

**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): April 29, 2020

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 April 30, 2020, Tapestry, Inc. (the “Company”) issued a press release (the “Press Release”) in which the Company announced its financial results for its third fiscal quarter ended March 28, 2020. The Company also posted a slide presentation entitled “Investor Presentation” dated April 30, 2020 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 2.05 Costs Associated with Exit or Disposal Activities.

On April 29, 2020 the Board of Directors (the “Board”) of the Company approved a plan to take actions to streamline the Company’s organization, including reductions in the corporate and retail workforce. These actions are part of the Company’s multi-year growth agenda and will be based on a review of the Company’s overall operating model. As a result of these actions, the Company expects to incur pre-tax charges of approximately \$55-70 million (the “Total Charges”), which will be reflected beginning in its fiscal 2020 fourth quarter results, and are expected to be completed by the end of fiscal year 2021. These charges will consist primarily of corporate employee severance and related costs, as well as related consulting fees. Approximately \$50-60 million of these charges are expected to be cash.

The Company may also incur additional costs and charges due to events that may occur as a result of, or associated with, the review of its business under its multi-year growth agenda, but as of the date of the filing of this Form 8-K, the Company has not finalized the exact nature and full amount of such costs and charges. The Company will provide additional disclosure at such time as it determines a precise amount of the costs and charges associated with these actions.

Certain statements in this Form 8-K are forward-looking statements based on management's current expectations. Forward-looking statements include, but are not limited to, the statements regarding the Company’s multi-year growth agenda and operating model review and statements that can be identified by the use of forward-looking terminology such as “may,” “will,” “expect” “can,” “growth agenda,” “review,” “plan,” “estimate,” “approximately,” 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, our ability to achieve intended benefits, cost savings and synergies from acquisitions, the risk of cybersecurity threats and privacy or data security breaches, and the impact of the CARES Act and other 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.

Item 9.01 Financial Statements and Exhibits.

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

- 99.1 Text of Press Release, dated April 30, 2020
 - 99.2 Slide Presentation entitled “Investor Presentation,” dated April 30, 2020
-

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: April 30, 2020

TAPESTRY, INC.

By: /s/ Todd Kahn
Todd Kahn
President, Chief Administrative Officer & Secretary

99.1
99.2

Text of Press Release, dated April 30, 2020
Slide Presentation entitled "Investor Presentation," dated April 30, 2020

Tapestry, Inc. Reports Fiscal 2020 Third Quarter Results

Significant Actions Underway to Mitigate the Impact of Covid-19

NEW YORK--(BUSINESS WIRE)--April 30, 2020--Tapestry, Inc. (NYSE: TPR), a leading New York-based house of modern luxury accessories and lifestyle brands, today reported results for the fiscal third quarter ended March 28, 2020.

Jide Zeitlin, Chairman and Chief Executive Officer of Tapestry, Inc., said, “We entered the calendar year with strong underlying momentum. As the novel coronavirus expanded across the globe, our results materially weakened. In navigating this unprecedented crisis, we are guided by our values and have continued to prioritize our community – our people, their families, and our customers. I am incredibly proud of our teams around the world and the resilience they have shown in facing events that have impacted every aspect of how we live our lives and manage our business.”

“No one is immune to the effects of this one hundred year storm. We are taking aggressive actions to assure that Tapestry emerges a strong company when conditions normalize. We have powerful brands with deep consumer connections and a long history of successfully navigating global challenges and macroeconomic shocks. In addition, we have a strong balance sheet, we benefit from a multi-channel international distribution model with only modest exposure to wholesale, and a diversified supply chain.”

“We are building on our strengths and moving swiftly to adapt to the current environment with a focus on preserving liquidity and enhancing financial flexibility. We are accelerating key elements of the transformational work we began prior to the crisis, notably driving outsized growth in digital and creating a more streamlined and data-driven organization.”

Distribution Network

During the quarter, 90% of Tapestry’s stores were either closed or operating on shortened hours. We have seen a degree of normalcy return in certain areas first impacted, including Mainland China and Korea, and expect to apply lessons learned as, over time, additional countries and regions reopen. Across all brands, our network was impacted as follows:

- **China:** Approximately 90% of stores on the Mainland were closed as of early February. By the end of the quarter, the vast majority of stores had re-opened, though traffic remained muted. As of mid-April, all stores were open and we have continued to experience a gradual improvement in the business week-to-week.
- **North America and Europe:** All stores were closed as of mid-March and the vast majority remain closed today. However, beginning on May 1st, in accordance with state and local guidelines, utilizing heightened health and safety precautions, the Company will reopen approximately 40 stores in North America for contactless curbside or storefront pickup service only. In Europe, we have opened five locations in Germany and Austria. The Company is planning a phased approach to welcome shoppers back into safety enhanced stores where teams will be equipped with gloves and masks, offer sanitizers and wipes at the cash wrap, and limit the number of customers to align with recommended social distancing practices.
- **Japan:** The vast majority of stores were operating on shortened hours as of mid-March. As of mid-April, all stores were closed in compliance with local government requirements.
- **South Korea:** The majority of stores were operating on shortened hours as of mid-March and as of early April, all stores had resumed normal operating hours.
- **Other Asia Pacific:** The majority of stores in Malaysia, Singapore, Australia and New Zealand were operating under shortened hours as of mid-March and by early April were closed. Most remain closed today, however, in Australia, Tapestry has reopened twelve locations.
- **Global Wholesale:** Similar to the Company’s directly operated stores, the majority of its travel retail and distributor-run locations as well as international and North America department stores and multi-brand shops were closed over the quarter and remain closed today.
- **Digital:** Tapestry’s e-commerce platforms and related distribution centers across all brands and regions remained operational almost continuously during the quarter. The Company’s brand teams distorted marketing investment towards digital, driving engagement with customers and generating significant overall e-commerce sales gains. Because the Company’s digital business is smaller than the revenues generated in physical stores, the strong digital growth did not offset the loss of revenue due to store closures.

Supply Chain

Tapestry’s supply chain continued to operate effectively over the third quarter given its globally diversified manufacturing and sourcing base, with relatively limited exposure to China. Subsequent to quarter-end, the Company has been successfully working with its service providers to balance changing levels of supply and demand.

Mitigating Actions

As previously announced, the Company moved quickly to mitigate the impact of Covid-19, reinforcing its liquidity and financial flexibility. Tapestry has also accelerated its transformational work to position the Company for recovery and long-term, profitable growth:

- **Driving SG&A savings** by eliminating non-essential operating costs, such as marketing, across all key areas of spend and reducing corporate compensation;
- **Tightly managing inventories** by reflowing late spring and early summer product introductions and cancelling inventory receipts for late summer/early fall 2020, which is expected to result in over \$500 million of working capital savings;
- **Reducing Capex** by at least \$100 million in fiscal 2021 as compared to its run-rate spend of approximately \$275 million. The Company is delaying or cancelling new store openings, while prioritizing investment in high-return projects aligned with the multi-year growth agenda, notably in digital.
- **Drawing down \$700 million from its \$900 million revolving credit facility**, funded after quarter end, to add to cash balances;
- **Suspending both its quarterly cash dividend and share repurchase programs** saving approximately \$700 million annually as compared to fiscal 2020.

In addition, the Company is taking additional actions to further streamline its organization, including reductions in its corporate and retail workforce. In aggregate, the Company expects to incur pre-tax charges associated with these actions of approximately \$55-\$70 million, primarily related to cash severance costs, which will be reflected beginning in the fourth quarter of fiscal 2020, and are expected to be completed by the end of fiscal 2021. These charges will be recorded within SG&A expenses. These actions position Tapestry to emerge as a global, consumer-centric company, with a more agile organizational structure. Being more responsive to the rapidly changing retail environment enables Tapestry’s multi-year growth agenda.

