lululemon athletica inc.

2016 ICR Conference • January 2016

forward looking statements

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risks, uncertainties and assumptions, such as statements regarding our future financial condition or results of operations, our prospects and strategies for future growth, the development and introduction of new products, and the implementation of our marketing and branding strategies. In many cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "outlook," "believes," "intends," "estimates," "predicts," "potential" or the negative of these terms or other comparable terminology. These forward-looking statements are based on management's current expectations but they involve a number of risks and uncertainties. Actual results and the timing of events could differ materially from those anticipated in the forward-looking statements as a result of risks and uncertainties, which include, without limitation: an economic downturn or economic uncertainty in our key markets; increasing product costs and decreasing selling prices; our inability to anticipate consumer preferences and successfully develop and introduce new, innovative and updated products; our inability to accurately forecast customer demand for our products; our inability to manage our growth and the increased complexity of our business effectively; the fluctuating costs of raw materials; our reliance on and limited control over third-party suppliers to provide fabrics for and to produce our products; our highly competitive market and increasing competition; an unforeseen disruption of our information systems; our inability to deliver our products to the market and to meet customer expectations due to problems with our distribution system; our inability to cancel store leases if an existing or new store is not profitable; increasing labor costs and other factors associated with the production of our products in South and South-East Asia or other countries; our inability to successfully open new store locations in a timely manner; our failure to maintain the value and reputation of our brand; our failure to comply with trade and other regulations; our competitors manufacturing and selling products based on our fabrics and manufacturing technology at lower prices than we can; our failure to protect our intellectual property rights; changes in tax laws or unanticipated tax liabilities or repatriation of earnings; and other risks and uncertainties set out in filings made from time to time with the United States Securities and Exchange Commission and available at www.sec.gov, including, without limitation, our most recent reports on Form 10-K and Form 10-Q. You are urged to consider these factors carefully in evaluating the forward-looking statements contained herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements made herein speak only as of the date of this presentation and the company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

