



PRESS RELEASE

CooperCompanies Announces Fourth Quarter and Full Year 2024 Results

SAN RAMON, Calif., Dec. 05, 2024 (GLOBE NEWSWIRE) -- CooperCompanies (Nasdaq: COO), a leading global medical device company, today announced financial results for its fiscal fourth quarter and full year ended October 31, 2024.

- Fourth quarter 2024 revenue of \$1,018.4 million, up 10%, or up 7% organically. Fiscal year 2024 revenue of \$3.9 billion, up 8%, or up 8% organically.
- Fourth quarter 2024 GAAP diluted earnings per share (EPS) of \$0.58, up 38%. Fiscal 2024 GAAP diluted EPS of \$1.96, up 33%.
- Fourth quarter 2024 non-GAAP diluted EPS of \$1.04, up 19%. Fiscal 2024 non-GAAP diluted EPS of \$3.69, up 15%. See "Reconciliation of Selected GAAP Results to Non-GAAP Results" below.

Commenting on the results, Al White, Cooper's President and CEO said, "Fiscal 2024 was a great year for Cooper having achieved record consolidated revenues, including record CooperVision revenues, record CooperSurgical revenues and record non-GAAP EPS. We look forward to continued success in fiscal 2025 and thank all of our employees for driving these results."

Fourth Quarter Operating Results

- Revenue of \$1,018.4 million, up 10% from last year's fourth quarter, up 9% in constant currency, up 7% organically.
- Gross margin of 67% compared with 65% in last year's fourth quarter driven by price and efficiency gains. On a non-GAAP basis, gross margin was similar to last year at 67%.
- Operating margin of 19% compared with 15% in last year's fourth quarter driven by SG&A expense leverage and stronger gross margins. On a non-GAAP basis, operating margin was 26%, up from 24% last year.
- Interest expense of \$27.0 million compared with \$26.3 million in last year's fourth quarter. On a non-GAAP basis, interest expense was \$25.6 million, down from \$26.4 million.
- Cash provided by operations of \$268.1 million offset by capital expenditures of \$139.9 million resulted in free cash flow of \$128.2 million.

Fourth Quarter CooperVision (CVI) Revenue

- Revenue of \$676.4 million, up 9% from last year's fourth quarter, up 8% in constant currency, up 8% organically.
- Revenue by category:

(In millions)	% change y/y				
	Reported	Currency Impact	Constant Currency	Acquisitions and Divestitures	Organic
4Q24					

Toric and multifocal	\$	323.2	9%	—%	9%	—%	9%
Sphere, other		<u>353.2</u>	8%	(1)%	7%	—%	7%
Total	\$	<u><u>676.4</u></u>	9%	(1)%	8%	—%	8%

- Revenue by geography:

	(In millions)	% change y/y					
		4Q24	Reported	Currency Impact	Constant Currency	Acquisitions and Divestitures	Organic
		Americas	\$ 270.5	5%	1%	6%	—%
EMEA	256.6	14%	(3)%	11%	—%	11%	
Asia Pacific	<u>149.3</u>	7%	—%	7%	—%	7%	
Total	<u><u>\$ 676.4</u></u>	9%	(1)%	8%	—%	8%	

Fourth Quarter CooperSurgical (CSI) Revenue

- Revenue of \$342.0 million, up 12% from last year's fourth quarter, up 12% in constant currency, up 5% organically.
- Revenue by category:

	(In millions)	% change y/y					
		4Q24	Reported	Currency Impact	Constant Currency	Acquisitions and Divestitures	Organic
		Office and surgical	\$ 202.8	11%	—%	11%	(11)%
Fertility	<u>139.2</u>	15%	—%	15%	(2)%	13%	
Total	<u><u>\$ 342.0</u></u>	12%	—%	12%	(7)%	5%	

Fiscal Year 2024 Operating Results

- Revenue of \$3,895.4 million, up 8% from fiscal 2023, up 9% in constant currency, up 8% organically.
- CVI revenue of \$2,609.4 million, up 8% from fiscal 2023, up 8% in constant currency, up 9% organically, and CSI revenue \$1,286.0 million, up 10% from fiscal 2023, up 11% in constant currency, up 5% organically.
- Gross margin of 67% compared with 66% in fiscal 2023. Non-GAAP gross margin was 67% compared with 66% in fiscal 2023.
- Operating margin of 18% compared with 15% in fiscal 2023. Non-GAAP operating margin was 25% compared with 24% in fiscal 2023.
- Cash provided by operations of \$709.3 million offset by capital expenditures of \$421.2 million resulted in free cash flow of \$288.1 million.

