THIRD QUARTER 2015
EARNINGS CALL

November 18, 2015

Disclosures regarding Forward Looking Statements & Non-GAAP Financial Measures (pages 12-19)

THIRD QUARTER HIGHLIGHTS

Comp Sales	**+4.6%**
Gross Margin	**34.75%, +26 bps**
SG&A	**22.89%, -91 bps**
EBIT Margin	**9.25%, +130 bps**
EPS	**$0.80, +35.6%**

Posted solid results for the quarter

- Positive comps in all 14 regions
- Positive comps in 12 of 13 product categories
- Balanced growth, with increase in both transactions and average ticket

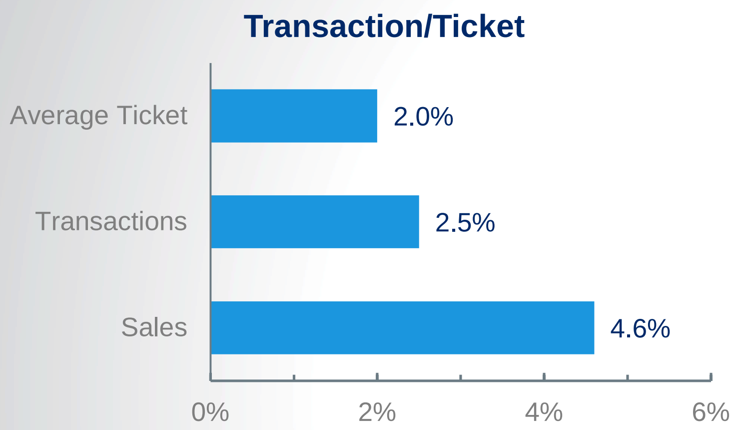
Continued to capitalize on a favorable macro backdrop

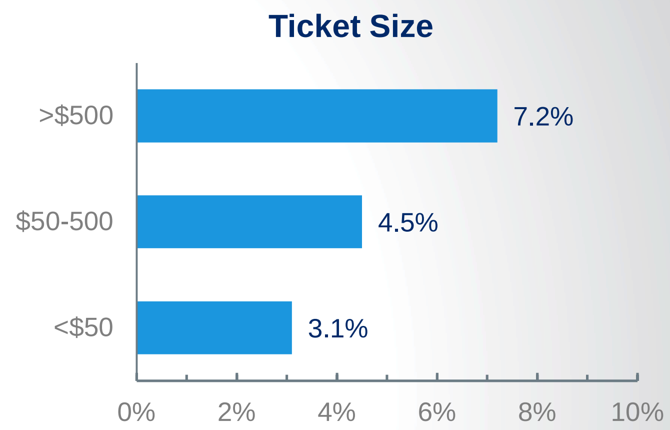
Repurchased $750 million of stock under share repurchase program and paid $260 million in dividends

