

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
October 27, 2022

COLUMBIA SPORTSWEAR COMPANY
(Exact name of registrant as specified in its charter)

Oregon
(State or other jurisdiction
of incorporation)

000-23939
(Commission
File Number)

93-0498284
(I.R.S. Employer
Identification No.)

14375 Northwest Science Park Drive
Portland, Oregon 97229
(Address of principal executive offices) (Zip code)

(503) 985-4000
(Registrant's telephone number, including area code)

No Change
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock	COLM	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On October 27, 2022, Columbia Sportswear Company (the "Company") issued a press release reporting its third quarter and first nine months 2022 financial results, updating its full year 2022 financial outlook and announcing a quarterly dividend. A copy of the Company's press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

Attached hereto as Exhibit 99.2 and incorporated by reference herein is the CFO Commentary and Financial Review presentation by Jim A. Swanson, Executive Vice President and Chief Financial Officer of the Company, on the third quarter 2022 financial results and 2022 financial outlook, as posted on the Company's investor relations website, <https://investor.columbia.com>, on October 27, 2022. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

ITEM 7.01 REGULATION FD DISCLOSURE

In its October 27, 2022 press release, the Company announced that its Board of Directors declared a quarterly cash dividend of \$0.30 per share of common stock to be paid on December 1, 2022 to its shareholders of record on November 17, 2022.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

[99.1](#) Press Release, dated October 27, 2022 (furnished pursuant to Items 2.02 and 7.01 hereof).

[99.2](#) CFO Commentary and Financial Review Presentation, dated October 27, 2022 (furnished pursuant to Items 2.02 and 7.01 hereof).

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COLUMBIA SPORTSWEAR COMPANY

Dated: October 27, 2022

By: /S/ JIM A. SWANSON
Jim A. Swanson
Executive Vice President and Chief Financial Officer



**Columbia Sportswear Company Reports Third Quarter and First Nine Months 2022 Financial Results;
Updates Full Year 2022 Financial Outlook**

Financial Highlights

- **Net sales increased 19 percent (22 percent constant-currency) to a record \$955.0 million, compared to third quarter 2021.**
- **Operating income increased 9 percent to \$145.3 million, or 15.2 percent of net sales, compared to third quarter 2021 operating income of \$133.5 million, or 16.6 percent of net sales.**
- **Diluted earnings per share increased 18 percent to \$1.80, compared to \$1.52 in third quarter 2021.**

Full Year 2022 Financial Outlook

The following forward-looking statements reflect our expectations as of October 27, 2022 and are subject to significant risks and business uncertainties, including those factors described under "Forward-Looking Statements" below. Additional disclosures and financial outlook details can be found in the Full Year 2022 Financial Outlook section below and the CFO Commentary and Financial Review presentation.

- **Net sales of \$3.44 to \$3.50 billion (unchanged) representing net sales growth of 10 to 12 percent (unchanged) compared to 2021.**
- **Operating income of \$410 to \$443 million (prior \$415 to \$449 million), representing operating margin of 11.9 to 12.7 percent (prior 12.1 to 12.8 percent).**
- **Diluted earnings per share of \$5.00 to \$5.40 (unchanged).**

PORTLAND, Ore. - October 27, 2022 - Columbia Sportswear Company (NASDAQ: COLM, the "Company"), a multi-brand global leading innovator in outdoor, active and lifestyle products including apparel, footwear, accessories, and equipment, today announced third quarter 2022 financial results for the period ended September 30, 2022.

Chairman, President and Chief Executive Officer Tim Boyle commented, "Third quarter net sales and earnings growth reflect broad momentum across our business and the power of our collective brand portfolio. Net sales growth was led by the SOREL and Columbia brands, which increased 28% and 19%, respectively. Based on strong third quarter performance, we are reiterating our full year net sales and diluted earnings per share financial outlook.

"I'm excited about the iconic and innovative products we are delivering to consumers this Fall, including Columbia's expanded Omni-Heat Infinity collection and our new disruptive polyfleece innovation, Omni-Heat Helix.

"Our strong balance sheet, balanced global distribution, and operating discipline position us to successfully navigate this dynamic environment. I'm confident we have the right strategies in place to unlock the significant growth opportunities we see across the business. We are investing in our strategic priorities to:

- accelerate profitable growth;
- create iconic products that are differentiated, functional and innovative;
- drive brand engagement through increased, focused demand creation investments;
- enhance consumer experiences by investing in capabilities to delight and retain consumers;
- amplify marketplace excellence, with digitally-led, omni-channel, global distribution; and
- empower talent that is driven by our core values, through a diverse and inclusive workforce."

CFO's Commentary and Financial Review Presentation Available Online

For a detailed review of the Company's third quarter 2022 financial results, please refer to the CFO Commentary and Financial Review presentation furnished to the Securities and Exchange Commission (the "SEC") on a Current Report on Form 8-K and published on the Investor Relations section of the Company's website at <http://investor.columbia.com/results.cfm> at approximately 4:15 p.m. ET today. Analysts and investors are encouraged to review this commentary prior to participating in our conference call.

Third Quarter 2022 Financial Results

(All comparisons are between third quarter 2022 and third quarter 2021, unless otherwise noted.)

Net sales increased 19 percent (22 percent constant-currency) to \$955.0 million from \$804.7 million for the comparable period in 2021. The increase in net sales primarily reflects earlier shipment of higher Fall 2022 wholesale orders and direct-to-consumer (DTC) growth.

Gross margin contracted 270 basis points to 48.0 percent of net sales from 50.7 percent of net sales for the comparable period in 2021. Gross margin contraction was primarily driven by higher inbound freight costs, unfavorable channel and regional sales mix, increased inventory provisions, and lower DTC product margins, partially offset by higher wholesale product margins.

SG&A expenses increased 14 percent to \$319.0 million, or 33.4 percent of net sales, from \$280.1 million, or 34.8 percent of net sales, for the comparable period in 2021. SG&A expense growth primarily reflects expenses to support the growth of the business and investments to drive our brand-led consumer-focused strategies. The increase in SG&A expenses includes higher personnel, demand creation and global retail expenses, partially offset by lower accrued incentive compensation.

Operating income increased 9 percent to \$145.3 million, or 15.2 percent of net sales, compared to operating income of \$133.5 million, or 16.6 percent of net sales, for the comparable period in 2021.

Income tax expense of \$34.0 million resulted in an effective income tax rate of 23.3 percent, compared to an income tax expense of \$33.3 million, or an effective income tax rate of 24.9 percent, for the comparable period in 2021.

Net income increased 11 percent to \$111.8 million, or \$1.80 per diluted share, compared to net income of \$100.6 million, or \$1.52 per diluted share, for the comparable period in 2021.

First Nine Months 2022 Financial Results

(All comparisons are between first nine months 2022 and first nine months 2021, unless otherwise noted.)

Net sales increased 15 percent (18 percent constant-currency) to \$2,294.6 million from \$1,996.7 million for the comparable period in 2021.

Gross margin contracted 230 basis points to 48.9 percent of net sales from 51.2 percent of net sales for the comparable period in 2021.

SG&A expenses increased 13 percent to \$899.3 million, or 39.2 percent of net sales, compared to \$796.3 million, or 39.9 percent of net sales, for the same period in 2021.

