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):
April 25, 2024

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 April 25, 2024, Bread Financial Holdings, Inc. (the "Company") issued a press release regarding its results of operations for the first quarter ended March 31, 2024 (the "Q1 2024 Earnings Release"). A copy of the Q1 2024 Earnings Release is furnished as Exhibit 99.1 hereto.

Item 7.01 Regulation FD Disclosure.

In connection with the Q1 2024 Earnings Release, on April 25, 2024, 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.

Item 8.01 Other Events.

On April 25, 2024, 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 June 14, 2024 to stockholders of record at the close of business on May 10, 2024. A copy of the press release announcing the Company's quarterly dividend is attached as Exhibit 99.3 hereto.

Item 9.01 Financial Statements and Exhibits.
(d) Exhibits

Exhibit No.	Document Description
99.1	Press Release dated April 25, 2024 announcing the Company's results of operations for the first quarter ended March 31, 2024.
99.2	Investor Presentation dated April 25, 2024.
99.3	Press Release dated April 25, 2024 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 99.3 hereto), the information contained in this report (including Exhibits 99.1 and 99.2) 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: April 25, 2024	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

Bread Financial reports first quarter 2024 results

COLUMBUS, Ohio, April 25, 2024 – 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 first quarter ended March 31, 2024.

($ in millions, except per share amounts)	First quarter 2024	
	Total company	Continuing operations
Net income	**$134**	**$135**
Earnings per diluted share	**$2.70**	**$2.73**

$18.5B	$991MM	12.6%	$45.96
1Q24 Average loans	1Q24 Revenue	Common equity tier 1 capital ratio	Tangible book value per share

- Relative to the first quarter of 2023:
  - Average credit card and other loans decreased 4%, due both to the sale of the BJ's Wholesale Club portfolio in 1Q23 as well as our ongoing strategic credit tightening, partially offset by growth from new partners.
  - Revenue decreased $298 million, or 23%, while net income decreased $321 million, or 71%, as 1Q23 benefited from the BJ's gain on sale and related reserve release.
    - Excluding the gain on sale, PPNR of $509 million was down $6 million, nearly flat.
  - Common equity tier 1 (CET1) capital ratio increased 80 basis points.
  - Tangible book value per share increased $7.52, or 20%.
- First quarter delinquency rate was 6.2% and net loss rate was 8.5%.
- Completed $11 million of share repurchases, representing 293,000 shares at an average price per share of $37.54.
- Upsized senior unsecured notes offering to $900 million in January 2024; reduced parent-level debt by $100 million.
- Grew direct-to-consumer deposits to $7 billion at quarter-end.

CEO COMMENTARY

"Our financial resilience was evident in the first quarter of 2024 as we generated net income of $134 million, driven by a strong risk-adjusted loan yield which contemplates higher credit losses as a result of the challenging macroeconomic environment. We continued to strengthen our balance sheet, including opportunistically extending our senior debt maturities and reducing parent-level debt by $100 million. Additionally, we increased our tangible book value by 20% year-over-year to $45.96, while our common equity tier 1 capital ratio increased 80 basis points year-over-year to 12.6%. We are focused on responsibly managing our capital and maintaining our financial flexibility given macroeconomic and regulatory uncertainties.

"Consumer spending continues to moderate given persistent inflation and higher interest rates. We observed a continued reduction in discretionary and big ticket spending in the first quarter with consumers focusing on non-discretionary purchases. Although consumers increased the frequency of shopping in-store and online, average transaction value decreased on those non-discretionary purchases. First quarter loan growth was further impacted by our proactive credit tightening initiatives as we remain disciplined with credit risk management given economic pressures that affect consumer spending and payment capacity.

"During the quarter we made meaningful progress in the implementation of our mitigation strategy in response to the CFPB's final rule on credit card late fees. Some of the early mitigating actions underway reflect various pricing changes such as increased APRs and statement fees, among others. We are deeply engaged with our brand partners regarding these and other mitigation plans. Collectively, these actions along with our future mitigation strategies, as well as the diversification of our products and industry verticals, and our improved credit profile over the past five years, better position Bread Financial to adapt to the rule change. We continue to expect the financial impact of the late fee rule will lessen over time as our mitigation actions mature. We are also closely monitoring the ongoing litigation related to the rule, but will continue to execute on our mitigation strategy given the uncertainty surrounding the timing and outcome.

"Our seasoned leadership team remains focused on generating strong returns through prudent capital and risk management, reflecting our unwavering commitment to drive sustainable, profitable growth and build long-term value for our stakeholders."

- Ralph Andretta, president and chief executive officer

CFO COMMENTARY

"Our first quarter financial results reflect our focus on responsible risk management and strong, durable profit margins with a double-digit risk-adjusted loan yield despite a higher loss rate in the quarter. As a result of our ongoing discipline, expenses decreased 12% year-over-year and PPNR was nearly flat when excluding the BJ's gain on sale from the prior year. As expected, first quarter net interest margin decreased sequentially reflecting higher reversals of interest and fees due to an increase in gross credit losses in the quarter, as well as typical seasonal pressure in the first half of each year.

"Credit sales and loan growth were impacted by the sale of the BJ's portfolio in early 2023, our continued responsible tightening of underwriting and credit lines, as well as a moderation in consumer spending given ongoing consumer payment pressures and the resumption of student loan payments.

"Growth in direct-to-consumer deposits increased 24% versus the first quarter of 2023 to $7 billion. Our direct-to-consumer deposits now represent 36% of total funding, up from 28% a year ago. Additionally, we reduced our parent-level unsecured debt by $100 million, increased our regulatory capital levels, and completed a portion of our $30 million authorized share repurchase plan in the quarter.

"From a credit perspective, our first quarter 2024 results were consistent with our expectations, with the delinquency rate beginning to show signs of stability. We expect our net loss rate to peak in the second quarter of 2024 at around 9%, with May being the high point for the year driven by continued consumer payment pressures and reduced loan growth.

"Our reserve rate increased from 12.0% in the fourth quarter of 2023 to 12.4%, near the 12.3% reported in the third quarter of 2023, as seasonally higher transactor balances from the fourth quarter were paid down in the first quarter. We will maintain conservative economic scenario weightings in our credit reserve modeling and believe our loan loss reserve provides an appropriate margin of protection in this challenging macroeconomic environment.

