SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported):
January 26, 2023

BREAD FINANCIAL HOLDINGS, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware	**001-15749**	**31-1429215**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3095 LOYALTY CIRCLE
COLUMBUS, Ohio 43219
(Address and Zip Code of Principal Executive Offices)

(614) 729-4000
(Registrant's Telephone Number, including Area Code)

NOT APPLICABLE
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol	Name of each exchange on which registered
Common Stock, par value $0.01 per share	BFH	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

Item 2.02 Results of Operations and Financial Condition.

On January 26, 2023, Bread Financial Holdings, Inc. (the "Company") issued a press release regarding its results of operations for the fourth quarter and fiscal year ended December 31, 2022 (the "Q4 2022 Earnings Release"). A copy of the Q4 2022 Earnings Release is furnished as Exhibit 99.1 hereto.

Item 7.01 Regulation FD Disclosure.

In connection with the Q4 2022 Earnings Release, on January 26, 2023, the Company made available an investor presentation that may be used by the Company's senior management during meetings and calls with analysts, investors and other market participants, a copy of which is furnished as Exhibit 99.2 hereto and is posted on the Company's website at www.breadfinancial.com on the "Investors" page under "Events & Presentations." Information on the Company's website does not constitute a part of this Current Report on Form 8-K.

In addition, on January 26, 2023, the Company issued a press release announcing a multi-year co-brand credit card agreement with the New York Yankees. A copy of the press release announcing the Company's agreement with the New York Yankees is furnished as Exhibit 99.3 hereto.

Item 8.01 Other Events.

On January 26, 2023, the Company issued a press release announcing that the Board of Directors of the Company declared a quarterly cash dividend of $0.21 per share of common stock, payable on March 17, 2023 to stockholders of record at the close of business on February 10, 2023. A copy of the press release announcing the Company's quarterly dividend is attached as Exhibit 99.4 hereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Document Description
99.1	Press Release dated January 26, 2023 announcing the Company's results of operations for the fourth quarter and fiscal year ended December 31, 2022.
99.2	Investor Presentation dated January 26, 2023.
99.3	Press Release dated January 26, 2023 announcing the Company's agreement with the New York Yankees.
99.4	Press Release dated January 26, 2023 announcing the Company's quarterly dividend.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Note: Except for the information in Item 8.01 hereof (including Exhibit 99.4 hereto), the information contained in this report (including Exhibits 99.1, 99.2 and 99.3) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	Bread Financial Holdings, Inc.	
Date: January 26, 2023	By:	/s/ Joseph L. Motes III Joseph L. Motes III Executive Vice President, Chief Administrative Officer, General Counsel and Secretary

Bread Financial Reports Fourth Quarter and Full Year 2022 Results

COLUMBUS, Ohio, January 26, 2023 – Bread Financial Holdings, Inc. (NYSE: BFH), a tech-forward financial services company that provides simple, personalized payment, lending, and saving solutions, today announced financial results for the fourth quarter and full year ended December 31, 2022.

($ in millions)	Fourth Quarter 2022	Full Year 2022
Net (loss) income	**$(134)**	**$223**
Earnings per Diluted Share	**$(2.68)**	**$4.46**

- Fourth quarter net income was $(134) million, or $(2.68) per diluted share, with a reserve build of $380 million primarily due to strong loan growth in the quarter, including the required reserve build relating to the acquisition of the AAA credit card portfolio.
- Total fourth quarter revenue was $1,033 million, up $178 million, or 21%, versus the fourth quarter of 2021.
- As expected, normalization of credit metrics continued in the fourth quarter with a delinquency rate of 5.5% and a net loss rate of 6.3%.

Business Highlights

"I am pleased with our solid business development efforts throughout 2022, including the addition of AAA and the NFL, as well as our multi-year renewal with Victoria's Secret and its co-brand product launch. Our business development pipeline remains robust and diverse from a size, product, and industry standpoint. We will continue to leverage our full suite of lending products to attract and retain top brands and build upon our momentum in 2023," said Ralph Andretta, president and chief executive officer of Bread Financial.

"We are excited to announce a new relationship with Hard Rock International, which includes offering Hard Rock's vast customer base a new way to pay through our co-brand credit card, creating new experiences, providing special offers, and strengthening customer loyalty for the brand. Hard Rock attracts a broad demographic given its offerings, further expanding our reach across generations.

"During the fourth quarter, we announced a new multi-year agreement with the New York Yankees. This exciting relationship rewards Yankees fans for their purchases and provides enhanced benefits through a New York Yankees co-brand credit card, while further diversifying our brand partner base.

"We are also pleased to extend our long-standing relationship with Helzberg Diamonds, underscoring our strong position in the jewelry space and optimizing the value proposition that we offer to Helzberg customers," Andretta noted.

CEO COMMENTARY

"2022 was another successful transformational year for our company, starting with our rebrand to Bread Financial last March. We executed on our strategic objectives, including expanding our product offerings with the launch of the Bread Cashback™ American Express® Credit Card, securing new, diverse program agreements and long-term renewals with iconic brands, and advancing our technology modernization through major enhancements to our core platform and surrounding digital assets.

"We achieved our full year 2022 financial targets, delivering quality average loan growth of 13% year-over-year, as evidenced by a 19% increase in pretax pre-provision earnings (PPNR) versus 2021. We remained disciplined while continuing to invest in our future growth, generating over 200 basis points of positive operating leverage for the year. We further demonstrated our financial resilience with greater product and funding diversification, increased loss absorption capacity through our loan loss reserve build, and growth in capital and tangible book value.

"As the macroeconomic landscape evolves, we are closely monitoring the impact of inflation and higher interest rates on consumers. We are observing a shift toward non-discretionary spending with payment rates approaching pre-pandemic levels, and we continue to proactively adjust our underwriting and credit line management accordingly.

"Our seasoned leadership team is experienced in managing through the entire credit cycle, with an emphasis on responsible risk management and recession readiness planning.

"We remain focused on executing on our strategic priorities and making the investments that position Bread Financial to drive sustainable, profitable growth."

- Ralph Andretta, president and chief executive officer

CFO COMMENTARY

"Our fourth quarter financial results reflected continued strong momentum for the company, including year-over-year revenue growth of 21%, driven by 23% average loan growth and improved margins. Credit sales growth in the quarter of 16% was fueled by the addition of new brand partners during the year like the NFL and AAA, as well as new products and existing brand partner growth. As expected, our strong loan growth and the required reserve build related to the acquisition of the AAA portfolio resulted in a meaningful increase in our loan loss reserve which impacted our EPS and Net income in the fourth quarter.

"For the seventh consecutive quarter, PPNR grew year-over-year at a double-digit rate, reflecting our continued focus on delivering quality growth. As expected, fourth quarter expenses increased 13% versus the third quarter of 2022. Consistent with our strategic priorities, we continued to invest in technology modernization, digital advancement, marketing, and product innovation.

"Throughout the year, we made significant progress in strengthening our capital position and diversifying our funding mix. Retail direct-to-consumer deposits now account for $5.5 billion, or 26% of our total funding, and grew 72% year-over-year.

"Our full year financial results were in line with our expectation for normalization of consumer payment behavior in 2022. As expected, inflation and higher interest rates are broadly impacting consumers. We are proactively using our recession readiness playbook to ensure our current and future returns meet our profitability and risk tolerance thresholds.

"Additionally, we have continued to maintain conservative economic scenario weightings in our credit reserve modeling as a result of softness in economic indicators, including the increased cost of consumer debt and high inflation. We believe that our loan loss reserve provides for future loss absorption and protection should more adverse economic scenarios materialize.

"We remain confident in our ability to evaluate risk-reward trade-offs to create long-term value for our stakeholders."

- Perry Beberman, executive vice president and chief financial officer

2023 Full Year Outlook

- **Macroeconomic Assumptions:** "Our outlook assumes a more challenging macroeconomic landscape with continued inflationary pressures and an unemployment rate gradually moving to the mid-to-upper 4% range by year-end 2023. Our outlook continues to assume additional interest rate increases by the Federal Reserve will result in a nominal benefit to total net interest income.

- **Average Loan Growth:** "Based on our new and renewed brand partner announcements, visibility into our pipeline, anticipated sale of the BJ's Wholesale Club portfolio, and the current economic outlook, we expect full year 2023 average credit card and other loans to grow in the mid-single digit range relative to 2022.

- **Total Revenue:** "Total revenue growth for 2023, excluding the anticipated portfolio gain on sale, is anticipated to align with average loan growth, with full year net interest margin similar to 2022.

