

ROBERT NIBLOCK

Chairman, President &
Chief Executive Officer



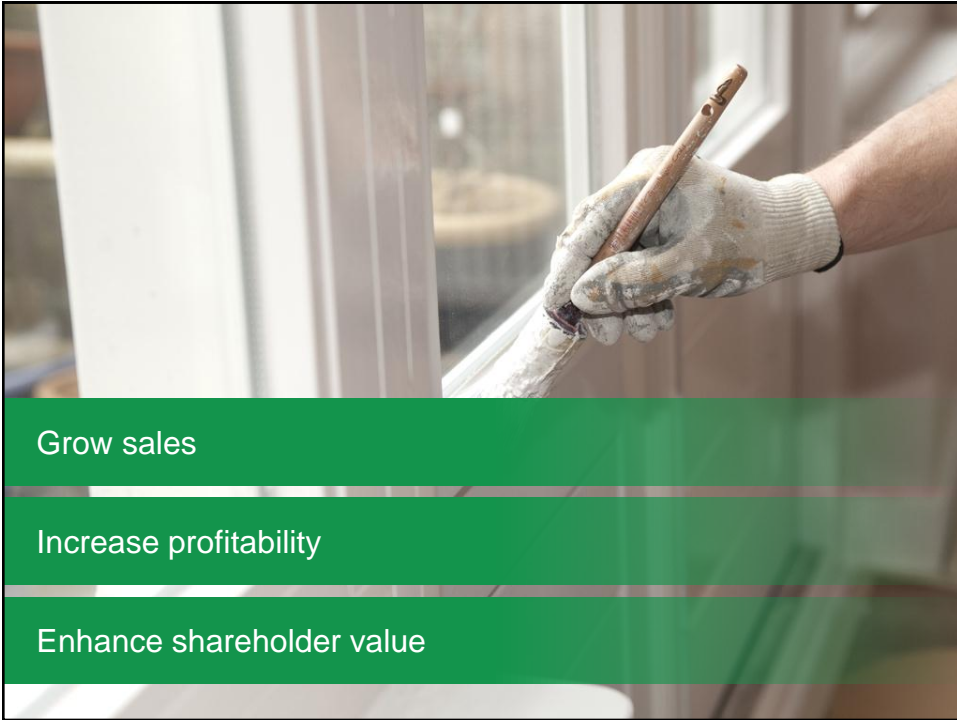
Capital Allocation Priorities

1. Strategic Investments

2. Dividends

3. Share Repurchases





Grow sales

Increase profitability

Enhance shareholder value

There is a real opportunity to create a more differentiated brand experience and earn greater customer loyalty.



