UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended April 30, 2022

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from to

Commission File Number 1-8597

The Cooper Companies, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**94-2657368**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

6101 Bollinger Canyon Road, Suite 500,

San Ramon, California 94583

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (925) 460-3600

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, $.10 par value	COO	The New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.): Yes ☐ No ☒

On May 27, 2022, 49,336,487 shares of Common Stock, $0.10 par value, were outstanding.

INDEX

		Page No.
PART I.	FINANCIAL INFORMATION	
Item 1.	Unaudited Financial Statements	
	Consolidated Statements of Income and Comprehensive Income	3
	Consolidated Condensed Balance Sheets	4
	Consolidated Condensed Statements of Stockholders' Equity	5
	Consolidated Condensed Statements of Cash Flows	7
	Notes to Consolidated Condensed Financial Statements	8
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	24
Item 3.	Quantitative and Qualitative Disclosure About Market Risk	42
Item 4.	Controls and Procedures	42
PART II.	OTHER INFORMATION	
Item 1.	Legal Proceedings	44
Item 1A.	Risk Factors	44
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	44
Item 3.	Defaults Upon Senior Securities	44
Item 4.	Mine Safety Disclosures	44
Item 5.	Other Information	44
Item 6.	Exhibits	45
Signature		46

PART I. FINANCIAL INFORMATION
Item 1. Unaudited Financial Statements
THE COOPER COMPANIES, INC. AND SUBSIDIARIES

Consolidated Statements of Income and Comprehensive Income
Periods Ended April 30,
(In millions, except for earnings per share)
(Unaudited)

	Three Months		Six Months	
	2022	2021	2022	2021
Net sales	$ 829.8	$ 719.5	$ 1,616.9	$ 1,400.0
Cost of sales	297.3	232.4	566.0	462.2
Gross profit	532.5	487.1	1,050.9	937.8
Selling, general and administrative expense	322.4	285.8	641.5	547.0
Research and development expense	26.3	21.0	52.4	42.4
Amortization of intangibles	51.1	37.1	93.4	71.8
Operating income	132.7	143.2	263.6	276.6
Interest expense	10.8	6.1	17.4	12.5
Other (income) expense, net	(41.8)	0.7	(39.4)	(11.8)
Income before income taxes	163.7	136.4	285.6	275.9
Provision for income taxes (Note 6)	37.1	18.9	63.8	(1,942.7)
Net income	$ 126.6	$ 117.5	$ 221.8	$ 2,218.6
Earnings per share (Note 7):				
Basic	$ 2.57	$ 2.39	$ 4.49	$ 45.12
Diluted	$ 2.55	$ 2.36	$ 4.45	$ 44.65
Number of shares used to compute earnings per share:				
Basic	49.3	49.2	49.4	49.2
Diluted	49.7	49.7	49.8	49.7
Other comprehensive income, net of tax:				
Cash flow hedges	$ 39.3	$ 15.2	$ 52.7	$ 19.7
Foreign currency translation adjustment	(96.6)	18.9	(145.8)	105.1
Comprehensive income	$ 69.3	$ 151.6	$ 128.7	$ 2,343.4

The accompanying notes are an integral part of these Consolidated Condensed Financial Statements.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

Consolidated Condensed Balance Sheets
(In millions, unaudited)

	April 30, 2022	October 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 399.2	$ 95.9
Trade accounts receivable, net of allowance for credit losses of $13.8 at April 30, 2022, and $9.2 at October 31, 2021	532.0	515.3
Inventories (Note 3)	603.8	585.6
Prepaid expense and other current assets	203.2	179.3
Assets held-for-sale	—	89.2
Total current assets	1,738.2	1,465.3
Property, plant and equipment, at cost	2,719.1	2,655.7
Less: accumulated depreciation and amortization	1,353.5	1,308.1
	1,365.6	1,347.6
Operating lease right-of-use assets	249.9	257.0
Goodwill (Note 4)	3,719.4	2,574.0
Other intangibles, net (Note 4)	1,907.4	1,271.5
Deferred tax assets	2,480.1	2,546.6
Other assets	317.4	144.2
Total assets	$ 11,778.0	$ 9,606.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt (Note 5)	$ 905.7	$ 82.9
Accounts payable	184.1	161.4
Employee compensation and benefits	120.0	148.7
Operating lease liabilities	36.2	35.7
Other current liabilities	402.4	301.7
Liabilities held-for-sale	—	1.7
Total current liabilities	1,648.4	732.1
Long-term debt (Note 5)	2,346.7	1,396.1
Deferred tax liabilities	131.6	24.1
Long-term tax payable	126.1	139.6
Operating lease liabilities	226.0	231.7
Accrued pension liability and other	285.4	140.6
Total liabilities	$ 4,764.2	$ 2,664.2
Contingencies (Note 12)		
Stockholders' equity:		
Preferred stock, $10 cents par value, 1.0 shares authorized, zero shares issued or outstanding	—	—
Common stock, $10 cents par value, 120.0 shares authorized, 53.8 issued and 49.3 outstanding at April 30, 2022, and 53.7 issued and 49.3 outstanding at October 31, 2021	5.4	5.4
Additional paid-in capital	1,736.8	1,715.2
Accumulated other comprehensive loss	(434.5)	(341.3)
Retained earnings	6,422.5	6,202.1
Treasury stock at cost: 4.6 shares at April 30, 2022, and 4.4 shares at October 31, 2021	(716.6)	(639.6)
Total Cooper stockholders' equity	7,013.6	6,941.8
Noncontrolling interests	0.2	0.2
Stockholders' equity (Note 9)	7,013.8	6,942.0
Total liabilities and stockholders' equity	$ 11,778.0	$ 9,606.2

The accompanying notes are an integral part of these Consolidated Condensed Financial Statements.

Consolidated Condensed Statements of Stockholders' Equity
(In millions, unaudited)

	Common Shares		Treasury Stock							
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Treasury Stock	Noncontrolling Interests	Total Stockholders' Equity
Balance at November 1, 2020	49.1	$ 4.9	4.3	$ 0.4	$ 1,646.8	$ (472.0)	$ 3,261.8	$ (617.3)	$ 0.2	$ 3,824.8
Net income	—	—	—	—	—	—	2,101.1	—	—	2,101.1
Other comprehensive income, net of tax	—	—	—	—	—	90.7	—	—	—	90.7
Issuance of common stock for stock plans, net	0.1	—	—	—	(11.0)	—	—	—	—	(11.0)
Issuance of common stock for employee stock purchase plan	—	—	—	—	0.8	—	—	0.6	—	1.4
Dividends on common stock ($0.03 per share)	—	—	—	—	—	—	(1.5)	—	—	(1.5)
Share-based compensation expense	—	—	—	—	10.6	—	—	—	—	10.6
Treasury stock repurchase	(0.1)	—	0.1	—	—	—	—	(24.8)	—	(24.8)
ASU 2016-13 adoption	—	—	—	—	—	—	(1.4)	—	—	(1.4)
Balance at January 31, 2021	49.1	$ 4.9	4.4	$ 0.4	$ 1,647.2	$ (381.3)	$ 5,360.0	$ (641.5)	$ 0.2	$ 5,989.9
Net income	—	—	—	—	—	—	117.5	—	—	117.5
Other comprehensive income, net of tax	—	—	—	—	—	34.1	—	—	—	34.1
Issuance of common stock for stock plans, net	0.1	0.1	—	—	9.7	—	—	—	—	9.8
Issuance of common stock for employee stock purchase plan	—	—	—	—	0.9	—	—	0.6	—	1.5
Share-based compensation expense	—	—	—	—	10.0	—	—	—	—	10.0
Treasury stock repurchase	—	—	—	—	—	—	—	—	—	—
Balance at April 30, 2021	49.2	$ 5.0	4.4	$ 0.4	$ 1,667.8	$ (347.2)	$ 5,477.5	$ (640.9)	$ 0.2	$ 6,162.8

Consolidated Condensed Statements of Stockholders' Equity
(In millions, unaudited)

	Common Shares		Treasury Stock							
	Shares	Amount	Shares	Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Treasury Stock	Noncontrolling Interests	Total Stockholders' Equity
Balance at November 1, 2021	49.3	$ 5.0	4.4	$ 0.4	$ 1,715.2	$ (341.3)	$ 6,202.1	$ (639.6)	$ 0.2	$ 6,942.0
Net income	—	—	—	—	—	—	95.3	—	—	95.3
Other comprehensive income, net of tax	—	—	—	—	—	(35.9)	—	—	—	(35.9)
Issuance of common stock for stock plans, net	0.1	—	—	—	(10.0)	—	—	—	—	(10.0)
Issuance of common stock for employee stock purchase plan	—	—	—	—	1.2	—	—	0.7	—	1.9
Dividends on common stock ($0.03 per share)	—	—	—	—	—	—	(1.5)	—	—	(1.5)
Share-based compensation expense	—	—	—	—	12.8	—	—	—	—	12.8
Treasury stock repurchase	(0.2)	—	0.2	—	—	—	—	(78.5)	—	(78.5)
Balance at January 31, 2022	49.2	$ 5.0	4.6	$ 0.4	$ 1,719.2	$ (377.2)	$ 6,295.9	$ (717.4)	$ 0.2	$ 6,926.1
Net income	—	—	—	—	—	—	126.6	—	—	126.6
Other comprehensive income, net of tax	—	—	—	—	—	(57.3)	—	—	—	(57.3)
Issuance of common stock for stock plans, net	0.1	—	—	—	3.5	—	—	—	—	3.5
Issuance of common stock for employee stock purchase plan	—	—	—	—	1.4	—	—	0.8	—	2.2
Share-based compensation expense	—	—	—	—	12.7	—	—	—	—	12.7
Treasury stock repurchase	—	—	—	—	—	—	—	—	—	—
Balance at April 30, 2022	49.3	$ 5.0	4.6	$ 0.4	$ 1,736.8	$ (434.5)	$ 6,422.5	$ (716.6)	$ 0.2	$ 7,013.8

The accompanying notes are an integral part of these Consolidated Condensed Financial Statements.

THE COOPER COMPANIES, INC. AND SUBSIDIARIES

Consolidated Condensed Statements of Cash Flows
Six Months Ended April 30,
(In millions, unaudited)

	2022	2021
Cash flows from operating activities:		
Net income	$ 221.8	$ 2,218.6
Depreciation and amortization	175.4	153.0
Settlement of contingent consideration (Note 2)	(40.7)	—
Increase in operating capital	(52.4)	(61.4)
Deferred income taxes	35.6	(1,977.6)
Other non-cash items	(41.9)	7.7
Net cash provided by operating activities	297.8	340.3
Cash flows from investing activities:		
Purchases of property, plant and equipment	(100.5)	(105.8)
Acquisitions of businesses and assets, net of cash acquired, and other	$ (1,637.1)	(170.9)
Proceeds from sale of interest in a subsidiary (Note 2)	52.6	—
Net cash used in investing activities	$ (1,685.0)	(276.7)
Cash flows from financing activities:		
Proceeds from long-term debt	1,503.0	486.3
Repayments of long-term debt	(549.0)	(545.6)
Net proceeds from short-term debt	832.3	5.4
Net payments related to share-based compensation awards	(7.5)	(1.3)
Dividends on common stock	(1.5)	(1.5)
Repurchase of common stock	(78.5)	(24.8)
Issuance of common stock for employee stock purchase plan	3.4	2.5
Debt issuance costs	(3.5)	—
Settlement of contingent consideration (Note 2)	(2.2)	—
Net cash provided by (used in) financing activities	1,696.5	(79.0)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(6.3)	5.0
Net increase in cash, cash equivalents and restricted cash	303.0	(10.4)
Cash, cash equivalents and restricted cash at beginning of period	96.6	116.8
Cash, cash equivalents and restricted cash at end of period	$ 399.6	$ 106.4
Reconciliation of cash flow information:		
Cash and cash equivalents	$ 399.2	$ 105.9
Restricted cash included in other current assets	0.4	0.5
Total cash, cash equivalents and restricted cash	$ 399.6	$ 106.4

The accompanying notes are an integral part of these Consolidated Condensed Financial Statements.

Note 1. General

The accompanying Consolidated Condensed Financial Statements of the Cooper Companies, Inc. and its subsidiaries (the Company) have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") for interim financial information and with the requirements of Regulation S-X, Rule 10-01 for financial statements required to be filed as a part of this Quarterly Report on Form 10-Q. Unless the context requires otherwise, terms "the Company", "we", "us", and "our" are used to refer collectively to the Cooper Companies, Inc. and its subsidiaries.

The accompanying Consolidated Condensed Financial Statements and related notes are unaudited and should be read in conjunction with the audited Consolidated Financial Statements of the Cooper Companies, Inc. and its subsidiaries (the Company) and related notes as contained in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2021. The Consolidated Condensed Financial Statements include all adjustments (consisting only of normal recurring adjustments) and accruals necessary in the judgment of management for a fair presentation of the results for the interim periods presented. Readers should not assume that the results reported here either indicate or guarantee future performance.

Accounting Policies

There have been no material changes to our significant accounting policies described in our Annual Report on Form 10-K for the fiscal year ended October 31, 2021.

Estimates

The World Health Organization categorized the Coronavirus disease 2019 (COVID-19) as a pandemic. The COVID-19 pandemic has caused a severe global health crisis, along with economic and societal disruptions and uncertainties, which have negatively impacted business and healthcare activity globally. As a result of healthcare systems responding to the demands of managing the pandemic, governments around the world imposing measures designed to reduce the transmission of the COVID-19 virus, and individuals responding to the concerns of contracting the COVID-19 virus, many optical practitioners & retailers, hospitals, medical offices and fertility clinics closed their facilities, restricted access, or delayed or canceled patient visits, exams and elective medical procedures, and many customers that have reopened are experiencing reduced patient visits. These factors have had, and in the future may continue to have, an adverse effect on our sales, operating results and cash flows.

