

Bath & Body Works®

Investor Presentation

November 2022



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” 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 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 brand, 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.

Bath & Body Works at a Glance

#1

Specialty Home Fragrance
& Fragrant Body Care
in America

\$7.9B

2021 Net Sales¹

15%

Revenue Growth
(5 Year CAGR)²

23.4%

Average Company Adjusted
Operating Income Rate (continuing
operations) over 3 Years

24%

of Sales via Digital Platforms

60M

Customers³

>1,750

Stores Across the U.S.
and Canada

~340

International Franchise Locations

¹2021 Net Sales – Results for Bath & Body Works, Inc. continuing operations only.

²Excludes results from previously divested brands (including Victoria's Secret, La Senza and Henri Bendel).

³Customer count based on identified transactions FY 2021.

Note: Results for Bath & Body Works, Inc. continuing operations only. Refer to appendix for reconciliation of reported to adjusted results.

Why Bath & Body Works?



Market leader in product categories with loyal and large customer base



Ongoing newness in existing categories, expanding in new product categories and geographies



Strong product innovation and development capabilities



Consistent history of growth with strong cash flow



Mostly domestic and highly agile supply chain



Deep and experienced management team



Uniquely Differentiated Versus Competition

We Are Positioned at the Crossroads of Best-in-Class Vertical Retailer and CPG Business

Attributes	Bath & Body Works	CPG Company	Best-in-Class Vertical Retailer
Control channels of distribution (stores and digital)	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Frequent newness and product launches - website and floorsets change every 4-6 weeks	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Emotional connection between brand and customers	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
High "giftability" of products	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Passionate, knowledgeable sales associates; fun, engaging store experience	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Control innovation of product assortment, informed by global patterning and partnership with fragrance houses	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Replenishment-like qualities / Repeat business	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Consistent traffic driven by every day, "use-up" categories	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Vertically integrated supply chain management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

The Premier Specialty Fragrance Retailer

Bath & Body Works Operates Across Growing Product Categories



■ Home Fragrance ■ Body Care & Fragrance
■ Soaps & Sanitizers

Bath & Body Works®

Category Dominant



Home Fragrance
~45%



Body Care & Fragrance
~35%



Soaps & Sanitizers
~15%

Results for Bath & Body Works, Inc. continuing operations only as of year-end fiscal 2021.
Gifting, accessories and other represents remaining 5%

Bath & Body Works is a Clear Leader in Fragrant Body Care and Home Fragrance Products

Bath & Body Works®

#1 brand in...

Kline, Global Data, IRI, NPD, Euromonitor, LB Actuals; Reflects 2020 US Sales Only

Fine Fragrance Mist



Body Lotion



Body Cream



Candles



Electric Diffuser



Liquid Hand Soap



Hand Sanitizer



Our Customer at a Glance

“ I always love coming in to see and smell what’s new. Bath & Body Works is one of the most fun places to come and just see what’s new because there’s always so much to choose from. ” — Bath & Body Works customer

60M

Customers (as of Q4 2021)

>80%

Brand Awareness of Women
18-59 Years Old; ~60% Awareness
among Men in Same Cohort

#1

Consumer Products Brand for Gen Z
Women¹

~40%

of Women 18-59 Years Old Shop
at Bath & Body Works

~\$118

Annual Spend per Customer

~3

Average Customer
Purchases per Year

~\$41

Average Customer
Spend per Visit

~7

Units Purchased per Visit

Customer Loyalty Program

*my*Bath&BodyWorks®

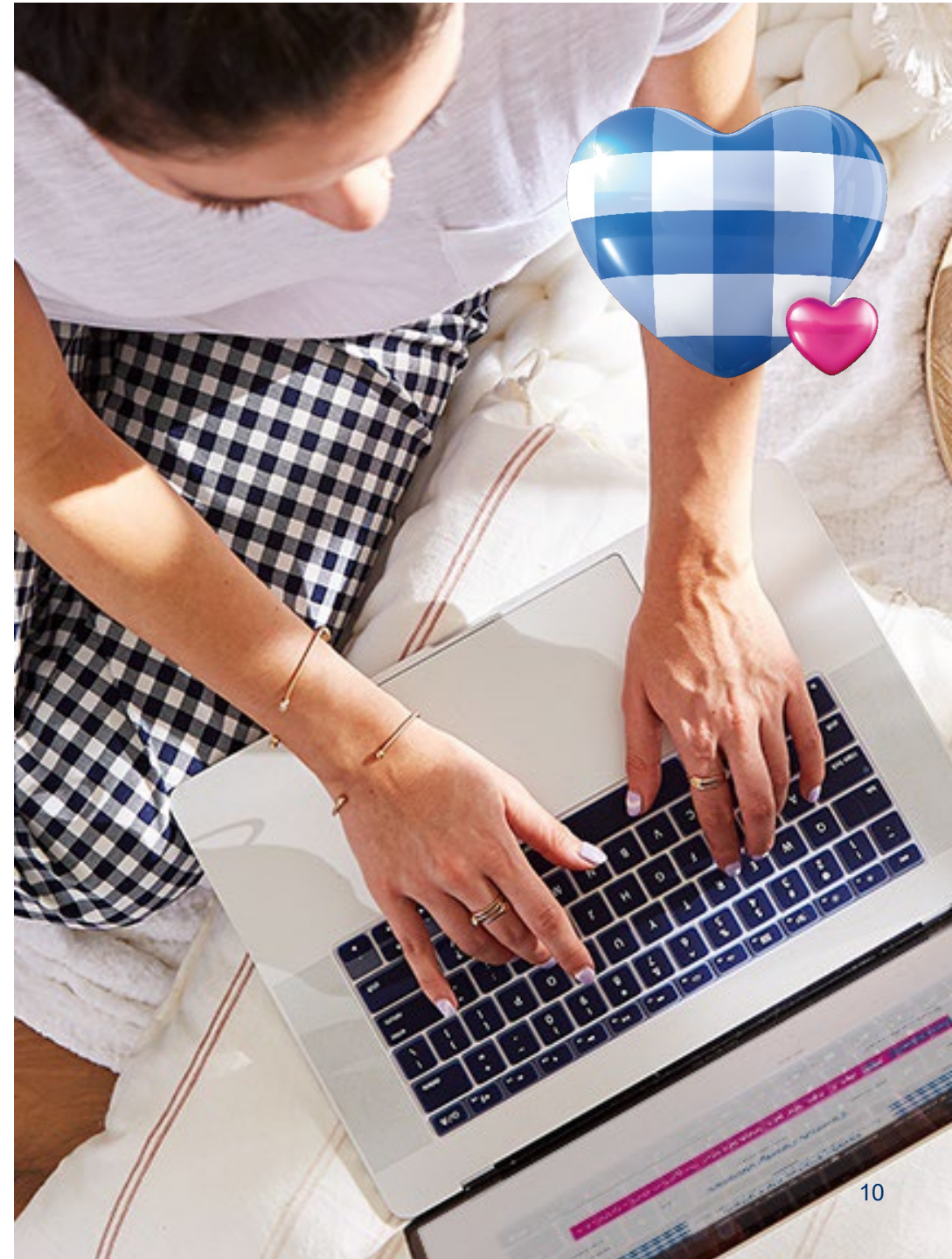
Higher levels of spend and retention

- Launched pilot into four markets
- Expanded into three additional markets in Fall 2021
- National rollout on August 22, 2022

