
**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):
April 25, 2024**

**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 April 25, 2024, Columbia Sportswear Company (the "Company") issued a press release reporting its first quarter 2024 financial results, updating its full year 2024 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 first quarter 2024 financial results and its 2024 financial outlook, as posted on the Company's investor relations website, <https://investor.columbia.com>, on April 25, 2024. 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 April 25, 2024 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 May 30, 2024 to its shareholders of record on May 16, 2024.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

- [99.1](#) Press Release, dated April 25, 2024 (furnished pursuant to Items 2.02 and 7.01 hereof).
 - [99.2](#) CFO Commentary and Financial Review Presentation, dated April 25, 2024 (furnished pursuant to Items 2.02 and 7.01 hereof).
 - 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).
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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: April 25, 2024

By: /S/ JIM A. SWANSON

Jim A. Swanson

Executive Vice President and Chief Financial Officer



**Columbia Sportswear Company Reports First Quarter 2024 Financial Results;
Updates Full Year 2024 Financial Outlook**

First Quarter 2024 Highlights

- Net sales decreased 6 percent to \$770.0 million, compared to first quarter 2023.
- Operating income decreased 21 percent to \$44.7 million, or 5.8 percent of net sales, compared to first quarter 2023 operating income of \$56.4 million, or 6.9 percent of net sales.
- Diluted earnings per share decreased 4 percent to \$0.71, compared to first quarter 2023 diluted earnings per share of \$0.74.
- Exited the quarter with \$787.7 million of cash, cash equivalents and short-term investments, and no borrowings.
- Exited the quarter with \$607.4 million of inventories, a decrease of 37 percent compared to March 31, 2023.
- The Company repurchased \$50.2 million of common stock during the quarter.

Full Year 2024 Financial Outlook

The following forward-looking statements reflect our expectations as of April 25, 2024 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 2024 Financial Outlook section below and the CFO Commentary and Financial Review presentation.

- Net sales of \$3.35 to \$3.42 billion (unchanged), representing a net sales decline of 4.0 to 2.0 percent (unchanged) compared to 2023.
- Operating income of \$259 to \$291 million (prior \$256 to \$288 million), representing operating margin of 7.7 to 8.5 percent (prior 7.6 to 8.4 percent).
- Diluted earnings per share of \$3.65 to \$4.05 (prior \$3.45 to \$3.85).

PORTLAND, Ore. - April 25, 2024 - 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 first quarter 2024 financial results for the period ended March 31, 2024.

Chairman, President and Chief Executive Officer Tim Boyle commented, "2024 has started out broadly in line with our expectations. We are making good progress against our top priorities. Inventory exiting the quarter was down 37 percent year-over-year, and our Profit Improvement Plan is on track to achieve our savings targets. Based on year-to-date results, we are reiterating our net sales outlook while modestly increasing our diluted EPS range.

"Our brand growth acceleration strategies across the portfolio are underway. As warmer weather takes hold, consumers are being introduced to our newest cooling products and technologies, including Columbia Omni-Shade Broad Spectrum Air Flow, and our newest footwear system, Omni-MAX.

"Our financial position remains strong, with approximately \$788 million in cash and short-term investments, and no borrowings at quarter end. I'm confident in our team, our strategies, and our ability to achieve the significant long-term growth opportunities we see across the business. We are committed to 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 first quarter 2024 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/financial-results> at approximately 4:15 p.m. ET today. Analysts and investors are encouraged to review this commentary prior to participating in our conference call.

First Quarter 2024 Financial Results

(All comparisons are between the first quarter 2024 and the first quarter 2023, unless otherwise noted.)

Net sales decreased 6 percent (6 percent constant-currency) to \$770.0 million from \$820.6 million for the comparable period in 2023. The decline in net sales primarily reflects lower wholesale net sales in the United States and Canada, driven by retailer cautiousness, a difficult competitive environment, and generally soft consumer demand.

Gross margin increased 190 basis points to 50.6 percent of sales compared to 48.7 percent of net sales for the comparable period in 2023. Gross margin expansion primarily reflects lower inbound freight costs and favorable region and channel net sales mix, which more than offset the gross margin impact of inventory reduction efforts in our direct-to-consumer ("DTC") brick and mortar business.

SG&A expenses were relatively flat at \$349.3 million, or 45.4 percent of net sales, compared to \$347.4 million, or 42.3 percent of net sales, for the comparable period in 2023. The largest changes in SG&A expenses primarily reflect higher DTC expenses, partially offset by lower supply chain costs and decreased variable demand creation expenses.

Operating income decreased 21 percent to \$44.7 million, or 5.8 percent of net sales, compared to operating income of \$56.4 million, or 6.9 percent of net sales, for the comparable period in 2023.

Interest income, net was \$9.2 million, compared to \$3.3 million for the comparable period in 2023, reflecting higher yields on increased levels of cash, cash equivalents, and short-term investments.

Income tax expense of \$11.8 million resulted in an effective income tax rate of 21.9 percent, compared to income tax expense of \$14.4 million, or an effective income tax rate of 23.7 percent, for the comparable period in 2023.

Net income decreased 8 percent to \$42.3 million, or \$0.71 per diluted share, compared to net income of \$46.2 million, or \$0.74 per diluted share, for the comparable period in 2023.

