

**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 19, 2021

**Tapestry, Inc.**  
(Exact Name of Registrant as Specified in Charter)

Maryland  
(State or Other Jurisdiction  
of Incorporation)

001-16153  
(Commission  
File Number)

52-2242751  
(I.R.S. Employer  
Identification No.)

10 Hudson Yards, New York, New York 10001  
(Address of Principal Executive Offices, and Zip Code)

(212) 946-8400  
Registrant's Telephone Number, Including Area Code

(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 (see General Instruction A.2. below):

- Written communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication 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(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	TPR	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 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).  
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 19, 2021, Tapestry, Inc. (“Tapestry” or the “Company”) issued a press release (the “Press Release”) in which the Company announced its financial results for its fourth fiscal quarter and full year ended July 3, 2021. The Company also posted a slide presentation entitled “Investor Presentation” dated August 19, 2021 on the “Presentations & Financial Reports” investor section of its website (www.tapestry.com). Copies of the Press Release and slide presentation are furnished herewith as Exhibit 99.1 and Exhibit 99.2, respectively. Information on the Company’s website is not, and will not be deemed to be, a part of this Current Report on Form 8-K or incorporated into any other filings the Company may make with the Securities and Exchange Commission.

The information in this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2, is being furnished to the Securities and Exchange Commission and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to liability under that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) *Exhibits.* The following exhibits are being furnished herewith:

99.1 Text of Press Release, dated August 19, 2021

99.2 Slide Presentation entitled “Investor Presentation,” dated August 19, 2021

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**SIGNATURE**

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.

Dated: August 19, 2021

TAPESTRY, INC.

By: /s/ David E. Howard  
David E. Howard  
General Counsel and Secretary

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<a href="#"><u>99.1</u></a>	<a href="#"><u>Text of Press Release, dated August 19, 2021</u></a>
<a href="#"><u>99.2</u></a>	<a href="#"><u>Slide Presentation entitled "Investor Presentation," dated August 19, 2021</u></a>

## Tapestry, Inc. Reports Fiscal 2021 Fourth Quarter and Full Year Results

*Achieved Record Annual Operating Income and Margin as Tapestry, Inc.;*

*Announces Reinstatement of Dividend and Share Repurchase Programs with a Plan to Return Over \$750 Million to Shareholders in Fiscal 2022*

- **Delivered Q4 Revenue of \$1.62 Billion, Growing 126% vs. Prior Year and Outpacing FY19 Pre-Pandemic Levels**
- **Reported Q4 GAAP EPS of \$0.69 and non-GAAP EPS of \$0.74, Significantly Ahead of Both FY20 and FY19**
- **Generated Triple-Digit Global Digital Gains in FY21 to Reach Approximately \$1.6 Billion in E-Commerce Sales Fueled by New Customer Acquisition**
- **Achieved Full Year Operating Income and EPS Increases Compared to Both FY20 and FY19 Driven by Over 300 Basis Points of Gross Margin Expansion**
- **Initiates Financial Outlook for Accelerated Growth and Profitability in FY22**

NEW YORK--(BUSINESS WIRE)--August 19, 2021--Link to Download Q4 and Full Year 2021 Earnings Presentation, Including Brand Highlights

Tapestry, Inc. (NYSE: TPR), a leading New York-based house of modern luxury accessories and lifestyle brands, today reported results for the fiscal fourth quarter and year ended July 3, 2021.

Joanne Crevoiserat, Chief Executive Officer of Tapestry, Inc., said, "We delivered standout results in Fiscal 2021 – a transformational year for Tapestry. Through our Acceleration Program, we sharpened our focus on the consumer, leaned into digital and data and became a more agile organization. We reached customers in new ways and adapted to a rapidly changing environment, fueled by the power of our brands and passionate teams. Importantly, the traction of our strategy is clearly evidenced by our financial performance. We achieved a record annual operating margin as Tapestry, outperforming our expectations across Coach, Kate Spade and Stuart Weitzman, while investing for our future. The year was capped by a successful fourth quarter, highlighted by revenue exceeding pre-pandemic levels led by Digital and China – two areas of significant opportunity."

"Building on this momentum and the increasing demand for our categories, we are focused on driving our next phase of growth. We are in a position of strength, supported by our clear strategy, compelling brands and differentiated platform. We believe these competitive advantages will enable us to win with consumers and capture market share. Our conviction is underscored by the plans announced today to return over \$750 million to shareholders in Fiscal 2022 alone. Overall, we remain confident in our ability to accelerate growth and profitability across our portfolio long-term, enhancing value for all stakeholders."

### Capital Deployment

Given the Company's results, including its robust balance sheet and strong free cash flow generation, as well as its outlook for growth, the Board of Directors approved the reinstatement of the Company's shareholder return programs.

The Board declared a quarterly cash dividend of \$0.25 per common share payable on September 27, 2021 to shareholders of record as of the close of business on September 7, 2021, with an anticipated annual dividend rate of \$1.00 per share. Over time, the Company intends to increase its dividend at a faster rate than earnings growth. Further, the Company intends to repurchase approximately \$500 million worth of stock in Fiscal 2022 under its current authorization. Taken together, Tapestry plans to deploy over \$750 million to shareholders in Fiscal 2022 through dividends and share repurchases, reflecting a balanced approach to shareholder returns. The Company and its Board of Directors will evaluate its dividend and share repurchase programs on a regular basis with a target of increasing the overall level of returns upon more visibility into a normalization in the external environment.

In addition, the Company intends to repay its July 2022 bonds, totaling \$400 million, at the end of Fiscal 2022. This is consistent with the Company's goal to reduce leverage through a combination of organic profit growth and debt repayment.

These actions underscore the Company's conviction in its ability to drive long-term, sustainable growth and commitment to enhancing value for its stakeholders.

### 53rd Week Discussion

The results for the fourth quarter and fiscal year ending July 3, 2021 included 14 and 53 weeks, respectively, while the same periods in Fiscal 2020 included 13 and 52 weeks, respectively. The additional week contributed \$93 million to Tapestry's revenue and \$0.09 to earnings per diluted share in Fiscal 2021. For a complete reconciliation of revenue and operating income by segment, please refer to Financial Schedules 3 and 4 included herein.

*The following financial information is presented inclusive of the 14th and 53rd week for the fiscal fourth quarter and full year 2021, respectively, unless otherwise noted. In addition, due to the significant impact of Covid-19 on prior-year figures, this release will also include comparisons to Fiscal 2019 ('pre-pandemic') for additional context.*

### Tapestry, Inc. Fiscal Fourth Quarter and Full Year 2021 Highlights

#### **Fourth Quarter 2021:**

- Increased revenue by 126% compared to last year, exceeding pre-pandemic levels, driven by growth at Coach
- Maintained strength in Digital, which grew over 35% versus prior year and over 200% as compared to pre-pandemic levels, while improving sequential revenue trends in-stores on both a one and two-year basis
- Posted strong trends in Mainland China, with sales growth of approximately 60% compared to FY20 and over 40% versus pre-pandemic levels; realized continued topline momentum in North America, rising approximately 165% versus FY20 and a high-teens percentage against FY19
- Expanded overall gross margin through deliberate actions to lower promotional activity and raise AUR
- Re-invested structural SG&A savings in the business through higher marketing spend; achieved increased payout under the Company's Annual Incentive Plan given its outperformance; actioned purpose-led initiatives, including a contribution of \$25 million towards the endowment of the newly established Tapestry Foundation
- Delivered operating income growth and margin expansion – ahead of both FY20 and FY19 – for the fourth consecutive quarter

#### **Full Year 2021:**

- Outperformed internal expectations at each brand across revenue, gross margin, and operating income metrics
- Achieved \$1.6 billion in Digital sales, representing triple-digit growth versus prior year; Increased Digital sales by \$1 billion since FY19
- Realized peak operating income and operating margin as Tapestry, Inc.
- Generated \$1.21 billion of free cash flow, which funded investments in the business and the full pay down of the Company's \$700 million revolver

### Acceleration Program Highlights

In the fiscal fourth quarter, the Company continued to make meaningful progress against its Acceleration Program to sharpen its focus on the consumer, leverage data to lead with a digital-first mindset and transform into a leaner and more responsive organization:

- **Recruited over 900,000 new customers through the Company's e-commerce channels in North America in the fourth quarter, resulting in nearly 4 million new customers for the fiscal year**, representing an increase versus prior year;
- **Continued to deliver an increase in number of repeat transactions** versus prior year and **reactivated lapsed customers across brands**;
- **Drove high-single digit revenue gains with Chinese consumers globally** compared to pre-pandemic levels;
- **Effectively reduced SKU counts by approximately 40% and improved assortment productivity**, supported by data and analytics, resulting in stronger overall AUR and gross margin through higher IMUs and lower promotional activity and **increased inventory turn for the fiscal year**;
- **Optimized global fleet** with 59 net closures in FY21 compared to FY20, representing a net decrease of 90 doors over the past two years; **Achieved \$200 million of gross expense savings in Fiscal 2021** through a streamlined organization and operating structure and **remain on track to realize gross run-rate savings of \$300 million in FY22**.

### Overview of Fourth Quarter 2021 Tapestry, Inc. Results

- **Net sales** totaled \$1.62 billion for the fourth quarter as compared to \$715 million in the prior year, representing a 126% increase. On a 13-week basis, net sales increased 113% versus prior year and rose 1% as compared to pre-pandemic levels.
- **Gross profit** totaled \$1.17 billion on a reported basis, while gross margin was 72.2%. This compared to prior year reported gross profit of \$499 million and gross margin of 69.8%. On a non-GAAP basis, gross profit was \$1.16 billion, while gross margin was 71.7%, as compared to prior year gross profit of \$507 million and gross margin of 71.0%.
- **SG&A expenses** totaled \$906 million on a reported basis and represented 56.1% of sales compared to \$779 million and 109.0%, respectively, in the year ago quarter. On a non-GAAP basis, SG&A expenses were \$886 million and represented 54.8% of sales as compared to \$577 million and 80.8%, respectively, in the year ago period. SG&A expenses for the fourth quarter of fiscal 2021 included a \$25 million contribution associated with the establishment of the Tapestry Foundation as recently announced.
- **Operating income** was \$260 million on a reported basis, while operating margin was 16.1% versus an operating loss of \$280 million and an operating margin of (39.2%) in the prior year. On a non-GAAP basis, operating income was approximately \$272 million, while operating margin was 16.9%, which compares to an operating loss of \$70 million and an operating margin

of (9.8)% in the prior year.

- **Net interest expense** was \$16 million in the quarter as compared to approximately \$20 million in the year ago period.
- **Other expense** was \$1 million versus approximately \$500 thousand in the prior year.
- **Net income** for the quarter was \$200 million on a reported basis, with earnings per diluted share of \$0.69. This compared to a net loss of \$294 million with a loss per diluted share of \$1.06 in the prior year period. The reported tax rate for the quarter was 17.5% compared to 2.3% in the prior year period. On a non-GAAP basis, net income for the quarter was \$212 million with earnings per diluted share of \$0.74. On a 13-week basis, non-GAAP earnings per diluted share was \$0.65. This compared to a non-GAAP net loss of \$70 million with a loss per diluted share of \$0.25 in the prior year period. The non-GAAP tax rate for the quarter was 16.7% compared to 22.3% in the prior year.

