
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 22, 2019

GUESS?, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-11893
(Commission
File Number)

95-3679695
(IRS Employer
Identification No.)

1444 S. Alameda Street, Los Angeles, California 90021
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (213) 765-3100

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

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

Item 1.01. Entry into a Material Definitive Agreement.

On April 22, 2019, Guess?, Inc. (the “Company”) amended (such amendment, “Amendment No. 2”) its senior secured asset-backed credit facility with Bank of America, N.A and the other lenders party thereto (the “Credit Facility”) to permit, among other things, the offering and sale of the Notes (as defined below) and certain transactions related thereto, including those transactions described in the Company’s press release attached hereto as Exhibit 99.1.

The foregoing description of Amendment No. 2 does not purport to be complete and is qualified in its entirety by reference to Amendment No. 2, which is filed as Exhibit 10.1 hereto and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

The information in this Item 7.01 of Form 8-K and the related information in Exhibits 99.1 and 99.2 is being furnished and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Proposed Notes Offering

On April 22, 2019, the Company issued a press release announcing that it proposes to offer, subject to market conditions and other factors, \$250 million aggregate principal amount of Convertible Senior Notes due 2024 (the “Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. The Company also intends to grant the initial purchaser of the Notes a 30-day option to purchase up to an additional \$37.5 million aggregate principal amount of Notes, solely to cover over-allotments. A copy of the press release announcing the proposed offering of the Notes is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Expected Use of Proceeds of the Notes Offering

The Company intends to expand its share repurchase efforts, including by using substantially all of the net proceeds from the offering of Notes to repurchase shares of the Company’s common stock after giving effect to certain hedging transactions.

Business Update

On March 20, 2019, the Company reported preliminary financial results for the three months and twelve months ended February 2, 2019, including the Company’s outlook for the first quarter of Fiscal 2020. On April 22, 2019, the Company issued a press release announcing that, based on current quarter-to-date trends, where the Company has identified relative strengths in Europe and the Americas offset by softness in Asia, compared to its initial outlook, the Company is reaffirming its total Company outlook for the Fiscal 2020 first quarter ending May 4, 2019.

The Company’s actual results may differ materially from these estimates due to the time remaining in the quarter, completion of its financial closing procedures, final adjustments and other developments that may arise between now and the time the financial results for the Company’s first quarter are finalized.

The Company will update its Fiscal 2020 Full Year outlook including the impact from the convertible debt offering and related transactions when it reports its Fiscal 2020 first quarter results for the period ending May 4, 2019.

As of April 6, 2019, the Company’s cash and cash equivalents were approximately \$112.6 million. As of April 6, 2019, (i) the Company had \$2.0 million in outstanding letters of credit, no outstanding documentary letters of credit and no outstanding borrowings under its asset-based revolving credit facility and (ii) the Company and its subsidiaries had approximately \$56.1 million of outstanding borrowings under certain short-term committed and uncommitted borrowing agreements, primarily for working capital purposes, with various banks in Europe.

Item 8.01 Other Events.

Intention to Reduce Future Quarterly Cash Dividends

The Company also announced today that its Board of Directors intends to reduce future quarterly cash dividends that may be paid to holders of the Company's common stock, when, as and if any such dividend is declared by the Company's Board of Directors, from \$0.225 per share to \$0.1125 per share to redeploy capital and return incremental value to shareholders through share repurchases. Decisions on whether, when and in which amounts to continue making any future dividend distributions will remain at all times entirely at the discretion of the Company's Board of Directors, which reserves the right to change or terminate the Company's dividend practices at any time and for any reason without prior notice.

Updated Description of Capital Stock

The Description of Capital Stock set forth in Exhibit 99.3 is being filed to provide an updated description of the capital stock of the Company.

The Description of Capital Stock set forth in Exhibit 99.3 is incorporated herein by reference, modifies and supersedes any prior description of the capital stock of the Company in any registration statement or report filed with the Securities and Exchange Commission (the "Commission") and will be available for incorporation by reference into certain of the Company's filings with the Commission pursuant to the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the rules and forms promulgated thereunder.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1	<u>Amendment Number Two to Loan, Guaranty and Security Agreement, dated as of April 22, 2019, by and among Guess?, Inc., Guess? Retail, Inc., Guess.com, Inc., Guess? Canada Corporation, Bank of America, N.A., as agent for the lenders, and each of the lenders party thereto.</u>
99.1	<u>Press Release regarding Notes Offering, dated April 22, 2019.</u>
99.2	<u>Press Release regarding Business Update, dated April 22, 2019.</u>
99.3	<u>Description of Capital Stock.</u>

SIGNATURES

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

Dated: April 22, 2019

GUESS?, INC.