Balance Sheet as of March 31, 2024

Cash, cash equivalents, and short-term investments totaled \$787.7 million, compared to \$460.6 million as of March 31, 2023.

The Company had no borrowings as of either March 31, 2024 or March 31, 2023.

Inventories decreased 37 percent to \$607.4 million, compared to \$959.2 million as of March 31, 2023.

Cash Flow for the Three Months Ended March 31, 2024

Net cash provided by operating activities was \$106.8 million, compared to \$78.0 million for the same period in 2023.

Capital expenditures totaled \$14.8 million, compared to \$14.0 million for the same period in 2023.

Share Repurchases for the Three Months Ended March 31, 2024

The Company repurchased 631,468 shares of common stock for an aggregate of \$50.2 million, or an average price per share of \$79.45.

At March 31, 2024, \$295.2 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 May 30, 2024 to shareholders of record on May 16, 2024.

Full Year 2024 Financial Outlook

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

The Company's full year 2024 and second quarter 2024 Financial Outlook are each forward-looking in nature, and the following forward-looking statements reflect our expectations as of April 25, 2024 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.

Net sales are expected to decrease 4.0 to 2.0 percent (unchanged), resulting in net sales of \$3.35 to \$3.42 billion (unchanged), compared to \$3.49 billion in 2023.

Gross margin is expected to expand 80 to 120 basis points (prior 100 to 150 basis points) to 50.4 to 50.8 percent of net sales (prior 50.6 to 51.1 percent) from 49.6 percent of net sales in 2023.

SG&A expenses, as a percent of net sales, are expected to be 43.0 to 43.4 percent (prior 43.2 to 43.5 percent), compared to SG&A expense as a percent of net sales of 40.6 percent in 2023.

Operating income is expected to be \$259 to \$291 million (prior \$256 to \$288 million), resulting in operating margin of 7.7 to 8.5 percent (prior 7.6 to 8.4 percent), compared to operating margin of 8.9 percent in 2023.

Interest income, net is expected to be approximately \$28 million (prior \$19 million).

Effective income tax rate is expected to be 24.0 to 25.0 percent (unchanged).

Net income is expected to be \$217 to \$240 million (prior \$207 to \$231 million), resulting in diluted earnings per share of \$3.65 to \$4.05 (prior \$3.45 to \$3.85). This diluted earnings per share range is based on estimated weighted average diluted shares outstanding of 59.3 million (prior 60.1 million).

Foreign Currency

- Foreign currency translation is anticipated to decrease 2024 net sales growth by approximately 20 basis points (prior 60 basis points increase).
- Foreign currency is expected to have an approximately \$0.04 negative impact on diluted earnings per share (prior \$0.03 positive impact) due primarily to negative foreign currency transactional effects from hedging of inventory production.

Cash Flows

Operating cash flow is expected to be at least \$350 million (prior at least \$300 million).

Capital expenditures are planned to be in the range of \$60 to \$80 million (unchanged).

Second Quarter 2024 Financial Outlook

- **Net sales** are expected to be \$557 to \$576 million, representing a decline of 10 to 7 percent from \$620.9 million for the comparable period in 2023.
- **Operating loss** is expected to be \$42 to \$27 million, resulting in operating margin of (7.6) to (4.7) percent, compared to operating margin of 1.0 percent in the comparable period in 2023.
- **Diluted earnings (loss) per share** is expected to be \$(0.46) to \$(0.26), compared to \$0.14 for the comparable period in 2023.

Conference Call

The Company will hold its first quarter 2024 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>.

Second Quarter 2024 Reporting Date

The Company plans to report second quarter 2024 financial results on Thursday, July 25, 2024 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 and manage expenses, financial position, marketing strategies, inventory, full year 2024 net sales, gross margin, SG&A expenses, operating income, net interest income, effective income tax rate, net income, diluted earnings per share, weighted average diluted shares outstanding, foreign currency translation, cash flows, and capital expenditures, as well as second quarter 2024 net sales, operating income, and diluted earnings per share. Forward-looking statements often use words such as "will," "anticipate," "estimate," "expect," "should," "may," "plan" 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 that may affect our future revenues, earnings and performance and could cause the actual results of operations or financial condition of the Company to differ materially from the anticipated results expressed or implied by forward-looking statements in this document include:

loss of key customer accounts; our ability to execute and realize costs savings related to our Profit Improvement Plan; our ability to effectively execute our business strategies, including initiatives to upgrade our business processes and information technology ("IT") systems and investments in our DTC businesses; our ability to maintain the strength and security of our IT systems; the effects of unseasonable weather, including global climate change; the seasonality of our business and timing of orders; trends affecting consumer spending, including changes in the level of consumer spending, and retail traffic patterns; unfavorable economic conditions generally, the financial health of our customers and retailer consolidation; higher than expected rates of order cancellations; changes affecting consumer demand and preferences and fashion trends; changes in international, federal or state tax, labor and other laws and regulations that affect our business, including changes in corporate tax rates, tariffs, international trade policy and geopolitical tensions, or increasing wage rates; our ability to attract and retain key personnel; risks inherent in doing business in foreign markets, including fluctuations in currency exchange rates, global credit market conditions, changes in global regulation and economic and political conditions and disease outbreaks; volatility in global production and transportation costs and capacity and timing; our ability to effectively manage our inventory and our wholesale customer's to manage their inventories; our dependence on third-party manufacturers and suppliers and our ability to source at competitive prices from them or at all; the effectiveness of our sales and marketing efforts; business disruptions and acts of terrorism, cyber-attacks or military activities around the globe; intense competition in the industry; our ability to establish and protect our intellectual property; and our ability to develop innovative products. The Company cautions that forward-looking statements are inherently less reliable than historical information. 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 more than 100 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)

