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):
July 27, 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 July 27, 2023, Bread Financial Holdings, Inc. (the “Company”) issued a press release regarding its results of operations for the second quarter ended June 30, 2023 (the “Q2 2023 Earnings Release”). A copy of the Q2 2023 Earnings Release is furnished as Exhibit 99.1 hereto.

Item 7.01 Regulation FD Disclosure.

In connection with the Q2 2023 Earnings Release, on July 27, 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 July 27, 2023, the Company issued a press release announcing a new agreement with Dell Technologies. A copy of the press release announcing the Company’s agreement with Dell Technologies is furnished as Exhibit 99.3 hereto.

Item 8.01 Other Events.

On July 27, 2023, the Company issued a press release announcing that the Board of Directors of the Company has (i) approved a new plan to repurchase up to $35 million of shares of the Company’s common stock and (ii) declared a quarterly cash dividend of $0.21 per share of common stock, payable on September 15, 2023 to stockholders of record at the close of business on August 11, 2023. A copy of the press release announcing the repurchase plan and 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 July 27, 2023 announcing the Company’s results of operations for the second quarter ended June 30, 2023.
99.2	Investor Presentation dated July 27, 2023.
99.3	Press Release dated July 27, 2023 announcing the Company’s agreement with Dell Technologies.
99.4	Press Release dated July 27, 2023 announcing a share repurchase plan and 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: July 27, 2023	By:	/s/ Joseph L. Motes III
		Joseph L. Motes III Executive Vice President, Chief Administrative Officer, General Counsel and Secretary

Exhibit 99.1

Bread Financial reports second quarter 2023 results

COLUMBUS, Ohio, July 27, 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 second quarter ended June 30, 2023.

	Second quarter 2023		Year-to-date 2023	
($ in millions, except per share amounts)	**Total company**	**Continuing operations**	**Total company**	**Continuing operations**
Net income	**$48**	**$64**	**$503**	**$519**
Earnings per diluted share	**$0.95**	**$1.27**	**$10.02**	**$10.34**

$17,652MM	$952MM	9.4%	$38.99
Average credit card and other loans	**Revenue**	**TCE/TA ratio**	**Tangible book value per share**

- Average credit card and other loans increased $649 million, or 4%, versus the second quarter of 2022.
- Revenue increased $59 million, or 7%, versus the second quarter of 2022.
- Delinquency rate of 5.5% and a net loss rate of 8.0%. As previously communicated, the second quarter net loss rate reflected an approximately 100 basis point impact from the June 2022 transition of our credit card processing services; absent this impact, the net loss rate would have been approximately 7%.
- Tangible book value per share increased $7.24, or 23%, versus the second quarter of 2022.

CEO COMMENTARY

"Strengthening our balance sheet remains fundamental to Bread Financial's business transformation and long-term strategy. I am pleased to report that we achieved another major milestone in the second quarter, reducing parent unsecured debt by more than $500 million, refinancing our term loan and revolving line of credit, and extending certain debt maturities, as well as delivering 23% growth in tangible book value versus the same period a year ago. Since 2020, we have reduced our long-term debt by 55%, paying down more than $1.7 billion and have more than tripled our TCE/TA ratio to 9.4%. Further, our direct-to-consumer deposits have grown $4.8 billion since the first quarter of 2020 to $6.0 billion and represent 33% of our total funding. Coupled with strong free cash flow generation, our balance sheet management actions enhance our financial resilience and provide additional flexibility for capital utilization, including supporting continued business growth, continued debt reduction, and future capital distribution," said Ralph Andretta, president and chief executive officer of Bread Financial.

DELL Technologies

"We are pleased to announce we will provide a private label credit program for Dell Technologies, a leading technology provider with the industry's broadest technology and services portfolio, as we further diversify our growing base of brand partners. The definitive agreement to acquire Dell's consumer credit portfolio is expected to close in the fourth quarter of this year, subject to customary closing conditions. The Dell Pay program will include a broad suite of payment solutions and expands our position in the consumer technology market. We will continue to leverage our deep financial services industry expertise, upgraded technology, and sophisticated data and analytics capabilities to drive value for our partners.

"As macroeconomic uncertainty continues, we are closely monitoring the impact of persistent inflation and rising interest rates on the consumer. We have observed a moderation in overall consumer spending with payment rates returning to pre-pandemic levels, and have proactively adjusted our underwriting and credit management accordingly. As previously communicated, our second quarter net loss rate was elevated due to the impact of remaining favorable customer accommodations made last year following the transition of our credit card processing services. Delinquency trends remain in line with our expectation for an improved third quarter net loss rate. As I have noted before, our seasoned leadership team is experienced in responsibly managing through varied credit cycles and market conditions. We remain focused on responsible risk management and prudent capital management, and are confident in our strategic direction.

"Bread Financial's business strategy is rooted in our commitment to make responsible decisions that drive sustainable, profitable growth and build long-term value for our stakeholders."

- Ralph Andretta, president and chief executive officer

CFO COMMENTARY

"Our second quarter financial results demonstrated continued financial resilience, highlighted by 7% year-over-year revenue growth driven by 4% growth in average loans. For the ninth consecutive quarter, PPNR grew year-over-year, albeit nominally this quarter, reflecting our ability to deliver sustainable, quality growth. As expected, second quarter net interest margin declined slightly versus the first quarter of 2023 due to a greater reversal of interest and fees related to higher losses in the quarter as well as seasonality. Expenses were lower sequentially as we effectively managed our costs, while continuing to invest in technology modernization, digital advancement, and product innovation, consistent with our business strategy.

"We made great progress in the second quarter by further strengthening our balance sheet, including refinancing our term loan and revolving line of credit, completing our convertible notes offering, executing our tender offer, and receiving bank board approval for a $500 million dividend from the banks which facilitated debt reduction. We remain disciplined, building capital while improving our leverage ratios. Our direct-to-consumer deposit balances grew 43% versus the second quarter of 2022, with net inflows each week during the second quarter.

"From a credit perspective, our second quarter results were in-line with our expectations as persistent inflation broadly impacted consumer spending, while the net loss rate primarily reflected timing-related effects of the customer accommodations made following the transition of our credit card processing services in June 2022. We expect a lower net loss rate in the second half of the year as we move past the impacts of these customer accommodations. We also continued to responsibly tighten underwriting and credit lines, leading to a slowing in loan growth.

"Our reserve rate remained flat to the first quarter of 2023 at 12.3% as key macroeconomic indicators began showing signs of stability. We continue to maintain conservative economic scenario weightings in our credit reserve modeling and believe that with our conservative model assumptions, our loan loss reserve provides a margin of protection should we enter a more challenging macroeconomic environment.

"We remain confident in our ability to deliver on our 2023 full year financial outlook and build on this success for the future."

- Perry Beberman, executive vice president and chief financial officer

2023 full year outlook

- **"Our 2023 full year outlook** is updated to reflect slower sales growth as a result of strategic credit tightening and moderating consumer spending, which pressures loan growth and the net loss rate.

