

**COTY INC.**  
**SUPPLEMENTAL SCHEDULES INCLUDING NON-GAAP FINANCIAL MEASURES**

**COTY INC. & SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

| (in millions, except per share data)                                       | Year Ended June 30, |                     |                   | Quarter Ended June 30, |                     |
|--|---------------------|---------------------|-------------------|------------------------|---------------------|
|  | 2020                | 2019                | 2018              | 2020                   | 2019                |
| <b>Net revenues</b>  | <b>\$ 4,717.8</b>   | <b>\$ 6,287.9</b>   | <b>\$ 6,841.8</b> | <b>\$ 560.4</b>        | <b>\$ 1,506.2</b>   |
| Cost of sales  | 1,991.2             | 2,498.5             | 2,718.2           | 336.2                  | 588.4               |
| <i>as % of Net revenues</i>  | <i>42.2 %</i>       | <i>39.7 %</i>       | <i>39.7 %</i>     | <i>60.0 %</i>          | <i>39.1 %</i>       |
| <b>Gross profit</b>  | <b>2,726.6</b>      | <b>3,789.4</b>      | <b>4,123.6</b>    | <b>224.2</b>           | <b>917.8</b>        |
| <i>Gross margin</i>  | <i>57.8 %</i>       | <i>60.3 %</i>       | <i>60.3 %</i>     | <i>40.0 %</i>          | <i>60.9 %</i>       |
| Selling, general and administrative expenses                               | 3,120.0             | 3,467.9             | 3,807.1           | 638.9                  | 819.6               |
| <i>as % of Net revenues</i>  | <i>66.1 %</i>       | <i>55.2 %</i>       | <i>55.6 %</i>     | <i>114.0 %</i>         | <i>54.4 %</i>       |
| Amortization expense   | 233.1               | 246.7               | 244.3             | 62.5                   | 59.4                |
| Restructuring costs  | 130.2               | 34.2                | 134.9             | 4.7                    | —                   |
| Acquisition-and divestiture- related costs                                 | 157.3               | —                   | 64.2              | 72.0                   | —                   |
| Asset impairment charges   | 434.0               | 3,729.0             | —                 | 393.6                  | 2,783.2             |
| Loss (gain) on divestitures and sale of brand assets                       | (111.5)             | —                   | 28.6              | (27.0)                 | —                   |
| <b>Operating loss</b>  | <b>(1,236.5)</b>    | <b>(3,688.4)</b>    | <b>(155.5)</b>    | <b>(920.5)</b>         | <b>(2,744.4)</b>    |
| <i>as % of Net revenues</i>  | <i>(26.2 %)</i>     | <i>(58.7 %)</i>     | <i>(2.3 %)</i>    | <i>(164.3 %)</i>       | <i>(182.2 %)</i>    |
| Interest expense, net  | 242.7               | 225.2               | 200.6             | 57.4                   | 57.1                |
| <b>Loss from continuing operations before income taxes</b>                 | <b>(1,467.6)</b>    | <b>(3,945.4)</b>    | <b>(394.5)</b>    | <b>(962.3)</b>         | <b>(2,807.3)</b>    |
| <i>as % of Net revenues</i>  | <i>(31.1 %)</i>     | <i>(62.7 %)</i>     | <i>(5.8 %)</i>    | <i>(171.7 %)</i>       | <i>(186.4 %)</i>    |
| Benefit for income taxes on continuing operations                          | (377.7)             | (54.8)              | (32.2)            | (260.7)                | (24.2)              |
| <b>Loss from continuing operations</b>                                     | <b>(1,089.9)</b>    | <b>(3,890.6)</b>    | <b>(362.3)</b>    | <b>(701.6)</b>         | <b>(2,783.1)</b>    |
| <i>as % of Net revenues</i>  | <i>(23.1 %)</i>     | <i>(61.9 %)</i>     | <i>(5.3 %)</i>    | <i>(125.2 %)</i>       | <i>(184.8 %)</i>    |
| <b>Net income (loss) from discontinued operations</b>                      | <b>87.2</b>         | <b>121.0</b>        | <b>234.5</b>      | <b>(76.6)</b>          | <b>(16.4)</b>       |
| <b>Net loss</b>  | <b>(1,002.7)</b>    | <b>(3,769.6)</b>    | <b>(127.8)</b>    | <b>(778.2)</b>         | <b>(2,799.5)</b>    |
| Net income (loss) attributable to noncontrolling interests                 | 4.7                 | 2.5                 | 2.0               | (4.8)                  | (1.6)               |
| Net income (loss) attributable to redeemable noncontrolling interests      | (0.7)               | 12.1                | 39.0              | (7.1)                  | 1.5                 |
| <b>Net loss attributable to Coty Inc.</b>                                  | <b>\$(1,006.7)</b>  | <b>\$ (3,784.2)</b> | <b>\$ (168.8)</b> | <b>\$ (766.3)</b>      | <b>\$ (2,799.4)</b> |
| <b>Amounts attributable to Coty Inc.</b>                                   |                     |                     |                   |                        |                     |
| <b>Net loss from continuing operations</b>                                 | <b>\$ (1,093.9)</b> | <b>\$ (3,905.2)</b> | <b>\$ (403.3)</b> | <b>\$ (689.7)</b>      | <b>\$ (2,783.0)</b> |
| Convertible Series B Preferred Stock dividends                             | (6.5)               | —                   | —                 | (6.5)                  | —                   |
| <b>Loss from continuing operations attributable to common stockholders</b> | <b>\$(1,100.4)</b>  | <b>\$ (3,905.2)</b> | <b>\$ (403.3)</b> | <b>\$(696.2)</b>       | <b>\$ (2,783.0)</b> |
| Net Income (loss) from discontinued operations                             | 87.2                | 121.0               | 234.5             | (76.6)                 | (16.4)              |
| <b>Net loss attributable to common stockholders</b>                        | <b>\$(1,013.2)</b>  | <b>\$ (3,784.2)</b> | <b>\$ (168.8)</b> | <b>\$ (772.8)</b>      | <b>\$ (2,799.4)</b> |
| <b>Net loss attributable to Coty Inc. per common share:</b>                |                     |                     |                   |                        |                     |
| Basic for Continuing Operations  | \$ (1.45)           | \$ (5.20)           | \$ (0.54)         | \$ (0.91)              | \$ (3.70)           |
| Diluted for Continuing Operations  | \$ (1.45)           | \$ (5.20)           | \$ (0.54)         | \$ (0.91)              | \$ (3.70)           |
| Basic for Coty Inc   | \$ (1.33)           | \$ (5.04)           | \$ (0.23)         | \$ (1.01)              | \$ (3.72)           |
| Diluted for Coty Inc.  | \$ (1.33)           | \$ (5.04)           | \$ (0.23)         | \$ (1.01)              | \$ (3.72)           |
| <b>Weighted-average common shares outstanding:</b>                         |                     |                     |                   |                        |                     |
| Basic  | 759.1               | 751.2               | 749.7             | 763.3                  | 751.6               |
| Diluted  | 759.1               | 751.2               | 749.7             | 763.3                  | 751.6               |

