COTY INC.
Form PREM14C
June 30, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 14C

(RULE 14c 101)

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c)

of the Securities Exchange Act of 1934

Check the appropriate box:

x Preliminary Information Statement

¨ Confidential, for Use of the Commission Only (as permitted by Rule 14c 5(d)(2))

¨ Definitive Information Statement

Coty Inc.

(Name Of Registrant As Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

¨ No fee required.

¨ Fee computed on table below per Exchange Act Rules 14c 5(g) and 0 11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0 11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

x Check box if any part of the fee is offset as provided by Exchange Act Rule 0 11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid: $1,250,655.76

(2) Form, Schedule or Registration Statement No.: 333-210856

(3) Filing Party: Coty Inc.

(4) Date Filed: April 22, 2016

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PRELIMINARY COPY SUBJECT TO COMPLETION

NOTICE OF ACTION BY WRITTEN CONSENT OF MAJORITY SHAREHOLDER OF

AND INFORMATION STATEMENT FOR

Coty Inc.

350 Fifth Avenue

New York, New York 10118

Telephone: (212) 389-7300

TO BE EFFECTIVE ON [ ], 2016

DATE FIRST MAILED TO STOCKHOLDERS: [ ], 2016

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO

SEND US A PROXY.

To Coty Inc. Stockholders:

Coty Inc., a Delaware corporation (Coty), hereby gives notice to its stockholders of, and this information statement is being distributed in connection with, an action by written consent (the Written Consent) of the majority stockholder of Coty taken on July 9, 2015.

The matters upon which action by written consent of the majority stockholder of Coty (collectively, the Proposals) was taken are:

(1) The approval, in connection with the transactions described in Coty s registration statement on Form S-4, as amended (Registration No. 333-210856), including (i) the distribution to shareholders of The Procter & Gamble Company (P&G) of all of the shares of common stock of Galleria Co. (Galleria Company), currently a wholly owned subsidiary of P&G, followed by (ii) the merger (the Merger) of Green Acquisition Sub Inc. (Merger Sub), which is a wholly owned subsidiary of Coty, with and into Galleria Company, with Galleria Company surviving the Merger and becoming a wholly owned subsidiary of Coty, of an amendment to Coty s amended and restated certificate of incorporation to increase the number of authorized shares of Coty s class A common stock (Coty common stock) by 200,000,000 to 1,000,000,000, as reflected in Annex A to this information statement; and

(2) The approval of the issuance of one share of Coty common stock, par value $0.01 per share, for each share of Galleria Company common stock cancelled and converted into the right to receive one share of Coty common stock in the Merger (the Proposed Issuance).

Prior to the consummation of the Merger, P&G will cause certain assets relating to its global fine fragrance, salon professional, cosmetics and retail hair color businesses and a portion of its hair styling business (P&G Beauty Brands) to be transferred to, and certain liabilities relating to P&G Beauty Brands to be assumed by, Galleria Company and its subsidiaries. In addition, Galleria Company has filed a registration statement on Form S-4/Form S-1 (File No.

333-210857) to register the shares of its common stock, par value $0.01 per share (Galleria Company common stock), that it currently expects will be distributed to P&G shareholders pursuant to an exchange offer (and a subsequent pro rata dividend if the exchange offer is completed but not fully subscribed), and which will then automatically be converted in connection with the Merger into the right to receive shares of Coty common stock. The Merger and related transactions are collectively referred to herein as the Transactions.

The Written Consent is effective as of July 9, 2015. The actions contemplated by the Proposals will only occur if the Transactions are consummated, in which case they will occur substantially simultaneously with the consummation of the Transactions. Please review this information statement and Coty s registration statement on Form S-4 (Registration No. 333-210856) for a more complete description of these matters.

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This information statement is being furnished pursuant to the requirements of Rule 14c-2 of the Securities Exchange Act of 1934, as amended, to Coty s stockholders entitled to vote or give an authorization or consent in regard to the Proposals and from whom proxy authorization or consent is not solicited. Coty s board of directors has fixed [ ] p.m. on [ ], 2016 as the record date for the determination of holders of Coty class A common stock and class B common stock entitled to notice of the action by written consent. Your consent is not required and is not being solicited in connection with this action. This information statement is being furnished to Coty s stockholders as of the record date for informational purposes only. This information statement also constitutes notice of corporate action without a meeting by less than unanimous written consent of our stockholders pursuant to Section 228(e) of the Delaware General Corporation Law.

Coty s majority stockholder is JAB Cosmetics B.V.

Coty s principal executive offices are located at 350 Avenue, New York, New York 10118, and Coty s telephone number is (212) 389-7300.

We urge you to read this information statement and Coty s registration statement on Form S-4 (Registration No. 333-210856) carefully.

By order of the Board of Directors,

Lambertus J.H. Becht

Interim Chief Executive Officer and

Chairman of the Board of Directors

[ ], 2016

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CORPORATE ACTION TAKEN

Approval by Coty s Board of Directors

Coty s board of directors (the Coty Board) has determined that the Proposals are advisable and in Coty s best interests. On July 8, 2015, the Coty Board authorized amendments (the Amendments) to Coty s amended and restated certificate of incorporation (the certificate of incorporation), subject to stockholder approval, to increase the number of authorized shares of Coty s class A common stock (Coty common stock) by 200,000,000 to 1,000,000,000, as reflected in Annex A to this information statement, and approved the Proposed Issuance.

Action by Written Consent

On July 9, 2015, JAB Cosmetics B.V. delivered to Coty an executed written consent of stockholders approving each of the Proposals (the Written Consent), in accordance with Section 228 of the Delaware General Corporation Law (the DGCL). The Coty Board has fixed [ ] p.m. on [ ], 2016 (the Record Date) as the record date for the determination of holders of Coty common stock and Coty class B common stock entitled to notice of the action by written consent. As of the Record Date, JAB Cosmetics B.V. beneficially owned all of the issued and outstanding Coty class B common stock and approximately [ ]% of the issued and outstanding shares of Coty common stock, together representing approximately [ ]% of the combined voting power of Coty common stock and Coty class B common stock.

In connection with the Transactions, JAB Cosmetics B.V. will irrevocably elect to convert its shares of Coty class B common stock into shares of Coty common stock, which conversion will be effective as of two business days prior to the closing of the Transactions and will be subject to the closing of the Transactions. Following this conversion, Coty common stock will be Coty s only class of common stock outstanding, and JAB Cosmetics B.V. will remain Coty s largest stockholder, owning approximately 35% of the fully diluted shares of Coty common stock.

As used in this information statement, fully diluted means shares outstanding as well as all outstanding equity grants and is not necessarily calculated in accordance with GAAP. See the definition of fully diluted under Helpful Information .

ACTION BY WRITTEN CONSENT; NO VOTE REQUIRED

As the Proposals have been duly authorized and approved by the written consent of holders of at least a majority of Coty s issued and outstanding voting securities, we are not seeking any consent, authorization or proxy from you. Section 228 of the DGCL provides that the written consent of the holders of outstanding shares of voting capital stock, having not less than the minimum number of votes which would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, may be substituted for a meeting. Approval by at least a majority of the outstanding voting power of Coty s shares of common stock present and voting on the matter at a meeting would be required to approve the Proposals, which approval has been duly secured by written consent executed and delivered to us by JAB Cosmetics B.V., as noted above.

As of the Record Date, there were issued and outstanding: (i) [ ] shares of Coty common stock, entitled to one vote per share, (ii) 262,062,370 shares of Coty class B common stock, entitled to ten votes per share, and (iii) [ ] shares of preferred stock. As of the Record Date, JAB Cosmetics B.V. owned, directly and indirectly, [ ] shares, or approximately [ ]%, of Coty common stock, and all of the 262,062,370 shares of Coty class B common stock, with such shares of Coty common stock and Coty class B common stock together representing approximately [ ]% of the combined voting power of Coty common stock and Coty class B common stock. **Accordingly, the Written Consent executed by JAB Cosmetics B.V. pursuant to DGCL Section 228 and delivered to Coty is sufficient to approve**

the Proposals and no further stockholder vote or other action is required.

The DGCL does not provide for dissenters rights of appraisal in connection with any of the Proposals.

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NOTICE OF ACTION BY WRITTEN CONSENT

Pursuant to Section 228(e) of the DGCL, Coty is required to provide prompt notice of the taking of corporate action without a meeting by less than unanimous written consent to those stockholders who have not consented in writing to such action. This information statement serves as the notice required by Section 228(e) of the DGCL.

PROPOSAL NO. 1 APPROVAL OF THE AMENDMENT OF COTY S AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK

Effective immediately prior to the consummation of the Transactions, Coty is amending its certificate of incorporation to increase the number of authorized shares of Coty common stock by 200,000,000 to 1,000,000,000. This amendment to Coty s certificate of incorporation is reflected in Annex A to this information statement.

As of [ ], 2016, there were [ ] shares of Coty common stock issued and outstanding. In order to consummate the Transactions, Coty expects to issue up to 412,337,991 shares of Coty common stock, par value $0.01 per share. One share of Coty common stock will be issued to P&G shareholders for each share of Galleria Company common stock cancelled and converted into the right to receive one share of Coty common stock in the Merger.

Accordingly, in order to ensure that there will be enough authorized but unissued shares of Coty common stock for issuance in connection with the Merger and to thereafter permit Coty to meet its business needs as they arise, the Coty Board believes it to be in Coty s best interests to increase the number of authorized shares of Coty common stock. The availability of additional authorized shares of Coty common stock will provide Coty with greater flexibility to issue common stock for a variety of corporate purposes, without the delay and expense associated with convening a special stockholders meeting. These purposes may include adopting additional stock plans or reserving additional shares for issuance under existing plans. The proposed amendment to Coty s certificate of incorporation will make available the additional authorized shares of Coty common stock for issuance from time to time at the discretion of the Coty Board without further action by the stockholders, except where stockholder approval is required by law or New York Stock Exchange (NYSE) requirement or to obtain favorable tax treatment for certain employee benefit plans.

Except as described in this information statement and in Coty s registration statement on Form S-4, as amended (Registration No. 333-210856), in connection with the Transactions, including the Merger, Coty has no current plans to issue any of the authorized but unissued shares of Coty common stock. Coty has not made the Proposals in this information statement in response to any effort to accumulate Coty s stock or to obtain control of Coty by means of a tender offer, merger or solicitation in opposition to management. Please see the information contained in the section of Coty s registration statement on Form S-4 (Registration No. 333-210856) titled The Transactions.

PROPOSAL NO. 2 APPROVAL OF THE PROPOSED ISSUANCE

Coty is proposing the issuance of up to 412,337,991 shares of Coty common stock to Galleria Company shareholders in connection with the Merger. The exact number will be an amount such that Galleria Company shareholders will own approximately 54% of the fully diluted shares of Coty common stock upon consummation of the Merger, and will depend upon the average P&G stock price and the average Coty stock price as determined by P&G by reference to the simple arithmetic average of the daily volume-weighted average prices (VWAPs) of shares of P&G common stock and shares of Coty common stock on the NYSE during a period of three consecutive trading days, ending on and including the second trading day preceding the expiration date of the exchange offer, and will be subject to an upper limit of [ ]. No further stockholder authorization for this issuance will be solicited.

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The Proposed Issuance is being made in connection with the Transactions. Prior to the consummation of the Merger, P&G will cause certain assets relating to its global fine fragrances, salon professional, cosmetics and retail hair color businesses and a portion of its hair styling business (P&G Beauty Brands) to be transferred to, and certain liabilities relating to P&G Beauty Brands to be assumed by, Galleria Company and its subsidiaries. Coty has filed a registration statement on Form S-4, as amended (Registration No. 333-210856), to register the shares of Coty common stock that will be issued in connection with the Merger.

Based on market conditions prior to the consummation of the Transactions, P&G will determine whether the shares of Galleria Company common stock will be distributed to P&G shareholders in a spin-off or a split-off. P&G will determine which approach it will take prior to the completion of the Transactions and no decision has been made at this time. In a spin-off, all P&G shareholders would receive a pro rata number of shares of Galleria Company common stock. In a split-off, P&G would offer its shareholders the option to exchange their shares of P&G common stock (P&G common stock) for shares of Galleria Company common stock in an exchange offer, resulting in a reduction in P&G s outstanding shares. If the exchange offer is completed but fewer than all of the issued and outstanding shares of Galleria Company common stock are exchanged because the exchange offer is not fully subscribed, the remaining shares of Galleria Company common stock owned by P&G will be distributed on a pro rata basis to P&G shareholders (after giving effect to the completion of the exchange offer). As promptly as practicable following completion of the exchange offer and, if the exchange offer is completed but is not fully subscribed, any subsequent pro rata dividend of all remaining shares of Galleria Company common stock to P&G shareholders, each share of Galleria Company common stock would be converted into the right to receive one share of Coty common stock in the Merger. For purposes of this information statement, Coty has assumed that the shares of Galleria Company common stock will be distributed to P&G shareholders pursuant to a split-off.

Coty common stock is listed on the NYSE and, as a result, Coty is subject to the rules of the NYSE.

Rule 312.03(b) of the rules of the NYSE requires an issuer to obtain stockholder approval prior to the issuance of common stock, or of securities convertible into or exercisable for common stock, to (i) a director, officer or substantial security holder of the company (an NYSE Related Party), (ii) a subsidiary, affiliate or other closely-related person of an NYSE Related Party or (iii) any company or entity in which an NYSE Related Party has a substantial direct or indirect interest, if the number of shares of common stock to be issued, or if the number of shares of common stock into which the securities may be convertible or exercisable, exceeds either 1% of the number of shares of common stock or 1% of the voting power outstanding before the issuance. Rule 312.03(c) of the rules of the NYSE requires an issuer to obtain stockholder approval prior to the issuance of common stock, or of securities convertible into or exercisable for common stock, in any transaction or series of related transactions, if (i) the common stock has, or will have upon issuance, voting power equal to or in excess of 20% of the voting power outstanding before the issuance of such stock or of securities convertible into or exercisable for common stock or (ii) the number of shares of common stock to be issued is, or will be upon issuance, equal to or in excess of 20% of the number of shares of common stock outstanding before the issuance of common stock or of securities convertible into or exercisable for common stock.

The consummation of the Proposed Issuance will result in an issuance to Galleria Company shareholders of up to 412,337,991 shares of Coty common stock constituting approximately 54% of the fully diluted shares of Coty common stock.

The Written Consent executed by JAB Cosmetics B.V. pursuant to Section 228 of the DGCL and delivered to Coty is sufficient to approve the Proposed Issuance and no further stockholder vote or other action is required.

DILUTION

The holders of Coty common stock will incur dilution of their shares in connection with the consummation of the Transactions, since Galleria Company shareholders will be issued shares of Coty common stock constituting approximately 54% of the fully diluted shares of Coty common stock after giving effect to the Merger, and Coty s stockholders immediately prior to the Merger are expected to collectively hold 46% of the fully diluted shares of Coty common stock immediately after the Merger.

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INFORMATION REGARDING CONTENT OF THIS INFORMATION STATEMENT

Securities and Exchange Commission Filings

This information statement incorporates by reference important business and financial information about Coty from documents filed with the U.S. Securities and Exchange Commission (the SEC) that have not been included herein or delivered herewith. This information is available without charge at the website that the SEC maintains at www.sec.gov, as well as from other sources. See Where You Can Find More Information; Incorporation by Reference.

Sources of Information

All information contained or incorporated by reference in this document with respect to Coty, Merger Sub and their subsidiaries, and all statements contained in this document concerning Coty, Merger Sub and their subsidiaries, have been provided by Coty. All information contained or incorporated by reference in this document with respect to Galleria Company and its subsidiaries and P&G Beauty Brands and with respect to the terms and conditions of the exchange offer, and all statements contained in this document concerning Galleria Company and its subsidiaries and P&G Beauty Brands, have been provided by P&G.

Trademarks and Market and Industry Data

This document contains references to trademarks, trade names and service marks that are owned by P&G, including Always®, Ambi Pur®, Ariel®, Bounty®, Charmin®, Crest®, Dawn®, Downy®, Fairy®, Febreze®, Fusion®, Gain®, Gillette®, Head & Shoulders®, Lenor®, Mach3®, Oral-B®, Pampers®, Pantene®, Prestobarba®, SK-II®, Tide®, Vicks® and Whisper®.

This document contains references to trademarks, trade names and service marks that are owned by P&G Beauty Brands, including Balsam Color®, Bellady®, Blondor®, Clairol®, Color Charm®, Color Fresh / Perfection Color Touch®, CoverGirl®, Design®, Forte®, Kadus®, Kadus Professional®, L image®, Londa®, Max Factor®, Natural Instincts®, New Wave®, New Wave Design®, Nioxin®, Olay®, Outlast®, Salon Lifestyle®, Sebastian®, Soft Color®, Shockwaves®, Silvikrin®, Soft Color®, System Professional®, Vidal Sassoon® and Wella®.

This document also contains references to trademarks, trade names and service marks that are licensed to P&G Beauty Brands, including Alexander McQueen®, Bruno Banani®, Christina Aguilera®, Dolce & Gabbana®, Gucci®, HUGO BOSS®, Escada Fashion®, Gabriela Sabatini®, James Bond®, Lacoste®, Mexx® and Stella McCartney®.

Unless otherwise specified in this document, all industry and market share data relating to P&G Beauty Brands and the beauty industry included in this document is based on P&G s market research and its internally developed, proprietary analytical modeling system as well as statistical data obtained or derived from independent market research firms. Some of these third-party firms, such as Euromonitor International Limited (Euromonitor) and ACNielsen, categorize data differently from how P&G Beauty Brands categorizes data. Information in this document on the beauty industry is from independent market research carried out by Euromonitor but should not be relied upon in making, or refraining from making, an investment decision. Market share data is used by P&G to standardize market share information across different products and retail channels and is regularly used by P&G in the analysis of P&G Beauty Brands. While P&G has no reason to believe any third-party information is not reliable, P&G has not independently verified this information.

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Unless otherwise indicated, market and industry data and forecasts relating to Coty included in this document, including Coty s general expectations about its industry, market position, market opportunity and market size, is based on data from various sources including internal data and estimates as well as third-party sources widely available to the public such as independent industry publications (including Euromonitor), government publications, reports by market research firms or other published independent sources and on Coty s assumptions based on that data and other similar sources. Coty did not fund and is not otherwise affiliated with the third-party sources that it cites. Industry publications and other published sources generally state that the information contained therein has been obtained from third-party sources believed to be reliable. Internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which Coty operates and Coty management s understanding of industry conditions, and such information has not been verified by any independent sources. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While Coty believes the market, industry and other information included in this document to be the most recently available and to be generally reliable, such information is inherently imprecise and Coty has not independently verified any third-party information or verified that more recent information is not available.

Statements in this document about P&G Beauty Brands that Coty proposes to acquire are made primarily on the basis of information furnished by the owners and management of P&G Beauty Brands. Statements in this document about Coty are made primarily on the basis of information furnished by the owners and management of Coty.

Exchange Offer Information

The information included in this document relating to P&G s exchange offer is being provided for informational purposes only and does not purport to be complete. For additional information on P&G s exchange offer and the terms and conditions of P&G s exchange offer, Coty s stockholders are urged to read Galleria Company s registration statement on Form S-4 and Form S-1, as amended (Reg. No. 333-210857), Coty s registration statement on Form S-4, as amended (Reg. No. 333-210856), and all other documents Coty or Galleria Company file with the SEC relating to the Merger. This document constitutes only an information statement for Coty stockholders relating to the action by written consent and is not an offer to sell or a solicitation of an offer to purchase shares of Coty common stock, P&G common stock or Galleria Company common stock.

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HELPFUL INFORMATION

As used in this document, unless otherwise stated herein or the context otherwise provides:

Code means the Internal Revenue Code of 1986, as amended.

Coty means Coty Inc., a Delaware corporation and, unless the context otherwise requires, its consolidated subsidiaries.

Coty class B common stock means the Coty class B common stock, par value $0.01 per share, which JAB Cosmetics B.V. will irrevocably elect to convert into shares of Coty common stock, which conversion will be effective as of two business days prior to the closing of the Transactions. Following this conversion and the completion of the Transactions, JAB Cosmetics B.V. will remain Coty s largest stockholder, owning approximately 35% of the fully diluted shares of Coty common stock.

Coty common stock means the Coty class A common stock, par value $0.01 per share.

Coty Credit Agreement means the Credit Agreement, dated as of October 27, 2015, among Coty, as the parent borrower, the other borrowers party thereto from time to time, the lenders party thereto and JPMorgan Chase Bank, N.A. (JPMCB), as administrative agent, and the other agents from time to time party thereto, relating to the Coty Senior Secured Credit Facilities.

Coty Group means Coty and each of its consolidated subsidiaries including, after the consummation of the Merger, Galleria Company.

Coty Senior Secured Credit Facilities means the $4.500 billion senior secured credit facilities obtained by Coty in connection with the completion of the Transactions, comprised of (i) a $1.500 billion five-year revolving credit facility, which includes up to $80.0 million in swingline loans available for short-term borrowings, (ii) a $1.750 billion five-year term loan A facility and (iii) a seven-year term loan B facility comprised of a $500.0 million tranche and a 665.0 million tranche.

Distribution means the distribution by P&G of its shares of Galleria Company common stock to P&G shareholders by way of an exchange offer and, if the exchange offer is completed but is not fully subscribed, the distribution of the Remaining Shares to the Remaining P&G Shareholders as described herein.

Divested Brands means the Rochas, Laura Biagiotti, Naomi Campbell and Giorgio Beverly Hills brands that were divested by P&G in May 2015, June 2015, September 2014 and February 2016, respectively, as well as Puma, which was discontinued by P&G in fiscal 2015.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Exchange Agent means Wells Fargo Bank, N.A.

Excluded Brands means the Dolce & Gabbana and Christina Aguilera fragrance licenses.

fully diluted means shares outstanding as well as all outstanding equity grants and is not necessarily calculated in accordance with GAAP.

GAAP means accounting principles generally accepted in the United States.

Galleria means certain specified assets and liabilities related to P&G Beauty Brands, excluding the Excluded Brands, that will be transferred by P&G and its subsidiaries to Galleria Company as part of the Separation and thereafter acquired by Coty in the Merger.

Galleria Company means Galleria Co., a Delaware corporation and wholly owned subsidiary of P&G, and, unless the context otherwise requires, its consolidated subsidiaries.

Galleria Company common stock means Galleria Company common stock, par value $0.01 per share.

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Galleria Credit Agreement means the Credit Agreement, dated January 26, 2016, by and among Galleria Company, as initial borrower, the other borrowers from time to time party thereto, JPMCB, as administrative agent and collateral agent, and the other agents and lenders from time to time party thereto, relating to the Galleria Senior Secured Credit Facilities.

Galleria Senior Secured Credit Facilities means the $4.500 billion senior secured credit facilities comprised of (i) a $2.000 billion five-year term loan A facility, (ii) a $1.000 billion seven-year term loan B facility and (iii) a $1.500 billion five-year revolving credit facility.

Galleria Transfer means the contribution of the Galleria assets by P&G to Galleria Company in exchange for Galleria Company common stock, any distribution to P&G of a portion of the Recapitalization Amount and the assumption of the Galleria liabilities, in each case, in accordance with the requirements of the Transaction Agreement.

HSR Act means the Hart Scott Rodino Antitrust Improvements Act of 1976.

Intended Tax-Free Treatment means that (i) the Galleria Transfer, taken together with the Distribution, qualifies as a tax-free reorganization pursuant to section 368(a)(1)(D) of the Code, (ii) the Distribution, as such, qualifies as a distribution of Galleria Company common stock to P&G shareholders pursuant to section 355 of the Code, pursuant to which no taxable gain or loss should be recognized for U.S. federal income tax purposes, and (iii) the Merger qualifies as a tax-free reorganization pursuant to section 368(a) of the Code pursuant to which no taxable gain or loss will be recognized by Galleria Company shareholders for U.S. federal income tax purposes, except to the extent of cash received in lieu of fractional shares of Coty common stock.

IRS means the Internal Revenue Service.

Merger means the merger of Merger Sub with and into Galleria Company, with Galleria Company surviving the merger and becoming a wholly owned subsidiary of Coty, as contemplated by the Transaction Agreement.

Merger Sub means Green Acquisition Sub Inc., a Delaware corporation and wholly owned subsidiary of Coty.

Non-Color Haircare Business means P&G s business of sourcing, manufacturing, marketing, selling, distributing and developing (i) hair care and styling products for sale in the salon professional channel, and (ii) hair styling products for sale in the retail channel that are branded under the Wella, Silvikrin, Shockwaves, Londa and New Wave marks.

NYSE means the New York Stock Exchange.

P&G means The Procter & Gamble Company, an Ohio corporation, and, unless the context otherwise requires, its consolidated subsidiaries.

P&G Beauty Brands means the business of P&G and its subsidiaries relating to P&G s global fine fragrances, salon professional, cosmetics and retail hair color businesses, along with select hair styling brands, including the Excluded Brands unless otherwise noted.

P&G common stock means P&G common stock, without par value.

P&G shareholders means the holders of shares of P&G common stock.

Recapitalization means Galleria Company (i) issuing and delivering to P&G, in exchange for Galleria, a number of additional shares of Galleria Company common stock such that the total number of shares of Galleria Company common stock held by P&G at the time of the Distribution will equal [ ], all of which shares of Galleria Company common stock P&G will dispose of in the Distribution, (ii) incurring indebtedness under the Galleria Senior Secured Credit Facilities and (iii) using all or a portion of the cash proceeds of the indebtedness incurred on or prior to the Recapitalization Date under the Galleria Senior Secured Credit Facilities, along with any cash contributed by P&G to Galleria

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Company, to purchase or otherwise receive the Galleria assets from P&G or its subsidiaries. Galleria Company will distribute to P&G, prior to the Distribution, any borrowed amounts remaining after funding these asset purchases.

Recapitalization Amount has the meaning ascribed to it under The Transaction Agreement Recapitalization.

Recapitalization Date means the date on which the Recapitalization occurs.

Remaining P&G Shareholders means the remaining P&G shareholders, determined after giving effect to the completion of the exchange offer, that will receive the Remaining Shares.

Remaining Shares means any remaining shares of Galleria Company common stock held by P&G after completion of the exchange offer.

SEC means the U.S. Securities and Exchange Commission.

Securities Act means the Securities Act of 1933, as amended.

Separation means the transfer by P&G and its subsidiaries of the Galleria assets and liabilities to Galleria Company.

Transaction Agreement means the Transaction Agreement, dated as of July 8, 2015, by and among Coty, P&G, Galleria Company and Merger Sub.

Transactions means the transactions contemplated by the Transaction Agreement, which provide, among other things, for the Separation, the Recapitalization, the Distribution and the Merger, as described in the section The Transactions.

VWAP means the volume-weighted average price.

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QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

The following are some of the questions that Coty stockholders may have and answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this information statement, and this information is qualified in its entirety by the more detailed descriptions and explanations contained elsewhere in this information statement.

1. What will happen in the Transactions?

Below is a summary of the key steps of the Transactions. A step-by-step description of material events relating to the Transactions is set forth under The Transactions. The section entitled Selected Historical and Pro Forma Financial Data Unaudited Condensed Combined Pro Forma Financial Statements of Coty includes information regarding the Galleria assets and liabilities to be transferred and indebtedness expected to be incurred under the Galleria Senior Secured Credit Facilities as if the Transactions had occurred as of the respective dates identified therein.

P&G will transfer the Galleria assets to Galleria Company. Galleria Company will also assume liabilities associated with the Galleria assets.

Prior to the Distribution, and in partial consideration for the Galleria assets transferred from P&G to Galleria Company, Galleria Company will be recapitalized in the following manner:

Galleria Company will issue and deliver to P&G a number of additional shares of Galleria Company common stock such that P&G will hold a total of [ ] shares of Galleria Company common stock at the time of the Distribution, which is the Galleria Stock Amount (as defined below), all of which shares of Galleria Company common stock P&G will dispose of in the Distribution.

Under the Transaction Agreement, the Galleria Stock Amount was calculated on the last practicable date prior to the commencement of the exchange offer and is the product of (i) thirteen twelfths (13/12) and (ii) the sum of (A) the aggregate number of shares of Coty common stock and Coty series A preferred stock, including any shares of Coty common stock repurchased by Coty between August 13, 2015 and the 30th day prior to the commencement date of the exchange offer, and (B) the aggregate number of shares of Coty common stock issuable pursuant to options, warrants, rights, subscriptions, claims of any character, agreements, obligations, convertible or exchangeable securities, or other commitments, contingent or otherwise pursuant to which Coty is or may become obligated to issue shares of any of Coty s capital stock (other than Coty series A preferred stock) and any securities convertible into, exchangeable for, or evidencing the right to subscribe for, any Coty capital stock (including restricted stock units, phantom units, options and any shares of Coty class B common stock that will be converted into Coty common stock), whether contingent, vested or unvested, or otherwise (without giving effect to any cashless exercise or similar features); and

Galleria Company will use all or a portion of the loans incurred prior to the consummation of the Merger under the Galleria Senior Secured Credit Facilities, along with any cash contributed by P&G, to purchase or otherwise receive the Galleria assets from P&G or its subsidiaries. Galleria Company will distribute to P&G, prior to the Distribution, any borrowed amounts remaining after funding these asset purchases.

JAB Cosmetics B.V., the holder of all outstanding shares of Coty class B common stock, will irrevocably elect to convert its shares of Coty class B common stock into shares of Coty common stock, which conversion will be effective as of two business days prior to the closing of the Transactions and will be subject to the closing of the Transactions. Following this conversion, Coty common stock will be Coty s only class of common stock outstanding. Following this conversion and the completion of the Transactions, JAB Cosmetics B.V. will remain Coty s largest stockholder overall, owning approximately 35% of the fully diluted shares of Coty common stock.

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P&G will offer to P&G shareholders the right to exchange all or a portion of their shares of P&G common stock for shares of Galleria Company common stock in the exchange offer.

If the exchange offer is completed but is not fully subscribed, the Exchange Agent will calculate the exact number of Remaining Shares to be distributed as a pro rata dividend to the Remaining P&G Shareholders, and P&G will distribute the Remaining Shares immediately thereafter.

The Exchange Agent will hold, for the account of the relevant P&G shareholders, the global certificate(s) representing all of the outstanding shares of Galleria Company common stock, pending the consummation of the Merger. Shares of Galleria Company common stock will not be traded during this period.

As promptly as practicable following the completion of the Distribution, Merger Sub will merge with and into Galleria Company, with Galleria Company surviving the Merger and becoming a wholly owned subsidiary of Coty.

Each share of Galleria Company common stock will be automatically converted into the right to receive one share of Coty common stock.

The payment of indebtedness under the Galleria Senior Secured Credit Facilities will initially be guaranteed by all existing and future direct and indirect material domestic subsidiaries of Galleria Company, subject to certain exceptions, and after the consummation of the Merger and to the extent the requirements of the Transaction Agreement are satisfied, will also be guaranteed by Coty and all subsidiaries of Coty that guarantee the indebtedness under the Coty Senior Secured Credit Facilities.

The fully diluted shares of Coty common stock immediately prior to the Merger are expected to represent approximately 46% of the fully diluted shares of Coty common stock immediately after the Merger, and the shares of Coty common stock issued in connection with the conversion of shares of Galleria Company common stock in the Merger are expected to represent approximately 54% of the fully diluted shares of Coty common stock immediately after the Merger.

In connection with the Transactions, Coty and P&G have entered into various agreements, and Coty, P&G, Galleria Company and Merger Sub will enter into additional agreements, establishing the terms of the Separation. These agreements include a transition services agreement in which P&G will agree to provide certain services to Galleria Company and Coty for a limited period of time following the Transactions. See Additional Agreements.

2. What is the current relationship between Galleria Company and Coty?

Galleria Company is currently a wholly owned subsidiary of P&G and was incorporated as a Delaware corporation in order to effect the Separation of Galleria from P&G. Other than in connection with the Transactions, there is currently no relationship between Galleria Company and Coty.

3. What will Coty stockholders receive in the Merger?

Coty stockholders will not directly receive any consideration in the Merger. All shares of Coty common stock issued and outstanding immediately before the Merger will remain issued and outstanding after consummation of the Merger. JAB Cosmetics B.V., the holder of all outstanding shares of Coty class B common stock, will irrevocably elect to convert its shares of Coty class B common stock into shares of Coty common stock, which conversion will be effective as of two business days prior to the closing of the Transactions and will be subject to the closing of the Transactions. Following this conversion, Coty common stock will be Coty s only class of common stock outstanding and JAB Cosmetics B.V. will remain Coty s largest stockholder, owning approximately 35% of the fully diluted shares of Coty common stock.

Immediately after the Merger, Coty stockholders will continue to own shares in Coty, and Coty will own Galleria, which will be owned and operated though Galleria Company as a wholly owned subsidiary of Coty.

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4. Are there possible adverse consequences of the Transactions to Coty stockholders?