Fiscal Year 2025 Financial Guidance

The Company initiated its fiscal year 2025 financial guidance. Details are summarized as follows:

- Fiscal 2025 total revenue of \$4,080 - \$4,158 million (organic growth of 6% to 8%)
 - CVI revenue of \$2,733 - \$2,786 million (organic growth of 6.5% to 8.5%)
 - CSI revenue of \$1,347 - \$1,372 million (organic growth of 4% to 6%)
- Fiscal 2025 non-GAAP diluted earnings per share of \$3.92 - \$4.02

Non-GAAP diluted earnings per share guidance excludes amortization and impairment of intangible assets, and certain income or gains and charges or expenses including acquisition and integration costs which we may incur as part of our continuing operations.

With respect to the Company's guidance expectations, the Company has not reconciled non-GAAP diluted earnings per share guidance to GAAP diluted earnings per share due to the inherent difficulty in forecasting acquisition-related, integration and restructuring charges and expenses, which are reconciling items between the non-GAAP and GAAP measures. Due to the unknown effect, timing and potential significance of such charges and expenses that impact GAAP diluted earnings per share, the Company is not able to provide such guidance.

Reconciliation of Selected GAAP Results to Non-GAAP Results

To supplement our financial results and guidance presented on a GAAP basis, we provide non-GAAP measures such as non-GAAP gross margin, non-GAAP operating margin, non-GAAP diluted earnings per share, as well as constant currency and organic revenue growth because we believe they are helpful for the investors to understand our consolidated operating results. Management uses supplemental non-GAAP financial measures internally to understand, manage and evaluate our business, to make operating decisions, and to plan and forecast for future periods. The non-GAAP measures exclude costs which we generally would not have otherwise incurred in the periods presented as a part of our continuing operations. We provide further details of the non-GAAP adjustments made to arrive at our non-GAAP measures in the GAAP to non-GAAP reconciliations below. Our non-GAAP financial results and guidance are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

To present constant currency revenue growth, current period revenue for entities reporting in currencies other than the United States dollar are converted into United States dollars at the average foreign exchange rates for the corresponding period in the prior year. To present organic revenue growth, we excluded the effect of foreign currency fluctuations and the impact of any acquisitions, divestitures and discontinuations that occurred in the comparable period.

We define the non-GAAP measure of free cash flow as cash provided by operating activities less capital expenditures. We believe free cash flow is useful for investors as an additional measure of liquidity because it represents cash that is available to grow the business, make strategic acquisitions, repay debt, or buyback common stock. Management uses free cash flow internally to understand, manage, make operating decisions and evaluate our business. In addition, we use free cash flow to help plan and forecast future periods.

Investors should consider non-GAAP financial measures in addition to, and not as replacements for, or superior to, measures of financial performance prepared in accordance with GAAP.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

GAAP to Non-GAAP Reconciliation Gross Margin, Operating Margin, and EPS

(In millions)	Three Months Ended October 31,				Twelve Months Ended October 31,			
	2024	Margin %	2023	Margin %	2024	Margin %	2023	Margin %
GAAP Gross Profit	\$ 677.7	67%	\$ 606.5	65%	\$ 2,595.7	67%	\$ 2,357.9	66%
Acquisition and integration-related charges ⁽¹⁾	2.9	—%	7.0	1%	4.3	—%	15.0	—%
Exit of business ⁽²⁾	—	—%	2.5	1%	2.8	—%	7.6	—%
Medical device regulations ⁽³⁾	0.4	—%	0.8	—%	3.2	—%	3.7	—%
Business optimization charges ⁽⁴⁾	0.6	—%	1.6	—%	5.0	—%	2.4	—%
Total	3.9	—%	11.9	2%	15.3	—%	28.7	—%
Non-GAAP Gross Profit	\$ 681.6	67%	\$ 618.4	67%	\$ 2,611.0	67%	\$ 2,386.6	66%

(In millions)	Three Months Ended October 31,				Twelve Months Ended October 31,			
	2024	Margin %	2023	Margin %	2024	Margin %	2023	Margin %