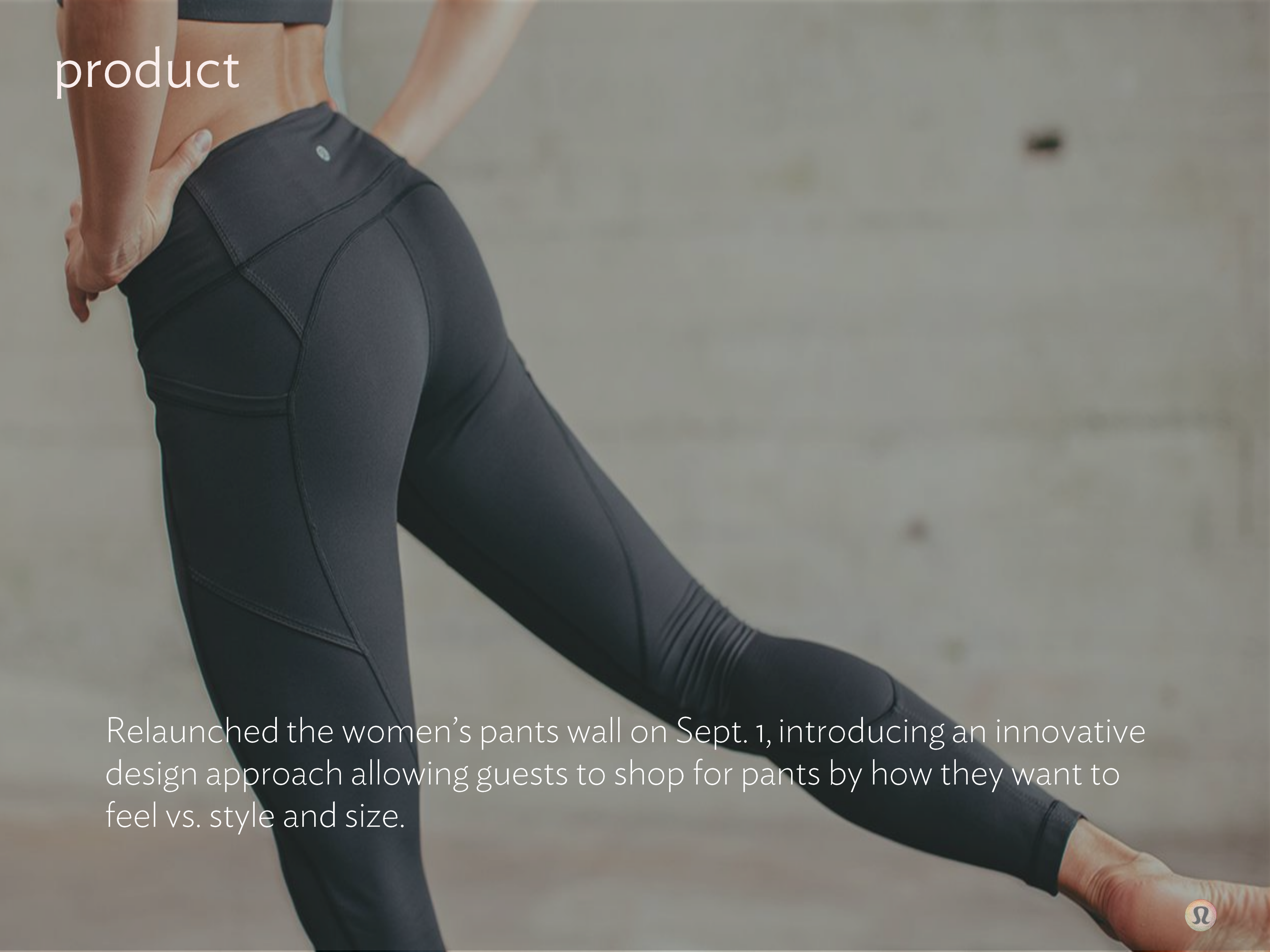
what we stand for

	People	Strong, global and complete management team
Brand Operating Model	Product	One overarching vision for mens and womens
Brand Operating Model	Guest Experience	Foundation and path for exceptional omnichannel experience
Brand Operating Model	Brand & Community	Building resonance and relevance through authentic relationships
	International	Win in key major cities
	Operational Excellence	Continuing to invest in infrastructure to scale the business