Following the consummation of the Transactions, Coty stockholders will own stock in a combined company that holds P&G Beauty Brands (other than the Excluded Brands), but their percentage interests in this company will be diluted. Immediately after the consummation of the Transactions (including the Merger), pre-Merger Coty stockholders are expected to own approximately 46% of the fully diluted shares of Coty common stock. Therefore, the voting power represented by the shares held by pre-Merger Coty stockholders will be lower immediately following the Merger than immediately prior to the Merger. In addition, the exchange offer is designed to permit P&G shareholders to exchange their shares of P&G common stock for a number of shares of Galleria Company common stock that corresponds to a [ ]% discount to the per-share equivalent value of Coty common stock. The existence of a discount, along with the issuance of shares of Coty common stock pursuant to the Merger and the conversion of Coty class B common stock into shares of Coty common stock, may negatively affect the market price of Coty common stock. Further, the indebtedness incurred under the Galleria Senior Secured Credit Facilities in connection with the Separation will initially be guaranteed by all existing and future direct and indirect material domestic subsidiaries of Galleria Company, subject to certain exceptions, and after the consummation of the Merger and to the extent the requirements of the Transaction Agreement are satisfied, will also be guaranteed by Coty and all subsidiaries of Coty that guarantee the indebtedness under the Coty Senior Secured Credit Facilities. This additional indebtedness could materially and adversely affect the liquidity, results of operations and financial condition of Coty. Coty also expects to incur significant one-time costs in connection with the Transactions, which may have an adverse impact on Coty s liquidity, results of operations and financial condition in the periods in which they are incurred. In addition, Coty management will be required to devote a significant amount of time and attention to the process of integrating the operations of Coty s business and Galleria. If Coty management is not able to manage the integration process effectively, or if any significant business activities are interrupted as a result of the integration process, Coty s business could suffer and its stock price may decline. See the factors described under the heading Risk Factors in Coty s registration statement on Form S-4 (Reg. No. 333-210857) for a further discussion of material risks associated with the Transactions.

5. How will the Transactions impact the future liquidity and capital resources of Coty?

The indebtedness incurred under the Galleria Senior Secured Credit Facilities will initially be guaranteed by all existing and future direct and indirect material domestic subsidiaries of Galleria Company, subject to certain exceptions, and after consummation of the Merger will also be guaranteed by Coty and all subsidiaries of Coty that guarantee the indebtedness under the Coty Senior Secured Credit Facilities. In addition, in connection with the Transactions, Coty has refinanced its existing debt. Coty anticipates that its primary sources of liquidity after the Transactions will be cash provided by operations and supplemented by borrowings from third-party lenders.

6. Are there any conditions to the completion of the Transactions?

Yes. The completion of the Transactions is subject to a number of conditions, including:

- the receipt of regulatory approvals in certain jurisdictions;
- the completion of the Separation and Distribution;

- the satisfaction of the Minimum Condition or the Revised Minimum Condition, as applicable;
- the conversion of all outstanding shares of Coty class B common stock into shares of Coty common stock;
- the receipt of written tax opinions from special tax counsel to P&G and special tax counsel to Coty; and
- other customary conditions.

The Transaction Agreement provides that either P&G or Coty may terminate the Transaction Agreement if the Merger is not consummated on or before January 31, 2017.

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These conditions are described in more detail under Transaction Agreement Conditions to the Transactions.

7. When will the Transactions be completed?

The Transactions are expected to be completed as soon as practicable following completion of the exchange offer. However, it is possible that factors outside P&G s and Coty s control could require the parties to complete the Transactions at a later time or not complete them at all. See The Transaction Agreement Conditions to the Transactions for a discussion of the conditions to the completion of the Transactions.

8. Are there risks associated with the Transactions?

Yes. You should consider all of the information included or incorporated by reference in this information statement, and should also consider the factors described under the heading Risk Factors in Coty s registration statement on Form S-4, as amended (Reg. No. 333-210856). You are strongly encouraged to read this information statement carefully and in its entirety. The risks include, among others, the possibility that Coty may fail to realize the anticipated benefits of the Transactions, the uncertainty that Coty will be able to integrate Galleria successfully and the possibility that Coty may be unable to provide benefits and services or access to equivalent financial strength and resources to Galleria that P&G has historically provided to P&G Beauty Brands.

9. What shareholder approvals are needed in connection with the Transactions?

Holders representing more than a majority of the voting power of Coty have approved, by written consent, the issuance of shares of Coty common stock in connection with the Transactions. No further approval of Coty stockholders is required or being sought in connection with the Transactions. No vote of P&G shareholders is required or being sought in connection with the Transactions. Additionally, P&G as the sole shareholder of Galleria Company, and subject to satisfaction of the conditions set out in the Transaction Agreement, will approve the Merger prior to the Distribution.

10. Where will the shares of Coty common stock issued in the Merger be listed?

Shares of Coty common stock are, and the shares of Coty common stock to be issued in the Merger will be, listed on the NYSE under the symbol COTY.

11. Can Coty stockholders dissent and require appraisal of their shares?

No.

12. Will there be any change to the board of directors or executive officers of Coty after the Transactions?

Yes. Although the composition of Coty s board of directors following completion of the Transactions will be the members of Coty s board of directors immediately prior to completion of the Transactions, certain executive officers of Coty will assume new roles in connection with Coty s new organizational structure following the closing of the

Transactions and the integration of Galleria. See Information on Coty Directors and Executive Officers.

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13. Will the instruments that govern the rights of Coty stockholders with respect to their shares of Coty common stock after the Transactions be different from those that govern the rights of current Coty stockholders?

The rights of Coty stockholders with respect to their shares of Coty common stock after the consummation of the Transactions will continue to be governed by federal and state laws and Coty s governing documents, including:

- the corporate law of the State of Delaware, including the DGCL;
- Coty s amended and restated certificate of incorporation; and
- Coty s amended and restated bylaws.

If the Transactions are consummated, Coty s amended and restated certificate of incorporation will be amended to increase the number of authorized shares of Coty common stock by 200,000,000 to 1,000,000,000 shares. The additional shares of authorized Coty common stock would be identical to the shares of Coty common stock now authorized and outstanding, and this amendment would not otherwise affect the rights of current holders of Coty common stock.

In addition, JAB Cosmetics B.V., the holder of all outstanding shares of Coty class B common stock, will irrevocably elect to convert its shares of Coty class B common stock into shares of Coty common stock, which conversion will be effective as of two business days prior to the closing of the Transactions and will be subject to the closing of the Transactions. Following this conversion, Coty common stock will be Coty s only class of common stock outstanding. Following this conversion and the completion of the Transactions, JAB Cosmetics B.V. will remain Coty s largest stockholder overall, owning approximately 35% of the fully diluted shares of Coty common stock.

14. I share an address with another stockholder. Why did we receive only one copy of the information statement and how may I obtain an additional copy of the information statement?

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for the notice and accompanying information statement with respect to two or more stockholders sharing the same address by delivering a single notice and information statement addressed to those stockholders. This process, which is commonly referred to as householding , is intended to provide extra convenience for stockholders and cost savings for companies.

A number of brokers with account holders who are our stockholders will be householding the notice and accompanying information statement. A single notice will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. If you have received notice from your broker that they will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate notice, please notify your broker. Stockholders who have multiple accounts in their names or who share an address with other stockholders can request householding and authorize their broker to discontinue mailings of multiple information statements, annual reports and proxy statements by contacting their broker.

We will promptly deliver to a stockholder who received one copy of the notice as a result of householding a separate copy upon the stockholder s written or oral request directed to Investor Relations at Coty Inc., 350 Fifth Avenue, New York, New York 10118 or (212) 389-7300.

15. Where can I find more information about Coty, P&G, Galleria Company and the Transactions?

You can find out more information about Coty, P&G, Galleria Company and the Transactions by reading this document and, with respect to Coty, from various sources described in Where You Can Find More Information; Incorporation by Reference beginning on page [ ].

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SUMMARY

Unless otherwise stated in this information statement or the context otherwise provides, the description of Galleria Company, Galleria and P&G Beauty Brands contained in this information statement is based on the assumption that the transferred assets and liabilities of P&G Beauty Brands to be acquired by Coty (which are referred to in this information statement as Galleria) had been held by Galleria Company for all of the periods discussed. The following summary contains certain information from this information statement. It does not contain all the details concerning the Transactions, including information that may be important to you. To better understand the Transactions, you should carefully review this entire information statement and the documents to which it refers. See Where You Can Find More Information; Incorporation by Reference.

The fiscal year of each of Coty, P&G and Galleria Company begins on July 1 and ends on the following June 30. For example, Coty s fiscal 2015 began on July 1, 2014 and ended on June 30, 2015.

The Parties to the Transactions

Coty Inc.

Coty Inc.

350 Fifth Avenue

New York, New York 10118

(212) 389-7300

Coty Inc., a Delaware corporation referred to in this information statement as Coty, is a leading global beauty company. Founded in Paris in 1904, Coty is a pure play beauty company with a portfolio of well-known brands that compete in the three segments in which Coty operates: Fragrances, Color Cosmetics and Skin & Body Care. Coty currently holds the #2 global position in fragrances, the #4 global position in color cosmetics and has a strong regional presence in skin and body care. Coty s top 10 brands, which Coty refers to as its power brands, generated 72% of its net revenues in fiscal 2015 and comprise the following globally recognized brands: adidas, Calvin Klein, Chloé, DAVIDOFF, Marc Jacobs, OPI, philosophy, Playboy, Rimmel and Sally Hansen. Coty s brands compete in all key distribution channels across both prestige and mass markets and in over 130 countries and territories. The following is a discussion of Coty prior to the consummation of the Merger. For a discussion of the combined company following the Transactions see Business Strategies After the Transactions.

Coty has transformed itself into a multi-segment beauty company with market leading positions in both North America and Europe through new product offerings, diversified sales channels and its global growth strategy. Today, Coty s business has a diversified revenue base that generated net revenues in fiscal 2015 of 50%, 33% and 17% from Fragrances, Color Cosmetics and Skin & Body Care, respectively.

For the fiscal years ended June 30, 2015 and 2014, Coty had $4.395 billion and $4.552 billion of net revenues, respectively, and generated operating income of $395.1 million and $25.7 million, respectively.

Green Acquisition Sub Inc.

Green Acquisition Sub Inc.

c/o Coty Inc.

350 Fifth Avenue

New York, New York 10118

(212) 389-7300

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Green Acquisition Sub Inc., a Delaware corporation referred to in this information statement as Merger Sub, is a newly formed, wholly owned subsidiary of Coty that was organized on June 23, 2015 specifically for the purpose of completing the Merger. Merger Sub has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and in connection with the Transactions.

The Procter & Gamble Company

The Procter & Gamble Company

One Procter & Gamble Plaza

Cincinnati, Ohio 45202

(513) 983-1100

The Procter & Gamble Company, an Ohio corporation referred to in this information statement as P&G, is focused on providing branded consumer packaged goods of superior quality and value to improve the lives of the world s consumers. P&G was incorporated in Ohio in 1905, having been built from a business founded in 1837 by William Procter and James Gamble. Today, P&G sells its products in more than 180 countries and territories, including brands such as Always, Ambi Pur, Ariel, Bounty, Charmin, Crest, Dawn, Downy, Fairy, Febreze, Gain, Gillette, Head & Shoulders, Lenor, Olay, Oral-B, Pampers, Pantene, SK-II, Tide, Vicks and Whisper. As of June 30, 2015, P&G owned and operated 29 manufacturing sites located in 21 different states or territories in the United States and 100 manufacturing facilities in 38 other countries. Many of the domestic and international sites manufacture products for multiple businesses.

For the fiscal years ended June 30, 2015 and 2014, P&G had net sales of $70.749 billion and $74.401 billion, respectively, and operating income of $11.049 billion and $13.910 billion, respectively.

Galleria Co.

Galleria Co.

c/o The Procter & Gamble Company

One Procter & Gamble Plaza

Cincinnati, Ohio 45202

(513) 983-1100

Galleria Co., a Delaware corporation referred to in this information statement as Galleria Company, is a wholly owned subsidiary of P&G organized on June 25, 2015 for the purpose of effecting the Separation of Galleria from P&G. Galleria Company has no material assets or liabilities of any kind other than those incident to its formation and those acquired or incurred in connection with the Transactions.

P&G Beauty Brands and Galleria

P&G Beauty Brands

P&G Beauty Brands refers to the business of P&G and its subsidiaries relating to P&G s global fine fragrances, salon professional, cosmetics and retail hair color businesses, along with select hair styling brands, that, except for the Excluded Brands as described below, will be transferred by P&G and its subsidiaries to Galleria Company as part of the Separation.

P&G Beauty Brands includes several global brands, including Clairol Nice n Easy, CoverGirl, HUGO BOSS, Gucci, Lacoste, Max Factor, Wella Koleston and Wella Professional. P&G Beauty Brands was mainly established from P&G s acquisition of the Noxell Corporation in 1989, the tradename purchase of Max Factor in 1991, the acquisition of Clairol in 2001, the acquisition of Wella AG in September 2003 and other subsequent

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brand and license acquisitions. As it relates to licenses, P&G Beauty Brands maintains agreements with the owner of the brands, most of which involve the payment of royalties tied to the sales of the underlying brands.

For the fiscal years ended June 30, 2015 and 2014, P&G Beauty Brands generated combined net sales of $5.518 billion and $6.003 billion, respectively, and operating income of $415 million and $461 million, respectively.

Galleria

The assets and liabilities of P&G Beauty Brands that will be transferred to Galleria Company are referred to in this information statement as Galleria. These assets and liabilities exclude the fragrance licenses of Dolce & Gabbana and Christina Aguilera, which are referred to in this information statement as the Excluded Brands and will not transfer in the Transactions. In addition, P&G Beauty Brands historical results include certain fine fragrance brands, including Rochas, Laura Biagiotti, Naomi Campbell and Giorgio Beverly Hills, which were divested by P&G in May 2015, June 2015, September 2014 and February 2016, respectively, as well as Puma, which was discontinued in fiscal 2015. These licenses are referred to in this information statement as the Divested Brands. P&G intends to fully exit the fine fragrance business and is exploring alternatives to exit the Dolce & Gabbana and Christina Aguilera fragrance licenses. Activities related to the Excluded Brands and the Divested Brands collectively accounted for $670.0 million of P&G Beauty Brands net sales and reduced P&G Beauty Brands net income by $17.0 million for the fiscal year ended June 30, 2015. Coty anticipates a negative impact to the profitability of the Galleria business as a result of excluding the Excluded Brands because certain Fine Fragrance divisional costs in the Excluded Brands results will transfer with the Galleria business as a part of the Merger.

Brands

P&G Beauty Brands has four operating segments comprised of: (i) Fine Fragrances, (ii) Salon Professional, (iii) Retail Hair Color & Styling and (iv) Cosmetics. Under GAAP, the businesses underlying the four operating segments are aggregated into three reportable segments comprised of: (i) Fine Fragrances, (ii) Salon Professional and (iii) Retail Hair & Cosmetics. Below is a summary of P&G Beauty Brands current brands across its four operating segments:

Fine Fragrances(1)	**Salon Professional**	**Retail Hair Color & Styling**	**Cosmetics**
HUGO BOSS	Wella Professionals	Wella (and derivatives)	CoverGirl
Gucci	Sebastian	Londa	Max Factor (excluding Max Factor Gold)
Lacoste	Nioxin	Londa Trend	
Alexander McQueen	Clairol Professional	Clairol	
Stella McCartney	System Professional	Blondor	
James Bond	Londa Professional	Koleston	
Bruno Banani	Kadus Professional	Miss Clairol	

Gabriela Sabatini	Color Charm	Soft Color
Mexx	Sassoon Professional**	Natural Instincts
Escada		Nice n Easy
Dolce & Gabbana*		L image
Christina Aguilera*		Bellady
		Balsam Color
		Shockwaves
		New Wave Design
		Silvikrin
		Wellaton
		Welloxon
		VS Salonist**
		VS Pro-Series Color**

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(1) Fine Fragrances brands are licensed to P&G by third parties.
* Denotes Excluded Brand.
** Denotes brand ownership of which will be retained by P&G but to which Coty will be granted a perpetual, royalty-free license.

The Transactions

On July 9, 2015, Coty and P&G announced that they had entered into a Transaction Agreement, which provides for a business combination involving Coty, P&G, Galleria Company and Merger Sub. In the Transactions contemplated by the Transaction Agreement, P&G will transfer Galleria, which represents a subset of the assets and liabilities of P&G Beauty Brands, to Galleria Company. Prior to the Distribution, Galleria Company is expected to be recapitalized by (1) issuing and delivering to P&G a number of additional shares of Galleria Company common stock such that the total number of shares of Galleria Company common stock held by P&G at the time of the Distribution will equal [ ], all of which shares of Galleria Company common stock P&G will dispose of in the Distribution, (2) incurring indebtedness under the Galleria Senior Secured Credit Facilities and (3) using all or a portion of the cash proceeds from the indebtedness incurred under the Galleria Senior Secured Credit Facilities, along with any cash contributed by P&G to Galleria Company, to purchase or otherwise receive the Galleria assets from P&G or its subsidiaries. Galleria Company will distribute to P&G, prior to the Distribution, any borrowed amounts remaining after funding these asset purchases.

On the closing date of the Distribution, P&G will distribute shares of Galleria Company common stock to P&G shareholders whose shares of P&G common stock are accepted for exchange in the exchange offer. If the exchange offer is completed but is not fully subscribed, P&G will distribute all of the Remaining Shares as a subsequent pro rata dividend to the Remaining P&G Shareholders. At or prior to the completion of the exchange offer, P&G will irrevocably deliver to the Exchange Agent all of the shares of Galleria Company common stock outstanding, with irrevocable instructions to hold the shares of Galleria Company common stock for the benefit of P&G shareholders whose shares of P&G common stock are accepted for exchange in the exchange offer and, in the case of a subsequent pro rata dividend, the Remaining P&G Shareholders. If there is a subsequent pro rata dividend to be distributed, the Exchange Agent will calculate the exact number of Remaining Shares to be distributed as a pro rata dividend to the Remaining P&G Shareholders, and P&G will distribute the Remaining Shares immediately thereafter.

As promptly as practicable following the completion of the Distribution, Merger Sub will merge with and into Galleria Company, with Galleria Company surviving the Merger and becoming a wholly owned subsidiary of Coty. In connection with the Merger, the shares of Galleria Company common stock distributed in connection with the Distribution will automatically convert into the right to receive shares of Coty common stock on a one-for-one basis and the right to receive cash in lieu of any fractional shares. See The Transactions and The Transaction Agreement.

Coty will issue [ ] shares of Coty common stock in the Merger. Based upon the reported closing price of $[ ] per share for Coty common stock on the NYSE on [ ], 2016, the last NYSE trading day prior to the date of this information statement, the total value of the consideration to be paid by Coty in the Transactions, including the proceeds from the loans under the Galleria Senior Secured Credit Facilities, would have been approximately $[ ] million. The value of the consideration to be paid by Coty will depend on the market price of shares of Coty common stock at the time of determination.

After the Merger, Coty, through Galleria Company, its wholly owned subsidiary, will own and operate Galleria and will also continue its current businesses. Coty will continue to use the name Coty Inc. after the Merger. Shares of Coty common stock are, and the shares of Coty common stock to be issued in the Merger will be, listed on the NYSE under the symbol COTY.

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Below is a step-by-step description of the sequence of material events relating to the Transactions.

Step 1 *Separation*

P&G will transfer Galleria, which represents a subset of the assets and liabilities of P&G Beauty Brands, to Galleria Company.

Step 2 *Galleria Company Recapitalization*

Prior to the Distribution, and in partial consideration for the Galleria assets transferred from P&G to Galleria Company, Galleria Company will be recapitalized in the following manner:

Galleria Company will issue and deliver to P&G a number of additional shares of Galleria Company common stock such that P&G will hold a total of [ ] shares of Galleria Company common stock at the time of the Distribution, which is the Galleria Stock Amount calculated as of the last practicable date prior to the commencement date of the exchange offer, all of which shares of Galleria Company common stock P&G will dispose of in the Distribution; and

Galleria Company will use all or a portion of the proceeds of the indebtedness incurred on or prior to the Recapitalization Date under the Galleria Senior Secured Credit Facilities, along with any cash contributed by P&G, to purchase or otherwise receive the Galleria assets from P&G or its subsidiaries. Galleria Company will distribute to P&G, prior to the Distribution, any borrowed amounts remaining after funding these asset purchases.

Step 3 *Conversion of Coty Class B Common Stock*

JAB Cosmetics B.V., the holder of all outstanding shares of Coty class B common stock, will irrevocably elect to convert its shares of Coty class B common stock into shares of Coty common stock, which conversion will be effective as of two business days prior to the closing of the Transactions and will be subject to the closing of the Transactions. Following this conversion, Coty common stock will be Coty s only class of common stock outstanding and JAB Cosmetics B.V. will remain Coty s largest stockholder, owning approximately 35% of the fully diluted shares of Coty common stock.

Step 4 *Distribution Exchange Offer*

P&G will offer to P&G shareholders the right to exchange all or a portion of their shares of P&G common stock for shares of Galleria Company common stock in the exchange offer.

If the exchange offer is completed but is not fully subscribed, the Exchange Agent will calculate the exact number of Remaining Shares to be distributed as a pro rata dividend to the Remaining P&G Shareholders, and P&G will distribute the Remaining Shares immediately thereafter.

The Exchange Agent will hold, for the account of the relevant P&G shareholders, the global certificate(s) representing all of the outstanding shares of Galleria Company common stock, pending the consummation of the Merger. Shares of Galleria Company common stock will not be traded during this period.

Step 5 *Merger*

As promptly as practicable following the completion of the Distribution, Merger Sub will merge with and into Galleria Company, with Galleria Company surviving the Merger and becoming a wholly owned subsidiary of Coty. Each share of Galleria Company common stock will be automatically converted into the right to receive one share of Coty common stock.

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After completion of the steps mentioned above, the fully diluted shares of Coty common stock immediately prior to the Merger, including shares of Coty common stock held by JAB Cosmetics B.V. as a result of the conversion of its shares of Coty class B common stock into Coty common stock, are expected to represent approximately 46% of the fully diluted shares of Coty common stock immediately after the Merger, and the shares of Coty common stock issued in connection with the conversion of shares of Galleria Company common stock in the Merger are expected to represent approximately 54% of the fully diluted shares of Coty common stock immediately after the Merger. See The Transactions Number of Shares of Galleria Company Common Stock to be Distributed to P&G Shareholders.

After consummation of the Merger and the other steps mentioned above, Galleria, comprised of P&G Beauty Brands other than the Excluded Brands, will be owned and operated by Coty through Galleria Company, its wholly owned subsidiary. In addition, to the extent the requirements of the Transaction Agreement are satisfied, Coty and all subsidiaries of Coty that guarantee the indebtedness under the Coty Senior Secured Credit Facilities, as well as all existing and future direct and indirect material domestic subsidiaries of Galleria Company, subject to certain exceptions, will guarantee the obligations under the Galleria Senior Secured Credit Facilities.

Various factors were considered by Coty and P&G in negotiating the terms of the Transactions, including the equity ownership levels of Coty stockholders and current and former P&G shareholders receiving shares of Coty common stock in the Distribution. The principal factors considered by the parties negotiating the allocation of equity ownership following the Transactions were the impact of such allocation on the desired tax-free nature of the Transactions, the effects of the Separation on P&G and its shareholders, the relative actual results of operations of Coty and P&G Beauty Brands, the opportunities expected to be obtained from combining Coty and P&G Beauty Brands and the enhancements to Coty s strategic global growth objectives as a result of acquiring P&G Beauty Brands. Coty also considered, among other things, the expected impacts of the integration of P&G Beauty Brands with Coty and the other factors identified under The Transactions Coty s Reasons for the Transactions. P&G also considered, among other things, the relative sales, earnings and cash flow growth rates of P&G Beauty Brands, the value to P&G shareholders that could be realized in the Transactions and the other factors identified under The Transactions P&G s Reasons for the Transactions.

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Set forth below are diagrams that graphically illustrate, in simplified form, the existing corporate structure, the corporate structure immediately following the Distribution but prior to the Merger, and the corporate structure immediately following the completion of the Transactions.

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Business Strategies After the Transactions

Coty s strategic vision is to be a new global leader and challenger in the beauty industry. After the completion of the Transactions, Coty intends to reorganize its business into three new divisions: Coty Luxury Division, focused on fragrances and skin care; Coty Consumer Beauty Division, focused on color cosmetics, retail hair coloring and styling products and body care; and Coty Professional Beauty Division, focused on servicing salon owners and professionals in both hair and nail care. This new category-focused organizational structure puts consumers first by specifically targeting how and where they shop, and what and why they purchase. In this new organizational structure, each division will have full end-to-end responsibility to optimize

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consumers beauty experience in the relevant categories and channels, which Coty believes will drive profitable growth through targeted expertise.

Additional Agreements

In connection with the Transactions, Coty, P&G, Galleria Company and Merger Sub will also enter into other ancillary agreements at the time of the Separation relating to transition services, tax matters, technology licenses, trademark licenses and certain other matters. See Additional Agreements.

Approval of the Transactions

Coty s board of directors has approved the Transaction Agreement, the Merger and the other Transactions. Coty, as the sole shareholder of Merger Sub, has approved the Merger. Holders representing more than a majority of the voting power of Coty have approved, by written consent, the issuance of shares of Coty common stock in connection with the Transactions. No further approval of Coty stockholders is required or being sought in connection with the Transactions.

No vote of P&G shareholders is required or being sought in connection with the Transactions. Additionally, P&G as the sole shareholder of Galleria Company, and subject to satisfaction of the conditions set out in the Transaction Agreement, will approve the Merger prior to the Distribution.

Opinions of Coty s Financial Advisors

Coty retained Morgan Stanley & Co. LLC (referred to in this information statement as Morgan Stanley) to act as its financial advisor and to provide a fairness opinion in connection with the Merger. At the meeting of Coty s board of directors on July 8, 2015, Morgan Stanley rendered its oral opinion, subsequently confirmed in writing, that as of such date, and based upon and subject to the various assumptions, procedures, matters, qualifications and limitations on the scope of the review undertaken by Morgan Stanley as set forth in the written opinion, the exchange ratio pursuant to the Transaction Agreement was fair from a financial point of view to Coty.

The full text of the written opinion of Morgan Stanley, dated as of July 8, 2015, which sets forth, among other things, the assumptions made, procedures followed, matters considered, qualifications and limitations on the scope of the review undertaken by Morgan Stanley in rendering its opinion, is attached to this information statement as Annex B. Coty stockholders are encouraged to read the opinion carefully and in its entirety. The Morgan Stanley opinion was rendered for the benefit of Coty s board of directors, in its capacity as such, and addressed only the fairness from a financial point of view to Coty of the exchange ratio pursuant to the Transaction Agreement as of the date of the opinion. Morgan Stanley s opinion did not address any other aspect of the Merger or related transactions, including the prices at which Coty common stock will trade following consummation of the Merger or at any time, or the fairness of the amount or nature of the compensation to any of P&G or Galleria Company officers, directors or employees, or any class of such persons, relative to the consideration to be paid to the holders of shares of the Galleria Company common stock in the Transactions. The opinion was addressed to, and rendered for the benefit of, Coty s board of directors and was not intended to, and did not, constitute advice or a recommendation as to whether stockholders of Coty entitled to vote on the Merger should grant their consent in lieu of a meeting to approve actions taken in connection with the Merger. For a more detailed summary of the opinion of Morgan Stanley, see the section of this information statement entitled The Transactions Opinions of Coty s Financial Advisors. The summary of the opinion of Morgan Stanley set forth in this information statement is qualified in its entirety by reference to the full text of the opinion.

In preparing its opinion, Morgan Stanley assumed that all relevant licenses of P&G Beauty Brands, including the Excluded Brands, would transfer with Galleria Company to Coty. However, the assets and

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liabilities transferred by P&G and assumed by Galleria Company will exclude those relating to the Excluded Brands. At the request of the management of Coty and based on specific projections provided by the management of Coty, the financial advisors performed, for illustrative purposes only, a sensitivity analysis to illustrate the impact of potential deviations from the assumption that all relevant licenses of P&G Beauty Brands, including the Excluded Brands, transfer with Galleria Company to Coty. This analysis did not, nor was it intended to, correspond to an analysis of the Excluded Brands not transferring with Galleria Company. For further information regarding the financial effect of the Excluded Brands not transferring with Galleria Company, see the sections of this information statement entitled The Transaction Agreement Recapitalization, The Parties to the Transactions Galleria Co. and Information on P&G Beauty Brands Overview. At the direction of Coty, Morgan Stanley further assumed that, in accordance with the terms of the Transaction Agreement, the Coty stockholders would own 48% of the fully diluted shares of Coty common stock immediately following the acquisition of Galleria Company. However, in connection with subsequent share repurchases by Coty, Coty and P&G agreed that such repurchased shares would be treated as if they remained outstanding for purposes of the Transaction Agreement by modifying the definition of fully diluted basis within the Transaction Agreement, although such shares would not be included in a comparable GAAP measure or otherwise reflected in fully diluted as that term is otherwise used in this information statement and defined under Helpful Information. As a result, existing Coty stockholders are currently expected to own approximately 46% of the fully diluted shares of Coty common stock as that term is otherwise used in this information statement and defined under Helpful Information.

Coty also retained Barclays Capital Inc. (referred to in this information statement as Barclays) to provide a fairness opinion in connection with the Merger. At the meeting of Coty s board of directors on July 8, 2015, Barclays rendered its oral opinion, subsequently confirmed in writing, that as of such date, and based upon and subject to the various assumptions, procedures, matters, qualifications and limitations on the scope of the review undertaken by Barclays as set forth in the written opinion, from a financial point of view, the exchange ratio to be paid in the proposed transaction was fair to Coty.

The full text of the written opinion of Barclays, dated as of July 8, 2015, which sets forth, among other things, the assumptions made, procedures followed, matters considered, qualifications and limitations on the scope of the review undertaken by Barclays in rendering its opinion, is attached to this information statement as Annex C. Coty stockholders are encouraged to read the opinion carefully and in its entirety. The Barclays opinion was rendered for the benefit of Coty s board of directors, in its capacity as such, and addressed only the fairness, from a financial point of view, to Coty of the exchange ratio to be paid in the proposed transaction as of the date of the opinion. Barclays opinion did not address any other aspect of the Merger or related transactions, including the prices at which Coty common stock will trade following consummation of the Merger or at any time, or the fairness of the amount or nature of the compensation to any of P&G or Galleria Company officers, directors or employees, or any class of such persons, relative to the consideration to be paid to the holders of shares of Galleria Company common stock in the Transactions. The opinion was addressed to, and rendered for the benefit of, Coty s board of directors and was not intended to, and did not, constitute advice or a recommendation as to whether stockholders of Coty entitled to vote on the Merger should grant their consent in lieu of a meeting to approve actions taken in connection with the Merger. For a more detailed summary of the opinion of Barclays, see the section of this information statement entitled The Transactions Opinions of Coty s Financial Advisors. The summary of the opinion of Barclays set forth in this information statement is qualified in its entirety by reference to the full text of the opinion.

In preparing its opinion, Barclays assumed that all relevant licenses of P&G Beauty Brands, including the Excluded Brands, would transfer with Galleria Company to Coty. However, the assets and liabilities transferred by P&G and assumed by Galleria Company will exclude those relating to the Excluded

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Brands. At the request of the management of Coty and based on specific projections provided by the management of Coty, the financial advisors performed, for illustrative purposes only, a sensitivity analysis to illustrate the impact of potential deviations from the assumption that all relevant licenses of P&G Beauty Brands, including the Excluded Brands, transfer with Galleria Company to Coty. This analysis did not, nor was it intended to, correspond to an analysis of the Excluded Brands not transferring with Galleria Company. For further information regarding the financial effect of the Excluded Brands not transferring with Galleria Company, see the sections of this information statement entitled The Transaction Agreement Recapitalization, The Parties to the Transactions Galleria Co. and Information on P&G Beauty Brands Overview. At the direction of Coty, Barclays further assumed that, in accordance with the terms of the Transaction Agreement, the Coty stockholders would own 48% of the fully diluted shares of Coty common stock immediately following the acquisition of Galleria Company. However, in connection with subsequent share repurchases by Coty, Coty and P&G agreed that such repurchased shares would be treated as if they remained outstanding for purposes of the Transaction Agreement by modifying the definition of fully diluted basis within the Transaction Agreement, although such shares would not be included in a comparable GAAP measure or otherwise reflected in fully diluted as that term is otherwise used in this information statement and defined under Helpful Information. As a result, existing Coty stockholders are currently expected to own approximately 46% of the fully diluted shares of Coty common stock as that term is otherwise used in this information statement and defined under Helpful Information.

Regulatory Approvals

The parties have agreed to use reasonable best efforts to obtain, as soon as practicable and prior to the consummation of the Merger, all governmental approvals under the HSR Act and under any other antitrust, competition or merger control laws that may be necessary to complete the Transactions. See The Transaction Agreement Covenants Efforts to Close.

Under the HSR Act, Coty and P&G were required to give notification and furnish information to the Federal Trade Commission and the Antitrust Division of the Department of Justice and to wait the specified waiting period before consummating the Merger. Coty and P&G each filed the required notification and report forms with the Federal Trade Commission and the Antitrust Division on October 20, 2015. The U.S. antitrust review under the HSR Act expired at the conclusion of a second waiting period on December 23, 2015 after Coty had withdrawn and refiled its Hart-Scott-Rodino filing.

In addition to the foregoing, the Merger is subject to review under the antitrust laws of the European Union, Argentina, Australia, Brazil, Canada, China, Columbia, Israel, Mexico, New Zealand, Russia, South Africa, Tunisia, Turkey, Ukraine, and U.S. state antitrust laws and could be the subject of challenges by state attorneys general under those laws, or by private parties under federal or state antitrust laws. As of June 7, 2016, the Merger has cleared antitrust review in the European Union, Australia, Brazil, Canada, China, Columbia, Israel, Mexico, New Zealand, South Africa, Turkey, and Ukraine.