- **Total Expenses:** "As a result of ongoing investments in technology modernization, digital advancement, marketing, and product innovation, along with continued portfolio growth, we anticipate an increase in total full year expenses versus 2022 although the pace of growth is projected to decelerate versus the 2022 rate. We remain focused on delivering positive operating leverage for the full year as we manage the pace and timing of our investments to align with our full year revenue and growth outlook.

- **Net Loss Rate:** "We expect a net loss rate of approximately 7% for 2023, inclusive of impacts from the 2022 transition of our credit card processing services as well as continued pressure on consumers' ability to pay due to persistent inflation. We remain confident in our long-term guidance of a through-the-cycle average net loss rate below our historical average of 6%.

- **Effective Tax Rate:** "We expect our full year normalized effective tax rate to be in the range of 25% to 26%, with quarter-over-quarter variability due to the timing of certain discrete items."

Key Operating and Financial Metrics[1]

Continuing Operations[1]	Quarter Ended December 31,			Year Ended December 31,		
($ in millions, except per share amounts)	2022	2021	Change	2022	2021	Change
Total net interest and non-interest income ("Revenue")	$ 1,033	$ 855	21%	$ 3,826	$ 3,272	17%
Net principal losses	*$ 312*	*$ 176*	*77%*	*$ 968*	*$ 720*	*35%*
Reserve build (release)	*$ 380*	*$ 187*	*103%*	*$ 626*	*$ (176)*	*nm*
Provision for credit losses	$ 692	$ 363	91%	$ 1,594	$ 544	193%
Total non-interest expenses	$ 548	$ 427	28%	$ 1,932	$ 1,684	15%
(Loss) income from continuing operations before income taxes	$ (207)	$ 65	nm	$ 300	$ 1,044	(71%)
(Loss) income from continuing operations	**$ (134)**	**$ 61**	**nm**	**$ 224**	**$ 797**	**(72%)**
(Loss) income from continuing operations per diluted share	$ (2.68)	$ 1.21	nm	$ 4.47	$ 15.95	(72%)
Weighted average shares outstanding – diluted	50.0	50.0		50.0	50.0	
Pretax pre-provision earnings (PPNR)*	$ 485	$ 428	13%	$ 1,894	$ 1,588	19%

(1) Reflective of the spinoff of Loyalty Ventures Inc. for all periods presented.

Note: The quarter and year ended December 31, 2022 Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

nm – not meaningful

* *Pretax pre-provision earnings (PPNR) is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

Fourth Quarter 2022 Compared with Fourth Quarter 2021 – Continuing Operations

- Credit sales were $10.2 billion for the fourth quarter 2022, an increase of $1.4 billion, or 16%, versus the fourth quarter of 2021 driven by new brand partner additions including AAA and NFL, as well as new products and growth from existing brand partners.
- Average and end-of-period credit card and other loans were $19.8 billion and $21.4 billion, respectively, each up 23%, driven by continued credit sales growth, new partner additions, as well as further moderation in the consumer payment rate.
- Revenue increased $178 million, or 21%, resulting from higher average loan balances and improved loan yields. Net Interest Margin increased 30 basis points year-over-year and was lower sequentially due to seasonality, our acquisition of the AAA portfolio, and increased reversals of interest and fee revenues from higher gross losses.
- Total non-interest expenses increased $121 million, or 28%, as card and processing expenses increased $30 million, or 37%, information processing and communications expenses increased $27 million, or 50%, and employee compensation and benefit costs increased $25 million, or 14%.
- PPNR, a non-GAAP financial measure, increased $57 million, or 13%, reflecting sustainable, quality growth and continued success in executing on our strategic priorities.
- Income from continuing operations decreased $195 million, as the improvement in PPNR was offset by a higher provision for credit losses reflecting both loan growth in the quarter, including the required reserve build related to the acquisition of the AAA portfolio, and a higher reserve rate, as well as increased net principal losses.
- The Delinquency rate of 5.5% increased from 3.9% in 4Q21 and decreased from 5.7% in 3Q22. The year-over-year increase was the result of expected consumer payment rate normalization.
- The Net loss rate of 6.3% increased from 4.4% in 4Q21 and 5.0% in 3Q22. The fourth quarter rate was impacted by the transition of our credit card processing services, as well as continued consumer payment rate normalization.

Contacts

Investor Relations: Brian Vereb (Brian.Vereb@breadfinancial.com)

Media Relations: Shelley Whiddon (Shelley.Whiddon@breadfinancial.com), 214-494-3811

Rachel Stultz (Rachel.Stultz@breadfinancial.com), 614-729-4890

Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of 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. 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, including the spinoff of our former LoyaltyOne® segment; 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; and failures or breaches in our operational or security systems, including as a result of cyberattacks, unanticipated impacts from technology modernization projects or otherwise. 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. Additional information will also be set forth in our Annual Report on Form 10-K for the year ended December 31, 2022. 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.

Non-GAAP Financial Measures

We prepare our Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States of America (GAAP). However, certain information included within this presentation, constitutes non-GAAP financial measures. Our calculations of non-GAAP financial measures may differ from the calculations of similarly titled measures by other companies. In particular, *Pretax pre-provision earnings* (PPNR) is calculated by increasing/decreasing Income from continuing operations before income taxes by the net build/release in Provision for credit losses. We use PPNR as a metric to evaluate our results of operations before income taxes, excluding the volatility that can occur within Provision for credit losses. *Tangible common equity over Tangible assets* (TCE/TA) represents Total stockholders' equity reduced by Goodwill and intangible assets, net, (TCE) divided by Tangible assets (TA), which is Total assets reduced by Goodwill and intangible assets, net. We use TCE/TA as a metric to evaluate the Company's capital adequacy and estimate its ability to cover potential losses. *Tangible book value per common share* represents TCE divided by shares outstanding. We use Tangible book value per common share as a metric to estimate the Company's potential value in relation to tangible assets per share. We believe the use of these non-GAAP financial measures provide additional clarity in understanding our results of operations and trends. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, please see the "Reconciliation of GAAP to Non-GAAP Financial Measures".

Conference Call / Webcast Information

Bread Financial will host a conference call on Thursday, January 26, 2023 at 8:30 a.m. (Eastern Time) to discuss the Company's fourth quarter and full year 2022 results. The conference call will be available via the Internet at investor.breadfinancial.com. There will be several slides accompanying the webcast. Please go to the website at least 15 minutes prior to the call to register, download, and install any necessary software. The recorded webcast will also be available on the Company's website.

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 6,000+ 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**.

BREAD FINANCIAL HOLDINGS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(In millions, except per share amounts)

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Interest income				
Interest and fees on loans	$ 1,290	$ 1,015	$ 4,615	$ 3,861
Interest on cash and investment securities	35	2	69	7
Total interest income	1,325	1,017	4,684	3,868
Interest expense				
Interest on deposits	102	37	243	167
Interest on borrowings	93	47	260	216
Total interest expense	195	84	503	383
Net interest income	**1,130**	**933**	**4,181**	**3,485**
Non-interest income				
Interchange revenue, net of retailer share arrangements	(135)	(119)	(469)	(369)
Other	38	41	114	156
Total non-interest income	(97)	(78)	(355)	(213)
Total net interest and non-interest income	**1,033**	**855**	**3,826**	**3,272**
Provision for credit losses	**692**	**363**	**1,594**	**544**
Total net interest and non-interest income, after provision for credit losses	341	492	2,232	2,728
Non-interest expenses				
Employee Compensation and Benefits	207	182	779	671
Card and Processing Expenses	111	81	359	323
Information Processing and Communication	82	55	274	216
Marketing Expense	56	47	180	160
Depreciation and Amortization	33	22	113	92
Other	59	40	227	222
Total non-interest expenses	**548**	**427**	**1,932**	**1,684**
(Loss) income from continuing operations before income taxes	(207)	65	300	1,044
Provision for income taxes	(73)	4	76	247
(Loss) income from continuing operations	(134)	61	224	797
Income (loss) from discontinued operations, net of taxes	—	(44)	(1)	4
Net (loss) income	**$ (134)**	**$ 17**	**$ 223**	**$ 801**
Basic income per share				
(Loss) income from continuing operations	$ (2.69)	$ 1.22	$ 4.48	$ 16.02
Income (loss) from discontinued operations	$ —	$ (0.88)	$ (0.01)	$ 0.07
Net (loss) income per share	$ (2.69)	$ 0.34	$ 4.47	$ 16.09
Diluted income per share				
(Loss) income from continuing operations	$ (2.68)	$ 1.21	$ 4.47	$ 15.95
Income (loss) from discontinued operations	$ —	$ (0.87)	$ (0.01)	$ 0.07
Net (loss) income per share	$ (2.68)	$ 0.34	$ 4.46	$ 16.02
Weighted average common shares outstanding				
Basic	49.9	49.8	49.9	49.7
Diluted	50.0	50.0	50.0	50.0
Pretax pre-provision earnings (PPNR)*	$ 485	$ 428	$ 1,894	$ 1,588