people

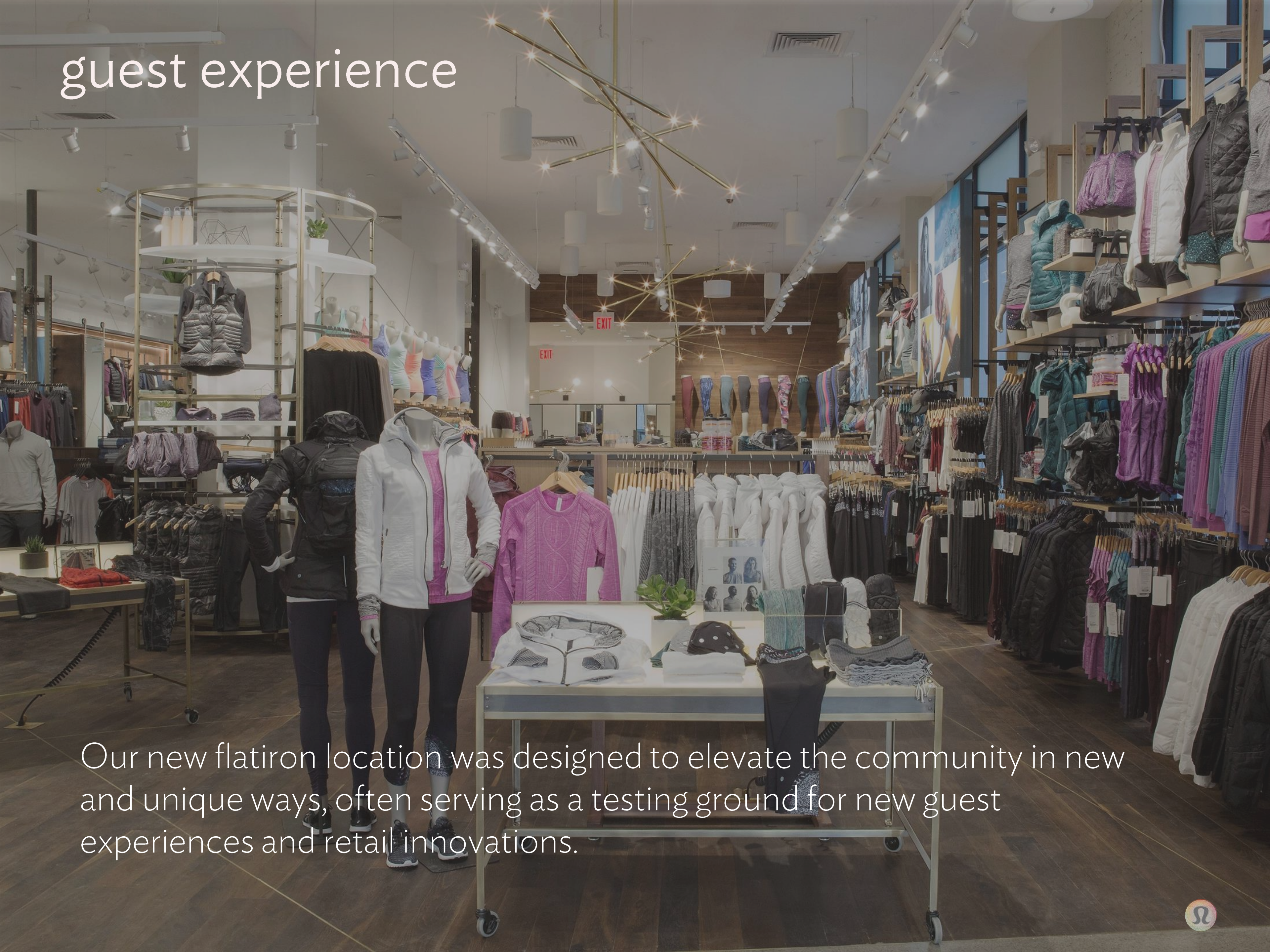

Whitespace
Culture & People
Creative Director
Brand & Community
IT
Regional GMs
Operations
Digital
Finance

product



Relaunched the women's pants wall on Sept. 1, introducing an innovative design approach allowing guests to shop for pants by how they want to feel vs. style and size.