## Overview of Full Year 2021 Tapestry, Inc. Results

- **Net sales** totaled \$5.75 billion for the full year 2021 as compared to \$4.96 billion in the prior year, representing a 16% increase. On a 52-week basis, net sales increased 14% versus prior year and declined 6% as compared to fiscal 2019 pre-pandemic levels.
- **Gross profit** totaled \$4.08 billion on a reported basis, while gross margin was 71.0%. This compared to prior year reported gross profit of \$3.24 billion and gross margin of 65.3%. On a non-GAAP basis, gross profit was \$4.07 billion, while gross margin was 70.9%, as compared to prior year gross profit of \$3.36 billion and gross margin of 67.7%.
- **SG&A expenses** totaled \$3.11 billion on a reported basis and represented 54.2% of sales compared to \$3.79 billion and 76.4%, respectively, in the prior year. On a non-GAAP basis, SG&A expenses were \$2.98 billion and represented 51.8% of sales as compared to \$2.92 billion and 58.8%, respectively, in the prior year.
- **Operating income** was \$968 million on a reported basis, while operating margin was 16.8% versus an operating loss of \$551 million and an operating margin of (11.1)% in the prior year. On a non-GAAP basis, operating income was \$1.10 billion, while operating margin was 19.1%, which compares to operating income of \$438 million and an operating margin of 8.8% in the prior year.
- **Net interest expense** was \$71 million for the full year as compared to \$60 million in the prior year.
- **Other income** was \$1 million versus an expense of \$13 million in the prior year.
- **Net income** for the year was \$834 million on a reported basis, with earnings per diluted share of \$2.95. This compared to a net loss of \$652 million with a loss per diluted share of approximately \$2.34 in the prior year. The reported tax rate for the year was 7.0% compared to (4.5)% in the prior year. On a non-GAAP basis, net income for the year was \$841 million with earnings per diluted share of \$2.97. On a 52-week basis, non-GAAP earnings per diluted share was \$2.88. This compared to non-GAAP net income of \$271 million with earnings per diluted share of \$0.97 in the prior year. The non-GAAP tax rate for the full year was 17.9% compared to 25.7% in the prior year.

## Balance Sheet and Cash Flow Highlights

- **Cash, cash equivalents and short-term investments** totaled \$2.02 billion and **total borrowings outstanding** were \$1.59 billion.
- **Inventory** at year-end was \$735 million versus ending inventory of \$737 million a year ago.
- **Free cash flow** was an inflow of \$1.21 billion in Fiscal 2021 as compared to \$202 million in the prior year; **CapEx** was \$116 million in Fiscal 2021 versus \$205 million in Fiscal 2020.

## Non-GAAP Reconciliation

During the fiscal fourth quarter of 2021, the Company recorded certain items that decreased the Company's net income and earnings per diluted share by \$13 million and approximately \$0.05, respectively. On a full year basis, these charges lowered the Company's reported net income by \$7 million or \$0.02 per diluted share. Please refer to the financial schedules 3, 4, 5 and 6 included herein for a detailed reconciliation of the Company's reported to non-GAAP results. These items included:

- **Impairment:** \$8 million of pre-tax benefits in the fourth quarter reflecting a reversal of raw material reserves, which was established in fiscal 2020 as a result of the projected impact of Covid-19. For the fiscal year, the Company recorded \$38 million of pre-tax charges related mainly to impairment of store assets, primarily as a result of the continued impact of Covid-19.
- **Acceleration Program:** \$21 million of pre-tax charges in the fourth quarter and \$90 million of pre-tax charges in the full year. These charges were primarily associated with professional fees incurred as a result of the development and execution of the Company's comprehensive strategic initiatives, share-based compensation, as well as actions to streamline the Company's organization, which include severance. The Company continues to expect to incur total pre-tax charges of \$205 to \$220 million over the life of the Acceleration Program, including \$30 to \$45 million in remaining charges, primarily consisting of professional fees and share-based compensation.
- **CARES Act Tax Impact:** \$95 million of tax benefits recorded in the full year, with no benefit recorded in the fourth quarter. These credits were primarily related to the Coronavirus Aid, Relief, and Economic Securities Act, most notably the NOL carryback claim.

## Fiscal Year 2022 Outlook

The Company's Fiscal 2022 outlook is provided on a non-GAAP basis and excludes anticipated Acceleration Program charges as described in the "Fiscal Year 2022 Outlook - Non-GAAP Adjustments" section of this press release.

Based on current strong underlying business trends, the Company expects the following:

- **Revenue** of approximately \$6.4 billion, representing mid-teens growth versus the prior year on a 52-week, comparable basis, which would mark a record level of sales for the Company.
- **Net interest expense** of approximately \$65 million. The Company anticipates paying down its July 2022 bonds at the end of Fiscal 2022.
- **Tax rate** of approximately 18.5% assuming a continuation of current tax laws.
- **Weighted average diluted share count** in the area of 283 million, approximately even with prior year, with share repurchase activity expected to offset dilution.
- **Earnings per diluted share** of \$3.30 to \$3.35, reflecting leverage to the bottom line.

Please note due to the ongoing dynamic nature of the Covid-19 crisis and lack of visibility, financial results could differ materially from the current outlook due to a number of external events, including the potential for more widespread resurgences of the pandemic globally and resulting pressure on store traffic trends, as well as further supply chain disruptions, including potential continued production and distribution delays as well as increased costs, not contemplated in the Company's estimates.

## Conference Call Details

The Company will host a conference call to review these results at 8:00 a.m. (ET) today, August 19, 2021. Interested parties may listen to the conference call via live webcast by accessing [www.tapestry.com/investors](http://www.tapestry.com/investors) or calling 1-866-847-4217 or 1-203-518-9845 and providing the Conference ID 6727129. A telephone replay will be available starting at 12:00 p.m. (ET) today, for a period of five business days. To access the telephone replay, call 1-800-283-4641 or 1-402-220-0851. A webcast replay of the earnings conference call will also be available for five business days on the Tapestry website. Presentation slides have also been posted to the Company's website at [www.tapestry.com/investors](http://www.tapestry.com/investors).

## Upcoming Events

The Company expects to report Fiscal 2022 first quarter results on Thursday, November 11, 2021. To receive notification of future announcements, please register at [www.tapestry.com/investors](http://www.tapestry.com/investors) ("Subscribe to E-Mail Alerts").

## About Tapestry, Inc.

Our global house of brands unites the magic of Coach, Kate Spade New York and Stuart Weitzman. Each of our brands are unique and independent, while sharing a commitment to innovation and authenticity defined by distinctive products and differentiating customer experiences across channels and geographies. We use our collective strengths to move our customers and empower our communities, to make the fashion industry more sustainable, and to build a company that's equitable, inclusive, and diverse. Individually, our brands are iconic. Together, we can stretch what's possible. To learn more about Tapestry, please visit [www.tapestry.com](http://www.tapestry.com). For important news and information regarding Tapestry, visit the Investor Relations section of our website at [www.tapestry.com/investors](http://www.tapestry.com/investors). In addition, investors should continue to review our news releases and filings with the SEC. We use each of these channels of distribution as primary channels for publishing key information to our investors, some of which may contain material and previously non-public information. The Company's common stock is traded on the New York Stock Exchange under the symbol TPR.

*This information to be made available in this press release may contain forward-looking statements based on management's current expectations. Forward-looking statements include, but are not limited to, the statements under "Fiscal Year 2022 Outlook," and statements regarding the Acceleration Program, including future charges under and future impacts of this program, the potential impact of the Covid-19 pandemic and success of mitigating actions, statements regarding the Company's capital deployment plans, and statements that can be identified by the use of forward-looking terminology such as "may," "will," "can," "should," "expect," "potential," "intend," "estimate," "continue," "project," "guidance," "forecast," "outlook," "anticipate," "goal," "leveraging," "sharpening," "transforming," "creating," "accelerating," "enhancing," "leaning into," "innovation," "drive," "targeting," "assume," "plan," "progress," "optimistic," "confident," "conviction," "future," "uncertain backdrop," "emerge," "on track," "positioned to," "look forward to," "looking ahead," "to acquire," "achieve," "strategic," "steady recovery," "growth," "view," "stretching what's possible," or comparable terms. Future results may differ materially from management's current expectations, based upon a number of important factors, including risks and uncertainties such as the impact of the Covid-19 pandemic, the ability to control costs and successfully execute our growth strategies, expected economic trends, the ability to anticipate consumer preferences, risks associated with operating in international markets and our global sourcing activities, our ability to achieve intended benefits, cost savings and synergies from acquisitions, the risk of cybersecurity threats and privacy or data security breaches, the impact of pending and potential future legal proceedings, and the impact of legislation, etc. Please refer to the Company's latest Annual Report on Form 10-K, quarterly report on 10-Q and its other filings with the Securities and Exchange Commission for a complete list of risks and important factors. The Company assumes no obligation to revise or update any such forward-looking statements for any reason, except as required by law.*

## Schedule 1: Consolidated Statement of Operations

### TAPESTRY, INC.

### CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

**For the Quarters and Years Ended July 3, 2021 and June 27, 2020**  
(in millions, except per share data)

	(unaudited)		(unaudited) (audited)	
	QUARTER ENDED		YEAR ENDED	
	July 3, 2021	June 27, 2020	July 3, 2021	June 27, 2020
Net sales	\$ 1,615.4	\$ 714.8	\$ 5,746.3	\$ 4,961.4
Cost of sales	449.3	215.9	1,664.4	1,722.1
Gross Profit	1,166.1	498.9	4,081.9	3,239.3
Selling, general and administrative expenses	906.4	778.9	3,113.9	3,790.1
Operating income (loss)	259.7	(280.0)	968.0	(550.8)
Interest expense, net	16.4	20.3	71.4	60.1
Other expense (gain)	1.1	0.5	(0.7)	13.3
Income before provision for income taxes	242.2	(300.8)	897.3	(624.2)
Provision for income taxes	42.4	(7.0)	63.1	27.9
Net income (loss)	<u>\$ 199.8</u>	<u>\$ (293.8)</u>	<u>\$ 834.2</u>	<u>\$ (652.1)</u>
Net income (loss) per share:				
Basic	<u>\$ 0.72</u>	<u>\$ (1.06)</u>	<u>\$ 3.00</u>	<u>\$ (2.34)</u>
Diluted	<u>\$ 0.69</u>	<u>\$ (1.06)</u>	<u>\$ 2.95</u>	<u>\$ (2.34)</u>
Shares used in computing net income (loss) per share:				
Basic	<u>279.2</u>	<u>276.2</u>	<u>277.9</u>	<u>278.6</u>
Diluted	<u>287.6</u>	<u>276.2</u>	<u>283.0</u>	<u>278.6</u>

