

# **LOWE'S ANNOUNCES AGREEMENT TO ACQUIRE ARTISAN DESIGN GROUP, A LEADING PROVIDER OF DESIGN, DISTRIBUTION AND INSTALLATION SERVICES FOR INTERIOR FINISHES TO HOME BUILDERS AND PROPERTY MANAGERS**

MOORESVILLE, N.C. and DALLAS, TEXAS, April 14, 2025 – Lowe's Companies, Inc. (NYSE: LOW) today announced it has entered into a definitive agreement to acquire Artisan Design Group ("ADG") for \$1.325 billion.

ADG is a leading nationwide provider of design, distribution and installation services for interior surface finishes, including flooring, cabinets and countertops, to national, regional and local homebuilders and property managers. Through a combination of organic growth and a series of targeted acquisitions that extended its capabilities and footprint, ADG has built an industry leading position. With fiscal 2024 revenue of approximately \$1.8 billion, a national network of over 3,200 specialized installers and long-standing relationships with single-family and multifamily homebuilders as well as property managers, ADG will expand Lowe's Pro offering into a new distribution channel within a highly fragmented, approximately \$50 billion market.

"With more than 18 million homes needed in the United States by 2033<sup>1</sup>, we expect new home construction will be a major driver of Pro planned spend for the next decade. The acquisition of ADG allows us to build on our momentum with Pro planned spend and is expected to expand our total addressable market by approximately \$50 billion," said Marvin R. Ellison, Lowe's chairman, president and CEO. "With its strong, customer-centric operating model, ADG has become an industry leader with best-in-class customer satisfaction scores from the top builders in the U.S. We look forward to welcoming the ADG team to Lowe's, and, through our combined capabilities, enhancing our offering to our expanded Pro customer base."

"We are thrilled for ADG to join forces with Lowe's," said Steve Margolius, ADG's CEO. "Our leading position in flooring, cabinets and countertops, combined with Lowe's scale and category breadth, will allow us to continue on our growth trajectory while providing an even more differentiated and comprehensive offering to the builders and property managers we serve today."

Lowe's will finance the acquisition with cash on hand. The transaction is expected to close in the second quarter of 2025, subject to receipt of requisite regulatory approvals and satisfaction of other customary closing conditions.

<sup>1</sup> Source: John Burns Real Estate Research and Consulting

## **Advisors**

Centerview Partners LLC is acting as lead financial advisor to Lowe's. Greenhill, a Mizuho affiliate, is also acting as financial advisor to Lowe's. Covington & Burling LLP is acting as legal advisor to Lowe's. RBC Capital Markets is acting as lead financial advisor to ADG. Goldman Sachs is also acting as financial advisor to ADG. Latham & Watkins LLP is acting as legal advisor to ADG.

## **About Lowe's**

Lowe's is a FORTUNE® 50 home improvement company serving approximately 16 million customer transactions a week in the United States. With total fiscal year 2024 sales of more than \$83 billion, Lowe's operates over 1,700 home improvement stores and employs approximately 300,000 associates. Based in Mooresville, N.C., Lowe's supports the communities it serves through programs focused on creating safe, affordable housing, improving community spaces, helping to develop the next generation of skilled trade experts and providing disaster relief to communities in need. For more information, visit [Lowes.com](https://www.Lowes.com).

## **About Artisan Design Group**

ADG provides design, distribution, and installation services for interior finishes including flooring, cabinets, and countertops to national, regional and local homebuilders and property managers. Formed in 2016 by the merging of two industry leaders, ADG currently operates 132 distribution, design, and service facilities in 18 states, and is headquartered in Dallas, Texas.

## **Disclosure Regarding Forward-Looking Statements**

This press release includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements including words such as "believe", "expect", "anticipate", "plan", "desire", "project", "estimate", "intend", "will", "should", "could", "would", "may", "strategy", "potential", "opportunity", "outlook", "scenario", "guidance", and similar expressions are forward-looking statements. Forward-looking statements involve, among other things, expectations, projections and assumptions about future financial and operating results, objectives (including objectives related to environmental and social matters), business outlook, priorities, sales growth, shareholder value, capital expenditures, cash flows, the housing market, the home improvement industry, demand for products and services including customer acceptance of new offerings and initiatives, macroeconomic conditions and consumer spending and Lowe's strategic initiatives, including those relating to acquisitions and dispositions and the impact of such transactions on our strategic and operational plans and financial results. Such statements involve risks and uncertainties, and we can give no assurance that they will prove to be correct. Actual results may differ materially from those expressed or implied in such statements.

A wide variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results either expressed or implied by these forward-looking statements including, but not limited to, the occurrence of any event or other circumstance that could give rise to the right of one or both of the parties to terminate the merger agreement between Lowe's and ADG, the failure to obtain the requisite approvals or to satisfy the other conditions to the proposed merger on a timely basis or at all, the possibility that the anticipated benefits and synergies of the merger are not realized when expected, or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of changes in general economic conditions, such as

volatility and/or lack of liquidity from time to time in U.S. and world financial markets and the consequent reduced availability and/or higher cost of borrowing to Lowe's and its customers, slower rates of growth in real disposable personal income that could affect the rate of growth in consumer spending, inflation and its impacts on discretionary spending and on our costs, shortages and other disruptions in the labor supply, interest rate and currency fluctuations, home price appreciation or decreasing housing turnover, age of housing stock, the availability of consumer credit and of mortgage financing, trade policy changes or additional tariffs, outbreaks of pandemics, fluctuations in fuel and energy costs, inflation or deflation of commodity prices, natural disasters, geopolitical or armed conflicts, acts of both domestic and international terrorism, and other factors that can negatively affect our customers.

Investors and others should carefully consider the foregoing factors and other uncertainties, risks and potential events including, but not limited to, those described in "Item 1A - Risk Factors" in our most recent Annual Report on Form 10-K and as may be updated from time to time in Item 1A in our quarterly reports on Form 10-Q or other subsequent filings with the SEC. All such forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update these statements other than as required by law.

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