By: /s/ Sandeep Reddy

Sandeep Reddy

Chief Financial Officer

**AMENDMENT NUMBER TWO
TO LOAN, GUARANTY AND SECURITY AGREEMENT**

This **AMENDMENT NUMBER TWO TO LOAN, GUARANTY AND SECURITY AGREEMENT** (this “Agreement”), dated as of April 22, 2019 is entered into by and among **GUESS?, INC.**, a Delaware corporation (“Parent”), **GUESS? RETAIL, INC.**, a Delaware corporation (“Retail”), **GUESS.COM, INC.**, a Delaware corporation (“Com”; and together with Parent, and Retail, each a “U.S. Borrower” and collectively, the “U.S. Borrowers”), **GUESS? CANADA CORPORATION**, a company amalgamated under the laws of the province of Nova Scotia, Canada (“Canadian Borrower”; and together with U.S. Borrowers, each a “Borrower” and collectively, the “Borrowers”), Parent and certain Subsidiaries of Parent party to this Agreement as guarantor (each, a “Guarantor” and collectively, the “Guarantors”), **BANK OF AMERICA, N.A.**, as agent for the lenders identified below (in such capacity, the “Agent”), and each of the lenders set forth on the signature pages hereof (the “Lenders”). Capitalized terms not otherwise defined herein are defined in the Loan Agreement (as defined below).

RECITALS

A. Borrowers, Guarantors, Agent, and Lenders are parties to that certain Loan, Guaranty and Security Agreement, dated as of June 23, 2015, as amended by that certain Amendment Number One to Loan, Guaranty and Security Agreement, dated as of February 16, 2016 (as further amended, restated, amended and restated, supplemented, extended or otherwise modified in writing from time to time, the “Loan Agreement”).

B. Borrowers have requested and Agent and Required Lenders agreed to amend the Loan Agreement as follows:

AMENDMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

I. AMENDMENTS TO THE LOAN AGREEMENT.

A. **Section 1.1** of the Loan Agreement is hereby amended by adding the following definitions thereto in alphabetical order:

Division: the creation of one or more new limited liability companies by means of any statutory division of a limited liability company pursuant to any applicable limited liability company act or similar statute of any jurisdiction. “Divide” shall have the corresponding meaning.

Permitted Convertible Note Debt: the Debt and other obligations incurred by Parent on or about the Second Amendment Effective Date pursuant to the Permitted Convertible Note Documents which include (i) the Permitted Convertible Notes and (ii) any Debt and other obligations under the Hedging Agreements and other agreements, in each case, entered into in connection with the Permitted Convertible Note Debt and Permitted Convertible Note Documents, including any renewals, extensions or refinancings thereof, as long as each Refinancing Condition is satisfied.

Permitted Convertible Note Documents: that certain indenture, to be dated on or about the Second Amendment Effective Date, between Parent and U.S. Bank National Association, as trustee (the "Indenture") providing for the issuance of the Permitted Convertible Notes, together with the Permitted Convertible Notes, Hedging Agreements in connection with the Permitted Convertible Note Debt and other documents executed or delivered by Parent in connection therewith, in each case, as amended, replaced, supplemented, extended, refinanced or otherwise modified from time to time so long as, in the case of any renewal, extension or refinancing, each Refinancing Condition is satisfied.

Permitted Convertible Notes: convertible notes in an aggregate principal amount up to but not exceeding \$350,000,000 issued on or about the Second Amendment Effective Date pursuant to the Permitted Convertible Note Documents.

Permitted Share Repurchases: the purchase, redemption or other acquisition or retirement of common Equity Interests of the Parent with the proceeds of the issuance of the Permitted Convertible Note Debt.

Second Amendment: that certain Amendment Number Two to Loan, Guaranty and Security Agreement dated as of April 22, 2019 among Borrowers, Guarantors, Agent and Lenders.

Second Amendment Effective Date: April 22, 2019.

B. **Section 1.1** of the Loan Agreement is hereby amended by deleting the definition of "Asset Disposition" and replacing it with the following:

"Asset Disposition: a sale, lease, license, transfer or other disposition of Property of an Obligor, including any disposition by Division or in connection with a sale-leaseback transaction or synthetic lease."

C. The definition of "Consolidated Fixed Charge Coverage Ratio" in **Section 1.1** of the Loan Agreement is hereby amended by amending and restating clauses (i) and (iii) of subsection (b) thereof as follows:

"(i) Consolidated Interest Charges (excluding non-cash charges in connection with Swap Obligations or the Permitted Convertible Note Debt),"

"(iii) Distributions (other than Upstream Payments from a Subsidiary of Parent to another Subsidiary of Parent or to Parent and Permitted Share Repurchases) paid in cash;"

D. The definition of “Permitted Asset Disposition” in **Section 1.1** of the Loan Agreement is hereby amended by deleting the word “and” at the end of clause (p), adding the word “and” at the end of clause (q) and adding the following as clause (r):

“(r) the unwinding of the Hedging Agreements in connection with the Permitted Convertible Note Debt entered into by Parent on or about the Second Amendment Effective Date in accordance with their terms in connection with the payment, repurchase or conversion of the Permitted Convertible Notes;”

E. The proviso at the end of the definition of “Permitted Asset Disposition” in **Section 1.1** of the Loan Agreement is hereby amended and restated by deleting it in its entirety and replacing it with the following:

“provided, however, that any Asset Disposition of any Obligor pursuant to clauses (a), (b), (f), (g), (h), (j), (n), (p) or (r) shall be for fair market value in all material respects.”

F. **Section 1.1** of the Loan Agreement is hereby amended by deleting the definition of “Refinancing Debt” and replacing it with the following:

“Refinancing Debt: Borrowed Money that is the result of an extension, renewal or refinancing of Debt permitted under **Section 10.2.1(b), (d), (f), (n) or (v)**.”

