

Lowe's Companies, Inc.
Consolidated Statements of Current Earnings and Accumulated Deficit (Unaudited)

In Millions, Except Per Share and Percentage Data

	Three Months Ended				Fiscal Year Ended			
	January 31, 2025		February 2, 2024		January 31, 2025		February 2, 2024	
	Amount	% Sales	Amount	% Sales	Amount	% Sales	Amount	% Sales
Current Earnings								
Net sales	\$ 18,553	100.00	\$ 18,602	100.00	\$ 83,674	100.00	\$ 86,377	100.00
Cost of sales	12,456	67.14	12,576	67.60	55,797	66.68	57,533	66.61
Gross margin	6,097	32.86	6,026	32.40	27,877	33.32	28,844	33.39
Expenses:								
Selling, general and administrative	3,822	20.59	3,897	20.95	15,682	18.74	15,570	18.02
Depreciation and amortization	445	2.40	442	2.38	1,729	2.07	1,717	1.99
Operating income	1,830	9.87	1,687	9.07	10,466	12.51	11,557	13.38
Interest – net	328	1.77	348	1.87	1,313	1.57	1,382	1.60
Pre-tax earnings	1,502	8.10	1,339	7.20	9,153	10.94	10,175	11.78
Income tax provision	377	2.04	319	1.72	2,196	2.63	2,449	2.83
Net earnings	\$ 1,125	6.06	\$ 1,020	5.48	\$ 6,957	8.31	\$ 7,726	8.95
Weighted average common shares outstanding – basic	562		574		567		582	
Basic earnings per common share ⁽¹⁾	\$ 2.00		\$ 1.77		\$ 12.25		\$ 13.23	
Weighted average common shares outstanding – diluted	563		575		568		584	
Diluted earnings per common share ⁽¹⁾	\$ 1.99		\$ 1.77		\$ 12.23		\$ 13.20	
Cash dividends per share	\$ 1.15		\$ 1.10		\$ 3.40		\$ 4.35	
Accumulated Deficit								
Balance at beginning of period	\$(13,993)		\$(15,744)		\$(15,637)		\$(14,862)	
Net earnings	1,125		1,020		6,957		7,726	
Cash dividends declared	(645)		(633)		(2,578)		(2,531)	
Share repurchases	(1,286)		(280)		(3,541)		(5,970)	
Balance at end of period	\$(14,799)		\$(15,637)		\$(14,799)		\$(15,637)	

⁽¹⁾ Under the two-class method, earnings per share is calculated using net earnings allocable to common shares, which is derived by reducing net earnings by the earnings allocable to participating securities. Net earnings allocable to common shares used in the basic and diluted earnings per share calculation were \$1,122 million for the three months ended January 31, 2025, and \$1,017 million for the three months ended February 2, 2024. Net earnings allocable to common shares used in the basic and diluted earnings per share calculation were \$6,940 million for the fiscal year ended January 31, 2025, and \$7,706 million for the fiscal year ended February 2, 2024.

Lowe's Companies, Inc.
Consolidated Statements of Comprehensive Income (Unaudited)

In Millions, Except Percentage Data

	Three Months Ended				Fiscal Year Ended			
	January 31, 2025		February 2, 2024		January 31, 2025		February 2, 2024	
	Amount	% Sales	Amount	% Sales	Amount	% Sales	Amount	% Sales
Net earnings	\$ 1,125	6.06	\$ 1,020	5.48	\$ 6,957	8.31	\$ 7,726	8.95
Cash flow hedges – net of tax	(4)	(0.02)	(4)	(0.02)	(13)	(0.02)	(14)	(0.02)
Foreign currency translation adjustments – net of tax	—	—	—	—	—	0.01	5	0.01
Other	—	—	2	0.01	1	—	2	—
Other comprehensive loss	(4)	(0.02)	(2)	(0.01)	(12)	(0.01)	(7)	(0.01)
Comprehensive income	\$ 1,121	6.04	\$ 1,018	5.47	\$ 6,945	8.30	\$ 7,719	8.94

Lowe's Companies, Inc.
Consolidated Balance Sheets (Unaudited)
In Millions, Except Par Value Data