Outlook

“The impact of the Covid-19 pandemic transcends near-term results. Consumer behaviors are changing and secular trends are accelerating. In this environment, we are planning conservatively while acting decisively to transform the way we operate and engage with our customers. The saliency of our brands plus the strong financial position of our company will enable us to successfully manage through this crisis, as we become a more consumer-centric, data-driven, and agile organization,” Mr. Zeitlin concluded.

Overview of Third Quarter 2020 Tapestry, Inc. Results

The following results include the impact of the coronavirus. Please note the Company is not providing comparable store sales figures, as the Company believes this will not be a valuable measure given the current business environment and number of store closures during the quarter.

- **Net sales** totaled \$1.07 billion for the fiscal third quarter as compared to \$1.33 billion in the prior year.
- **Gross profit** totaled \$616 million on a reported basis, while gross margin for the quarter was 57.4% compared to \$916 million and 68.8%, respectively, in the prior year. On a non-GAAP basis, gross profit totaled \$720 million, while gross margin was 67.1% as compared to \$921 million and 69.2%, respectively, in the prior year.
- **SG&A expenses** totaled \$1.30 billion on a reported basis and represented 121.3% of sales compared to \$806 million and 60.6%, respectively, in the year ago quarter. On a non-GAAP basis, SG&A expenses were \$752 million and represented 70.1% of sales as compared to \$776 million and 58.3%, respectively, in the

- year ago period.
- **Operating loss** was approximately \$685 million on a reported basis, while operating margin was (63.9)% versus operating income of \$110 million and an operating margin of 8.2% in the prior year. On a non-GAAP basis, operating loss was \$32 million, while operating margin was (2.9)% versus operating income of \$145 million and an operating margin of 10.9% in the prior year.
- **Net interest expense** was approximately \$13 million in the quarter as compared to \$11 million in the year ago period.
- **Other expense** was \$6 million versus \$4 million in the prior year.
- **Net loss** for the quarter was \$677 million on a reported basis, with earnings per diluted share of (\$2.45). This compared to net income of \$117 million with earnings per diluted share of \$0.40 in the prior year period. The reported tax rate for the quarter of 4.0% compared to the prior year reported rate of (23.4)%. On a non-GAAP basis, net loss for the quarter was \$76 million with earnings per diluted share of (\$0.27). This compared to non-GAAP net income of \$122 million with earnings per diluted share of \$0.42 in the prior year period. The non-GAAP tax rate for the quarter was (48.2)% compared to 6.8% in the prior year.
- **Inventory** was \$853 million at the end of quarter versus ending inventory of \$811 million in the year ago period.

Fiscal third quarter results by brand were as follows:

Coach Third Quarter 2020 Results

- **Net sales** for Coach totaled approximately \$772 million for the fiscal third quarter as compared to \$965 million in the prior year.
- **Gross profit** for Coach totaled \$476 million on a reported basis, while gross margin was 61.6%. This compared to reported gross profit and margin in the prior year of \$692 million and 71.7%, respectively. On a non-GAAP basis, gross profit was \$538 million, while gross margin was 69.6%, which compared with \$692 million and 71.7% in the prior year's third quarter.
- **SG&A expenses** for Coach were \$438 million on a reported basis and represented 56.6% of sales compared to \$453 million and 46.9%, respectively, in the year ago period. On a non-GAAP basis, SG&A expenses were \$421 million and represented 54.5% of sales compared to expenses of \$447 million or 46.3% of sales in the prior year.
- **Operating income** for Coach totaled \$38 million compared to reported operating income of \$239 million in the prior year, while operating margin was 4.9% versus 24.8% a year ago. On a non-GAAP basis, operating income was \$116 million compared to \$244 million in the prior year, while operating margin was 15.1% versus 25.3% a year ago.

Kate Spade Third Quarter 2020 Results

- **Net sales** for Kate Spade totaled approximately \$250 million for the fiscal third quarter as compared to \$281 million in the prior year.
- **Gross profit** for Kate Spade totaled approximately \$123 million on a reported basis, while gross margin was 49.1%. This compared to reported gross profit and margin in the prior year of \$178 million and 63.3%, respectively. On a non-GAAP basis, gross profit was \$155 million, while gross margin was 62.0%, which compared with \$182 million and 64.8% in the prior year's third quarter.
- **SG&A expenses** for Kate Spade were \$214 million on a reported basis and represented 85.7% of sales. This compared to reported SG&A expenses of \$171 million in the year ago period, which represented 60.8% of sales. On a non-GAAP basis, SG&A expenses were \$172 million and represented 68.9% of sales. This compared to expenses of \$168 million or 59.8% of sales on a non-GAAP basis in the previous year.
- **Operating loss** for Kate Spade was \$91 million on a reported basis, representing an operating margin of (36.6)%. This compared to operating income of \$7 million and an operating margin of 2.5% on a reported basis in the year ago period. On a non-GAAP basis, operating loss was \$17 million, while operating margin was (6.9)%. This compared to operating income of \$14 million and an operating margin of 5.0% on a non-GAAP basis in the previous year.

Stuart Weitzman Third Quarter 2020 Results

- **Net sales** for Stuart Weitzman totaled \$51 million for the fiscal third quarter compared to \$85 million reported in the same period of the prior year.
- **Gross profit** for Stuart Weitzman totaled \$18 million on a reported basis, while gross margin for the quarter was 35.4% as compared to \$46 million and 54.3%, respectively, in the prior year. On a non-GAAP basis, gross profit was \$28 million, while gross margin was 54.7% as compared to \$47 million and 55.2%, respectively, in the year ago period.
- **SG&A expenses** for Stuart Weitzman were \$549 million on a reported basis as compared to \$60 million in the prior year's third quarter. On a non-GAAP basis, SG&A expenses were \$63 million as compared to \$60 million.
- **Operating loss** for Stuart Weitzman was \$531 million on a reported basis versus an operating loss of \$14 million in the prior year. On a non-GAAP basis, the operating loss was \$35 million versus an operating loss of \$13 million in the prior year.

Non-GAAP Reconciliation

In the third quarter of fiscal 2020, the Company recorded certain items that increased its pre-tax loss by \$654 million and its net loss by \$601 million or about \$2.18 per diluted share. Please refer to the financial tables included herein for a detailed reconciliation of the Company's reported to non-GAAP results. These items included:

Impairments:

In the third quarter of fiscal 2020, the Company recorded \$267 million of impairment charges to indefinite-lived brand intangible assets and \$211 million of impairment charges to goodwill for the Stuart Weitzman reporting unit. These charges were as a result of a decline in both current and future expected cash flows, exacerbated by the Covid-19 pandemic, which resulted in a decline in sales driven by closures of a significant portion of stores and traffic declines globally. In addition, the Company recorded \$104 million related to an increase in inventory reserves, and \$66 million of impairment charges in store assets, including the lease assets recorded in connection with the adoption of the new lease accounting standard. These charges were primarily a result of decreased net sales and cash flow projections associated with Covid-19.

ERP Implementation and Organization-related & Integration Costs:

In addition, the Company recorded \$6 million in pre-tax charges associated with its ERP and Organization-related and Integration activities.

Fiscal Year 2020 Outlook

Given the dynamic nature of the Covid-19 crisis and lack of visibility, the potential financial impact to our business cannot be accurately projected. Therefore, the Company is not providing guidance for its fiscal fourth quarter and full year 2020.