- **Macroeconomic assumptions:** "Our outlook assumes a more challenging macroeconomic landscape with continued inflationary pressures. Our outlook continues to assume interest rate increases by the Federal Reserve will result in a nominal benefit to total net interest income.

- **Average loan growth:** "Updated based on our new and renewed brand partner announcements, visibility into our pipeline, moderating consumer spending, strategic credit tightening actions, and the current economic outlook, we expect full year 2023 average credit card and other loans to grow low- to mid-single digits relative to 2022.

- **Total revenue:** "Total revenue growth for 2023, excluding the gain on portfolio sale, is anticipated to be slightly above average loan growth, with a full year net interest margin similar to that of 2022.

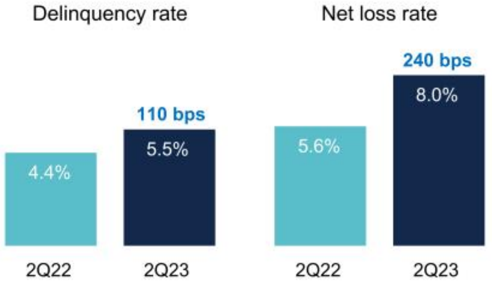
- **Total expenses:** "We anticipate an increase in full year total expenses versus 2022, although the pace of expense growth is projected to decelerate versus the 2022 rate. Expenses in the second half of 2023 are expected to be lower than the first half driven by lower intangible amortization expense and improved operating efficiencies. We remain focused on disciplined expense management as we adjust 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 in the low-to-mid 7% range for 2023, inclusive of impacts from the 2022 transition of our credit card processing services, moderating consumer spending, our credit management actions, 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)]

Credit metrics



Diluted EPS

Continuing operations[(1)]

	Second quarter 2023			Year-to-date 2023		
($ in millions, except per share amounts)	2023	2022	Change	2023	2022	Change
Total net interest and non-interest income ("Revenue")	$ 952	$ 893	7%	$ 2,241	$ 1,814	24%
Net principal losses	*$ 351*	*$ 238*	48%	*$ 694*	*$ 438*	58%
Reserve (release) build	*$ (15)*	*$ 166*	nm	*$ (252)*	*$ 160*	nm
Provision for credit losses	$ 336	$ 404	(17%)	$ 442	$ 598	(26%)
Total non-interest expenses	$ 530	$ 473	12%	$ 1,075	$ 897	20%
Income from continuing operations before income taxes	$ 86	$ 16	nm	$ 724	$ 319	nm
Income from continuing operations	**$ 64**	**$ 12**	**nm**	**$ 519**	**$ 224**	**nm**
Income from continuing operations per diluted share	$ 1.27	$ 0.25	nm	$ 10.34	$ 4.47	nm
Weighted average shares outstanding – diluted	50.3	49.9		50.2	50.0	
Pretax pre-provision earnings (PPNR)*	$ 422	$ 420	—%	$ 1,166	$ 917	27%
Less: Gain on portfolio sale	$ —	$ —	—%	$ (230)	$ —	nm
PPNR less gain on portfolio sale*	$ 422	$ 420	—%	$ 936	$ 917	2%

(1) Excludes amounts associated with our former LoyaltyOne segment and our former Epsilon segment which previously have been disclosed as discontinued operations and are classified as discontinued operations in 2Q23.

* *PPNR and PPNR less gain on portfolio sale are non-GAAP financial measures. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

Note: Starting with 3Q22, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

nm – Not meaningful, denoting a variance of 100 percent or more.

Second quarter 2023 compared with second quarter 2022 – continuing operations

- Credit sales were $7.1 billion for the second quarter of 2023, a decrease of $1.1 billion, or 13%, versus the second quarter of 2022, reflecting the sale of the BJ's Wholesale Club portfolio in late February 2023, credit tightening, and moderating consumer spending, partially offset by new partner growth.
- Average and end-of-period credit card and other loans were $17.7 billion and $18.0 billion, respectively, up 4% and 1%, respectively. These increases were driven by the addition of new partners as well as further moderation in the consumer payment rate, partially offset by the sale of the BJ's portfolio.
- Revenue increased $59 million, or 7%, resulting from higher average credit card and other loan balances and non-interest income, partially offset by increased reversals of interest and fees resulting from higher gross losses.
- Total non-interest expenses increased $57 million, or 12%, as card and processing expenses increased $32 million, or 37%; employee compensation and benefit costs increased $26 million, or 14%; and information processing and communications expenses increased $14 million, or 23%.
- Income from continuing operations increased $52 million due to revenue growth and a lower provision for credit losses, partially offset by expense growth.
- PPNR, a non-GAAP financial measure, increased $2 million, reflecting nominal growth versus the second quarter of 2022.
- The delinquency rate of 5.5% increased from 4.4% in the second quarter of 2022 and decreased from 5.7% in the first quarter of 2023. The year-over-year increase was primarily the result of expected consumer payment rate normalization.
- The net loss rate of 8.0% increased from 5.6% in the second quarter of 2022 and 7.0% in the first quarter of 2023. The second quarter of 2023 rate reflected an approximately 100 basis point impact from the June 2022 transition of our credit card processing services, as well as continued consumer payment rate normalization.

Contacts

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

Susan Haugen (susan.haugen@breadfinancial.com)

Media Relations: Rachel Stultz (rachel.stultz@breadfinancial.com)

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; 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.

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 herein 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 provision/release in Provision for credit losses. *PPNR less gain on portfolio sales* then decreases PPNR by the gain on any portfolio sales in the period. We use PPNR and PPNR less gain on portfolio sales as metrics to evaluate our results of operations before income taxes, excluding the volatility that can occur within Provision for credit losses and the one-time nature of a gain on the sale of a portfolio. *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. 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, July 27, 2023, at 8:30 a.m. (Eastern Time) to discuss the company's second quarter 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 suite of payment solutions that includes private label and co-brand credit cards and **Bread Pay™** buy now, pay later products. Bread Financial also offers direct-to-consumer products 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**.