G. The introductory paragraph in **Section 10.1.9(a)** of the Loan Agreement is hereby amended and restated by deleting it in its entirety and replacing it with the following:

“(a) Upon the formation (by Division or otherwise) or acquisition of any new direct or indirect wholly-owned Subsidiary by any Obligor, and, if such Person is not an IP Subsidiary or a Foreign Subsidiary or a Qualified CFC Holding Company (other than a wholly-owned Subsidiary organized under the laws of Canada or a province or territory thereof which shall be caused to guaranty the Canadian Obligations), then Parent shall, at Parent’s expense:”

H. The introductory paragraph in **Section 10.1.9(b)** of the Loan Agreement is hereby amended and restated by deleting it in its entirety and replacing it with the following:

“(b) Upon the formation (by Division or otherwise) or acquisition of any new direct or indirect non wholly-owned Subsidiary by any Obligor, and, if such Person is not a Foreign Subsidiary or a Qualified CFC Holding Company (in each case, other than a Subsidiary of a Canadian Obligor organized under the laws of Canada or a province of territory thereof), then Parent shall, at Parent’s expense:”

I. **Section 10.2.1** of the Loan Agreement is hereby amended by deleting the word “and” at the end of clause (t), amending and restating clause (u) thereof as follows and adding clause (v) thereto as follows:

“(u) other unsecured Debt (i) in an aggregate principal amount at any one time outstanding not to exceed an amount equal to \$500,000,000 minus the outstanding principal amount of the Permitted Convertible Notes at such time, (ii) pursuant to loan agreements, indentures or other documentation having covenants and other terms with respect to the Obligors that are no more restrictive in any material respect than those in this Agreement, and (iii) with a maturity date after the Revolver Termination Date; and

(v) the Permitted Convertible Note Debt.”

J. **Section 10.2.4** of the Loan Agreement is amended by deleting the word “and” at the end of clause (c) and adding the following clause (e) at the end of clause (d) as follows: “; and (e) Permitted Share Repurchases and, for the avoidance of doubt, (A) payments on or about the Second Amendment Effective Date pursuant to the Hedging Agreements entered into in connection with the Permitted Convertible Note Debt, and (B) the settlement of any related Hedging Agreement entered into in connection with the Permitted Convertible Note Debt under which Parent may be obligated to deliver common Equity Interests of the Parent, including (i) by delivery of common Equity Interests of the Parent or (ii) by (x) payment of a net amount in cash in respect of any early termination or maturity of any Hedging Agreement entered into in connection with the Permitted Convertible Note Debt or (y) delivery of common Equity Interests of the Parent or payment of a net amount in cash upon an early termination or maturity of any such Hedging Agreement;”

K. **Section 10.2.8** of the Loan Agreement is amended by amending and restating clause (iv) thereof as follows:

“(iv) payments of or in respect of such Borrowed Money by any combination of (x) the issuance of the common stock of Parent, (y) cash payments in lieu of fractional Equity Interests in connection therewith, and (z) the making of any Distribution, or other payment, permitted by **Section 10.2.4** hereof, including, without limitation, in connection with the conversion of the Permitted Convertible Note Debt,”

L. **Section 10.2.14(f)** of the Loan Agreement is hereby amended and restated by deleting it in its entirety and replacing it with the following:

“(f) relating to the Debt permitted under **Section 10.2.1(c), (i), (r), (u) or (v);**”

M. **Section 10.2.15** of the Loan Agreement is hereby amended by adding the following language after the phrase “not for speculative purposes” in **Section 10.2.15**:

“; it being understood that for avoidance of doubt, the Permitted Convertible Note Documents shall be permitted under this **Section 10.2.15.**”

II. **CONDITIONS TO EFFECTIVENESS.** The effectiveness of this Agreement is subject to delivery to Agent of a fully executed copy of this Agreement signed by Borrowers, Guarantors, Agent and Required Lenders.

III. MISCELLANEOUS.

A. Survival of Representations and Warranties. All representations and warranties made in the Loan Agreement or any other document or documents relating thereto, including, without limitation, any Loan Document furnished in connection with this Agreement, shall survive the execution and delivery of this Agreement and the other Loan Documents, and no investigation by Agent or the Lenders shall affect the representations and warranties or the right of the Lenders or Agent to rely thereon.

B. Reference to Loan Agreement. The Loan Agreement, each of the Loan Documents, and any and all other agreements, documents or instruments now or hereafter executed and delivered pursuant to the terms hereof, or pursuant to the terms of the Loan Agreement as amended hereby, are hereby amended so that any reference therein to the Loan Agreement shall mean a reference to the Loan Agreement as amended hereby.

C. Loan Agreement Remains in Effect. The Loan Agreement and the Loan Documents, as amended hereby, remain in full force and effect and each Borrower and each Guarantor ratifies and confirms its agreements and covenants contained therein. Each Borrower and each Guarantor hereby confirms that to the best of its knowledge no Event of Default or Default exists.

D. Severability. Any provision of this Agreement held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

E. Counterparts; Facsimile. This Agreement may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument. Delivery of an executed counterpart to this Agreement by facsimile or other electronic means (including in “.pdf” or “.tif” format) shall be effective as an original.