Coty Indebtedness

On October 27, 2015, Coty entered into the Coty Credit Agreement with the other borrowers party thereto from time to time, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the other agents from time to time party thereto. The Coty Credit Agreement provides for the Coty Senior Secured Credit Facilities in the aggregate principal amount of $4.500 billion comprised of (1) a $1.500 billion five-year revolving credit facility, which includes up to $80.0 million in swingline loans available for short-term borrowings, (2) a $1.750 billion five-year term loan A facility and (3) a seven-year term loan B facility comprising of a $500.0 million tranche and a 665.0 million tranche. The revolving credit facility is available to be borrowed by Coty in pounds sterling, Swiss francs, Canadian dollars, euros and other currencies reasonably acceptable to the administrative agent and the revolving lenders. On October 27, 2015, the proceeds of the Coty Senior Secured Credit Facilities were used to refinance prior Coty credit facilities. The revolving credit facility will be used for working capital needs, general corporate purposes and other purposes not prohibited by the Coty Credit Agreement. Immediately following the closing of the Coty Senior Secured Credit Facilities, $220 million was outstanding under the revolving credit facility.

The term loan A facility amortizes in equal quarterly installments of 1.25% of the original principal amount of the term loan A facility, with the balance due on October 27, 2020. The term loan B facility amortizes in equal quarterly installments of 0.25% of the original principal amount of the term loan B facility, with the balance due on October 27, 2022. The revolving credit facility will mature on October 27, 2020. Pursuant to a Guaranty Agreement, dated as of October 27, 2015, all of the foregoing debt will be guaranteed by certain of Coty s wholly owned domestic subsidiaries, subject to certain carve-outs and exceptions. Borrowings under the Coty Senior Secured Credit Facilities are senior secured obligations of Coty and secured (subject to certain carve-outs and exceptions) by substantially all of the assets of the borrower and each guarantor.

On April 8, 2016, Coty entered into an Incremental Assumption Agreement and Amendment No. 1 (the Incremental Agreement) to the Coty Credit Agreement with Coty B.V., a private company with limited liability incorporated under the laws of the Netherlands (the Dutch Borrower), certain subsidiaries of Coty party thereto, the incremental lenders party thereto and JPMCB, as administrative agent. The Incremental Agreement provides for an additional 140,000,000 in term A loan commitments and an additional 325,000,000 in term B loan commitments under the Coty Credit Agreement, all of which were borrowed by the Dutch Borrower as of the closing date of the Incremental Agreement. The proceeds were used by the Dutch Borrower to refinance certain intercompany indebtedness of the Dutch Borrower outstanding on the closing date of the Incremental Agreement, which funds were then used to partially repay amounts drawn on the Coty revolving credit facility. The loans made under the additional term A loan commitments have substantially identical terms to the existing term A loans under the Coty Credit Agreement, and the loans under the additional term B loan commitments have substantially identical terms to the term B loans denominated in euros under the Coty Credit Agreement.

See Debt Financing Coty Indebtedness.

Galleria Indebtedness

On January 26, 2016, Galleria Company entered into the Galleria Credit Agreement. The Galleria Credit Agreement provides for the Galleria Senior Secured Credit Facilities comprised of (1) a $2.000 billion five-year term loan A facility, (2) a $1.000 billion seven-year term loan B facility and (3) a $1.500 billion five-year revolving credit facility. The loans will initially be made to Galleria Company. The payment of amounts due under the term loan facilities and the revolving credit facility will initially be guaranteed by all existing and future direct and indirect material domestic subsidiaries of Galleria Company, subject to certain exceptions, and after the consummation of the Merger, to the extent the requirements of the Transaction Agreement are satisfied, will also be guaranteed by Coty and all subsidiaries of Coty that guarantee the indebtedness under the Coty Senior Secured Credit Facilities. After the date of the initial funding (other than in connection with the escrow funding of the term loan B facility on January 26, 2016) under the Galleria Senior Secured Credit Facilities (the Galleria Financing Closing Date), the loans will be senior secured obligations of Galleria Company, secured by substantially all of the assets of the borrower and each guarantor.

Following the first anniversary of the consummation of the Merger, the term loan A facility will amortize in equal quarterly installments of 1.25% of the original principal amount of the term loan A facility, with the balance due on the date that is five years following the Galleria Financing Closing Date. Following the first anniversary of the consummation of the Merger, the term loan B facility will amortize in equal quarterly installments of 0.25% of the original principal amount of the term loan B facility, with the balance due on the date that is seven years following the Galleria Financing Closing Date. The revolving credit facility will mature on the date that is five years following the Galleria Financing Closing Date. See Debt Financing Galleria Indebtedness.

Board of Directors and Management of Coty following the Transactions

The directors of Coty immediately following the closing of the Transactions are expected to be the same as the directors of Coty immediately prior to the closing of the Transactions.

Certain executive officers of Coty will assume new roles in connection with Coty s new organizational structure following the closing of the Transactions and the integration of Galleria. See Information on Coty Directors and Executive Officers.

Accounting Treatment and Considerations

Accounting Standards Codification (ASC) 805, *Business Combinations*, requires the use of the acquisition method of accounting for business combinations. In applying the acquisition method, it is necessary to identify both the accounting acquiree and the accounting acquirer. In a business combination effected through an exchange of equity interests, such as the Merger, the entity that issues the interests (Coty in this case) is generally the acquiring entity. In identifying the acquiring entity in a combination effected through an exchange of equity interests, however, all pertinent facts and circumstances must be considered, including the following:

The relative voting interests of Coty after the Transactions. In this case, existing Coty stockholders are expected to retain 46% of the equity ownership and associated voting rights in Coty after the Transactions. P&G shareholders participating in the exchange offer (and subsequent pro rata dividend, if any) are expected to receive approximately 54% of the fully diluted shares of Coty common stock and associated voting rights in Coty after the Transactions.

The existence of a large minority voting interest in Coty after the Transactions. In this case, JAB Cosmetics B.V., the owner of all of the outstanding shares of the Coty class B common stock and 8.3% of the Coty common stock, which together represent approximately 97% of Coty s outstanding voting power, will remain the largest stockholder of the combined company overall, owning approximately 35% of the fully diluted shares of Coty common stock at the completion of the Transactions.

The composition of the governing body of Coty after the Transactions. In this case, the composition of Coty s board of directors following completion of the Transactions will be the members of Coty s board of directors immediately prior to completion of the Transactions. Coty s board of directors consists of seven directors, each elected for one-year terms by Coty s stockholders at the annual meeting of stockholders. Coty s board members are elected by plurality voting, meaning that the director nominees receiving the greatest number of votes are elected. Although former P&G shareholders will have a slight majority of the voting rights, these voting rights are expected to be widely held, the Transaction Agreement does not contemplate the addition of new board members and there is no stockholders agreement or voting agreement in which those new Coty stockholders would vote as a group. Therefore, any significant shift in the composition of Coty s board of directors is unlikely to occur as a result of the Transactions.

The composition of the senior management of Coty after the Transactions. In this case, Coty s future management team will have eight of ten executives from Coty s existing senior management team.

After considering all pertinent facts, reviewing the criteria outlined in ASC 805 and conducting the relevant analysis, Coty has concluded that it is the accounting acquirer in the Transactions. ASC 805 requires consideration of all pertinent facts and circumstances, listing several potential indicators, none of which is weighed more heavily than another. Coty s conclusion is based primarily upon the following facts: (1) JAB Cosmetics B.V. will remain the largest individual Coty stockholder, owning approximately 35% of the fully diluted shares of Coty common stock at the completion of the Transactions, (2) there will be no immediate change in the composition of Coty s board of directors after the Transactions, (3) except as noted above, Coty s senior management prior to the Transactions will continue to be the senior management of the combined business after the Transactions and (4) Coty is issuing its equity interests as consideration for the Transactions. Accordingly, even though P&G shareholders that participate in the exchange offer will in the aggregate obtain a majority of the voting rights, Coty will apply the acquisition method of accounting to the assets and liabilities of Galleria Company upon completion of the Transactions.

Material U.S. Federal Income Tax Consequences of the Distribution, the Merger and Related Transactions

The completion of the Distribution is conditioned upon P&G s receipt of an opinion from Cadwalader, Wickersham & Taft LLP, special tax counsel to P&G, to the effect that the (i) Galleria Transfer, taken together with the Distribution, should qualify as a tax-free reorganization pursuant to section 368(a)(1)(D) of the Code, (ii) Distribution, as such, should qualify as a distribution to P&G shareholders pursuant to section 355 of the Code, and (iii) Merger should not cause section 355(e) of the Code to apply to the Distribution. Accordingly, P&G and P&G shareholders generally should recognize no taxable gain or loss with respect to the Distribution. It is a condition to the Distribution that such opinion not be withdrawn. The opinion will be based on, among other things, certain assumptions and representations as to factual matters and certain covenants made by Coty, P&G, Galleria Company and Merger Sub which, if incorrect or inaccurate in any material respect, could jeopardize the conclusions reached by special tax counsel in its opinion. The opinion will not be binding on the IRS or any court, and the IRS or a court may not agree with the opinion. Neither P&G nor Galleria Company is currently aware of any facts or circumstances that would cause these assumptions and representations to be untrue or incorrect in any material respect, that would preclude any of Coty, P&G, Galleria Company and Merger Sub from complying with all applicable covenants or that would otherwise jeopardize the conclusions reached by special tax counsel in its opinion. You should note that none of Coty, P&G, Galleria Company or Merger Sub intends to seek a ruling from the IRS as to the U.S. federal income tax treatment of the Transactions.

If, notwithstanding the receipt of an opinion of special tax counsel, the Galleria Transfer and the Distribution, taken together, fail to qualify as a reorganization under section 368(a)(1)(D) of the Code, and the Distribution fails to qualify as a distribution to P&G shareholders pursuant to section 355 of the Code, each P&G shareholder who receives shares of Galleria Company common stock in the Distribution would generally be treated as recognizing taxable gain equal to the difference between the fair market value of the shares of Galleria Company common stock received by the shareholder and its tax basis in the shares of P&G common stock exchanged therefor and/or receiving a taxable distribution equal to the fair market value of the shares of Galleria Company common stock received by the shareholder. P&G would generally recognize taxable gain equal to the excess of the fair market value of the assets transferred to Galleria Company plus liabilities assumed by Galleria Company over P&G s tax basis in such assets.

Even if the Galleria Transfer and the Distribution, taken together, generally qualify as a reorganization under section 368(a)(1)(D) of the Code and the Distribution generally qualifies as a distribution to P&G shareholders pursuant to section 355 of the Code, the Distribution would become taxable to P&G under section 355(e) of the Code if a 50% or greater interest (by vote or value) in P&G stock or Galleria Company stock were treated as acquired (including, in the latter case, through the acquisition of Coty stock in or after the Merger), directly or indirectly, by certain persons as part of a plan or series of related transactions that included the Distribution. Because P&G shareholders should be treated as owning more than 50% (by vote and value) of the shares of Coty common stock immediately following the Merger, the Merger, by itself, should not cause the Distribution to be taxable to P&G under section 355(e) of the Code. However, if the IRS were to determine that other acquisitions of P&G shares before the Distribution, or Coty shares after the Distribution, were part of a plan or series of related transactions that included the Distribution for purposes of section 355(e) of the Code, such determination could result in the recognition of gain by P&G under section 355(e) of the Code. While P&G generally would recognize gain as if it had sold the shares of Galleria Company common stock distributed to P&G shareholders in the Distribution for an amount equal to the fair market value of such stock, P&G has agreed under the Tax Matters Agreement among Coty, P&G, Galleria Company and Merger Sub to make a protective election under section 336(e) of the Code with respect to the Distribution which generally causes a deemed sale of Galleria Company s assets upon a taxable Distribution. In such case, to the extent that P&G is responsible for the resulting transaction taxes, Coty generally would be required to make periodic payments to P&G equal to the tax savings arising from a step up in the tax basis of Galleria Company s assets as a result of the protective election under section 336(e) of the Code taking effect.

The consummation of the Merger is conditioned on the receipt by P&G of a tax opinion from Cadwalader, Wickersham & Taft LLP, special tax counsel to P&G, and by Coty of a tax opinion from McDermott Will & Emery LLP, special tax counsel to Coty, in each case, to the effect that the Merger will qualify for U.S. federal income tax purposes as a reorganization within the meaning of section 368(a) of the Code. Accordingly, P&G shareholders who exchange their shares of Galleria Company common stock received in the Distribution for shares of Coty common stock generally will, for U.S. federal income tax purposes, recognize no taxable gain or loss in the Merger, except for any taxable gain or loss attributable to the receipt of cash in lieu of fractional shares of Coty common stock. The opinions will rely on certain assumptions, including assumptions regarding the absence of changes in existing facts and law and the consummation of the Merger in the manner contemplated by the Transaction Agreement, and representations and covenants made by Coty, P&G, Galleria Company and Merger Sub, including those contained in representation letters of officers of Coty and P&G. If any of those representations, covenants or assumptions is incorrect or inaccurate in any material respect, the opinions may not be relied upon, and the U.S. federal income tax consequences of the Merger could differ from those discussed herein. In addition, these opinions are not binding on the IRS or a court, and none of Coty, P&G, Galleria Company or Merger Sub intends to request a ruling from the IRS regarding the U.S. federal income tax consequences of the Transactions. Consequently, there can be no certainty that the IRS will not challenge the conclusions reflected in the opinions or that a court would not sustain such a challenge.

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SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA

The following summary historical combined financial data of P&G Beauty Brands, summary historical consolidated financial data of Coty, summary unaudited condensed combined pro forma financial data of Coty and historical and pro forma per share data of Coty are being provided to help you in your analysis of the financial aspects of the Transactions. For all periods presented, the summary historical combined financial data of P&G Beauty Brands includes all of the assets and liabilities of P&G Beauty Brands, including the Galleria assets and liabilities, the Divested Brands prior to their disposition and the Excluded Brands. The summary unaudited condensed combined pro forma financial data of Coty and historical and pro forma per share data of Coty have been prepared by Coty for illustrative purposes only and are not necessarily indicative of what the operating results or financial position of Coty or Galleria Company would have been had the Transactions been completed at the beginning of the periods or on the dates indicated, nor are they necessarily indicative of the results of operations or financial condition that may be expected for any future period or date. You should read this information in conjunction with the financial information included elsewhere and incorporated by reference in this information statement. See Where You Can Find More Information; Incorporation by Reference, Information on P&G Beauty Brands, Information on Coty and Selected Historical and Pro Forma Financial Data.

Summary Historical Combined Financial Data of P&G Beauty Brands

P&G Beauty Brands combined balance sheet data presented below as of June 30, 2015 and 2014 and statements of income and cash flows data for the three fiscal years ended June 30, 2015, 2014 and 2013 has been derived from P&G Beauty Brands audited combined financial statements, included elsewhere in this information statement. P&G Beauty Brands combined balance sheet data presented below as of March 31, 2016 and statement of income data for the nine months ended March 31, 2016 and 2015 has been derived from P&G Beauty Brands unaudited interim combined financial statements, included elsewhere in this information statement. In the opinion of Galleria Company s management, such unaudited financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for the fair presentation of the interim periods. The summary historical combined financial data below is not necessarily indicative of the results of operations or financial condition that may be expected for any future period or date, and the results for the interim period ended March 31, 2016 are not necessarily indicative of the results for the full fiscal year. This information is only a summary and should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations of P&G Beauty Brands and the financial statements of P&G Beauty Brands and the notes thereto included elsewhere in this information statement.

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The financial information of P&G Beauty Brands included in this information statement reflects assumptions and allocations made by P&G. The financial position, results of operations and cash flows of P&G Beauty Brands presented may be different from those that would have resulted had P&G Beauty Brands been operated as a standalone company or been supported as a subsidiary of Coty. The financial information of P&G Beauty Brands also includes results for the Divested Brands for periods prior to the respective dates of divestiture, as well as the Excluded Brands, which will not be transferred to Coty in the Transactions. As a result, the historical financial information of P&G Beauty Brands is not a reliable indicator of future results.

	Fiscal Year Ended June 30,			Nine Months Ended March 31,	
	2015	2014	2013	2016	2015
	(Dollars in millions)				
Statement of Income Data:					
Net sales	$ 5,518	$ 6,003	$ 6,122	$ 3,715	$ 4,269
Cost of products sold	1,875	2,029	2,075	1,221	1,436
Gross profit	3,643	3,974	4,047	2,494	2,833
Selling, general and administrative expense	3,228	3,513	3,632	2,172	2,463
Intangible asset impairment charges				48	
Operating income	415	461	415	274	370
Interest expense/(income), net				17	(1)
Other non-operating income, net	94			8	8
Earnings before income taxes	509	461	415	265	379
Income taxes	361	152	138	110	379
Net income	$ 148	$ 309	$ 277	$ 155	$

	As of June 30,		As of March 31,
	2015	2014	2016
	(Dollars in millions)		
Balance Sheet Data:			
Total assets	$ 6,707	$ 7,695	$ 7,528
Long-term debt			995
Total equity	5,107	5,857	4,991

	Fiscal Year Ended June 30,			Nine Months Ended March 31,	
	2015	2014	2013	2016	2015
	(Dollars in millions)				
Statement of Cash Flows Data:					

Cash provided by (used in):					
Operating activities	$ 271	$ 462	$ 484	$ 366	$ 389
Investing activities	47	(98)	(102)	(1,049)	(63)
Financing activities	(316)	(431)	(365)	722	(321)
Depreciation and amortization expense	125	128	128	81	95
Capital expenditures	(106)	(109)	(103)	(65)	(72)
Other Financial Data:					
EBITDA(1)	$ 634	$ 589	$ 543	$ 346	$ 474

(1) EBITDA is a financial measure not prepared in accordance with GAAP and is defined as income before interest expense, interest income, provision for income taxes, depreciation and amortization. EBITDA is not

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adjusted for restructuring costs. EBITDA is not, and should not, be used as a substitute for net income as determined in accordance with GAAP. P&G and Galleria Company believe EBITDA is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the beauty industry. However, EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of P&G Beauty Brands results as reported under GAAP. Other companies may calculate EBITDA differently from how EBITDA is calculated for P&G Beauty Brands, limiting its utility as a comparative measure. A reconciliation of EBITDA to net income appears below.

	Fiscal Year Ended June 30,			Nine Months Ended March 31,	
	2015	2014	2013	2016	2015
	(Dollars in millions)				
Net income	$ 148	$ 309	$ 277	$ 155	$
Interest expense/(income), net				17	(1)
Income taxes	361	152	138	110	379
Depreciation and amortization expense	125	128	128	81	95
EBITDA	$ 634	$ 589	$ 543	$ 363	$ 473

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Summary Historical Consolidated Financial Data of Coty

The summary historical consolidated financial data presented below has been derived from, and should be read together with, Coty s consolidated financial statements and the accompanying notes and the related Management s Discussion and Analysis of Financial Condition and Results of Operations sections included in Coty s Annual Report on Form 10-K for the fiscal year ended June 30, 2015 and Coty s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, which are incorporated by reference into this information statement. The summary historical consolidated financial data as of June 30, 2015 and 2014 and for the fiscal years ended June 30, 2015, 2014 and 2013 has been derived from Coty s audited consolidated financial statements incorporated by reference in this information statement. The summary historical consolidated financial data as of March 31, 2016 and for the nine months ended March 31, 2016 and 2015 has been derived from Coty s unaudited condensed consolidated financial statements incorporated by reference into this information statement. In the opinion of Coty s management, such unaudited financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for the fair presentation of the interim periods. The data shown below is not necessarily indicative of the results of operations or financial condition that may be expected for any future period or date, and the results for the interim period ended March 31, 2016 are not necessarily indicative of the results for the full fiscal year. To find out where you can obtain copies of Coty s documents that have been incorporated by reference, see Where You Can Find More Information; Incorporation by Reference.

	Fiscal Year Ended June 30,			Nine Months Ended March 31,	
	2015	**2014**	**2013**	**2016**	**2015**
	(Dollars in millions, except per share data)				
Consolidated Statement of Operations:					
Net revenues	$ 4,395.2	$ 4,551.6	$ 4,649.1	$ 3,273.5	$ 3,375.7
Gross profit	2,638.2	2,685.9	2,788.8	1,993.1	2,032.8
Acquisition-related costs	34.1	0.7	8.9	98.3	1.9
Asset impairment charges		316.9	1.5	5.5	
Operating income	395.1	25.7	394.4	257.1	418.5
Interest expense, net	73.0	68.5	76.5	55.7	56.3
Loss on early extinguishment of debt	88.8			3.1	88.8
Other expense (income), net		1.3	(0.8)	30.4	(0.2)
Income (loss) before income taxes	233.3	(44.1)	318.7	167.9	273.6
(Benefit) provision for income taxes	(26.1)	20.1	116.8	(42.5)	39.48
Net income (loss)	259.4	(64.2)	201.9	210.4	233.8
Net income attributable to noncontrolling interests	15.1	17.8	15.7	12.1	14.0
Net income attributable to redeemable noncontrolling interests	11.8	15.4	18.2	10.4	8.3
Net income (loss) attributable to Coty Inc.	232.5	(97.4)	168.0	187.9	211.5
Per Share Data:					
Weighted-average common shares:					
Basic	353.3	381.7	381.7	347.8	350.9
Diluted	362.9	381.7	396.4	356.9	360.7
Cash dividends declared per common share	$ 0.20	$ 0.20	$ 0.15	$ 0.25	$ 0.20
Net income (loss) attributable to Coty Inc. per common share:					

Basic	$	0.66	$	(0.26)	$	0.44	$	0.54	$	0.60
Diluted		0.64		(0.26)		0.42		0.53		0.59

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	As of June 30, 2015	As of June 30, 2014	As of March 31, 2016
	(Dollars in millions)		
Consolidated Balance Sheet Data:			
Total assets	$ 6,018.9	$ 6,592.5	$ 7,024.9
Long-term debt	2,634.7	3,293.5	4,130.5
Total equity	984.7	854.4	455.0

Summary Non-GAAP Financial Data of Coty

The non-GAAP financial data for the fiscal years ended June 30, 2015, 2014 and 2013 and the nine months ended March 31, 2016 and 2015 has been derived from Coty s Annual Report on Form 10-K for the fiscal year ended June 30, 2015 and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, respectively. The following data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations contained in the respective forms filed with the SEC, which are incorporated by reference herein.

Adjusted Operating Income, Adjusted Net Income Attributable to Coty Inc. and Adjusted Net Income Attributable to Coty Inc. per Common Share (the Adjusted Performance Measures) are non-GAAP financial measures which Coty believes better enable management and investors to analyze and compare the underlying business results from period to period.

These non-GAAP financial measures should not be considered in isolation, or as a substitute for or superior to, financial measures calculated in accordance with GAAP. Moreover, these non-GAAP financial measures have limitations in that they do not reflect all the items associated with the operations of the business as determined in accordance with GAAP. Coty compensates for these limitations by analyzing current and future results on a GAAP basis as well as a non-GAAP basis, and provides reconciliations from the most directly comparable GAAP financial measures to the non-GAAP financial measures. Other companies, including companies in the beauty industry, may calculate similarly titled non-GAAP financial measures differently than Coty does, limiting the usefulness of those measures for comparative purposes.

Coty believes that the presentation of Adjusted Performance Measures enhances investors overall understanding of Coty s performance by providing an alternative and supplemental measure used by management to evaluate the performance of Coty s business. When viewed with GAAP results and the reconciliations from the most directly comparable GAAP financial measures that Coty provides, Coty believes that these Adjusted Performance Measures provide a more complete understanding of specific factors affecting Coty s business than GAAP measures alone. Specifically, Coty s management believes that these non-GAAP financial measures and the information they provide permit investors to view Coty s performance using the same measures that Coty s management uses to evaluate past performance and annual budgets and to benchmark the performance of Coty s business against its competitors.

Coty believes that Adjusted Operating Income provides meaningful information to investors by excluding the impact of accounting modifications from liability plan accounting to equity plan accounting as a result of amended and restated share-based compensation plans, asset impairment charges, restructuring costs and business structure realignment programs, acquisition-related costs and certain acquisition accounting impacts, amortization and other adjustments. These adjustments are primarily incurred to reposition Coty s operating model and integrate new acquisitions, and fluctuate based on specific facts and circumstances. As a result, Coty believes that the use of Adjusted Operating Income provides a meaningful and consistent comparison of its underlying business between periods by adjusting certain items required by GAAP which are not reflective of Coty s day-to-day operational performance. Additionally, Adjusted Net Income Attributable to Coty Inc. and

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Adjusted Net Income Attributable to Coty Inc. per Common Share are adjusted for net of the income tax effect of Adjusted Operating Income, certain interest and other (income) expense, net of the income tax effect thereon and certain tax effects, which Coty does not consider indicative of its performance. As such, Coty believes that the Adjusted Performance Measures, when taken in combination with GAAP financial measures, may enhance comparability from period to period and more clearly highlight trends in its business that might not otherwise be apparent when relying solely on GAAP financial measures. The following are examples of how these Adjusted Performance Measures are utilized by Coty s management:

strategic plans and annual budgets are prepared using the Adjusted Performance Measures;

senior management receives a monthly analysis comparing budget to actual Coty operating results that is prepared using Adjusted Performance Measures; and

senior management s annual compensation is calculated, in part, by using Adjusted Performance Measures. In addition, Coty s financial covenant compliance calculations under Coty s debt agreements are substantially derived from these Adjusted Performance Measures.

These Adjusted Performance Measures have been further adjusted since Coty s latest Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, filed with the SEC on May 3, 2016, to exclude the expense and tax effects associated with the amortization of acquisition-related intangible assets because amortization is the result of the purchase price and corresponding allocation of fair value, and not the result of operations in a particular year. The effect of this exclusion on Coty s non-GAAP presentation was to amend Adjusted Operating Income in a manner that provides investors with a measure of Coty s operating performance that facilitates period to period comparisons, as well as comparability to Coty s peers. Exclusion of the amortization expense allows investors to compare operating results that are consistent over time for the consolidated company, including newly acquired and long-held businesses, to both acquisitive and non-acquisitive peer companies. Coty supplements this revised approach by providing disclosure of the effects of this non-GAAP measure, by presenting the corresponding treatment prepared in conformity with GAAP in its financial statements, and by providing a reconciliation to the corresponding GAAP measure so that investors can use the information to perform their own analysis.

	Twelve Months Ended June 30,			**Nine Months Ended March 31,**	
(in millions)	**2015**	**2014**	**2013**	**2016**	**2015**
Reported Operating Income	**395.1**	**25.7**	**394.4**	**257.1**	**418.5**
% of Net revenues	*9.0%*	*0.6%*	*8.5%*	*7.9%*	*12.4%*
Restructuring and other business realignment costs	91.4	34.1	36.1	98.5	64.2
Amortization	74.7	85.7	90.2	59.0	55.5
Costs related to acquisition activities	44.2	26.9	9.6	107.3	5.3
Share-based compensation expense adjustment	18.3	27.6	120.3	1.3	0.6
Public entity preparedness costs		1.2	7.7		
Gain on sale of asset			(19.3)		

Asset Impairment Charges		316.9	1.5	5.5	
Real estate consolidation program costs	(0.7)	32.3	22.5		(0.7)
China Optimization	(19.4)	35.9	0.0		(19.0)
Total adjustments to Reported Operating Income	208.5	560.6	268.6	271.6	105.9
Adjusted Operating Income	**603.6**	**586.3**	**663.0**	**528.7**	**524.4**
% of Net revenues	*13.7%*	*12.9%*	*14.3%*	*16.2%*	*15.5%*

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(in millions)	Twelve Months Ended June 30, 2015	2014	2013	Nine Months Ended March 31, 2016	2015
Reported Net Income attributable to Coty Inc.	**232.5**	**(97.4)**	**168.0**	**187.9**	**211.5**
% of Net revenues	*5.3%*	*(2.1%)*	*3.6%*	*5.7%*	*6.3%*
Adjustments to Reported Operating Income	208.5	560.6	268.6	271.6	105.9
Loss on early extinguishment of debt	88.8			3.1	88.8
Adjustments to noncontrolling interest expense	(1.2)			0.0	(1.2)
Adjustments to Other Expense				30.4	0.0
Adjustments to Interest Expense				(13.1)	0.0
Change in tax provision due to adjustments to Reported Net Income Attributable to Coty Inc.	(120.1)	(87.5)	(49.8)	(40.4)	(39.7)
Adjusted Net Income attributable to Coty Inc.	**408.5**	**375.7**	**386.8**	**439.5**	**365.3**
% of Net revenues	*9.3%*	*8.3%*	*8.3%*	*13.4%*	*10.8%*
Per Share Data:					
Adjusted Weighted-average common shares					
Basic	353.3	381.7	381.7	347.8	350.9
Diluted	362.9	390.7	396.4	356.9	360.7
Adjusted Net Income Attributable to Coty Inc. per Common Share:					
Basic	$ 1.16	$ 0.98	$ 1.01	$ 1.26	$ 1.04
Diluted	$ 1.13	$ 0.96	$ 0.98	$ 1.23	$ 1.01

Summary Unaudited Condensed Combined Pro Forma Financial Data

The summary unaudited condensed combined pro forma financial data presented below is being provided for illustrative purposes only and are not necessarily indicative of what the operating results or financial position of Coty or P&G Beauty Brands would have been had the Transactions been completed at the beginning of the periods or on the dates indicated, nor are they necessarily indicative of the results of operations or financial condition that may be expected for any future period or date. Coty and P&G Beauty Brands may have performed differently had they actually been combined during the periods presented.

	For the fiscal year ended June 30, 2015 for pro forma condensed combined	For the Nine months ended March 31, 2016 for pro forma condensed combined Coty and P&G Beauty Brands

	Coty and P&G Beauty Brands	
	(Dollars in millions, except per share data)	
Statement of Income Data:		
Net revenues	$ 9,243.2	$ 6,583.5
Gross profit	5,829.1	4,200.1
Net income	7.8	221.5
Other Data:		
Net income attributable to Coty Inc. per common share		
Basic	$ 0.01	$ 0.29
Diluted	0.01	0.29
Weighted-average common shares outstanding		
Basic	765.6	760.1
Diluted	775.2	769.2
Financial Position (as of March 31, 2016):		
Total assets		$ 22,773.7
Long-term debt, net		6,294.8
Total stockholders equity		11,276.9

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Summary Historical and Pro Forma Per Share Data

The following tables set forth historical and pro forma per share data for Coty. The historical data has been derived from, and should be read together with, the audited consolidated financial statements of Coty and the related notes thereto contained in Coty s Annual Report on Form 10-K for the fiscal year ended June 30, 2015 incorporated by reference into this information statement and the unaudited condensed consolidated financial statements of Coty and the related notes thereto contained in Coty s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 incorporated by reference into this information statement. The Coty pro forma data has been prepared by Coty and derived from the unaudited condensed combined pro forma financial statements of Coty, which gives effect to the completion of Merger and preliminary related acquisition accounting and the application of the net proceeds therefrom.

This summary of historical and pro forma per share data is being provided for illustrative purposes only and is not necessarily indicative of the results that would have been achieved had the Transactions been completed during the period presented, nor are they necessarily indicative of the results of operations or financial condition that may be expected for any future period or date. Coty and P&G Beauty Brands may have performed differently had the Transactions occurred prior to the period presented. You should not rely on the pro forma per share data presented as being indicative of the results that would have been achieved had Coty and the assets and liabilities of P&G Beauty Brands to be acquired by Coty been combined during the period presented or of the future results of Coty following the Transactions.

The following table presents certain historical and pro forma per share data for Coty:

	As of and for the Fiscal Year Ended June 30, 2015		As of and for the Nine Months Ended March 31, 2016	
	Historical	Pro Forma	Historical	Pro Forma
Coty:				
Weighted-average common shares:				
Basic	353.3	765.6	347.8	760.1
Diluted	362.9	775.2	356.9	769.2
Book value per common share	$ 2.74		$ 1.31	$ 14.84
Cash dividends declared per common share	$ 0.20	$ 0.20	$ 0.25	$ 0.25
Net income attributable to Coty Inc. per common share:				
Basic	$ 0.66	$ 0.01	$ 0.54	$ 0.29
Diluted	0.64	0.01	0.53	0.29

Historical Market Price and Dividend Data

Historical Market Price

Historical market price data for Galleria Company does not exist as Galleria Company currently is a wholly owned subsidiary of P&G. As such, shares of Galleria Company common stock are not currently listed on a public stock exchange and are not publicly traded. Therefore, no market data is available for Galleria Company.

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Shares of Coty common stock are currently traded on the NYSE under the symbol COTY. No public trading market exists for shares of Coty class B common stock. On July 8, 2015, the last trading day before the announcement of the Transactions, the last sale price of shares of Coty common stock reported by the NYSE was $31.52. On June 29, 2016, the last sale price of shares of Coty common stock reported by the NYSE was $25.71. The following table sets forth the high and low sale prices of shares of Coty common stock and the dividends declared for the periods indicated for both Coty common stock and Coty class B common stock. For current price information, Coty stockholders are urged to consult publicly available sources.

