



# INVESTOR PRESENTATION

August 2021





# FORWARD-LOOKING STATEMENTS

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

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

The Company's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those described in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors," and those that have been or may be described in other reports filed by the Company, including reports on Form 8-K. Potential risks and uncertainties include those relating to the impact of the COVID-19 pandemic on our operations, which is highly dependent on numerous factors that we may not be able to predict or control, including: the duration and scope of the COVID-19 pandemic, including any recurrence due to variants; actions that may be taken to contain the pandemic or to treat its impact, including lock-downs and the speed of the vaccination roll-out; economic slowdowns that have resulted from and may continue to result from the pandemic; workforce staffing and productivity; our ability to continue operations in affected areas; supply chain disruptions, constraints and expenses; and consumer demand and spending patterns, as well as the effects on suppliers, creditors, and wholesale customers, all of which are uncertain. 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

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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 GAAP operating cash flow reduced 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.

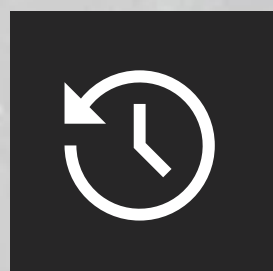




**WE CONNECT ACTIVE PEOPLE WITH THEIR PASSIONS**



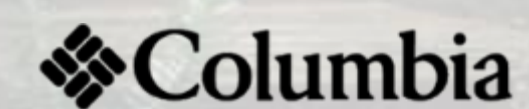




# COLUMBIA SPORTSWEAR COMPANY TIMELINE

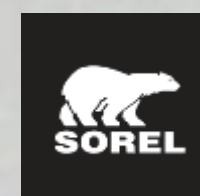


**1938**



Company founded as the  
Columbia Hat Company

**2000**



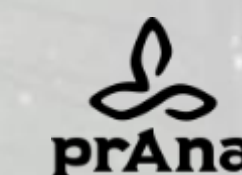
Columbia acquires  
SOREL brand

**2003**



Columbia acquires  
Mountain Hardwear  
brand

**2014**



Columbia acquires  
prAna brand



# BRAND PORTFOLIO

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# MISSION

WE UNLOCK THE  
OUTDOORS FOR EVERYONE



# VISION

THE #1 OUTDOOR BRAND IN  
THE WORLD





# INDUSTRY LEADERS OF INNOVATION

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WE HAVE OVER 30 INNOVATIVE MATERIAL  
TECHNOLOGIES THAT KEEP YOU  
WARM, DRY, COOL AND PROTECTED.





# ALL SEASON LONG

OUR APPAREL, FOOTWEAR, AND ACCESSORIES ARE CREATED FOR ALL SEASONS, AND ALL ACTIVITIES.







# EXPANDING OUR CONSUMER REACH

ELEVATED PREMIUM PRODUCT LINES INCLUDE  
PFG, TITANIUM AND MONTRAIL.











THEN → NOW



  
SOREL





WE CREATE POWERFUL  
FOOTWEAR FOR  
UNSTOPPABLE INDIVIDUALS.



# BRAND

POWERFUL FOOTWEAR BRAND

DRIVE, PROTECT, COMPETE



# AWARENESS

KNOW US, THE RIGHT US

NEVER GO DARK



# ROTATION

YEAR-ROUND PRODUCT THAT MATTERS MORE

24/7 → 365



# CONFIDENCE

WE WILL MANIFEST OUR DESTINY... OR PREVENT IT FROM HAPPENING

BELIEVE





PURPOSEFUL



RELENTLESS



## SOREL VALUES

AUDACIOUS



CREATIVE





**prAna**

CLOTHING FOR  
POSITIVE CHANGE





The prAna logo is located in the top right corner. It features the brand name "prAna" in a white, lowercase, sans-serif font, with a horizontal line underneath it. The background of the entire page is a dark, moody photograph of green foliage, with some leaves in sharp focus on the left and others blurred in the background.

prAna.

CLOTHING FOR  
POSITIVE CHANGE

WHAT ARE YOU WEARING?

# Clothing for Positive Change

(C4PC)

We believe style is less about fashion or trends, and more about making a statement because celebrating our unique perspective and simplifying our wardrobe, while also protecting the planet, will never go out of fashion. How will you wear the future of sustainable style? Our design team works hard every season to not only elevate the look and feel of our seasonal collection, but incorporate innovative and sustainable fabrics and practices to improve performance and lessen our impact on the planet.



The prAna logo is displayed in a bold, lowercase, sans-serif font. A thin horizontal line is positioned directly beneath the brand name.

prAna.

CLOTHING FOR  
POSITIVE CHANGE

# 3 Pillars of Positive Change

## ADVENTURE FOR ALL

Create a safe space where everyone  
can thrive in their own way.