F. Headings. The headings, captions and arrangements used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

G. NO ORAL AGREEMENTS. THIS AGREEMENT, TOGETHER WITH THE OTHER LOAN DOCUMENTS AS WRITTEN, REPRESENTS THE FINAL AGREEMENT BETWEEN LENDERS, AGENT, BORROWERS AND GUARANTORS AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN AGENT, LENDERS, BORROWERS AND GUARANTORS.

H. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS); PROVIDED, HOWEVER, THAT IF THE LAWS OF

ANY JURISDICTION OTHER THAN CALIFORNIA SHALL GOVERN IN REGARD TO THE VALIDITY, PERFECTION OR EFFECT OF PERFECTION OF ANY LIEN OR IN REGARD TO PROCEDURAL MATTERS AFFECTING ENFORCEMENT OF ANY LIENS IN COLLATERAL, SUCH LAWS OF SUCH OTHER JURISDICTIONS SHALL CONTINUE TO APPLY TO THAT EXTENT.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by its authorized officers as of the day and year first above written.

OBLIGORS:

GUESS?, INC.,
a Delaware corporation,
as a U.S. Borrower and Guarantor

By: /s/ Sandeep Reddy
Name: Sandeep Reddy
Title: Chief Financial Officer

GUESS? RETAIL, INC.,
a Delaware corporation,
as a U.S. Borrower and Guarantor

By: /s/ Sandeep Reddy
Name: Sandeep Reddy
Title: Chief Financial Officer

GUESS.COM, INC.,
a Delaware corporation,
as a U.S. Borrower and Guarantor

By: /s/ Sandeep Reddy
Name: Sandeep Reddy
Title: Chief Financial Officer and Treasurer

GUESS? CANADA CORPORATION,
a company amalgamated under the laws of the province of
Nova Scotia, Canada, as Canadian Borrower

By: /s/ Sandeep Reddy
Name: Sandeep Reddy
Title: Chief Financial Officer

GUESS? VALUE LLC,
a Virginia limited liability company,
as Guarantor

By: /s/ Sandeep Reddy
Name: Sandeep Reddy
Title: Chief Financial Officer and Treasurer

[Signature page to Amendment Number Two to Loan, Guaranty and Security Agreement]

AGENT AND LENDERS:

BANK OF AMERICA, N.A.,
as Agent and a U.S. Lender

By: /s/ Phuong Nguyen

Name: Phuong Nguyen

Title: Senior Vice President

BANK OF AMERICA, N.A.
(acting through its Canada branch),
as a Canadian Lender

By: /s/ Sylwia Durkiewicz

Name: Sylwia Durkiewicz

Title: Vice President

BANK OF THE WEST,
as a U.S. Lender

By: /s/ Shikha Rehman

Name: Shikha Rehman

Title: Director

BANK OF THE WEST,
as a Canadian Lender

By: /s/ Shikha Rehman

Name: Shikha Rehman

Title: Director

**HSBC BANK USA, NATIONAL
ASSOCIATION,**
as a U.S. Lender

By: /s/ Kevin Toda

Name: Kevin Toda

Title: SVP

**HSBC BANK USA, NATIONAL
ASSOCIATION,**
as a Canadian Lender

By: /s/ Kevin Toda

Name: Kevin Toda

Title: SVP

GUESS?, INC. ANNOUNCED OFFERING OF \$250.0 MILLION OF CONVERTIBLE SENIOR NOTES, WITH SUBSTANTIALLY ALL OF THE NET PROCEEDS TO BE USED FOR SHARE REPURCHASES, AND INTENTION TO REDUCE QUARTERLY CASH DIVIDEND

- **Guess? intends to initiate an accelerated share repurchase program of \$150 million or more and up to \$50 million of open-market and/or privately negotiated share repurchases concurrent with the offering of the notes, all dependent on final pricing terms of the notes and related transactions**
- **Guess? expects to reduce its quarterly cash dividend from \$0.225 to \$0.1125 per share in order to redeploy capital and return incremental value to shareholders through share repurchases**
- **Guess? intends to enter into bond hedge and warrant transactions with a warrant strike price expected to be not less than a 100% premium to the Company's stock price at the time of pricing of the notes, which are generally intended to limit potential dilution from the offering**
- **Guess? intends to settle conversions in cash up to the principal amount and in shares for any excess**
- **The \$250 million offering may be expanded if a greenshoe option is exercised by the initial purchaser to increase the transaction size by up to 15% or an incremental \$37.5 million**

LOS ANGELES, Calif. – April 22, 2019 – Guess?, Inc. (NYSE: GES) (the “Company”) announced today that it proposes to offer \$250.0 million aggregate principal amount of convertible senior notes due 2024 (the “Notes”), subject to market and other customary conditions, in a private placement. In addition, the Company intends to grant to the initial purchaser of the Notes the right to purchase up to an additional \$37.5 million aggregate principal amount of the Notes, exercisable within a 30-day period, solely to cover over-allotments. The Notes will be offered by the initial purchaser solely to qualified institutional buyers pursuant to Rule 144A of the Securities Act of 1933, as amended (the “Securities Act”).