"We have been actively implementing our CFPB late fee mitigation plans intended to limit the financial impact of the final rule on our business. As a result of our initiatives and clarity on the specifics of the final rule, we are now better positioned from a mitigation perspective than a quarter ago when we provided a preliminary estimate of the impact. Given the progress in discussions with our brand partners regarding customer pricing actions and the timing for implementing such actions, we now assign higher levels of confidence to our actions and the corresponding mitigation offsets. Because of the timeframe required for certain of our actions to roll through our existing portfolio, we expect the net impact of the rule to lessen over time. Our current actions, together with underwriting adjustments, changes in brand partner program economics, and continued product diversification strategies, will affect various components of our loan portfolio including pricing, size, and credit quality beyond 2024.

"We remain pleased with our ability to drive consistently strong financial results despite the challenging macroeconomic environment."

- Perry Beberman, executive vice president and chief financial officer

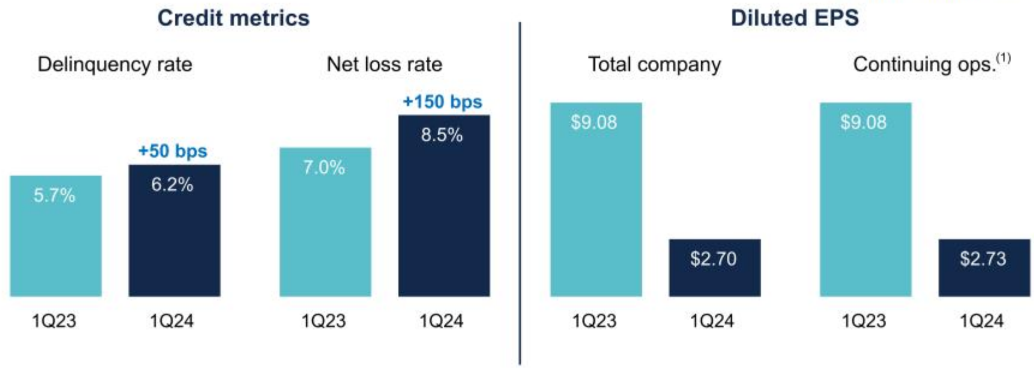
2024 full year outlook

Our 2024 outlook now factors in the potential impacts of the CFPB late fee rule based on a May 14 effective date, acknowledging uncertainty surrounding the timing and outcome of the ongoing litigation.

- **"Our 2024 outlook** reflects slower sales growth as a result of ongoing strategic credit tightening and continued moderation in consumer spending, both of which are pressuring loan and revenue growth and the net loss rate. In addition, our 2024 outlook assumes multiple interest rate decreases by the Federal Reserve, which will pressure total net interest income.
- **Average loan growth:** "Based on our current economic outlook, CFPB late fee rule impacts, ongoing strategic credit tightening actions, higher gross credit losses, and visibility into our pipeline, we expect 2024 average credit card and other loans to be down low-single digits relative to 2023.
- **Total revenue:** "Total revenue growth for 2024, excluding gains on portfolio sales, is anticipated to be down in the mid- to high-teen range as a result of the impact of the CFPB late fee rule, net of mitigation actions, as well as higher reversals of interest and fees due to expected higher gross credit losses, among other previously disclosed headwinds.

  Assuming a May 14 effective date, the rule is expected to reduce fourth quarter total revenue in the mid-teen range on an isolated basis relative to the fourth quarter of 2023, net of mitigation actions. This reflects an improvement from our previously disclosed estimated impact. We continue to expect the financial impact of the late fee rule will lessen over time as our mitigation actions mature.
- **Total expenses:** "As a result of efficiencies gained from ongoing investments in technology modernization and digital advancement, along with disciplined expense management, we expect expenses to be down low- to mid-single digits relative to 2023, inclusive of additional CFPB late fee rule expenses.
- **Net loss rate:** "We expect a net loss rate in the low 8% range for 2024. We are projecting a lower loss rate in the second half of 2024 versus the first as a result of the strategic credit actions we have taken and an assumed gradual modest improvement in economic conditions throughout the year.
- **Effective tax rate:** "We expect our full year normalized effective tax rate to be in the range of 27% to 30%, given the CFPB late fee rule change, with quarter-over-quarter variability due to the timing of certain discrete items."

Key operating and financial metrics



Continuing operations[(1)]

($ in millions, except per share amounts)	Quarter ended March 31, 2024	2023	% Change
Total net interest and non-interest income ("Revenue")	$ 991	$ 1,289	(23)
Net principal losses	*$ 394*	*$ 342*	*15*
Reserve release	*$ (73)*	*$ (235)*	*(69)*
Provision for credit losses	$ 321	$ 107	nm
Total non-interest expenses	$ 482	$ 544	(12)
Income from continuing operations before income taxes	$ 188	$ 638	(70)
Income from continuing operations	**$ 135**	**$ 455**	**(70)**
Income from continuing operations per diluted share	$ 2.73	$ 9.08	(70)
Weighted average shares outstanding – diluted	49.7	50.1	
Pretax pre-provision earnings (PPNR)*	$ 509	$ 745	(32)
Less: Gain on portfolio sale	$ —	$ (230)	nm
PPNR less gain on portfolio sale*	$ 509	$ 515	(1)

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

** 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 through 2Q23, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services in June 2022.

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

First quarter 2024 compared with first quarter 2023 – continuing operations

- Credit sales were $6.0 billion for the first quarter of 2024, a decrease of approximately $1.3 billion, or 18%, reflecting the sale of the BJ's portfolio in late February 2023, ongoing strategic credit tightening, and moderating consumer spending, partially offset by new partner growth.
- Average and end-of-period credit card and other loans were $18.5 billion and $18.2 billion, respectively, down 4% and up 1%, respectively. The decrease was driven by the decline in credit sales and contributing factors noted above.
- Revenue decreased $298 million, or 23%, driven by the benefit from the BJ's gain on sale in the prior year, lower net late fee revenue, and higher interest expense.
- Total non-interest expenses decreased $62 million, or 12%, as card and processing expenses decreased $34 million, or 28%; marketing expenses decreased $11 million, or 28%; depreciation and amortization expenses decreased $11 million, or 34%; and employee compensation and benefit costs decreased $7 million, or 3%.
- Income from continuing operations decreased $320 million, or 70%, as the prior year benefited from the BJ's gain on sale and related reserve release.
- PPNR, a non-GAAP financial measure, decreased $236 million, or 32%, as the prior year benefited from the BJ's gain on sale. PPNR less gain on portfolio sale was down $6 million, or 1%.
- The delinquency rate of 6.2% increased from 5.7% in the first quarter of 2023 and decreased 30 basis points sequentially.
- The net loss rate of 8.5% increased from 7.0% in the first quarter of 2023 and increased 50 basis points sequentially.
- CET1 of 12.6% increased from 11.8% in the first quarter of 2023.