**Schedule 2: Detail to Net Sales**

**TAPESTRY, INC.**  
**DETAIL TO NET SALES**  
**For the Quarters and Years Ended July 3, 2021 and June 27, 2020**  
(in millions)  
(unaudited)

	QUARTER ENDED		% Change vs. FY20	Constant Currency % Change vs. FY20	% Change vs. FY19
	July 3, 2021	June 27, 2020			
Coach	\$ 1,188.9	\$ 517.4	130 %	125 %	8 %
Kate Spade	341.6	164.1	108 %	106 %	3 %
Stuart Weitzman	84.9	33.3	156 %	146 %	- %
Total Tapestry	<u>\$ 1,615.4</u>	<u>\$ 714.8</u>	126 %	122 %	7 %
	YEAR ENDED				
	July 3, 2021	June 27, 2020	% Change vs. FY20	Constant Currency % Change vs. FY20	% Change vs. FY19
Coach	\$ 4,253.1	\$ 3,525.7	21 %	19 %	- %
Kate Spade	1,210.0	1,149.5	5 %	5 %	(11)%
Stuart Weitzman	283.2	286.2	(1)%	(3)%	(27)%
Total Tapestry	<u>\$ 5,746.3</u>	<u>\$ 4,961.4</u>	16 %	14 %	(5)%

**Schedule 3: Items Affecting Comparability – 4Q21**

**TAPESTRY, INC.**  
**GAAP TO NON-GAAP RECONCILIATION**  
(in millions, except per share data)  
(unaudited)

	For the Quarter Ended July 3, 2021			
	Items Affecting Comparability			
	GAAP Basis (As Reported)	Acceleration Impairment	Non-GAAP Basis Program	Non-GAAP Basis (Excluding Items)
<b>Cost of sales</b>				
Coach	898.0	8.1	-	889.9
Kate Spade	221.0	-	-	221.0
Stuart Weitzman	47.1	-	-	47.1
<b>Gross profit<sup>(1)</sup></b>	<u>\$ 1,166.1</u>	<u>\$ 8.1</u>	<u>\$ -</u>	<u>\$ 1,158.0</u>
<b>SG&amp;A expenses</b>				
Coach	519.3	-	0.7	518.6
Kate Spade	185.8	-	0.1	185.7
Stuart Weitzman	50.1	-	(1.2)	51.3
Corporate	151.2	-	21.3	129.9
<b>SG&amp;A expenses</b>	<u>\$ 906.4</u>	<u>\$ -</u>	<u>\$ 20.9</u>	<u>\$ 885.5</u>
<b>Operating income (loss)</b>				
Coach	378.7	8.1	(0.7)	371.3
Kate Spade	35.2	-	(0.1)	35.3

Stuart Weitzman	(3.0)	-	1.2	(4.2)
Corporate	(151.2)	-	(21.3)	(129.9)
<b>Operating income (loss)</b>	<b>\$ 259.7</b>	<b>\$ 8.1</b>	<b>\$ (20.9)</b>	<b>\$ 272.5</b>

Provision for income taxes	42.4	2.0	(2.2)	42.6
<b>Net income (loss)</b>	<b>\$ 199.8</b>	<b>\$ 6.1</b>	<b>\$ (18.7)</b>	<b>\$ 212.4</b>
<b>Net income (loss) per diluted common share</b>	<b>\$ 0.69</b>	<b>\$ 0.02</b>	<b>\$ (0.07)</b>	<b>\$ 0.74</b>

(1) Adjustments within Gross profit are recorded within Cost of sales.

The amounts reflected above include the impact of the additional week on the fourth quarter of Fiscal 2021. The following table quantifies the impact of the additional week on Net Sales and Operating Income by Segment:

**TAPESTRY, INC.**  
**DETAILS TO IMPACT OF 14TH WEEK**  
(in millions)  
(unaudited)

	For the Quarter Ended July 3, 2021				
	As Reported	Impact of 14th Week	Adjusted	Adjusted Net Sales % Change vs. FY20	Adjusted Net Sales % Change vs. FY19
<b>Net Sales</b>					
Coach	\$ 1,188.9	\$ 67.7	\$ 1,212.2	117 %	2 %
Kate Spade	341.6	21.7	319.9	95 %	(4)%
Stuart Weitzman	84.9	3.3	81.6	146 %	(4)%
<b>Total Net Sales</b>	<b>\$ 1,615.4</b>	<b>\$ 92.7</b>	<b>\$ 1,522.7</b>	<b>113 %</b>	<b>1 %</b>
<b>Operating Income (Loss) - Non-GAAP</b>					
Coach	\$ 371.3	\$ 28.6	\$ 342.7		
Kate Spade	35.3	4.7	30.6		
Stuart Weitzman	(4.2)	0.2	(4.4)		
Corporate	(129.9)	(3.5)	(126.4)		
<b>Total Operating Income (Loss) - Non-GAAP</b>	<b>\$ 272.5</b>	<b>\$ 30.0</b>	<b>\$ 242.5</b>		

**Schedule 4: Items Affecting Comparability – FY21**

**TAPESTRY, INC.**  
**GAAP TO NON-GAAP RECONCILIATION**  
(in millions, except per share data)  
(unaudited)

	For the Fiscal Year Ended July 3, 2021				
	Items Affecting Comparability				
	GAAP Basis (As Reported)	CARES Act Tax Impact	Acceleration Program Impairment	Non-GAAP Basis (Excluding Items)	
<b>Cost of sales</b>					
Coach	3,149.0	-	8.1	-	3,140.9
Kate Spade	768.4	-	-	-	768.4
Stuart Weitzman	164.5	-	-	-	164.5
<b>Gross profit(1)</b>	<b>\$ 4,081.9</b>	<b>\$ -</b>	<b>\$ 8.1</b>	<b>\$ -</b>	<b>\$ 4,073.8</b>
<b>SG&amp;A expenses</b>					
Coach	1,836.9	-	20.4	21.9	1,794.6
Kate Spade	659.9	-	19.3	4.4	636.2
Stuart Weitzman	173.1	-	6.1	(2.5)	169.5
Corporate	444.0	-	-	65.8	378.2
<b>SG&amp;A expenses</b>	<b>\$ 3,113.9</b>	<b>\$ -</b>	<b>\$ 45.8</b>	<b>\$ 89.6</b>	<b>\$ 2,978.5</b>
<b>Operating income (loss)</b>					
Coach	1,312.1	-	(12.3)	(21.9)	1,346.3
Kate Spade	108.5	-	(19.3)	(4.4)	132.2
Stuart Weitzman	(8.6)	-	(6.1)	2.5	(5.0)
Corporate	(444.0)	-	-	(65.8)	(378.2)
<b>Operating income (loss)</b>	<b>\$ 968.0</b>	<b>\$ -</b>	<b>\$ (37.7)</b>	<b>\$ (89.6)</b>	<b>\$ 1,095.3</b>
<b>Provision for income taxes</b>	63.1	(95.0)	(7.8)	(17.6)	183.5
<b>Net income (loss)</b>	<b>\$ 834.2</b>	<b>\$ 95.0</b>	<b>\$ (29.9)</b>	<b>\$ (72.0)</b>	<b>\$ 841.1</b>
<b>Net income (loss) per diluted common share</b>	<b>\$ 2.95</b>	<b>\$ 0.31</b>	<b>\$ (0.10)</b>	<b>\$ (0.23)</b>	<b>\$ 2.97</b>

(1) Adjustments within Gross profit are recorded within Cost of sales.

The amounts presented above include the impact of the additional week within the full year of Fiscal 2021. The following table quantifies the impact of the additional week on Net Sales and Operating Income by Segment:

**TAPESTRY, INC.**  
**DETAILS TO IMPACT OF 53RD WEEK**  
(in millions)  
(unaudited)

	For the Fiscal Year Ended July 3, 2021				
	As Reported	Impact of 53rd Week	Adjusted	Adjusted Net Sales % Change vs. FY20	Adjusted Net Sales % Change vs. FY19
<b>Net Sales</b>					
Coach	\$ 4,253.1	\$ 67.7	\$ 4,185.4	19 %	(2)%
Kate Spade	1,210.0	21.7	1,188.3	3 %	(13)%
Stuart Weitzman	283.2	3.3	279.9	(2)%	(28)%
<b>Total Net Sales</b>	<b>\$ 5,746.3</b>	<b>\$ 92.7</b>	<b>\$ 5,653.6</b>	<b>14 %</b>	<b>(6)%</b>
<b>Operating Income (Loss) - Non-GAAP</b>					
Coach	\$ 1,346.3	\$ 28.6	\$ 1,317.7		
Kate Spade	132.2	4.7	127.5		
Stuart Weitzman	(5.0)	0.2	(5.2)		



Corporate	(378.2)	(3.5)	(374.7)
<b>Total Operating Income (Loss) - Non-GAAP</b>	<b>\$ 1,095.3</b>	<b>\$</b>	<b>30.0 \$ 1,065.3</b>

**Schedule 5: Items Affecting Comparability – 4Q20**

**TAPESTRY, INC.**  
**GAAP TO NON-GAAP RECONCILIATION**  
(in millions, except per share data)  
(unaudited)

For the Quarter Ended June 27, 2020						
Items Affecting Comparability						
GAAP Basis (As Reported)	ERP Implementation	Organization-related & Integration Costs			Impairment Acceleration Program	Non-GAAP Basis (Excluding Items)
<b>Cost of sales</b>						
Coach	381.0	-	-	-	-	381.0
Kate Spade	106.5	-	-	-	-	106.5
Stuart Weitzman	11.4	-	-	-	(8.4)	19.8
<b>Gross profit<sup>(1)</sup></b>	<b>\$ 498.9</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (8.4)</b>	<b>\$ 507.3</b>
<b>SG&amp;A expenses</b>						
Coach	412.0	-	0.6	58.8	18.5	334.1
Kate Spade	175.2	-	(1.0)	26.2	13.6	136.4
Stuart Weitzman	92.4	-	(0.1)	32.0	17.6	42.9
Corporate	99.3	4.9	1.8	-	28.9	63.7
<b>SG&amp;A expenses</b>	<b>\$ 778.9</b>	<b>\$ 4.9</b>	<b>\$ 1.3</b>	<b>\$ 117.0</b>	<b>\$ 78.6</b>	<b>\$ 577.1</b>
<b>Operating income (loss)</b>						
Coach	(31.0)	-	(0.6)	(58.8)	(18.5)	46.9
Kate Spade	(68.7)	-	1.0	(26.2)	(13.6)	(29.9)
Stuart Weitzman	(81.0)	-	0.1	(32.0)	(26.0)	(23.1)
Corporate	(99.3)	(4.9)	(1.8)	-	(28.9)	(63.7)
<b>Operating income (loss)</b>	<b>\$ (280.0)</b>	<b>\$ (4.9)</b>	<b>\$ (1.3)</b>	<b>\$ (117.0)</b>	<b>\$ (87.0)</b>	<b>\$ (69.8)</b>
<b>Provision for income taxes</b>	<b>(7.0)</b>	<b>(0.3)</b>	<b>15.7</b>	<b>6.2</b>	<b>(8.4)</b>	<b>(20.2)</b>
<b>Net income (loss)</b>	<b>\$ (293.8)</b>	<b>\$ (4.6)</b>	<b>\$ (17.0)</b>	<b>\$ (123.2)</b>	<b>\$ (78.6)</b>	<b>\$ (70.4)</b>
<b>Net income (loss) per diluted common share</b>	<b>\$ (1.06)</b>	<b>\$ (0.02)</b>	<b>\$ (0.06)</b>	<b>\$ (0.45)</b>	<b>\$ (0.28)</b>	<b>\$ (0.25)</b>

(1) Adjustments within Gross profit are recorded within Cost of sales.

