

10-YEAR FINANCIAL INFORMATION



Fiscal Years Ended On	February 2, 2018	February 3, 2017*	January 29, 2016	January 30, 2015	January 31, 2014	February 1, 2013	February 3, 2012*	January 28, 2011	January 29, 2010	January 30, 2009
Stores and people										
Number of stores ¹	2,394	2,365	1,857	1,840	1,832	1,754	1,745	1,749	1,710	1,649
Selling square feet (in millions)	215	213	202	201	200	197	197	197	193	187
Number of employees (in thousands)	311	291	272	265	263	245	248	234	239	229
Total customer transactions (in millions)	953	945	878	857	828	804	810	786	766	740
Average ticket	\$ 72.00	\$ 68.83	\$ 67.26	\$ 65.61	\$ 64.52	\$ 62.82	\$ 62.00	\$ 62.07	\$ 61.66	\$ 65.15
Comparative income statements										
Net sales (in millions)	\$68,619	\$65,017	\$59,074	\$56,223	\$53,417	\$50,521	\$50,208	\$48,815	\$47,220	\$48,230
Gross margin	34.11%	34.55%	34.82%	34.79%	34.59%	34.30%	34.56%	35.14%	34.86%	34.21%
Selling, general & administrative (% to sales) ³	22.40%	23.27%	23.88%	23.60%	24.07%	24.22%	25.08%	24.60%	24.85%	23.17%
Depreciation and amortization (% to sales)	2.11%	2.29%	2.53%	2.66%	2.75%	3.03%	2.95%	3.25%	3.42%	3.19%
Operating margin ^{2,3}	9.60%	8.99%	8.41%	8.53%	7.77%	7.05%	6.53%	7.29%	6.59%	7.85%
Interest—net (% to sales)	0.92%	0.99%	0.93%	0.92%	0.89%	0.84%	0.74%	0.68%	0.61%	0.58%
Net earnings (% to sales) ^{3,4}	5.02%	4.76%	4.31%	4.80%	4.28%	3.88%	3.66%	4.12%	3.78%	4.55%
Weighted-average shares, assuming dilution (in millions)	840	881	929	990	1,061	1,152	1,273	1,403	1,464	1,468
Diluted earnings per common share ^{3,4}	\$ 4.09	\$ 3.47	\$ 2.73	\$ 2.71	\$ 2.14	\$ 1.69	\$ 1.43	\$ 1.42	\$ 1.21	\$ 1.49
Adjusted diluted earnings per common share ⁵	\$ 4.39	\$ 3.99	\$ 3.29	—	—	—	—	—	—	—
Cash dividends per share	\$ 1.58	\$ 1.33	\$ 1.07	\$ 0.87	\$ 0.70	\$ 0.62	\$ 0.53	\$ 0.42	\$ 0.36	\$ 0.34
Comparative balance sheets (in millions)										
Cash and short-term investments	\$ 690	\$ 658	\$ 712	\$ 591	\$ 576	\$ 666	\$ 1,300	\$ 1,123	\$ 1,057	\$ 661
Merchandise inventory—net	11,393	10,458	9,458	8,911	9,127	8,600	8,355	8,321	8,249	8,209
Total current assets	12,772	12,000	10,561	9,851	10,044	9,567	9,889	9,774	9,524	9,085
Property, less accumulated depreciation	19,721	19,949	19,577	20,034	20,834	21,477	21,970	22,089	22,499	22,722
Total assets	35,291	34,408	31,266	31,721	32,471	32,441	33,369	33,500	32,793	32,516
Accounts payable	6,590	6,651	5,633	5,124	5,008	4,657	4,352	4,351	4,287	4,109
Total current liabilities	12,096	11,974	10,492	9,348	8,876	7,708	7,891	7,119	7,355	7,560
Total debt ⁶	16,995	15,699	12,649	11,358	10,512	9,069	7,620	6,567	5,076	6,056
Total liabilities	29,418	27,974	23,612	21,753	20,618	18,584	16,836	15,388	13,724	14,461
Shareholders' equity	\$ 5,873	\$ 6,434	\$ 7,654	\$ 9,968	\$ 11,853	\$ 13,857	\$ 16,533	\$ 18,112	\$ 19,069	\$ 18,055
Shares outstanding, year-end	830	866	910	960	1,030	1,110	1,241	1,354	1,459	1,470
Cash flows (in millions)										
Net cash provided by operating activities	\$ 5,065	\$ 5,617	\$ 4,784	\$ 4,929	\$ 4,111	\$ 3,762	\$ 4,349	\$ 3,852	\$ 4,054	\$ 4,122
Capital expenditures	1,123	1,167	1,197	880	940	1,211	1,829	1,329	1,799	3,266
Cash dividend payments	1,288	1,121	957	822	733	704	647	571	391	491
Repurchase of common stock	\$ 3,192	\$ 3,595	\$ 3,925	\$ 3,905	\$ 3,710	\$ 4,393	\$ 2,937	\$ 2,618	\$ 504	\$ 8
Financial metrics										
Comparable sales growth ⁷	4.0%	4.2%	4.8%	4.3%	4.8%	1.4%	0.0%	1.3%	(6.7%)	(7.2%)
Sales per average selling square foot ⁸	\$ 320	\$ 313	\$ 293	\$ 280	\$ 269	\$ 257	\$ 255	\$ 250	\$ 249	\$ 267
Inventory turnover ⁹	3.90	4.05	3.92	3.85	3.74	3.74	3.72	3.63	3.65	3.91