Operating income decreased 1 percent to \$237.7 million, or 10.4 percent of net sales, compared to operating income of \$238.9 million, or 12.0 percent of net sales, for the comparable period in 2021.

Income tax expense of \$51.9 million resulted in an effective income tax rate of 21.9 percent, compared to income tax expense of \$42.5 million, or an effective tax rate of 17.7 percent, for the comparable period in 2021.

Net income decreased 6 percent to \$185.8 million, or \$2.94 per diluted share, compared to net income of \$197.1 million, or \$2.96 per diluted share, for the comparable period in 2021.

Balance Sheet as of September 30, 2022

Cash, cash equivalents and short-term investments totaled \$160.2 million, compared to \$600.6 million as of September 30, 2021.

The Company had \$4.4 million in borrowings as of September 30, 2022, compared to no bank borrowings as of September 30, 2021.

Inventories increased 47 percent to \$1,056.9 million, compared to \$720.9 million as of September 30, 2021. Late inventory receipts and slower consumer demand have resulted in greater than anticipated order cancellations and higher inventory levels. Older season inventories represent a manageable portion of our total inventory mix. To align inventory levels more closely with anticipated demand, we are adjusting inventory purchases and utilizing our outlet stores to sell excess merchandise. We expect inventory to remain elevated for the next several quarters as we balance reducing inventory levels with maintaining profitability.

Cash Flow for the Nine Months Ended September 30, 2022

Net cash used in operating activities was \$328.1 million, compared to \$15.6 million for the same period in 2021.

Capital expenditures totaled \$42.5 million, compared to \$20.4 million for the same period in 2021.

Share Repurchases for the Nine Months Ended September 30, 2022

The Company repurchased 3,235,327 shares of common stock for an aggregate of \$286.9 million, or an average price per share of \$88.69.

At September 30, 2022, \$529.4 million remained available under our stock repurchase authorization, which does not obligate the Company to acquire any specific number of shares or to acquire shares over any specified period of time.

Quarterly Cash Dividend

The Board of Directors approved a regular quarterly cash dividend of \$0.30 per share, payable on December 1, 2022 to shareholders of record on November 17, 2022.

Full Year 2022 Financial Outlook

(Additional financial outlook details can be found in the CFO Commentary and Financial Review presentation.)

The Company's fourth quarter and full year 2022 Financial Outlook is forward-looking in nature, and the following forward-looking statements reflect our expectations as of October 27, 2022 and are subject to significant risks and business uncertainties, including those factors described under "Forward-Looking Statements" below. These risks and uncertainties limit our ability to accurately forecast results. This outlook reflects our estimates as of October 27, 2022 regarding the impact of the COVID-19 pandemic on our operations; economic conditions, including inflationary pressures; supply chain disruptions, constraints and expenses; elevated marketplace inventories; labor shortages; changes in consumer behavior and confidence; as well as geopolitical tensions. This outlook and commentary assume recent deterioration in market conditions and the economic environment, particularly in the U.S., which continue to exert pressure, unfavorably impacting the retail industry and our business. Projections are predicated on normal seasonal weather globally.

Net sales are expected to increase 10 to 12 percent (unchanged) to \$3.44 to \$3.50 billion (unchanged) from \$3.13 billion in 2021.

Gross margin is expected to contract 250 to 220 basis points (prior approximately 210 to 180 basis points of contraction) to 49.1 to 49.4 percent (prior 49.5 to 49.8 percent) of net sales from 51.6 percent of net sales in 2021.

SG&A expenses are expected to increase roughly in line with net sales growth. SG&A expense, as a percent of net sales, is expected to be 37.4 to 37.8 percent (prior 37.6 to 38.0 percent), compared to SG&A expense as a percent of net sales of 37.8 percent in 2021. Demand creation expense as a percent of net sales is anticipated to be approximately 6.0 percent in 2022, compared to 5.9 percent in 2021.

Operating income is expected to be \$410 to \$443 million (prior \$415 to \$449 million), resulting in operating margin of 11.9 to 12.7 percent (prior 12.1 to 12.8 percent), compared to operating margin of 14.4 percent in 2021.

Effective income tax rate is expected to be approximately 23.5 percent (prior approximately 24.0 to 24.5 percent). The effective income tax rate may be affected by unanticipated impacts from changes in international, federal or state tax policies, changes in the Company's geographic mix of pre-tax income and other discrete events, as well as differences from our estimate of the tax benefits associated with employee equity awards and our estimate of the tax impact of various tax initiatives.

Net income is expected to be \$315 to \$340 million (unchanged), resulting in diluted earnings per share of \$5.00 to \$5.40 (unchanged). This diluted earnings per share range is based on estimated weighted average diluted shares outstanding of 63.0 million (unchanged).

Foreign Currency

- Foreign currency translation is anticipated to reduce 2022 net sales growth by approximately 350 basis points (prior 300 bps).
- Foreign currency is expected to have an approximately \$0.25 negative impact on diluted earnings per share due primarily to unfavorable foreign currency translation impacts (prior \$0.15 to \$0.20 negative impact).

Balance Sheet and Cash Flows

Operating cash flow is expected to be approximately breakeven (prior approximately \$150 million). The decrease in operating cash flow compared to 2021 reflects higher inventory levels, including earlier production of Spring 2023 inventory.

Capital expenditures are planned to be in the range of \$80 to \$90 million (prior \$80 to \$100 million).

Fourth Quarter 2022 Financial Outlook

- **Net sales** of \$1.14 to \$1.21 billion, representing net sales growth of 1% to 7% from \$1.13 billion in the comparable period 2021.
- **Diluted earnings per share** is expected to be \$2.07 to \$2.47 compared to \$2.39 in the comparable period in 2021.

Conference Call

The Company will hold its third quarter 2022 conference call at 5:00 p.m. ET today. Dial (888) 506-0062 to participate. The call will also be webcast live on the Investor Relations section of the Company's website at <http://investor.columbia.com>.

Fourth Quarter 2022 Reporting Date

Columbia Sportswear Company plans to report fourth quarter 2022 financial results on Thursday, February 2, 2023 at approximately 4:00 p.m. ET.

Supplemental Financial Information

Since Columbia Sportswear Company is a global company, the comparability of its operating results reported in United States dollars is affected by foreign currency exchange rate fluctuations because the underlying currencies in which it transacts change in value over time compared to the United States dollar. To supplement financial information reported in accordance with GAAP, the Company discloses constant-currency net sales information, which is a non-GAAP financial measure, to provide a framework to assess how the business performed excluding the effects of changes in the exchange rates used to translate net sales generated in foreign currencies into United States dollars. The Company calculates constant-currency net sales by translating net sales in foreign currencies for the current period into United States dollars at the average exchange rates that were in effect during the

comparable period of the prior year. Management believes that this non-GAAP financial measure reflects an additional and useful way of viewing an aspect of our operations that, when viewed in conjunction with our GAAP results, provides a more comprehensive understanding of our business and operations. In particular, investors may find the non-GAAP financial measure useful by reviewing our net sales results without the volatility in foreign currency exchange rates. This non-GAAP financial measure also facilitates management's internal comparisons to our historical net sales results and comparisons to competitors' net sales results.