<i>(in thousands)</i>	March 31, 2024	March 31, 2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 418,462	\$ 361,049
Short-term investments	369,270	99,511
Accounts receivable, net	366,375	466,690
Inventories	607,373	959,234
Prepaid expenses and other current assets	84,738	100,880
Total current assets	1,846,218	1,987,364
Property, plant and equipment, net	277,947	282,921
Operating lease right-of-use assets	361,103	318,728
Intangible assets, net	79,496	81,146
Goodwill	26,694	51,694
Deferred income taxes	100,162	96,865
Other non-current assets	70,611	70,256
Total assets	\$ 2,762,231	\$ 2,888,974
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	\$ 150,131	220,231
Accrued liabilities	216,903	271,625
Operating lease liabilities	71,550	69,452
Income taxes payable	8,722	7,377
Total current liabilities	447,306	568,685
Non-current operating lease liabilities	340,310	303,571
Income taxes payable	26,262	33,765
Deferred income taxes	—	146
Other long-term liabilities	38,910	35,022
Total liabilities	852,788	941,189
Total shareholders' equity	1,909,443	1,947,785
Total liabilities and shareholders' equity	\$ 2,762,231	\$ 2,888,974

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<i>(In thousands, except per share amounts)</i>	Three Months Ended March 31,	
	2024	2023
Net sales	\$ 769,982	\$ 820,593
Cost of sales	380,423	421,093
Gross profit	389,559	399,500
Gross margin	50.6 %	48.7 %
Selling, general and administrative expenses	349,270	347,398
Net licensing income	4,392	4,325
Operating income	44,681	56,427
Interest income, net	9,197	3,283
Other non-operating income, net	271	850
Income before income tax	54,149	60,560
Income tax expense	11,849	14,358
Net income	\$ 42,300	\$ 46,202
Earnings per share:		
Basic	\$ 0.71	\$ 0.74
Diluted	\$ 0.71	\$ 0.74
Weighted average shares outstanding:		
Basic	59,823	62,133
Diluted	59,998	62,417

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

<i>(in thousands)</i>	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 42,300	\$ 46,202
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	15,070	13,834
Non-cash lease expense	18,603	16,749
Provision for uncollectible accounts receivable	1,033	(90)
Deferred income taxes	1,232	(85)
Stock-based compensation	5,644	5,808
Other, net	(4,198)	287
Changes in operating assets and liabilities:		
Accounts receivable	50,409	82,927
Inventories	131,721	71,503
Prepaid expenses and other current assets	(511)	23,101
Other assets	(2,055)	(837)
Accounts payable	(77,004)	(95,423)
Accrued liabilities	(49,050)	(59,538)
Income taxes payable	(8,128)	(10,941)
Operating lease assets and liabilities	(18,410)	(17,355)
Other liabilities	117	1,860
Net cash provided by operating activities	106,773	78,002
Cash flows from investing activities:		
Purchases of short-term investments	(58,974)	(98,203)
Sales and maturities of short-term investments	110,878	570
Capital expenditures	(14,795)	(14,047)
Net cash provided by (used in) investing activities	37,109	(111,680)
Cash flows from financing activities:		
Proceeds from issuance of common stock related to stock-based compensation	1,106	2,678
Tax payments related to stock-based compensation	(4,354)	(4,297)
Repurchase of common stock	(50,168)	(15,293)
Cash dividends paid	(17,927)	(18,649)
Net cash used in financing activities	(71,343)	(35,561)
Net effect of exchange rate changes on cash	(4,396)	47
Net increase (decrease) in cash and cash equivalents	68,143	(69,192)
Cash and cash equivalents, beginning of period	350,319	430,241
Cash and cash equivalents, end of period	\$ 418,462	\$ 361,049
Supplemental disclosures of cash flow information:		
Cash paid during the year for income taxes	\$ 29,070	\$ 30,775
Supplemental disclosures of non-cash investing and financing activities:		
Property, plant and equipment acquired through increase in liabilities	\$ 3,492	\$ 2,899

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

	Three Months Ended March 31,					
	Reported Net Sales	Adjust for Foreign Currency	Constant- currency Net Sales	Reported Net Sales	Reported Net Sales	Constant-currency Net Sales
	2024	Translation	2024 ⁽¹⁾	2023	% Change	% Change ⁽¹⁾
<i>(In millions, except percentage changes)</i>						
Geographical Net Sales:						
United States	\$ 474.4	\$ —	\$ 474.4	\$ 517.5	(8)%	(8)%
Latin America and Asia Pacific	138.7	6.6	145.3	136.4	2%	7%
Europe, Middle East and Africa	104.5	(2.2)	102.3	108.3	(4)%	(6)%
Canada	52.4	(0.4)	52.0	58.4	(10)%	(11)%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%
Brand Net Sales:						
Columbia	\$ 663.9	\$ 4.0	\$ 667.9	\$ 702.8	(6)%	(5)%
SOREL	45.7	(0.1)	45.6	60.5	(24)%	(25)%
prAna	31.3	—	31.3	32.5	(4)%	(4)%
Mountain Hardwear	29.1	0.1	29.2	24.8	17%	18%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 619.0	\$ 3.3	\$ 622.3	\$ 632.6	(2)%	(2)%
Footwear	151.0	0.7	151.7	188.0	(20)%	(19)%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%
Channel Net Sales:						
Wholesale	\$ 390.9	\$ 1.1	\$ 392.0	\$ 452.5	(14)%	(13)%
DTC	379.1	2.9	382.0	368.1	3%	4%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%

