

Bath & Body Works (BBWI: \$22.40)

Bath & Body Works adds \$94 million (2.0%) in MCap, quarterly dividends steady Wednesday November 12, 2025 16:00 EST

Bath & Body Works Inc's (NYSE: BBWI \$22.40) stock price climbed 44.0c (2.0%) from its previous trading session to close at \$22.40.

Compared with the S&P 500 Index which rose 4.3 points (0.06%) in the day, the relative price increase was 1.9%. It posted the highest rise in MCap \$93.7 million with the most influence on the Apparel retail sector. Its MCap is \$4.8 billion.

There were 5,635,600 shares worth \$126.2 million traded today; the volume was close to average trading.

UPCOMING EVENT: DIVIDEND

The company today announced a quarterly dividend of 20.0c per share for Q3/2025; unchanged from the previous quarter (Q2/2025) dividend of 20.0c. The ex-dividend date is Friday, November 21, 2025 and the record date is Friday, November 21, 2025 and it is payable on Friday, December 05. Total dividends per share paid in the 12 months ended November 11 were 80.0c. This reflects actual dividend yield of 3.6% at the last price of \$22.43.

QUARTERLY REPORT

Bath & Body Works (NYSE:BBWI), announced net profit of \$64.0m for the quarter-ended 02 August 2025 [Q2/2025], down 39% from the previous quarter [Q1/2025] and down 58% from the year-earlier period [Q2/2024]. Earnings per share (EPS) were down 36.7% sequentially from 49.0c in Q1/2025 to 31.0c in Q2/2025.

Quarterly Report (Q2 2025)

Quarter-ended	02 Aug [Q2/2025]	03 May [Q1/2025]	02 Nov [Q3/2024]
EPS, c	31.0	49.0	49.0
Sequential growth in EPS %	-37	-	-28
Revenue, \$ billion	1.5	1.4	1.6
Sequential growth in Revenue %	8.8	-	5.5
Net Profit, \$ million	64.0	105	106
Sequential growth in Net Profit %	-39.0	-	-30.3

Compared with the Previous Corresponding Period [PCP; Q2/2024], year-over-year [y.o.y.] EPS was down 54.4%, Revenue was up 1.5% and Net Profit was down 57.9%.

Quarter-ended	02 Aug [Q2/2025]	03 Aug [Q2/2024]
EPS, c	31.0	68
PCP growth in EPS %	-54	58
Revenue, \$ billion	1.5	1.5
PCP growth in Revenue %	1.5	-2.1
Net Profit, \$ million	64.0	152

Bullish Turning Point

Price/Earnings of 6.2 close to historical low

The P/E of 6.2 is 0.3 times the highest average P/E of 23.5 in the last five years. This is a value criterion, according to Benjamin Graham who described as a value criterion "A P/E ratio down to less than four-tenth of the highest average P/E ratio the stock attained in the most recent five years".

Figure 1: Stock Summary

52-Week Range	\$21.71-\$41.27
Market Cap	\$4.8 billion
Shares Outstanding	213,010,000
Relative Strength (3 mo)	6

Fig 2: Technical Indicators

Name	Value	Comment
RSI	18.2	Buy
MFI	24.7	Neutral

Fig 3: Financials Summary

Year ended Jan 28	FY2024	FY2023	FY2023
Sales (\$ B)	7.3	7.4	7.6
Pretax (\$ B)	1	1	1
Net (\$ M)	798	878	800
EPS (\$)	3.62	3.86	3.45

EPS down 6.2% to \$3.62 in FY2024 [y.e. 31 Dec 2024]

Net profit was down 9.1% from \$878 million in FY2023 to \$798 million in FY2024. Earnings Per Share (EPS) was down 6.2% from \$3.86 in FY2023 to \$3.62 in FY2024.

Bullish Signals

Undervaluation [compared with sector average]

Price/Earnings and Earnings Yield:

- Price/Earnings of 6.2. We estimate Bath & Body Works stock is trading at a current year P/E of 6 and a forward year P/E of 5.9. The P/E of 6.2 plus annual inflation in the United States of 4.2% adds up to 10.4, well within the value benchmark Rule of 19.

- Earnings yield of 16.2% is 3.9 times the 10-year bond yield of 4.12%.

Dividend Yield:

- The relative yield of BBWI, defined by its yield of 3.6%, divided by average yield of dividend yielding stocks in the S&P 500 Index of 1.9% is 189.9%. This suggests Bath & Body Works stock is undervalued in dividend yield terms.

Price to Sales:

- Price/Sales of 0.7 [0.9]. We estimate Bath & Body Works stock is trading at a current year Price/Sales of 0.7 and a forward year Price/Sales of 0.7.

Price to Free Cash Flow:

- Price to Free Cash Flow of 7.2 [9.2].

Price to EBITDA:

- Price to EBITDA of 4.6 [7.9].

MCap/Total Assets:

- Tobin's Q Ratio, defined as MCap divided by Total Assets, is 1. Compared with the rest of the market the stock is undervalued.