

March 13, 2025



# Ulta Beauty Announces Fourth Quarter Fiscal 2024 Results

**Net Sales of \$3.5 Billion Compared to \$3.6 Billion in the Year-Ago Quarter**

**Comparable Sales Increased 1.5%**

**Net Income of \$393.3 Million or \$8.46 Per Diluted Share**

BOLINGBROOK, Ill.--(BUSINESS WIRE)-- Ulta Beauty, Inc. (NASDAQ: ULTA) today announced financial results for the thirteen-week period ("fourth quarter") and fifty-two-week period ("fiscal year") ended February 1, 2025, compared to the comparable fourteen-week and fifty-three-week periods ended February 3, 2024, both of which contained one extra week ("53<sup>rd</sup> week").

|                                                     | 13 Weeks<br>Ended   | 14 Weeks<br>Ended   | 52 Weeks<br>Ended   | 53 Weeks<br>Ended   |
|-----------------------------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                                     | February 1,<br>2025 | February 3,<br>2024 | February 1,<br>2025 | February 3,<br>2024 |
| <b>(Dollars in millions, except per share data)</b> |                     |                     |                     |                     |
| Net sales                                           | \$ 3,487.6          | \$ 3,554.3          | \$ 11,295.7         | \$ 11,207.3         |
| Comparable sales (1)                                | 1.5%                | 2.5%                | 0.7%                | 5.7%                |
| Gross profit (as a percentage of net sales)         | 38.2%               | 37.7%               | 38.8%               | 39.1%               |
| Selling, general and administrative expenses        | \$ 815.6            | \$ 820.4            | \$ 2,808.6          | \$ 2,694.6          |
| Operating income (as a percentage of net sales)     | 14.8%               | 14.5%               | 13.9%               | 15.0%               |
| Diluted earnings per share                          | \$ 8.46             | \$ 8.08             | \$ 25.34            | \$ 26.03            |
| New store openings, net                             | 8                   | 11                  | 60                  | 30                  |

(1) Comparable sales are calculated based on the comparable number of weeks from the prior year.

"The Ulta Beauty team delivered stronger-than-expected revenue, profitability, and diluted EPS in the fourth quarter. I am incredibly proud of our team's collective impact on the business and the care they showed our guests throughout the holiday season, positioning us to finish fiscal 2024 ahead of our expectations," said Kecia Steelman, president and chief executive officer.

Steelman continued, "I am incredibly optimistic about the future of Ulta Beauty, as I believe we have the right elements to drive our success – a strong business model, an ambitious long-term plan, and passionate associates who bring our brand to life for our guests every day. Fiscal 2025 will be a pivotal year as we make purposeful investments to fuel our future growth and move quickly to optimize our business. While it will take time to see the impact of these efforts, we are confident these investments will help reignite our momentum and unlock sustained growth and long-term value for our shareholders."

**Fourth Quarter of Fiscal 2024 Compared to Fourth Quarter of Fiscal 2023**

- Net sales decreased 1.9% to \$3.5 billion compared to \$3.6 billion, primarily due to the benefit of an extra week of sales in fiscal 2023, partially offset by new store contribution and increased comparable sales. Net sales in the 53<sup>rd</sup> week of fiscal 2023 were approximately \$181.9 million.
- Comparable sales (sales for stores open at least 14 months and e-commerce sales) increased 1.5% compared to an increase of 2.5%, driven by a 3.0% increase in average ticket and a 1.4% decrease in transactions.
- Gross profit was \$1.33 billion compared to \$1.34 billion. As a percentage of net sales, gross profit increased to 38.2% compared to 37.7%, primarily due to lower inventory shrink, favorable channel mix, and higher merchandise margin, partially offset by higher supply chain costs, lower other revenue, and deleverage of store and supply chain fixed costs.
- Selling, general and administrative (SG&A) expenses were \$815.6 million compared to \$820.4 million. As a percentage of net sales, SG&A expenses increased to 23.4% compared to 23.1%, primarily due to deleverage of store payroll and benefits.
- Operating income was \$516.3 million, or 14.8% of net sales, compared to \$517.1 million, or 14.5% of net sales.
- The tax rate was 24.1% compared to 24.2%.
- Net income was \$393.3 million compared to \$394.4 million.
- Diluted earnings per share was \$8.46 compared to \$8.08, including a \$0.46 benefit due to the extra week of sales.