Conference Call Details

The Company will host a conference call to review these results at 8:30 a.m. (ET) today, April 30, 2020. Interested parties may listen to the conference call via live webcast by accessing www.tapestry.com/investors on the Internet or calling 1-877-510-8087 or 1-862-298-9015 and providing the Conference ID 2376079. 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 1-800-585-8367 or 1-404-537-3406 and enter the Conference ID 2376079. 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.

Upcoming Events

The Company expects to report fiscal 2020 fourth quarter and full year results on Thursday August 13, 2020. To receive notification of future announcements, please register at www.tapestry.com/investors ("Subscribe to E-Mail Alerts").

The Company intends to host an analyst and investor day at its headquarters in New York City in the summer of 2020 to discuss strategic initiatives. More details, including webcast registration, will be provided in the future.

Tapestry, Inc. is a New York-based house of modern luxury lifestyle brands. The Company's portfolio includes Coach, Kate Spade and Stuart Weitzman. Our Company and our brands are founded upon a creative and consumer-led view of luxury that stands for inclusivity and approachability. Each of our brands are unique and

independent, while sharing a commitment to innovation and authenticity defined by distinctive products and differentiated customer experiences across channels and geographies. To learn more about Tapestry, please visit www.tapestry.com. 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 "Outlook" and "Fiscal Year 2020 Outlook," statements regarding the potential impact of the Covid-19 pandemic and success of mitigating actions, the Company's multi-year growth agenda and statements that can be identified by the use of forward-looking terminology such as "may," "will," "can," "should," "expect," "intend," "estimate," "continue," "project," "guidance," "forecast," "outlook," "roadmap," "anticipate," "excited," "moving," "leveraging," "capitalizing," "developing," "drive," "targeting," "assume," "plan," "build," "pursue," "maintain," "progress," "future," "emerge," "assure," "on track," "well positioned to," "look forward to," "looking ahead," "to acquire," "achieve," "strategic vision," "ongoing headwinds," "growth opportunities," "view," 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, our ability to achieve intended benefits, cost savings and synergies from acquisitions, the risk of cybersecurity threats and privacy or data security breaches, and the impact of the CARES Act and other 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.

TAPESTRY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

For the Quarter and Nine Months Ended March 28, 2020 and March 30, 2019

(in millions, except per share data)

	(unaudited)		(unaudited)	
	QUARTER ENDED		NINE MONTHS ENDED	
	March 28, 2020	March 30, 2019	March 28, 2020	March 30, 2019
Net sales	\$ 1,072.7	\$ 1,331.4	\$ 4,246.6	\$ 4,513.4
Cost of sales	456.5	415.5	1,506.2	1,458.9
Gross profit	616.2	915.9	2,740.4	3,054.5
Selling, general and administrative expenses	1,301.7	806.1	3,011.2	2,405.9
Operating income (loss)	(685.5)	109.8	(270.8)	648.6
Interest expense, net	13.5	10.6	39.8	36.9
Other expense (gain)	6.0	4.0	12.8	4.4
Income before provision for income taxes	(705.0)	95.2	(323.4)	607.3
Provision for income taxes	(27.9)	(22.2)	34.9	112.8
Net income (loss)	\$ (677.1)	\$ 117.4	\$ (358.3)	\$ 494.5
Net income (loss) per share:				
Basic	\$ (2.45)	\$ 0.40	\$ (1.28)	\$ 1.71
Diluted	\$ (2.45)	\$ 0.40	\$ (1.28)	\$ 1.70
Shares used in computing net income (loss) per share:				
Basic	276.1	290.0	279.4	289.5
Diluted	276.6	290.9	280.2	291.2

TAPESTRY, INC.

DETAIL TO NET SALES

For the Quarter and Nine Months Ended March 28, 2020 and March 30, 2019

(in millions)

(unaudited)

	QUARTER ENDED		Constant Currency %	
	March 28, 2020	March 30, 2019	% Change	Change
Coach	\$ 772.5	\$ 965.0	(20)%	(20)%
Kate Spade	249.5	281.1	(11)%	(11)%
Stuart Weitzman	50.7	85.3	(40)%	(40)%
Total Tapestry	\$ 1,072.7	\$ 1,331.4	(19)%	(19)%
	NINE MONTHS ENDED		Constant Currency %	
	March 28, 2020	March 30, 2019	% Change	Change
Coach	\$ 3,008.3	\$ 3,174.3	(5)%	(5)%
Kate Spade	985.4	1,034.9	(5)%	(5)%
Stuart Weitzman	252.9	304.2	(17)%	(16)%
Total Tapestry	\$ 4,246.6	\$ 4,513.4	(6)%	(6)%

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

For the Quarter Ended March 28, 2020					
Items Affecting Comparability					
GAAP Basis (As Reported)	ERP Implementation	Organization- related & Integration Costs	Impairment	Non-GAAP Basis (Excluding Items)	
Cost of sales					
Coach	475.7	-	-	(61.9)	537.6
Kate Spade	122.5	-	-	(32.3)	154.8
Stuart Weitzman	18.0	-	-	(9.8)	27.8
Gross profit (1)	\$ 616.2	\$ -	\$ -	\$ (104.0)	\$ 720.2
SG&A expenses					
Coach	437.6	-	-	16.4	421.2
Kate Spade	213.8	-	0.3	41.5	172.0
Stuart Weitzman	548.7	-	0.2	485.8	62.7
Corporate	101.6	2.8	2.9	-	95.9
SG&A expenses	\$ 1,301.7	\$ 2.8	\$ 3.4	\$ 543.7	\$ 751.8
Operating income (loss)					
Coach	38.1	-	-	(78.3)	116.4
Kate Spade	(91.3)	-	(0.3)	(73.8)	(17.2)
Stuart Weitzman	(530.7)	-	(0.2)	(495.6)	(34.9)
Corporate	(101.6)	(2.8)	(2.9)	-	(95.9)
Operating income (loss)	\$ (685.5)	\$ (2.8)	\$ (3.4)	\$ (647.7)	\$ (31.6)
Provision for income taxes					
	(27.9)	(0.7)	(2.5)	(49.4)	24.7
Net income (loss)	\$ (677.1)	\$ (2.1)	\$ (0.9)	\$ (598.3)	\$ (75.8)
Net income (loss) per diluted common share	\$ (2.45)	\$ (0.01)	\$ -	\$ (2.17)	\$ (0.27)

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

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

For the Nine Months Ended March 28, 2020					
Items Affecting Comparability					
GAAP Basis (As Reported)	ERP Implementation	Organization- related & Integration Costs	Impairment	Non-GAAP Basis (Excluding Items)	
Cost of sales					
Coach	2,030.6	-	(0.1)	(61.9)	2,092.6
Kate Spade	576.4	-	(1.2)	(32.3)	609.9
Stuart Weitzman	133.4	-	(4.3)	(9.8)	147.5
Gross profit (1)	\$ 2,740.4	\$ -	\$ (5.6)	\$ (104.0)	\$ 2,850.0
SG&A expenses					
Coach	1,410.2	-	(0.1)	57.9	1,352.4
Kate Spade	607.0	-	1.1	66.7	539.2
Stuart Weitzman	673.8	-	(1.9)	494.7	181.0
Corporate	320.2	23.6	27.4	-	269.2
SG&A expenses	\$ 3,011.2	\$ 23.6	\$ 26.5	\$ 619.3	\$ 2,341.8
Operating income (loss)					
Coach	620.4	-	-	(119.8)	740.2
Kate Spade	(30.6)	-	(2.3)	(99.0)	70.7
Stuart Weitzman	(540.4)	-	(2.4)	(504.5)	(33.5)
Corporate	(320.2)	(23.6)	(27.4)	-	(269.2)
Operating income (loss)	\$ (270.8)	\$ (23.6)	\$ (32.1)	\$ (723.3)	\$ 508.2
Provision for income taxes					
	34.9	(5.7)	(11.9)	(61.5)	114.0
Net income (loss)	\$ (358.3)	\$ (17.9)	\$ (20.2)	\$ (661.8)	\$ 341.6
Net income (loss) per diluted common share	\$ (1.28)	\$ (0.06)	\$ (0.07)	\$ (2.37)	\$ 1.22