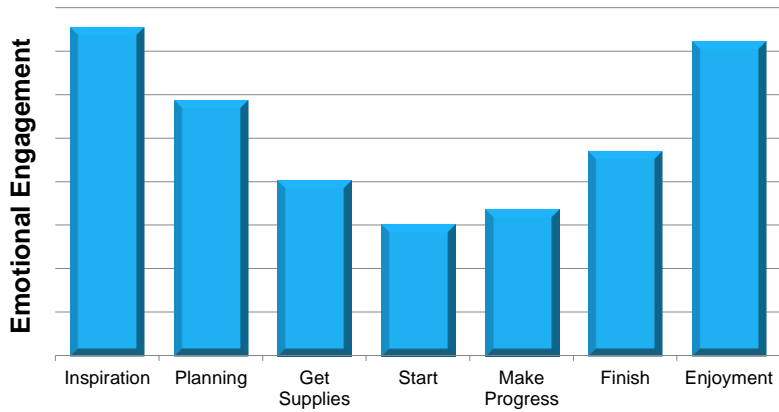



Curious
Thoughtful
Aspirational
Tailored Experiences

CREATORS
 account for **70%**
 of home improvement spend

LOWE'S NEVER STOP IMPROVING

Seven Stages of Home Improvement



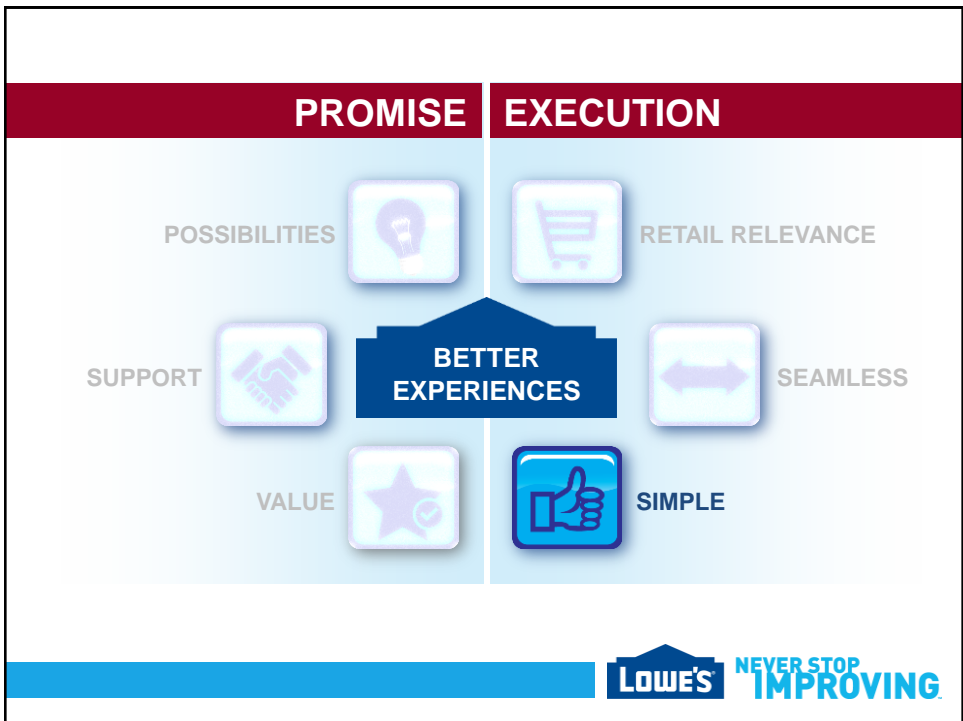
We have an opportunity to engage customers across the seven stages of home improvement.

