

LOWES COMPANIES INC
Form 424B5
September 04, 2013
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**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-183730**

The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell these securities and they are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION

PRELIMINARY PROSPECTUS SUPPLEMENT DATED SEPTEMBER 4, 2013

PROSPECTUS SUPPLEMENT

(To Prospectus dated September 5, 2012)

\$

\$	% Notes due	, 2023
\$	% Notes due	, 2043

The % notes will mature on , 2023 (the 2023 Notes) and the % notes will mature on , 2043 (the 2043 Notes and, together with the 2023 Notes, the Notes). We will pay interest on the Notes on and of each year, beginning , 2014. We may redeem either series of Notes, in whole at any time or in part from time to time, at the redemption prices set forth under Description of Notes Optional Redemption.

The Notes will be unsecured obligations and will rank equally with our existing and future unsecured senior indebtedness. The Notes will be issued only in registered book-entry form in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Each series of Notes is a new issue of securities with no established trading market. We do not intend to apply for the listing of the Notes of either series on a national securities exchange or for quotation of such Notes on any automated dealer quotation system.

Investing in these securities involves risks. See the risks described herein and those described as risk factors in Item 1A of our Annual Report on Form 10-K for the fiscal year ended February 1, 2013, as they may be amended, updated or modified periodically in our

reports filed with the Securities and Exchange Commission.

	Public Offering	Underwriting	Proceeds to Lowes
	Price ⁽¹⁾	Discount	(before expenses)
Per 2023 Note	%	%	%
Total	\$	\$	\$
Per 2043 Note	%	%	%
Total	\$	\$	\$

⁽¹⁾ Plus accrued interest from September , 2013, if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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The underwriters expect to deliver the Notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants, including Clearstream Banking, société anonyme, and Euroclear Bank S.A./N.V., as operator of the Euroclear System, on or about September , 2013, against payment therefor in immediately available funds.

Joint Book-Running Managers

BofA Merrill Lynch

J.P. Morgan

SunTrust Robinson Humphrey

The date of this prospectus supplement is September , 2013.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering, the Notes and matters relating to us and our financial performance and condition. The second part, the accompanying prospectus dated September 5, 2012, gives more general information, some of which does not apply to this offering.

Except as otherwise indicated, all references in this prospectus supplement to Lowe s, the Company, our company, we, us and our refer to Lowe's Companies, Inc. and its consolidated subsidiaries.

If the description of this offering and the Notes varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement. In various places in this prospectus supplement and the accompanying prospectus, we refer you to sections of other documents for additional information by indicating the caption heading of the other sections. All cross-references in this prospectus supplement are to captions contained in this prospectus supplement and not in the accompanying prospectus, unless otherwise indicated.

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Before you invest in the Notes, you should carefully read this prospectus supplement and the accompanying prospectus. For more information about us, you should also read the documents we have referred you to under "Where You Can Find More Information" in this prospectus supplement. The shelf registration statement described in the accompanying prospectus, including the exhibits thereto, can be read at the Securities and Exchange Commission (the "SEC") web site or at the SEC's Public Reference Room as described under "Where You Can Find More Information" in this prospectus supplement.

You should rely only on the information contained in this prospectus supplement, the accompanying prospectus, any related free writing prospectus and the documents incorporated by reference herein and therein. We have not, and the underwriters have not, authorized any other person, including any dealer, salesperson or other individual, to provide you with different information or to make any representations other than those contained in this prospectus supplement and the accompanying prospectus. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information in this prospectus supplement, the accompanying prospectus, any related free writing prospectus and the documents incorporated by reference is accurate only as of their respective dates. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Our business, financial condition, results of operations and prospects may have changed since those dates.

This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities to which they relate or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus supplement and the accompanying prospectus nor any sale made hereunder or thereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our company since the date hereof or that the information contained herein or therein is correct as of any time subsequent to the date hereof.

Certain persons participating in this offering may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Such transactions may include stabilizing the purchase of the Notes to cover syndicate short positions and the imposition of penalty bids. For a description of those activities, see "Underwriting."