GAAP Operating Income	\$ 198.4	19 %	\$ 135.7	15 %	\$ 705.7	18 %	\$ 533.1	15 %
Amortization of acquired intangibles	50.2	5 %	46.5	5 %	201.2	5 %	186.2	5 %
Acquisition and integration-related charges (1)	7.2	1 %	21.5	2 %	20.6	1 %	57.3	2 %
Exit of business (2)	—	—%	13.6	1 %	4.0	—%	18.8	1 %
Medical device regulations (3)	4.0	1 %	5.0	1 %	19.8	1 %	17.9	—%
Business optimization charges (4)	2.9	—%	2.9	—%	18.3	—%	18.7	1 %
Acquisition termination fee (5)	—	—%	—	—%	—	—%	45.0	1 %
Release of contingent liability (6)	—	—%	—	—%	—	—%	(31.8)	(1)%
Other (7)	0.6	—%	1.3	—%	1.7	—%	5.6	—%
Total	64.9	7 %	90.8	9 %	265.6	7 %	317.7	9 %
Non-GAAP Operating Income	\$ 263.3	26 %	\$ 226.5	24 %	\$ 971.3	25 %	\$ 850.8	24 %

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

GAAP to Non-GAAP Reconciliation
Gross Margin, Operating Margin, and EPS

(In millions, except per share amounts)	Three Months Ended October 31,				Twelve Months Ended October 31,			
	2024	EPS	2023	EPS	2024	EPS	2023	EPS
GAAP Net Income	\$ 117.5	\$ 0.58	\$ 84.5	\$ 0.42	\$ 392.3	\$ 1.96	\$ 294.2	\$ 1.48
Amortization of acquired intangibles	50.2	0.26	46.5	0.24	201.2	1.00	186.2	0.93
Acquisition and integration-related charges (1)	7.2	0.04	21.5	0.11	20.6	0.10	57.3	0.29
Exit of business (2)	—	—	13.6	0.07	4.0	0.02	18.8	0.09
Medical device regulations (3)	4.0	0.02	5.0	0.03	19.8	0.10	17.9	0.09
Business optimization charges (4)	2.9	0.01	2.9	0.01	18.3	0.09	18.7	0.09
Acquisition termination fee (5)	—	—	—	—	—	—	45.0	0.23
Release of contingent liability (6)	—	—	—	—	—	—	(31.8)	(0.16)
Other (7)	3.5	0.02	2.9	0.01	12.9	0.06	12.0	0.06
Tax effects related to the above items	(13.5)	(0.07)	(32.4)	(0.16)	(61.1)	(0.30)	(86.5)	(0.43)
Intra-entity asset transfers (8)	36.7	0.18	28.7	0.14	132.5	0.66	106.5	0.53
Total	91.0	0.46	88.7	0.45	348.2	1.73	344.1	1.72
Non-GAAP Net Income	\$ 208.5	\$ 1.04	\$ 173.2	\$ 0.87	\$ 740.5	\$ 3.69	\$ 638.3	\$ 3.20
Weighted average diluted shares used	201.1		199.5		200.4		199.3	

EPS, amounts and percentages may not sum or recalculate due to rounding.

(1) Charges include the direct effects of acquisition accounting, such as amortization of inventory fair value step-up, professional services fees, regulatory fees and changes in fair value of contingent considerations, and items related to integrating acquired businesses, such as redundant personnel costs for transitional employees, other acquired employee related costs, and integration-related professional services, manufacturing integration costs, legal entity rationalization and other integration-related activities. The acquisition and integration-related charges in fiscal 2024 were primarily related to the Cook Medical acquisition and integration expenses. The acquisition and integration-related charges in fiscal 2023 were primarily related to the Generate acquisition and integration expenses.

Charges included \$2.9 million and \$8.4 million related to redundant personnel costs for transitional employees,

\$0.7 million and \$4.5 million of professional services fees, \$1.4 million and \$1.4 million of manufacturing integration costs, \$1.5 million and 1.5 million of inventory fair value step-up amortization, and \$0.7 million and \$4.1 million of other acquisition and integration-related activities in the three and twelve months ended October 31, 2024, respectively. The twelve months ended October 31, 2024 also included \$0.7 million regulatory fees.

Charges included \$7.5 million and \$21.9 million related to redundant personnel costs for transitional employees, \$6.5 million and \$16.2 million of professional services fees, \$2.9 million and \$6.5 million of manufacturing integration costs, \$3.1 million and \$5.0 million of legal entity rationalization costs, \$0.9 million and \$2.7 million regulatory fees, and \$0.6 million and \$5.0 million in other acquisition and integration-related activities, in the three and twelve months ended October 31, 2023, respectively.