* *Pretax pre-provision earnings (PPNR) is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

BREAD FINANCIAL HOLDINGS, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions)

	December 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	$ 3,891	$ 3,046
Credit card and other loans:		
Total credit card and other loans	21,365	17,399
Allowance for credit losses	(2,464)	(1,832)
Credit card and other loans, net	18,901	15,567
Investment securities	221	239
Property and equipment, net	195	215
Goodwill and intangible assets, net	799	687
Other assets	1,400	1,992
Total assets	**$ 25,407**	**$ 21,746**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits	$ 13,826	$ 11,027
Debt issued by consolidated variable interest entities	6,115	5,453
Long-term and other debt	1,892	1,986
Other liabilities	1,309	1,194
Total liabilities	**23,142**	**19,660**
Total stockholders' equity	2,265	2,086
Total liabilities and stockholders' equity	**$ 25,407**	**$ 21,746**
Shares of common stock outstanding	49.9	49.8

BREAD FINANCIAL HOLDINGS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31, 2022	Year Ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 223	$ 801
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	1,594	544
Depreciation and amortization	113	123
Deferred income taxes	(245)	(15)
Non-cash stock compensation	33	29
Amortization of deferred financing costs	24	31
Amortization of deferred origination costs	86	75
Other	67	(4)
Change in other operating assets and liabilities, net of acquisitions and dispositions		
Change in other assets	(134)	(30)
Change in other liabilities	87	(11)
Net cash provided by operating activities	1,848	1,543
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in credit card and other loans	(3,222)	(1,805)
Change in redemption settlement assets	—	(113)
Payments for acquired businesses, net of cash and restricted cash	—	(75)
Proceeds from sale of credit card loan portfolio	—	512
Purchase of credit card loan portfolios	(1,804)	(110)
Capital expenditures	(68)	(84)
Purchases of investment securities	(43)	(93)
Maturities of investment securities	30	73
Other	(4)	4
Net cash (used in) provided by investing activities	(5,111)	(1,691)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Unsecured borrowings under debt agreements	218	38
Repayments/maturities of unsecured borrowings under debt agreements	(319)	(864)
Debt issued by consolidated variable interest entities	4,248	4,278
Repayments/maturities of debt issued by consolidated variable interest entities	(3,587)	(4,538)
Net increase (decrease) in deposits	2,778	1,228
Debt proceeds from spinoff of Loyalty Ventures Inc.	—	652
Transfers to Loyalty Ventures Inc. related to spinoff	—	(127)
Payment of deferred financing costs	(13)	(13)
Dividends paid	(43)	(42)
Repurchases of common stock	(12)	—
Other	(3)	(4)
Net cash provided by (used in) financing activities	3,267	608
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	—	—
Change in cash, cash equivalents and restricted cash	4	460
Cash, cash equivalents and restricted cash at beginning of period	3,923	3,463
Cash, cash equivalents and restricted cash at end of period	$ 3,927	$ 3,923

Note: The unaudited Condensed Consolidated Statements of Cash Flows are presented reflecting the combined cash flows from continuing and discontinued operations.

BREAD FINANCIAL HOLDINGS, INC.
UNAUDITED SUMMARY FINANCIAL HIGHLIGHTS
(In millions, except per share amounts and percentages)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2022	2021	Change	2022	2021	Change
Credit sales	$ 10,166	$ 8,778	16%	$ 32,883	$ 29,603	11%
Average credit card and other loans	$ 19,820	$ 16,086	23%	$ 17,768	$ 15,656	13%
End-of-period credit card and other loans	$ 21,365	$ 17,399	23%	$ 21,365	$ 17,399	23%
End-of-period direct-to-consumer deposits	$ 5,466	$ 3,180	72%	$ 5,466	$ 3,180	72%
Return on average assets[1]	(2.2%)	1.1%	(3.3%)	1.0%	3.6%	(2.6%)
Return on average equity[2]	(23.3%)	11.1%	(34.4%)	9.8%	40.7%	(30.9%)
Net interest margin[3]	19.1%	18.8%	0.3%	19.2%	18.2%	1.0%
Loan yield[4]	26.0%	25.2%	0.8%	26.0%	24.7%	1.3%
Efficiency ratio[5]	53.1%	50.0%	3.1%	50.5%	51.5%	(1.0%)
Tangible common equity / tangible assets ratio (TCE/TA)[6]	6.0%	6.6%	(0.6%)	6.0%	6.6%	(0.6%)
Tangible book value per common share[7]	$ 29.42	$ 28.09	4.7%	$ 29.42	$ 28.09	4.7%
Cash dividend per common share	$ 0.21	$ 0.21	0.0%	$ 0.84	$ 0.84	0.0%
Payment rate[8]	16.4%	17.2%	(0.8%)	16.4%	17.2%	(0.8%)
Delinquency rate[9]	5.5%	3.9%	1.6%	5.5%	3.9%	1.6%
Net loss rate[9]	6.3%	4.4%	1.9%	5.4%	4.6%	0.8%
Reserve rate	11.5%	10.5%	1.0%	11.5%	10.5%	1.0%

(1) Return on average assets represents annualized Income from continuing operations divided by average Total assets.

(2) Return on average equity represents annualized Income from continuing operations divided by average Total stockholders' equity.

(3) Net interest margin represents annualized Net interest income divided by average Total interest-earning assets.

(4) Loan yield represents annualized Interest and fees on loans divided by Average credit card and other loans.

(5) Efficiency ratio represents Total non-interest expenses divided by Total net interest and non-interest income.

(6) Tangible common equity (TCE) represents Total stockholders' equity reduced by Goodwill and intangible assets, net. Tangible assets (TA) represents Total assets reduced by Goodwill and intangible assets, net. TCE/TA is a non-GAAP financial measure.

(7) Tangible book value per common share represents TCE divided by shares outstanding, and is a non-GAAP measure.

(8) Payment rate represents consumer payments during the last month of the period, divided by the beginning-of-month credit card and other loans, including held for sale in applicable periods.

(9) The three and twelve months ended December 31, 2022 Delinquency and Net Loss rates were impacted by the transition of our credit card processing services.

BREAD FINANCIAL HOLDINGS, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(In millions, except percentages)

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2022	2021	Change	2022	2021	Change
Pretax pre-provision earnings:						
(Loss) income from continuing operations before income taxes	$ (207)	$ 65	nm	$ 300	$ 1,044	(71%)
Provision for credit losses	692	363	91%	1,594	544	193%
Pretax pre-provision earnings (PPNR)	$ 485	$ 428	13%	$ 1,894	$ 1,588	19%
Tangible common equity (TCE)						
Total stockholders' equity	2,265	2,086	9%	2,265	2,086	9%
Less: Goodwill and intangible assets, net	(799)	(687)	16%	(799)	(687)	16%
Tangible common equity (TCE)	$ 1,466	$ 1,399	5%	$ 1,466	$ 1,399	5%
Tangible assets (TA)						
Total assets	25,407	21,746	17%	25,407	21,746	17%
Less: Goodwill and intangible assets, net	(799)	(687)	16%	(799)	(687)	16%
Tangible assets (TA)	$ 24,608	$ 21,059	17%	$ 24,608	$ 21,059	17%

Exhibit 99.2

bread financial

Bread Financial

Fourth Quarter and Full Year 2022 Results

January 26, 2023

Ralph Andretta
President & CEO

Perry Beberman
EVP & CFO

Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of 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. 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, including the spinoff of our former LoyaltyOne® segment; 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; and failures or breaches in our operational or security systems, including as a result of cyberattacks, unanticipated impacts from technology modernization projects or otherwise. 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. Additional information will also be set forth in our Annual Report on Form 10-K for the year ended December 31, 2022. 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.