The preparation of Consolidated Condensed Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of net sales and expenses during the reporting period. Actual results could differ from those estimates particularly as it relates to estimates reliant on forecasts and other assumptions reasonably available to the Company and the uncertain future impacts of the COVID-19 pandemic and related economic disruptions. The extent to which the COVID-19 pandemic and related economic disruptions impact our business and financial results will depend on future developments including, but not limited to, the continued spread, duration and severity of the COVID-19 pandemic; the occurrence, spread, duration and severity of any subsequent wave or waves of outbreaks, including the emergence and spread of variants of the COVID-19 virus; the actions taken by the U.S. and foreign governments to contain the COVID-19 pandemic, address its impact or respond to the reduction in global and local economic activity; the occurrence, duration and severity of a global, regional or national recession, depression or other sustained adverse market event; the impact of the developments described above on our customers and suppliers; and how quickly and to what extent normal economic and operating conditions can resume. The accounting matters assessed included, but were not limited to:

- allowance for doubtful accounts and credit losses
- the carrying value of inventory
- the carrying value of goodwill and other long-lived assets

There was not a material impact to the above estimates in the Company's Consolidated Condensed Financial Statements for the three and six months ended April 30, 2022. The Company continually monitors and evaluates the estimates used as additional information becomes available. Adjustments will be made to these provisions periodically to reflect new facts and circumstances that may indicate that historical experience may not be indicative of current and/or future results. The Company's future assessment of the magnitude and duration of COVID-19, as well as other factors, could result in material changes to the estimates and material impacts to the Company’s Consolidated Condensed Financial Statements in future reporting periods.

Exit costs

During the second quarter of fiscal 2022, the Company initiated a plan to exit its contact lens care business, a non-core business unit of the CooperVision segment. We expect the exit activity to be completed by the end of fiscal 2022. Exit charges recognized in the three months ended April 30, 2022, were $20.7 million, of which $17.4 million is recognized in cost of sales and $3.3 million is recognized in selling, general, and administrative expense in the Consolidated Statements of Income. Exit costs primarily related to inventory write-down, asset impairments and employee-related costs. Total exit costs are expected to be in a range of $30.0 million to $40.0 million.

Accounting Pronouncements Recently Adopted

In December 2019, the Financial Accounting Standards Board (FASB) issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. This guidance removes certain exceptions to the general principles in Topic 740 and enhances and simplifies various aspects of the income tax accounting guidance, including requirements such as tax basis step-up in goodwill obtained in a transaction that is not a business combination, ownership changes in investments, and interim-period accounting for enacted changes in tax law. This standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company adopted this guidance on November 1, 2021, and it did not have an impact on the Consolidated Condensed Financial Statements.

In August 2020, the FASB issued ASU 2020-06, *Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40)*. This update amends the guidance on convertible instruments and the derivatives scope exception for contracts in an entity's own equity and improves and amends the related EPS guidance for both Subtopics. This standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2021. Early adoption is permitted but no earlier than fiscal years beginning after December 15, 2020, including interim periods within those fiscal years. The Company early adopted this guidance on November 1, 2021, and it did not have an impact on the Consolidated Condensed Financial Statements.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*. This update requires that an acquirer recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606, *Revenue from Contracts with Customers*. This standard is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2022, and should be applied prospectively to business combinations occurring on or after the effective date of the standard. Early adoption is permitted, including adoption in an interim period. The Company early adopted this guidance on November 1, 2021, and has applied the guidance to the business combinations entered into during fiscal 2022. Refer to Note 2. Acquisitions and Joint Venture for further information.

Accounting Pronouncements Issued Not Yet Adopted

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform* (*Topic 848*): *Facilitation of the Effects of Reference Rate Reform on Financial Reporting* and subsequent amendment to the initial guidance: ASU 2021-01, *Reference Rate Reform (Topic 848): Scope* (collectively, “Topic 848”). Topic 848 provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The amendments apply only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The guidance generally can be applied from March 12, 2020 through December 31, 2022. The Company is currently assessing the impacts of the practical expedients provided in Topic 848 and which, if any, the Company will adopt.

In November 2021, the FASB issued ASU 2021-10, *Government Assistance (Topic 832): Disclosures by Business Entities about Government Assistance*. This update requires annual disclosures about transactions with a government that are accounted for by applying a grant or contribution accounting model by analogy. This standard is effective for fiscal years beginning after December 15, 2021, and should be applied either prospectively or retrospectively. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2021-10 on the Consolidated Condensed Financial Statements.

No other recently issued accounting pronouncements had or are expected to have a material impact on the Company's Consolidated Condensed Financial Statements.

Note 2. Acquisitions and Joint Venture

The following is a summary of the allocation of the total purchase consideration for business and asset acquisitions that the Company completed during the six months ended April 30, 2022, and fiscal 2021:

(In millions)	April 30, 2022	October 31, 2021
Technology	$ 1.8	$ 178.6
In-Process Research & Development (IPR&D)	—	20.0
Customer relationships	679.7	7.5
Trademarks	55.3	1.3
Other	—	0.6
Total identifiable intangible assets	$ 736.8	$ 208.0
Goodwill	1,239.2	91.6
Net tangible liabilities	(295.6)	(10.8)
Fair value of contingent consideration	(1.5)	(39.1)
Total closing purchase price	$ 1,678.9	$ 249.7

All acquisitions were funded by cash generated from operations or facility borrowings.

For business acquisitions, the Company recorded tangible and intangible assets acquired and liabilities assumed at their fair values as of the applicable date of acquisition. For asset acquisitions, the Company recorded tangible and intangible assets acquired and liabilities assumed at their estimated and relative fair values as of the applicable date of acquisition.

The Company believes these acquisitions strengthen CooperSurgical's and CooperVision's businesses through the addition of new distributors or complementary products and services.

Fiscal Year 2022

On April 6, 2022, CooperSurgical completed the acquisition of a private cryopreservation services company that specializes in cryogenic services. The purchase price allocation is preliminary, and the Company is in the process of finalizing information primarily related to the valuation of intangible assets and property, plant and equipment and the corresponding impact on goodwill.

Refer to "Fiscal Year 2021" below for details on formation of a joint venture with Essilor International and related activities that occurred in fiscal year 2022 following the acquisition of SightGlass Vision, Inc. (SGV) in fiscal year 2021.

On February 7, 2022, CooperSurgical entered into a binding letter of intent to acquire Cook Medical's Reproductive Health business, a manufacturer of minimally invasive medical devices focused on the fertility, obstetrics and gynecology markets. The aggregate consideration is $875.0 million in cash, with $675.0 million payable at the closing and the remaining $200.0 million payable in $50.0 million installments following each of the first, second, third and fourth anniversaries of the closing. The transaction is subject to customary closing conditions, including entry into a definitive acquisition agreement and regulatory approvals, and compliance with local consultation requirements.

Generate Life Sciences®

On December 17, 2021, CooperSurgical completed the acquisition of 100% of the equity interests in Generate Life Sciences (Generate), a privately held leading provider of donor egg and sperm for fertility treatments, fertility cryopreservation services and newborn stem cell storage (cord blood & cord tissue), and paid an aggregate purchase consideration of approximately $1.663 billion, reflecting working capital, and other adjustments. The cash consideration was funded through a combination of $1.5 billion in proceeds from the issuance of a senior unsecured term loan and available cash on hand.

The Company has accounted for the acquisition of Generate as a business combination, in accordance with ASC Topic 805, *Business Combinations*. The following table summarizes the preliminary fair values of assets acquired and liabilities assumed as of the acquisition date:

(In millions)		
Current assets:		
Cash and cash equivalents	$	58.6
Trade accounts receivable, net		23.3
Inventories		4.0
Prepaid expense and other current assets		29.9
Total current assets		115.8
Property, plant and equipment		35.9
Operating lease right-of-use assets		21.4
Goodwill		1,230.4
Customer relationships		671.9
Trademarks		54.9
Deferred tax assets		15.7
Other assets		0.8
Total assets acquired	$	2,146.8
Current liabilities:		
Accounts payable	$	12.6
Employee compensation and benefits		12.3
Operating lease liabilities		2.5
Deferred revenue		68.4
Other current liabilities		15.1
Total current liabilities		110.9
Deferred tax liabilities		140.3
Operating lease liabilities		18.8
Deferred revenue		212.5
Other liabilities		1.2
Total liabilities assumed	$	483.7
Total purchase price	$	1,663.1

The purchase accounting is incomplete and subject to change during the measurement period, which may result in material changes to the purchase price allocation. The Company is in the process of finalizing information primarily related to the valuation of intangible assets and property, plant and equipment, the measurement of deferred revenue, the associated deferred tax adjustments and the corresponding impact on goodwill. The Company recorded a measurement period adjustment of $62.2 million to goodwill in the second quarter of fiscal 2022 ended April 30, 2022.

Deferred revenue was recognized in accordance with ASC Topic 606, *Revenue from Contracts with Customers*, as a result of the adoption of ASU 2021-08. See Note 1. General for additional information.

The Company currently estimates that customer relationships will be amortized over 13 years and trademarks will be amortized over 14 years. Goodwill is primarily attributable to assembled workforce and expected synergies to be achieved. The goodwill recognized is not deductible for tax purposes.

The transaction costs associated with the acquisition consisted primarily of legal, regulatory and financial advisory fees, which were expensed as incurred as selling, general and administrative expense.

Generate's revenue and net income for the period from the acquisition date to April 30, 2022, were $104.8 million and $4.2 million, respectively. The following unaudited pro forma information summarizes the combined results of operations of the Company and Generate as if the acquisition had been completed at the beginning of the Company’s fiscal 2021:

	Three months ended April 30,		Six months ended April 30,	
(In millions)	2022	2021	2022	2021
Revenue	$ 830.0	$ 788.3	$ 1,653.0	$ 1,532.4
Net income	$ 125.8	$ 111.3	$ 205.8	$ 2,222.8

The unaudited pro forma information for the first six months of fiscal 2022 and 2021 was calculated after applying the Company's accounting policies and the impact of acquisition date fair value adjustments. The adjustments primarily include increased amortization for the fair value of acquired intangible assets, increased depreciation for the fair value of acquired property, plant, and equipment, increased revenue as a result of the ASU 2021-08 deferred revenue adjustments, decreased interest expense as a result of the reversal of Generate's historical interest expense partially offset by additional interest expense on the debt obtained to finance the transaction.

The pro forma information does not reflect the effect of costs or synergies that would have been expected to result from the integration of the acquisition. The pro forma information does not purport to be indicative of the results of operations that actually would have resulted had the acquisition occurred at the beginning of fiscal 2021, or of future results of the consolidated entities.

Fiscal Year 2021

On May 3, 2021, CooperSurgical completed the acquisition of a privately-held medical device company that develops single-use illuminating medical devices. The purchase price allocation is preliminary, and the Company is in the process of finalizing information primarily related to the valuation of intangible assets and inventory, the associated deferred tax adjustments and the corresponding impact on goodwill.

On April 26, 2021, CooperVision completed the acquisition of a privately-held UK contact lens manufacturer focusing on specialty contact lenses. This acquisition expands CooperVision’s specialty eye care portfolio and accelerates its development of myopia management solutions in the UK.

On March 1, 2021, CooperSurgical completed the acquisition of a privately-held medical device company that designed and developed an innovative obstetric product for use in urgent obstetrics to reduce risks associated with childbirth.

On February 1, 2021, CooperSurgical acquired all of the remaining equity interests of a privately-held medical device company that developed the Mara® Water Vapor Ablation System, which is used for endometrial ablation. The Company accounted for this acquisition as an asset acquisition, whereby the Company allocated the total cost of the acquisition to the net assets acquired on the basis of their estimated relative fair values on the acquisition date with no goodwill recognized. The primary asset acquired in this asset acquisition is Technology.

On January 19, 2021, CooperVision acquired all of the remaining equity interests of SGV, a privately-held medical device company that developed spectacle lenses for myopia management. The transaction included potential payments of future consideration that were contingent upon the achievement of the regulatory approval milestone (the regulatory approval payment) and the acquired business reaching certain revenue thresholds over a specified period (the revenue payments). The undiscounted range of the contingent consideration was zero to $139.1 million payable to the other former equity interest owners.

The fair value of the regulatory approval payment was determined using an option pricing framework based on the expected payment under the contractual terms and the estimates of the probability of achieving the regulatory approval. The fair value of the revenue payments was determined using a Monte Carlo simulation based on the revenue projections and the expected payment for each simulation.

In March 2022, the entities amended the terms of the contingent consideration, which resulted in CooperVision paying $42.9 million to the former equity interest owners in exchange for the elimination of the revenue payments. As a result, during the three and six months ended April 30, 2022, CooperVision recognized a net gain of $15.7 million and $12.2 million, respectively. As of April 30, 2022, the remaining contingent liability related to regulatory approval payment was $31.8 million.

Further, in March 2022, CooperVision and Essilor International SAS (Essilor) executed the Contribution Agreement and Stock Purchase Agreement (the “Agreements”) whereby Essilor paid CooperVision $52.6 million in exchange for 50% interest in SGV and their proportionate share of the revenue payments. As part of the Agreements, each party contributed their interest in SGV and $10 million in cash to form a new joint venture. CooperVision then remeasured the fair value of its retained equity investment in the joint venture at $90.0 million which resulted in a $57.4 million gain in Other (income) expense on deconsolidation of SGV.

The fair value of the joint venture was determined using the income valuation approach. Under the income approach, we used a discounted cash flow model ("DCF") in which cash flows anticipated over several periods, plus a terminal value at the end of that time horizon, are discounted to their present value using an appropriate expected rate of return. The discount rate used for cash flows reflects capital market conditions and the specific risks associated with the business. This valuation approaches is considered a Level 3 fair value measurement. Fair value determination requires complex assumptions and judgment by management in projecting future operating results, selecting guideline companies for comparisons, determining appropriate market value multiples, selecting the discount rate to measure the risks inherent in the future cash flows. Any material changes in key assumptions, including failure to meet business plans, deterioration in the financial market, an increase in interest rate or an increase in the cost of equity financing by market participants within the industry or other unanticipated events and circumstances, may affect such estimates.

On December 31, 2020, CooperSurgical completed the acquisition of a privately-held in vitro fertilization (IVF) cryo-storage software solutions company.

The pro forma results of operations of these acquisitions have not been presented because the effect of the business combinations described above was not material to the consolidated results of operations.