*Years ending February 3, 2017 and February 3, 2012 were 53-week years. All other years contained 52 weeks.

Explanatory Notes:

1 RONA was acquired in 2016 adding 245 corporate-owned stores in Canada, as well as approximately 236 dealer-owned stores. 72 Orchard Supply Hardware stores acquired in 2013.

2 Operating margin is defined as operating income as a percentage of sales.

3 2017 results include a gain from the sale of the Company's interest in its Australian joint venture during the second quarter and one-time cash bonuses attributable to tax reform during the fourth quarter. 2016 results include the net settlement of a foreign currency hedge entered into in advance of the Company's acquisition of RONA in the first half of the year, a charge related to the joint venture with Woolworths in Australia recognized in the third quarter, project write-offs recognized in the third quarter that were canceled as a part of the Company's ongoing review of strategic initiatives in an effort to focus on the critical projects that will drive desired outcomes, goodwill and long-lived asset impairment charges associated with the Company's Orchard Supply Hardware operations as part of a strategic reassessment of this business during the third quarter and severance-related costs associated with the Company's productivity efforts in the fourth quarter. 2015 results include a non-cash impairment charge in connection with the Company's decision to exit its joint venture with Woolworths Limited in Australia.

4 2017 results include the impact of loss on extinguishment of debt during the first quarter and tax charge associated with Tax Cuts and Jobs Act of 2017 during the fourth quarter. 2016 results include the impact of a tax charge primarily related to the issuance of final Internal Revenue Code Section 987 regulations in December 2016.

5 Adjusted diluted earnings per common share is a non-GAAP financial measure. Refer to the Management's Discussion and Analysis section of our Annual Report on Form 10-K for additional information as well as reconciliations between the Company's GAAP and non-GAAP financial results.

6 Total debt is defined as short-term borrowings and long-term debt, including current maturities.

7 Comparable sales growth for the years ended February 3, 2017 and February 3, 2012 was calculated using sales for comparable 53-week periods. Comparable sales growth for all other years was calculated using sales for comparable 52-week periods. Please refer to the Management's Discussion & Analysis section of Lowe's Companies, Inc. Annual Report on Form 10-K for the definition of a comparable location.

8 Sales per selling square foot is defined as sales divided by the average of beginning and ending selling square feet.

9 Inventory turnover is calculated by dividing the sum of the last four quarters' cost of goods sold by the average of the last five quarters' ending inventory.