“ I love that I’m rewarded for being a regular customer. The rewards are generous and I enjoy being able to choose what items to use them on. I also love that I am more aware of sales and special offers. ”

- Bath & Body Works customer

Bath & Body Works®



Differentiated Product Development and Industry-Leading Speed from Concept to Customer

Develop and launch products within 12 - 14 months



Develop

- Constant and consistent cross-functional collaboration
- Leverage strong relationships with fragrance houses
- Informed designers and merchants from robust patterning process
- Concept and Trend team drives innovation and newness



Customers & Associates

- Customer walkthroughs of concept, packaging and fragrance
- At-home customer testing of final fragrance options
- Lab store walkthroughs with associates and customers
- Marketing to build excitement and demand



Read & React

- In-store preview and market test ahead of full launch to maximize best-performing ideas and guide orders for additional chase
- Re-orders ensure customer availability of best-selling forms and fragrances
- Extend lifecycle of best products

Our Business Is Enabled by an Agile Supply Chain

Industry-leading speed in product development from concept to customer	Formidable chase capabilities	Long-term supplier relationships	Predominately U.S. supply base
<ul style="list-style-type: none"> • 6,000+ new SKUs launched each year across channels, including 250+ new fragrances • Development teams in New York and Columbus • Fragrance developers, R&D chemists and package engineers support product pipeline 	<ul style="list-style-type: none"> • ~50% total production via speed replenishment model • Re-order speeds as fast as 3-5 weeks • Ability to leverage vertically integrated Beauty Park vendors 	<ul style="list-style-type: none"> • 50 strategic, vendor relationships provide deep capabilities across product categories • Numerous vendor relationships for 15+ years • Beauty Park vertically-integrated for 10+ years; responsible for ~60% of finished goods and ~30% of components 	<ul style="list-style-type: none"> • Multi-sourced product and raw materials • 80% of product sourced in U.S.; global production based on market capabilities

Our Supply Chain Advantages



Agility and speed

Strong technical R&D supporting product pipeline

Early- and in-season Read & React for fast inventory replenishment



Newness and innovation

Commercial product development engine and sourcing strategy complement vendors' deep capabilities across categories



Control and flexibility

Vertically integrated contract manufacturing, component production and packaging, and gift set assembly

Manage multiple tiers of vendors and secure dedicated capacity



Cost, quality and risk management

Reduced transportation costs with increased inventory visibility

Communication and collaboration with vendors to continually improve execution



Strategic Investments in Supply Chain to Fuel Growth

Past Investments

3

Company-owned distribution centers support U.S. and international stores

4

Current permanent third-party direct-channel fulfillment centers in the U.S.

5-6

Pop-up third-party facilities to support peak needs

Bath & Body Works®

Ongoing and Future Investments

5th

Third-party direct channel fulfillment center opened recently

Investing in

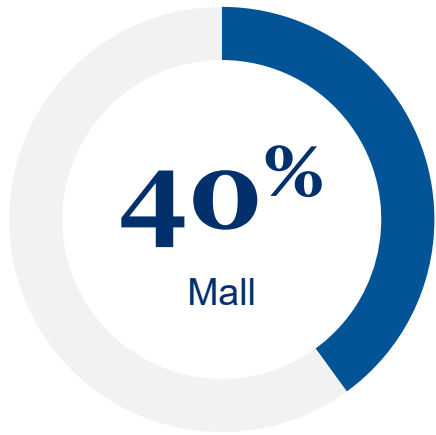
**1M
sq ft**

New company-owned, highly automated direct-channel fulfillment center in Columbus

Initial benefits expected in fall 2022; full capacity expected in fall 2023



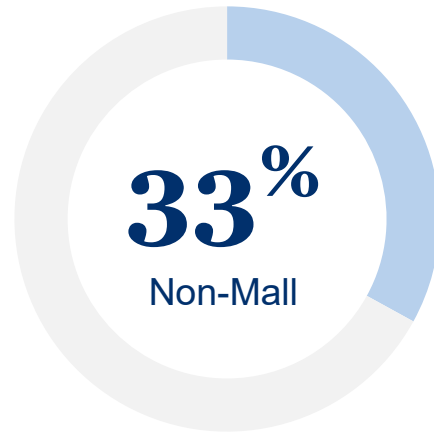
Substantial Scale through Multiple Channels



