

VS&Co  
VICTORIA'S SECRET & CO.

# First Quarter Earnings

June 2, 2026



# Q1 2026 Results - Exceeding Expectations

**+15%**

Net Sales increase to Q1 2025

**Broad-Based Strength**

Across categories, channels and geographies

**37.6%**

Adjusted Gross Profit Rate, 240 bps increase to Q1 2025 and higher than guidance

**\$80M**

Adjusted Operating Income, higher than guidance of \$32M – \$42M

**\$0.60**

Adjusted EPS, higher than guidance of \$0.20 – \$0.30

**Mid Single-Digit**

Growth in customer file



Refer to Non-GAAP Financial Information table in the Appendix for additional information including a reconciliation to the most directly comparable GAAP financial measure

# Adjusted<sup>1</sup> Consolidated Statements of Income

Thirteen Weeks Ended May 2, 2026 & May 3, 2025  
(Unaudited – In millions except per share amounts)

	2026	2025	Increase (Decrease)	% Increase (Decrease)
Net Sales	\$1,559.6	\$1,352.9	\$206.7	15%
<i>Comparable Store Sales</i>	10%	(1%)		
<i>Comparable Sales</i>	13%	(1%)		
Gross Profit	587.0	476.0	111.0	23%
<i>% of Sales</i>	37.6%	35.2%	240 bps	
General, Administrative and Store Operating Expenses	506.9	444.3	62.6	14%
<i>% of Sales</i>	32.5%	32.8%	(30 bps)	
Operating Income	80.1	31.7	48.4	153%
<i>% of Sales</i>	5.1%	2.3%	280 bps	
Interest Expense and Other	11.9	14.2	(2.3)	(16%)
Income Before Income Taxes	68.2	17.5	50.7	290%
Provision for Income Taxes	8.5	5.9	2.6	44%
<i>% of Pre-Tax Income</i>	12.4%	33.6%		
Net Income	59.7	11.6	48.1	415%
<i>% of Sales</i>	3.8%	0.9%	290 bps	
Less: Net Income Attributable to Noncontrolling Interest	9.2	4.4	4.8	109%
Net Income Attributable to Victoria's Secret & Co.	\$50.5	\$7.2	\$43.3	601%
<i>% of Sales</i>	3.2%	0.5%	270 bps	
Net Income Per Diluted Share Attributable to Victoria's Secret & Co.	\$0.60	\$0.09	\$0.51	567%
Weighted Average Shares Outstanding	84.8	82.0		



<sup>1</sup> 2026 and 2025 results are on an adjusted basis.  
Refer to Non-GAAP Financial Information table in the Appendix for additional information including a reconciliation to the most directly comparable GAAP financial measure.

# Consolidated Balance Sheets

(Unaudited – In thousands)

	May 2, 2026	May 3, 2025
<b>ASSETS</b>		
Current Assets		
Cash and Cash Equivalents	\$207,132	\$138,450
Accounts Receivable, Net	184,825	153,035
Inventories	1,097,797	1,042,921
Other	136,373	120,286
Total Current Assets	1,626,127	1,454,692
Property and Equipment, Net	736,064	762,911
Operating Lease Assets	1,649,599	1,534,403
Goodwill	366,960	366,960
Trade Names	246,300	279,160
Other Intangible Assets, Net	-	89,980
Deferred Income Taxes	54,421	22,521
Other Assets	90,742	68,993
<b>TOTAL ASSETS</b>	<b>\$4,770,213</b>	<b>\$4,579,620</b>
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities		
Accounts Payable	\$411,800	\$422,855
Accrued Expenses and Other	573,798	543,700
Current Debt	4,000	4,006
Current Operating Lease Liabilities	264,093	259,763
Income Taxes	32,630	25,505
Total Current Liabilities	1,286,321	1,255,829
Deferred Income Taxes	4,877	16,061
Long-Term Debt	985,986	1,077,821
Long-Term Operating Lease Liabilities	1,596,816	1,482,182
Other Long-Term Liabilities	50,638	74,918
Victoria's Secret & Co. Shareholders' Equity	790,204	644,674
Noncontrolling Interest	55,371	28,135
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$4,770,213</b>	<b>\$4,579,620</b>