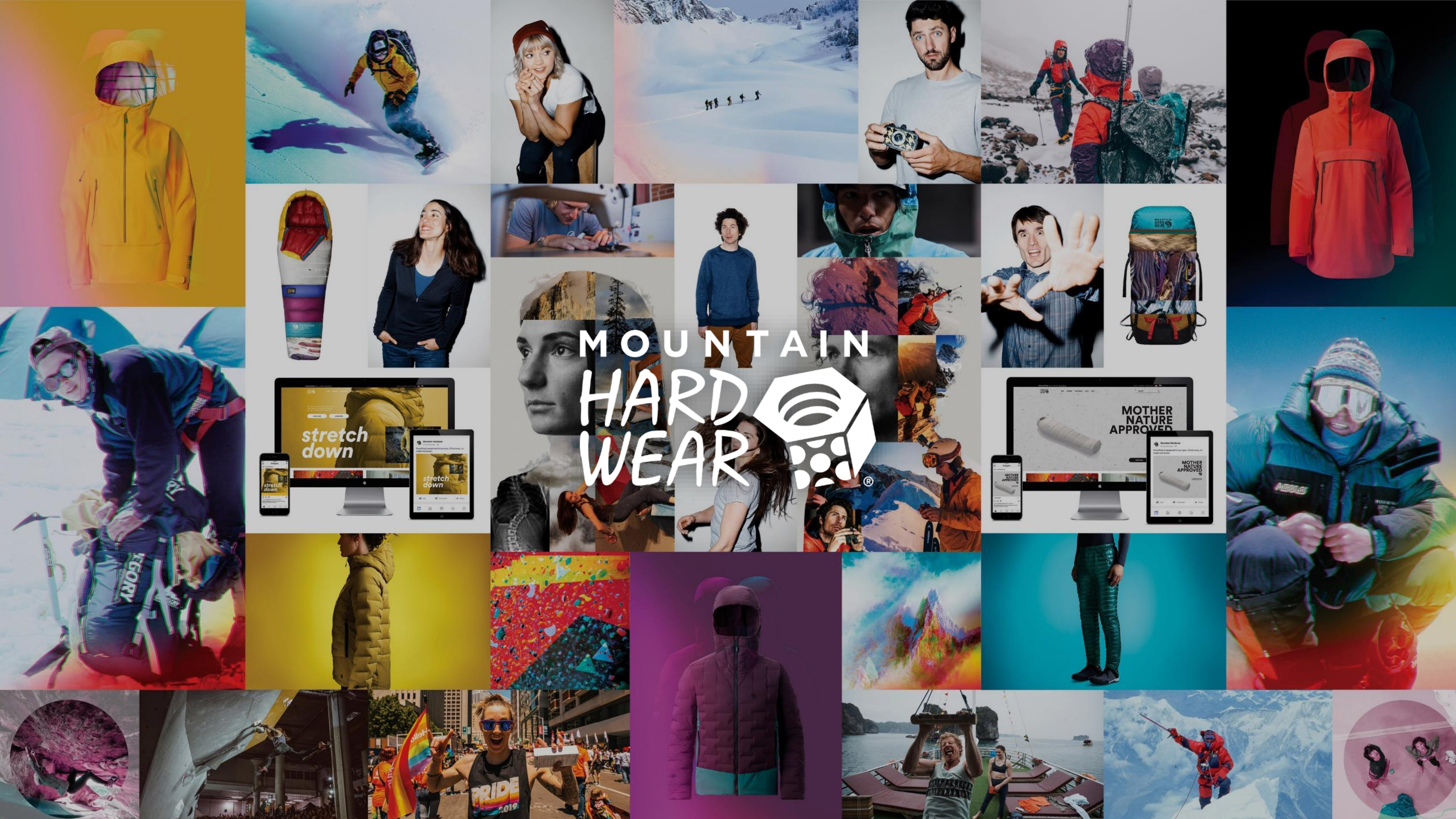
## RESPECT & RESPONSIBILITY

Outfit adventures with respect  
for the planet and its people.

## PROGRESS, NOT PERFECTION

Ask how we can better inspire, educate,  
and outfit our audience every season.







MOUNTAIN HARDWEAR

purpose

We exist to make gear that works,  
because out here, it matters.





MOUNTAIN HARDWEAR

# tactics

## PRODUCT

Create a relentless pipeline of compelling products that are innovative, technical and beautiful.

## DIGITAL

Make MHW.com the full expression of the Brand and disproportionately invest in driving on-line sales.

## COMMUNICATION

Tell our story through the products we make to drive awareness and desire.





MOUNTAIN HARDWEAR

# values

01



We go to the  
MOUNTAINS  
because its where  
we feel alive.

02

We choose  
DURABILITY;  
enduring  
performance  
is our definition  
of quality.

03

We care about the  
PLANET and the  
impact our actions  
have on it.



A woman with long dark hair, wearing a grey knit beanie and a dark blue/black quilted Columbia winter jacket, looks directly at the camera. The background is a dark, textured, and slightly out-of-focus surface, possibly a rocky shore or a wall. The overall mood is cold and rugged.

