

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):
July 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 July 25, 2024, Columbia Sportswear Company (the "Company") issued a press release reporting its second quarter and first half 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 second quarter 2024 financial results and its 2024 financial outlook, as posted on the Company's investor relations website, <https://investor.columbia.com>, on July 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 July 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 August 29, 2024 to its shareholders of record on August 15, 2024.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

- | | |
|-----------------------------|---|
| <u>99.1</u> | Press Release, dated July 25, 2024 (furnished pursuant to Items 2.02 and 7.01 hereof). |
| <u>99.2</u> | CFO Commentary and Financial Review Presentation, dated July 25, 2024 (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: July 25, 2024

By: /S/ JIM A. SWANSON

Jim A. Swanson

Executive Vice President and Chief Financial Officer



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

Second Quarter 2024 Highlights

- **Net sales decreased 8 percent (7 percent constant-currency) to \$570.2 million, compared to second quarter 2023.**
- **Loss from operations of \$23.8 million, or (4.2) percent of net sales, compared to second quarter 2023 operating income of \$6.2 million, or 1.0 percent of net sales.**
- **Net loss per share of \$(0.20), compared to second quarter 2023 diluted earnings per share of \$0.14.**
- **Exited the quarter with \$711.1 million of cash, cash equivalents and short-term investments and no borrowings.**
- **Exited the quarter with \$823.6 million of inventories, a decrease of 29 percent compared to June 30, 2023.**

Full Year 2024 Financial Outlook

The following forward-looking statements reflect our expectations as of July 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 \$256 to \$288 million (prior \$259 to \$291 million), representing operating margin of 7.7 to 8.4 percent (prior 7.7 to 8.5 percent).**
- **Diluted earnings per share of \$3.65 to \$4.05 (unchanged).**

PORTLAND, Ore. - July 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 second quarter 2024 financial results for the period ended June 30, 2024.

Chairman, President and Chief Executive Officer Tim Boyle commented, "Second quarter results were generally in line with expectations. We are working to maximize sales in a challenging U.S. marketplace. Most international markets, including China and Europe-direct, continue to see strong demand. We have made meaningful progress on our top priorities, including inventory reduction, rationalizing expenses through our Profit Improvement Program, and developing actionable strategies to reinvigorate long-term profitable growth. We are reiterating our net sales and diluted earnings per share outlook and remain on track to generate over \$350 million in operating cash flow.

"Our Fall '24 order book supports sequential improvement in wholesale sales, with the potential for overall sales to return to growth by the fourth quarter. I'm thrilled with our line-up of innovations for this Fall, including Omni-Heat Infinity, Omni-Max footwear and our newest innovation, Omni-Heat Arctic. As we look toward 2025, I am pleased to report that early indications from our Spring '25 wholesale orderbook suggest a return to wholesale growth in the first half.

"Our fortress balance sheet remains a strategic advantage, with over \$710 million in cash and short-term investments, and no debt, at quarter end. I'm confident our team and our strategies position us to re-accelerate growth and capture market share over time. 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 second 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.

Second Quarter 2024 Financial Results

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

Net sales decreased 8 percent (7 percent constant-currency) to \$570.2 million from \$620.9 million for the comparable period in 2023. The decline in net sales primarily reflects lower wholesale net sales in the United States ("U.S.") due to retailer cautiousness, a difficult competitive environment, and generally soft consumer demand.

Gross margin contracted 270 basis points to 47.9 percent of net sales from 50.6 percent of net sales for the comparable period in 2023. Gross margin contraction primarily reflects the impact of efforts to spur demand and reduce inventory in the U.S., as well as changes in sales provisions, partially offset by lower inbound freight costs.

SG&A expenses were \$302.7 million, or 53.1 percent of net sales, compared to \$312.5 million, or 50.3 percent of net sales, for the comparable period in 2023. The largest changes in SG&A expenses primarily reflect lower supply chain and variable demand creation expenses, partially offset by higher direct-to-consumer ("DTC") expenses.

Loss from operations was \$23.8 million, or (4.2) percent of net sales, compared to operating income of \$6.2 million, or 1.0 percent of net sales, for the comparable period in 2023.

Interest income, net of \$8.3 million, compared to \$3.5 million for the comparable period in 2023, reflects higher yields on increased levels of cash, cash equivalents, and investments.

Income tax benefit of \$3.2 million resulted in an effective income tax rate of 21.6 percent, compared to income tax expense of \$1.2 million, or an effective income tax rate of 12.6 percent, for the comparable period in 2023.

Net loss of \$11.8 million, or \$(0.20) per diluted share, compared to net income of \$8.4 million, or \$0.14 per diluted share, for the comparable period in 2023.

First Half 2024 Financial Results

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

Net sales decreased 7 percent (6 percent constant-currency) to \$1,340.2 million from \$1,441.5 million for the comparable period in 2023.

Gross margin of 49.5% percent of net sales was flat compared to the comparable period in 2023.