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

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

| Year Ended June 30, 2020                           |                       |                            |                     |                         |
|--|-----------------------|----------------------------|---------------------|-------------------------|
| (in millions)                                      | CONTINUING OPERATIONS |                            |                     | DISCONTINUED OPERATIONS |
|  | Reported (GAAP)       | Adjustments <sup>(a)</sup> | Adjusted (Non-GAAP) | Adjusted (Non-GAAP)     |
| <b>Net revenues</b>                                | \$ 4,717.8            | \$ —                       | \$ 4,717.8          | \$ 2,020.1              |
| <b>Gross profit</b>                                | 2,726.6               | 14.5                       | 2,741.1             | 1,330.4                 |
| <i>Gross margin</i>                                | 57.8 %                |                            | 58.1 %              | 65.9 %                  |
| <b>Operating (loss) income</b>                     | (1,236.5)             | 1,074.8                    | (161.7)             | 323.1                   |
| <i>as % of Net revenues</i>                        | (26.2 %)              |                            | (3.4 %)             | 16.0 %                  |
| <b>Net (loss) income</b>                           | (1,100.4)             | 736.2                      | (364.2)             | 171.5                   |
| <i>as % of Net revenues</i>                        | (23.3 %)              |                            | (7.7 %)             |                         |
| <b>COTY INC.</b>                                   |                       |                            |                     |                         |
| <b>Net loss attributable to Coty Inc.</b>          | (1,013.2)             | 820.5                      | (192.7)             |                         |
| <b>EPS (diluted)</b>                               | \$ (1.33)             |                            | \$ (0.25)           |                         |
|  |                       |                            |                     |                         |
| Year Ended June 30, 2019                           |                       |                            |                     |                         |
| (in millions)                                      | CONTINUING OPERATIONS |                            |                     | DISCONTINUED OPERATIONS |
|  | Reported (GAAP)       | Adjustments <sup>(a)</sup> | Adjusted (Non-GAAP) | Adjusted (Non-GAAP)     |
| <b>Net revenues</b>                                | \$ 6,287.9            | \$ —                       | \$ 6,287.9          | \$ 2,360.6              |
| <b>Gross profit</b>                                | 3,789.4               | 9.3                        | 3,798.7             | 1,552.7                 |
| <i>Gross margin</i>                                | 60.3 %                |                            | 60.4 %              | 65.8 %                  |
| <b>Operating income (loss)</b>                     | (3,688.4)             | 4,179.2                    | 490.8               | 458.9                   |
| <i>as % of Net revenues</i>                        | (58.7 %)              |                            | 7.8 %               | 19.4 %                  |
| <b>Net (loss) income</b>                           | (3,905.2)             | 4,049.4                    | 144.2               | 343.4                   |
| <i>as % of Net revenues</i>                        | (62.1 %)              |                            | 2.3 %               |                         |
| <b>COTY INC.</b>                                   |                       |                            |                     |                         |
| <b>Net (loss) income attributable to Coty Inc.</b> | (3,784.2)             | 4,271.8                    | 487.6               |                         |
| <b>EPS (diluted)</b>                               | \$ (5.04)             |                            | \$ 0.65             |                         |

<sup>(a)</sup> See "Reconciliation of Reported Operating (Loss) Income to Adjusted Operated Income" and "Reconciliation of Reported Net (Loss) Income to Adjusted Net Income" for a detailed description of adjusted items.

**RECONCILIATION OF REPORTED TO ADJUSTED RESULTS FOR THE CONSOLIDATED STATEMENTS OF OPERATIONS. contd.**

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

| Three Months Ended June 30, 2020 |                       |                            |                     |                                |
|----------------------------------|-----------------------|----------------------------|---------------------|--------------------------------|
| (in millions)                    | CONTINUING OPERATIONS |                            |                     | <i>DISCONTINUED OPERATIONS</i> |
|                                  | Reported (GAAP)       | Adjustments <sup>(a)</sup> | Adjusted (Non-GAAP) | Adjusted (Non-GAAP)            |
| <b>Net revenues</b>              | \$ 560.4              | \$ —                       | \$ 560.4            | \$ 361.7                       |
| <b>Gross profit</b>              | 224.2                 | 3.3                        | 227.5               | 231.8                          |
| <i>Gross margin</i>              | 40.0 %                |                            | 40.6 %              | 64.1 %                         |
| <b>Operating (loss) income</b>   | (920.5)               | 585.2                      | (335.3)             | 16.9                           |
| <i>as % of Net revenues</i>      | <(100%)               |                            | (59.8 %)            | 4.7 %                          |
| <b>Net (loss) income</b>         | (696.2)               | 342.5                      | (353.7)             | (33.0)                         |
| <i>as % of Net revenues</i>      | <(100%)               |                            | (63.1 %)            |                                |

| COTY INC.                                     |           |       |           |  |
|---|-----------|-------|-----------|--|
| <b>Net (loss) income attributable to Coty</b> | (772.8)   | 386.1 | (386.7)   |  |
| <b>EPS (diluted)</b>                          | \$ (1.01) |       | \$ (0.51) |  |

| Three Months Ended June 30, 2019 |                       |                            |                     |                                |
|----------------------------------|-----------------------|----------------------------|---------------------|--------------------------------|
| (in millions)                    | CONTINUING OPERATIONS |                            |                     | <i>DISCONTINUED OPERATIONS</i> |
|                                  | Reported (GAAP)       | Adjustments <sup>(a)</sup> | Adjusted (Non-GAAP) | Adjusted (Non-GAAP)            |
| <b>Net revenues</b>              | \$ 1,506.2            | \$ —                       | \$ 1,506.2          | \$ 609.2                       |
| <b>Gross profit</b>              | 917.8                 | (2.6)                      | 915.2               | 398.1                          |
| <i>Gross margin</i>              | 60.9 %                |                            | 60.8 %              | 65.3 %                         |
| <b>Operating (loss) income</b>   | (2,744.4)             | 2,870.6                    | 126.2               | 130.9                          |
| <i>as % of Net revenues</i>      | <(100%)               |                            | 8.4 %               | 21.5 %                         |
| <b>Net (loss) income</b>         | (2,783.0)             | 2,805.4                    | 22.4                | 101.2                          |
| <i>as % of Net revenues</i>      | <(100%)               |                            | 1.5 %               |                                |

| COTY INC.                                     |           |         |         |  |
|---|-----------|---------|---------|--|
| <b>Net (loss) income attributable to Coty</b> | (2,799.4) | 2,923.0 | 123.6   |  |
| <b>EPS (diluted)</b>                          | \$ (3.72) |         | \$ 0.16 |  |

<sup>(a)</sup> See "Reconciliation of Reported Operating (Loss) Income to Adjusted Operated Income" and "Reconciliation of Reported Net (Loss) Income to Adjusted Net Income" for a detailed description of adjusted items.

## RECONCILIATION OF REPORTED OPERATING (LOSS) INCOME TO ADJUSTED OPERATING (LOSS) INCOME

| CONTINUING OPERATIONS<br>(in millions)                              | Three Months Ended June 30, |                 |                   | Year Ended June 30, |                 |                   |
|---|-----------------------------|-----------------|-------------------|---------------------|-----------------|-------------------|
|   | 2020                        | 2019            | Change            | 2020                | 2019            | Change            |
| <b>Reported Operating Loss</b>                                      | \$ (920.5)                  | \$ (2,744.4)    | 66 %              | \$ (1,236.5)        | \$ (3,688.4)    | 66 %              |
| <i>% of Net revenues</i>  | <(100%)                     | <(100%)         |                   | (26.2 %)            | (58.7 %)        |                   |
| Asset impairment charges <sup>(a)</sup>                             | 393.6                       | 2,783.2         | (86 %)            | 434.0               | 3,729.0         | (88 %)            |
| Amortization expense <sup>(b)</sup>                                 | 62.5                        | 59.4            | 5 %               | 233.1               | 246.7           | (6 %)             |
| Restructuring and other business realignment costs <sup>(c)</sup>   | 84.1                        | 28.0            | >100%             | 361.9               | 203.5           | 78 %              |
| Acquisition- and divestiture-related costs <sup>(d)</sup>           | 72.0                        | —               | N/A               | 157.3               | —               | N/A               |
| (Gain) loss on divestitures and sale of brand assets <sup>(e)</sup> | (27.0)                      | —               | N/A               | (111.5)             | —               | N/A               |
| Total adjustments to reported operating loss                        | 585.2                       | 2,870.6         | (80 %)            | 1,074.8             | 4,179.2         | (74 %)            |
| <b>Adjusted operating (loss) income</b>                             | <b>\$ (335.3)</b>           | <b>\$ 126.2</b> | <b>&lt;(100%)</b> | <b>\$ (161.7)</b>   | <b>\$ 490.8</b> | <b>&lt;(100%)</b> |
| <i>% of Net revenues</i>  | (59.8 %)                    | 8.4 %           |                   | (3.4 %)             | 7.8 %           |                   |

<sup>(a)</sup> In the three months ended June 30, 2020, we incurred asset impairment charges of \$393.6 primarily related to other indefinite-lived intangible assets in Corporate, and goodwill in the EMEA segment. In the three months ended June 30, 2019 we incurred asset impairment charges of \$2,783.2 primarily related to goodwill and other indefinite-lived intangible assets, mainly in the mass category brands.

In fiscal 2020, we incurred asset impairment charges of \$434.0 primarily related to other indefinite-lived intangible assets in Corporate, and goodwill in the EMEA segment. In fiscal 2019, we incurred 3,729.0 of asset impairment charges primarily due to: \$3,307.5 related to goodwill; \$389.8 related to indefinite-lived other intangible assets; \$19.7 on finite-lived other intangible assets; and \$12.0 related to a Corporate investment recorded during fiscal 2019.

