

March 30, 2020



Ulta Beauty Shares COVID-19-Related Business Update

BOLINGBROOK, III.--(BUSINESS WIRE)-- Ulta Beauty, Inc. (NASDAQ: ULTA) today announced updates to its operations in response to the continued efforts to contain the COVID-19 pandemic.

As COVID-19 continues to spread throughout the U.S., Ulta Beauty remains committed to taking responsible actions to safeguard its associates, guests and the communities the Company serves. As a precautionary measure, the Company has decided that all Ulta Beauty stores will remain temporarily closed until it is safe to reopen. The Company will continue to consider available guidance provided by federal, state, and local government and health officials when making decisions to reopen stores. All guests can continue to shop through the Ulta Beauty app or visit ulta.com.

"We appreciate the flexibility, collaboration and understanding our associates have displayed during this uncertain time," said Mary Dillon, chief executive officer. "We understand the direct impact these difficult, yet important decisions have on everyone. As such, we remain committed to paying our store and salon associates through mid-April and providing benefits for those who are currently enrolled. We will continue to evaluate the impact of COVID-19 in real-time, including recent legislation such as the CARES Act, should re-openings be further delayed."

Associates working in Ulta Beauty distribution centers are continuing operations to support the Company's essential ecommerce business. In gratitude for their continued commitment, the Company is providing associates actively working at the distribution centers a \$2-per-hour wage premium. To continue to protect associates in its distribution centers, the Company has elevated its already high levels of maximum sanitation and safety inclusive of social distancing and increased cleaning protocols in alignment with CDC guidelines.

"As we vigilantly track this situation, we are preparing next steps with careful considerations and optimism for the time when we can safely bring our store and salon associates back together and invite guests back to Ulta Beauty," continued Dillon.

About Ulta Beauty

At Ulta Beauty (NASDAQ: ULTA), the possibilities are beautiful. Ulta Beauty is the largest 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. Today, Ulta Beauty has grown to become the top national retailer offering the complete beauty experience.

Ulta Beauty brings possibilities to life through the power of beauty each and every day in our stores and online with more than 25,000 products from approximately 500 well-established and emerging beauty brands across all categories and price points, including Ulta Beauty's own private label. Ulta Beauty also offers a full-service salon in every store featuring hair, skin, brow, and make-up services.

Ulta Beauty is recognized for its commitment to personalized service, fun and inviting stores and our industry-leading Ultimate Rewards loyalty program. As of February 1, 2020, Ulta Beauty operates 1,254 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.

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 our current views with respect to, among other things, future events and financial performance. You can identify these forward-looking statements 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 our historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates, targets, strategies or expectations contemplated by us will be achieved. Such forward-looking statements are subject to various risks and uncertainties, which include, without limitation:

- *The uncertain negative impacts the coronavirus (COVID-19) will have on our business, financial condition, profitability, cash flows and supply chain, as well as consumer spending;*
- *epidemics, pandemics like COVID-19 or natural disasters that could negatively impact sales;*
- *changes in the overall level of consumer spending and volatility in the economy;*
- *our ability to sustain our growth plans and successfully implement our long-range strategic and financial plan;*
- *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;*
- *our ability to execute our Efficiencies for Growth cost optimization program;*
- *the possibility that cybersecurity 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;*
- *the possibility that the capacity of our distribution and order fulfillment infrastructure and the performance of our newly opened and to be opened distribution centers may not be adequate to support our recent growth and expected future growth plans;*
- *changes in the wholesale cost of our products;*
- *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;*
- *our ability to successfully execute our common stock repurchase program or implement future common stock repurchase programs; and*
- *other risk factors detailed in our public filings with the Securities and Exchange Commission (the SEC), including risk factors contained in our Annual Report on Form 10-K for the year ended February 1, 2020, as such may be amended or supplemented in our subsequently filed Quarterly Reports on Form 10-Q.*

Our filings with the SEC are available at 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.

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20200330005118/en/>

Investor Contacts:

Kiley Rawlins, CFA

Vice President, Investor Relations

krawlins@ulta.com

(331) 757-2206

Patrick Flaherty

Senior Manager, Investor Relations

pflaherty@ulta.com

(331) 253-3521

Media Contact:

Eileen Ziesemer

Vice President, Public Relations

eziesemer@ulta.com

(708) 305-4479

Source: Ulta Beauty, Inc.