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

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

For the Quarter Ended March 30, 2019

	Items Affecting Comparability				
	GAAP Basis (As Reported)	ERP Implementation	Integration & Acquisition	Impact of Tax Legislation	Non-GAAP Basis (Excluding Items)
Cost of sales					
Coach	691.7	-	-	-	691.7
Kate Spade	177.9	-	(4.3)	-	182.2
Stuart Weitzman	46.3	-	(0.7)	-	47.0
Gross profit ⁽¹⁾	\$ 915.9	\$ -	\$ (5.0)	\$ -	\$ 920.9
SG&A expenses					
Coach	452.8	-	5.5	-	447.3
Kate Spade	170.8	-	3.0	-	167.8
Stuart Weitzman	60.4	-	0.1	-	60.3
Corporate	122.1	14.7	7.0	-	100.4
SG&A expenses	\$ 806.1	\$ 14.7	\$ 15.6	\$ -	\$ 775.8
Operating income (loss)					
Coach	238.9	-	(5.5)	-	244.4
Kate Spade	7.1	-	(7.3)	-	14.4
Stuart Weitzman	(14.1)	-	(0.8)	-	(13.3)
Corporate	(122.1)	(14.7)	(7.0)	-	(100.4)
Operating income (loss)	\$ 109.8	\$ (14.7)	\$ (20.6)	\$ -	\$ 145.1
Provision for income taxes	(22.2)	(3.7)	(2.4)	(24.9)	8.8
Net income (loss)	\$ 117.4	\$ (11.0)	\$ (18.2)	\$ 24.9	\$ 121.7
Net income (loss) per diluted common share	\$ 0.40	\$ (0.05)	\$ (0.06)	\$ 0.09	\$ 0.42

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

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

	For the Nine Months Ended March 30, 2019				
	Items Affecting Comparability				
	GAAP Basis (As Reported)	ERP Implementation	Integration & Acquisition	Impact of Tax Legislation	Non-GAAP Basis (Excluding Items)
Cost of sales					
Coach	2,231.5	-	(2.0)	-	2,233.5
Kate Spade	658.0	-	(5.4)	-	663.4
Stuart Weitzman	165.0	-	(1.7)	-	166.7
Gross profit ⁽¹⁾	\$ 3,054.5	\$ -	\$ (9.1)	\$ -	\$ 3,063.6
SG&A expenses					
Coach	1,383.1	-	5.5	-	1,377.6
Kate Spade	517.9	-	10.1	-	507.8
Stuart Weitzman	186.9	-	12.2	-	174.7
Corporate	318.0	25.1	18.4	-	274.5
SG&A expenses	\$ 2,405.9	\$ 25.1	\$ 46.2	\$ -	\$ 2,334.6
Operating income (loss)					
Coach	848.4	-	(7.5)	-	855.9
Kate Spade	140.1	-	(15.5)	-	155.6
Stuart Weitzman	(21.9)	-	(13.9)	-	(8.0)
Corporate	(318.0)	(25.1)	(18.4)	-	(274.5)
Operating income (loss)	\$ 648.6	\$ (25.1)	\$ (55.3)	\$ -	\$ 729.0
Provision for income taxes	112.8	(6.3)	(4.5)	9.2	114.4
Net income (loss)	\$ 494.5	\$ (18.8)	\$ (50.8)	\$ (9.2)	\$ 573.3
Net income (loss) per diluted common share	\$ 1.70	\$ (0.06)	\$ (0.17)	\$ (0.04)	\$ 1.97

(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 Company's Impairment, ERP Implementation and Organization-related and Integration Costs for the third quarter of fiscal year 2020 and ERP Implementation and Integration & Acquisition-Related Costs and the Impact of Tax Legislation for the third quarter of fiscal year 2019.

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 revenue results by translating current period revenue in local currency using the prior year period's currency conversion rate.

Due to fact that 90% of the Company's stores were closed or operating under shortened operating hours over the course of quarter, 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 in prior quarters.

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.

TAPESTRY, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

At March 28, 2020 and June 29, 2019

(in millions)

	(unaudited)	(audited)
	March 28, 2020	June 29, 2019
ASSETS		
Cash, cash equivalents and short-term investments	\$ 898.2	\$ 1,233.8
Receivables	190.4	298.1
Inventories	852.9	778.3
Other current assets	190.4	246.6
	<hr/>	<hr/>
Total current assets	2,131.9	2,556.8
Property and equipment, net	818.7	938.8
Lease right-of-use assets	1,970.9	-
Other noncurrent assets	2,821.5	3,381.7
	<hr/>	<hr/>
Total assets	<u>\$ 7,743.0</u>	<u>\$ 6,877.3</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$ 200.1	\$ 243.6
Accrued liabilities	573.9	673.6
Short-term lease liabilities	353.4	-
Current debt	11.5	0.8
	<hr/>	<hr/>
Total current liabilities	1,138.9	918.0
Long-term debt	1,587.2	1,601.9
Long-term lease liabilities	1,897.3	-
Other liabilities	566.5	844.0
	<hr/>	<hr/>
Stockholders' equity	2,553.1	3,513.4
	<hr/>	<hr/>
Total liabilities and stockholders' equity	<u>\$ 7,743.0</u>	<u>\$ 6,877.3</u>

TAPESTRY, INC.

STORE COUNT

At December 28, 2019 and March 28, 2020

(unaudited)

	As of		As of	
	December 28, 2019		March 28, 2020	
	Openings	(Closures)		
<u>Coach</u>				
North America	393	-	(12)	381
International	596	4	(9)	591
<u>Kate Spade</u>				
North America	222	3	(5)	220
International	205	8	(9)	204
<u>Stuart Weitzman</u>				
North America	72	-	(1)	71
International	87	-	-	87

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tapestry

COACH | kate spade | STUART WEITZMAN

This presentation contains certain "forward-looking statements" based on management's current expectations. Forward-looking statements include, but are not limited to statements which can be identified by the use of forward-looking terminology such as "may," "will," "can," "should," "expect," "intend," "estimate," "continue," "project," "guidance," "forecast," "outlook," "anticipate," "moving," "leveraging," "capitalizing," "developing," "drive," "targeting," "assume," "plan," "build," "pursue," "maintain," "on track," "well positioned to," "look forward to," "to acquire," "achieve," "strategic vision," "growth opportunities" or comparable terms, and similar or other references to future periods. Statements herein regarding our business and growth strategies; our plans, objectives, goals, beliefs, future events, business conditions, results of operations and financial position; and our business outlook and business trends are forward-looking statements.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of 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 inherent 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. Important factors that could 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;
- the ability to control costs and successfully execute our growth strategies;
- risks and uncertainties such as expected economic trends;
- the ability to anticipate consumer preferences;
- the risks associated with operating in international markets;
- the ability to achieve intended benefits, cost savings and synergies from acquisitions;
- the risk of cybersecurity threats and privacy or data security breaches; and
- 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 a complete list of risks and important factors.

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

tapestry

tapestry

OUR VALUES: *optimistic, innovative, inclusive*

OUR PRINCIPLES: *brand-led, consumer-centric meritocracy*

OUR BRANDS: *global, unique & differentiated*

OUR MODEL: *disciplined, shared & scalable*

DEFINED BY INCLUSIVITY RATHER THAN EXCLUSIVITY, we are a global house of brands that embraces the exploration of individuality. We believe that true luxury is a freedom of expression that ignites confidence and authenticity.