<sup>(b)</sup> In the three months ended June 30, 2020, amortization expense increased to \$62.5 from \$59.4 in the three months ended June 30, 2019. In the three months ended June 30, 2020, amortization expense of \$25.6, \$30.6 and \$6.3 was reported in the Americas, EMEA and Asia Pacific segments, respectively. In the three months ended June 30, 2019, amortization expense of \$9.4, \$34.2, \$7.0 and \$8.8 was reported in the Americas, EMEA, Asia Pacific and Other segments, respectively.

In fiscal 2020, amortization expense increased to \$233.1 from \$246.7 in fiscal 2019. In fiscal 2020, amortization expense of \$75.3, \$125.4, \$25.0, and \$7.4 were reported in the Americas, EMEA, Asia Pacific, and Other segments, respectively. In fiscal 2019, amortization expense of \$53.9, \$133.3, \$24.6, and \$34.9 were reported in the Americas, EMEA, Asia Pacific, and Other segments, respectively.

<sup>(c)</sup> In the three months ended June 30, 2020, we incurred restructuring and other business structure realignment costs of \$84.1. We incurred restructuring costs of \$4.7 primarily related to the Transformation Plan, included in the Consolidated Statements of Operations. We incurred business structure realignment costs of \$79.4 primarily related to Global Integration Activities and our Transformation Plan. Of this amount, \$76.1 is included in selling, general and administrative expenses and \$3.3 is included in cost of sales. In the three months ended June 30, 2019, we incurred business structure realignment costs of \$28.0 million, primarily related to Global Integration Activities and our Transformation Plan. Of this amount, \$30.6 is included in selling, general and administrative expenses and \$(2.6) is included in cost of sales.

In fiscal 2020, we incurred restructuring and other business structure realignment costs of \$361.9. We incurred restructuring costs of \$130.2 primarily related to our Transformation Plan and certain other programs. The other business structure realignment costs of \$231.7 include \$217.2 reported in selling, general and administrative expenses, primarily related to severance, consulting costs and accelerated depreciation costs; and \$14.5 reported in cost of sales in the Consolidated Statement of Operations. In fiscal 2019, we incurred restructuring and other business structure realignment costs of \$203.5 million. We incurred restructuring costs of \$34.2 primarily related to the Global Integration Activities and 2018 Restructuring Actions, included in the Consolidated Statements of Operations. We incurred business structure realignment costs of \$169.3 primarily related to our Global Integration Activities and Transformation Plan. Of this amount, \$160.0 is included in selling, general and administrative expenses and \$9.3 is included in cost of sales.

<sup>(d)</sup> In the three months ended June 30, 2020, we incurred acquisition and divestiture related costs of \$72.0 million primarily related to the Wella Business sale and other contract related costs, the King Kylie Transaction and the pending Kim Kardashian West transaction. These costs may include finder's fees, legal, accounting, valuation, and other professional or consulting fees, and other internal costs which may include compensation related expenses for dedicated internal resources. In the three months ended June 30, 2019, we did not incur any acquisition and divestiture related costs.

In fiscal 2020, we incurred \$157.3 million in acquisition- and divestiture-related costs, of which \$19.7 were consulting and legal costs associated with the King Kylie Transaction and the pending Kim Kardashian West transaction, and \$137.6 associated with the Wella Transaction and other contract related costs. In fiscal 2019, we did not incur any acquisition and divestiture related costs.

<sup>(e)</sup> In the three months ended June 30, 2020, as a result of the divestiture of Younique in the first quarter, we recorded income of \$27.0 included in (gain) loss on divestitures and sale of brand assets included in the Consolidated Statements of Operations. In the three months ended June 30, 2019, we did not incur a (gain) loss on divestitures and sale of brand assets.

In fiscal 2020, we completed the divestiture of Younique resulting in income of \$111.5 included in (gain) loss on divestitures and sale of brand assets included in the Consolidated Statements of Operations. In fiscal 2019, we did not incur a (gain) loss on divestitures and sale of brand assets.

## RECONCILIATION OF REPORTED OPERATING (LOSS) INCOME TO ADJUSTED OPERATING (LOSS) INCOME

| COTY INC.<br>(in millions)  | Three Months Ended June 30, |                 |                   | Year Ended June 30, |                 |               |
|---|-----------------------------|-----------------|-------------------|---------------------|-----------------|---------------|
|   | 2020                        | 2019            | Change            | 2020                | 2019            | Change        |
| <b>Reported operating loss</b>                                      | \$ (920.9)                  | \$ (2,731.7)    | 66 %              | \$ (1,018.3)        | \$ (3,471.5)    | 71 %          |
| Asset impairment charges <sup>(a)</sup>                             | 393.6                       | 2,874.2         | (86 %)            | 434.0               | 3,851.9         | (89 %)        |
| Amortization expense <sup>(b)</sup>                                 | 79.9                        | 85.8            | (7 %)             | 328.6               | 353.5           | (7 %)         |
| Restructuring and other business realignment costs <sup>(c)</sup>   | 84.0                        | 28.8            | >100%             | 371.3               | 215.8           | 72 %          |
| Acquisition- and divestiture-related costs <sup>(d)</sup>           | 72.0                        | —               | N/A               | 157.3               | —               | N/A           |
| (Gain) loss on divestitures and sale of brand assets <sup>(e)</sup> | (27.0)                      | —               | N/A               | (111.5)             | —               | N/A           |
| Total adjustments to reported operating loss                        | 602.5                       | 2,988.8         | (80 %)            | 1,179.7             | 4,421.2         | (73 %)        |
| <b>Adjusted operating (loss) income</b>                             | <b>\$ (318.4)</b>           | <b>\$ 257.1</b> | <b>&lt;(100%)</b> | <b>\$ 161.4</b>     | <b>\$ 949.7</b> | <b>(83 %)</b> |

<sup>(a)</sup> In the three months ended June 30, 2020, we incurred asset impairment charges of \$393.6 primarily due to related to other indefinite-lived intangible assets in Corporate, and goodwill in the EMEA segment. In the three months ended June 30, 2019 we incurred asset impairment charges of \$2,874.2 primarily related to goodwill and other indefinite-lived intangible assets, mainly in the mass category brands.

In fiscal 2020, we incurred asset impairment charges of \$434.0 primarily due to related to other indefinite-lived intangible assets in Corporate, and goodwill in the EMEA segment. In fiscal 2019, we incurred \$3,851.9 of asset impairment charges primarily related to goodwill and other indefinite-lived intangible assets, mainly in the mass category brands.

<sup>(b)</sup> In the three months ended June 30, 2020, amortization expense decreased to \$79.9 from \$85.8 in the three months ended June 30, 2019. In the three months ended June 30, 2020, amortization expense of \$25.6 \$30.6 \$6.3 and \$17.4 was reported in the Americas, EMEA, Asia Pacific segments and discontinued operations, respectively. In the three months ended June 30, 2019, amortization expense of \$9.4 \$34.2 \$7.0 \$8.8 and \$26.4 was reported in the Americas, EMEA, Asia Pacific and Other segments, and discontinued operations respectively.

In fiscal 2020, amortization expense decreased to \$328.6 from \$353.5 in fiscal 2019. In fiscal 2020, amortization expense of \$75.3, \$125.4, \$25.0 \$7.4 and \$95.5 were reported in the Americas, EMEA, Asia Pacific, Other segments, and discontinued operations respectively. In fiscal 2019, amortization expense of \$53.9, \$133.4, \$24.6, \$34.8 and \$106.8 were reported in the Americas, EMEA, Asia Pacific, and Other segments, and discontinued operations respectively.

<sup>(c)</sup> In the three months ended June 30, 2020, we incurred restructuring and other business structure realignment costs of \$84.0. We incurred restructuring costs of \$3.4 primarily related to the Transformation Plan. We incurred business structure realignment costs of \$80.6 primarily related to Global Integration Activities and our Transformation Plan. Of this amount, \$77.3 is included in selling, general and administrative expenses and \$3.3 is included in cost of sales. In the three months ended June 30, 2019, we incurred restructuring and other business structure realignment costs of \$28.8. We incurred restructuring costs of \$0.5 primarily related to the 2018 Restructuring Actions, included in the Consolidated Statements of Operations. We incurred business structure realignment costs of \$28.3 primarily related to Global Integration Activities and our Transformation Plan. Of this amount, \$30.9 is included in selling, general and administrative expenses and \$(2.6) is included in cost of sales.