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

	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
Interest income				
Interest and fees on loans	$ 1,153	$ 1,064	$ 2,441	$ 2,130
Interest on cash and investment securities	44	9	90	11
Total interest income	1,197	1,073	2,531	2,141
Interest expense				
Interest on deposits	127	41	244	76
Interest on borrowings	78	54	178	98
Total interest expense	205	95	422	174
Net interest income	**992**	**978**	**2,109**	**1,967**
Non-interest income				
Interchange revenue, net of retailer share arrangements	(74)	(102)	(161)	(198)
Gain on portfolio sale	—	—	230	—
Other	34	17	63	45
Total non-interest income	(40)	(85)	132	(153)
Total net interest and non-interest income	**952**	**893**	**2,241**	**1,814**
Provision for credit losses	**336**	**404**	**442**	**598**
Total net interest and non-interest income, after provision for credit losses	616	489	1,799	1,216
Non-interest expenses				
Employee compensation and benefits	217	191	437	370
Card and processing expenses	116	84	235	166
Information processing and communication	75	61	150	117
Marketing expenses	40	50	79	80
Depreciation and amortization	35	30	69	51
Other	47	57	105	113
Total non-interest expenses	**530**	**473**	**1,075**	**897**
Income from continuing operations before income taxes	86	16	724	319
Provision for income taxes	22	4	205	95
Income from continuing operations	64	12	519	224
(Loss) income from discontinued operations, net of income taxes	(16)	—	(16)	(1)
Net income	**$ 48**	**$ 12**	**$ 503**	**$ 223**
Basic income per share				
Income from continuing operations	$ 1.28	$ 0.25	$ 10.37	$ 4.48
(Loss) income from discontinued operations	$ (0.33)	$ —	$ (0.33)	$ (0.01)
Net income per share	$ 0.95	$ 0.25	$ 10.04	$ 4.47
Diluted income per share				
Income from continuing operations	$ 1.27	$ 0.25	$ 10.34	$ 4.47
(Loss) income from discontinued operations	$ (0.32)	$ —	$ (0.32)	$ (0.01)
Net income per share	$ 0.95	$ 0.25	$ 10.02	$ 4.46
Weighted average common shares outstanding				
Basic	50.1	49.8	50.1	49.8
Diluted	50.3	49.9	50.2	50.0
Pretax pre-provision earnings (PPNR)*	$ 422	$ 420	$ 1,166	$ 917
Less: Gain on portfolio sale	—	—	(230)	—
PPNR less gain on portfolio sale*	$ 422	$ 420	$ 936	$ 917

* *PPNR and PPNR less gain on portfolio sale are non-GAAP financial measures. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

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

	June 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	$ 3,325	$ 3,891
Credit card and other loans		
Total credit card and other loans	17,962	21,365
Allowance for credit losses	(2,208)	(2,464)
Credit card and other loans, net	15,754	18,901
Investment securities	239	221
Property and equipment, net	162	195
Goodwill and intangible assets, net	780	799
Other assets	1,349	1,400
Total assets	**$ 21,609**	**$ 25,407**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Direct-to-consumer (retail)	$ 5,993	$ 5,466
Wholesale and other	7,055	8,360
Total deposits	13,048	13,826
Debt issued by consolidated variable interest entities	3,323	6,115
Long-term and other debt	1,375	1,892
Other liabilities	1,127	1,309
Total liabilities	**18,873**	**23,142**
Total stockholders' equity	2,736	2,265
Total liabilities and stockholders' equity	**$ 21,609**	**$ 25,407**
Shares of common stock outstanding	50.1	49.9

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

	Six months ended June 30, 2023	Six months ended June 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 503	$ 223
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for credit losses	442	598
Depreciation and amortization	69	51
Deferred income taxes	(30)	(102)
Non-cash stock compensation	22	16
Amortization of deferred financing costs	13	12
Amortization of deferred origination costs	44	43
Gain on portfolio sale	(230)	—
Change in other operating assets and liabilities		
Change in other assets	88	(32)
Change in other liabilities	(183)	(106)
Other	3	40
Net cash provided by operating activities	**741**	**743**
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in credit card and other loans	477	(596)
Proceeds from sale of credit card loan portfolio	2,499	—
Purchase of credit card loan portfolio	(81)	(249)
Net purchase of investment securities	(18)	(5)
Other, including capital expenditures	(17)	(47)
Net cash provided by (used in) investing activities	**2,860**	**(897)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Unsecured borrowings under debt agreements	801	218
Repayments/maturities of unsecured borrowings under debt agreements	(1,297)	(269)
Debt issued by consolidated variable interest entities	1,392	1,588
Repayments/maturities of debt issued by consolidated variable interest entities	(4,182)	(1,543)
Net decrease in deposits	(779)	(22)
Payment of deferred financing costs	(49)	(7)
Payment for capped call transactions	(39)	—
Dividends paid	(21)	(22)
Other	(3)	(15)
Net cash used in financing activities	**(4,177)**	**(72)**
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	—	—
Change in cash, cash equivalents and restricted cash	(576)	(226)
Cash, cash equivalents and restricted cash at beginning of period	3,927	3,923
Cash, cash equivalents and restricted cash at end of period	**$ 3,351**	**$ 3,697**

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

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

	As of or for the three months ended June 30,			As of or for the six months ended June 30,		
	2023	2022	Change	2023	2022	Change
Pretax pre-provision earnings:						
Income from continuing operations before income taxes	$ 86	$ 16	nm	$ 724	$ 319	nm
Provision for credit losses	336	404	(17%)	442	598	(26%)
Pretax pre-provision earnings (PPNR)	$ 422	$ 420	—%	$ 1,166	$ 917	27%
Less: Gain on portfolio sale	—	—	—%	(230)	—	nm
PPNR less gain on portfolio sale	$ 422	$ 420	—%	$ 936	$ 917	2%
Tangible common equity (TCE)						
Total stockholders' equity	2,736	2,275	20%	2,736	2,275	20%
Less: Goodwill and intangible assets, net	(780)	(694)	12%	(780)	(694)	12%
Tangible common equity (TCE)	$ 1,956	$ 1,581	24%	$ 1,956	$ 1,581	24%
Tangible assets (TA)						
Total assets	21,609	21,811	(1%)	21,609	21,811	(1%)
Less: Goodwill and intangible assets, net	(780)	(694)	12%	(780)	(694)	12%
Tangible assets (TA)	$ 20,829	$ 21,117	(1%)	$ 20,829	$ 21,117	(1%)

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

	As of or for the three months ended June 30,			As of or for the six months ended June 30,		
	2023	2022	Change	2023	2022	Change
Credit sales	$ 7,057	$ 8,140	(13%)	$ 14,430	$ 15,028	(4%)
Average credit card and other loans	$ 17,652	$ 17,003	4%	$ 18,528	$ 16,827	10%
End-of-period credit card and other loans	$ 17,962	$ 17,769	1%	$ 17,962	$ 17,769	1%
End-of-period direct-to-consumer deposits	$ 5,993	$ 4,191	43%	$ 5,993	$ 4,191	43%
Return on average assets[(1)]	1.2%	0.2%	1.0%	4.6%	2.1%	2.5%
Return on average equity[(2)]	9.4%	2.2%	7.2%	39.7%	19.9%	19.8%
Net interest margin[(3)]	18.7%	18.6%	0.1%	18.8%	19.0%	(0.2%)
Loan yield[(4)]	26.1%	25.0%	1.1%	26.4%	25.3%	1.1%
Efficiency ratio[(5)]	55.7%	52.9%	2.8%	47.9%	49.5%	(1.6%)
Tangible common equity / tangible assets ratio (TCE/TA)[(6)]	9.4%	7.5%	1.9%	9.4%	7.5%	1.9%
Tangible book value per common share[(7)]	$ 38.99	$ 31.75	22.8%	$ 38.99	$ 31.75	22.8%
Cash dividend per common share	$ 0.21	$ 0.21	0.0%	$ 0.42	$ 0.42	0.0%
Payment rate[(8)]	15.0%	15.3%	(0.3%)	15.0%	15.3%	(0.3%)
Delinquency rate[(9)]	5.5%	4.4%	1.1%	5.5%	4.4%	1.1%
Net loss rate[(9)]	8.0%	5.6%	2.4%	7.5%	5.2%	2.3%
Reserve rate	12.3%	11.2%	1.1%	12.3%	11.2%	1.1%

(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 financial 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) Starting with 3Q22, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

Exhibit 99.2

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Bread Financial

Second quarter 2023 results

July 27, 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; 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.

