Bath & Body Works Reports Third Quarter Results Exceeding Guidance and Raises Full-Year Sales Outlook

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- *Delivers Q3 net sales and adjusted earnings per share above guidance*
- *Third quarter net sales of $1.6 billion, down 1.0%. Earnings per diluted share of $0.19; adjusted earnings per diluted share of $0.26*
- *Executing Consumer First Formula with continued progress in digital, customer engagement and expanded distribution*
- *Announces new $500 million share repurchase program*
- *Raises full-year 2026 net sales guidance to a decline of 3.4% to 2.1%, updating reported earnings per diluted share guidance to $3.09 to $3.29 and maintaining adjusted earnings per diluted share guidance of $2.60 to $2.80*

COLUMBUS, Ohio, Nov. 19, 2026 (GLOBE NEWSWIRE) -- Bath & Body Works, Inc. (NYSE: BBWI) today reported third quarter 2026 results.

Daniel Heaf, chief executive officer of Bath & Body Works, commented, “Our third quarter results exceeded our sales and adjusted earnings per share guidance, and marks encouraging progress in our Consumer First Formula. One year after introducing this strategy, we are seeing our actions translate into results across product, brand, and marketplace.”

“Our product innovation is resonating with customers and digital delivered its second consecutive quarter of growth. Our wholesale business with Ulta and Amazon continues to gain momentum and we are telling bigger and bolder brand stories through a more coordinated approach to marketing. While these are encouraging early proof points, we have more work to do to drive consistent growth across our channels.”

“We are one year into a multi-year transformation, and progress will not always be linear. As we approach the important holiday season, we are taking a prudent view of the consumer environment while remaining focused on execution. Our priority is to scale what is working, address the areas that need improvement and build a foundation for sustainable growth in 2027.”

Third Quarter 2026 Results

The company reported net sales of $1,577 million for the quarter ended October 31, 2026, a decrease of 1.0% compared to net sales of $1,594 million for the quarter ended November 1, 2025.

Earnings per diluted share were $0.19 for the third quarter of 2026 compared to $0.37 last year. Third quarter operating income was $108 million compared to $161 million last year, and net income was $38 million compared to $77 million last year.

Reported third quarter 2026 results included aggregate pre-tax costs of $13 million ($10 million after tax) associated with business transformation activities and a $5 million pre-tax loss ($4 million after tax) related to the extinguishment of outstanding debt. Excluding these items, adjusted earnings per diluted share for the third quarter of 2026 was $0.26, adjusted operating income was $121 million and adjusted net income was $52 million.

Reported third quarter 2025 results included an $8 million pre-tax gain ($6 million after tax) associated with the sale of a non-core asset. Excluding this item, adjusted earnings per diluted share for the third quarter of 2025 was $0.35 and adjusted net income was $71 million.

At the conclusion of this press release is a reconciliation of reported-to-adjusted results, including a description of the adjusted items.

2026 Guidance

Based on third quarter performance and the company’s current outlook for the fourth quarter, the company is increasing its full-year 2026 net sales guidance to a decline between 3.4% and 2.1% compared to $7,291 million in fiscal 2025. The company is also updating full-year reported earnings per diluted share guidance to between $3.09 and $3.29, compared to $3.11 in fiscal 2025, and maintaining adjusted earnings per diluted share guidance of between $2.60 and $2.80, compared to $3.21 in fiscal 2025.

For the fourth quarter of 2026, the company is forecasting net sales to decline between 5.5% and 2.0% compared to $2,724 million in the fourth quarter of 2025. Fourth quarter 2026 earnings per diluted share is expected to be between $1.41 and $1.61, compared to earnings per diluted share of $1.99 and adjusted earnings per diluted share of $2.05 in the fourth quarter of 2025.

At the conclusion of this press release is a reconciliation of guidance-to-adjusted guidance, including a description of the adjusted items.

For a reconciliation of our reported GAAP to adjusted non-GAAP earnings per diluted share for the full-year and fourth quarter of 2025, refer to our Current Report on Form 8-K, filed with the SEC on March 4, 2026.

Stock Repurchase Authorization

Bath & Body Works, Inc. also announced today that the Board of Directors approved a new share repurchase program authorizing the company to repurchase up to $500 million of the company’s outstanding shares of common stock, which may commence upon completion of the company’s existing January 2025 program.

