



# Q2 2020 RESULTS

“Our highest priority has always been protecting the health and safety of our associates and customers through a safe store environment and shopping experience. We are incredibly proud of our associates, and we are grateful for their hard work and ongoing commitment to safety. Second quarter sales were driven by a consumer focus on the home, core repair and maintenance activities, and wallet share shift away from other discretionary spending. Through our retail fundamentals strategy, we have dramatically improved our technology and operational platforms, which enabled us to meet customer demand and grow our business. Looking ahead, our sales momentum continues into August, and we are investing in the business to further our omnichannel capabilities and position the Company to deliver long-term value to associates, customers and shareholders.”

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

## FINANCIAL HIGHLIGHTS

**\$27.3B** IN SALES  
+30.1%

**+35.1%** U.S. COMP SALES

**34.08%** GROSS MARGIN  
+197 basis points

**14.49%** OPERATING MARGIN  
+315 basis points

**\$3.74** DILUTED EPS  
+75%

**\$3.75** ADJ. DILUTED EPS <sup>1</sup>  
+74%

<sup>1</sup> Adjusted Diluted EPS is a non-GAAP financial measure. Refer to [Lowe's.com/investor](https://www.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. Q2 2019 comp sales have not been adjusted.

<sup>3</sup> All comparisons are to Q2 2019

## U.S. COMPARABLE SALES SUMMARY

### TRANSACTIONS/TICKET

COMP TRANSACTIONS

**22.6%**

COMP AVERAGE TICKET

**11.6%**

### LOWES.COM

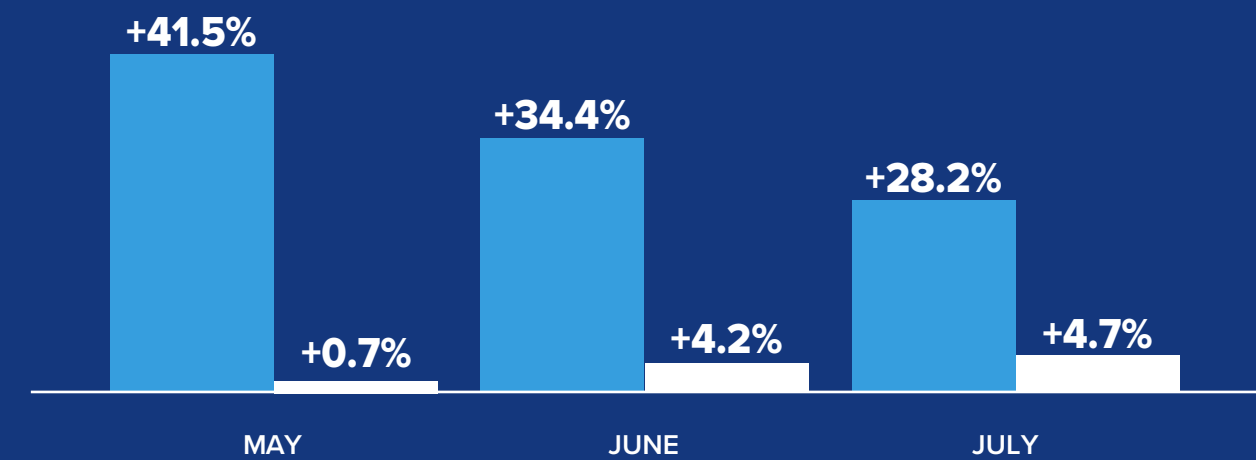
SALES GROWTH **+135%**

### COMP SALES BY TICKET SIZE



### U.S. MONTHLY COMP PERFORMANCE

■ 2020 ■ 2019<sup>2</sup>



## MERCHANDISING DEPARTMENT PERFORMANCE

**All 15** Merchandising Departments  
Generated Comp Sales Growth Exceeding **+20%**

**All 15** U.S. Regions  
Delivered Comp Sales  
Growth Of At Least **+30%**



Invested \$460 Million In Q2 To Support Our Frontline Associates, Communities and Store Safety

## Health and Safety of Our Associates and Customers Is Our Highest Priority

### Increased Store Safety Measures

- All frontline associates required to wear masks
- Adopted nationwide standard for all customers to wear masks
- Provided free masks for customers

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

### Financial Support for Associates

- Provided bonuses in July and August totaling ~\$230 million for frontline associates

### Support for Communities

- Invested \$100 million in community pandemic relief, with a focus on minority and rural small businesses and health care workers

# STRATEGIC INITIATIVES

## OUR MISSION

Together, deliver the right home improvement products, with the best service and value, across every channel and community we serve.



SUPPLY CHAIN TRANSFORMATION

Fulfillment and Delivery Optimization

Order Management Optimization



MERCHANDISING EXCELLENCE

Improve Productivity

Drive Localization

Improve Reset Execution

Best-in-Class Online Experience



OPERATIONAL EFFICIENCY

Store Simplification

In-Stock Execution



CUSTOMER ENGAGEMENT

Own the Pro

Associate Engagement

OMNI-CHANNEL