	Coty Class A Common Stock		Dividends	
	High	**Low**	**Class A**	**Class B**
Fiscal Year Ended June 30, 2014				
First Quarter	$ 17.74	$ 14.46	$ 0.20	$ 0.20
Second Quarter	16.68	14.63		
Third Quarter	15.92	12.83		
Fourth Quarter	18.95	14.85		
Fiscal Year Ended June 30, 2015				
First Quarter	$ 18.47	$ 16.39	$ 0.20	$ 0.20
Second Quarter	21.00	15.74		
Third Quarter	24.71	18.33		
Fourth Quarter	32.62	23.26		
Fiscal Year Ending June 30, 2016				
First Quarter	$ 32.72	$ 24.90	$ 0.25	$ 0.25
Second Quarter	30.76	25.17		
Third Quarter	29.59	21.48		
Fourth Quarter (through June 29, 2016)	31.60	24.74		

Dividend Policy

Coty has no legal or contractual obligation to pay dividends. Coty has been paying an annual dividend, once per year, since Coty s initial public offering in 2013. The payment of cash dividends in the future will continue to be at the discretion of Coty s board of directors. The declaration of any cash dividends, and the amount thereof, will depend on many factors, including Coty s financial condition, capital requirements, funds from operations, the dividend taxation level, Coty s stock price, future business prospects and any other factors as Coty s board of directors may deem relevant. Additionally, the Coty Senior Secured Credit Facilities contain certain customary restrictions on Coty s ability to pay dividends. The Galleria Senior Secured Credit Facilities entered into in connection with the Transactions contains similar restrictions, and other indebtedness Coty may incur in the future may contain similar restrictions.

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CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

This information statement, including the information incorporated by reference herein, contains forward-looking statements, such as projected operating results, earnings and cash flows, that are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from any future results, performance or achievements expressed or implied by those forward-looking statements.

These forward-looking statements reflect Coty s current views with respect to, among other things, operations and financial performance. All statements in this information statement that are not historical facts, including statements about Coty s beliefs or expectations, are forward-looking statements. Words or phrases such as anticipate, estimate, plan, project, expect, believe, intend, foresee, forecast, will, may, outlook, target or other simi used in connection with any discussion of future plans, actions or events, including with respect to the Transactions, generally identify forward-looking statements.

You should understand that the risks, uncertainties, factors and assumptions listed and discussed in this information statement, including the following important factors and assumptions, could affect the future results of Coty following the Transactions and could cause actual results to differ materially from those expressed in the forward-looking statements:

- the effect of general economic conditions;
- inability to complete the Transactions;
- the integration of Galleria with Coty s business, operations and culture and the ability to realize synergies and other potential benefits of the Transactions within the time frames currently contemplated, including planned organizational changes and their effects;
- Coty s strategy and future financial or operational performance;
- performance of Coty s and Galleria s manufacturing and production operations including unexpected maintenance requirements or interruptions;
- the inability of Coty to manage its growth effectively;
- the level of competition from domestic and foreign companies;
- fluctuations in transportation and distribution costs;

the loss of significant customers or a substantial reduction in orders from these customers or the bankruptcy of any such customer or the inability to obtain new customers;

the impact of the illegal distribution and sale by third parties of counterfeit versions of Coty s and Galleria s products;

dependence on information technology and the inability to protect against service interruptions, data corruption, cyber-based attacks or network security breaches;

the outcome or impact of pending or threatened litigation;

the anticipated benefits to Coty of other acquisitions or divestitures;

the success and cost of marketing and sales programs and other growth initiatives and strategies intended to promote growth in Coty s business, which will include Galleria after the completion of the Transactions;

general competitive activity in the market, including competitors pricing practices and promotional spending levels;

the concentration of Coty s business, which will include Galleria after the completion of the Transactions, with key customers and the ability to manage and maintain key customer relationships;

the timing, amount and allocation of Coty s capital expenditures, restructuring and merger and integration costs;

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- the outcome of current and future tax examinations and other tax matters, and their related impact on Coty s tax positions;

- foreign currency and interest rate fluctuations;

- inventory levels and returns and cost of goods;

- other factors affecting share prices and capital markets generally and domestic and international developments; and

- other goals and targets and statements of the assumptions underlying or relating to any such statements.

These factors should not be construed as exhaustive, and should be read in conjunction with the other cautionary statements included in this information statement or incorporated by reference herein. The inclusion of this forward-looking information should not be regarded as a representation by Coty or any other person that the future plans, estimates or expectations that Coty contemplates will be achieved. Although Coty believes that the expectations reflected in the forward-looking statements are reasonable, they should not be viewed as guarantees of future results, events, favorable circumstances or conditions, levels of activity or performance. Actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements, and you are cautioned not to place undue reliance on these statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include those described under Risk Factors in Coty s registration statement on Form S-4, as amended (Reg. No. 333-210856), or incorporated by reference herein.

You are cautioned not to unduly rely on such forward-looking statements, which speak only as of the date made, when evaluating the information presented in this information statement. Coty does not assume any obligation to update or revise these forward-looking statements to reflect new events or circumstances, except as required by law.

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INFORMATION ON P&G S EXCHANGE OFFER

In the exchange offer, P&G will offer to holders of P&G common stock the right to exchange all or a portion of their P&G common stock for shares of Galleria Company common stock at a discount to the per-share value of Coty common stock, subject to pro ration if P&G shareholders have validly tendered more shares of P&G common stock than P&G is offering to accept for exchange (taking into account the exchange ratio and the total number of shares of Galleria Company common stock owned by P&G). See The Transactions. Galleria Company has filed a registration statement on Form S-4 and Form S-1 to register shares of its common stock, which will be distributed to P&G shareholders pursuant to a spin-off or split-off in connection with the Merger. The shares of Galleria Company common stock will be immediately converted into shares of Coty common stock in the Merger. Coty has filed a registration statement on Form S-4 to register the shares of Coty common stock, which will be issued in the Merger. The terms and conditions of the exchange offer are described in Galleria Company s registration statement and Coty s registration statement. Coty and Coty s stockholders are not a party to the exchange offer.

At or prior to the completion of the exchange offer, P&G will deliver to the Exchange Agent all of the shares of Galleria Company common stock outstanding, with irrevocable instructions to hold the shares of Galleria Company common stock for the benefit of P&G shareholders whose shares of P&G common stock have been accepted for exchange in the exchange offer and, in the case of any subsequent pro rata dividend, P&G shareholders whose shares of P&G common stock remain outstanding after completion of the exchange offer. Pursuant to the Merger, each share of Galleria Company common stock issued to P&G shareholders in the Distribution will automatically convert into the right to receive one share of Coty common stock. Upon the completion of the exchange offer, Coty will deposit with its transfer agent book-entry authorizations representing shares of Coty common stock, with irrevocable instructions to hold the shares of Coty common stock for the benefit of the holders of shares of Galleria Company common stock. Shares of Coty common stock and cash in lieu of fractional shares will be transferred to the holders of shares of Galleria Company common stock as promptly as practicable after the Merger and P&G s notice and determination of the final proration factor.

Coty will issue [ ] shares of Coty common stock in the Merger. Based upon the reported closing sale price of $[ ] per share of Coty common stock on the NYSE on [ ], 2016 and the [ ] shares of Coty common stock issued and outstanding on [ ], 2016, the total value of the shares expected to be issued by Coty and the amount of cash received by P&G in the Transactions, including expected borrowing under the Galleria Senior Secured Credit Facilities, which will be obligations of Galleria Company and, following the consummation of the Merger, will be guaranteed by Coty, would have been approximately $[ ]. The value of the consideration to be paid by Coty in the Merger will be computed using the VWAPs of Coty common stock during a specified period of time prior to the closing date and, therefore, the actual purchase price will fluctuate with the market price of Coty common stock until the Transactions are consummated.

P&G s exchange offer is subject to various conditions listed in Galleria Company s registration statement and Coty s registration statement.

The information included in this section regarding P&G s exchange offer is being provided to Coty s stockholders for informational purposes only and does not purport to be complete. For additional information on P&G s exchange offer and the terms and conditions thereof, Coty stockholders are urged to read Galleria Company s registration statement on Form S-4 and Form S-1, or Coty s registration statement on Form S-4, and all other documents Galleria Company will file with the SEC. This document constitutes only an information statement for Coty stockholders relating to the approval of the issuance of shares of Coty common stock in the Merger and is not an offer to sell or a solicitation of an offer to purchase shares of Coty common stock.

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INFORMATION ON COTY

Overview

Coty is a leading global beauty company. Founded in Paris in 1904, Coty is a pure play beauty company with a portfolio of well-known brands that compete in the three segments in which Coty operates: Fragrances, Color Cosmetics and Skin & Body Care. Coty currently holds the #2 global position in fragrances, the #4 global position in color cosmetics and has a strong regional presence in skin and body care. Coty s top 10 brands, which Coty refers to as its power brands, generated 72% of its net revenues in fiscal 2015 and comprise the following globally recognized brands: adidas, Calvin Klein, Chloé, DAVIDOFF, Marc Jacobs, OPI, philosophy, Playboy, Rimmel and Sally Hansen. Coty s brands compete in all key distribution channels across both prestige and mass markets and in over 130 countries and territories.

Coty operates in the global beauty industry, which is attractive given its large scale, stable growth characteristics and demonstrated resiliency. Following the completion of the Transactions, the segments of the beauty industry in which Coty competes will include fragrances, color cosmetics, professional and retail hair color and styling, and skin and body care. According to Euromonitor, these combined segments generated approximately $300 billion of worldwide retail sales in calendar 2015. Coty believes the beauty industry is driven primarily by innovation, changes in consumer preferences and fashion trends in developed markets, and by a larger middle class and increased accessibility of beauty products in emerging markets.

Coty has transformed itself into a multi-segment beauty company with market leading positions in both North America and Europe through new product offerings, diversified sales channels and its global growth strategy. Today, Coty s business has a diversified revenue base that generated net revenues in fiscal 2015 of 50%, 33% and 17% from Fragrances, Color Cosmetics and Skin & Body Care, respectively.

The following is a discussion of Coty prior to the consummation of the Merger. For a discussion of the combined company following the Transactions see Business Strategies After the Transactions. Additional information about Coty is included in documents incorporated by reference into this information statement. See Where You Can Find More Information; Incorporation By Reference.

Coty s Brands

Coty targets organic growth through its focus on supporting and expanding global brands while consistently developing and seeking to acquire new brands and licenses. Brand innovation and new product development are critical components of Coty s success.

Coty s existing power brands, each of which are described in further detail below, are at the core of Coty s accomplishments. Coty invests aggressively behind current and prospective power brands and intends to continue to do so after consummation of the Merger. Coty s power brands are its largest brands and those that it believes to have the greatest global potential to enhance Coty s scale in the three beauty segments in which it competes.

adidas. adidas is one of the biggest brands in the global mass body care market and maintains a significant presence in deodorants and shower gels. Coty s adidas products for both men and women blend distinctive brand identity (through each fragrance and product design) and aspirations of performance to appeal to a broad range of consumers. Successful new product launches have contributed to adidas net revenues.

Calvin Klein. Calvin Klein is Coty s largest brand by net revenues and one of the largest fragrance brands by net revenues in the world. It holds strong positions in most developed markets, including the United States, the United Kingdom, Germany and Spain, and in emerging markets, such as China and the Middle East. The brand is also sold in the travel retail sales channel, including duty-free shops. The brand reaches a diverse consumer base through several strong product lines, including ck one, Eternity and euphoria.

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Chloé. Chloé is one of the fastest growing prestige fragrance brands for women over the past five years and is a top women s fragrance in the global prestige market. Chloé s largest markets are travel retail, Italy, the United States, France, Germany and Spain. Notable launches for the brand include Chloé Signature, Chloé Love Story and See by Chloé.

DAVIDOFF. DAVIDOFF is the #11 men s fragrance brand in the worldwide prestige market. Cool Water, DAVIDOFF s most successful line, is the #2 men s fragrance brand in the German prestige market and the #9 men s prestige fragrance brand in the world. It has been one of the world s leading prestige men s fragrances since its initial launch in 1988. DAVIDOFF Cool Water has joined forces with the National Geographic Society to support its Pristine Seas mission. This initiative aims to raise awareness about the importance of protecting the ocean.

Marc Jacobs. Marc Jacobs is an iconic fragrance brand, with Daisy Marc Jacobs, Daisy Dream Marc Jacobs, Marc Jacobs Lola, Dot Marc Jacobs and the successful launch of Marc Jacobs Decadence in fall 2015. The brand has been particularly successful in certain Asian markets, including China, and is a top ranking brand in global travel retail.

OPI. OPI is the global leader in professional nail care. With its portfolio of approximately 300 creatively-named unique shades, OPI links fashion and entertainment with color cosmetics. OPI regularly creates limited-edition collections with celebrities and entertainment franchises to promote the brand, including collaborations with Gwen Stefani, Miss Piggy, the Muppets and Hello Kitty. Coty s OPI brand product lines include OPI (which is sold through salons, travel retail and traditional retailers) and Nicole by OPI (which is sold through mass retailers). OPI also markets nail gels, nail care products and nail accessories through salons. OPI is sold in over 100 countries and territories.

philosophy. philosophy enjoys strong market position in skin and body care in the U.S. prestige market and leverages multiple distribution channels, including direct television sales and e-commerce. philosophy s miracle worker line was one of the most successful skin care launches in the U.S. prestige market the year it was launched. Building on the brand s existing skincare franchises, philosophy had several new launches in fiscal 2015, including renewed hope in a jar refreshing and refining moisturizer, no reason to hide multi-imperfection transforming serum and ultimate miracle worker multi-rejuvenating cream broad spectrum SPF 30. In recent years, Coty commenced distribution of philosophy in certain international markets, including Canada, the Netherlands, the United Kingdom and Singapore, and in travel retail.

Playboy. Playboy has quickly become a strong mass market brand with established positions in Europe as well as an expanding presence in emerging markets. Playboy offers a variety of deodorant, shower gel and fragrance products in both men and women markets.

Rimmel. The Rimmel brand comprises a broad line of color cosmetics products covering the entire range of women s color cosmetics, including eye, face, lip and nail products. Rimmel is sold in drugstores and other mass distribution channels. Rimmel is the #3 color cosmetics brand in the European retail mass market and has experienced a solid increase in net revenues over the course of the past several years in all of the regions where it competes. Rimmel has been represented for more than ten years by Kate Moss, who has also developed and promoted her own signature line of Rimmel lipsticks. Most recently, the brand is also represented by supermodel Georgia May Jagger, and international music star Rita Ora.

Sally Hansen. Sally Hansen is the #1 nail care product brand in North America. Coty believes that Sally Hansen has the most diversified and successful line of nail products in North America. Products in Coty s Sally Hansen line include nail care products, nail color lacquers and nail and beauty implements. Coty also sells a broad range of depilatory and wax products through its Sally Hansen brand. Sally Hansen is sold in drugstores and other mass retailers. In fiscal 2015, Coty launched Sally Hansen Miracle Gel for at-home gel manicures. Miracle Gel holds the #1 position in nail care in the United States with a 13.7% market share and has won 34 industry awards to date. Although Sally Hansen is currently primarily a North American brand, it continues to expand its presence in Europe, Asia and South America by focusing on nail products. Miracle Gel, which has experienced steady growth since launch, has enabled Sally Hansen to grow net revenues in the North American and European markets.

In addition to Coty s power brands, Coty has a broad and deep portfolio of over 60 other brands, which accounted for 28% of its net revenues in fiscal 2015. These include regional brands such as Astor, Bourjois, Jil Sander, Joop! Lancaster and Manhattan, celebrity brands such as Beyoncé, David Beckham, Jennifer Lopez and Katy Perry and emerging brands such as Roberto Cavalli, Bottega Veneta and Miu Miu.

On February 1, 2016, Coty completed its previously announced acquisition of the personal care and beauty business of Hypermarcas S.A. (the Hypermarcas Beauty Business). The Hypermarcas Beauty Business includes an offering of brands that hold leading positions in the highly competitive Brazilian beauty and personal care market, which is the third largest in the world. Brands that Coty acquired include Monage, a multi-category personal care brand; Risqué, the market leader in nail polish in Brazil; Bozzano, the market leader in men s care in Brazil; Paixão, the largest skin care brand in Brazil; and Biocolor, a best-selling hair colorant in Brazil. The Hypermarcas Beauty Business comprises manufacturing and distribution facilities in the state of Goias, with go to market capabilities. As a result, it provides a platform for Coty to integrate its existing business and the Galleria business in Brazil and is intended to increase Coty s exposure to higher growth emerging markets.

Coty s Competitive Strengths

A portfolio of strong, well recognized beauty brands anchored by Coty s power brands across three key beauty segments. The strength of Coty s brand portfolio provides the foundation of its success. Coty believes its brands are valued by consumers across geographies and distribution channels. Coty believes that consumers appreciate the quality and innovation of its products across various price points and its ability to quickly and cost-effectively innovate and draw excitement to its products.

Global leader in fragrances. Coty s #2 global position in fragrances is a result of the strength, scale and balance of its brands. The brands in Coty s Fragrances segment include brands associated with fashion designers, lifestyle brands and brands associated with entertainment personalities. Coty s top fragrance brands by percentage of net revenues are Calvin Klein, Marc Jacobs, DAVIDOFF and Chloé. Coty has launched several new fragrance brands since 2010, including Balenciaga, Beyoncé, Bottega Veneta, Guess?, Katy Perry and Roberto Cavalli. Its newest fragrance brand Miu Miu, launched in 2015.

Leading player in color cosmetics. Coty historically achieved its #4 global ranking in color cosmetics, as well as its position in Europe and the United States, by identifying and investing in new trends in cosmetics and nail care, introducing innovative products to the market and expanding distribution globally. Coty continues to build on these foundations organically through new product innovations and strategically through acquisitions such as Bourjois. Coty s growth in the nail category continues to be fueled by outstanding innovation. For example, in 2015 Coty launched OPI Hello Kitty collection, OPI Infinite Shine and Sally Hansen Miracle Gel. Outside of nail products, in 2015 Coty introduced Astor Lash Beautifier mascara, Rimmel Supercurler mascara and Rimmel the Only 1 lipstick.

Licensee of choice. Coty has a track record of partnering with unique brands while respecting and preserving each licensor s brand identity. In addition, Coty s global scale allows it to offer its licensed products in multiple points of distribution and in multiple geographies. Marc Jacobs and Chloé are examples of licensed designer brands that have organically grown from low revenue bases to be two of Coty s most highly valued and fastest growing brands. Similarly, Coty grew Playboy from a low revenue base and expanded it globally. Coty intends to seek to replicate this growth with high potential brands in the future and will continue to build on its success by partnering with highly sought-after celebrities. Coty believes it is a preferred licensee for potential partners, with opportunities for Coty to further develop existing brand licenses as well.

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Superior innovation driven by entrepreneurial culture. Coty believes its entrepreneurial culture allows it to act faster and push marketing and creative boundaries further than its competitors. Coty s past success demonstrates that it is poised to turn innovative ideas into realities with agility, decisiveness and calculated risk taking, all at a high level of execution. Over the last three fiscal years, sales from Coty s new products accounted for approximately 16% of its total net revenues, on average.

Product, channel and geographic diversity. Coty has breadth across beauty segments with product offerings in fragrances, color cosmetics and skin and body care. It has a balanced multi-channel distribution strategy and markets products across price points in prestige and mass channels of distribution, including department stores, specialty retailers, traditional food, drug and mass retailers, salons, travel retail, e-commerce and television sales, among others. Coty believes its commercial expertise enhances its capabilities when it enters new markets where products must suit local consumer preferences, incomes and demographics. Coty s beauty products are marketed, sold and distributed to consumers in over 130 countries and territories. Coty believes its diverse, globally recognized product portfolio positions it well to expand its leadership broadly into new geographies, in both developed and emerging markets.

Compelling financial platform. Coty benefits from healthy and improving operating margins, as demonstrated by an improvement in its adjusted operating margin from 12.9% in fiscal 2014 to 14.2% on a last-twelve-months basis in the third quarter of fiscal 2016. Coty also generates strong and consistent cash flow which totaled $325 million in fiscal 2015, up from $305 million in fiscal 2014. In addition, Coty s global efficiency program announced in August 2014 remains on track, as Coty has recognized cumulative savings of approximately $170 million through the second quarter of fiscal 2016, driven by fixed cost reduction, indirect procurement savings, footprint consolidation and more streamlined operations in China. Coty believes its global efficiency program will address the different cost components of its business, and it anticipates that annual savings from the program will now be $270 million by the end of fiscal year 2017.

Coty s Segments

Fragrances

Coty holds the #2 global position in fragrances. Coty believes that its success in fragrances results from a combination of strong executive leadership, global expansion, innovation, organic growth, acquisitions, product line extensions and new licenses.

Coty s fragrance products include a variety of men s and women s products. Brands in the Fragrances segment include brands associated with fashion designers, lifestyle brands and brands associated with entertainment personalities. Coty sells its fragrance products in all distribution channels, from mass to prestige, including travel and retail, to target consumers across all incomes, ages and geographies that it considers important to its business.

Coty owns certain of the trademarks associated with its fragrance products and licenses other trademarks from celebrities, fashion houses and other lifestyle brands. In fiscal 2015, Coty manufactured 76% of its fragrance products at its manufacturing facilities, and marketed and distributed its fragrance products globally through local affiliates and third-party distributors.

Coty s top fragrance brands by percentage of net revenues are Calvin Klein, Marc Jacobs, DAVIDOFF and Chloé. Coty has launched several new fragrance brands since 2010, including Balenciaga, Beyoncé, Bottega Veneta, Guess?, Katy Perry and Roberto Cavalli.

Color Cosmetics

Coty is an emerging leader in color cosmetics. Coty is ranked 4th globally and 2nd in the combined North American and European mass retail markets. Coty s color cosmetics products include lip, eye, nail and facial color products. It maintains a #2 position in nail care products globally.

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Coty has 11 brands in its Color Cosmetics segment, including Bourjois, which was acquired in fiscal 2015. Coty s top color cosmetics brands by percentage of net revenues are Rimmel, Sally Hansen and OPI. Most of Coty s color cosmetics products are sold within mass distribution channels, with OPI mostly sold in professional distribution channels. Coty s strength in color cosmetics is driven by its Rimmel and Sally Hansen brands.

Coty owns all the brands in its Color Cosmetics segment and their associated trademarks, except for ck one color, Cutex and Lycra, which it licenses. Coty associates celebrities images in the advertising of some of its color cosmetics brands such as Kate Moss, Georgia May Jagger and Rita Ora for Rimmel, Demi Lovato for N.Y.C. New York Color and Heidi Klum for Astor. In fiscal 2015, Coty manufactured 67% of its color cosmetics products at its manufacturing facilities. Coty markets and distributes its color cosmetics products globally through its subsidiaries and third-party distributors.

Skin & Body Care

Coty continues to develop the brands and product lines in its Skin & Body Care segment and to expand its product offerings. Coty s skin & body care products include shower gels, deodorants, skin care and sun treatment products. Its Skin & Body Care brands are adidas, Lancaster, philosophy and Playboy. Lancaster and philosophy are sold in prestige distribution channels and adidas and Playboy are sold in mass distribution channels.

Coty owns Lancaster and philosophy and their trademarks, and licenses the trademarks associated with adidas and Playboy. In fiscal 2015, Coty manufactured 71% of its skin & body care products at its manufacturing facilities. Coty markets and distributes its Skin & Body Care products globally through its subsidiaries and third-party distributors.

Research and Development

Research and development is a pillar of Coty s innovation. It combines cutting-edge research and technology, new ingredients and precise market testing, enabling Coty to develop and support the development of new products while continuing to improve existing products. Key new product developments with significant product innovation components in calendar years 2014 and 2015 included Rimmel Wonder Lash mascara with Argan Oil, a patented creamy, volumizing and conditioning mascara, Sally Hansen Miracle Gel 2.0, the only two-step gel manicure with a plumping top coat that does not require light, philosophy ultimate miracle worker, featuring a patented multi-protection formula for the face and eyes, and Lancaster 365 Skin Repair Serum, which helps manage aging at the roots. Coty s products have received numerous awards, including awards from The Fragrance Foundation and CLIO Awards. In fiscal 2015, among other awards, Daisy Dream Marc Jacobs received awards for Best Packaging of the Year and Consumer Choice Awards from The Fragrance Foundation, Sally Hansen Miracle Gel received the Cosmetic Executive Women s Insider Choice Beauty Award in Nail Product and Lancaster Sun Sport Invisible Mist Wet Skin Application SPF30 received Marie Claire s Prix d excellence 2014 award.

Coty continuously seeks to improve its products through research and development, and strives to provide the consumer with the best possible products. Coty s research and development teams work with the marketing and operations teams to identify recent trends and consumer needs and to bring products quickly to market. Additionally, Coty s basic and applied research groups, which conduct longer-term research such as blue sky research, seek to develop proprietary new technologies for first-to-market products and for improving existing products. This research and development is done both internally and through affiliations with various universities, technical centers, supply partners, industry associations and technical associations. As of August 2015, Coty owned approximately 750 patents and patent applications globally.

Coty performs extensive testing on its products, including testing for safety, packaging, toxicology, in vitro eye irritation, microbiology, quality and stability. It also has a robust internal and external testing program that includes sensory, consumer and clinical testing. Coty does not conduct animal testing on its products or ingredients, nor does it engage others to undertake such testing on its behalf, except when required by local country laws.

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As of March 2016, Coty had approximately 302 employees engaged in research and development. Research and development expenditures totaled 1.1%, 1.0% and 1.0% of net revenues in fiscal 2015, 2014 and 2013, respectively. Coty maintains five research and development centers, which are located in the United States, Europe and China.

Suppliers, Manufacturing and Related Operations

Coty manufactures approximately 70% of its products in eight facilities around the world. These facilities are located in the United States, Europe and China. Several of these locations provide multi-segment manufacturing. Approximately 30% of Coty s finished products are manufactured to its specifications by third parties.

Coty continues to streamline its manufacturing processes and identify sourcing opportunities to improve innovation, customer service and product quality, increase efficiencies and reduce costs. Coty has a dedicated worldwide procurement team that it believes follows industry best practices and that is making a concentrated effort to reduce costs associated with third-party suppliers. While Coty believes that its manufacturing facilities are sufficient to meet current and reasonably anticipated manufacturing requirements, it continues to identify opportunities to make improvements in productivity. For example, it is streamlining its manufacturing facilities to optimize costs. Coty will evaluate whether to consolidate facilities and eliminate unnecessary lease expense in areas where both Coty and P&G Beauty Brands have historically had an office. To capitalize on supply chain benefits, Coty will continue to complement its own manufacturing network with the use of pertinent third parties on a global basis for finished goods production.

The principal raw materials used in the manufacture of Coty s products are essential oils, alcohol and specialty chemicals. The essential oils in fragrance products are generally sourced from fragrance houses. As a result, Coty realizes material cost savings and benefits from the technology, innovation and resources provided by these fragrance houses.

Coty purchases the raw materials for all its products from various third parties. It also purchases packaging components that are manufactured to its design specifications. Coty works in collaboration with its suppliers to meet its stringent design and creative criteria. In fiscal 2015, no single supplier accounted for more than 8% of the materials used in the manufacture of Coty s products.

Coty regularly benchmarks the performance of its supply chain and adjusts its suppliers and distribution networks and manufacturing footprint based upon the changing needs of its business. Coty is always considering new ways to improve its overall supply chain performance through better use of its production and sourcing capabilities. Coty believes that it currently has adequate sources of supply for all its products. It has not experienced material disruptions in its supply chain in the past, and it believes it has robust practices in place to respond to any potential disruptions in its supply chain.

Coty has established a global distribution network designed to meet the changing demands of its customers while maintaining service levels. In calendar year 2013, Coty received a Frost & Sullivan Manufacturing Leadership 100 award for leadership in global value chain and in fiscal 2015, it received awards in Leadership and Strategy and Manufacturing in Action from the Manufacturer of the Year Awards. Coty is continuing to evaluate and restructure its physical distribution network to increase efficiency and reduce its order lead times.

Coty also recognizes the importance of its employees and has programs in place designed to ensure operating safety. Coty also has in place programs designed to ensure that its manufacturing and distribution facilities comply with applicable environmental rules and regulations, and these programs have improved its employee safety as benchmarked against industry levels.

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Marketing and Sales

Coty has dedicated marketing and sales forces (including ancillary support services) in most of its significant markets. Coty believes that local teams dedicated to the commercialization of its brands gives it the greatest opportunity to execute its business strategy. Coty is also developing branding and marketing execution strategies with its top customers.

Coty s marketing strategy creates a distinct image and personality for each brand. Many of its products are linked to recognized designers and design houses such as Balenciaga, Bottega Veneta, Calvin Klein, Chloé, Marc Jacobs and Robert Cavalli, celebrities, such as Beyoncé Knowles, David Beckham, Enrique Iglesias, Jennifer Lopez and Katy Perry, and lifestyle brands, such as adidas, DAVIDOFF, Playboy and Vespa. Each of its brands is promoted with consistent logos, packaging and advertising designed to enhance its image and the uniqueness of each brand. Coty s strategy is to promote these brands mostly in television, print, outdoor ads, in-store displays and online on brand sites and social networks. Coty also leverages its relationships with celebrities to endorse certain of its products. Recent campaigns include Kate Moss and Georgia May Jagger for Rimmel, Scott Eastwood for DAVIDOFF, Jasmine Tookes and Tobias Sorensen for Calvin Klein Eternity NOW, Christy Turlington and Ed Burns for Calvin Klein Eternity and a television spot for Daisy Dream Marc Jacobs directed by long-time Marc Jacobs muse Sofia Coppola.

Coty s marketing efforts also benefit from cooperative advertising programs with retailers, often in connection with in-store marketing activities. Such activities are designed to attract consumers to Coty s counters, displays and walls and make them try, or purchase, Coty s products. Coty also engages in sampling and gift-with-purchase programs designed to stimulate product trials. Coty has more recently been expanding its digital marketing efforts, including through websites it does not control or operate, with a multi-pronged strategy that ranges from brand sites, social networking campaigns and blogs, to e-commerce. Currently, 40 Coty brands have marketing sites, 36 have social networking activities, two have e-commerce capabilities and 12 are sold on branded e-commerce sites. Coty also partners with key brick and mortar retailers in its expansion into e-commerce.

Coty plans to expand its marketing efforts through the formation of a new department focused on accelerating growth by improving capabilities in areas such as innovation, traditional digital communication, sales execution and e-commerce. As a precursor to the formation of this new department, in October 2015, Coty entered into a definitive agreement to acquire Beamly Ltd (Beamly), a digital marketing firm based in New York and London. Since announcing the acquisition, Beamly has started to work with the Coty brands on several digital and social media campaigns. Coty expects the acquisition to enhance its digital engagement capabilities and to allow Coty to better address the accelerating consumer shift in time spent from traditional media to real time digital and social media channels. Coty believes Beamly will be an important aspect of establishing within the Coty organization that digital is a critical component of marketing and a valuable way of communicating and engaging with consumers. Coty believes it will also benefit from Beamly s social data benchmarking, content creation, content optimization and consumer engagement tools to grow its e-commerce business.

Distribution Channels and Retail Sales

Coty currently has offices in more than 35 countries and markets, sells and distributes its products in over 130 countries and territories.

Coty has a balanced multi-channel distribution strategy and market products across price points in prestige and mass channels of distribution. It offers certain products through multiple distribution channels to reach a broader range of customers. Coty sells products in each of its segments through retailers, including hypermarkets, supermarkets, independent and chain drug stores and pharmacies, upscale perfumeries, upscale and mid-tier department stores, nail salons, specialty retailers, duty-free shops and traditional food, drug and mass retailers. Its principal retailers in the mass distribution channel include CVS, Rite Aid, Target, Walgreens and Wal-Mart in the United States and Boots, DM, Carrefour and Watson s in Europe. Its principal retailers in the prestige distribution channel include Macy s, Ulta, Dillard s, Bon-Ton and Nordstrom in the United States, A.S. Watson

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and Douglas in Europe and Sephora in multiple geographic regions. Other principal retailers include Kohl s and QVC. In fiscal 2015, no retailer accounted for more than 10% of Coty s global net revenues; however, certain retailers accounted for more than 10% of net revenues within certain geographic markets. In fiscal 2015, Coty s top ten retailers combined accounted for 29% of net revenues and Wal-Mart, its top retailer, accounted for 7% of net revenues. Coty is pursuing its strategy of geographic expansion by selling through retailers, its subsidiaries or third-party distributors and its strategy of increasing its presence in e-commerce by selling through websites that support an e-commerce-only product distribution business, including its own branded websites. Coty believes its commercial expertise enhances its capabilities when it enters new markets where products must suit local consumer preferences, incomes and demographics.

Coty also sells a broad range of its products through travel retail sales channels, including duty-free shops, airlines, cruise lines and other tax-free zones. Travel retail sales channels represented 7% of its net revenues in fiscal 2015. In addition, Coty sells its products through the internet over its retail partners e-commerce sites and through online retailers. It sells its philosophy and Bourjois products through philosophy and Bourjois-branded websites and also sells its philosophy products through direct marketing via television.

In countries and territories in which Coty sells its products but where it does not have a subsidiary, its products are sold through third-party distributors. Distributors in different countries or territories may sell to different types of customers, such as traditional retailers or via direct marketing. In some cases, Coty also outsources functions or parts of functions that can be performed more effectively by external service providers. For example, Coty has outsourced significant portions of its logistics management for its European prestige and mass distribution and its U.S. mass distribution, as well as certain technology-related functions, to third-party service providers. Coty directs its third-party service providers and distributors in the marketing, advertising and promotion of its products. Its third-party distributors contribute knowledge of the local market and dedicated sales personnel.

Consumer preferences are driving the trend towards multi-channel distribution for beauty products, and Coty intends to continue to develop and expand its multi-channel distribution strategies in response to and in anticipation of consumer demand trends.

Legal Proceedings

Coty has disclosed information about certain legal proceedings in Part II, Item 1 under the heading Legal Proceedings of its Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, which is incorporated by reference in this information statement. There have been no subsequent material developments to these matters.