### **Full Year of Fiscal 2024 Compared to Full Year of Fiscal 2023**

- Net sales increased 0.8% to \$11.3 billion compared to \$11.2 billion, primarily due to new store contribution, partially offset by the benefit of the 53<sup>rd</sup> week of sales in fiscal 2023.
- Comparable sales increased 0.7% compared to an increase of 5.7%, driven by a 1.1% increase in average ticket and a 0.4% decrease in transactions.
- Gross profit was \$4.39 billion compared to \$4.38 billion. As a percentage of net sales, gross profit decreased to 38.8% compared to 39.1%, primarily due to lower merchandise margin, deleverage of store fixed costs, and higher supply chain costs, partially offset by lower inventory shrink and favorable channel mix.
- SG&A expenses were \$2.8 billion compared to \$2.7 billion. As a percentage of net sales, SG&A expenses increased to 24.9% compared to 24.0%, primarily due to deleverage of store payroll and benefits, corporate overhead due to strategic investments, and store expenses, partially offset by lower incentive compensation.
- Operating income was \$1.6 billion, or 13.9% of net sales, compared to \$1.7 billion, or 15.0% of net sales.
- The tax rate was 24.0% compared to 23.9%.
- Net income was \$1.2 billion compared to \$1.3 billion.
- Diluted earnings per share was \$25.34, including a \$0.10 benefit due to income tax accounting for stock-based compensation, compared to \$26.03, including a \$0.14 benefit due to income tax accounting for stock-based compensation and a \$0.46 benefit due to the extra week of sales.

### **Balance Sheet**

Cash and cash equivalents at the end of the fourth quarter of fiscal 2024 totaled \$703.2

million.

Merchandise inventories, net at the end of the fourth quarter of fiscal 2024 increased 13.0% to \$2.0 billion compared to \$1.7 billion at the end of the fourth quarter of fiscal 2023. The increase was primarily due to inventory to support new brand launches, intentional strategic investments to improve merchandise in-stocks in key categories post-holiday, and the addition of 60 net new stores since February 3, 2024.

As previously announced, during the third quarter of fiscal 2024, the Company borrowed \$199.7 million on its revolving credit facility to support ongoing capital allocation priorities, including share repurchases and capital expenditures, and merchandise inventory growth. During the fourth quarter of fiscal 2024, the Company repaid all amounts borrowed, together with interest due. At the end of the fourth quarter of fiscal 2024, the Company had no borrowings outstanding under the revolving credit facility.

### Share Repurchase Program

During the fourth quarter of fiscal 2024, the Company repurchased 620,053 shares of its common stock at a cost of \$249.5 million. During fiscal 2024, the Company repurchased 2.5 million shares of its common stock at a cost of \$1.0 billion. As of February 1, 2025, \$2.7 billion remained available under the \$3.0 billion share repurchase program announced in October 2024.

### Store Update

During the fourth quarter of fiscal 2024, the Company opened nine new stores, remodeled five stores, and closed one store. During fiscal 2024, the Company opened 66 new stores, relocated two stores, remodeled 41 stores, and closed six stores. At the end of the fourth quarter of fiscal 2024, the Company operated 1,445 stores totaling 15.1 million square feet.

### Fiscal 2025 Outlook

For fiscal 2025, the Company plans to:

|                                       | FY25 Outlook                     |
|---------------------------------------|----------------------------------|
| Net sales                             | \$11.5 billion to \$11.6 billion |
| Comparable sales                      | 0% to 1%                         |
| New stores, net                       | approximately 60                 |
| Remodel and relocation projects       | 40-45                            |
| Operating margin                      | 11.7% to 11.8%                   |
| Diluted earnings per share            | \$22.50 to \$22.90               |
| Share repurchases                     | approximately \$900 million      |
| Interest income                       | approximately \$6 million        |
| Effective tax rate                    | approximately 24.5%              |
| Capital expenditures                  | \$425 million to \$500 million   |
| Depreciation and amortization expense | \$290 million to \$300 million   |

