

Bath & Body Works®

**Fourth Quarter Earnings
Supplemental Material
February 23, 2023**

Forward-Looking Statements

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

We caution that any forward-looking statements (as such term is defined in the Private Securities Litigation Reform Act of 1995) contained in this presentation or made by our company or our management involve risks and uncertainties and are subject to change based on various factors, many of which are beyond our control. Accordingly, our future performance and financial results may differ materially from those expressed or implied in any such forward-looking statements. Words such as “estimate,” “project,” “plan,” “believe,” “expect,” “anticipate,” “intend,” “planned,” “potential,” “target,” “goal,” and any similar expressions may identify forward-looking statements. Risks associated with the following factors, among others, in some cases have affected and in the future could affect our financial performance and actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements included in this presentation or otherwise made by our company or our management:

- general economic conditions, inflation, consumer confidence, consumer spending patterns and market disruptions including pandemics or significant health hazards, severe weather conditions, natural disasters, terrorist activities, financial crises, political crises or other major events, or the prospect of these events;
- the COVID-19 pandemic has had and may continue to have an adverse effect on our business and results of operations;
- the seasonality of our business;
- the anticipated benefits from the Victoria's Secret & Co. spin-off may not be realized;
- the spin-off of Victoria's Secret & Co. may not be tax-free for U.S. federal income tax purposes;
- our dependence on Victoria's Secret & Co. for information technology services;
- difficulties arising from turnover in company leadership or other key positions;
- our ability to attract, develop and retain qualified associates and manage labor-related costs;
- the dependence on store traffic and the availability of suitable store locations on appropriate terms;
- our continued growth in part through new store openings and existing store remodels and expansions;
- our ability to successfully operate and expand internationally and related risks;
- our independent franchise, license and wholesale partners;
- our direct channel business;
- our ability to protect our reputation and our brand image;
- our ability to successfully complete environmental, social and governance initiatives, and associated costs thereof;
- our ability to successfully achieve expected annual cost savings in connection with our enterprise-wide effort to reduce expenses and improve operating efficiency in the business;
- our ability to attract customers with marketing, advertising and promotional programs;
- our ability to maintain, enforce and protect our trade names, trademarks and patents;
- the highly competitive nature of the retail industry and the segments in which we operate;
- consumer acceptance of our products and our ability to manage the life cycle of our brands, develop new merchandise and launch new product lines successfully;
- our ability to source, distribute and sell goods and materials on a global basis, including risks related to:
 - political instability, wars and other armed conflicts, environmental hazards or natural disasters;
 - significant health hazards or pandemics, which could result in closed factories and/or stores, reduced workforces, scarcity of raw materials, and scrutiny or embargoing of goods produced in impacted areas;
 - duties, taxes and other charges;
 - legal and regulatory matters;
 - volatility in currency exchange rates;
 - local business practices and political issues;
 - delays or disruptions in shipping and transportation and related pricing impacts;
 - disruption due to labor disputes; and
 - changing expectations regarding product safety due to new legislation;

