



Q2 2018 RESULTS

“We posted solid results this quarter by capitalizing on delayed spring demand. We are committed to driving even stronger performance in the future by sharpening our focus on retail fundamentals and by limiting any projects and initiatives that take us away from our core mission of being a great omni-channel home improvement retailer. I would like to thank our associates for their hard work and commitment to the company.”

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

FINANCIAL HIGHLIGHTS

\$ 20.9B
IN SALES
+7.1%

+5.2%
COMP SALES

34.46%
GROSS MARGIN
+25 basis points

10.36%
OPERATING MARGIN
-186 basis points

\$1.86
Diluted EPS
+10.7%²

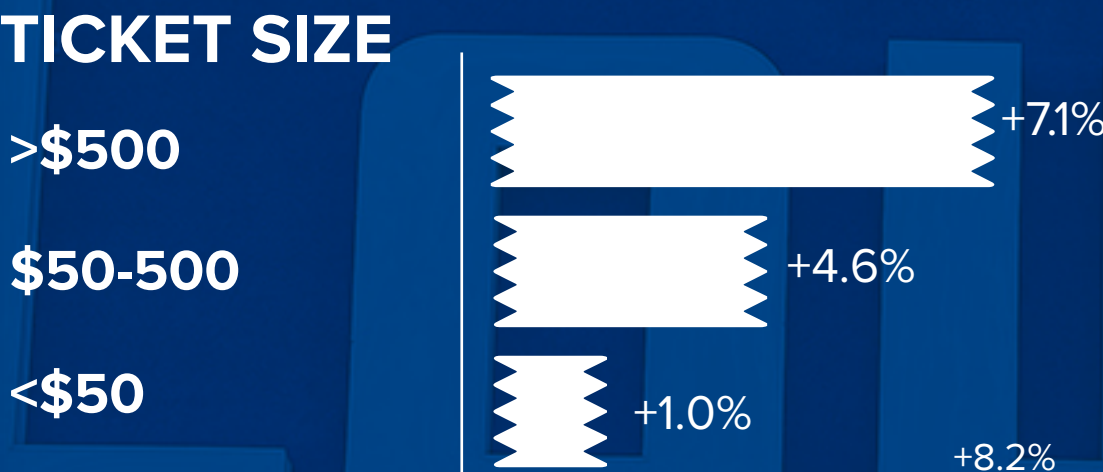
\$2.07
Adj. Diluted EPS¹
+31.8%²

WE RETURNED
\$1.4 BILLION
TO OUR SHAREHOLDERS
THROUGH DIVIDENDS
AND SHARE
REPURCHASES

COMPARABLE SALES SUMMARY

TRANSACTIONS/TICKET

COMP TRANSACTIONS **+0.6%** COMP AVERAGE TICKET **+4.5%** PRO COMP IN LINE WITH COMPANY AVERAGE **LOWE'S ProServices**



MONTHLY COMP PERFORMANCE



PRODUCT CATEGORY PERFORMANCE

Positive comps in **8** of **11** product categories

ABOVE COMPANY AVERAGE



Positive comps in **ALL** 14 regions

ONLINE

Lowes.com sales growth
+18%

ONGOING STRATEGIC REASSESSMENT

- Exit Orchard Supply Hardware
- Eliminate ~\$500m of planned capital projects
- Aggressively rationalize store inventory

¹ Adjusted Diluted EPS is a non-GAAP financial measure. Refer to lowes.com/investor for a reconciliation of non-GAAP measures.
² 2Q 2017 Diluted EPS was \$1.68 and Adj. Diluted EPS was \$1.57.