### Conference Call Information

A conference call to discuss fourth quarter of fiscal 2024 results is scheduled for today, March 13, 2025 at 4:30 p.m. ET / 3:30 p.m. CT. Investors and analysts who are interested in participating in the call are invited to dial (877) 704-4453. Participants may also listen to a

real-time audio webcast of the conference call by visiting the Investor Relations section of the Company's website located at <https://www.ulta.com/investor>. A replay will be made available online approximately two hours following the live call for a period of 30 days.

## About Ulta Beauty

At Ulta Beauty (NASDAQ: ULTA), the possibilities are beautiful. Ulta Beauty is the largest specialty U.S. beauty retailer and the premier beauty destination for cosmetics, fragrance, skin care products, hair care products and salon services. In 1990, the Company reinvented the beauty retail experience by offering a new way to shop for beauty – bringing together All Things Beauty. All in One Place<sup>®</sup>. Today, Ulta Beauty operates 1,445 retail stores across 50 states and also distributes its products through its website, which includes a collection of tips, tutorials, and social content. For more information, visit [www.ulta.com](http://www.ulta.com).

## Forward-Looking Statements

*This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, which reflect the Company's current views with respect to, among other things, future events and financial performance. These statements can be identified by the use of forward-looking words such as "outlook," "believes," "expects," "plans," "estimates," "targets," "strategies" or other comparable words. Any forward-looking statements contained in this press release are based upon the Company's historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by the Company or any other person that the future plans, estimates, targets, strategies or expectations contemplated by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties, which include, without limitation:*

- macroeconomic conditions, including inflation and elevated interest rates, as well as prior labor, transportation, and shipping cost pressures, have had, and may continue to have, a negative impact on our business, financial condition, profitability, and cash flows (including future uncertain impacts);*
- changes in the overall level of consumer spending and volatility in the economy, including as a result of macroeconomic conditions and geopolitical events;*
- our ability to sustain our growth plans and successfully implement our long-range strategic and financial plan;*
- the ability to execute our operational excellence priorities, including continuous improvement and supply chain optimization;*
- our ability to gauge beauty trends and react to changing consumer preferences in a timely manner;*
- the possibility that we may be unable to compete effectively in our highly competitive markets;*
- the possibility of significant interruptions in the operations of our distribution centers, fast fulfillment centers, and market fulfillment centers;*
- the possibility that cybersecurity or information security breaches and other disruptions could compromise our information or result in the unauthorized disclosure of confidential information;*
- the possibility of material disruptions to our information systems, including our*

*Ulta.com website and mobile applications;*

- *the failure to maintain satisfactory compliance with applicable privacy and data protection laws and regulations;*
- *changes in the good relationships we have with our brand partners, our ability to continue to obtain sufficient merchandise from our brand partners, and/or our ability to continue to offer permanent or temporary exclusive products of our brand partners;*
- *our ability to effectively manage our inventory and protect against inventory shrink;*
- *changes in the wholesale cost of our products and/or interruptions at our brand partners' or third-party vendors' operations;*
- *epidemics, pandemics or natural disasters, which could negatively impact sales;*
- *the possibility that new store openings and existing locations may be impacted by developer or co-tenant issues;*
- *our ability to attract and retain key executive personnel;*
- *the impact of climate change on our business operations and/or supply chain;*
- *our ability to successfully execute our common stock repurchase program or implement future common stock repurchase programs;*
- *a decline in operating results which could lead to asset impairment and store closure charges; and*
- *other risk factors detailed in the Company's public filings with the Securities and Exchange Commission (the SEC), including risk factors contained in its Annual Report on Form 10-K for the fiscal year ended February 3, 2024, as such may be amended or supplemented in its subsequently filed Quarterly Reports on Form 10-Q.*

*The Company's filings with the SEC are available at [www.sec.gov](http://www.sec.gov). Except to the extent required by the federal securities laws, the Company does not undertake to publicly update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.*