Non-GAAP Financial Measures

We prepare our Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States of America (GAAP). However, certain information included within this presentation, constitutes non-GAAP financial measures. Our calculations of non-GAAP financial measures may differ from the calculations of similarly titled measures by other companies. In particular, *Pretax pre-provision earnings* (PPNR) is calculated by increasing/decreasing Income from continuing operations before income taxes by the net build/release in Provision for credit losses. We use PPNR as a metric to evaluate our results of operations before income taxes, excluding the volatility that can occur within Provision for credit losses. *Tangible common equity over Tangible assets* (TCE/TA) represents Total stockholders' equity reduced by Goodwill and intangible assets, net, (TCE) divided by Tangible assets (TA), which is Total assets reduced by Goodwill and intangible assets, net. We use TCE/TA as a metric to evaluate the Company's capital adequacy and estimate its ability to cover potential losses. *Tangible book value per common share* represents TCE divided by shares outstanding. We use Tangible book value per common share as a metric to estimate the Company's potential value in relation to tangible assets per share. We believe the use of these non-GAAP financial measures provide additional clarity in understanding our results of operations and trends. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, please see the "Reconciliation of GAAP to Non-GAAP Financial Measures".

Continued Business Transformation in 2022

Transforming our Company to deliver sustainable, profitable growth

Rebranded to Bread Financial, a tech-forward financial services company

Successfully launched new brand partners and renewed long-term relationships

Invested more than $125 million in technology modernization, digital advancement, marketing, and product innovation

Expanded our product suite and direct-to-consumer offerings

Enhanced our core technology and digital capabilities

Recognized for our prioritization of Environmental, Social, and Governance

Achievement of 2022 Financial Outlook

Full Year 2021 Actuals	Full Year 2022 Outlook	Full Year 2022 Actuals
Average loans $15,656 million	Up low double digits	**Up 13%** $17,768 million
Revenue $3,272 million	Aligned with / better than loan growth	**Up 17%** $3,826 million
Total non-interest expenses $1,684 million	Positive operating leverage	**Positive operating leverage = 2%** $1,932 million
Net loss rate 4.6%	Low-to-mid 5% range	**5.4%**

Additional Financial Achievements

- Quality growth as PPNR increased 19% compared with 2021
- Strengthened financial resilience through improvement in capital positioning and debt reduction
- Increased credit loss absorption capacity through loan loss reserves
- Grew retail deposits on our Bread Savings platform to $5.5 billion, an increase of $2.3 billion or 72%

4Q22 Business Development Highlights

New Brand Partnerships

Hard Rock

NY

Brand Partner Renewal

HELZBERG DIAMONDS

Select New Bread Pay Partners

sezzle	TechMonk	MARIA OLIVER	Oasis Tire & Wheels	E/W	TreadmillOutlet
Continued strong merchant adoption	*boutique tech retailer*	*luxury handbags*	*tires, wheels & auto parts*	*online jewelry & accessories retailer*	*exercise & fitness equipment*

Fourth Quarter 2022 Financial Highlights

$1,033 million	$(134) million	$(2.68)
Revenue	**Net Loss**	**Diluted EPS**

- Credit sales of $10.2 billion were up 16% versus 4Q21 driven by new brand partner additions including AAA and NFL, as well as new products and growth from existing brand partners
- Fourth quarter average loans of $19.8 billion were up 23% versus 4Q21
- Revenue increased 21% versus 4Q21, while total non-interest expenses increased 28%
- Income from continuing operations decreased $195 million versus 4Q21, as the improvement in PPNR was offset by a higher provision for credit losses reflecting loan growth in the quarter, including the acquisition of the AAA portfolio, a higher reserve rate, and increased net principal losses
- Credit performance metrics continued to normalize, as expected

Full Year 2022 Financial Highlights

Continuing Operations

$3,826 million	$224 million	$4.47
Revenue	**Net Income**	**Diluted EPS**

- Credit sales of $32.9 billion were up 11% versus 2021 driven by organic growth, as well as new product and brand partner additions
- Full year 2022 average loans of $17.8 billion were up 13% versus 2021
- Revenue increased 17% versus 2021, while total non-interest expenses increased 15%
- Income from continuing operations of $224 million was down 72% versus 2021, as PPNR growth was more than offset by higher provision for credit losses reflecting strong loan growth, including the acquisition of new portfolios, a higher reserve rate, and increased net principal losses
- Credit performance metrics continued to normalize, as expected

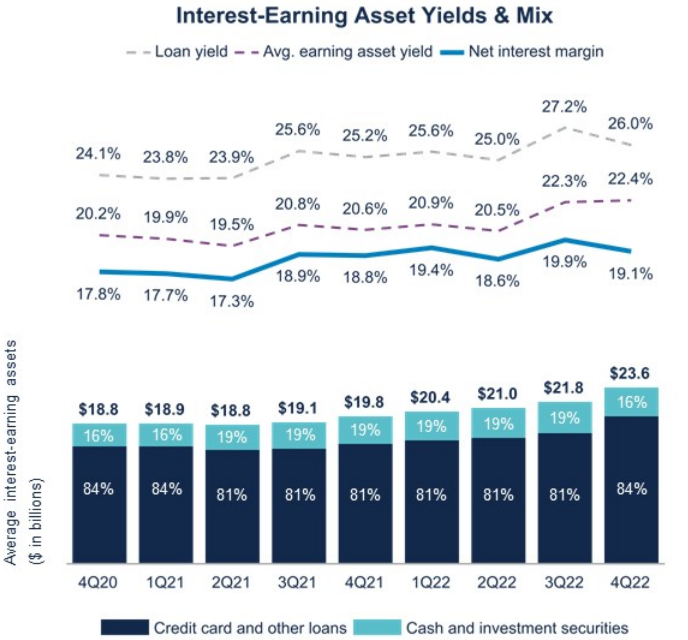
Financial Results
Continuing Operations

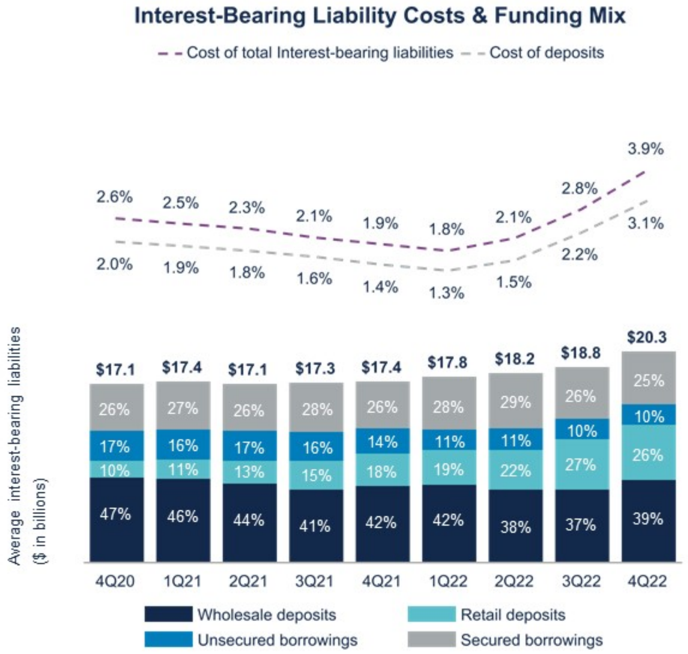
($ in millions, except per share)	4Q22	4Q21	$ Chg	% Chg	2022	2021	$ Chg	% Chg
Total interest income	$ 1,325	$ 1,017	$ 308	30%	$ 4,684	$ 3,868	$ 816	21%
Total interest expense	195	84	111	132%	503	383	120	31%
Net interest income	**1,130**	**933**	**197**	**21%**	**4,181**	**3,485**	**696**	**20%**
Total non-interest income	(97)	(78)	(19)	24%	(355)	(213)	(142)	66%
Revenue	**1,033**	**855**	**178**	**21%**	**3,826**	**3,272**	**554**	**17%**
Net principal losses	312	176	136	77%	968	720	248	35%
Reserve build (release)	380	187	193	103%	626	(176)	802	nm
Provision for credit losses	692	363	329	91%	1,594	544	1,050	193%
Total non-interest expenses	548	427	121	28%	1,932	1,684	248	15%
(Loss) income before income taxes	**(207)**	**65**	**(272)**	**nm**	**300**	**1,044**	**(744)**	**(71%)**
Provision for income taxes	(73)	4	(77)	nm	76	247	(171)	(69%)
Net (loss) income	**$ (134)**	**$ 61**	**$ (195)**	**nm**	**$ 224**	**$ 797**	**$ (573)**	**(72%)**
Net (loss) income per diluted share	$ (2.68)	$ 1.21	$ (3.89)	nm	$ 4.47	$ 15.95	$ (11.48)	(72%)
Weighted avg. shares outstanding – diluted	50.0	50.0			50.0	50.0		
Pretax pre-provision earnings (PPNR)*	**$ 485**	**$ 428**	**$ 57**	**13%**	**$ 1,894**	**$ 1,588**	**$ 306**	**19%**