# 2026 Outlook

(As of June 2, 2026)

	Second Quarter	Full Year
Net Sales	Approximately \$1.590 billion to \$1.615 billion	Approximately \$7.030 billion to \$7.130 billion
Gross Margin Rate	Approximately 38.5%, compared to 2025 adjusted rate of 35.6%	-
SG&A Expense Rate	Approximately 32.5% compared to 2025 adjusted rate of 31.8%	-
Operating Income	Approximately \$90 million to \$100 million	Approximately \$550 million to \$580 million <sup>1</sup>
Net Non-Operating Expense	Approximately \$14 million	Approximately \$55 million <sup>1</sup>
Tax Rate (before discrete items)	Approximately 23%	Approximately 22% <sup>1</sup>
Weighted Average Diluted Shares Outstanding	Approximately 84 million	Approximately 84 million
Net Income Per Diluted Share Attributable to VS&Co	Approximately \$0.65 to \$0.75	Approximately \$4.35 to \$4.60 <sup>1</sup>
Capital Expenditures	-	Approximately \$220 million to \$240 million
Depreciation & Amortization Expense	-	Approximately \$210 million
Free Cash Flow	-	Approximately \$340 million to \$370 million



<sup>1</sup> Full year projections are on an adjusted basis. Refer to Non-GAAP Financial Information table in the Appendix for additional information.

# Store Count & Selling Sq Ft – 2026 Forecast

	Beginning of Year	New Stores	Closures	Total Reconstructions and Change in Selling Sq Ft	End of Year	Increase / (Decrease)	
<b>Company-Operated</b>							
U.S.							
Store Count	766	21	(17 to 25)	43	762 to 770	(4) to 4	(1%) to 1%
Selling Sq Ft 000's	5,304	114	(80 to 138)	(10)	5,270 to 5,328	(34) to 24	(1%) to 0%
Canada							
Store Count	24	2	-	5	26	2	8%
Selling Sq Ft 000's	211	10	-	3	224	13	6%
<b>Subtotal Company-Operated</b>							
<b>Store Count</b>	<b>790</b>	<b>23</b>	<b>(17 to 25)</b>	<b>48</b>	<b>788 to 796</b>	<b>(2) to 6</b>	<b>0% to 1%</b>
<b>Selling Sq Ft 000's</b>	<b>5,515</b>	<b>124</b>	<b>(80 to 138)</b>	<b>(7)</b>	<b>5,494 to 5,552</b>	<b>(21) to 37</b>	<b>0% to 1%</b>
<b>China Joint Venture</b>							
Beauty & Accessories Store Count	20	-	(3 to 5)	-	15 to 17	(3 to 5)	(15% to 25%)
Full Assortment Store Count	45	11 to 15	(4 to 5)	-	51 to 56	6 to 11	13% to 24%
<b>Subtotal China Joint Venture Store Count</b>	<b>65</b>	<b>11 to 15</b>	<b>(7 to 10)</b>	<b>-</b>	<b>66 to 73</b>	<b>1 to 8</b>	<b>2% to 12%</b>
<b>Partner-Operated</b>							
Beauty & Accessories Store Count	350	32 to 37	(22 to 29)	-	353 to 365	3 to 15	1% to 4%
Full Assortment Store Count	212	42 to 48	(3)	-	251 to 257	39 to 45	18% to 21%
<b>Subtotal Partner-Operated Store Count</b>	<b>562</b>	<b>74 to 85</b>	<b>(25 to 32)</b>	<b>-</b>	<b>604 to 622</b>	<b>42 to 60</b>	<b>7% to 11%</b>
<b>Adore Me</b>							
Store Count	3	-	-	-	3	-	-
Selling Sq Ft 000's	12	-	-	-	12	-	-
<b>Total Store Count</b>	<b>1,420</b>	<b>108 to 123</b>	<b>(49 to 67)</b>	<b>-</b>	<b>1,461 to 1,494</b>	<b>41 to 74</b>	<b>3% to 5%</b>

