

Q1 2021 HIGHLIGHTS

Record First Quarter Results Driven by Strong Sales and Margin Rates



Lbrands

Continued Momentum Across Bath & Body Works and Victoria's Secret

- Improved merchandising, selling execution and disciplined inventory management enabled pull back on promotional activity
- Resulted in significant increases in average unit retails and merchandise margin rate
- Made \$35M in contributions to L Brands, Bath & Body Works and Victoria's Secret Foundations

**Q1
2021**

ADJUSTED EARNINGS PER SHARE

\$1.25

([¢]0.99) prior year

OPERATING INCOME

\$572.1M

OPERATING INCOME RATE

18.9%

TOTAL SALES INCREASE

↑ 15%

vs. 2019

GROSS MARGIN RATE

46.8%

Increase of 2,350 bps vs. 2020

Bath & Body Works®

Record Sales and Profitability

↑ 60%

TOTAL SALES INCREASE vs. 2019

↑ 123%

DIRECT CHANNEL SALES INCREASE vs. 2019

\$379.9M

OPERATING INCOME

25.9%

OPERATING INCOME RATE



VICTORIA'S SECRET

Significant Improvement in Victoria's Secret Performance

↑ 9%

TOTAL COMP INCREASE vs. 2019

\$244.5M

OPERATING INCOME

↑ 1,100 bps

GROSS MARGIN RATE vs. 2019

↑ 80%

DOLLARS PER FOOTSTEP IN STORES vs. 2019

15.7%

OPERATING INCOME RATE

↑ 44%

DIRECT CHANNEL SALES INCREASE vs. 2019



Creating Two Industry-Leading Publicly Traded Companies

- Board unanimously approved plan to separate Bath & Body Works and Victoria's Secret into two independent, public companies
- Will enable each business to maximize management focus and financial flexibility to thrive in an evolving retail environment and deliver profitable growth.
- Expected to be tax-free spin-off
- Expected to be completed in August 2021



ANDREW MESLOW
L BRANDS CEO

"L Brands delivered record first quarter earnings, driven by continued strength and exceptional performance at Bath & Body Works and Victoria's Secret. We are pleased that the momentum in both businesses has continued, driven by positive customer responses to our assortments, which allowed us to reduce promotional activity and deliver substantial increases in our merchandise margin rates. We'd like to express our appreciation to our associates and partners who have made these record results possible. Grounded in the strength of the two businesses, we look forward with confidence to the separation of Bath & Body Works and Victoria's Secret into two industry-leading, publicly traded companies."

Q2 2021 OUTLOOK

- EPS between \$0.80 - \$1.00ⁱ
- Projecting sales to increase between 10% - 15% compared to 2019
- Due to the continued uncertainty in the environment, as well as the impending spin-off, not providing earnings guidance for the full year 2021

ⁱExcludes one-time costs related to the spin-off of Victoria's Secret

Any forward-looking statements made in this infographic are subject to the safe harbor statement found in L Brands' SEC filings and press releases. The Company's first quarter 2021 earnings release and related financial information are available on its website, www.LB.com. Also available on the website is an investor presentation. All of the results included in this infographic are adjusted results and exclude the significant items as described in the first quarter 2021 press release.