(2) Charges include costs related to product line exits such as inventory write-offs, site closure costs, contract termination costs and specifically-identified long-lived asset write-offs.

Charges included \$2.3 million of write-offs of long-lived assets and \$1.7 million of other costs related to product line exits in the twelve months October 31, 2024. No charge related to product line exits was incurred in the three months ended October 31, 2024.

Charges included \$3.4 million and \$7.9 million of site closure costs related to the exit of the lens care business, \$0.4 million and \$1.1 million of other costs related to product line exits in the three and twelve months ended October 31, 2023, respectively. The fourth quarter of fiscal 2023 also included \$9.8 million of intangible assets impairment charge associated with the discontinuation of certain products.

(3) Charges represent incremental costs of complying with the new European Union (E.U.) medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses. We consider these costs to be limited to a specific time period.

(4) Charges represent the costs associated with initiatives to increase efficiencies across the organization and optimize our overall cost structure, including changes to our IT infrastructure and operations, employee severance costs, legal entity and other business reorganizations, write-offs or impairments of certain long-lived assets associated with the business optimization activities.

Charges included \$1.5 million and \$10.6 million of employee severance costs, \$1.0 million and \$4.1 million related to changes to our IT infrastructure and operation, and \$0.4 million and \$2.9 million of legal entity and other business reorganizations costs, in the three and twelve months ended October 31, 2024, respectively. The twelve months ended October 31, 2024 also included \$0.7 million of other optimization costs.

Charges included \$1.4 million and \$11.3 million of employee severance costs, \$1.4 million and \$1.9 million of legal entity and other business reorganizations costs, and \$0.3 million and \$5.9 million related to changes to our IT infrastructure and operations, partially offset by \$0.2 million and \$0.4 million of other items in the three and twelve months ended October 31, 2023, respectively.

(5) Amount represents an accrual for probable payment of a termination fee in connection with an asset purchase agreement in the second quarter of 2023, which was paid in August 2023.

(6) Amount represents the release the contingent consideration liability associated with SightGlass Vision's regulatory approval milestone in the first quarter of 2023.

(7) Charges include certain business disruptions from natural causes, litigation matters and other items that are not part of ordinary operations. The adjustments to arrive at non-GAAP net income also include gains and losses on minority interest investments and accretion of interest attributable to acquisition installment payables.

Charges included \$1.5 million and \$5.9 million of gains and losses on minority interest investments, \$1.4 million and \$5.5 million of accretion of interest attributable to acquisition installments payable, \$0.6 million and \$1.5 million related to legal matters in the three and twelve months ended October 31, 2024, respectively.

Charges included \$1.6 million and \$6.3 million of gains and losses on minority interest investments, and \$1.3 million and \$4.6 million related to legal matters in the three and twelve months ended October 31, 2023, respectively. The twelve months ended October 31, 2023 also included \$1.1 million of other items.

⁽⁸⁾ In fiscal 2021, the Company transferred its CooperVision intellectual property and goodwill to its UK subsidiary. As a result, we recorded a deferred tax asset equal to approximately \$2.0 billion as a one-time tax benefit in accordance with U.S. GAAP in fiscal 2021 as subsequently adjusted for changes in UK tax law. The non-GAAP adjustments reflect the ongoing net deferred tax benefit from tax amortization each period under UK tax law.

Audio Webcast and Conference Call

The Company will host an audio webcast today for the public, investors, analysts and news media to discuss its fourth quarter results and current corporate developments. The audio webcast will be broadcast live on CooperCompanies' website, www.investor.coopercos.com, at approximately 5:00 PM ET. It will also be available for replay on CooperCompanies' website, www.investor.coopercos.com. Alternatively, you can dial in to the conference call at 800-715-9871; conference ID 2026064.

About CooperCompanies

CooperCompanies (Nasdaq: COO) is a leading global medical device company focused on improving lives one person at a time. The Company operates through two business units, CooperVision and CooperSurgical. CooperVision is a trusted leader in the contact lens industry, improving the vision of millions of people every day. CooperSurgical is a leading fertility and women's health company dedicated to assisting women, babies and families at the healthcare moments that matter most. Headquartered in San Ramon, CA, CooperCompanies ("Cooper") has a workforce of more than 16,000 with products sold in over 130 countries. For more information, please visit www.coopercos.com.

