)	—	NM
Change in tax provision due to adjustments to Reported Net Income Attributable to Coty Inc.	(37.2)	(144.2)	74%	(96.8)	(187.3)	48%
Adjusted Net Income Attributable to Coty Inc.	\$ 237.2	\$ 223.3	6%	\$ 313.5	\$ 301.6	4%
<i>% of Net revenues</i>	9.0%	9.7%		6.4%	8.9%	

Per Share Data

Adjusted weighted-average common shares

Basic	749.6	746.6	749.1	539.8
Diluted	752.7	752.4	752.5	545.8

Adjusted Net Income Attributable to Coty Inc. per Common Share

Basic	\$ 0.32	\$ 0.30	\$ 0.42	\$ 0.56
Diluted	\$ 0.32	\$ 0.30	\$ 0.42	\$ 0.55

^(a) See a description of adjustments under "Reconciliation of Reported Operating Income to Adjusted Operating Income".

^(b) In the six months ended December 31, 2016, the amount represents a net loss of \$1.4 incurred in connection with the Hypermecas Brands and subsequent intercompany loans, included in Interest expense, net in the Condensed Consolidated Statements of Operations.

^(c) The amounts represent the impact of non-GAAP adjustments to Net income attributable to noncontrolling interest related to the Company's majority-owned consolidated subsidiaries. The amounts are based on the relevant noncontrolling interest's percentage ownership in the related subsidiary, for which the non-GAAP adjustments were made.

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW

(in millions)	Three Months Ended December 31,		Six Months Ended December 31,	
	2017	2016	2017	2016
Net cash provided by operating activities	\$ 316.7	\$ 678.4	\$ 307.8	\$ 663.4
Capital expenditures	(120.8)	(111.4)	(232.2)	(198.2)
Free cash flow	\$ 195.9	\$ 567.0	\$ 75.6	\$ 465.2

NET REVENUES AND ADJUSTED OPERATING INCOME BY SEGMENT

(in millions)	Three Months Ended December 31,							
	Net Revenues		Reported Basis	Change	Reported Operating Income		Adjusted Operating Income	
	2017	2016			2017	Change	2017	Change
Luxury	\$ 951.2	\$ 835.0	14%	9%	\$ 85.1	28%	\$ 125.4	29%
Consumer Beauty	1,138.6	1,001.7	14%	10%	99.3	58%	131.9	19%
Professional	547.8	460.0	19%	14%	73.5	(12%)	90.2	(10%)
Corporate	—	—	N/A	N/A	(83.5)	63%	—	N/A
Total	\$ 2,637.6	\$ 2,296.7	15%	10%	\$ 174.4	>100%	\$ 347.5	13%

Six Months Ended December 31,

(in millions)	Net Revenues		Change			Reported Operating Income		Adjusted Operating Income	
	2017	2016	Reported Basis	Combined Company Year-Over-Year	Combined Company Constant Currency	2017	Change	2017	Change
Luxury	\$ 1,715.6	\$ 1,284.0	34%	10%	7%	\$ 141.8	(1%)	\$ 215.3	14%
Consumer Beauty	2,182.0	1,573.6	39%	9%	6%	161.2	39%	220.2	31%
Professional	978.3	519.3	88%	17%	13%	71.8	(28%)	107.1	(9%)
Corporate	—	—	N/A	N/A	N/A	(171.7)	(47%)	—	N/A
Total	\$ 4,875.9	\$ 3,376.9	44%	10%	8%	\$ 203.1	>100%	\$ 542.6	14%

NET REVENUES BY GEOGRAPHIC REGION

Three Months Ended December 31,

(in millions)	Net Revenues		Change	
	2017	2016	Reported Basis	Constant Currency
North America	\$ 743.5	\$ 700.5	6%	6%
Europe	1,289.1	1,134.1	14%	6%
ALMEA	605.0	462.1	31%	29%
Total	\$ 2,637.6	\$ 2,296.7	15%	10%

Six Months Ended December 31,

(in millions)	Net Revenues		Change		
	2017	2016	Reported Basis	Combined Company Year-over-Year	Combined Company Constant Currency
North America	\$ 1,492.4	\$ 1,044.9	43%	8%	8%
Europe	2,266.0	1,581.0	43%	10%	4%
ALMEA	1,117.5	751.0	49%	16%	14%
Total	\$ 4,875.9	\$ 3,376.9	44%	11%	8%

RECONCILIATION OF REPORTED OPERATING INCOME TO ADJUSTED OPERATING INCOME BY SEGMENT

Three Months Ended December 31, 2017

(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)	Foreign Currency Translation	Adjusted Results at Constant Currency
OPERATING INCOME (LOSS)					
Luxury	\$ 85.1	\$ (40.3)	\$ 125.4	\$ (3.4)	\$ 122.0
Consumer Beauty	99.3	(32.6)	131.9	(5.5)	126.4
Professional Beauty	73.5	(16.7)	90.2	(4.2)	86.0
Corporate	(83.5)	(83.5)	—	—	—
Total	\$ 174.4	\$ (173.1)	\$ 347.5	\$ (13.1)	\$ 334.4