Earnings Call and Additional Information

Bath & Body Works, Inc. will conduct its third quarter earnings call at 8:30 a.m. ET on November 19, 2026. To listen, call 877-407-9219 (international dial-in number: 412-652-1274). For an audio replay, call 877-660-6853 (international replay number: 201-612-7415); access code 13762830 or log onto www.BBWInc.com. A slide presentation has been posted on the company's Investor Relations website that summarizes certain information in the company's prepared remarks from the earnings call as well as some additional facts and figures regarding the company's operating performance and guidance.

ABOUT BATH & BODY WORKS

Bath & Body Works is a global leader in personal care and home fragrance, driven by the belief that everybody deserves to feel good.

The brand's beloved and iconic scents are expertly crafted for exceptional performance and a luxury fragrance experience. Formulated with thoughtfully chosen ingredients, Bath & Body Works' body care products are available in multiple forms including fine fragrance mist, body cream, lotion, eau de parfum, body wash, hand soap, sanitizer and more. The brand's famous 3-wick candles are made with rich, high-quality fragrance oils layered throughout a premium soy wax base, for up to 45 hours of room-filling fragrance.

Consumers can shop Bath & Body Works anytime and anywhere they choose, from welcoming, in-store experiences at more than 1,900 stores in the U.S. and Canada, 550-plus international locations and select Ulta Beauty stores. Online, consumers can visit bathandbodyworks.com, Amazon and Ulta.com.

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 press release 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," "potential," "target," "goal" and any similar expressions may identify forward-looking statements. There are risks, uncertainties and other factors that 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 press release or otherwise made by the Company or our management. These factors can be found in Item 1A. Risk Factors in our 2025 Annual Report on Form 10-K and our subsequent filings.

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 press release to reflect circumstances existing after the date of this press release 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.

We announce material financial and operational information using our investor relations website, press releases, SEC filings and public conference calls and webcasts. Information about the Company, our business and our results of operations may also be announced by posts on our accounts on social media channels, including the following: Facebook, Instagram, X, LinkedIn, Pinterest, TikTok and YouTube. The information that we post through these social media channels and on our website may be deemed material. As a result, we encourage investors, the media and others interested in the Company to monitor these social media channels in addition to following our investor relations website, press releases, SEC filings and public conference calls and webcasts. The list of social media channels we use may be updated from time to time on our investor relations website.

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BATH & BODY WORKS, INC.

Third Quarter 2026

Total Sales (In millions):

	Third Quarter			Year-to-Date		
	2026	**2025**	**% Change**	**2026**	**2025**	**% Change**
Stores - U.S. and Canada (a)	$ 1,169	$ 1,222	(4.3%)	$ 3,363	$ 3,529	(4.7%)
Direct - U.S. and Canada	307	299	2.6%	827	815	1.5%
International and Other (b)	101	73	39.3%	279	223	25.0%
Total Bath & Body Works	**$ 1,577**	**$ 1,594**	**(1.0%)**	**$ 4,469**	**$ 4,567**	**(2.1%)**

(a) Results include fulfilled buy online pick up in store orders.

(b) Results include royalties associated with franchised stores, as well as international and domestic wholesale sales.

Total Company-operated Stores:

	Stores 1/31/2026	**Opened**	**Closed**	**Stores 10/31/2026**
United States	1,814	60	(29)	1,845
Canada	113	1	—	114

Total Bath & Body Works	**1,927**	**61**	**(29)**	**1,959**

Total Partner-operated Stores:

	Stores 1/31/2026	Opened	Closed	Stores 10/31/2026
International	536	52	(3)	585
International - Travel Retail	37	2	(1)	38
Total International (a)	**573**	**54**	**(4)**	**623**

(a) Includes store locations only and does not include kiosks, shop-in-shops, gondola or beauty counter locations.

BATH & BODY WORKS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In millions, except per share amounts)

	Third Quarter		Year-to-Date	
	2026	2025	2026	2025
Net Sales	$ 1,577	$ 1,594	$ 4,469	$ 4,567
Costs of Goods Sold, Buying and Occupancy	(939)	(936)	(2,552)	(2,622)
Gross Profit	638	658	1,917	1,945
General, Administrative and Store Operating Expenses	(530)	(497)	(1,362)	(1,418)
Operating Income	108	161	555	527
Interest Expense	(58)	(68)	(190)	(208)
Other Income (Expense), Net	(1)	10	14	25
Income Before Income Taxes	49	103	379	344
Provision for Income Taxes	(11)	(26)	(40)	(98)
Net Income	$ 38	$ 77	$ 339	$ 246
Net Income per Diluted Share	$ 0.19	$ 0.37	$ 1.68	$ 1.17
Weighted Average Diluted Shares Outstanding	202	206	202	211