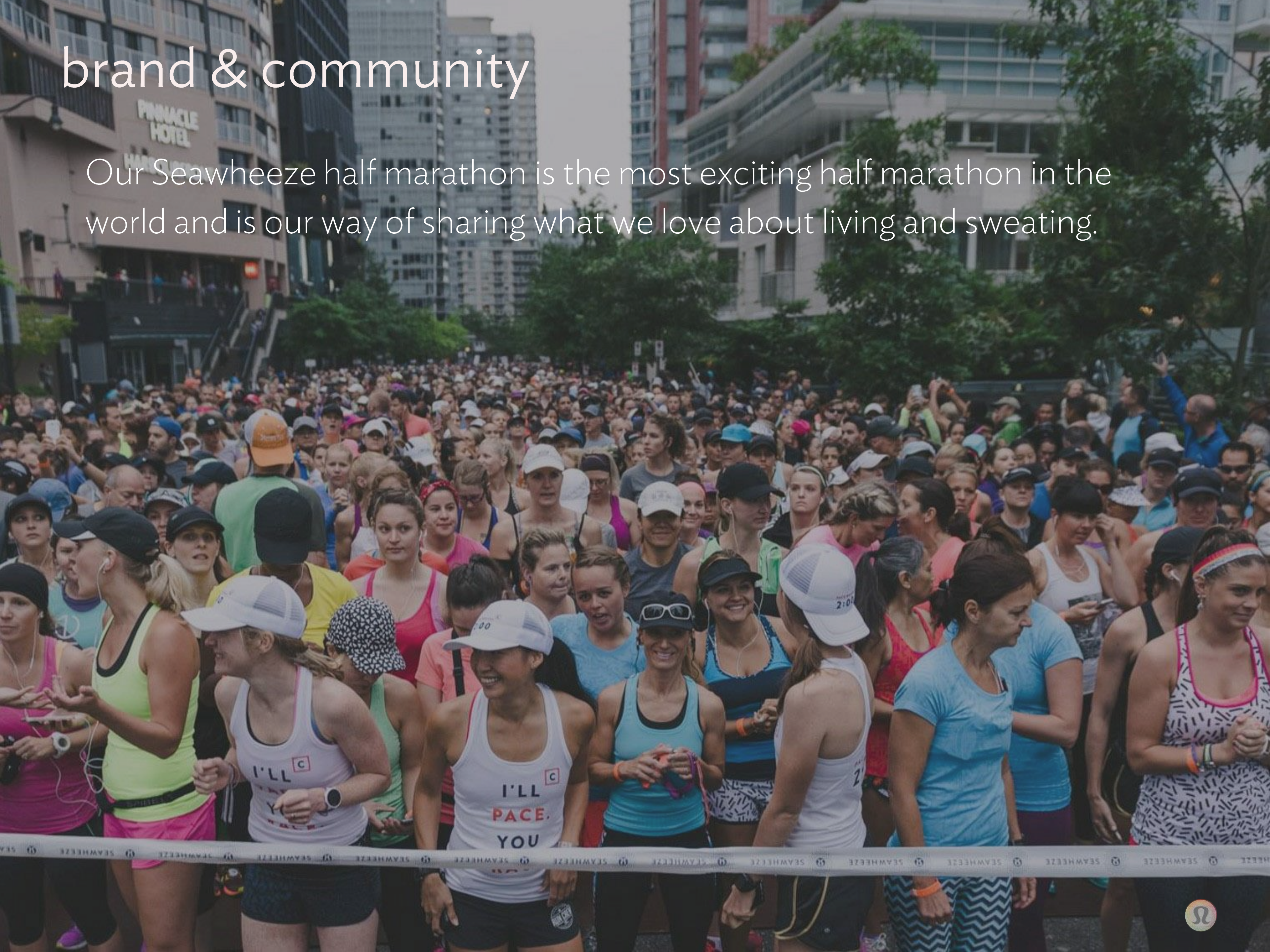
guest experience



Our new flatiron location was designed to elevate the community in new and unique ways, often serving as a testing ground for new guest experiences and retail innovations.