Contingent Consideration

Certain of the Company's business combinations involve potential payments of future consideration that are contingent upon the achievement of regulatory milestones and/or the acquired business reaching certain revenue thresholds. A liability is recorded for the estimated fair value of the contingent consideration on the acquisition date. The fair value of the contingent consideration is remeasured at each reporting period, and the change in fair value is recognized in selling, general and administrative expense in the Consolidated Statements of Income and Comprehensive Income.

The following table provides a reconciliation of the beginning and ending balances of contingent consideration:

Periods Ended April 30,	Three Months		Six Months	
(In millions)	2022	2021	2022	2021
Beginning balance	$ 100.9	$ 30.2	$ 97.4	$ —
Purchase price contingent consideration	1.5	0.6	1.5	30.8
Payments	(42.9)	—	(42.9)	—
Change in fair value	(13.9)	—	(10.4)	—
Ending balance	$ 45.6	$ 30.8	$ 45.6	$ 30.8

Note 3. Inventories

(In millions)	April 30, 2022	October 31, 2021
Raw materials	$ 157.8	$ 137.7
Work-in-process	12.8	14.0
Finished goods	433.2	433.9
Total inventories	$ 603.8	$ 585.6

Inventories are stated at the lower of cost and net realizable value. Cost is computed using standard cost that approximates actual cost, on a first-in, first-out basis.

Note 4. Intangible Assets

Goodwill

(In millions)	CooperVision	CooperSurgical	Total
Balance at October 31, 2021	$ 1,841.0	$ 733.0	$ 2,574.0
Current period additions	—	1,239.2	1,239.2
Foreign currency translation adjustment	(81.6)	(12.2)	(93.8)
Balance at April 30, 2022	$ 1,759.4	$ 1,960.0	$ 3,719.4

The Company evaluates goodwill for impairment annually during the third quarter of the fiscal year and when an event occurs or circumstances change such that it is reasonably possible that impairment may exist. The Company accounts for goodwill, evaluates and tests goodwill balances for impairment in accordance with related accounting standards.

The Company performed an annual impairment assessment in the third quarter of fiscal 2021, and its analysis indicated that there was no impairment of goodwill in its reporting units.

Other Intangible Assets

	April 30, 2022		October 31, 2021		
(In millions)	**Gross Carrying Amount**	**Accumulated Amortization**	**Gross Carrying Amount**	**Accumulated Amortization**	**Weighted Average Amortization Period (in years)**
Intangible assets with definite lives:					
Composite intangible asset	$ 1,061.9	$ 318.6	$ 1,061.8	$ 283.2	15
Customer relationships	1,048.6	265.6	378.4	240.1	13
Technology	504.0	299.3	513.0	287.9	10
Trademarks	210.6	55.5	156.7	49.1	14
License and distribution rights and other	32.6	22.1	33.4	21.6	11
	2,857.7	$ 961.1	2,143.3	$ 881.9	14
Less: accumulated amortization and translation	961.1		881.9		
Intangible assets with definite lives, net	1,896.6		1,261.4		
Intangible assets with indefinite lives, net [1]	10.8		10.1		
Total other intangibles, net	$ 1,907.4		$ 1,271.5		

[1] *Intangible assets with indefinite lives include technology and trademarks.*

Balances include foreign currency translation adjustments.

Intangible assets with definite lives are amortized over the estimated useful life of the assets. As of April 30, 2022, the estimate of future amortization expenses for intangible assets with definite lives is as follows:

Fiscal Years:	**(In millions)**
Remainder of 2022	$ 101.9
2023	202.0
2024	198.1
2025	188.2
2026	180.9
Thereafter	1,025.5
Total remaining amortization for intangible assets with definite lives	$ 1,896.6

The Company assesses definite-lived intangible assets whenever events or changes in circumstances indicate that the carrying amount of a definite-lived intangible asset (asset group) may not be recoverable. When events or changes in circumstances indicate that the carrying amount of a definite-lived intangible asset may not be recoverable, in accordance with related accounting standards, the Company evaluates whether the definite-lived intangible asset is impaired by comparing its carrying value to its undiscounted future cash flows.

The Company assesses indefinite-lived intangible assets annually in the third quarter of the fiscal year, or whenever events or circumstances indicate that the carrying amount of an indefinite-lived intangible asset (asset group) may not be recoverable. The Company evaluates whether the indefinite-lived intangible asset is impaired by comparing its carrying value to its fair value.

The Company performed an annual impairment assessment in the third quarter of fiscal 2021 and did not recognize any intangible asset impairment charges.

Note 5. Debt

(In millions)	April 30, 2022	October 31, 2021
Overdraft and other credit facilities	$ 65.7	$ 83.0
Term loan	840.0	—
Less: unamortized debt issuance cost	—	(0.1)
Short-term debt	$ 905.7	$ 82.9
Revolving credit	—	546.1
Term loans	2,350.0	850.0
Other	0.2	0.2
Less: unamortized debt issuance cost	(3.5)	(0.2)
Long-term debt	2,346.7	1,396.1
Total debt	$ 3,252.4	$ 1,479.0

Term Loan Agreement on December 17, 2021

On December 17, 2021, the Company entered into a Term Loan Agreement (the 2021 Credit Agreement) by and among the Company, the lenders from time to time party thereto, and PNC Bank, National Association, as administrative agent. The 2021 Credit Agreement provides for a term loan facility (the 2021 Term Loan Facility) in an aggregate principal amount of $1.5 billion, which, unless terminated earlier, matures on December 17, 2026. In addition, the Company has the ability from time to time to request an increase to the commitments under the 2021 Term Loan Facility or to establish a new term loan facility under the 2021 Credit Agreement in an aggregate principal amount not to exceed $1.125 billion, upon prior written notice to the administrative agent and subject to the discretionary participation of the lenders funding such term loans and certain limitations set forth in the 2021 Credit Agreement.

Amounts outstanding under the 2021 Term Loan Facility will bear interest, at the Company's option, at either (i) the alternate base rate, which is a rate per annum equal to the greatest of (a) the administrative agent's prime rate, (b) one-half of one percent in excess of the federal funds effective rate and (c) one percent in excess of the adjusted London interbank offered ("LIBO") rate for a one-month interest period on such day, or (ii) the adjusted LIBO rate, plus, in each case, an applicable rate of, initially, zero basis points, in respect of base rate loans, and 75 basis points, in respect of adjusted LIBO rate loans. Following a specified period after the closing date, the applicable rates will be determined quarterly by reference to a grid based upon the Company's ratio of consolidated net indebtedness to consolidated EBITDA, each as defined in the 2021 Credit Agreement.

The 2021 Term Loan Facility is not subject to amortization and is not subject to mandatory prepayments prior to maturity. The Company may prepay loan balances from time to time, in whole or in part, without premium or penalty (other than any related breakage costs).

On December 17, 2021, the Company borrowed $1.5 billion under the 2021 Term Loan Facility and used the proceeds to fund the acquisition of Generate. Refer to Note. 2 Acquisitions and Joint Venture for more details.

The interest rate on the 2021 Term Loan Facility was 1.71% at April 30, 2022.

The 2021 Credit Agreement contains customary restrictive covenants, as well as financial covenants that require the Company to maintain a certain Total Leverage Ratio and Interest Coverage Ratio, each as defined in the 2021 Credit Agreement, consistent with the 2020 Credit Agreement discussed below.

Term Loan Agreement on November 2, 2021

On November 2, 2021, the Company entered into a 364-day, $840.0 million, term loan agreement by and among the Company, the lenders party thereto and The Bank of Nova Scotia, as administrative agent (the 2021 364-Day Term Loan Agreement), which matures on November 1, 2022. The Company used part of the funds to partially repay outstanding borrowings under the 2020 Revolving Credit Facility and for general corporate purposes.

Amounts outstanding under the 2021 364-Day Term Loan Agreement will bear interest, at the Company's option, at either the alternate base rate, or the adjusted LIBO rate (each as defined in the 2021 364-Day Term Loan Agreement), plus, in the case of adjusted LIBO rate loans, an applicable rate of 60 basis points.

The 2021 364-Day Term Loan Agreement contains customary restrictive covenants, as well as financial covenants that require the Company to maintain a certain total leverage ratio and interest coverage ratio, each as defined in the 2021 364-Day Term Loan Agreement, consistent with the 2020 Credit Agreement. discussed below.

Revolving Credit and Term Loan Agreement on April 1, 2020

On April 1, 2020, the Company entered into a Revolving Credit and Term Loan Agreement (the 2020 Credit Agreement), among the Company, CooperVision International Holding Company, LP, CooperSurgical Netherlands B.V., CooperVision Holding Kft. the lenders from time to time party thereto, and KeyBank National Association, as administrative agent. The 2020 Credit Agreement provides for (a) a multicurrency revolving credit facility (the 2020 Revolving Credit Facility) in an aggregate principal amount of $1.29 billion and (b) a term loan facility (the 2020 Term Loan Facility) in an aggregate principal amount of $850.0 million, each of which, unless terminated earlier, mature on April 1, 2025. In addition, the Company has the ability from time to time to request an increase to the size of the revolving credit facility or establish one or more new term loans under the term loan facility in an aggregate amount up to $1.605 billion, subject to the discretionary participation of the lenders.

Amounts outstanding under the 2020 Credit Agreement will bear interest, at the Company's option, at either the base rate, or the adjusted LIBO rate or adjusted foreign currency rate, plus, in each case, an applicable rate of between 0.00% and 0.50% in respect of base rate loans, and between 0.75% and 1.50% in respect of adjusted LIBO rate or adjusted foreign currency rate loans, in each case in accordance with a pricing grid tied to the Total Leverage Ratio, as defined in the 2020 Credit Agreement. During the term of the 2020 Revolving Credit Facility, the Borrowers may borrow, repay and re-borrow amounts available under the Revolving Credit Facility, subject to voluntary reduction of the revolving commitment.

The Company pays an annual commitment fee that ranges from 0.10% to 0.20% of the unused portion of the 2020 Revolving Credit Facility based upon the Company's Total Leverage Ratio, as defined in the 2020 Credit Agreement. In addition to the annual commitment fee, the Company is also required to pay certain letter of credit and related fronting fees and other administrative fees pursuant to the terms of the 2020 Credit Agreement.

On April 1, 2020, the Company borrowed $850.0 million under the 2020 Term Loan Facility and $445.0 million under the 2020 Revolving Credit Facility and used the proceeds to repay the outstanding amounts under the previous credit agreement and an outstanding term loan, and for general corporate purposes.

On October 30, 2020, the Company entered into Amendment No. 1 to the 2020 Credit Agreement (the First Amendment to the 2020 Credit Agreement). The First Amendment to the 2020 Credit Agreement modifies the 2020 Credit Agreement by, among other things, adding CooperVision International Limited as a revolving borrower and releasing certain borrowers in the 2020 Credit Agreement.

On December 17, 2021, the Company entered into Amendment No.2 to the 2020 Credit Agreement (the Second Amendment to the 2020 Credit Agreement). The Second Amendment to the 2020 Credit Agreement modified the 2020 Credit Agreement by, among other things, adding CooperSurgical Holdings Limited as a revolving borrower, releasing CooperVision Holding Kft as a borrower, and updating the benchmark replacement language in the 2020 Credit Agreement.

The interest rate on the 2020 Term Loan Facility was 1.71% at April 30, 2022.

The 2020 Credit Agreement contains customary restrictive covenants, as well as financial covenants that require the Company to maintain a certain Total Leverage Ratio and Interest Coverage Ratio, each as defined in the 2020 Credit Agreement:

- Interest Coverage Ratio, as defined, to be at least 3.00 to 1.00 at all times.
- Total Leverage Ratio, as defined, to be no higher than 3.75 to 1.00.

At April 30, 2022, the Company was in compliance with the Interest Coverage Ratio at 39.28 to 1.00 and the Total Leverage Ratio at 2.59 to 1.00. The Company, after considering the potential impacts of the COVID-19 pandemic, expects to remain in compliance with its financial maintenance covenant and meet its debt service obligations for at least the twelve months following the date of issuance of these financial statements.

Refer to our Annual Report on Form 10-K for the fiscal year ended October 31, 2021, for more details.

The following is a summary of the maximum commitments and the net amounts available to us under credit facilities discussed above as of April 30, 2022:

(In millions)	Facility Limit	Outstanding Borrowings	Outstanding Letters of Credit	Total Amount Available	Maturity Date
2021 Term Loan Facility	$ 1,500.0	$ 1,500.0	n/a	—	December 17, 2026
2021 364-Day Term Loan	840.0	840.0	n/a	—	November 1, 2022
2020 Revolving Credit Facility	1,290.0	—	$ 1.3	$ 1,288.7	April 1, 2025
2020 Term Loan Facility	850.0	850.0	n/a	—	April 1, 2025
Total	$ 4,480.0	$ 3,190.0	$ 1.3	$ 1,288.7	

Note 6. Income Taxes

The Company's effective tax rates for the three months ended April 30, 2022, and April 30, 2021, were 22.7% and 13.8%, respectively. The increase was primarily due to changes in the geographical composition of pre-tax earnings and excess tax benefits from share-based compensation.

The Company's effective tax rates for the six months ended April 30, 2022, and April 30, 2021, were 22.3% and (704.2)%, respectively. The increase was primarily due to an intra-group transfer of intellectual property during the six months ended April 30, 2021, as discussed below.

In November 2020, the Company completed an intra-group transfer of certain intellectual property and related assets of CooperVision to a UK subsidiary as part of a group restructuring to establish headquarters operations in the UK. Determining fair value involved significant judgment related to future revenue growth, operating margins and discount rates. The transfer resulted in a step-up of the UK tax-deductible basis in the intellectual property and goodwill, creating a temporary difference between the book basis and the tax basis of these assets. As a result, the Company recognized a deferred tax asset of $1,987.9 million, with a corresponding income tax benefit, during the three months ended January 31, 2021.