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 ongoing wars and military conflicts; 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 bankruptcy filings of Loyalty Ventures Inc. and certain of its subsidiaries. In addition, the CFPB recently issued a final rule that, absent a successful legal challenge, will place significant limits on credit card late fees, which would have a significant impact on our business and results of operations for at least the short term and, depending on the effectiveness of the mitigating actions that we may take in response to the final rule, potentially over the long term; we cannot provide any assurance as to the effective date of the rule, the result of any pending or future challenges or other litigation relating to the rule, or our ability to mitigate or offset the impact of the rule on our business and results of operations. 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 audited 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, April 25, 2024, at 8:30 a.m. (Eastern Time) to discuss the company's first 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 approximately 7,000 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/X** and **Instagram**.

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

	Three months ended March 31,	
	2024	2023
Interest income		
Interest and fees on loans	$ 1,247	$ 1,289
Interest on cash and investment securities	53	46
Total interest income	1,300	1,335
Interest expense		
Interest on deposits	155	117
Interest on borrowings	93	101
Total interest expense	248	218
Net interest income	**1,052**	**1,117**
Non-interest income		
Interchange revenue, net of retailer share arrangements	(92)	(87)
Gain on portfolio sale	—	230
Other	31	29
Total non-interest income	(61)	172
Total net interest and non-interest income	**991**	**1,289**
Provision for credit losses	**321**	**107**
Total net interest and non-interest income, after provision for credit losses	670	1,182
Non-interest expenses		
Employee compensation and benefits	213	220
Card and processing expenses	86	120
Information processing and communication	74	75
Marketing expenses	28	39
Depreciation and amortization	23	34
Other	58	56
Total non-interest expenses	**482**	**544**
Income from continuing operations before income taxes	188	638
Provision for income taxes	53	183
Income from continuing operations	135	455
(Loss) income from discontinued operations, net of income taxes	(1)	—
Net income	**$ 134**	**$ 455**
Basic income per share		
Income from continuing operations	$ 2.74	$ 9.10
(Loss) income from discontinued operations	$ (0.03)	$ —
Net income per share	$ 2.71	$ 9.10
Diluted income per share		
Income from continuing operations	$ 2.73	$ 9.08
(Loss) income from discontinued operations	$ (0.03)	$ —
Net income per share	$ 2.70	$ 9.08
Weighted average common shares outstanding		
Basic	49.5	50.0
Diluted	49.7	50.1
Pretax pre-provision earnings (PPNR)*	$ 509	$ 745
Less: Gain on portfolio sale	—	(230)
PPNR less gain on portfolio sale*	$ 509	$ 515

* *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)

	March 31, 2024	December 31, 2023
ASSETS		
Cash and cash equivalents	$ 3,789	$ 3,590
Credit card and other loans		
Total credit card and other loans	18,185	19,333
Allowance for credit losses	(2,255)	(2,328)
Credit card and other loans, net	15,930	17,005
Investments	258	253
Property and equipment, net	166	167
Goodwill and intangible assets, net	753	762
Other assets	1,403	1,364
Total assets	**$ 22,299**	**$ 23,141**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Direct-to-consumer (retail)	$ 6,984	$ 6,454
Wholesale and other	6,343	7,166
Total deposits	13,327	13,620
Debt issued by consolidated variable interest entities	3,358	3,898
Long-term and other debt	1,294	1,394
Other liabilities	1,288	1,311
Total liabilities	**19,267**	**20,223**
Total stockholders' equity	3,032	2,918
Total liabilities and stockholders' equity	**$ 22,299**	**$ 23,141**
Shares of common stock outstanding	49.6	49.3

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

	Three months ended March 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 134	$ 455
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for credit losses	321	107
Depreciation and amortization	23	34
Deferred income taxes	(56)	(19)
Non-cash stock compensation	15	9
Amortization of deferred financing costs	6	7
Amortization of deferred origination costs	26	22
Gain on portfolio sale	—	(230)
Change in other operating assets and liabilities		
Change in other assets	(3)	81
Change in other liabilities	(23)	(77)
Other	4	9
Net cash provided by operating activities	**447**	**398**
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in credit card and other loans	746	735
Proceeds from sale of credit card loan portfolio	—	2,502
Purchase of credit card loan portfolio	—	(81)
Purchases of investments	(12)	(7)
Maturities of investments	3	3
Other, including capital expenditures	(17)	(11)
Net cash provided by investing activities	**720**	**3,141**
CASH FLOWS FROM FINANCING ACTIVITIES		
Unsecured borrowings under debt agreements	300	185
Repayments/maturities of unsecured borrowings under debt agreements	(407)	(210)
Debt issued by consolidated variable interest entities	200	325
Repayments/maturities of debt issued by consolidated variable interest entities	(740)	(3,425)
Net decrease in deposits	(293)	(689)
Payment of deferred financing costs	(4)	—
Dividends paid	(11)	(11)
Repurchase of common stock	(11)	—
Other	(9)	(9)
Net cash used in financing activities	**(975)**	**(3,834)**
Change in cash, cash equivalents and restricted cash	192	(295)
Cash, cash equivalents and restricted cash at beginning of period	3,616	3,927
Cash, cash equivalents and restricted cash at end of period	**$ 3,808**	**$ 3,632**

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 March 31,		
	2024	2023	% Change
Pretax pre-provision earnings:			
Income from continuing operations before income taxes	$ 188	$ 638	(70)
Provision for credit losses	321	107	nm
Pretax pre-provision earnings (PPNR)	$ 509	$ 745	(32)
Less: Gain on portfolio sale	—	(230)	nm
PPNR less gain on portfolio sale	$ 509	$ 515	(1)
Tangible common equity (TCE)			
Total stockholders' equity	3,032	2,716	12
Less: Goodwill and intangible assets, net	(753)	(790)	(5)
Tangible common equity (TCE)	$ 2,279	$ 1,926	18
Tangible assets (TA)			
Total assets	22,299	21,970	1
Less: Goodwill and intangible assets, net	(753)	(790)	(5)
Tangible assets (TA)	$ 21,546	$ 21,180	2