Overview

The Company announced that it intends to use substantially all of the net proceeds from the offering of the Notes, after effecting the convertible note hedge transactions described below, to effect share repurchases. The Company announced that it intends to purchase approximately \$50 million of common stock, including from purchasers of the Notes in privately negotiated transactions concurrently with the pricing of the Notes for settlement upon the closing of the offering and in open-market purchases at prevailing market rates promptly following the pricing of the Notes. Shortly following the closing of the offering, the Company intends to use substantially all of the remaining net proceeds from the offering of the Notes, after effecting the convertible note hedge transactions described below, to effect additional share repurchases through an accelerated share repurchase program of \$150 million or more. See “Expected Use of Proceeds of the Offering of Notes—Share Repurchases” below.

Additionally, the Company announced that it expects to reduce its quarterly cash dividend from \$0.225 per share to \$0.1125 per share to redeploy capital and return incremental value to stockholders through share repurchases. The Company intends to expand its share repurchase efforts, including by using substantially all of the net proceeds from the offering of Notes, after effecting the convertible note hedge transactions described below, to repurchase shares of the Company's common stock as described herein. See “Intention to Reduce Future Quarterly Cash Dividend” below.

The Company also announced that it intends to enter into certain bond hedge and warrant transactions, which are generally intended to limit the potential dilution from the offering of the Notes. See “Certain Concurrent Transactions” below.

Expected Terms of the Notes

The Notes will be convertible in certain circumstances into cash, shares of the Company's common stock or a combination of cash and shares of common stock, at the Company's election. If and when issued, the Notes will be unsecured senior obligations of the Company. The initial conversion rate, interest rate and certain other terms of the Notes will be determined at the time of the pricing of the offering. The Notes will pay interest semi-annually in arrears on April 15 and October 15 of each year, beginning on October 15, 2019. The Notes will mature on April 15, 2024, unless earlier repurchased or converted in accordance with their terms.

Expected Use of Proceeds of the Offering of Notes

Share Repurchases

After effectuating the convertible note hedge transactions described below, the Company intends to use substantially all of the remaining net proceeds from the Notes offering to repurchase at least \$200.0 million of its common stock (inclusive of the transactions described above).

Such repurchase transactions are expected to be effected (i) concurrently with the pricing of the Notes, by repurchases from purchasers of the Notes in privately negotiated transactions through the initial purchaser or its affiliate, as the Company's agent, for settlement concurrently with the closing of the Notes offering (or, in lieu of effecting a portion of such privately negotiated repurchases, the Company may use the offering proceeds that would have been used to settle such portions of such privately negotiated repurchases to offset cash on hand spent to repurchase shares in the open market as described above); and (ii) shortly following the closing of the offering, through an accelerated share repurchase program (the "ASR") and in any open market or other transactions from time to time in the future, each pursuant to the Company's previously announced \$500 million share repurchase program. The Company expects the purchase price per share of the common stock repurchased in the privately negotiated transactions to equal the closing sale price per share of the common stock on the date of the pricing of the offering of the Notes. The Company expects to enter into the ASR with certain financial institutions (in such capacity, the "ASR counterparty") shortly following the closing of the Notes offering.

After effectuating the convertible note hedge transactions described below, the Company expects to use substantially all of the remaining net proceeds from the offering of the Notes to repurchase shares of its common stock, including through the ASR and in privately negotiated, open market or other transactions from time to time. The Company intends to use any remaining net proceeds from the offering of the Notes, if any, for general corporate purposes, including, but not limited to, repayment of indebtedness and for working capital; provided that the Company has not designated any specific uses and has no current agreements or commitments with respect to any material acquisition or strategic transaction. Pending any specific application, the Company may invest the remaining net proceeds from the offering of the Notes in short- and long-term marketable securities.

In connection with the ASR, the Company has been advised that the ASR counterparty expects to purchase shares of the Company's common stock in secondary market transactions and/or execute other transactions in the Company's common stock, or in derivative transactions relating to the Company's common stock, during the term of the ASR.

The purchase price per share of the common stock repurchased through the ASR will generally be equal to the average volume-weighted average price of the Company's common stock during the term of the ASR. The exact number of shares repurchased pursuant to the ASR will be determined based on such purchase price. Any such share repurchases may increase, or prevent a decrease in, the market price of the Company's common stock or the Notes.

Concurrent Transactions

The Company also expects to use a portion of the net proceeds from the offering of the Notes to pay the cost of the convertible note hedge transactions described below (after such cost is partially offset by the proceeds from the sale of warrants pursuant to the warrant transactions described below).

Other Matters

These activities and the Company's repurchases of shares of its common stock may cause or avoid an increase or a decrease in the market price of the Company's common stock or the Notes, which could affect the ability of holders to convert the Notes, and, to the extent the activity occurs during any observation period related to a conversion of Notes, it could affect the amount and value of the consideration that the holders will receive upon conversion of the Notes.

Intention to Reduce Future Quarterly Cash Dividend

The Company also announced today that its Board of Directors intends to reduce future quarterly cash dividends that may be paid to holders of the Company's common stock, when, as and if any such dividend is declared by the Board of Directors, from \$0.225 per share to \$0.1125 per share to redeploy capital and return incremental value to shareholders through share repurchases. In line with a balanced combination of dividend payments and share repurchases, the Company intends to expand its share repurchase efforts, including by using substantially all of the proceeds from the offering of Notes, after effecting the convertible note hedge transactions described below, to repurchase shares of the Company's common stock as described herein. Decisions on whether, when and in which amounts to continue making any future dividend distributions will remain at all times entirely at the discretion of our Board of Directors, which reserves the right to change or terminate our dividend practices at any time and for any reason without prior notice.