# FINANCIAL OVERVIEW

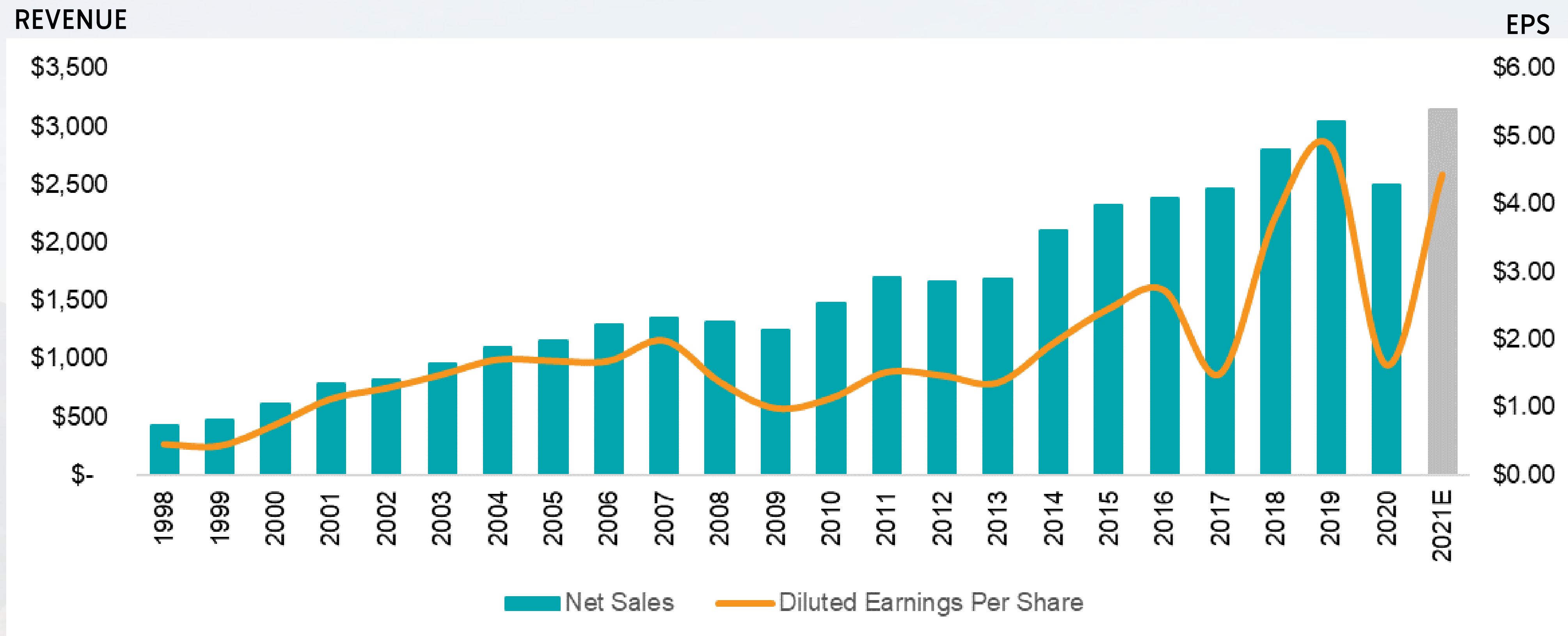
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# LONG-TERM TRACK RECORD OF PROFITABLE GROWTH

From 1998 – 2019, COLM generated 10% net sales CAGR and 12% EPS CAGR

Lower net sales and profitability in 2020 primarily reflects the impact of the COVID-19 pandemic