# APPENDIX

# Consolidated Statements of Income

Thirteen Weeks Ended May 2, 2026 & May 3, 2025  
(Unaudited – In thousands, except per share amounts)

	2026	2025
Net Sales	\$1,559,591	\$1,352,949
Costs of Goods Sold, Buying and Occupancy	(974,643)	(878,724)
Gross Profit	584,948	474,225
General, Administrative and Store Operating Expenses	(508,626)	(454,440)
Operating Income	76,322	19,785
Interest Expense	(14,933)	(17,089)
Other Income	3,076	2,957
Income Before Income Taxes	64,465	5,653
Provision for Income Taxes	7,548	2,878
Net Income	56,917	2,775
Less: Net Income Attributable to Noncontrolling Interest	9,226	4,431
Net Income (Loss) Attributable to Victoria's Secret & Co.	\$47,691	(\$1,656)
Net Income (Loss) Per Diluted Share Attributable to Victoria's Secret & Co.	\$0.56	(\$0.02)
Weighted Average Shares Outstanding <sup>1</sup>	84,850	79,468

<sup>1</sup> Reported Weighted Average Shares Outstanding in the first quarter of 2025 reflects basic shares due to the Net Loss



# Selected Data

(Unaudited – In thousands, except per share amounts)

Capital Expenditures	2026	2025
First Quarter	\$54,120	\$42,793
Second Quarter	-	68,680
Spring Season	\$54,120	\$111,473
Third Quarter	-	51,929
Fourth Quarter	-	24,068
Year	\$54,120	\$187,470

Depreciation & Amortization <sup>1</sup>	2026	2025
First Quarter	\$54,250	\$61,745
Second Quarter	-	62,767
Spring Season	\$54,250	\$124,512
Third Quarter	-	60,679
Fourth Quarter	-	53,007
Year	\$54,250	\$238,198

<sup>1</sup> First quarter and full year 2025 include \$6.3 million and \$18.9 million, respectively, of amortization expense related to our definite-lived intangible assets.



# Non-GAAP Financial Information

Fifty-Two Weeks Ending January 30, 2027 Forecast & Ended January 31, 2026  
(Unaudited – In millions)

In addition to our results provided in accordance with GAAP, provided below are non-GAAP financial measures that present operating income, net income (loss) attributable to Victoria's Secret & Co. and net income (loss) per diluted share attributable to Victoria's Secret & Co. on an adjusted basis for the reported periods and forecasted periods provided in this report, which remove certain non-recurring, infrequent or unusual items that we believe are not indicative of the results of our ongoing operations due to their size and nature. The intangible asset amortization excluded in the first quarter of 2025 from these non-GAAP financial measures is excluded because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised. We use adjusted financial information as key performance measures of our results of operations for the purpose of evaluating performance internally. These non-GAAP measurements are not intended to replace the presentation of our financial results in accordance with GAAP. Instead, we believe that the presentation of adjusted financial information provides additional information to investors to facilitate the comparison of past and present operations. Further, our definition of non-GAAP financial measures may differ from similarly titled measures used by other companies. The tables below reconcile the most directly comparable GAAP financial measure to each non-GAAP financial measure.

	2026 (Forecast)	2025 (Actual)
<b>Free Cash Flow <sup>1</sup></b>		
Net Cash Provided by Operating Activities	\$560 to \$610	\$499
Capital Expenditures	(\$220 to \$240)	(\$187)
Free Cash Flow <sup>1</sup>	\$340 to \$370	\$312
Interchange Fees Net Settlement	-	(\$69)
Payments related to Acquisition of Adore Me	-	\$1
Adjusted Free Cash Flow <sup>1</sup>	\$340 to \$370	\$244

<sup>1</sup> Free cash flow is defined as operating cash flow less capital expenditures. Adjusted free cash flow in 2025 removes the \$69 million cash received, net of administration fees, related to the resolution of a credit card interchange fee litigation matter in which we were a plaintiff. Adjusted free cash flow in 2025 also removes cash payments of \$5 million, of which \$1 million was included in "operating" cash flow and \$4 million in "financing" cash flow, related to the Adore Me acquisition that were contingent upon the achievement of specified strategic objectives as defined in the Merger Agreement. For additional information related to contingent payments associated with the acquisition, refer to our 2025 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 20, 2026.