Coty is involved, from time to time, in litigation, other regulatory actions and other legal proceedings incidental to Coty s business. Other than as previously disclosed in Coty s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, management believes that current litigation, regulatory actions and legal proceedings will not have a material effect upon Coty s business, results of operations, financial condition or cash flows. However, management s assessment of Coty s current litigation, regulatory actions and other legal proceedings could change in light of the discovery of facts with respect to litigation, regulatory actions or other proceedings pending against Coty not presently known to Coty or determinations by judges, juries or other finders of fact which are not in accord with management s evaluation of the possible liability or outcome of such litigation, regulatory actions and legal proceedings.

Directors and Executive Officers

Coty Board of Directors

The directors of Coty immediately following the closing of the Transactions are expected to be the directors of Coty immediately prior to the closing of the Transactions.

Listed below is the biographical information for each person who is currently a member of Coty s board of directors.

Lambertus J.H. Becht. Mr. Becht, 59, joined Coty s board of directors as Chairman in 2011 and became Coty s interim CEO in September 2014. He also serves as the Chairman of the board of directors of Jacobs Douwe Egberts B.V. and Chairman of the board of directors of the parent of Keurig Green Mountain, Inc., as well as a non-executive director of Peet s Coffee & Tea Inc. and the Caribou Coffee Company, Inc./Einstein Noah Restaurant Group, Inc. Mr. Becht is also a partner and Chairman of the JAB Group. From 1999 to 2011, Mr. Becht was Chief Executive Officer of Reckitt Benckiser Group plc, a leading global consumer goods company in the field of household cleaning and health and personal care. Prior to that, Mr. Becht was Chief Executive Officer of privately held Benckiser Detergents, which in 1997 became Benckiser N.V. and listed on the Amsterdam and New York Stock Exchanges, and in 1999 merged with Reckitt & Colman plc and listed on the London Stock Exchange. Before becoming Chief Executive Officer of Benckiser Detergents in 1995, Mr. Becht held a variety of marketing, sales and finance positions at P&G in the United States and Germany and served within Benckiser Detergents as General Manager in Canada, the United Kingdom, France and Italy. Mr. Becht holds a Master of Business Administration degree from the University of Chicago Booth School of Business and a Bachelor of Arts degree in Economics from the University of Groningen in the Netherlands.

Joachim Faber. Mr. Faber, 66, joined Coty s board of directors in 2010. Mr. Faber is also the Chairman of the Supervisory Board of Deutsche Börse AG, Frankfurt, a member of the board of HSBC Holdings PLC, London, Chairman of the Shareholder Committee of JAB Holding Company S.á r.l. and a member of the board of Allianz S.A., Paris. Mr. Faber was a member of the Supervisory Board of OSRAM Licht AG and the Chairman of its audit committee until June 30, 2014. Until 2011, Mr. Faber served as the Chief Executive Officer of Allianz Global Investors, a global asset management company, and a member of the management board of Allianz SE in Munich. Prior to joining Allianz in 1997, he worked for 14 years in various positions for Citicorp in Frankfurt and London. He serves on the board of German Cancer Aid in Bonn and the European School for Management and Technology in Berlin. Mr. Faber graduated from the University of Bonn with a degree in Law. He received his PhD degree from the Postgraduate National School of Public Administration Speyer, Germany after completing his research at the Sorbonne University in Paris, France.

Olivier Goudet. Mr. Goudet, 51, joined Coty s board of directors in 2013. Mr. Goudet is Partner and Chief Executive Officer of the JAB Group, a position he has held since June 2012. He started his professional career in 1990 at Mars, Inc., serving on the finance team of the French business. After six years, he left Mars, Inc. to join the VALEO Group, where he held several senior executive positions, including Chief Financial Officer. In 1998, he returned to Mars, Inc., where he later became Chief Financial Officer in 2004. In 2008, his role was broadened, and he was appointed Executive Vice President and Chief Financial Officer. Between June 2012 and November 2015, Mr. Goudet served as an Advisor to the Board of Mars, Inc. In January 2013, Mr. Goudet became the Chairman of Peet s Coffee & Tea Inc. In September 2013, Mr. Goudet was appointed as board member of Jacobs Douwe Egberts B.V. Mr. Goudet is also Chairman of the Caribou Coffee Company, Inc./Einstein Restaurant Group, Inc. and a board member of Espresso-House Holding AB and the parent company of Keurig Green Mountain, Inc. In September 2014, Mr. Goudet joined the board of Jimmy Choo PLC. In April 2015, he became the Chairman of the board of directors of Anheuser-Busch InBev SA/NV. Mr. Goudet holds a Degree in Engineering from l Ecole Centrale de Paris and graduated from the ESSEC Business School in Paris with a major in Finance.

Peter Harf. Mr. Harf, 70, joined Coty s board of directors in 1996 and serves as Chair of the Remuneration and Nomination Committee. Mr. Harf was Chairman of Coty s board of directors from 2001 until 2011 and Chief Executive Officer of Coty from 1993 to 2001. He is Chief Executive Officer of Lucresca and Agnaten, which indirectly share voting and investment control over shares of Coty. Mr. Harf joined JAB in 1981, serving the company in a variety of capacities, including Chairman and Chief Executive Officer since 1988. In September 2014, Mr. Harf became the Chairman and member of the board of directors of Jimmy Choo PLC. Mr. Harf is also a board member of the Caribou Coffee Company, Inc./Einstein Noah Restaurant Group, Inc., Peet s Coffee & Tea Inc., Jacobs Douwe Egberts B.V. and the parent company of Keurig Green Mountain, Inc. and Chairman of Espresso-House Holding AB and co-founder and Executive Chairman of DKMS. Prior to joining the JAB group, Mr. Harf was Senior Vice President of Corporate Planning at AEG-Telefunken, Frankfurt, Germany. He began his career at the Boston Consulting Group. Mr. Harf was Deputy Chairman of the Board of Directors of Reckitt Benckiser Group plc from 1999 to December 2015, and was Chairman of the Board of Directors and a member of the audit committee of Anheuser-Busch InBev SA/NV until 2012. Mr. Harf holds a Master of Business Administration degree from Harvard Business School and a Diploma and a Doctorate in Economics from the University of Cologne in Germany.

Paul S. Michaels. Mr. Michaels, 64, joined Coty s board of directors in June 2015. Prior to joining Coty, Paul S. Michaels served as the President of Mars, Incorporated, parent company of William Wrigley Jr. Co., from January 2004 to January 2015. Mr. Michaels began his career at P&G and later moved to Johnson & Johnson, where he spent 15 years building many of the company s flagship brands. Mr. Michaels holds a Bachelor of Arts from the University of Notre Dame.

Erhard Schoewel. Mr. Schoewel, 67, joined Coty s board of directors in 2006. From 1999 to 2006, he was Executive Vice President responsible for Europe at Reckitt Benckiser plc. From 1979 to 1999 he held positions of increasing responsibilities at Benckiser. Prior to that, he worked for PWA Waldhof. In 2012, Mr. Schoewel was elected to the Supervisory Board of the Jahr Holding GmbH & Co. KG in Hamburg, Germany. He was Chairman of Birdseye Iglo Ltd London and a director of Phorms SE Berlin. Mr. Schoewel received a Diplom-Kaufmann degree from University of Pforzheim.

Robert Singer. Mr. Singer, 64, joined Coty s board of directors in 2010, and serves as Chair of the Audit and Finance Committee. From 2006 to 2009 he served as Chief Executive Officer of Barilla Holding S.p.A., an Italian food company, and before that he served as the President and Chief Operating Officer of Abercrombie and Fitch Co. from May 2004 until August 2005. He served as Chief Financial Officer of Gucci Group N.V. from 1995 to 2004. Mr. Singer started his career at Coopers & Lybrand in 1977. Mr. Singer also serves as a director of Gianni Versace S.p.A. and a director of Mead Johnson Nutrition. He also serves as a director and chair of the audit committees of Tiffany & Co. and Jimmy Choo PLC. Mr. Singer has served as a senior advisor to CCMP Capital Advisors, LLC since 2011. He received a Bachelor of Arts Humanities degree from Johns Hopkins University, a Master of Arts degree in Comparative Literature from University of California, Irvine and graduated from New York University with a Master of Science in Accounting.

Coty Executive Officers

Listed below is the biographical information for each person who is expected to be an executive officer of Coty following the closing of the Transactions and whose biographical information is not set forth above under Coty Board of Directors.

Patrice de Talhouët. Mr. de Talhouët, 50, is Chief Financial Officer and a member of the Coty Executive Committee. Mr. de Talhouët oversees strategic leadership for corporate finance, planning and budgeting, treasury, tax and fiscal management and information technologies, as well as business development and mergers and acquisitions. He has more than 20 years of comprehensive global financial experience. Prior to joining Coty as Chief Financial Officer in January 2014, Mr. de Talhouët spent nearly seven years with food products manufacturer Mars, Inc., serving as Corporate Finance Officer Americas and a member of the finance executive committee from April 2011 to December 2013 and Chief Financial Officer Europe Mars Chocolate from January 2007 to March 2011. Before joining Mars, Inc., Mr. de Talhouët spent more than a decade in senior finance positions at Alcatel-Lucent. Mr. de Talhouët started his career at Société Générale S.A. bank. Mr. de Talhouët has served as a member of Devoteam s Remuneration Committee from 2002 through 2010 and of Devoteam s Audit Committee since 2011. He holds a Bachelor s degree in Economics and International Management from Nanterre University and as well as a Master s degree in Finance, Accounting and Corporate Law from Conservatoire National des Arts et Métiers (CNAM).

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Sebastien Froidefond. Mr. Froidefond, 48, is Senior Vice President of Human Resources at Coty and a member of the Coty Executive Committee. Mr. Froidefond leads Coty s worldwide human resources department and oversees all global employee communication initiatives. Prior to joining Coty in August 2015, Mr. Froidefond was Managing Director of Spire S.A.S. and Human Resources Vice President for the Global Consumer Healthcare division of Sanofi. From 2001 until his appointment as Sanofi s Human Resources Vice President, Mr. Froidefond served in various roles of increasing responsibility within Sanofi s human resources functions in the United Kingdom, Latin America, Africa, Turkey, the Middle East, Eurasia and South Asia. He has over 20 years of experience in building and leading world class human resources organizations at country, regional and global levels. Mr. Froidefond holds a Master in Economics from Université Paris X and an advanced degree in consulting from Institut Supérieur de Gestion.

Edgar O. Huber. Mr. Huber, 54, is President of Global Markets of Coty and is a member of the Coty Executive Committee. Mr. Huber has served in this position since November 15, 2015 and oversees sales execution and steers Coty s business according to specific consumer and retailer needs and priorities. Prior to joining Coty, Mr. Huber was Director, President and Chief Executive Officer of Lands End, Inc., a leading global apparel retail brand, from 2011 until 2015. He served as President and Chief Executive Officer of the Juicy Couture Division of Liz Claiborne, Inc., from September 2008 until January 2011. He has over 15 years of service in a number of senior roles at L Oréal, S.A. and he was a key account and brand manager for Mars, Inc. Mr. Huber holds a Bachelor of Arts Degree from the Handelsakademie Innsbruck/Telfs, Austria and a Masters of Business Administration from the Wirtschaftsuniversität Wien (Vienna University of Economics and Business), Austria. Mr. Huber has also completed the International Management Program at HEC (Haute Etudes Commerciales) in Jouy-en-Josas, France, and the CEDEP (General Management Program) at INSEAD in Foutainbleau, France.

Jules P. Kaufman. Mr. Kaufman, 58, is Senior Vice President, General Counsel and Secretary of Coty and a member of the Coty Executive Committee. In his role as General Counsel, he oversees Coty s legal affairs worldwide, including, among other things, acquisitions and divestitures, corporate governance, securities compliance, intellectual property, licensing and regulatory issues. Mr. Kaufman has more than 30 years of comprehensive legal experience. Prior to joining Coty as General Counsel in 2008, he served in Paris and Geneva as Vice President and Division General Counsel for Colgate-Palmolive Company s Europe/South Pacific division. Prior to that, Mr. Kaufman had responsibility for mergers and acquisitions, SEC, finance and corporate governance matters within the Colgate corporate legal group. Mr. Kaufman began his career as a corporate lawyer with two New York City based law firms. He received his Bachelor of Arts degree from Harvard University and his Juris Doctor from the University of Virginia School of Law.

Ralph Macchio. Mr. Macchio, 59, is Chief Scientific Officer and Senior Vice President of Global Research & Development at Coty and is a member of the Coty Executive Committee. He is responsible for all Scientific Affairs and Global Regulatory Affairs at Coty and the Global Consumer Affairs Team. Mr. Macchio has over 30 years of cosmetic research and development experience. Since joining Coty in 1992, Mr. Macchio has held various positions of increasing responsibility at Coty. Prior to becoming Chief Scientific Officer and Senior Vice President of Global Research and Development in 2007, Mr. Macchio served as Vice President of Global Research and Development. Prior to joining Coty, Mr. Macchio held several positions at Revlon Inc., including Departmental Manager, Color Cosmetics. He received degrees in Biochemistry and Chemistry from the State University of New York at Albany.

Camillo Pane. Mr. Pane, 45, is Executive Vice President, Category Development and a member of the Coty Executive Committee. Prior to joining Coty in this position in July 2015, Mr. Pane was the Senior Vice President, Global Category Officer Consumer Health at Reckitt Benckiser Group plc from 2011 until 2015. Mr. Pane has held numerous high profile international marketing and general management roles through his career, in both developed and emerging markets. In 1996, he started his career at Reckitt Benckiser Group plc in Italy. In 1998, he moved to the United States where he was appointed Marketing Director for the Autodish and Homecare categories. In 2001, he moved to Sao Paulo as Regional Marketing Director for Brazil and Latin America for all Reckitt Benckiser brands. In 2003, Mr. Pane moved to the United Kingdom as Global Category Director for Air Wick. In 2007, Mr. Pane became the General Manager for the UK Healthcare business unit before taking on the role of General Manager of Reckitt Benckiser U.K. Household, Personal Care and Healthcare commercial businesses in 2009. Prior to Reckitt Benckiser, Mr. Pane spent time in Marketing with Kraft Jacob Suchard in Milan. Mr. Pane holds a degree in business administration from University of Bocconi in Milan.

Mario Reis. Mr. Reis, 57, is Executive Vice President, Supply Chain and a member of the Coty Executive Committee. Mr. Reis brings diversified experience in supply chain and commercial fields with a unique perspective and a strong skill set for a best in class end-to-end supply chain. Mr. Reis has more than 30 years of experience as a solid business leader and supply chain expert. Prior to joining Coty in this position in May 2014, Mr. Reis built his career during his tenure at Groupe Danone, where he held several senior executive positions within Worldwide Operations from 1996 to 2014. In his various supply chain roles within Groupe Danone, Mr. Reis was successful in implementing best practices and synergies across divisions. Most recently, Mr. Reis served as Managing Director of Groupe Danone South Africa from 1996 until 2014, where his leadership resulted in strong acceleration in profitability and growth over a five year period. Mr. Reis worked at Mars Inc. and Bain & Co. in various business roles from 1986 to 1996. Mr. Reis holds a Master of Business Administration degree from INSEAD, the University of Manchester and a Bachelor of Science degree with Honors from the University of Manchester.

Esi Eggleston Bracey. Following the closing of the Transactions, Ms. Bracey, 45, will be President, Coty Consumer Beauty and a member of the Coty Executive Committee. In her role, Ms. Bracey will oversee Coty s Color Cosmetics, Hair Coloring and Styling, and Body Care division. She is currently P&G s Executive Vice President, Global Color Cosmetics, where she leads CoverGirl and Max Factor businesses across more than 80 global markets. Ms. Bracey has over 24 years of experience, including over 15 years in beauty and personal care. Ms. Bracey holds a Bachelor of Arts degree in Engineering Sciences from Dartmouth College in Hanover, New Hampshire.

Sylvie Moreau. Following the closing of the Transactions, Ms. Moreau, 45, will be President, Coty Professional Beauty and a member of the Coty Executive Committee. In her role, Ms. Moreau will oversee Coty s salon business in hair and nail care. Ms. Moreau has been with P&G since 1994 and currently serves as Executive Vice President of Wella, the salon professional division of P&G. Ms. Moreau has over 22 years of experience as she held a variety of positions in local, regional and international roles within P&G. Ms. Moreau holds a Master of International Business from NHH Bergen Norway and a MBA from ESSEC Business School of Cergy Pontoise, France.

Certain Relationships and Related Party Transactions

Coty has disclosed information about certain relationships and related transactions in the section entitled Certain Relationships and Related Party Transactions of its Definitive Proxy Statement filed on September 22, 2015, which is incorporated by reference in this information statement. There have been no subsequent material developments to such disclosure.

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INFORMATION ON P&G BEAUTY BRANDS

Overview

P&G Beauty Brands is a combination of wholly owned subsidiaries and operations relating to P&G s global fine fragrances, salon professional, cosmetics and retail hair color businesses, along with select hair styling brands, that, except for the Excluded Brands, will be transferred by P&G and its subsidiaries to Galleria Company as part of the Separation.

P&G Beauty Brands manufactures, markets and sells various branded beauty products including professional and retail hair care, coloring and styling products, fine fragrances and cosmetics. P&G Beauty Brands sells its products in approximately 150 countries primarily through salons, mass merchandisers, grocery stores, drug stores, department stores and distributors.

P&G Beauty Brands includes several global brands, including Clairol Nice n Easy, CoverGirl, HUGO BOSS, Gucci, Lacoste, Max Factor, Wella Koleston and Wella Professional. P&G Beauty Brands was mainly established from P&G s acquisition of the Noxell Corporation in 1989, the tradename purchase of Max Factor in 1991, the acquisition of Clairol in 2001, the acquisition of Wella AG in September 2003 and other subsequent brand and license acquisitions. As it relates to licenses, P&G Beauty Brands maintains agreements with the owners of the brands, most of which involve the payment of royalties tied to the sales of the underlying brands.

P&G Beauty Brands includes the full line-up of fine fragrance brands as managed by the P&G Fine Fragrance business. The fragrance licenses of Dolce & Gabbana and Christina Aguilera will not transfer in the Transactions. P&G intends to fully exit the fine fragrance business and is exploring alternatives to exit the Dolce & Gabbana and Christina Aguilera fragrance licenses. In addition, P&G Beauty Brands historical results included in this information statement reflect the results of certain divested P&G Fine Fragrance brands, including Rochas, Laura Biagiotti, Naomi Campbell and Giorgio Beverly Hills, which were divested by P&G in May 2015, June 2015, September 2014 and February 2016, respectively, as well as Puma, which was discontinued in fiscal 2015. Activities related to the Excluded Brands and the Divested Brands collectively accounted for $670.0 million of P&G Beauty Brands net sales and reduced P&G Beauty Brands net income by $17.0 million for the fiscal year ended June 30, 2015.

P&G Beauty Brands was historically included within the P&G Beauty reportable segment. P&G Beauty Brands has four operating segments comprised of: (i) Fine Fragrances, (ii) Salon Professional, (iii) Retail Hair Color & Styling and (iv) Cosmetics. Under GAAP, the businesses underlying the four operating segments are aggregated into three reportable segments comprised of: (i) Fine Fragrances, (ii) Salon Professional and (iii) Retail Hair & Cosmetics.

The operating segments are each managed separately based upon product groupings:

- Fine Fragrances includes men s and women s fine fragrance products across a portfolio of licensed brands.

- Salon Professional includes professional hair care, color and styling products.

- Cosmetics includes facial, lip, eye and nail color products.

Retail Hair Color & Styling includes retail hair color and styling products.

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Below is a summary of P&G Beauty Brands current brands across its four operating segments:

Fine Fragrances(1)	Salon Professional	Retail Hair Color & Styling	Cosmetics
HUGO BOSS	Wella Professionals	Wella (and derivatives)	CoverGirl
Gucci	Sebastian	Londa	Max Factor (excluding Max Factor Gold)
Lacoste	Nioxin	Londa Trend	
Alexander McQueen	Clairol Professional	Clairol	
Stella McCartney	System Professional	Blondor	
James Bond	Londa Professional	Koleston	
Bruno Banani	Kadus Professional	Miss Clairol	
Gabriela Sabatini	Color Charm	Soft Color	
Mexx	Sassoon Professional**	Natural Instincts	
Escada		Nice n Easy	
Dolce & Gabbana*		L image	
Christina Aguilera*		Bellady	
		Balsam Color	
		Shockwaves	
		New Wave Design	
		Silvikrin	
		Wellaton	
		Welloxon	
		VS Salonist**	
		VS Pro-Series Color**	

(1) Fine Fragrances brands are licensed to P&G by third parties.
* Denotes Excluded Brand.
** Denotes brand ownership of which will be retained by P&G but to which Coty will be granted a perpetual, royalty-free license.

Fine Fragrances

The Fine Fragrances reportable segment represented approximately 36% of P&G Beauty Brands net sales for the fiscal year ended June 30, 2015. Fine Fragrances manufactures, markets and sells fine fragrance products across a portfolio of licensed brands including HUGO BOSS, Dolce & Gabbana, Gucci, Lacoste and Escada, as well as a number of versatile lifestyle brands, including Bruno Banani and James Bond. Fine Fragrances maintains license agreements which have stated expiration dates. Fine Fragrances primarily sells to retail operations, including mass merchandisers, department stores, travel outlets and specialty beauty stores globally, either through the P&G sales force or third-party distributors. Fine Fragrances experiences a degree of seasonality with over 30% of annual sales attributable to the second quarter of the fiscal year due to increased purchases of fragrances during the holiday season.

Fine Fragrances headquarters is located in Geneva, Switzerland. Fine Fragrances operates two dedicated manufacturing facilities in Cologne, Germany and Seaton, United Kingdom. In addition to the owned facilities, the Fine Fragrance business utilizes a third-party contract manufacturer in Poissy, France.

Salon Professional

The Salon Professional reportable segment represented approximately 26% of P&G Beauty Brands net sales for the fiscal year ended June 30, 2015. Salon Professional is a manufacturer and supplier of professional hair care products. Salon Professional sells its products primarily to hair salons, professional beauty supply stores and wholesalers serving the professional channel. Salon Professional also supports its customers through training and educational programs. Salon Professional includes several global brands including Wella Professional, Sebastian,

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Sassoon Professional, Clairol Professional (also known as Londa Professional or Kadus Professional) and Nioxin. Salon Professional was primarily established through P&G s acquisition of Wella AG in September 2003 and other subsequent brand purchases. Salon Professional sells products in approximately 110 countries across Europe, North America, Asia, Latin America, the Middle East and Africa through direct selling and indirect selling through distributors.

Salon Professional s headquarters is located in Geneva, Switzerland. Salon Professional operates in three primary manufacturing facilities in Rothenkirchen, Germany, Huenfeld, Germany and Sarreguemines, France. Salon Professional also operates in P&G-shared manufacturing facilities in Mexico, Brazil, Germany and Thailand. In addition to the owned properties, Salon Professional utilizes third-party contract manufacturers primarily for salon appliance and accessory items such as scissors, bowls, capes and towels.

Retail Hair & Cosmetics

The Retail Hair & Cosmetics reportable segment represented approximately 38% of P&G Beauty Brands net sales for the fiscal year ended June 30, 2015. Retail Hair & Cosmetics is a manufacturer and supplier of hair color, styling and cosmetics products. Retail Hair & Cosmetics primarily sells its products to retail operations in approximately 80 countries across North America, Europe, Asia, Latin America, the Middle East and Africa either through direct selling or third-party distributors. Retail Hair Color & Styling includes several global brands including Clairol Nice n Easy, Wella Koleston and Vidal Sassoon. In addition, Retail Hair Color & Styling manages regional or local brands including Soft Color, Wellaton, Natural Instincts, Londa, Miss Clairol, L image, Bellady, Blondor, Balsam Color, Welloxon, Shockwaves, New Wave, Design, Silvikrin, Wellaflex, Forte, Wella Styling and Wella Trend. Cosmetics includes the CoverGirl and Max Factor brands. CoverGirl is focused in North America. Max Factor is prevalent throughout the rest of the world. Retail Hair Color & Styling was primarily established through P&G s acquisitions of Clairol in 2001 and Wella in 2003. The CoverGirl business was established through P&G s acquisition of the Noxell Corporation in 1989. The Max Factor tradename was acquired from Revlon in 1991.

Retail Hair Care & Styling s business headquarters is located in Geneva, Switzerland. Retail Hair Color & Styling maintains operations in P&G-shared manufacturing facilities in Russia, the United Kingdom, Germany, Mexico, Brazil and Thailand. Cosmetics business operations are based in Hunt Valley, Maryland. The Hunt Valley site includes the headquarters, technology center, manufacturing facility and distribution center. A second manufacturing facility is located in Nenagh, Ireland. In addition to the owned facilities, Cosmetics utilizes third-party contract manufacturers for various items, including eye and lip pencils, blushes, eye shadows, brushes and powders.

Trademarks, Licenses, Patents and Other Intellectual Property

P&G Beauty Brands owns or has rights to use a number of trademarks, trade names and other intellectual property, which are of material importance to its business and are protected by registration or otherwise in the United States and most other markets where products are sold.

P&G Beauty Brands owned trademarks include Wella, Clairol, CoverGirl and Max Factor. Depending on the jurisdiction, trademarks are generally valid as long as they are in use and/or their registrations are properly maintained and they have not been found to have become generic. Registrations of trademarks can also generally be renewed indefinitely as long as the trademarks are in use.

P&G Beauty Brands is the exclusive worldwide trademark licensee for a number of fragrance brands, including:

HUGO BOSS fragrances, including BOSS Bottled, HUGO Man, HUGO Woman, BOSS Pour Femme and BOSS THE SCENT;

the Gucci fragrances, including Gucci Guilty, Gucci by Gucci, Flora by Gucci and Gucci Bamboo;

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the Lacoste fragrances, including Eau de Lacoste L.12.12, LIVE, Lacoste Pour Femme and Lacoste Essential;

the Escada Fashion fragrances, including Especially Escada, Joyful and Heritage fragrance lines;

the lifestyle fragrance brands of Bruno Banani, Mexx, James Bond, and Gabriela Sabatini;

Stella McCartney fragrances, including Stella;

Alexander McQueen fragrances; and

the Dolce & Gabbana fragrances, including Light Blue, The One, Pour Femme and Pour Homme, Intenso and Dolce and the Velvet Collection line of fragrances, and the lifestyle fragrance brand of Christina Aguilera that will not be transferred to Coty in the Transactions.

P&G Beauty Brands existing fragrance licenses impose obligations on it that it believes are common to many licensing relationships in the beauty industry. The licenses impose some or all of the following obligations:

paying annual royalties on net sales of the licensed products;

maintaining the quality of the licensed products and the applicable trademarks;

permitting the licensor s involvement in and, in some cases, approval of advertising, packaging and marketing plans relating to the licensed products;

maintaining minimum royalty payments and/or minimum sales levels for the licensed products;

actively promoting the sales of the licensed products;

spending a certain amount of net sales on marketing and advertising for the licensed products;

maintaining the integrity of the specified distribution channel for the licensed products;

indemnifying the licensor in the event of product liability or other claims related to the licensed products;

- limiting assignment and sub-licensing to third parties without the licensor s consent; and

- in some cases, requiring notice to, or approval by, the licensor of certain changes in control as a condition to continuation of the license.

P&G Beauty Brands is currently in material compliance with all terms of its fragrance license agreements.

A majority of fragrance licenses have renewal options for one or more terms, which can range from two to six years. Certain fragrance licenses provide for extensions at P&G Beauty Brands sole discretion, while renewal of others is contingent upon attaining specified sales levels. The next fragrance license scheduled to expire that does not provide for renewal at P&G Beauty Brands sole discretion expires in fiscal 2018. One fragrance license which accounted for more than $500 million of Fine Fragrances net sales during fiscal 2015 has a term that expires in fiscal 2021. Coty is in discussions with this licensor to extend the terms of this license. Licenses covering fragrances that accounted for approximately 80% of Fine Fragrances net sales during fiscal 2015 have terms that expire no earlier than fiscal 2021.

P&G Beauty Brands will transfer to Galleria approximately 2,600 patents and patent applications worldwide, and the patent portfolio as a whole is material to its business. However, no one patent is material to P&G Beauty Brands. Following the Transactions, P&G will license to Coty and Galleria approximately 660 patents and patent applications. In addition, P&G Beauty Brands has proprietary trade secrets, technology, know-how processes and other intellectual property rights that are not registered.

Sales, Distribution and Marketing

P&G Beauty Brands sells its Fine Fragrances products through a combination of its own direct sales force and distributor partners. In markets where P&G Beauty Brands has a significant and established presence, a direct sales model is employed, leveraging a full multifunctional team on the ground. For smaller, developing

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markets that have not yet reached critical mass, P&G Beauty Brands sells its Fine Fragrances products using a distributor model operated through closely held relationships with the company headquarters in Geneva. For markets that are in a rapid expansion phase, a hybrid approach that combines both a direct and a distributor go-to-market strategy may be used.

P&G Beauty Brands sells its Salon Professional products through a combination of direct selling and indirect selling through distributors. Salon Professional extends loans to certain customers to help finance salon openings, renovations and other improvements. In exchange for this financing, customers become contractually obligated to purchase products from Salon Professional with common terms of three to five years. Certain customer loans may be provided at favorable rates, including interest-free or with below market interest rates that typically range from 1% to 5%. Payments are received either in the form of scheduled cash payments or through a partial or complete offset against rebates or other allowances earned from product purchases.

P&G Beauty Brands sells its Cosmetics products through a combination of direct selling and indirect selling through distributors. Cosmetics has two primary distribution facilities: the Riverside facility in Belcamp, Maryland and a facility in Bournemouth, England. Through the Riverside facility, P&G Beauty Brands manages the CoverGirl business for North America and certain international markets. Through the Bournemouth facility, P&G Beauty Brands manages the Max Factor business and, more recently, a portion of the CoverGirl business. The Bournemouth facility serves more than 75 countries worldwide.

P&G Beauty Brands sells its Retail Hair Care and Color products through a combination of direct selling and indirect selling through distributors.

P&G Beauty Brands marketing and advertising campaigns are designed to drive brand awareness and brand equity. Advertising costs include television, print, radio, internet and in-store advertising. Advertising expense was $1.080 billion in fiscal 2015, $1.096 billion in fiscal 2014 and $1.167 billion in fiscal 2013. Non-advertising components of the marketing spending include costs associated with consumer promotions, product sampling, sales aids, coupons and customer trade funds.

Property

Information regarding the production plans and distribution facilities used by P&G Beauty Brands is provided below. Except as otherwise indicated, P&G Beauty Brands title and/or rights in these properties will be transferred to Galleria Company in the Separation.

Production Plants

P&G Beauty Brands currently operates ten owned or leased production plants. P&G Beauty Brands management believes the facilities are in good condition, well maintained and sufficient for its present operations. In addition, P&G Beauty Brands products are also manufactured at facilities operated by production partners in Austria, Canada, China, Czech Republic, France, Germany, Hong Kong, Italy, Japan, Lebanon, Mexico, Poland, South Korea, Switzerland, the United Kingdom and the United States. The production plants are segmented by product line, although some cross-production and distribution does occur.

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The following is a list of the primary production plants used by P&G Beauty Brands:

Property Name	Location	Owned/ Leased	Product	Square Footage
Seaton Delaval Plant	Seaton Delaval, England	Owned	Gucci, Dolce & Gabbana, HUGO BOSS, Lacoste, Escada and Stella McCartney fragrances	329,591
Cologne Plant	Cologne, Germany	Owned	Dolce & Gabbana, James Bond, Bruno Banani, Mexx, Christina Aguilera and Gabriela Sabatini fragrances	635,264
Ondal Sarreguemines Plant(1)	Sarreguemines, France	Owned	Wet styling and perm products	97,456
Rothenkirchen Plant	Rothenkirchen, Germany	Owned	Color products	228,808
Huenfeld Plant	Huenfeld, Germany	Owned	Aerosol, shampoo and conditioner products	507,325
Capella Plant	Dzerzhinsk, Russia	Owned	Color	124,016
Bangkok Plant	Bangkok, Thailand	Owned	Color, perm and shampoo products and conditioner packing	713,916
Mariscala Plant	Mariscala, Mexico	Owned	Color products	1,600,000
Hunt Valley Plant and Beaver Court Building	Cockeysville, Maryland	Owned	CoverGirl products	1,069,685 and 415,037, respectively
Nenagh Plant	Nenagh, Ireland	Owned	Max Factor products	204,746

(1) On April 14, 2016, P&G entered into an agreement to sell this facility to a third party. If the sale of this facility is completed prior to the Separation, this facility will not be part of the Galleria assets acquired by Coty.

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Distribution Facilities

P&G Beauty Brands also uses a number of office and warehouse facilities for product distribution. The following is a list of the primary office and warehouse facilities owned and leased by P&G Beauty Brands for product distribution:

Property Name	Location	Owned/ Leased	Use	Square Footage
Mariscala	Mariscala, Mexico	Owned	Distribution center	Included in Mariscala Plant
Weiterstadt	Weiterstadt, Germany	Owned	Distribution center	348,000
Riverside	Belcamp, Maryland	Leased	Distribution center	800,797
Bournemouth	Bournemouth, England	Owned	Distribution center	226,797
Basingstoke	Basingstoke, England	Leased	Distribution center	58,252
Woodland Hills	Woodland Hills, California	Leased	Salon Professional office	95,908
New York City	New York City, New York	Leased	Fine Fragrances office	48,007
Ontario	Ontario, California	Leased	Distribution center	64,000
Mississauga	Mississauga, Canada	Leased	Office	49,987
Rio de Janeiro	Rio de Janeiro, Brazil	Leased	Distribution center	33,392

In addition to these primary office and warehouse facilities, P&G Beauty Brands operates other offices and warehouse facilities to manufacture, market and sell various branded beauty products in approximately 150 countries. Each of these facilities, to the extent primarily related to Galleria, will be transferred to Galleria Company in the Separation.