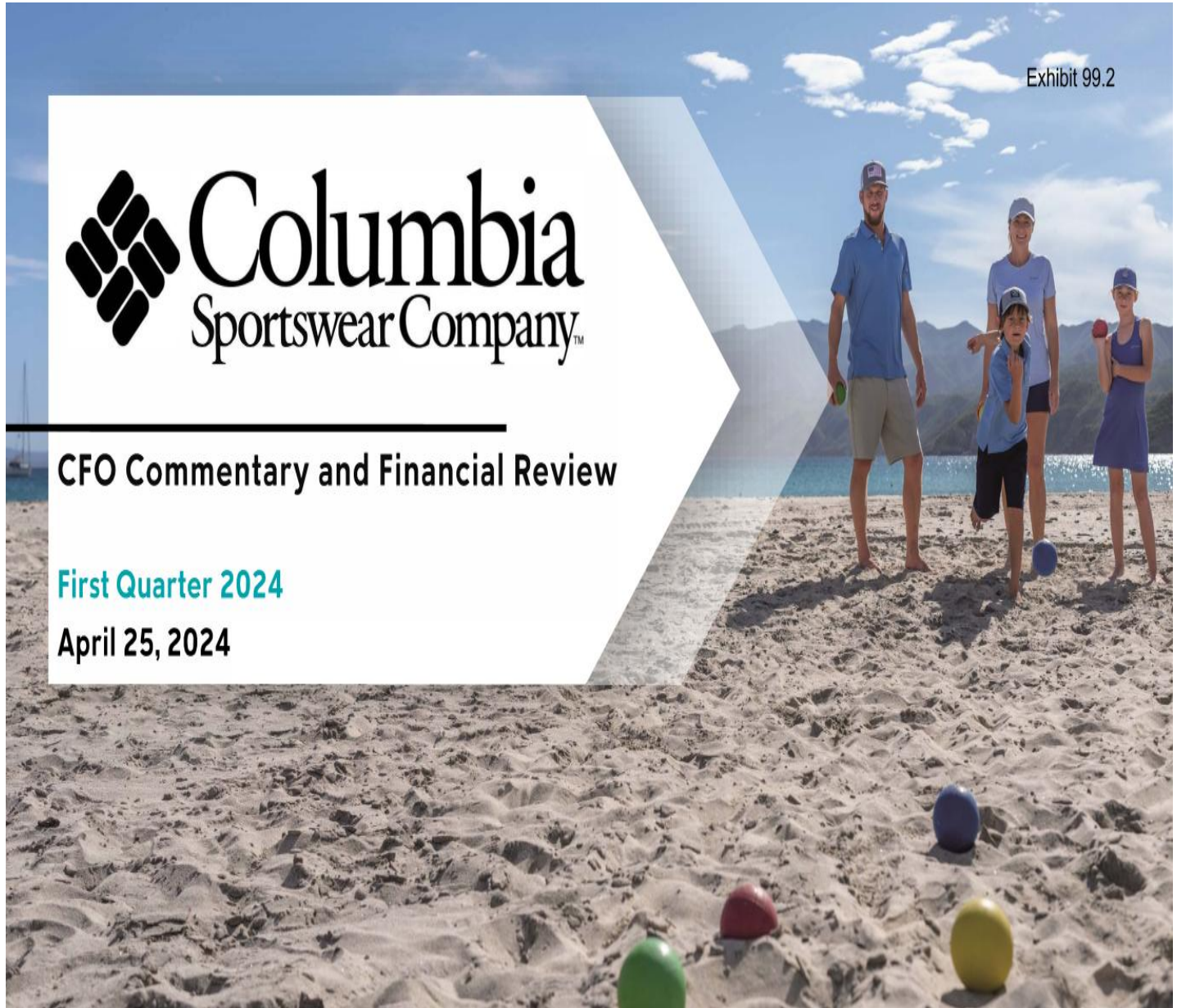
⁽¹⁾ Constant-currency net sales is a non-GAAP financial measure. See "Supplemental Financial Information" above for further information.