** Pretax pre-provision earnings (PPNR) is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

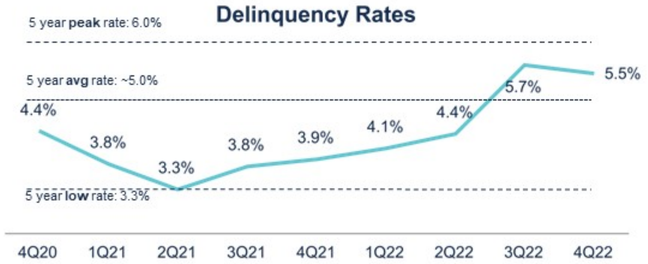
nm – not meaningful

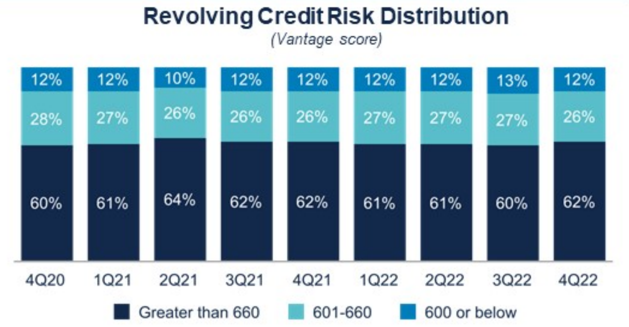
Net Interest Margin





Credit Quality and Allowance





(1) The 2Q22 Net loss rate includes a 30 basis point increase from the effects of the purchase of previously written-off accounts that were sold to a third-party debt collection agency.
(2) Calculated as the percentage of the Allowance for credit losses to end-of-period Credit card and other loans.
Note: The 3Q22 and 4Q22 Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

2023 Financial Outlook

Full Year 2022 Actuals	Full Year 2023 Outlook	Commentary
Average loans $17,768 million	Up mid-single digits	• Based on our new and renewed business announcements, visibility into our pipeline, anticipated BJ's portfolio sale, and our current economic outlook, we expect full year 2023 average credit card and other loans to grow in the mid-single digit range relative to 2022
Revenue $3,826 million	Aligned with loan growth	• Net interest margin expected to remain similar to the 2022 full year rate of 19.2% • Our outlook continues to assume additional interest rate increases by the Federal Reserve will result in a nominal benefit to total net interest income • Guidance excludes anticipated gain on sale
Total non-interest expenses $1,932 million	Positive operating leverage	• We will manage the pace of investments to align with our revenue and growth outlook • Includes ongoing strategic investment in technology modernization, digital advancement, marketing, and product innovation driving future growth and efficiencies • Expect to deliver nominal full year positive operating leverage, excluding anticipated gain on sale
Net loss rate 5.4%	~7%	• Our outlook is inclusive of impacts from the 2022 transition of our credit card processing services as well as continued pressure on consumers' ability to pay due to persistent inflation and higher rates • We remain confident in our long-term guidance of a through-the-cycle average net loss rate below our historical average of 6%

Our 2023 financial outlook assumes a more challenging macroeconomic landscape with continued inflationary pressures and an unemployment rate gradually moving to the mid-to-upper 4% range by year end 2023. We will update our guidance as these factors change.

Strengthened Financial Resilience

Transforming our Company to deliver sustainable, profitable growth with an expectation to outperform historic loss levels

- Strong corporate governance
- Proactive risk management
- Prudent balance sheet management
- Disciplined expense management
- Enhanced core capabilities

Improved balance sheet strength and funding mix

- Loan loss reserve materially higher
- Capital ratios significantly improved
- Reduced debt levels
- Increased mix of consumer deposits

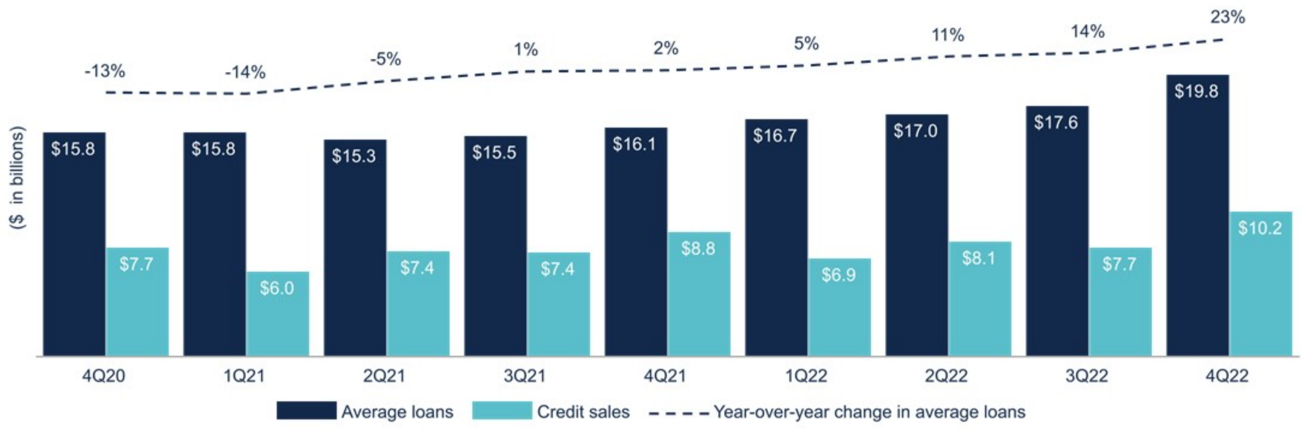
Enhanced credit risk management and underlying credit distribution

- Diversification across products and partners
- Prudent and proactive line management
- Well-established risk appetite metrics
- Credit mix shift to higher quality

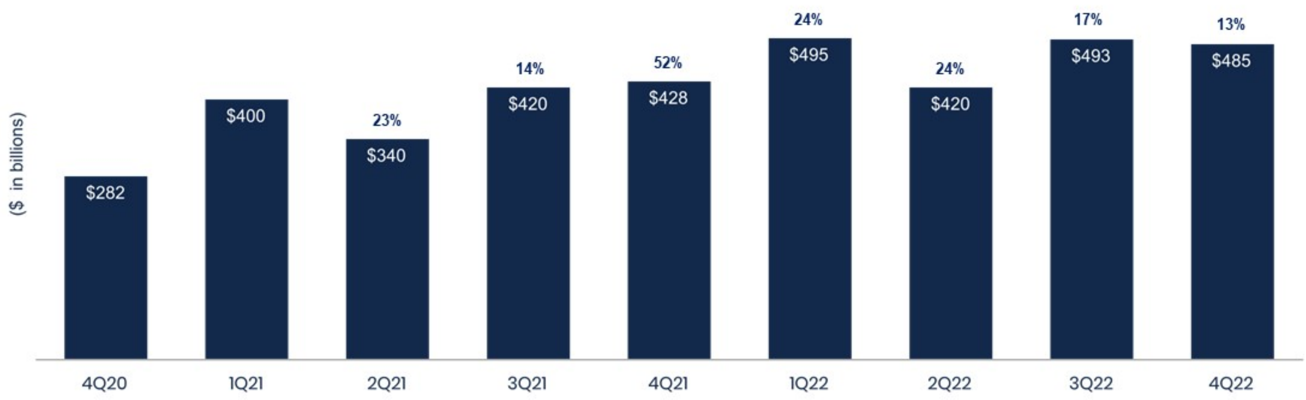
Active recession readiness playbook

Appendix

Average Loans and Credit Sales



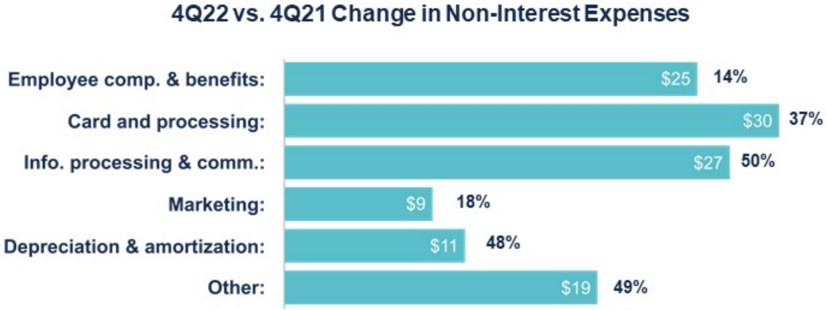
Pretax Pre-Provision Earnings*

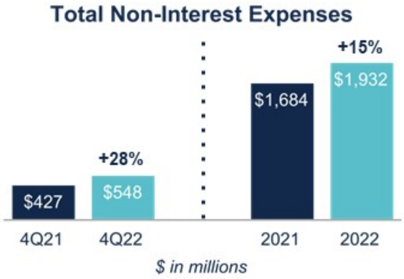


The fourth quarter 2022 marks the seventh consecutive quarter with double-digit year-over-year growth.