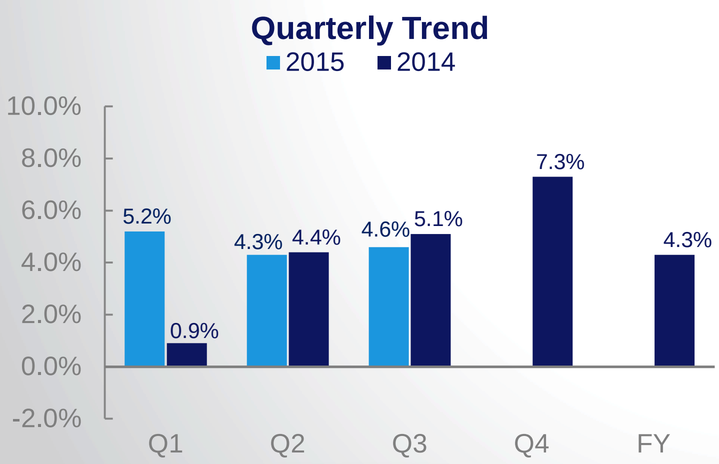
TOTAL SALES SUMMARY

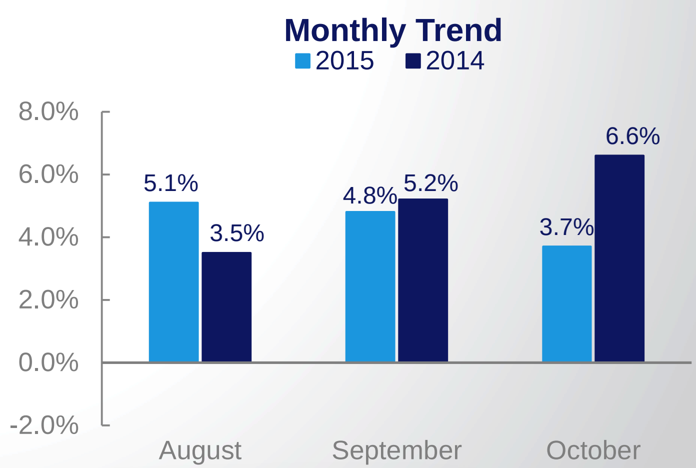
	Total	% Change
Sales	$14.4 B	+5.0%
Average Ticket	$67.34	+2.1%
Customer Transactions	213.3 M	+2.8%

COMPARABLE SALES SUMMARY









PRODUCT CATEGORY PERFORMANCE*

Above Average

Appliances

Seasonal Living

Tools & Hardware

Average

Lawn & Garden

Rough Plumbing & Electrical

Below Average

Fashion Fixtures

Flooring

Home Fashions

Kitchens

Lumber & Building Materials

Millwork

Outdoor Power Equipment

Paint

*Q3 comp sales were +4.6%. Positive comps in 12 of 13 product categories and flat comp growth in Outdoor Power Equipment.

OPERATING MARGIN SUMMARY

	% of Sales	Leverage/ (Deleverage)	Drivers
Gross Margin	34.75%	26 bps	(+) Seasonal sell through (+) Product cost deflation
SG&A	22.89%	91 bps	(+) Advertising (+) Proprietary credit program (+) Building maintenance & repairs (+) Store payroll
Depreciation	2.61%	13 bps	(+) Higher sales
EBIT Margin	9.25%	130 bps	

BALANCE SHEET SUMMARY

		YOY Change
Cash & Cash Equivalents	$1.2B	-$335M or -21.5%
Inventory	$10.4B	+$672M or +6.9%
Inventory Turnover	3.85x	+12 bps
Asset Turnover	1.75x	+10 bps
Accounts Payable	$7.3B	+$879M or +13.6%
Lease Adjusted Debt to EBITDAR	2.17x	
Return on Invested Capital	15.78%	+276 bps

STATEMENT OF CASH FLOWS SUMMARY

	Amount
Operating Cash Flow	**$4.5B**
Capital Expenditures	**$0.8B**
Free Cash Flow	**$3.7B**
Share Repurchases:	
YTD	**$3.3B**
Authorization Remaining	**$4.1B**

ECONOMIC LANDSCAPE

- Key drivers of home improvement spending are real disposable personal income, home prices, and housing turnover.
- Those key drivers remain conducive for home improvement industry growth through at least 2017 as steady job and income gains, coupled with persistent home price appreciation and strengthening home buying should keep home improvement growth buoyant.
- Our quarterly Consumer Sentiment Survey continued to indicate positive trends for our business. Survey respondents indicated growth in their home improvement spending is outpacing increases in their overall spending.