In fiscal 2020, we incurred restructuring and other business structure realignment costs of \$371.3. We incurred restructuring costs of \$137.7 primarily related to the Transformation Plan. We incurred business structure realignment costs of \$233.6 primarily related to our Global Integration Activities and Transformation Plan. Of this amount \$219.1 is included in selling, general and administrative expenses, \$14.5 is included in cost of sales. In fiscal 2019, we incurred restructuring and other business structure realignment costs of \$215.8. We incurred restructuring costs of \$44.2 primarily related to the Global Integration Activities and 2018 Restructuring Actions, included in the Consolidated Statements of Operations. We incurred business structure realignment costs of \$171.6 primarily related to our Global Integration Activities and Transformation Plan. Of this amount \$162.2 is included in selling, general and administrative expenses, \$9.4 is included in cost of sales.

<sup>(d)</sup> In the three months ended June 30, 2020, we incurred acquisition and divestiture related costs of \$72.0 primarily related to the Wella Business sale and other contract related costs, the King Kylie Transaction, and the pending Kim Kardashian West transaction. These costs may include finder's fees, legal, accounting, valuation, and other professional or consulting fees, and other internal costs which may include compensation related expenses for dedicated internal resources. In the three months ended June 30, 2019, we did not incur any acquisition and divestiture related costs.

In fiscal 2020, we incurred acquisition and divestiture related costs of \$157.3 primarily related to the Wella Business sale and other contract related costs, the King Kylie Transaction, and the pending Kim Kardashian West transaction. These costs may include finder's fees, legal, accounting, valuation, and other professional or consulting fees, and other internal costs which may include compensation related expenses for dedicated internal resources. In fiscal 2019, we did not incur any acquisition and divestiture related costs.

<sup>(e)</sup> In the three months ended June 30, 2020, as a result of the divestiture of Younique in the first quarter, we recorded income of \$27.0 included in (gain) loss on divestitures and sale of brand assets. In the three months ended June 30, 2019, we did not incur a (gain) loss on divestitures and sale of brand assets.

In fiscal 2020, we completed the divestiture of Younique resulting in income of \$111.5 included in (gain) loss on divestitures and sale of brand assets. In fiscal 2019, we did not incur a (gain) loss on divestitures and sale of brand assets.

**(a) RECONCILIATION OF REPORTED LOSS BEFORE INCOME TAXES AND EFFECTIVE TAX RATES TO ADJUSTED (LOSS) INCOME BEFORE INCOME TAXES AND ADJUSTED EFFECTIVE TAX RATES FOR CONTINUING OPERATIONS**

| (in millions)  | Three Months Ended June 30, 2020  |                                      |                    | Three Months Ended June 30, 2019  |                                      |                    |
|--|-----------------------------------|--------------------------------------|--------------------|-----------------------------------|--------------------------------------|--------------------|
|  | (Loss) income before income taxes | (Benefit) Provision for income taxes | Effective tax rate | (Loss) income before income taxes | (Benefit) provision for income taxes | Effective tax rate |
| <b>Reported loss before income taxes</b>                 | <b>(962.3)</b>                    | <b>\$ (260.7)</b>                    | <b>27.1 %</b>      | <b>(2,807.3)</b>                  | <b>\$ (24.2)</b>                     | <b>0.9 %</b>       |
| Adjustments to reported operating loss <sup>(a)(b)</sup> | 585.2                             | 224.8                                |                    | 2,870.6                           | 58.3                                 |                    |
| Other adjustments <sup>(b) (c)</sup>                     | (16.3)                            | (3.1)                                |                    | (1.7)                             | 1.5                                  |                    |
| <b>Adjusted (loss) income before income taxes</b>        | <b>\$ (393.4)</b>                 | <b>\$ (39.0)</b>                     | <b>9.9 %</b>       | <b>\$ 61.6</b>                    | <b>\$ 35.6</b>                       | <b>57.8 %</b>      |

The adjusted effective tax rate was 9.9% for the three months ended June 30, 2019 compared to 57.8% for the three months ended June 30, 2018. The difference was primarily due to the jurisdictional mix of income.

| (in millions)   | Year Ended June 30, 2020           |                                      |                    | Year Ended June 30, 2019           |                                      |                    |
|---|------------------------------------|--------------------------------------|--------------------|------------------------------------|--------------------------------------|--------------------|
|   | (Loss)/ income before income taxes | (Benefit) provision for income taxes | Effective tax rate | (Loss)/ income before income taxes | (Benefit) provision for income taxes | Effective tax rate |
| <b>Reported loss before income taxes</b>                  | <b>\$ (1,467.6)</b>                | <b>\$ (377.7)</b>                    | <b>25.7 %</b>      | <b>\$ (3,945.4)</b>                | <b>\$ (54.8)</b>                     | <b>1.4 %</b>       |
| Adjustments to reported operating loss <sup>(a) (b)</sup> | 1,074.8                            | 320.8                                |                    | 4,179.2                            | 123.8                                |                    |
| Other adjustments <sup>(b) (c)</sup>                      | (16.3)                             | (3.1)                                |                    | 11.0                               | 2.3                                  |                    |
| <b>Adjusted (loss) income before income taxes</b>         | <b>\$ (409.1)</b>                  | <b>\$ (60.0)</b>                     | <b>14.7 %</b>      | <b>\$ 244.8</b>                    | <b>\$ 71.3</b>                       | <b>29.1 %</b>      |

<sup>(a)</sup> See a description on adjustments under "Reconciliation of Reported Operating (Loss) Income to Adjusted Operating (Loss) Income".

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

<sup>(c)</sup> See "Reconciliation of Reported Net (Loss) Income to Adjusted Net (Loss) Income."

The adjusted effective tax rate was 14.7% compared to 29.1% in the prior-year period. The differences were primarily due additional foreign uncertain tax positions recorded in the prior period.

**(a) RECONCILIATION OF REPORTED LOSS BEFORE INCOME TAXES AND EFFECTIVE TAX RATES TO ADJUSTED (LOSS) INCOME BEFORE INCOME TAXES AND ADJUSTED EFFECTIVE TAX RATES FOR COTY INC.**

| (in millions)  | Three Months Ended June 30, 2020  |                                      |                    | Three Months Ended June 30, 2019  |                                      |                    |
|--|-----------------------------------|--------------------------------------|--------------------|-----------------------------------|--------------------------------------|--------------------|
|  | (Loss) income before income taxes | (Benefit) Provision for income taxes | Effective tax rate | (Loss) income before income taxes | (Benefit) provision for income taxes | Effective tax rate |
| <b>Reported loss before income taxes</b>                 | <b>\$ (974.7)</b>                 | <b>\$ (196.5)</b>                    | <b>20.2 %</b>      | <b>\$ (2,808.9)</b>               | <b>\$ (9.4)</b>                      | <b>0.3 %</b>       |
| Adjustments to Reported Operating Loss <sup>(a)(b)</sup> | 602.5                             | 198.5                                |                    | 2,988.8                           | 58.9                                 |                    |
| Other adjustments <sup>(b) (c)</sup>                     | (16.3)                            | (3.1)                                |                    | (1.7)                             | 1.5                                  |                    |
| <b>Adjusted (loss) income before income taxes</b>        | <b>\$ (388.5)</b>                 | <b>\$ (1.1)</b>                      | <b>0.3 %</b>       | <b>\$ 178.2</b>                   | <b>\$ 51.0</b>                       | <b>28.6 %</b>      |

The adjusted effective tax rate was 0.3% for the three months ended June 30, 2020 compared to 28.6% for the three months ended June 30, 2019. The difference was primarily due to the jurisdictional mix of income.

| (in millions)                                     | Year Ended June 30, 2020           |                                      |                    | Year Ended June 30, 2019           |                                      |                    |
|---|------------------------------------|--------------------------------------|--------------------|------------------------------------|--------------------------------------|--------------------|
|   | (Loss)/ income before income taxes | (Benefit) provision for income taxes | Effective tax rate | (Loss)/ income before income taxes | (Benefit) provision for income taxes | Effective tax rate |
| <b>Reported loss before income taxes</b>          | <b>\$ (1,298.2)</b>                | <b>\$ (295.5)</b>                    | <b>22.8 %</b>      | <b>\$ (3,778.1)</b>                | <b>\$ (8.5)</b>                      | <b>0.2 %</b>       |
| Adjustments to reported operating loss (a) (b)    | 1,179.7                            | 341.4                                |                    | 4,421.2                            | 143.4                                |                    |
| Other adjustments (b) (c)                         | (16.3)                             | (3.1)                                |                    | 11.0                               | 2.3                                  |                    |
| <b>Adjusted (loss) income before income taxes</b> | <b>\$ (134.8)</b>                  | <b>\$ 42.8</b>                       | <b>(31.8 %)</b>    | <b>\$ 654.1</b>                    | <b>\$ 137.2</b>                      | <b>21.0 %</b>      |

<sup>(a)</sup> See a description on adjustments under "Reconciliation of Reported Operating (Loss) Income to Adjusted Operating (Loss) Income".