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 herein 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 provision/release in Provision for credit losses. *PPNR less gain on portfolio sales* then decreases PPNR by the gain on any portfolio sales in the period. We use PPNR and PPNR less gain on portfolio sales as metrics to evaluate our results of operations before income taxes, excluding the volatility that can occur within Provision for credit losses and the one-time nature of a gain on the sale of a portfolio. *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. 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".

2Q23 key highlights

Continued progress toward our long-term financial goals

- Achieved major milestones in parent debt plan:
    - Reduced unsecured debt by more than $500 million
    - Refinanced our term loan and revolving line of credit
    - Extended certain debt maturities
- Tangible book value per share of $38.99; increased $7.24, or 23%, versus 2Q22
- Signed Dell Technologies, further diversifying our brand partner base

Proactive risk management given macroeconomic pressures

- Consumer spend is moderating as consumers are self-regulating and macroeconomic pressures build
    - Strategically tightening credit to balance macroeconomic headwinds and returns
- Closely monitoring impact of inflation, rising interest rates, and changes in spending
- Our credit risk profile remains well above pre-pandemic levels due to diversification in products, including an increase in co-brand, and proactive responsible credit risk management

2023 focus areas

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Responsible growth

Support organic growth and new brand partner launches that deliver long-term value

Enhance balance sheet

Build capital and continue to reduce parent-level debt; ensure proactive credit, liquidity, and interest rate risk management

Optimize data & technology

Leverage new capabilities to create additional value and continue driving efficiencies

Strategically invest

Deliver exceptional value and experiences through marketing, loyalty, and technology innovation

Prudent balance sheet management

Strong, stable funding base

Growing online direct-to-consumer deposits; >90% FDIC insured

Re-entered public ABS market and renewed conduit lines

Diverse funding sources

Executing our parent debt plan

Refinanced term loan and revolving line of credit

Convertible notes offering extended maturities

Reduced total parent debt and leverage ratios

Strengthened balance sheet and funding mix

Capital ratios significantly improved	+3x	TCE/TA ratio increase since 1Q20 to **9.4%**
Reduced debt	-55%	parent debt reduction since 1Q20
Increased direct-to-consumer deposits	+$4.8B	DTC deposits since 1Q20 to **$6.0 billion**
Loan loss reserve materially higher	+300bps	reserve rate increase since CECL Day 1

Second quarter 2023 financial highlights
Continuing operations

$952 million	$64 million	$1.27
Revenue	**Income from continuing operations**	**Diluted EPS**

Year-over-year comparisons

- Credit sales of $7.1 billion decreased 13%, reflecting the sale of the BJ's Wholesale Club portfolio in late February 2023, credit tightening, and moderating consumer spending, partially offset by new partner growth.
- Second quarter average loans of $17.7 billion grew 4%, driven by the addition of new partners as well as further moderation in the consumer payment rate, partially offset by the sale of the BJ's portfolio.
- Revenue increased $59 million, or 7%, resulting from higher average credit card and other loan balances and non-interest income partially offset by increased reversals of interest and fees resulting from higher gross losses.
- Income from continuing operations increased $52 million.
- Net loss rate in the quarter was impacted by the transition of our credit card processing services in June 2022, as expected.

Note: Continuing operations excludes amounts associated with our former LoyaltyOne segment and our former Epsilon segment which previously have been disclosed as discontinued operations and are classified as discontinued operations in 2Q23.

Financial results
Continuing operations

($ in millions, except per share)	2Q23	2Q22	$ Chg	% Chg	YTD'23	YTD'22	$ Chg	% Chg
Total interest income	$ 1,197	$ 1,073	$ 124	12%	$ 2,531	$ 2,141	$ 390	18%
Total interest expense	205	95	110	nm	422	174	248	nm
Net interest income	**992**	**978**	**14**	**1%**	**2,109**	**1,967**	**142**	**7%**
Total non-interest income	(40)	(85)	45	(53%)	132	(153)	285	nm
Revenue	**952**	**893**	**59**	**7%**	**2,241**	**1,814**	**427**	**24%**
Net principal losses	351	238	113	48%	694	438	256	58%
Reserve (release) build	(15)	166	(181)	nm	(252)	160	(412)	nm
Provision for credit losses	336	404	(68)	(17%)	442	598	(156)	(26%)
Total non-interest expenses	530	473	57	12%	1,075	897	178	20%
Income before income taxes	**86**	**16**	**70**	**nm**	**724**	**319**	**405**	**nm**
Provision for income taxes	22	4	18	nm	205	95	110	nm
Net income	**$ 64**	**$ 12**	**$ 52**	**nm**	**$ 519**	**$ 224**	**$ 295**	**nm**
Net income per diluted share	$ 1.27	$ 0.25	$ 1.02	nm	$ 10.34	$ 4.47	$ 5.87	nm
Weighted avg. shares outstanding – diluted	50.3	49.9			50.2	50.0		
Pretax pre-provision earnings (PPNR)*	**$ 422**	**$ 420**	**$ 2**	**—%**	**$ 1,166**	**$ 917**	**$ 249**	**27%**
Less: Gain on portfolio sale	—	—	—	—%	(230)	—	(230)	nm
PPNR less gain on portfolio sale*	$ 422	$ 420	$ 2	—%	$ 936	$ 917	$ 19	2%

** PPNR and PPNR less gain on portfolio sale are non-GAAP financial measures. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*
nm – Not meaningful, denoting a variance of 100 percent or more.