SG&A expenses were \$652.0 million, or 48.6 percent of net sales, compared to \$659.9 million, or 45.8 percent of net sales, for the comparable period in 2023.

Operating income decreased 67 percent to \$20.9 million, or 1.6 percent of net sales, compared to operating income of \$62.7 million, or 4.3 percent of net sales, for the comparable period in 2023.

Interest income, net was \$17.5 million, compared to \$6.7 million for the comparable period in 2023.

Income tax expense of \$8.6 million resulted in an effective income tax rate of 22.0 percent, compared to income tax expense of \$15.5 million, or an effective income tax rate of 22.2 percent, for the comparable period in 2023.

Net income decreased 44 percent to \$30.6 million, or \$0.51 per diluted share, compared to net income of \$54.6 million, or \$0.88 per diluted share, for the comparable period in 2023.

Balance Sheet as of June 30, 2024

Cash, cash equivalents, and short-term investments totaled \$711.1 million, compared to \$302.8 million as of June 30, 2023.

The Company had no borrowings as of either June 30, 2024 or June 30, 2023.

Inventories decreased 29 percent to \$823.6 million, compared to \$1,162.5 million as of June 30, 2023.

Cash Flow for the Six Months Ended June 30, 2024

Net cash provided by operating activities was \$108.9 million, compared to \$9.7 million for the same period in 2023.

Capital expenditures totaled \$27.8 million, compared to \$22.8 million for the same period in 2023.

Share Repurchases for the Six Months Ended June 30, 2024

The Company repurchased 1,414,437 shares of common stock for an aggregate of \$110.7 million, or an average price per share of \$78.29.

At June 30, 2024, \$234.6 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 August 29, 2024 to shareholders of record on August 15, 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 third quarter 2024 Financial Outlook are each forward-looking in nature, and the following forward-looking statements reflect our expectations as of July 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 40 to 60 basis points (prior 80 to 120 basis points) to 50.0 to 50.2 percent of net sales (prior 50.4 to 50.8 percent) from 49.6 percent of net sales in 2023.

SG&A expenses, as a percent of net sales, are expected to be 42.4 to 43.0 percent (prior 43.0 to 43.4 percent), compared to SG&A expense as a percent of net sales of 40.6 percent in 2023.

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

Interest income, net is expected to be approximately \$28 million.

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

Net income is expected to be \$215 to \$239 million (prior \$217 to \$240 million), resulting in diluted earnings per share of \$3.65 to \$4.05 (unchanged). This diluted earnings per share range is based on estimated weighted average diluted shares outstanding of 59.3 million (unchanged).

Foreign Currency

- Foreign currency translation is anticipated to decrease 2024 net sales growth by approximately 70 basis points (prior 20 basis points).
- Foreign currency is expected to have an approximately \$0.07 negative impact on diluted earnings per share (prior \$0.04) due to negative foreign currency transactional effects from hedging of inventory production, as well as unfavorable foreign currency translation impacts.

Cash Flows

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

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

Third Quarter 2024 Financial Outlook

- **Net sales** are expected to be \$927 to \$959 million, representing a decline of 6 to 3 percent from \$985.7 million for the comparable period in 2023.
- **Operating income** is expected to be \$94 to \$107 million, resulting in operating margin of 10.1 to 11.2 percent, compared to operating margin of 13.7 percent in the comparable period in 2023.
- **Diluted earnings per share** is expected to be \$1.27 to \$1.43, compared to \$1.70 for the comparable period in 2023.

Conference Call

The Company will hold its second 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>.

Third Quarter 2024 Reporting Date

The Company plans to report third quarter 2024 financial results on Wednesday, October 30, 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, operating cash flow, and capital expenditures, as well as third 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 cost 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:

Andrew Burns, CFA
Vice President of Investor Relations and Strategic Planning
Columbia Sportswear Company
(503) 985-4112

aburns@columbia.com

- Financial tables follow -

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(in thousands)</i>	June 30, 2024	June 30, 2023
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 341,822	\$ 231,571
Short-term investments	369,276	71,225
Accounts receivable, net	222,628	343,835
Inventories	823,557	1,162,519
Prepaid expenses and other current assets	90,527	91,990
Total current assets	1,847,810	1,901,140
Property, plant and equipment, net	277,509	280,578
Operating lease right-of-use assets	360,721	313,698
Intangible assets, net	79,221	80,733
Goodwill	26,694	51,694
Deferred income taxes	97,428	94,671
Other non-current assets	71,438	67,290
Total assets	\$ 2,760,821	\$ 2,789,804
LIABILITIES AND EQUITY		
Current Liabilities:		
Accounts payable	\$ 267,853	247,416
Accrued liabilities	201,700	238,988
Operating lease liabilities	72,101	69,784
Income taxes payable	2,787	1,080
Total current liabilities	544,441	557,268
Non-current operating lease liabilities	339,327	298,062
Income taxes payable	13,615	23,452
Deferred income taxes	64	—
Other long-term liabilities	39,412	36,364
Total liabilities	936,859	915,146
Total shareholders' equity	1,823,962	1,874,658
Total liabilities and shareholders' equity	\$ 2,760,821	\$ 2,789,804

