

**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 30, 2026		January 31, 2025		January 30, 2026		January 31, 2025	
	Amount	% Sales	Amount	% Sales	Amount	% Sales	Amount	% Sales
<b>Current Earnings</b>								
<b>Net sales</b>	\$ 20,584	100.00	\$ 18,553	100.00	\$ 86,286	100.00	\$ 83,674	100.00
Cost of sales	13,903	67.54	12,456	67.14	57,401	66.52	55,797	66.68
<b>Gross margin</b>	<b>6,681</b>	<b>32.46</b>	<b>6,097</b>	<b>32.86</b>	<b>28,885</b>	<b>33.48</b>	<b>27,877</b>	<b>33.32</b>
Expenses:								
Selling, general and administrative	4,409	21.42	3,822	20.59	16,791	19.46	15,682	18.74
Depreciation and amortization	564	2.74	445	2.40	1,941	2.25	1,729	2.07
<b>Operating income</b>	<b>1,708</b>	<b>8.30</b>	<b>1,830</b>	<b>9.87</b>	<b>10,153</b>	<b>11.77</b>	<b>10,466</b>	<b>12.51</b>
Interest – net	403	1.96	328	1.77	1,406	1.63	1,313	1.57
<b>Pre-tax earnings</b>	<b>1,305</b>	<b>6.34</b>	<b>1,502</b>	<b>8.10</b>	<b>8,747</b>	<b>10.14</b>	<b>9,153</b>	<b>10.94</b>
Income tax provision	306	1.49	377	2.04	2,093	2.43	2,196	2.63
<b>Net earnings</b>	<b>\$ 999</b>	<b>4.85</b>	<b>\$ 1,125</b>	<b>6.06</b>	<b>\$ 6,654</b>	<b>7.71</b>	<b>\$ 6,957</b>	<b>8.31</b>
Weighted average common shares outstanding – basic	560		562		559		567	
<b>Basic earnings per common share <sup>(1)</sup></b>	<b>\$ 1.78</b>		<b>\$ 2.00</b>		<b>\$ 11.87</b>		<b>\$ 12.25</b>	
Weighted average common shares outstanding – diluted	561		563		560		568	
<b>Diluted earnings per common share <sup>(1)</sup></b>	<b>\$ 1.78</b>		<b>\$ 1.99</b>		<b>\$ 11.85</b>		<b>\$ 12.23</b>	
<b>Cash dividends per share</b>	<b>\$ 1.20</b>		<b>\$ 1.15</b>		<b>\$ 4.75</b>		<b>\$ 4.55</b>	
<b>Accumulated Deficit</b>								
<b>Balance at beginning of period</b>	<b>\$(11,165)</b>		<b>\$(13,993)</b>		<b>\$(14,799)</b>		<b>\$(15,637)</b>	
Net earnings	999		1,125		6,654		6,957	
Cash dividends declared	(673)		(645)		(2,664)		(2,578)	
Share repurchases	—		(1,286)		(30)		(3,541)	
<b>Balance at end of period</b>	<b>\$(10,839)</b>		<b>\$(14,799)</b>		<b>\$(10,839)</b>		<b>\$(14,799)</b>	

<sup>(1)</sup> 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 \$997 million and \$1,122 million for the three months ended January 30, 2026, and January 31, 2025, respectively. Net earnings allocable to common shares used in the basic and diluted earnings per share calculation were \$6,636 million and \$6,940 million for the fiscal years ended January 30, 2026, and January 31, 2025, respectively.

**Lowe's Companies, Inc.**

**Consolidated Statements of Comprehensive Income (Unaudited)**

In Millions, Except Percentage Data

	Three Months Ended				Fiscal Year Ended			
	January 30, 2026		January 31, 2025		January 30, 2026		January 31, 2025	
	Amount	% Sales	Amount	% Sales	Amount	% Sales	Amount	% Sales
<b>Net earnings</b>	<b>\$ 999</b>	<b>4.85</b>	<b>\$ 1,125</b>	<b>6.06</b>	<b>\$ 6,654</b>	<b>7.71</b>	<b>\$ 6,957</b>	<b>8.31</b>
Cash flow hedges – net of tax	(3)	(0.01)	(4)	(0.02)	(17)	(0.02)	(13)	(0.02)
Other	—	—	—	—	—	—	1	0.01
<b>Other comprehensive loss</b>	<b>(3)</b>	<b>(0.01)</b>	<b>(4)</b>	<b>(0.02)</b>	<b>(17)</b>	<b>(0.02)</b>	<b>(12)</b>	<b>(0.01)</b>
<b>Comprehensive income</b>	<b>\$ 996</b>	<b>4.84</b>	<b>\$ 1,121</b>	<b>6.04</b>	<b>\$ 6,637</b>	<b>7.69</b>	<b>\$ 6,945</b>	<b>8.30</b>