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

<sup>(c)</sup> See "Reconciliation of Reported Net (Loss) Income to Adjusted Net (Loss) Income."

The adjusted effective tax rate was (31.8%) compared to 21.0% in the prior-year period. The differences were primarily due additional foreign uncertain tax positions recorded in the prior period.

## RECONCILIATION OF REPORTED NET LOSS TO ADJUSTED NET (LOSS) INCOME FOR CONTINUING OPERATIONS

| (in millions)  | Three Months Ended June 30, |                     |                   | Year Ended June 30, |                     |                   |
|--|-----------------------------|---------------------|-------------------|---------------------|---------------------|-------------------|
|  | 2020                        | 2019                | Change            | 2020                | 2019                | Change            |
| <b>Reported Net Loss Attributable to Coty Inc.</b>   | <b>\$(696.2)</b>            | <b>\$ (2,783.0)</b> | 75 %              | <b>\$(1,100.4)</b>  | <b>\$ (3,905.2)</b> | 72 %              |
| <i>% of Net revenues</i>   | <(100%)                     | <(100%)             |                   | (23.3 %)            | (62.1 %)            |                   |
| Adjustments to Reported Operating Loss <sup>(a)</sup>  | 585.2                       | 2,870.6             | (80 %)            | 1,074.8             | 4,179.2             | (74 %)            |
| Adjustments to other (income) expense <sup>(b)</sup>   | (16.3)                      | (1.7)               | <(100%)           | (16.3)              | 11.0                | <(100%)           |
| Adjustments to noncontrolling interest expense <sup>(c)</sup>                                      | (4.7)                       | (3.7)               | (27 %)            | (4.6)               | (14.7)              | 69 %              |
| Change in tax provision due to adjustments to Reported Net Income (Loss) Attributable to Coty Inc. | (221.7)                     | (59.8)              | <(100%)           | (317.7)             | (126.1)             | <(100%)           |
| <b>Adjusted Net (Loss) Income Attributable to Coty Inc.<sup>(d)</sup></b>                          | <b>\$ (353.7)</b>           | <b>\$ 22.4</b>      | <b>&lt;(100%)</b> | <b>\$ (364.2)</b>   | <b>\$ 144.2</b>     | <b>&lt;(100%)</b> |
| <i>% of Net revenues</i>   | (63.1 %)                    | 1.5 %               |                   | (7.7 %)             | 2.3 %               |                   |

### Per Share Data

Adjusted weighted-average common shares

|         |       |       |       |       |
|---------|-------|-------|-------|-------|
| Basic   | 763.3 | 751.6 | 759.1 | 751.2 |
| Diluted | 763.3 | 758.1 | 759.1 | 754.3 |

**Adjusted Net (Loss) Income Attributable to Coty Inc. per Common Share<sup>(d)</sup>**

|         |           |         |           |         |
|---------|-----------|---------|-----------|---------|
| Basic   | \$ (0.46) | \$ 0.03 | \$ (0.48) | \$ 0.19 |
| Diluted | \$ (0.46) | \$ 0.03 | \$ (0.48) | \$ 0.19 |

<sup>(a)</sup> See a description of adjustments under "Reconciliation of Reported Operating (Loss) Income to Adjusted Operating (Loss) Income".

<sup>(b)</sup> In fiscal 2020, the Company had gains of \$14.6 primarily related to pension curtailment gains as a result of the Transformation plan, which significantly reduced the expected years of future service for employees participating in our non-U.S. pension plans. In fiscal 2019, the Company incurred legal and advisory services of \$16.1 rendered in connection with the evaluation of the tender offer initiated by certain of our shareholders, partially offset by pension curtailment gains of \$5.1 as a result of the Global Integration Activities, which significantly reduced the expected years of future service for employees participating in our non-U.S. pension plans.

<sup>(c)</sup> The amounts represent the after-tax impact of the non-GAAP adjustments included in Net (Loss) income attributable to noncontrolling interest based on the relevant noncontrolling interest percentage in the Consolidated Statements of Operations.

<sup>(d)</sup> The Adjusted Net (Loss) Income Attributable to Coty Inc. and Adjusted Net (Loss) Income Attributable to Coty Inc. per Common Share, include the Convertible Series B Preferred Share dividend, and unlike in periods with Net Income, do not incorporate the dilution from the preferred shares due to the recorded Net Loss in the current year.

## RECONCILIATION OF REPORTED NET LOSS TO ADJUSTED NET (LOSS) INCOME FOR COTY INC.

| (in millions)  | Three Months Ended June 30, |                    |                   | Year Ended June 30, |                     |                   |
|--|-----------------------------|--------------------|-------------------|---------------------|---------------------|-------------------|
|  | 2020                        | 2019               | Change            | 2020                | 2019                | Change            |
| <b>Reported Net Loss Attributable to Coty Inc.</b>   | <b>\$(772.8)</b>            | <b>\$(2,799.4)</b> | 72 %              | <b>\$(1,013.2)</b>  | <b>\$ (3,784.2)</b> | 73 %              |
| Adjustments to Reported Operating Loss <sup>(a)</sup>  | 602.5                       | 2,988.8            | (80)%             | 1,179.7             | 4,421.2             | (73 %)            |
| Adjustments to other (income) expense <sup>(b)</sup>   | (16.3)                      | (1.7)              | <(100%)           | (16.3)              | 11.0                | <(100%)           |
| Adjustments to noncontrolling interest expense <sup>(e)</sup>                                      | (4.7)                       | (3.7)              | (2 %)             | (4.6)               | (14.7)              | 69 %              |
| Change in tax provision due to adjustments to Reported Net Income (Loss) Attributable to Coty Inc. | (195.4)                     | (60.4)             | <(100%)           | (338.3)             | (145.7)             | <(100%)           |
| <b>Adjusted Net (Loss) Income Attributable to Coty Inc.<sup>(d)</sup></b>                          | <b>\$ (386.7)</b>           | <b>\$ 123.6</b>    | <b>&lt;(100%)</b> | <b>\$ (192.7)</b>   | <b>\$ 487.6</b>     | <b>&lt;(100%)</b> |

### Per Share Data

Adjusted weighted-average common shares

|         |       |       |       |       |
|---------|-------|-------|-------|-------|
| Basic   | 763.3 | 751.6 | 759.1 | 751.2 |
| Diluted | 763.3 | 758.1 | 759.1 | 754.3 |

**Adjusted Net (Loss) Income Attributable to Coty Inc. per Common Share<sup>(d)</sup>**

|         |           |         |           |         |
|---------|-----------|---------|-----------|---------|
| Basic   | \$ (0.51) | \$ 0.16 | \$ (0.25) | \$ 0.65 |
| Diluted | \$ (0.51) | \$ 0.16 | \$ (0.25) | \$ 0.65 |



- <sup>(a)</sup> See a description of adjustments under “Reconciliation of Reported Operating (Loss) Income to Adjusted Operating (Loss) Income”.
- <sup>(b)</sup> In fiscal 2020, the Company had gains of \$14.6 primarily related to pension curtailment gains as a result of the Transformation plan, which significantly reduced the expected years of future service for employees participating in our non-U.S. pension plans. In fiscal 2019, the Company incurred legal and advisory services of \$16.1 rendered in connection with the evaluation of the tender offer initiated by certain of our shareholders, partially offset by pension curtailment gains of \$5.1 as a result of the Global Integration Activities, which significantly reduced the expected years of future service for employees participating in our non-U.S. pension plans.
- <sup>(c)</sup> The amounts represent the after-tax impact of the non-GAAP adjustments included in Net (Loss) income attributable to noncontrolling interest based on the relevant noncontrolling interest percentage in the Consolidated Statements of Operations.
- <sup>(d)</sup> The Adjusted Net (Loss) Income Attributable to Coty Inc. and Adjusted Net (Loss) Income Attributable to Coty Inc. per Common Share, include the Convertible Series B Preferred Share dividend, and unlike in periods with Net Income, do not incorporate the dilution from the preferred shares due to the recorded Net Loss in the current year.