**Ulta Beauty, Inc.**  
**Consolidated Statements of Income**  
(In thousands, except per share data)

|                                              | 13 Weeks Ended      |        | 14 Weeks Ended      |        |
|----------------------------------------------|---------------------|--------|---------------------|--------|
|                                              | February 1,<br>2025 |        | February 3,<br>2024 |        |
|                                              | (Unaudited)         |        | (Unaudited)         |        |
| Net sales                                    | \$ 3,487,619        | 100.0% | \$ 3,554,298        | 100.0% |
| Cost of sales                                | 2,153,967           | 61.8%  | 2,213,734           | 62.3%  |
| Gross profit                                 | 1,333,652           | 38.2%  | 1,340,564           | 37.7%  |
| Selling, general and administrative expenses | 815,599             | 23.4%  | 820,360             | 23.1%  |
| Pre-opening expenses                         | 1,732               | 0.0%   | 3,114               | 0.1%   |
| Operating income                             | 516,321             | 14.8%  | 517,090             | 14.5%  |
| Interest income, net                         | (1,994)             | (0.1%) | (3,328)             | (0.1%) |
| Income before income taxes                   | 518,315             | 14.9%  | 520,418             | 14.6%  |
| Income tax expense                           | 125,045             | 3.6%   | 126,049             | 3.5%   |
| Net income                                   | \$ 393,270          | 11.3%  | \$ 394,369          | 11.1%  |
| Net income per common share:                 |                     |        |                     |        |
| Basic                                        | \$ 8.50             |        | \$ 8.13             |        |
| Diluted                                      | \$ 8.46             |        | \$ 8.08             |        |
| Weighted average common shares outstanding:  |                     |        |                     |        |
| Basic                                        | 46,270              |        | 48,500              |        |
| Diluted                                      | 46,476              |        | 48,795              |        |

**Ulta Beauty, Inc.**  
**Consolidated Statements of Income**  
(In thousands, except per share data)

|                                              | 52 Weeks Ended      |        | 53 Weeks Ended      |        |
|----------------------------------------------|---------------------|--------|---------------------|--------|
|                                              | February 1,<br>2025 |        | February 3,<br>2024 |        |
|                                              | (Unaudited)         |        | (Unaudited)         |        |
| Net sales                                    | \$ 11,295,654       | 100.0% | \$ 11,207,303       | 100.0% |
| Cost of sales                                | 6,908,401           | 61.2%  | 6,826,203           | 60.9%  |
| Gross profit                                 | 4,387,253           | 38.8%  | 4,381,100           | 39.1%  |
| Selling, general and administrative expenses | 2,808,592           | 24.9%  | 2,694,561           | 24.0%  |
| Pre-opening expenses                         | 13,689              | 0.1%   | 8,510               | 0.1%   |
| Operating income                             | 1,564,972           | 13.9%  | 1,678,029           | 15.0%  |
| Interest income, net                         | (15,094)            | (0.1%) | (17,622)            | (0.2%) |
| Income before income taxes                   | 1,580,066           | 14.0%  | 1,695,651           | 15.1%  |
| Income tax expense                           | 378,948             | 3.4%   | 404,646             | 3.6%   |
| Net income                                   | \$ 1,201,118        | 10.6%  | \$ 1,291,005        | 11.5%  |
| Net income per common share:                 |                     |        |                     |        |
| Basic                                        | \$ 25.44            |        | \$ 26.18            |        |
| Diluted                                      | \$ 25.34            |        | \$ 26.03            |        |
| Weighted average common shares outstanding:  |                     |        |                     |        |
| Basic                                        | 47,207              |        | 49,304              |        |
| Diluted                                      | 47,404              |        | 49,596              |        |

