
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):
February 2, 2023

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 February 2, 2023, Columbia Sportswear Company (the "Company") issued a press release reporting its fourth quarter and full year 2022 financial results, providing its full year 2023 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 Company's fourth quarter and full year 2022 financial results and its 2023 financial outlook, as posted on the Company's investor relations website, <https://investor.columbia.com>, on February 2, 2023. 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 February 2, 2023 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 March 21, 2023 to its shareholders of record on March 10, 2023.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

[99.1](#) Press Release, dated February 2, 2023 (furnished pursuant to Items 2.02 and 7.01 hereof).

[99.2](#) CFO Commentary and Financial Review Presentation, dated February 2, 2023 (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: February 2, 2023

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



**Columbia Sportswear Company Reports Fourth Quarter and Full Year 2022 Financial Results;
Provides Full Year 2023 Financial Outlook**

Fourth Quarter 2022 Highlights

- Net sales increased 4 percent (8 percent constant-currency) to a record \$1,169.6 million, compared to fourth quarter 2021.
- Operating income decreased 27 percent to \$155.4 million, or 13.4 percent of net sales, compared to fourth quarter 2021 operating income of \$211.6 million, or 18.7 percent of net sales. Fourth quarter 2022 operating income includes \$35.6 million of impairment charges related to prAna.
- Diluted earnings per share decreased 15 percent to \$2.02, compared to \$2.39 in fourth quarter 2021. The prAna impairment charges negatively impacted diluted earnings per share by \$0.43.
- Exited the quarter with \$431.0 million of cash and short-term investments and no borrowings.

Full Year 2022 Highlights

- Net sales increased 11 percent (14 percent constant-currency) to a record \$3,464.2 million, compared to 2021.
- Operating income decreased 13 percent to \$393.1 million, or 11.3 percent of net sales, compared to 2021 operating income of \$450.5 million, or 14.4 percent of net sales. 2022 operating income includes \$35.6 million in prAna impairment charges.
- Diluted earnings per share decreased 7 percent to \$4.95, compared to 2021 diluted earnings per share of \$5.33.
- The Company repurchased \$286.9 million of common stock during the year.

Full Year 2023 Financial Outlook

The following forward-looking statements reflect our expectations as of February 2, 2023 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 2023 Financial Outlook section below and the CFO Commentary and Financial Review presentation.

- Net sales of \$3.57 to \$3.67 billion representing net sales growth of 3 to 6 percent compared to 2022.
- Operating income of \$413 to \$448 million, representing operating margin of 11.6 to 12.2 percent.
- Diluted earnings per share of \$5.15 to \$5.55.

PORTLAND, Ore. - February 2, 2023 - 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 fourth quarter 2022 financial results for the period ended December 31, 2022.

Chairman, President and Chief Executive Officer Tim Boyle commented, "I'm incredibly proud of the financial performance and accomplishments that our global workforce achieved in 2022. I'd like to thank our dedicated employees whose tremendous efforts fueled these results and position us for continued success. For the year, net sales grew 11 percent to a record \$3.5 billion, and were up 14 percent on a constant-currency basis. I believe this financial performance could have been even higher, absent supply chain constraints which severely delayed inventory availability throughout the year.

"We are entering 2023 in a position of strength, with strong consumer demand for our innovative products. With the early receipt of Spring merchandise, we are well positioned for timely deliveries, and have strategies in place to profitably and efficiently reduce inventory levels. Our financial strength, with over \$400 million in cash and no debt, and our operating discipline will enable us to navigate near-term headwinds and position us to emerge in a stronger position.

"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 fourth 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.

Fourth Quarter 2022 Financial Results

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

Net sales increased 4 percent (8 percent constant-currency) to \$1,169.6 million from \$1,129.7 million for the comparable period in 2021. The increase in net sales was driven by Columbia brand growth, partially offset by declines in net sales in the emerging brands.

Gross margin contracted 180 basis points to 50.4 percent of net sales from 52.2 percent of net sales for the comparable period in 2021. The primary driver of gross margin contraction was increased promotional activity, compared to exceptionally low promotions in the comparable period in 2021.

SG&A expenses increased 5 percent to \$405.1 million, or 34.6 percent of net sales, from \$384.0 million, or 34.0 percent of net sales, for the comparable period in 2021. SG&A expense growth primarily reflects expenses to support the growth of the business, inflationary pressures, and investments to drive our brand-led consumer-focused strategies.

Impairment of goodwill and intangible assets related to prAna of \$35.6 million.

Operating income decreased 27 percent to \$155.4 million, or 13.4 percent of net sales, compared to operating income of \$211.6 million, or 18.7 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 21.3 percent, compared to income tax expense of \$54.9 million, or an effective income tax rate of 25.9 percent, for the comparable period in 2021.

Net income decreased 20 percent to \$125.7 million, or \$2.02 per diluted share, compared to net income of \$157.0 million, or \$2.39 per diluted share, for the comparable period in 2021.

Full Year 2022 Financial Results

(All comparisons are between full year 2022 and full year 2021, unless otherwise noted.)

Net sales increased 11 percent (14 percent constant-currency) to \$3,464.2 million from \$3,126.4 million in 2021.