\$3.1B
2021 Sales

929 store locations

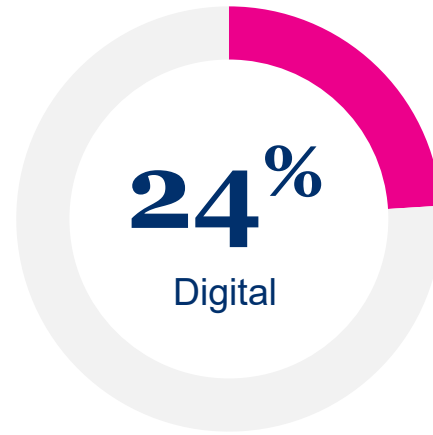
~99% of stores are cash flow positive



\$2.6B
2021 Sales

826 store locations

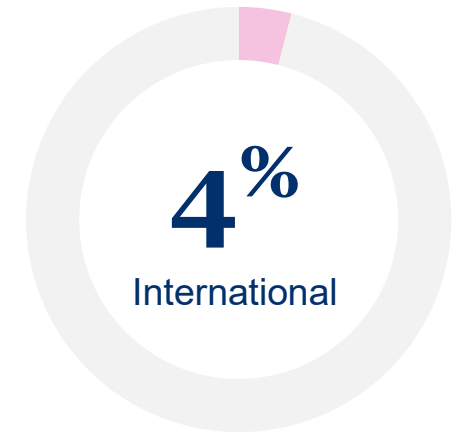
~100% of stores are cash flow positive



\$1.9B
2021 Sales

Highly profitable business

570M annual site visits



\$0.3B
2021 Sales

Highly profitable franchise model

Significant opportunity for growth in existing and new geographies

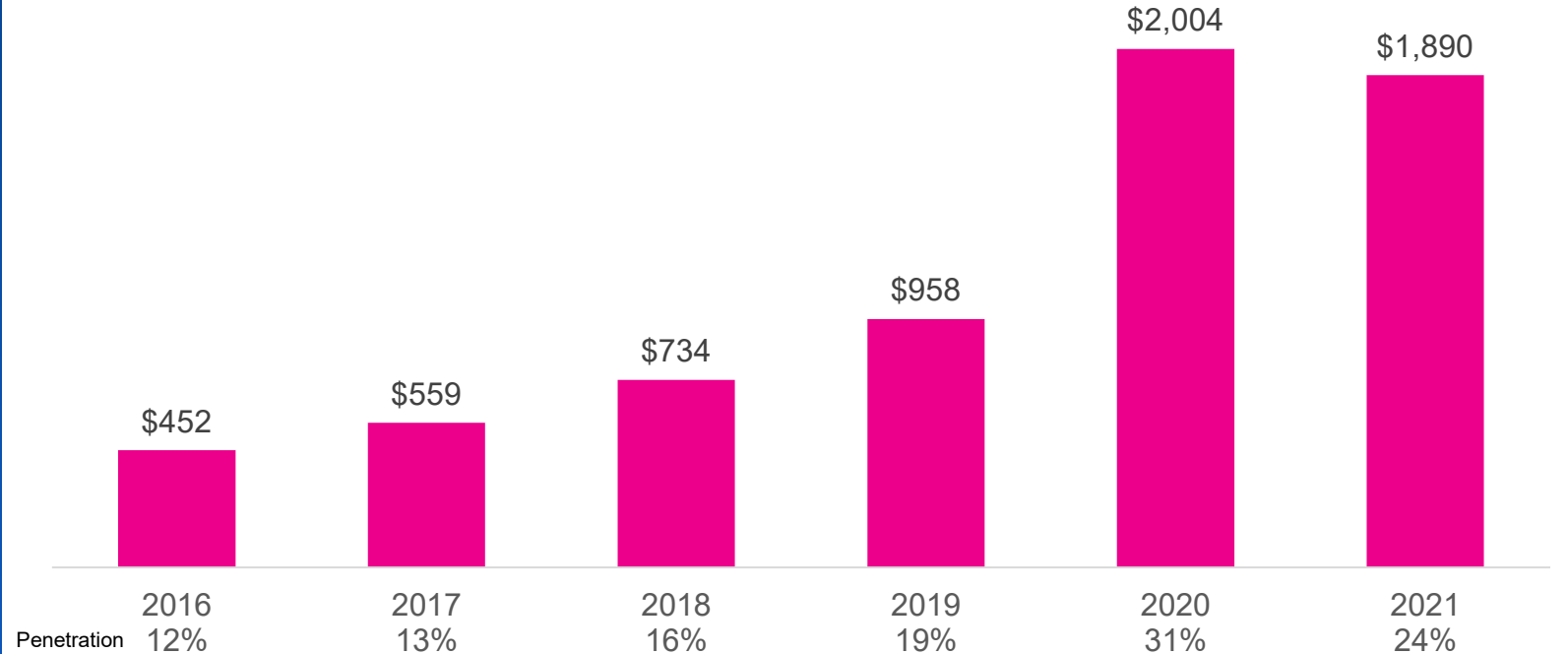
Digital Sales Channel Demonstrating Continued Growth

Focused on customers with:

- Expanded BOPIS to more than 1,200 stores
- Rolled Loyalty program to full chain
- Launching Ohio-based, BBW managed customer fulfillment center
- Expanding text message marketing communication
- Continuing to pursue new convenience options for the customer

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Bath & Body Works Direct Sales (in millions)



Real Estate Optimization Enhances Profitability

Continued Proactive Management of Real Estate

241

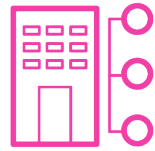
Stores opened primarily, in top tier malls and non-mall venues, 2016-2021

158

Stores closed, primarily in lower tier mall venues, 2016-2021



Continue to adjust investment levels based on performance



Diversify real estate portfolio across venue tiers and types

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*2020 reflects the impact of store closures for approximately 3 months due to COVID-19 pandemic

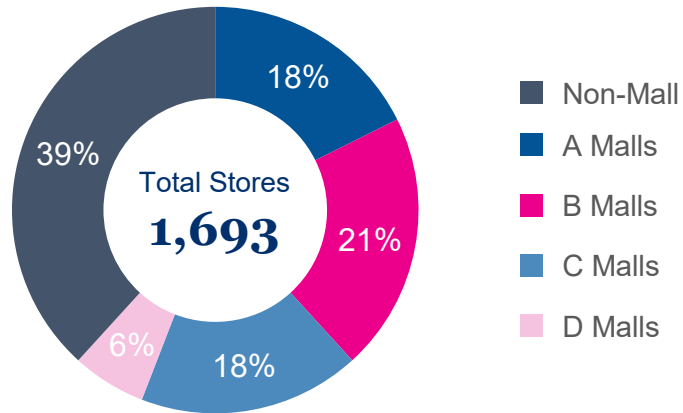
Bath & Body Works U.S. Sales per Average Selling Square Foot



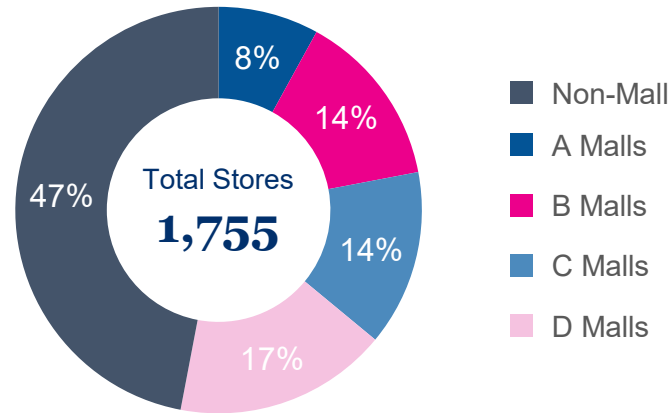
Strong Sales and Profit in All Location Types

Non-Mall Penetration Surpassing 50%

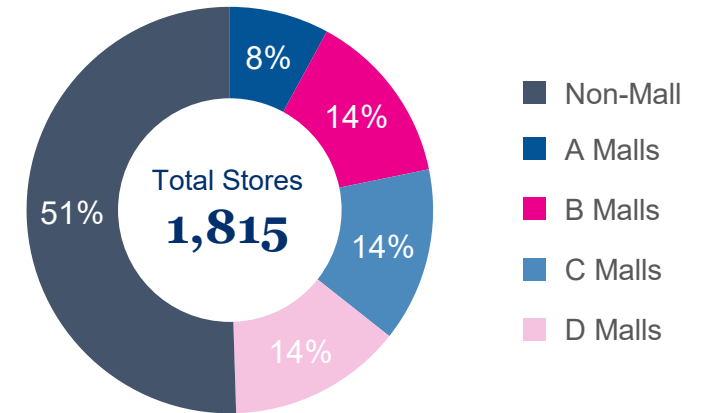
FY 2016 Store Count



FY 2021 Store Count



FY 2022E Store Count



	# of Stores	Sales per selling square foot	Avg. sales per store (\$M)	Return on sales	Avg remaining lease term
Non-Mall	826	\$1,217	\$3.2	38%	4.9
A	145	\$1,390	\$4.8	33%	4.7
B	248	\$1,318	\$4.2	37%	4.6
C	246	\$1,141	\$3.1	38%	3.5
D or lesser	290	\$879	\$2.0	37%	1.2