The non-GAAP financial measures should be viewed in addition to, and not in lieu of or superior to, our financial measures calculated in accordance with GAAP. The Company provides a reconciliation of non-GAAP measures to the most directly comparable financial measure calculated in accordance with GAAP. See the "Reconciliation of GAAP to Non-GAAP Financial Measures" table included herein. The non-GAAP financial measures presented may not be comparable to similarly titled measures reported by other companies.

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws, including statements regarding the Company's expectations, anticipations or beliefs about the Company's ability to realize growth opportunities, full year 2022 net sales, gross margin, SG&A expenses, demand creation spend, operating income, effective income tax rate, net income, diluted earnings per share, weighted average diluted shares outstanding, foreign currency translation, cash flows, and capital expenditures, and fourth quarter 2022 net sales and diluted earnings per share. Forward-looking statements often use words such as "will," "anticipate," "estimate," "expect," "should," "may" and other words and terms of similar meaning or reference future dates. The Company's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those described in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors," and those that have been or may be described in other reports filed by the Company, including reports on Form 8-K. Potential risks and uncertainties include those relating to the impact of the COVID-19 pandemic on our operations; economic conditions, including inflationary pressures; supply chain disruptions, constraints and expenses; labor shortages; changes in consumer behavior and confidence; as well as geopolitical tensions. The Company does not undertake any duty to update any of the forward-looking statements after the date of this document to conform them to actual results or to reflect changes in events, circumstances or its expectations. New factors emerge from time to time and it is not possible for the Company to predict or assess the effects of all such factors or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

About Columbia Sportswear Company

Columbia Sportswear Company connects active people with their passions and is a global multi-brand leading innovator in outdoor, active and lifestyle products including apparel, footwear, accessories, and equipment. Founded in 1938 in Portland, Oregon, the Company's brands are sold in approximately 90 countries. In addition to the Columbia® brand, Columbia Sportswear Company also owns the Mountain Hard Wear®, SOREL® and prAna® brands. To learn more, please visit the Company's websites at www.columbia.com, www.mountainhardwear.com, www.sorel.com, and www.pranacom.

Contact:

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- Financial tables follow -

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(in thousands)</i>	September 30, 2022	September 30, 2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 159,221	\$ 599,479
Short-term investments	972	1,132
Accounts receivable, net	600,457	500,451
Inventories, net	1,056,905	720,865
Prepaid expenses and other current assets	142,055	98,146
Total current assets	1,959,610	1,920,073
Property, plant and equipment, net	287,338	293,725
Operating lease right-of-use assets	328,893	344,876
Intangible assets, net	100,672	102,321
Goodwill	68,594	68,594
Deferred income taxes	76,899	92,493
Other non-current assets	68,146	67,277
Total assets	\$ 2,890,152	\$ 2,889,359
LIABILITIES AND EQUITY		
Current Liabilities:		
Short-term borrowings	\$ 4,441	\$ —
Accounts payable	336,782	241,119
Accrued liabilities	279,226	273,590
Operating lease liabilities	65,866	67,055
Income taxes payable	10,341	8,955
Total current liabilities	696,656	590,719
Non-current operating lease liabilities	314,565	330,765
Income taxes payable	33,215	49,392
Deferred income taxes	—	1
Other long-term liabilities	30,913	38,165
Total liabilities	1,075,349	1,009,042
Total shareholders' equity	1,814,803	1,880,317
Total liabilities and shareholders' equity	\$ 2,890,152	\$ 2,889,359

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<i>(In thousands, except per share amounts)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	\$ 955,059	\$ 804,706	\$ 2,294,632	\$ 1,996,682
Cost of sales	496,564	396,346	1,173,530	974,403
Gross profit	458,495	408,360	1,121,102	1,022,279
Gross margin	48.0 %	50.7 %	48.9 %	51.2 %
Selling, general and administrative expenses	318,957	280,121	899,301	796,276
Net licensing income	5,723	5,222	15,899	12,933
Operating income	145,261	133,461	237,700	238,936
Interest income, net	765	196	1,659	1,072
Other non-operating income (expense), net	(269)	201	(1,660)	(397)
Income before income tax	145,757	133,858	237,699	239,611
Income tax expense	(34,007)	(33,295)	(51,949)	(42,464)
Net income	\$ 111,750	\$ 100,563	\$ 185,750	\$ 197,147
Earnings per share:				
Basic	\$ 1.80	\$ 1.53	\$ 2.95	\$ 2.98
Diluted	\$ 1.80	\$ 1.52	\$ 2.94	\$ 2.96
Weighted average shares outstanding:				
Basic	62,098	65,862	62,967	66,182
Diluted	62,210	66,266	63,178	66,673

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>(in thousands)</i>	Nine Months Ended September 30,	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 185,750	\$ 197,147
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation, amortization, and non-cash lease expense	86,569	84,509
Provision for uncollectible accounts receivable	(1,745)	(9,088)
Loss on disposal or impairment of investments, property, plant and equipment, and right-of-use assets	2,455	366
Deferred income taxes	1,712	(8,731)
Stock-based compensation	16,071	14,487
Changes in operating assets and liabilities:		
Accounts receivable	(129,251)	(44,500)
Inventories, net	(443,194)	(173,761)
Prepaid expenses and other current assets	(27,535)	(40,957)
Other assets	2,260	148
Accounts payable	63,868	22,014
Accrued liabilities	(18,409)	24,813
Income taxes payable	(14,299)	(14,621)
Operating lease assets and liabilities	(49,159)	(68,823)
Other liabilities	(3,182)	1,359
Net cash used in operating activities	(328,089)	(15,638)
Cash flows from investing activities:		
Purchases of short-term investments	(44,876)	—
Sales and maturities of short-term investments	175,827	1,184
Capital expenditures	(42,489)	(20,413)
Net cash provided by (used in) investing activities	88,462	(19,229)
Cash flows from financing activities:		
Proceeds from credit facilities	12,660	29,508
Repayments on credit facilities	(8,133)	(29,313)
Payment of line of credit issuance fees	(604)	—
Proceeds from issuance of common stock related to stock-based compensation	4,598	24,329
Tax payments related to stock-based compensation	(4,178)	(5,715)
Repurchase of common stock	(287,443)	(118,580)
Cash dividends paid	(56,556)	(51,662)
Net cash used in financing activities	(339,656)	(151,433)
Net effect of exchange rate changes on cash	(24,900)	(4,946)
Net decrease in cash and cash equivalents	(604,183)	(191,246)
Cash and cash equivalents, beginning of period	763,404	790,725
Cash and cash equivalents, end of period	\$ 159,221	\$ 599,479
Supplemental disclosures of cash flow information:		
Cash paid during the year for income taxes	\$ 59,584	\$ 87,709
Supplemental disclosures of non-cash investing and financing activities:		
Property, plant and equipment acquired through increase in liabilities	\$ 7,502	\$ 8,277
Repurchases of common stock not settled	\$ —	\$ 8,628

COLUMBIA SPORTSWEAR COMPANY
Reconciliation of GAAP to Non-GAAP Financial Measures
Net Sales Growth - Constant-currency Basis
(Unaudited)