# Non-GAAP Financial Information

(Unaudited – In thousands except per share amounts)

	First Quarter	
	2026	2025
<b>Reconciliation of Reported to Adjusted Gross Profit</b>		
Reported Gross Profit - GAAP	\$584,948	\$474,225
<i>% Net Sales</i>	37.5%	35.1%
Restructuring and Other One-time Items (a)	1,997	1,768
Adjusted Gross Profit	\$586,945	\$475,993
<i>% Net Sales</i>	37.6%	35.2%
<b>Reconciliation of Reported to Adjusted General, Administrative and Store Operating Expenses</b>		
Reported General, Administrative and Store Operating Expenses - GAAP	\$508,626	\$454,440
<i>% Net Sales</i>	32.6%	33.6%
Restructuring and Other One-time Items (a)	(1,764)	(3,829)
Amortization of Intangible Assets (b)	-	(6,284)
Adjusted General, Administrative and Store Operating Expenses	\$506,862	\$444,327
<i>% Net Sales</i>	32.5%	32.8%
<b>Reconciliation of Reported to Adjusted Operating Income</b>		
Reported Operating Income - GAAP	\$76,322	\$19,785
<i>% Net Sales</i>	4.9%	1.5%
Restructuring and Other One-time Items (a)	3,761	5,597
Amortization of Intangible Assets (b)	-	6,284
Adjusted Operating Income	\$80,083	\$31,666
<i>% Net Sales</i>	5.1%	2.3%
<b>Reconciliation of Reported to Adjusted Net Income (Loss) Attributable to Victoria's Secret &amp; Co.</b>		
Reported Net Income (Loss) Attributable to Victoria's Secret & Co. - GAAP	\$47,691	(\$1,656)
Restructuring and Other One-time Items (a)	3,761	5,597
Amortization of Intangible Assets (b)	-	6,284
Tax Effect of Adjusted Items	(903)	(3,011)
Adjusted Net Income Attributable to Victoria's Secret & Co.	\$50,549	\$7,214
<b>Reconciliation of Reported to Adjusted Net Income (Loss) Per Diluted Share Attributable to Victoria's Secret &amp; Co.</b>		
Reported Net Income (Loss) Per Diluted Share Attributable to Victoria's Secret & Co. - GAAP	\$0.56	(\$0.02)
Restructuring and Other One-time Items (a)	0.04	0.05
Amortization of Intangible Assets (b)	-	0.06
Adjusted Net Income Per Diluted Share Attributable to Victoria's Secret & Co.	\$0.60	\$0.09

Refer to the following pages for details regarding the certain items excluded in the adjusted results.



# Non-GAAP Forecasted Financial Information

(Unaudited – In millions except per share amounts)

Forecasted  
Full Year Ending  
January 30, 2027

## Reconciliation of Forecasted GAAP to Adjusted Operating Income

Forecasted Operating Income - GAAP	\$ 546 to 576
Restructuring and Other One-time Items (a)	4
Forecasted Adjusted Operating Income	<u>\$ 550 to 580</u>

## Reconciliation of Forecasted GAAP to Adjusted Net Income Attributable to Victoria's Secret & Co.

Forecasted Net Income Attributable to Victoria's Secret & Co. - GAAP	\$ 362 to 382
Restructuring and Other One-time Items (a)	4
Tax Effect of Adjusted Items	(1)
Forecasted Adjusted Net Income Attributable to Victoria's Secret & Co.	<u>\$ 365 to 385</u>

## Reconciliation of Forecasted GAAP to Adjusted Net Income Per Diluted Share Attributable to Victoria's Secret & Co.

Forecasted Net Income Per Diluted Share Attributable to Victoria's Secret & Co. - GAAP	\$ 4.31 to 4.56
Restructuring and Other One-time Items (a)	0.04
Forecasted Adjusted Net Income Per Diluted Share Attributable to Victoria's Secret & Co.	<u>\$ 4.35 to 4.60</u>



# Non-GAAP Financial Information

Adjusted results exclude the following items:

- a) In the first quarter of 2026 and 2025, we recognized pre-tax net expense of \$3.8 million and \$5.6 million (\$2.9 million and \$4.2 million net of tax expense of \$0.9 million and \$1.4 million, respectively), \$2.0 million and \$1.8 million included in buying and occupancy expense and \$1.8 million and \$3.8 million included in general, administrative and store operating expense, related to activities to continue to restructure our executive leadership team and organizational structure, as well as other one-time items.
- b) In the first quarter of 2025, we recognized amortization expense of \$6.3 million (\$4.7 million net of tax expense of \$1.6 million) included in general, administrative and store operating expense, related to our definite-lived intangible assets.