2015 PRIORITIES

Grow Sales

- Differentiate through better customer experiences
- Continue developing omni-channel capabilities
- Further improve our product and service offering for the Pro customer

Drive Productivity and Profitability

- Continue to optimize store payroll and marketing
- Leverage our scale to get cost savings on indirect spend

2015 BUSINESS OUTLOOK*

(BASED ON U.S. GAAP UNLESS OTHERWISE NOTED)

- Total sales are expected to increase 4.5 to 5 percent
- Comparable sales are expected to increase 4 to 4.5 percent
- The company expects to add 15 to 20 home improvement and hardware stores
- Earnings before interest and taxes as a percentage of sales (operating margin) are expected to increase 80 to 100 basis points
- The effective income tax rate is expected to be approximately 38.1%
- Diluted earnings per share of approximately $3.29 are expected for the fiscal year ending January 29, 2016
- Cash flow from operations are expected to be approximately $5.0B
- Capital expenditures are expected to be approximately $1.3B
- The company expects to repurchase $3.8B of stock

***As of November 18, 2015**

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APPENDIX

FORWARD LOOKING STATEMENTS

This document includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"). Statements of the Company's expectations for sales growth, comparable sales, earnings and performance, shareholder value, capital expenditures, cash flows, the housing market, the home improvement industry, demand for services, share repurchases, the Company's strategic initiatives and any statement of an assumption underlying any of the foregoing, constitute "forward-looking statements" under the Act. Although we believe that the expectations, opinions, projections, and comments reflected in these forward-looking statements are reasonable, we can give no assurance that such statements will prove to be correct. A wide variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results either expressed or implied by our forward-looking statements including, but not limited to, changes in general economic conditions, such as the rate of unemployment, interest rate and currency fluctuations, fuel and other energy costs, slower growth in personal income, changes in consumer spending, changes in the rate of housing turnover, the availability of consumer credit and of mortgage financing, inflation or deflation of commodity prices, and other factors which can negatively affect our customers, as well as our ability to: (i) respond to adverse trends in the housing industry, such as a demographic shift from single family to multi-family housing, a reduced rate of growth in household formation, and slower rates of growth in housing renovation and repair activity, as well as uneven recovery in commercial building activity; (ii) secure, develop, and otherwise implement new technologies and processes necessary to realize the benefits of our strategic initiatives and enhance our efficiency; (iii) attract, train, and retain highly-qualified associates; (iv) manage our business effectively as we adapt our traditional operating model to meet the changing expectations of our customers; (v) maintain, improve, upgrade and protect our critical information systems from data security breaches and other cyber threats; (vi) respond to fluctuations in the prices and availability of services, supplies, and products; (vii) respond to the growth and impact of competition; (viii) address changes in existing or new laws or regulations that affect consumer credit, employment/labor, trade, product safety, transportation/logistics, energy costs, health care, tax or environmental issues; and (ix) respond appropriately to unanticipated failures to maintain a high level of product and service quality that could result in a negative impact on customer confidence and adversely affect sales. In addition, we could experience additional impairment losses if either the actual results of our operating stores are not consistent with the assumptions and judgments we have made in estimating future cash flows and determining asset fair values, or we are required to reduce the carrying amount of our investment in certain unconsolidated entities that are accounted for under the equity method. For more information about these and other risks and uncertainties that we are exposed to, you should read the "Risk Factors" and "Critical Accounting Policies and Estimates" included in our Annual Report on Form 10-K to the United States Securities and Exchange Commission (the "SEC") and the description of material changes therein or updated version thereof, if any, included in our Quarterly Reports on Form 10-Q.

The forward-looking statements contained in this document are based upon data available as of the date of the 3rd quarter earnings release or other specified date and speak only as of such date. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf about any of the matters covered in this release are qualified by these cautionary statements and the "Risk Factors" included in our Annual Report on Form 10-K to the SEC and the description of material changes, if any, therein included in our Quarterly Reports on Form 10-Q. We expressly disclaim any obligation to update or revise any forward-looking statement, whether as a result of new information, change in circumstances, future events, or otherwise.

NON-GAAP MEASURES

Management is using non-GAAP financial measures in this document because it considers them to be important supplemental measures of the Company's performance. Management also believes that these non-GAAP financial measures provide additional insight for analysts and investors in evaluating the Company's financial and operating performance. Non-GAAP financial measures should be considered in addition to, not as a substitute for, net income, total debt or other financial measures prepared in accordance with GAAP. The Company's methods of determining these non-GAAP financial measures may differ from the methods used by other companies for these or similar non-GAAP financial measures. Accordingly, these non-GAAP financial measures may not be comparable to measures used by other companies.