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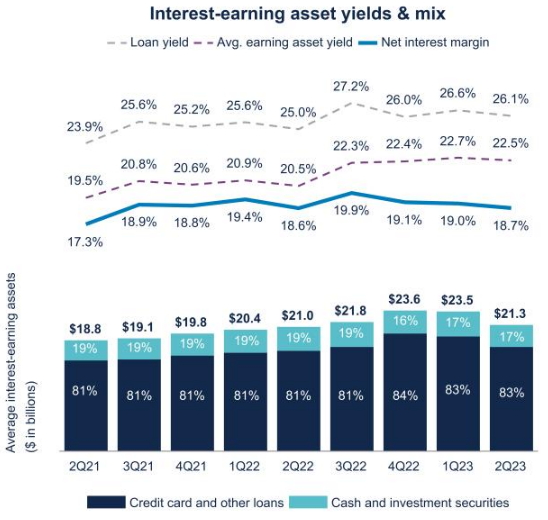
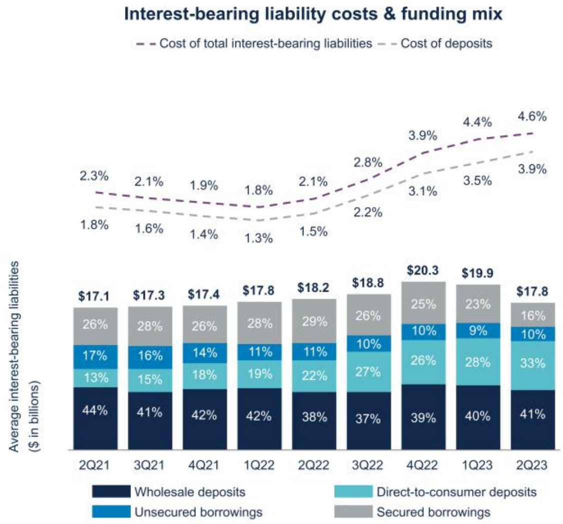
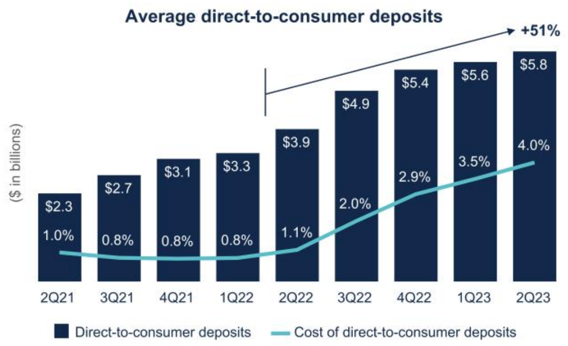
Net interest margin

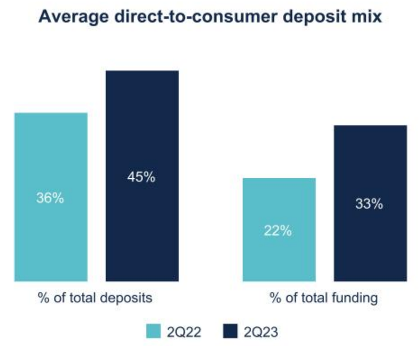




Direct-to-consumer deposit growth

Strong growth in Bread Savings[TM] direct-to-consumer deposits diversifies our funding mix





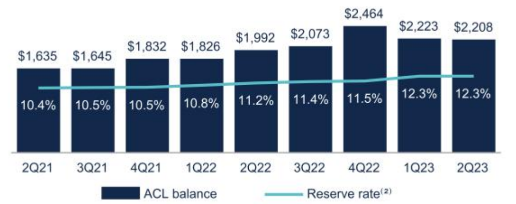
Credit quality and allowance

Delinquency rates

Net loss rates

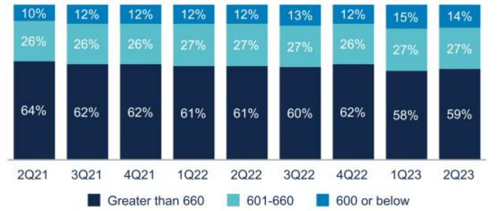
Reserve rates

($ in millions)



Revolving credit risk distribution

(Vantage score)



(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: Starting with 3Q22, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

Strengthened financial resilience

Bread Financial is positioned to perform well through a full economic cycle

- Strong corporate governance
- Proactive risk management
- Prudent balance sheet management
- Expense discipline
- Enhanced core capabilities

Strengthened balance sheet and funding mix

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

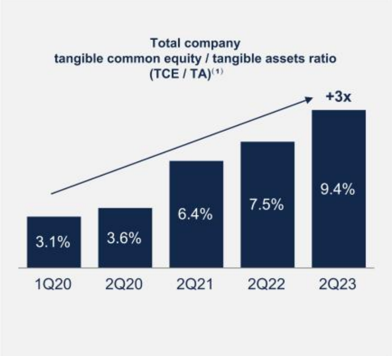
Enhanced credit risk management and underlying credit distribution

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

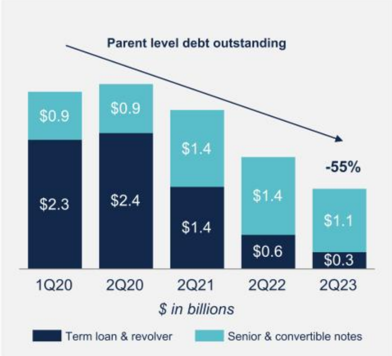
Active recession readiness playbook

Capital allocation

Improve capital metrics
$1.2 billion tangible common equity build since 2020



Reduce debt levels
Paid down $1.7 billion since 2020



Drive shareholder value
~$24 increase in TBVPS since 2020

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

2023 financial outlook

Updated to reflect slower sales growth as a result of strategic credit tightening and moderation in consumer spending

Full year 2022 actuals	Full year 2023 outlook	Commentary
Average loans $17,768 million	Up low- to mid-single digits	• Updated based on our new and renewed brand partner announcements, visibility into our pipeline, moderation in consumer spending, strategic credit management actions, and the current economic outlook.
Revenue $3,826 million	Slightly above loan growth	• Net interest margin is expected to remain similar to the 2022 full year rate of 19.2%. • Revenue guidance excludes the gain on portfolio sale.
Total non-interest expenses $1,932 million	Positive operating leverage	• We will continue to strategically invest in technology modernization, marketing, and product innovation to drive growth and efficiencies. • With the magnitude of the gain on portfolio sale, we are investing $30 million of the gain in 2023 to accelerate our business transformation. Excluding the gain on portfolio sale from revenue and this $30 million investment from total expenses, we expect to achieve nominal positive operating leverage for the full year.
Net loss rate 5.4%	Low-to-mid 7% range	• Our outlook is inclusive of the impacts of customer accommodations related to the 2022 transition of our credit card processing services, moderation in consumer spending, our credit management actions, 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%.