## RECONCILIATION OF NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW

| COTY INC.<br>(in millions)                       | Year Ended June 30, |                 |                  |
|--|---------------------|-----------------|------------------|
|  | 2020                | 2019            | 2018             |
| Net cash (used) provided by operating activities | \$ (50.9)           | \$ 639.6        | \$ 413.7         |
| Capital expenditures                             | (267.4)             | (426.6)         | (446.4)          |
| <b>Free cash flow</b>                            | <b>\$ (318.3)</b>   | <b>\$ 213.0</b> | <b>\$ (32.7)</b> |

## RECONCILIATION OF TOTAL DEBT TO NET DEBT

| COTY INC.<br>(in millions)      | Year Ended June 30, |
|---------------------------------|---------------------|
|                                 | 2020                |
| Total debt                      | \$ 8,156.3          |
| Less: Cash and cash equivalents | 308.3               |
| <b>Net debt</b>                 | <b>\$ 7,848.0</b>   |

## IMMEDIATE LIQUIDITY

| COTY INC.<br>(in millions)           | As of<br>June 30, 2020 |
|--------------------------------------|------------------------|
| Cash and cash equivalents            | \$ 308.3               |
| Unutilized revolving credit facility | 1,309.8                |
| <b>Immediate Liquidity</b>           | <b>\$ 1,618.1</b>      |

## RECONCILIATION OF ADJUSTED OPERATING LOSS TO ADJUSTED EBITDA

| COTY INC.<br>(in millions)             | Year Ended June 30, |              |
|--|---------------------|--------------|
|  | 2020                |              |
| Adjusted operating loss <sup>(a)</sup> | \$                  | 161.4        |
| Depreciation <sup>(b)</sup>            |                     | 370.5        |
| Pension Adjustment <sup>(c)</sup>      |                     | 2.5          |
| <b>Adjusted EBITDA</b>                 |                     | <b>534.4</b> |

<sup>a</sup> For a reconciliation of adjusted operating income (loss) to operating income (loss) for the twelve months ended June 30, 2020, see the tables entitled "Reconciliation of Reported Operating Income (Loss) to Adjusted Operating Income (Loss)" and "Reconciliation of Reported Operating Income (Loss) to Adjusted Operating Income (Loss) by Segment" for the twelve months ended June 30, 2020.

<sup>b</sup> The depreciation adjustment for the twelve months ended June 30, 2020 represents depreciation expense for the twelve months ended June 30, 2020 as adjusted by \$17.4 for accelerated depreciation.

<sup>c</sup> The pension expense adjustment for the twelve months ended June 30, 2020 represents the adjusted non-service cost components of net periodic pension cost for the fiscal year.

## NET DEBT/ADJUSTED EBITDA

| COTY INC.                       | Year Ended June 30, |              |
|---------------------------------|---------------------|--------------|
|                                 | 2020                |              |
| Net Debt                        | \$                  | 7,848.0      |
| Adjusted EBITDA                 |                     | 534.4        |
| <b>Net Debt/Adjusted EBITDA</b> |                     | <b>14.69</b> |

## NET REVENUES AND ADJUSTED OPERATING (LOSS) INCOME FROM CONTINUING OPERATIONS BY SEGMENT

| (in millions) | Three Months Ended June 30, |                   |                |               |                         |             |                                  |                   |
|---------------|-----------------------------|-------------------|----------------|---------------|-------------------------|-------------|----------------------------------|-------------------|
|               | Net Revenues                |                   | Change         |               | Reported Operating Loss |             | Adjusted Operating (Loss) Income |                   |
|               | 2020                        | 2019              | Reported Basis | LFL           | 2020                    | Change      | 2020                             | Change            |
| Americas      | \$ 264.8                    | \$ 553.6          | (52 %)         | (49 %)        | \$ (128.5)              | 89 %        | \$ (102.9)                       | <(100%)           |
| EMEA          | 211.0                       | 662.8             | (68 %)         | (67 %)        | (318.0)                 | 70 %        | (182.4)                          | <(100%)           |
| Asia Pacific  | 84.6                        | 206.2             | (59 %)         | (58 %)        | (56.7)                  | 73 %        | (50.4)                           | <(100%)           |
| Other         | —                           | 83.6              | (100 %)        | (100 %)       | —                       | 100 %       | —                                | 82 %              |
| Corporate     | —                           | —                 | N/A            | N/A           | (417.3)                 | (34 %)      | 0.4                              | >100%             |
| <b>Total</b>  | <b>\$ 560.4</b>             | <b>\$ 1,506.2</b> | <b>(63 %)</b>  | <b>(61 %)</b> | <b>\$ (920.5)</b>       | <b>66 %</b> | <b>\$ (335.3)</b>                | <b>&lt;(100%)</b> |

Year Ended June 30,

| (in millions) | Net Revenues      |                   | Change         |               | Reported Operating Loss |             | Adjusted Operating Loss |                   |
|---------------|-------------------|-------------------|----------------|---------------|-------------------------|-------------|-------------------------|-------------------|
|               | 2020              | 2019              | Reported Basis | LFL           | 2020                    | Change      | 2020                    | Change            |
| Americas      | \$ 1,771.0        | \$ 2,248.9        | (21 %)         | (22 %)        | \$ (164.8)              | 89 %        | \$ (89.5)               | <(100%)           |
| EMEA          | 2,308.6           | 2,909.7           | (21 %)         | (19 %)        | (248.4)                 | 82 %        | (18.0)                  | <(100%)           |
| Asia Pacific  | 582.7             | 771.1             | (24 %)         | (22 %)        | (74.0)                  | 71 %        | (49.0)                  | <(100%)           |
| Other         | 55.5              | 358.2             | (85 %)         | (32 %)        | (10.9)                  | 41 %        | (3.5)                   | <(100%)           |
| Corporate     | —                 | —                 | N/A            | — %           | (738.4)                 | (23 %)      | (1.7)                   | <(100%)           |
| <b>Total</b>  | <b>\$ 4,717.8</b> | <b>\$ 6,287.9</b> | <b>(25 %)</b>  | <b>(20 %)</b> | <b>\$ (1,236.5)</b>     | <b>66 %</b> | <b>\$ (161.7)</b>       | <b>&lt;(100%)</b> |

**RECONCILIATION OF REPORTED OPERATING LOSS TO ADJUSTED OPERATING (LOSS) INCOME BY SEGMENT - CONTINUING OPERATIONS**

**Three Months Ended June 30, 2020**

| (in millions)                  | Reported<br>(GAAP) | Adjustments <sup>(a)</sup> | Adjusted<br>(Non-GAAP) | Foreign<br>Currency<br>Translation | Adjusted Results<br>at Constant<br>Currency |
|--------------------------------|--------------------|----------------------------|------------------------|------------------------------------|---|
| <b>OPERATING (LOSS) INCOME</b> |                    |                            |                        |                                    |   |
| Americas                       | \$ (128.5)         | \$ (25.6)                  | \$ (102.9)             | \$ (0.2)                           | \$ (103.1)                                  |
| EMEA                           | (318.0)            | (135.6)                    | (182.4)                | (2.5)                              | (184.9)                                     |
| Asia Pacific                   | (56.7)             | (6.3)                      | (50.4)                 | (0.1)                              | (50.5)                                      |
| Other                          | —                  | —                          | —                      | —                                  | —   |
| Corporate                      | (417.3)            | (417.7)                    | 0.4                    | —                                  | 0.4   |
| <b>Total</b>                   | <b>\$ (920.5)</b>  | <b>\$ (585.2)</b>          | <b>\$ (335.3)</b>      | <b>\$ (2.8)</b>                    | <b>\$ (338.1)</b>                           |
| <b>OPERATING MARGIN</b>        |                    |                            |                        |                                    |   |
| Americas                       | (48.5 %)           |                            | (38.9 %)               |                                    | (36.4 %)                                    |
| EMEA                           | <(100%)            |                            | (86.4 %)               |                                    | (85.2 %)                                    |
| Asia Pacific                   | (67.0 %)           |                            | (59.6 %)               |                                    | (57.6 %)                                    |
| Other                          | N/A                |                            | N/A                    |                                    | N/A   |
| Corporate                      | N/A                |                            | N/A                    |                                    | N/A   |
| <b>Total</b>                   | <b>&lt;(100%)</b>  |                            | <b>(59.8 %)</b>        |                                    | <b>(57.5 %)</b>                             |