BATH & BODY WORKS, INC.
CONSOLIDATED CONDENSED BALANCE SHEETS
(Unaudited)
(In millions)

	October 31, 2026	November 1, 2025
ASSETS		
Current Assets:		
Cash and Cash Equivalents	$ 318	$ 236
Accounts Receivable, Net	177	169
Inventories	1,281	1,251
Easton Assets Held for Sale	81	81
Other	139	144
Total Current Assets	1,996	1,881
Property and Equipment, Net	1,103	1,142
Operating Lease Assets	996	967
Goodwill	628	628
Trade Name	165	165
Deferred Income Taxes	108	132
Other Assets	93	74
Total Assets	$ 5,089	$ 4,989
LIABILITIES AND EQUITY (DEFICIT)		
Current Liabilities:		
Accounts Payable	$ 916	$ 781
Accrued Expenses and Other	601	558
Current Operating Lease Liabilities	198	193

Income Taxes	—	21
Total Current Liabilities	1,715	1,553
Deferred Income Taxes	118	23
Long-term Debt	3,367	3,890
Long-term Operating Lease Liabilities	914	897
Other Long-term Liabilities	84	218
Total Equity (Deficit)	(1,109)	(1,592)
Total Liabilities and Equity (Deficit)	$ 5,089	$ 4,989

BATH & BODY WORKS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In millions)

	Year-to-Date	
	2026	**2025**
Operating Activities:		
Net Income	$ 339	$ 246
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation of Long-lived Assets	177	191
Share-based Compensation Expense	17	25
Loss on Extinguishment of Debt	14	—
Tax Benefit from Resolution of Certain Tax Matters	(62)	—
Changes in Assets and Liabilities:		
Accounts Receivable	3	36
Inventories	(582)	(516)
Accounts Payable, Accrued Expenses and Other	475	390
Income Taxes Payable	(86)	(124)
Other Assets and Liabilities	(44)	(23)
Net Cash Provided by Operating Activities	251	225
Investing Activities:		
Capital Expenditures	(155)	(174)
Proceeds from Sale of Non-core Asset	8	9
Other Investing Activities	1	(2)
Net Cash Used for Investing Activities	(146)	(167)
Financing Activities:		
Payments for Long-term Debt	(542)	—
Repurchases of Common Stock	(59)	(344)
Dividends Paid	(120)	(126)
Tax Payments related to Share-based Awards	(4)	(8)
Payments of Finance Lease Obligations	(9)	(11)
Other Financing Activities	(5)	(8)
Net Cash Used for Financing Activities	(739)	(497)
Effects of Exchange Rate Changes on Cash and Cash Equivalents	(1)	1
Net Decrease in Cash and Cash Equivalents	(635)	(438)
Cash and Cash Equivalents, Beginning of Year	953	674
Cash and Cash Equivalents, End of Period	$ 318	$ 236

BATH & BODY WORKS, INC.
ADJUSTED FINANCIAL INFORMATION
(Unaudited)
(Dollars in millions, except per share amounts)

	Third Quarter		Year-to-Date	
	2026	**2025**	**2026**	**2025**
Reconciliation of Reported Operating Income to Adjusted Operating Income				
Reported Operating Income	$ 108	$ 161	$ 555	$ 527
Interchange Fee Settlements	—	—	(88)	—
Business Transformation Activities	13	—	30	—

Leadership Transition Costs	—	—	—	15
Adjusted Operating Income	$ 121	$ 161	$ 497	$ 542

Reconciliation of Reported Net Income to Adjusted Net Income

Reported Net Income	$ 38	$ 77	$ 339	$ 246
Interchange Fee Settlements	—	—	(88)	—
Business Transformation Activities	13	—	30	—
Leadership Transition Costs	—	—	—	15
Loss on Extinguishment of Debt	5	—	14	—
Gain on Sale of Non-core Asset	—	(8)	(3)	(8)
Tax Effect of Adjustments	(4)	2	12	1
Tax Benefit from Resolution of Certain Tax Matters	—	—	(62)	—
Adjusted Net Income	$ 52	$ 71	$ 242	$ 254

Reconciliation of Reported Net Income per Diluted Share to Adjusted Net Income per Diluted Share

Reported Net Income per Diluted Share	$ 0.19	$ 0.37	$ 1.68	$ 1.17
Interchange Fee Settlements	—	—	(0.43)	—
Business Transformation Activities	0.06	—	0.15	—
Leadership Transition Costs	—	—	—	0.07
Loss on Extinguishment of Debt	0.03	—	0.07	—
Gain on Sale of Non-core Asset	—	(0.04)	(0.02)	(0.04)
Tax Effect of Adjustments	(0.02)	0.01	0.06	—
Tax Benefit from Resolution of Certain Tax Matters	—	—	(0.31)	—
Adjusted Net Income per Diluted Share	$ 0.26	$ 0.35	$ 1.20	$ 1.20

See Notes to Adjusted Financial Information.