	January 31, 2025	February 2, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,761	\$ 921
Short-term investments	372	307
Merchandise inventory – net	17,409	16,894
Other current assets	816	949
Total current assets	20,358	19,071
Property, less accumulated depreciation	17,649	17,653
Operating lease right-of-use assets	3,738	3,733
Long-term investments	277	252
Deferred income taxes – net	244	248
Other assets	836	838
Total assets	\$ 43,102	\$ 41,795
Liabilities and shareholders' deficit		
Current liabilities:		
Current maturities of long-term debt	\$ 2,586	\$ 537
Current operating lease liabilities	563	487
Accounts payable	9,290	8,704
Accrued compensation and employee benefits	1,008	954
Deferred revenue	1,358	1,408
Other current liabilities	3,952	3,478
Total current liabilities	18,757	15,568
Long-term debt, excluding current maturities	32,901	35,384
Noncurrent operating lease liabilities	3,628	3,737
Deferred revenue – Lowe's protection plans	1,268	1,225
Other liabilities	779	931
Total liabilities	57,333	56,845
Shareholders' deficit:		
Preferred stock, \$5 par value: Authorized – 5.0 million shares; Issued and outstanding – none	—	—
Common stock, \$0.50 par value: Authorized – 5.6 billion shares; Issued and outstanding – 560 million and 574 million, respectively	280	287
Accumulated deficit	(14,799)	(15,637)
Accumulated other comprehensive income	288	300
Total shareholders' deficit	(14,231)	(15,050)
Total liabilities and shareholders' deficit	\$ 43,102	\$ 41,795

Lowe's Companies, Inc.
Consolidated Statements of Cash Flows (Unaudited)
In Millions

	Fiscal Year Ended	
	January 31, 2025	February 2, 2024
Cash flows from operating activities:		
Net earnings	\$ 6,957	\$ 7,726
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	1,972	1,923
Noncash lease expense	520	499
Deferred income taxes	9	6
Loss on property and other assets – net	5	83
Gain on sale of business	(177)	(79)
Share-based payment expense	221	210
Changes in operating assets and liabilities:		
Merchandise inventory – net	(514)	1,637
Other operating assets	93	182
Accounts payable	633	(1,820)
Other operating liabilities	(94)	(2,227)
Net cash provided by operating activities	9,625	8,140
Cash flows from investing activities:		
Purchases of investments	(1,286)	(1,785)
Proceeds from sale/maturity of investments	1,204	1,722
Capital expenditures	(1,927)	(1,964)
Proceeds from sale of property and other long-term assets	105	53
Proceeds from sale of business	177	100
Other – net	(11)	(27)
Net cash used in investing activities	(1,738)	(1,901)
Cash flows from financing activities:		
Net change in commercial paper	—	(499)
Net proceeds from issuance of debt	—	2,983
Repayment of debt	(545)	(601)
Proceeds from issuance of common stock under share-based payment plans	159	141
Cash dividend payments	(2,566)	(2,531)
Repurchases of common stock	(4,053)	(6,138)
Other – net	(42)	(21)
Net cash used in financing activities	(7,047)	(6,666)
Net increase/(decrease) in cash and cash equivalents	840	(427)
Cash and cash equivalents, beginning of period	921	1,348
Cash and cash equivalents, end of period	\$ 1,761	\$ 921

Lowe's Companies, Inc.**Non-GAAP Financial Measure Reconciliation (Unaudited)**

Management of Lowe's Companies, Inc. (the Company) uses certain non-GAAP financial measures to provide additional insight for analysts and investors in evaluating the Company's financial and operating performance. These non-GAAP financial measures should not be considered alternatives to, or more meaningful indicators of, the Company's financial measures as 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 and may not be comparable.

For the three months ended January 31, 2025, the Company has presented the Non-GAAP financial measure of adjusted diluted earnings per share. This measure excludes the impact of a certain item, further described below, not contemplated in Lowe's Business Outlook to assist analysts and investors in understanding operational performance for the fourth quarter of fiscal 2024.

Fiscal 2024 Impacts

The Company recognized financial impacts from the following:

- In the fourth quarter of fiscal 2024, the Company recognized pre-tax income of \$80 million consisting of a realized gain on the contingent consideration associated with the fiscal 2022 sale of the Canadian retail business (Canadian retail business transaction).

Adjusted diluted earnings per share should not be considered an alternative to, or more meaningful indicator of, the Company's diluted earnings per share as prepared in accordance with GAAP. The Company's methods of determining non-GAAP financial measures may differ from the method used by other companies and may not be comparable.

A reconciliation between the Company's GAAP and non-GAAP financial results is shown below and available on the Company's website at ir.lowes.com.

	Three Months Ended		
	January 31, 2025		
	Pre-Tax Earnings	Tax¹	Net Earnings
Diluted earnings per share, as reported			\$ 1.99
Non-GAAP adjustments – per share impacts			
Canadian retail business transaction	(0.14)	0.08	(0.06)
Adjusted diluted earnings per share			\$ 1.93

¹ Represents the tax benefit or expense related to the item excluded from adjusted diluted earnings per share.