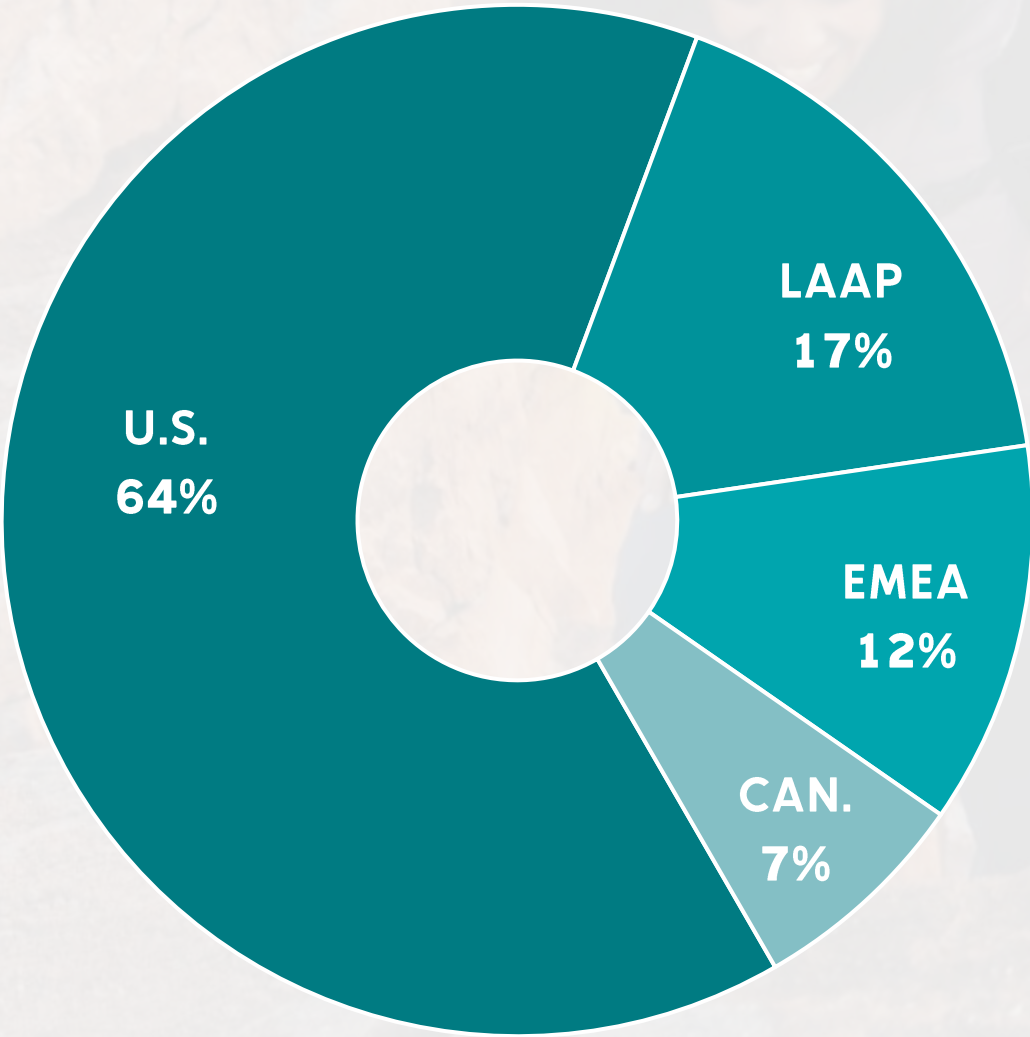
*Note: 2021E represents the mid-point of 2021 financial outlook*