	Three Months Ended September 30,					
	Reported Net Sales 2022	Adjust for Foreign Currency Translation	Constant- currency Net Sales 2022 ⁽¹⁾	Reported Net Sales 2021	Reported Net Sales % Change	Constant-currency Net Sales % Change ⁽¹⁾
<i>(In millions, except percentage changes)</i>						
Geographical Net Sales:						
United States	\$ 607.0	\$ —	\$ 607.0	\$ 510.5	19%	19%
Latin America and Asia Pacific	115.4	12.0	127.4	102.7	12%	24%
Europe, Middle East and Africa	153.5	14.8	168.3	109.2	41%	54%
Canada	79.1	2.8	81.9	82.3	(4)%	—%
Total	<u>\$ 955.0</u>	<u>\$ 29.6</u>	<u>\$ 984.6</u>	<u>\$ 804.7</u>	19%	22%
Brand Net Sales:						
Columbia	\$ 773.3	\$ 26.6	\$ 799.9	\$ 651.5	19%	23%
SOREL	112.4	2.6	115.0	88.1	28%	31%
prAna	37.4	—	37.4	36.4	3%	3%
Mountain Hardwear	31.9	0.4	32.3	28.7	11%	13%
Total	<u>\$ 955.0</u>	<u>\$ 29.6</u>	<u>\$ 984.6</u>	<u>\$ 804.7</u>	19%	22%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 726.3	\$ 21.2	\$ 747.5	\$ 621.1	17%	20%
Footwear	228.7	8.4	237.1	183.6	25%	29%
Total	<u>\$ 955.0</u>	<u>\$ 29.6</u>	<u>\$ 984.6</u>	<u>\$ 804.7</u>	19%	22%
Channel Net Sales:						
Wholesale	\$ 645.1	\$ 20.4	\$ 665.5	\$ 518.2	24%	28%
DTC	309.9	9.2	319.1	286.5	8%	11%
Total	<u>\$ 955.0</u>	<u>\$ 29.6</u>	<u>\$ 984.6</u>	<u>\$ 804.7</u>	19%	22%

⁽¹⁾ Constant-currency net sales is a non-GAAP financial measure. See “Supplemental Financial Information” above for further information.

COLUMBIA SPORTSWEAR COMPANY
Reconciliation of GAAP to Non-GAAP Financial Measures
Net Sales Growth - Constant-currency Basis
(Unaudited)

	Nine Months Ended September 30,					
	Reported Net Sales	Adjust for Foreign Currency	Constant- currency Net Sales	Reported Net Sales	Reported Net Sales	Constant-currency Net Sales
(In millions, except percentage changes)	2022	Translation	2022 ⁽¹⁾	2021	% Change	% Change ⁽¹⁾
Geographical Net Sales:						
United States	\$ 1,521.4	\$ —	\$ 1,521.4	\$ 1,298.2	17%	17%
Latin America and Asia Pacific	309.9	24.6	334.5	292.7	6%	14%
Europe, Middle East and Africa	305.8	24.6	330.4	268.5	14%	23%
Canada	157.5	3.8	161.3	137.3	15%	17%
Total	<u>\$ 2,294.6</u>	<u>\$ 53.0</u>	<u>\$ 2,347.6</u>	<u>\$ 1,996.7</u>	15%	18%
Brand Net Sales:						
Columbia	\$ 1,903.0	\$ 48.9	\$ 1,951.9	\$ 1,663.2	14%	17%
SOREL	204.7	3.3	208.0	157.5	30%	32%
prAna	110.8	—	110.8	107.6	3%	3%
Mountain Hardwear	76.1	0.8	76.9	68.4	11%	12%
Total	<u>\$ 2,294.6</u>	<u>\$ 53.0</u>	<u>\$ 2,347.6</u>	<u>\$ 1,996.7</u>	15%	18%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 1,760.6	\$ 37.2	\$ 1,797.8	\$ 1,543.1	14%	17%
Footwear	534.0	15.8	549.8	453.6	18%	21%
Total	<u>\$ 2,294.6</u>	<u>\$ 53.0</u>	<u>\$ 2,347.6</u>	<u>\$ 1,996.7</u>	15%	18%
Channel Net Sales:						
Wholesale	\$ 1,353.2	\$ 31.8	\$ 1,385.0	\$ 1,155.9	17%	20%
DTC	941.4	21.2	962.6	840.8	12%	14%
Total	<u>\$ 2,294.6</u>	<u>\$ 53.0</u>	<u>\$ 2,347.6</u>	<u>\$ 1,996.7</u>	15%	18%

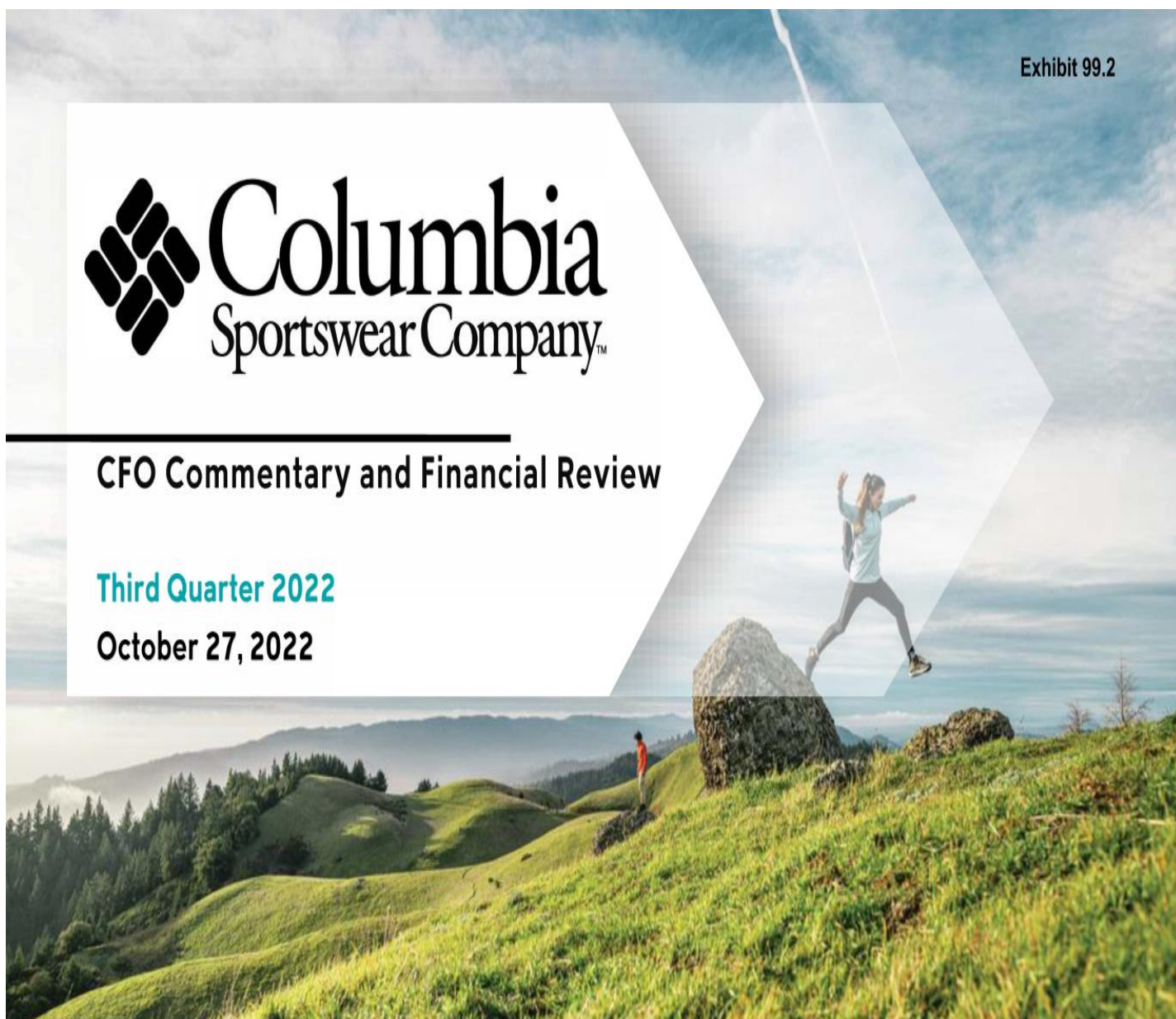
⁽¹⁾ Constant-currency net sales is a non-GAAP financial measure. See "Supplemental Financial Information" above for further information.



