



# Q1 2018 RESULTS

“We drove solid performance in indoor categories and continued to grow our sales to Pro customers. However, prolonged unfavorable weather across geographies led to a delayed spring selling season which impacted results in outdoor categories. We continue to work diligently to improve conversion, better manage inventory and stabilize gross margin, while investing in the capabilities required to deliver simple and seamless customer experiences.”

- Robert A. Niblock, Lowe's chairman, president and CEO

## FINANCIAL HIGHLIGHTS

**\$17.4B**  
IN SALES  
+3.0%

**+0.6%**  
COMP SALES  
Includes ~300 basis points of negative impact from weather

**34.63%**  
GROSS MARGIN  
+23 basis points

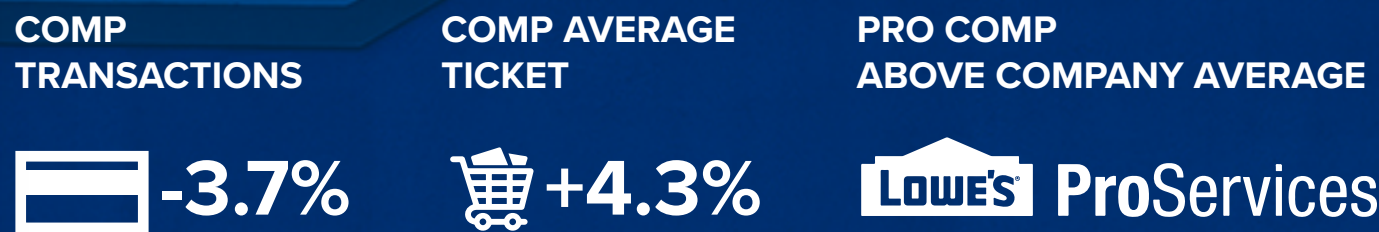
**8.44%**  
OPERATING MARGIN  
-81 basis points

**\$1.19**  
Diluted EPS  
+15.5%<sup>1</sup>

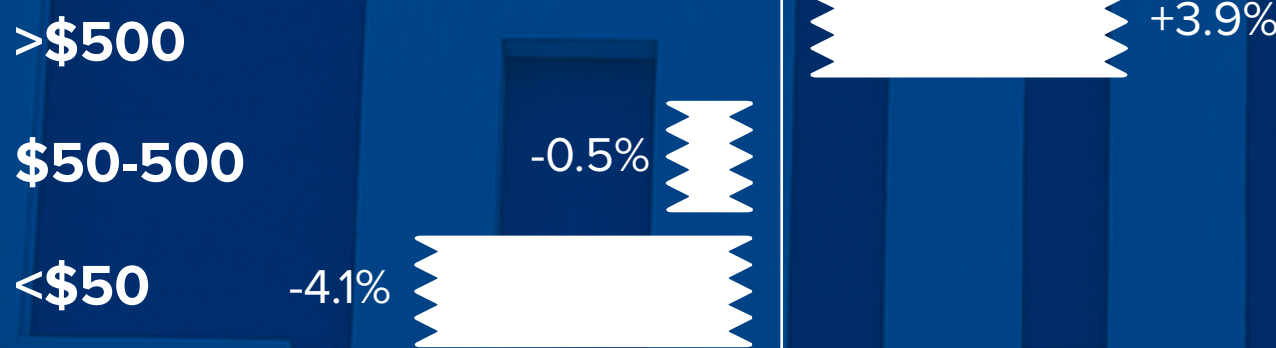
WE RETURNED  
**~\$1.1 BILLION**  
TO OUR SHAREHOLDERS  
THROUGH DIVIDENDS  
AND SHARE  
REPURCHASES

## COMPARABLE SALES SUMMARY

### TRANSACTIONS/TICKET



### TICKET SIZE



### MONTHLY COMP PERFORMANCE



## PRODUCT CATEGORY PERFORMANCE

Positive comps in **5** of **11** product categories, one category ~flat

### ABOVE COMPANY AVERAGE



Positive comps in **6** of **14** regions, two regions ~flat

## INTERNATIONAL



**POSITIVE COMPS**  
IN MEXICO AND CANADA\*  
\*In local currency

## OMNI-CHANNEL

Lowe's.com sales growth  
**20%**



Increase in project leads for  
in-home Project Specialists

<sup>1</sup> Compared to adjusted diluted EPS of \$1.03 (GAAP \$0.70) in 1Q 2017.



## OUR STRATEGY



### KNOW THE CUSTOMER

ENHANCING OUR ANALYTIC CAPABILITIES TO DELIVER INSIGHTS TO MEET CUSTOMERS' EVOLVING NEEDS



### CHANGE HOW WE ENGAGE

CONNECTING WITH CUSTOMERS AND ASSOCIATES WHEN, HOW AND WHERE THEY DESIRE



### EXPAND OUR FULFILLMENT OPTIONS

PROVIDING DEPENDABLE, CONVENIENT AND FAST DELIVERY AND PICKUP OPTIONS FOR CUSTOMERS



### DELIVER COMPELLING PRODUCT EXPERIENCES

DELIVERING RELEVANT AND INSPIRING PRODUCT EXPERIENCES TO PROVIDE VALUE AND PERSONALIZED CHOICE



### GROW PRO SALES

INCREASING PRO PENETRATION BY PROVIDING UNIQUE SOLUTIONS FOR THEIR SPECIFIC NEEDS



### DIFFERENTIATE WITH SERVICES

DELIVERING COMPLETE HOME IMPROVEMENT SOLUTIONS THROUGH A DIFFERENTIATED SERVICES PLATFORM FOR THE GROWING DO-IT-FOR-ME, OR DIFM, MARKET