

Lowe's Companies, Inc.
Consolidated Statements of Current Earnings and (Accumulated Deficit)/Retained Earnings (Unaudited)

In Millions, Except Per Share and Percentage Data

	Three Months Ended			
	April 29, 2022		April 30, 2021	
	Amount	% Sales	Amount	% Sales
Current Earnings				
Net sales	\$ 23,659	100.00	\$ 24,422	100.00
Cost of sales	15,609	65.97	16,292	66.71
Gross margin	8,050	34.03	8,130	33.29
Expenses:				
Selling, general and administrative	4,303	18.19	4,494	18.40
Depreciation and amortization	445	1.88	391	1.60
Operating income	3,302	13.96	3,245	13.29
Interest – net	243	1.03	211	0.87
Pre-tax earnings	3,059	12.93	3,034	12.42
Income tax provision	726	3.07	713	2.92
Net earnings	\$ 2,333	9.86	\$ 2,321	9.50
Weighted average common shares outstanding – basic	660		718	
Basic earnings per common share ⁽¹⁾	\$ 3.52		\$ 3.22	
Weighted average common shares outstanding – diluted	662		720	
Diluted earnings per common share ⁽¹⁾	\$ 3.51		\$ 3.21	
Cash dividends per share	\$ 0.80		\$ 0.60	
(Accumulated Deficit)/Retained Earnings				
Balance at beginning of period	\$ (5,115)		\$ 1,117	
Net earnings	2,333		2,321	
Cash dividends declared	(524)		(430)	
Share repurchases	(4,061)		(2,910)	
Balance at end of period	\$ (7,367)		\$ 98	

⁽¹⁾ Under the two-class method, earnings per share is calculated using net earnings allocable to common shares, which is derived by reducing net earnings by the earnings allocable to participating securities. Net earnings allocable to common shares used in the basic and diluted earnings per share calculation were \$2,325 million for the three months ended April 29, 2022, and \$2,312 million for the three months ended April 30, 2021.

Lowe's Companies, Inc.
Consolidated Statements of Comprehensive Income (Unaudited)

In Millions, Except Percentage Data

	Three Months Ended			
	April 29, 2022		April 30, 2021	
	Amount	% Sales	Amount	% Sales
Net earnings	\$ 2,333	9.86	\$ 2,321	9.50
Foreign currency translation adjustments – net of tax	(17)	(0.07)	102	0.41
Cash flow hedges – net of tax	219	0.93	24	0.10
Other	(2)	(0.01)	(1)	—
Other comprehensive income	200	0.85	125	0.51
Comprehensive income	\$ 2,533	10.71	\$ 2,446	10.01

Lowe's Companies, Inc.
Consolidated Balance Sheets (Unaudited)
In Millions, Except Par Value Data

	April 29, 2022	April 30, 2021	January 28, 2022
Assets			
Current assets:			
Cash and cash equivalents	\$ 3,414	\$ 6,692	\$ 1,133
Short-term investments	368	454	271
Merchandise inventory – net	20,239	18,382	17,605
Other current assets	1,590	1,288	1,051
Total current assets	25,611	26,816	20,060
Property, less accumulated depreciation	18,890	19,059	19,071
Operating lease right-of-use assets	4,131	3,886	4,108
Long-term investments	76	197	199
Deferred income taxes – net	33	213	164
Other assets	984	1,029	1,038
Total assets	\$ 49,725	\$ 51,200	\$ 44,640
Liabilities and shareholders' (deficit)/equity			
Current liabilities:			
Current maturities of long-term debt	\$ 121	\$ 1,338	\$ 868
Current operating lease liabilities	639	551	636
Accounts payable	13,831	13,964	11,354
Accrued compensation and employee benefits	1,190	1,312	1,561
Deferred revenue	2,094	2,022	1,914
Other current liabilities	3,956	3,705	3,335
Total current liabilities	21,831	22,892	19,668
Long-term debt, excluding current maturities	28,776	21,906	23,859
Noncurrent operating lease liabilities	4,061	3,925	4,021
Deferred revenue – Lowe's protection plans	1,137	1,050	1,127
Other liabilities	797	982	781
Total liabilities	56,602	50,755	49,456
Shareholders' (deficit)/equity:			
Preferred stock, \$5 par value: Authorized – 5.0 million shares; Issued and outstanding – none	—	—	—
Common stock, \$0.50 par value: Authorized – 5.6 billion shares; Issued and outstanding – 652 million, 715 million, and 670 million shares, respectively	326	358	335
Capital in excess of par value	—	—	—
(Accumulated deficit)/retained earnings	(7,367)	98	(5,115)
Accumulated other comprehensive income/(loss)	164	(11)	(36)
Total shareholders' (deficit)/equity	(6,877)	445	(4,816)
Total liabilities and shareholders' (deficit)/equity	\$ 49,725	\$ 51,200	\$ 44,640

Lowe's Companies, Inc.
Consolidated Statements of Cash Flows (Unaudited)
In Millions

	Three Months Ended	
	April 29, 2022	April 30, 2021
Cash flows from operating activities:		
Net earnings	\$ 2,333	\$ 2,321
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	503	443
Noncash lease expense	135	124
Deferred income taxes	59	110
Loss/(gain) on property and other assets – net	4	(15)
Share-based payment expense	50	54
Changes in operating assets and liabilities:		
Merchandise inventory – net	(2,646)	(2,123)
Other operating assets	(212)	(343)
Accounts payable	2,479	3,058
Deferred revenue	191	442
Other operating liabilities	81	421
Net cash provided by operating activities	2,977	4,492
Cash flows from investing activities:		
Purchases of investments	(109)	(293)
Proceeds from sale/maturity of investments	132	347
Capital expenditures	(343)	(461)
Proceeds from sale of property and other long-term assets	10	64
Other – net	—	(134)
Net cash used in investing activities	(310)	(477)
Cash flows from financing activities:		
Net proceeds from issuance of debt	4,964	1,988
Repayment of debt	(773)	(543)
Proceeds from issuance of common stock under share-based payment plans	1	9
Cash dividend payments	(537)	(440)
Repurchases of common stock	(4,037)	(3,038)
Other – net	(4)	4
Net cash used in financing activities	(386)	(2,020)
Effect of exchange rate changes on cash	—	7
Net increase in cash and cash equivalents	2,281	2,002
Cash and cash equivalents, beginning of period	1,133	4,690
Cash and cash equivalents, end of period	\$ 3,414	\$ 6,692