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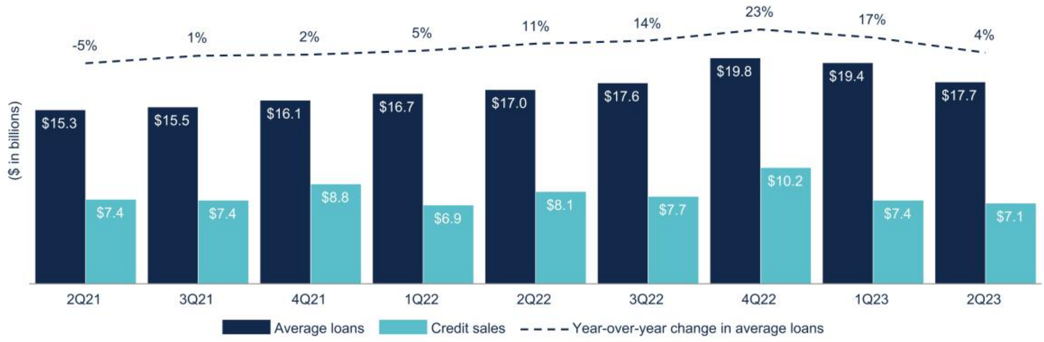
Appendix

Average loans and credit sales



Total non-interest expenses
Continuing operations

2Q23 vs. 2Q22 change in non-interest expenses

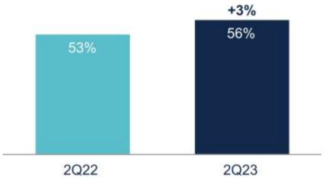
Total non-interest expenses

$ in millions

Total non-interest expenses increased 12% versus 2Q22

- Employee compensation and benefit costs increased due to increased headcount, which was driven by continued digital and technology modernization-related hiring and customer care and collections staffing, increased retirement benefits, and higher stock-based compensation.
- Card and processing expenses increased due primarily to increased fraud losses, higher direct mail and statement volumes, and customer service expenses.
- Information processing and communications expenses increased due to an increase in data processing expense driven by the transition of our credit card processing services and cloud modernization initiatives, as well as other software licensing expenses.

Efficiency ratio*



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

Summary financial highlights

Continuing operations

($ in millions)	2Q23	2Q22	2Q23 vs 2Q22	1Q23	2Q23 vs 1Q23	YTD'23	YTD'22	YTD'23 vs YTD'22
Credit sales	$ 7,057	$ 8,140	(13%)	$ 7,373	(4%)	$ 14,430	$ 15,028	(4%)
Average credit card and other loans	$ 17,652	$ 17,003	4%	$ 19,405	(9%)	$ 18,528	$ 16,827	10%
End-of-period credit card and other loans	$ 17,962	$ 17,769	1%	$ 18,060	(1%)	$ 17,962	$ 17,769	1%
End-of-period direct-to-consumer deposits	$ 5,993	$ 4,191	43%	$ 5,630	6%	$ 5,993	$ 4,191	43%
Return on average assets(1)	1.2%	0.2%	1.0%	7.7%	(6.5%)	4.6%	2.1%	2.5%
Return on average equity(2)	9.4%	2.2%	7.2%	73.0%	(63.6%)	39.7%	19.9%	19.8%
Net interest margin(3)	18.7%	18.6%	0.1%	19.0%	(0.3%)	18.8%	19.0%	(0.2%)
Loan yield(4)	26.1%	25.0%	1.1%	26.6%	(0.5%)	26.4%	25.3%	1.1%
Efficiency ratio(5)	55.7%	52.9%	2.8%	42.2%	13.5%	47.9%	49.5%	(1.6%)
Tangible common equity / tangible assets ratio (TCE/TA)(6)	9.4%	7.5%	1.9%	9.1%	0.3%	9.4%	7.5%	1.9%
Tangible book value per common share(7)	$ 38.99	$ 31.75	22.8%	$ 38.44	1.4%	$ 38.99	$ 31.75	22.8%
Cash dividend declared per common share	$ 0.21	$ 0.21	—%	$ 0.21	—%	$ 0.42	$ 0.42	—%
Payment rate(8)	15.0%	15.3%	(0.3%)	15.6%	(0.6%)	15.0%	15.3%	(0.3%)
Delinquency rate(9)	5.5%	4.4%	1.1%	5.7%	(0.2%)	5.5%	4.4%	1.1%
Net loss rate(9)	8.0%	5.6%	2.4%	7.0%	1.0%	7.5%	5.2%	2.3%
Reserve rate	12.3%	11.2%	1.1%	12.3%	—%	12.3%	11.2%	1.1%

(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 financial 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) Starting with 3Q22, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

Summary financial highlights

Continuing operations

($ in millions)	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	YTD'22	YTD'23
Credit sales	$ 7,401	$ 7,380	$ 8,778	$ 6,887	$ 8,140	$ 7,689	$ 10,166	$ 7,373	$ 7,057	$ 15,028	$ 14,430
Year-over-year change	*54%*	*20%*	*15%*	*14%*	*10%*	*4%*	*16%*	*7%*	*(13%)*	*12%*	*(4%)*
Average credit card and other loans	$ 15,282	$ 15,471	$ 16,086	$ 16,650	$ 17,003	$ 17,598	$ 19,820	$ 19,405	$ 17,652	$ 16,827	$ 18,528
Year-over-year change	*(5%)*	*1%*	*2%*	*5%*	*11%*	*14%*	*23%*	*17%*	*4%*	*8%*	*10%*
End-of-period credit card and other loans	$ 15,724	$ 15,690	$ 17,399	$ 16,843	$ 17,769	$ 18,126	$ 21,365	$ 18,060	$ 17,962	$ 17,769	$ 17,962
Year-over-year change	*(1%)*	*1%*	*4%*	*8%*	*13%*	*16%*	*23%*	*7%*	*1%*	*13%*	*1%*
End-of-period direct-to-consumer deposits	$ 2,398	$ 3,052	$ 3,180	$ 3,561	$ 4,191	$ 5,176	$ 5,466	$ 5,630	$ 5,993	$ 4,191	$ 5,993
Year-over-year change	*30%*	*79%*	*87%*	*66%*	*75%*	*70%*	*72%*	*58%*	*43%*	*75%*	*43%*
Return on average assets[1]	4.8%	3.7%	1.1%	4.0%	0.2%	2.4%	(2.2%)	7.7%	1.2%	2.1%	4.6%
Return on average equity[2]	56.4%	38.0%	11.1%	38.5%	2.2%	22.8%	(23.3%)	73.0%	9.4%	19.9%	39.7%
Net interest margin[3]	17.3%	18.9%	18.8%	19.4%	18.6%	19.9%	19.1%	19.0%	18.7%	19.0%	18.8%
Loan yield[4]	23.9%	25.6%	25.2%	25.6%	25.0%	27.2%	26.0%	26.6%	26.1%	25.3%	26.4%
Efficiency ratio[5]	55.5%	50.6%	50.0%	46.2%	52.9%	49.7%	53.1%	42.2%	55.7%	49.5%	47.9%
Tangible common equity / tangible assets ratio (TCE/TA)[6]	6.4%	7.2%	6.6%	7.8%	7.5%	8.0%	6.0%	9.1%	9.4%	7.5%	9.4%
Tangible book value per common share[7]	$ 27.12	$ 31.18	$ 28.09	$ 31.87	$ 31.75	$ 34.30	$ 29.42	$ 38.44	$ 38.99	$ 31.75	$ 38.99
Cash dividend declared per common share	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.42	$ 0.42
Payment rate[8]	17.6%	16.7%	17.2%	17.7%	15.3%	15.5%	16.4%	15.6%	15.0%	15.3%	15.0%
Delinquency rate	3.3%	3.8%	3.9%	4.1%	4.4%	5.7%	5.5%	5.7%	5.5%	4.4%	5.5%
Net principal loss rate	5.1%	3.9%	4.4%	4.8%	5.6%	5.0%	6.3%	7.0%	8.0%	5.2%	7.5%
Reserve rate	10.4%	10.5%	10.5%	10.8%	11.2%	11.4%	11.5%	12.3%	12.3%	11.2%	12.3%

(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 financial 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.

