SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 29, 2002

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

COMMISSION FILE NUMBER 001-13057

POLO RALPH LAUREN CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	13-2622036
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
650 MADISON AVENUE, NEW YORK, NEW YORK	10022
(Address of principal executive offices)	(Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE
212-318-7000

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

At August 7, 2002 44,567,861 shares of the registrant's Class A Common Stock, $.01 par value, were outstanding, 43,280,021 shares of the registrant's Class B Common Stock, $.01 par value, were outstanding and 10,570,979 shares of the registrant's Class C Common Stock, $.01 par value were outstanding.

POLO RALPH LAUREN CORPORATION

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POLO RALPH LAUREN CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

	JUNE 29, 2002	MARCH 30, 2002
	(UNAUDITED)	
	(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 371,623	$ 244,733
Accounts receivable, net of allowances of $7,522 and $13,175	208,363	353,608
Inventories	384,865	349,818
Deferred tax assets	21,091	17,897
Prepaid expenses and other	52,859	42,001
TOTAL CURRENT ASSETS	1,038,801	1,008,057
Property and equipment, net	341,519	343,836
Deferred tax assets	64,076	58,127
Goodwill, net	289,430	273,348
Other assets, net	68,797	66,129
	$1,802,623	$1,749,497
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short term bank borrowings	$ 124,887	$ 32,988
Accounts payable	159,952	177,472
Income taxes payable	58,608	52,819
Accrued expenses and other	148,393	128,492
TOTAL CURRENT LIABILITIES	491,840	391,771
Long-term debt	225,475	285,414
Other noncurrent liabilities	79,090	74,117
Stockholders' equity		
Common Stock Class A, par value $.01 per share; 500,000,000 shares authorized; 35,688,098 and 34,948,730 shares issued	363	361
Class B, par value $.01 per share; 100,000,000 shares authorized; 43,280,021 shares issued and outstanding	433	433
Class C, par value $.01 per share; 70,000,000 shares authorized; 22,720,979 shares issued and outstanding	227	227
Additional paid-in-capital	494,402	490,337
Retained earnings	608,584	602,124
Treasury Stock, Class A, at cost (3,887,094 and 3,771,806 shares)	(73,555)	(73,246)
Accumulated other comprehensive loss	(22,194)	(19,799)
Unearned compensation	(2,042)	(2,242)
TOTAL STOCKHOLDERS' EQUITY	1,006,218	998,195
	$1,802,623	$1,749,497

See accompanying notes to consolidated financial statements.

POLO RALPH LAUREN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)		
Net sales	$ 413,866	$ 461,058
Licensing revenue	53,134	56,771
NET REVENUES	467,000	517,829
Cost of goods sold	234,396	255,468
GROSS PROFIT	232,604	262,361
Selling, general and administrative expenses	214,916	208,773
INCOME FROM OPERATIONS	17,688	53,588
Foreign currency loss (gain)	3,531	(2,827)
Interest expense, net	3,984	5,924
INCOME BEFORE INCOME TAXES	10,173	50,491
Income tax provision	3,713	19,440
NET INCOME	$ 6,460	$ 31,051
Net income per share -- Basic	$ 0.07	$ 0.32
Net income per share -- Diluted	$ 0.07	$ 0.32
Weighted average common shares outstanding -- Basic	98,161,220	97,108,788
Weighted average common shares outstanding -- Diluted	99,333,199	98,493,077

See accompanying notes to consolidated financial statements.

POLO RALPH LAUREN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
	(IN THOUSANDS) (UNAUDITED)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 6,460	$ 31,051
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	18,462	20,923
Provision for (Benefit from) deferred income taxes	3,384	(393)
Provision for losses on accounts receivable	446	357
Foreign currency losses (gains)	3,531	(2,827)
Other	(11,202)	(3,363)
Changes in assets and liabilities, net of acquisitions		
Accounts receivable	152,138	28,401
Inventories	(20,251)	(23,143)
Prepaid expenses and other	(7,116)	59
Other assets	(146)	1,368
Accounts payable	(22,726)	12,967
Income taxes payable (receivable)	5,789	41,985
Accrued expenses and other	(469)	(23,287)
NET CASH PROVIDED BY OPERATING ACTIVITIES	128,300	84,098
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(12,495)	(16,237)
Increase (decrease) in cash surrender value -- officers' life insurance	775	(837)
NET CASH USED IN INVESTING ACTIVITIES	(11,720)	(17,074)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchases of common stock	(309)	--
Proceeds from issuance of common stock	4,067	10,114
Proceeds from (Repayments of) short term borrowings, net	9,314	(48,665)
Repayments of long-term debt	(7,746)	--
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	5,326	(38,551)
Effect of exchange rate changes on cash	4,984	(1,091)
Net increase (decrease) in cash and cash equivalents	126,890	27,382
Cash and cash equivalents at beginning of period	244,733	102,219
Cash and cash equivalents at end of period	$371,623	$129,601

See accompanying notes to consolidated financial statements.

POLO RALPH LAUREN CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
(IN THOUSANDS) (UNAUDITED)		
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest....................................	$ 1,667	$1,848
Cash paid for income taxes................................	$11,723	$1,417

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(INFORMATION FOR JUNE 29, 2002 AND JUNE 30, 2001 IS UNAUDITED)
(IN THOUSANDS, EXCEPT WHERE OTHERWISE INDICATED)

1. BASIS OF PRESENTATION AND ORGANIZATION

(A) BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements include the accounts of Polo Ralph Lauren Corporation ("PRLC") and its wholly and majority owned subsidiaries (collectively referred to as the "Company", "we", "us", and "our"). The consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosure normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted from this report as is permitted by such rules and regulations however, the Company believes that the disclosures are adequate to make the information presented not misleading. The consolidated balance sheet data for March 30, 2002 is derived from the audited financial statements which are included in the Company's report on fiscal 2002 Form 10-K, which should be read in conjunction with these financial statements.

Effective December 30, 2001, for reporting purposes the Company changed the fiscal year ends of its European subsidiaries as reported in the consolidated financial statements to the Saturday closest to March 31 to conform with the fiscal year end of the Company. Previously, certain of the European subsidiaries were consolidated and reported on a three-month lag with a fiscal year ending December 31. Accordingly, we have included the June 29, 2002 and March 30, 2002 balance sheets of our wholly owned European subsidiaries in the accompanying June 29, 2002 and March 30, 2002, consolidated balance sheets. We also have consolidated the results of operations of our wholly owned European subsidiaries for the three months ended June 29, 2002 and March 31, 2001 in the three months ended June 29, 2002 and June 30, 2001 consolidated statements of income and cash flows. Had certain of the European subsidiaries been consolidated on a consistent fiscal year basis for the three months ended June 30, 2001, net revenues would have been $473.3 million and net income would have been $15.7 million.

In the opinion of management, the accompanying unaudited consolidated financial statements contain all normal and recurring adjustments necessary to present fairly the consolidated financial condition, results of operations, and changes in cash flows of the Company for the interim periods presented.

(B) ACQUISITIONS

On October 31, 2001, the Company completed the acquisition of substantially all of the assets of PRL Fashions of Europe SRL ("PRL Fashions" or "Italian Licensee") which held licenses to sell our women's Ralph Lauren apparel in Europe, our men's and boys' Polo Ralph Lauren apparel in Italy and men's and women's Polo Jeans Co. collections in Italy. The purchase price of this transaction was approximately $22.0 million in cash plus the assumption of certain liabilities and earn-out payments based on achieving profitability targets over the first three years with a guaranteed minimum annual payment of $3.5 million each year.

The assets acquired of $15.1 million and liabilities assumed of $15.1 million were recorded at estimated fair values as determined by the Company's management based on information currently available. Goodwill of approximately $33.5 million has been recognized for the excess of the purchase price over the preliminary estimate of fair market value of the net assets acquired.

The Company is in the process of obtaining independent appraisals of the intangible assets acquired. Accordingly, the allocation of the purchase price is subject to revision, which is not expected to be material, based on the final determination of appraised and other fair values.

On October 22, 2001, we acquired the Polo Brussels SA store from one of our licensees. The purchase price of this transaction was approximately $3.0 million in cash, which was primarily allocated to goodwill. The sales and total assets were not material. The proforma effect of these two acquisitions on the historical results were not material.

Consistent with Statement of Financial Accounting Standards ("SFAS") No. 141, Business Combinations and SFAS No. 142, Goodwill and Other Intangible Assets, these acquisitions were accounted for as purchases and the goodwill recorded is not being amortized

2. RESTRUCTURING AND SPECIAL CHARGES

(A) 2001 OPERATIONAL PLAN

During the second quarter of fiscal 2001, we completed an internal operational review and formalized our plans to enhance the growth of our worldwide luxury retail business, to better manage inventory and to increase overall profitability (the "Operational Plan"). The major initiatives of the Operational Plan included: refining our retail strategy; developing efficiencies in our supply chain; and consolidating corporate strategic business functions and internal processes.

In connection with refining our retail strategy, we closed all 12 Polo Jeans Co. full-price retail stores and 11 under-performing Club Monaco retail stores. Costs associated with this aspect of the Operational Plan included lease and contract termination costs, store fixed asset write downs (primarily leasehold improvements of $21.5 million) and severance and termination benefits.