Successful International Operating Model

~\$285M

Recognized revenue in 2021

~\$600M

Retail sales in 2021

Partnership-based business model with small number of world-class partners

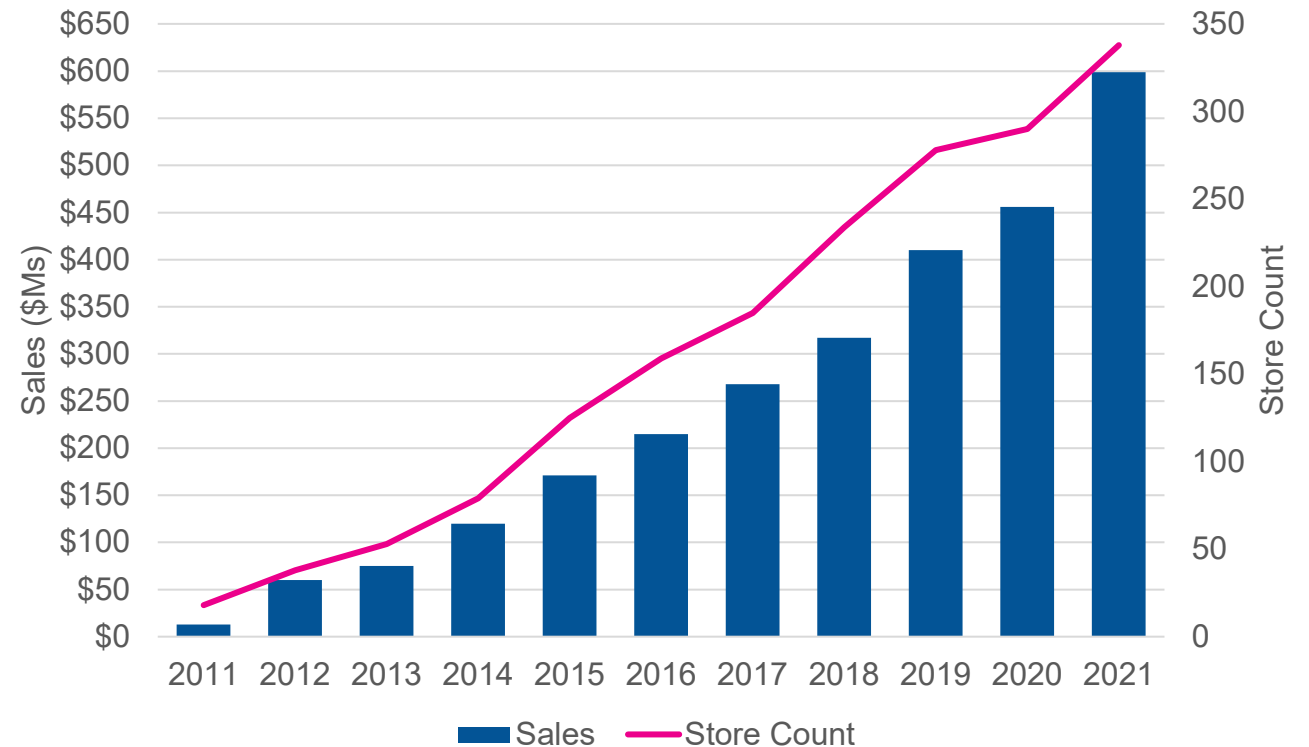
- Own assortment, pricing architecture, promotions, store designs and real estate approval
- Paid on royalty basis
- Partners make investments as experts in local real estate, people and practices
- Local associates ensure standardized coaching, training, expediting and escalating

Bath & Body Works is a Top Performing Brand for Franchise Partners

- Bath & Body Works is consistently among top 3 brands within franchise partners' portfolios
- Franchise partners are committed to greater expansion; international store count expected to increase by 20% to 30% in 2022