CFO Commentary and Financial Review

First Quarter 2024

April 25, 2024



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 that may affect our future revenues, earnings and performance and could cause the actual results of operations or financial condition of the Company to differ materially from the anticipated results expressed or implied by forward-looking statements in this document include: loss of key customer accounts; our ability to execute and realize costs savings related to our Profit Improvement Plan; our ability to execute and realize costs savings related to our profit improvement plan; our ability to effectively execute our business strategies, including initiatives to upgrade our business processes and information technology ("IT") systems and investments in our DTC businesses; our ability to maintain the strength and security of our IT systems; the effects of unseasonable weather, including global climate change; the seasonality of our business and timing of orders; trends affecting consumer spending, including changes in the level of consumer spending, and retail traffic patterns; unfavorable economic conditions generally; the financial health of our customers and retailer consolidation; higher than expected rates of order cancellations; changes affecting consumer demand and preferences and fashion trends; changes in international, federal or state tax, labor and other laws and regulations that affect our business, including changes in corporate tax rates, tariffs, international trade policy and geopolitical tensions, or increasing wage rates; our ability to attract and retain key personnel; risks inherent in doing business in foreign markets, including fluctuations in currency exchange rates, global credit market conditions, changes in global regulation and economic and political conditions and disease outbreaks; volatility in global production and transportation costs and capacity and timing; our ability to effectively manage our inventory and our wholesale customers' to manage their inventories; our dependence on third-party manufacturers and suppliers and our ability to source at competitive prices from them or at all; the effectiveness of our sales and marketing efforts; business disruptions and acts of terrorism, cyber-attacks or military activities around the globe; intense competition in the industry; our ability to establish and protect our intellectual property; and our ability to develop innovative products. 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	H#	First half, second half
SG&A	selling, general & administrative	mid-30%	mid-thirties percent	Q#	Quarter 1, 2, 3, 4
EPS	earnings per share	high-40%	high-forties percent	YTD	Year-to-date
bps	basis points			PFAS	perfluoroalkyl and polyfluoroalkyl substances



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**

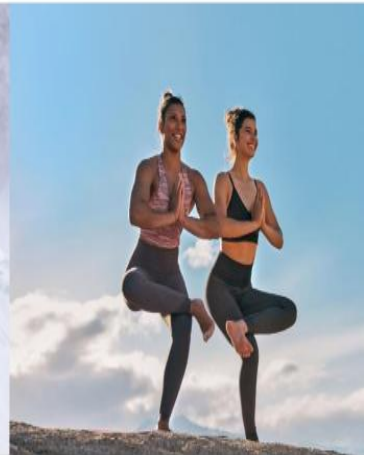
Invest in Capabilities to Delight
and Retain Consumers

**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 our financial position, 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



Q1'24 KEY HIGHLIGHTS

Q1'24 FINANCIAL RESULTS COMPARED TO Q1'23

\$770M

-6%

Net Sales

50.6%

+190 bps

Gross Margin

5.8%

-110 bps

Operating Margin

\$0.71

-4%

Diluted EPS

Q1'24 Highlights:

- The decline in net sales primarily reflects lower wholesale net sales in the U.S. and Canada, driven by retailer cautiousness, a difficult competitive environment, and generally soft consumer demand.
- Net sales were above the high-end of our guidance range due to earlier shipment of Spring '24 wholesale orders.
- Operating margin pressure reflects SG&A expense deleverage impacted by lower net sales, partially offset by gross margin expansion.
- Inventory decreased 37% y/y.
- Exited the quarter with \$787.7M of cash, cash equivalents and short-term investments, and no borrowings.

Q1'24 ACTUAL VS LAST YEAR

(dollars in millions, except per share amounts)

	Q1'24	Q1'23	Change
Net Sales	\$770.0	\$820.6	-6%
Gross margin	50.6%	48.7%	+190 bps
SG&A percent of net sales	45.4%	42.3%	+310 bps
Operating income	\$44.7	\$56.4	-21%
Operating margin	5.8%	6.9%	-110 bps
Net income	\$42.3	\$46.2	-8%
Diluted EPS	\$0.71	\$0.74	-4%

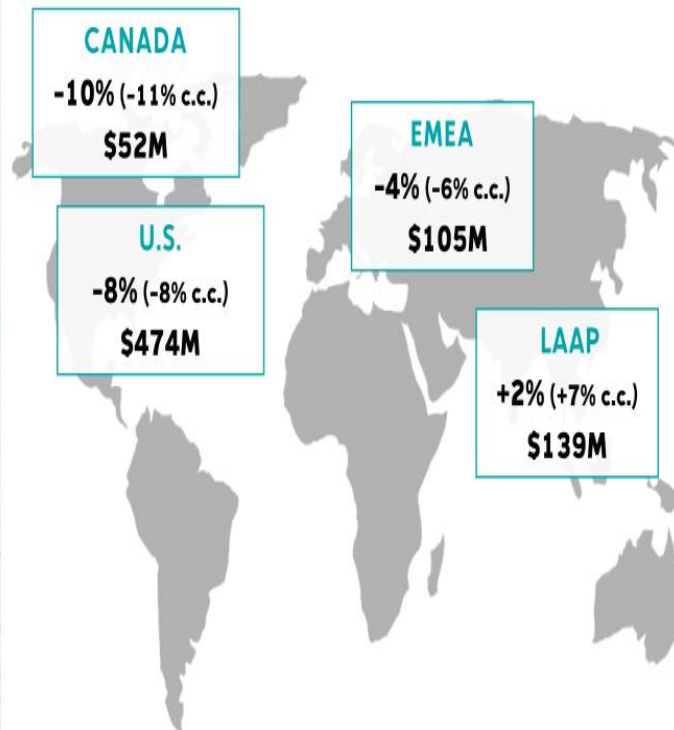
Commentary on Q1'24 financial results vs last year:

- The decline in net sales primarily reflects lower wholesale sales, driven by lower Spring '24 orders, partially offset by higher DTC net sales. Within DTC, DTC B&M growth more than offset a decline in DTC.com.
- The largest drivers of gross margin expansion included lower inbound freight costs and a favorable region and channel net sales mix, which more than offset the gross margin impact of inventory reduction efforts in our DTC B&M business.
- SG&A expenses were relatively flat y/y, as higher DTC expenses were offset by lower supply chain and decreased variable demand creation expenses.