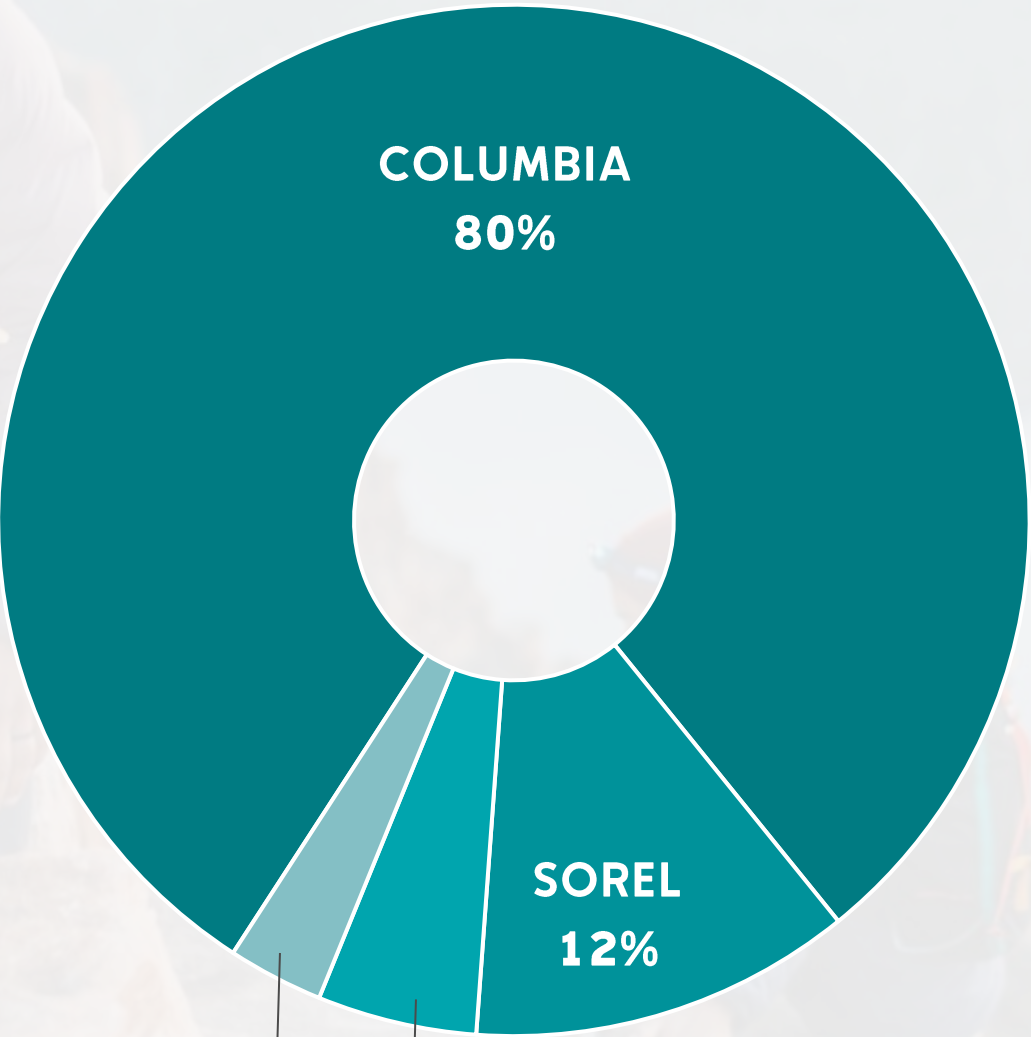
# DIVERSIFIED REVENUE BASE

## 2020 NET SALES BREAKDOWN

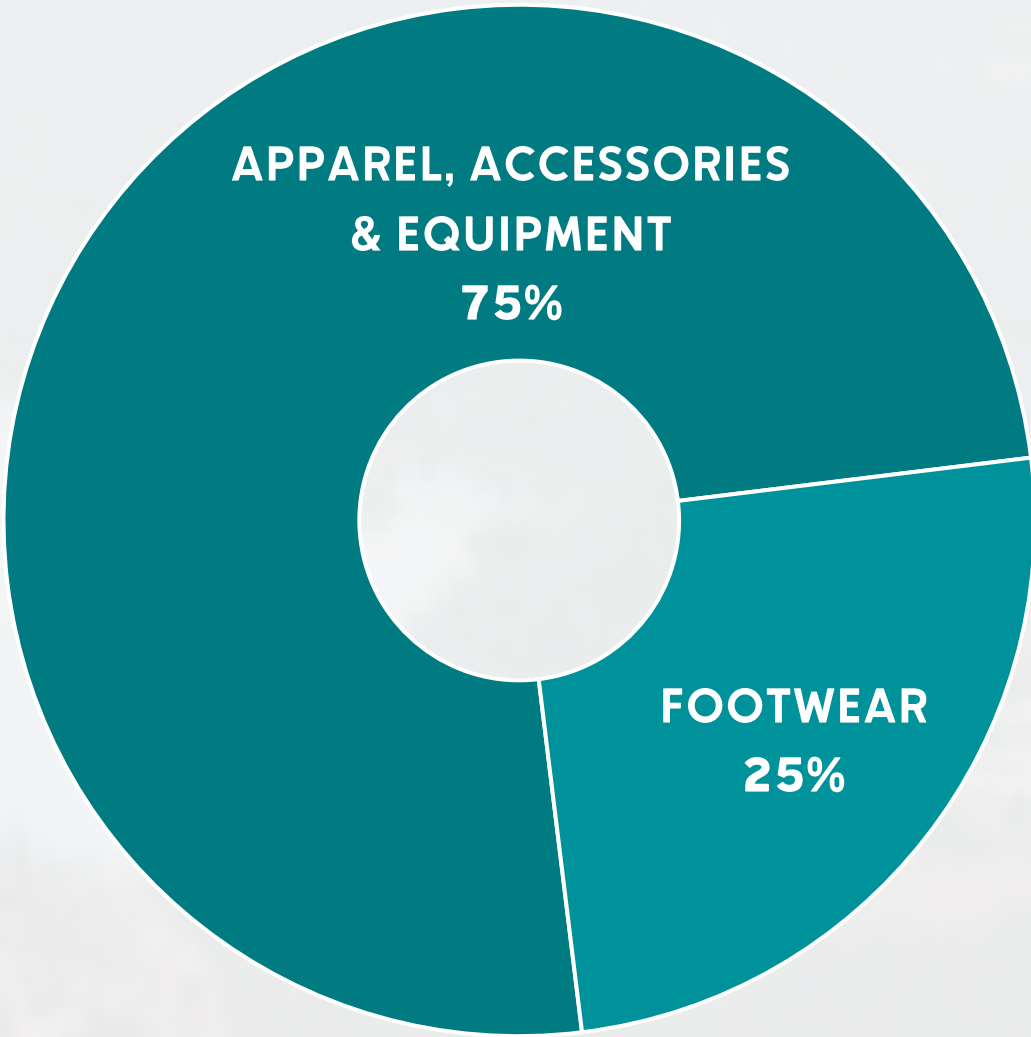
GEOGRAPHY



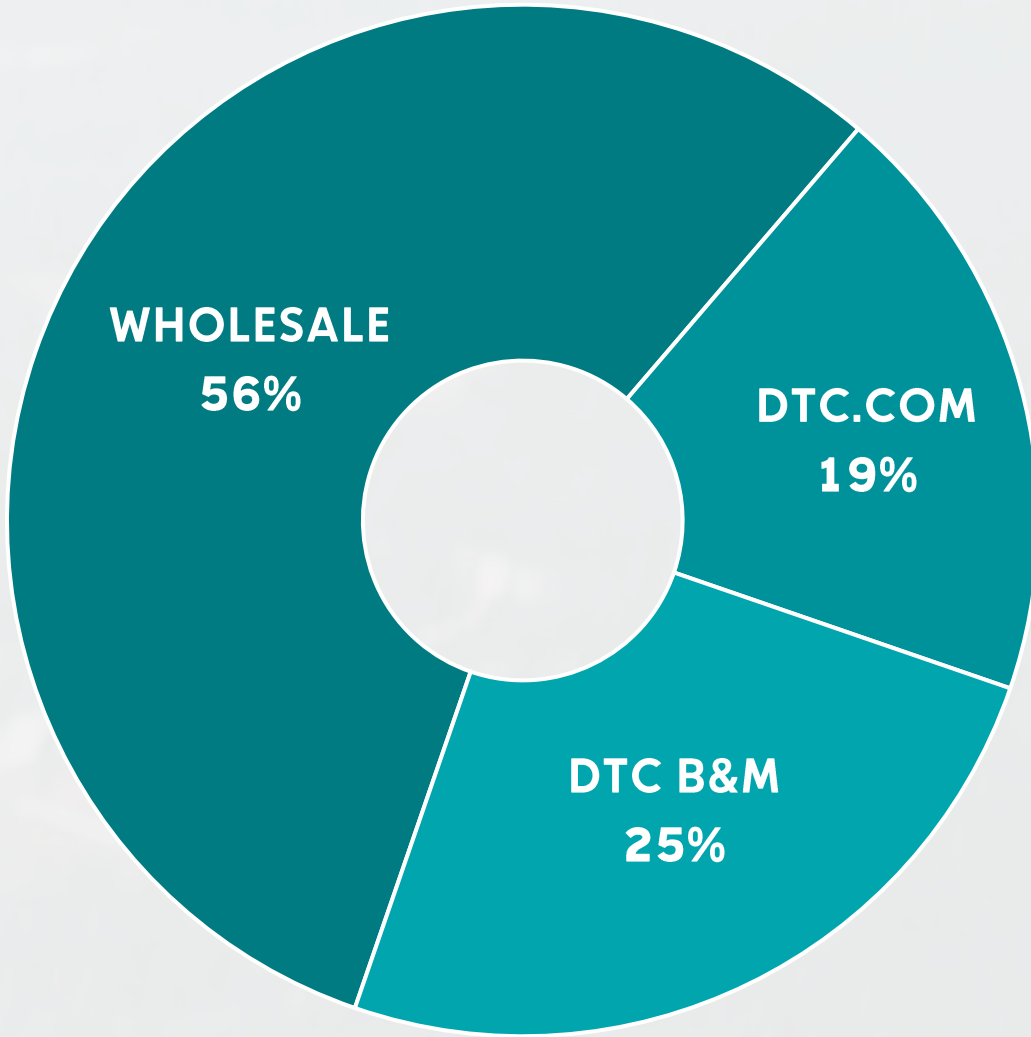
BRAND



CATEGORY



CHANNEL



United States ("U.S.")  
Latin America and Asia Pacific ("LAAP")  
Europe, Middle East and Africa ("EMEA")  
Canada ("CAN.")



# FIRST HALF 2021 FINANCIAL RESULTS

NET SALES AND GROWTH VS. PRIOR YEAR  
SIX MONTHS ENDED JUNE 30, 2021

## CATEGORY PERFORMANCE

APPAREL, ACCESSORIES &  
EQUIPMENT: \$922 MILLION

  **+32%**

FOOTWEAR: \$270 MILLION

  **+43%**

## REGIONAL PERFORMANCE

AS REPORTED:




CONSTANT-CURRENCY:\* U.S. +41% LAAP +6% EMEA +32% CANADA +23%

\*Non-GAAP measure. For additional information regarding this non-GAAP financial measure, see the disclosures and reconciliations included in the Appendix of this presentation.

## BRAND PERFORMANCE


NET SALES VS. PRIOR YEAR:

 **Columbia**

 **+37%**


\$1,012 MILLION



 **+33%**


\$69 MILLION



 **+11%**

\$71 MILLION



 **+28%**

\$40 MILLION



# FIRST HALF 2021 GLOBAL RESULTS

Growth and Percentage Metrics are year-over-year metrics, comparing first half 2021 to first half 2020.