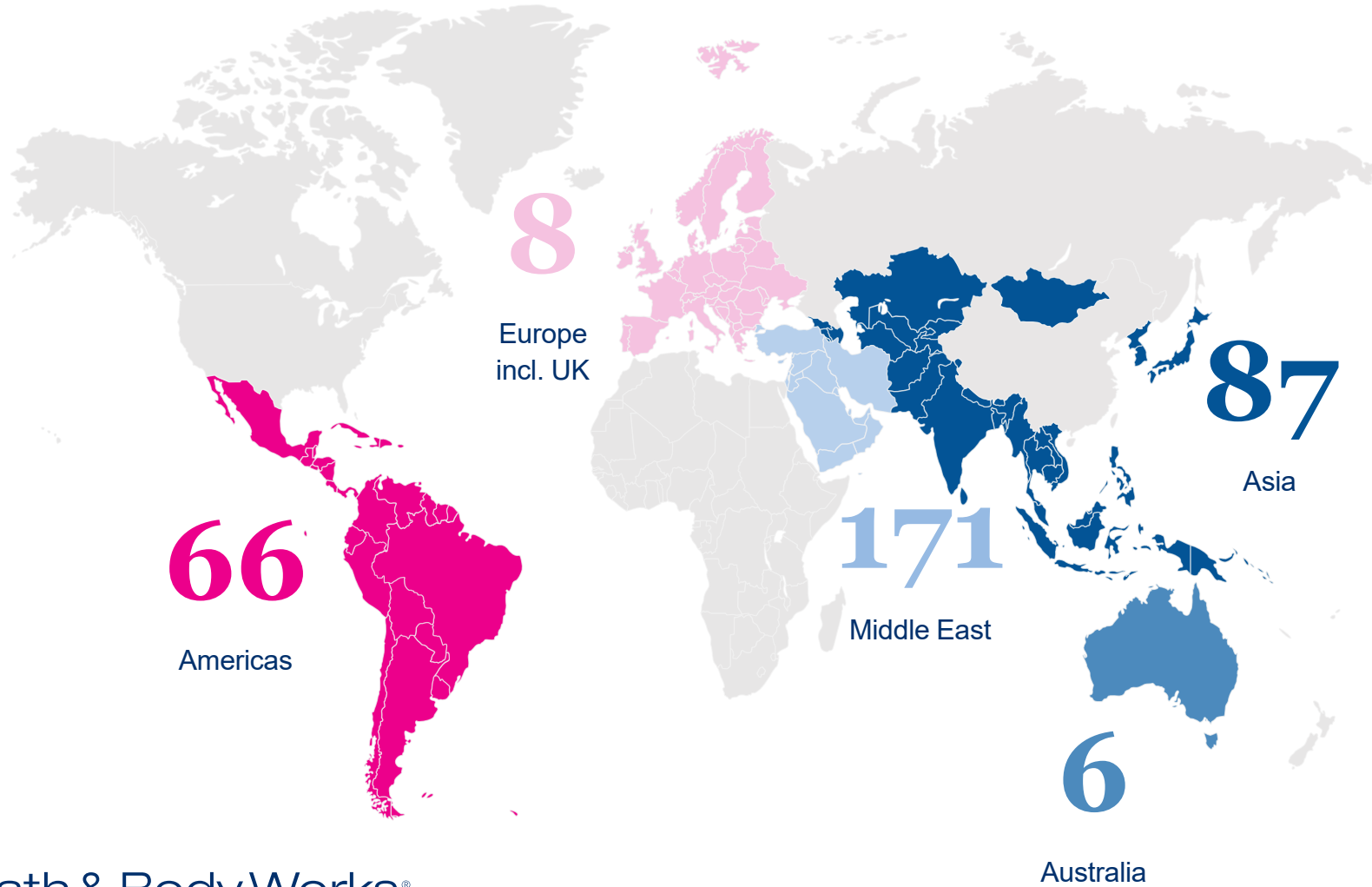
Bath & Body Works®

International Retail Sales and Stores



Broad International Presence

Number of Stores



Bath & Body Works®

338

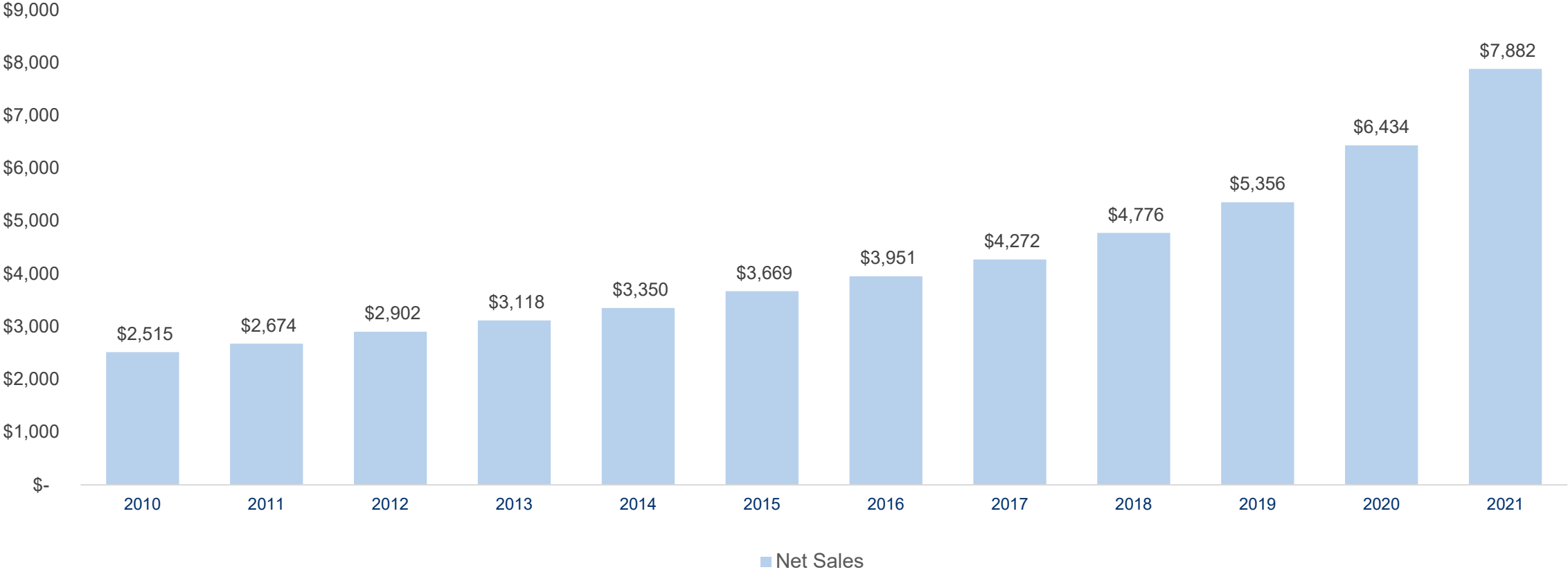
Retail Locations
2021 Year End

38

Operating Countries

Consistent Growth in Sales Total Bath & Body Works

Net Sales (\$M's)

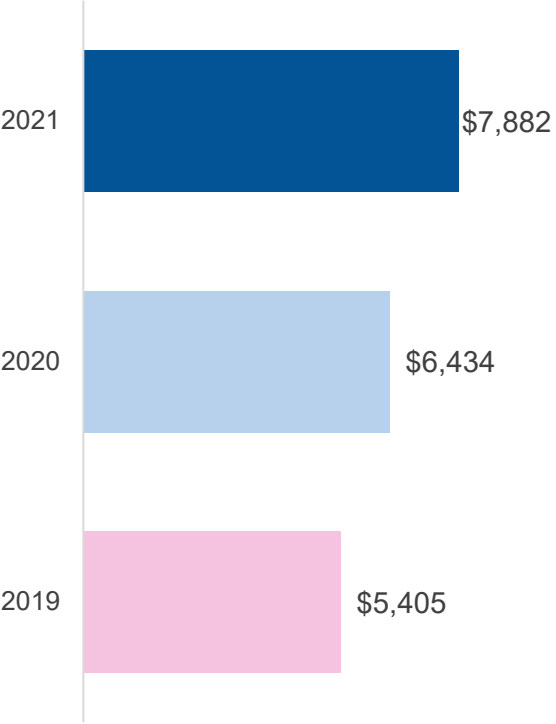


Note: Results for Bath & Body Works, Inc. continuing operations only, excluding results from previously divested brands (including Victoria's Secret, La Senza and Henri Bendel). Results for 2012 and 2017 represent a 53-week fiscal year. Results for 2014 and prior represent only Bath & Body Works North America and exclude results for the international business, which were not material for any of those periods.

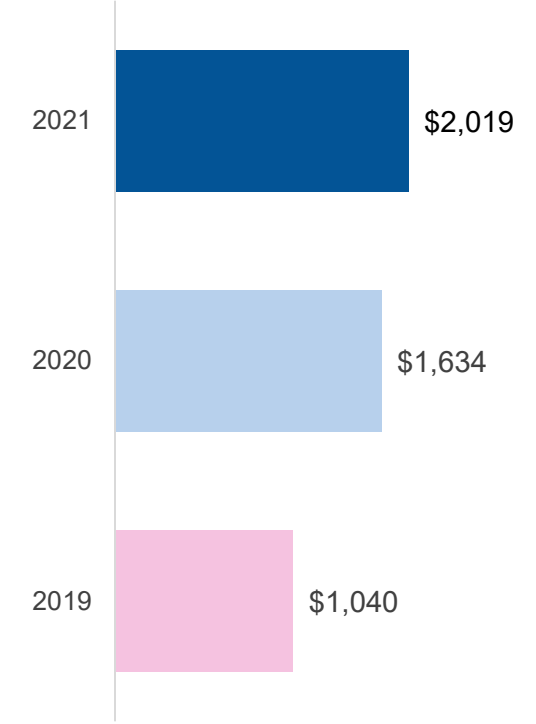
Strong Track Record of Performance

Total Bath & Body Works

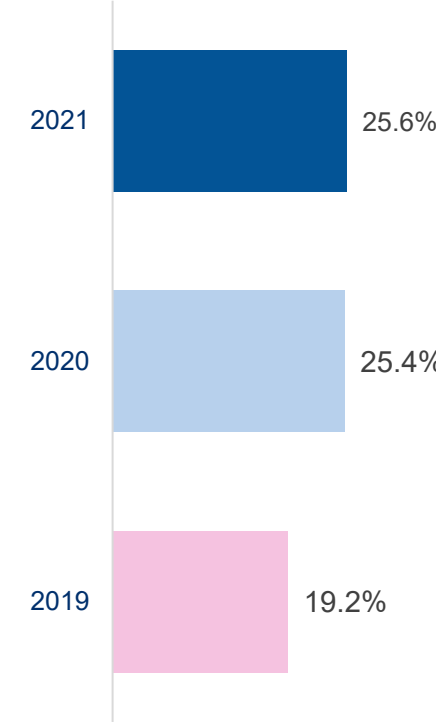
Sales
(Annual, in \$M)