OPERATING MARGIN

Luxury	8.9%		13.2%		13.4%
Consumer Beauty	8.7%		11.6%		11.5%
Professional Beauty	13.4%		16.5%		16.5%
Corporate	N/A		N/A		N/A
Total	6.6%		13.2%		13.2%

Three Months Ended December 31, 2016

(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
OPERATING INCOME (LOSS)			
Luxury	\$ 66.6	\$ (30.9)	\$ 97.5
Consumer Beauty	62.9	(47.6)	110.5
Professional Beauty	83.3	(16.7)	100.0
Corporate	(225.5)	(225.5)	—
Total	\$ (12.7)	\$ (320.7)	\$ 308.0

OPERATING MARGIN

Luxury	8.0%		11.7%
Consumer Beauty	6.3%		11.0%
Professional Beauty	18.1%		21.7%
Corporate	N/A		N/A
Total	(0.6%)		13.4%

^(a) See "Reconciliation of Reported Operating Income to Adjusted Operated Income" for a detailed description of adjusted items.

Six Months Ended December 31, 2017

(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)	Foreign Currency Translation	Adjusted Results at Constant Currency
OPERATING INCOME (LOSS)					
Luxury	\$ 141.8	\$ (73.5)	\$ 215.3	\$ (3.6)	\$ 211.7
Consumer Beauty	161.2	(59.0)	220.2	(5.1)	215.1
Professional Beauty	71.8	(35.3)	107.1	(3.4)	103.7
Corporate	(171.7)	(171.7)	—	—	—
Total	\$ 203.1	\$ (339.5)	\$ 542.6	\$ (12.1)	\$ 530.5

OPERATING MARGIN

Luxury	8.3%		12.5%		12.8%
Consumer Beauty	7.4%		10.1%		10.1%
Professional Beauty	7.3%		10.9%		11.0%
Corporate	N/A		N/A		N/A
Total	4.2%		11.1%		11.2%

Six Months Ended December 31, 2016

(in millions)	Reported (GAAP)	Adjustments ^(a)	Adjusted (Non-GAAP)
OPERATING INCOME (LOSS)			
Luxury	\$ 142.7	\$ (45.4)	\$ 188.1
Consumer Beauty	115.6	(52.4)	168.0
Professional Beauty	99.7	(18.6)	118.3
Corporate	(324.3)	(324.3)	—
Total	\$ 33.7	\$ (440.7)	\$ 474.4

OPERATING MARGIN

Luxury	11.1%		14.6%
Consumer Beauty	7.3%		10.7%
Professional Beauty	19.2%		22.8%
Corporate	N/A		N/A
Total	1.0%		14.0%

^(a) See "Reconciliation of Reported Operating Income to Adjusted Operated Income" for a detailed description of adjusted items.

RECONCILIATION OF REPORTED NET REVENUES TO COMBINED COMPANY AND LIKE-FOR-LIKE NET REVENUES

Three Months Ended December 31, 2017 vs. Three Months Ended December 31, 2016 Net Revenue Change

Net Revenues Change YoY	Reported Basis	Constant Currency	of which	
			Impact from Acquisitions ¹	Organic (LFL)
Luxury	14%	9%	1%	8 %
Consumer Beauty	14%	10%	11%	(1)%
Professional Beauty	19%	14%	12%	2%
Total Company	15%	10%	7%	3 %

¹Acquisitions reflect the net revenue contribution in the current period from the acquisitions of Younique, Burberry and two months of ghd.

Six Months Ended December 31, 2017 vs. Six Months Ended December 31, 2016 Net Revenue Change

Net Revenues Change YoY	Reported Basis vs Legacy Coty	Combined Company Reported ¹	Combined Company Reported at Constant Currency	of which		
				Impact from Acquisitions ²	Combined Company Organic (LFL)	
Luxury	34%	10%	7%	1%	6 %	
Consumer Beauty	39%	9%	6%	11%	(5)%	
Professional Beauty	88%	17%	13%	12%	1%	
Total Company	44%	11%	8%	8%	— %	

¹ Combined Company reflects combined Legacy-Coty and P&G Beauty Business net revenues in the current and prior-year period.

² Acquisitions reflect the net revenue contribution in the current period from the acquisitions of the Younique, Burberry and five months of ghd.