**Schedule 6: Items Affecting Comparability – FY20**

**TAPESTRY, INC.**  
**GAAP TO NON-GAAP RECONCILIATION**  
(in millions, except per share data)  
(unaudited)

For the Fiscal Year Ended June 27, 2020						
Items Affecting Comparability						
GAAP Basis (As Reported)	ERP Implementation	Organization-related & Integration Costs		Impairment	Acceleration Program	Non-GAAP Basis (Excluding Items)
<b>Cost of sales</b>						
Coach	2,411.6	-	(0.1)	(61.9)	-	2,473.6
Kate Spade	682.9	-	(1.2)	(32.3)	-	716.4
Stuart Weitzman	144.8	-	(4.3)	(9.8)	(8.4)	167.3
<b>Gross profit<sup>(1)</sup></b>	<b>\$ 3,239.3</b>	<b>\$ -</b>	<b>\$ (5.6)</b>	<b>\$ (104.0)</b>	<b>\$ (8.4)</b>	<b>\$ 3,357.3</b>
<b>SG&amp;A expenses</b>						
Coach	1,822.2	-	0.5	116.7	18.5	1,686.5
Kate Spade	782.2	-	0.1	92.9	13.6	675.6
Stuart Weitzman	766.2	-	(2.0)	526.7	17.6	223.9
Corporate	419.5	28.5	29.2	-	28.9	332.9
<b>SG&amp;A expenses</b>	<b>\$ 3,790.1</b>	<b>\$ 28.5</b>	<b>\$ 27.8</b>	<b>\$ 736.3</b>	<b>\$ 78.6</b>	<b>\$ 2,918.9</b>
<b>Operating income (loss)</b>						
Coach	589.4	-	(0.6)	(178.6)	(18.5)	787.1
Kate Spade	(99.3)	-	(1.3)	(125.2)	(13.6)	40.8
Stuart Weitzman	(621.4)	-	(2.3)	(536.5)	(26.0)	(56.6)
Corporate	(419.5)	(28.5)	(29.2)	-	(28.9)	(332.9)
<b>Operating income (loss)</b>	<b>\$ (550.8)</b>	<b>\$ (28.5)</b>	<b>\$ (33.4)</b>	<b>\$ (840.3)</b>	<b>\$ (87.0)</b>	<b>\$ 438.4</b>
<b>Provision for income taxes</b>	<b>27.9</b>	<b>(6.0)</b>	<b>3.8</b>	<b>(55.3)</b>	<b>(8.4)</b>	<b>93.8</b>
<b>Net income (loss)</b>	<b>\$ (652.1)</b>	<b>\$ (22.5)</b>	<b>\$ (37.2)</b>	<b>\$ (785.0)</b>	<b>\$ (78.6)</b>	<b>\$ 271.2</b>
<b>Net income (loss) per diluted common share</b>	<b>\$ (2.34)</b>	<b>\$ (0.08)</b>	<b>\$ (0.13)</b>	<b>\$ (2.82)</b>	<b>\$ (0.28)</b>	<b>\$ 0.97</b>

(1) Adjustments within Gross profit are recorded within Cost of sales.

The Company reports information in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). The Company's management does not, nor does it suggest that investors should, consider non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Further, the non-GAAP measures utilized by the Company may be unique to the Company, as they may be different from non-GAAP measures used by other companies. The financial information presented above, as well as gross margin, SG&A expense ratio, and operating margin, have been presented both including and excluding the effect of certain items related to the tax benefit the Company received under the CARES Act, the Acceleration Program and Impairment costs for the fourth quarter and full fiscal year 2021 and ERP Implementation, Organization-related & Integration Costs, Impairment costs and the Acceleration Program for the fourth quarter and full fiscal year 2020. The Company has also presented the impact of the 53<sup>rd</sup> week for fiscal year 2021 on revenue and operating income for the Company and each segment, and earnings per diluted share for the Company.

The Company operates on a global basis and reports financial results in U.S. dollars in accordance with GAAP. Percentage increases/decreases in net sales for the Company and each segment have been presented both including and excluding currency fluctuation effects from translating foreign-denominated sales into U.S. dollars and compared to the same periods in the prior quarter and fiscal year. The Company calculates constant currency net sales results by translating current period net sales in local currency using the prior year period's currency conversion rate.

Net sales changes for the Company and each segment are based on absolute sales dollar changes and are not presented in accordance with the Company's comparable sales definition utilized historically due to the uncertain business environment resulting from the impact of the Covid-19 pandemic.

Management utilizes these non-GAAP and constant currency measures to conduct and evaluate its business during its regular review of operating results for the periods affected and to make decisions about Company resources and performance. The Company believes presenting these non-GAAP measures, which exclude items that are not comparable from period to period, is useful to investors and others in evaluating the Company's ongoing operating and financial results in a manner that is consistent with management's evaluation of business performance and understanding how such results compare with the Company's historical performance. Additionally, the Company believes presenting these metrics on a constant currency basis will help investors

and analysts to understand the effect of significant year-over-year foreign currency exchange rate fluctuations on these performance measures and provide a framework to assess how business is performing and expected to perform excluding these effects.

In addition to these non-GAAP measures, the Company has provided comparisons to certain fiscal year 2019 results and trends, which the Company believes is useful to investors and others in evaluating the Company's results, due to the significant impact of the Covid-19 pandemic on the Company's operations and financial results, notably in the second half of fiscal year 2020. The Company has also included statements regarding the Company reaching peak operating income and operating margin as Tapestry, which refers to the period since Fiscal 2018, the year in which the Company established its current house of brands and changed its corporate name.

**Fiscal Year 2022 Outlook - Non-GAAP Adjustments:**

The Company is not able to provide a full reconciliation of the non-GAAP financial measures to GAAP presented in this release and on the Company's conference call because certain material items that impact these measures, such as the timing and exact amount of charges related to the Acceleration Program, which have not yet occurred or are out of the Company's control. Accordingly, a reconciliation of our non-GAAP financial measure guidance to the corresponding GAAP measures is not available without unreasonable effort. Where possible, the Company has identified the estimated impact of the items excluded from its Fiscal 2022 guidance.

This Fiscal 2022 non-GAAP guidance excludes \$30 to \$45 million in Acceleration Program charges, primarily consisting of professional fees and share-based compensation.

**Schedule 7: Condensed Consolidated Balance Sheets**

<b>TAPESTRY, INC.</b>		
<b>CONDENSED CONSOLIDATED BALANCE SHEETS</b>		
<b>At July 3, 2021 and June 27, 2020</b>		
<b>(in millions)</b>		
	<b>(unaudited) (audited)</b>	
	<b>July 3, 2021</b>	<b>June 27, 2020</b>
<b>ASSETS</b>		
Cash, cash equivalents and short-term investments	\$ 2,015.8	\$ 1,434.4
Receivables	200.2	193.3
Inventories	734.8	736.9
Other current assets	424.5	188.5
	<u>3,375.3</u>	<u>2,553.1</u>
Total current assets	3,375.3	2,553.1
Property and equipment, net	678.1	775.2
Lease right-of-use assets	1,496.6	1,757.0
Other noncurrent assets	2,832.4	2,838.9
	<u>8,382.4</u>	<u>7,924.2</u>
Total assets	\$ 8,382.4	\$ 7,924.2
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Accounts payable	\$ 445.2	\$ 130.8
Accrued liabilities	661.2	511.0
Short-term lease liabilities	319.4	388.8
Current debt	-	711.5
	<u>1,425.8</u>	<u>1,742.1</u>
Total current liabilities	1,425.8	1,742.1
Long-term debt	1,590.7	1,587.9
Long-term lease liabilities	1,525.9	1,799.8
Other liabilities	580.7	518.0
	<u>3,259.3</u>	<u>2,276.4</u>
Stockholders' equity	3,259.3	2,276.4
	<u>8,382.4</u>	<u>7,924.2</u>
Total liabilities and stockholders' equity	\$ 8,382.4	\$ 7,924.2

**Schedule 8: Condensed Statement of Cash Flows**

<b>TAPESTRY, INC.</b>		
<b>CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS</b>		
<b>For the fiscal years ended July 3, 2021 and June 27, 2020</b>		
<b>(in millions)</b>		
	<b>(unaudited) (audited)</b>	
	<b>July 3, 2021</b>	<b>June 27, 2020</b>
<b>Cash Flows from Operating Activities</b>		
Net income (loss)	\$ 834.2	\$ (652.1)
Adjustments to reconcile net income (loss) to net cash flows from operating activities:		
Depreciation and amortization	218.7	248.3
Impairment charges	45.8	813.5
Other non-cash items	(5.3)	77.6
Changes in operating assets and liabilities	230.3	(80.3)
<b>Net cash provided by operating activities</b>	<u>1,323.7</u>	<u>407.0</u>
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment	(116.0)	(205.4)
Other items	25.0	249.7
<b>Net cash provided by investing activities</b>	<u>(91.0)</u>	<u>44.3</u>
<b>Cash Flows from Financing Activities</b>		
Dividend payments	-	(380.3)
Proceeds from revolver	-	700.0
Repayment of debt	(711.5)	-
Repurchase of common stock	-	(300.0)
Other items	45.5	(13.8)
<b>Net cash provided by financing activities</b>	<u>(666.0)</u>	<u>5.9</u>
Effect of exchange rate on cash and cash equivalents	14.7	(0.1)
<b>(Decrease) increase in cash and cash equivalents</b>	<u>581.4</u>	<u>457.1</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>\$ 1,426.3</u>	<u>\$ 969.2</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 2,007.7</u>	<u>\$ 1,426.3</u>

Schedule 9: Store Count by Segment – 4Q21

**TAPESTRY, INC.**  
**STORE COUNT**  
**At March 27, 2021 and July 3, 2021**  
**(unaudited)**

As of As of  
**Directly-Operated Store Count: March 27, 2021 Openings (Closures) July 3, 2021**

**Coach**

North America	357	1	(4)	354
International	587	6	(8)	585

**Kate Spade**

North America	211	1	(2)	210
International	202	2	(7)	197

**Stuart Weitzman**

North America	49	-	(1)	48
International	54	2	-	56

Schedule 10: Store Count by Segment – FY21

**TAPESTRY, INC.**  
**STORE COUNT**  
**At June 27, 2020 and July 3, 2021**  
**(unaudited)**

As of As of  
**Directly-Operated Store Count: June 27, 2020 Openings (Closures) July 3, 2021**