Approachable and inviting, we celebrate brands that create joy every day for people around the world. Our passion, detailed approach and genuine love of what we do enables us to develop and nurture brands so that they can reach their full potential.

The value of our brands is not bestowed by previous generations or borrowed from tradition. It is determined by quality, craftsmanship, creativity and the opportunity for self-expression they provide. We believe anyone from anywhere can have the best idea, and with hard work and dedication anything is possible.





COACH

established 1941

CONFIDENT
MODERN
AUTHENTIC



STUART WEITZMAN

established 1986

POLISHED
SOPHISTICATED
EMPOWERED



kate spade
NEW YORK

established 1993

FEMININE
OPTIMISTIC
JOYFUL

LEADERSHIP TEAM

Jide Zeitlin
Chairman and Chief Executive Officer



Todd Kahn
President, Chief Administrative Officer
and Company Secretary



Liz Fraser
CEO and Brand President,
Kate Spade



Giorgio Sarné
CEO and Brand President,
Stuart Weitzman



Joanne Crevoiserat
Chief Financial Officer



Tom Glaser
Chief Operations Officer



Noam Paransky
Chief Digital Officer



Andrea Shaw Resnick
Global Head of Investor Relations &
Corporate Communications



Sarah Dunn
Global Human Resources Officer



Yann Bozec
President, Tapestry Asia Pacific and
CEO & President, Coach China



2020
update

BALANCING THE SHORT-TERM NEEDS OF THE BUSINESS WHILE BUILDING THE FRAMEWORK FOR LONG-TERM SUSTAINABLE GROWTH

EFFECTIVELY NAVIGATE THE PANDEMIC

- Entered calendar year with significant momentum, but the world shifted as Covid-19 pandemic spread
- Guided by our values, we are prioritizing our people, their families and our customers
- Although we are not immune to the impact of Covid-19, we are responding from a position of strength. We have three powerful brands with deep consumer connections and a long history of successfully navigating global challenges and macroeconomic shocks. In addition, we are supported by a strong balance sheet, a nimble and diversified supply chain, and a multi-channel international distribution model

NEAR-TERM ACTIONS

- Taking aggressive mitigating actions to reinforce financial strength and emerge a stronger, more agile company
- Accelerating key elements of our multi-year growth agenda, notably advancing digital & organizational streamlining
- Leveraging benefits of scale and best practices across multi-brand platform

LONG-TERM FOCUS

- Planning conservatively while taking bold actions to change how we operate and connect with our customers
- Implementing steps to become a more consumer-centric, data-driven & agile organization that is more responsive to changing consumer demand

COVID-19 RESPONSE: ACTING SWIFTLY TO REINFORCE *liquidity & financial flexibility*

SUPPORT REVENUE GROWTH

- **Digital** outperformance
- All stores in **China now open**; apply learnings globally as it is safe to re-open stores
- **Instituting enhanced health & safety precautions**

DRIVE SG&A SAVINGS

- **Eliminate non-essential spend**
- **Reduce corporate compensation** costs beginning in FY21
- **Accelerate initiatives** to streamline organization

TIGHTLY MANAGE INVENTORY

- Reflow late spring & early summer product introductions
- Cancel inventory receipts for late summer & early fall
- **\$500M+ in working capital savings** targeted

REDUCE CAPEX

- Delay or cancel new store openings
- Prioritize investment in high-return projects, notably digital
- **Target \$100M+ reduction** versus run-rate spend

DRAW DOWN REVOLVER

- **Drew down \$700M of \$900M** revolving credit facility

SUSPEND DIVIDEND & SHARE REPURCHASE

- Approximately **\$700M of savings** on an annualized basis compared to FY20

COVID-19 RESPONSE:
REMAIN DEDICATED TO *our communities*

COMMITTED \$2,000,000

through the Coach Foundation to support NYC Department of Small Business Services' Small Business Continuity Fund for businesses affected by Covid-19

SUPPORTING FRONTLINE WORKERS

via donations through the kate spade new york foundation to provide short-term emergency funding needs

REPURPOSING 3-D PRINTING CAPABILITY

to support healthcare professionals through the creation of disposable parts used in medical equipment, as well as the creation of R&D prototypes needed by engineers & specialists working on Covid-19 related development projects

CAPITAL ALLOCATION PRIORITIES

our commitment to driving organic growth, profitability and shareholder value long-term is unwavering.

PRESERVE CASH IN LIGHT OF CURRENT ENVIRONMENT

- In FY20, as anticipated, we returned \$700M to shareholders and were on track to deliver organic sales growth.
- However, due to the impact of Covid-19, we have suspended our dividend and share repurchase programs while drawing down on our revolver to enhance liquidity.

LONG-TERM COMMITMENT TO SHAREHOLDER RETURNS

- Our strategic intent is to return to sustainable top and bottom-line growth and strong free cash flow generation, which we intend to utilize for debt paydown as well as capital return to shareholders through dividend and share repurchase.

“The saliency of our brands and the strong financial position of our company will enable us to successfully manage through this crisis while accelerating work to become a more consumer-centric, data-driven and agile organization.”

JIDE ZEITLIN, CHAIRMAN & CEO

corporate
RESPONSIBILITY

OUR
PEOPLE
OUR
PLANET
OUR
COMMU
NITIES

2025 CORPORATE RESPONSIBILITY STRATEGY & GOALS

Built on our values of Optimism, Innovation and Inclusivity, these goals solidify our commitment to responsible citizenship, as we recognize our role as a leader in our industry to effect real, measurable change. Addressing pressing global issues and contributing to a world that is inclusive, sustainable and safe is a responsibility that we all share.

CORPORATE SOCIAL RESPONSIBILITY

OUR PROGRAM IS FOCUSED ON THREE *strategic pillars*

1

OUR PEOPLE

Having individuals from different backgrounds with different experiences around the table creates a diversity of perspectives that enrich our organization.

2

OUR PLANET

Tapestry is dedicated to reducing its environmental impact across the world through continuous innovation.

3

OUR COMMUNITIES

Tapestry engages closely with the communities in which our employees live and work, helping to strengthen them.

CORPORATE SOCIAL RESPONSIBILITY

1 *our people*

Build diversity in North America Tapestry and brand leadership teams by increasing the number of North America-based ethnic minority leaders to better reflect the company's general corporate population.

Reduce gender and ethnicity differences in the Employee Inclusion Index scores from our Employee Engagement Survey.

Demonstrate a focus on career progression, development and mobility by filling 60% of leadership roles (VP+) internally.

Enable employees to manage their work and personal life balance by achieving a global core benefit standard for self-care, parental and family care leave policies.

tapestry





CORPORATE SOCIAL RESPONSIBILITY

1 *our people*

Established an Inclusion Council to ensure that people with diverse perspectives and backgrounds are included in business decisions.

Recognized on the Forbes Diversity & Inclusion List in 2019 for the third consecutive year.

Achieved a score of 100 for the sixth consecutive year on the Human Rights Campaign Corporate Equality Index and designated as a Best Place to Work for LGBTQ Equality.

Maintained a Board of Directors with ethnic, gender, and nationality diversity.

Piloted in-person Inclusion training for our NA employees to foster a welcoming and open workplace where we fully embrace diverse perspectives to drive innovation and business results.

CORPORATE SOCIAL RESPONSIBILITY

2 *our planet*

Achieve a 20% reduction in absolute Scope 1 & Scope 2 CO₂e emissions & 20% reduction in absolute Scope 3 emissions from freight shipping over a 2017 baseline.

Attain a 95% traceability & mapping of our raw materials to ensure a transparent & responsible supply chain.