Additionally, as a result of changes in market conditions combined with our change in retail strategy in certain locations in which we operate full-price retail stores, we performed an evaluation of the recoverability of the assets of certain of these stores in accordance with Statements of Financial Accounting Standards ("SFAS") No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of. We concluded from the results of this evaluation that a significant permanent impairment of long-lived assets had occurred. Accordingly, we recorded a write down of these assets (primarily leasehold improvements) to their estimated fair value based on discounted future cash flows.

In connection with the implementation of the Operational Plan, we recorded a pretax restructuring charge of $128.6 million in our second quarter of fiscal 2001, subsequently adjusted for a $5.0 million reduction of liabilities in the fourth quarter of fiscal 2001. After extensive review of the Operational Plan, and changes in business conditions in certain markets in which we operate, we made adjustments to the Operational Plan in the fourth quarter of fiscal 2002. We recorded an additional $16.0 million of lease termination costs associated with the closure of our retail stores due to market factors that were less favorable than originally estimated. The major components of the charge and the activity through for the three months ended June 29, 2002 were as follows:

	SEVERANCE AND TERMINATION BENEFITS	LEASE AND CONTRACT TERMINATION COSTS	TOTAL
Balance at March 30, 2002	$807	$14,155	$14,962
2003 activity	(628)	(1,352)	(1,980)
Balance at June 29, 2002	$179	$12,803	$12,982

Total severance and termination benefits as a result of the Operational Plan related to approximately 550 employees, all of whom have been terminated. Total cash outlays related to the Operational Plan are expected to be approximately $40.7 million, $27.7 million of which have been paid through June 29, 2002. We completed the implementation of the Operational Plan in fiscal 2002 and expect to settle the remaining liabilities in fiscal 2003.

(B) 1999 RESTRUCTURING PLAN

During the fourth quarter of fiscal 1999, we formalized our plans to streamline operations within our wholesale and retail operations and reduce our overall cost structure (the "Restructuring Plan"). The major initiatives of the Restructuring Plan included the following: an evaluation of our retail operations and site locations; the realignment and operational integration of our wholesale operating units; and the realignment and consolidation of corporate strategic business functions and internal processes.

In connection with the implementation of the Restructuring Plan, we recorded a pretax restructuring charge of $58.6 million in our fourth quarter of fiscal 1999. The major components of the restructuring charge and the activity for the three months ended June 29, 2002 were as follows:

	LEASE AND CONTRACT TERMINATION COSTS	SEVERANCE AND TERMINATION BENEFITS	TOTAL
Balance at March 30, 2002	$1,456	$ 1,226	$ 2,682
2003 activity	(527)	(1,250)	(1,777)
Balance at June 29, 2002	$ 929	$ (24)	$ 905

Total severance and termination benefits as a result of the Restructuring Plan related to approximately 280 employees, all of whom have been terminated. Total cash outlays related to the Restructuring Plan are approximately $39.5 million, $38.6 million of which have been paid to date. We completed the implementation of the Restructuring Plan in fiscal 2000 and expect to settle the remaining liabilities in fiscal 2003.

3. INVENTORIES

Inventories are valued at lower of cost (first-in, first-out, "FIFO") or market and consist of the following:

	JUNE 29, 2002	MARCH 30, 2002
Raw materials	$ 9,066	$ 3,874
Work-in-process	8,541	5,469
Finished goods	367,258	340,475
	$384,865	$349,818

4. DERIVATIVE INSTRUMENTS

In June 2002, we entered into a cross currency rate swap, which terminates November 2006. The cross currency rate swap is being used to convert Euro 105.2 million, 6.125% fixed rate borrowings into $100.0 million, LIBOR plus 1.24% variable rate borrowings. We entered into the cross currency rate swap to minimize the impact of foreign exchange fluctuations in both principal and interest payments resulting from the Euro debt; and to minimize the impact of changes in the fair value of the Euro debt due to changes in LIBOR, the benchmark interest rate. The swap has been designated as a fair value hedge under SFAS 133. Hedge ineffectiveness is measured as the difference between the respective gains or losses recognized in earnings from the changes in the fair value of the cross currency rate swap and the Euro debt; and was de minimis for the three months ended June 29, 2002.

5. COMPREHENSIVE INCOME

For the three months ended June 29, 2002 and June 30, 2001, comprehensive income was as follows:

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
Net Income	$ 6,460	$31,051
Other comprehensive income (loss), net of taxes:		
Foreign currency translation adjustments	18,410	2,421
Cumulative transition adjustment gains, net	--	4,028
Unrealized losses on cash flow hedge contracts, net	(20,805)	(156)
Comprehensive Income	$ 4,065	$37,344

The income tax effect related to foreign currency translation adjustments, cumulative transition adjustment gains, net, and unrealized losses on cash flow hedge contracts, net, was a benefit of $1.4 million in the three months ended June 29, 2002, and an expense of $3.9 million in the three months ended June 30, 2001.

6. SEGMENT REPORTING

We have three reportable business segments: wholesale, retail and licensing. Our reportable segments are individual business units that offer different products and services. The segments are managed separately because each segment requires different strategic initiatives, promotional campaigns, marketing and advertising, based upon its own individual positioning in the market. Additionally, these segments reflect the reporting basis used internally by senior management to evaluate performance and the allocation of resources.

Our net revenues and income from operations for the three months ended June 29, 2002 and June 30, 2001, by segment were as follows:

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
NET REVENUES:		
Wholesale	$186,728	$245,173
Retail	227,139	215,885
Licensing	53,133	56,771
	$467,000	$517,829
INCOME (LOSS) FROM OPERATIONS:		
Wholesale	$(21,930)	$ 21,002
Retail	15,870	3,923
Licensing	23,748	28,663
	$ 17,688	$ 53,588

7. RECENTLY ISSUED PRONOUNCEMENTS

In July 2001, the Financial Accounting Standards Board, or "FASB", issued Statement of Financial Accounting Standards, or SFAS No. 141 and SFAS No. 142. In addition to requiring the use of the purchase method for all business combinations, SFAS No. 141 requires intangible assets that meet certain criteria to be

recognized as assets apart from goodwill. SFAS No. 142 addresses accounting and reporting standards for the acquisition of intangible assets outside of a business combination and for goodwill and other intangible assets subsequent to their acquisition. Intangible assets that have finite lives will continue to be amortized over their useful lives. SFAS No. 141 and SFAS No. 142 were effective for the Company's first quarter in the fiscal year ending March 29, 2003 or for any business combinations initiated after June 30, 2001.

Effective March 31, 2002, the Company adopted SFAS No. 142, Goodwill and Other Intangible Assets. This accounting standard requires that goodwill be separately disclosed from other intangible assets in the statement of financial position, and no longer be amortized but tested for impairment on a periodic basis.

In accordance with SFAS No. 142, the Company discontinued the amortization of goodwill effective March 31, 2002. A reconciliation of previously reported net income and earnings per share to the amounts adjusted for the exclusion of goodwill amortization net of the related income tax effect follows:

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
	(IN MILLIONS)	
Reported net income	$6,460	$31,051
Goodwill amortization, net of tax	0	1,255
Adjusted net income per share	$6,460	$32,306
Adjusted net income basic and diluted	$ 0.07	$ 0.34

The provisions of SFAS No. 142 also require the completion of a transitional impairment test within six months of adoption, with any impairments treated as a cumulative effect of a change in accounting principle. We expect to complete the transitional impairment test during the quarter ending September 28, 2002.

In August 2001, the FASB issued SFAS No. 143, Accounting for Asset Retirement Obligations. This Statement addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The Statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset. SFAS No. 143 is effective for the first quarter in the fiscal year ending April 3, 2004. The Company does not expect the adoption of this pronouncement to have a material impact on our consolidated results of operations or financial position.

In October 2001, the FASB issued SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. This Statement addresses financial accounting and reporting for the impairment of long-lived assets and for long-lived assets to be disposed of. SFAS No. 144 supersedes FASB Statement No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of. However, this Statement retains the fundamental provisions of Statement 121 for (a) recognition and measurement of the impairment of long-lived assets to be held and used and (b) measurement of long-lived assets to be disposed of by sale. Effective March 31, 2002, the Company adopted the pronouncement and there was no material impact on our consolidated results of operations.

In April 2002, the FASB, issued SFAS No. 145, Recission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections. In addition to amending and rescinding other existing authoritative pronouncements to make various technical corrections, clarify meanings, or

describe their applicability under changed conditions, SFAS No. 145 precludes companies from recording gains and losses from the extinguishment of debt as an extraordinary item. SFAS No. 145 is effective for our first quarter in the fiscal year ending April 3, 2004. The Company does not expect the adoption of this pronouncement to have a material impact on our consolidated results of operations or financial position.

In April 2001, the FASB's Emerging Issues Task Force (EITF") reached a consensus on Issue No. 00-25, Vendor Income Statement Characteristics of Consideration Paid to a Reseller of the Vendor's Products ("EITF No. 00-25"). In November 2001, EITF No. 00-25 was codified in EITF Issue No. 01-09, Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products). EITF No. 01-09 concluded that consideration from a vendor to a reseller of the vendor's products is presumed to be a reduction of the selling prices of the vendor's products and, therefore, should be characterized as a reduction of revenue when recognized in the vendor's income statement. That presumption is overcome and the consideration characterized as a cost incurred if a benefit is or will be received from the recipient of the consideration if certain conditions are met. The Company adopted this pronouncement in our fourth quarter in the fiscal year ended March 30, 2002 and there was no impact on our consolidated results of operations.