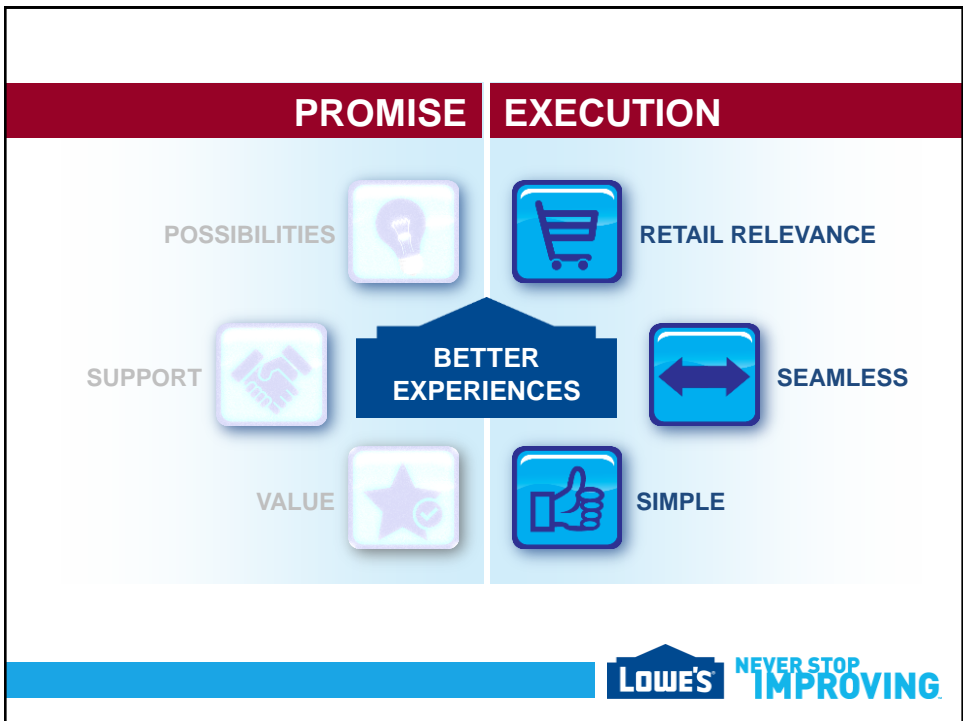
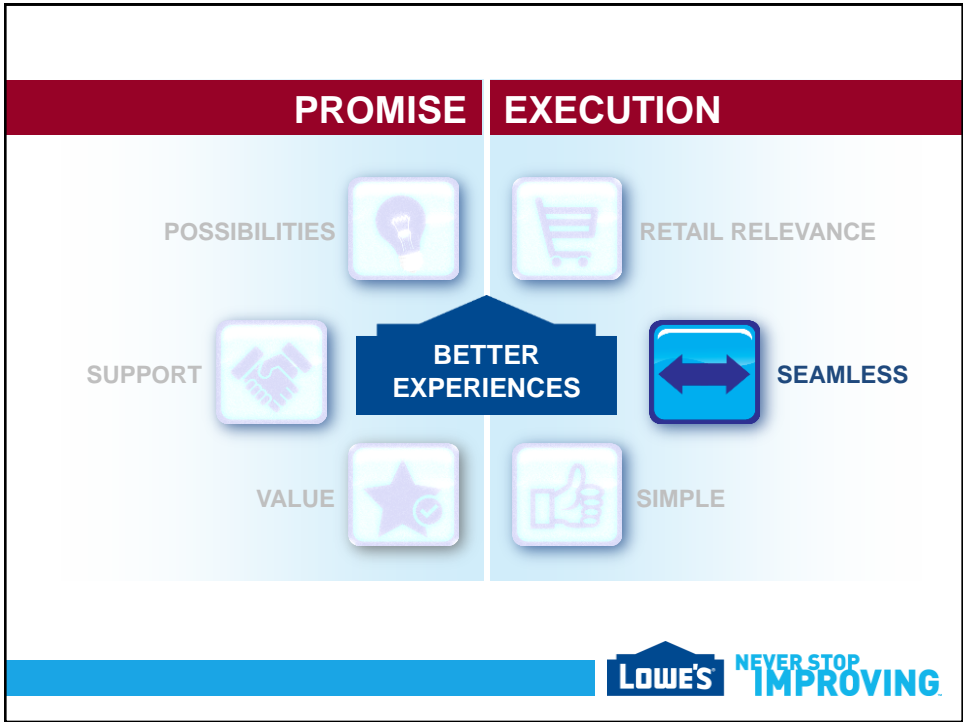
PROMISE

EXECUTION



LOWE'S NEVER STOP IMPROVING





Multi-year Transformation



Our corporate infrastructure was built to support a single-channel business opening over 100 stores per year.



Our seamless, omni-channel strategy requires a different infrastructure.



On-Site



Call Center



Store



Mobile

Anytime, Anywhere



Organizational Structure

CHIEF CUSTOMER OFFICER

Customer Insights
Experience Design
Profitability

CHIEF OPERATING OFFICER

Experience Delivery
Efficiency
Productivity

ACCOUNTABILITY



Omni-channel capabilities allow customers to engage with us whenever and wherever they choose.



LOWE'S NEVER STOP IMPROVING

Our initiatives and modest growth in the home improvement market are expected to increase sales and improve profitability.



LOWE'S NEVER STOP IMPROVING

International Development

Stores and offerings

Regulatory risk

Culture

Home improvement opportunity



Canada



~US\$40 billion home improvement market

~70% home ownership level

34 stores end of fiscal 2012

Opportunity for at least 100 stores

Lowe's.ca launched in October 2012





Mexico

~US\$25 billion home improvement market

Home ownership level above 70%

Five stores open

Significant opportunity for expansion



Australia

One-third stake in joint venture

~US\$40 billion home improvement market

23 stores branded Masters

Opportunity for ~150 Masters stores

~70% home ownership



- ✓ Strong brand
- ✓ Solid cash flow
- ✓ Strategic investments
- ✓ Dividends
- ✓ Share Repurchase