Customers

P&G Beauty Brands sells its products in approximately 150 countries primarily through salons, mass merchandisers, grocery stores, drug stores, department stores and distributors. For the fiscal year ended June 30, 2015, P&G Beauty Brands had no customer that represents more than 10% of net sales.

Research and Development

The principal research and development facilities of P&G Beauty Brands are located in Cincinnati, Ohio; Hunt Valley, Maryland; Frankfurt, Germany; and London, England. Research and development resources are focused on the design of new products, consumer testing and the implementation of new products into production. The research and development organization is also responsible for implementing savings programs to reduce costs of packaging and raw materials. The research and development organization is composed of four main groups with the following responsibilities:

Product Research consumer studies and testing;

Formula Design development of product formulations;

Process Development application of new products on the production lines; and

Packaging packaging-related developments including sizes and material design.

Research and development expenditures were $56 million, $74 million and $74 million for the fiscal years ended June 30, 2015, 2014 and 2013, respectively.

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Competition

P&G Beauty Brands is subject to competitive conditions in all four operating segments of its business. The beauty industry is highly competitive and can change rapidly due to consumer preferences and industry trends. Competition in the beauty industry is based on brand strength, pricing and assortment of products, in-store presence and visibility, innovation, perceived value, product availability, order fulfillment, service to the customer, promotional activities, advertising, special events, new product introductions and other activities.

Fine Fragrances competes with a large set of brands including global players such as Chanel, Dior and Armani as well as a multitude of regional and local brands. Competition is primarily on the basis of brand recognition, innovation, marketing and price. Main competitors such as L Oréal, Estée Lauder and LVMH operate with a licensing model comparable to P&G Beauty Brands. Barriers to entry can be considered low as product technology is readily available through contract manufacturers and well-developed distributors can be leveraged in all key markets. Substantial advertising and promotional expenditures are required to maintain or improve a brand s market position or to introduce a new product.

Salon Professional primarily competes with L Oréal and Henkel. Competition is primarily on the basis of product quality, brand recognition, brand loyalty, service, marketing and education of salon owners and stylists. Substantial advertising and promotional expenditures are required to maintain or improve a brand s market position or to introduce a new product.

Cosmetics primarily competes with L Oréal, Maybelline and Revlon. Competition is primarily on the basis of advertising, packaging, quality and brand recognition. Substantial advertising and promotional expenditures are required to maintain or improve a brand s market position or to introduce a new product.

Retail Hair Color & Styling primarily competes with L Oréal and Henkel. Competition is primarily on the basis of product quality, brand recognition, brand loyalty, service and marketing. Substantial advertising and promotional expenditures are required to maintain or improve a brand s market position or to introduce a new product.

Employees

As of March 31, 2016, P&G Beauty Brands employed approximately 10,013 people, approximately 9,847 of whom will be transferred with Galleria. The majority of these employees are located in Germany, the United Kingdom, the United States, Switzerland, Spain, France, Russia and Mexico. Other than employees who are represented by works councils outside of the United States, the only employees represented by a labor union are employees in Ireland, Thailand, Italy, Greece and Sweden. P&G Beauty Brands believes that relations with its employees are good.

Seasonality

Demand for products in Fine Fragrances is seasonal, with higher sales generally occurring in the first half of the fiscal year as a result of increased demand by retailers in anticipation of and during the holiday season. Working capital requirements, sales and cash flows generally experience variability during the three to six months preceding the holiday period due, in part, to product innovations and new product launches and the size and timing of certain orders from customers.

Sales of products in the Salon Professional, Cosmetics and Retail Hair Color & Styling operating segment are generally evenly balanced throughout the year. Increased sales of hair care and cosmetic products relative to fragrances may reduce the seasonality of P&G Beauty Brands business.

Government Regulation

As a producer and marketer of fragrances, cosmetics and hair care items, P&G Beauty Brands operations are subject to regulation by various governmental agencies, including the U.S. Food and Drug Administration, the Federal Trade Commission, the U.S. Environmental Protection Agency, the U.S. Department of Labor, and the U.S. Department of Commerce, as well as various state agencies, with respect to production processes, product quality, packaging, labeling, storage and distribution. Under various statutes and regulations, these agencies prescribe requirements and establish standards for safety and labeling. Other agencies and bodies outside of the United States, including those of the European Union and various countries, states and municipalities, also regulate P&G Beauty Brands businesses. Failure to comply with one or more regulatory requirements can result in a variety of sanctions, including monetary fines or compulsory withdrawal of products from store shelves.

Advertising of P&G Beauty Brands products is subject to regulation by the Federal Trade Commission and various state laws, and P&G Beauty Brands is subject to certain health and safety regulations, including those issued under the Occupational Safety and Health Act.

P&G Beauty Brands believes that it is in compliance in all material respects with all such laws and regulations and that it has obtained all material licenses and permits that are required for the operation of its business. P&G Beauty Brands is not aware of any environmental regulations that have or that it believes will have a material adverse effect on its operations.

Legal Proceedings

P&G Beauty Brands is the subject of various pending or threatened legal actions in the ordinary course of its business. All such matters are subject to many uncertainties and outcomes that are not predictable with assurance. In the opinion of P&G Beauty Brands management, there were no claims or litigation pending as of March 31, 2016, that were reasonably likely to have a material adverse effect on P&G Beauty Brands financial position or results of operations.

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BUSINESS STRATEGIES AFTER THE TRANSACTIONS

Coty s strategic vision is to be a new global leader and challenger in the beauty industry. After the completion of the Transactions, Coty intends to reorganize its business into three new divisions: Coty Luxury Division, focused on fragrances and skin care; Coty Consumer Beauty Division, focused on color cosmetics, retail hair coloring and styling products and body care; and Coty Professional Beauty Division, focused on servicing salon owners and professionals in both hair and nail care. This new category-focused organizational structure puts consumers first by specifically targeting how and where they shop, and what and why they purchase. In this new organizational structure, each division will have full end-to-end responsibility to optimize consumers beauty experience in the relevant categories and channels, which Coty believes will drive profitable growth through targeted expertise.

The chart below reflects the expected allocation of the combined company brands across Coty s new divisions:

Coty s key business strategies following the Transactions will be to:

Leverage the Strength and Scale of the Combined Company to Create a New Global Leader and Challenger in the Beauty Industry. Coty expects that the Transactions will create one of the world s largest pure-play beauty companies, with pro forma combined annual revenues of approximately $10 billion based on fiscal year 2015 performance, including annualized results for the acquired Bourjois brand and Hypermarcas Beauty Business.

Expand in Attractive New Category, Through the Addition of the Hair Color and Styling Business. Following the Transactions, Coty will expand its product offering with the addition of the Galleria hair color and styling business, led by the Wella and Clairol brands. The combined business will have a balanced portfolio across four product categories, each with a top three global position based on pro forma net sales.

Combine New Organic Growth Opportunities with a Well-Targeted Acquisition Strategy. Coty was founded in 1904 as a revolutionary mass fragrance company and over the last three decades has successfully completed a number of acquisitions to drive product, geographic and distribution platform diversity and growth. Coty will leverage further organic growth opportunities presented by the Transactions, and will also continue to evaluate any potential acquisitions that would augment its portfolio going forward and further its progression towards becoming a global leader in beauty.

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Drive Improvements in Margin, Profit and Free Cash Flow, Providing Financial Flexibility. Coty expects that after the Transactions, the combined operational and financial platform will allow Coty to drive meaningful earnings per share accretion and substantial incremental free cash flow generation, providing financial flexibility for the company. In fiscal 2015, Coty s historical adjusted diluted earnings per share grew 18% and free cash flow grew 7% to $325 million. In September 2015, Coty s Board of Directors approved a 25% increase in Coty s annual dividend to $0.25 from $0.20 per share on its Class A and Class B common stock. Coty intends to further increase the annual dividend per share to $0.50 after completion of the Transactions, demonstrating Coty s confidence in its ability to generate substantial cash flow.

Capitalize on Strong, Well-Aligned and Balanced Leadership Team. Following the Transactions, Coty Interim CEO Bart Becht will oversee a management team, together with a broader leadership organization, consisting of executives from both businesses as well as key external hires.

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MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF P&G BEAUTY BRANDS

The following discussion and analysis is intended to provide investors with an understanding of the historical performance of P&G Beauty Brands and its financial condition. This discussion and analysis presents the factors that had a material effect on the results of operations of P&G Beauty Brands for the fiscal years ended June 30, 2015, 2014 and 2013 and the nine-month periods ended March 31, 2016 and 2015.

The financial statements of P&G Beauty Brands have been derived from P&G s historical accounting records and reflect significant allocations of direct costs and expenses. All of the allocations and estimates in these financial statements are based on assumptions that P&G management believes are reasonable and have been consistently applied to all periods. However, the financial statements do not necessarily represent the financial results or position of P&G Beauty Brands that would have been achieved had it been operated as a separate independent entity.

For further descriptions of P&G Beauty Brands and the underlying basis of presentation, see the footnotes to P&G Beauty Brands audited combined financial statements, in particular Notes 1 and 2, included elsewhere in this information statement. You should read this discussion in conjunction with the historical combined financial statements of P&G Beauty Brands.

The following discussion and analysis contains forward-looking statements. See Cautionary Statement on Forward-Looking Statements for a discussion of the uncertainties, risks and assumptions associated with these statements.

Overview

P&G Beauty Brands manufactures, markets and sells various branded beauty products including professional and retail hair care, hair coloring and styling products, fine fragrances and cosmetics. P&G Beauty Brands sells its products in approximately 150 countries primarily through salons, mass merchandisers, grocery stores, drug stores, department stores and distributors.

P&G Beauty Brands has four operating segments comprised of: (1) Fine Fragrances, (2) Salon Professional, (3) Retail Hair Color & Styling and (4) Cosmetics. Under GAAP, the businesses underlying the four operating segments are aggregated into three reportable segments, described in the following table:

Reportable Segment	% of P&G Beauty Brands Net Sales in Fiscal 2015	Description	Key Brands
Fine Fragrances	36%	Men s and women s fine fragrance products across a portfolio of licensed brands	HUGO BOSS, Gucci, Lacoste, Escada, Dolce & Gabbana
Salon Professional	26%	Professional hair care, color and styling products	Wella, Sebastian, Nioxin, Clairol
Retail Hair & Cosmetics	38%	Retail Hair Color & Styling (hair color and styling products) and	Clairol, Koleston, Vidal Sassoon, Max Factor, CoverGirl

Cosmetics (facial, lip and eye cosmetics and nail color products)

Segment results reflect information on the same basis used for internal management reporting and performance evaluation. The results of these reportable segments exclude certain costs not attributable to a specific segment such as interest expense, investing activities, certain restructuring costs and gains of certain divested brands. These impacts are reported in Corporate and are included as part of our Corporate discussion.

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Additionally, as described in Note 12 to P&G Beauty Brands audited combined financial statements, blended statutory tax rates are applied in the segments. Eliminations to adjust segment results to arrive at the effective tax rate are included in Corporate.

Throughout this Management s Discussion and Analysis, references are made to business results in developed markets, which are comprised of Western Europe, the United States, Canada and Japan, and developing markets, which are all other markets not included in developed markets. Reference is also made to productivity efforts and manufacturing cost savings as drivers of reduced overhead spending and gross margin benefits, respectively. For further descriptions of these programs, see Note 7 to P&G Beauty Brands audited combined financial statements.

Impact of the Distribution from P&G on P&G Beauty Brands Financial Statements

Until the Distribution, P&G performed and will continue to perform significant corporate and operational functions for P&G Beauty Brands, as well as for its other businesses. P&G Beauty Brands combined financial statements reflect an allocation of these costs. Expenses allocated to P&G Beauty Brands include costs related to human resources, legal, treasury, accounting, information technology, internal audit and other similar services. Following the Distribution, expenses incurred by Coty to replace some of these functions may differ from P&G Beauty Brands historically allocated expense levels.

In addition, following the Distribution and completion of the Transactions, P&G has agreed to provide limited transition services to Coty, while Galleria is being integrated into Coty. These services will be provided for a limited period of time after the completion of the Transactions pursuant to the Transition Services Agreement. See Additional Agreements Transition Services Agreement.

Certain Trends and Other Factors Affecting P&G Beauty Brands

Global Economic Conditions. Current macroeconomic factors remain dynamic, and any causes of market size contraction, such as reduced gross domestic product in commodity-dependent economies as commodity prices decline, greater political unrest in the Middle East and Eastern Europe, further economic instability in the European Union, political instability in certain Latin American markets and economic slowdowns in Japan and China, could reduce P&G Beauty Brands sales or erode its operating margin, in either case reducing its earnings.

Changes in Costs. P&G Beauty Brands costs are subject to fluctuations, particularly due to changes in its own productivity efforts. P&G Beauty Brands strives to implement, achieve and sustain cost improvement plans, including outsourcing projects, supply chain optimization and general overhead and workforce optimization. If P&G Beauty Brands is unsuccessful in executing these changes, there could be a negative impact on its operating margin and net earnings.

Foreign Exchange. P&G Beauty Brands had both translation and transaction exposure to the fluctuation of exchange rates. Translation exposures relate to exchange rate impacts of measuring income statements of foreign subsidiaries that do not use the U.S. dollar as their functional currency. Transaction exposures relate to (1) the impact from input costs that are denominated in a currency other than the local reporting currency and (2) the revaluation of transaction-related working capital balances denominated in currencies other than the functional currency. In fiscal 2015 and 2014, the U.S. dollar strengthened compared to a number of foreign currencies leading to lower sales and earnings from these foreign exchange impacts. Certain countries experiencing significant exchange rate fluctuations, such as Brazil, Japan, Russia, and Turkey, have had, and could continue to have, an additional significant impact on P&G Beauty Brands sales, costs and earnings. Increased pricing in response to these fluctuations in foreign currency exchange rates may offset portions of the currency impacts, but could also have a negative impact on consumption of

P&G Beauty Brands products, which would affect its sales.

Government Policies. P&G Beauty Brands net earnings could be affected by changes in U.S. or foreign government tax policies. For example, the United States is considering corporate tax reform that may significantly impact the corporate tax rate and change the U.S. tax treatment of international earnings. Changes in government policies in these areas might cause an increase or decrease in P&G Beauty Brands sales, operating margin and net earnings.

Refer to Risk Factors in Coty s registration statement on Form S-4, as amended (Reg. No. 333-210856), for a further discussion of risk factors that could impact P&G Beauty Brands results.

Critical Accounting Policies and Estimates

In preparing P&G Beauty Brands combined financial statements in accordance with GAAP, there are certain accounting policies that may require substantial judgment or estimation in their application. These critical accounting policies, and others, are discussed in Note 3 to P&G Beauty Brands audited combined financial statements included elsewhere in this information statement, and should be reviewed as they are integral to understanding the results of operations and financial condition of P&G Beauty Brands. Due to the nature of P&G Beauty Brands business, estimates generally are not considered highly uncertain at the time of the estimation, as they are not expected to result in changes that would materially affect P&G Beauty Brands results of operations or financial condition in any given year.

Income Taxes

P&G Beauty Brands is included in P&G s consolidated tax returns in various jurisdictions and accounts for income taxes under the separate return method. Under this approach, P&G Beauty Brands determines its income tax expense, tax liability and deferred tax assets and liabilities as if it were filing separate tax returns.

The annual tax rate is determined based on income, statutory tax rates and the tax impacts of items treated differently for tax purposes than for financial reporting purposes. Also inherent in determining the annual tax rate are judgments and assumptions regarding the recoverability of certain deferred tax balances, primarily net operating loss and other carryforwards, and the ability to uphold certain tax positions.

Realization of deferred taxes related to net operating losses and other carryforwards is dependent upon generating sufficient taxable income in the appropriate jurisdiction prior to the expiration of the carryforward periods, which involves business plans, planning opportunities and expectations about future outcomes. Although realization is not assured, P&G Beauty Brands believes it is more likely than not that deferred tax assets, net of valuation allowances, will be realized. However, P&G Beauty Brands net operating loss carryforwards may not be transferred in certain transactions.

As a part of P&G s operations, P&G Beauty Brands operates in multiple jurisdictions with complex tax policy and regulatory environments. In certain of these jurisdictions, P&G may take tax positions that management believes are supportable, but are potentially subject to successful challenge by the applicable taxing authority. These interpretational differences with the respective governmental taxing authorities can be impacted by the local economic and fiscal environment. P&G is subject to audit in many of these jurisdictions. Although none of the audits are specific to P&G Beauty Brands, the scope of the P&G audits would include P&G Beauty Brands activities. P&G evaluates its uncertain tax positions and establishes liabilities in accordance with the applicable accounting guidance. P&G reviews these tax uncertainties in light of changing facts and circumstances, such as the progress of tax audits, and adjusts them accordingly. Although the resolution of these tax positions is uncertain, based on currently available information, P&G believes that the ultimate outcomes will not have a material adverse effect on the financial position, results of operations or cash flows of P&G Beauty Brands.

Because there are a number of estimates and assumptions inherent in calculating the various components of P&G Beauty Brands tax provision, certain changes or future events such as changes in tax legislation, geographic mix of earnings, completion of tax audits or earnings repatriation plans could have an impact on those estimates and the effective tax rate. For additional details on P&G Beauty Brands income taxes, see Note 10 to P&G Beauty Brands audited combined financial statements.

Goodwill and Intangible Assets

Significant judgment is required to estimate the fair value of intangible assets and in assigning their respective useful lives. P&G Beauty Brands goodwill represents a combination of goodwill directly attributable to the business as well as a portion of allocated goodwill from P&G that has been pushed down to P&G Beauty Brands utilizing the relative fair value of P&G Beauty Brands as compared to P&G s various reporting units goodwill. For business acquisitions, P&G typically obtains the assistance of third-party valuation specialists for evaluating significant tangible and intangible assets. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management, but are inherently uncertain.

P&G typically uses an income method to estimate the fair value of intangible assets, which is based on forecasts of the expected future cash flows attributable to the respective assets. Significant estimates and assumptions inherent in the valuations reflect a consideration of other marketplace participants, and include the amount and timing of future cash flows (including expected growth rates and profitability), the underlying product or technology life cycles, economic barriers to entry, a brand s relative market position and the discount rate applied to the cash flows. Unanticipated market or macroeconomic events and circumstances may occur, which could affect the accuracy or validity of the estimates and assumptions.

Determining the useful life of an intangible asset also requires judgment. Certain brand intangible assets are expected to have indefinite lives based on their history and plans to continue to support and build the acquired brands. Other acquired intangible assets (*e.g.*, certain trademarks or brands, customer relationships, patents and technologies) are expected to have determinable useful lives. Assessment as to brands that have an indefinite life and those that have a determinable life is based on a number of factors including competitive environment, market share, brand history, underlying product life cycles, operating plans and the macroeconomic environment of the countries in which the brands are sold. Estimates of the useful lives of determinable-lived intangible assets are primarily based on these same factors. All acquired technology and customer-related intangible assets are expected to have determinable useful lives.

The costs of determinable-lived intangible assets are amortized to expense over their estimated lives. The value of indefinite-lived intangible assets and residual goodwill is not amortized, but is tested at least annually for impairment. Impairment testing for goodwill is performed separately from impairment testing of indefinite-lived intangible assets. P&G tests goodwill for impairment by reviewing the book value compared to the fair value at the reporting unit level. P&G tests individual indefinite-lived intangible assets by comparing the book values of each asset to the estimated fair value. P&G determines the fair value of reporting units and indefinite-lived intangible assets based on the income approach. Under the income approach, P&G calculates the fair value of reporting units and indefinite-lived intangible assets based on the present value of estimated future cash flows. Considerable management judgment is necessary to evaluate the impact of operating and macroeconomic changes and to estimate future cash flows to measure fair value. Assumptions used in impairment evaluations, such as forecasted growth rates and cost of capital, are consistent with internal projections and operating plans. P&G believes such assumptions and estimates are also comparable to those that would be used by other marketplace participants.

The reportable segment valuations used to test goodwill and intangible assets for impairment are dependent on a number of significant estimates and assumptions, including macroeconomic conditions, overall category growth rates, competitive activities, cost containment and margin expansion and business plans. P&G believes these estimates and assumptions are reasonable. Changes to or a failure to achieve these business plans or a further deterioration of the macroeconomic conditions could result in a valuation that would trigger an additional impairment of the goodwill and intangible assets of these businesses. See Note 5 to P&G Beauty Brands audited combined financial statements and Note 4 to P&G Beauty Brands unaudited interim combined financial statements for additional details.

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Results of Operations

P&G Beauty Brands fiscal year begins on July 1 and ends on the following June 30. For example, fiscal 2015 began on July 1, 2014 and ended on June 30, 2015.

The following table presents information about P&G Beauty Brands results of operations, in dollar terms and expressed as a percentage of net sales, for the fiscal years 2015, 2014 and 2013 and for the nine months ended March 31, 2016 and 2015:

(Dollars in millions, percents as a % of net sales)	**Fiscal Years Ended June 30**						**Nine Months Ended March 31**			
	2015		**2014**		**2013**		**2016**		**2015**	
Net sales	$ 5,518	100%	$ 6,003	100%	$ 6,122	100%	$ 3,715	100%	$ 4,269	100%
Cost of products sold	1,875	34.0%	2,029	33.8%	2,075	33.9%	1,221	32.9%	1,436	33.6%
Gross profit	3,643	66.0%	3,974	66.2%	4,047	66.1%	2,494	67.1%	2,833	66.4%
Selling, general and administrative expense	3,228	58.5%	3,513	58.5%	3,632	59.3%	2,172	58.5%	2,463	57.7%
Goodwill and indefinite-lived intangible asset impairment charges		%		%		%	48	1.3%		%
Operating income	415	7.5%	461	7.7%	415	6.8%	274	7.4%	370	8.7%
Interest expense/(income), net		%		%		%	17	0.5%	(1)	%
Other non-operating income, net	94	1.7%		%		%	8	0.2%	8	0.2%
Income taxes	361	6.5%	152	2.5%	138	2.3%	110	3.0%	379	8.9%
Net earnings	$ 148	2.7%	$ 309	5.2%	$ 277	4.5%	$ 155	4.2%	$	%

P&G Beauty Brands is a combination of wholly owned subsidiaries, including Galleria Company and operations of the Fine Fragrances, Salon Professional, Retail Hair Color & Styling and Cosmetics businesses of P&G. The Fine Fragrances reportable segment includes results of operations of the Divested Brands, which includes Rochas, which was divested in May 2015, Laura Biagiotti, which was divested in June 2015, Naomi Campbell, which was divested in September 2014, Giorgio Beverly Hills, which was divested in February 2016, and Puma which was discontinued in fiscal 2015, along with the results of operations of the Excluded Brands, which include Dolce & Gabbana and Christina Aguilera. The Dolce & Gabbana and Christina Aguilera licenses were excluded from the Transactions because the licensors did not provide their consent to the transfer of the licenses as part of the Transactions within the specified timetable. Therefore, P&G and Coty agreed that these brands would not transfer to Coty. The business drivers for the change in sales and operating results of the Excluded Brands and Divested Brands were generally similar to those of the overall Fine Fragrances segment.

Nine Months Ended March 31, 2016 Compared to Nine Months Ended March 31, 2015

Net Sales

The following tables summarize P&G Beauty Brands   combined net sales and net sales by reportable segment for the nine months ended March 31, 2016 and 2015:

	Nine Months Ended March 31		
(Dollars in millions)	**2016**	**2015**	**Percent Change**
Fine Fragrances	$ 1,383	$ 1,631	(15)%
Salon Professional	986	1,053	(6)%
Retail Hair & Cosmetics	1,346	1,585	(15)%
Total net sales	$ 3,715	$ 4,269	(13)%

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	Net Sales Change Drivers 2016 vs. 2015 (Nine Months Ended March 31)*				
	Volume	Foreign Exchange	Price**	Mix	Net Sales Growth
Fine Fragrances	(10)%	(9)%	3%	1%	(15)%
Salon Professional	2%	(11)%	4%	(1)%	(6)%
Retail Hair & Cosmetics	(14)%	(8)%	3%	4%	(15)%
Total	(10)%	(9)%	3%	3%	(13)%

* Net sales percentage changes are approximations based on quantitative formulas that are consistently applied.
** Price changes reflect the combined impact of list price changes and changes in trade promotion spending.

P&G Beauty Brands. P&G Beauty Brands net sales for the nine months ended March 31, 2016 decreased 13% to $3.7 billion compared to the nine months ended March 31, 2015. Volume decreased 10% due to double-digit declines in Retail Hair & Cosmetics and Fine Fragrances, partially offset by low single-digit growth in Salon Professional. Unfavorable foreign exchange reduced net sales by 9% while increased pricing across all segments increased net sales by 3%. Favorable mix added 3% to net sales due to an increase in the relative proportion of Salon Professional volume which has higher than average selling prices, as well as geographic mix across the segments due to the disproportionate decline of developing markets, which generally have lower than average selling prices.

Fine Fragrances. Fine Fragrances net sales decreased $248 million, or 15%, to $1.4 billion for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015. Of this decrease, approximately $80 million was associated with Excluded Brands, which declined 17% from approximately $490 million in the prior year to approximately $410 million for the nine months ended March 31, 2016 and approximately $70 million was associated with Divested Brands, which had no net sales in the current period. Fine Fragrances volume decreased by 10%, including a 3% decrease driven by brand divestitures, primarily Rochas, Laura Biagiotti and Naomi Campbell. Volume declined in certain developed markets due to a decline in market share, which decreased due to competitive activity. Volume also declined in distributor markets in developing regions, mainly Latin America, Africa and the Middle East, behind macroeconomic uncertainty, competitive activity and foreign exchange fluctuations which drove lower in-market consumption, which primarily impacted Dolce & Gabbana. Unfavorable foreign exchange reduced net sales by 9% while pricing added 3% to net sales. Favorable mix increased sales by 1% due to a disproportionate decline of volume in developing markets which have lower than segment-average selling prices.

Salon Professional. Salon Professional net sales decreased 6% to $986 million for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015 on volume growth of 2%. Volume increased due to increased distribution in developed markets, primarily North America. Unfavorable foreign exchange reduced net sales by 11% while pricing increased net sales 4%. Unfavorable geographic mix reduced net sales 1% as North America, which drove the volume increases, has lower than segment-average selling prices for this segment.

Retail Hair & Cosmetics. Retail Hair & Cosmetics net sales declined 15% to $1.3 billion for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015 on volume decline of 14%. Volume decreased double digits in Retail Hair & Styling due to market contraction in the regions where we compete, base period volume pull-forward in advance of tax-related price increases in Brazil, competitive activity and increased pricing to recover currency devaluation impacts. Volume decreased high single digits in Cosmetics, due to competitive activity, in particular in developed markets, and consumption decline following currency-driven price increases. Unfavorable foreign exchange reduced net sales by 8%. Price increases added 3% to net sales while favorable geographic mix increased net sales by 4% due to a disproportionate volume decline in developing markets that have lower than segment-average selling prices.

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Operating Costs and Income

The following tables summarize P&G Beauty Brands combined operating income/(loss) and other measures by reportable segment for the nine months ended March 31, 2016 and 2015:

	Nine Months Ended March 31						
	Gross Margin		SG&A Expenses			SG&A as a % of Net Sales	
(Dollars in millions)	**2016**	**2015**	**2016**	**2015**	**% Change**	**2016**	**2015**
Fine Fragrances	70.4%	69.4%	$ 889	$ 1,053	(16)	64.3%	64.6%
Salon Professional	67.8%	69.2%	598	676	(12)	60.6%	64.2%
Retail Hair & Cosmetics	63.7%	62.1%	648	691	(6)	48.1%	43.6%
Corporate	N/A	N/A	37	43	(14)	N/A	N/A
Total	67.1%	66.4%	2,172	2,463	(12)	58.5%	57.7%

	Nine Months Ended March 31				
	Operating Income /(Loss)			Operating Margin	
(Dollars in millions)	**2016**	**2015**	**% Change**	**2016**	**2015**
Fine Fragrances	$ 84	$ 79	6%	6.1%	4.8%
Salon Professional	71	53	34%	7.2%	5.0%
Retail Hair & Cosmetics	209	293	(29)%	15.5%	18.5%
Corporate	(90)	(55)	64%	N/A	N/A
Total	274	370	(26)%	7.4%	8.7%

P&G Beauty Brands. P&G Beauty Brands operating income decreased 26% to $274 million for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015, as a result of the decrease in net sales discussed above along with operating margin contraction, which decreased 130 basis points to 7.4%, and was partially driven by negative foreign exchange impacts.

P&G Beauty Brands gross margin increased 70 basis points to 67.1% for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015. The increase was a result of pricing benefits, manufacturing cost savings and lower restructuring costs. These benefits were partially offset by negative foreign exchange and unfavorable mix, mainly driven by product mix in the Salon Professional and Fine Fragrances segments.

P&G Beauty Brands selling, general and administrative expense (SG&A) declined 12% to $2.2 billion for the nine months ended March 31, 2016 compared to $2.5 billion for the nine months ended March 31, 2015 as the result of reductions in marketing spending and overhead costs, both due to a focus on productivity efforts, and currency impacts. SG&A as a percentage of P&G Beauty Brands net sales increased 80 basis points to 58.5% for the nine months ended March 31, 2016 as spending reductions did not keep pace with the reduction in net sales.

In connection with the exclusion of the Dolce & Gabbana and Christina Aguilera Fine Fragrance brands from the Transactions, P&G Beauty Brands recorded a non-cash, before-tax impairment charge in the nine months ended

March 31, 2016 of $48 million ($42 million after-tax) in order to record the Dolce & Gabbana license intangible asset at its revised estimated net realizable value to zero. This intangible asset impairment charge had a negative 130 basis point impact on P&G Beauty Brands operating margin compared to the nine months ended March 31, 2015.

Fine Fragrances. Fine Fragrances operating income increased 6% to $84 million for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015 as lower net sales were more than offset by an increase in operating margin. Operating margin improved 130 basis points to 6.1% for the nine months ended March 31, 2016 driven by both higher gross margin and lower SG&A.

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Fine Fragrances gross margin increased 100 basis points to 70.4% for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015. The increase was a result of pricing benefits and manufacturing cost savings partially offset by unfavorable product mix due to an increase in lower margin holiday gift packs and a disproportionate volume decline in higher margin brands.

Fine Fragrances SG&A spending declined 16% to $889 million in the nine months ended March 31, 2016 from $1.1 billion in the nine months ended March 31, 2015 primarily due to currency impacts and reduced marketing and overhead costs resulting from productivity efforts. Fine Fragrances SG&A as a percentage of net sales decreased 30 basis points to 64.3% as the reduction in SG&A spending was partially offset by the reduction in net sales.

Salon Professional. Salon Professional operating income increased 34% to $71 million for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015 as a result of a 220 basis point increase in operating margin, partially offset by the reduction in net sales. Operating margin increased to 7.2% for the nine months ended March 31, 2016 driven by lower SG&A, partially offset by reduced gross margin.

Salon Professional gross margin decreased 140 basis points to 67.8% for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015. The decrease was a result of unfavorable geographic mix, due to volume increases in markets with lower than segment-average gross margins, along with a negative impact from foreign exchange, partially offset by the favorable impact of increased pricing.

Salon Professional SG&A spending declined 12% to $598 million in the nine months ended March 31, 2016 from $676 million in the nine months ended March 31, 2015 primarily due to foreign currency impacts, along with lower overhead spending from productivity efforts. Salon Professional SG&A as a percentage of net sales decreased 360 basis points to 60.6% as SG&A costs declined disproportionately to the reduction in net sales.

Retail Hair & Cosmetics. Retail Hair & Cosmetics operating income decreased 29% to $209 million for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015, driven by a reduction in net sales and a decline in operating margin, which decreased 300 basis points to 15.5% for the nine months ended March 31, 2016. Operating margin declined in part due to negative foreign exchange impacts along with an increase in SG&A as a percent of net sales, partially offset by improved gross margin.

Retail Hair & Cosmetics gross margin increased 160 basis points to 63.7% for the nine months ended March 31, 2016 compared to the nine months ended March 31, 2015. The increase was a result of manufacturing cost savings and the favorable impacts of increased pricing.

Retail Hair & Cosmetics SG&A spending declined 6% to $648 million in the nine months ended March 31, 2016 from $691 million in the nine months ended March 31, 2015 primarily due to foreign currency impacts and lower marketing spending from productivity efforts. Retail Hair & Cosmetics SG&A as a percentage of net sales increased 450 basis points to 48.1% as reduced spending did not keep pace with the reduction in net sales.

Corporate. Corporate operating loss increased to $90 million for the nine months ended March 31, 2016 compared to a loss of $55 million for the nine months ended March 31, 2015, due to the $48 million intangible asset impairment charge associated with the Dolce & Gabbana Fine Fragrance license partially offset by decreased spending on restructuring activities.

Non-Operating Income and Expense

The $17 million of interest expense for the nine months ended March 31, 2016 relates to debt commitment fees (interest expense) on new debt agreements. There was no interest expense in the prior year period. Non-operating income was $8 million in both periods, related to gains on divestitures (Giorgio Armani Fine Fragrance brand for the nine months ended March 31, 2016 and Naomi Campbell Fine Fragrances brand in the prior year period). These impacts were recognized in Corporate.