Certain Concurrent Transactions

In connection with the pricing of the Notes, the Company also intends to enter into convertible note hedge and warrant transactions with the initial purchaser or its affiliates and/or other financial institutions (the "hedge counterparties"). The convertible note hedge transactions will cover the number of shares of common stock that will initially underlie the Notes, subject to anti-dilution adjustments substantially similar to those applicable to the Notes, and are expected to generally reduce the potential dilution with respect to the Company's common stock upon conversion of the Notes and/or to offset any cash payments the Company is required to make in excess of the principal amount of converted Notes, as the case may be. The warrants will relate to the same number of shares of common stock as underlies the Notes, subject to customary anti-dilution adjustments. The warrant transactions could separately have a dilutive effect with respect to the Company's common stock to the extent that the market price per share of the common stock exceeds the strike price of the warrants. If the initial purchaser exercises its over-allotment option, the Company may enter into additional convertible note hedge and warrant transactions in corresponding amounts.

The Company has been advised that, in connection with establishing their initial hedge positions with respect to the convertible note hedge and warrant transactions, the hedge counterparties or their respective affiliates expect to purchase shares of the common stock and/or enter into various derivative transactions with respect to the Company's common stock concurrently with, or shortly after, the pricing of the Notes. These activities could result in an increase, or prevent a decrease in, the market price of the common stock or the Notes.

In addition, the hedge counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to the Company's common stock and/or purchasing or selling common stock or other securities of the Company in secondary market transactions following the pricing of the Notes and prior to the maturity of the Notes (and are likely to do so during any observation period related to a conversion of Notes). This activity could also cause or avoid an increase or a decrease in the market price of the Company's common stock or the Notes, which could affect the ability of holders to convert the Notes, and, to the extent the activity occurs during any observation period related to a conversion of Notes, could affect the number of shares and value of the consideration that holders receive upon conversion of the Notes.

Other Matters

The offer and sale of the Notes and the issuance of shares of common stock, if any, issuable upon conversion of the Notes have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction, and the Notes and such shares may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

This press release does not and shall not constitute an offer to sell nor the solicitation of an offer to buy any securities of the Company, nor shall there be any sale of any such securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful.

Notice Regarding Forward-Looking Statements

This press release includes certain forward-looking statements related to the Company within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, including all statements regarding the proposed offering of the Notes, the other transactions described in this press release and the anticipated use of proceeds, including the proposed share repurchases, are forward-looking statements. These statements are based on management's current estimates, assumptions, expectations or beliefs and are subject to uncertainty and changes in circumstances. These forward-looking statements are estimates reflecting the judgment of the Company's senior management, and actual results may vary materially from those expressed or implied by the forward-looking statements herein.

The statements in this press release are made as of the date of this press release. The Company undertakes no obligation to update information contained in this press release, except as may be required by law. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. For further information regarding risks and uncertainties associated with the Company's businesses, please refer to the section entitled "Risk Factors" in the Company's Securities and Exchange Commission (the "SEC") filings, including, but not limited to, its Annual Report on Form 10-K for the year ended February 2, 2019, a copy of which is on file with the SEC and available on the SEC's website at www.sec.gov.

About Guess?, Inc.

Guess?, Inc. designs, markets, distributes and licenses a lifestyle collection of contemporary apparel, denim, handbags, watches, footwear and other related consumer products. Guess? products are distributed through branded Guess? stores as well as better department and specialty stores around the world. As of February 2, 2019, the Company directly operated 1,161 retail stores in the Americas, Europe and Asia. The Company's licensees and distributors operated 558 additional retail stores worldwide. As of February 2, 2019, the Company and its licensees and distributors operated in approximately 100 countries worldwide.

Contact Information:

Guess?, Inc.
Fabrice Benarouche
VP, Finance and Investor Relations
(213) 765-5578

GUESS?, INC. REAFFIRMS OUTLOOK FOR FIRST QUARTER OF FISCAL 2020

LOS ANGELES, Calif. – April 22, 2019 – On March 20, 2019, Guess?, Inc. (NYSE: GES) (the “Company”) reported preliminary financial results for the three months and twelve months ended February 2, 2019, including the Company’s outlook for the first quarter of Fiscal 2020. Based on current quarter-to-date trends, where the Company has identified relative strengths in Europe and the Americas offset by softness in Asia, compared to its initial outlook, the Company is reaffirming its total Company outlook for the Fiscal 2020 first quarter ending May 4, 2019.

The Company’s actual results may differ materially from these estimates due to the time remaining in the quarter, completion of its financial closing procedures, final adjustments and other developments that may arise between now and the time the financial results for the Company’s first quarter are finalized.

The Company will update its Fiscal 2020 Full Year guidance including the impact from the Company’s proposed convertible debt offering and related transactions when it reports its Fiscal 2020 first quarter results for the period ending May 4, 2019.

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This press release includes certain forward-looking statements related to the Company within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, including all statements regarding the outlook for the Fiscal 2020 first quarter ending May 4, 2019 are forward-looking statements. These statements are based on management’s current estimates, assumptions, expectations or beliefs and are subject to uncertainty and changes in circumstances. These forward-looking statements are estimates reflecting the judgment of the Company’s senior management, and actual results may vary materially from those expressed or implied by the forward-looking statements herein.