**Ulta Beauty, Inc.**  
**Condensed Consolidated Balance Sheets**  
(In thousands)

|                                             | February 1,<br>2025<br>(Unaudited) | February 3,<br>2024 |
|---------------------------------------------|------------------------------------|---------------------|
| <b>Assets</b>                               |                                    |                     |
| Current assets:                             |                                    |                     |
| Cash and cash equivalents                   | \$ 703,201                         | \$ 766,594          |
| Receivables, net                            | 223,334                            | 207,939             |
| Merchandise inventories, net                | 1,968,214                          | 1,742,136           |
| Prepaid expenses and other current assets   | 129,113                            | 115,598             |
| Prepaid income taxes                        | 4,946                              | 4,251               |
| Total current assets                        | 3,028,808                          | 2,836,518           |
| Property and equipment, net                 | 1,239,295                          | 1,182,335           |
| Operating lease assets                      | 1,609,870                          | 1,574,530           |
| Goodwill                                    | 10,870                             | 10,870              |
| Other intangible assets, net                | 204                                | 510                 |
| Deferred compensation plan assets           | 47,951                             | 43,516              |
| Other long-term assets                      | 64,695                             | 58,732              |
| Total assets                                | <u>\$ 6,001,693</u>                | <u>\$ 5,707,011</u> |
| <b>Liabilities and stockholders' equity</b> |                                    |                     |
| Current liabilities:                        |                                    |                     |
| Accounts payable                            | \$ 563,761                         | \$ 544,001          |
| Accrued liabilities                         | 380,241                            | 382,468             |
| Deferred revenue                            | 500,585                            | 436,591             |
| Current operating lease liabilities         | 288,114                            | 283,821             |
| Accrued income taxes                        | 46,777                             | 11,310              |
| Total current liabilities                   | 1,779,478                          | 1,658,191           |
| Non-current operating lease liabilities     | 1,635,120                          | 1,627,271           |
| Deferred income taxes                       | 42,593                             | 85,921              |
| Other long-term liabilities                 | 56,149                             | 56,300              |
| Total liabilities                           | 3,513,340                          | 3,427,683           |
| Commitments and contingencies               |                                    |                     |
| Total stockholders' equity                  | 2,488,353                          | 2,279,328           |
| Total liabilities and stockholders' equity  | <u>\$ 6,001,693</u>                | <u>\$ 5,707,011</u> |

**Ulta Beauty, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)

|                                                                                   | 52 Weeks<br>Ended<br>February 1,<br>2025<br>(Unaudited) | 53 Weeks<br>Ended<br>February 3,<br>2024 |
|-----------------------------------------------------------------------------------|---------------------------------------------------------|------------------------------------------|
| <b>Operating activities</b>                                                       |                                                         |                                          |
| Net income                                                                        | \$ 1,201,118                                            | \$ 1,291,005                             |
| Adjustments to reconcile net income to net cash provided by operating activities: |                                                         |                                          |
| Depreciation and amortization                                                     | 267,042                                                 | 243,840                                  |
| Non-cash lease expense                                                            | 310,636                                                 | 332,754                                  |
| Deferred income taxes                                                             | (43,328)                                                | 30,575                                   |
| Stock-based compensation expense                                                  | 42,787                                                  | 48,246                                   |
| Loss on disposal of property and equipment                                        | 11,566                                                  | 11,419                                   |
| Change in operating assets and liabilities:                                       |                                                         |                                          |
| Receivables                                                                       | (15,395)                                                | (8,517)                                  |
| Merchandise inventories                                                           | (226,078)                                               | (138,685)                                |
| Prepaid expenses and other current assets                                         | (13,515)                                                | 14,648                                   |
| Income taxes                                                                      | 34,772                                                  | 45,367                                   |
| Accounts payable                                                                  | 30,297                                                  | (20,873)                                 |
| Accrued liabilities                                                               | 6,303                                                   | (62,238)                                 |
| Deferred revenue                                                                  | 63,994                                                  | 41,914                                   |
| Operating lease liabilities                                                       | (333,835)                                               | (338,105)                                |
| Other assets and liabilities                                                      | 2,241                                                   | (15,084)                                 |
| Net cash provided by operating activities                                         | 1,338,605                                               | 1,476,266                                |
| <b>Investing activities</b>                                                       |                                                         |                                          |
| Capital expenditures                                                              | (374,458)                                               | (435,267)                                |
| Other investments                                                                 | (8,631)                                                 | (6,158)                                  |
| Net cash used in investing activities                                             | (383,089)                                               | (441,425)                                |
| <b>Financing activities</b>                                                       |                                                         |                                          |
| Borrowings from credit facility                                                   | 199,700                                                 | 195,400                                  |
| Payments on credit facility                                                       | (199,700)                                               | (195,400)                                |
| Repurchase of common shares                                                       | (1,003,328)                                             | (995,738)                                |
| Stock options exercised                                                           | 12,339                                                  | 12,176                                   |
| Purchase of treasury shares                                                       | (23,761)                                                | (22,562)                                 |
| Debt issuance costs                                                               | (4,159)                                                 | —                                        |
| Net cash used in financing activities                                             | (1,018,909)                                             | (1,006,124)                              |
| Net decrease in cash and cash equivalents                                         | (63,393)                                                | 28,717                                   |
| Cash and cash equivalents at beginning of year                                    | 766,594                                                 | 737,877                                  |
| Cash and cash equivalents at end of year                                          | \$ 703,201                                              | \$ 766,594                               |