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

	January 30, 2026	January 31, 2025
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 982	\$ 1,761
Short-term investments	370	372
Receivables - net	1,090	94
Merchandise inventory - net	17,300	17,409
Other current assets	1,213	722
<b>Total current assets</b>	<b>20,955</b>	<b>20,358</b>
Property, less accumulated depreciation	18,362	17,649
Operating lease right-of-use assets	4,303	3,738
Long-term investments	319	277
Deferred income taxes - net	—	244
Goodwill	3,945	311
Intangible assets - net	5,908	277
Other assets	352	248
<b>Total assets</b>	<b>\$ 54,144</b>	<b>\$ 43,102</b>
<b>Liabilities and shareholders' deficit</b>		
<b>Current liabilities:</b>		
Current maturities of long-term debt	\$ 2,431	\$ 2,586
Current operating lease liabilities	713	563
Accounts payable	9,762	9,290
Accrued compensation and employee benefits	1,285	1,008
Deferred revenue	1,477	1,358
Other current liabilities	3,795	3,952
<b>Total current liabilities</b>	<b>19,463</b>	<b>18,757</b>
Long-term debt, excluding current maturities	37,490	32,901
Noncurrent operating lease liabilities	4,043	3,628
Deferred income taxes - net	1,039	—
Deferred revenue - Lowe's protection plans	1,262	1,268
Other liabilities	764	779
<b>Total liabilities</b>	<b>64,061</b>	<b>57,333</b>
<b>Shareholders' deficit:</b>		
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 - 561 million and 560 million, respectively	281	280
Capital in excess of par value	370	—
Accumulated deficit	(10,839)	(14,799)
Accumulated other comprehensive income	271	288
<b>Total shareholders' deficit</b>	<b>(9,917)</b>	<b>(14,231)</b>
<b>Total liabilities and shareholders' deficit</b>	<b>\$ 54,144</b>	<b>\$ 43,102</b>

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

	Fiscal Year Ended	
	January 30, 2026	January 31, 2025
<b>Cash flows from operating activities:</b>		
Net earnings	\$ 6,654	\$ 6,957
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	2,194	1,972
Noncash lease expense	572	520
Deferred income taxes	256	9
Loss on property and other assets – net	53	5
Gain on sale of business	—	(177)
Share-based payment expense	247	221
Changes in operating assets and liabilities:		
Merchandise inventory – net	703	(514)
Other operating assets	(243)	93
Accounts payable	73	633
Other operating liabilities	(645)	(94)
<b>Net cash provided by operating activities</b>	<b>9,864</b>	<b>9,625</b>
<b>Cash flows from investing activities:</b>		
Purchases of investments	(1,693)	(1,286)
Proceeds from sale/maturity of investments	1,658	1,204
Capital expenditures	(2,213)	(1,927)
Proceeds from sale of property and other long-term assets	82	105
Proceeds from sale of business	—	177
Acquisitions of businesses - net	(10,088)	—
Other – net	(10)	(11)
<b>Net cash used in investing activities</b>	<b>(12,264)</b>	<b>(1,738)</b>
<b>Cash flows from financing activities:</b>		
Net proceeds from issuance of debt	6,974	—
Repayment of debt	(2,587)	(545)
Proceeds from issuance of common stock under share-based payment plans	149	159
Cash dividend payments	(2,636)	(2,566)
Repurchases of common stock	(211)	(4,053)
Other – net	(68)	(42)
<b>Net cash provided by/(used in) financing activities</b>	<b>1,621</b>	<b>(7,047)</b>
Net (decrease)/increase in cash and cash equivalents	(779)	840
Cash and cash equivalents, beginning of period	1,761	921
<b>Cash and cash equivalents, end of period</b>	<b>\$ 982</b>	<b>\$ 1,761</b>

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

To provide additional transparency, the Company has presented the non-GAAP financial measure of adjusted diluted earnings per share for the three months ended January 30, 2026 and January 31, 2025. This measure excludes the impact of certain items, 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 2025.

Fiscal 2025 Impacts:

During fiscal 2025, the Company recognized financial impacts from the following:

- In the fourth quarter of fiscal 2025, the Company recognized pre-tax expenses of \$149 million consisting of transaction costs and intangible asset amortization related to the acquisitions of Artisan Design Group and Foundation Building Materials (Acquisition of businesses).

Fiscal 2024 Impacts:

During fiscal 2024, 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).

In addition, the Company has presented full year fiscal 2026 guidance of the non-GAAP financial measures adjusted operating margin and adjusted diluted earnings per share, which exclude the impact of intangible asset amortization, and related tax effects if applicable, related to the acquisitions of Artisan Design Group and Foundation Building Materials. When evaluated with our GAAP results, we believe these non-GAAP measures provide investors with meaningful measures of comparable performance.

Adjusted operating margin and adjusted diluted earnings per share should not be considered an alternative to, or more meaningful indicator of, the Company's operating margin or 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](http://ir.lowes.com).

	Three Months Ended					
	January 30, 2026			January 31, 2025		
	Pre-Tax Earnings	Tax <sup>1</sup>	Net Earnings	Pre-Tax Earnings	Tax <sup>1</sup>	Net Earnings
<b>Adjusted Diluted Earnings Per Share</b>						
<b>Diluted Earnings Per Share, As Reported</b>			\$ 1.78			\$ 1.99
Acquisition of businesses	0.27	(0.07)	0.20	—	—	—
Canadian retail business transaction	—	—	—	(0.14)	0.08	(0.06)
<b>Adjusted Diluted Earnings Per Share</b>			\$ 1.98			\$ 1.93

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

Our adjusted operating margin and adjusted diluted earnings per share guidance for fiscal 2026 excludes an expected 40 basis point and \$0.50 after tax impact, respectively, from intangible asset amortization.