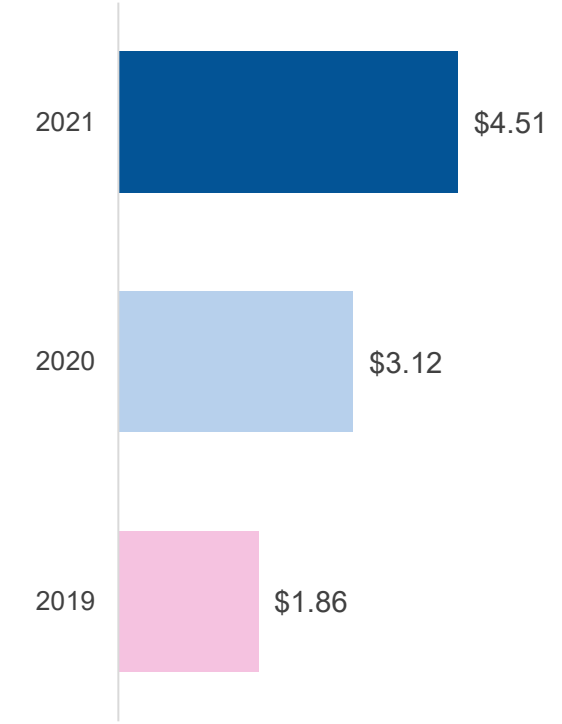
Adjusted Operating Income
(Annual, in \$M)



Adjusted Operating Income Rate

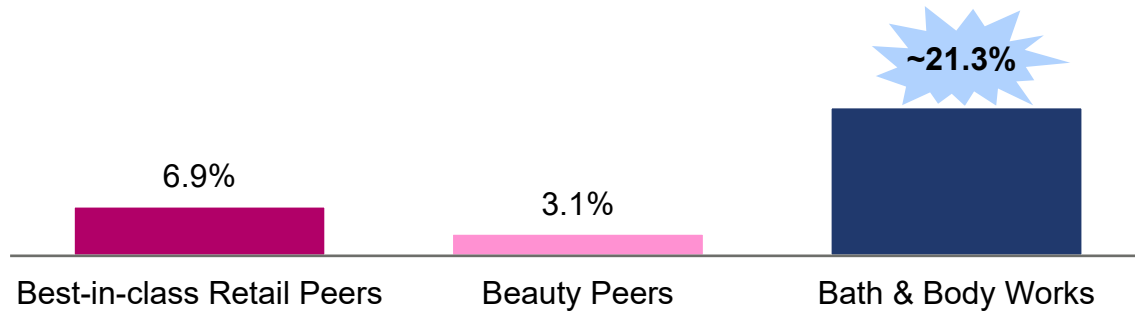


Adjusted Earnings Per Share
(Continuing Ops)

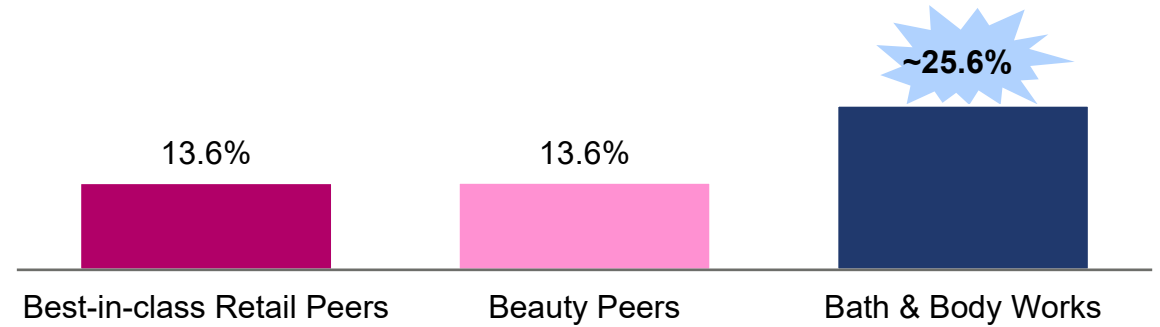


Separation Unlocks BBW's High-Growth and High-Margin Profile

Revenue Growth



EBIT Margin



Current Forward EV/EBITDA



1Y Avg. Pre-COVID¹ EV/EBITDA



Source: Company filings, FactSet as of 2/11/22; Note: all estimates calendarized to 1/30; revenue growth reflects 2019-2021 CAGR with BBW revenue excluding divested businesses; Reflects BBW adjusted EBIT margin from continuing operations for fiscal year 2021; Figures for Best-in-class Retail and Beauty peer sets represent medians; Best-in-class Retail peers include Costco, Canada Goose, Home Depot, Lululemon, Nike, RH, Ulta and VF Corp; Beauty peers include Colgate-Palmolive, Coty, e.l.f. Beauty, Estee Lauder, L'Oreal, Shiseido and L'Occitane; ¹ Pre-COVID represents data prior to 2/21/20

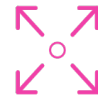
Continued Execution Creates Opportunities for Long-Term Growth

Focusing on Key Priorities



Growth in Existing Categories

- Positioned to capitalize on growing addressable market
- Will continue to innovate and drive the market through new forms, new fragrances and additional products



Growth in New or Adjacent Categories

- Opportunities for growth in new categories including hair care, skin care and wellness product lines



Growth in Digital Channel

- Continuing to invest in capabilities to provide an exceptional customer experience



Growth Internationally

- Additional growth opportunities through expansion of store and direct sales

Multiple Category Levers for Growth (3 to 5 Years)

Growth Across Categories (\$M)



Multiple Channel Levers for Growth (3 to 5 Years)

Growth Across Channels (\$M)



2022 Guidance

Metric	Fourth Quarter	Full Year 2022
Sales	Down mid-single to low-double digits compared to \$3.027 billion LY	Down mid-single digits compared to \$7.9 billion LY
Gross Margin Rate	Approximately 41% to 42%	Approximately 42% to 43%
SG&A Expense Rate	Approximately 22% of sales compared to 18.7% LY	Up about 200 basis points compared to 23.4% LY
Net Non-Operating Expense	Approximately \$80 million	Approximately \$340 million
Tax Rate (before discrete items)	About 25%	About 24%
Weighted Average Diluted Shares Outstanding	Approximately 230 million	Approximately 233 million
Earnings from Continuing Operations per Diluted Share	Between \$1.45 and \$1.65	Between \$3.00 and \$3.20
Capital Expenditures	N/A	Approximately \$400 million
Free Cash Flow (Operating Cash Flow minus Capital Expenditures)	N/A	Between \$475 and \$550 million

Three to Five Year Financial Targets

Metric	Target
U.S. & Canada Store Comps Growth	Low- to mid-single digit
U.S. & Canada Square Footage Growth	Low-single digit
Direct Channel Sales Growth	High-single digits to mid-teens
International Sales Growth	High-teens to low-twenties
Total Sales Growth	Mid- to high-single digit
Operating Income Growth	Mid- to high-single digit
Operating Income Rate	Low- to mid-twenties