Forward-Looking Statements

This earnings release contains "forward-looking statements" as defined by the Private Securities Litigation Reform Act of 1995. Statements relating to guidance, plans, prospects, goals, strategies, future actions, events or performance and other statements of which are other than statements of historical fact, including our fiscal year 2025 financial guidance are forward looking. In addition, all statements regarding anticipated growth in our revenues, anticipated effects of any product recalls, anticipated market conditions, planned product launches, restructuring or business transition expectations, regulatory plans, and expected results of operations and integration of any acquisition are forward-looking. To identify these statements look for words like "believes," "outlook," "probable," "expects," "may," "will," "should," "could," "seeks," "intends," "plans," "estimates" or "anticipates" and similar words or phrases. Forward-looking statements necessarily depend on assumptions, data or methods that may be incorrect or imprecise and are subject to risks and uncertainties.

Among the factors that could cause our actual results and future actions to differ materially from those described in forward-looking statements are: adverse changes in the global or regional general business, political and economic conditions including the impact of continuing uncertainty and instability of certain countries, man-made or natural disasters and pandemic conditions, that could adversely affect our global markets, and the potential adverse economic impact and related uncertainty caused by these items; the impact of international conflicts and the global response to international conflicts on the global and local economy, financial markets, energy markets, currency rates and our ability to supply product to, or through, affected countries; our substantial and expanding international operations and the challenges of managing an organization spread throughout multiple countries and complying with a variety of legal, compliance and regulatory requirements; foreign currency exchange rate and interest rate fluctuations including the risk of fluctuations in the value of foreign currencies or interest rates that would decrease our net sales and earnings; our existing and future variable rate indebtedness and associated interest expense is impacted by rate increases, which could adversely affect our financial health or limit our ability to borrow additional funds; changes in tax laws, examinations by tax authorities, and changes in our geographic composition of income; acquisition-related adverse effects including the failure to successfully achieve the anticipated net sales, margins and earnings benefits of acquisitions, integration delays or costs and the requirement to record

significant adjustments to the preliminary fair value of assets acquired and liabilities assumed within the measurement period, required regulatory approvals for an acquisition not being obtained or being delayed or subject to conditions that are not anticipated, adverse impacts of changes to accounting controls and reporting procedures, contingent liabilities or indemnification obligations, increased leverage and lack of access to available financing (including financing for the acquisition or refinancing of debt owed by us on a timely basis and on reasonable terms); compliance costs and potential liability in connection with U.S. and foreign laws and health care regulations pertaining to privacy and security of personal information such as the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the California Consumer Privacy Act (CCPA) in the U.S. and the General Data Protection Regulation (GDPR) requirements in Europe, including but not limited to those resulting from data security breaches; a major disruption in the operations of our manufacturing, accounting and financial reporting, research and development, distribution facilities or raw material supply chain due to challenges associated with integration of acquisitions, man-made or natural disasters, pandemic conditions, cybersecurity incidents or other causes; a major disruption in the operations of our manufacturing, accounting and financial reporting, research and development or distribution facilities due to the failure to perform by third-party vendors, including cloud computing providers or other technological problems, including any related to our information systems maintenance, enhancements or new system deployments, integrations or upgrades; a successful cybersecurity attack which could interrupt or disrupt our information technology systems, or those of our third-party service providers, or cause the loss of confidential or protected data; market consolidation of large customers globally through mergers or acquisitions resulting in a larger proportion or concentration of our business being derived from fewer customers; disruptions in supplies of raw materials, particularly components used to manufacture our silicone hydrogel lenses; new U.S. and foreign government laws and regulations, and changes in existing laws, regulations and enforcement guidance, which affect areas of our operations including, but not limited to, those affecting the health care industry, including the contact lens industry specifically and the medical device or pharmaceutical industries generally, including but not limited to the EU Medical Devices Regulation (MDR), and the EU In Vitro Diagnostic Medical Devices Regulation (IVDR); legal costs, insurance expenses, settlement costs and the risk of an adverse decision, prohibitive injunction or settlement related to product liability, patent infringement, contractual disputes, or other litigation; limitations on sales following product introductions due to poor market acceptance; new competitors, product innovations or technologies, including but not limited to, technological advances by competitors, new products and patents attained by competitors, and competitors' expansion through acquisitions; reduced sales, loss of customers, reputational harm and costs and expenses, including from claims and litigation related to product recalls and warning letters; failure to receive, or delays in receiving, regulatory approvals or certifications for products; failure of our customers and end users to obtain adequate coverage and reimbursement from third-party payers for our products and services; the requirement to provide for a significant liability or to write off, or accelerate depreciation on, a significant asset, including goodwill, other intangible assets and idle manufacturing facilities and equipment; the success of our research and development activities and other start-up projects; dilution to earnings per share from acquisitions or issuing stock; impact and costs incurred from changes in accounting standards and policies; risks related to environmental laws and requirements applicable to our facilities, products or manufacturing processes, including evolving regulations regarding the use of hazardous substances or chemicals in our products; risks related to environmental, social and corporate governance (ESG) issues, including those related to regulatory and disclosure requirements, climate change and sustainability; and other events described in our Securities and Exchange Commission filings, including the "Business", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2024, as such Risk Factors may be updated in annual and quarterly filings.