**Three Months Ended June 30, 2019**

| (in millions)                  | Reported<br>(GAAP)  | Adjustments <sup>(a)</sup> | Adjusted<br>(Non-GAAP) |
|--------------------------------|---------------------|----------------------------|------------------------|
| <b>OPERATING (LOSS) INCOME</b> |                     |                            |                        |
| Americas                       | \$ (1,141.9)        | \$ (1,192.9)               | \$ 51.0                |
| EMEA                           | (1,070.8)           | (1,126.8)                  | 56.0                   |
| Asia Pacific                   | (212.4)             | (231.0)                    | 18.6                   |
| Other                          | (7.6)               | (8.7)                      | 1.1                    |
| Corporate                      | (311.7)             | (311.2)                    | (0.5)                  |
| <b>Total</b>                   | <b>\$ (2,744.4)</b> | <b>\$ (2,870.6)</b>        | <b>\$ 126.2</b>        |
| <b>OPERATING MARGIN</b>        |                     |                            |                        |
| Americas                       | <(100%)             |                            | 9.2 %                  |
| EMEA                           | <(100%)             |                            | 8.4 %                  |
| Asia Pacific                   | <(100%)             |                            | 9.0 %                  |
| Other                          | (9.1 %)             |                            | 1.3 %                  |
| Corporate                      | N/A                 |                            | N/A                    |
| <b>Total</b>                   | <b>&lt;(100%)</b>   |                            | <b>8.4 %</b>           |

<sup>(a)</sup> See "Reconciliation of Reported Operating Loss to Adjusted Operated (Loss) Income" for a detailed description of adjusted items.

**Year Ended June 30, 2020**

| (in millions)         | Reported<br>(GAAP)  | Adjustments <sup>(a)</sup> | Adjusted<br>(Non-GAAP) | Foreign<br>Currency<br>Translation | Adjusted Results<br>at Constant<br>Currency |
|-----------------------|---------------------|----------------------------|------------------------|------------------------------------|---|
| <b>OPERATING LOSS</b> |                     |                            |                        |                                    |   |
| Americas              | \$ (164.8)          | \$ (75.3)                  | \$ (89.5)              | \$ (0.3)                           | \$ (89.8)                                   |
| EMEA                  | (248.4)             | (230.4)                    | (18.0)                 | 4.2                                | (13.8)                                      |
| Asia Pacific          | (74.0)              | (25.0)                     | (49.0)                 | 1.0                                | (48.0)                                      |
| Other                 | (10.9)              | (7.4)                      | (3.5)                  | —                                  | (3.5)                                       |
| Corporate             | (738.4)             | (736.7)                    | (1.7)                  | 0.1                                | (1.6)                                       |
| <b>Total</b>          | <b>\$ (1,236.5)</b> | <b>\$ (1,074.8)</b>        | <b>\$ (161.7)</b>      | <b>\$ 5.0</b>                      | <b>\$ (156.7)</b>                           |

**OPERATING MARGIN**

|              |                 |  |                |  |                |
|--------------|-----------------|--|----------------|--|----------------|
| Americas     | (9.3 %)         |  | (5.1 %)        |  | (4.9 %)        |
| EMEA         | (10.8 %)        |  | (0.8 %)        |  | (0.6 %)        |
| Asia Pacific | (12.7 %)        |  | (8.4 %)        |  | (8.0 %)        |
| Other        | (19.6 %)        |  | (6.3 %)        |  | (6.3 %)        |
| Corporate    | N/A             |  | N/A            |  | N/A            |
| <b>Total</b> | <b>(26.2 %)</b> |  | <b>(3.4 %)</b> |  | <b>(3.2 %)</b> |

**Year Ended June 30, 2019**

| (in millions)                  | Reported<br>(GAAP)  | Adjustments <sup>(a)</sup> | Adjusted<br>(Non-GAAP) |
|--------------------------------|---------------------|----------------------------|------------------------|
| <b>OPERATING (LOSS) INCOME</b> |                     |                            |                        |
| Americas                       | \$ (1,474.5)        | \$ (1,633.7)               | \$ 159.2               |
| EMEA                           | (1,344.1)           | (1,597.4)                  | 253.3                  |
| Asia Pacific                   | (253.1)             | (314.8)                    | 61.7                   |
| Other                          | (18.6)              | (34.8)                     | 16.2                   |
| Corporate                      | (598.1)             | (598.5)                    | 0.4                    |
| <b>Total</b>                   | <b>\$ (3,688.4)</b> | <b>\$ (4,179.2)</b>        | <b>\$ 490.8</b>        |

**OPERATING MARGIN**

|              |                 |  |              |
|--------------|-----------------|--|--------------|
| Americas     | (65.6 %)        |  | 7.1 %        |
| EMEA         | (46.2 %)        |  | 8.7 %        |
| Asia Pacific | (32.8 %)        |  | 8.0 %        |
| Other        | (5.2 %)         |  | 4.5 %        |
| Corporate    | N/A             |  | N/A          |
| <b>Total</b> | <b>(58.7 %)</b> |  | <b>7.8 %</b> |

<sup>(a)</sup> See "Reconciliation of Reported Operating Loss to Adjusted Operating (Loss) Income" for a detailed description of adjusted items.

## RECONCILIATION OF REPORTED NET REVENUES INCOME TO LIKE-FOR-LIKE NET REVENUES

### Three Months Ended June 30, 2020 vs. Three Months Ended June 30, 2019 Net Revenue Change

| <b>Net Revenues Change YoY</b>     | Reported Basis | Constant Currency | Impact from Acquisitions and Divestitures <sup>1</sup> | Organic (LFL) |
|------------------------------------|----------------|-------------------|--|---------------|
| Americas                           | (52) %         | (49)%             | 3 %  | (52) %        |
| EMEA                               | (68) %         | (67)%             | — %  | (67) %        |
| Asia Pacific                       | (59 %)         | (58)%             | — %  | (58 %)        |
| Other                              | (100 %)        | (100)%            | — %  | (100 %)       |
| <b>Total Continuing Operations</b> | <b>(63) %</b>  | <b>(61)%</b>      | <b>(1)%</b>  | <b>(60) %</b> |
| <b>Discontinued Operations</b>     | <b>(41) %</b>  | <b>(39)%</b>      | <b>— %</b>   | <b>(39) %</b> |
| <b>Total Coty Inc.</b>             | <b>(56) %</b>  | <b>(55)%</b>      | <b>(2)%</b>  | <b>(53) %</b> |

<sup>1</sup> Like for Like impact reflects the net revenue contribution from King Kylie, net of the decreased net revenues from the divestiture of Younique.

### Year Ended June 30, 2020 vs. Year Ended June 30, 2019 Net Revenue Change

| <b>Net Revenues Change YoY</b>     | Reported Basis | Constant Currency | Impact from Acquisitions and Divestitures <sup>1</sup> | Organic (LFL) |
|------------------------------------|----------------|-------------------|--|---------------|
| Americas                           | (21) %         | (19)%             | 3 %  | (22) %        |
| EMEA                               | (21) %         | (19)%             | — %  | (19) %        |
| Asia Pacific                       | (24 %)         | (22)%             | — %  | (22 %)        |
| Other                              | (85 %)         | (85)%             | (53)%  | (32 %)        |
| <b>Total Continuing Operations</b> | <b>(25) %</b>  | <b>(23)%</b>      | <b>(3)%</b>  | <b>(20) %</b> |
| <b>Discontinued Operations</b>     | <b>(14) %</b>  | <b>(12)%</b>      | <b>— %</b>   | <b>(12) %</b> |
| <b>Total</b>                       | <b>(22) %</b>  | <b>(20)%</b>      | <b>(2)%</b>  | <b>(18) %</b> |

<sup>1</sup> Like for Like impact reflects the net revenue contribution from King Kylie, net of the decreased net revenues from the divestiture of Younique.