Forward-Looking Statements

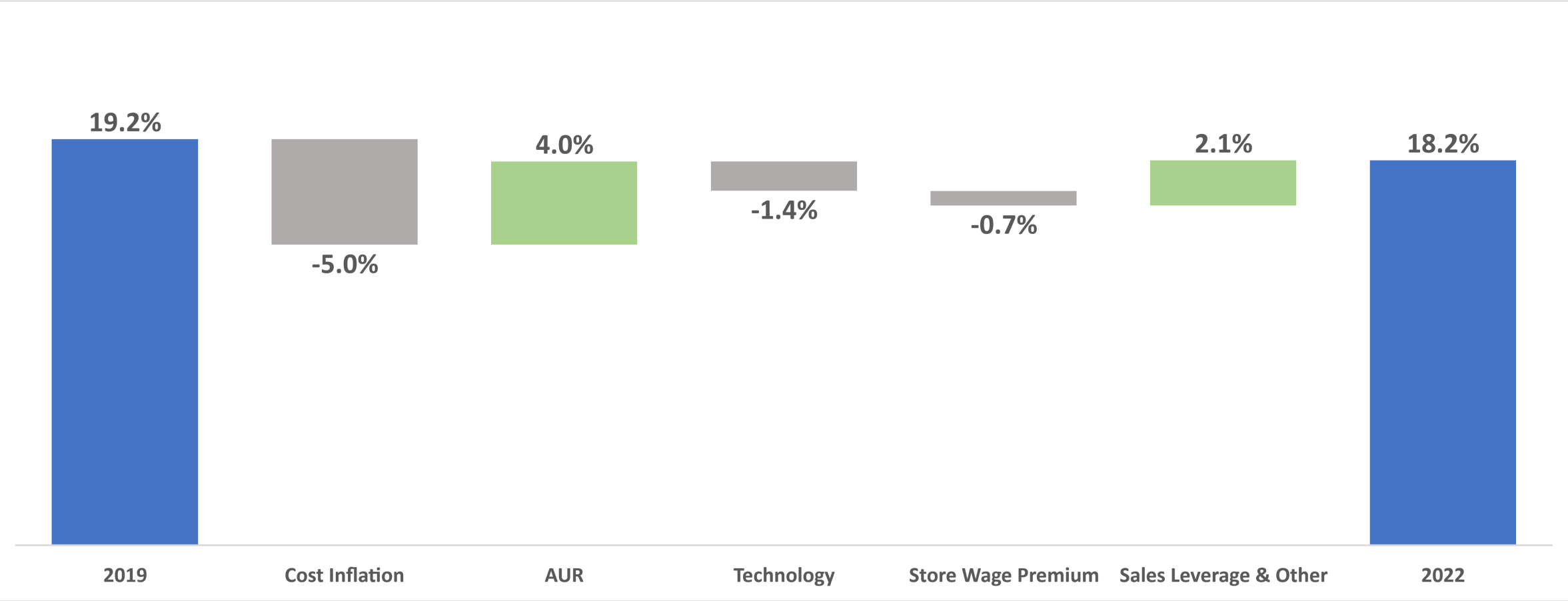
- our geographic concentration of vendor and distribution facilities in central Ohio;
- our reliance on a limited number of suppliers to support a substantial portion of our inventory purchasing needs;
- the ability of our vendors to deliver products in a timely manner, meet quality standards and comply with applicable laws and regulations;
- fluctuations in foreign currency exchange rates;
- fluctuations in product input costs;
- fluctuations in energy costs;
- our ability to adequately protect our assets from loss and theft;
- increases in the costs of mailing, paper, printing or other order fulfillment logistics;
- claims arising from our self-insurance;
- our and our third-party service providers', including Victoria's Secret & Co. during the term of the Transition Services Agreement between us and Victoria's Secret & Co., ability to implement and maintain information technology systems and to protect associated data;
- our ability to maintain the security of customer, associate, third-party and company information;
- stock price volatility;
- our ability to pay dividends and make share repurchases under share repurchase authorizations;
- shareholder activism matters;
- our ability to maintain our credit ratings;
- our ability to service or refinance our debt and maintain compliance with our restrictive covenants;
- the impact of the transition from London Interbank Offered Rate and our ability to adequately manage such transition;
- our ability to comply with laws, regulations and technology platform rules or other obligations related to data privacy and security;
- our ability to comply with regulatory requirements;
- legal and compliance matters; and
- tax, trade and other regulatory matters.

We are not under any obligation and do not intend to make publicly available any update or other revisions to any of the forward-looking statements contained in this presentation to reflect circumstances existing after the date of this presentation or to reflect the occurrence of future events even if experience or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized. Additional information regarding these and other factors can be found in "Item 1A. Risk Factors" in our 2021 Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, and our subsequent filings.

2023 Outlook as of February 23, 2023

Metric	First Quarter 2023	Full Year 2023
Sales	Down low- to mid-single digit	Flat to down mid-single digits
Gross Margin Rate	Approximately 41%	Approximately 42%
SG&A Expense Rate	Approximately 30%	Approximately 26%
Net Non-Operating Expense	Approximately \$80 million	Approximately \$320 million
Tax Rate (before discrete items)	Approximately 27%	Approximately 26%
Weighted Average Diluted Shares Outstanding	Approximately 230 million	Approximately 231 million
Earnings from Continuing Operations per Diluted Share	Between \$0.17 and \$0.27	Between \$2.50 and \$3.00
Capital Expenditures	N/A	Approximately \$300 to \$350 million
Free Cash Flow (Net Cash Provided by Operating Activities minus Capital Expenditures)	N/A	Between \$600 to \$700 million