Gross margin contracted 220 basis points to 49.4 percent of net sales from 51.6 percent of net sales in 2021.

SG&A expenses increased 11 percent to \$1,304.4 million, or 37.7 percent of net sales, compared to \$1,180.3 million, or 37.8 percent of net sales, in 2021.

Impairment of goodwill and intangible assets related to prAna of \$35.6 million.

Operating income decreased 13 percent to \$393.1 million, or 11.3 percent of net sales, compared to operating income of \$450.5 million, or 14.4 percent of net sales, in 2021.

Income tax expense of \$86.0 million resulted in an effective income tax rate of 21.6 percent, compared to income tax expense of \$97.4 million, or an effective tax rate of 21.6 percent, in 2021.

Net income decreased 12 percent to \$311.4 million, or \$4.95 per diluted share, compared to net income of \$354.1 million, or \$5.33 per diluted share, in 2021.

Balance Sheet as of December 31, 2022

Cash, cash equivalents and short-term investments totaled \$431.0 million, compared to \$894.5 million as of December 31, 2021.

The Company had no borrowings as of December 31, 2022 or 2021.

Inventories increased 59 percent to \$1,028.5 million, compared to \$645.4 million as of December 31, 2021. Unrealized projected sales growth for Fall 2022 and earlier receipt of Spring 2023 product has resulted in higher inventory levels. Older season inventories represent a manageable portion of our total inventory mix.

Cash Flow for the Twelve Months Ended December 31, 2022

Net cash used in operating activities was \$25.2 million, compared to net cash provided by operating activities of \$354.4 million in 2021.

Capital expenditures totaled \$58.5 million, compared to \$34.7 million in 2021.

Share Repurchases for the Twelve Months Ended December 31, 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 December 31, 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 March 21, 2023 to shareholders of record on March 10, 2023.

Full Year 2023 Financial Outlook

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

The Company's first half and full year 2023 Financial Outlook is forward-looking in nature, and the following forward-looking statements reflect our expectations as of February 2, 2023 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 February 2, 2023 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; changes in consumer behavior and confidence; as well as geopolitical tensions. This outlook and commentary assume macro-economic conditions, particularly in the U.S., do not materially deteriorate beyond a mild recession. Projections are predicated on normal seasonal weather globally.

Net sales are expected to increase 3 to 6 percent to \$3.57 to \$3.67 billion from \$3.46 billion in 2022.

Gross margin is expected to expand approximately 60 basis points to approximately 50 percent of net sales from 49.4 percent of net sales in 2022.

SG&A expenses are expected to increase faster than net sales growth. SG&A expense, as a percent of net sales, is expected to be 38.3 to 39.0 percent, compared to SG&A expense as a percent of net sales of 37.7 percent in 2022.

Operating income is expected to be \$413 to \$448 million, resulting in operating margin of 11.6 to 12.2 percent, compared to operating margin of 11.3 percent in 2022.

Effective income tax rate is expected to be approximately 24.5 percent.

Net income is expected to be \$322 to \$347 million, resulting in diluted earnings per share of \$5.15 to \$5.55. This diluted earnings per share range is based on estimated weighted average diluted shares outstanding of 62.5 million.

Foreign Currency

- Foreign currency translation is anticipated to reduce 2023 net sales growth by approximately 30 basis points.
- Foreign currency is expected to have an approximately \$0.05 negative impact on diluted earnings per share due primarily to unfavorable foreign currency transactional effects from hedging of production.

Balance Sheet and Cash Flows

Operating cash flow is expected to be over \$500 million.

Capital expenditures are planned to be in the range of \$70 to \$90 million.

First Half 2023 Financial Outlook

- **Net sales** growth of mid-single-digit percent, compared to first half 2022.
- **Gross margin** is anticipated to expand at a rate modestly below our full year 2023 gross margin outlook, with first quarter 2023 gross margin expected to be down compared to first quarter 2022.
- **SG&A expenses** are expected to grow faster than net sales growth, resulting in SG&A deleverage.
- **Diluted earnings per share** is expected to be \$0.75 to \$0.90. First half 2023 diluted earnings per share will be weighted to first quarter 2023, with essentially breakeven earnings in second quarter 2023. Please note second quarter is typically our lowest volume sales quarter and small changes in the timing of product shipments and expenses can have a material impact on reported results.

Conference Call

The Company will hold its fourth 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>.

First Quarter 2023 Reporting Date

Columbia Sportswear Company plans to report first quarter 2023 financial results on Thursday, April 27, 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, financial position, inventory, full year 2023 net sales, gross margin, SG&A expenses, 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 first half 2023 net sales, gross margin, SG&A expenses, 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; 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.pрана.com.