In June 2002, the FASB issued SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities. The standard requires companies to recognize costs associated with exit or disposal activities when they are incurred rather than at the date of a commitment to an exit or disposal plan. Examples of costs covered by the standard include lease termination costs and certain employee severance costs that are associated with a restructuring, discontinued operation, plant closing, or other exit or disposal activity. SFAS No. 146 is to be applied prospectively to exit or disposal activities initiated after December 31, 2002. The Company does not expect the adoption of this pronouncement to have a material effect on the consolidated results of operations or financial position.

8. RECLASSIFICATION

For comparative purposes, certain prior period amounts have been reclassified to conform to the current period's presentation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is a summary and should be read together with our consolidated financial statements and related notes thereto which are included herein. We utilize a 52-53 week fiscal year ending on the Saturday nearest March 31. Fiscal 2003 and fiscal 2002 end on March 29, 2003 and March 30, 2002, respectively, and each reflect a 52-week period. Due to the collaborative and ongoing nature of our relationships with our licensees, such licensees are referred to herein as "licensing partners" and the relationships are referred to herein as "licensing alliances." Notwithstanding these references, however, the legal relationship between our licensees and us is one of licensor and licensee, and not one of partnership.

Certain statements in this Form 10-Q and in future filings with the Securities and Exchange Commission, in our press releases and in oral statements made by or with the approval of authorized personnel constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are based on current expectations and are indicated by words or phrases such as "anticipate," "estimate," "expect," "project," "we believe," "is or remains optimistic," "currently envisions" and similar words or phrases and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: risks associated with a general economic downturn and other events leading to a reduction in discretionary consumer spending; risks associated with implementing our plans to enhance our worldwide luxury retail business, inventory management program and operating efficiency initiatives; risks associated with changes in the competitive marketplace, including the introduction of new products or pricing changes by our competitors; changes in global economic or political conditions; risks associated with our dependence on sales to a limited number of large department store customers, including risks related to extending credit to customers; risks associated with our dependence on our licensing partners for a substantial portion of our net income and risks associated with a lack of operational and financial control over licensed businesses; risks associated with financial distress of licensees, including the impact on our net income and business of one or more licensee's reorganization; risks associated with consolidations, restructurings and other ownership changes in the retail industry; risks associated with competition in the segments of the fashion and consumer product industries in which we operate, including our ability to shape, stimulate and respond to changing consumer tastes and demands by producing attractive products, brands and marketing, and our ability to remain competitive in the areas of quality and price; risks associated with uncertainty relating to our ability to implement our growth strategies; risks associated with our entry into new markets either through internal development activities or through acquisitions; risks associated with the possible adverse impact of our unaffiliated manufacturers' inability to manufacture in a timely manner, to meet quality standards or to use acceptable labor practices; risks associated with changes in social, political, economic and other conditions affecting foreign operations or sourcing and the possible adverse impact of changes in import restrictions; risks related to our ability to establish and protect our trademarks and other proprietary rights; risks related to fluctuations in foreign currency affecting our foreign subsidiaries' and foreign licensees' results of operations and the relative prices at which we and our foreign competitors sell products in the same market and our operating and manufacturing costs outside of the United States; and, risks associated with our control by Lauren family members and the anti-takeover effect of multiple classes of stock. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

OVERVIEW

We began operations in 1968 as a designer and marketer of premium quality men's clothing and sportswear. Since our inception, we have grown through increased sales of existing product lines, the introduction of new brands and products, expansion into international markets, development of our retail operations and acquisitions. Our net revenues are generated from our three integrated operations: wholesale, retail and licensing.

RESULTS OF OPERATIONS

The table below sets forth the percentage relationship to net revenues of certain items in our consolidated statements of income for the three months ended June 29, 2002 and June 30, 2001:

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
Net sales	88.6%	89.0%
Licensing revenue	11.4	11.0
Net revenues	100.0	100.0
Gross profit	49.8	50.7
Selling, general and administrative expenses	46.0	40.3
Income from operations	3.8	10.4
Foreign currency loss (gain)	0.8	(0.5)
Interest expense, net	0.9	1.1
Income before income taxes	2.1%	9.8%

CONSOLIDATION OF EUROPEAN ENTITIES -- CHANGE IN REPORTING PERIOD

Effective December 30, 2001, for reporting purposes the Company changed the fiscal year ends of its European subsidiaries as reported in the consolidated financial statements to the Saturday closest to March 31 to conform with the fiscal year end of the Company. Previously, certain of the European subsidiaries were consolidated and reported on a three-month lag with a fiscal year ending December 31. Accordingly, we have included the June 29, 2002 and March 30, 2002 balance sheets of our wholly owned European subsidiaries in the accompanying June 29, 2002 and March 30, 2002, consolidated balance sheets. We also have consolidated the results of operations of our wholly owned European subsidiaries for the three months ended June 29, 2002 and March 31, 2001 in the three months ended June 29, 2002 and June 30, 2001 consolidated statements of income and cash flows. Had certain of the European subsidiaries been consolidated on a consistent fiscal year basis for the three months ended June 30, 2001, net revenues would have been $473.3 million and net income would have been $15.7 million.

The impact of consolidating the results of the European subsidiaries for three months ended June 30, 2001 as compared to a three month lag relates primarily to their first quarter being included rather then their fourth quarter. Traditionally, the first quarter for our European subsidiaries is weaker then their fourth quarter.

THREE MONTHS ENDED JUNE 29, 2002 COMPARED TO THREE MONTHS ENDED JUNE 30, 2001

Net Sales. Net sales decreased 10.2% to $413.9 million in the three months ended June 29, 2002, from $461.1 million in the three months ended June 30, 2001. Had certain of the European subsidiaries been reported on a consistent fiscal year basis for the three months ended June 30, 2001, net sales would have been $419.6.

Wholesale net sales decreased 23.8% to $186.7 million in the three-month period, from $245.2 million in the corresponding period of fiscal 2002. Had certain of the European subsidiaries been reported on a consistent fiscal year basis for the three months ended June 30, 2001, wholesale net sales would have been $201.8 million, and the decrease would have been 7.5%. This decrease primarily reflects a strategical stream lining of the amount of product sold to the department stores. In addition, the Lauren classification line for men was discontinued which represented approximately $5.0 million of wholesale net sales in the first quarter of fiscal 2002. These decreases were offset by a $23.0 million increase, approximately 101.3%, in the European wholesale business which primarily reflects the acquisition of PRL Fashions of Europe S.R.L in October 2001, which held licenses to sell women's Ralph Lauren apparel in Europe, mens' and boys' Polo Ralph Lauren apparel in Italy and men's and women's Polo Jeans Co. collections in Italy.

Retail sales increased $11.2 million, 5.2%, to $227.1 million in the three months ended June 29, 2002, from $215.9 million in the corresponding period in fiscal 2002. Had certain of the European subsidiaries been reported on a consistent fiscal year basis for the three months ended June 30, 2001, retail net sales would have been $217.8 million, and the increase would have been 4.3%. This increase is primarily driven by the 7.6% increase in comparable outlet store sales which were offset by a 10.2% decrease in our full price stores.

At June 29, 2002, we operated 237 stores compared to 232 stores in the first quarter of fiscal 2002. The Company's retail group consisted of 39 Polo Ralph Lauren stores, 54 Club Monaco stores, 93 full line Outlet stores, 22 Polo Jeans Co. outlet stores, 19 European Outlet stores and 10 Club Monaco Outlet stores. During the three months ended June 29, 2002, the Company opened three European outlet stores, closed one domestic outlet store and one Canadian Club Monaco stores.

Licensing Revenue. Licensing revenue decreased 6.5% to $53.1 million in the three months ended June 29, 2002, from $56.8 million in the corresponding period of fiscal 2002. Had certain of the European subsidiaries been reported on a consistent fiscal year basis for the three months ended June 30, 2001, licensing revenue would have been $53.7 million, resulting in a 1.1% decrease.

Gross Profit. Gross profit as a percentage of net revenues decreased to 49.8% in the three months ended June 29, 2002, from 50.7% in the corresponding period of fiscal 2002. Had certain of the European subsidiaries been reported on a consistent fiscal year basis for the three months ended June 30, 2001, gross profit would have been 49.7%. Decreased margins in the wholesale business due to the sell through of product from the discontinued Lauren classification line for men and the RL Sport line women were offset by increased domestic retail merchandise margins.

Selling, General and Administrative Expenses. Selling, general and administrative ("SG&A") expenses as a percentage of net revenues increased to 46.0% in the three months ended June 29, 2002, from 40.3% of net revenues in the corresponding period of fiscal 2002. Had certain of the European subsidiaries been reported on a consistent fiscal year basis for the three months ended June 30, 2001, SG&A expenses as a percentage of net revenues would have been 43.6%, an increase of 2.4%. This increase is primarily due to higher selling salaries and related costs related to the increase in the European retail business combined with increased operating expenses from the acquisition of PRL Fashions of Europe S.R.L in October 2001, which held licenses to sell women's Ralph Lauren apparel in Europe, mens' and boys' Polo Ralph Lauren apparel in Italy and men's and women's Polo Jeans Co. collections in Italy.