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

	As of or for the three months ended March 31,		
	2024	2023	% Change
Credit sales	$ 6,030	$ 7,373	(18)
Average credit card and other loans	$ 18,546	$ 19,405	(4)
End-of-period credit card and other loans	$ 18,185	$ 18,060	1
End-of-period direct-to-consumer deposits	$ 6,984	$ 5,630	24
Return on average assets(1)	2.4%	7.7%	(5)
Return on average equity(2)	17.5%	73.0%	(56)
Return on average tangible common equity(3)	23.1%	107.0%	(84)
Net interest margin(4)	18.7%	19.0%	—
Loan yield(5)	27.0%	26.6%	—
Efficiency ratio(6)	48.6%	42.2%	6
Double leverage ratio(7)	118.0%	158.6%	(41)
Common equity tier 1 capital ratio(8)	12.6%	11.8%	1
Total risk-weighted assets(9)	$ 19,344	$ 18,893	2
Tangible common equity / tangible assets ratio (TCE/TA)(10)	10.6%	9.1%	2
Tangible book value per common share(11)	$ 45.96	$ 38.44	20
Payment rate(12)	14.8%	15.6%	(1)
Delinquency rate(13)	6.2%	5.7%	1
Net loss rate(13)	8.5%	7.0%	2
Reserve rate	12.4%	12.3%	—

Note: Beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

(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) Return on average tangible common equity represents annualized Income from continuing operations divided by average Tangible common equity, which itself is defined below.
(4) Net interest margin represents annualized Net interest income divided by average Total interest-earning assets.
(5) Loan yield represents annualized Interest and fees on loans divided by Average credit card and other loans.
(6) Efficiency ratio represents Total non-interest expenses divided by Total net interest and non-interest income.
(7) Double leverage ratio represents Parent Company investment in subsidiaries divided by BFH consolidated equity.
(8) The Common equity tier 1 capital ratio represents common equity tier 1 capital divided by total risk-weighted assets.
(9) Total risk-weighted assets are generally measured by allocating assets, and specified off-balance sheet exposures, to various risk categories as defined by the Basel III standardized approach.
(10) 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.
(11) Tangible book value per common share represents TCE divided by shares outstanding and is a non-GAAP financial measure.
(12) 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.
(13) Starting with 3Q22 through 2Q23, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services in June 2022.

Exhibit 99.2

bread financial

Bread Financial

First quarter 2024 results

April 25, 2024

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 ongoing wars and military conflicts; 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 bankruptcy filings of Loyalty Ventures Inc. and certain of its subsidiaries. In addition, the CFPB recently issued a final rule that, absent a successful legal challenge, will place significant limits on credit card late fees, which would have a significant impact on our business and results of operations for at least the short term and, depending on the effectiveness of the mitigating actions that we may take in response to the final rule, potentially over the long term; we cannot provide any assurance as to the effective date of the rule, the result of any pending or future challenges or other litigation relating to the rule, or our ability to mitigate or offset the impact of the rule on our business and results of operations. 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 audited 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".

First quarter 2024 highlights

Demonstrated financial resilience

- Net income of $134 million and Earnings per diluted share of $2.70
- Tangible book value per share of $45.96 increased 20% year-over-year
- Shares repurchased totaled $11 million, representing 293,000 shares at an average price per share of $37.54
- Direct-to-consumer deposits increased 24% versus the first quarter of 2023 to approximately $7 billion
- Given strong investor demand, upsized senior unsecured notes offering to $900 million in January 2024

Proactive risk management

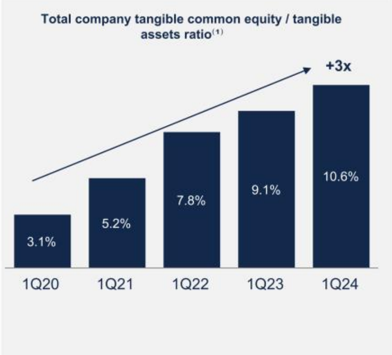
- Meaningful progress made in implementing mitigation plans to limit the financial impact of the CFPB late fee rule
    - Actions taken have improved previously estimated 4Q24 revenue impact
- Consumer spending continues to moderate as consumers self-regulate and macroeconomic pressures persist
    - Ongoing strategic credit tightening to balance macroeconomic headwinds and returns

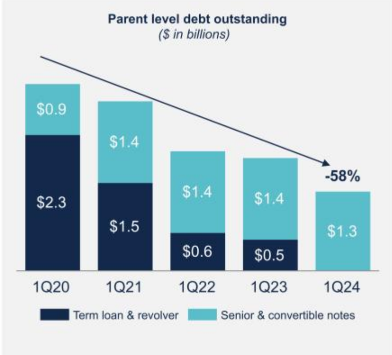
Capital allocation

Improve capital metrics
$1.5 billion tangible common equity build since 2020

Reduce debt levels
Paid down $1.8 billion since 2020

Drive shareholder value
~$31 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.

2024 focus areas

Responsible growth

Scale and diversify product offerings to align with the changing macroeconomic landscape, while optimizing brand partner growth and revenue opportunities

Manage macroeconomic and regulatory environment

Proactively execute strategies to mitigate business impacts resulting from government regulation and macroeconomic challenges

Accelerate digital and technology capabilities

Drive our digital-first strategy to enhance product offerings, increase customer self-servicing, and improve the overall customer experience

Operational excellence

Accelerate continuous improvement gains to drive technology advancements, improved customer satisfaction, control enhancements, enterprise-wide efficiency, and value creation

First quarter 2024 financial highlights

Continuing operations

$1.0 billion	$135 million	$2.73
Revenue	**Income from continuing operations**	**Diluted EPS**

Year-over-year comparisons

- Credit sales of $6.0 billion decreased 18%, reflecting the sale of the BJ's Wholesale Club portfolio in late February 2023, ongoing strategic credit tightening, and moderating consumer spending, partially offset by new partner growth.
- Average loans of $18.5 billion decreased 4% year-over-year driven by the decline in credit sales and contributing factors noted above.
- Revenue decreased $298 million, or 23%, driven by the benefit from the BJ's gain on sale in the prior year, lower net late fee revenue, and higher interest expense.
- Income from continuing operations decreased by $320 million, or 70%, as the prior year benefited from the BJ's gain on sale and related reserve release.
- The delinquency rate of 6.2% increased from 5.7% in the first quarter of 2023 and decreased 30 basis points sequentially.
- The net loss rate of 8.5% increased from 7.0% in the first quarter of 2023 and increased 50 basis points sequentially.

