



Bread Financial Announces Refinancing Commitments

June 8, 2023

- Bread Financial signs credit agreement for a \$1.275 billion lending facility
- Supports continued growth and debt reduction plan while extending maturities

COLUMBUS, Ohio--(BUSINESS WIRE)-- Bread Financial Holdings, Inc. (NYSE: BFH) announced today that it has entered into a credit agreement with JPMorgan Chase Bank, N.A., and other financial institutions, pursuant to which the lenders have agreed to provide a \$700 million senior unsecured revolving credit facility and a \$575 million senior unsecured delayed draw term loan facility, subject to certain conditions. The effectiveness of this new credit facility will be subject to customary closing conditions and the completion of one or more capital markets transactions, as described in Bread Financial's current report on Form 8-K filed today with the Securities and Exchange Commission. This new credit facility will replace the Company's existing credit facility and will mature three years after entry into the new credit facility.

"Today's announcements align with our stated goals of reducing total debt over time in an efficient manner to further strengthen our balance sheet. The new facilities underscore the support of our lenders and confidence in our business and long-term strategy. Our bank boards have approved a \$500 million dividend from the banks to our parent company in the second quarter of 2023 for planned debt reduction," said Ralph Andretta, president and chief executive officer of Bread Financial. "Together with strong free cash flow generation, we believe our balance sheet management actions further increase our financial flexibility and support our continued growth."

About Bread Financial™

[Bread Financial™](#) (NYSE: BFH) is a tech-forward financial services company providing simple, personalized payment, lending and saving solutions. The company creates opportunities for its customers and partners through digitally enabled choices that offer ease, empowerment, financial flexibility and exceptional customer experiences. Driven by a digital-first approach, data insights and white-label technology, Bread Financial delivers growth for its partners through a comprehensive product suite, including private label and co-brand credit cards, installment lending, and buy now, pay later (BNPL). Bread Financial also offers direct-to-consumer solutions that give customers more access, choice and freedom through its branded [Bread Cashback™](#), [American Express® Credit Card](#) and [Bread Savings™](#) products.

Headquartered in Columbus, Ohio, Bread Financial is powered by its 7,500+ global associates and is committed to sustainable business practices. To learn more about Bread Financial, visit [BreadFinancial.com](#) or follow us on [Facebook](#), [LinkedIn](#), [Twitter](#) and [Instagram](#).

Forward-looking Statements

This news release contains forward-looking statements, including, but not limited to, statements related to the proposed refinancing transactions, the Convertible Notes offering, the capped call transactions and the Tender Offer described above. Forward-looking statements may otherwise generally be identified by the use of the words such as "believe," "expect," "anticipate," "estimate," "intend," "project," "plan," "likely," "may," "should" or other words or phrases of similar import. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements we make regarding, and the guidance we give with respect to, our anticipated operating or financial results, future financial performance and outlook, future dividend declarations, and future economic conditions.

We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are subject to a number of risks and uncertainties that are difficult to predict and, in many cases, beyond our control. Accordingly, our actual results could differ materially from the projections, anticipated results or other expectations expressed in this release, and no assurances can be given that our expectations will prove to have been correct. Moreover, the effectiveness of the new credit facility described herein is subject to a number of conditions, including the completion of one or more capital markets transactions; there can be no guarantee that we will fulfill such conditions or that the new facility will become effective. Factors that could cause the outcomes to differ materially include, but are not limited to, the following: macroeconomic conditions, including market conditions, inflation, rising interest rates, unemployment levels and the increased probability of a recession, and the related impact on consumer payment rates, savings rates and other behavior; global political and public health events and conditions, including the ongoing war in Ukraine and the continuing effects of the global COVID-19 pandemic; future credit performance, including the level of future delinquency and write-off rates; the loss of, or reduction in demand from, significant brand partners or customers in the highly competitive markets in which we compete; the concentration of our business in U.S. consumer credit; inaccuracies in the models and estimates on which we rely, including the amount of our allowance for credit losses and our credit risk management models; the inability to realize the intended benefits of acquisitions, dispositions and other strategic initiatives; our level of indebtedness and ability to access financial or capital markets; pending and future legislation, regulation, supervisory guidance, and regulatory and legal actions, including, but not limited to, those related to financial regulatory reform and consumer financial services practices, as well as any such actions with respect to late fees, interchange fees or other charges; impacts arising from or relating to the transition of our credit card processing services to third party service providers that we completed in 2022; failures or breaches in our operational or security systems, including as a result of cyberattacks, unanticipated impacts from technology modernization projects or otherwise; and any tax liability, disputes or other adverse impacts arising out of or relating to the spinoff of our former LoyaltyOne segment or the recent bankruptcy filings of Loyalty Ventures Inc. and certain of its subsidiaries. The foregoing factors, along with other risks and uncertainties that could cause actual results to differ materially from those expressed or implied in forward-looking statements, are described in greater detail under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the most recently ended fiscal year, which may be updated in Item 1A of, or elsewhere in, our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K. Our forward-looking statements speak only as of the date made, and we undertake no obligation, other than as required by applicable law, to update or revise any forward-looking statements, whether as a result of new information, subsequent events, anticipated or unanticipated circumstances or otherwise.



Investors/Analysts

Brian Vereb

Brian.Vereb@BreadFinancial.com

Susan Haugen

Susan.Haugen@BreadFinancial.com

Media

Rachel Stultz

Rachel.Stultz@BreadFinancial.com

Source: Bread Financial