Interest and Other Expense. Interest expense decreased to $4.0 million in the three months ended June 29, 2002, from $5.9 million in the comparable period in fiscal 2002. This decrease was primarily due to significantly increased levels of cash and cash equivalents during the three months ended June 29, 2002 and decreased borrowings during the current quarter as a result of repurchases of a portion of our outstanding Euro debt.

Income Taxes. The effective tax rate decreased to 36.5% in the three months ended June 29, 2002, from 38.5% in the corresponding period in fiscal 2002. This decline is primarily as a result of the implementation of tax strategies.

LIQUIDITY AND CAPITAL RESOURCES

Our cash requirements primarily derive from working capital needs, construction and renovation of shop-within-shops, retail expansion, acquisitions, and other corporate activities. Our main sources of liquidity are cash flows from operations, credit facilities and other borrowings.

Net cash provided by operating activities increased to $134.3 million in the three months ended June 29, 2002, from $84.1 million in the comparable period in fiscal 2002. This increase was primarily due to a significant decrease in accounts receivable and accounts payable which primarily relates to the seasonality in the European business from the European subsidiaries being consolidated on a current basis in the three months ended June 29, 2002 as compared to a three month lag in the comparable period in fiscal 2002.

Net cash used in investing activities decreased to $11.7 million in the three months ended June 29, 2002 as compared to $17.1 million in the comparable period in fiscal 2002 primarily due to the decrease in capital expenditures of approximately $3.7 million compared to the same period in the prior year.

Net cash provided by financing activities was $5.3 million in the three months ended June 29, 2002 as compared to net cash used in financing activities of $38.6 million, in the comparable period in fiscal 2002. This change is primarily due to the proceeds from the issuance of common stock of $4.1 million and $9.3 of proceeds from short-term borrowings offset by the repurchase of $7.7 million of our Euro debt.

In June 1997, we entered into a credit facility with a syndicate of banks which provides for a $225.0 million revolving line of credit available for the issuance of letters of credit, acceptances and direct borrowings and matures on December 31, 2002. Borrowings under the syndicated bank credit facility bear interest, at our option, at a base rate equal to the higher of the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of one percent, and the prime commercial lending rate of The Chase Manhattan Bank in effect from time to time, or at the Eurodollar Rate (LIBOR) plus an interest margin based on the Federal Reserve Boards "Eurocurrency liabilities" reserve requirements. The margin was 0.875% as of June 29, 2002.

In March 1999, in connection with our acquisition of Club Monaco, we entered into a $100.0 million senior credit facility with a syndicate of banks consisting of a $20.0 million revolving line of credit and an $80.0 million term loan. The revolving line of credit is available for working capital needs and general corporate purposes and matures on June 30, 2003. The term loan was used to finance the acquisition of all of the outstanding common stock of Club Monaco and to repay indebtedness of Club Monaco. The term loan is also repayable on June 30, 2003. Borrowings under the 1999 senior credit facility bear interest, at our option, at a Base Rate equal to the higher of the Federal Funds Rate, as published by the Federal Reserve Bank of New York, plus 1/2 of one percent and the prime commercial lending rate of The Chase Manhattan Bank in effect from time to time, or at the Eurodollar Rate (LIBOR) plus an interest margin based on the Federal Reserve Board's "Eurocurrency liabilities" reserve requirements. The margin was 0.875% as of June 29, 2002. In April 1999, we entered into interest rate swap agreements with an aggregate notional amount of $100.0 million to convert the variable interest rate on our 1999 senior credit facility to a fixed rate of 5.5%.

Our 1997 bank credit facility and our 1999 senior bank credit facility require that we maintain:

- a minimum consolidated net worth, and

- a maximum consolidated indebtedness ratio.

Each of these credit facilities also contain covenants that, subject to specified exceptions, restrict our ability to:

- make capital expenditures,

- sell or dispose of our assets,

- incur additional debt,

- incur contingent liabilities and liens,

- merge with or acquire other companies or be subject to a change of control,

- make loans or advances or stock repurchases,

- engage in transactions with affiliates, and

- make investments.

Upon the occurrence of an event of default under each of these credit facilities, the lenders may cease making loans, terminate the credit facility, and declare all amounts outstanding to be immediately due and payable. The credit facilities specify a number of events of default, many of which are subject to applicable grace or cure periods, including, among others, the failure to make timely principal and interest payments, to satisfy the covenants, or to maintain the required financial performance requirements described above.

Additionally, the agreements provide that an event of default will occur if Mr. Ralph Lauren and related entities fail to maintain a specified minimum percentage of the voting power of our common stock.

In November 1999, we issued Euro 275.0 million of 6.125% notes due November 2006. Our Euro debt is listed on the London Stock Exchange. The net proceeds from the Euro offering were $281.5 million, based on the Euro exchange rate on the issuance date. Interest on the Euro debt is payable annually. A portion of the net proceeds from the issuance was used to acquire Poloco while the remaining net proceeds were retained for general corporate purposes.

In June 2002, we entered into a cross currency rate swap, which terminates November 2006. The cross currency rate swap is being used to convert Euro 105.2 million, 6.125% fixed rate borrowings into $100.0 million, LIBOR plus 1.24% variable rate borrowings. We entered into the cross currency rate swap to minimize the impact of foreign exchange fluctuations in both principal and interest payments resulting from the Euro debt; and to minimize the impact of changes in the fair value of the Euro debt due to changes in LIBOR, the benchmark interest rate. The swap has been designated as a fair value hedge under SFAS 133. Hedge ineffectiveness is measured as the difference between the respective gains or losses recognized in earnings from the changes in the fair value of the cross currency rate swap and the Euro debt; and was de minimis for the three months ended June 29, 2002.

In fiscal 2003, we repurchased Euro 8.3 million, or $7.7 million based on Euro exchange rates, of our outstanding Euro debt.

As of June 29, 2002, we had $44.9 million outstanding in direct borrowings, $80.0 million outstanding under the term loan and $225.5 million outstanding in Euro debt based on the quarter end Euro exchange rate. We were also contingently liable for $26.1 million in outstanding letters of credit primarily related to commitments for the purchase of inventory. The weighted-average interest rate on our borrowings at June 29, 2002 was 5.9%.

We recognize foreign currency gains or losses in connection with our Euro debt based on fluctuations in foreign exchange rates. We recorded $3.5 million in foreign currency loss in the three months ended June 29, 2002 and $2.8 million in foreign currency gains in the three months ended June 30, 2001.

Total cash outlays related to the fiscal 2001 Operational Plan are expected to be approximately $40.7 million, $27.7 million of which have been paid through June 29, 2002. We completed the implementation of the operational plan in fiscal 2002 and expect to settle the remaining liabilities in fiscal 2003.

Total cash outlays related to the 1999 Restructuring Plan are approximately $39.5 million, $38.6 million of which has been paid through June 29, 2002. We completed the implementation of the operational plan in fiscal 2002 and expect to settle the remaining liabilities in fiscal 2003.

Capital expenditures were $12.5 million and $16.2 million in the three months ended June 29, 2002 and June 30, 2001, respectively. Capital expenditures primarily reflect costs associated with the following:

- The expansion of our retail operations;

- make the shop-within-shops development program which includes new shops, renovations and expansions;

- the expansion of our distribution facilities;

- our information systems; and

- other capital projects.

On October 31, 2001, the Company completed the acquisition of substantially all of the assets of PRL Fashions of Europe S.R.L., which holds licenses to sell our women's Ralph Lauren apparel in Europe, our men's and boys' Polo Ralph Lauren apparel in Italy, and our men's and women's Polo Jeans Co. collections in Italy. The purchase price was approximately $22.0 million in cash plus the assumption of certain liabilities and earn-out payments based on achieving profitability targets over the first three years, with a guaranteed minimum annual payment of $3.5 million each year.

In March 1998, the Board of Directors authorized the repurchase, subject to market conditions, of up to $100.0 million of our Class A common stock. Share repurchases were to be made in the open market over a two-year period which commenced April 1, 1998. The Board of Directors has extended the stock repurchase program through March 31, 2004. Shares acquired under the repurchase program will be used for stock option programs and for other corporate purposes. As of June 29, 2002, we repurchased 3,887,094 shares of our Class A common stock at an aggregate cost of $73.6 million.

We believe that cash from ongoing operations and funds available under our credit facilities and from our Euro offering will be sufficient to satisfy our current level of operations, capital requirements, the stock repurchase program and other corporate activities for the next 12 months. We do not currently intend to pay dividends on our common stock in the next 12 months.

SEASONALITY OF BUSINESS

Our business is affected by seasonal trends, with higher levels of wholesale sales in our second and fourth quarters and higher retail sales in our second and third quarters. These trends result primarily from the timing of seasonal wholesale shipments to retail customers and key vacation travel and holiday shopping periods in the retail segment. As a result of the growth in our retail operations and licensing revenue, historical quarterly operating trends and working capital requirements may not be indicative of future performances. In addition, fluctuations in sales and operating income in any fiscal quarter may be affected by the timing of seasonal wholesale shipments and other events affecting retail sales.