Note 7. Earnings Per Share

Periods Ended April 30,	Three Months		Six Months	
(In millions, except per share amounts)	2022	2021	2022	2021
Net income	$ 126.6	$ 117.5	$ 221.8	$ 2,218.6
Basic:				
Weighted average common shares	49.3	49.2	49.4	49.2
Basic earnings per share	$ 2.57	$ 2.39	$ 4.49	$ 45.12
Diluted:				
Weighted average common shares	49.3	49.2	49.4	49.2
Effect of dilutive stock plans	0.4	0.5	0.4	0.5
Diluted weighted average common shares	49.7	49.7	49.8	49.7
Diluted earnings per share	$ 2.55	$ 2.36	$ 4.45	$ 44.65

The following table sets forth stock options to purchase our common stock that were not included in the diluted earnings per share calculation because their effect would have been antidilutive for the periods presented:

Periods Ended April 30,	Three Months		Six Months	
(In thousands, except exercise prices)	2022	2021	2022	2021
Stock option shares excluded	224	108	224	108
Range of exercise prices	$345.74 - $406.17	$ 345.74	$345.74 - $406.17	$ 345.74
Restricted stock units excluded	12	—	11	8

Note 8. Share-Based Compensation Plans

The Company has several share-based compensation plans that are described in the Company's Annual Report on Form 10-K for the fiscal year ended October 31, 2021. The compensation expense and related income tax benefit recognized in our Consolidated Statements of Income and Comprehensive Income for share-based awards were as follows:

Periods Ended April 30,	Three Months		Six Months	
(In millions)	2022	2021	2022	2021
Selling, general and administrative expense	$ 11.3	$ 8.7	$ 22.8	$ 17.8
Cost of sales	1.0	0.9	2.3	2.0
Research and development expense	0.7	0.6	1.5	1.2
Total share-based compensation expense	$ 13.0	$ 10.2	$ 26.6	$ 21.0
Related income tax benefit	$ 1.1	$ 1.2	$ 2.7	$ 2.4

Note 9. Stockholders' Equity

Analysis of Changes in Accumulated Other Comprehensive (Loss) Income:

(In millions)	Foreign Currency Translation Adjustment	Minimum Pension Liability	Derivative Instruments	Total
Balance at October 31, 2020	$ (402.3)	$ (56.7)	$ (13.0)	$ (472.0)
Gross change in value	82.2	29.8	34.3	146.3
Tax effect	(0.2)	(7.2)	(8.2)	(15.6)
Balance at October 31, 2021	$ (320.3)	$ (34.1)	$ 13.1	$ (341.3)
Gross change in value	(145.9)	—	69.6	(76.3)
Tax effect	—	—	(16.9)	(16.9)
Balance at April 30, 2022	$ (466.2)	$ (34.1)	$ 65.8	$ (434.5)

Share Repurchases

In December 2011, the Company's Board of Directors authorized the 2012 Share Repurchase Program and through subsequent amendments, the most recent in March 2017, the total repurchase authorization was increased from $500.0 million to $1.0 billion of the Company's common stock. This program has no expiration date and may be discontinued at any time. Purchases under the 2012 Share Repurchase Program are subject to a review of the circumstances in place at the time and may be made from time to time as permitted by securities laws and other legal requirements.

During the three months ended April 30, 2022, there were no share repurchases under the program. During the six months ended April 30, 2022, the Company repurchased 191.2 thousand shares of its common stock for $78.5 million, at an average purchase price of $410.41 per share. At April 30, 2022, $256.4 million remained authorized for repurchase under the 2012 Share Repurchase Program.

During the three months ended April 30, 2021, there were no shares repurchases under the program. During the six months ended April 30, 2021, the Company repurchased 69.6 thousand shares of its common stock for $24.8 million, at an average purchase price of $356.61 per share.

Dividends

The Company paid a semiannual dividend of approximately $1.5 million or 3 cents per share, on February 9, 2022, to stockholders of record on January 21, 2022. The Company paid a semiannual dividend of approximately $1.5 million or 3 cents per share, on February 9, 2021, to stockholders of record on January 22, 2021.

Note 10. Fair Value Measurements

Accounting standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. An asset's or liability's level is based on the lowest level of input that is significant to the fair value measurement. Assets and liabilities carried at fair value are valued and disclosed in one of the following three levels of the valuation hierarchy:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs reflecting the reporting entity's own assumptions.

At April 30, 2022, and October 31, 2021, the carrying value of cash and cash equivalents, accounts receivable, prepaid expense and other current assets, lines of credit, accounts payable and other current liabilities approximate fair value due to the short-term nature of such instruments and the ability to obtain financing on similar terms.

The carrying value of the Company's revolving credit facility and term loans approximates fair value based on current market rates (Level 2). On April 6, 2020, the Company entered into six interest rate swap contracts which are used to hedge its exposure to changes in cash flows associated with its variable rate debt and are designated as derivatives in a cash flow hedge. The payment streams are based on a total notional amount of $1.5 billion at the inception of the contracts. The interest rate swap contracts had maturities of seven years or less. As of April 30, 2022, three of the six interest rate swap contracts have matured and the outstanding contracts have a total notional amount of $1.0 billion.

The gain or loss on the derivatives is recorded as a component of accumulated other comprehensive income and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings.

The fair value of the interest rate swap contracts is measured on a recurring basis by netting the discounted future fixed cash payments and the discounted expected variable cash receipts. The variable cash receipts are based on the expectation of future interest rates (forward curves) derived from observable market interest rate curves. The interest rate swap contracts were categorized as Level 2 in the fair value hierarchy, as the inputs to the derivative pricing model are generally observable and do not contain a high level of subjectivity. Refer to Note 14. Financial Derivatives and Hedging for further information.

The Company did not have any cross currency swaps or foreign currency forward contracts as of April 30, 2022, and October 31, 2021.

The fair value of the Company's contingent consideration for which a liability is recorded and the initial measurement of the joint venture interest, are a Level 3 measurement, and the change in fair value is recognized in selling, general and administrative expense in the Consolidated Statements of Income and Comprehensive Income. Refer to Note 2. Acquisitions and Joint Venture for further information.

Nonrecurring fair value measurements

The Company uses fair value measures when determining assets and liabilities acquired in an acquisition and joint venture as described in Note 2. Acquisitions and Joint Venture, which are considered a Level 3 measurement.

Note 11. Employee Benefits

The Company's Retirement Income Plan (the Plan), a defined benefit plan, covers substantially all full-time United States employees. The Company's contributions are designed to fund normal cost on a current basis and to fund the estimated prior service cost of benefit improvements. The unit credit actuarial cost method is used to determine the annual cost. The Company pays the entire cost of the Plan and funds such costs as they accrue. Virtually all of the assets of the Plan are comprised of equities and participation in equity and fixed income funds.

The Company's results of operations for the three and six months ended April 30, 2022, and 2021, reflect the following components of net periodic defined benefit costs:

Periods Ended April 30,	**Three Months**		**Six Months**	
(In millions)	**2022**	**2021**	**2022**	**2021**
Service cost	$ 4.6	$ 4.3	$ 9.2	$ 8.6
Interest cost	1.3	1.1	2.6	2.2
Expected return on plan assets	(3.9)	(3.1)	(7.9)	(6.2)
Recognized net actuarial gain	0.6	1.3	1.2	2.7
Net periodic defined benefit plan cost	$ 2.6	$ 3.6	$ 5.1	$ 7.3

The Company has not determined how much it expects to contribute to the Plan and did not contribute to the Plan in the first half of fiscal 2022. The Company did not contribute to the Plan in the first half of fiscal 2021. The expected rate of return on Plan assets for determining net periodic benefit plan cost is 8%.

Note 12. Contingencies

The Company is involved in various lawsuits, claims and other legal matters from time to time that arise in the ordinary course of conducting business, including matters involving our products, intellectual property, supplier relationships, distributors, competitor relationships, employees and other matters. The Company does not believe that the ultimate resolution of these proceedings or claims pending against it could have a material adverse effect on its financial condition or results of operations. At each reporting period, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under ASC 450, *Contingencies*. Legal fees are expensed as incurred.

Note 13. Business Segment Information

The Company discloses information about its operating segments, which were established based on the way that management organizes segments within the Company for making operating decisions and assessing financial performance. The Company's two operating segments are described below.

- *CooperVision.* Competes in the worldwide contact lens market by developing, manufacturing and marketing a broad range of products for contact lens wearers, featuring advanced materials and optics. CooperVision designs its products to solve vision challenges such as astigmatism, presbyopia, myopia, ocular dryness and eye fatigues, with a broad collection of spherical, toric and multifocal contact lenses.

- *CooperSurgical.* Competes in the general health care market with a focus on advancing the health of women, babies and families through a diversified portfolio of products and services focusing on women's health and fertility.

The Company has 50% ownership in the new joint venture and accounts for this investment under the equity method of accounting. This joint venture is not considered material to the overall results of the Company and is grouped under CooperVision segment.

The Company uses operating income, as presented in our financial reports, as the primary measure of segment profitability. The Company does not allocate costs from corporate functions to segment operating income. Items below operating income are not considered when measuring the profitability of a segment. The Company uses the same accounting policies to generate segment results as the Company does for consolidated results.

Total identifiable assets are those used in continuing operations except cash and cash equivalents, which the Company includes as corporate assets.

Segment information:

Periods Ended April 30, **(In millions)**	Three Months 2022	Three Months 2021	Six Months 2022	Six Months 2021
CooperVision net sales by category:				
Toric lens	$ 185.6	$ 172.8	$ 367.8	$ 335.1
Multifocal lens	66.4	58.0	132.2	115.7
Single-use sphere lens	161.1	144.5	328.1	290.5
Non single-use sphere, other	140.7	147.3	287.1	288.3
Total CooperVision net sales	$ 553.8	$ 522.6	$ 1,115.2	$ 1,029.6
CooperSurgical net sales by category:				
Office and surgical products	$ 161.6	$ 112.6	$ 290.5	$ 216.1
Fertility	114.4	84.3	211.2	154.3
CooperSurgical net sales	276.0	196.9	501.7	370.4
Total net sales	$ 829.8	$ 719.5	$ 1,616.9	$ 1,400.0
Operating income (loss):				
CooperVision	$ 135.4	$ 131.7	$ 262.8	$ 259.2
CooperSurgical	10.9	23.1	26.6	40.6
Corporate	(13.6)	(11.6)	(25.8)	(23.2)
Total operating income	132.7	143.2	263.6	276.6
Interest expense	10.8	6.1	17.4	12.5
Other (income) expense, net	(41.8)	0.7	(39.4)	(11.8)
Income before income taxes	$ 163.7	$ 136.4	$ 285.6	$ 275.9

(In millions)	**April 30, 2022**	**October 31, 2021**
Total identifiable assets:		
CooperVision	$ 6,825.6	$ 6,965.9
CooperSurgical	4,448.4	2,395.6
Corporate	504.0	244.7
Total	$ 11,778.0	$ 9,606.2

Geographic information:

Periods Ended April 30, **(In millions)**	Three Months 2022	Three Months 2021	Six Months 2022	Six Months 2021
Net sales to unaffiliated customers by country of domicile:				
United States	$ 418.9	$ 336.1	$ 784.2	$ 649.1
Europe	243.2	230.0	493.5	450.8
Rest of world	167.7	153.4	339.2	300.1
Total	$ 829.8	$ 719.5	$ 1,616.9	$ 1,400.0

(In millions)	**April 30, 2022**	**October 31, 2021**
Net property, plant and equipment by country of domicile:		
United States	$ 786.9	$ 737.5
Europe	337.2	377.2
Rest of world	241.5	232.9
Total	$ 1,365.6	$ 1,347.6

Note 14. Financial Derivatives and Hedging

As part of the Company's overall risk management practices the Company enters into financial derivatives, interest rate swaps designated as cash flow hedges, to hedge the Company's exposure to changes in cash flows associated with its variable rate debt.

The Company records all derivatives on its Consolidated Condensed Balance Sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting, and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. All of the Company's derivatives have satisfied the criteria necessary to apply hedge accounting.

The gain or loss on derivative instruments designated and qualifying for cash flow hedge accounting is deferred in other comprehensive income. The changes in fair value for all trades that are not designated for hedge accounting are recognized in current period earnings. Deferred gains or losses from designated cash flow hedges are reclassified into earnings in the period that the hedged interest expense affects earnings. The effectiveness of cash flow hedges is assessed at inception and quarterly thereafter. The Company does not offset fair value amounts recognized for derivative instruments in its Consolidated Condensed Balance Sheets for presentation purposes.

Credit risk related to derivative transactions reflects the risk that a party to the transaction could fail to meet its obligation under the derivative contracts. Therefore, the Company's exposure to the counterparty's credit risk is generally limited to the amounts, if any, by which the counterparty's obligations to the Company exceed the Company's obligations to the counterparty. The Company's policy is to enter into contracts only with financial institutions which meet certain minimum credit ratings to help mitigate counterparty credit risk.

As of April 30, 2022, and October 31, 2021, the Company had the following outstanding derivatives designated as hedging instruments:

(In millions, except for number of instruments)	Number of Instruments	Notional Value
Interest Rate Swap Contracts	3	$ 1,000

These contracts have remaining maturities of five years or less.

The pre-tax impact of gain on derivatives recognized in other comprehensive income was $86.8 million ($65.7 million, net of tax) as of April 30, 2022. The pre-tax impact of loss on derivatives recognized in other comprehensive income was $8.9 million ($6.7 million, net of tax) as of April 30, 2021.

The following table summarizes the fair values of derivative instruments as of the periods indicated and the line items in the accompanying Consolidated Condensed Balance Sheets where the instruments are recorded:

(In millions)		Derivative Assets	
		April 30, 2022	October 31, 2021
Derivatives designated as cash flow hedges	**Balance sheet location**		
Interest rate swap contracts	Other non-current assets	$ 86.8	$ 17.2

The following table summarizes the amounts recognized with respect to our derivative instruments within the accompanying Consolidated Statements of Income and Comprehensive Income:

Periods Ended April 30,		Three Months		Six Months	
(In millions)		2022	2021	2022	2021
Derivatives designated as cash flow hedges	**Location of Loss Recognized on Derivatives**				
Interest rate swap contracts	Interest expense	$ 1.4	$ 2.0	$ 3.3	$ 4.1

The Company expects that $(14.6) million recorded as a component of accumulated other comprehensive income will be realized in the Consolidated Statements of Income and Comprehensive Income over the next twelve months and the amount will vary depending on prevailing interest rates.