We caution investors that forward-looking statements reflect our analysis only on their stated date. We disclaim any intent to update them except as required by law.

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THE COOPER COMPANIES, INC. AND SUBSIDIARIES

Consolidated Condensed Balance Sheets

(In millions)
(Unaudited)

	<u>October 31, 2024</u>	<u>October 31, 2023</u>
ASSETS		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 107.6	\$ 120.8
Trade receivables, net	717.0	609.7
Inventories	802.7	735.6
Prepaid expenses and other current assets	324.2	238.8
Total current assets	1,951.5	1,704.9
Property, plant and equipment, net	1,863.4	1,632.6
Goodwill	3,838.4	3,624.5
Other intangibles, net	1,791.0	1,710.3
Deferred tax assets	2,210.3	2,349.5
Other assets	660.6	637.1
Total assets	<u>\$ 12,315.2</u>	<u>\$ 11,658.9</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 33.3	\$ 45.4
Accounts Payable	260.5	261.9
Employee compensation and benefits	174.8	174.8
Deferred revenue	129.9	123.6
Other current liabilities	424.3	363.3
Total current liabilities	1,022.8	969.0
Long-term debt	2,550.4	2,523.8
Deferred tax liabilities	96.0	101.5
Long-term tax payable	57.5	90.2
Deferred revenue	193.3	184.2
Other liabilities	311.6	239.2
Total liabilities	4,231.6	4,107.9
Stockholders' equity	8,083.6	7,551.0
Total liabilities and stockholders' equity	<u>\$ 12,315.2</u>	<u>\$ 11,658.9</u>

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

Consolidated Statements of Income

(In millions, except per share amounts)
(Unaudited)

	<u>Three Months Ended October 31,</u>		<u>Year Ended October 31,</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Net sales	\$ 1,018.4	\$ 927.1	\$ 3,895.4	\$ 3,593.2
Cost of sales	340.7	320.6	1,299.7	1,235.3
Gross profit	677.7	606.5	2,595.7	2,357.9
Selling, general and administrative expense	391.4	387.6	1,533.7	1,501.2
Research and development expense	37.7	36.7	155.1	137.4
Amortization of intangibles	50.2	46.5	201.2	186.2
Operating income	198.4	135.7	705.7	533.1
Interest expense	27.0	26.3	114.3	105.3
Other expense (income), net	2.8	3.0	9.1	14.9

Income before income taxes	168.6	106.4	582.3	412.9
Provision for income taxes	51.1	21.9	190.0	118.7
Net income	<u>\$ 117.5</u>	<u>\$ 84.5</u>	<u>\$ 392.3</u>	<u>\$ 294.2</u>
Earnings per share - diluted	<u>\$ 0.58</u>	<u>\$ 0.42</u>	<u>\$ 1.96</u>	<u>\$ 1.48</u>
Number of shares used to compute diluted earnings per share	<u>201.1</u>	<u>199.5</u>	<u>200.4</u>	<u>199.3</u>

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

GAAP to Non-GAAP Reconciliation

Constant Currency Revenue Growth and Organic Revenue Growth

Net Sales

	(In millions)	% change y/y				
		Reported	Currency Impact	Constant Currency	Acquisitions and Divestitures	Organic
CooperVision	\$ 676.4	9 %	(1)%	8 %	— %	8 %
CooperSurgical	342.0	12 %	—%	12 %	(7)%	5 %
Total	<u>\$ 1,018.4</u>	10 %	(1)%	9 %	(2)%	7 %