Effective December 30, 2001, for reporting purposes the Company changed the fiscal year ends of its European subsidiaries as reported in the consolidated financial statements to the Saturday closest to March 31 to conform with the fiscal year end of the Company. Previously, certain of the European subsidiaries were consolidated and reported on a three-month lag with a fiscal year ending December 31. Accordingly, we have included the June 29, 2002 and March 30, 2002 balance sheets of our wholly owned European subsidiaries in the accompanying June 29, 2002 and March 30, 2002, consolidated balance sheets. We also have consolidated the results of operations of our wholly owned European subsidiaries for the three months ended June 29, 2002 and March 31, 2001 in the three months ended June 29, 2002 and June 30, 2001 consolidated statements of income and cash flows. Had certain of the European subsidiaries been consolidated on a consistent fiscal year basis for the three months ended June 30, 2001, net revenues would have been $473.3 million and net income would have been $15.7 million.

NEW ACCOUNTING STANDARDS

In July 2001, the Financial Accounting Standards Board, or "FASB", issued Statement of Financial Accounting Standards, or SFAS No. 141 and SFAS No. 142. In addition to requiring the use of the purchase method for all business combinations, SFAS No. 141 requires intangible assets that meet certain criteria to be recognized as assets apart from goodwill. SFAS No. 142 addresses accounting and reporting standards for the acquisition of intangible assets outside of a business combination and for goodwill and other intangible assets subsequent to their acquisition. Intangible assets that have finite lives will continue to be amortized over their useful lives. SFAS No. 141 and SFAS No. 142 were effective for the Company's first quarter in the fiscal year ending March 29, 2003 or for any business combinations initiated after June 30, 2001.

Effective March 31, 2002, the Company adopted SFAS No. 142, Goodwill and Other Intangible Assets. This accounting standard requires that goodwill be separately disclosed from other intangible assets in the statement of financial position, and no longer be amortized but tested for impairment on a periodic basis.

In accordance with SFAS No. 142, the Company discontinued the amortization of goodwill effective March 31, 2002. A reconciliation of previously reported net income and earnings per share to the amounts adjusted for the exclusion of goodwill amortization net of the related income tax effect follows:

	THREE MONTHS ENDED	
	JUNE 29, 2002	JUNE 30, 2001
	(IN MILLIONS)	
Reported net income	$6,460	$31,051
Goodwill amortization, net of tax	0	1,255
Adjusted net income	$6,460	$32,306
Adjusted net income per share basic and diluted	$ 0.07	$ 0.34

The provisions of SFAS No. 142 also require the completion of a transitional impairment test within six months of adoption, with any impairments treated as a cumulative effect of a change in accounting principle. We expect to complete the transitional impairment test during the quarter ending September 28, 2002.

In August 2001, the FASB issued SFAS No. 143, Accounting for Asset Retirement Obligations. SFAS No. 143 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. This Statement requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated asset retirement costs are capitalized as part of the carrying amount of the long-lived asset. SFAS No. 143 is effective for the first quarter in the fiscal year ending April 3, 2004. The Company does not expect the adoption of this pronouncement to have a material impact on our consolidated results of operations or financial position.

In October 2001, the FASB issued SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets. This Statement addresses financial accounting and reporting for the impairment of long-lived assets and for long-lived assets to be disposed of. SFAS No. 144 supersedes FASB Statement No. 121, Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of. However, SFAS No. 144 retains the fundamental provisions of Statement 121 for (a) recognition and measurement of the impairment of long-lived assets to be held and used and (b) measurement of long-lived assets to be disposed of by sale. Effective March 31, 2002, the Company adopted this pronouncement and there was no material impact on our consolidated results of operations.

In April 2002, the FASB issued SFAS No. 145, Recission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections. In addition to amending and rescinding other existing authoritative pronouncements to make various technical corrections, clarify meanings, or describe their applicability under changed conditions, SFAS No. 145 precludes companies from recording gains and losses from the extinguishment of debt as an extraordinary item. SFAS No. 145 is effective for our first quarter in the fiscal year ending April 3, 2004. The Company does not expect the adoption of this pronouncement to have a material impact on our consolidated results of operations or financial position.

In April 2001, the FASB's Emerging Issues Task Force reached a consensus on Issue No. 00-25, Vendor Income Statement Characteristics of Consideration Paid to a Reseller of the Vendor's Products. In November 2001, EITF No. 00-25 was codified by the Emerging Issues Task Force in EITF Issue No. 01-09, Accounting for Consideration Given by a Vendor to a Customer (Including a Reseller of the Vendor's Products). EITF No. 01-09 concluded that consideration from a vendor to a reseller of the vendor's products is presumed to be a reduction of the selling prices of the vendor's products and, therefore, should be characterized as a reduction of revenue when recognized in the vendor's income statement. That presumption is overcome and the consideration characterized as a cost incurred if a benefit is or will be received from the recipient of the consideration if certain conditions are met. The Company adopted this pronouncement in our fourth quarter of the fiscal year ended March 30, 2002, and there was no impact on our consolidated results of operations.

In June 2002, the FASB issued SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities. The standard requires companies to recognize costs associated with exit or disposal activities when they are incurred rather than at the date of a commitment to an exit or disposal plan. Examples of costs covered by the standard include lease termination costs and certain employee severance costs that are associated with a restructuring, discontinued operation, plant closing, or other exit or disposal activity. SFAS No. 146 is to be applied prospectively to exit or disposal activities initiated after December 31, 2002. The Company does not expect the adoption of this pronouncement to have a material effect on the consolidated results of operations or financial position.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The market risk inherent in our financial instruments represents the potential loss in fair value, earnings or cash flows arising from adverse changes in interest rates or foreign currency exchange rates. We manage these exposures through operating and financing activities and, when appropriate, through the use of derivative financial instruments. Our policy allows for the use of derivative financial instruments for identifiable market risk exposures, including interest rate and foreign currency fluctuations. During the three months ended June 29, 2002, there were significant fluctuations in the value of the Euro. We entered into a cross currency rate swap in June 2002 to minimize the impact of foreign exchange fluctuations on the Euro debt and the impact of fluctuations in the interest rate on the fair value of the Euro debt. Since March 30, 2002, other then disclosed above, there have been no significant changes in our interest rate and foreign currency exposures, changes in the types of derivative instruments used to hedge those exposures, or significant changes in underlying market conditions.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits --

10.1 Amended and Restated Employment Agreement, effective as of July 23, 2002, between Polo Ralph Lauren Corporation and Roger N. Farah.

(b) Reports on Form 8-K --

The Company filed no reports on Form 8-K in the quarter ended June 29, 2002.

SIGNATURES

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

In connection with the Quarterly Report of Polo Ralph Lauren Corporation (the "Company") on Form 10-Q for the period ended June 29, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ralph Lauren, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ RALPH LAUREN

Ralph Lauren

August 13, 2002

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

In connection with the Quarterly Report of Polo Ralph Lauren Corporation (the "Company") on Form 10-Q for the period ended June 29, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gerald M. Chaney, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ GERALD M. CHANEY

Gerald M. Chaney

August 13, 2002

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

POLO RALPH LAUREN CORPORATION

By: /s/ GERALD M. CHANEY

Gerald M. Chaney
Senior Vice President of Finance
and Chief Financial Officer

Date: August 13, 2002

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement") made effective as of the 23rd day of July 2002, by and between Polo Ralph Lauren Corporation, a Delaware corporation (the "Corporation"), and Roger N. Farah (the "Executive").

WHEREAS, the Executive has served as President and Chief Operating Officer of the Corporation since April 12th, 2000, pursuant to an Employment Agreement of that date (the "2000 Employment Agreement"); and

WHEREAS, the Corporation and the Executive wish to amend and restate such 2000 Employment Agreement effective as of the date hereof;

NOW, THEREFORE, intending to be bound the parties hereby agree as follows with effect from the date first above written.

1. Employment/Prior Agreement. The Corporation hereby agrees to employ the Executive, and the Executive hereby agrees to serve the Corporation, on the terms and conditions set forth herein. From and after the date hereof, the terms of this Agreement shall supersede in all respects the terms of any prior arrangement or agreement, if any, dealing with the matters herein.

2. Term. The employment of the Executive by the Corporation as provided in Section 1 pursuant to this Agreement will be effective on the date hereof. The term of the Executive's employment under this Agreement shall continue until the close of business of December 31, 2007, subject to earlier termination in accordance with the terms of this Agreement (the "Term"). The Term shall be automatically extended for successive one year periods thereafter unless either party notifies the other in writing of its intention not to so extend the Term at least 180 days prior to the commencement of the next scheduled one-year extension (a "NonExtension Notice").

3. Position and Duties. The Executive shall serve as President and Chief Operating Officer. The Executive shall report to the Chairman and Chief Executive Officer of the Corporation and the Board of Directors of the Corporation (the "Board"), and shall have responsibilities and duties for the oversight of the Corporation's retail operations and corporate finance administration, corporate acquisitions and human resources, and such other responsibilities and duties, that are not inconsistent with the usual duties of a president and chief operating officer of an enterprise such as the Corporation, as may be assigned to Executive from time to time. The Executive shall devote all of Executive's working time and efforts to the business and affairs of the Corporation; provided, however, that the Executive may serve on such boards of directors as he may be asked to serve on from time to time, with the Corporation's approval. It is further understood and agreed that nothing herein shall prevent the Executive from managing his personal investments so long as such activities do not interfere in more than

an insignificant manner with the Executive's performance of his duties hereunder and do not conflict with the provisions of Section 8.