* *Pretax pre-provision earnings (PPNR) is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

Total Non-Interest Expenses





Total non-interest expenses increased 28% versus 4Q21

- Employee compensation and benefit costs increased primarily driven by increased salaries and continued digital and technology modernization-related hiring
- Card and processing expenses increased in part due to an increase in card issuance volume and related activities
- Information processing and communications expenses increased as a result of the transition of our credit card processing services and other software licensing expenses
- Other expenses increased primarily due to increased legal and other business activity costs

** Efficiency ratio represents Total non-interest expenses divided by Total net interest and non-interest income.*

Summary Financial Highlights
Continuing Operations

($ in millions)	4Q22	4Q21	4Q22 vs 4Q21	3Q22	4Q22 vs 3Q22	2022	2021	2022 vs 2021
Credit sales	$ 10,166	$ 8,778	16%	$ 7,689	32%	$ 32,883	$ 29,603	11%
Average credit card and other loans	$ 19,820	$ 16,086	23%	$ 17,598	13%	$ 17,768	$ 15,656	13%
End-of-period credit card and other loans	$ 21,365	$ 17,399	23%	$ 18,126	18%	$ 21,365	$ 17,399	23%
End-of-period direct-to-consumer deposits	$ 5,466	$ 3,180	72%	$ 5,176	6%	$ 5,466	$ 3,180	72%
Return on average assets(1)	(2.2%)	1.1%	(3.3%)	2.4%	(4.6%)	1.0%	3.6%	(2.6%)
Return on average equity(2)	(23.3%)	11.1%	(34.4%)	22.8%	(46.1%)	9.8%	40.7%	(30.9%)
Net interest margin(3)	19.1%	18.8%	0.3%	19.9%	(0.8%)	19.2%	18.2%	1.0%
Loan yield(4)	26.0%	25.2%	0.8%	27.2%	(1.2%)	26.0%	24.7%	1.3%
Efficiency ratio(5)	53.1%	50.0%	3.1%	49.7%	3.4%	50.5%	51.5%	(1.0%)
Tangible common equity / tangible assets ratio (TCE/TA)(6)	6.0%	6.6%	(0.6%)	8.0%	(2.0%)	6.0%	6.6%	(0.6%)
Tangible book value per common share(7)	$ 29.42	$ 28.09	4.7%	$ 34.30	(14.2%)	$ 29.42	$ 28.09	4.7%
Cash dividend declared per common share	$ 0.21	$ 0.21	—%	$ 0.21	—%	$ 0.84	$ 0.84	—%
Payment rate(8)	16.4%	17.2%	(0.8%)	15.5%	0.9%	16.4%	17.2%	(0.8%)
Delinquency rate(9)	5.5%	3.9%	1.6%	5.7%	(0.2%)	5.5%	3.9%	1.6%
Net loss rate(9)	6.3%	4.4%	1.9%	5.0%	1.3%	5.4%	4.6%	0.8%
Reserve rate	11.5%	10.5%	1.0%	11.4%	0.1%	11.5%	10.5%	1.0%

(1) Return on average assets represents annualized Income from continuing operations divided by average Total assets.
(2) Return on average equity represents annualized Income from continuing operations divided by average Total stockholders' equity.
(3) Net interest margin represents annualized Net interest income divided by average Total interest-earning assets.
(4) Loan yield represents annualized Interest and fees on loans divided by Average credit card and other loans.
(5) Efficiency ratio represents Total non-interest expenses divided by Total net interest and non-interest income.
(6) Tangible common equity (TCE) represents Total stockholders' equity reduced by Goodwill and intangible assets, net. Tangible assets (TA represents Total assets reduced by Goodwill and intangible assets, net. TCE/TA is a non-GAAP financial measure.
(7) Tangible book value per common share represents TCE divided by shares outstanding, and is a non-GAAP measure.
(8) Payment rate represents consumer payments during the last month of the period, divided by the beginning-of-month credit card and othe loans, including held for sale in applicable periods.
(9) The 3Q22, 4Q22, and full year 2022 Delinquency and Net Loss rates were impacted by the transition of our credit card processing services.

Summary Financial Highlights

Continuing Operations

($ in millions)	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	2021	2022
Credit sales	$ 7,657	$ 6,043	$ 7,401	$ 7,380	$ 8,778	$ 6,887	$ 8,140	$ 7,689	$ 10,166	$ 29,603	$ 32,883
Year-over-year change	*(18%)*	*(1%)*	*54%*	*20%*	*15%*	*14%*	*10%*	*4%*	*16%*	*20%*	*11%*
Average credit card and other loans	$ 15,759	$ 15,785	$ 15,282	$ 15,471	$ 16,086	$ 16,650	$ 17,003	$ 17,598	$ 19,820	$ 15,656	$ 17,768
Year-over-year change	*(13%)*	*(14%)*	*(5%)*	*1%*	*2%*	*5%*	*11%*	*14%*	*23%*	*(4%)*	*13%*
End-of-period credit card and other loans	$ 16,784	$ 15,537	$ 15,724	$ 15,690	$ 17,399	$ 16,843	$ 17,769	$ 18,126	$ 21,365	$ 17,399	$ 21,365
Year-over-year change	*(14%)*	*(12%)*	*(1%)*	*1%*	*4%*	*8%*	*13%*	*16%*	*23%*	*4%*	*23%*
End-of-period direct-to-consumer deposits	$ 1,700	$ 2,152	$ 2,398	$ 3,052	$ 3,180	$ 3,561	$ 4,191	$ 5,176	$ 5,466	$ 3,180	$ 5,466
Year-over-year change	*46%*	*81%*	*30%*	*79%*	*87%*	*66%*	*75%*	*70%*	*72%*	*87%*	*72%*
Return on average assets(1)	1.4%	4.9%	4.8%	3.7%	1.1%	4.0%	0.2%	2.4%	(2.2%)	3.6%	1.0%
Return on average equity(2)	21.3%	66.3%	56.4%	38.0%	11.1%	38.5%	2.2%	22.8%	(23.3%)	40.7%	9.8%
Net interest margin(3)	17.8%	17.7%	17.3%	18.9%	18.8%	19.4%	18.6%	19.9%	19.1%	18.2%	19.2%
Loan yield(4)	24.1%	23.8%	23.9%	25.6%	25.2%	25.6%	25.0%	27.2%	26.0%	24.7%	26.0%
Efficiency ratio(5)	63.4%	50.1%	55.5%	50.6%	50.0%	46.2%	52.9%	49.7%	53.1%	51.5%	50.5%
Tangible common equity / tangible assets ratio (TCE/TA)(6)	3.7%	5.2%	6.4%	7.2%	6.6%	7.8%	7.5%	8.0%	6.0%	6.6%	6.0%
Tangible book value per common share(7)	$ 16.34	$ 21.32	$ 27.12	$ 31.18	$ 28.09	$ 31.87	$ 31.75	$ 34.30	$ 29.42	$ 28.09	$ 29.42
Cash dividend declared per common share	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.84	$ 0.84
Payment rate(8)	16.2%	18.8%	17.6%	16.7%	17.2%	17.7%	15.3%	15.5%	16.4%	17.2%	16.4%
Delinquency rate	4.4%	3.8%	3.3%	3.8%	3.9%	4.1%	4.4%	5.7%	5.5%	3.9%	5.5%
Net principal loss rate	6.0%	5.0%	5.1%	3.9%	4.4%	4.8%	5.6%	5.0%	6.3%	4.6%	5.4%
Reserve rate	12.0%	11.9%	10.4%	10.5%	10.5%	10.8%	11.2%	11.4%	11.5%	10.5%	11.5%

(1) Return on average assets represents annualized Income from continuing operations divided by average Total assets.
(2) Return on average equity represents annualized Income from continuing operations divided by average Total stockholders' equity.
(3) Net interest margin represents annualized Net interest income divided by average Total interest-earning assets.
(4) Loan yield represents annualized Interest and fees on loans divided by Average credit card and other loans.
(5) Efficiency ratio represents Total non-interest expenses divided by Total net interest and non-interest income.
(6) Tangible common equity (TCE) represents Total stockholders' equity reduced by Goodwill and intangible assets, net. Tangible assets (TA represents Total assets reduced by Goodwill and intangible assets, net. TCE/TA is a non-GAAP financial measure.
(7) Tangible book value per common share represents TCE divided by shares outstanding, and is a non-GAAP measure.
(8) Payment rate represents consumer payments during the last month of the period, divided by the beginning-of-month credit card and othe loans, including held for sale in applicable periods.