Contact:

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- Financial tables follow -

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in thousands)

	2022	2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 430,241	\$ 763,404
Short-term investments	722	131,145
Accounts receivable, net	547,561	487,803
Inventories	1,028,545	645,379
Prepaid expenses and other current assets	129,872	86,306
Total current assets	2,136,941	2,114,037
Property, plant and equipment, net	291,214	291,088
Operating lease right-of-use assets	324,409	330,928
Intangible assets, net	81,558	101,908
Goodwill	51,694	68,594
Deferred income taxes	94,162	92,121
Other non-current assets	71,568	68,452
Total assets	\$ 3,051,546	\$ 3,067,128
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	\$ 322,472	\$ 283,349
Accrued liabilities	328,759	316,485
Operating lease liabilities	68,685	67,429
Income taxes payable	18,802	13,127
Total current liabilities	738,718	680,390
Non-current operating lease liabilities	310,625	317,666
Income taxes payable	33,251	44,541
Deferred income taxes	143	—
Other long-term liabilities	33,020	35,279
Total liabilities	1,115,757	1,077,876
Total shareholders' equity	1,935,789	1,989,252
Total liabilities and shareholders' equity	\$ 3,051,546	\$ 3,067,128

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<i>(In thousands, except per share amounts)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Net sales	\$ 1,169,520	\$ 1,129,720	\$ 3,464,152	\$ 3,126,402
Cost of sales	579,544	539,544	1,753,074	1,513,947
Gross profit	589,976	590,176	1,711,078	1,612,455
Gross margin	50.4 %	52.2 %	49.4 %	51.6 %
Selling, general and administrative expenses	405,093	384,047	1,304,394	1,180,323
Impairment of goodwill and intangibles assets	35,600	—	35,600	—
Net licensing income	6,121	5,439	22,020	18,372
Operating income	155,404	211,568	393,104	450,504
Interest income, net	1,054	308	2,713	1,380
Other non-operating income (expense), net	3,253	24	1,593	(373)
Income before income tax	159,711	211,900	397,410	451,511
Income tax expense	(34,021)	(54,939)	(85,970)	(97,403)
Net income	\$ 125,690	\$ 156,961	\$ 311,440	\$ 354,108
Earnings per share:				
Basic	\$ 2.02	\$ 2.41	\$ 4.96	\$ 5.37
Diluted	\$ 2.02	\$ 2.39	\$ 4.95	\$ 5.33
Weighted average shares outstanding:				
Basic	62,123	65,229	62,754	65,942
Diluted	62,311	65,617	62,970	66,415

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

<i>(in thousands)</i>	Year Ended December 31,	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 311,440	\$ 354,108
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation, amortization, and non-cash lease expense	117,399	115,571
Provision for uncollectible accounts receivable	(2,044)	(10,758)
Loss on disposal or impairment of investments, property, plant and equipment, right-of-use assets, and intangible assets	38,194	1,233
Deferred income taxes	(8,118)	(9,798)
Stock-based compensation	21,021	19,126
Changes in operating assets and liabilities:		
Accounts receivable	(64,495)	(31,622)
Inventories	(399,851)	(100,261)
Prepaid expenses and other current assets	(25,749)	(24,858)
Other assets	(2,475)	1,231
Accounts payable	40,429	75,513
Accrued liabilities	20,683	66,457
Income taxes payable	(5,871)	(15,248)
Operating lease assets and liabilities	(62,749)	(85,176)
Other liabilities	(3,055)	(1,112)
Net cash provided by (used in) operating activities	(25,241)	354,406
Cash flows from investing activities:		
Purchases of short-term investments	(44,876)	(130,191)
Sales and maturities of short-term investments	176,083	1,184
Capital expenditures	(58,467)	(34,744)
Net cash provided by (used in) investing activities	72,740	(163,751)
Cash flows from financing activities:		
Proceeds from credit facilities	52,918	38,334
Repayments on credit facilities	(52,979)	(38,156)
Payment of line of credit issuance fees	(604)	—
Proceeds from issuance of common stock related to stock-based compensation	6,588	28,783
Tax payments related to stock-based compensation	(4,229)	(5,812)
Repurchase of common stock	(287,443)	(165,415)
Cash dividends paid	(75,082)	(68,623)
Net cash used in financing activities	(360,831)	(210,889)
Net effect of exchange rate changes on cash	(19,831)	(7,087)
Net decrease in cash and cash equivalents	(333,163)	(27,321)
Cash and cash equivalents, beginning of period	763,404	790,725
Cash and cash equivalents, end of period	\$ 430,241	\$ 763,404
Supplemental disclosures of cash flow information:		
Cash paid during the year for income taxes	\$ 92,110	\$ 129,483
Supplemental disclosures of non-cash investing and financing activities:		
Property, plant and equipment acquired through increase in liabilities	\$ 11,103	\$ 5,853

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

	Three Months Ended December 31,					
	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	\$ 780.8	\$ —	\$ 780.8	\$ 762.1	2%	2%
Latin America and Asia Pacific	164.0	27.2	191.2	172.8	(5)%	11%
Europe, Middle East and Africa	132.8	17.3	150.1	113.6	17%	32%
Canada	92.0	7.5	99.5	81.2	13%	23%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	4%	8%
Brand Net Sales:						
Columbia	\$ 961.3	\$ 45.3	\$ 1,006.6	\$ 894.2	8%	13%
SOREL	142.6	5.8	148.4	163.4	(13)%	(9)%
prAna	32.3	—	32.3	34.3	(6)%	(6)%
Mountain Hardwear	33.4	0.9	34.3	37.8	(12)%	(9)%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	4%	8%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 900.5	\$ 37.4	\$ 937.9	\$ 846.1	6%	11%
Footwear	269.1	14.6	283.7	283.6	(5)%	—%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	4%	8%
Channel Net Sales:						
Wholesale	\$ 514.5	\$ 26.0	\$ 540.5	\$ 504.5	2%	7%
DTC	655.1	26.0	681.1	625.2	5%	9%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	4%	8%