CFO Commentary and Financial Review

Third Quarter 2022

October 27, 2022



FORWARD-LOOKING STATEMENTS

This presentation does not constitute an offer or invitation for the sale or purchase of securities and has been prepared solely for informational purposes.

This presentation contains forward-looking statements within the meaning of the federal securities laws regarding Columbia Sportswear Company's business opportunities and anticipated results of operations. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "might," "will," "would," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "likely," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Unless the context indicates otherwise, the terms "we," "us," "our," "the Company," and "Columbia" refer to Columbia Sportswear Company, together with its wholly owned subsidiaries and entities in which it maintains a controlling financial interest.

The Company's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those described in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors," and those that have been or may be described in other reports filed by the Company, including reports on Form 8-K. Potential risks and uncertainties include those relating to the impact of the COVID-19 pandemic on our operations; economic conditions, including inflationary pressures; supply chain disruptions, constraints and expenses; labor shortages; changes in consumer behavior and confidence; as well as geopolitical tensions. The Company cautions that forward-looking statements are inherently less reliable than historical information.

New risks and uncertainties emerge from time to time and it is not possible for the Company to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this presentation. Nothing in this presentation should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake any duty to update any of the forward-looking statements after the date of this document to conform the forward-looking statements to actual results or to changes in our expectations.

REFERENCES TO NON-GAAP FINANCIAL INFORMATION

Since Columbia Sportswear Company is a global company, the comparability of its operating results reported in U.S. dollars is affected by foreign currency exchange rate fluctuations because the underlying currencies in which it transacts change in value over time compared to the U.S. dollar. To supplement financial information reported in accordance with GAAP, the Company discloses constant-currency net sales information, which is a non-GAAP financial measure, to provide a framework to assess how the business performed excluding the effects of changes in the exchange rates used to translate net sales generated in foreign currencies into U.S. dollars. The Company calculates constant-currency net sales by translating net sales in foreign currencies for the current period into U.S. dollars at the average exchange rates that were in effect during the comparable period of the prior year. Management believes that this non-GAAP financial measure reflects an additional and useful way of viewing an aspect of our operations that, when viewed in conjunction with our GAAP results, provides a more comprehensive understanding of our business and operations.

Free cash flow is a non-GAAP financial measure. Free cash flow is calculated by reducing net cash flow from operating activities by capital expenditures. Management believes free cash flow provides investors with an important perspective on the cash available for shareholders and acquisitions after making the capital investments required to support ongoing business operations and long-term value creation. Free cash flow does not represent the residual cash flow available for discretionary expenditures as it excludes certain mandatory expenditures. Management uses free cash flow as a measure to assess both business performance and overall liquidity.

Non-GAAP financial measures, including constant-currency net sales and free cash flow, should be viewed in addition to, and not in lieu of or superior to, our financial measures calculated in accordance with GAAP. The Company provides a reconciliation of non-GAAP measures to the most directly comparable financial measure calculated in accordance with GAAP in the back of this presentation in the "Appendix". The non-GAAP financial measures and constant-currency information presented may not be comparable to similarly titled measures reported by other companies.

GLOSSARY OF PRESENTATION TERMINOLOGY

DTC	direct-to-consumer	"+" or "up"	increased	"\$##M"	in millions of U.S. dollars
DTC.com	DTC e-commerce	"-" or "down"	decreased	"\$##B"	in billions of U.S. dollars
DTC B&M	DTC brick & mortar	LSD%	low-single-digit percent	c.c.	constant-currency
y/y	year-over-year	MSD%	mid-single-digit percent	M&A	mergers & acquisitions
U.S.	United States	HSD%	high-single-digit percent	FX	foreign exchange
LAAP	Latin America and Asia Pacific	LDD%	low-double-digit percent	~	approximately
EMEA	Europe, Middle East and Africa	low-20%	low-twenties percent	H1	first half
SG&A	selling, general & administrative	mid-30%	mid-thirties percent	Q1	first quarter
EPS	earnings per share	high-40%	high-forties percent		
bps	basis points				



WE CONNECT ACTIVE PEOPLE WITH THEIR PASSIONS

ACCELERATE PROFITABLE GROWTH

**CREATE
ICONIC PRODUCTS**

Differentiated, Functional, Innovative

**DRIVE
BRAND ENGAGEMENT**

Increased, Focused Demand Creation
Investments

**ENHANCE
CONSUMER EXPERIENCES**

Invest in Capabilities to Delight
and Retain Consumers

**AMPLIFY
MARKETPLACE EXCELLENCE**

Digitally-Led, Omni-Channel, Global

EMPOWER TALENT THAT IS DRIVEN BY OUR CORE VALUES

Through a Diverse and Inclusive Workforce



CAPITAL ALLOCATION PRIORITIES

5

Our goal is to maintain our strong balance sheet and disciplined approach to capital allocation.

Dependent upon market conditions and our strategic priorities, our capital allocation approach includes:

INVEST IN ORGANIC GROWTH OPPORTUNITIES

TO DRIVE LONG-TERM PROFITABLE GROWTH

RETURN AT LEAST 40% OF FREE CASH FLOW TO SHAREHOLDERS

THROUGH DIVIDENDS AND SHARE REPURCHASES

OPPORTUNISTIC M&A



Q3'22 KEY HIGHLIGHTS

Q3'22 FINANCIAL RESULTS COMPARED TO Q3'21

\$955M

+19%

Net Sales

48.0%

-270 bps

Gross Margin

15.2%

-140 bps

Operating Margin

\$1.80

+18%

Diluted EPS

Q3'22 Highlights:

- The increase in net sales primarily reflects earlier shipment of higher Fall '22 wholesale orders and DTC growth.
- Net sales growth was led by the SOREL and Columbia brands, which increased 28% and 19%, respectively.
- We generated 19% net sales growth and 18% diluted EPS growth, compared to our third quarter outlook of ~20% net sales growth and ~10% diluted EPS growth. A lower than planned effective tax rate benefitted diluted EPS by \$0.05, compared to our third quarter financial outlook.
- Diluted EPS growth of 18% outpaced net income growth of 11% due to share repurchase activity since Q3'21.