Q1'24 REGIONAL NET SALES PERFORMANCE

Q1'24 NET SALES AND GROWTH VS. Q1'23

Commentary below is based on constant currency performance.



U.S.

- **Wholesale: down mid-teens%**, primarily reflecting the impact of lower Spring '24 orders
- **DTC: down slightly** (DTC B&M up HSD%, DTC.com down low-teens%)
- The company had 161 stores (143 outlets, 18 branded) exiting Q1'24 vs. 156 stores (138 outlet, 18 branded) exiting Q1'23
- In addition, the Company operated 44 temporary clearance locations exiting Q1'24, vs. 8 temporary clearance locations exiting Q1'23

LAAP

- **Japan: relatively flat** (up LDD% c.c.), benefitting from increased international tourism, which offset generally soft domestic consumption
- **China: up low-20%** (up high-20% c.c.), benefitting from strong consumer demand with growth achieved in all channels of distribution
- **Korea: down HSD%** (down MSD% c.c.), reflecting a challenging competitive and economic environment
- **LAAP distributor: down high-20%**, as Spring '24 shipments shifted into Q4'23

EMEA

- **Europe-direct: up LSD%** (relatively flat c.c.), with healthy DTC growth, offset by the impact of lower Spring '24 wholesale orders
- **EMEA distributor: down low-40%**, as Spring '24 shipments shifted into Q4'23

Canada

- **-10%** (-11% c.c.), primarily reflecting the impact of lower Spring '24 wholesale orders, partially offset by DTC growth

Q1'24 NET SALES OVERVIEW

Q1'24 NET SALES AND GROWTH VS. Q1'23

CATEGORY PERFORMANCE

APPAREL, ACCESSORIES & EQUIPMENT:

↓ -2% (-2% c.c.)
\$619M

FOOTWEAR:

↓ -20% (-19% c.c.)
\$151M

- Outerwear sales were positively impacted by cold weather early in the quarter
- The traditional outdoor footwear category remains challenged

BRAND PERFORMANCE

 Columbia

↓ -6% (-5% c.c.)
\$664M

 prAna

↓ -4% (-4% c.c.)
\$31M

 SOREL

↓ -24% (-25% c.c.)
\$46M

 MOUNTAIN
HARD
WEAR

↑ +17% (+18% c.c.)
\$29M

- SOREL declines reflect soft consumer demand in DTC.com and, to a lesser extent, lower Spring '24 wholesale orders
- Mountain Hardwear growth reflects a higher portion of Spring '24 shipments in Q1, as well as DTC.com growth aided, in part, by promotional activity

CHANNEL PERFORMANCE

WHOLESALE:

↓ -14% (-13% c.c.)
\$391M

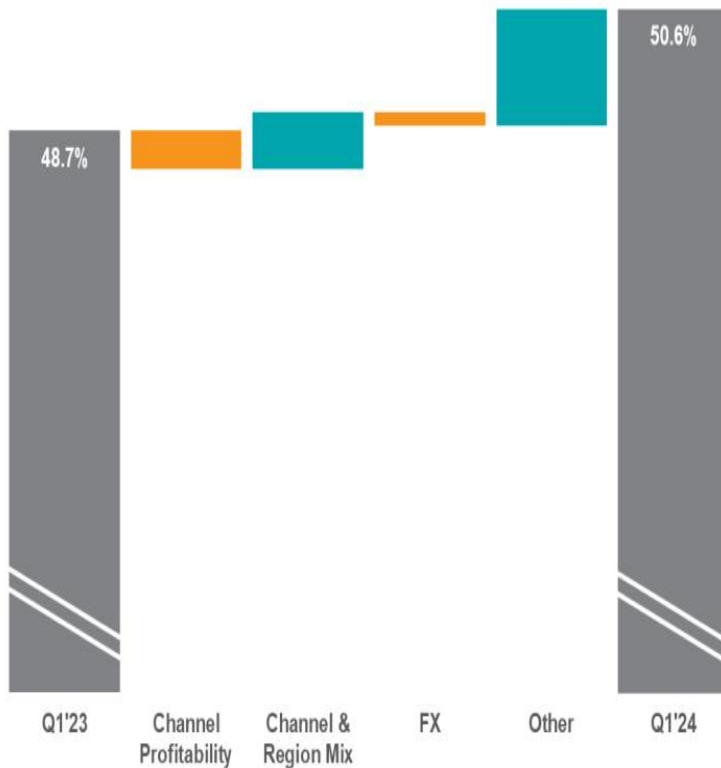
DTC:

↑ +3% (+4% c.c.)
\$379M

- Wholesale declines primarily driven by lower Spring '24 orderbooks
- DTC B&M (+9%) growth primarily reflects contribution from temporary and new stores
- DTC.com (-7%) decline driven by fewer promotions and soft consumer demand