Ensure that 90% of leather is sourced from Silver- and Gold-rated *Leather Working Group* tanneries.

Achieve 75% recycled content in packaging and 25% reduction in North America corporate & distribution center waste.

Achieve a 10% reduction in water usage across Tapestry and its supply chain.

tapestry

Photo courtesy of Friends of the High Line.





CORPORATE SOCIAL RESPONSIBILITY

2 *our planet*

Reduced our 2019 carbon footprint by 2.4% from 2018 and a total of 6.7% from our 2017 baseline.

Commercialized five different lining textiles and purchased an aggregate one million pounds of REPVEVE® recycled polyester for use in kate spade new york handbags, representing 27 million plastic bottles prevented from entering landfills.

Increased Renewable Energy Certificate purchases from 1,335 MWh in FY18 to 3,433 MWh in FY19.

Sourced 63% of leather from *Leather Working Group* Silver- and Gold-rated tanneries, with 79% achieving a PASS or higher.

Restored 45,678 Coach products in our Carlstadt, New Jersey repair facility in fiscal 2019 (86% of all products received to repair) compared to 43,087 in fiscal 2018 (86% of all products received to repair).

CORPORATE SOCIAL RESPONSIBILITY

3 *our communities*

Dedicate 100,000 volunteer service hours completed by our employees around the globe.

Give \$75M in financial and product donations to nonprofit organizations globally.

Provide 50,000 people crafting Coach, kate spade new york and Stuart Weitzman products access to empowerment programs during the workday.

tapestry





CORPORATE SOCIAL RESPONSIBILITY

3 *our communities*

Donated \$22 million in fiscal 2019 through the Coach and Kate Spade New York Foundations.

Engaged our employees to volunteer over 5,750 hours, serving our communities globally.

Made \$429,000 in charitable donations matched through our Foundations' employee matching gift program.

In 2019, *on purpose*, Kate Spade New York's social enterprise initiative, worked with its contract supply partner, Abahizi Rwanda, to produce over 40,000 handbags for Kate Spade New York. The factory is 90% female, with 85% holding leadership roles, and is a certified B Corporation.

highlights

from

2019



tapestry

\$6.0B

revenue

15.8%

operating margin

1,540

stores


COACH
NEW YORK

\$4.3B

revenue

27.1%

operating margin

986

stores


kate spade
NEW YORK

\$1.4B

revenue

13.6%

operating margin

407

stores

SW

\$389M

revenue

(4.3%)

operating margin

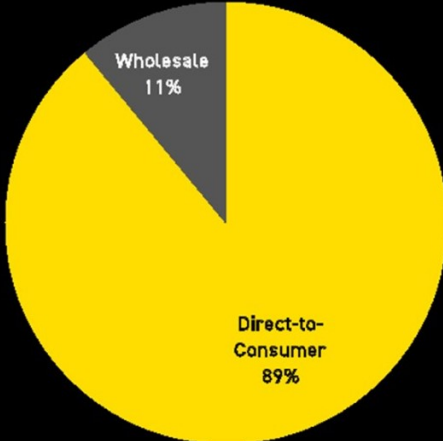
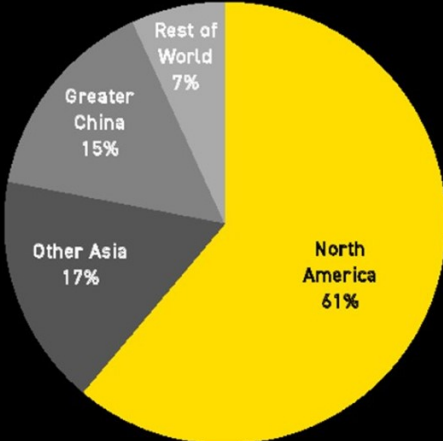
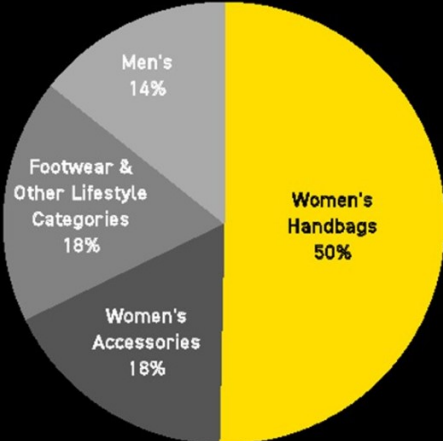
147

stores

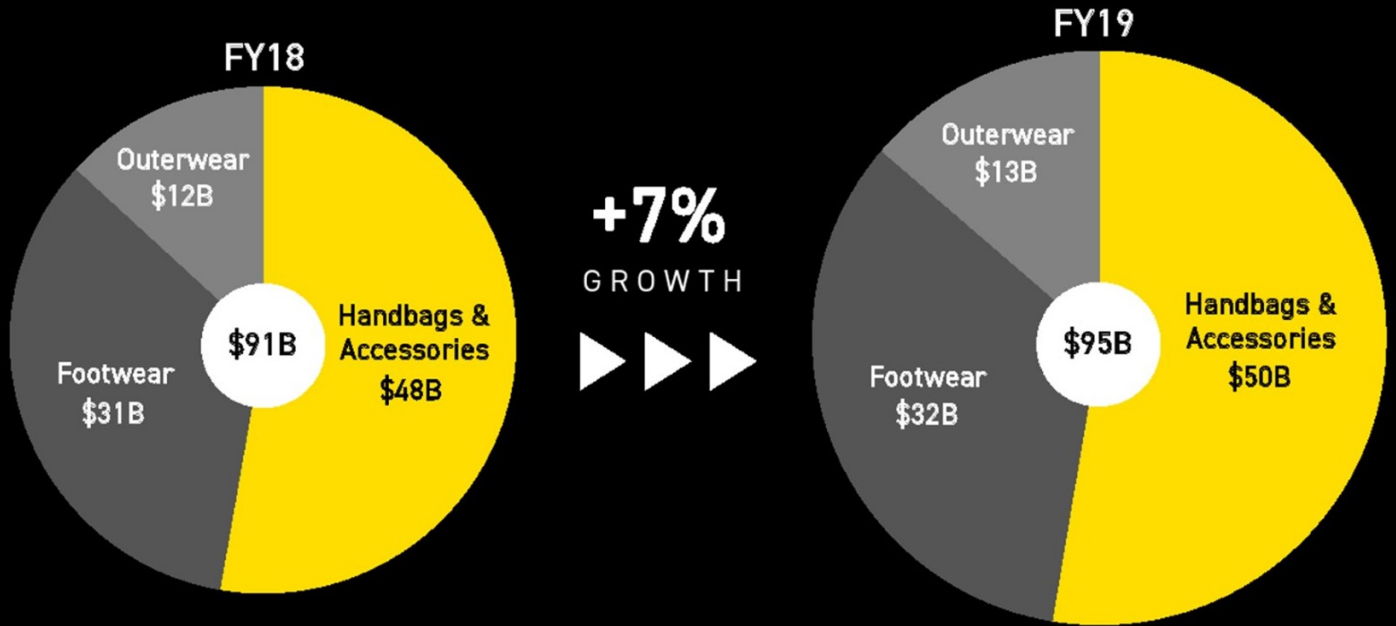
tapestry As of FY19. Non-GAAP Financials. As of Fiscal 2020, foreign currency gains and losses previously reported in SG&A expenses are reflected in Other Expense/(Income). Prior year results have been recast for comparability. Store counts reflect directly operated locations.