**COTY INC. & SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

| (in millions)   | June 30,           |                    |
|---|--------------------|--------------------|
|   | 2020               | 2019               |
| <b>ASSETS</b>   |                    |                    |
| <b>Current assets:</b>  |                    |                    |
| Cash and cash equivalents   | \$ 308.3           | \$ 340.4           |
| Restricted cash   | 43.7               | 40.0               |
| Trade receivables   | 440.1              | 858.9              |
| Inventories   | 678.2              | 860.1              |
| Prepaid expenses and other current assets                           | 411.6              | 398.2              |
| Current assets held for sale  | 4,613.1            | 773.2              |
| <b>Total current assets</b>   | <b>6,495.0</b>     | <b>3,270.8</b>     |
| Property and equipment, net   | 1,081.6            | 1,332.7            |
| Goodwill  | 3,973.9            | 4,166.8            |
| Other intangible assets, net  | 4,372.1            | 4,531.3            |
| Operating lease right-of-use assets                                 | 371.4              | —                  |
| Deferred income taxes   | 362.4              | 110.4              |
| Other noncurrent assets   | 72.4               | 102.5              |
| Noncurrent assets held for sale                                     | —                  | 4,195.5            |
| <b>TOTAL ASSETS</b>   | <b>\$ 16,728.8</b> | <b>\$ 17,710.0</b> |
| <b>LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY</b>       |                    |                    |
| <b>Current liabilities:</b>   |                    |                    |
| Accounts payable  | \$ 1,190.3         | \$ 1,583.5         |
| Short-term debt and current portion of long-term debt               | 188.3              | 193.8              |
| Other current liabilities   | 1,250.4            | 1,241.4            |
| Current liabilities held for sale                                   | 956.7              | 456.5              |
| <b>Total current liabilities</b>                                    | <b>3,585.7</b>     | <b>3,475.2</b>     |
| Long-term debt, net   | 7,892.1            | 7,469.9            |
| Long-term operating lease liabilities                               | 317.4              | —                  |
| Pension and other post-employment benefits                          | 400.3              | 447.7              |
| Deferred income taxes   | 175.1              | 351.3              |
| Other noncurrent liabilities  | 334.5              | 398.0              |
| Noncurrent liabilities held for sales                               | —                  | 522.7              |
| <b>TOTAL LIABILITIES</b>  | <b>12,705.1</b>    | <b>12,664.8</b>    |
| <b>CONVERTIBLE SERIES B PREFERRED STOCK</b>                         | <b>715.8</b>       | <b>—</b>           |
| <b>REDEEMABLE NONCONTROLLING INTERESTS</b>                          | <b>79.1</b>        | <b>451.8</b>       |
| <b>EQUITY:</b>  |                    |                    |
| <b>Total Coty Inc. stockholders' equity</b>                         | <b>3,004.6</b>     | <b>4,586.9</b>     |
| <b>Noncontrolling interests</b>                                     | <b>224.2</b>       | <b>6.5</b>         |
| <b>Total equity</b>   | <b>3,228.8</b>     | <b>4,593.4</b>     |
| <b>TOTAL LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY</b> | <b>\$ 16,728.8</b> | <b>\$ 17,710.0</b> |

**COTY INC. & SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

|   | Year Ended<br>June 30, |                |                |
|---|------------------------|----------------|----------------|
|   | 2020                   | 2019           | 2018           |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>  |                        |                |                |
| Net loss  | \$(1,002.7)            | \$ (3,769.6)   | \$ (127.8)     |
| Adjustments to reconcile net loss to net cash (used in) provided by operating activities:       |                        |                |                |
| Depreciation and amortization   | 716.5                  | 736.0          | 737.0          |
| Asset impairment charges  | 434.0                  | 3,851.9        | —              |
| Deferred income taxes   | (342.7)                | (175.7)        | (101.7)        |
| (Gain) loss on divestiture and sale of brand assets   | (111.5)                | —              | 28.6           |
| Other   | 300.3                  | 126.8          | 96.4           |
| Change in operating assets and liabilities, net of effects from purchase of acquired companies: |                        |                |                |
| Trade receivables   | 424.5                  | 344.9          | (79.6)         |
| Inventories   | 124.4                  | (21.9)         | (60.0)         |
| Prepaid expenses and other current assets   | 25.9                   | 11.5           | (107.6)        |
| Accounts payable  | (373.5)                | (127.3)        | 159.5          |
| Accrued expenses and other current liabilities  | (36.3)                 | (378.1)        | (22.5)         |
| Operating lease liabilities   | (106.6)                | —              | —              |
| Income and other taxes payable  | (46.1)                 | 66.4           | (83.2)         |
| Other noncurrent assets   | 0.8                    | 24.5           | (17.9)         |
| Other noncurrent liabilities  | (57.9)                 | (49.8)         | (7.5)          |
| <b>Net cash (used in) provided by operating activities</b>                                      | <b>(50.9)</b>          | <b>639.6</b>   | <b>413.7</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>  |                        |                |                |
| Capital expenditures  | (267.4)                | (426.6)        | (446.4)        |
| Payment for business combinations and asset acquisitions, net of cash acquired                  | (592.2)                | (40.8)         | (278.0)        |
| Proceeds from sale of asset   | 0.6                    | 13.4           | 36.8           |
| Proceeds from sale of business, net of cash disposed  | 25.6                   | —              | —              |
| <b>Net cash provided by investing activities</b>  | <b>(833.4)</b>         | <b>(454.0)</b> | <b>(687.6)</b> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>  |                        |                |                |
| Net (repayments of) proceeds from short-term debt, original maturity less than three months     | (4.3)                  | (21.3)         | 21.0           |
| Proceeds from revolving loan facilities   | 4,681.3                | 2,183.3        | 3,185.5        |
| Repayments of revolving loan facilities   | (4,044.4)              | (1,729.1)      | (3,643.2)      |
| Proceeds from term loans and other long term debt   | —                      | —              | 7,467.2        |
| Repayments of term loans and other long term debt   | (186.4)                | (189.8)        | (6,492.6)      |
| Dividend payments   | (196.9)                | (346.2)        | (375.8)        |
| Proceeds from issuance of Convertible Series B Preferred Stock                                  | 724.5                  | —              | —              |
| Other financing activities  | (96.5)                 | (57.2)         | (92.8)         |
| <b>Net cash provided by financing activities</b>  | <b>877.3</b>           | <b>(160.3)</b> | <b>69.3</b>    |
| <b>EFFECT OF EXCHANGE RATES ON CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>                   | <b>(21.4)</b>          | <b>(7.1)</b>   | <b>(3.9)</b>   |
| <b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>                    | <b>(28.4)</b>          | <b>18.2</b>    | <b>(208.5)</b> |
| <b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH—Beginning of period</b>                           | <b>380.4</b>           | <b>362.2</b>   | <b>570.7</b>   |
| <b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH—End of period</b>                                 | <b>352.0</b>           | <b>380.4</b>   | <b>362.2</b>   |



**COTY INC. & SUBSIDIARIES**  
**DISCONTINUED OPERATIONS**

**Selected Financial Information**

|  | Three Months Ended June 30 |           | Year Ended June 30, |            |
|--|----------------------------|-----------|---------------------|------------|
|  | 2020                       | 2019      | 2020                | 2019       |
| <b>Net revenues</b>  | \$ 361.6                   | \$ 609.3  | \$ 2,020.1          | \$ 2,360.6 |
| Income (loss) from discontinued operations before income taxes | (12.3)                     | (1.6)     | 169.4               | 167.3      |
| Income tax on discontinued operations                          | 64.3                       | 14.8      | 82.2                | 46.3       |
| <b>Net income (loss) from discontinued operations</b>          | \$ (76.6)                  | \$ (16.4) | \$ 87.2             | \$ 121.0   |

|  | Year Ended June 30, |            |
|--|---------------------|------------|
|  | 2020                | 2019       |
| Current assets held for sale           | \$ 4,613.1          | \$ 773.2   |
| Noncurrent assets held for sale        | —                   | 4,195.5    |
| <b>TOTAL ASSETS HELD FOR SALE</b>      | \$ 4,613.1          | \$ 4,968.7 |
| Current liabilities held for sale      | 956.7               | 456.5      |
| Noncurrent liabilities held for sale   | —                   | 522.7      |
| <b>TOTAL LIABILITIES HELD FOR SALE</b> | \$ 956.7            | \$ 979.2   |