4. Compensation and Related Matters.

(a) Salary and Incentive Bonus

(i) Salary. During the Term, Executive's annual salary shall be at the rate of $900,000. Such salary shall be paid in substantially equal installments on a basis consistent with the Corporation's payroll practices and shall be subject to annual increases, if any, as may be determined in the sole discretion of the Corporation. Executive's salary as in effect from time to time is hereinafter referred to as the "Salary".

(ii) Incentive Bonus. Executive shall participate in the Corporation's Executive Incentive Plan (the "EIP"), and any substitute therefor, and be eligible to earn an annual cash bonus for each fiscal year during the term of this Agreement (the "Annual Incentive Bonus"). During the Term with respect to each fiscal year commencing with the Company's 2003 fiscal year (i.e., commencing April 1, 2002), Executive's Annual Incentive Bonus opportunity shall range, subject to achieving pre-established performance goals, from 100% of Executive's Salary upon obtaining threshold performance targets established by the Compensation Committee (the "Compensation Committee") of the Board (e.g., the EIP bonus schedule threshold) to a maximum of 300% of Executive's Salary upon obtaining maximum performance targets established by the Compensation Committee (e.g., the EIP bonus schedule maximum) based upon the extent to which corporate or other performance goals established by the Compensation Committee are achieved. At target performance (e.g., the EIP bonus schedule target), Executive's Annual Incentive Bonus shall be 200% of Executive's Salary (the "Target Annual Incentive Bonus"). The Annual Incentive Bonus, if any, payable to the Executive in respect of each fiscal year will be paid at the same time that annual bonuses are paid to other executives under the EIP. Notwithstanding any provision of this Agreement to the contrary, the Executive's entitlement to payment of an Annual Incentive Bonus during any period when the compensation payable to the Executive pursuant to this Agreement is subject to the deduction limitations of section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code"), shall be subject to shareholder approval of a plan or arrangement evidencing such Annual Incentive Bonus opportunity that complies with the requirements of section 162(m) of the Code.

(iii) Deferred Compensation. Executive shall receive an aggregate of $250,000 per year for the fiscal years 2003 through 2008 (the "Deferred Compensation") in the form of deferred bonus compensation, which shall be credited to a Corporation deferred compensation account in monthly installments in a manner substantially consistent with the Corporation's deferred compensation agreements with other senior executives, which generally provide for vesting (subject to Executive's continued employment) over five years and accelerated vesting upon termination by the Corporation without Cause, by Executive for Good Reason or by reason of Executive's death or Disability. The Deferred Compensation will be payable to Executive, to the extent vested, upon the earlier of January 1, 2012 and Executive's termination of employment.

(b) Expenses. During the term of the Executive's employment hereunder, the Executive shall be entitled to receive prompt reimbursement for all reasonable and customary expenses incurred by the Executive in performing services hereunder, including all expenses of travel and living expenses while away from home on business or at the request of and in the service of the Corporation; provided that such expenses are incurred and accounted for in accordance with the policies and procedures established by the Corporation.

(c) Other Benefits. During the term of the Executive's employment hereunder, the Executive shall be entitled to participate in or receive benefits under any medical, pension, profit sharing or other employee benefit plan or arrangement generally made available by the Corporation now or in the future to its executives and key management employees (or to their family members), subject to and on a basis consistent with the terms, conditions and overall administration of such plans and arrangements. Moreover, during such term, the Executive shall be entitled to a monthly car allowance of $1,500. Nothing paid to the Executive under any plan or arrangement presently in effect or made available in the future shall be deemed to be in lieu of the Salary, Annual Incentive Bonuses or Deferred Compensation, payable to the Executive pursuant to paragraph (a) of this Section.

(d) Vacations. The Executive shall be entitled to reasonable vacations consistent with the Corporation's past practice.

(e) Restricted Stock.

(i) The Executive was granted a number of restricted shares of the Corporation's Class A Common Stock with a fair market value equal to $2 million as of April 12, 2000, based upon the mean between the high and low sales price per share for such stock on such date as reported on the Composite tape for securities traded on the New York Stock Exchange (the "Initial Restricted Shares"); provided that any fractional share was paid to the Executive in cash. The Initial Restricted Shares (to the extent not previously vested) will continue to vest with respect to one fourth (1/4) of the aggregate number of Initial Restricted Shares so granted on each of the second, third, fourth and fifth anniversaries of the date of grant subject to the Executive's continued employment through each vesting date, except as otherwise provided herein.

(ii) As soon as practicable after the date hereof and subject to the approval of the Compensation Committee, the Executive shall be granted 300,000 restricted shares of the Corporation's Class A Common Stock (the "Additional Restricted Shares", collectively with the Initial Restricted Shares, the "Restricted Shares"). The Additional Restricted Shares will vest with respect to one fifth (1/5) of the aggregate number of Additional Restricted Shares so granted on each of the first five anniversaries of the date of grant (each, a "Restricted Share Vesting Date") subject to the Executive's continued employment through each such Restricted Share Vesting Date, except as otherwise provided herein.

(f) Options.

(i) As of April 12, 2000, the Executive was granted options to purchase 250,000 shares of the Corporation's Class A Common Stock pursuant to the terms of the Corporation's 1997 Long-Term Stock Incentive Plan. The Executive was also granted with effect from each of June 2000, June 2001, and June 2002 additional options to purchase 100,000 shares. Options granted to the Executive pursuant to the foregoing (hereinafter, the "Initial Options") (to the extent not previously vested) will continue to vest and become exercisable ratably over three (3) years on each of the first three anniversaries of the date of grant, subject to the Executive's continued employment through each vesting date.

(ii) As soon as practicable after the date hereof and subject to the approval of the Compensation Committee, the Executive shall also be granted a special grant of options to purchase 400,000 shares of the Corporation's Class A Common Stock pursuant to the terms of the Corporation's 1997 Long-Term Stock Incentive Plan (the "Special Options"). The Executive shall thereafter be eligible to receive grants of additional options, the determination whether to make such grants, individually and/or as a group, and the amount thereof being in the sole discretion of the Compensation Committee. Options granted to the Executive pursuant to the preceding two sentences (hereinafter collectively, the "Additional Options") will vest and become exercisable ratably over three (3) years on each of the second, third and fourth anniversaries of the date of grant (each, an "Option Vesting Date"), subject to the Executive's continued employment through each such Option Vesting Date, and will have an exercise price equal to the fair market value per share as of the date of grant based upon the mean between the high and low sales price per share for such stock on the date of grant as reported on the Composite tape for securities traded on the New York Stock Exchange.

5. Termination.

(a) Termination by Corporation. The Executive's employment hereunder may be terminated at any time with or without Cause.

(b) Termination by the Executive. The Executive may terminate his employment hereunder with or without Good Reason. For purposes of this Agreement, "Good Reason" shall mean (A) a material diminution in or adverse alteration to the Executive's title or duties as set forth in Section 3 herein, (B) a reduction in the Executive's Salary or Annual Incentive Bonus opportunity or Deferred Compensation from those provided herein or the Corporation's electing to eliminate the EIP without substituting therefor a plan which provides for a reasonably comparable Annual Incentive Bonus opportunity or the Executive's ceasing to be entitled to the payment of an Annual Incentive Bonus as a result of the failure of the Corporation's shareholders to approve a plan or arrangement evidencing such Annual Incentive Bonus in a manner that complies with the requirements of section 162(m) of the Code, (C) the relocation of the Executive's principal office outside of the area which comprises a fifty (50) mile radius from New York City, (D) a failure of the Corporation to comply with any material provision of this Agreement or (E) the Corporation requires Executive to report to other than Ralph Lauren and/or the Board; provided that the events described in clauses (A), (B), (C), (D)

and (E) above shall not constitute Good Reason unless and until such diminution, change, reduction, failure or requirement (as applicable) has not been cured within thirty (30) days after notice of such noncompliance has been given by the Executive to the Corporation.

(c) Any termination of the Executive's employment by the Corporation or by the Executive (other than termination pursuant to Section 6(d)(i) hereof) shall be communicated by written Notice of Termination to the other party hereto in accordance with Section 10 hereof. A "Notice of Termination" shall mean a notice which shall indicate the specific termination provision in this Agreement relied upon and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated.

6. Compensation Upon Termination. The provisions of this Section 6 shall exclusively govern the Executive's rights upon termination of employment with the Corporation and its affiliates. Upon termination of the Executive's employment for any reason, the Executive agrees to resign, as of the date of such termination of employment, from the Board and any committees of the Corporation or its affiliates on which he serves.

(a) If the Corporation shall terminate the Executive's employment for any reason other than an Enumerated Reason as set forth in Section 6(d) hereof and other than due to the Corporation's election not to extend the Term of this Agreement by delivery of a NonExtension Notice as contemplated by Section 2, or if the Executive resigns for Good Reason pursuant to Section 5(b) hereof, subject to the provisions of Section 8 hereof, the Executive shall be entitled to the following:

(i) an amount equal to the sum of (I) the Severance Multiplier (as defined below) times the Executive's Salary at the rate in effect on such date (unless employment is terminated by the Executive for Good Reason pursuant to Section 5(b) hereof as a result of a Salary reduction, in which case, at the rate in effect prior to such reduction), plus (II) the Severance Multiplier times the amount of the Target Annual Incentive Bonus described herein; plus (III) a pro rata Annual Incentive Bonus for the year of termination (equal to the Target Annual Incentive Bonus times the percentage of the calendar year in which such termination occurs that shall have elapsed through the date of termination (a "Pro Rata Annual Incentive Bonus"));

The "Severance Multiplier" shall be the greater of (x) the number of years remaining in the Term (including fractions thereof), up to a maximum of three, as of the Executive's termination of employment pursuant to this Section 6(a) (determined without regard to any future extensions thereof) and (y) two. Any amounts paid pursuant to this subsection (i) shall be paid in equal monthly installments from the date of termination over the period equal to the number of months in the Severance Multiplier (such period hereinafter referred to as the "Severance Period"), except that the Pro Rata Annual Incentive Bonus shall be paid in a lump sum in cash within thirty (30) days following the date of the Executive's termination of employment.