BATH & BODY WORKS, INC.
FORECASTED ADJUSTED FINANCIAL INFORMATION
(Unaudited)
(In millions, except per share amounts)

	Full-Year 2026	
Reconciliation of Forecasted Net Income Per Diluted Share to Forecasted Adjusted Net Income per Diluted Share	**Low**	**High**
Forecasted Net Income per Diluted Share	$ 3.09	$ 3.29
Interchange Fee Settlements	(0.44)	(0.44)
Business Transformation Activities	0.15	0.15
Loss on Extinguishment of Debt	0.07	0.07
Gain on Sale of Non-core Asset	(0.02)	(0.02)
Tax Effect of Adjustments	0.06	0.06
Tax Benefit from Resolution of Certain Tax Matters	(0.31)	(0.31)
Forecasted Adjusted Net Income Per Diluted Share	$ 2.60	$ 2.80

	Full-Year 2026
Reconciliation of Forecasted Net Cash Provided by Operating Activities to Forecasted Free Cash Flow	
Forecasted Net Cash Provided by Operating Activities	$ 815
Forecasted Capital Expenditures	(215)
Forecasted Free Cash Flow	$ 600

See Notes to Adjusted Financial Information.

BATH & BODY WORKS, INC.
NOTES TO ADJUSTED FINANCIAL INFORMATION
(Unaudited)

The adjusted financial information should not be construed as an alternative to the 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 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 for the purpose of evaluating performance internally. The adjusted financial information 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.

The "Adjusted Financial Information" provided in the attached reflects the following non-GAAP financial measures:

Fiscal 2026

In the third quarter of 2026, adjusted results exclude the following:

- Aggregate pre-tax costs of $13 million ($10 million after tax), primarily included in General, Administrative and Store Operating Expenses, resulting from business transformation activities in connection with the Consumer First Formula; and
- A $5 million pre-tax loss ($4 million after tax), included in Other Income (Expense), Net, related to the repurchase and early extinguishment of outstanding debt.

In the second quarter of 2026, adjusted results exclude the following:

- Aggregate pre-tax costs of $9 million ($7 million after tax), included in General, Administrative and Store Operating Expenses, resulting from business transformation activities in connection with the Consumer First Formula.

In the first quarter of 2026, adjusted results exclude the following:

- An $88 million pre-tax gain ($66 million after tax), included as a reduction to General, Administrative and Store Operating Expenses, related to cash proceeds received, net of legal fees, for favorable settlements of payment card interchange fee litigation;
- Aggregate pre-tax costs of $8 million ($6 million after tax), primarily included in General, Administrative and Store Operating Expenses, resulting from business transformation activities in connection with the Consumer First Formula;
- An $8 million pre-tax loss ($6 million after tax), included in Other Income (Expense), Net, related to the repurchase and early extinguishment of outstanding debt;
- A $3 million pre-tax gain ($3 million after tax), included in Other Income (Expense), Net, related to the sale of a non-core asset; and
- A $62 million tax benefit associated with the resolution of certain tax matters.

Full-year 2026 Forecasted Adjusted Net Income per Diluted Share provided in the "Forecasted Adjusted Financial Information" reflects the adjusted items referenced above.

Fiscal 2025

In the third quarter of 2025, adjusted results exclude the following:

- An $8 million pre-tax gain ($6 million after tax), included in Other Income (Expense), Net, related to the sale of a non-core asset.

In the second quarter of 2025, adjusted results exclude the following:

- Aggregate pre-tax costs of $15 million ($14 million after tax), included in General, Administrative and Store Operating Expenses, due to the transition of certain members of the leadership team, primarily related to severance benefits.

There were no adjustments to results in the first quarter of 2025.

Forecasted Free Cash Flow

Our Forecasted Free Cash Flow is defined as Forecasted Net Cash Provided by Operating Activities less our Forecasted Capital Expenditures. Our

Forecasted Free Cash Flow is a non-GAAP financial measure which we believe is useful to analyze our anticipated ability to generate cash. Our Forecasted Free Cash Flow calculation may not be comparable to similarly-titled measures reported by other companies. Our Forecasted Free Cash Flow should be evaluated in addition to, and not considered a substitute for, other GAAP financial measures.