The following table details the changes in accumulated other comprehensive income:

(In millions)	Amount
Beginning balance gain as of October 31, 2021	$ 17.2
Amount recognized in other comprehensive income on interest rate swap contracts, gross ($50.2 million, net of tax)	66.3
Amount reclassified from other comprehensive income into earnings, gross ($2.5 million, net of tax)	3.3
Ending balance gain as of April 30, 2022	$ 86.8

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Note numbers refer to “Notes to Consolidated Condensed Financial Statements” in Item 1. Unaudited Financial Statements.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. These include statements relating to plans, prospects, goals, strategies, future actions, events or performance and other statements which are other than statements of historical fact, including all statements regarding the expected impact of the ongoing Coronavirus disease 2019 (COVID-19) pandemic on our business; and statements regarding acquisitions including the acquired companies' financial position, market position, product development and business strategy, expected cost synergies, expected timing and benefits of the transaction, difficulties in integrating entities or operations, as well as estimates of our and the acquired entities' future expenses, sales and earnings per share are forward-looking. In addition, all statements regarding anticipated growth in our net sales, anticipated effects of any product recalls, anticipated market conditions, planned product launches 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:

- The effects of the ongoing COVID-19 pandemic and related economic disruptions and new governmental regulations on our business, results of operations, cash flow and financial condition, including but not limited to the potential impact on our sales, operations and supply chain.
- Adverse changes in the global or regional general business, political and economic conditions, including the impact of continuing uncertainty and instability of certain countries, that could adversely affect our global markets, and the potential adverse economic impact and related uncertainty caused by these items, including but not limited to, the ongoing COVID-19 pandemic, inflation and escalating global trade barriers.
- The impact of Russia's invasion of Ukraine and the global response to this invasion on the global economy, European economy, financial markets, energy markets, currency rates and our ability to supply product to, or through, affected countries.
- Changes in tax laws or their interpretation, changes in statutory tax rates, and adverse outcomes in tax disputes including but not limited to, the United States (U.S.), the United Kingdom (UK) and other countries may affect our taxation of earnings recognized in foreign jurisdictions, result in unexpected tax liabilities, and/or negatively impact our effective tax rate.
- 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.
- 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 HIPAA and the California Consumer Privacy

Act (CCPA) in the U.S. and the General Data Protection Regulation 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 the ongoing COVID-19 pandemic, integration of acquisitions, man-made or natural disasters, 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 technological problems, including any related to our information systems maintenance, enhancements or new system deployments, integrations or upgrades.
- 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, and the EU In Vitro Diagnostic Medical Devices Regulation.
- Legal costs, insurance expenses, settlement costs and the risk of an adverse decision, prohibitive injunction or settlement related to product liability, patent infringement 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 and costs and expenses 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 payors 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, social and corporate governance (ESG) issues, including those related to climate change and sustainability.
- Other events described in our Securities and Exchange Commission filings, including the “Business” and “Risk Factors” sections in our Annual Report on Form 10-K for the fiscal year ended October 31, 2021, as such Risk Factors may be updated in quarterly filings including updates made in this filing.

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.

Results of Operations

In this section, we discuss the results of our operations for the second quarter of fiscal 2022 ended April 30, 2022, and compare them with the same period of fiscal 2021. We discuss our cash flows and current financial condition under “Capital Resources and Liquidity.” Within the tables presented, percentages are calculated based on the underlying whole-dollar amounts and, therefore, may not recalculate exactly from the rounded numbers used for disclosure purposes.

Non-GAAP Financial Measures

The succeeding sections of Management’s Discussion and Analysis (MD&A) may include certain financial measures that are not defined by accounting principles generally accepted in the United States (GAAP). These measures, which are referred to as non-GAAP measures, are listed below:

- *Free Cash Flow* - Free cash flow is calculated as net cash provided by operating activities less capital expenditures.
- *Constant currency* - Constant currency is defined as excluding the effect of foreign currency fluctuations.

For a discussion of these measures and the reasons management believes they are useful to investors, refer to “Summary of Non-GAAP Financial Measures” below. To the extent applicable, this MD&A includes reconciliations of these non-GAAP measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

The presentation of these non-GAAP financial measures is not intended to be a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP and may be different from non-GAAP financial measures used by other companies, and therefore, may not be comparable among companies.

COVID-19 Considerations

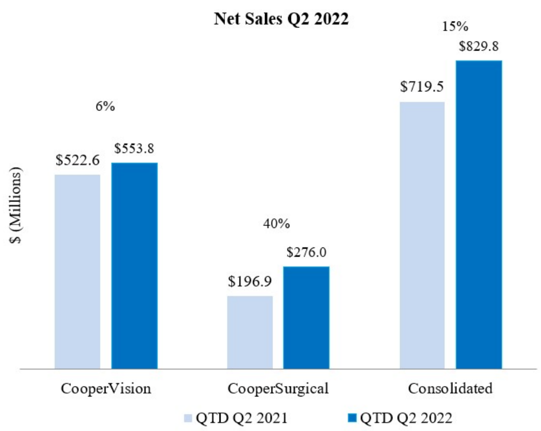
The World Health Organization categorized COVID-19 as a pandemic. The COVID-19 pandemic has caused a severe global health crisis, along with economic and societal disruptions and uncertainties, which have negatively impacted business and healthcare activity globally. As a result of healthcare systems responding to the demands of managing the pandemic, governments around the world imposing measures designed to reduce the transmission of the COVID-19 virus, and individuals responding to the concerns of contracting the COVID-19 virus, many optical practitioners and retailers, hospitals, medical offices and fertility clinics closed their facilities, restricted access, or delayed or canceled patient visits, exams and elective medical procedures, and many customers that have reopened are experiencing reduced patient visits. These factors have had, and in the future may continue to have, an adverse effect on our sales, operating results and cash flows.

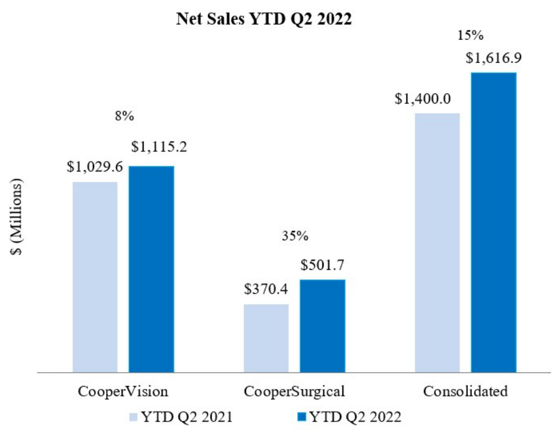
We have taken an active role in addressing the ongoing pandemic’s impact on our employees, suppliers, distribution channels, operations and customers, including taking precautionary measures, such as implementing contingency plans, and making operational adjustments as necessary. We have taken measures to help ensure the safety of our personnel in all our facilities, and we have endeavored and continue to follow recommended actions of government and health authorities to protect our employees worldwide.

As of the date of this filing, we have not experienced any significant disruption at our manufacturing facilities. We have had no significant disruption in our access to necessary raw materials and other supplies or with our distribution network; however, we have experienced higher unabsorbed fixed overhead costs, labor inefficiencies, delays in receiving certain raw materials, higher cost of production and higher freight charges as a result of the COVID-19 pandemic. Our manufacturing and distribution operations have responded to the impacts related to the COVID-19 pandemic, and we have been able to continue to supply our products and services around the world with limited interruption. In the future, we may decide or need to implement additional precautionary measures or operational adjustments as we deem prudent to meet consumer demand or to help further ensure employee safety. We believe that the actions we are taking have enabled us to keep our employees safe and our supply chain intact and will help us emerge from this global pandemic operationally sound and well positioned for long-term growth.

The extent to which the global COVID-19 pandemic and related economic disruptions impact our business, results of operations, cash flow and financial condition will depend on future developments. At this time, future developments are highly uncertain, difficult to predict and largely outside of our control. These include, but are not limited to, the spread, duration and severity of the pandemic outbreak and any subsequent waves of additional outbreaks, including the emergence and spread of variants of the COVID-19 virus, actions taken by governments to contain the pandemic, address its impact or respond to the reduction in global and local economic activity, and how quickly and to what extent normal economic and operating conditions can resume. We will continue to closely monitor the developments relating to the COVID-19 pandemic and the responses from governments and private sector participants and their respective impact on our Company and on our customers, suppliers, vendors and business partners.

For more information on the risks associated with the COVID-19 pandemic, refer to Part II, Item 1A "Risk Factors" herein.





Second Quarter Highlights

- Gross profit of $532.5 million, up 9% from $487.1 million in the prior year period
- Operating income of $132.7 million, down 7% from $143.2 million in the prior year period
- Diluted earnings per share of $2.55, up 8% from $2.36 per share in the prior year period
- Cash provided by operations of $131.8 million, compared to $25.8 million in the prior year period

Six Months Highlights

- Gross profit $1,050.9 million, up 12% from $937.8 million in the prior year period
- Operating income $263.6 million, down 5% from $276.6 million in the prior year period
- Diluted earnings per share of $4.45, down 90% from $44.65 per share in the prior year period
- Cash provided by operations $297.8 million, compared to $340.3 million in the prior year period.

Outlook

Overall, we remain optimistic about the long-term prospects for the worldwide contact lens and general health care markets. However, the impact, risks and uncertainty relating to the global COVID-19 pandemic and related economic disruptions, as further described in the “COVID-19 Considerations” section above and in the “Risk Factors” section in Part II, Item 1A of this filing, have adversely affected our sales, cash flow and current performance and are likely to further adversely affect our future sales, cash flow and performance. Additionally, other events affecting the economy as a whole, including but not limited to the uncertainty and instability of global markets driven by Russia's invasion of Ukraine, foreign currency volatility, inflation, changes in tax laws, debt concerns, the uncertainty following the UK's withdrawal from the EU, changes to existing and new regulations, global trade barriers including additional tariffs and the trend of consolidations within the health care industry could impact our current performance and continue to represent a risk to our future performance.

CooperVision - We compete in the worldwide contact lens market with our spherical, toric, multifocal, toric multifocal contact lenses offered in a variety of materials including using silicone hydrogel Aquaform® technology and PC Technology™. We believe that there will be lower contact lens wearer dropout rates as technology improves and enhances the wearing experience through a combination of improved designs and materials and the growth of preferred modalities such as single-use and monthly wearing options. CooperVision also competes in the myopia management and specialty eye care contact lens markets with myopia management contact lenses using its ActivControl® technology and with products such as orthokeratology (ortho-k) and scleral lenses. In November 2019, CooperVision received United States Food and Drug Administration (FDA) approval for its MiSight® 1 day lens, which is the first and only FDA-approved product indicated to slow the progression of myopia in children with treatment initiated between the ages of 8-12 and became available in the United States during fiscal 2020. In August 2021, CooperVision received Chinese National Medical Products Administration (NMPA) approval for its MiSight 1 day lens for use in China. CooperVision is focused on greater worldwide market penetration using recently introduced products, and we continue to expand our presence in existing and emerging markets, including through acquisitions.

CooperVision acquired the following entities during the six months ended April 30, 2021:

- A privately-held U.K. contact lens manufacturer on April 26, 2021
- A privately-held medical device company on January 19, 2021

During the second quarter of fiscal 2022, the Company initiated a plan to exit its contact lens care business, a non-core business unit of the CooperVision segment, which manufactures and supplies contact lens solutions. We expect the exit activity to be completed by the end of fiscal 2022. Exit charges recognized in the three months ended April 30, 2022, were $20.7 million, of which $17.4 million is recognized in cost of sales and $3.3 million is recognized in selling, general, and administrative expense in the Consolidated Statements of Income. Exit costs primarily related to inventory write-down, asset impairments and employee-related costs. Total exit costs are expected to be in a range of $30.0 million to $40.0 million.

In March 2022, the CooperVision and Essilor International SAS (Essilor) executed the Contribution Agreement and Stock Purchase Agreement (the "Agreements") whereby Essilor paid CooperVision $52.6 million in exchange for 50% interest in SightGlass Vision, Inc. (SGV) and their proportionate share of the revenue payments. As part of the Agreements, each party contributed their interest in SGV and $10 million in cash to form a new joint venture. CooperVision then remeasured the fair value of its retained equity investment in the joint venture which resulted in a $57.4 million gain in Other (income) expense.

Our ability to compete successfully with a full range of silicone hydrogel products is an important factor to achieving our desired future levels of sales growth and profitability. CooperVision manufactures and markets a wide variety of silicone hydrogel contact lenses. Our single-use silicone hydrogel product franchises, clariti® and MyDay®, remain a focus as we expect increasing demand for these products as well as future single-use products as the global contact lens market continues to shift to this modality. Outside of single-use, the Biofinity® and Avaira Vitality® product families comprise our focus in the FRP, or frequent replacement product, market which encompasses the 2-week and monthly modalities. Included in this segment are unique products such as Biofinity Energys®, which helps individuals with digital eye fatigue.

CooperSurgical - Our CooperSurgical business competes in the general health care market with a commitment to advancing the health of women, babies and families through its diversified portfolio of products and services focusing on women's health and fertility. CooperSurgical has established its market presence and distribution system by developing products and acquiring companies, products and services that complement its business model.

CooperSurgical acquired the following entities during the six months ended April 30, 2022:

- A private cryopreservation services company on April 6, 2022
- Generate Life Sciences (Generate), a privately held leading provider of donor egg and sperm for fertility treatments, fertility cryopreservation services and newborn stem cell storage (cord blood & cord tissue), on December 17, 2021

CooperSurgical acquired the following entity during the six months ended April 30, 2021:

- A privately-held medical device company on March 1, 2021
- A privately-held medical device company on February 1, 2021
- A privately-held in vitro fertilization (IVF) cryo-storage software solutions company on December 31, 2020

On February 7, 2022, CooperSurgical entered into a binding letter of intent to acquire Cook Medical's Reproductive Health business, a manufacturer of minimally invasive medical devices focused on the fertility, obstetrics and gynecology markets. The aggregate consideration is $875.0 million in cash, with $675.0 million payable at the closing and the remaining $200.0 million payable in $50.0 million installments following each of the first, second, third and fourth anniversaries of the closing. The transaction is subject to customary closing conditions, including entry into a definitive acquisition agreement and regulatory approvals, and compliance with local consultation requirements.