Q1'24 GROSS MARGIN BRIDGE

Q1'24 gross margin expanded 190 bps y/y to 50.6%



Tailwinds

- **Other:** includes the benefit from lower inbound freight costs
- **Channel & Region Sales Mix:** favorable region and channel net sales mix shift
- **Channel Profitability:** higher wholesale margins reflecting, in part, improved margins on closeout product sales

Headwinds

- **Channel Profitability:** lower DTC B&M margins primarily due to increased clearance and promotional activity
- **FX:** unfavorable effects from foreign currency hedge rates

Q1'24 SG&A BRIDGE VS LAST YEAR

SG&A expenses were relatively flat y/y



Primary SG&A Expense Increases

- **Omni-channel:** including higher brick & mortar expenses related to temporary and new stores

Primary SG&A Expense Reductions

- **Demand Creation:** represents 5.9% of sales vs. 6.0% in Q1'23
- **Supply Chain:** lower expenses resulting from normalized inventory levels, and the non-recurrence of 3PL transition costs incurred last year

Q1'24 SG&A expenses were 45.4% of net sales compared to 42.3% in Q1'23

BALANCE SHEET OVERVIEW

Balance Sheet as of March 31, 2024

Cash, Cash Equivalents, and Short-term Investments

\$788M

Cash, cash equivalents and short-term investments totaled \$787.7M, compared to \$460.6M as of March 31, 2023.

Inventory

-37%

Inventories -37% y/y to \$607.4M.

We continue to utilize our fleet of outlet stores and temporary clearance locations to profitably liquidate excess inventory, including PFAS inventory, and to capitalize on healthy demand in the DTC outlet channel.

Older season inventories represent a manageable portion of our total inventory mix.



CAPITAL OVERVIEW

Q1'24 Net Cash Flow Provided by Operations

\$107M Net cash flow provided by operating activities was \$106.8M, compared to \$78.0M for the same period in 2023.

Q1'24 Capital Expenditures

\$15M Capital expenditures totaled \$14.8M, compared to \$14.0M for the same period in 2023.

Q1'24 Share Repurchases

\$50M The Company repurchased 631,468 shares of common stock for an aggregate of \$50.2M for an average price per share of \$79.45.

Declared Dividend

\$0.30 The Board of Directors approved a regular cash dividend of \$0.30 per share, payable on May 30, 2024, to shareholders of record on May 16, 2024.



2024 FINANCIAL OUTLOOK

The Company's 2024 Financial Outlook and the underlying assumptions are forward-looking in nature, and the forward-looking statements reflect our expectations as of April 25, 2024 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.

	2024 Financial Outlook	Outlook compared to 2023
Net sales	\$3.35B to \$3.42B (unchanged)	-4.0% to -2.0% (unchanged)
Gross margin	50.4% to 50.8% (prior 50.6% to 51.1%)	approximately 80 bps to 120 bps expansion (prior approximately 100 bps to 150 bps expansion)
SG&A percent of net sales	43.0% to 43.4% (prior 43.2% to 43.5%)	240 bps to 280 bps deleverage (prior 260 bps to 290 bps deleverage)
Operating margin	7.7% to 8.5% (prior 7.6% to 8.4%)	120 bps to 40 bps deleverage (prior 130 bps to 50 bps deleverage)
Operating income	\$259M to \$291M (prior \$256M to \$288M)	-17% to -6% (prior -17% to -7%)
Effective income tax rate	24.0% to 25.0% (unchanged)	2023 effective tax rate of 22.9%
Net income	\$217M to \$240M (prior \$207M to \$231M)	-14% to -4% (prior -18% to -8%)
Diluted EPS	\$3.65 to \$4.05 (prior \$3.45 to \$3.85)	-11% to -1% (prior -16% to -6%)

2024 FINANCIAL OUTLOOK ASSUMPTIONS

Net sales

Anticipated net sales declines primarily reflect:

- Net sales declines are expected to be led by the SOREL brand down mid-20%. Mountain Hardwear is expected to be up MSD%, prAna up LSD%, and the Columbia brand approximately flat.
- By region, a HSD% decline in Canada and a MSD% decline in the U.S. are expected to be partially offset by growth in LAAP and EMEA.
- From a channel perspective, DTC is anticipated to grow MSD%, driven by DTC B&M growth, while DTC.com is expected to be down LSD%. Wholesale is anticipated to be down HSD%.
 - DTC B&M sales growth includes the annualization of new stores opened in 2023, as well as the contribution from 11 net new stores in the U.S., 3 net new stores in Canada, and 5 net new stores in Europe-direct markets planned for 2024.
 - DTC B&M sales growth also includes the favorable net sales impact of temporary clearance locations.

Gross margin

Anticipated gross margin expansion primarily reflects:

- a favorable channel and regional sales mix shift;
- lower inbound freight costs; and
- higher channel profitability, reflecting less clearance and promotional activity and favorable input costs; partially offset by
- unfavorable FX hedging rates

SG&A expenses

Anticipated SG&A expense growth includes:

- higher omni-channel spend, including higher DTC expenses to support new stores and temporary clearance locations;
- higher incentive compensation expenses; and
- higher enterprise technology expenses; partially offset by
- lower supply chain costs, including the benefit of lower inventory levels

Demand creation as a percent of net sales is anticipated to be approximately 6% of net sales in 2024, in line with 2023.