⁽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)

	Twelve Months Ended December 31,					
	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	\$ 2,302.2	\$ —	\$ 2,302.2	\$ 2,060.3	12%	12%
Latin America and Asia Pacific	473.9	51.8	525.7	465.5	2%	13%
Europe, Middle East and Africa	438.6	41.9	480.5	382.1	15%	26%
Canada	249.5	11.3	260.8	218.5	14%	19%
Total	<u>\$ 3,464.2</u>	<u>\$ 105.0</u>	<u>\$ 3,569.2</u>	<u>\$ 3,126.4</u>	11%	14%
Brand Net Sales:						
Columbia	\$ 2,864.3	\$ 94.2	\$ 2,958.5	\$ 2,557.4	12%	16%
SOREL	347.3	9.1	356.4	320.9	8%	11%
prAna	143.1	—	143.1	141.9	1%	1%
Mountain Hardwear	109.5	1.7	111.2	106.2	3%	5%
Total	<u>\$ 3,464.2</u>	<u>\$ 105.0</u>	<u>\$ 3,569.2</u>	<u>\$ 3,126.4</u>	11%	14%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 2,661.1	\$ 74.6	\$ 2,735.7	\$ 2,389.2	11%	15%
Footwear	803.1	30.4	833.5	737.2	9%	13%
Total	<u>\$ 3,464.2</u>	<u>\$ 105.0</u>	<u>\$ 3,569.2</u>	<u>\$ 3,126.4</u>	11%	14%
Channel Net Sales:						
Wholesale	\$ 1,867.7	\$ 57.8	\$ 1,925.5	\$ 1,660.4	12%	16%
DTC	1,596.5	47.2	1,643.7	1,466.0	9%	12%
Total	<u>\$ 3,464.2</u>	<u>\$ 105.0</u>	<u>\$ 3,569.2</u>	<u>\$ 3,126.4</u>	11%	14%

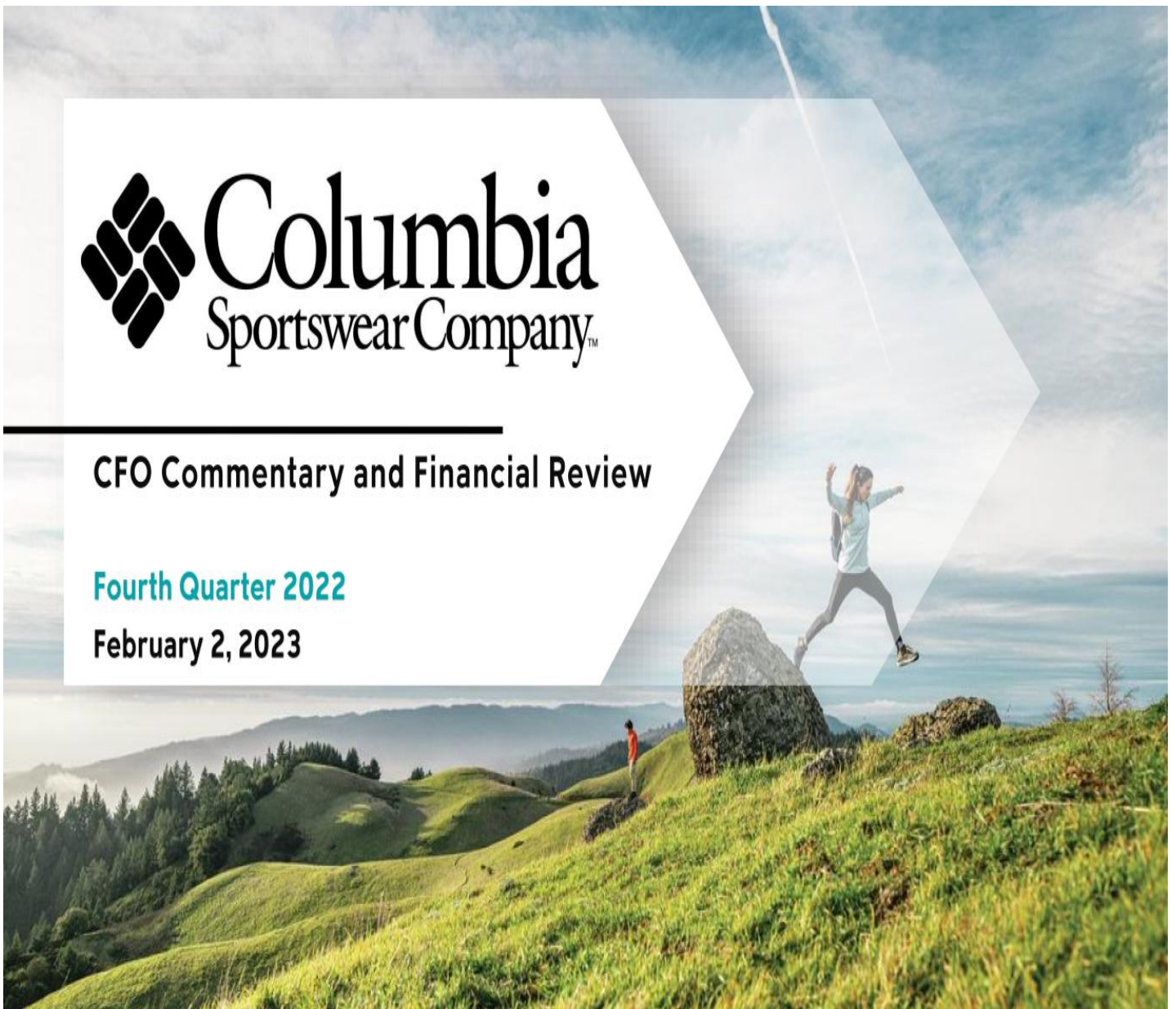
⁽¹⁾ Constant-currency net sales is a non-GAAP financial measure. See "Supplemental Financial Information" above for further information.