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WARNING REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act). Statements of our expectations for sales growth, comparable sales, earnings and performance, shareholder value, capital expenditures, cash flows, the housing market, the home improvement industry, demand for services, share repurchases, our strategic initiatives and any statement of an assumption underlying any of the foregoing, constitute forward-looking statements. All other statements containing words such as expects, plans, strategy, projects, believes, opportunity, anticipates, desire, and similar expressions are intended to highlight or indicate forward-looking statements. Although we believe that the expectations, opinions, projections, and comments reflected in these forward-looking statements are reasonable, we can give no assurance that such statements will prove to be correct. A wide variety of potential risks, uncertainties, and other factors could materially affect our ability to achieve the results either expressed or implied by our forward-looking statements including, but not limited to, changes in general economic conditions, such as continued high rates of unemployment, interest rate and currency fluctuations, higher fuel and other energy costs, slower growth in personal income, changes in consumer spending, changes in the rate of housing turnover, the availability and increasing regulation of consumer credit and of mortgage financing, inflation or deflation of commodity prices, and other factors which can negatively affect our customers, as well as our ability to: (i) respond to adverse trends in the housing industry, such as the psychological effects of lower home prices, and in the level of repairs, remodeling, and additions to existing homes, as well as a general reduction in commercial building activity; (ii) secure, develop, and otherwise implement new technologies and processes designed to enhance our efficiency and competitiveness; (iii) attract, train, and retain highly-qualified associates; (iv) manage our business effectively as we adapt our traditional operating model to meet the changing expectations of our customers; (v) maintain, improve, upgrade and protect our critical information systems; (vi) respond to fluctuations in the prices and availability of services, supplies, and products; (vii) respond to the growth and impact of competition; (viii) address changes in existing or new laws or regulations that affect consumer credit, employment/labor, trade, product safety, transportation/logistics, energy costs, health care, tax or environmental issues; and (ix) respond to unanticipated weather conditions that could adversely affect sales. In addition, we could experience additional impairment losses if the actual results of our operating stores are not consistent with the assumptions and judgments we have made in estimating future cash flows and determining asset fair values. We do not undertake any obligation to update or publicly release any revisions to our forward-looking statements to reflect subsequent events, changed circumstances or changes in our expectations after the date of a particular forward-looking statement. For more information about these and other risks and uncertainties that we are exposed to, you should read the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations Critical Accounting Policies and Estimates included in our Annual Report on Form 10-K for the fiscal year ended February 1, 2013, as amended, filed with the SEC and the description of material changes therein or updated version thereof, if any, included in our Quarterly Reports on Form 10-Q filed with the SEC.

You should carefully read this prospectus supplement, the accompanying prospectus and the documents incorporated by reference in their entirety. They contain information that you should consider when making your investment decision.

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SUMMARY

The brief description of our business included below and the brief summary of some of the terms of this offering that is included on the following page of this prospectus supplement highlight information incorporated by reference or contained elsewhere in this prospectus supplement and the accompanying prospectus. These summaries are not intended to be complete and do not contain all of the information that may be important to you and that you should consider about our business and the terms of this offering before investing in the Notes. For a more complete understanding of our company and this offering of Notes, you should carefully read this entire prospectus supplement, the accompanying prospectus and the other documents incorporated by reference in this prospectus supplement and the accompanying prospectus (including our financial statements and the notes thereto) before making an investment decision.

Our Business

With fiscal year 2012 sales of \$50.5 billion, Lowe's Companies, Inc. is a FORTUNE® 100 company, offering a complete line of home improvement products and services. We currently serve approximately 15 million customers a week at more than 1,750 home improvement stores in the United States, Canada and Mexico. We expect to open approximately 10 stores in fiscal year 2013. Lowe's is the second largest home improvement retailer in the world.

Headquartered in Mooresville, North Carolina, we are a 67-year old company that employs approximately 245,000 people. We have been a publicly held company since 1961, and our shares of common stock are listed on the New York Stock Exchange under the symbol LOW.