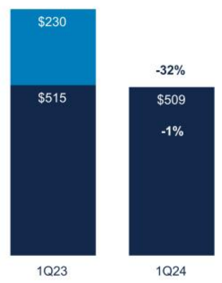
Notes: Continuing operations excludes amounts associated with our former LoyaltyOne segment and our former Epsilon segment which previously have been disclosed as discontinued operations and classified accordingly. As well, beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

Summary P&L results

Continuing operations

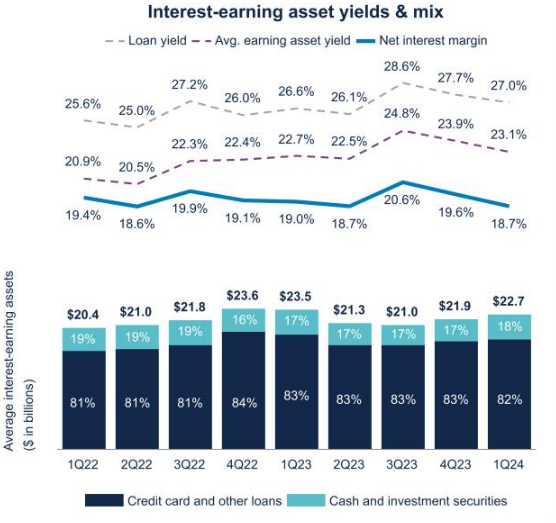
($ in millions, except per share)	1Q24	1Q23	$ Change	% Change
Total interest income	$ 1,300	$ 1,335	$ (35)	(3)
Total interest expense	248	218	30	14
Net interest income	**1,052**	**1,117**	**(65)**	**(6)**
Total non-interest income	(61)	172	(233)	nm
Revenue	**991**	**1,289**	**(298)**	**(23)**
Net principal losses	394	342	52	15
Reserve release	(73)	(235)	162	(69)
Provision for credit losses	321	107	214	nm
Total non-interest expenses	482	544	(62)	(12)
Income before income taxes	**188**	**638**	**(450)**	**(70)**
Provision for income taxes	53	183	(130)	(71)
Net income	**$ 135**	**$ 455**	**$ (320)**	**(70)**
Net income per diluted share	$ 2.73	$ 9.08	$ (6.35)	(70)
Weighted avg. shares outstanding – diluted	49.7	50.1		
Pretax pre-provision earnings (PPNR)*	**$ 509**	**$ 745**	**$ (236)**	**(32)**
Less: Gain on portfolio sale	—	(230)	230	nm
PPNR less gain on portfolio sale*	$ 509	$ 515	$ (6)	(1)

PPNR growth*
($ in millions)



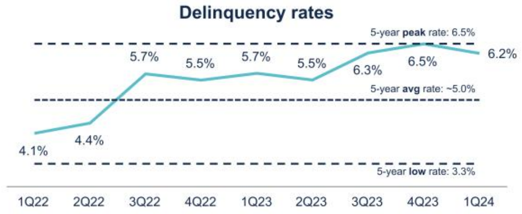
** PPNR and PPNR less gain on portfolio sale are non-GAAP financial measures. See "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures".*
nm – Not meaningful, denoting a variance of 100 percent or more.

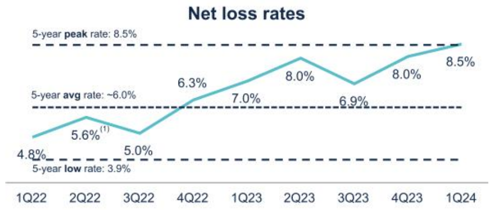
Net interest margin

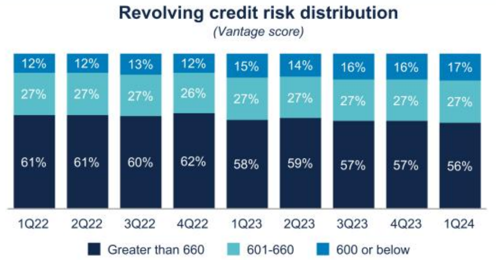


Note: Beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

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.
Notes: Starting with 3Q22 through 2Q23, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services in June 2022. As well, beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

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

2024 financial outlook

Our outlook now includes the forecasted impacts of the CFPB late fee rule and assumes a May 14th effective date*

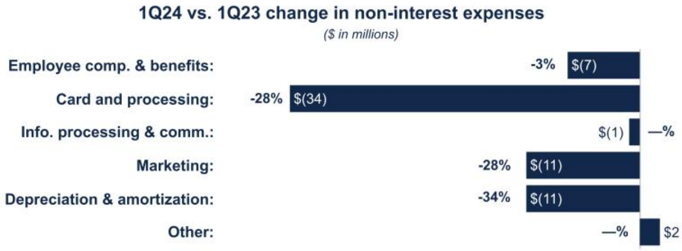
Full year 2023 actuals	Full year 2024 outlook	Commentary
Average loans 2023: $18,216 million	Down low-single digits	• Based on our current economic outlook, CFPB late fee rule impacts, ongoing strategic credit tightening actions, higher gross credit losses, and visibility into our pipeline, we expect 2024 average credit card and other loans to be down low-single digits relative to 2023.
Revenue (excl. Gain on sale) 2023: $4,059 million	Down mid- to high-teens	• Revenue, excluding gains on portfolio sales, is anticipated to be down in the mid- to high-teen range as a result of the impact of the CFPB late fee rule, net of mitigation actions, as well as previously disclosed higher reversals of interest and fees due to expected higher gross credit losses, lower merchant discount fees, a continued shift in product mix, and projected interest rate reductions by the Federal Reserve. • The CFPB late fee rule is expected to reduce fourth quarter total revenue in the mid-teen range on an isolated basis relative to the fourth quarter of 2023, net of mitigation actions. This reflects an improvement from our previously disclosed estimated impact. We continue to expect the financial impact of the late fee rule will lessen over time as our mitigation actions mature.
Total non-interest expenses 2023: $2,092 million	Down low- to mid-single digits	• We continue to strategically invest in technology modernization, marketing, and product innovation to drive growth and efficiencies.
Net loss rate 2023: 7.5%	Low 8% range	• Our outlook is inclusive of continued inflationary pressure on consumers' ability to pay, our credit management actions, CFPB late fee rule impacts, and expected slower loan growth.