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<i>(In thousands, except per share amounts)</i>				
Net sales	\$ 570,244	\$ 620,933	\$ 1,340,226	\$ 1,441,526
Cost of sales	296,825	306,888	677,248	727,981
Gross profit	273,419	314,045	662,978	713,545
Gross margin	47.9 %	50.6 %	49.5 %	49.5 %
Selling, general and administrative expenses	302,749	312,529	652,019	659,927
Net licensing income	5,528	4,713	9,920	9,038
Operating income	(23,802)	6,229	20,879	62,656
Interest income, net	8,344	3,506	17,541	6,789
Other non-operating income, net	476	(185)	747	665
Income before income tax	(14,982)	9,550	39,167	70,110
Income tax expense	(3,241)	1,200	8,608	15,558
Net income	\$ (11,741)	\$ 8,350	\$ 30,559	\$ 54,552
Earnings per share:				
Basic	\$ (0.20)	\$ 0.14	\$ 0.51	\$ 0.88
Diluted	\$ (0.20)	\$ 0.14	\$ 0.51	\$ 0.88
Weighted average shares outstanding:				
Basic	59,093	61,655	59,458	61,893
Diluted	59,093	61,781	59,603	62,122

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

(in thousands)	Six Months Ended June 30,	
	2024	2023
Cash flows from operating activities:		
Net income	\$ 30,559	\$ 54,552
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	29,142	27,976
Non-cash lease expense	37,419	33,564
Provision for uncollectible accounts receivable	1,502	145
Deferred income taxes	2,101	488
Stock-based compensation	12,008	11,208
Other, net	(9,800)	491
Changes in operating assets and liabilities:		
Accounts receivable	191,737	203,846
Inventories	(88,753)	(135,251)
Prepaid expenses and other current assets	(2,809)	30,396
Other assets	1,159	366
Accounts payable	31,105	(69,305)
Accrued liabilities	(63,626)	(90,759)
Income taxes payable	(26,688)	(27,303)
Operating lease assets and liabilities	(37,275)	(34,317)
Other liabilities	1,112	3,611
Net cash provided by operating activities	108,893	9,708
Cash flows from investing activities:		
Purchases of short-term investments	(388,348)	(117,877)
Sales and maturities of short-term investments	446,087	50,747
Capital expenditures	(27,788)	(22,803)
Net cash provided by (used in) investing activities	29,951	(89,933)
Cash flows from financing activities:		
Proceeds from credit facilities	—	837
Repayments on credit facilities	—	(837)
Proceeds from issuance of common stock related to stock-based compensation	3,747	4,624
Tax payments related to stock-based compensation	(4,461)	(4,400)
Repurchase of common stock	(102,618)	(78,319)
Cash dividends paid	(35,628)	(37,099)
Net cash used in financing activities	(138,960)	(115,194)
Net effect of exchange rate changes on cash	(8,381)	(3,251)
Net decrease in cash and cash equivalents	(8,497)	(198,670)
Cash and cash equivalents, beginning of period	350,319	430,241
Cash and cash equivalents, end of period	\$ 341,822	\$ 231,571
Supplemental disclosures of cash flow information:		
Cash paid during the year for income taxes	\$ 58,151	\$ 61,131
Supplemental disclosures of non-cash investing and financing activities:		
Property, plant and equipment acquired through increase in liabilities	\$ 6,283	\$ 5,982
Repurchases of common stock not settled	\$ 8,114	\$ —

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

	Three Months Ended June 30,					
	Reported Net Sales 2024	Adjust for Foreign Currency Translation	Constant- currency Net Sales 2024 ⁽¹⁾	Reported Net Sales 2023	Reported Net Sales % Change	Constant-currency Net Sales % Change ⁽¹⁾
<i>(In millions, except percentage changes)</i>						
Geographical Net Sales:						
United States	\$ 340.2	\$ —	\$ 340.2	\$ 399.1	(15)%	(15)%
Latin America and Asia Pacific	99.5	5.7	105.2	93.3	7%	13%
Europe, Middle East and Africa	103.9	0.4	104.3	100.8	3%	3%
Canada	26.6	0.1	26.7	27.7	(4)%	(4)%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	(8)%	(7)%
Brand Net Sales:						
Columbia	\$ 508.6	\$ 5.9	\$ 514.5	\$ 537.0	(5)%	(4)%
SOREL	21.0	0.1	21.1	37.8	(44)%	(44)%
prAna	21.8	—	21.8	27.6	(21)%	(21)%
Mountain Hardwear	18.8	0.2	19.0	18.5	2%	3%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	(8)%	(7)%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 464.0	\$ 4.3	\$ 468.3	\$ 488.9	(5)%	(4)%
Footwear	106.2	1.9	108.1	132.0	(20)%	(18)%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	(8)%	(7)%
Channel Net Sales:						
Wholesale	\$ 278.4	\$ 2.2	\$ 280.6	\$ 328.3	(15)%	(15)%
DTC	291.8	4.0	295.8	292.6	—%	1%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	(8)%	(7)%