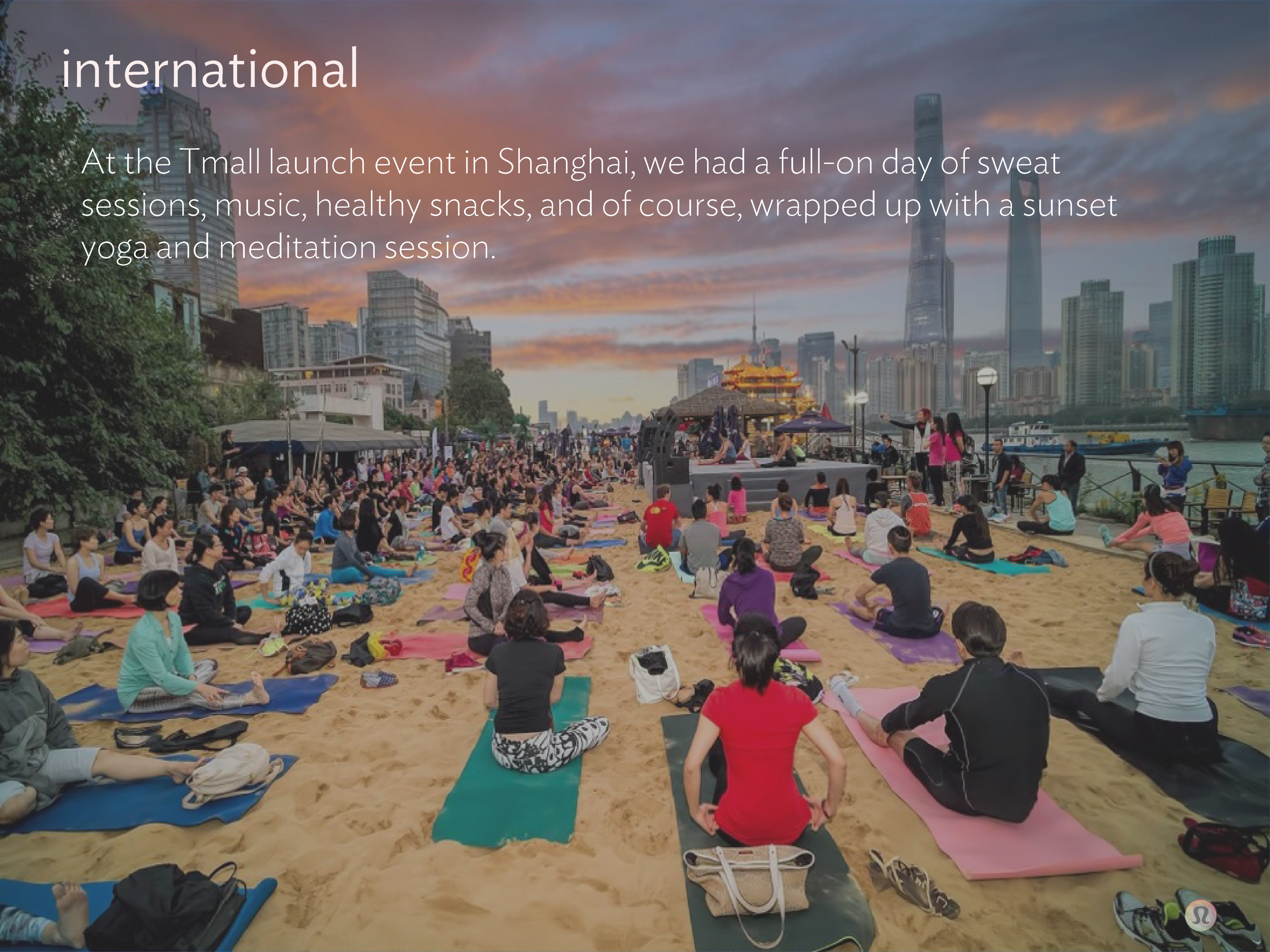
brand & community

Our Seawheeze half marathon is the most exciting half marathon in the world and is our way of sharing what we love about living and sweating.



international

At the Tmall launch event in Shanghai, we had a full-on day of sweat sessions, music, healthy snacks, and of course, wrapped up with a sunset yoga and meditation session.



financial overview

guidance update

	Previous Q4	Updated Q4
Revenue	\$670-\$685 Million	\$690 - \$695 Million
Combined Comp	Mid single digits	High Single Digits
Diluted EPS	\$0.75-\$0.78	\$0.78-\$0.80

	Previous FY	Updated FY
Revenue	\$2.025-\$2.040 Billion	\$2.045- \$2.050 Billion
Combined Comp	High single digits	High Single Digits
Diluted EPS*	\$1.78 to \$1.81	\$1.81 - \$1.83

** Diluted EPS is normalized for 3 cent Q3 tax benefit*

** Diluted EPS is normalized for 3 cent Q3 tax benefit*

key statistics

	Full Year 2015F*
Revenue	$2.050 billion
Comps	+HSD
New Stores**	+62
Total Stores**	364
Square Footage Growth	+20%
Ecommerce Growth	+mid 20s
Mens Growth	+mid 20s
Womens Growth	+MSD

** Represents forecasted results per updated guidance*
*** Company Operated Stores*

inventory

	Q4 15	Q1 16
On Hand	Sequential improvement	Sequential Improvement
In Transit	Lower Air Freight Chinese New Year	Lower Air Freight
	some improvement, still elevated	in-line with sales growth

2016 operating margin expansion

	Leverage	Deleverage
Revenue	• Product Innovation • Square Footage growth • Ecommerce | Digital • International	• Foreign Exchange
Gross Margin	• Air Freight improvement • Improved costing • Logistics & Duties	• Foreign Exchange • Occupancy & Depreciation (much improved to 2015)
SG&A	• Foreign Exchange • Leverage Core Business	• Digital investments • International • Brand investments • Supply Chain

thank you!

for more info:
www.lululemon.com

investors@lululemon.com