Capital Resources - At April 30, 2022, we had $399.2 million in unrestricted cash, primarily held in the United States, and $1,288.7 million available under our 2020 Revolving Credit Facility. The $1.5 billion term loan entered into on December 17, 2021, the $840.0 million term loan entered into on November 2, 2021, and the $850.0 million term loan entered into on April 1, 2020, remain outstanding as of April 30, 2022.

See Note 5. Debt of the Consolidated Condensed Financial Statements for additional information.

Transition from LIBOR

The UK's Financial Conduct Authority, which regulates the London Interbank Offered Rate (LIBOR), announced in July 2017 that it will no longer persuade or require banks to submit rates for LIBOR after 2021. In March 2021, the FCA confirmed its intention to stop requiring banks to submit rates required to calculate LIBOR after 2021. However, for U.S. dollar-denominated (USD) LIBOR, only one-week and two-month USD LIBOR will cease to be published after 2021, and all remaining USD LIBOR tenors will continue being published until June 2023. Further, in March 2020, the Financial Accounting Standards Board (FASB) issued ASU 2020-04, *Reference Rate Reform* (*Topic 848*): *Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. We have material contracts that are indexed to LIBOR and are continuing to monitor this activity and evaluate the related risk. We are continuing to evaluate the scope of impacted contracts and the potential impact. We are also monitoring the developments regarding alternative rates and may amend certain contracts to accommodate those rates if the contract does not already specify a replacement rate. While the notional value of agreements potentially indexed to LIBOR is material, we do not expect a material impact on our financial statements related to this transition.

Selected Statistical Information – Percentage of Net Sales

	Three Months			Six Months		
	Percentage of Net Sales		2022 vs 2021 % Change in Absolute Values	Percentage of Net Sales		2022 vs 2021 % Change in Absolute Values
Periods Ended April 30,	**2022**	**2021**		**2022**	**2021**	
Net sales	100 %	100 %	15 %	100 %	100 %	15 %
Cost of sales	36 %	32 %	28 %	35 %	33 %	22 %
Gross profit	64 %	68 %	9 %	65 %	67 %	12 %
Selling, general and administrative expense	39 %	40 %	13 %	40 %	39 %	17 %
Research and development expense	3 %	3 %	25 %	3 %	3 %	24 %
Amortization of intangibles	6 %	5 %	38 %	6 %	5 %	30 %
Operating income	16 %	20 %	(7)%	16 %	20 %	(5)%

Net Sales Growth by Business Unit

Periods Ended April 30,	Three Months				Six Months			
($ in millions)	2022	2021	Increase	2022 vs 2021 % Change	2022	2021	Increase	2022 vs 2021 % Change
CooperVision	$ 553.8	$ 522.6	$ 31.2	6 %	$ 1,115.2	$ 1,029.6	$ 85.6	8 %
CooperSurgical	276.0	196.9	79.1	40 %	501.7	370.4	131.3	35 %
Net sales	$ 829.8	$ 719.5	$ 110.3	15 %	$ 1,616.9	$ 1,400.0	$ 216.9	15 %

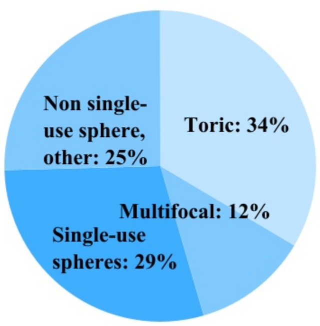
CooperVision Net Sales

The contact lens market has two major product categories:

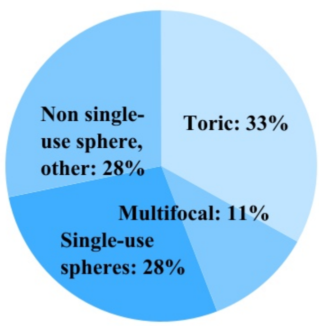
- Spherical lenses including lenses that correct near- and farsightedness uncomplicated by more complex visual defects; and
- Toric and multifocal lenses including lenses that, in addition to correcting near- and farsightedness, address more complex visual defects such as astigmatism and presbyopia by adding optical properties of cylinder and axis, which correct for irregularities in the shape of the cornea.

CooperVision Net Sales by Category

Q2 2022



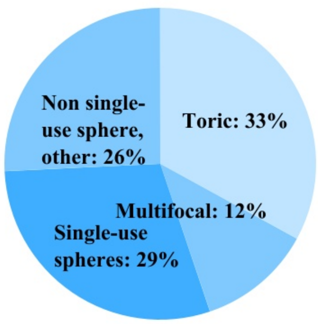
Q2 2021



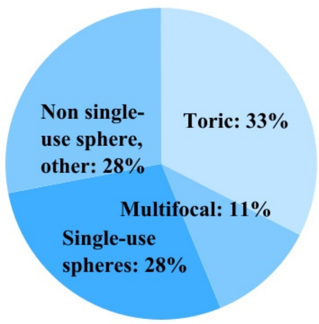
Toric – Toric lenses include Biofinity toric, MyDay toric, clariti 1 day toric, Biomedics toric, Proclear toric and Avaira Vitality toric
Multifocal – Multifocal lenses include Biofinity multifocal, Biofinity toric multifocal, clariti 1 day multifocal, MyDay multifocal and Proclear 1 day multifocal
Single-use spheres – Our single-use lens portfolio includes clariti 1 day, MyDay, MiSight, Proclear 1 day and Biomedics 1 day
Non single-use sphere, other – Our FRP (frequent replacement product) lens portfolio and other include Biofinity, Biofinity Energys, Avaira Vitality, Biomedics, Proclear, clariti, ortho-k, scleral and custom lens, contact lens care and other

Three Months Ended April 30, ($ in millions)	2022	2021	2022 vs 2021 % Change
Toric	$ 185.6	$ 172.8	7 %
Multifocal	66.4	58.0	14 %
Single-use spheres	161.1	144.5	12 %
Non single-use sphere, other	140.7	147.3	(4)%
	$ 553.8	$ 522.6	6 %

YTD Q2 2022



YTD Q2 2021



Six Months Ended April 30, ($ in millions)	2022	2021	2022 vs 2021 % Change
Toric	$ 367.8	$ 335.1	10 %
Multifocal	132.2	115.7	14 %
Single-use spheres	328.1	290.5	13 %
Non single-use sphere, other	287.1	288.3	— %
	$ 1,115.2	$ 1,029.6	8 %

In the three and six months ended April 30, 2022:

- Toric and multifocal lenses grew primarily through the success of MyDay and Biofinity.
- Single-use sphere lenses growth was primarily driven by MyDay, clariti and MiSight lenses.
- Non single-use sphere lenses decreased primarily due to negative impact of foreign exchange, offset by growth driven by Biofinity, Avaira and ortho-k.
- "Other" products decreased primarily due to exit of contact lens care business. Contact lens care represented approximately 1% of net sales in both the three and six months ended April 30, 2022, and 2% of net sales in both the three and six months ended April 30, 2021.
- Total silicone hydrogel products increased by 10% and 11% in the three and six months ended April 30, 2022, representing 79% of net sales, compared to 77% in the three and six months ended April 30, 2021.
- Foreign exchange rates negatively impacted sales by approximately $26.2 million and $42.6 million in the three and six months ended April 30, 2022, and net sales increased by 11% and 12% in constant currency over the prior year periods.

- Sales growth was primarily driven by an increase in the volume of lenses sold across our core portfolio due to a recovery in demand from the impact of the COVID-19 pandemic.
- We could see downward pressure and volatility in certain markets related to net sales if the COVID-19 pandemic continues, as optical retailers and healthcare centers continue to restrict access, and social distancing measures continue.

CooperVision Net Sales by Geography

CooperVision competes in the worldwide soft contact lens market and services in three primary regions: the Americas, EMEA (Europe, Middle East and Africa) and Asia Pacific.

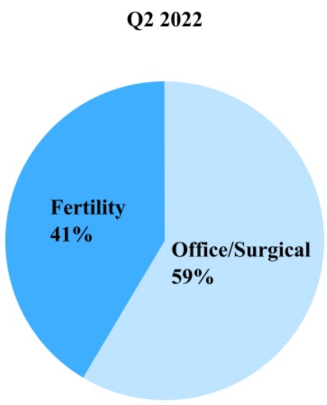
Periods Ended April 30,	Three Months			Six Months		
($ in millions)	2022	2021	2022 vs 2021 % Change	2022	2021	2022 vs 2021 % Change
Americas	$ 223.5	$ 207.5	8 %	$ 438.9	$ 407.9	8 %
EMEA	205.9	194.2	6 %	419.4	383.0	10 %
Asia Pacific	124.4	120.9	3 %	256.9	238.7	8 %
	$ 553.8	$ 522.6	6 %	$ 1,115.2	$ 1,029.6	8 %

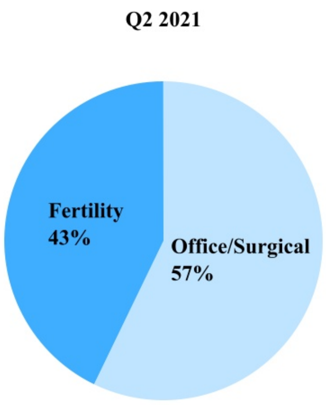
CooperVision's growth in net sales across all regions was primarily attributable to market gains of silicone hydrogel contact lenses. Refer to CooperVision Net Sales by Category above for further discussion.

CooperSurgical Net Sales by Category

CooperSurgical supplies the family health care market with a diversified portfolio of products and services. Our office and surgical offerings include products that facilitate surgical and non-surgical procedures that are commonly performed primarily by obstetricians and gynecologists in hospitals, surgical centers, fertility clinics and medical offices. Fertility offerings include highly specialized products and services that target the IVF process, including diagnostics testing with a goal to make fertility treatment safer, more efficient and convenient.

The chart below shows the percentage of net sales of office and surgical products and fertility.

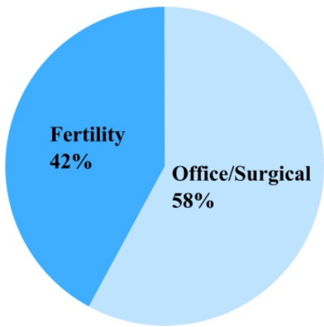




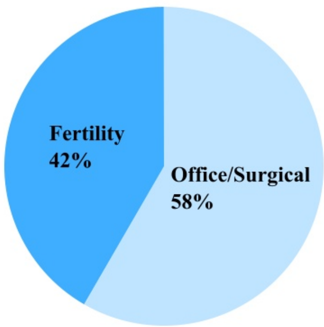
Office/Surgical – Our significant office and surgical products and services include PARAGARD, Uterine Manipulators, Retractors, Closure products, Point-of-Care products, LEEP products, Endosee, Illuminate, Fetal Pillow and recently acquired stem cell services of Generate
Fertility – Our significant fertility products and services include fertility consumables, fertility equipment, Embryo Options, preimplantation genetic testing and recently acquired fertility services of Generate

Three Months Ended April 30, ($ in millions)	**2022**	**2021**	**2022 vs 2021 % Change**
Office and surgical products	$ 161.6	$ 112.6	43 %
Fertility	114.4	84.3	36 %
	$ 276.0	$ 196.9	40 %

YTD Q2 2022



YTD Q2 2022



Six Months Ended April 30, ($ in millions)	**2022**	**2021**	**2022 vs 2021 % Change**
Office and surgical products	$ 290.5	$ 216.1	34 %
Fertility	211.2	154.3	37 %
	$ 501.7	$ 370.4	35 %

In the three and six months ended April 30, 2022:

- Office and surgical products increased compared to the prior year periods mainly due to sales from the recently acquired stem cell services of Generate and sales from the acquired products, Illuminate and Fetal Pillow® compared to the prior year periods, partially offset by a decrease in PARAGARD® sales.
- Fertility net sales increased compared to the prior year periods mainly due to sales from our recent acquisition, Generate, and an increase in revenue from fertility consumables and equipment sales.
- Foreign exchange rates negatively impacted sales by approximately $8.3 million and $13.0 million in the three and six months ended April 30, 2022, and net sales increased by 44% and 39% in constant currency over the prior year periods.
- Sales growth was primarily driven by stronger demand for our products and services as a result of our customers continuing to reopen their health care facilities and medical offices.
- We could see downward pressure and volatility in certain markets related to net sales if the COVID-19 pandemic continues, as hospitals and healthcare centers continue to restrict access, and social distancing measures continue.

Gross Margin

Consolidated gross margins were 64% and 65% in the three and six months ended April 30, 2022, down from 68% and 67% in the prior year periods, primarily driven by unfavorable currency and contact lens care exit costs.

Selling, General and Administrative Expense (SGA)

Three Months Ended April 30, ($ in millions)	2022	% Net Sales	2021	% Net Sales	2022 vs 2021 % Change
CooperVision	$ 188.9	34 %	$ 194.5	37 %	(3)%
CooperSurgical	119.9	43 %	79.7	40 %	50 %
Corporate	13.6	—	11.6	—	17 %
	$ 322.4	39 %	$ 285.8	40 %	13 %

Six Months Ended April 30, ($ in millions)	2022	% Net Sales	2021	% Net Sales	2022 vs 2021 % Change
CooperVision	$ 399.7	36 %	$ 373.6	36 %	7 %
CooperSurgical	216.0	43 %	150.3	41 %	44 %
Corporate	25.8	—	23.1	—	12 %
	$ 641.5	40 %	$ 547.0	39 %	17 %

CooperVision's SGA decreased in the three months ended April 30, 2022, compared to fiscal 2021 primarily due to net decrease in the fair value of contingent consideration. CooperVision's SGA increased in the six months ended April 30, 2022, compared to fiscal 2021 primarily due to increases in distribution costs, and advertising and marketing activities primarily related to myopia management, partially offset by net decrease in the fair value of contingent consideration.

CooperSurgical's SGA increased in the three and six months ended April 30, 2022, compared to fiscal 2021 primarily due to the addition of Generate's SGA and acquisition and integration expenses.

