

PRESS RELEASE

FOR IMMEDIATE RELEASE

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BIG LOTS REPORTS Q3 RESULTS

TWO-YEAR COMP OF 12.3% MARKS THIRD STRAIGHT QUARTER OF DOUBLE-DIGIT TWO-YEAR COMPS

**STRONG START TO Q4 WITH RECORD THANKSGIVING & BLACK FRIDAY WEEK SALES
COMPANY ANNOUNCES NEW \$250 MILLION SHARE REPURCHASE AUTHORIZATION**

FOR Q3 RESULTS PRESENTATION, PLEASE VISIT: <https://www.biglots.com/corporate/investors>

Columbus, Ohio – December 3, 2021 – Big Lots, Inc. (NYSE: BIG) today reported a net loss of \$4.3 million, or \$0.14 per share, for the third quarter of fiscal 2021 ended October 30, 2021, which compares to the company's guidance for the third quarter, as provided on August 27, 2021, of a \$0.10 to \$0.20 loss per share. Net income for the third quarter of fiscal 2020 was \$29.9 million, or \$0.76 per diluted share.

Net sales for the third quarter of fiscal 2021 totaled \$1,336 million, a 3.1% decrease compared to \$1,378 million for the same period last year, and an increase of 14.4% compared to the third quarter of fiscal 2019. The decline to last year was driven by a comparable sales decrease of 4.7%, as the company lapped a 17.8% comparable sales increase last year. Net new stores and relocations contributed approximately 160 basis points of sales growth. On a two-year basis, comparable sales increased 12.3%.

Commenting on today's results announcement, Bruce Thorn, President and CEO of Big Lots stated, "We are pleased to have delivered the quarter in line with our guidance, and to have sustained double-digit two-year comps despite supply chain challenges and the expiration of stimulus benefits. Our absolute focus coming into Q4 has been to position ourselves appropriately with inventory and deliver an excellent Holiday for our customers, and our fourth quarter is off to a strong start with November comps up 10% on a two-year basis, including record Thanksgiving and Black Friday week sales. Supply chain challenges will continue in the near-term, but we are aggressively managing through them by partnering closely with our manufacturing and transportation partners, strategically prioritizing receipts, creating new capacity with our forward distribution centers and DC by-pass program, and ensuring we are competitive in recruiting and retaining DC associates. In addition, we have taken pricing actions and will continue to do so in response to volatile supply chain costs, while continuing to deliver great value for our customers.

Looking forward, we expect to post a new record sales year in 2022, and we have ever-increasing confidence that our key growth drivers under Operation North Star – materially growing merchandise productivity, accelerating new store growth, and continuing to ramp up our ecommerce capabilities – represent a huge white space opportunity for us. In addition, we expect to see gross margin expansion in 2022 driven by promotional and pricing optimization, the deployment of new planning capabilities, and favorable mix effects. As we look towards closing out 2021 and



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beginning a new year, we are primed, pumped and laser focused on being the best destination home discount store.”

Commenting on today’s share repurchase authorization announcement, Bruce Thorn added, “Returning capital to shareholders is a key component of our long-term value creation model. We are pleased to have this new repurchase authorization in place, alongside our continuing quarterly dividend, and that we can deliver capital return while continuing to invest in our high-return internal growth strategies.”

Inventory and Cash Management

Inventory ended the third quarter of fiscal 2021 at \$1,277 million compared to \$1,089 million for the same period last year. The 17% increase resulted from the lapping of atypically low inventory levels at the end of the third quarter of fiscal 2020, planned inventory builds to support key growth categories, and elevated inventory costs.

The company ended the third quarter of fiscal 2021 with \$71 million of Cash and Cash Equivalents and no Long-term Debt, compared to \$548 million of Cash and Cash Equivalents and \$39 million of Long-term Debt as of the end of the third quarter of fiscal 2020.

Share Repurchase Authorization

On December 1, 2021, the company’s Board of Directors authorized a new repurchase of up to \$250 million of the company’s outstanding common shares. The authorization may be utilized to repurchase shares in the open market and/or in privately negotiated transactions at the company’s discretion, subject to market conditions and other factors. Pursuant to the authorization, shares may be repurchased commencing December 8, 2021, and the authorization is open-ended.

During the third quarter, the company completed the \$500 million share repurchase authorized by its Board of Directors on August 27, 2020, investing the remaining \$97 million under the authorization to repurchase 2.0 million shares at an average cost of \$47.43. In total, the company repurchased approximately 9.3 million shares at an average cost of \$53.49 under the August 2020 authorization.