(ii) Executive shall vest in the greater of (x) the percentage of Special Options that otherwise would have vested on the next Option Vesting Date and (y) the percentage of Special Options so that, in the aggregate, he shall be 50% vested in such Special Options. Executive shall be entitled to exercise any vested Additional Options during the remaining Term (determined without regard to any earlier termination or further extensions hereunder) or during the one-year period commencing on the date of such termination, whichever period is longer. Executive shall be entitled to exercise any vested Initial Options until the later of April 12, 2005 or the first anniversary of the date of such termination.

(iii) Executive shall vest in the greater of (x) the percentage of Additional Restricted Shares that otherwise would have vested on the next Restricted Share Vesting Date and (y) the percentage of the Additional Restricted Shares so that, in the aggregate, he shall be 50% vested in such Additional Restricted Shares.

(iv) Continued participation in the Corporation's health benefit plans during the Severance Period; provided that if the Executive is provided with coverage by a successor employer, any such coverage by the Corporation shall cease;

(v) Continued payment of Executive's automobile allowance until expiration of the Severance Period or until Executive secures new employment, whichever first occurs;

(vi) If a Change of Control shall have occurred prior to the date of termination, subject to Section 6(g) below, the Executive shall (A) be entitled at his option, exercisable in writing within fifteen days of the date of termination, to receive the equivalent of the Salary and Annual Incentive Bonus payments pursuant to subsection (i) above in two equal lump sum installments, the first payable within 30 days of the date of termination and the second on the first anniversary of the date of termination; and (B) immediately be 100% vested in all Initial Options, Additional Options and Restricted Shares awarded to the Executive, and such Initial Options shall be exercisable until the later of April 12, 2005 or the first anniversary of the date of such termination, and such Additional Options shall be exercisable during the remaining Term (determined without regard to any earlier termination or further extensions hereunder) or during the one-year period commencing on the date of such Change of Control, whichever period is longer. As used herein, the term "Change of Control" shall mean Ralph Lauren or members of his family (or trusts or entities created for their benefit) no longer control 50% or more of the voting power of the then outstanding securities of the Corporation entitled to vote for the election of the Corporation's directors; and

(vii) Except as provided in this Section 6(a), the Corporation will have no further obligations to the Executive under this Agreement following the Executive's termination of employment under the circumstances described in this Section 6(a). The Corporation anticipates that health benefits made available pursuant to clause (iv) above will be provided in accordance with applicable COBRA provisions. The Corporation shall waive or pay for any COBRA premiums otherwise payable by the Executive. In the event COBRA coverage expires, the Corporation shall in lieu of such coverage either provide alternative coverage or

reimburse the Executive for the actual costs incurred by the Executive for alternative coverage, for the remaining portion of the Severance Period during which the Executive would otherwise be entitled to continued health benefits.

(b) If the Executive's employment is terminated by his death or by the Corporation due to the Executive's Disability (as defined below), the Corporation shall pay any amounts due to the Executive through the date of his death or the date of his termination due to Disability, including a Pro Rata Annual Incentive Bonus for the year of termination. Except as provided in this Section 6(b), the Corporation will have no further obligations to the Executive under this Agreement following the Executive's termination of employment under the circumstances described in this Section 6(b).

(c) If the Executive's employment shall be terminated by the Corporation pursuant to Section 6(d)(iii) for Cause or by the Executive for other than Good Reason, the Corporation shall pay the Executive his full Salary through the date of termination at the rate in effect prior to such termination and except as provided in this Section 6(c), the Corporation will have no further obligations to the Executive under this Agreement following the Executive's termination of employment under the circumstances described in this Section 6(c).

(d) The term "Enumerated Reason" with respect to termination by the Corporation of the Executive's employment shall mean any one of the following reasons:

(i) Death. The Executive's employment hereunder shall terminate upon his death.

(ii) Disability. If, as a result of the Executive's incapacity due to physical or mental illness, the Executive shall have been absent from his duties hereunder on a full-time basis for the entire period of six consecutive months, and within thirty (30) days after written Notice of Termination is given (which Notice of Termination may be given before or after the end of such six month period; provided that the termination would not be effective until the end of such six month period) shall not have returned to the performance of his duties hereunder on a full-time basis (a "Disability"), the Corporation may terminate the Executive's employment hereunder.

(iii) Cause. The Corporation shall have "Cause" to terminate the Executive's employment hereunder upon (1) the willful and continued failure by the Executive to substantially perform his duties hereunder after demand for substantial performance is delivered to him by the Corporation that specifically identifies the manner in which the Corporation believes the Executive has not substantially performed his duties, (2) Executive's conviction of, or plea of nolo contendere to, a crime (whether or not involving the Corporation) constituting any felony or (3) the willful engaging by the Executive in gross misconduct relating to the Executive's employment that is materially injurious to the Corporation, monetarily or otherwise (including, but not limited to, conduct that constitutes competitive activity, in violation of Section 8) or which subjects, or if generally known would subject, the Corporation to public ridicule. For purposes of this paragraph, no act, or failure to act, on the Executive's part shall be

considered "willful" unless done, or omitted to be done, by him not in good faith and without reasonable belief that his action or omission was in the best interest of the Corporation. Notwithstanding the foregoing, the Executive's employment may be terminated for Cause only by act of the Board of Directors of the Corporation and, in any event, the Executive's employment shall not be deemed to have been terminated for Cause without (x) reasonable written notice to the Executive setting forth the reasons for the Corporation's intention to terminate for Cause, (y) the opportunity to cure (if curable) within 30 days of such written notice of the event(s) giving rise to such notice and (z) an opportunity for the Executive, together with his counsel, to be heard by the Board of Directors of the Corporation.

(e) If the Executive's employment with the Corporation shall terminate due to either the Corporation's or Executive's election not to extend the Term of this Agreement by delivery of a NonExtension Notice as contemplated by Section 2, then Executive shall be entitled to receive his full Salary through the date of termination plus the Annual Incentive Bonus, if any, that Executive would have been entitled to receive had he remained in the Corporation's employment through the end of its fiscal year, prorated to the date of termination. Such prorated Annual Incentive Bonus shall be payable at the same time as the Corporation pays annual bonuses to other executives under the EIP. In addition, if the Corporation was the party that so elected not to extend the Term of this Agreement as described above, then the Executive shall also be entitled to receive an amount, payable in equal monthly installments over a one year period, equal to the sum of (x) one times his Salary, plus (y) one times the Target Annual Incentive Bonus. Except as provided in this Section 6(e), the Corporation shall have no further obligations to the Executive under this Agreement following the Executive's termination of employment under the circumstances described in this Section 6(e).

(f) As a condition precedent to receipt of the payments provided for Sections 6(a) and 6(e), Executive shall be required to execute a general release in favor of the Corporation, excluding only the payments remaining to be made pursuant to such Sections.

(g) Notwithstanding the foregoing, (A) in the event the Corporation (or its successor) and the Executive both determine, based upon the advice of the independent public accountants for the Corporation, that part or all of the consideration, compensation or benefits to be paid to the Executive under this Agreement constitute "parachute payments" under Section 280G(b)(2) of the Internal Revenue Code of 1986, as amended, then, if the aggregate present value of such parachute payments, singularly or together with the aggregate present value of any consideration, compensation or benefits to be paid to the Executive under any other plan, arrangement or agreement which constitute "parachute payments" (collectively, the "Parachute Amount") exceeds 2.99 times the Executive's "base amount", as defined in Section 280G(b)(3) of the Code (the "Executive Base Amount"), the amounts constituting "parachute payments" which would otherwise be payable to or for the benefit of the Executive shall be reduced to the extent necessary so that the Parachute Amount is equal to 2.99 times the Executive Base Amount (the "Reduced Amount"); provided that such amounts shall not be so reduced if the Executive determines, based upon the advice of an independent nationally recognized public accounting firm (which may, but need not be the independent public accountants of the Corporation), that

without such reduction the Executive would be entitled to receive and retain, on a net after tax basis (including, without limitation, any excise taxes payable under Section 4999 of the Code), an amount which is greater than the amount, on a net after tax basis, that the Executive would be entitled to retain upon his receipt of the Reduced Amount.

(B) If the determination made pursuant to clause (A) above results in a reduction of the payments that would otherwise be paid to the Executive except for the application of this Section 6(g), then the Executive may then elect, in his sole discretion, which and how much of any particular entitlement shall be eliminated or reduced and shall advise the Corporation in writing of his election within ten days of the determination of the reduction in payments. If no such election is made by the Executive within such ten-day period, the Corporation may elect which and how much of any entitlement shall be eliminated or reduced and shall notify the Executive promptly of such election. Within ten days following such determination and the elections hereunder, the Corporation shall pay or distribute to or for the benefit of the Executive such amounts as are then due to the Executive under this Agreement and shall promptly pay or distribute to or for the benefit of the Executive in the future such amounts as become due to the Executive under this Agreement.

