Q3 2018 EARNINGS

Q3 2018:

- Net Revenue: $747.7M (+21%)
- Combined Comp (+18%)
- Gross Margin: 54.4%
- Operating Margin: 18.2% (+80bps)
- Adjusted EPS: $0.75 (+34%)

FRANCESCA HAYWARD COLLABORATED WITH ROYAL OPERA HOUSE:

Product

- OUTWEAR COMPS STRONG IN WOMEN’S AND MEN’S
- Significant opportunity in bras
- LAUNCHED LIKE NOTHING BRA
- Strong guest response to MR PORTER CAPSULE COLLECTION

Digital

- MOMENTUM REMAINS STRONG
- INCREASE IN TRAFFIC TO E-COMMERCE SITE (+30%)
- GROWTH IN EMAIL FILE (+90%)
- GUEST ACQUISITION (+41%)

North America

- TESTING NEW LOYALTY PROGRAM
- AGILE STORE FORMATS CONTINUE TO EXCITE CURRENT AND NEW GUESTS

International

- HOSTED 1ST SWEATLIFE BERLIN
- OPENED FIRST STORE IN OSAKA, JAPAN
- UNROLL CHINA: THIRD ANNUAL EVENT ACROSS EIGHT CITIES
- SMART BASS X STRASCH: 30,000 PEOPLE REGISTERED
- 42 SEASONAL STORES AROUND THE WORLD
- E-Commerce Comp +46%
- E-commerce Growth +90%
- North America Loyalty Program

Guidance

- Q4 2018
  - DILUTED EPS: $3.235B–$3.245B
  - REVENUE: $1115M–$1125M
  - GROSS MARGIN: 52.2%
  - OPERATING MARGIN: 17.4%
  - ADJUSTED EPS: $3.65–$3.68
- FY 2018
  - DILUTED EPS: $3.235B–$3.245B
  - REVENUE: $1115M–$1125M
  - GROSS MARGIN: 52.2%
  - OPERATING MARGIN: 17.4%
  - ADJUSTED EPS: $3.65–$3.68

UNDERPINNED BY OUR UNIQUE CULTURE, COMMUNITY AND PURPOSE-LED BRAND

- 426 STORES GLOBALLY

REMARKS

Management’s discussion and analysis of financial condition and results of operations is on our investor relations website at www.lululemon.com. Investors can register to receive notifications of new filings with the SEC at www.sec.gov.

SIGNATURES

– Calvin McDonald, Chief Executive Officer

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