Financial Results
Continuing Operations

($ in millions, except per share)	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	2021	2022
Total interest income	$ 950	$ 942	$ 915	$ 994	$ 1,017	$ 1,068	$ 1,073	$ 1,218	$ 1,325	$ 3,868	$ 4,684
Total interest expense	112	107	100	91	84	79	95	133	195	383	503
Net interest income	**838**	**835**	**815**	**903**	**933**	**989**	**978**	**1,085**	**1,130**	**3,485**	**4,181**
Total non-interest income	(69)	(33)	(51)	(52)	(78)	(68)	(85)	(106)	(97)	(213)	(355)
Revenue	**769**	**802**	**764**	**851**	**855**	**921**	**893**	**979**	**1,033**	**3,272**	**3,826**
Net principal losses	235	198	194	152	176	199	238	218	312	720	968
Reserve build (release)	(82)	(165)	(208)	9	187	(6)	166	86	380	(176)	626
Provision for credit losses	153	33	(14)	161	363	193	404	304	692	544	1,594
Total non-interest expenses	487	402	424	431	427	426	473	486	548	1,684	1,932
Income (loss) before income taxes	**129**	**367**	**354**	**259**	**65**	**302**	**16**	**189**	**(207)**	**1,044**	**300**
Provision for income taxes	55	99	91	53	4	91	4	55	(73)	247	76
Net income (loss)	**$ 74**	**$ 268**	**$ 263**	**$ 206**	**$ 61**	**$ 211**	**$ 12**	**$ 134**	**$ (134)**	**$ 797**	**$ 224**
Net income (loss) per diluted share	$ 1.54	$ 5.38	$ 5.25	$ 4.11	$ 1.21	$ 4.21	$ 0.25	$ 2.69	$ (2.68)	$ 15.95	$ 4.47
Weighted average shares outstanding – diluted	48.4	49.8	50.0	50.0	50.0	50.0	49.9	49.9	50.0	50.0	50.0
Pretax pre-provision earnings (PPNR)*	**$ 282**	**$ 400**	**$ 340**	**$ 420**	**$ 428**	**$ 495**	**$ 420**	**$ 493**	**$ 485**	**$ 1,588**	**$ 1,894**

** Pretax pre-provision earnings (PPNR) is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

Net Interest Margin

($ in millions)	4Q22 Average Balance	4Q22 Interest Income / Expense	4Q22 Average Yield / Rate	2022 Average Balance	2022 Interest Income / Expense	2022 Average Yield / Rate
Cash and investment securities	$ 3,813	$ 35	3.7%	$ 3,954	$ 69	1.8%
Credit card and other loans	19,820	1,290	26.0%	17,768	4,615	26.0%
Total interest-earning assets	**23,633**	**1,325**	**22.4%**	**21,722**	**4,684**	**21.6%**
Direct-to-consumer (Retail)	5,374	40	2.9%	4,342	81	1.9%
Wholesale deposits	7,915	62	3.1%	7,358	162	2.2%
Interest-bearing deposits	**13,289**	**102**	**3.1%**	**11,700**	**243**	**2.1%**
Secured borrowings	5,065	64	5.1%	5,089	153	3.0%
Unsecured borrowings	1,928	29	6.1%	1,966	107	5.5%
Interest-bearing borrowings	**6,993**	**93**	**5.4%**	**7,055**	**260**	**3.7%**
Total interest-bearing liabilities	**$ 20,282**	**$ 195**	**3.9%**	**$ 18,755**	**$ 503**	**2.7%**
Net interest income		**$ 1,130**			**$ 4,181**	
Net interest margin*		**19.1%**			**19.2%**	

* *Net interest margin represents annualized Net interest income divided by average Total interest-earning assets.*

Capital and Liquidity

Parent Level:

- Liquidity as of December 31, 2022, of $0.9 billion, consisting of cash on hand plus revolver capacity

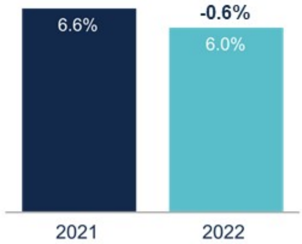
Bank Level (Banks Combined):

- As of December 31, 2022, the banks finished the quarter with $3.8 billion in cash on hand and $3.3 billion in equity
- Total risk-based capital ratio at 18.3% - nearly double the 10% threshold to be considered well-capitalized; CET1 at 17.0%
- Funding in place to support expected growth outlook – with continued long-term strategic focus on retail deposit growth

Banks Combined Capital Ratios	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22
Common equity tier 1 capital ratio(2)	18.4%	21.0%	22.1%	22.6%	20.0%	20.8%	20.1%	19.4%	17.0%
Tier 1 capital ratio(3)	18.4%	21.0%	22.1%	22.6%	20.0%	20.8%	20.1%	19.4%	17.0%
Total risk-based capital ratio(4)	19.7%	22.3%	23.4%	23.9%	21.3%	22.1%	21.5%	20.7%	18.3%
Tier 1 leverage capital ratio(5)	17.1%	17.8%	19.2%	19.5%	18.6%	18.2%	17.7%	16.3%	15.6%

(1) Tangible common equity (TCE) represents Total stockholders' equity reduced by Goodwill and intangible assets, net. Tangible assets (TA) represents Total assets reduced by Goodwill and intangible assets, net. TCE/TA is a non-GAAP financial measure.
(2) The Common equity tier 1 capital ratio represents common equity tier 1 capital divided by total risk-weighted assets.
(3) The Tier 1 capital ratio represents tier 1 capital divided by total risk-weighted assets.
(4) The Total risk-based capital ratio represents total capital divided by total risk-weighted assets.
(5) The Tier 1 leverage capital ratio represents tier 1 capital divided by total assets for leverage ratio.

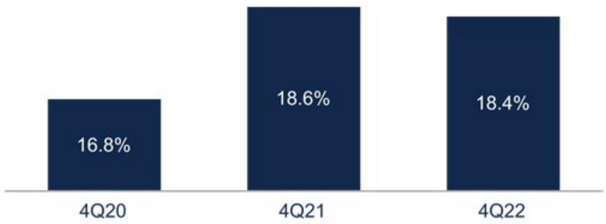
Tangible Common Equity/Tangible Assets Ratio(1)



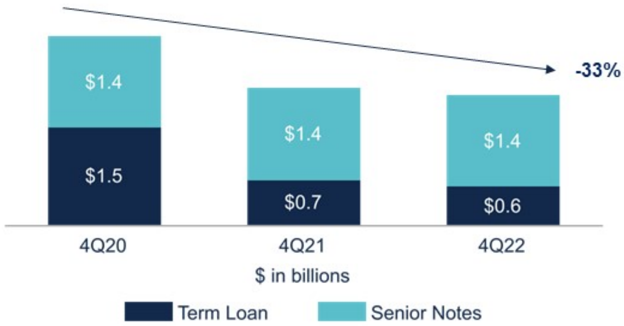
bread financial.

Loss Absorption Capacity and Debt Levels

Tangible Common Equity + Credit Reserves Rate*



Parent Level Debt Outstanding



Capital Priorities

Support Profitable Growth Opportunities	Improve Capital Metrics & Reduce Debt Levels	Efficient Return of Capital to Shareholders

** The "Tangible Common Equity + Credit Reserves Rate" is calculated as the sum of Tangible common equity and Allowance for credit losses divided by End-of-period loans. This is a non-GAAP financial measure. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

bread financial.