CFO Commentary and Financial Review

Fourth Quarter 2022

February 2, 2023



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; elevated marketplace inventories; 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

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



Q4'22 KEY HIGHLIGHTS

Q4'22 FINANCIAL RESULTS COMPARED TO Q4'21

\$1.17B

+4%

Net Sales

50.4%

-180 bps

Gross Margin

13.3%

-540 bps

Operating Margin

\$2.02

-15%

Diluted EPS

Q4'22 Highlights:

- Global net sales grew 4% (8% c.c.), including 2% growth in the U.S. and 6% in the international markets (20% c.c.).
- The increase in net sales was driven by Columbia brand growth, offset by declines in net sales in the emerging brands.
- Operating margin pressure primarily reflected \$35.6 million of impairment charges related to prAna, as well as higher promotional activity.
- Exited the quarter with \$431.0 million of cash and short-term investments and no borrowings.

Q4'22 ACTUAL VS LAST YEAR

	Q4'22	Q4'21	Change
Net Sales	\$1,169.6	\$1,129.7	+4%
Gross margin	50.4%	52.2%	-180 bps
SG&A percent of net sales	34.6%	34.0%	+60 bps
Operating income	\$155.4	\$211.6	-27%
Operating margin	13.3%	18.7%	-540 bps
Net income	\$125.7	\$157.0	-20%
Diluted EPS	\$2.02	\$2.39	-15%

Commentary on factors impacting Q4'22 financial results:

- The Columbia brand drove broad-based growth across all channels and most regions.
- Net sales growth includes the impact of a 460 basis point foreign currency translation headwind.
- The primary driver of gross margin contraction was increased promotional activity, compared to exceptionally low promotions in Q4'21.
- SG&A expense growth primarily reflects expenses to support the growth of the business, inflationary pressures and investments to drive our brand-led consumer-focused strategies.
- prAna impairment charges totaling \$35.6 million negatively impacted diluted earnings per share by \$0.43.

Q4'22 NET SALES OVERVIEW

Q4'22 NET SALES AND GROWTH VS. Q4'21

CATEGORY PERFORMANCE

APPAREL, ACCESSORIES & EQUIPMENT:

↑ **+6%** (+11% c.c.)
\$901M

FOOTWEAR:

↓ **-5%** (flat c.c.)
\$269M

BRAND PERFORMANCE

 **Columbia**

↑ **+8%** (+13% c.c.)
\$961M

 **prAna**

↓ **-6%** (-6% c.c.)
\$32M



↓ **-13%** (-9% c.c.)
\$143M

 **MOUNTAIN
HARD
WEAR**

↓ **-12%** (-9% c.c.)
\$34M

CHANNEL PERFORMANCE

WHOLESALE:

↑ **+2%** (+7% c.c.)
\$515M

DTC:

↑ **+5%** (+9% c.c.)
\$655M

- Growth in Columbia Footwear was more than offset by declines in SOREL, which was down primarily due to a greater portion of Fall '22 orders shipping in Q3'22.

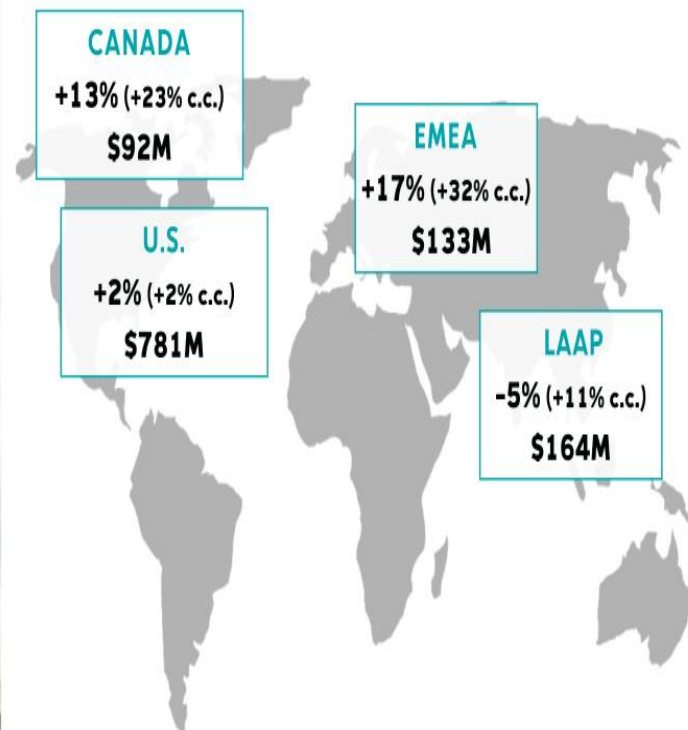
- Columbia brand growth reflects broad based growth across all channels and categories, and most regions.
- Order cancellations, resulting from supply chain disruptions and retailer cautiousness, were particularly impactful to Mountain Hardwear and prAna.