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Income Taxes

P&G Beauty Brands effective tax rate decreased to 41.5% for the nine months ended March 31, 2016 from 100% for the nine months ended March 31, 2015. The base period tax rate included a 66% impact due to unfavorable adjustments to uncertain tax positions in multiple jurisdictions driven primarily by P&G Beauty Brands share from the resolution of a broader P&G multi-year audit in Germany. Excluding this impact, the current year tax rate increased 7.5% primarily due to the impacts of the intangible asset impairment charge (which increased the rate by 4.7%) and non-deductible transition costs in the current period (which increased the rate by 1.5%).

Fiscal 2015 Compared to Fiscal 2014

Net Sales

The following tables summarize P&G Beauty Brands combined net sales and net sales by reportable segment for fiscal 2015 and fiscal 2014.

	Fiscal Year Ended June 30		
(Dollars in millions)	**2015**	**2014**	**% Change**
Fine Fragrances	$ 1,993	$ 2,348	(15)%
Salon Professional	1,406	1,476	(5)%
Retail Hair & Cosmetics	2,119	2,179	(3)%
Total net sales	$ 5,518	$ 6,003	(8)%

	Net Sales Change Drivers 2015 vs. 2014 (Fiscal Year Ended June 30)*				
	Volume	**Foreign Exchange**	**Price****	**Mix**	**Net Sales Growth**
Fine Fragrances	(11)%	(7)%	2%	1%	(15)%
Salon Professional	%	(8)%	3%	%	(5)%
Retail Hair & Cosmetics	(3)%	(5)%	4%	1%	(3)%
Total	(5)%	(6)%	3%	%	(8)%

* Net sales percentage changes are approximations based on quantitative formulas that are consistently applied.

** Price changes reflect the combined impact of list price changes and changes in trade promotion spending.

P&G Beauty Brands. P&G Beauty Brands net sales for fiscal 2015 declined 8% to $5.5 billion compared to fiscal 2014. Volume decreased 5% due to a double-digit decline in Fine Fragrances across multiple brands and a mid-single-digit decline in Retail Hair Color & Styling. Foreign exchange reduced sales by 6% while increased pricing across all segments added 3% to net sales.

Fine Fragrances. Fine Fragrances net sales declined $355 million, or 15%, to $2.0 billion in fiscal 2015 compared to fiscal 2014. Of this decrease, approximately $80 million was associated with Excluded Brands, which declined 12% from approximately $670 million in the prior year to approximately $590 million for fiscal 2015, and approximately

$50 million was associated with Divested Brands, which declined from approximately $130 million in the prior year to approximately $80 million for fiscal 2015. Fine Fragrances volume decreased 11%, 3% of which was driven by brand divestitures including Rochas, Laura Biagiotti and Naomi Campbell. Volume declined in certain developed markets due to a decline in market share, which decreased due to competitive activity. Volume also declined in developing regions due to competitive activity and reduced levels of initiative activity compared to the previous year. Foreign exchange had a negative 7% impact while pricing added 2% to net sales. Favorable geographic mix increased sales by 1% due to a higher relative level of sales in developed markets, which tend to have higher than segment-average selling prices.

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Salon Professional. Salon Professional net sales declined 5% to $1.4 billion in fiscal 2015 compared to fiscal 2014 on volume that was unchanged, as modest market declines were offset by product innovation. Foreign exchange reduced sales by 8% while the impact of annual price increases added 3% to net sales.

Retail Hair & Cosmetics. Retail Hair & Cosmetics net sales decreased 3% to $2.1 billion in fiscal 2015 compared to fiscal 2014 on a volume decline of 3%. Volume decreased mid-single digits in Retail Hair Color & Styling, driven by lower distribution of hair color, reduced marketing support on hair styling and competitive activity, and was flat in Cosmetics. Foreign exchange had a negative 5% impact while price increases added 4% to net sales. Favorable product mix increased sales by 1% due to increased volume of the higher-priced Max Factor brand (sold outside the United States) and decreased volume of the lower priced domestic CoverGirl brand.

Operating Costs and Income

The following tables summarize P&G Beauty Brands combined operating income and other measures by reportable segment for the fiscal years ended June 30, 2015 and 2014:

	Fiscal Year Ended June 30						
	Gross Margin		SG&A Expenses			SG&A as a % of Net Sales	
(Dollars in millions)	2015	2014	2015	2014	% Change	2015	2014
Fine Fragrances	68.8%	70.4%	$ 1,367	$ 1,515	(10)%	68.6%	64.5%
Salon Professional	68.5%	67.5%	883	990	(11)%	62.8%	67.1%
Retail Hair & Cosmetics	62.3%	60.9%	908	975	(7)%	42.9%	44.7%
Corporate	N/A	N/A	70	33	112%	N/A	N/A
Total	66.0%	66.2%	$ 3,228	$ 3,513	(8)%	58.5%	58.5%

	Fiscal Year Ended June 30				
	Operating Income / (Loss)			Operating Margin	
(Dollars in millions)	2015	2014	Percent Change	2015	2014
Fine Fragrances	$ 5	$ 139	(96)%	0.3%	5.9%
Salon Professional	80	6	1,233%	5.7%	0.4%
Retail Hair & Cosmetics	413	352	17%	19.5%	16.2%
Corporate	(83)	(36)	N/A	N/A	N/A
Total	$ 415	$ 461	(10)%	7.5%	7.7%

P&G Beauty Brands. P&G Beauty Brands operating income decreased 10% to $415 million in fiscal 2015 compared to fiscal 2014, as a result of lower net sales discussed above and a slight decrease in operating margin, which declined 20 basis points to 7.5% for fiscal 2015.

P&G Beauty Brands gross margin decreased 20 basis points to 66.0% in fiscal 2015 compared to fiscal 2014. The decrease resulted from negative mix impact, mainly from the disproportionate decline in Fine Fragrances sales which have above average gross margin, along with an increase in restructuring activity and the negative scale impact of lower volume. These impacts were partially offset by manufacturing cost savings efforts and pricing benefits.

P&G Beauty Brands SG&A declined to $3.2 billion in fiscal 2015 from $3.5 billion in fiscal 2014 as the result of reductions in marketing spending and overhead costs, both due to a focus on productivity efforts and currency impacts. SG&A as a percentage of P&G Beauty Brands net sales was flat at 58.5% for fiscal 2015 compared to fiscal 2014 as spending reductions were offset by lower net sales.

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Fine Fragrances. Fine Fragrances operating income declined 96% to $5 million in fiscal 2015 compared to fiscal 2014 due to the decrease in net sales and a 560 basis point decrease in operating margin. Operating margin declined to 0.3% in fiscal 2015 as reductions in spending did not keep pace with the reduction in net sales.

Fine Fragrances gross margin decreased 160 basis points to 68.8% in fiscal 2015 compared to fiscal 2014. The decrease was a result of the scale deleveraging from lower volume and unfavorable product mix due to the disproportionate volume decline in higher margin brands such as HUGO BOSS and Lacoste, partially offset by the benefits of pricing and manufacturing cost savings.

Fine Fragrances SG&A spending declined to $1.4 billion in fiscal 2015 from $1.5 billion in fiscal 2014 primarily due to lower marketing spending and a reduction in overhead costs from the focus on productivity and currency impacts. Fine Fragrances SG&A as a percentage of net sales increased 410 basis points to 68.6% in fiscal 2015 as the reduction in SG&A spending did not keep pace with the reduction in net sales.

Salon Professional. Salon Professional operating income increased more than twelve-fold to $80 million in fiscal 2015 compared to fiscal 2014 as a result of significant reductions in overhead spending due to a focus on productivity efforts, which more than offset lower net sales. Operating margin improved 530 basis points to 5.7% in fiscal 2015.

Salon Professional gross margin increased 100 basis points to 68.5% in fiscal 2015 as compared to 67.5% in fiscal 2014 primarily driven by the benefits of the manufacturing cost savings program along with pricing, partially offset by unfavorable geographic mix due to a decline in developed market sales which have above average gross margin.

Salon Professional SG&A spending declined to $883 million in fiscal 2015 from $990 million in fiscal 2014 primarily due to currency impacts and a reduction in overhead allocations. Salon Professional SG&A as a percentage of net sales decreased 430 basis points to 62.8% in fiscal 2015 compared to fiscal 2014 from the impact of reduced overhead spending which was partially offset by higher marketing costs.

Retail Hair & Cosmetics. Retail Hair & Cosmetics operating income increased 17% to $413 million in fiscal 2015 compared to fiscal 2014, as an increase in operating margin from improved gross margin and lower SG&A more than offset a reduction in net sales. Operating margin improved 330 basis points to 19.5% in fiscal 2015.

Retail Hair & Cosmetics gross margin increased 140 basis points to 62.3% in fiscal 2015 compared to 60.9% in fiscal 2014, as pricing benefits and manufacturing cost savings more than offset negative scale impacts from reduced volumes and unfavorable sales channel mix from an increase in secondary market sales which have lower than segment-average gross margin.

Retail Hair & Cosmetics SG&A spending declined to $908 million in fiscal 2015 from $975 million in fiscal 2014 as a result of reduced marketing and overhead spending both due to a focus on productivity efforts and currency impacts. Retail Hair & Cosmetics SG&A as a percentage of net sales decreased 180 basis points to 42.9% in fiscal 2015 compared to fiscal 2014 due primarily to cost savings efforts.

Corporate. Net Corporate operating expenses increased to $83 million in fiscal 2015 from $36 million in fiscal 2014, due to increased spending on restructuring activities.

Non-Operating Income

P&G Beauty Brands had non-operating income of $94 million in fiscal 2015 as the result of gains on Fine Fragrances brand divestitures including Rochas, Laura Biagiotti and Naomi Campbell. This gain is recognized in Corporate.

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Income Taxes

P&G Beauty Brands effective tax rate increased to 70.9% in fiscal 2015 from 33.0% in fiscal 2014 (a net increase of 37.9%). Of this increase, 31.3% was driven by the net impact of unfavorable adjustments to uncertain tax positions in multiple jurisdictions (which increased the effective tax rate by 36.4% in fiscal 2015 and only 5.1% in fiscal 2014). The fiscal 2015 impact was driven primarily by P&G Beauty Brands share from the resolution of a broader P&G multi-year audit in Germany. The remaining increase was caused primarily by a less favorable geographical mix of earnings in fiscal 2015.

Fiscal 2014 Compared to Fiscal 2013

Net Sales

The following tables summarize P&G Beauty Brands combined net sales and net sales by reportable segment for fiscal 2014 and fiscal 2013.

	Fiscal Year Ended June 30		
(Dollars in millions)	**2014**	**2013**	**% Change**
Fine Fragrances	$ 2,348	$ 2,361	(1)%
Salon Professional	1,476	1,487	(1)%
Retail Hair & Cosmetics	2,179	2,274	(4)%
Total net sales	$ 6,003	$ 6,122	(2)%

	Net Sales Change Drivers 2014 vs. 2013 (Fiscal Year Ended June 30)*				
	Volume	**Foreign Exchange**	**Price**	**Mix**	**Net Sales Growth**
Fine Fragrances	(1)%	1%	1%	(2)%	(1)%
Salon Professional	(5)%	%	2%	2%	(1)%
Retail Hair & Cosmetics	%	(2)%	(1)%	(1)%	(4)%
Total	(1)%	%	%	(1)%	(2)%

* Net sales percentage changes are approximations based on quantitative formulas that are consistently applied.
P&G Beauty Brands. P&G Beauty Brands net sales for fiscal 2014 declined 2% to $6.0 billion compared to fiscal 2013. Volume declined 1%, as a mid-single-digit decrease in Salon Professional along with a low single-digit decreases in Fine Fragrances and Retail Hair Color & Styling were only partially offset by a low single-digit increase in Cosmetics. Unfavorable mix, driven by disproportionate volume decline in Salon Professional, which has higher than average selling prices, reduced P&G Beauty Brands net sales by 1%.

Fine Fragrances. Fine Fragrances net sales declined $13 million, or 1%, to $2.3 billion in fiscal 2014 compared to fiscal 2013 on a 1% decline in volume due to minor brand divestitures and market share decline. Sales of Excluded

Brands increased approximately $30 million (5%) while sales of Divested Brands declined less than $10 million (5%). Foreign exchange and pricing were each a 1% benefit to net sales while unfavorable geographic mix reduced sales by 2% due to an increased proportion of sales in developing markets, which generally have lower than segment-average selling prices.

Salon Professional. Salon Professional net sales declined 1% to $1.5 billion in fiscal 2014 compared to fiscal 2013. Volume decreased 5%, due to market contraction and competitive activity. Annual pricing added 2% to net sales and favorable geographic mix also increased net sales by 2% due to a disproportionate decline in developing markets, which generally have lower than segment-average selling prices.

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Retail Hair & Cosmetics. Retail Hair & Cosmetics net sales declined 4% to $2.2 billion in fiscal 2014 compared to fiscal 2013. Volume was unchanged as a low single digit increase from market growth and product innovation on Cosmetics was offset by a low single digit decline in hair styling volume due to decreased marketing support. Lower pricing in the form of increased trade funding reduced net sales by 1% and unfavorable foreign exchange reduced net sales by 2%. Unfavorable product mix decreased net sales by 1%, primarily due to a lower proportion of facial cosmetics products which have above average selling prices.

Operating Costs and Income

The following tables summarize P&G Beauty Brands combined operating income/(loss) and other measures by reportable segment for the fiscal years ended June 30, 2014 and 2013:

	Fiscal Year Ended June 30						
	Gross Margin		SG&A Expenses			SG&A as a % of Net Sales	
(Dollars in millions)	**2014**	**2013**	**2014**	**2013**	**% Change**	**2014**	**2013**
Fine Fragrances	70.4%	70.7%	$ 1,515	$ 1,433	6%	64.5%	60.7%
Salon Professional	67.5%	66.3%	990	1,046	(5)%	67.1%	70.3%
Retail Hair & Cosmetics	60.9%	61.7%	975	1,070	(9)%	44.7%	47.1%
Corporate	N/A	N/A	33	83	(60)%	N/A	N/A
Total	66.2%	66.1%	$ 3,513	$ 3,632	(3)%	58.5%	59.3%

	Fiscal Year Ended June 30				
	Operating Income / (Loss)			Operating Margin	
(Dollars in millions)	**2014**	**2013**	**Percent Change**	**2014**	**2013**
Fine Fragrances	$ 139	$ 236	(41)%	5.9%	10.0%
Salon Professional	6	(60)	N/A	0.4%	(4.0)%
Retail Hair & Cosmetics	352	334	5%	16.2%	14.7%
Corporate	(36)	(95)	N/A	N/A	N/A
Total	$ 461	$ 415	11%	7.7%	6.8%

P&G Beauty Brands. P&G Beauty Brands operating income increased 11% to $461 million in fiscal 2014 compared to fiscal 2013, primarily due to lower SG&A spending, including lower restructuring spending reported in Corporate, which more than offset the reduction in net sales. Operating margin improved 90 basis points to 7.7% for fiscal 2014 compared to 6.8% for fiscal 2013.

P&G Beauty Brands gross margin increased 10 basis points to 66.2% in fiscal 2014 compared to fiscal 2013. The increase was primarily the result of manufacturing cost savings and a reduction in restructuring spending, which more than offset unfavorable product mix (due to the volume growth of lower margin Cosmetics and decline of higher margin Salon Professional and Fine Fragrances), foreign exchange impacts and scale deleveraging from lower volume.

P&G Beauty Brands SG&A declined to $3.5 billion in fiscal 2014 from $3.6 billion in fiscal 2013 primarily as the result of reduced overhead costs and lower marketing spending. SG&A as a percentage of P&G Beauty Brands net sales decreased 80 basis points to 58.5% for fiscal 2014 primarily driven by reduced overhead costs from a focus on productivity.

Fine Fragrances. Fine Fragrances operating income declined 41% to $139 million in fiscal 2014 compared to fiscal 2013 resulting from lower sales and increased SG&A spending. Operating margin decreased 410 basis points to 5.9% in fiscal 2014.

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Fine Fragrances gross margin decreased 30 basis points to 70.4% in fiscal 2014 from 70.7% in fiscal 2013. The decrease was primarily the result of unfavorable geographic mix (due to a decline in developed market sales which have above average gross margin), foreign exchange impacts and the negative scale impact of lower volume, largely offset by manufacturing cost savings.

Fine Fragrances SG&A spending increased to $1.5 billion in fiscal 2014 from $1.4 billion in fiscal 2013 primarily from higher marketing expense which increased due to currency impacts and to support product initiatives. Fine Fragrances SG&A as a percentage of net sales increased 380 basis points to 64.5% in fiscal 2014.

Salon Professional. Salon Professional operating income increased to $6 million in fiscal 2014 compared to a loss of $60 million in fiscal 2013 as a result of increased gross margin and reduced SG&A spending. Operating margin improved 440 basis points to 0.4% in fiscal 2014.

Salon Professional gross margin increased 120 basis points to 67.5% in fiscal 2014 from 66.3% in fiscal 2013. The increase was a result of favorable geographic mix (due to a disproportionate decline in developing markets which have below average gross margin) and pricing benefits, partially offset by the negative scale impact of lower volume.

Salon Professional SG&A spending declined to $990 million in fiscal 2014 from $1.046 billion in fiscal 2013 due to lower marketing spending and reduced overhead costs both due to a focus on productivity efforts. Salon Professional SG&A as a percentage of net sales decreased by 320 basis points to 67.1% in fiscal 2014.

Retail Hair & Cosmetics. Retail Hair & Cosmetics operating income increased 5% to $352 million in fiscal 2014 compared to fiscal 2013 as increased operating margin more than offset lower net sales. Operating margin improved 150 basis points to 16.2% behind lower SG&A spending, which more than offset decreased gross margin.

Retail Hair & Cosmetics gross margin decreased 80 basis points to 60.9% in fiscal 2014 from 61.7% in fiscal 2013. The decrease was a result of unfavorable product mix and foreign exchange, partially offset by manufacturing cost savings. The negative mix was primarily driven by Cosmetics from a reduction in higher margin facial products and an increase in lower margin nail and eye products.

Retail Hair & Cosmetics SG&A spending declined to $975 million in fiscal 2014 from $1.070 billion in fiscal 2013 due to lower marketing spending and reduced overhead expenses, both due to a focus on productivity efforts. Retail Hair & Cosmetics SG&A as a percentage of net sales decreased 240 basis points to 44.7% in fiscal 2014 compared to fiscal 2013 due to productivity efforts.

Corporate. Net Corporate operating expenses decreased to $36 million in fiscal 2014 from $95 million in fiscal 2013 as a result of lower restructuring spending.

Income Taxes

P&G Beauty Brands effective tax rate decreased to 33.0% in fiscal 2014 compared to 33.3% in fiscal 2013. This was primarily driven by a more favorable geographical mix of earnings partially offset by the net impact of unfavorable adjustments to uncertain tax positions in multiple jurisdictions.

Liquidity and Capital Resources

P&G Beauty Brands has historically generated, and prior to the Distribution is expected to continue to generate, positive cash flow from operations, the majority of which has been distributed to P&G. P&G Beauty Brands participates in P&G s cash management system and generally does not have a need for separate dedicated cash balances or accounts. However, P&G Beauty Brands does have cash and cash equivalents recorded on certain dedicated legal entities that do not participate in P&G s cash management system. These cash and cash equivalents are reflected in the combined financial statements and are described in Note 3 to P&G Beauty Brands audited combined financial statements included elsewhere in this information statement.

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On January 26, 2016, P&G Beauty Brands drew on its $1.0 billion, seven-year term loan B facility at a discount of $5 million, resulting in net proceeds of $995 million. Following the first anniversary of the consummation of the Merger, the term loan B facility will amortize in equal quarterly installments of 0.25% of the original principal amount of the term loan B facility, with the balance due on the date that is seven years following the Galleria Financing Closing Date. The proceeds will be held in restricted cash in escrow until shortly prior to the closing of the Transactions.

General

Cash flow from operations, current cash levels and cash infusions from P&G are expected to be adequate to fund P&G Beauty Brands capital expenditures and financing obligations during fiscal 2016. Cash and cash equivalents totaled $15 million at June 30, 2015.

	Fiscal Year Ended June 30			Nine Months Ended March 31	
(Dollars in millions)	**2015**	**2014**	**2013**	**2016**	**2015**
Net cash provided by/(used in):					
Operating activities	$ 271	$ 462	$ 484	$ 366	$ 389
Investing activities	47	(98)	(102)	(1,049)	(63)
Financing activities	(316)	(431)	(365)	722	(321)

Operating Activities

Operating cash flow for the nine months ended March 31, 2016 was $366 million, a decrease of 6% compared to the nine months ended March 31, 2015. Operating cash flows resulted primarily from net earnings, adjusted for non-cash items (depreciation and amortization, intangible asset impairment charges, losses on disposal of assets, gain on the sale of brand assets and deferred income taxes) which generated $296 million of operating cash flow. Working capital and other impacts generated $70 million of cash. Reduced accounts receivable generated $46 million of cash primarily due to the overall decline in net sales. Normal fluctuations of inventory used $4 million of cash. Other current and noncurrent assets and liabilities generated $28 million of cash, primarily due to a reduction in prepaid marketing activities.

Operating cash flow was $271 million in fiscal 2015, a decrease of 41% compared to fiscal 2014. Operating cash flows resulted primarily from net earnings, adjusted for non-cash items (depreciation and amortization, deferred income taxes, losses on disposal of assets and gains on the sale of brands) which generated $192 million of operating cash flows. Fiscal 2015 operating cash flows decreased compared to fiscal 2014 due to a decrease in net earnings primarily driven by a cash payment for income taxes related to the impacts of uncertain tax positions in multiple jurisdictions that were settled in fiscal 2015. Working capital and other impacts generated $79 million of cash. Reduced accounts receivable generated $49 million of cash primarily due to changes in customer terms and improved collection results. Lower levels of inventory generated $13 million of cash mainly due to supply chain optimizations. Other current and noncurrent asset and liabilities generated $17 million of cash, primarily driven by a net increase in uncertain tax positions in multiple jurisdictions.

Operating cash flow was $462 million in fiscal 2014, a decrease of 5% compared to fiscal 2013. Operating cash flows resulted primarily from net earnings adjusted for non-cash items (depreciation and amortization, losses on disposal of assets and deferred income taxes) which generated $465 million of operating cash flow. Working capital changes, net of reclassifications between current and noncurrent assets and liabilities related to uncertain tax positions, did not have a significant impact on operating cash flow in fiscal 2014.

Investing Activities

Investing activities have historically been primarily related to capital expenditures. Capital expenditures were $65 million and $72 million for the nine months ended March 31, 2016 and 2015, respectively. Capital expenditures were $106 million, $109 million, and $103 million in fiscal 2015, fiscal 2014 and fiscal 2013, respectively. In fiscal 2015, proceeds from the sale of the Fine Fragrances brands Rochas, Laura Biagiotti and Naomi Campbell contributed $153 million in cash to investing activities.

Financing Activities

P&G Beauty Brands distributed excess cash to P&G of $273 million and $321 million for the nine months ended March 31, 2016 and 2015, respectively. For the nine months ended March 31, 2016, additions to long-term debt provided $995 million of financing cash inflows, related to the term loan B described above. P&G Beauty Brands distributed excess cash to P&G of $316 million in fiscal 2015, $431 million in fiscal 2014 and $365 million in fiscal 2013.

Contractual Commitments

The following table provides information on the amount and payable date of P&G Beauty Brands contractual commitments as of June 30, 2015:

		Amounts due by period(1)			
(Dollars in millions)	**Total**	**Less than 1 year**	**1-3 years**	**4-5 years**	**More than 5 years**
Uncertain tax positions(2)	$ 204	$ 204	$	$	$
Operating leases	109	23	35	25	26
Purchase obligations(3)	25		23	2	
Royalty and advertising payments(4)	1,049	215	377	326	131
Total	$ 1,387	$ 442	$ 435	$ 353	$ 157

(1) P&G Beauty Brands may incur, and Coty would assume, up to $3.9 billion of debt at the time of the Merger.
(2) As of June 30, 2015, P&G Beauty Brands combined balance sheet reflects a liability for uncertain tax positions of $241 million, including $99 million of interest and penalties. Due to the high degree of uncertainty regarding the timing of future cash outflows of liabilities for uncertain tax positions beyond one year, a reasonable estimate of the period of cash settlement beyond twelve months from the balance sheet date of June 30, 2015 cannot be made.
(3) P&G Beauty Brands has purchase commitments for materials, supplies, services and property, plant and equipment as part of the normal course of business. The amounts do not include contractual purchase obligations that are not take-or-pay arrangements. Such contractual purchase obligations are primarily purchase orders at fair value that are part of normal operations and are reflected in historical operating cash flow trends. P&G Beauty Brands does not believe such purchase obligations and licensing agreements will adversely affect its liquidity position.
(4) P&G Beauty Brands has entered into several licensing contracts under which P&G Beauty Brands has the right to use trademarks to manufacture, sell, distribute, advertise and promote fine fragrances and cosmetics products. Certain licenses require minimum guaranteed royalty payments regardless of sales levels. Minimum guaranteed royalty payments and required minimums for advertising and promotional spending have been included in the table above. Actual royalty payments and advertising and promotional spending are expected to be higher.

Off-Balance Sheet Transactions

P&G Beauty Brands does not have any off-balance sheet arrangements, and it does not have, nor does it engage in, transactions with any special purpose entities.

New Accounting Pronouncements

Refer to Note 3 to P&G Beauty Brands audited combined financial statements included elsewhere in this information statement for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted as of June 30, 2015.

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Changes in and Disagreements with Accountants and Accounting Financials Disclosure

None.

Risk Management: Quantitative and Qualitative Disclosure about Market Risk

P&G Beauty Brands business operations give rise to market risk exposure due to changes in foreign exchange rates. P&G monitors and manages foreign currency risk as an integral part of its overall risk management program. P&G may enter into hedging transactions pursuant to established guidelines and policies to mitigate the adverse effects of financial market risk. P&G Beauty Brands does not enter into derivative instruments. Further, no derivative instruments will be transferred to P&G Beauty Brands as part of the Transactions.

Currency Rate Risk

Because P&G Beauty Brands manufactures and sells products in a number of countries throughout the world, P&G Beauty Brands is exposed to the impact on revenue and expenses of movements in currency exchange rates. P&G Beauty is also exposed to foreign currency gains and losses resulting from the impact of foreign exchange movements on monetary assets and liabilities denominated in a currency other than the functional currency of its respective foreign subsidiaries. P&G Beauty Brands has not entered into any foreign currency derivative instruments.

P&G Beauty Brands has experienced and will experience foreign exchange gains and losses as a result of foreign currency exposures from its non-functional currency monetary assets and liabilities. As of June 30, 2015, a 10% unfavorable change in the exchange rates of the U.S. dollar against the prevailing market rates of foreign currencies are estimated to result in a pretax foreign exchange loss of approximately $35 million. In the view of P&G management, this hypothetical loss resulting from an assumed change in foreign exchange rates is not material to the P&G Beauty Brands financial statements.

Coty management will determine currency risk management strategies and policies after the completion of the Transactions.

Interest Rate Risk

P&G Beauty Brands is exposed to interest rate risk that relates primarily to the $1.0 billion, seven-year term loan B facility based on a LIBOR interest rate, that was drawn on January 26, 2016. If the LIBOR interest rate were to increase by 100 basis points above the LIBOR floor, the incremental annual pretax interest expense is estimated to be approximately $10 million.

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HISTORICAL PER SHARE, MARKET PRICE AND DIVIDEND DATA

Historical and Pro Forma Per Share Data

The following tables set forth certain historical and pro forma per share data for Coty. The historical data has been derived from, and should be read together with, the audited consolidated financial statements of Coty and the related notes thereto contained in Coty s Annual Report on Form 10-K for the fiscal year ended June 30, 2015 incorporated by reference into this information statement and the unaudited condensed consolidated financial statements of Coty and the related notes thereto contained in Coty s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 incorporated by reference into this information statement. The pro forma data has been prepared by Coty and derived from the unaudited condensed combined pro forma financial statements of Coty which give effect to (1) the completion of Merger and preliminary related acquisition accounting and (2) borrowings under the Coty Senior Secured Credit Facilities and the application of the net proceeds therefrom.

This historical and pro forma per share data is being provided for illustrative purposes only and is not necessarily indicative of the results that would have been achieved had the Transactions been completed during the periods presented, nor are they necessarily indicative of the results of operations or financial condition that may be expected for any future period or date. Coty and P&G Beauty Brands may have performed differently had the Transactions occurred prior to the periods presented. You should not rely on the pro forma per share data presented as being indicative of the results that would have been achieved had Coty and the assets and liabilities of P&G Beauty Brands to be acquired by Coty been combined during the periods presented or of the future results of Coty following the Transactions.

The following table presents certain historical and pro forma per share data for Coty:

	As of and for the Fiscal Year Ended June 30, 2015		As of and for the Nine Months Ended March 31, 2016	
	Historical	**Pro Forma**	**Historical**	**Pro Forma**
Coty:				
Weighted-average common shares:				
Basic	353.3	765.6	347.8	760.1
Diluted	362.9	775.2	356.9	769.2
Book value per common share	$ 2.74		$ 1.31	$ 14.84
Cash dividends declared per common share	$ 0.20	$ 0.20	$ 0.25	$ 0.25
Net income attributable to Coty Inc. per common share:				
Basic	$ 0.66	$ 0.01	$ 0.54	$ 0.29
Diluted	0.64	0.01	0.53	0.29

Historical Market Price Data

Historical market price data for Galleria Company does not exist as Galleria Company currently is a wholly owned subsidiary of P&G. As such, shares of Galleria Company common stock are not currently listed on a public stock exchange and are not publicly traded. Therefore, no market data is available for Galleria Company.

Shares of Coty common stock are currently traded on the NYSE under the symbol COTY. No public trading market exists for shares of Coty class B common stock. On July 8, 2015, the last trading day before the announcement of the Transactions, the last sale price of shares of Coty common stock reported by the NYSE was $31.52. On June 29, 2016, the last sale price of shares of Coty common stock reported by the NYSE was $25.71. The following table sets forth the high and low sale prices of shares of Coty common stock and the dividends declared for the periods indicated for both Coty common stock and Coty class B common stock. For current price information, Coty stockholders are urged to consult publicly available sources.

	Coty Class A Common Stock		Dividends	
	High	Low	Class A	Class B
Fiscal Year Ended June 30, 2014				
First Quarter	$ 17.74	$ 14.46	$ 0.20	$ 0.20
Second Quarter	16.68	14.63		
Third Quarter	15.92	12.83		
Fourth Quarter	18.95	14.85		
Fiscal Year Ended June 30, 2015				
First Quarter	$ 18.47	$ 16.39	$ 0.20	$ 0.20
Second Quarter	21.00	15.74		
Third Quarter	24.71	18.33		
Fourth Quarter	32.62	23.26		
Fiscal Year Ending June 30, 2016				
First Quarter	$ 32.72	$ 24.90	$ 0.25	$ 0.25
Second Quarter	30.76	25.17		
Third Quarter	29.59	21.48		
Fourth Quarter (through June 29, 2016)	31.60	24.74		

Dividend Policy

Coty has no legal or contractual obligation to pay dividends. Coty has been paying an annual dividend, once per year, since Coty s initial public offering in 2013. The payment of cash dividends in the future will continue to be at the discretion of Coty s board of directors. The declaration of any cash dividends, and the amount thereof, will depend on many factors, including Coty s financial condition, capital requirements, funds from operations, the dividend taxation level, Coty s stock price, future business prospects and any other factors as Coty s board of directors may deem relevant. Additionally, the Coty Senior Secured Credit Facilities contain certain customary restrictions on Coty s ability to pay dividends. The Galleria Senior Secured Credit Facilities entered into in connection with the Transactions contains similar restrictions, and other indebtedness Coty may incur in the future may contain similar restrictions.

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SELECTED HISTORICAL AND PRO FORMA FINANCIAL DATA

The following selected historical combined financial data of P&G Beauty Brands, selected historical consolidated financial data of Coty and unaudited condensed combined pro forma financial data of Coty is being provided to help you in your analysis of the financial aspects of the Transactions. The unaudited condensed combined pro forma financial data of Coty has been prepared by Coty for illustrative purposes only and is not necessarily indicative of what the operating results or financial position of Coty or P&G Beauty Brands would have been had the Transactions been completed at the beginning of the periods or on the dates indicated, nor are they necessarily indicative of the results of operations or financial condition that may be expected for any future period or date. You should read this information in conjunction with the financial information included elsewhere and incorporated by reference in this information statement. See Where You Can Find More Information; Incorporation by Reference, Information on P&G Beauty Brands and Information on Coty.

Selected Historical Combined Financial Data of P&G Beauty Brands

P&G Beauty Brands selected combined balance sheet data presented below as of June 30, 2015 and 2014 and statement of income data for the fiscal years ended June 30, 2015, 2014 and 2013 have been derived from P&G Beauty Brands audited combined financial statements, included elsewhere in this information statement. P&G Beauty Brands selected combined balance sheet data presented below as of March 31, 2016 and statement of income data for the nine months ended March 31, 2016 and 2015 have been derived from P&G Beauty Brands unaudited interim combined financial statements, included elsewhere in this information statement. In the opinion of P&G Beauty Brands management, such unaudited financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for the fair presentation of the interim periods. P&G Beauty Brands selected combined balance sheet data presented below as of June 30, 2013, 2012 and 2011 and its selected statements of income data for the fiscal years ended June 30, 2012 and 2011 have been derived from P&G Beauty Brands historical accounting records, which are unaudited and which are not included in this information statement. The selected historical combined financial data below is not necessarily indicative of the results of operations or financial condition that may be expected for any future period or date, and the results for the interim period ended March 31, 2016 are not necessarily indicative of the results for the full fiscal year. This information should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations of P&G Beauty Brands and the financial statements of P&G Beauty Brands and the notes thereto included elsewhere in this information statement.