⁽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)

	Six Months Ended June 30,					
	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	\$ 814.6	\$ —	\$ 814.6	\$ 916.6	(11)%	(11)%
Latin America and Asia Pacific	238.2	12.3	250.5	229.7	4%	9%
Europe, Middle East and Africa	208.4	(1.8)	206.6	209.1	—%	(1)%
Canada	79.0	(0.3)	78.7	86.1	(8)%	(9)%
Total	<u>\$ 1,340.2</u>	<u>\$ 10.2</u>	<u>\$ 1,350.4</u>	<u>\$ 1,441.5</u>	(7)%	(6)%
Brand Net Sales:						
Columbia	\$ 1,172.5	\$ 9.9	\$ 1,182.4	\$ 1,239.8	(5)%	(5)%
SOREL	66.7	—	66.7	98.3	(32)%	(32)%
prAna	53.1	—	53.1	60.1	(12)%	(12)%
Mountain Hardwear	47.9	0.3	48.2	43.3	11%	11%
Total	<u>\$ 1,340.2</u>	<u>\$ 10.2</u>	<u>\$ 1,350.4</u>	<u>\$ 1,441.5</u>	(7)%	(6)%
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 1,083.0	\$ 7.6	\$ 1,090.6	\$ 1,121.5	(3)%	(3)%
Footwear	257.2	2.6	259.8	320.0	(20)%	(19)%
Total	<u>\$ 1,340.2</u>	<u>\$ 10.2</u>	<u>\$ 1,350.4</u>	<u>\$ 1,441.5</u>	(7)%	(6)%
Channel Net Sales:						
Wholesale	\$ 669.3	\$ 3.3	\$ 672.6	\$ 780.8	(14)%	(14)%
DTC	670.9	6.9	677.8	660.7	2%	3%
Total	<u>\$ 1,340.2</u>	<u>\$ 10.2</u>	<u>\$ 1,350.4</u>	<u>\$ 1,441.5</u>	(7)%	(6)%

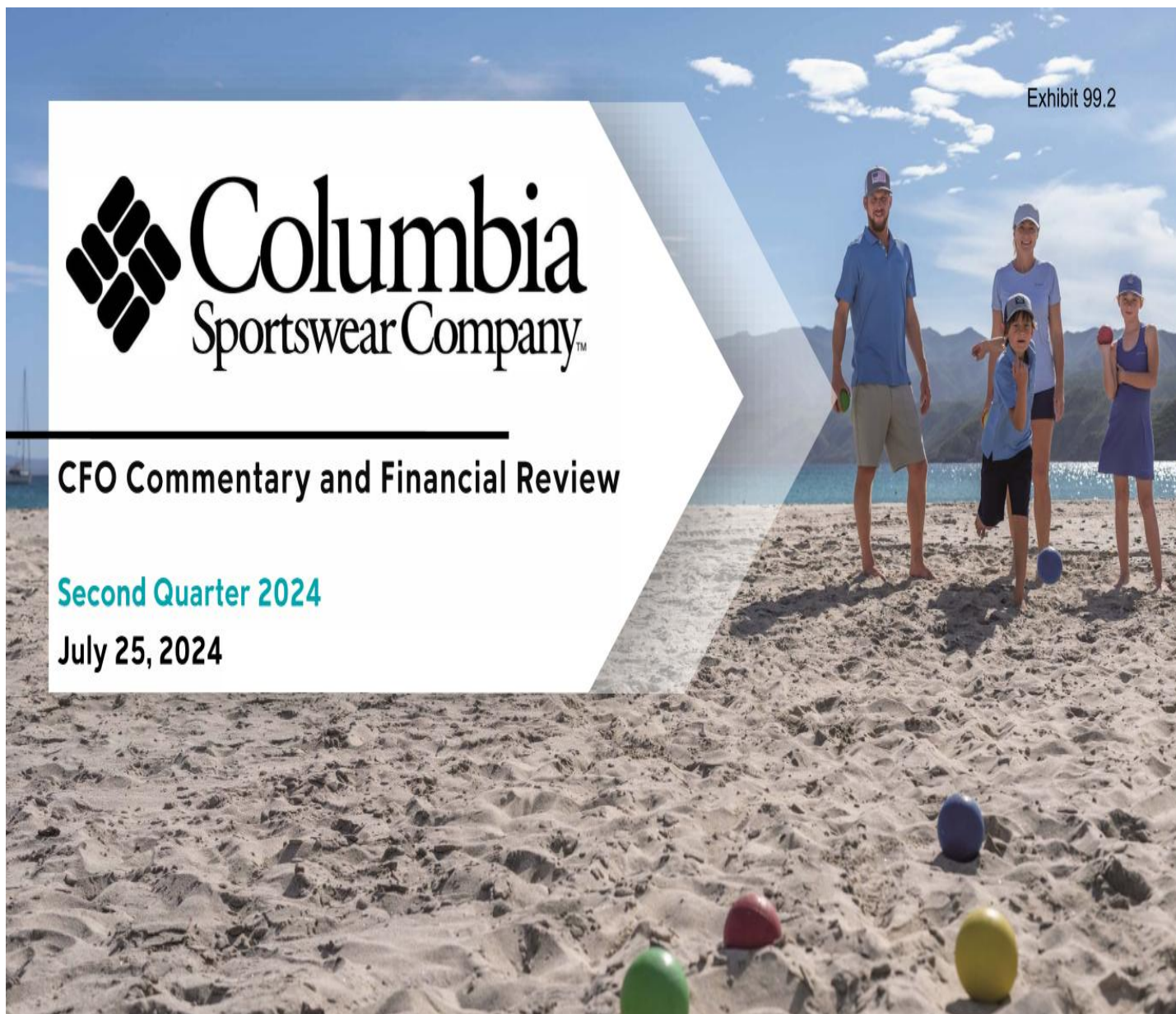
⁽¹⁾ Constant-currency net sales is a non-GAAP financial measure. See "Supplemental Financial Information" above for further information.