Q3'22 ACTUAL VS LAST YEAR

(dollars in millions, except per share amounts)

	Q3'22	Q3'21	Change
Net Sales	\$955.0	\$804.7	+19%
Gross margin	48.0%	50.7%	-270 bps
SG&A percent of net sales	33.4%	34.8%	-140 bps
Operating income	\$145.3	\$133.5	+9%
Operating margin	15.2%	16.6%	-140 bps
Net income	\$111.8	\$100.6	+11%
Diluted EPS	\$1.80	\$1.52	+18%

Commentary on factors impacting Q3'22 financial results:

- Q3'22 net sales growth benefitted from favorable timing of Fall '22 shipments, relative to Fall '21, which was more heavily weighted to Q4'21. Despite this improvement, Fall '22 shipments were still later than historical shipping patterns.
- Within wholesale net sales, international distributors experienced outsized growth. EMEA distributor net sales benefitted from Fall '22 shipments shifting into Q3 and LAAP distributor net sales growth reflected strong Fall '22 shipments.
- Gross margin contraction was primarily driven by higher inbound freight costs, unfavorable channel and regional sales mix, increased inventory provisions, and lower DTC product margins, partially offset by higher wholesale product margins.
- SG&A leveraged as net sales growth outpaced expense growth. SG&A expense growth primarily reflects expenses to support the growth of the business and investments to drive our brand-led consumer-focused strategies.

Q3'22 NET SALES OVERVIEW

Q3'22 NET SALES AND GROWTH VS. Q3'21

CATEGORY PERFORMANCE

APPAREL, ACCESSORIES & EQUIPMENT:

↑ **+17%** (+20% c.c.)
\$726M

FOOTWEAR:

↑ **+25%** (29% c.c.)
\$229M

- Footwear outpaced Apparel, Accessories & Equipment growth driven by momentum across both SOREL and Columbia footwear.

BRAND PERFORMANCE

 **Columbia**

↑ **+19%** (+23% c.c.)
\$773M

 **prAna**

↑ **+3%** (+3% c.c.)
\$38M



↑ **+28%** (+31% c.c.)
\$112M

 **MOUNTAIN
HARD
WEAR**

↑ **+11%** (+13% c.c.)
\$32M

- Growth was primarily driven by increased shipment of higher Fall '22 wholesale orders across all brands.
- Favorable timing of Fall '22 shipments, relative to Fall '21, benefitted SOREL, Columbia and Mountain Hardwear's reported growth.

CHANNEL PERFORMANCE

WHOLESALE:

↑ **+24%** (+28% c.c.)
\$645M

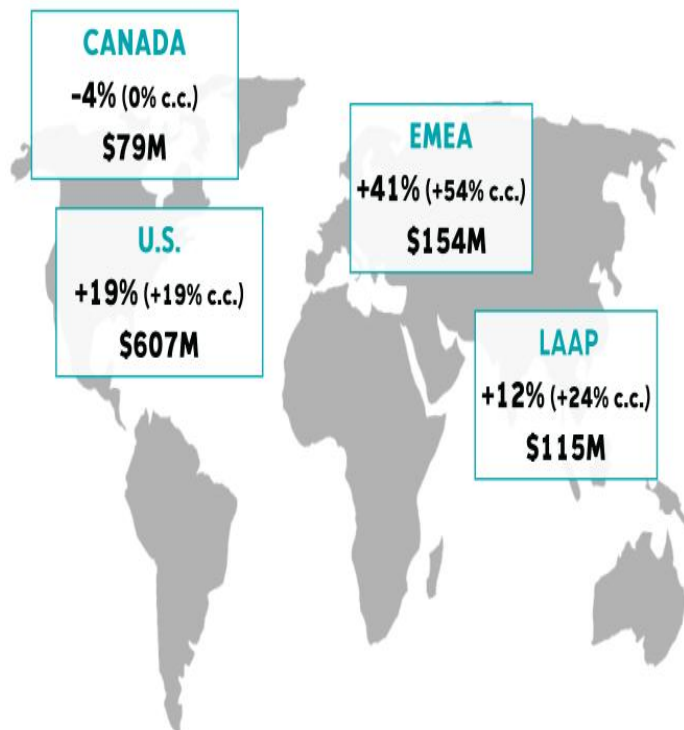
DTC:

↑ **+8%** (+11% c.c.)
\$310M

- Global wholesale led by strength in the U.S. and international distributor markets.
- DTC.com +9%, DTC B&M +8%

Q3'22 REGIONAL NET SALES PERFORMANCE

Q3'22 NET SALES AND GROWTH VS. Q3'21



All regions outside of the U.S. were negatively impacted by foreign exchange rates. Commentary below on primary drivers reflects constant currency performance.

U.S.

- **Wholesale:** up mid-20%, shipping of robust Fall '22 orders
- **DTC:** up HSD%, DTC B&M +LDD%, DTC.com +HSD%
- The Company had 148 stores (132 outlet, 16 branded) exiting Q3'22 vs. 138 (129 outlet, 9 branded) exiting Q3'21

LAAP

- **China:** up LSD% (up MSD% c.c.) as strong DTC.com performance was balanced with the ongoing impacts of restrictions related to China's zero-COVID policy
- **Japan:** down MSD% (up high-teens% c.c.), driven by strong DTC and wholesale performance, aided by the anniversary of prior year state of emergency
- **Korea:** down HSD% (up LSD% c.c.), as strong DTC performance was partially offset by lower wholesale shipments
- **LAAP distributor:** up high-140%, on shipment of higher Fall '22 orders compared to depressed pandemic-driven Fall '21 shipments

EMEA

- **Europe-direct:** up HSD% (up mid-20% c.c.), driven by strong wholesale and DTC performance
- **EMEA distributor:** up high-140%, driven by later shipment of Fall '22 orders under pre-existing contractual obligations with our Russia-based distributor business

Canada

- **-4% (0% c.c.),** driven by strong DTC performance, offset by later shipment of Fall '22 orders which are expected to be more heavily weighted to Q4'22 vs. Q4'21

Q3'22 GROSS MARGIN BRIDGE

Q3'22 gross margin contracted -270 bps y/y to 48.0%

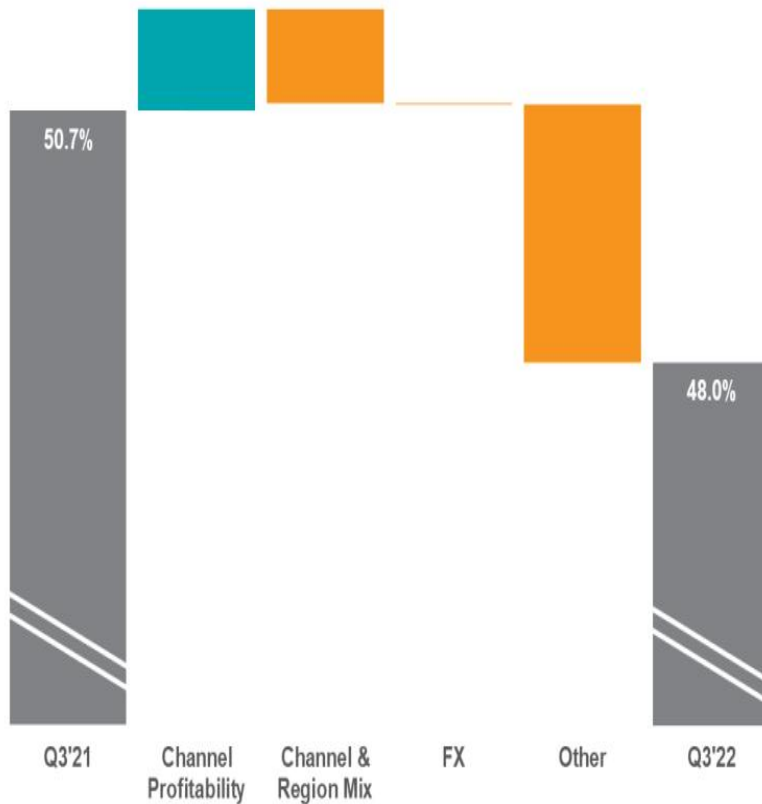
Gross Margin contraction primarily reflects:

Headwinds

- **Other:** elevated inbound freight costs
- **Channel & Region Mix:** higher mix of wholesale sales (including distributor sales), which typically carry a lower margin vs. DTC sales
- **Other:** unfavorable y/y changes in inventory provisions
- **Channel Profitability:** lower DTC product margins driven by higher promotional activity

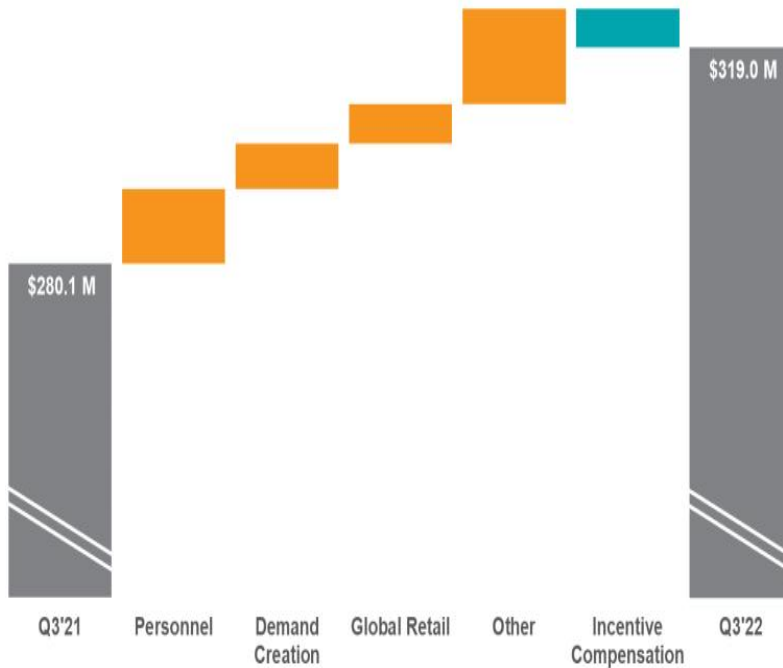
Tailwinds

- **Channel Profitability:** higher wholesale margins driven by price increases and a higher proportion of full price vs. off price sales, partially offset by input cost pressure



Q3'22 SG&A BRIDGE

SG&A increased 14% to \$319.0M



Q3'22 SG&A expenses were 33.4% of net sales compared to 34.8% in Q3'21

SG&A expense growth primarily reflects expenses to support growth of the business and investments to drive our brand-led consumer-focused strategies:

SG&A Expense Increases

- **Personnel:** increased headcount to support business growth, annual merit increases and other wage rate increases
- **Demand Creation:** higher spending with sales growth
- **Global Retail:** higher expenses associated with sales growth and new stores

Partially offset by:

SG&A Expense Reductions

- **Incentive Comp:** y/y changes in accrued incentive compensation

BALANCE SHEET OVERVIEW

Balance Sheet as of September 30, 2022

Cash, Cash Equivalents and Short-term Investments

\$160M

Cash, cash equivalents and short-term investments totaled \$160.2M, compared to \$600.6M as of September 30, 2021. The y/y reduction in cash primarily reflects increased working capital usage and share repurchases.

Inventory

+47%

Inventories +47% y/y to \$1,056.9M. Late inventory receipts and slower consumer demand have resulted in greater than anticipated order cancellations and higher inventory levels. Older season inventories represent a manageable portion of our total inventory mix.

Exiting the quarter, on-hand finished goods inventories increased 51% y/y, while in-transit inventory increased 39% y/y. To align inventory levels more closely with anticipated demand, we are adjusting inventory purchases and utilizing our outlet stores to sell excess merchandise. We expect inventory to remain elevated for the next several quarters as we balance reducing inventory levels with maintaining profitability.



CASH FLOW OVERVIEW

Cash Flow for the Nine Months Ended September 30, 2022

Net Cash used in Operations

-\$328M Net cash flow used in operating activities was \$328.1M, compared to \$15.6M for the same period in 2021. The increase in net cash used in operations was largely attributable to increased inventory purchases and, to a lesser extent, increased accounts receivable.

Capital Expenditures

\$42M Capital expenditures totaled \$42.5M compared to \$20.4M for the same period in 2021.

Share Repurchases

\$287M The Company repurchased 3,235,327 shares of common stock for an aggregate of \$286.9M, for an average price per share of \$88.69.

Dividends

\$0.30 The Board of Directors approved a regular cash dividend of \$0.30 per share, payable on December 1, 2022, to shareholders of record on November 17, 2022.



2022 FINANCIAL OUTLOOK

The Company's 2022 Financial Outlook and the underlying assumptions are forward-looking in nature, and the forward-looking statements reflect our expectations as of October 27, 2022 and are subject to significant risks and business uncertainties, including those factors described under "Forward-Looking Statements" above. These risks and uncertainties limit our ability to accurately forecast results. This outlook reflects our estimates as of October 27, 2022 regarding the impact of the COVID-19 pandemic on our operations; economic conditions, including inflationary pressures; supply chain disruptions, constraints and expenses; elevated marketplace inventories; labor shortages; changes in consumer behavior and confidence; as well as geopolitical tensions. This outlook and commentary assume recent deterioration in market conditions and the economic environment, particularly in the U.S., which continues to exert pressure, unfavorably impacting the retail industry and our business. Projections are predicated on normal seasonal weather globally.

	2022 Financial Outlook	Outlook compared to 2021
Net sales	\$3.44B to \$3.50B (unchanged)	+10% to +12% (unchanged)
Gross margin	49.1% to 49.4% (prior 49.5% to 49.8%)	250 bps to 220 bps contraction (prior 210 bps to 180 bps contraction)
SG&A percent of net sales	37.4% to 37.8% (prior 37.6% to 38.0%)	40 bps leverage to flat (prior 20 bps leverage to 20 bps deleverage)
Operating margin	11.9% to 12.7% (prior 12.1% to 12.8%)	250 bps to 170 bps deleverage (prior 230 bps to 160 bps deleverage)
Operating income	\$410M to \$443M (prior \$415M to \$449M)	-9% to -2% (prior -8% to flat)
Effective income tax rate	~23.5% (prior 24.0% to 24.5%)	2021 effective tax rate of 21.6%
Net income	\$315M to \$340M (unchanged)	-11% to -4% (unchanged)
Diluted EPS	\$5.00 to \$5.40 (unchanged)	-6% to +1% (unchanged)

