



# LOWE'S OUTLINES STRATEGIC PRIORITIES AND LONG-TERM FINANCIAL TARGETS AT 2014 ANALYST AND INVESTOR CONFERENCE

DEC 11 2014

-- Company Reiterates Guidance for Fiscal 2014 --

MOORESVILLE, N.C., Dec. 11, 2014 /PRNewswire/ -- Lowe's Companies, Inc. (NYSE: LOW) meets today with analysts and investors in Mooresville, North Carolina to discuss its strategic priorities and long-term financial targets.

## Lowe's Enterprise Objectives

"We're at a great point in our company's evolution. The housing market and broader economy are recovering just as our transformation is gaining momentum," commented Robert A. Niblock, Lowe's chairman, president and CEO. "We're building on our past success and finding new ways to serve and connect with customers."

Today's presentations will include the company's plans to:

- Enhance its relevance to customers through omni-channel retailing
- Differentiate itself through better customer experiences
- Adapt to a changing home improvement landscape
- Deliver long-term profitable growth and substantial returns for shareholders

"We continue to generate solid cash flow and have exciting opportunities ahead of us," commented Robert F. Hull, Jr., Lowe's CFO. "Return on Invested Capital is expected to reach approximately 19 percent by 2017, an increase of almost 500 basis points over the next three years."

Today, Lowe's also reiterated its prior sales and earnings guidance for the 2014 fiscal year, which was provided in its November 19, 2014 earnings release.

## Lowe's Business Outlook

**Fiscal Year 2014** (comparisons to fiscal year 2013; 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 3.5 to 4 percent.
- The company expects to open 6 home improvement and 4 hardware stores.
- Earnings before interest and taxes as a percentage of sales (operating margin) are expected to increase 70 to 75 basis points.
- The effective income tax rate is expected to be approximately 37.2%.
- Diluted earnings per share of approximately \$2.68 are expected for the fiscal year ending January 30, 2015.

A webcast of this conference is scheduled for today (Thursday, December 11) at 10:00 am ET. The webcast can be accessed by visiting Lowe's website at [www.Lowe.com/investor](http://www.Lowe.com/investor), clicking on Webcasts and then on Lowe's 2014 Analyst & Investor Conference Webcast. A replay of the webcast will be archived on [Lowe.com/investor](http://Lowe.com/investor) until the next Analyst and Investor Conference.

#### Disclosure Regarding Forward-Looking Statements

This news release 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, higher 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 the psychological effects of lower home prices, and moderating 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 designed to enhance our efficiency and competitiveness; (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 to unanticipated weather conditions that could adversely affect sales. In addition, we could experience additional impairment losses if 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. 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 news release are based upon data available as of the date of this 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.

Lowe's Companies, Inc. (NYSE: LOW) is a FORTUNE® 100 home improvement company serving approximately 15 million customers a week in the United States, Canada and Mexico. With fiscal year 2013 sales of \$53.4 billion, Lowe's has more than 1,835 home improvement and hardware stores and 260,000 employees. Founded in 1946 and based in Mooresville, N.C., Lowe's supports the communities it serves through programs that focus on K-12 public education and community improvement projects. For more information, visit [Lowe.com](http://Lowe.com).

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