SIX MONTHS ENDED JUNE 30, 2021

## NET SALES

**\$1,192M**

+35%

## GROSS MARGIN

**51.5%**

+430bp

## OPERATING MARGIN

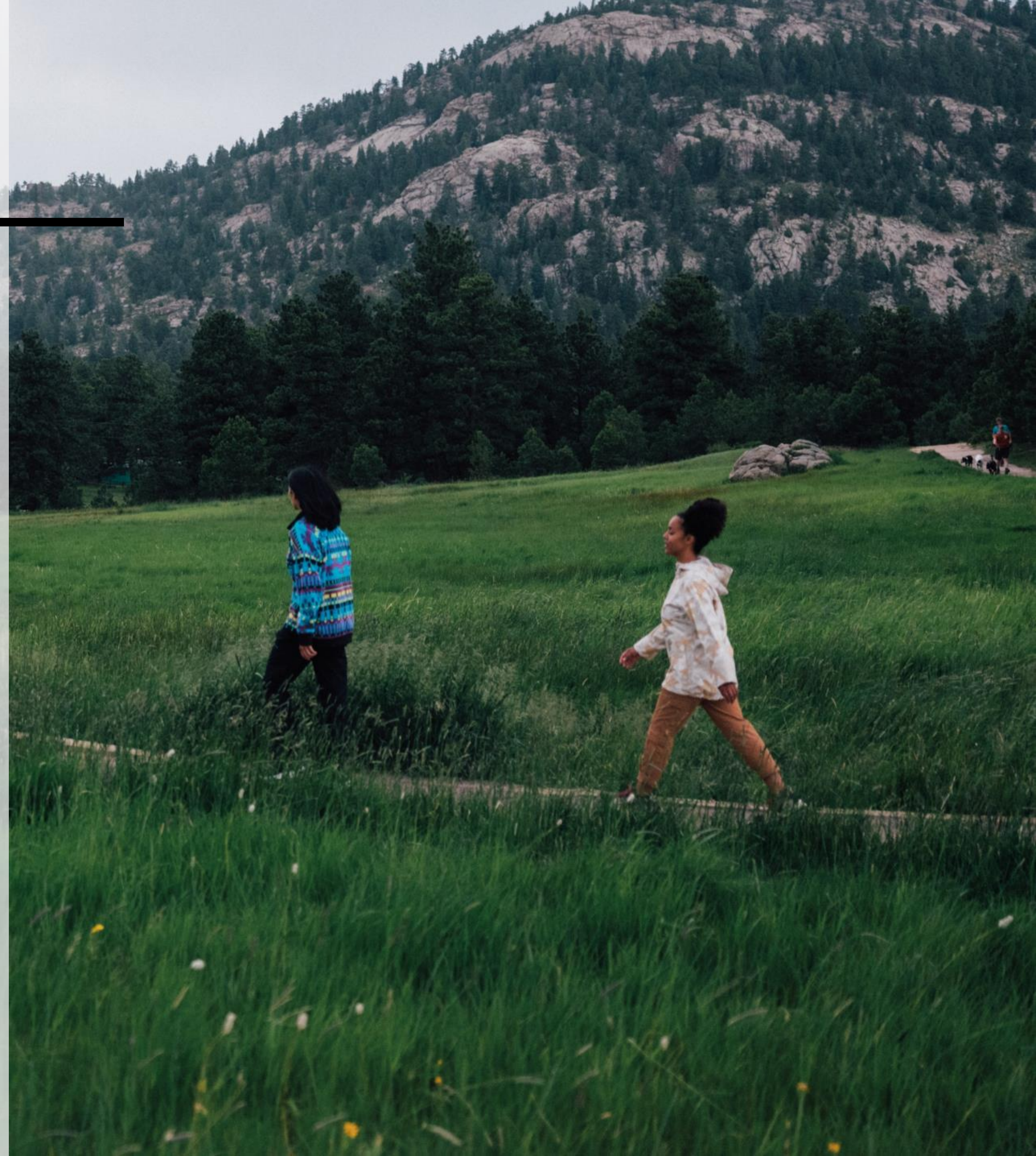
**8.8%**

Compared to (8.2)%

## DILUTED EPS

**\$1.44**

Compared to a loss of  
\$(0.76)





# FULL YEAR 2021 FINANCIAL OUTLOOK

Growth and percentage metrics are year-over-year metrics, comparing the full year 2021 financial outlook to full year 2020 results

## NET SALES

**\$3.13–\$3.16B**

**+25.0% to 26.5%**

## DILUTED EPS

**\$4.30– \$4.55**

**+165% to 181%**

The Company's 2021 Financial Outlook and the underlying assumptions are forward-looking in nature, and the forward-looking statements reflect our expectations as of August 2, 2021 and are subject to significant risks and business uncertainties, including those factors described under "Forward-Looking Statements" above. These risks and uncertainties limit our ability to accurately forecast results. This outlook and underlying assumptions reflect our estimates as of August 2, 2021 regarding the impact on our operations of the COVID-19 pandemic; economic conditions; supply chain disruptions, constraints and expenses; and consumer behavior and confidence; as well as geopolitical tensions. However, it is not possible to determine the ultimate impact of these items on our operations for 2021, or whether other currently unanticipated direct or indirect consequences of the COVID-19 pandemic are reasonably likely to materially affect our operations. This outlook assumes no meaningful deterioration of current supply chain or market conditions related to the ongoing pandemic. Projections are predicated on normal seasonal weather globally.