CFO Commentary and Financial Review

Second Quarter 2024

July 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 cost 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**

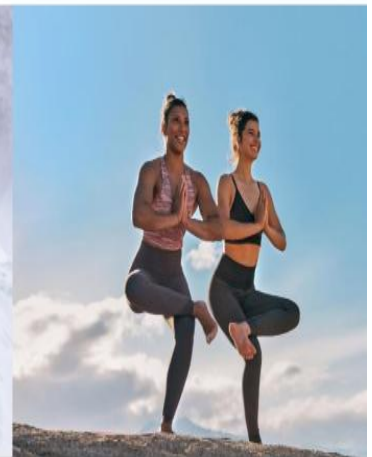
Invest in Capabilities to Delight
and Retain Consumers

**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



Q2'24 KEY HIGHLIGHTS

Q2'24 FINANCIAL RESULTS COMPARED TO Q2'23

\$570M

-8%

Net Sales

47.9%

-270 bps

Gross Margin

-4.2%

-520 bps

Operating Margin

\$(0.20)

\$(0.34)

Diluted EPS

Q2'24 Highlights:

- The decline in net sales primarily reflects lower wholesale net sales in the U.S. due to retailer cautiousness, a difficult competitive environment, and generally soft consumer demand.
- Operating margin pressure reflects SG&A expense deleverage impacted by lower net sales, as well as lower gross margin.
- Inventories decreased 29% y/y.
- Exited the quarter with \$711.1M of cash, cash equivalents and short-term investments, and no borrowings.

Q2'24 ACTUAL VS LAST YEAR

(dollars in millions, except per share amounts)

	Q2'24	Q2'23	Change
Net Sales	\$570.2	\$620.9	-8%
Gross margin	47.9%	50.6%	-270 bps
SG&A percent of net sales	53.1%	50.3%	+280 bps
Operating income (loss)	(\$23.8)	\$6.2	(\$30.0)
Operating margin	-4.2%	1.0%	-520 bps
Net income (loss)	(\$11.8)	\$8.4	(\$20.2)
Diluted EPS	(\$0.20)	\$0.14	(\$0.34)

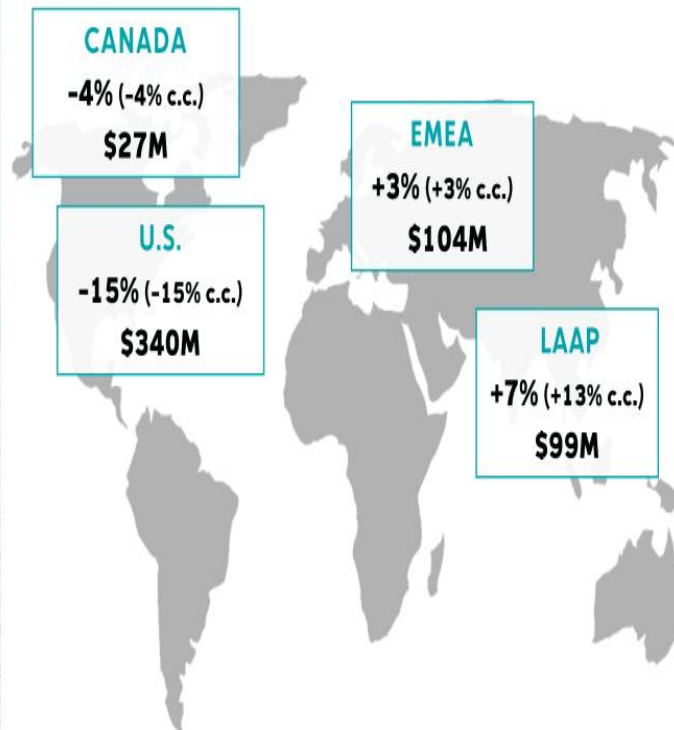
Commentary on Q2'24 financial results vs last year:

- The decline in net sales primarily reflects lower wholesale sales, driven by softness in the U.S. across all brands. DTC sales were flat, as DTC.com declines were offset by growth in DTC B&M.
- The largest drivers of gross margin contraction included efforts to spur demand and reduce inventory in the U.S., partially offset by lower inbound freight costs.
- SG&A was down 3% y/y, as lower supply chain and marketing expenses were partially offset by higher DTC expenses.

Q2'24 REGIONAL NET SALES PERFORMANCE

Q2'24 NET SALES AND GROWTH VS. Q2'23

Commentary below is based on constant currency performance.



U.S.

- **Wholesale: down high-20%**, primarily reflecting the impact of lower Spring '24 orders
- **DTC: down LSD%** (DTC B&M up MSD%, DTC.com down high-teens%),
- The company had 163 stores (145 outlets, 18 branded) exiting Q2'24 vs. 157 stores (139 outlet, 18 branded) exiting Q2'23
- In addition, the Company operated 46 temporary clearance locations exiting Q2'24 vs. 30 temporary clearance locations exiting Q2'23

LAAP

- **Japan: down MSD%** (up HSD% c.c.), benefitting from strong international tourism, which more than offset softer domestic consumer demand
- **China: up LDD%** (mid-teens% c.c.), aided by strong outdoor category trends
- **Korea: down mid-teens%** (down low-teens% c.c.), with softness in both wholesale and DTC B&M
- **LAAP distributor: up high-30%**, driven by higher Fall '24 orders; quarterly results are impacted by y/y differences in timing of shipments

EMEA

- **Europe-direct: up LDD%** (up LDD% c.c.), with growth led by strong DTC growth, as well as growth in wholesale
- **EMEA distributor: down LSD%**

Canada

- **-4% (-4% c.c.)**, primarily reflecting the impact of lower Spring '24 orders, partially offset by growth in DTC B&M

Q2'24 NET SALES OVERVIEW

Q2'24 NET SALES AND GROWTH VS. Q2'23

CATEGORY PERFORMANCE

APPAREL, ACCESSORIES & EQUIPMENT:

↓ -5% (-4% c.c.)
\$464M

FOOTWEAR:

↓ -20% (-18% c.c.)
\$106M

- Consumer demand for traditional outdoor products remains challenged in the U.S., particularly in footwear

BRAND PERFORMANCE

 Columbia

↓ -5% (-4% c.c.)
\$508M

 prAna

↓ -21% (-21% c.c.)
\$22M



↓ -44% (-44% c.c.)
\$21M

 MOUNTAIN
HARD
WEAR

↑ +2% (+3% c.c.)
\$19M

- Columbia declines reflect softness in the U.S., partially offset by strength in international markets
- SOREL and prAna declines reflect lower Spring '24 wholesale orders, as well as soft consumer demand in DTC.com
- Mountain Hardwear growth reflects DTC growth aided, in part, by promotional activity

CHANNEL PERFORMANCE

WHOLESALE:

↓ -15% (-15% c.c.)
\$278M

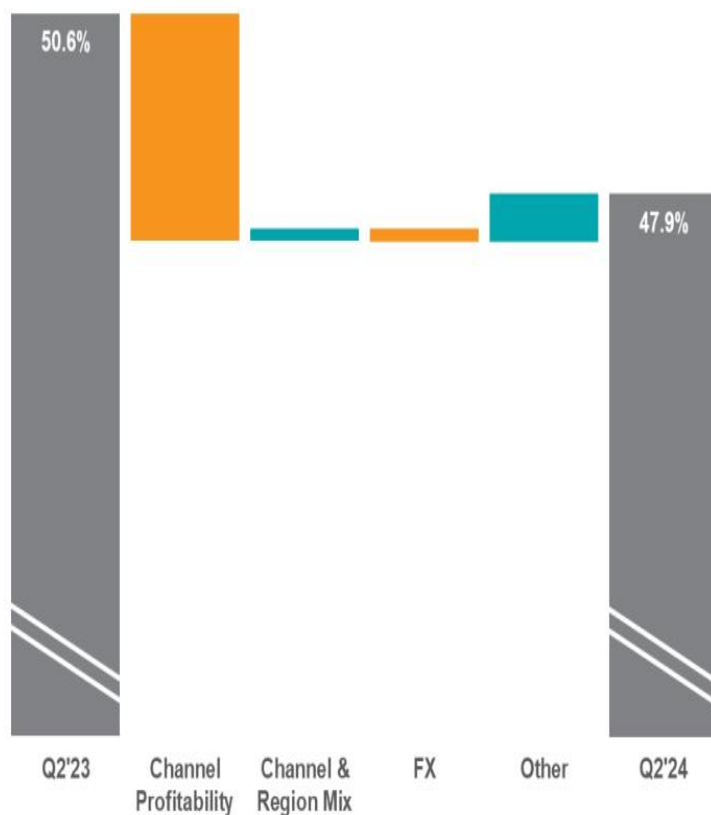
DTC:

↑ 0% (+1% c.c.)
\$292M

- Wholesale declines primarily driven by lower Spring '24 orderbooks
- DTC.com -10%, DTC B&M +4%

Q2'24 GROSS MARGIN BRIDGE

Q2'24 gross margin contracted 270 bps y/y to 47.9%



Headwinds

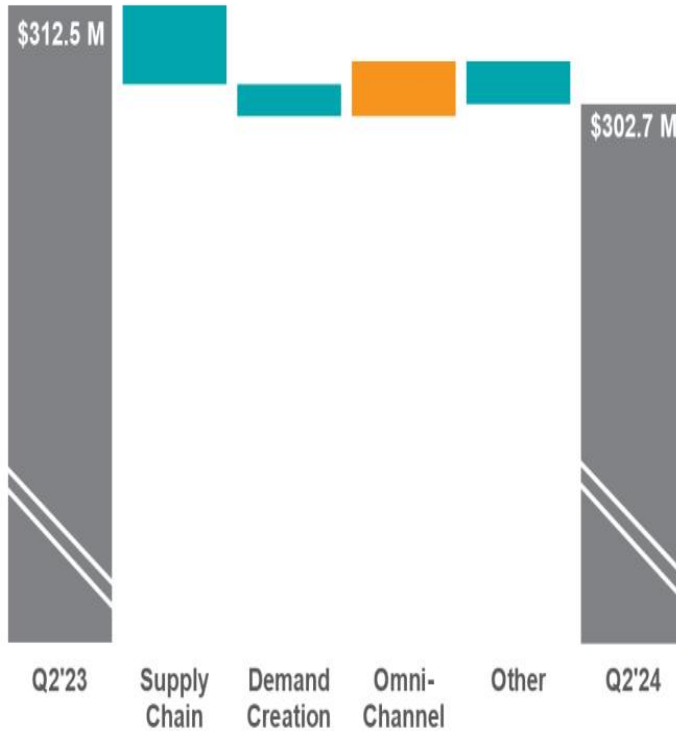
- **Channel Profitability:** lower margins primarily due to the impact of efforts to spur demand and reduce inventory, as well as changes in sales provisions
- **Other:** includes changes in inventory provisions
- **FX:** unfavorable effects from foreign currency hedge rates

Tailwinds

- **Other:** includes benefit from lower inbound freight costs
- **Channel & Region Sales Mix:** favorable channel net sales mix shift

Q2'24 SG&A BRIDGE VS LAST YEAR

SG&A decreased \$9.8M, or 3%



Primary SG&A Expense Reductions

- **Supply Chain:** lower expenses resulting from normalized inventory levels
- **Demand Creation:** represent 5.3% of sales vs. 5.4% in Q2'23

Primary SG&A Expense Increases

- **Omni-Channel:** higher brick & mortar expenses related to temporary clearance locations and new stores, as well as store labor expense pressure

Q2'24 SG&A expenses were 53.1% of net sales compared to 50.3% in Q2'23

BALANCE SHEET OVERVIEW

Balance Sheet as of June 30, 2024

Cash, Cash Equivalents, and Short-term Investments

\$711M

Cash, cash equivalents and short-term investments totaled \$711.1M, compared to \$302.8M as of June 30, 2023.

Inventory

Inventories -29% y/y to \$823.6M.

-29%

We continue to utilize our fleet of outlet stores and temporary clearance locations to profitably liquidate excess inventory, including PFAS inventory.

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



CAPITAL OVERVIEW

Q2'24 YTD Net Cash Flow Provided by Operations

\$109M

Net cash flow provided by operating activities was \$108.9M, compared to \$9.7M for the same period in 2023.

Q2'24 YTD Capital Expenditures

\$28M

Capital expenditures totaled \$27.8M compared to \$22.8M for the same period in 2023.

Q2'24 YTD Share Repurchases

\$111M

The Company repurchased 1,414,437 shares of common stock for an aggregate of \$110.7M, for an average price per share of \$78.29.