The statements in this press release are made as of the date of this press release. The Company undertakes no obligation to update information contained in this press release, except as may be required by law. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. For further information regarding risks and uncertainties associated with the Company’s businesses, please refer to the section entitled “Risk Factors” in the Company’s Securities and Exchange Commission (the “SEC”) filings, including, but not limited to, its Annual Report on Form 10-K for the year ended February 2, 2019, a copy of which is on file with the SEC and available on the SEC’s website at www.sec.gov.

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DESCRIPTION OF CAPITAL STOCK

References to “we,” “us” and “our” refer to Guess?, Inc. only and not to any of its subsidiaries.

The following descriptions of our capital stock and certain provisions of our Restated Certificate of Incorporation (“Restated Certificate”) and Third Amended and Restated Bylaws (“Bylaws”) are summaries only. For more detailed information, see our Restated Certificate and Bylaws, which are filed as exhibits to reports we file with the SEC, and the Delaware General Corporation Law (“DGCL”).

Authorized Capitalization

Our authorized capital stock consists of 150,000,000 shares of common stock, par value \$0.01 per share, and 10,000,000 shares of preferred stock, par value \$0.01 per share. As of February 2, 2019, there were 81,379,660 shares of common stock outstanding and no shares of preferred stock outstanding.

Common Stock

Voting Rights

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of the stockholders, including the election of directors. Our directors are elected by a plurality of the votes cast by stockholders entitled to vote on the election of directors. All other matters to be voted on by stockholders must be approved by a majority of the votes entitled to be cast by the holders of common stock present in person or represented by proxy, subject to any voting rights granted to holders of any preferred stock, if any.

There are no cumulative voting rights for the election of directors. Accordingly, holders of a majority of the shares of common stock entitled to vote in any election of directors may elect all of the directors standing for election.

Dividends

Subject to preferences that may be applicable to any preferred stock outstanding at the time, holders of common stock are entitled to receive dividends ratably, if any, as may be declared from time to time by our board of directors out of legally available funds.

Liquidation

In the event of our liquidation, dissolution or winding up, holders of common stock are entitled to share ratably in all assets remaining after payment of our liabilities and the liquidation preference, if any, of any outstanding shares of preferred stock.

Other Rights

Holders of common stock have no preemptive rights and no rights to convert their common stock into any other securities and there are no redemption provisions with respect to such shares. All of the outstanding shares of common stock are fully paid and non-assessable. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock which we may designate and issue in the future.

Exchange Listing

Our common stock currently trades on the New York Stock Exchange under the symbol “GES.”

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Preferred Stock

Our Restated Certificate provides that our Board of Directors, without further action by the stockholders, may issue shares of the preferred stock in one or more series and may fix or alter the relative, participating, optional or other rights, preferences, privileges and restrictions, including the voting rights, redemption provisions (including sinking fund provisions), dividend rights, dividend rates, liquidation preferences and conversion rights, and the description of and number of shares constituting any wholly unissued series of preferred stock.

The Board of Directors, without further action by the stockholders, can issue preferred stock with voting and conversion rights which could adversely affect the voting power of the holders of common stock. The issuance of preferred stock in certain circumstances may have the effect of delaying or preventing a change of control of us without further action by the stockholders, may discourage bids for our common stock at a premium over the market price of the common stock and may adversely affect the market price and the voting and other rights of the holders of common stock.

No shares of preferred stock presently are outstanding, and we currently have no plans to issue shares of preferred stock.

Anti-Takeover Effects of Delaware Law and Our Restated Certificate and Bylaws

Our Restated Certificate and our Bylaws contain provisions that may delay, defer or discourage another party from acquiring control of us and may make it more difficult to acquire control of us by means of a tender offer, open market purchases, a proxy contest or otherwise. We expect that these provisions, which are summarized below, will discourage coercive takeover practices or inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our Board of Directors, which we believe may result in an improvement of the terms of any such acquisition in favor of our stockholders. However, they also give our Board of Directors the power to discourage acquisitions that some stockholders may favor.

Classified Board of Directors

Our Restated Certificate provides that our Board of Directors, other than those directors elected by the holders of any series of preferred stock, will be divided into three classes, with staggered three-year terms. Only one class of directors is elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Because our stockholders do not have cumulative voting rights, our stockholders holding a majority of the shares of common stock outstanding will be able to elect all of our directors. At least two annual meetings of stockholders, instead of one, generally will be required to change the majority of our board of directors. A third party may be discouraged from making a tender offer or otherwise attempting to obtain control of us as it is more difficult and time-consuming for stockholders to replace a majority of the directors on a classified board.

Removal of Directors Only for Cause

Our Restated Certificate provides that, except for any director elected by the holders of any series of preferred stock, directors can be removed only for cause and only by the affirmative vote of the holders of a majority of the outstanding shares then entitled to vote.

Supermajority Vote to Amend Certificate of Incorporation and Bylaws

Our Restated Certificate provides that the approval of at least two-thirds of the outstanding shares of our common stock is required to amend certain provisions of our Restated Certificate. Our Restated Certificate and our Bylaws provide that the approval of holders of at least two-thirds of the outstanding shares of our common stock is required to amend our Bylaws. Our Bylaws may also be amended by a majority of our Board of Directors.