Financial results

Continuing operations

($ in millions, except per share)	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	YTD'22	YTD'23
Total interest income	$ 915	$ 994	$ 1,017	$ 1,068	$ 1,073	$ 1,218	$ 1,325	$ 1,335	$ 1,197	$ 2,141	$ 2,531
Total interest expense	100	91	84	79	95	133	195	218	205	174	422
Net interest income	**815**	**903**	**933**	**989**	**978**	**1,085**	**1,130**	**1,117**	**992**	**1,967**	**2,109**
Total non-interest income	(51)	(52)	(78)	(68)	(85)	(106)	(97)	172	(40)	(153)	132
Revenue	**764**	**851**	**855**	**921**	**893**	**979**	**1,033**	**1,289**	**952**	**1,814**	**2,241**
Net principal losses	194	152	176	199	238	218	312	342	351	438	694
Reserve (release) build	(208)	9	187	(6)	166	86	380	(235)	(15)	160	(252)
Provision for credit losses	(14)	161	363	193	404	304	692	107	336	598	442
Total non-interest expenses	424	431	427	426	473	486	548	544	530	897	1,075
Income (loss) before income taxes	**354**	**259**	**65**	**302**	**16**	**189**	**(207)**	**638**	**86**	**319**	**724**
Provision for income taxes	91	53	4	91	4	55	(73)	183	22	95	205
Net income (loss)	**$ 263**	**$ 206**	**$ 61**	**$ 211**	**$ 12**	**$ 134**	**$ (134)**	**$ 455**	**$ 64**	**$ 224**	**$ 519**
Net income (loss) per diluted share	$ 5.25	$ 4.11	$ 1.21	$ 4.21	$ 0.25	$ 2.69	$ (2.68)	$ 9.08	$ 1.27	$ 4.47	$ 10.34
Weighted average shares outstanding – diluted	50.0	50.0	50.0	50.0	49.9	49.9	50.0	50.1	50.3	50.0	50.2
Pretax pre-provision earnings (PPNR)*	**$ 340**	**$ 420**	**$ 428**	**$ 495**	**$ 420**	**$ 493**	**$ 485**	**$ 745**	**$ 422**	**$ 917**	**$ 1,166**
Less: Gain on portfolio sale	—	(10)	—	—	—	—	—	(230)	—	—	(230)
PPNR less gain on portfolio sale*	$ 340	$ 410	$ 428	$ 495	$ 420	$ 493	$ 485	$ 515	$ 422	$ 917	$ 936

* *PPNR and PPNR less gain on portfolio sale are non-GAAP financial measures. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*

Net interest margin

($ in millions)	2Q23 Average balance	2Q23 Interest income / expense	2Q23 Average yield / rate	YTD'23 Average balance	YTD'23 Interest income / expense	YTD'23 Average yield / rate
Cash and investment securities	$ 3,613	$ 44	4.9%	$ 3,851	$ 90	4.7%
Credit card and other loans	17,652	1,153	26.1%	18,528	2,441	26.4%
Total interest-earning assets	**21,265**	**1,197**	**22.5%**	**22,379**	**2,531**	**22.6%**
Direct-to-consumer (Retail)	5,824	58	4.0%	5,691	106	3.7%
Wholesale deposits	7,250	69	3.8%	7,558	138	3.6%
Interest-bearing deposits	**13,074**	**127**	**3.9%**	**13,249**	**244**	**3.7%**
Secured borrowings	2,887	49	6.6%	3,727	118	6.4%
Unsecured borrowings	1,801	29	6.5%	1,857	60	6.4%
Interest-bearing borrowings	**4,688**	**78**	**6.6%**	**5,584**	**178**	**6.4%**
Total interest-bearing liabilities	**$ 17,762**	**$ 205**	**4.6%**	**$ 18,833**	**$ 422**	**4.5%**
Net interest income		**$ 992**			**$ 2,109**	
Net interest margin*		**18.7%**			**18.8%**	

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

Financial results

($ in millions, except per share amounts)	2Q23	2Q22	$ Chg	% Chg	YTD'23	YTD'22	$ Chg	% Chg
Income from continuing operations, net of taxes	$ 64	$ 12	$ 52	nm	$ 519	$ 224	$ 295	nm
(Loss) income from discontinued operations, net of taxes	(16)	—	(16)	nm	(16)	(1)	(15)	nm
Net income	**$ 48**	**$ 12**	**$ 36**	**nm**	**$ 503**	**$ 223**	**$ 280**	**nm**
Net income per diluted share from continuing ops	$ 1.27	$ 0.25	$ 1.02	nm	$ 10.34	$ 4.47	$ 5.87	nm
Net (loss) income per diluted share from discontinued ops	$ (0.32)	$ —	$ (0.32)	nm	$ (0.32)	$ (0.01)	$ (0.31)	nm
Net income per diluted share	**$ 0.95**	**$ 0.25**	**$ 0.70**	**nm**	**$ 10.02**	**$ 4.46**	**$ 5.56**	**nm**
Weighted average shares outstanding – diluted *(in millions)*	50.3	49.9			50.2	50.0		

nm – Not meaningful, denoting a variance of 100 percent or more.

Capital and liquidity

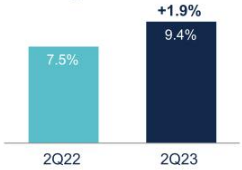
Parent level:

- Liquidity as of June 30, 2023, of $0.9 billion, consisting of cash plus revolver capacity
- Prudent interest rate management with no held-to-maturity securities

Bank level (combined banks*):

- As of June 30, 2023, the banks finished the quarter with $3.1 billion in cash on hand and $3.2 billion in equity
- Total risk-based capital ratio at 19.8% - nearly double the 10% threshold to be considered well-capitalized; CET1 at 18.4%
- Funding in place to support expected growth outlook – with continued long-term strategic focus on retail deposit growth

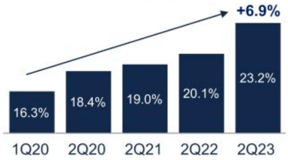
Total company tangible common equity/ tangible assets ratio[1]



Combined banks* capital ratios	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Common equity tier 1 capital ratio[2]	22.1%	22.6%	20.0%	20.8%	20.1%	19.4%	17.0%	20.2%	18.4%
Tier 1 capital ratio[3]	22.1%	22.6%	20.0%	20.8%	20.1%	19.4%	17.0%	20.2%	18.4%
Total risk-based capital ratio[4]	23.4%	23.9%	21.3%	22.1%	21.5%	20.7%	18.3%	21.6%	19.8%
Tier 1 leverage capital ratio[5]	19.2%	19.5%	18.6%	18.2%	17.7%	16.3%	15.6%	16.1%	16.1%

* Combined bank level figures are derived from combining the financials of Comenity Bank and Comenity Capital Bank.