Pursuant to the requirements of SEC Regulation G, detailed reconciliations between the Company's GAAP and non-GAAP financial results were posted, by incorporation within the appendix to this presentation, on the Company's Investor Relations website at www.Lowes.com/investor on the day the Company's operating and financial results were announced for the quarter ended October 30, 2015 and management presented certain non-GAAP financial measures during a conference call with analysts and investors. Investors are advised to carefully review and consider this information as well as the GAAP financial results that are disclosed in the Company's earnings releases and annual and quarterly SEC filings.

NON-GAAP MEASURES

EBIT Margin (Operating Margin)

We define EBIT Margin as earnings before interest and taxes as a percentage of sales.

Lowe's believes that EBIT Margin is a useful measure to describe the Company's operating profit.

EBITDAR

We define EBITDAR as earnings before interest, taxes, depreciation, amortization, share-based payments and rent.

Lease-Adjusted Debt

We define Lease-Adjusted Debt as short-term debt, current maturities of long-term debt, long-term debt excluding current maturities, and eight times the last four quarters' rent. We believe eight times rent is a reasonable industry standard estimate of the economic value of our leased assets.

Lowe's believes the ratio of Lease-Adjusted Debt to EBITDAR is a useful supplemental measure, as it provides an indication of the results generated by the Company in relation to its level of indebtedness by reflecting cash flow that could be used to repay debt.

NON-GAAP MEASURES

ROIC

We define ROIC as trailing four quarters' Net Operating Profit after Tax (NOPAT) divided by the average of ending debt and equity for the last five quarters.

Lowe's believes ROIC is a useful measure of how effectively the Company uses capital to generate profits.

Free Cash Flow

We define Free Cash Flow as net cash provided by operating activities less capital expenditures.

Lowe's believes Free Cash Flow is a useful measure to describe the Company's financial performance and measures its ability to generate excess cash from its business operations.

RECONCILIATION OF NON-GAAP MEASURES

EBIT and EBITDAR	Four Quarters Ended October 30, 2015	Four Quarters Ended October 31, 2014
Net Earnings	2,984	2,554
Taxes	1,826	1,534
Interest[1]	540	512
EBIT	**5,350**	**4,600**
Depreciation and Amortization[2]	1,572	1,587
Share-based Payments	120	113
Rent	464	443
EBITDAR	**7,506**	**6,743**

1 Interest includes amortization of original issue discount, deferred loan costs & other non-cash amortization charges

2 Depreciation and amortization represents total Company depreciation, including Distribution Networks and Millworks, as well as amortization of certain trademarks and intangibles

RECONCILIATION OF NON-GAAP MEASURES

LOWE'S NEVER STOP IMPROVING

Lease Adjusted Debt	Four Quarters Ended October 30, 2015	October 31, 2014
Short-term Borrowings	-	-
Current Maturities of LTD	1,058	551
Long-term Debt Excluding Current Maturities	11,541	10,806
Total Debt	**12,599**	**11,357**
8 Times Rent	3,711	3,542
Lease Adjusted Debt	**16,310**	**14,899**

RECONCILIATION OF NON-GAAP MEASURES

LOWE'S NEVER STOP IMPROVING

EBIT and NOPAT	Four Quarters Ended October 30, 2015	Four Quarters Ended October 31, 2014
Net Earnings	2,984	2,554
Taxes	1,826	1,534
Interest	540	512
EBIT	**5,350**	**4,600**
Effective Tax Rate	38.0%	37.5%
Tax Adjustment	2,027	1,729
NOPAT	**3,323**	**2,871**

RECONCILIATION OF NON-GAAP MEASURES

Free Cash Flow	FY 2015E	FY 2014	FY 2013
Net Cash Provided by Operating Activities	5,000	4,929	4,111
Capital Expenditures	1,300	880	940
Free Cash Flow	**3,700**	**4,049**	**3,171**

E = Estimate

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