- Wholesale y/y net sales growth driven by shipment of higher Fall '22 orders.
- DTC.com +6%, DTC B&M +4%

Q4'22 REGIONAL NET SALES PERFORMANCE

Q4'22 NET SALES AND GROWTH VS. Q4'21

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



U.S.

- **Wholesale:** down MSD%, driven by a lower portion of Fall '22 orders shipping in Q4, relative to last year, and higher order cancellations
- **DTC:** up HSD%, DTC B&M up HSD%, DTC.com up MSD%
- The Company had 156 stores (138 outlet, 18 branded) exiting Q4'22 vs. 142 stores (129 outlet, 13 branded) exiting Q4'21

LAAP

- **Japan:** down low-teens% (up HSD% c.c.), driven by strong DTC performance, aided by the anniversary of prior year state of emergency
- **China:** down MSD% (up MSD% c.c.), as strong DTC.com performance balanced with unfavorable impacts due to COVID-19 disruptions
- **Korea:** down LDD% (up LSD% c.c.), driven by strong outdoor market trends and growth in both wholesale and DTC
- **LAAP distributor:** up low-80%, on shipment of higher Fall '22 orders and earlier shipment of Spring '23 orders compared to depressed pandemic driven Fall '21 orders and later Spring '22 shipments

EMEA

- **Europe-direct:** up LDD% (up low-30% c.c.), driven by strong wholesale and DTC performance
- **EMEA distributor:** up high-30%, driven by favorable timing of Fall '22 and Spring '23 shipments

Canada

- **+13% (+23% c.c.)** driven by strong wholesale growth aided by favorable timing of Fall '22 shipments

Q4'22 GROSS MARGIN BRIDGE

Q4'22 gross margin contracted -180 bps y/y to 50.4%

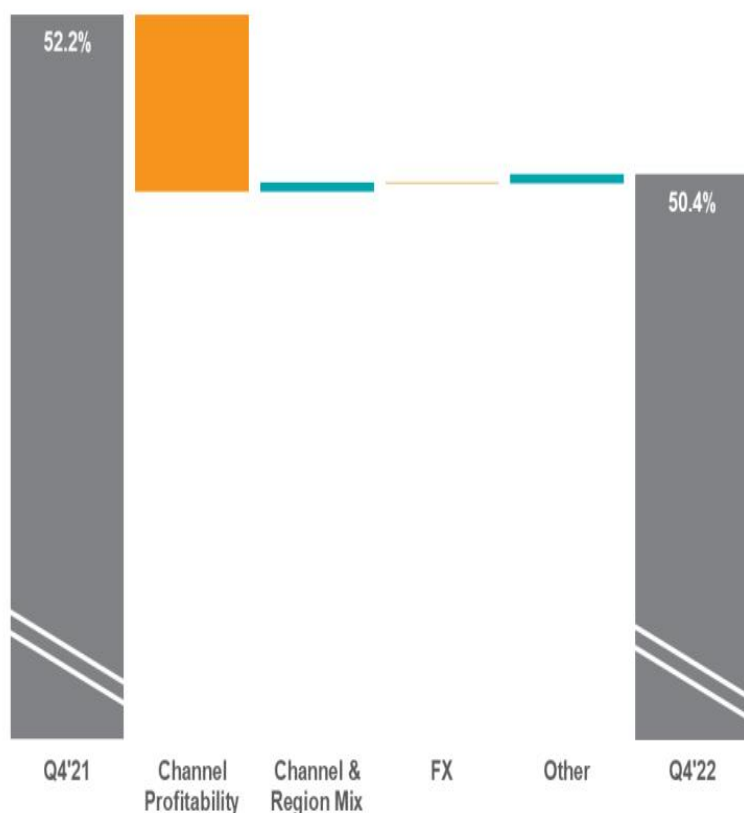
Gross Margin contraction primarily reflects:

Headwinds

- **Channel Profitability:** lower DTC margins driven by higher promotional activity, compared to exceptionally low promotions in Q4'21, and increased outbound freight costs; and to a lesser extent
- **Channel Profitability:** lower wholesale margins driven by a higher proportion of off price versus full price sales, and lower margins on those off-price sales