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The Offering

Issuer	Lowes Companies, Inc.
Securities Offered	\$ million aggregate principal amount of % notes due , 2023 (the 2023 Notes) \$ million aggregate principal amount of % notes due , 2043 (the 2043 Notes)
Maturity Dates	The 2023 Notes will mature on , 2023. The 2043 Notes will mature on , 2043.
Interest Payment Dates	The Notes will bear interest from, and including, the date of issuance, payable semiannually in arrears on each and , commencing , 2014.
Ranking	The Notes will be unsecured obligations and will rank equally with our existing and future unsecured senior indebtedness. The Notes will be subordinated to our existing and future secured indebtedness to the extent of the assets securing such indebtedness and effectively subordinated to all existing and future indebtedness and liabilities of our subsidiaries. See Description of Notes General in this prospectus supplement and Description of Our Debt Securities General Terms of Our Debt Securities in the accompanying prospectus.
Optional Redemption	Before the date that is three months (with respect to the 2023 Notes) or six months (with respect to the 2043 Notes) prior to the applicable maturity date for such series of Notes, the Notes of each series will be redeemable, in whole at any time or in part from time to time, at our option at a redemption price equal to 100% of the principal amount of the Notes plus a make-whole premium, together with accrued and unpaid interest thereon to, but excluding, the redemption date. On or after such dates, the Notes of each series will be redeemable, in whole at any time or in part from time to time, at our option at par plus accrued and unpaid interest thereon to, but excluding, the redemption date. See Description of Notes Optional Redemption.
Repurchase at the Option of Holders Upon a Change of Control Triggering Event	If a Change of Control Triggering Event (as defined in Description of Notes Change of Control Offer to Purchase) occurs, you will have the right to require us to repurchase your Notes at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, on such Notes to the date of purchase (unless we have exercised our right to redeem the Notes). See Description of Notes Change of Control Offer to Purchase.
Use of Proceeds	We plan to use the net proceeds from the sale of the Notes for general corporate purposes, which may include repurchases of shares of our

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common stock, capital expenditures, financing of future acquisitions or strategic investments and working capital needs. See "Use of Proceeds" in this prospectus supplement.

Denominations and Form

We will issue the Notes in fully registered book-entry form without coupons in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

No Listing

We do not intend to apply for the listing of the Notes of either series on a national securities exchange or for quotation of such Notes on any automated dealer quotation system.

Trustee

The Bank of New York Mellon Trust Company, N.A.

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USE OF PROCEEDS

We estimate that the net proceeds from this offering will be approximately \$ _____, after deducting our estimated offering expenses and the underwriting discount. We plan to use the net proceeds from the sale of the Notes for general corporate purposes, which may include repurchases of shares of our common stock, capital expenditures, financing of future acquisitions or strategic investments and working capital needs.

We may temporarily invest any net proceeds prior to their use for the above purposes in U.S. government or agency obligations, commercial paper, money market funds, taxable and tax-exempt notes and bonds, variable-rate demand obligations, short-term investment grade securities, bank certificates of deposit or repurchase agreements collateralized by U.S. government or agency obligations. We may also deposit the net proceeds with banks.

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The following table sets forth our capitalization at August 2, 2013. The As Adjusted column below gives effect to this offering and the application of the net proceeds from the sale of the Notes. See Use of Proceeds in this prospectus supplement.