Financial Results

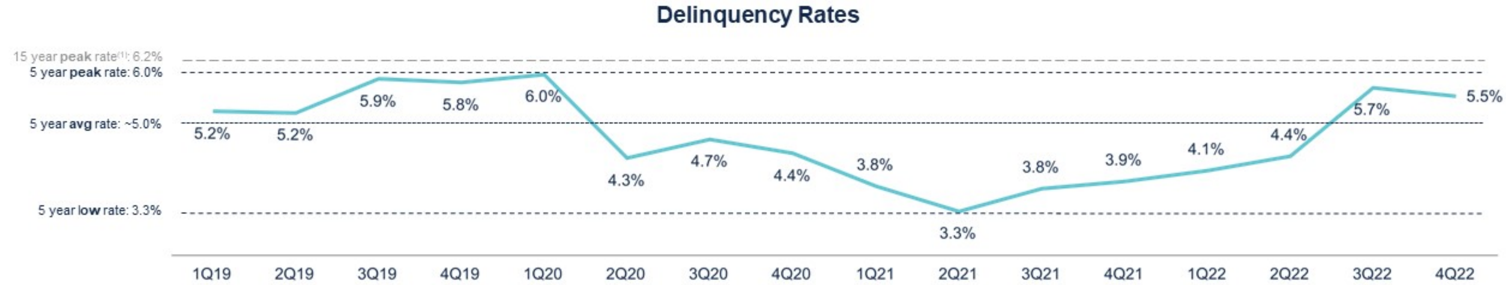
($ in millions, except per share amounts)	4Q22	4Q21	$ Chg	% Chg	2022	2021	$ Chg	% Chg
(Loss) income from continuing operations, net of taxes	$ (134)	$ 61	$ (195)	nm	$ 224	$ 797	$ (573)	(72%)
Income (loss) from discontinued operations, net of taxes	0	(44)	44	(100%)	(1)	4	(5)	(111%)
Net (loss) income	**$ (134)**	**$ 17**	**$ (151)**	**nm**	**$ 223**	**$ 801**	**$ (578)**	**(72%)**
Net (loss) income per diluted share from continuing ops	$ (2.68)	$ 1.21	$ (3.89)	nm	$ 4.47	$ 15.95	$ (11.48)	(72%)
Net income (loss) per diluted share from discontinued ops	$ —	$ (0.87)	$ 0.87	(100%)	$ (0.01)	$ 0.07	$ (0.08)	(111%)
Net (loss) income per diluted share	**$ (2.68)**	**$ 0.34**	**$ (3.02)**	**nm**	**$ 4.46**	**$ 16.02**	**$ (11.56)**	**(72%)**
Weighted average shares outstanding – diluted *(in millions)*	50.0	50.0			50.0	50.0		

nm – not meaningful

Reconciliation of GAAP to Non-GAAP Financial Measures

($ in millions)	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	2021	2022
Pretax pre-provision earnings (PPNR)											
Income (loss) before income taxes	$ 129	$ 367	$ 354	$ 259	$ 65	$ 302	$ 16	$ 189	$ (207)	$ 1,044	$ 300
Provision for credit losses	153	33	(14)	161	363	193	404	304	692	544	1,594
Pretax pre-provision earnings (PPNR)	**$ 282**	**$ 400**	**$ 340**	**$ 420**	**$ 428**	**$ 495**	**$ 420**	**$ 493**	**$ 485**	**$ 1,588**	**$ 1,894**
Tangible common equity (TCE)											
Total stockholders' equity	$ 1,522	$ 1,764	$ 2,048	$ 2,246	$ 2,086	$ 2,268	$ 2,275	$ 2,399	$ 2,265	$ 2,086	$ 2,265
Less: Goodwill and intangible assets, net	(710)	(704)	(699)	(694)	(687)	(682)	(694)	(690)	(799)	(687)	(799)
Tangible common equity (TCE)	**$ 812**	**$ 1,060**	**$ 1,349**	**$ 1,552**	**$ 1,399**	**$ 1,586**	**$ 1,581**	**$ 1,709**	**$ 1,466**	**$ 1,399**	**$ 1,466**
Tangible assets (TA)											
Total assets	$ 22,547	$ 21,163	$ 21,812	$ 22,257	$ 21,746	$ 20,938	$ 21,811	$ 21,960	$ 25,407	$ 21,746	$ 25,407
Less: Goodwill and intangible assets, net	(710)	(704)	(699)	(694)	(687)	(682)	(694)	(690)	(799)	(687)	(799)
Tangible assets (TA)	**$ 21,837**	**$ 20,459**	**$ 21,113**	**$ 21,563**	**$ 21,059**	**$ 20,256**	**$ 21,117**	**$ 21,270**	**$ 24,608**	**$ 21,059**	**$ 24,608**

Credit Quality Trends



(1) Peak Delinquency and Net loss rates occurred in 2009.
(2) The 2Q22 Net loss rate includes a 30 basis point increase from the effects of the purchase of previously written-off accounts that were sold to a third-party debt collection agency.
Note: The 3Q22 and 4Q22 Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

Exhibit 99.3

Bread Financial™ Teams Up with the New York Yankees® to Offer Co-Brand Credit Card, Rewards Program for Loyal Fans

The New York Yankees Mastercard® Credit Card will provide cardholders with exclusive experiences and unique benefits from their favorite team

COLUMBUS, Ohio – Jan. 26, 2023 – Bread Financial (NYSE: BFH), a tech-forward financial services company that provides simple, personalized payment, lending and saving solutions, today announced a multi-year co-brand credit card agreement with the New York Yankees, one of America's most iconic sports franchises. Launching prior to the start of the 2023 Major League Baseball season, the New York Yankees Mastercard will reward loyal fans for their purchases with exclusive benefits.

Cardholders can earn 5% back on all purchases made at Yankee Stadium concessions and shops, 3% on dining, gas, rideshare and transit, and 1% on all other purchases. Bread Financial worked with the New York Yankees to understand its fans' preferences, interests and motivators to develop a rewards program, Pinstripe Rewards, which will launch in tandem with the card. Cardholders can redeem their earned points for game tickets and exclusive experiences like access to alumni dinners, stadium tours, pre-game meet and greets, memorabilia and much more.

The New York Yankees will leverage Bread Financial's digital capabilities, including in-stadium QR codes, so fans can quickly and easily apply for the card. Once approved, fans can immediately add the card to their digital wallets to begin saving and earning rewards at the game.

"Bread Financial is proud to be working with the New York Yankees by providing this unique co-brand credit card offering that will help drive fan engagement, loyalty and sales for their organization while also delivering a highly compelling value proposition for its cardholders," said Val Greer, EVP and chief commercial officer, Bread Financial. "We are so pleased to extend our credit and loyalty products to one of the world's most recognized and respected sports franchises and look forward to delivering a compelling offering that excites their fans on and off the field."

"The New York Yankees are excited to leverage the expertise and insight of Bread Financial, which can offer our fans a customized and straightforward credit card experience," said Michael Tusiani, SVP of partnerships, New York Yankees. "Additionally, the rewards and benefits program associated with the New York Yankees Mastercard is sure to be a win for fans both inside and outside of the Stadium."

###

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). Through its Comenity-branded financial services, Bread Financial also offers credit and savings products to consumers.

Headquartered in Columbus, Ohio, Bread Financial is powered by its 6,000+ 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.

About the New York Yankees

Founded in 1903, the New York Yankees are the most successful and popular team in Major League Baseball history, having won 27 championships while appearing in 40 World Series. The club plays its home games at Yankee Stadium, which is one of New York City's most-frequented tourist destinations and home to numerous non-baseball events, including college football's Bad Boy Mowers Pinstripe Bowl. As a result of their on-field accomplishments and iconic interlocking "NY" logo, the New York Yankees are among the most recognized brands in the world.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements give our expectations or forecasts of future events and can generally be identified by the use of 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. 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, including the spinoff of our former LoyaltyOne® segment; 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; and failures or breaches in our operational or security systems, including as a result of cyberattacks, unanticipated impacts from technology modernization projects or otherwise. 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. Additional information will also be set forth in our Annual Report on Form 10-K for the year ended December 31, 2022. 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.

###

Contacts
Rachel Stultz — Media
Rachel.Stultz@breadfinancial.com

Bread Financial Declares Dividend on Common Stock

COLUMBUS, Ohio – January 26, 2023 – Bread Financial Holdings, Inc. (NYSE: BFH), a tech-forward financial services company that provides simple, personalized payment, lending and saving solutions, today announced that its Board of Directors declared a quarterly cash dividend of $0.21 per share on the Company's common stock, payable on March 17, 2023 to stockholders of record at the close of business on February 10, 2023.

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 6,000+ 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**.

###

Bread Financial

Brian Vereb — Investor Relations
Brian.Vereb@breadfinancial.com

Shelley Whiddon — Media
214-494-3811
Shelley.Whiddon@breadfinancial.com

Rachel Stultz — Media
614-729-4890
Rachel.Stultz@breadfinancial.com