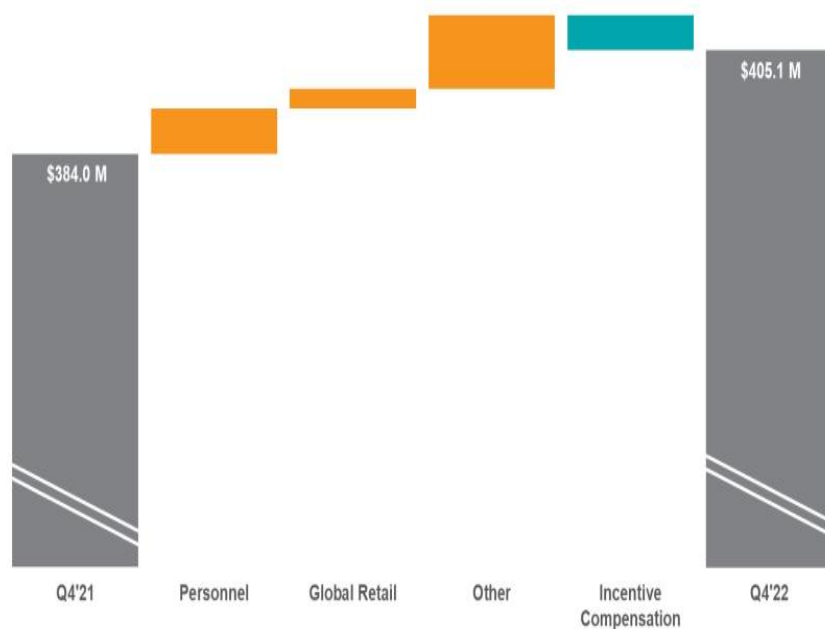
Tailwinds

- **Channel & Region Sales Mix:** a higher proportion of DTC sales, partially offset by a shift towards lower margin regions



Q4'22 SG&A BRIDGE

SG&A increased 5% to \$405.1M



SG&A expense growth primarily reflects expenses to support the growth of the business, inflationary pressures, 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
- **Global Retail:** higher expenses associated with sales growth and new stores

SG&A Expense Reductions

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

Q4'22 SG&A expenses were 34.6% of net sales compared to 34.0% in Q4'21

2022 KEY HIGHLIGHTS

2022 FINANCIAL RESULTS COMPARED TO 2021

\$3.46B
+11%

Net Sales

49.4%
-220bps

Gross Margin

11.3%
-310bps

Operating Margin

\$4.95
-7%

Diluted EPS

2022 Highlights:

- Net sales growth reflects strong H1'22 growth and challenging marketplace conditions in H2'22, with late deliveries and customer cancellations mitigating back-half growth. Growth was led by Columbia (+12%) and SOREL (+8%). Net sales growth includes the impact of a 340 basis point foreign currency translation headwind.
- The primary driver of gross margin contraction was higher inbound freight costs. Price increases helped mitigate increased product input costs.
- prAna impairment charges totaling \$35.6 million negatively impacted operating margin by -110 bps.
- The Company repurchased \$286.9 million of common stock during the year.

BALANCE SHEET OVERVIEW

Balance Sheet as of December 31, 2022

Cash, Cash Equivalents and Short-term Investments

\$431M

Cash, cash equivalents and short-term investments totaled \$431.0 million compared to \$894.5 million as of December 31, 2021. The y/y reduction in cash primarily reflects increased working capital usage and share repurchases.

Inventory

+59%

Inventories +59% y/y to \$1,028.5M. Unrealized projected sales growth for Fall 2022 and earlier receipt of Spring 2023 product has resulted in higher inventory levels. Older season inventories represent a manageable portion of our total inventory mix.

Exiting the quarter, on-hand finished goods inventories increased 105%, while in-transit inventory decreased 2%. To align inventory levels more closely with anticipated demand, we have adjusted future inventory purchases and we are leveraging our outlet store fleet to clear excess inventory. We expect inventory will remain elevated into the second half of 2023 as we carry forward inventory into future seasons, balancing reducing inventory levels with maintaining profitability.



CASH FLOW OVERVIEW

Cash Flow for the Twelve Months Ended December 31, 2022

Net Cash used in Operations

-\$25M

Net cash used in operating activities was \$25.2M, compared to net cash provided by operating activities of \$354.4M in 2021. The decrease was largely attributable to increased inventory purchases.

Capital Expenditures

\$59M

Capital expenditures totaled \$58.5M compared to \$34.7M 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 March 21, 2023, to shareholders of record on March 10, 2023.



2023 FINANCIAL OUTLOOK

The Company's 2023 Financial Outlook and the underlying assumptions are forward-looking in nature, and the forward-looking statements reflect our expectations as of February 2, 2023 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 February 2, 2023 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; changes in consumer behavior and confidence; as well as geopolitical tensions. This outlook and commentary assume macro-economic conditions, particularly in the U.S., do not materially deteriorate beyond a mild recession. Projections are predicated on normal seasonal weather globally.