	August 2, 2013	
	Actual	As Adjusted
	(Dollars in millions)	
Cash and cash equivalents	\$ 1,085	\$
Short-term borrowings		
Current maturities of long-term debt		47
Long-term debt:		
\$500 million Notes, interest at 5.00%, due October 15, 2015		499
\$475 million Notes, interest at 2.125%, due April 15, 2016		474
\$550 million Notes, interest at 5.40%, due October 15, 2016		549
\$500 million Notes, interest at 1.625%, due April 15, 2017		498
\$250 million Notes, interest at 6.10%, due September 15, 2017		249
\$500 million Notes, interest at 4.625%, due April 15, 2020		498
\$525 million Notes, interest at 3.75%, due April 15, 2021		523
\$500 million Notes, interest at 3.80%, due November 15, 2021		498
\$750 million Notes, interest at 3.120%, due April 15, 2022		747
Medium-Term Notes Series A, interest at 8.19% to 8.20%, final maturity in 2023		15
\$300 million Debentures, interest at 6.875%, due February 15, 2028		298
\$400 million Debentures, interest at 6.50%, due March 15, 2029		397
\$500 million Notes, interest at 5.50%, due October 15, 2035		494
\$450 million Notes, interest at 5.80%, due October 15, 2036		447
\$500 million Notes, interest at 6.65%, due September 15, 2037		495
Medium-Term Notes Series B, interest at 7.11% to 7.61%, final maturity in 2037		217
\$500 million Notes, interest at 5.80%, due April 15, 2040		495
\$500 million Notes, interest at 5.125%, due November 15, 2041		495
\$750 million Notes, interest at 4.650%, due April 15, 2042		741
Mortgage Notes, interest at 4.90% to 8.25%, final maturity in 2027		16
Capital Leases and Other, final maturity in 2035		370
\$ million Notes, interest at % due , 2023		
\$ million Notes, interest at % due , 2043		
Total long-term debt		9,015
Total debt		9,062
Shareholders' equity:		
Preferred stock, \$5 par value, none issued		
Common stock, \$0.50 par value, 1,063,017,980 shares issued and outstanding		532
Capital in excess of par value		
Retained earnings		12,504
Accumulated other comprehensive income		26
Total shareholders' equity		13,062
Total capitalization	\$ 22,124	\$

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We have derived the following results of operations and balance sheet data for and as of the end of our last five fiscal years from our audited consolidated financial statements. The selected financial data for the six months (26 weeks) ended August 3, 2012 and August 2, 2013 have been derived from our unaudited consolidated financial statements. The unaudited financial information, in the opinion of management, has been prepared on a basis consistent with the audited financial statements and contains all adjustments necessary for a fair presentation of the information for the periods presented. The results for the six months (26 weeks) ended August 3, 2012 and August 2, 2013 may not be indicative of the results to be achieved for any other interim period or the entire fiscal year. You should read the information set forth below in conjunction with our consolidated financial statements and related notes and other financial information incorporated by reference into this prospectus supplement and the accompanying prospectus. See "Incorporation of Information Filed with the SEC" in this prospectus supplement.

	January 30, 2009	For the Year Ended				Six Months (26 Weeks) Ended	
		January 29, 2010	January 28, 2011	February 3, 2012 ⁽¹⁾	February 1, 2013	August 3, 2012	August 2, 2013
(Dollars in millions, except per share data, ratios and operating data)							
Selected statement of earnings data:							
Net sales	\$ 48,230	\$ 47,220	\$ 48,815	\$ 50,208	\$ 50,521	\$ 27,402	\$ 28,800
Gross margin	\$ 16,501	\$ 16,463	\$ 17,152	\$ 17,350	\$ 17,327	\$ 9,399	\$ 9,952
Net earnings	\$ 2,195	\$ 1,783	\$ 2,010	\$ 1,839	\$ 1,959	\$ 1,275	\$ 1,482
Basic earnings per common share	\$ 1.50	\$ 1.21	\$ 1.42	\$ 1.43	\$ 1.69	\$ 1.07	\$ 1.37
Diluted earnings per common share	\$ 1.49	\$ 1.21	\$ 1.42	\$ 1.43	\$ 1.69	\$ 1.07	\$ 1.36
Selected operating data:							
Number of stores open at end of period	1,649	1,710	1,749	1,745	1,754	1,748	1,758
Sales floor square feet at end of period (in millions)	187	193	197	197	197	197	198
Comparable sales increase/ (decrease) ⁽²⁾	(7.2)%	(6.7)%	1.3%	0.0%	1.4%	1.0%	4.6%
Selected balance sheet data (at period end):							
Total assets	\$ 32,625	\$ 33,005	\$ 33,699	\$ 33,559	\$ 32,666	\$ 35,032	\$ 33,408
Long-term debt, excluding current maturities	\$ 5,039	\$ 4,528	\$ 6,537	\$ 7,035	\$ 9,030	\$ 9,008	\$ 9,015
Shareholders' equity	\$ 18,055						