**Coach**

North America	375	2	(23)	354
International	583	34	(32)	585

**Kate Spade**

North America	213	4	(7)	210
International	207	11	(21)	197

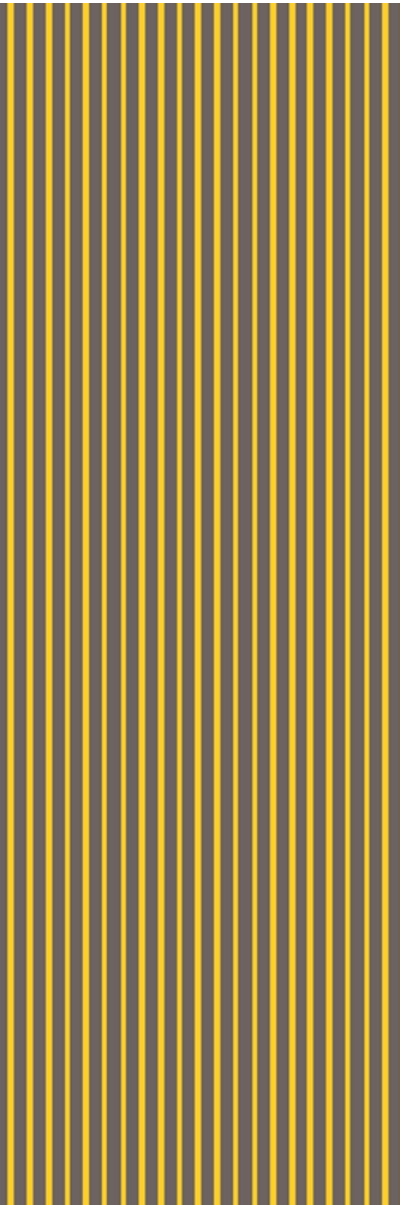
**Stuart Weitzman**

North America	58	1	(11)	48
International	73	10	(27)	56

**Contacts**

Tapestry, Inc.  
Media:  
Andrea Shaw Resnick  
Chief Communications Officer  
212/629-2618  
aresnick@tapestry.com  
Analysts and Investors:  
Christina Colone  
Global Head of Investor Relations  
212/946-7252  
ccolone@tapestry.com

tapestry



This presentation contains certain "forward-looking statements" based on management's current expectations. Forward-looking statements include, but are not limited to, by the use of forward-looking terminology such as "may," "will," "can," "should," "expect," "intend," "estimate," "continue," "project," "guidance," "forecast," "capitalize," "developing," "drive," "targeting," "assume," "plan," "build," "pursue," "maintain," "on track," "well positioned to," "look forward to," "to acquire new opportunities," "Acceleration Program," "we are accelerating" or comparable terms, and similar or other references to future periods. Statements herein include, but are not limited to, our business plans, objectives, goals, beliefs, future events, business conditions, results of operations and financial position; and our business outlook and business strategy.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions about our business, future plans and strategies, projections, anticipated events and trends, and other future conditions. Because forward-looking statements relate to the future, they are subject to uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements due to a number of important factors. Therefore, you should not rely on any of these forward-looking statements. Factors that may cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following:

- the impact of the Covid-19 pandemic, including impacts on our supply chain due to temporary closures of our manufacturing partners and shipping and fulfillment constraints;
- the ability to control costs and successfully execute our growth strategies and our Acceleration Program;
- the impact of economic conditions;
- the ability to anticipate consumer preferences and retain the value of our brands, including our ability to execute on our e-commerce and digital strategies;
- the risks associated with operating in international markets;
- the ability to achieve intended benefits, including from our Acceleration Program;
- the risk of cybersecurity threats and privacy concerns;
- the impact of pending and potential future legislation;
- the impact of legislation.

Please refer to the Company's latest Annual Report on Form 10-K, Quarterly Report on Form 10-Q and its other filings with the Securities and Exchange Commission for more information on these and other important factors.

We assume no obligation to revise or update any such forward-looking statements for any reason, except as required by law.

## PURPOSE

# *Stretch What's Possible*

**STRETCH** speaks to how tensions challenge and pull us in new directions. These tensions comp ourselves and embrace new perspectives, experiences and ideas.

**WHAT'S POSSIBLE** refers to what happens when we embrace the creative tensions within each and in society. We push past boundaries, pull out the unexpected and expand what's possible.

# VALUES



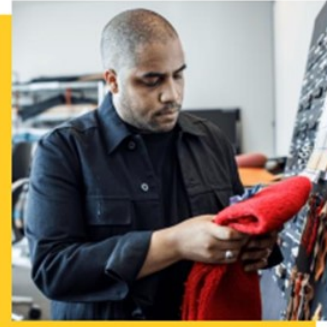
## DEDICATED TO THE DREAM

Built by go-getters who saw unseen needs and took daring leaps, we channel that same passion today, doing what it takes to make the dream happen and refusing to settle for anything less.



## HOLD TO HIGH STANDARDS

From how we source, to how we sew, to how we sell, we insist on the highest integrity at each step, doing things right, no matter what; because when it's hard is when it matters most.



## EMBRACE DIFFERENCE BY DESIGN

The kind of ingenuity that turns heads, that turns objects into icons, comes only from the places few have looked before—so diverse perspectives are the greatest assets we have.



## BREAK THROUGH MAGIC AND LOGIC

Art and science. Design and data. Delight and discipline. For us, in the balance of these forces is where breakthroughs lie, and where our name was



Jessica Lopez

**COACH**

*established 1941*

**AUTHENTIC, COURAGEOUS, INCLUSIVE**



**STUART WEITZMAN**

*established 1986*

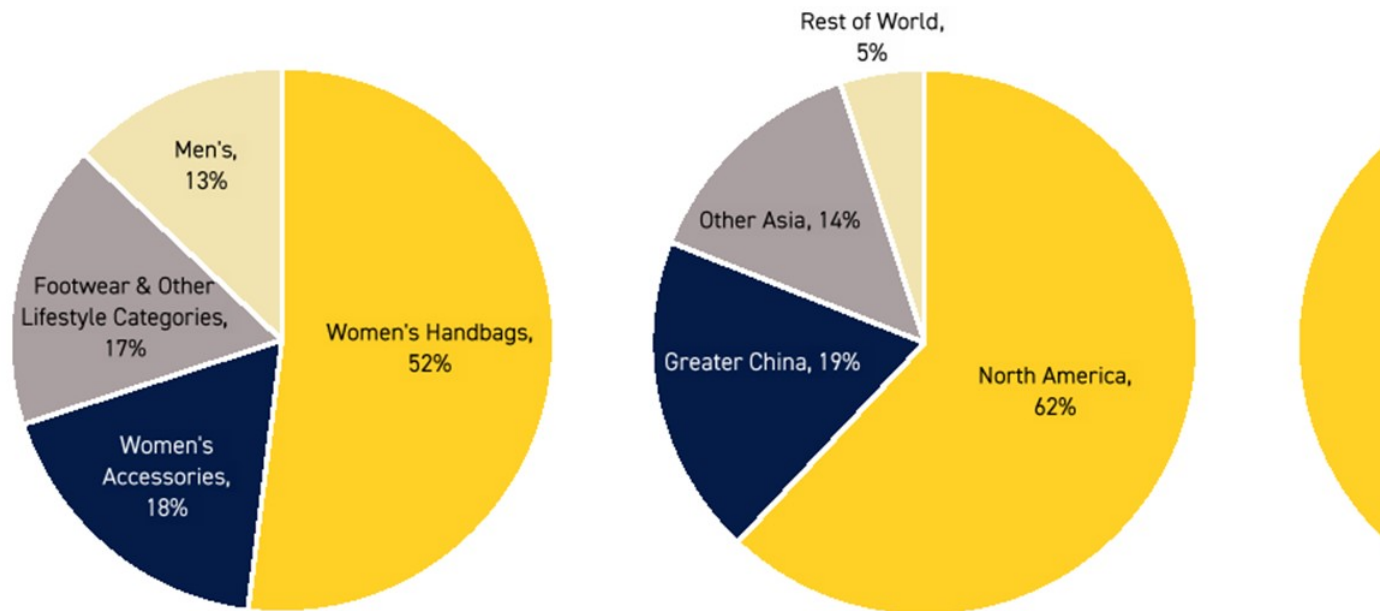
**STYLISH, CONFIDENT, SOPHISTICATED**

JO

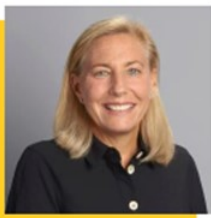


# Tapestry Revenue Breakdown

Global house of brands with strong direct to consumer distribution

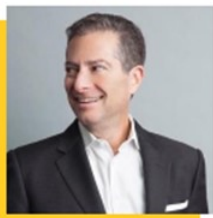


# Leadership Team



**JOANNE CREVOISERAT**

Chief Executive Officer



**TODD KAHN**

CEO & Brand President,  
Coach



**LIZ FRASER**

CEO & Brand President,  
Kate Spade

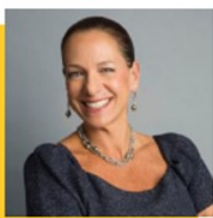


**GIORGIO SARNÉ**

CEO & Brand President,  
Stuart Weitzman



CFO &



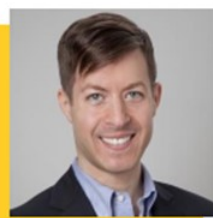
**ANDREA SHAW RESNICK**

Chief Communications  
Officer



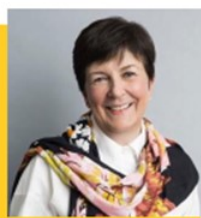
**NOAM PARANSKY**

Chief Digital Officer



**DAVID HOWARD**

General Counsel  
and Secretary



**SARAH DUNN**

Global Human  
Resources Officer



# *FY21 Overview & FY22 Outlook*

*Fourth  
quarter  
results  
exceeded  
expectations,  
building on  
recent  
momentum*

**DELIVERED STRONG RESULTS TO CLOSE  
OUT THE YEAR, INCLUDING REVENUE  
AHEAD OF PRE-PANDEMIC LEVELS**

- Maintained strength in Digital, while sequentially improving revenue trends in-stores on both a one and two-year basis
- Posted strong trends in Mainland China; realized continued topline momentum in North America
- Expanded overall gross margin through deliberate actions to lower promotional activity and raise AUR
- Generated operating income growth and margin expansion above both FY20 and FY19 levels for the fourth consecutive quarter

**REMAIN (C  
ACCELER**

- Announced with a plan shareholde repurchase
- Ended the y position
- Initiated ou profitability

Non-GAAP Financials.

