



# Q3 2020 RESULTS

"Strong execution enabled us to meet continued broad-based demand, as we delivered over 15% growth in all merchandising departments, over 20% growth across all geographic regions, and triple-digit growth online. We continued to invest in the future growth of the company, including a \$100 million investment in the quarter as part of an ongoing effort to reset the layout of our U.S. stores, making them easier to shop with improved product adjacencies, especially for Pro customers. Our omni-channel transformation continued in the third quarter with further investments in Lowe's.com and our supply chain. I remain confident that we are making the right strategic investments to deliver sustainable, long-term growth. I would also like to thank our outstanding frontline associates for their unwavering commitment to customer service and safety."

- Marvin R. Ellison, Lowe's President and CEO

## FINANCIAL HIGHLIGHTS

**\$22.3B** IN SALES  
+28.3%

**+30.4%** U.S. COMP  
SALES

**32.72%** GROSS MARGIN  
+28 basis points

**9.75%** OPERATING  
MARGIN  
+79 basis points

**\$0.91** DILUTED EPS  
-33%

**\$1.98** ADJ. DILUTED EPS<sup>1</sup>  
+40%

<sup>1</sup> Adjusted Diluted EPS is a non-GAAP financial measure. Refer to [Lowe's.com/investor](https://www.lowes.com/investor) for a reconciliation of non-GAAP measures.

<sup>2</sup> Beginning on 2/1/2020, the Company changed the basis in which it presents the comparable sales metric. Q3 2019 comp sales have not been adjusted.

"All comparisons are to Q3 2019"

## U.S. COMPARABLE SALES SUMMARY

### TRANSACTIONS/TICKET

COMP  
TRANSACTIONS

16.4%

COMP AVERAGE  
TICKET

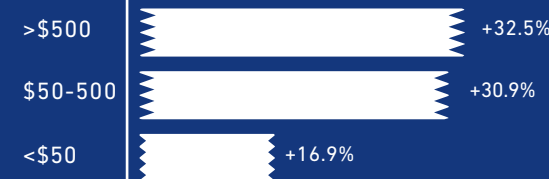
13.7%

### LOWES.COM

SALES  
GROWTH

**+106%**

### COMP SALES BY TICKET SIZE



**All 15 Regions U.S.**  
Delivered Comp Sales  
Growth Exceeding **+20%**

### U.S. MONTHLY COMP PERFORMANCE

■ 2020 ■ 2019<sup>2</sup>



## MERCHANDISING DEPARTMENT PERFORMANCE

Positive Comps Exceeded **15% in all 15**  
Merchandising Departments



## Invested an Incremental \$245 Million in Financial Assistance for Associates in Response to COVID-19

Our highest priority will always be protecting the health and safety of our associates and customers through a safe store environment and shopping experience

### Maintaining Enhanced Store Safety Measures

- All frontline associates required to wear masks
- Nationwide standard for all customers to wear masks
- Providing free masks for customers who need them

### Financial Support for Associates

- Provided bonuses in October and November totaling ~\$230 million for frontline associates

### Total COVID-Related Support

- More than \$1.1 billion for associates, store safety and community pandemic relief through first nine months of fiscal 2020

For more information visit: [corporate.lowes.com/covid-19-response](https://corporate.lowes.com/covid-19-response)



# STRATEGIC INITIATIVES



## SUPPLY CHAIN TRANSFORMATION

Fulfillment  
and Delivery  
Optimization  
Order Management  
Optimization



## MERCHANDISING EXCELLENCE

Improve Productivity  
Drive Localization  
Improve  
Reset Execution  
Best-in-Class Online  
Experience



## OPERATIONAL EFFICIENCY

Store  
Simplification  
In-Stock  
Execution



## CUSTOMER ENGAGEMENT

Own the Pro  
Associate  
Engagement

OMNI-CHANNEL