Corporate SGA increased in the three and six months ended April 30, 2022, compared to fiscal 2021 primarily due to higher share-based compensation expense.

Research and Development Expense (R&D)

Three Months Ended April 30, ($ in millions)	2022	% Net Sales	2021	% Net Sales	2022 vs 2021 % Change
CooperVision	$ 14.4	3 %	$ 13.8	3 %	5 %
CooperSurgical	11.9	4 %	7.2	4 %	65 %
	$ 26.3	3 %	$ 21.0	3 %	25 %

Six Months Ended April 30, ($ in millions)	2022	% Net Sales	2021	% Net Sales	2022 vs 2021 % Change
CooperVision	$ 30.6	3 %	$ 27.9	3 %	10 %
CooperSurgical	21.8	4 %	14.5	4 %	52 %
	$ 52.4	3 %	$ 42.4	3 %	24 %

In the three and six months ended April 30, 2022:

- CooperVision's R&D expense increased in the three and six months ended April 30, 2022, compared to fiscal 2021, mainly due to myopia management programs, and timing of R&D projects. As a percentage of sales, CooperVision's R&D expense remained relatively flat. CooperVision's R&D activities are primarily focused on the development of contact lenses, manufacturing technology and process enhancements.

- CooperSurgical's R&D expense increased in the three and six months ended April 30, 2022, compared to fiscal 2021, mainly due to the addition of Generate's R&D expense and changes in headcount. As a percentage of sales, CooperSurgical's R&D expense remained relatively flat. CooperSurgical's R&D activities are focused on developing and refining diagnostic and therapeutic products including medical interventions, surgical devices and fertility solutions.

Amortization Expense

Three Months Ended April 30, ($ in millions)	**2022**	**% Net Sales**	**2021**	**% Net Sales**	**2022 vs 2021 % Change**
CooperVision	$ 8.0	1 %	$ 9.4	2 %	(15)%
CooperSurgical	43.1	16 %	27.7	14 %	56 %
	$ 51.1	6 %	$ 37.1	5 %	38 %

Six Months Ended April 30, ($ in millions)	**2022**	**% Net Sales**	**2021**	**% Net Sales**	**2022 vs 2021 % Change**
CooperVision	$ 16.2	1 %	$ 17.9	2 %	(9)%
CooperSurgical	77.2	15 %	53.9	15 %	43 %
	$ 93.4	6 %	$ 71.8	5 %	30 %

CooperVision's amortization expense decreased in absolute dollars in the three and six months ended April 30, 2022, compared to fiscal 2021, primarily due to the deconsolidation of SGV. As a percentage of sales, CooperVision's amortization expense decreased, primarily due to an increase in net sales.

CooperSurgical's amortization expense increased in the three and six months ended April 30, 2022, compared to fiscal 2021, primarily due to the amortization of intangible assets newly acquired through acquisitions. As a percentage of sales, CooperSurgical's amortization expense remained relatively flat, primarily due to an increase in net sales.

Operating Income

Three Months Ended April 30, ($ in millions)	**2022**	**% Net Sales**	**2021**	**% Net Sales**	**2022 vs 2021 % Change**
CooperVision	$ 135.4	24 %	$ 131.7	25 %	3 %
CooperSurgical	10.9	4 %	23.1	12 %	(53)%
Corporate	(13.6)	—	(11.6)	—	17 %
	$ 132.7	16 %	$ 143.2	20 %	(7)%

Six Months Ended April 30, ($ in millions)	**2022**	**% Net Sales**	**2021**	**% Net Sales**	**2022 vs 2021 % Change**
CooperVision	$ 262.8	24 %	$ 259.2	25 %	1 %
CooperSurgical	26.6	5 %	40.6	11 %	(35)%
Corporate	(25.8)	—	(23.2)	—	11 %
	$ 263.6	16 %	$ 276.6	20 %	(5)%

CooperVision's operating income increased in absolute dollars in the three and six months ended April 30, 2022, compared to the prior year periods primarily due to an increase in net sales partially offset by net changes in operating expenses. As a percentage of net sales, CooperVision's operating income decreased, primarily due to an increase in net sales.

CooperSurgical's operating income decreased as a percentage of net sales and in absolute dollars in the three and six months ended April 30, 2022, compared to the prior year periods, primarily due to an increase in SGA and amortization expenses, partially offset by an increase in net sales.

Corporate operating loss increased in the three and six months ended April 30, 2022, compared to the prior year periods, primarily due to higher share-based compensation expense.

On a consolidated basis, operating income decreased as a percentage of net sales and in absolute dollars primarily due to an increase in SGA and amortization expense, partially offset by an increase in consolidated net sales.

Interest Expense

Three Months Ended April 30, ($ in millions)	2022	% Net Sales	2021	% Net Sales	2022 vs 2021 % Change
Interest expense	$ 10.8	1 %	$ 6.1	1 %	78 %

Six Months Ended April 30, ($ in millions)	2022	% Net Sales	2021	% Net Sales	2022 vs 2021 % Change
Interest expense	$ 17.4	1 %	$ 12.5	1 %	39 %

Interest expense increased in absolute dollars during the three and six months ended April 30, 2022, primarily due to higher average debt balances compared to the prior year periods.

Other (Income) Expense, Net

Periods Ended April 30,	Three Months		Six Months	
($ in millions)	2022	2021	2022	2021
Investment gain	$ (48.4)	$ —	$ (48.4)	(11.5)
Foreign exchange loss	7.0	1.3	10.3	$ 1.2
Other income, net	(0.4)	(0.6)	(1.3)	(1.5)
	$ (41.8)	$ 0.7	$ (39.4)	$ (11.8)

Investment gain primarily consists of a gain on remeasurement of the fair value of retained equity investment in SGV as a result of deconsolidation. Foreign exchange loss is mainly associated with intercompany receivables from Yen and Euro activity during the quarter.

Other income, net decreased in the three and six months ended April 30, 2022, primarily due to loss on minority investments, partially offset by defined benefit plan related income.

Provision for Income Taxes

Our effective tax rates for the three months ended April 30, 2022, and April 30, 2021, were 22.7% and 13.8%, respectively. The increase was primarily due to changes in the geographical composition of pre-tax earnings and excess tax benefits from share-based compensation.

Our effective tax rates for the six months ended April 30, 2022, and April 30, 2021, were 22.3% and (704.2)%, respectively. The increase was primarily due to an intra-group transfer of intellectual property during the six months ended April 30, 2021, as discussed below.

In November 2020, we completed an intra-group transfer of certain intellectual property and related assets of CooperVision to a UK subsidiary as part of a group restructuring to establish headquarters operations in the UK. Determining fair value involved significant judgment related to future revenue growth, operating margins and discount rates. The transfer resulted in a step-up of the UK tax-deductible basis in the intellectual property and goodwill, creating a temporary difference between the book basis and the tax basis of these assets. As a result, we recognized a deferred tax asset of $1,987.9 million, with a corresponding income tax benefit, during the three months ended January 31, 2021.

Share-Based Compensation Plans

We have several share-based compensation plans that are described in our Annual Report on Form 10-K for the fiscal year ended October 31, 2021. The compensation expense and related income tax benefit recognized in our Consolidated Statements of Income and Comprehensive Income for share-based awards were as follows:

Periods Ended April 30,	Three Months		Six Months	
($ in millions)	2022	2021	2022	2021
Selling, general and administrative expense	$ 11.3	$ 8.7	$ 22.8	$ 17.8
Cost of sales	1.0	0.9	2.3	2.0
Research and development expense	0.7	0.6	1.5	1.2
Total share-based compensation expense	$ 13.0	$ 10.2	$ 26.6	$ 21.0
Related income tax benefit	$ 1.1	$ 1.2	$ 2.7	$ 2.4

Capital Resources and Liquidity

Second Quarter Highlights

- Operating cash flow of $131.8 million compared to $192.6 million in the prior year period
- Expenditures for purchases of property, plant and equipment of $43.4 million compared to $49.9 million in the prior year period
- Cash proceeds from sale of interest in a subsidiary of $52.6 million. Refer to Note 2. Acquisitions and Joint Venture for additional information
- Cash payments for acquisitions and others of $24.8 million compared to $91.1 million in the prior year period
- Cash provided by operations of $131.8 million offset by capital expenditures of $43.4 million resulted in positive free cash flow of $88.4 million, down $54.3 million compared to the prior year period

Six-Month Highlights

- Operating cash flow of $297.8 million compared to $340.3 million in the prior year period
- Expenditures for purchases of property, plant and equipment of $100.5 million compared to $105.8 million in the prior year period
- Cash proceeds from sale of interest in a subsidiary of $52.6 million. Refer to Note 2. Acquisitions and Joint Venture for additional information
- Cash payments for acquisitions and others of $1,637.1 million compared to $170.9 million in the prior year period
- Cash provided by operations of $297.8 million offset by capital expenditures of $100.5 million resulted in positive free cash flow of $197.3 million, down $37.2 million compared to the prior year period

Comparative Statistics

($ in millions)	April 30, 2022	October 31, 2021
Cash and cash equivalents	$ 399.2	$ 95.9
Total assets	$ 11,778.0	$ 9,606.2
Working capital	$ 89.8	$ 733.2
Total debt	$ 3,252.4	$ 1,479.0
Stockholders' equity	$ 7,013.8	$ 6,942.0
Ratio of debt to equity	0.46:1	0.21:1
Debt as a percentage of total capitalization	32 %	18 %

Working Capital

The decrease in working capital at April 30, 2022, from the end of fiscal 2021 was primarily due to:

- increase in short-term debt of $822.8 million, primarily due to the 2021 364-Day Term Loan Agreement entered into on November 2, 2021;
- increase in other current liabilities of $100.7 million, primarily due to the Generate acquisition. Refer to Note 2. Acquisitions and Joint Venture for further information;
- decrease in assets held-for-sale of $89.2 million due to deconsolidation of SGV and forming of a new joint venture. Refer to Note 2. Acquisitions and Joint Venture for further information;
- increase in accounts payable of $22.7 million due to timing of payments; partially offset by:
- increase in cash and cash equivalents of $303.3 million;
- decrease in employee compensation and benefits of $28.7 million due to timing of payments;
- increase in prepaid expense and other current assets of $23.9 million due to timing of payments;
- increase in inventories of $18.2 million primarily due to increase in production and the build up of inventory for future product launches;
- increase in trade accounts receivable of $16.7 million primarily due to higher sales and timing of collections.

At April 30, 2022, our inventory months on hand was 6.1 compared to 6.8 at October 31, 2021. The $18.2 million increase in inventories was primarily due to increase in production and the build up of inventory for future product launches.

Our days sales outstanding (DSO) was 57 days at April 30, 2022, compared to 64 days at October 31, 2021. The decrease in DSO from October 31, 2021 to April 30, 2022 was primarily due to timing of collections.

Operating Cash Flow

Cash provided by operating activities decreased by $42.5 million from $340.3 million in the first half of fiscal 2021 to $297.8 million in the first half of fiscal 2022. This decrease in cash flow provided by operating activities primarily consists of:

- decrease in net income of $1,996.8 million from a net income of $2,218.6 million in the first half of fiscal 2021 to $221.8 million in the first half of fiscal 2022;
- decrease from other non-cash items of $49.6 million, from $7.7 million cash inflow during the first half of fiscal 2021 to $41.9 million cash outflow during the first half of fiscal 2022;
- decrease from $40.7 million settlement of contingent consideration. Refer to Note 2. Acquisitions and Joint Venture for further information; partially offset by:
- increase of $2,013.2 million in the net changes in deferred income taxes. Refer to Note 6. Income Taxes for further information;
- increase of $22.4 million in net changes in depreciation and amortization, from $153.0 million during the first half of fiscal 2021 to $175.4 million during the first half of fiscal 2022;
- increase of $9.0 million in net cash flow from changes in operating capital, from $61.4 million outflow in the first half of fiscal 2021 to $52.4 million outflow in the first half of fiscal 2022.

The decrease in net income of $1,996.8 million was primarily due to:

- recognized income tax benefit of $1,987.9 million in the prior year period. Refer to Note 6. Income Taxes for further information;
- decrease of $13.00 million in operating income from $276.6 million in the first half of fiscal 2021 to $263.6 million in the first half of fiscal 2022 primarily due to the increase in certain costs;

The $9.0 million increase in the net cash flow from changes in operating capital compared to the prior year period is primarily due to:

- $46.5 million increase in the net changes in accounts payable primarily due to timing of payments;
- $42.9 million increase in the net changes in trade and other receivables primarily due to timing of collections and higher sales;
- $14.3 million increase in the net changes in prepaid and other assets due to timing of payments; partially offset by:
- $56.1 million decrease in the net changes in accrued liabilities;
- $23.8 million decrease in the net changes in the translation gain (loss);
- $8.6 million decrease in the net changes in income tax payable;
- $6.2 million decrease in the net changes in inventories.

The $49.6 million decrease in non-cash items compared to the prior year period is primarily due to:

- $57.4 million gain on remeasurement of the fair value of the retained equity investment in SGV as a result of deconsolidation;
- $36.7 million decrease in the net changes in long-term liabilities;
- $12.2 million decrease from change in fair value of contingent consideration; partially offset by:
- $24.6 million increase in net changes in other long-term assets & other;
- $13.1 million increase from minority interest in net income;
- $11.3 million increase from the effect of exchange rate change on cash.

Investing Cash Flow

Cash used in investing activities increased by $1,408.3 million to $1,685.0 million in the first half of fiscal 2022 from $276.7 million in the first half of fiscal 2021 due to:

- $1,466.2 million increase in payments made for acquisitions in the first half of fiscal 2022 compared to the prior year period, largely due to the Generate acquisition, partially offset by;
- $52.6 million increase in cash flows from sale of SGV. Refer to Note 2. Acquisitions and Joint Venture for further information.

Financing Cash Flow

Cash flows from financing activities increased by $1775.5 million to $1,696.5 million cash inflow in the first half of fiscal 2022 compared to $79.0 million outflow in the first half of fiscal 2021, primarily due to:

- $1,016.7 million increase in proceeds from long-term debt, primarily due to funds received from the 2021 Term Loan Facility; and

- $826.9 million increase in net proceeds from short-term debt, primarily due to the 2021 364-Day Term Loan Agreement; partially offset by:
- $53.7 million increase in repurchase of common stock compared to prior year period.