# Fourth Quarter Highlights

Performance highlights the traction of our Acceleration Program and the power of our brands

DELIVERED Q4 REVENUE  
GROWTH OF

**113%**

AGAINST FY20, EXCEEDING  
PRE-PANDEMIC SALES

DROVE GLOBAL  
DIGITAL SALES

**35%**

ABOVE FY20 ON LAST YEAR'S  
STRONG BASE

IN NORTH AMERICA, RECRUITED OVER

**900,000**

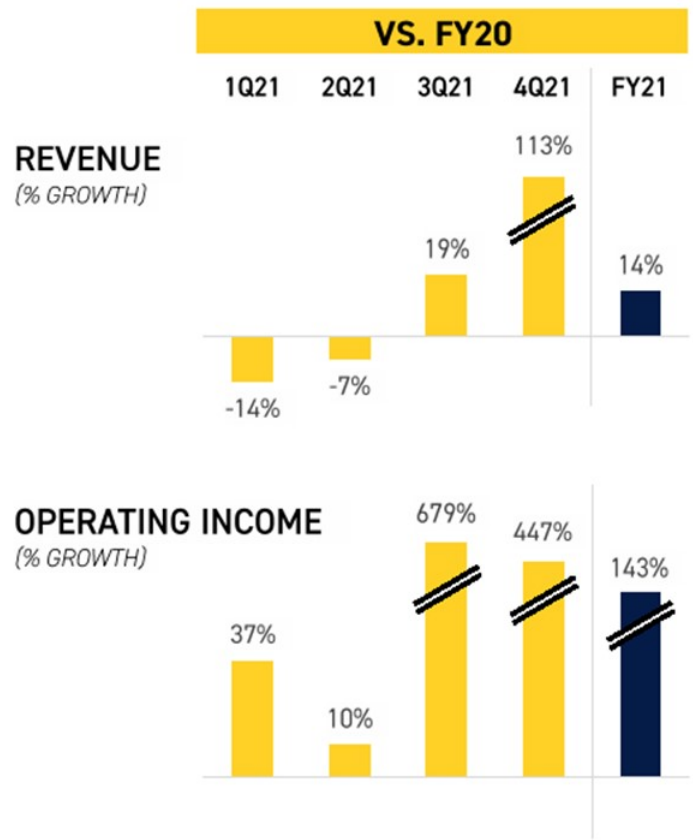
NEW CUSTOMERS ACROSS BRANDS  
THROUGH E-COMMERCE CHANNELS

GROSS MARGIN  
EXPANDED BY

**80 bps**

VS. FY20 AND 450 BPS VS. FY19,  
SUPPORTED BY HIGHER AUR

*Delivered four consecutive quarters of operating income growth vs. FY20 and FY19, as revenue trends continued to improve sequentially*





## *Coach: 4Q Highlights*

- Realized revenue growth of 117% versus prior year  
**2% compared to pre-pandemic levels**
- Drove **over 55% Digital growth** on top of the prior year
- Recruited **approximately 600,000 new customers** in North America
- Achieved high single-digit **global handbag AUR growth** of roughly 35% on a two-year basis
- Deepened engagement with consumers by leaning into inclusivity and authenticity to drive **increased reach**
- Continued to develop the brand's **iconic families**, with a new product pipeline in future seasons

FY21 4Q figures exclude the impact of the additional week (full reconciliation in the appendix).



## *Kate Spade: 4Q Highlights*

- Realized **sequential improvement in revenue** – growth driven by improvements in the Direct business (excluding pandemic levels)
- **Reactivated 550,000 customers** in North America, a 35% increase compared to the prior year
- Continued to re-energize our core handbag offering and remained disciplined on promotions
- **Grew global handbag AUR** by mid-single-digits for the fourth quarter
- **Increased engagement on social channels**, most notably through our dance campaign on TikTok, which has garnered 11 million views

FY21 4Q figures exclude the impact of the additional week (full reconciliation in the appendix).





## *Stuart Weitzman: 4Q Highli*

- **Realized a revenue increase of 146% compared to**
- **Drove engagement with new and younger custom**  
our iconic families
- **Increased penetration of dress styles** as in-person
- **Fueled continued momentum in China** – growing c  
through tailored product offering, relevant market  
platforms
- Strengthened our relationship with Wholesale par  
**America Wholesale ahead of pre-pandemic levels**

FY21 4Q figures exclude the impact of the additional week (full reconciliation in the appendix).

## 4Q P&L Overview By Brand (13-Week Basis)

	TAPESTRY	COACH	KATE SPAD
NET REVENUE	<b>\$1.52B</b> +113% vs. LY	<b>\$1.12B</b> +117% vs. LY	<b>\$320M</b> +95% vs. LY
GROSS PROFIT	<b>\$1.09B</b> 71.7% margin	<b>\$840M</b> 74.9% margin	<b>\$208M</b> 64.9% margin
SG&A EXPENSES	<b>\$850M</b> 55.8% of sales	<b>\$497M</b> 44.3% of sales	<b>\$177M</b> 55.4% of sales
OPERATING INCOME	<b>\$242M</b> 15.9% margin	<b>\$343M</b> 30.6% margin	<b>\$31M</b> 9.6% margin
EARNINGS PER DILUTED SHARE	<b>\$0.65</b> vs. \$(0.25) LY		

# FY21 Highlights

Delivered standout results, achieving record operating margin as Tapestry through fundamental changes to dr

TOTAL COMPANY REVENUE GROWTH OF

**14%**

COMPARED TO FY20

REALIZED GLOBAL  
DIGITAL SALES OF

**\$1.6B**

OR APPROXIMATELY 30% OF  
TOTAL SALES

DRG  
MAIN

VERSU

IN NORTH AMERICA,  
RECRUITED NEARLY

**4M**

NEW CUSTOMERS ACROSS BRANDS  
THROUGH E-COMMERCE CHANNELS

GROSS MARGIN  
EXPANDED BY OVER

**300 bps**

AGAINST BOTH FY20 AND FY19

GEN

WHICH  
FULI

# Reinstatement of Returns Programs

*Announced a plan to return over \$750M to shareholders in FY22, underscoring conviction in our ability to drive long-term sustainable gains*

## DECLARED QUARTERLY CASH DIVIDEND

- Anticipated annual dividend rate of \$0.40
- Goal to increase dividend at a faster rate than earnings growth over time

## REINSTATED SHARE REPURCHASE PROGRAM

- Expect to repurchase approximately \$750M of shares in FY22 under the current authorization

**OVER TIME, WITH FURTHER VISIBILITY INTO OUR BUSINESS ENVIRONMENT, WE EXPECT TO RETURN CASH TO SHAREHOLDERS**

# Capital Allocation Priorities

Committed to driving organic growth, profitability and shareholder value over the long-term

1

## REINVEST IN THE BUSINESS

to support strong returns  
and long-term profitable  
growth

2

## RETURN CAPITAL TO SHAREHOLDERS

through dividends and  
repurchases

*In FY22, our dividend, share repurchase and the repayment of our bonds are intended to approximately equal our projected free cash flow*

# Financial Outlook

Initiated financial outlook for accelerated growth and profitability in FY22, reflecting strong underlying business

## FY22 EXPECTATIONS

<b>REVENUE</b>	Mid-teens growth to ~\$6.4B
<b>GROSS MARGIN</b>	Sustained strong margins
<b>SG&amp;A EXPENSE</b>	Growth relatively in-line with sales, reflecting further investments, notably in marketing
<b>OPERATING MARGIN</b>	Modest expansion vs. prior year; mid-teens operating income growth
<b>NET INTEREST EXPENSE</b>	Approximately \$65 million
<b>TAX RATE</b>	Approximately 18.5%
<b>SHARE COUNT</b>	Even with prior year, with share repurchase activity expected to offset dilution
<b>DILUTED EPS</b>	\$3.30 to \$3.35, reflecting leverage to the bottom line
<b>CAPEX</b>	Approximately \$220M, with a focus on store development in China and Digital i

An aerial photograph of a dense city skyline, likely New York City, featuring numerous skyscrapers and residential buildings. A bright yellow arrow-shaped graphic points from the left towards the right, partially overlapping the top of the image. The sky is blue with scattered white clouds.

# *Acceleration Program*

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# *acceleration*

*/akˌseləˈrāSH(ə)n/*  
*noun*

*the act of accelerating;*  
*increase of speed or velocity.*

we are *accelerating* growth &

we are *accelerating* our focus

we are *accelerating* with agilit



# *The Acceleration Program is focused on better meet of our customers*

## SHARPEN OUR FOCUS ON THE CONSUMER

- Operate with a clearly defined purpose and strategy for each brand and an unwavering focus on the consumer at the core of everything we do

## LEVERAGE DATA & LEAD WITH A DIGITAL-FIRST MINDSET

- Build significant data and analytics capabilities to drive decision-making and increase efficiency
- Offer immersive customer experiences across our e-commerce and social channels
- Reevaluate the role of stores with an intent to optimize our fleet

## TRAIN RESILIANT

- Move
- Simplify
- Empower rapid

**RESULTING IN ACCELERATING GROWTH & ENHANCED PROFITABILITY ACR**

# Acceleration Program: 4Q Highlights



Recruited over **900,000 new customers** through our e-commerce channels in North America, resulting in nearly **4 million new customers** for the fiscal year, representing gains versus prior year



Continued to deliver an increase in number of **repeat transactions** versus prior year and **reactivated lapsed customers** across brands



Drove **high-single digit revenue gains** with Chinese consumers globally compared to pre-pandemic levels



Effectively **reduced counts** by approximately 40% and improved assortment productivity supported by data analytics, resulting in **overall AUR and gross margin**

# *The foundational changes we have made through our Program are fueling profit gains & structurally high*

## FOUNDATIONAL CHANGES

- Reduced total SKU counts by 40-45% across brands for the fiscal year
- Implemented tighter inventory management; inventory turn now tied to compensation
- Raised profitability threshold of stores; focused on optimizing the fleet, resulting in 59 net closures in FY21
- Streamlined organization and operating structure
- Continued to embed and utilize data across the organization to increase agility and responsiveness, notably through optimized assortment planning, informed pricing decisions and door clustering efforts



## SUSTAINABLE

- Sustainable margin expansion
- Improved inventory turn
- Targeted investment

*...and we are transitioning to a period of sustainable driven revenue and profit growth to fully unlock the*



*Tapestry is an enabling platform that enhances opportunities for our brands*

**TAPESTRY'S DIFFERENTIATED PLATFORM PROVIDES:**

CONSUMER INSIGHTS

\_\_\_\_\_

GLOBALLY DIVERSIFIED SUPPLY CHAIN

\_\_\_\_\_

DIGITAL INFRASTRUCTURE & CAPABILITIES

\_\_\_\_\_

ACCESS TO GLOBAL TALENT

*“We delivered standout results in Fiscal 2021, a transformational year for Tapestry. Through our Acceleration Program, we sharpened our focus on the consumer, leaned into digital and data and became a more agile organization. Overall, we remain confident in our ability to accelerate growth and profitability across our portfolio in the long-term, enhancing value for all stakeholders.”*

JOANNE CREVOISERAT, CHIEF EXECUTIVE OFFICER



# *Overview by Brand*



COACH

NEW YORK





COACH

Michael B. Jordan

# OUR VISION

Being genuine and real has always been part of our ethos and part of the impact we make.