**Ulta Beauty, Inc.**  
**Store Update**

| <b>Fiscal 2024</b>      | Total stores open<br>at beginning of<br>the<br>quarter | Number of stores<br>opened during the<br>quarter | Number of stores<br>closed during the<br>quarter | Total stores<br>open at<br>end of the quarter |
|-------------------------|--------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|-----------------------------------------------|
| 1 <sup>st</sup> Quarter | 1,385                                                  | 12                                               | 2                                                | 1,395                                         |
| 2 <sup>nd</sup> Quarter | 1,395                                                  | 17                                               | 1                                                | 1,411                                         |
| 3 <sup>rd</sup> Quarter | 1,411                                                  | 28                                               | 2                                                | 1,437                                         |
| 4 <sup>th</sup> Quarter | 1,437                                                  | 9                                                | 1                                                | 1,445                                         |



| Fiscal 2024             | Gross square feet for                               |                                              | Gross square feet for            | Total gross square         |
|-------------------------|-----------------------------------------------------|----------------------------------------------|----------------------------------|----------------------------|
|                         | Total gross square feet at beginning of the quarter | stores opened or expanded during the quarter | stores closed during the quarter | feet at end of the quarter |
| 1 <sup>st</sup> Quarter | 14,515,593                                          | 114,786                                      | 15,615                           | 14,614,764                 |
| 2 <sup>nd</sup> Quarter | 14,614,764                                          | 178,624                                      | 10,800                           | 14,782,588                 |
| 3 <sup>rd</sup> Quarter | 14,782,588                                          | 258,320                                      | 20,083                           | 15,020,825                 |
| 4 <sup>th</sup> Quarter | 15,020,825                                          | 100,693                                      | 11,348                           | 15,110,170                 |

Exhibit 6

**Ulta Beauty, Inc.  
Sales by Category**

The following tables set forth the approximate percentage of net sales by primary category:

|           | <b>13 Weeks Ended</b>   | <b>14 Weeks Ended</b>   |
|-----------|-------------------------|-------------------------|
|           | <b>February 1, 2025</b> | <b>February 3, 2024</b> |
| Cosmetics | 36%                     | 39%                     |
| Skincare  | 23%                     | 22%                     |
| Haircare  | 19%                     | 19%                     |
| Fragrance | 17%                     | 15%                     |
| Services  | 3%                      | 3%                      |
| Other     | 2%                      | 2%                      |
|           | 100%                    | 100%                    |

  

|           | <b>52 Weeks Ended</b>   | <b>53 Weeks Ended</b>   |
|-----------|-------------------------|-------------------------|
|           | <b>February 1, 2025</b> | <b>February 3, 2024</b> |
| Cosmetics | 39%                     | 41%                     |
| Skincare  | 23%                     | 22%                     |
| Haircare  | 19%                     | 20%                     |
| Fragrance | 13%                     | 11%                     |
| Services  | 4%                      | 4%                      |
| Other     | 2%                      | 2%                      |
|           | 100%                    | 100%                    |

Certain sales departments were reclassified between categories in the prior year to conform to current year presentation, including moving the bath category from Fragrance to Skincare.

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