2022 FINANCIAL OUTLOOK ASSUMPTIONS

Net sales	<p><u>Anticipated net sales growth primarily reflects:</u></p> <ul style="list-style-type: none">• Inbound shipping times, port congestion and other logistics delays have elongated in-transit times resulting in delayed receipt and delivery of products. Our 2022 financial outlook incorporates our current view of the supply chain disruptions which could materially change as conditions evolve.• All brands are anticipated to grow in 2022, with SOREL anticipated to have the highest growth rate.• All four geographic segments are anticipated to grow in 2022.<ul style="list-style-type: none">• Canada, EMEA, and the U.S. are expected to drive the vast majority of full year 2022 net sales growth.• LAAP region net sales growth is expected to be slower than consolidated net sales growth due to ongoing pandemic related challenges including impacts related to China's zero-Covid policy, as well as unfavorable foreign currency translation effects.• Within our EMEA region, EMEA distributor net sales include shipments to our Russia-based distributor as we fulfill orders written prior to the invasion.• From a product category perspective, footwear is anticipated to grow low-teens% and apparel, accessories & equipment is anticipated to grow LDD%.• From a channel perspective, wholesale is anticipated to grow mid-teens% and DTC is anticipated to grow HSD%.<ul style="list-style-type: none">• DTC.com penetration as a percent of total net sales is expected to be slightly below 2021.• DTC B&M sales growth includes contribution from approximately 15 new stores in North America planned for 2022.• The net sales outlook includes the benefit of price increases for the Spring and Fall 2022 product lines.
Gross margin	<p>Gross margin for our Spring and Fall 2022 product lines is expected to be unfavorably impacted by product cost inflationary pressures. To offset these cost pressures, we implemented mid-single-digit percent price increases for our Spring 2022 product line and high-single-digit to low-double-digit percent price increases for our Fall 2022 product line. The effect of these price increases is expected to neutralize the impact of inflationary product cost pressures over time.</p> <p><u>Anticipated gross margin contraction primarily reflects:</u></p> <ul style="list-style-type: none">• elevated inbound freight costs;• unfavorable regional and channel mix shifts; and• decreased DTC product margins, primarily driven by the return to a more normalized promotional environment compared to exceptionally low promotions in 2021; partially offset by:• increased wholesale product margins, primarily driven by price increases, partially offset by increased cost pressure and higher customer accommodations.
SG&A % of net sales	<p><u>Anticipated SG&A expense growth includes:</u></p> <ul style="list-style-type: none">• higher personnel expenses reflecting incremental headcount as well as wage increases;• increased expenses to support global DTC sales growth including new stores, wage increases and other related operations;• higher demand creation expense; and• higher facilities, travel and other expenses; partially offset by• lower incentive compensation expense. <p>The increase in SG&A expense contemplated in our outlook includes over \$20M of investments to drive long-term profitable growth. Areas of investment include digital and supply chain capability enhancements and new DTC stores as well as demand creation.</p> <p>Demand creation as a percent of net sales is anticipated to be approximately 6.0 percent in 2022, compared to 5.9 percent in 2021.</p>

2022 ASSUMPTIONS AND FOURTH QUARTER OUTLOOK

Effective tax rate and share count

- The full year effective tax rate in our 2022 financial outlook is ~23.5% (prior 24.0%-24.5%). The 2022 effective tax rate is anticipated to be higher than the effective tax rate from 2019-2021 as the prior years included separate discrete tax items which lowered the effective tax rate in each year. We expect discrete tax items to have a lower impact on our effective tax rate in 2022 in comparison to prior years.
- The effective income tax rate may be affected by unanticipated impacts from changes in international, federal or state tax policies, changes in the Company's geographic mix of pre-tax income and other discrete events, as well as differences from our estimate of the tax benefits associated with employee equity awards and our estimate of the tax impact of various tax initiatives.
- The \$5.00 to \$5.40 diluted earnings per share range is based on estimated weighted average diluted shares outstanding of 63.0 million (unchanged).

Foreign currency

- Foreign currency translation is expected to reduce net sales growth by approximately 350 bps (prior 300 bps).
- Foreign currency is expected to have an approximately \$0.25 negative impact on diluted earnings per share due primarily to unfavorable foreign currency translation impacts (prior \$0.15 to \$0.20 negative impact).

Operating cash flow and capital expenditures

- Operating cash flow is anticipated to be roughly break-even. The change in comparison to our prior forecast of approximately \$150M is due to higher inventory levels including earlier production of Spring '23 inventory.
- Capital expenditures are planned to be between \$80M to \$90M (prior \$80M to \$100M).

Q4'22 financial outlook

- Net sales of \$1.14 to \$1.21 billion, representing net sales growth of 1% to 7%.
- Diluted earnings per share of \$2.07 to \$2.47.



APPENDIX

THIRD QUARTER 2022 CONSTANT-CURRENCY RECONCILIATION

COLUMBIA SPORTSWEAR COMPANY
Reconciliation of GAAP to Non-GAAP Financial Measures
Net Sales Growth - Constant-currency Basis
(Unaudited)

	Three Months Ended September 30,					
	Reported	Adjust for	Constant-	Reported	Reported	Constant-
	Net Sales	Foreign	currency	Net Sales	Net Sales	currency
(In millions, except percentage changes)	2022	Translation	2022 ⁽¹⁾	2021	% Change	% Change ⁽¹⁾
Geographical Net Sales:						
United States	\$ 607.0	\$ —	\$ 607.0	\$ 510.5	19%	19%
Latin America and Asia Pacific	115.4	12.0	127.4	102.7	12%	24%
Europe, Middle East and Africa	153.5	14.8	168.3	109.2	41%	54%
Canada	79.1	2.8	81.9	82.3	(4)%	—%
Total	\$ 955.0	\$ 29.6	\$ 984.6	\$ 804.7	19%	22%
Brand Net Sales:						
Columbia	\$ 773.3	\$ 26.6	\$ 799.9	\$ 651.5	19%	23%
SOREL	112.4	2.6	115.0	88.1	28%	31%
prAna	37.4	—	37.4	36.4	3%	3%
Mountain Hardwear	31.9	0.4	32.3	28.7	11%	13%
Total	\$ 955.0	\$ 29.6	\$ 984.6	\$ 804.7	19%	22%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 726.3	\$ 21.2	\$ 747.5	\$ 621.1	17%	20%
Footwear	228.7	8.4	237.1	183.6	25%	29%
Total	\$ 955.0	\$ 29.6	\$ 984.6	\$ 804.7	19%	22%
Channel Net Sales:						
Wholesale	\$ 645.1	\$ 20.4	\$ 665.5	\$ 518.2	24%	28%
DTC	309.9	9.2	319.1	286.5	8%	11%
Total	\$ 955.0	\$ 29.6	\$ 984.6	\$ 804.7	19%	22%

⁽¹⁾ Constant-currency net sales is a non-GAAP financial measure. See "References to Non-GAAP Financial Information" above for further information.

FIRST NINE MONTHS FREE CASH FLOW RECONCILIATION

COLUMBIA SPORTSWEAR COMPANY
Reconciliation of GAAP to Non-GAAP Financial Measures
Net cash used in operating activities to free cash flow
(Unaudited)

(In millions)	Nine Months Ended September 30,	
	2022	2021
Net cash used in operating activities	\$ (328.1)	\$ (15.6)
Capital expenditures	(42.5)	(20.4)
Free cash flow	<u>\$ (370.6)</u>	<u>\$ (36.0)</u>
