

Q1 2019 EARNINGS



lululemon continues to see strong momentum across the entire business. I'm inspired by our teams who are executing at high levels, and I want to thank everyone across the globe for their passion and dedication to the brand. I look forward to the opportunities ahead of us, and delivering on our Power of Three five-year vision.

—CALVIN MCDONALD
CEO, lululemon

455 STORES
GLOBALLY

Growth Pillars

MEN'S	NORTH AMERICA	DIGITAL	INTERNATIONAL
+33%	+18%	+35% ¹	+39%
Men's Revenue	North American Revenue	Digital Revenue	International Revenue

Earnings

NET REVENUE
\$782M / +20%
COMBINED COMP SALES
+16% ¹
GROSS PROFIT
\$421.7M / +22%
GROSS MARGIN
53.9% / +80bps
DILUTED EPS
\$0.74 / +35%

**POWER OF THREE
DOUBLE DIGITAL
DOUBLE MEN'S
QUADRUPLE
INTERNATIONAL REVENUE**

Guidance

Q2 2019	
\$825M–\$835M	\$0.86–\$0.88
Revenue	Diluted EPS
FY 2019	
\$3.730B–\$3.770B	\$4.51–\$4.58
Revenue	Diluted EPS

lululemon.com

This infographic contains "forward-looking statements," such as guidance and outlook statements, which are based on our current expectations but they involve a number of risks and uncertainties that could cause actual results to differ materially from those anticipated. These risk and uncertainties include (but are not limited to) our ability to maintain the value and reputation of our brand; our highly competitive market and increasing competition; our reliance on third-party suppliers to provide fabrics for and to produce our products; an economic downturn or economic uncertainty in our key markets; increasing product costs and decreasing selling prices; changing consumer habits and decreasing traffic in our stores; our ability to anticipate consumer preferences and successfully develop and introduce new, innovative and updated products; our ability to safeguard against and respond to cyber security breaches; our ability to expand internationally and to grow our e-commerce business globally; the fluctuating costs of raw materials; the imposition of new trade restrictions or changes in existing trade restrictions; changes in tax laws or unanticipated tax liabilities; changes in duties and tariffs; the results of any governmental or other third party audits or related disputes; actions of activist stockholders; increasing labor costs and other factors associated with the production of our products in South and South East Asia; fluctuations in foreign currency exchange rates; our exposure to various types of litigation; and other risks and uncertainties included in our most recent report on Form 10-K and Form 10-Q filed with the SEC.

Please refer to our first quarter earnings release which is available at <http://investor.lululemon.com/> and to our quarterly report on Form 10-Q filed with the SEC on June 12, 2019 which is available at www.sec.gov.

Non-GAAP measures

¹These metrics are non-GAAP financial measures and are not intended to be considered in isolation or as a substitute to the financial information prepared and presented in accordance with GAAP. A reconciliation of these non-GAAP financial measures to their most directly comparable GAAP measure follows.

Constant dollar changes in combined comparable sales and digital revenue

Due to the 53rd week in fiscal 2018, the below changes in combined comparable sales and digital revenue are calculated on a one week shifted basis such that the 13 weeks ended May 5, 2019 is compared to the 13 weeks ended May 6, 2018 rather than April 29, 2018.

	Combined Comp	Digital Revenue
GAAP sales increase	14%	33%
Adjustments due to foreign exchange rate changes	2	2
Increase in constant dollars	16%	35%