Capital Structure

Disciplined Financial Strategy to Drive Continued Profitable Growth while Delivering Additional Value to Shareholders

Mid-2x
RANGE

Targeted adjusted debt to EBITDAR leverage ratio
(2.3X at 2021 year-end)

\$0.80

Increased our annual dividend by 33%
(effective with March 2022 dividend)

\$1.5B

Existing share repurchase program
(announced Feb. 2, 2022)

\$475 - 550M

2022 estimated free cash flow

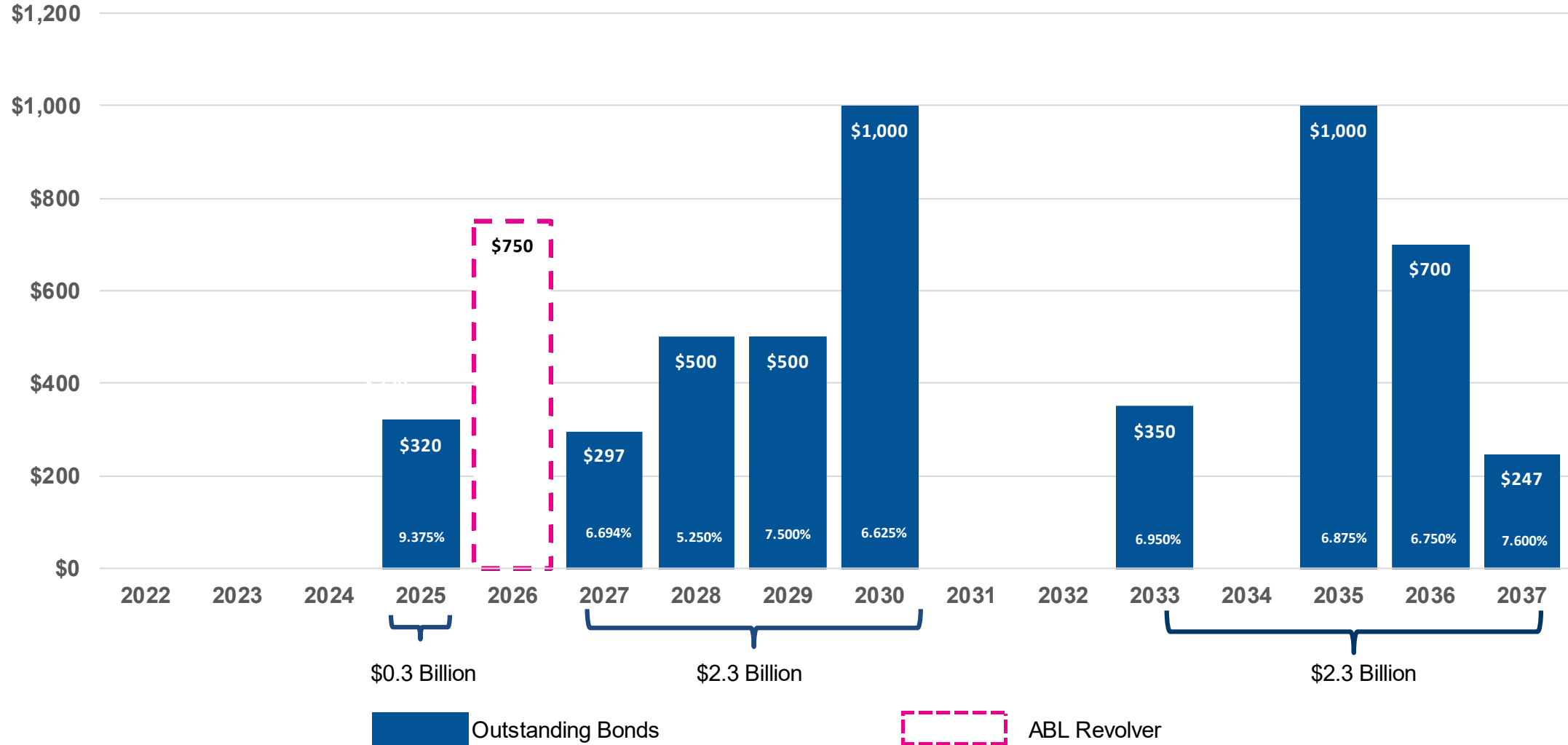
~\$400M

2022 capital expenditures forecast

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Healthy Maturity Profile



Historical Leverage Ratios

(\$'s in Millions)	2020	2021
Balance Sheet Debt	6,366	4,854
Total Operating Lease Liabilities	1,115	1,159
Adjusted Debt	7,481	6,013
Adjusted Operating Income	1,634	2,019
<i>OI % of Sales</i>	<i>25.4%</i>	<i>25.6%</i>
Depreciation	194	205
Rent*	311	357
EBITDAR	2,139	2,581
Adjusted Debt/EBITDAR	3.5x	2.3x
Balance Sheet Debt	6,366	4,854
Adjusted EBITDA	1,828	2,224
Debt/EBITDA	3.5x	2.2x

Why Bath & Body Works?



Market leader in product categories with loyal and large customer base



Ongoing newness in existing categories, expanding in new product categories and geographies



Strong product innovation and development capabilities



Consistent history of growth with strong cash flow



Mostly domestic and highly agile supply chain



Deep and experienced management team



Appendix



Consolidated Statements of Income (Loss)

(Unaudited) (In thousands, except per share amounts)

	2021	2020	2019
Net Sales	\$7,881,513	\$6,434,102	\$5,405,461
Costs of Goods Sold, Buying and Occupancy	(4,026,161)	(3,338,346)	(3,018,142)
Gross Profit	3,855,352	3,095,756	2,387,319
General, Administrative and Store Operating Expenses	(1,846,229)	(1,491,563)	(1,347,332)
Operating Income	2,009,123	1,604,193	1,039,987
Interest Expense	(388,033)	(432,457)	(370,410)
Other Loss	(197,737)	(50,228)	(62,352)
Income from Continuing Operations before Income Taxes	1,423,353	1,121,508	607,225
Provision for Income Taxes	348,124	256,848	148,146
Net Income from Continuing Operations	1,075,229	864,660	459,079
Income from Discontinued Operations, Net of Tax	258,251	(20,210)	(825,475)
Net Income	\$1,333,480	\$844,450	\$(366,396)
Earnings per Common Share — Diluted			
Continuing Operations	\$3.94	\$3.07	\$ 1.65
Discontinued Operations	\$0.95	\$(0.07)	\$(2.97)
Total Earnings per Common Share — Diluted	\$4.88	\$3.00	\$(1.32)
Weighted Average Shares Outstanding			
Dilutive	273,017	281,471	278,356

Beginning in the third quarter of fiscal 2021, the historical financial results of the Victoria's Secret business for periods prior to the August 2, 2021 spin-off are reflected in the Company's consolidated financial statements as discontinued operations. The above reflects the Company's Consolidated Statements of Income (Loss) as if the Victoria's Secret business was reported as a discontinued operation for the periods presented. Income (Loss) from Discontinued Operations, Net of Tax reflects the after-tax operating results of, and costs to separate, the Victoria's Secret business, and does not include any allocation of general corporate overhead expense or interest expense.