TAPESTRY PRODUCT, GEOGRAPHIC & CHANNEL BREAKDOWN

GLOBAL HOUSE OF MODERN LUXURY BRANDS WITH FOCUS ON INTERNATIONAL GROWTH & DIRECT-TO-CONSUMER DISTRIBUTION



OPPORTUNITY ACROSS BRANDS IN THE ATTRACTIVE AND GROWING GLOBAL PREMIUM HANDBAG & ACCESSORIES, FOOTWEAR AND OUTERWEAR MARKETS



tapestry Source: Tapestry proprietary global market sizing model & Euromonitor. Growth noted is in constant currency.

OVERVIEW

by

BRAND



COACH

NEW YORK



Jennifer Lopez, Hutton Big, High Line, New York City
Sculpture: Simone Leigh, *Britt Hour*

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Rumble Bag



THE SHOPS
AT HUDSON YARDS
NEW YORK CITY

Coach inspires the dreamer
in all of us, connecting our
modern lives with the spirit
of the open road.





\$4.27B

ANNUAL REVENUE



986

DIRECTLY OPERATED STORES



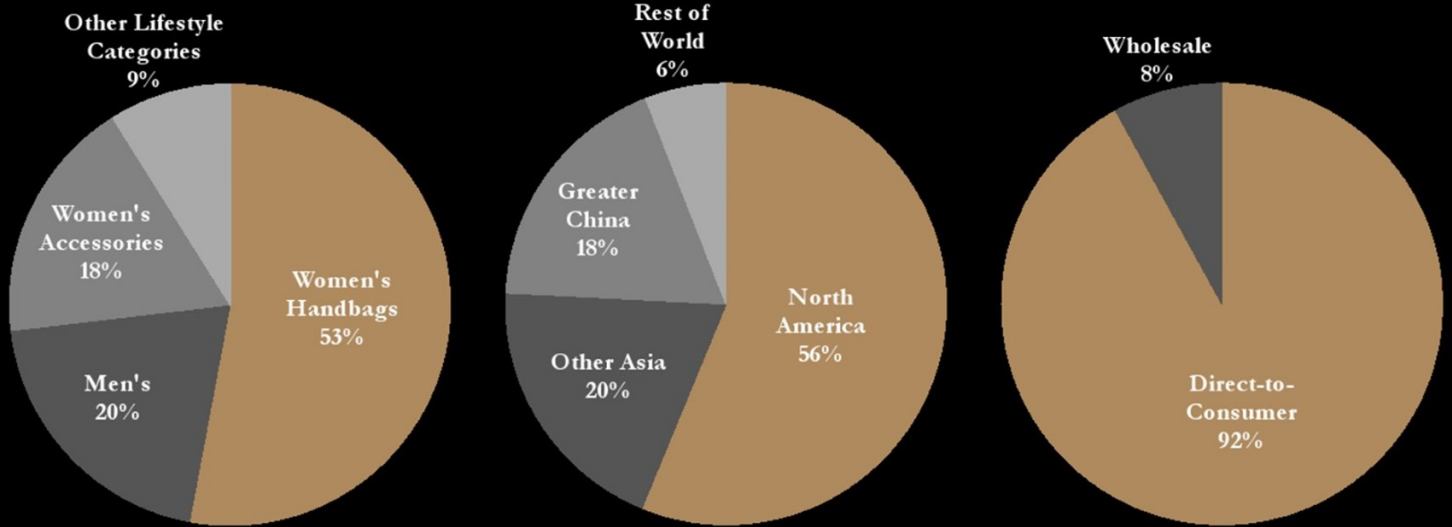
13,500

EMPLOYEES

As of FY19.

COACH PRODUCT, GEOGRAPHIC & CHANNEL BREAKDOWN

DIRECT-TO-CONSUMER FOCUSED WITH DIVERSIFIED PRODUCT CATEGORIES & GEOGRAPHIES



As of FY19.



kate spade

NEW YORK



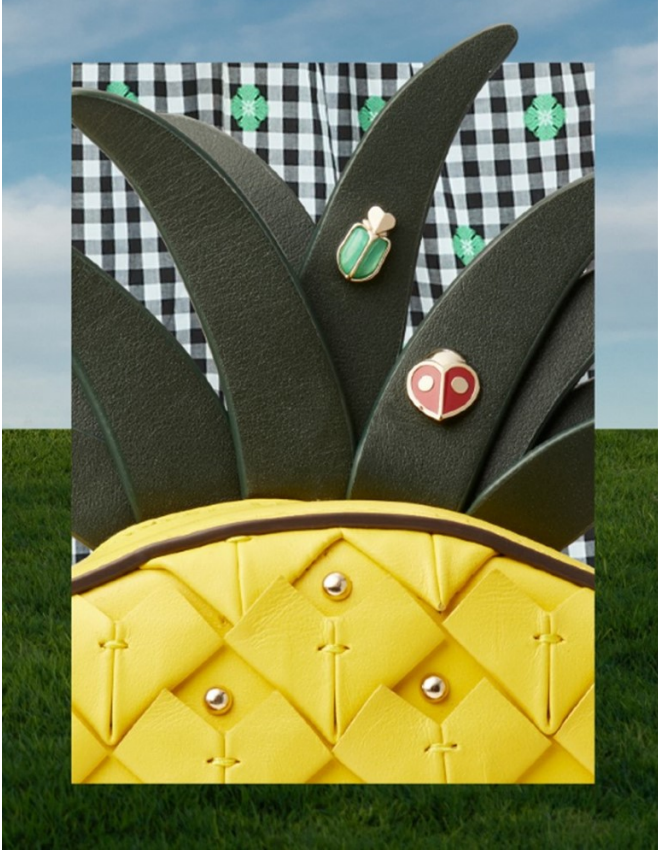


THE SHOPS
AT HUDSON YARDS
NEW YORK CITY

OUR VISION

A globally admired aspirational life & style brand, delivering brand-enhancing profitable growth, where people — our customers and teams — are at the center of everything we do.





\$1.37B

ANNUAL REVENUE

—

407

DIRECTLY OPERATED STORES

—

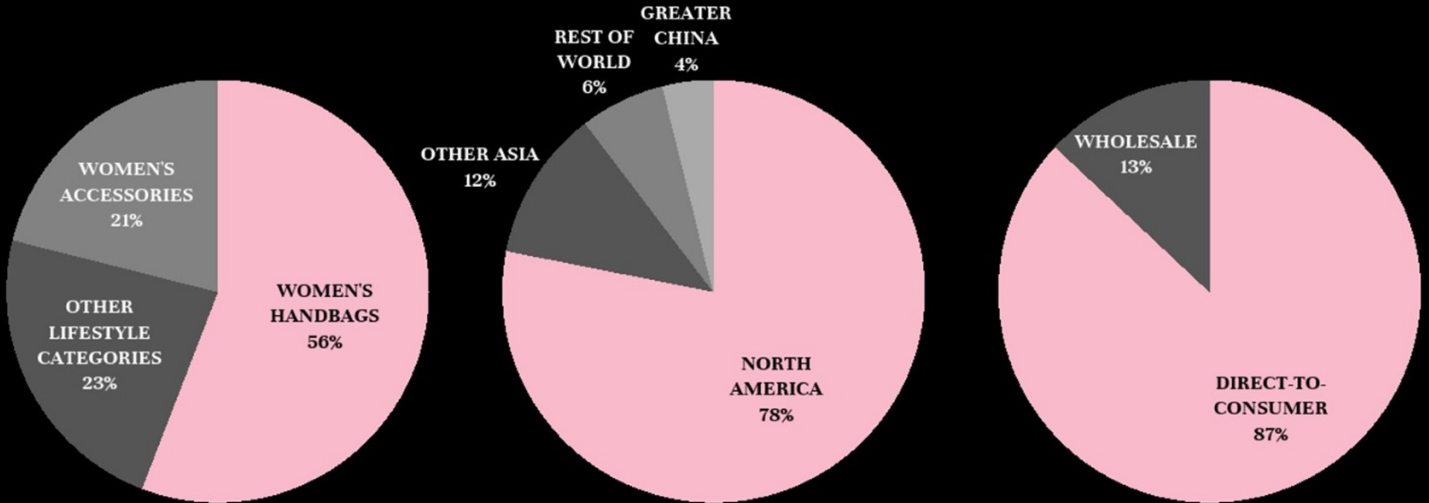
4,800

EMPLOYEES

As of FY19.