Today, our customers seek meaningful connection and something real. This can only happen when they feel like they can be their true selves. Over time, we've learned that courage is contagious, and that when you are vulnerable enough to be yourself, you inspire others to do the same. Today the need in the world we fulfill is to inspire the...

**Courage to be real.**





**\$4.2B** NET S

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**939** DIRE  
STOR

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**50+** COU

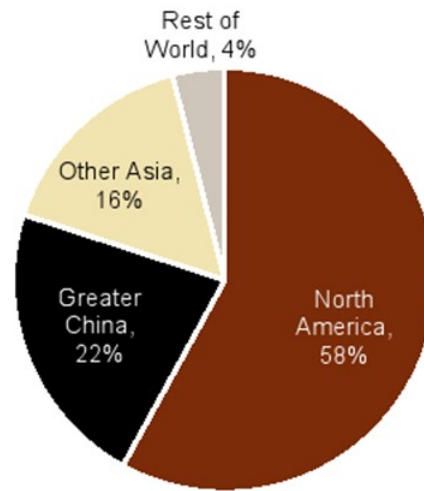
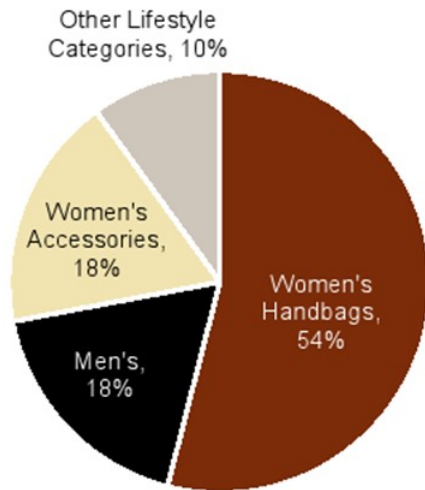
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**9,900** EMPL

As of FY21. FY21 revenue figure excludes the impact of the additional week in Q4 (full reconciliation in the

# Coach Revenue Breakdown

Direct to consumer focused brand with diversified product categories & geographies



# Coach FY22 Growth Strategies

## INCREASE MARKET SHARE

- Drive AUR and unit growth
- Continue to develop iconic families
- Emphasize approachable and inclusive messaging and consistent global positioning

## INVEST AND GROW IN DIGITAL

- Deliver differentiated and compelling omni-channel experiences
- Pioneer innovative formats to sustain digital leadership and recruit younger customers

## CONTINUE TO DRIVE GROWTH IN CHINA

- Capitalize on market trends of the emerging middle class and increased digitalization
- Drive brand heat and increase awareness through investment dedicated capsules and marketing activations

kate spade

NEW YORK



kate spade  
NEW YORK

# OUR VISION

## JOY COLORS LIFE

Since its launch in 1993 with a collection of six essential handbags, Kate Spade New York has always been colorful, bold and optimistic. Today it is a global lifestyle brand that designs extraordinary things for the everyday, delivering seasonal collections of handbags, ready-to-wear, jewelry, footwear, gifts, home décor and more. Known for its rich heritage and unique brand DNA, Kate Spade New York offers a distinctive point of view and celebrates communities of women around the globe who live their perfectly imperfect lifestyles.

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**\$1.2B** NET :  

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**407** DIRE  
STOR  

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**40+** COU  

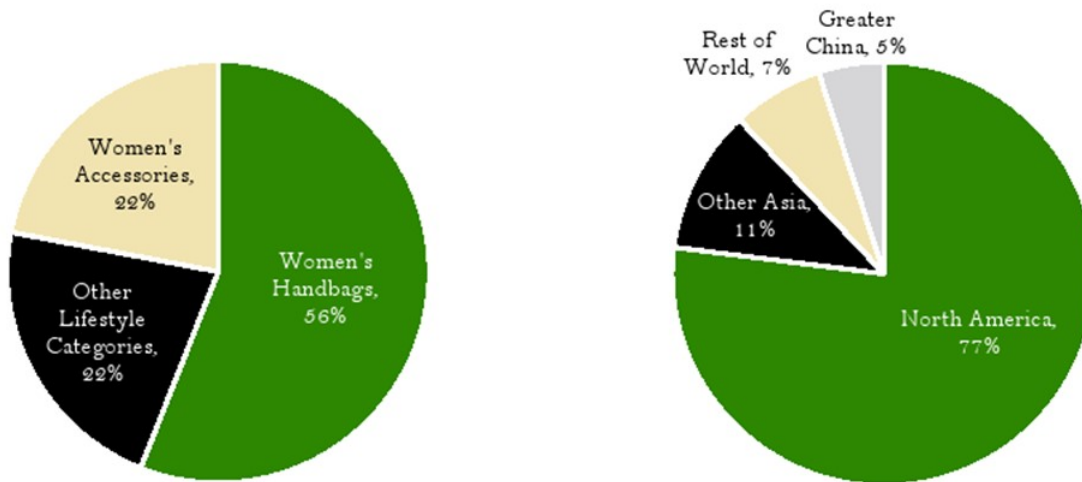
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**4,000** EMPI

As of FY21. FY21 revenue figure excludes the impact of the additional week in Q4 (full reconciliation in the

# Kate Spade Revenue Breakdown

Opportunity to build out handbag offering, while maximizing positioning as a lifestyle



# Kate Spade FY22 Growth Strategies

## MAINTAIN A CONSUMER-CENTRIC APPROACH

- Fulfill our promise as a lifestyle brand representing joy, optimism and color
- Engage newly acquired, re-activated and existing customers to drive higher lifetime value

## CONTINUE TO BUILD OUT CORE PRODUCT PLATFORMS

- Amplify recent product introductions

## DRIVE BRAND HEAT

- Reinforce brand messaging through unique, best-in-class storytelling on a multi-category platform
- Deploy marketing focused on our Kate Spade community, particularly in social channels

## MAXIMIZE LIFESTYLE POSITIONING

- Strengthen the foundation of to-wear, footwear and jewelry

# STUART WEITZMA



STUART WEITZ

## OUR VISION

Stuart Weitzman shoes are designed for high fashion and high function.

Known for over 35 years for its artisanal Spanish craftsmanship and precisely-engineered fit, the luxury footwear brand inspires women around the world to shine with confidence with every step.

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\$280M <sup>N</sup>

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104 <sup>D</sup>  
<sup>S</sup>

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30+ <sup>C</sup>

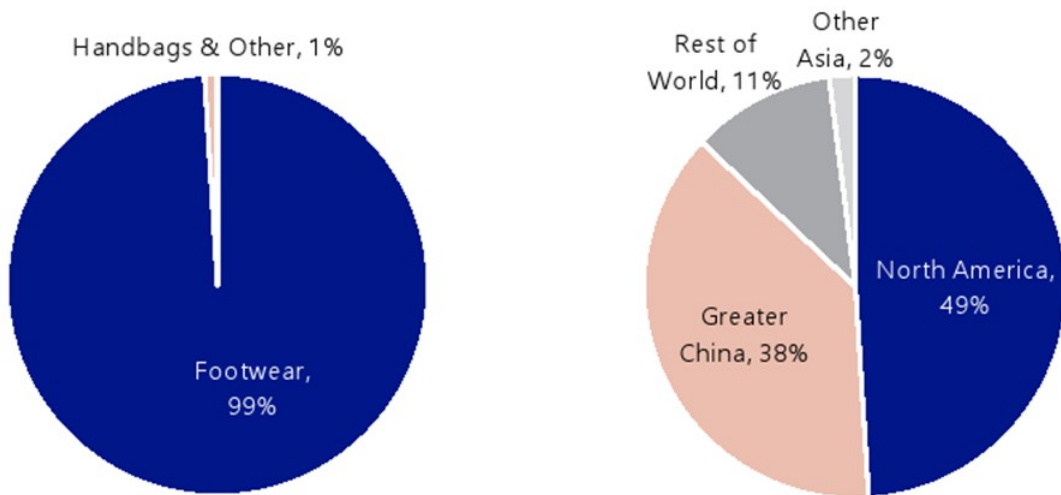
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800 <sup>E</sup>

As of FY21. FY21 revenue figure excludes the impact of the additional week in Q4 (full r

# STUART WEITZMAN REVENUE BREAKDOWN

Remain focused on key geographies & channels with a compelling footwear assortment





# STUART WEITZMAN FY22 GROWTH STRATEG

## RETURN TO PROFITABILITY

- Build on momentum to realize operating income
- Focus on high-growth areas, including Digital and China
- Leverage foundational changes made in FY21

## RECRUIT AND ENGAGE CUSTOMERS

- Create product that sparks desire
- Focus on 'must-have' launches, featuring icons, key items and capsule collections
- Lean into bridal and dress categories as in-person socialization begins to return

## DRIVE BRAND HEAT

- Emphasize consistent content and cultural relevance anchored in key styles
- Win share of voice with high-impact talent and culturally relevant moments

## FUEL CONTIN GROWTH IN C

- Expand our focus and further invest in digital
- Increase cultural relevance with dedicated cap



*Our Social Fabric*  
*Corporate Responsibility Strategy & 2025 Goals*

© 2021 Tapestry, Inc.

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## *Corporate Res Strategy & Go*

Built on our values, our 21  
& goals solidify our comm  
we recognize our role as i  
measurable change. Addr  
contributing to a world th  
a responsibility that we al

**OUR PEOPLE. OUR F**



## *Introduced New, Bold ESG C*

Combating climate change and advancing equity and opportunity  
established \$50 million Tapestry Foundation

Tying 10% of Tapestry leadership's annual incentive compensation  
and diversity goals beginning in FY22

Providing all global employees one paid volunteer day per year

Doubling the scale of our prior 2025 goal to give workers in the  
chain access to empowerment programs, increasing reach to

Committing to 100% renewable electricity in Tapestry's store  
centers by 2025



## OUR SOCIAL FABRIC

### 1 *Our People*

#### 2025 GOALS

- Build diversity in North America Tapestry and brand leadership of North America-based ethnic minority leaders to better represent corporate population.
- Reduce gender and ethnicity differences in the Employee Engagement Survey.
- Demonstrate a focus on career progression, development and leadership roles (VP+) internally.
- Enable employees to manage their work and personal life with a benefit standard for self-care, parental and family care leave.



## OUR SOCIAL FABRIC

### 1 *Our People*

#### RECENT MILESTONES

- Beginning in September 2021, all U.S. Tapestry employees per hour.
- Established four Employee Resource Groups (ERGs), including Heritage Alliance.
- Maintained a Board of Directors with ethnic, gender and n
- 92% of store managers, 97% of leadership and 96% of U.S eLearning on inclusion.
- Recognized on the Forbes 2020 Best Employers for Divers
- Achieved sixth consecutive score of 100 on the Human Rig Index; designated as a Best Place to Work for LGBTQ Equa



## OUR SOCIAL FABRIC

### 2 *Our Planet*

#### 2025 GOALS

- Achieve a 20% reduction in absolute Scope 1 & Scope 2 CO<sub>2</sub>e and a 25% reduction in absolute Scope 3 emissions from freight shipping over a 2-year period.
- Attain a 95% traceability & mapping of our raw materials throughout our supply chain.
- Ensure that 90% of leather is sourced from Silver and Gold tanneries.
- Achieve 75% recycled content in packaging and 25% reduction in distribution center waste.
- Achieve a 10% reduction in water usage across Tapestry America.