Total company tangible common equity + credit reserves rate[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 average assets, after certain adjustments.
(6) 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 credit card and other loans.

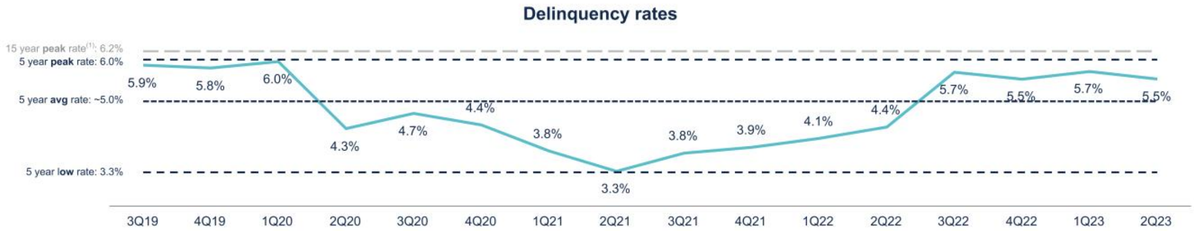
Reconciliation of GAAP to non-GAAP financial measures

($ in millions)	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	YTD'22	YTD'23
Pretax pre-provision earnings (PPNR)											
Income (loss) before income taxes	$ 354	$ 259	$ 65	$ 302	$ 16	$ 189	$ (207)	$ 638	$ 86	$ 319	$ 724
Provision for credit losses	(14)	161	363	193	404	304	692	107	336	598	442
Pretax pre-provision earnings (PPNR)	**$ 340**	**$ 420**	**$ 428**	**$ 495**	**$ 420**	**$ 493**	**$ 485**	**$ 745**	**$ 422**	**$ 917**	**$ 1,166**
Less: Gain on portfolio sale	—	(10)	—	—	—	—	—	(230)	—	—	(230)
PPNR less gain on portfolio sale	$ 340	$ 410	$ 428	$ 495	$ 420	$ 493	$ 485	$ 515	$ 422	$ 917	$ 936

	1Q20	2Q20	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	YTD'22	YTD'23
Tangible common equity (TCE)													
Total stockholders' equity	$ 1,088	$ 1,155	$ 2,048	$ 2,246	$ 2,086	$ 2,268	$ 2,275	$ 2,399	$ 2,265	$ 2,716	$ 2,736	$ 2,275	$ 2,736
Less: Goodwill and intangible assets, net	(354)	(345)	(699)	(694)	(687)	(682)	(694)	(690)	(799)	(790)	(780)	(694)	(780)
Tangible common equity (TCE)	**$ 734**	**$ 810**	**$ 1,349**	**$ 1,552**	**$ 1,399**	**$ 1,586**	**$ 1,581**	**$ 1,709**	**$ 1,466**	**$ 1,926**	**$ 1,956**	**$ 1,581**	**$ 1,956**

	1Q20	2Q20	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	YTD'22	YTD'23
Tangible assets (TA)													
Total assets	$ 24,235	$ 22,867	$ 21,812	$ 22,257	$ 21,746	$ 20,938	$ 21,811	$ 21,960	$ 25,407	$ 21,970	$ 21,609	$ 21,811	$ 21,609
Less: Goodwill and intangible assets, net	(354)	(345)	(699)	(694)	(687)	(682)	(694)	(690)	(799)	(790)	(780)	(694)	(780)
Tangible assets (TA)	**$ 23,881**	**$ 22,522**	**$ 21,113**	**$ 21,563**	**$ 21,059**	**$ 20,256**	**$ 21,117**	**$ 21,270**	**$ 24,608**	**$ 21,180**	**$ 20,829**	**$ 21,117**	**$ 20,829**

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: Starting with 3Q22, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services.

bread financial.

Exhibit 99.3

bread financial

Bread Financial™ to Provide Consumer Credit Program for Top Technology Company

COLUMBUS, Ohio – July 27, 2023 – Bread Financial (NYSE: BFH), a tech-forward financial services company that provides simple, flexible payment, lending and saving solutions, today announced it has signed an agreement to provide a suite of payment solutions, including a private label credit program, for Dell Technologies, which provides the industry's broadest and most innovative technology and services portfolio.

Bread Financial also signed a definitive agreement to acquire Dell's existing consumer credit portfolio. The transaction is expected to close in early Q4 2023, subject to customary closing conditions. The new relationship will expand the suite of payment options for Dell's consumer customers.

Expected to launch in Q4 2023, the **Dell Pay** program will offer six and 12-month special financing on products and services for Dell consumers, while providing a consistent and frictionless journey. Using capabilities from Bread Financial's Enhanced Digital Suite, Dell customers can seamlessly apply for and, if approved, immediately begin using their account for Dell products and support.

"This announcement reflects our expansion in the consumer technology market," said Val Greer, chief commercial officer, Bread Financial. "Through our comprehensive suite of payment products and tech-forward capabilities, Bread Financial will empower Dell customers with financial flexibility and deliver best-in-class experiences."

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 suite of payment solutions that includes private label and co-brand credit cards and **Bread Pay™** buy now, pay later products. Bread Financial also offers direct-to-consumer products 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**.

Contacts
Rachel Stultz – Media
Bread Financial
Rachel.Stultz@BreadFinancial.com

Exhibit 99.4

Bread Financial Announces Approval of $35 Million Share Repurchase Program; also Declares Quarterly Dividend on Common Stock

COLUMBUS, Ohio – July 27, 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 has approved a new plan to purchase up to $35 million of shares of the Company's common stock.

As part of Bread Financial's continued commitment to its stated capital priorities, the share buyback is designed to offset the impact of dilution associated with issuances of employee restricted stock units.

The board's authorization permits the Company to make open market share repurchases from time-to-time through December 31, 2023 in compliance with SEC Rule 10b-18 and subject to market conditions and other factors, including legal and regulatory restrictions and required approvals, up to the aggregate amount authorized by the board. The repurchase program does not obligate the Company to acquire any specific number of shares and may be suspended or terminated at any time.

In addition, Bread Financial today announced that its Board of Directors has declared a quarterly cash dividend of $0.21 per share on the Company's common stock, payable on September 15, 2023 to stockholders of record at the close of business on August 11, 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 suite of payment solutions that includes private label and co-brand credit cards and Bread Pay™ buy now, pay later products. Bread Financial also offers direct-to-consumer products 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 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, including, among other things, statements regarding our intended share repurchases and the expected impact on share count dilution. We believe that our expectations are based on reasonable assumptions. Forward-looking statements, however, are based only on currently available information and our current beliefs, expectations and assumptions, and are subject to a number of risks and uncertainties that are difficult to predict and, in many cases, beyond our control, including risk and uncertainties 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

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