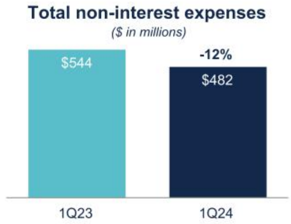
** The CFPB's final late fee rule is currently slated to become effective May 14, 2024. A lawsuit has been filed challenging the rule and seeking an injunction of the rule's effectiveness during the pendency of the litigation, but we can provide no assurance regarding the outcome of this or any other litigation relating to the rule. See "Forward-Looking Statements" included elsewhere in this presentation."*

bread financial

Appendix

Total non-interest expenses
Continuing operations





Total non-interest expenses decreased 12% versus 1Q23

- Employee compensation and benefit costs decreased due to a reduction in demand-based outsourced and contract labor and decreased headcount driven by a decrease in collections and customer care staffing.
- Card and processing expenses decreased due primarily to lower fraud losses, as well as reduced volume-related card and statement costs.
- Marketing expenses decreased primarily due to decreased spending associated with brand partner joint marketing campaigns and direct-to-consumer offerings.
- Depreciation and amortization costs decreased due to lower amortization of developed technology.

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

Summary financial highlights

Continuing operations

($ in millions)	1Q24	1Q23	1Q24 vs 1Q23	4Q23	1Q24 vs 4Q23
Credit sales	$ 6,030	$ 7,373	(18%)	$ 7,802	(23%)
Average credit card and other loans	$ 18,546	$ 19,405	(4%)	$ 18,267	2%
End-of-period credit card and other loans	$ 18,185	$ 18,060	1%	$ 19,333	(6%)
End-of-period direct-to-consumer deposits	$ 6,984	$ 5,630	24%	$ 6,454	8%
Return on average assets[1]	2.4%	7.7%	(5.3%)	0.8%	1.6%
Return on average equity[2]	17.5%	73.0%	(55.5%)	6.2%	11.3%
Return on average tangible common equity[3]	23.1%	107.0%	(83.9%)	8.5%	14.6%
Net interest margin[4]	18.7%	19.0%	(0.3%)	19.6%	(0.9%)
Loan yield[5]	27.0%	26.6%	0.4%	27.7%	(0.7%)
Efficiency ratio[6]	48.6%	42.2%	6.4%	50.8%	(2.2%)
Double leverage ratio[7]	118.0%	158.6%	(40.6%)	123.9%	(5.9%)
Common equity tier 1 capital ratio[8]	12.6%	11.8%	0.8%	12.2%	0.4%
Total risk-weighted assets[9]	$ 19,344	$ 18,893	2%	$ 20,140	(4%)
Tangible common equity / tangible assets ratio[10]	10.6%	9.1%	1.5%	9.6%	1.0%
Tangible book value per common share[11]	$ 45.96	$ 38.44	20%	$ 43.70	5%
Payment rate[12]	14.8%	15.6%	(0.8%)	14.5%	0.3%
Delinquency rate	6.2%	5.7%	0.5%	6.5%	(0.3%)
Net loss rate	8.5%	7.0%	1.5%	8.0%	0.5%
Reserve rate	12.4%	12.3%	0.1%	12.0%	0.4%

The terms associated with footnotes (1) through (12) are defined on the Definition of Terms slide at the end of the Appendix.

Note: Starting with 3Q22 through 2Q23, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services in June 2022.

Summary financial highlights - trending

Continuing operations

($ in millions)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Credit sales	$ 6,887	$ 8,140	$ 7,689	$ 10,166	$ 7,373	$ 7,057	$ 6,668	$ 7,802	$ 6,030
Year-over-year change	*14%*	*10%*	*4%*	*16%*	*7%*	*(13%)*	*(13%)*	*(23%)*	*(18%)*
Average credit card and other loans	$ 16,650	$ 17,003	$ 17,598	$ 19,820	$ 19,405	$ 17,652	$ 17,540	$ 18,267	$ 18,546
Year-over-year change	*5%*	*11%*	*14%*	*23%*	*17%*	*4%*	*—%*	*(8%)*	*(4%)*
End-of-period credit card and other loans	$ 16,843	$ 17,769	$ 18,126	$ 21,365	$ 18,060	$ 17,962	$ 17,922	$ 19,333	$ 18,185
Year-over-year change	*8%*	*13%*	*16%*	*23%*	*7%*	*1%*	*(1%)*	*(10%)*	*1%*
End-of-period direct-to-consumer deposits	$ 3,561	$ 4,191	$ 5,176	$ 5,466	$ 5,630	$ 5,993	$ 6,098	$ 6,454	$ 6,984
Year-over-year change	*66%*	*75%*	*70%*	*72%*	*58%*	*43%*	*18%*	*18%*	*24%*
Return on average assets[1]	4.0%	0.2%	2.4%	(2.2%)	7.7%	1.2%	3.2%	0.8%	2.4%
Return on average equity[2]	38.5%	2.2%	22.8%	(23.3%)	73.0%	9.4%	24.8%	6.2%	17.5%
Return on average tangible common equity[3]	56.0%	3.1%	32.3%	(35.5%)	107.0%	13.2%	34.3%	8.5%	23.1%
Net interest margin[4]	19.4%	18.6%	19.9%	19.1%	19.0%	18.7%	20.6%	19.6%	18.7%
Loan yield[5]	25.6%	25.0%	27.2%	26.0%	26.6%	26.1%	28.6%	27.7%	27.0%
Efficiency ratio[6]	46.2%	52.9%	49.7%	53.1%	42.2%	55.7%	48.7%	50.8%	48.6%
Double leverage ratio[7]	201.8%	187.7%	182.4%	183.6%	158.6%	141.4%	127.4%	123.9%	118.0%
Common equity tier 1 capital ratio[8]	10.9%	10.7%	11.5%	8.7%	11.8%	12.1%	12.9%	12.2%	12.6%
Total risk-weighted assets[9]	$ 18,560	$ 19,050	$ 18,830	$ 22,065	$ 18,893	$ 18,745	$ 18,730	$ 20,140	$ 19,344
Tangible common equity / tangible assets ratio[10]	7.8%	7.5%	8.0%	6.0%	9.1%	9.4%	10.0%	9.6%	10.6%
Tangible book value per common share[11]	$ 31.87	$ 31.75	$ 34.30	$ 29.42	$ 38.44	$ 38.99	$ 42.45	$ 43.70	$ 45.96
Payment rate[12]	17.7%	15.3%	15.5%	16.4%	15.6%	15.0%	14.4%	14.5%	14.8%
Delinquency rate	4.1%	4.4%	5.7%	5.5%	5.7%	5.5%	6.3%	6.5%	6.2%
Net loss rate	4.8%	5.6%	5.0%	6.3%	7.0%	8.0%	6.9%	8.0%	8.5%
Reserve rate	10.8%	11.2%	11.4%	11.5%	12.3%	12.3%	12.3%	12.0%	12.4%

The terms associated with footnotes (1) through (12) are defined on the Definition of Terms slide at the end of the Appendix.
Note: Starting with 3Q22 through 2Q23, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services in June 2022.