Operating income impacts

2024 gross profit and SG&A expenses include the expected benefit of \$75M to \$90M in profit improvement, net of \$3M-\$4M in severance and related costs. This includes the benefits of our Profit Improvement Plan as well as the favorable mix impacts from normalized inventory levels.

2024 ASSUMPTIONS AND Q2'24 COMMENTARY

Effective tax rate, interest income and share count

- The full year effective tax rate in our 2024 financial outlook is 24.0% to 25.0%.
- Interest income, net is anticipated to be ~\$28M (prior ~\$19M).
- The \$3.65 to \$4.05 diluted EPS range is based on estimated weighted average diluted shares outstanding of 59.3M (prior 60.1M).

Foreign currency

- Foreign currency translation is expected to decrease net sales growth by approximately 20 bps (prior 60 basis points increase).
- Foreign currency is expected to have an approximately \$0.04 negative impact (prior \$0.03 positive impact) on diluted EPS, due primarily to negative foreign currency transactional effects from hedging of inventory production.

Operating cash flow and capital expenditures

- Operating cash flow is anticipated to be at least \$350M (prior at least \$300M).
- Capital expenditures are planned to be between \$60M to \$80M.

Q2'24 commentary

Q2 is the Company's lowest volume sales quarter and small changes can have a material impact on reported results.

- Net sales of \$557M to \$576M, representing a decline of 10% to 7% compared to Q2'23.
- Gross margin is anticipated to contract 230 to 190 bps, driven by y/y changes in sales and inventory provisions, partially offset by lower inbound freight costs and favorable channel mix.
- Operating loss of \$42M to \$27M, or (7.6)% to (4.7)% of net sales, compared to 1.0% for Q2'23.
- Diluted EPS is expected to be \$(0.46) to \$(0.26), compared to \$0.14 for Q2'23.

PROFIT IMPROVEMENT

Operational Cost Savings

- Cost savings related to normalizing inventory levels
- Supply chain transformation
- Enterprise technology cost structure optimization

Organizational Cost Savings

- In Q1'24, we completed a reduction-in-force primarily impacting U.S. corporate personnel

Operating Model Improvements

- Streamline decision-making to improve operating efficiency

Indirect Cost Savings

- Strategic sourcing and vendor rationalization on indirect, or non-inventory, spending

2024 Savings Target:

\$75M to \$90M*

**net of \$3M-\$4M in severance and related costs*

2026 Savings Target:

\$125M to \$150M

GROWTH ACCELERATION STRATEGIES

Columbia

- Target new, younger active consumers to expand market share in areas we are currently underserving

Product

- Elevate innovation and style, with a focus on more powerful collections
- Streamline color and style counts

Brand Marketing

- Target a more balanced, full funnel approach
- Optimize marketing efficiency

Marketplace

- Focus more on brand story telling and less on promotions
- Improve presentation and fixturing

Emerging Brands

- **SOREL:** refine product offering and marketing strategy
- **MHW:** elevate brand presentations across e-commerce and strategic wholesale partners
- **prAna:** strengthen product and marketing strategies to propel growth in future seasons



APPENDIX

FIRST QUARTER 2024 CONSTANT-CURRENCY RECONCILIATION

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

<i>(In millions, except percentage changes)</i>	Three Months Ended March 31,					
	Reported Net Sales	Adjust for Foreign Currency	Constant- currency Net Sales	Reported Net Sales	Reported Net Sales	Constant- currency Net Sales
	2024	Translation	2024 ⁽¹⁾	2023	% Change	% Change ⁽¹⁾
Geographical Net Sales:						
United States	\$ 474.4	\$ —	\$ 474.4	\$ 517.5	(8)%	(8)%
Latin America and Asia Pacific	138.7	6.6	145.3	136.4	2%	7%
Europe, Middle East and Africa	104.5	(2.2)	102.3	108.3	(4)%	(6)%
Canada	52.4	(0.4)	52.0	58.4	(10)%	(11)%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%
Brand Net Sales:						
Columbia	\$ 663.9	\$ 4.0	\$ 667.9	\$ 702.8	(6)%	(5)%
SOREL	45.7	(0.1)	45.6	60.5	(24)%	(25)%
prAna	31.3	—	31.3	32.5	(4)%	(4)%
Mountain Hardwear	29.1	0.1	29.2	24.8	17%	18%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 619.0	\$ 3.3	\$ 622.3	\$ 632.6	(2)%	(2)%
Footwear	151.0	0.7	151.7	188.0	(20)%	(19)%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%
Channel Net Sales:						
Wholesale	\$ 390.9	\$ 1.1	\$ 392.0	\$ 452.5	(14)%	(13)%
DTC	379.1	2.9	382.0	368.1	3%	4%
Total	<u>\$ 770.0</u>	<u>\$ 4.0</u>	<u>\$ 774.0</u>	<u>\$ 820.6</u>	(6)%	(6)%

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

THREE MONTHS FREE CASH FLOW RECONCILIATION

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

<i>(In millions)</i>	Three Months Ended March 31,	
	2024	2023
Net cash provided by (used in) operating activities	\$ 106.8	\$ 78.0
Capital expenditures	(14.8)	(14.0)
Free cash flow	\$ 92.0	\$ 64.0