Dividend

As also announced in a separate press release, on December 1, 2021, the Board of Directors declared a quarterly cash dividend of \$0.30 per common share. This dividend payment of approximately \$9 million will be payable on December 29, 2021, to shareholders of record as of the close of business on December 15, 2021.

Company Outlook

For the fourth quarter of fiscal 2021 the company expects to report diluted earnings per share in the range of \$2.05 to \$2.20, based on a slightly positive comparable sales increase, which equates to a high single digit two-year comparable sales increase. The company expects fourth quarter gross margin to be down approximately 150 basis points to last year, driven by freight headwinds. For the full year, the company expects a negative low single digit decrease in comparable sales, equating to a double-digit positive comparable sales increase on a two year basis. The company expects a sales benefit of approximately 180 basis points for the fourth quarter as a result of net new store openings. The impact of freight headwinds for the full year is expected to result in a 120 basis point decline in full year gross margin compared to last year. Reflecting the above, the company expects full year diluted earnings per share in the range of \$5.70 to \$5.85. The foregoing guidance does not incorporate further potential share repurchases in the fiscal year.



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Conference Call/Webcast

The company will host a conference call today at 8:00 a.m. to discuss the financial results for the third quarter of fiscal 2021. A webcast of the conference call is available through the Investor Relations section of the company's website <http://www.biglots.com>. An archive of the call will be available through the Investor Relations section of the company's website after 12:00 p.m. today and will remain available through midnight on Friday, December 17, 2021. A replay of this

call will also be available beginning today at 12:00 p.m. through December 17 by dialing 877.660.6853 (Toll Free) or 201.612.7415 (Toll) and entering Replay Conference ID 13725023. All times are Eastern Time.

About Big Lots, Inc.

Headquartered in Columbus, Ohio, Big Lots, Inc. (NYSE: BIG) is a neighborhood discount retailer and a Fortune 500 company, operating 1,428 stores in 47 states, as well as a best-in-class ecommerce platform with expanded capabilities via BOPIS, curbside pickup, Instacart and same day delivery. The company's product assortment is focused on home essentials: Furniture, Seasonal, Soft Home, Food, Consumables and Hard Home. Ranked #1 on Total Retail's 2020 Top 100 Omnichannel Retailers list and the recipient of Home Textiles Today's 2021 Retail Titan Award, Big Lots' mission is to help people Live BIG and Save Lots. The company strives to be the BIG difference for a better life by delivering exceptional value to customers through the ultimate treasure hunt shopping experience, building a "best places to grow" culture, rewarding shareholders with consistent growth and top-tier returns, and doing good in local communities. For more information about the company, visit biglots.com.

Cautionary Statement Concerning Forward-Looking Statements

Certain statements in this release are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, and such statements are intended to qualify for the protection of the safe harbor provided by the Act. The words "anticipate," "estimate," "approximate," "expect," "objective," "goal," "project," "intend," "plan," "believe," "will," "should," "may," "target," "forecast," "guidance," "outlook" and similar expressions generally identify forward-looking statements. Similarly, descriptions of objectives, strategies, plans, goals or targets are also forward-looking statements. Forward-looking statements relate to the expectations of management as to future occurrences and trends, including statements expressing optimism or pessimism about future operating results or events and projected sales, earnings, capital expenditures and business strategy. Forward-looking statements are based upon a number of assumptions concerning future conditions that may ultimately prove to be inaccurate. Forward-looking statements are and will be based upon management's then-current views and assumptions regarding future events and operating performance and are applicable only as of the dates of such statements. Although the company believes the expectations expressed in forward-looking statements are based on reasonable assumptions within the bounds of knowledge, forward-looking statements, by their nature, involve risks, uncertainties and other factors, any one or a combination of which could materially affect business, financial condition, results of operations or liquidity.

Forward-looking statements that the company makes herein and in other reports and releases are not guarantees of future performance and actual results may differ materially from those discussed in such forward-looking statements as a result of various factors, including, but not limited to, developments related to the COVID-19 coronavirus pandemic, current economic and credit conditions, the cost of goods, the inability to successfully execute strategic initiatives, competitive pressures, economic pressures on customers and the company, the



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availability of brand name closeout merchandise, trade restrictions, freight costs, the risks discussed in the Risk Factors section of the company's most recent Annual Report on Form 10-K, and other factors discussed from time to time in other filings with the SEC, including Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. This release should be read in conjunction with such filings, and you should consider all of these risks, uncertainties and other factors carefully in evaluating forward-looking statements.

You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date thereof. The company undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures the company makes on related subjects in public announcements and SEC filings.



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