Summary P&L results - trending

Continuing operations

($ in millions, except per share)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Total interest income	$ 1,068	$ 1,073	$ 1,218	$ 1,325	$ 1,335	$ 1,197	$ 1,301	$ 1,312	$ 1,300
Total interest expense	79	95	133	195	218	205	219	237	248
Net interest income	**989**	**978**	**1,085**	**1,130**	**1,117**	**992**	**1,082**	**1,075**	**1,052**
Total non-interest income	(68)	(85)	(106)	(97)	172	(40)	(51)	(58)	(61)
Revenue	**921**	**893**	**979**	**1,033**	**1,289**	**952**	**1,031**	**1,017**	**991**
Net principal losses	199	238	218	312	342	351	304	367	394
Reserve (release) build	(6)	166	86	380	(235)	(15)	—	115	(73)
Provision for credit losses	**193**	**404**	**304**	**692**	**107**	**336**	**304**	**482**	**321**
Total non-interest expenses	426	473	486	548	544	530	502	516	482
Income (loss) before income taxes	**302**	**16**	**189**	**(207)**	**638**	**86**	**225**	**19**	**188**
Provision for income taxes	91	4	55	(73)	183	22	52	(26)	53
Net income (loss)	**$ 211**	**$ 12**	**$ 134**	**$ (134)**	**$ 455**	**$ 64**	**$ 173**	**$ 45**	**$ 135**
Net income (loss) per diluted share	$ 4.21	$ 0.25	$ 2.69	$ (2.68)	$ 9.08	$ 1.27	$ 3.46	$ 0.90	$ 2.73
Weighted average shares outstanding – diluted	50.0	49.9	49.9	50.0	50.1	50.3	50.1	49.6	49.7
Pretax pre-provision earnings (PPNR)*	**$ 495**	**$ 420**	**$ 493**	**$ 485**	**$ 745**	**$ 422**	**$ 529**	**$ 501**	**$ 509**
Less: Gain on portfolio sale	—	—	—	—	(230)	—	—	—	—
PPNR less gain on portfolio sale*	$ 495	$ 420	$ 493	$ 485	$ 515	$ 422	$ 529	$ 501	$ 509

* *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)	1Q24 Average balance	1Q24 Interest income / expense	1Q24 Average yield / rate
Cash and investment securities	$ 4,135	$ 53	5.1%
Credit card and other loans	18,546	1,247	27.0%
Total interest-earning assets	**22,681**	**1,300**	**23.1%**
Direct-to-consumer (Retail)	6,739	81	4.9%
Wholesale deposits	6,771	74	4.4%
Interest-bearing deposits	**13,510**	**155**	**4.6%**
Secured borrowings	3,663	63	6.8%
Unsecured borrowings	1,354	30	9.0%
Interest-bearing borrowings	**5,017**	**93**	**7.4%**
Total interest-bearing liabilities	**$ 18,527**	**$ 248**	**5.4%**
Net interest income		**$ 1,052**	
Net interest margin*		**18.7%**	

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

Note: Beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

Net income and diluted EPS components

($ in millions, except per share amounts)	1Q24	1Q23	$ Change	% Change
Income from continuing operations, net of taxes	$ 135	$ 455	$ (320)	(70)
(Loss) income from discontinued operations, net of taxes	(1)	—	(1)	nm
Net income	**$ 134**	**$ 455**	**$ (321)**	**(71)**
Net income per diluted share from continuing ops	$ 2.73	$ 9.08	$ (6.35)	(70)
Net (loss) income per diluted share from discontinued ops	$ (0.03)	$ —	$ (0.03)	nm
Net income per diluted share	**$ 2.70**	**$ 9.08**	**$ (6.38)**	**(70)**
Weighted average shares outstanding – diluted *(in millions)*	49.7	50.1		

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

Capital and liquidity

As of March 31, 2024:

- Total company liquidity of $7.1 billion including all undrawn credit facilities and conduits at the banks; parent liquidity of $0.9 billion consisting of cash plus revolver capacity
- Total company common equity tier 1 capital ratio of 12.6%, up 80 basis points versus a year ago
- Banks remain well capitalized on a total risk-based capital basis, nearly double the 10% well-capitalized threshold
- Prudent interest rate management with no held-to-maturity securities

Capital ratios	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	Rolling 4 quarter avg.
Total company										
Common equity tier 1 capital ratio(1)	10.9%	10.7%	11.5%	8.7%	11.8%	12.1%	12.9%	12.2%	12.6%	12.5%
Total risk-based capital ratio(2)	12.3%	12.0%	12.9%	10.1%	13.2%	13.4%	14.2%	13.6%	14.0%	13.8%
Total risk-weighted assets(3)	$ 18,560	$ 19,050	$ 18,830	$ 22,065	$ 18,893	$ 18,745	$ 18,730	$ 20,140	$ 19,344	$ 19,240
Tangible common equity / tangible assets ratio(4)	7.8%	7.5%	8.0%	6.0%	9.1%	9.4%	10.0%	9.6%	10.6%	9.9%
Comenity Bank										
Common equity tier 1 capital ratio(1)	22.5%	22.7%	20.7%	18.4%	18.3%	18.8%	20.3%	19.7%	18.2%	19.2%
Total risk-based capital ratio(2)	23.8%	24.0%	22.0%	19.7%	19.7%	20.1%	21.6%	21.1%	19.6%	20.6%
Comenity Capital Bank										
Common equity tier 1 capital ratio(1)	19.3%	18.1%	18.4%	16.1%	21.7%	18.2%	18.5%	16.6%	17.5%	17.7%
Total risk-based capital ratio(2)	20.7%	19.4%	19.7%	17.5%	23.0%	19.6%	19.9%	18.0%	18.9%	19.1%

The terms associated with footnotes (1) through (4) are defined on the Definition of Terms slide at the end of the Appendix.