(C) As a result of the uncertainty in the application of Section 280G of the Code at the time of a determination hereunder, it is possible that payments will be made by the Corporation which should not have been made under clause (A) of this Section 6(g) ("Overpayment") or that additional payments which are not made by the Corporation pursuant to clause (A) of this Section 6(g) should have been made ("Underpayment"). In the event that there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Overpayment arises, any such Overpayment shall be treated for all purposes as a loan to the Executive which the Executive shall repay to the Corporation together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code. In the event that there is a final determination by the Internal Revenue Service, a final determination by a court of competent jurisdiction or a change in the provisions of the Code or regulations pursuant to which an Underpayment arises under this Agreement, any such Underpayment shall be promptly paid by the Corporation to or for the benefit of the Executive, together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code.

7. Mitigation. The Executive shall have no duty to mitigate the payments provided for in Section 6 by seeking other employment or otherwise and such payment shall not be subject to reduction for any compensation received by the Executive from employment in any capacity following the termination of the Executive's employment with the Corporation.

8. Noncompetition.

(a) The Executive agrees that for the duration of his employment and for a period two (2) years from the date of termination thereof and during any Severance Period, he will not, on his own behalf or on behalf of any other person or entity, hire, solicit, or

encourage to leave the employ of the Corporation or its subsidiaries, affiliates or licensees any person who is an employee of any of such companies.

(b) The Executive agrees that for the duration of his employment and for a period of two (2) years from the date of termination thereof and during any Severance Period, the Executive will take no action which is intended, or would reasonably be expected, to harm (e.g. making public derogatory statements or misusing confidential Corporation information, it being acknowledged that the Executive's employment with a competitor in and of itself shall not be deemed to be harmful to the Corporation for purposes of this Section 8(b)) the Corporation or any of its subsidiaries, affiliates or licensees or their reputation.

(c) The Executive agrees that during the duration of his employment and for twelve (12) months from the date of any termination of employment, the Executive shall not, directly or indirectly, (A) engage in any "Competitive Business" (as defined below) for his own account, (B) enter into the employ of, or render any services to, any person engaged in a Competitive Business, or (C) become interested in any entity engaged in a Competitive Business, directly or indirectly as an individual, partner, shareholder, officer, director, principal, agent, employee, trustee, consultant, or in any other relationship or capacity; provided that the Executive may own, solely as an investment, securities of any entity which are traded on a national securities exchange if the Executive is not a controlling person of, or a member of a group that controls such entity and does not, directly or indirectly, own 2% or more of any class of securities of such entity.

For purposes of this Agreement the term "Competitive Business" shall mean a business which competes in any material respects with the Corporation or its subsidiaries, affiliates or licensees, and shall include, without limitation, those brands and companies identified on Exhibit A hereto. The term Competitive Business is not intended to include the business of a competitor of a licensee whose business does not involve or compete with the licensed businesses of the Corporation or its subsidiaries and affiliates.

(d) The Executive will not at any time (whether during or after his employment with the Corporation) disclose or use for his own benefit or purposes or the benefit or purposes of any other person, entity or enterprise, other than the Corporation or any of its subsidiaries or affiliates, any trade secrets, information, data, or other confidential information relating to customers, development programs, costs, marketing, trading, investment, sales activities, promotion, credit and financial data, manufacturing processes, financing methods, plans or the business and affairs of the Corporation generally, or any subsidiary, affiliate or licensee of the Corporation; provided that the foregoing shall not apply to information which is not unique to the Corporation or which is generally known to the industry or the public other than as a result of the Executive's breach of this covenant. The Executive agrees that upon termination of his employment with the Corporation for any reason, he will return to the Corporation immediately all memoranda, books, papers, plans, information, letters and other data, and all copies thereof or therefrom, in any way relating to the business of the Corporation or its subsidiaries or affiliates or licensees.

(e) If the Executive breaches, or threatens to commit a breach of, any of the provisions of this Section 8 (the "Restrictive Covenants"), the Corporation shall have the following rights and remedies, each of which rights and remedies shall be independent of the other and severally enforceable, and all of which rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available to the Corporation under law or equity:

(i) The right and remedy to have the Restrictive Covenants specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach of such Restrictive Covenants will cause irreparable injury to the Corporation and that money damages will not provide an adequate remedy to the Corporation; and

(ii) The right to discontinue the payment of any amounts owing to the Executive under the Agreement; provided that the Corporation shall have secured a reasoned opinion of counsel that the Executive's activities constitute a material breach of the Restrictive Covenants and which shall have been provided to the Executive, the delivery of which shall not be deemed to be a waiver of any applicable privilege. To the extent Executive, by notice hereunder, disputes the discontinuance of any payments hereunder, such payments shall be segregated and deposited in an interest bearing account at a major financial center bank in New York City pending resolution of the dispute.

(f) If any court determines that any of the Restrictive Covenants, or any part thereof, is invalid or unenforceable, the remainder of the Restrictive Covenants shall not thereby be affected and shall be given full effect, without regard to the invalid portion. In addition, if any court construes any of the Restrictive Covenants, or any part thereof, to be unenforceable because of the duration of such provision or the area covered thereby, such court shall have the power to reduce the duration or area of such provision and, in its reduced form, such provision shall then be enforceable and shall be enforced.

9. Successors; Binding Agreement.

(a) The Corporation will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Corporation to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Corporation would be required to perform it if no such succession had taken place. As used in this Agreement, "Corporation" shall mean the Corporation as hereinbefore defined and any successor to its business and/or assets as aforesaid which executes and delivers the agreement provided for in this Section 9 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law.

(b) This Agreement and all rights of the Executive hereunder shall inure to the benefit of and be enforceable by the Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If the Executive should die while any amounts are payable to him hereunder all such amounts unless otherwise

provided herein, shall be paid in accordance with the terms of this Agreement to the Executive's devisee, legatee, or other designee or, if there be no such designee, to the Executive's estate.

10. Notice. For the purposes of this Agreement, notices, demands and all other communications provided for in this Agreement shall be in writing and shall be deemed to have been duly given when personally delivered with receipt acknowledged or five business days after having been mailed by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Executive:

Roger Farah
35 Beverly Road
Purchase, New York 10577

with a copy to:

John M. Callagy, Esq.
Kelley Drye & Warren LLP
101 Park Avenue
New York, N.Y. 10178

If to the Corporation:

Polo Ralph Lauren Corporation
650 Madison Avenue
New York, New York 10022
Attention: Senior Vice President, Human Resources

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

11. Miscellaneous. No provisions of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing signed by the Executive and such officer of the Corporation as may be specifically designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of New York without regard to its conflicts of law principles.

12. Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

13. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

14. Arbitration. Any dispute or controversy arising under or in connection with this Agreement and its enforcement shall be settled exclusively by arbitration in the City of New York before a single arbitrator who shall be a retired federal judge having sat in the United States District Court for the Southern District of New York in accordance with the then obtaining National Rules for the Resolution of Employment Disputes or, if such rules are no longer in effect the then obtaining employment rules of the American Arbitration Association. The arbitrator shall be required to permit reasonable discovery, including document production, deposition, contention interrogatories, damages interrogatories, and requests to admit. Judgment may be entered on the arbitrator's award in any New York court; provided, however, that the Corporation shall be entitled to seek a restraining order or injunction in arbitration or in any court of competent jurisdiction to prevent any continuation of any violation of the provisions of Section 8 of this Agreement and the Executive hereby consents that such restraining order or injunction be granted without the necessity of the Corporation's posting any bond; and provided, further that, notwithstanding Section 8(e)(ii), the Executive shall be entitled to seek specific performance in arbitration or in any court of competent jurisdiction of his right to be paid during the pendency of any dispute or controversy arising under or in connection with this Agreement. Fees and expenses payable to the American Arbitration Association and the arbitrator shall be shared equally by the Corporation and by the Executive, but the parties shall otherwise bear their own costs in connection with the arbitration; provided that the arbitrator must determine who is the prevailing party and include as part of the award to the prevailing party the reasonable legal fees and expenses incurred by such party.

15. Withholding. The Corporation may withhold from any amounts payable under this Agreement such federal, state and local taxes as may be required to be withheld pursuant to applicable law or regulation.

16. Entire Agreement. This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties (including, without limitation, the 2000 Employment Agreement), whether oral or written, by any officer, employee or representative of any party hereto, and any prior agreement of the parties hereto in respect of the subject matter contained herein is hereby terminated and cancelled.

17. Executive Representation. The Executive hereby represents to the Corporation that the execution and delivery of this Agreement by the Executive and the Corporation and the performance by the Executive of his duties hereunder shall not constitute a breach of, or otherwise contravene, the terms of any employment agreement or other agreement or policy to which Executive is a party or otherwise bound.

IN WITNESS WHEREOF, the Corporation has caused this Agreement to be duly executed and the Executive has hereunto set his hand, effective as of the first day written above.

POLO RALPH LAUREN CORPORATION

By: /s/ RALPH LAUREN
Name: Ralph Lauren
Title: Chairman and CEO
Date: July 23,2002

/s/ ROGER N. FARAH

Executive: ROGER N. FARAH
Date: July 23,2002