Declared Dividends

\$0.30

The Board of Directors approved a regular cash dividend of \$0.30 per share, payable on August 29, 2024, to shareholders of record on August 15, 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 July 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	50.0% to 50.2% (prior 50.4% to 50.8%)	approximately 40 bps to 60 bps expansion (prior approximately 80 bps to 120 bps expansion)
SG&A percent of net sales	42.4% to 43.0% (prior 43.0% to 43.4%)	180 bps to 240 bps deleverage (prior 240 bps to 280 bps deleverage)
Operating margin	7.7% to 8.4% (prior 7.7% to 8.5%)	120 bps to 50 bps deleverage (prior 120 bps to 40 bps deleverage)
Operating income	\$256M to \$288M (prior \$259M to \$291M)	-17% to -7% (prior -17% to -6%)
Effective income tax rate	24.0% to 25.0% (unchanged)	2023 effective tax rate of 22.9%
Net income	\$215M to \$239M (prior \$217M to \$240M)	-14% to -5% (prior -14% to -4%)
Diluted EPS	\$3.65 to \$4.05 (unchanged)	-11% to -1% (unchanged)

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% and prAna down LSD%. Mountain Hardwear is expected to be up MSD% and the Columbia brand approximately flat.
- By region, a HSD% decline in Canada and a MSD% decline 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 12 net new stores in the U.S., 3 net new stores in Canada, and 6 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; and
- lower inbound freight costs; partially offset by
- unfavorable FX hedging rates; and
- lower channel profitability, primarily due to efforts to spur demand and reduce inventory.

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, as well as store labor expense pressure;
- higher incentive compensation expenses; and
- higher enterprise technology expenses; partially offset by
- lower supply chain costs, including the benefit of lower inventory levels; and
- lower demand creation spend.

Demand creation as a percent of net sales is anticipated to be ~5.7% of net sales, compared to 6.0% of net sales in 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 to \$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 Q3'24 OUTLOOK

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.
- The \$3.65 to \$4.05 diluted EPS range is based on estimated weighted average diluted shares outstanding of 59.3M.

Foreign currency

- Foreign currency translation is expected to decrease net sales growth by approximately 70 bps (prior 20 bps).
- Foreign currency is expected to have an approximately \$0.07 negative impact (prior \$0.04) on diluted EPS, due to negative foreign currency transactional effects from hedging of inventory production, as well as unfavorable foreign currency translation impacts.

Operating cash flow and capital expenditures

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

Q3'24 outlook

- Net sales of \$927M to \$959M, representing a decline of 6% to 3% compared to Q3'23.
- Gross margin is anticipated to expand modestly y/y
- Operating income of \$94M to \$107M, or 10.1% to 11.2% of net sales, compared to 13.7% for Q3'23.
- Diluted EPS is expected to be \$1.27 to \$1.43, compared to \$1.70 for Q3'23.

PROFIT IMPROVEMENT

Operational Cost Savings

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

Organizational Cost Savings

- 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
- Elevate the brand's presentation across channels

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

SECOND QUARTER 2024 CONSTANT-CURRENCY RECONCILIATION

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

	Three Months Ended June 30,					
	Reported	Adjust for	Constant-	Reported	Reported	Constant-
	Net Sales	Foreign	currency	Net Sales	Net Sales	currency
(In millions, except percentage changes)	2024	Translation	2024 ⁽¹⁾	2023	% Change	% Change ⁽¹⁾
Geographical Net Sales:						
United States	\$ 340.2	\$ —	\$ 340.2	\$ 399.1	(15)%	(15)%
Latin America and Asia Pacific	99.5	5.7	105.2	93.3	7%	13%
Europe, Middle East and Africa	103.9	0.4	104.3	100.8	3%	3%
Canada	26.6	0.1	26.7	27.7	(4)%	(4)%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	<u>(8)%</u>	<u>(7)%</u>
Brand Net Sales:						
Columbia	\$ 508.6	\$ 5.9	\$ 514.5	\$ 537.0	(5)%	(4)%
SOREL	21.0	0.1	21.1	37.8	(44)%	(44)%
prAna	21.8	—	21.8	27.6	(21)%	(21)%
Mountain Hardwear	18.8	0.2	19.0	18.5	2%	3%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	<u>(8)%</u>	<u>(7)%</u>
Product Category Net Sales:						
Apparel, Accessories and Equipment	\$ 464.0	\$ 4.3	\$ 468.3	\$ 488.9	(5)%	(4)%
Footwear	106.2	1.9	108.1	132.0	(20)%	(18)%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	<u>(8)%</u>	<u>(7)%</u>
Channel Net Sales:						
Wholesale	\$ 278.4	\$ 2.2	\$ 280.6	\$ 328.3	(15)%	(15)%
DTC	291.8	4.0	295.8	292.6	—%	1%
Total	<u>\$ 570.2</u>	<u>\$ 6.2</u>	<u>\$ 576.4</u>	<u>\$ 620.9</u>	<u>(8)%</u>	<u>(7)%</u>

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

SIX 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)

(In millions)	Six Months Ended June 30,	
	2024	2023
Net cash provided by (used in) operating activities	\$ 108.9	\$ 9.7
Capital expenditures	(27.8)	(22.8)
Free cash flow	\$ 81.1	\$ (13.1)