On November 2, 2021, the Company entered into a 364-day, $840.0 million, term loan agreement by and among the Company, the lenders party thereto and The Bank of Nova Scotia, as administrative agent (the 2021 364-Day Term Loan Agreement), which matures on November 1, 2022. The Company used part of the funds to partially repay outstanding borrowings under the 2020 Revolving Credit Facility and for general corporate purposes.

On December 17, 2021, the Company entered into a Term Loan Agreement (the 2021 Credit Agreement) by and among the Company, the lenders from time to time party thereto, and PNC Bank, National Association, as administrative agent. The 2021 Credit Agreement provides for a term loan facility (the 2021 Term Loan Facility) in an aggregate principal amount of $1.5 billion, which, unless terminated earlier, matures on December 17, 2026. In addition, the Company has the ability from time to time to request an increase to the commitments under the 2021 Term Loan Facility or to establish a new term loan facility under the 2021 Credit Agreement in an aggregate principal amount not to exceed $1.125 billion, upon prior written notice to the administrative agent and subject to the discretionary participation of the lenders funding such term loans and certain limitations set forth in the 2021 Credit Agreement. The following is a summary of the maximum commitments and the net amounts available to us under different credit facilities as of April 30, 2022:

(In millions)	Facility Limit	Outstanding Borrowings	Outstanding Letters of Credit	Total Amount Available	Maturity Date
2021 Term Loan Facility	$ 1,500.0	$ 1,500.0	n/a	—	December 17, 2026
2021 364-Day Term Loan	840.0	840.0	n/a	—	November 1, 2022
2020 Revolving Credit Facility	1,290.0	—	$ 1.3	$ 1,288.7	April 1, 2025
2020 Term Loan Facility	850.0	850.0	n/a	—	April 1, 2025
Total	$ 4,480.0	$ 3,190.0	$ 1.3	$ 1,288.7	

The 2020 Credit Agreement contains customary restrictive covenants, as well as financial covenants that require us to maintain a certain Total Leverage Ratio and Interest Coverage Ratio. As defined, in the 2020 Credit Agreement, we are required to maintain an Interest Coverage Ratio of at least 3.00 to 1.00, and a Total Leverage Ratio of no higher than 3.75 to 1.00. At April 30, 2022, we were in compliance with the Interest Coverage Ratio at 39.28 to 1.00 and the Total Leverage Ratio at 2.59 to 1.00. The Company, after considering the potential impacts of the COVID-19 pandemic, expects to remain in compliance with its financial maintenance covenant and meet its debt service obligations for at least the twelve months following the date of issuance of these financial statements.

See Note 5. Debt of the Consolidated Condensed Financial Statements for additional information.

Considering recent market conditions and the ongoing COVID-19 pandemic crisis, we have re-evaluated our operating cash flows and cash requirements and continue to believe that current cash, cash equivalents, future cash flow from operating activities and cash available under our 2020 Credit Agreement will be sufficient to meet our anticipated cash needs, including working capital needs, capital expenditures and contractual obligations for at least 12 months from the issuance date of the Consolidated Condensed Financial Statements included in this quarterly report. To the extent additional funds are necessary to meet our liquidity needs such as that for acquisitions, share repurchases, cash dividends or other activities as we execute our business strategy, we anticipate that additional funds will be obtained through the incurrence of additional indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all.

Share Repurchase

In December 2011, our Board of Directors authorized the 2012 Share Repurchase Program and through subsequent amendments, the most recent in March 2017, the total repurchase authorization was increased from $500.0 million to $1.0 billion of the Company's common stock. This program has no expiration date and may be discontinued at any time. Purchases under the 2012 Share Repurchase Program are subject to a review of the circumstances in place at the time and may be made from time to time as permitted by securities laws and other legal requirements.

At April 30, 2022, $256.4 million remained authorized for repurchase under the 2012 Share Repurchase Program.

The Company's share repurchases during the six months ended April 30, 2022, and 2021, were as follows:

	Six Months	
Periods Ended April 30,	**2022**	**2021**
Number of shares	191,165	69,622
Average repurchase price per share	$ 410.41	$ 356.61
Total costs of shares repurchased (in millions)	$ 78.5	$ 24.8

Dividends

We paid a semiannual dividend of approximately $1.5 million or 3 cents per share, on February 9, 2022, to stockholders of record on January 21, 2022.

Summary of Non-GAAP Financial Measures

The non-GAAP financial measures that may be included in Management's Discussion and Analysis and the reasons management believes they are useful to investors are described below. These measures should be considered supplemental in nature and are not intended to be a substitute for the related financial information prepared in accordance with GAAP. In addition, these measures may not be the same as similarly named measures presented by other companies.

Free cash flow is defined as cash provided by operating activities less capital expenditures. Management believes 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, buyback common stock or fund the dividend. We use 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.

Constant currency is defined as excluding the effect of foreign currency rate fluctuations. In order to assist with the assessment of how our underlying businesses performed, we compare the percentage change in net sales from one period to another, excluding the effect of foreign currency fluctuations. To present this information, 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.

Estimates and Critical Accounting Policies

Information regarding estimates and critical accounting policies is included in Management's Discussion and Analysis on Form 10-K for the fiscal year ended October 31, 2021. There have been no material changes in our policies from those previously discussed in our Form 10-K for the fiscal year ended October 31, 2021.

Accounting Pronouncements

Information regarding new accounting pronouncements is included in Note 1. General of the Consolidated Condensed Financial Statements of this Quarterly Report on Form 10-Q.

Trademarks
ActivControl®, Aquaform®, Avaira Vitality®, Biofinity®, Biofinity Energys®, MyDay® and MiSight® are registered trademarks of The Cooper Companies, Inc., its affiliates and/or subsidiaries. PC Technology™ is a trademark of The Cooper Companies, Inc., its affiliates and/or subsidiaries. The clariti® mark is a registered trademark of The Cooper Companies, Inc., its affiliates and/or subsidiaries worldwide except in the United States where the use of clariti® is licensed. INSORB®, PARAGARD®, Mara® and Fetal Pillow® are registered trademarks of CooperSurgical, Inc.

Item 3. Quantitative and Qualitative Disclosure About Market Risk

Most of our operations outside the United States have their local currency as their functional currency. We are exposed to risks caused by changes in foreign exchange, principally our British pound sterling, euro, Japanese yen and Danish krone denominated debt and receivables denominated in currencies other than the United States dollar, and from operations in other foreign currencies. Although we may enter into foreign exchange agreements with financial institutions to reduce our exposure to fluctuations in foreign currency values relative to our debt or receivables obligations, these hedging transactions do not eliminate that risk entirely. We are also exposed to risks associated with changes in interest rates, as the interest rates on our revolving lines of credit and term loans may vary with the federal funds rate and LIBOR. We may decrease this interest rate risk by hedging a portion of variable rate debt effectively converting it to fixed rate debt for varying periods.

On April 6, 2020, we entered into six interest rate swap contracts to hedge the Company's exposure to changes in cash flows associated with its variable rate debt. The interest rate swap contracts became effective on April 6, 2020, and had maturities of seven years or less. As of April 30, 2022, the outstanding contracts have a total notional amount of $1.0 billion.

We did not have any cross currency swaps or foreign currency forward contracts as of April 30, 2022.

On April 1, 2020, we entered into a Revolving Credit and Term Loan Agreement (the 2020 Credit Agreement), among us, CooperVision International Holding Company, LP, CooperSurgical Netherlands B.V., CooperVision Holding Kft. the lenders from time to time party thereto, and KeyBank National Association, as administrative agent. The 2020 Credit Agreement provides for (a) a multicurrency revolving credit facility (the 2020 Revolving Credit Facility) in an aggregate principal amount of $1.29 billion and (b) a term loan facility (the 2020 Term Loan Facility) in an aggregate principal amount of $850.0 million, each of which, unless terminated earlier, mature on April 1, 2025. The 2020 Credit Agreement replaced our previous credit agreement and funds from the new term loan were used to repay the outstanding amounts under the previous credit agreement, to repay an outstanding term loan, and for general corporate purposes. At April 30, 2022, the Company had $1,288.7 million available under the 2020 Revolving Credit Facility and $850.0 million outstanding under the 2020 Term Loan Facility.

On November 2, 2021, the Company entered into a 364-day, $840.0 million, term loan agreement by and among the Company, the lenders party thereto and The Bank of Nova Scotia, as administrative agent (the 2021 364-Day Term Loan Agreement) which matures on November 1,2022. The Company used part of the funds to partially repay outstanding borrowings under the 2020 Revolving Credit Facility and for general corporate purposes. At April 30, 2022, the Company had $840.0 million outstanding under the 2021 364-Day Term Loan Agreement.

On December 17, 2021, the Company entered into a Term Loan Agreement (the 2021 Credit Agreement) by and among the Company, the lenders from time to time party thereto, and PNC Bank, National Association, as administrative agent. The 2021 Credit Agreement provides for a term loan facility (the 2021 Term Loan Facility) in an aggregate principal amount of $1.5 billion, which, unless terminated earlier, matures on December 17, 2026. In addition, the Company has the ability from time to time to request an increase to the commitments under the 2021 Term Loan Facility or to establish a new term loan facility under the 2021 Credit Agreement in an aggregate principal amount not to exceed $1.125 billion, upon prior written notice to the administrative agent and subject to the discretionary participation of the lenders funding such term loans and certain limitations set forth in the 2021 Credit Agreement. At April 30, 2022, the Company had $1.5 billion outstanding under the 2021 Term Loan Facility.

If interest rates were to have increased or decreased by 1% or 100 basis points, the quarterly interest expense would have increased or decreased by approximately $5.4 million based on average debt outstanding for the second quarter of fiscal 2022, after consideration of our interest rate swap contracts.

See Note 5. Debt of the Consolidated Condensed Financial Statements for additional information.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Based on management’s evaluation (with the participation of our Chief Executive Officer (our Principal Executive Officer) and Chief Financial Officer (our Principal Financial Officer)), as of the end of the period covered by this report, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the Exchange Act)) are effective to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange

Commission rules and forms and is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during our second quarter of fiscal 2022, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal controls over financial reporting despite the fact that certain of our employees are working remotely due to the COVID-19 pandemic. We are continually monitoring and assessing the COVID-19 related considerations and any impact on the design and operating effectiveness of our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

Information regarding legal proceedings is included in Note 12. Contingencies of the Consolidated Condensed Financial Statements of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

Our business faces significant risks. These risks include those described below and may include additional risks and uncertainties not presently known to us or that we currently deem immaterial. Our business, financial condition and results of operations could be materially adversely affected by any of these risks, and the trading prices of our common stock could decline by virtue of these risks. These risks should be read in conjunction with the other information in this report.

Risk factors describing the major risks to our business can be found under Item 1A. Risk Factors in our Annual Report on Form 10-K for the fiscal year ended October 31, 2021, and in our Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

There was no share repurchase activity during the three-month period ended April 30, 2022.

The share repurchase program was approved by the Company’s Board of Directors in December 2011 (the 2012 Share Repurchase Program). The program as amended in December 2012, December 2013 and March 2017 provides authorization to repurchase up to a total of $1.0 billion of the Company’s common stock. Purchases under the 2012 Share Repurchase Program may be made from time to time on the open market at prevailing market prices or in privately negotiated transactions and are subject to a review of the circumstances in place at the time and will be made from time to time as permitted by securities laws and other legal requirements. This program has no expiration date and may be discontinued at any time.

During the second quarter of fiscal 2022, there were no share repurchases under the program. During the first quarter of fiscal 2022, we repurchased 191.2 thousand shares of the Company’s common stock for $78.5 million, at an average purchase price of $410.41 per share. At April 30, 2022, $256.4 million remained authorized for repurchase under the 2012 Share Repurchase Program.

During the second quarter of fiscal 2021, there were no share repurchases under the program. During the first quarter of fiscal 2021, we repurchased 69.6 thousand shares of the Company's common stock for $24.8 million, at an average purchase price of $356.61 per share.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Description
31.1	Certification of the Chief Executive Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2	Certification of the Chief Financial Officer, pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
32.1	Certification of the Chief Executive Officer, pursuant to 18 U.S.C. Section 1350
32.2	Certification of the Chief Financial Officer, pursuant to 18 U.S.C. Section 1350
101.1	The following materials from the Company's Quarterly Report on Form 10-Q for the three and six months period ended April 30, 2022 formatted in Inline XBRL (Extensible Business Reporting Language): (i) Consolidated Statements of Income and Comprehensive Income, (ii) Consolidated Condensed Balance Sheets, (iii) Consolidated Condensed Statements of Stockholders' Equity, (iv) Consolidated Condensed Statements of Cash Flows and (v) related Notes to Consolidated Condensed Financial Statements.
104.1	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

The Cooper Companies, Inc.
(Registrant)

Date: June 3, 2022

/s/ Brian G. Andrews
Brian G. Andrews
Executive Vice President, Chief Financial Officer & Treasurer
(Principal Financial Officer)

Date: June 3, 2022

/s/ Agostino Ricupati
Agostino Ricupati
Chief Accounting Officer & Senior Vice President, Finance & Tax
(Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Albert G. White III, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Cooper Companies, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 3, 2022

/s/ Albert G. White III

Albert G. White III
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Brian G. Andrews, certify that:

1. 1. I have reviewed this quarterly report on Form 10-Q of The Cooper Companies, Inc. (the “registrant”);

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 3, 2022

/s/ Brian G. Andrews

Brian G. Andrews
Executive Vice President, Chief Financial Officer and
Treasurer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Albert G. White III, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Quarterly Report on Form 10-Q of The Cooper Companies, Inc. (the "Company") for the quarterly period ended April 30, 2022, as filed with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 3, 2022

/s/ Albert G. White III
Albert G. White III
President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Brian G. Andrews, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- the Quarterly Report on Form 10-Q of The Cooper Companies, Inc. (the “Company”) for the quarterly period ended April 30, 2022, as filed with the Securities and Exchange Commission (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 3, 2022	/s/ Brian G. Andrews
	Brian G. Andrews
	Executive Vice President, Chief Financial Officer and Treasurer