“International retail sales” means the sales of merchandise sold through stores and digital channels operated by our partners under franchise, license, wholesale and joint venture arrangements. While international retail sales are not recorded as net sales in our financial statements, management believes the information is important in understanding our financial performance because these sales are the basis on which we calculate and record certain net sales for our International business and are indicative of the financial health of our franchise, license, wholesale and joint venture partners and the prospects for growth of our International business.

Market share data referenced throughout the earnings materials is from our third-party U.S. consumer data provider, Circana.



# 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 U.S. Private Securities Litigation Reform Act of 1995) contained in this presentation or made by us, our management, or our spokespeople 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, and any future performance or financial results expressed or implied by such forward-looking statements are not guarantees of future performance. Forward-looking statements include, without limitation, statements regarding our future operating results, the implementation and impact of our strategic plans, and our goals, intentions, beliefs and expectations. Words such as “estimate,” “commit,” “will,” “target,” “forecast,” “goal,” “project,” “plan,” “believe,” “seek,” “strive,” “expect,” “anticipate,” “intend,” “continue,” “potential” or the negative of these words and any similar expressions are intended to identify forward-looking statements. Risks associated with the following factors, among others, could affect our results of operations and financial performance and cause actual results to differ materially from those expressed or implied in any forward-looking statements:
  - general economic conditions, inflation and changes in consumer confidence and consumer spending patterns;
  - 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;
  - uncertainty in the global trade environment, including the imposition or threatened imposition of tariffs or other trade policies;
  - our ability to successfully implement our strategic plan;
  - difficulties arising from changes and turnover in company leadership or other key positions;
  - our ability to attract, develop and retain qualified associates and manage labor-related costs;
  - our dependence on traffic to our stores and the availability of suitable store locations on satisfactory terms;
  - our ability to successfully operate and expand internationally and related risks;
  - the operations and performance of our franchisees, licensees, wholesalers and joint venture partners;
  - our ability to successfully operate and grow our direct channel business;
  - our ability to protect our reputation and the image and value of our brands;
  - our ability to attract customers with marketing, advertising and promotional programs;
  - 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, remain current with fashion trends, and develop and launch new merchandise and product lines successfully;
  - our ability to integrate acquired businesses and realize the benefits and synergies sought with such acquisitions;
  - our ability to incorporate artificial intelligence and other emerging technologies into our business operations successfully and ethically while effectively managing the associated risks;
  - our ability to source materials and produce, distribute and sell merchandise on a global basis, including risks related to:
    - political instability and geopolitical conflicts;
    - environmental hazards and natural disasters;
    - significant health hazards and pandemics;
    - delays or disruptions in shipping and transportation and related pricing impacts;
    - foreign currency exchange rate fluctuations; and
    - disruption due to labor disputes;
  - our geographic concentration of production and distribution facilities in Southeast Asia and central Ohio;
  - the ability of our vendors to manufacture and deliver products in a timely manner, meet quality standards and comply with applicable laws and regulations;
  - fluctuations in freight, product input and energy costs;
  - our and our third-party service providers’ ability to implement and maintain information technology systems and to protect associated data and system availability;
  - our ability to maintain the security and privacy of customer, associate, third-party and company information;
  - stock price volatility;
  - shareholder activism matters;
  - our ability to maintain our credit ratings;
  - our ability to comply with legal and regulatory requirements; and
  - legal, tax, trade and other regulatory matters.
- All forward-looking statements are made only as of the date of this presentation. Except as may be required by law, we assume no 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 2025 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 20, 2026.