No Cumulative Voting

The DGCL provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless a corporation's certificate of incorporation specifically authorizes cumulative voting. Our Restated Certificate and Bylaws do not provide for cumulative voting. Therefore, stockholders holding a majority of the shares of common stock outstanding will be able to elect all of our directors.

No Stockholder Action by Written Consent

Our Restated Certificate provides that any action required or permitted to be taken by our stockholders may be effected only at a duly called annual or special meeting of stockholders.

Special Meeting of Stockholders

Our Restated Certificate and Bylaws provide that special meetings of the stockholders of the Company may be called only by the Chairman of the Board of Directors, the Chief Executive Officer or the President of the Company. Stockholders are not permitted to call a special meeting or require our Board of Directors to call a special meeting.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

Our Bylaws provide that stockholders seeking to bring business before or to nominate directors at any meeting of stockholders must provide timely notice thereof in writing. To be timely, a stockholder's notice must be delivered to, or mailed and received at, the principal executive offices of the Company (i) in the case of any annual meeting, not less than 60 days nor more than 90 days prior to the anniversary date of the immediately preceding annual meeting of stockholders; *provided, however*, that in the event that the annual meeting is called for a date that is not within 30 days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth day following the day on which notice of the date of the annual meeting was mailed or public disclosure of the date of the annual meeting was made, whichever first occurs and (ii) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs. The Bylaws also specify certain requirements for a stockholder's notice to be in proper written form. These provisions may preclude some stockholders from bringing matters before the stockholders or from making nominations for directors.

Blank Check Preferred Stock

As discussed above under "Preferred Stock", our Board of Directors has the ability to issue preferred stock without further action by the stockholders. The existence of authorized but unissued shares of preferred stock may enable our Board of Directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or otherwise. For example, if in the due exercise of its fiduciary obligations, our Board of Directors were to determine that a takeover proposal is not in the best interest of us and our stockholders, our Board of Directors could cause shares of preferred stock to be issued without

stockholder approval in one or more private offerings or other transactions that might dilute the voting or other rights of the proposed acquirer or insurgent stockholder or stockholder group. In this regard, our Restated Certificate grants our Board of Directors broad power to establish the rights and preferences of authorized and unissued shares of preferred stock. The issuance of shares of preferred stock could decrease the amount of earnings and assets available for distribution to holders of shares of common stock. The issuance may also adversely affect the rights and powers, including voting rights, of these holders and may have the effect of delaying, deterring or preventing a change in control of us.

Authorized but Unissued Shares

Under Delaware law, our authorized but unissued shares of common stock are available for future issuance without stockholder approval. We may use these additional shares for a variety of corporate purposes, including future public or private offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of common stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Section 203 of the Delaware General Corporate Law

Our Restated Certificate does not opt out of Section 203 of the DGCL. Subject to certain exceptions, Section 203 prohibits a publicly-held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a three-year period following the time that such stockholder became an interested stockholder, unless the business combination is approved in a prescribed manner. A “business combination” includes, among other things, a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. An “interested stockholder” generally, and subject to certain exceptions, includes a person who, together with affiliates and associates, owns, or did own within three years prior to the determination of interested stockholder status, 15% or more of the corporation’s voting stock. Under Section 203, such a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following three conditions:

- before the stockholder became interested, the board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans in some instances; or
- at or after the time the stockholder became interested, the business combination was approved by the board of directors of the corporation and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

Choice of Forum

Our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be, to the fullest extent permitted by law, the sole and exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the DGCL, the Restated Certificate or the Bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine.

The overall effect of the foregoing provisions may be to deter a future tender offer. Stockholders might view such an offer to be in their best interest should the offer include a substantial premium over the market price

of our common stock at that time. In addition, these provisions may have the effect of assisting our management to retain its position and place it in a better position to resist changes that the stockholders may want to make if dissatisfied with the conduct of our business.

Limitation on Liability of Directors

The DGCL provides that a Delaware corporation may include provisions in its certificate of incorporation relieving each of its directors of monetary liability arising out of his or her conduct as a director for breach of his or her fiduciary duty except liability for (i) any breach of such director's duty of loyalty to the corporation or its stockholders, (ii) acts or omissions that are not in good faith or involve intentional misconduct or a knowing violation of law, (iii) conduct violating Section 174 of the DGCL (which section relates to unlawful distributions) or (iv) any transaction from which a director derived an improper personal benefit. The Restated Certificate includes such provisions.

To the fullest extent permitted by the DGCL, as amended from time to time, our Restated Certificate and Bylaws provide that we shall indemnify and advance expenses to each of our currently acting and former directors and officers, and we may so indemnify and advance expenses to each of our current and former employees and agents. In addition to the indemnification in our Restated Certificate and Bylaws, we have entered into indemnification agreements with certain of our current directors and officers. These agreements provide for indemnification for all reasonable expenses and liabilities incurred in connection with any action or proceeding brought against them by reason of the fact that they are or were our agents.

We believe that the foregoing provisions, as well as our maintaining directors' and officers' liability insurance, help to attract and retain qualified persons as directors.