COTY INC. & SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in millions)	December 31, 2017	June 30, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 400.1	\$ 535.4
Restricted cash	25.6	35.3
Trade receivables—less allowances of \$90.6 and \$58.5, respectively	1,743.9	1,470.3
Inventories	1,155.3	1,052.6
Prepaid expenses and other current assets	554.3	487.9
Total current assets	3,879.2	3,581.5
Property and equipment, net	1,647.3	1,632.1
Goodwill	8,864.9	8,555.5
Other intangible assets, net	8,550.7	8,425.2
Deferred income taxes	199.1	72.6
Other noncurrent assets	304.4	281.3
TOTAL ASSETS	\$ 23,445.6	\$ 22,548.2
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 1,758.6	\$ 1,732.1
Accrued expenses and other current liabilities	2,007.3	1,796.4
Short-term debt and current portion of long-term debt	295.9	209.1
Income and other taxes payable	94.0	66.0
Total current liabilities	4,155.8	3,803.6
Long-term debt, net	7,145.8	6,928.3
Pension and other post-employment benefits	571.3	549.2
Deferred income taxes	933.9	924.9
Other noncurrent liabilities	572.0	473.4
Total liabilities	13,378.8	12,679.4
COMMITMENTS AND CONTINGENCIES		
REDEEMABLE NONCONTROLLING INTERESTS	638.3	551.1
EQUITY:		
Preferred Stock	—	—
Common Stock	8.1	8.1
Additional paid-in capital	10,940.3	11,203.2
Accumulated deficit	(361.4)	(459.2)
Accumulated other comprehensive income	283.9	4.4
Treasury stock	(1,441.8)	(1,441.8)
Total Coty Inc. stockholders' equity	9,429.1	9,314.7
Noncontrolling interests	(0.6)	3.0
Total equity	9,428.5	9,317.7
TOTAL LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY	\$ 23,445.6	\$ 22,548.2

COTY INC. & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in millions)	Six Months Ended December 31,	
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 102.5	\$ 61.9
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	350.5	230.3
Deferred income taxes	(75.1)	(111.2)
Provision for bad debts	9.0	5.8
Provision for pension and other post-employment benefits	22.2	28.5
Share-based compensation	16.2	9.1
Other	(5.1)	(2.7)
Change in operating assets and liabilities, net of effects from purchase of acquired companies:		
Trade receivables	(246.6)	(293.7)
Inventories	(22.2)	103.3
Prepaid expenses and other current assets	(47.6)	22.6
Accounts payable	18.7	322.6
Accrued expenses and other current liabilities	185.6	369.8
Income and other taxes payable	19.5	(59.0)
Other noncurrent assets	(14.9)	11.4
Other noncurrent liabilities	(4.9)	(35.3)
Net cash provided by operating activities	307.8	663.4
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(232.2)	(198.2)
Payment for business combinations, net of cash acquired	(264.6)	(143.8)
Proceeds from sale of asset	2.8	—
Net cash used in investing activities	(494.0)	(342.0)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from short-term debt, original maturity more than three months	—	5.6
Repayments of short-term debt, original maturity more than three months	—	(5.8)
Net proceeds (repayments) of short-term debt, original maturity less than three months	71.5	(39.5)
Proceeds from revolving loan facilities	1,437.0	934.4
Repayments of revolving loan facilities	(1,166.4)	(1,384.4)
Proceeds from term loans	—	1,075.0
Repayments of term loans	(95.5)	(55.7)
Dividend payment	(188.1)	(185.8)
Net proceeds from issuance of Class A Common Stock and Series A Preferred Stock	13.7	13.6
Payments for employee taxes related to net settlement of equity awards	(3.4)	—
Payments for purchases of Class A Common Stock held as Treasury Stock	—	(36.3)
Net proceeds from foreign currency contracts	8.2	14.8
Purchase of additional noncontrolling interests	—	(9.8)
Proceeds from noncontrolling interests	0.2	—
Distributions to noncontrolling interests, redeemable noncontrolling interests and mandatorily redeemable financial instruments	(40.0)	(3.5)
Payment of deferred financing fees	(4.0)	(23.4)
Net cash provided by financing activities	33.2	299.2
EFFECT OF EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	8.0	(28.8)
NET (DECREASE) INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(145.0)	591.8
CASH, CASH EQUIVALENTS AND RESTRICTED CASH—Beginning of period	570.7	372.4
CASH, CASH EQUIVALENTS AND RESTRICTED CASH—End of period	\$ 425.7	\$ 964.2
SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION:		
Cash paid during the period for interest	\$ 129.4	\$ 79.5
Cash paid during the period for income taxes, net of refunds received	57.5	38.4
SUPPLEMENTAL DISCLOSURE OF NONCASH FINANCING AND INVESTING ACTIVITIES:		
Accrued capital expenditure additions	\$ 72.6	\$ 56.2
Non-cash Common Stock issued for business combination	—	9,628.6
Non-cash debt assumed for business combination	—	1,941.8
Non-cash contingent consideration for business combination	5.0	—