Adjusted Financial Information from Continuing Operations

(Unaudited) (In thousands except per share amounts)

	2021	2020	2019
Reconciliation of Reported Operating Income to Adjusted Operating Income			
Reported Operating Income	\$2,009,123	\$1,604,193	\$1,039,987
Write-off of Inventory due to Tornado	9,421	-	-
Restructuring Charges	-	29,572	-
Adjusted Operating Income	\$2,018,544	\$1,633,765	\$1,039,987
Reconciliation of Reported Earnings from Continuing Operations Per Diluted Share to Adjusted Earnings from Continuing Operations Per Diluted Share			
Reported Earnings from Continuing Operations Per Diluted Share	\$3.94	\$ 3.07	\$1.65
Write-off of Inventory due to Tornado	0.03	-	-
Restructuring Charges	-	0.08	-
Loss on Extinguishment of Debt	0.54	0.14	0.11
La Senza Charges	-	-	0.10
Tax Benefit from the Resolution of Certain Tax Matters	-	(0.18)	-
Adjusted Earnings from Continuing Operations Per Diluted Share	\$4.51	\$3.12	\$1.86

See Notes to Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures.

Adjusted Consolidated Statements of Income from Continuing Operations

(Unaudited) (In thousands, except per share amounts)

	2021	2020	2019
Net Sales	\$7,881,513	\$6,434,102	\$5,405,461
Costs of Goods Sold, Buying and Occupancy	(4,016,890)	(3,338,346)	(3,018,142)
Gross Profit	3,864,623	3,095,756	2,387,319
General, Administrative and Store Operating Expenses	(1,846,079)	(1,461,991)	(1,347,332)
Operating Income	2,018,544	1,633,765	1,039,987
Interest Expense	(388,033)	(432,457)	(370,410)
Other Income (Loss)	(3,127)	2,440	14,429
Income from Continuing Operations before Income Taxes	1,627,384	1,203,748	684,006
Provision for Income Taxes	397,175	325,561	167,194
Net Income from Continuing Operations	\$ 1,230,209	\$878,187	\$516,812
Earnings per Common Share — Diluted			
Continuing Operations	\$4.51	\$ 3.12	\$1.86
Weighted Average Shares Outstanding			
Dilutive	273,017	281,471	278,356

Beginning in the third quarter of fiscal 2021, the historical financial results of the Victoria's Secret business for periods prior to the August 2, 2021 spin-off are reflected in the Company's consolidated financial statements as discontinued operations. The above reflects the Adjusted Statements of Income from Continuing Operations of Bath & Body Works, Inc. as if the Victoria's Secret business was reported as a discontinued operation for the periods presented. Refer to "Adjusted Financial Information from Continuing Operations" and "Notes to Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures" for more information on the adjustments made to historical results.

Notes to Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures

(Unaudited)

Fiscal 2021

In the fourth quarter of 2021, adjusted results exclude the following:

- A \$9.4 million pre-tax loss (\$7.1 million net of tax of \$2.3 million), primarily included in cost of goods sold, buying and occupancy, related to the write-off of inventory that was destroyed by a tornado at a vendor's facility.

In the third quarter of 2021, adjusted results exclude the following:

- An \$89.1 million pre-tax loss (\$67.7 million net of tax of \$21.4 million), included in other income (loss), associated with the early extinguishment of outstanding notes.

In the second quarter of 2021, there were no adjustments to results.

In the first quarter of 2021, adjusted results exclude the following:

- A \$105.5 million pre-tax loss (\$80.1 million net of tax of \$25.4 million), included in other income (loss), associated with the early extinguishment of outstanding notes.

Fiscal 2020

In the fourth quarter of 2020, there were no adjustments to results.

In the third quarter of 2020, adjusted results exclude the following:

- A \$52.7 million pre-tax loss (\$40.0 million net of tax of \$12.7 million), included in other income (loss), associated with the early extinguishment of outstanding notes.

In the second quarter of 2020, adjusted results exclude the following:

- A \$29.6 million charge (\$23.9 million net of tax of \$5.7 million), included in general, administrative and store operating expenses, related to previously announced restructuring actions.

In the first quarter of 2020, adjusted results exclude the following:

- A \$50.4 million tax benefit related to the resolution of certain tax matters.

Fiscal 2019

In the fourth quarter of 2019, there were no adjustments to results.

In the third quarter of 2019, adjusted results exclude the following:

- A \$37.2 million charge (\$27.7 million net of tax of \$9.5 million), included in other income (loss), to increase reserves related to ongoing guarantees for the La Senza business which was sold in the fourth quarter of 2018.

In the second quarter of 2019, adjusted results exclude the following:

- A \$39.6 million pre-tax loss (\$30.0 million net of tax of \$9.5 million), included in other income (loss), associated with the early extinguishment of outstanding notes.

In the first quarter of 2019, there were no adjustments to results.

The Adjusted Financial Information from Continuing Operations should not be construed as an alternative to the reported results determined in accordance with generally accepted accounting principles. Further, the Company's definitions of adjusted income information may differ from similarly titled measures used by other companies. Management believes that the presentation of adjusted financial information provides additional information to investors to facilitate the comparison of past and present operations. While it is not possible to predict future results, management believes the adjusted financial information is useful for the assessment of the ongoing operations of the Company because the adjusted items are not indicative of the Company's ongoing operations due to their size and nature. Additionally, management uses adjusted financial information as key performance measures of results of operations for the purpose of evaluating performance internally. The Adjusted Financial Information from Continuing Operations should be read in conjunction with the Company's historical financial statements and notes thereto contained in the Company's quarterly reports on Form 10-Q and annual report on Form 10-K.

Consolidated Condensed Balance Sheets

(Unaudited) (In thousands)

	January 29, 2022	January 30, 2021
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$1,979,161	\$3,567,491
Accounts Receivable, Net	239,506	147,374
Inventories	709,064	571,478
Other	80,970	53,074
Current Assets of Discontinued Operations	-	1,239,138
Total Current Assets	3,008,701	5,578,555
Property and Equipment, Net	1,009,385	1,017,596
Operating Lease Assets	1,020,658	968,181
Goodwill	628,236	628,236
Trade Names	164,700	164,700
Deferred Income Taxes	44,861	57,926
Other Assets	149,522	175,631
Noncurrent Assets of Discontinued Operations	-	2,980,614
TOTAL ASSETS	\$6,026,063	\$11,571,439
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts Payable	\$435,099	\$345,036
Accrued Expenses and Other	650,701	726,516
Current Operating Lease Liabilities	170,167	173,040
Income Taxes	33,735	83,252
Current Liabilities of Discontinued Operations	-	1,497,185
Total Current Liabilities	1,289,702	2,825,029
Deferred Income Taxes	156,652	141,176
Long-Term Debt	4,853,586	6,366,123
Long-Term Operating Lease Liabilities	989,002	940,868
Other Long-Term Liabilities	254,046	289,456
Long-Term Liabilities of Discontinued Operations	-	1,667,483
Shareholders' Equity (Deficit)	(1,516,925)	(658,696)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	\$6,026,063	\$11,571,439