KATE SPADE PRODUCT, GEOGRAPHIC & CHANNEL BREAKDOWN

OPPORTUNITY TO EXPAND INTERNATIONALLY WITH UNIQUE AND GLOBALLY-RELEVANT POSITIONING



As of FY19.

STUART WEITZMAN





THE SHOPS
AT HUDSON YARDS
NEW YORK CITY

OUR VISION

STUART WEITZMAN IS THE EMBODIMENT OF STRENGTH IN FEMININITY – EMPOWERING AND INSPIRING WOMEN TO TAKE ON THE WORLD IN FASHION AND FUNCTIONAL FOOTWEAR & ACCESSORIES.

SW



\$389M

ANNUAL REVENUE



147

DIRECTLY OPERATED STORES



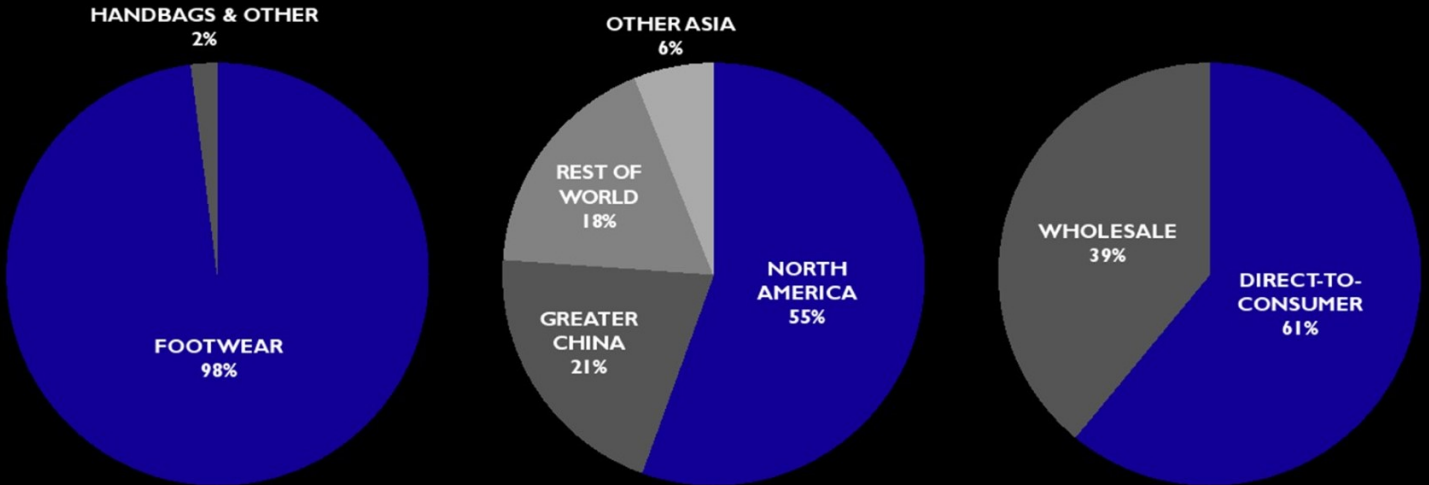
1,100

EMPLOYEES

As of FY19.

STUART WEITZMAN PRODUCT, GEOGRAPHIC & CHANNEL BREAKDOWN

OPPORTUNITY TO EXPAND INTERNATIONALLY WITH A SOPHISTICATED FOOTWEAR & ACCESSORIES OFFERING COMBINING FUNCTION AND FIT



SW

As of FY19.

tapestry

“We are stewards of three powerful brands and we believe we have the leadership team and the means to effect significant and positive change to define the next chapter of sustainable growth at our company.”

JIDE ZEITLIN, CHAIRMAN & CEO

APPENDIX

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 has been presented both including and excluding the effect of certain items impacting comparability related to our ERP implementation efforts, Integration & Acquisition-Related Costs, and the impact of tax legislation for Tapestry, Inc.

Management utilizes these non-GAAP 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.

GAAP TO NON-GAAP RECONCILIATION FOR THE YEAR ENDED JUNE 29, 2019

in millions, except per share data; unaudited

	GAAP BASIS (AS REPORTED)	ERP IMPLEMENTATION	INTEGRATION & ACQUISITION	IMPACT OF TAX LEGISLATION	NON-GAAP BASIS (EXCLUDING ITEMS)
Coach	\$2,996.4	\$—	\$(1.9)	\$—	\$2,998.3
Kate Spade	863.6	—	(6.3)	—	869.9
Stuart Weitzman	193.7	—	(19.6)	—	213.3
Gross profit⁽¹⁾	4,053.7	—	(27.8)	—	4,081.5
Coach	1,848.0	—	7.1	—	1,840.9
Kate Spade	698.2	—	14.5	—	683.7
Stuart Weitzman	245.2	—	15.0	—	230.2
Corporate	442.6	36.9	30.0	—	375.7
Selling, general and administrative expenses	3,234.0	36.9	66.6	—	3,130.5
Coach	1,148.4	—	(9.0)	—	1,157.4
Kate Spade	165.4	—	(20.8)	—	186.2
Stuart Weitzman	(51.5)	—	(34.6)	—	(16.9)
Corporate	(442.6)	(36.9)	(30.0)	—	(375.7)
Operating Income (loss)	819.7	(36.9)	(94.4)	—	951.0
Provision for income taxes	122.8	(9.4)	(25.8)	9.2	148.8
Net Income	643.4	(27.5)	(68.6)	(9.2)	748.7
Net Income per diluted common share	2.21	(0.09)	(0.24)	(0.03)	2.57

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

FISCAL 2019 FOREIGN EXCHANGE GAIN/LOSS RECAST BY QUARTER

<i>in millions; Non-GAAP financials</i>		1Q19	2Q19	3Q19	4Q19	FY19
FY19 SG&A <i>(as previously reported)</i>	Coach	\$448.8	\$481.6	\$446.7	\$463.8	\$1,840.9
	Kate Spade	159.5	179.5	168.8	175.6	683.4
	Stuart Weitzman	54.6	59.2	59.8	56.3	229.9
	Corporate	91.6	84.4	104.5	101.4	381.9
	Selling, general and administrative expenses	754.5	804.7	779.8	797.1	3,136.1
FX (Gain) / Loss	Coach	4.2	(4.1)	(0.6)	0.5	--
	Kate Spade	(0.1)	(0.9)	1.0	(0.3)	(0.3)
	Stuart Weitzman	0.7	(1.3)	(0.5)	0.8	(0.3)
	Corporate	(0.2)	2.1	4.1	0.2	6.2
	Foreign Exchange (Gain)/Loss	4.6	(4.2)	4.0	1.2	5.6
FY19 SG&A <i>(recast)</i>	Coach	444.6	485.7	447.3	463.3	1,840.9
	Kate Spade	159.6	180.4	167.8	175.9	683.7
	Stuart Weitzman	53.9	60.5	60.3	55.5	230.2
	Corporate	91.8	82.3	100.4	101.2	375.7
	Selling, general and administrative expenses	749.9	808.9	775.7	796.1	3,130.5

tapestry

COACH | kate spade | STUART WEITZMAN