	2023 Financial Outlook	Outlook compared to 2022
Net sales	\$3.57B to \$3.67B	+3% to +6%
Gross margin	~50%	approximately 60 bps expansion
SG&A percent of net sales	38.3% to 39.0%	60 bps to 130 bps deleverage
Operating margin	11.6% to 12.2%	30 bps to 90 bps leverage
Operating income	\$413M to \$448M	+5% to +14%
Effective income tax rate	~24.5%	2022 effective tax rate of 21.6%
Net income	\$322M to \$347M	+3% to +11%
Diluted EPS	\$5.15 to \$5.55	+4% to +12%

2023 FINANCIAL OUTLOOK ASSUMPTIONS

Net sales	<p><u>Anticipated net sales growth primarily reflects:</u></p> <ul style="list-style-type: none">• Net sales growth is expected to be led by SOREL up LDD% and Columbia up HSD%, partially offset by modest declines in prAna and Mountain Hardwear.• All four geographic segments are anticipated to grow in 2023, led by LAAP.• From a product category perspective, footwear is anticipated to grow faster than apparel.• From a channel perspective, DTC is anticipated to grow faster than Wholesale, with DTC.com expected to be the fastest growing channel.<ul style="list-style-type: none">• DTC B&M sales growth includes the annualization of new stores opened in 2022 as well as the contribution from approximately 7 new stores in North America and 4 in Europe-direct markets planned for 2023.
Gross margin	<p><u>Anticipated gross margin expansion primarily reflects:</u></p> <ul style="list-style-type: none">• Lower inbound freight costs; and• A favorable channel mix shift; partially offset by:• Lower channel profitability reflecting a more promotional retail environment as well as the impact of inventory reduction actions.
SG&A % of net sales	<p><u>Anticipated SG&A expense growth includes:</u></p> <ul style="list-style-type: none">• SG&A expenses are anticipated to grow faster than sales growth. SG&A expense growth primarily reflects expenses to support the growth of the business, inflationary pressures, and investments to drive our brand-led consumer-focused strategies; partially offset by cost containment measures.• This outlook contemplates maintaining our demand creation spend, as a percent of sales, at 5.9 percent.
Effective tax rate and share count	<ul style="list-style-type: none">• The full year effective tax rate in our 2023 financial outlook is ~24.5%. The 2023 effective tax rate is anticipated to be higher than the effective tax rate from 2019-2022 as the prior years included separate discrete tax items which lowered the effective tax rate in each year.• The \$5.15 to \$5.55 diluted earnings per share range is based on estimated weighted average diluted shares outstanding of 62.5 million .

2023 ASSUMPTIONS AND FIRST HALF OUTLOOK

Foreign currency

- Foreign currency translation is expected to reduce net sales growth by approximately 30 bps.
- Foreign currency is expected to have an approximately \$0.05 negative impact on diluted earnings per share due primarily to unfavorable foreign currency transactional effects from hedging of inventory production.

Operating cash flow and capital expenditures

- Operating cash flow is anticipated to be over \$500M.
 - Inventory growth is expected to moderate in H1'23 and decline in H2'23.
 - For the year, inventory purchases are planned to decrease greater than 20 percent compared to last year.
- Capital expenditures are planned to be between \$70M to \$90M.

First half commentary

- The Company expects mid-single-digit percent growth in H1'23.
- H1'23 gross margin is anticipated to expand at a rate modestly below our full year 2023 gross margin outlook.
 - Q1 gross margin is expected to be down y/y compared to Q1'22, driven primarily by the anniversary of exceptionally low promotions in Q1'22.
- H1'23 SG&A expenses are expected to grow faster than net sales growth, resulting in SG&A deleverage.
- H1'23 diluted EPS is expected to be \$0.75 to \$0.90 compared to H1'22 diluted EPS of \$1.16. H1'23 diluted EPS will be weighted to Q1'23, with essentially breakeven earnings in Q2'23. Please note Q2 is our lowest volume sales quarter and small changes in the timing of product shipments and expenses can have a material impact on reported results.



APPENDIX

FOURTH 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 December 31,					
	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	\$ 780.8	\$ —	\$ 780.8	\$ 762.1	2%	2%
Latin America and Asia Pacific	164.0	27.2	191.2	172.8	(5)%	11%
Europe, Middle East and Africa	132.8	17.3	150.1	113.6	17%	32%
Canada	92.0	7.5	99.5	81.2	13%	23%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	<u>4%</u>	<u>8%</u>
Brand Net Sales:						
Columbia	\$ 961.3	\$ 45.3	\$ 1,006.6	\$ 894.2	8%	13%
SOREL	142.6	5.8	148.4	163.4	(13)%	(9)%
prAna	32.3	—	32.3	34.3	(6)%	(6)%
Mountain Hardwear	33.4	0.9	34.3	37.8	(12)%	(9)%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	<u>4%</u>	<u>8%</u>
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 900.5	\$ 37.4	\$ 937.9	\$ 846.1	6%	11%
Footwear	269.1	14.6	283.7	283.6	(5)%	—%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	<u>4%</u>	<u>8%</u>
Channel Net Sales:						
Wholesale	\$ 514.5	\$ 26.0	\$ 540.5	\$ 504.5	2%	7%
DTC	655.1	26.0	681.1	625.2	5%	9%
Total	<u>\$ 1,169.6</u>	<u>\$ 52.0</u>	<u>\$ 1,221.6</u>	<u>\$ 1,129.7</u>	<u>4%</u>	<u>8%</u>

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

TWELVE 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)	Years Ended December 31,	
	2022	2021
Net cash used in operating activities	\$ (25.2)	\$ 354.4
Capital expenditures	(58.5)	(34.7)
Free cash flow	\$ (83.7)	\$ 319.7