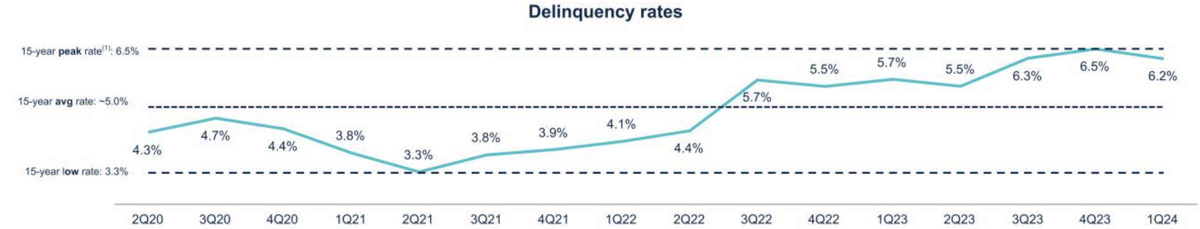
Note: The Common equity tier 1 capital ratio and Total risk-based capital ratio include adjustments for the phase-in of the effect of the current expected credit loss (CECL) model on regulatory capital over a three-year period beginning in the first quarter of 2022, through 2024. 75%, 50% and 25% of the phase-in is included in 2024, 2023 and 2022, respectively. The effects of CECL on our regulatory capital will be fully phased-in beginning in the first quarter of 2025.

Reconciliation of GAAP to non-GAAP financial measures

($ in millions)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Pretax pre-provision earnings (PPNR)									
Income (loss) before income taxes	$ 302	$ 16	$ 189	$ (207)	$ 638	$ 86	$ 225	$ 19	$ 188
Provision for credit losses	193	404	304	692	107	336	304	482	321
Pretax pre-provision earnings (PPNR)	**$ 495**	**$ 420**	**$ 493**	**$ 485**	**$ 745**	**$ 422**	**$ 529**	**$ 501**	**$ 509**
Less: Gain on portfolio sale	—	—	—	—	(230)	—	—	—	—
PPNR less gain on portfolio sale	$ 495	$ 420	$ 493	$ 485	$ 515	$ 422	$ 529	$ 501	$ 509

	1Q20	1Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24
Tangible common equity (TCE)											
Total stockholders' equity	$ 1,088	$ 1,764	$ 2,268	$ 2,275	$ 2,399	$ 2,265	$ 2,716	$ 2,736	$ 2,864	$ 2,918	$ 3,032
Less: Goodwill and intangible assets, net	(354)	(704)	(682)	(694)	(690)	(799)	(790)	(780)	(771)	(762)	(753)
Tangible common equity (TCE)	**$ 734**	**$ 1,060**	**$ 1,586**	**$ 1,581**	**$ 1,709**	**$ 1,466**	**$ 1,926**	**$ 1,956**	**$ 2,093**	**$ 2,156**	**$ 2,279**
Tangible assets (TA)											
Total assets	$ 24,235	$ 21,163	$ 20,938	$ 21,811	$ 21,960	$ 25,407	$ 21,970	$ 21,609	$ 21,608	$ 23,141	$ 22,299
Less: Goodwill and intangible assets, net	(354)	(704)	(682)	(694)	(690)	(799)	(790)	(780)	(771)	(762)	(753)
Tangible assets (TA)	**$ 23,881**	**$ 20,459**	**$ 20,256**	**$ 21,117**	**$ 21,270**	**$ 24,608**	**$ 21,180**	**$ 20,829**	**$ 20,837**	**$ 22,379**	**$ 21,546**

Credit quality trends



(1) Peak Delinquency rate occurred in 2023 and peak Net loss rate occurred in 2009. Low Net loss rate occurred in 2014.
(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.
Notes: Starting with 3Q22 through 2Q23, the Delinquency and Net loss rates were impacted by the transition of our credit card processing services in June 2022. As well, beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

Definition of terms

Note

(1) Beginning in 2024, we revised the calculation of average balances to more closely align with industry practice by incorporating an average daily balance. Prior to 2024, average balances represent the average balance at the beginning and end of each month, averaged over the periods indicated.

Summary financial highlights

(1) **Return on average assets:** Return on average assets represents annualized Income from continuing operations divided by average Total assets.
(2) **Return on average equity:** Return on average equity represents annualized Income from continuing operations divided by average Total stockholders' equity.
(3) **Return on average tangible common equity:** Return on average tangible common equity represents annualized Income from continuing operations divided by average Tangible common equity, which itself is defined below.
(4) **Net interest margin:** Net interest margin represents annualized Net interest income divided by average Total interest-earning assets.
(5) **Loan yield:** Loan yield represents annualized Interest and fees on loans divided by Average credit card and other loans.
(6) **Efficiency ratio:** Efficiency ratio represents Total non-interest expenses divided by Total net interest and non-interest income.
(7) **Double leverage:** Double leverage ratio represents Parent Company investment in subsidiaries divided by BFH consolidated equity.
(8) **Common equity tier 1 capital ratio:** The Common equity tier 1 capital ratio represents common equity tier 1 capital divided by total risk-weighted assets.
(9) **Total risk-weighted assets:** Total risk-weighted assets are generally measured by allocating assets, and specified off-balance sheet exposures, to various risk categories as defined by the Basel III standardized approach.
(10) **Tangible common equity / tangible assets ratio:** 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.
(11) **Tangible book value per share:** Tangible book value per common share represents TCE divided by shares outstanding and is a non-GAAP financial measure.
(12) **Payment rate:** 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.

Capital and liquidity

(1) **Common equity tier 1 capital ratio:** The Common equity tier 1 capital ratio represents common equity tier 1 capital divided by total risk-weighted assets.
(2) **Total risk-based capital ratio:** The Total risk-based capital ratio represents total capital divided by total risk-weighted assets.
(3) **Total risk-weighted assets:** Total risk-weighted assets are generally measured by allocating assets, and specified off-balance sheet exposures, to various risk categories as defined by the Basel III standardized approach.
(4) **Tangible common equity / tangible assets ratio:** 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.

Exhibit 99.3

Bread Financial™ Declares Dividend on Common Stock

COLUMBUS, Ohio – April 25, 2024 – 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 June 14, 2024 to stockholders of record at the close of business on May 10, 2024.

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 approximately 7,000 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/X** and **Instagram**.

Contacts

Brian Vereb – Investor Relations
Brian.Vereb@BreadFinancial.com

Susan Haugen – Investor Relations
Susan.Haugen@BreadFinancial.com

Rachel Stultz – Media
Rachel.Stultz@BreadFinancial.com

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