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The financial information of P&G Beauty Brands included in this information statement reflects assumptions and allocations made by P&G. The financial position, results of operations and cash flows of P&G Beauty Brands presented may be different from those that would have resulted had P&G Beauty Brands been operated as a standalone company or been supported as a subsidiary of Coty. The financial information of P&G Beauty Brands also includes results for the Divested Brands for periods prior to the respective dates of divestiture as well as the Excluded Brands, which will not be transferred to Coty in the Transactions. As a result, the historical financial information of P&G Beauty Brands is not a reliable indicator of future results.

	Fiscal Year Ended June 30,					Nine Months Ended March 31,	
	2015	2014	2013	2012	2011	2016	2015
	(Dollars in millions)						
Statement of Income Data:							
Net sales	$ 5,518	$ 6,003	$ 6,122	$ 6,348	$ 6,462	$ 3,715	$ 4,269
Cost of products sold	1,875	2,029	2,075	2,161	2,150	1,221	1,436
Gross profit	3,643	3,974	4,047	4,187	4,312	2,494	2,833
Selling, general and administrative expense	3,228	3,513	3,632	4,433	3,754	2,172	2,463
Intangible asset impairment charges						48	
Operating income	415	461	415	(246)	558	274	370
Interest expense, net						17	(1)
Other non-operating income, net	94			20	6	8	8
Earnings before income taxes	509	461	415	(226)	564	265	379
Income taxes	361	152	138	56	193	110	379
Net income	$ 148	$ 309	$ 277	$ (282)	$ 371	$ 155	$

	As of June 30,					As of March 31,
	2015	2014	2013	2012	2011	2016
	(Dollars in millions)					
Balance Sheet Data:						
Total assets	$ 6,707	$ 7,695	$ 7,608	$ 7,470	$ 8,903	$ 7,528
Long-term debt						995

Selected Historical Consolidated Financial Data of Coty

The following table sets forth selected historical consolidated financial data of Coty. The consolidated statements of operations data for the fiscal years ended June 30, 2015, 2014 and 2013 and balance sheet data as of June 30, 2015 and 2014 has been derived from the audited consolidated financial statements incorporated by reference in this information statement. The consolidated statements of operations data for the fiscal years ended June 30, 2012 and 2011 and the balance sheet data as of June 30, 2013, 2012 and 2011 has been derived from the audited consolidated financial statements contained in Coty s Annual Reports on Form 10-K filed with the SEC. The consolidated statements of operations data for the nine months ended March 31, 2016 and 2015 and balance sheet data as of March 31, 2016 has been derived from Coty s unaudited condensed consolidated financial statements contained in Coty s Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016 filed with the SEC. In the opinion of Coty s management, such unaudited financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for the fair presentation of the interim periods. The selected historical consolidated financial data below is not necessarily indicative of the results of operations or financial condition that may be expected for any future period or date, and the results for the interim period ended March 31, 2016 are not necessarily indicative of the results for the full fiscal year. See Where You Can Find More Information; Incorporation by Reference. You should read the following data in conjunction with those consolidated financial statements and related notes, and in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations contained in Coty s

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Annual Report on Form 10-K for the fiscal year ended June 30, 2015 and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016. See Unaudited Condensed Combined Pro Forma Financial Statements of Coty.

	Year Ended June 30,					Nine Months Ended March 31,	
	2015	2014	2013	2012	2011	2016	2015
	(Dollars in millions, except per share data)						
Consolidated Statements of Operations Data:							
Net revenues	$ 4,395.2	$ 4,551.6	$ 4,649.1	$ 4,611.3	$ 4,086.1	$ 3,273.5	$ 3,375.7
Gross profit	2,638.2	2,685.9	2,788.8	2,787.3	2,446.1	1,993.1	2,032.8
Acquisition-related Costs	34.1	0.7	8.9	10.3	20.9	98.3	1.9
Asset impairment charges		316.9	1.5	575.9		5.5	
Operating income (loss)	395.1	25.7	394.4	(209.5)	280.9	257.1	418.5
Interest expense related party					5.9		
Interest expense, net	73.0	68.5	76.5	89.6	85.6	55.7	56.3
Loss on early extinguishment of debt	88.8					3.1	88.8
Other expense (income), net		1.3	(0.8)	32.0	4.4	30.4	(0.2)
Income (Loss) before income taxes	233.3	(44.1)	318.7	(331.1)	185.0	167.9	273.6
(Benefit) provision for income taxes	(26.1)	20.1	116.8	(37.8)	95.1	(42.5)	39.48
Net income (loss)	259.4	(64.2)	201.9	(293.3)	89.9	210.4	233.8
Net income attributable to noncontrolling interests	15.1	17.8	15.7	13.7	12.5	12.1	14.0
Net income attributable to redeemable noncontrolling interests	11.8	15.4	18.2	17.4	15.7	10.4	8.3
Net income (loss) attributable to Coty Inc.	232.5	(97.4)	168.0	(324.4)	61.7	187.9	211.5
Per Share Data:							
Weighted-average common shares							
Basic	353.3	381.7	381.7	373.0	329.4	347.8	350.9
Diluted	362.9	381.7	396.4	373.0	339.1	356.9	360.7
Cash dividends declared per common share	$ 0.20	$ 0.20	$ 0.15	$	$ 0.10	$ 0.25	$ 0.20
Net income (loss) attributable to Coty Inc. per common share:							
Basic	$ 0.66	$ (0.26)	$ 0.44	$ (0.87)	$ 0.19	$ 0.54	$ 0.60
Diluted	0.64	(0.26)	0.42	(0.87)	0.18	0.53	0.59

	As of June 30,					As of March 31,
	2015	2014	2013	2012	2011	2016

	(Dollars in millions)					
Consolidated Balance Sheet Data:						
Cash and cash equivalents	$ 341.3	$ 1,238.0	$ 920.4	$ 609.4	$ 510.8	$ 366.6
Total assets	6,018.9	6,592.5	6,470.0	6,183.4	6,813.9	7,024.9
Total debt	2,634.7	3,293.5	2,630.2	2,460.3	2,622.4	4,130.5
Total Coty Inc. stockholders equity	969.8	843.8	1,494.0	857.2	1,361.9	433.4

Non-GAAP Financial Data of Coty

The non-GAAP financial data for the fiscal years ended June 30, 2015, 2014 and 2013 and the nine months ended March 31, 2016 and 2015 has been derived from Coty s Annual Report on Form 10-K for the fiscal year ended June 30, 2015 and Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, respectively. The following data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations contained in the respective forms filed with the SEC, which are incorporated by reference herein.

Adjusted Operating Income, Adjusted Net Income Attributable to Coty Inc. and Adjusted Net Income Attributable to Coty Inc. per Common Share (the Adjusted Performance Measures) are non-GAAP financial measures which Coty believes better enable management and investors to analyze and compare the underlying business results from period to period.

These non-GAAP financial measures should not be considered in isolation, or as a substitute for or superior to, financial measures calculated in accordance with GAAP. Moreover, these non-GAAP financial measures have limitations in that they do not reflect all the items associated with the operations of the business as determined in accordance with GAAP. Coty compensates for these limitations by analyzing current and future results on a GAAP basis as well as a non-GAAP basis, and provides reconciliations from the most directly comparable GAAP financial measures to the non-GAAP financial measures. Other companies, including companies in the industry, may calculate similarly titled non-GAAP financial measures differently than Coty does, limiting the usefulness of those measures for comparative purposes.

Coty believes that the presentation of Adjusted Performance Measures enhances investors overall understanding of Coty s performance by providing an alternative and supplemental measure used by management to evaluate the performance of Coty s business. When viewed with GAAP results and the reconciliations from the most directly comparable GAAP financial measures that Coty provides, Coty believes that these Adjusted Performance Measures provide a more complete understanding of specific factors affecting Coty s business than GAAP measures alone. Specifically, Coty s management believes that these non-GAAP financial measures and the information they provide permit investors to view Coty s performance using the same measures that Coty s management uses to evaluate past performance and annual budgets and to benchmark the performance of Coty s business against its competitors.

Coty believes that Adjusted Operating Income provides meaningful information to investors by excluding the impact of accounting modifications from liability plan accounting to equity plan accounting as a result of amended and restated share-based compensation plans, asset impairment charges, restructuring costs and business structure realignment programs, acquisition-related costs and certain acquisition accounting impacts, amortization and other adjustments. These adjustments are primarily incurred to reposition Coty s operating model and integrate new acquisitions, and fluctuate based on specific facts and circumstances. As a result, Coty believes that the use of Adjusted Operating Income provides a meaningful and consistent comparison of its underlying business between periods by adjusting certain items required by GAAP which are not reflective of Coty s day-to-day operational performance. Additionally, Adjusted Net Income Attributable to Coty Inc. and Adjusted Net Income Attributable to Coty Inc. per Common Share are adjusted for net of the income tax effect of Adjusted Operating Income, certain interest and other (income) expense, net of the income tax effect thereon and certain tax effects, which Coty does not consider indicative of its performance. As such, Coty believes that the Adjusted Performance Measures, when taken in combination with GAAP financial measures, may enhance comparability from period to period and more clearly highlight trends in its business that might not otherwise be apparent when relying solely on GAAP financial measures. The following are examples of how these Adjusted Performance Measures are utilized by Coty s management:

- strategic plans and annual budgets are prepared using the Adjusted Performance Measures;

senior management receives a monthly analysis comparing budget to actual Coty operating results that is prepared using Adjusted Performance Measures; and

senior management s annual compensation is calculated, in part, by using Adjusted Performance Measures. In addition, Coty s financial covenant compliance calculations under Coty s debt agreements are substantially derived from these Adjusted Performance Measures.

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These Adjusted Performance Measures have been further adjusted since Coty s latest Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2016, filed with the SEC on May 3, 2016, to exclude the expense and tax effects associated with the amortization of acquisition-related intangible assets because amortization is the result of the purchase price and corresponding allocation of fair value, and not the result of operations in a particular year. The effect of this exclusion on Coty s non-GAAP presentation was to amend Adjusted Operating Income in a manner that provides investors with a measure of Coty s operating performance that facilitates period to period comparisons, as well as comparability to Coty s peers. Exclusion of the amortization expense allows investors to compare operating results that are consistent over time for the consolidated company, including newly acquired and long-held businesses, to both acquisitive and non-acquisitive peer companies. Coty supplements this revised approach by providing disclosure of the effects of this non-GAAP measure, by presenting the corresponding treatment prepared in conformity with GAAP in its financial statements, and by providing a reconciliation to the corresponding GAAP measure so that investors can use the information to perform their own analysis.

	Twelve Months Ended June 30,			**Nine Months Ended March 31,**	
(in millions)	**2015**	**2014**	**2013**	**2016**	**2015**
Reported Operating Income	**395.1**	**25.7**	**394.4**	**257.1**	**418.5**
% of Net revenues	*9.0%*	*0.6%*	*8.5%*	*7.9%*	*12.4%*
Restructuring and other business realignment costs	91.4	34.1	36.1	98.5	64.2
Amortization	74.7	85.7	90.2	59.0	55.5
Costs related to acquisition activities	44.2	26.9	9.6	107.3	5.3
Share-based compensation expense adjustment	18.3	27.6	120.3	1.3	0.6
Public entity preparedness costs		1.2	7.7		
Gain on sale of asset			(19.3)		
Asset Impairment Charges		316.9	1.5	5.5	
Real estate consolidation program costs	(0.7)	32.3	22.5		(0.7)
China Optimization	(19.4)	35.9	0.0		(19.0)
Total adjustments to Reported Operating Income	208.5	560.6	268.6	271.6	105.9
Adjusted Operating Income	**603.6**	**586.3**	**663.0**	**528.7**	**524.4**
% of Net revenues	*13.7%*	*12.9%*	*14.3%*	*16.2%*	*15.5%*

	Twelve Months Ended June 30,			**Nine Months Ended March 31,**	
(in millions)	**2015**	**2014**	**2013**	**2016**	**2015**
Reported Net Income attributable to Coty Inc.	**232.5**	**(97.4)**	**168.0**	**187.9**	**211.5**
% of Net revenues	*5.3%*	*(2.1%)*	*3.6%*	*5.7%*	*6.3%*
Adjustments to Reported Operating Income	208.5	560.6	268.6	271.6	105.9
Loss on early extinguishment of debt	88.8			3.1	88.8

Adjustments to noncontrolling interest expense	(1.2)			0.0	(1.2)
Adjustments to Other Expense				30.4	0.0
Adjustments to Interest Expense				(13.1)	0.0
Change in tax provision due to adjustments to Reported Net Income Attributable to Coty Inc.	(120.1)	(87.5)	(49.8)	(40.4)	(39.7)
Adjusted Net Income attributable to Coty Inc.	**408.5**	**375.7**	**386.8**	**439.5**	**365.3**
% of Net revenues	*9.3%*	*8.3%*	*8.3%*	*13.4%*	*10.8%*
Per Share Data:					
Adjusted Weighted-average common shares					
Basic	353.3	381.7	381.7	347.8	350.9
Diluted	362.9	390.7	396.4	356.9	360.7
Adjusted Net Income Attributable to Coty Inc. per Common Share:					
Basic	$ 1.16	$ 0.98	$ 1.01	$ 1.26	$ 1.04
Diluted	$ 1.13	$ 0.96	$ 0.98	$ 1.23	$ 1.01

Unaudited Condensed Combined Pro Forma Financial Statements of Coty

The following unaudited condensed combined pro forma financial statements and notes thereto have been prepared by Coty to give effect to the proposed Merger. At the effective time of the Merger, Merger Sub, a wholly owned acquisition subsidiary of Coty, will be merged with and into Galleria Company, with Galleria Company becoming a wholly owned subsidiary of Coty. The transaction is being accounted for as a business combination using the acquisition method with Coty as the accounting acquirer in accordance with ASC 805, *Business Combinations*. Under this method of accounting the purchase price will be allocated to Galleria Company s assets acquired and liabilities assumed based upon their estimated fair values at the date of consummation of the Merger.

The process of valuing the tangible and intangible assets and liabilities of Galleria Company immediately prior to the Merger, as well as evaluating accounting policies for conformity, is still in the preliminary stages. Accordingly, the purchase price allocation pro forma adjustments are preliminary and have been made solely for the purpose of providing unaudited condensed combined pro forma financial statements. Material revisions to Coty s current estimates could be necessary as the valuation process and accounting policy review are finalized. As a result, the actual amount of depreciation and amortization expense may be materially different from that presented. The process of determining fair value of the tangible and intangible assets acquired (including independent valuation reports) and liabilities assumed will be completed following the Merger.

The unaudited condensed combined pro forma statements of operations are presented, giving effect to the completion of Merger and preliminary related acquisition accounting. The unaudited condensed combined pro forma statements of operations reflect the proposed Merger as if it had occurred as of July 1, 2014, the beginning of the annual period presented. The unaudited condensed combined pro forma balance sheet reflects the proposed Merger if it had occurred on March 31, 2016, the date of the most recent balance sheet presented. The unaudited condensed combined pro forma statements of operations for the year ended June 30, 2015 and nine months ended March 31, 2016 are derived from P&G Beauty Brands audited historical combined statement of operations for the fiscal year ended June 30, 2015 and unaudited historical combined statements of operations for the nine months ended March 31, 2016 with Coty s audited historical statement of consolidated operations for the fiscal year ended June 30, 2015 and unaudited historical condensed statement of consolidated operations for the nine months ended March 31, 2016. The unaudited condensed combined pro forma balance sheet combines the unaudited historical combined balance sheet of P&G Beauty Brands as of March 31, 2016 with Coty s unaudited condensed consolidated balance sheet as of March 31, 2016.

The historical consolidated financial information has been adjusted to give effect to pro forma adjustments that are factually supportable, directly attributable to the Merger, and expected to have a continuing impact to the statement of operations.

The unaudited condensed combined pro forma financial statements should be read in conjunction with:

- accompanying notes to the unaudited condensed combined pro forma financial statements;
- Coty s audited historical consolidated financial statements as of and for the fiscal year ended June 30, 2015;
- Coty s unaudited historical condensed consolidated financial statements as of and for the nine months ended March 31, 2016;

- P&G Beauty Brands audited historical combined financial statements as of and for the fiscal year ended June 30, 2015; and

- P&G Beauty Brands unaudited historical combined financial statements as of and for the nine months ended March 31, 2016.

The unaudited condensed combined pro forma financial statements have been prepared for illustrative purposes only, and are not necessarily indicative of the operating results or financial position that would have

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occurred if the Merger had been consummated on the dates indicated, nor is necessarily indicative of the results of operations or financial condition that may be expected for any future period or date.

The Merger has not been consummated as of the date of the preparation of the unaudited condensed combined pro forma financial statements and there can be no assurances that the Merger will be consummated. Refer to Risk Factors in Coty s registration statement on Form S-4, as amended (Reg. No. 333-210856), for a further discussion of risk factors associated with the unaudited condensed combined pro forma financial statements.

Items Not Reflected in the Unaudited Condensed Combined Pro Forma Financial Statements

The unaudited condensed combined pro forma statement of operations does not include any adjustments related to restructuring, potential profit improvements, or potential cost savings. Coty is currently developing plans to combine the operations of Coty and Galleria, which may involve costs that may be material. The anticipated profit improvements generated from these actions, as well as other potential synergies in total cost savings on an annualized basis over the next three years, have not been reflected in the unaudited condensed combined pro forma statement of operations. The synergies are expected to come from leveraging the current administrative, selling and marketing functions, along with Coty s supply-chain and distribution network and efficiencies of combining Coty and Galleria. Integration teams will be formed to further develop and execute detailed implementation programs, the related costs of which have not been determined.

P&G Beauty Brands combined financial statements reflect the historical financial position, results of operations and cash flows of P&G Beauty Brands as owned by P&G for all periods presented. Prior to the expected separation transaction, P&G has not accounted for P&G Beauty Brands as, and P&G Beauty Brands has not been operated as, a stand-alone company during the periods presented.

P&G Beauty Brands historical combined financial statements were prepared using P&G s historical basis in the assets and liabilities of P&G Beauty Brands. P&G Beauty Brands historical combined financial statements include all revenues, costs, assets and liabilities directly attributable to P&G Beauty Brands. In addition, certain expenses reflected in the combined financial statements include allocations of corporate expenses from P&G, which, in the opinion of P&G management, are reasonable.

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Coty Inc. & Subsidiaries

Unaudited Condensed Combined Pro Forma Balance Sheet

At March 31, 2016

(Dollars in millions)

	Historical Coty	Historical P&G Beauty Brands	P&G Beauty Brands Pre-Merger Adjustments (Note 2)	Historical P&G Beauty Brands After Pre-Merger Adjustments	Pro Forma Merger Adjustments (Note 3)	Pro Forma
Assets						
Current assets						
Cash and cash equivalents	$ 366.6	$ 53.0	$ (9.0)	$ 44.0	$	$ 410.6
Restricted cash		995.0	(995.0)			
Trade receivables, net	661.5	569.0	(159.0)	410.0		1,071.5
Inventories	579.1	494.0	(49.0)	445.0	75.0	1,099.1
Prepaid expenses and other current assets	198.9	86.0		86.0	(37.0)	247.9
Deferred income taxes	93.0		(6.0)	(6.0)	37.0	124.0
Total current assets	**1,899.1**	**2,197.0**	**(1,218.0)**	**979.0**	**75.0**	**2,953.1**
Property and equipment, net	605.7	617.0		617.0	362.0	1,584.7
Goodwill	2,096.0	2,708.0		2,708.0	3,741.1	8,545.1
Other intangible assets, net	2,158.0	1,749.0		1,749.0	5,407.7	9,314.7
Deferred income taxes	13.6				26.0	39.6
Other noncurrent assets	252.5	257.0	(32.0)	225.0	(141.0)	336.5
Total assets	**$ 7,024.9**	**$ 7,528.0**	**$ (1,250.0)**	**$ 6,278.0**	**$ 9,470.8**	**$ 22,773.7**
Liabilities and equity						
Current liabilities						
Accounts payable	$ 796.8	$ 367.0	$ (224.0)	$ 143.0	$	$ 939.8
Accrued expenses and other current liabilities	771.8	601.0	(288.0)	313.0	34.0	1,118.8
Short-term debt and current portion of long-term debt	133.5					133.5
Income and other taxes payable	18.3					18.3
Deferred income taxes	9.8				20.3	30.1
Total current liabilities	**1,730.2**	**968.0**	**(512.0)**	**456.0**	**54.3**	**2,240.5**
Long-term debt, net	3,997.0	995.0	1,302.8	2,297.8		6,294.8

Pension and other post-employment benefits	207.2				115.0	322.2
Deferred income taxes	380.2	510.0(1)		510.0	1,466.8	2,357.0
Other noncurrent liabilities	176.3	64.0(2)	(37.0)	27.0		203.3
Total liabilities	**6,490.9**	**2,537.0**	**753.8**	**3,290.8**	**1,636.1**	**11,417.8**
Redeemable noncontrolling interests	**79.0**					**79.0**
Equity						
Preferred Stock, $0.01 par value; 20.0 shares authorized, 1.9 issued and 1.7 outstanding at March 31, 2016 on a historical and pro forma basis						
Class A Common Stock, $0.01 par value; 800.0 and 1,000.0 shares authorized, respectively, 137.9 and 812.2 issued, respectively, and 76.8 and 751.1 outstanding, respectively, at March 31, 2016 on a historical and pro forma basis	1.4				6.7	8.1
Class B Common Stock, $0.01 par value; 262.0 shares authorized, issued and outstanding at March 31, 2016 on a historical basis with 0 shares authorized, issued and outstanding on a pro forma basis	2.6				(2.6)	
Additional paid-in capital	2,034.8	4,639.0(3)	(2,003.8)	2,635.2	8,216.6	12,886.6
Accumulated surplus (deficit)	(6.0)				(34.0)	(40.0)
Accumulated other comprehensive loss	(250.9)	352.0		352.0	(352.0)	(250.9)
Treasury stock at cost, shares: 61.1 at March 31, 2016	(1,338.5)					(1,338.5)
Total stockholder s equity	**443.4**	**4,991.0**	**(2,003.8)**	**2,987.2**	**7,834.7**	**11,265.3**
Noncontrolling interests	11.6					11.6
Total equity	455.0	4,991.0	(2,003.8)	2,987.2	7,834.7	11,276.9
Total liabilities, redeemable noncontrolling interests and equity	**$ 7,024.9**	**$ 7,528.0**	**$ (1,250.0)**	**$ 6,278.0**	**$ 9,470.8**	**$ 22,773.7**

(1) Aligning line title of the historical P&G Beauty Brands Noncurrent deferred tax liabilities to Deferred income taxes.

(2) Aligning line titles of the historical P&G Beauty Brands Liabilities for uncertain tax positions and Other noncurrent liabilities to Other noncurrent liabilities.
(3) Aligning line title of the historical P&G Beauty Brands Divisional equity to Additional paid-in capital.

See notes to Unaudited Condensed Combined Pro Forma Financial Statements.

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Coty Inc. & Subsidiaries

Unaudited Condensed Combined Pro Forma Statement of Operations

For the Nine Months Ended March 31, 2016

(Dollars in millions, except for per share data)

	Historical Coty	Historical P&G Beauty Brands	P&G Beauty Brands Pre-Merger Adjustments (Note 2)	Historical P&G Beauty Brands After Pre-Merger Adjustments	Pro Forma Merger Adjustments (Note 3)	Pro Forma
Net revenues	$ 3,273.5	$ 3,715.0	$ (405.0)	$ 3,310.0	$	$ 6,583.5
Cost of sales	1,280.4	1,221.0	(122.0)	1,099.0	4.0	2,383.4
Gross profit	**1,993.1**	**2,494.0**	**(283.0)**	**2,211.0**	**(4.0)**	**4,200.1**
Selling, general and administrative expenses	1,493.9	2,172.0	(203.0)	1,969.0	(63.7)	3,399.2
Amortization expense	59.0				240.6	299.6
Restructuring costs	79.3				22.0	101.3
Acquisition-related costs	98.3				(91.0)	7.3
Asset impairment charges	5.5	48.0	(48.0)			5.5
Gain on sale of asset						
Operating income	**257.1**	**274.0**	**(32.0)**	**242.0**	**(111.9)**	**387.2**
Interest expense, net	55.7	17.0	42.2	59.2	(18.0)	96.9
Loss on early extinguishment of debt	3.1					3.1
Other expense (income), net	30.4	(8.0)	8.0			30.4
Income before income taxes	**167.9**	**265.0**	**(82.2)**	**182.8**	**(93.9)**	**256.8**
(Benefit) provision for income taxes	(42.5)	110.0	(29.4)	80.6	(25.3)	12.8
Net income	**210.4**	**155.0**	**(52.8)**	**102.2**	**(68.6)**	**244.0**
Net income attributable to noncontrolling interests	12.1					12.1
Net income attributable to redeemable noncontrolling interests	10.4					10.4
	$ 187.9	**$ 155.0**	**$ (52.8)**	**$ 102.2**	**$ (68.6)**	**$ 221.5**

Net income attributable to Coty Inc.		
Net income attributable to Coty Inc. per common share:		
Basic	$ 0.54	$ 0.29
Diluted	0.53	0.29
Weighted-average common shares outstanding:		
Basic	347.8	760.1
Diluted	356.9	769.2

See notes to Unaudited Condensed Combined Pro Forma Financial Statements.

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Coty Inc. & Subsidiaries

Unaudited Condensed Combined Pro Forma Statement of Operations

For the year ended June 30, 2015

(Dollars in millions, except for per share data)

	Historical Coty	Historical P&G Beauty Brands	P&G Beauty Brands Pre-Merger Adjustments (Note 2)	Historical P&G Beauty Brands After Pre-Merger Adjustments	Pro Forma Merger Adjustments (Note 3)	Pro Forma
Net revenues	$ 4,395.2	$ 5,518.0	$ (670.0)	$ 4,848.0	$	$ 9,243.2
Cost of sales	1,757.0	1,875.0	(210.0)	1,665.0	(7.9)	3,414.1
Gross profit	**2,638.2**	**3,643.0**	**(460.0)**	**3,183.0**	**7.9**	**5,829.1**
Selling, general and administrative expenses	2,066.1	3,228.0	(342.0)	2,886.0	(114.8)	4,837.3
Amortization expense	74.7				320.8	395.5
Restructuring costs	75.4				80.0	155.4
Acquisition-related costs	34.1				(30.2)	3.9
Gain on sale of asset	(7.2)					(7.2)
Operating income	**395.1**	**415.0**	**(118.0)**	**297.0**	**(247.9)**	**444.2**
Interest expense, net	73.0		65.3	65.3		138.3
Loss on early extinguishment of debt	88.8					88.8
Other expense (income), net		(94.0)	94.0			
Income before income taxes	**233.3**	**509.0**	**(277.3)**	**231.7**	**(247.9)**	**217.1**
(Benefit) provision for income taxes	(26.1)	361.0	(85.6)	275.4	(66.9)	182.4
Net income	**259.4**	**148.0**	**(191.7)**	**(43.7)**	**(181.0)**	**34.7**
Net income attributable to noncontrolling interests	15.1					15.1
Net income attributable to redeemable noncontrolling interests	11.8					11.8
Net income attributable to Coty Inc.	**$ 232.5**	**$ 148.0**	**$ (191.7)**	**$ (43.3)**	**$ (181.0)**	**$ 7.8**
Net income attributable to Coty Inc. per common share:						

Basic	$ 0.66	$ 0.01
Diluted	0.64	0.01
Weighted-average common shares outstanding:		
Basic	353.3	765.6
Diluted	362.9	775.2

See notes to Unaudited Condensed Combined Pro Forma Financial Statements.

COTY INC. & SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED COMBINED PRO FORMA FINANCIAL STATEMENTS

(Dollars in tables in millions, except per share data)

Note 1 Basis of Pro Forma Presentation

The unaudited condensed combined pro forma statements of operations combine P&G Beauty Brands audited historical combined statement of operations for the fiscal year ended June 30, 2015 and unaudited historical combined statement of operations for the nine months ended March 31, 2016, with Coty s audited historical consolidated statement of operations for the fiscal year ended June 30, 2015 and unaudited historical condensed consolidated statement of operations for the nine months ended March 31, 2016, to reflect the proposed Merger as if it had occurred as of July 1, 2014. The unaudited condensed combined pro forma balance sheet combines the unaudited historical combined balance sheet of P&G Beauty Brands as of March 31, 2016, with Coty s unaudited historical condensed consolidated balance sheet as of March 31, 2016 to reflect the proposed Merger as if it had occurred as of March 31, 2016. At the effective time of the proposed Merger, Galleria Company will be merged with a wholly owned acquisition subsidiary of Coty, with Galleria Company surviving as a wholly owned subsidiary of Coty. In the Merger, each share of Galleria Company common stock will be automatically converted into the right to receive one share of Coty common stock. Upon consummation of the Merger, holders of Galleria Company common stock are expected to own shares of Coty common stock representing approximately 54% of the fully diluted shares of Coty common stock.

The historical financial information is adjusted in the unaudited condensed combined pro forma financial statements to give effect to unaudited pro forma adjustments that are (1) directly attributable to the Merger, (2) factually supportable, and (3) with respect to the unaudited pro forma condensed combined statements of operations, expected to have a continuing impact on the combined operating results.

The Merger is being accounted for as a business combination with Coty as the accounting acquirer. Accordingly, Coty s cost to purchase Galleria will be allocated to the assets acquired and the liabilities assumed based upon their respective fair values on the date the Merger is completed. The total equity purchase price will be paid with approximately 412.3 million shares of Coty common stock, that will be issued in exchange for all outstanding shares of Galleria Company common stock. The equity consideration is valued at $10.8 billion, assuming a Coty share price of $26.33, which is based on the closing price of Coty common stock on June 20, 2016. Additionally, Coty will assume debt incurred under the Galleria Senior Secured Credit Facilities, calculated as described below, in an amount that, when combined with the value of the Coty share issuance, would aggregate to $13.1 billion as the total transaction price.

The debt to be incurred by Galleria Company will be utilized to fund the payment of the Recapitalization Amount. The Recapitalization Amount is determined in part based on a reference price range of Coty common stock prior to the closing of the Merger. Before taking into account the other adjustments to the Recapitalization Amount, the Transaction Agreement provides that the Recapitalization Amount will be equal to $1.9 billion if the referenced stock price of Coty is $27.06 per share or more, will be equal to $3.9 billion if the referenced stock price of Coty is $22.06 per share or less, and will fluctuate on a proportionate basis if the referenced stock price of Coty is a value within that collar. For every 5% change in the price of Coty shares outside of the collar range of $22.06 to $27.06, the expected total transaction price will increase by approximately $550 million above the high end of the range and decrease by approximately $450 million below the low end of the range, respectively. The change in value would result in an adjustment to goodwill. If the share price remains within the collar range, the total transaction price will remain the same but the split of debt and equity will change. In either case, the Recapitalization Amount is subject to further adjustments in addition to the adjustments relating to the Coty stock price.

Based on the closing price of Coty common stock on June 20, 2016 of $26.33, which is within the collar, the total transaction price is expected to be $13.1 billion. This is comprised of $10.8 billion in equity and an estimated debt amount of $2.3 billion. The debt amount of $2.3 billion reflects $2.2 billion calculated by reference to the price of Coty common stock, which is within the collar (reflecting such closing price of Coty common stock on June 20, 2016), and an increase of approximately $0.1 billion in connection with certain other adjustments described below. This estimate of the Recapitalization Amount reflects, in addition to the impact of the Coty stock price, certain assumptions about adjustments to the Excluded Brands and other adjustments provided in the Transaction Agreement. While the amounts of these adjustments are not yet known, Coty has included an estimate based on information available to it at the time of the filing. The range of potential adjustments: (i) relating to the Excluded Brands adjustment is estimated to be a decrease of $0.3 billion to $0.5 billion, (ii) relating to a working capital adjustment is estimated to be an increase of $0.0 billion to $0.1 billion, and (iii) relating to other adjustments is estimated to be a decrease of $0.3 billion to an increase of $0.3 billion, totaling a range of adjustments in the Recapitalization Amount between a decrease of $0.8 billion and an increase of $0.1 billion. Coty has assumed an increase in the Recapitalization Amount of $0.1 billion for the purposes of these unaudited condensed combined pro forma financial statements, which results in a corresponding increase in goodwill. All of these adjustments, as well as the adjustment relating to the Coty stock price, will vary depending upon the ultimate trading price of Coty stock during the referenced measurement period, the ultimate terms under which the Excluded Brands are disposed of and the other factors referenced in the Transaction Agreement.

The pro forma adjustments included herein may be revised as additional information becomes available and as additional analyses are performed. Accordingly, the final acquisition accounting adjustments may be materially different from the pro forma adjustments presented in this information statement. Changes in the price of Coty common stock may increase or decrease the total value of the Merger. Increases or decreases in the fair value of the net assets may change the amount of the purchase price allocated to goodwill and other acquired assets and liabilities. This may impact the unaudited condensed combined pro forma statement of operations due to an increase or decrease in the amount of amortization or depreciation of the adjusted assets.

The preliminary estimated purchase price is as follows:	
Equity consideration exchanged	$ 10,855.9
Galleria Company debt assumed by Coty	2,297.8
Total preliminary purchase price	**$ 13,153.7**
Preliminary allocation of purchase price:	