# CAPITAL ALLOCATION PRIORITIES

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

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

## INVEST IN ORGANIC GROWTH OPPORTUNITIES

TO DRIVE LONG-TERM PROFITABLE GROWTH

## RETURN AT LEAST 40% OF FREE CASH FLOW TO SHAREHOLDERS

THROUGH DIVIDENDS AND SHARE REPURCHASES

## OPPORTUNISTIC M&A





# S T R A T E G I C F O C U S

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# STRATEGIC PRIORITIES

WE ARE COMMITTED TO DRIVING SUSTAINABLE AND PROFITABLE LONG-TERM GROWTH AND INVESTING IN OUR STRATEGIC PRIORITIES TO:



DRIVE GLOBAL BRAND  
AWARENESS AND SALES  
GROWTH THROUGH  
INCREASED, FOCUSED **DEMAND  
CREATION** INVESTMENTS



ENHANCE **CONSUMER  
EXPERIENCE** AND **DIGITAL  
CAPABILITIES** IN ALL OF OUR  
CHANNELS AND  
GEOGRAPHIES



EXPAND AND IMPROVE  
**GLOBAL DTC** OPERATIONS  
WITH SUPPORTING PROCESSES  
AND SYSTEMS



INVEST IN OUR **PEOPLE** AND OPTIMIZE OUR ORGANIZATION ACROSS OUR PORTFOLIO OF BRANDS



# RECENT INITIATIVES

## CONSUMER-FIRST (“C1”)

During 2017, we commenced investment in our C1 initiative, which encompassed retail platform and information technology systems infrastructure to support the growth and continued development of our omnichannel capabilities. This initiative was consistent with our strategic priorities to deliver an enhanced consumer experience and to modernize and standardize our processes and systems to enable us to better anticipate and deliver against the needs of our consumers. In 2019, we rolled out the C1 platform to our North America stores for the Columbia, SOREL and Mountain Hardwear brands.



## EXPERIENCE-FIRST (“X1”)

During 2018, we commenced investment in our X1 initiative, which was designed to enhance our e-commerce systems to take advantage of the changes in consumer browsing and purchasing behavior towards mobile devices. It encompassed re-implementation of our e-commerce platforms to offer improved search, browsing, checkout, loyalty, and customer care experiences for mobile shoppers. In 2019, we implemented X1 across 10 countries in Europe-direct and for the prAna brand in the U.S. In 2020, we implemented X1 in North America for the Columbia, SOREL and Mountain Hardwear brands.







# A P P E N D I X

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# FIRST HALF 2021 CONSTANT-CURRENCY RECONCILIATION

**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
(In millions, except percentage changes)	2021	Translation	2021 <sup>(1)</sup>	2020	% Change	% Change <sup>(1)</sup>
<b>Geographical Net Sales:</b>						
United States . . . . .	\$ 787.7	\$ —	\$ 787.7	\$ 559.1	41%	41%
Latin America and Asia Pacific . . . . .	190.0	(9.6)	180.4	170.0	12%	6%
Europe, Middle East and Africa . . . . .	159.3	(8.3)	151.0	114.1	40%	32%
Canada . . . . .	55.0	(3.7)	51.3	41.6	32%	23%
Total . . . . .	<u>\$ 1,192.0</u>	<u>\$ (21.6)</u>	<u>\$ 1,170.4</u>	<u>\$ 884.8</u>	35%	32%
<b>Brand Net Sales:</b>						
Columbia . . . . .	\$ 1,011.7	\$ (20.2)	\$ 991.5	\$ 737.5	37%	34%
SOREL . . . . .	69.4	(0.9)	68.5	52.0	33%	32%
prAna . . . . .	71.2	—	71.2	64.2	11%	11%
Mountain Hardwear . . . . .	39.7	(0.5)	39.2	31.1	28%	26%
Total . . . . .	<u>\$ 1,192.0</u>	<u>\$ (21.6)</u>	<u>\$ 1,170.4</u>	<u>\$ 884.8</u>	35%	32%
<b>Product Category Net Sales:</b>						
Apparel, Accessories and Equipment . . . . .	\$ 922.0	\$ (14.7)	\$ 907.3	\$ 696.0	32%	30%
Footwear . . . . .	270.0	(6.9)	263.1	188.8	43%	39%
Total . . . . .	<u>\$ 1,192.0</u>	<u>\$ (21.6)</u>	<u>\$ 1,170.4</u>	<u>\$ 884.8</u>	35%	32%
<b>Channel Net Sales:</b>						
Wholesale . . . . .	\$ 637.7	\$ (12.5)	\$ 625.2	\$ 485.8	31%	29%
DTC . . . . .	554.3	(9.1)	545.2	399.0	39%	37%
Total . . . . .	<u>\$ 1,192.0</u>	<u>\$ (21.6)</u>	<u>\$ 1,170.4</u>	<u>\$ 884.8</u>	35%	32%

<sup>(1)</sup> Constant-currency net sales information is a non-GAAP financial measure that excludes the effect of changes in foreign currency exchange rates against the United States dollar between comparable reporting periods. 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.



# FIRST HALF FREE CASH FLOW RECONCILIATION

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**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>	Six Months Ended June 30,	
	2021	2020
Net cash provided by (used in) operating activities .....	\$ 117.2	\$ (37.3)
Capital expenditures .....	(12.4)	(21.0)
Free cash flow .....	<u>\$ 104.8</u>	<u>\$ (58.3)</u>