Photo courtesy of Friends of the High Line.



## OUR SOCIAL FABRIC

### 2 *Our Planet*

#### RECENT MILESTONES

- Initiated supply chain mapping and began working toward mapping of raw materials.
  - Achieved 87% landfill diversion for corporate and distribut
  - Sourced 67% of leather from Leather Working Group Silver achieving a PASS or higher.
  - Repaired 28,258 Coach products – roughly 85% of all prod partnered with graduate students to research the lifecycle products through repair and design.
-





## OUR SOCIAL FABRIC

### 3 *Our Communities*

#### 2025 GOALS

- Dedicate 100,000 volunteer service hours completed by our employees
- Give \$75M in financial and product donations to nonprofit organizations
- Provide 100,000 people crafting Coach, Kate Spade New York, and Dooney & Bourke access to empowerment programs during the workday.



## OUR SOCIAL FABRIC

### 3 *Our Communities*

#### RECENT MILESTONES

- Committed more than \$28 million in charitable giving from Foundation and the Kate Spade New York Foundation in fiscal year 2021 for COVID-19 global relief and recovery efforts.
- In FY21, employees volunteered over 31,000 hours, bringing us closer to our goal of 50,000 hours since establishing the goal in 2019.
- Matched \$350,000 in charitable donations through our Foundation's program.
- Supported 55 organizations addressing racial and social justice through our 2:1 employee charitable matching gifts program.



tapestry

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A photograph of railroad tracks receding into the distance. The tracks consist of two parallel steel rails on a bed of gravel, with wooden ties connecting them. A bright yellow arrow-shaped graphic points to the right, partially overlapping the top of the tracks. The word "Appendix" is written in a black, serif font inside the yellow arrow.

# *Appendix*

The Company reports information in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"). The Company's n that investors should, consider non-GAAP financial measures in isolation from, or as a substitute for, financial information prep non-GAAP measures utilized by the Company may be unique to the Company, as they may be different from non-GAAP measure information presented has been presented both including and excluding the effect of certain items impacting comparability rela 2021, Impairment costs and Acceleration Program costs in fiscal 2021 and 2020, and ERP Implementation and Organization-rel The Company has also presented the impact of the 14th week for the fourth quarter of fiscal year 2021 on revenue, gross profit Company and each segment, and earnings per diluted share for the Company.

Management utilizes these non-GAAP measures to conduct and evaluate its business during its regular review of operating res decisions about Company resources and performance. The Company believes presenting these non-GAAP measures, which ex period to period, is useful to investors and others in evaluating the Company's ongoing operating and financial results in a mar evaluation of business performance and understanding how such results compare with the Company's historical performance.

# GAAP to non-GAAP reconciliation

For the quarter ended  
July 3, 2021

<i>in millions, except per share data; unaudited</i>	GAAP BASIS (AS REPORTED)	IMPAIRMENT	ACCELERATION PROGRAM
Coach	\$898.0	\$8.1	\$—
Kate Spade	221.0	—	—
Stuart Weitzman	47.1	—	—
<b>Gross profit<sup>(1)</sup></b>	<b>1,166.1</b>	<b>8.1</b>	<b>—</b>
Coach	519.3	—	0.7
Kate Spade	185.8	—	0.1
Stuart Weitzman	50.1	—	(1.2)
Corporate	151.2	—	21.3
<b>Selling, general and administrative expenses</b>	<b>906.4</b>	<b>—</b>	<b>20.9</b>
Coach	378.7	8.1	(0.7)
Kate Spade	35.2	—	(0.1)
Stuart Weitzman	(3.0)	—	1.2
Corporate	(151.2)	—	(21.3)
<b>Operating income (loss)</b>	<b>259.7</b>	<b>8.1</b>	<b>(20.9)</b>
<b>Provision for income taxes</b>	<b>42.4</b>	<b>2.0</b>	<b>(2.2)</b>
<b>Net income (loss)</b>	<b>199.8</b>	<b>6.1</b>	<b>(18.7)</b>
<b>Net income (loss) per diluted common share</b>	<b>0.69</b>	<b>0.02</b>	<b>(0.07)</b>

***FY21 14<sup>th</sup>***  
***Week Impact***  
***on Q4 Results***  
***(Non-GAAP)***

*in millions, except per share data; unaudited*

	<b>NON-GAAP BASIS (EXCLUDING ITEMS)</b>	<b>COACH</b>	<b>KATE SPADE</b>
<b>Net revenue</b>	<b>\$1,615.4</b>	<b>\$67.7</b>	<b>\$21.7</b>
<b>Gross profit</b>	<b>1,158.0</b>	<b>50.3</b>	<b>13.3</b>
<b>Selling, general and administrative expenses</b>	<b>885.5</b>	<b>21.7</b>	<b>8.6</b>
<b>Operating Income</b>	<b>272.5</b>	<b>28.6</b>	<b>4.7</b>
<b>EPS</b>	<b>0.74</b>	<b>—</b>	<b>—</b>

# GAAP to non-GAAP reconciliation

For the year ended  
July 3, 2021

<i>in millions, except per share data; unaudited</i>	GAAP BASIS (AS REPORTED)	CARES ACT TAX IMPACT	IMPAIRMENT
Coach	\$3,149.0	\$—	\$8.1
Kate Spade	768.4	—	—
Stuart Weitzman	164.5	—	—
<b>Gross profit<sup>(1)</sup></b>	<b>4,081.9</b>	<b>—</b>	<b>8.1</b>
Coach	1,836.9	—	20.4
Kate Spade	659.9	—	19.3
Stuart Weitzman	173.1	—	6.1
Corporate	444.0	—	—
<b>Selling, general and administrative expenses</b>	<b>3,113.9</b>	<b>—</b>	<b>45.8</b>
Coach	1,312.1	—	(12.3)
Kate Spade	108.5	—	(19.3)
Stuart Weitzman	(8.6)	—	(6.1)
Corporate	(444.0)	—	—
<b>Operating income (loss)</b>	<b>968.0</b>	<b>—</b>	<b>(37.7)</b>
<b>Provision for income taxes</b>	<b>63.1</b>	<b>(95.0)</b>	<b>(7.8)</b>
<b>Net income (loss)</b>	<b>834.2</b>	<b>95.0</b>	<b>(29.9)</b>
<b>Net income (loss) per diluted common share</b>	<b>2.95</b>	<b>0.31</b>	<b>(0.10)</b>



# GAAP to non-GAAP reconciliation

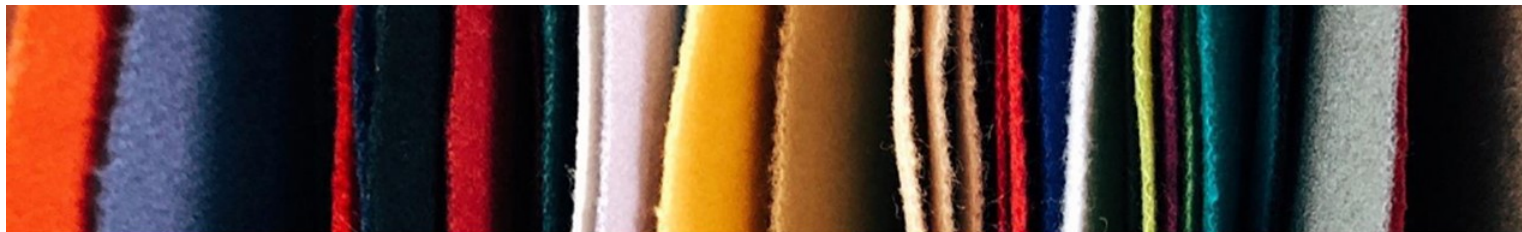
For the quarter ended  
June 27, 2020

	<i>in millions, except per share data; unaudited</i>	GAAP BASIS (AS REPORTED)	ERP IMPLEMENTATION	ORGANIZATION- RELATED & INTEGRATION COSTS
Coach		\$381.0	\$—	\$—
Kate Spade		106.5	—	—
Stuart Weitzman		11.4	—	—
<b>Gross profit<sup>(1)</sup></b>		<b>498.9</b>	<b>—</b>	<b>—</b>
Coach		412.0	—	0.6
Kate Spade		175.2	—	(1.0)
Stuart Weitzman		92.4	—	(0.1)
Corporate		99.3	4.9	1.8
<b>Selling, general and administrative expenses</b>		<b>778.9</b>	<b>4.9</b>	<b>1.3</b>
Coach		(31.0)	—	(0.6)
Kate Spade		(68.7)	—	1.0
Stuart Weitzman		(81.0)	—	0.1
Corporate		(99.3)	(4.9)	(1.8)
<b>Operating income (loss)</b>		<b>(280.0)</b>	<b>(4.9)</b>	<b>(1.3)</b>
<b>Provision for income taxes</b>		<b>(7.0)</b>	<b>(0.3)</b>	<b>15.7</b>
<b>Net income (loss)</b>		<b>(293.8)</b>	<b>(4.6)</b>	<b>(17.0)</b>
<b>Net income (loss) per diluted common share</b>		<b>(1.06)</b>	<b>(0.02)</b>	<b>(0.06)</b>

# GAAP to non-GAAP reconciliation

For the year ended  
June 27, 2020

<i>in millions, except per share data; unaudited</i>	GAAP BASIS (AS REPORTED)	ERP IMPLEMENTATION	ORGANIZATION- RELATED & INTEGRATION COSTS
Coach	\$2,411.6	\$—	\$(0.1)
Kate Spade	682.9	—	(1.2)
Stuart Weitzman	144.8	—	(4.3)
<b>Gross profit<sup>(1)</sup></b>	<b>3,239.3</b>	<b>—</b>	<b>(5.6)</b>
Coach	1,822.2	—	0.5
Kate Spade	782.2	—	0.1
Stuart Weitzman	766.2	—	(2.0)
Corporate	419.5	28.5	29.2
<b>Selling, general and administrative expenses</b>	<b>3,790.1</b>	<b>28.5</b>	<b>27.8</b>
Coach	589.4	—	(0.6)
Kate Spade	(99.3)	—	(1.3)
Stuart Weitzman	(621.4)	—	(2.3)
Corporate	(419.5)	(28.5)	(29.2)
<b>Operating income (loss)</b>	<b>(550.8)</b>	<b>(28.5)</b>	<b>(33.4)</b>
<b>Provision for income taxes</b>	<b>27.9</b>	<b>(6.0)</b>	<b>3.8</b>
<b>Net income (loss)</b>	<b>(652.1)</b>	<b>(22.5)</b>	<b>(37.2)</b>
<b>Net income (loss) per diluted common share</b>	<b>(2.34)</b>	<b>(0.08)</b>	<b>(0.13)</b>



# tapestry

**COACH** | kate spade | STUART WEISS