2019 to 2022 Operating Income Margin Walk



2022 v 2019 General, Administrative and Store Operating Expenses Summary

\$ in millions

	2022									
	Q1		Q2		Q3		Q4		Full-Year	
	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales
Selling Expenses	\$ 245	16.9%	\$ 269	16.6%	\$ 300	18.7%	\$ 391	13.5%	\$ 1,205	15.9%
Home Office & Marketing Expenses	143	9.9%	149	9.2%	176	11.0%	206	7.1%	674	8.9%
Total	\$ 389	26.8%	\$ 418	25.8%	\$ 476	29.7%	\$ 597	20.7%	\$ 1,879	24.9%
Net Sales	\$ 1,450		\$ 1,618		\$ 1,604		\$ 2,889		\$ 7,560	
	2019									
	Q1		Q2		Q3		Q4		Full-Year	
	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales
Selling Expenses	\$ 165	17.2%	\$ 189	17.0%	\$ 200	18.2%	\$ 287	12.9%	\$ 842	15.6%
Home Office & Marketing Expenses	111	11.6%	124	11.1%	115	10.5%	156	7.0%	506	9.4%
Total	\$ 276	28.8%	\$ 313	28.0%	\$ 315	28.7%	\$ 443	19.9%	\$ 1,347	24.9%
Net Sales	\$ 958		\$ 1,117		\$ 1,099		\$ 2,231		\$ 5,405	
	Change									
	Q1		Q2		Q3		Q4		Full-Year	
	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales	\$s	% Net Sales
Selling Expenses	\$ 81	-0.2%	\$ 79	-0.3%	\$ 99	0.5%	\$ 104	0.7%	\$ 363	0.4%
Home Office & Marketing Expenses	32	-1.7%	25	-1.9%	61	0.5%	50	0.1%	168	-0.4%
Total	\$ 113	-2.0%	\$ 104	-2.2%	\$ 161	1.0%	\$ 154	0.8%	\$ 532	-0.1%

Company-Operated Store Count and Selling Square Feet – 2022 Actuals

	Beginning of Year	New Stores	Closures	Total Reconstructions and Change in SSF	End of Year	Increase	
Bath & Body Works							
Bath & Body Works - U.S.							
Store Count	1,651	90	(48)	39	1,693	42	3%
Selling Sq Ft 000's	4,485	281	(103)	50	4,712	228	5%
Bath & Body Works - Canada							
Store Count	104	5	-	10	109	5	5%
Selling Sq Ft 000's	270	17	-	10	297	27	10%
Total BBW Company - Operated							
Store Count	1,755	95	(48)	49	1,802	47	3%
Selling Sq Ft 000's	4,755	297	(103)	60	5,009	254	5%

Company-Operated Store Count and Selling Square Feet – 2023 Forecast

	Beginning of Year	New Stores	Closures	Total Reconstructions and Change in SSF	End of Year	Increase	
Bath & Body Works							
Bath & Body Works - U.S.							
Store Count	1,693	89	(39) to (49)	19	1,733 to 1,743	40 to 50	2% to 3%
Selling Sq Ft 000's	4,712	273	(85) to (106)	29	4,908 to 4,930	195 to 217	4% to 5%
Bath & Body Works - Canada							
Store Count	109	2	(1)	6	110	1	1%
Selling Sq Ft 000's	297	8	(3)	9	310	13	5%
Total BBW Company - Operated							
Store Count	1,802	91	(40) to (50)	25	1,843 to 1,853	41 to 51	2% to 3%
Selling Sq Ft 000's	5,009	281	(87) to (109)	37	5,218 to 5,240	209 to 231	4% to 5%

International Store Count – 2022 Actuals

	<u>Beginning of Year</u>	<u>New Stores</u>	<u>Closures</u>	<u>End of Year</u>
<u>Bath & Body Works International</u>				
<u>Partner - Operated Stores</u>				
International	317	89	(5)	401
International - Travel Retail	21	6	(1)	26
Total International	<u>338</u>	<u>95</u>	<u>(6)</u>	<u>427</u>

International Store Count – 2023 Forecast

	<u>Beginning of Year</u>	<u>New Stores</u>	<u>Closures</u>	<u>End of Year</u>
<u>Bath & Body Works International</u>				
<u>Partner - Operated Stores</u>				
International	401	60 to 82	(3 to 6)	455 to 480
International - Travel Retail	26	0 to 4	(0 to 1)	25 to 30
Total International	<u>427</u>	<u>60 to 86</u>	<u>(3 to 7)</u>	<u>480 to 510</u>