



# Q4 2020 RESULTS

Strong execution enabled us to meet broad-based demand driven by the continued consumer focus on the home, with growth over 16% in all merchandising departments, over 19% across all U.S. regions and 121% on Lowes.com. I would like to thank our front-line associates for their continued dedication to serving our customers and communities and supporting safety in our stores. I am pleased with our progress in 2020, as we generated nearly \$90 billion in sales, with annual sales growth of over \$17 billion, while also enhancing our operating efficiency. Looking ahead to 2021, we expect to grow market share and drive further operating margin expansion.

—Marvin R. Ellison, Lowe's President & CEO

## FINANCIAL HIGHLIGHTS

### \$20.3B

IN SALES  
+26.7%

### +28.6%

U.S. COMP  
SALES

### 31.78%

GROSS  
MARGIN  
+70 basis points

### 7.50%

OPERATING  
MARGIN  
+152 basis points

### \$1.32

DILUTED EPS  
+100%

WE RETURNED  
 **~\$3.9  
BILLION**

TO OUR  
SHAREHOLDERS  
THROUGH DIVIDENDS  
AND SHARE  
REPURCHASES

### 31.80%

ADJ. GROSS  
MARGIN<sup>1</sup>  
-9 basis points

### 7.56%

ADJ. OPERATING  
MARGIN<sup>1</sup>  
+41 basis points

### \$1.33

ADJ. DILUTED EPS<sup>1</sup>  
+41%

<sup>1</sup> Adjusted Gross Margin, Adjusted Operating Margin, and Adjusted Diluted EPS are non-GAAP financial measures. Refer to 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. Q4 2019 comp sales have not been adjusted.

\*All comparisons are to Q4 2019\*

## U.S. COMPARABLE SALES SUMMARY

### TRANSACTIONS/TICKET

COMP  
TRANSACTIONS  
 **13.9%**

COMP AVERAGE  
TICKET  
 **14.2%**

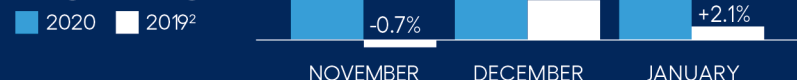
### LOWES.COM

SALES  
GROWTH **+121%**

### COMP SALES BY TICKET SIZE



### U.S. MONTHLY COMP PERFORMANCE



Positive Comps  
Exceeding **+19%** in  
All 15 U.S. Regions



## MERCHANDISING DEPARTMENT PERFORMANCE

Positive Comps Exceeded **16%** in all Merchandising Departments



LUMBER



SEASONAL &  
OUTDOOR LIVING



LAWN &  
GARDEN



PAINT



BUILDING  
MATERIALS



ELECTRICAL



DÉCOR

Invested an Incremental \$100 Million in Financial Assistance for Associates  
and Committed Millions To Support Communities in Response To COVID-19

Our highest priority continues to 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 hourly 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 January totaling ~\$80 million for frontline hourly associates

### Total COVID-Related Support

- Invested nearly \$1.3 billion for associates, store safety and community pandemic relief throughout fiscal 2020

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



# FY2020 RESULTS

In 2020, Lowe's rose to the challenges presented by the COVID-19 pandemic, as well as many hard-hitting natural disasters and ongoing social unrest. I am incredibly proud of the hard work and dedication of our associates, especially those on the front lines, who supported our communities and helped our customers keep their homes and businesses safe and operational.

—Marvin R. Ellison, Lowe's President & CEO

## Financial Highlights

**\$89.6B**

In Sales  
+24.2%

**UP \$17.4B**

From 2019

**+26.8%**

U.S. Comp  
Sales

**+111%**

Growth in Sales  
on Lowes.com

We returned

**~\$6.7  
Billion**

to our shareholders  
through dividends and  
share repurchases

**33.01%**

Gross Margin  
+121 basis points

**33.02%**

Adj. Gross Margin<sup>1</sup>  
+103 basis points

**10.77%**

Operating Margin  
+202 basis points

**10.82%**

Adj. Operating Margin<sup>1</sup>  
+169 basis points

**\$7.75**

Diluted EPS  
+41.2%

**\$8.86**

Adj. Diluted EPS<sup>1</sup>  
+54.4%

<sup>1</sup> Adjusted Gross Margin, Adjusted Operating Margin and Adjusted Diluted EPS are non-GAAP measures. Refer to Lowes.com/investor for a reconciliation of non-GAAP measures.

\*All comparisons are to FY 2019\*

**FORTUNE**  
**MOST ADMIRABLE**  
**SPECIALTY RETAILERS 2020**  
**#1**  
**LOWE'S**

Positive Comps  
Exceeded **20%** in  
**All 15 U.S. Regions**

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

..... ABOVE COMPANY AVERAGE .....



LUMBER



SEASONAL &  
OUTDOOR LIVING



LAWN &  
GARDEN



PAINT



TOOLS



DÉCOR

Invested nearly **\$1.3 BILLION** for associates, store safety  
and community pandemic relief throughout fiscal 2020

### COVID-Related Support:

**\$900M**

Frontline Associate  
Financial Support

**\$100M**

Charitable  
Contributions

**\$250M**

Store Safety &  
Cleaning



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

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

# MARKET SHARE ACCELERATION



**NEW HOME  
FOR PROS**



**EXPAND  
ONLINE BUSINESS**



**INSTALLATION  
SERVICES**



**DRIVE  
LOCALIZATION**



**ELEVATED  
ASSORTMENT**

## Total Home Strategy

Providing a full complement of products and services for Pros and Consumers alike,  
enabling a Total Home solution for every need in the home