Q2 2026 EARNINGS

SEPTEMBER 9, 2026

Academy Sports and Outdoors, Inc. (Nasdaq: ASO)

SAFE HARBOR / FORWARD LOOKING STATEMENTS

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Words such as “target,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “future,” “will,” “seek,” “foreseeable,” or the negative version of these words or other comparable words or similar expressions are used to identify these forward looking statements.

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Any forward-looking statement in this presentation speaks only as of the date hereof. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable securities laws.

Non-GAAP Financial Measures

In this presentation, we use certain non-GAAP financial measures to evaluate current and past performance and prospects for the future to supplement our GAAP financial information presented in accordance with GAAP. These non-GAAP financial measures are important factors in assessing our operating results and profitability. A reconciliation of non-GAAP measures to the most directly comparable GAAP measures is contained in the appendix to this presentation.

85+

YEAR HISTORY OF SUCCESS PROVIDING FUN FOR ALL

PRE 2019

THE FOUNDATION

- Founded in 1938 in San Antonio, TX
- Family-owned tire store pivoted to sports + outdoors
- 125+ chain across Texas and Southeast by 2010
- Acquired by KKR in 2011
- Total of 259 stores by 2019 and achieved $4.8B total sales

EARLY 2020s

THE IPO

- Strengthened relationships with leading national brands
- Developed private brand portfolio
- IPO October 2020 (NASDAQ: ASO)
- Doubled eCommerce + improved operating margins by ~10%
- Delivered balance sheet to support self-funded growth

TODAY

OUR BUSINESS

- Continued to invest in our strategic initiatives, which has returned the business to top-line growth

FY25 BUSINESS STATS:

- **Total Sales = ~$6.1B**
- **322 Stores across 21 States**
- **Opened 24 Stores**
- **GAAP EPS - $5.54**
- **eCom Penetration ~12%**

LONG RANGE

BUSINESS GOALS[1]

$8B+ TOTAL SALES

450+ TOTAL STORES

$9 GAAP EPS

7% NET INCOME MARGIN

15%+ ECOM SALES PENETRATION

Continue leveraging our strategic initiatives on our goal to be the best Sports + Outdoors Retailer

Academy SPORTS+OUTDOORS

Note: Figures presented are rounded to the nearest value
Note(1): These goals are aspirational or otherwise forward-looking statements and actual performance may differ, possibly materially, and no guarantees are made that these goals will be met. See slide 2 for additional important information about forward-looking statements

EXCEPTIONAL TRACK RECORD AS A PUBLIC COMPANY

5

YEARS OF
PERFORMANCE
SINCE IPO

Delivering Strong Results & Profitability Since Our IPO[1]

4.6% Sales CAGR[2]	**430bps** Gross Margin Improvement	**+320%** Total Shareholder Return[3]
$800M+ Cumulative Investments	**63** New Stores Opened	**5** New States Entered
~$1.8B Cash Returned to Shareholders[4]	**~40%** IPO Shares Repurchased	**~$1.0B** Deleverage of Balance Sheet

Academy SPORTS+OUTDOORS

Note(1): From IPO in October 2020, to end of FY25
Note(2): Sales CAGR since FY2019
Note(3): As of January 31, 2026
Note(4): Includes $1.7B of share repurchases and $0.1B of dividends

OUR STRATEGIC PRIORITIES REMAIN UNCHANGED…

GROWTH PRIORITIES

1. Grow New Stores
2. Drive Existing Business
3. Build More Powerful Omni-Channel

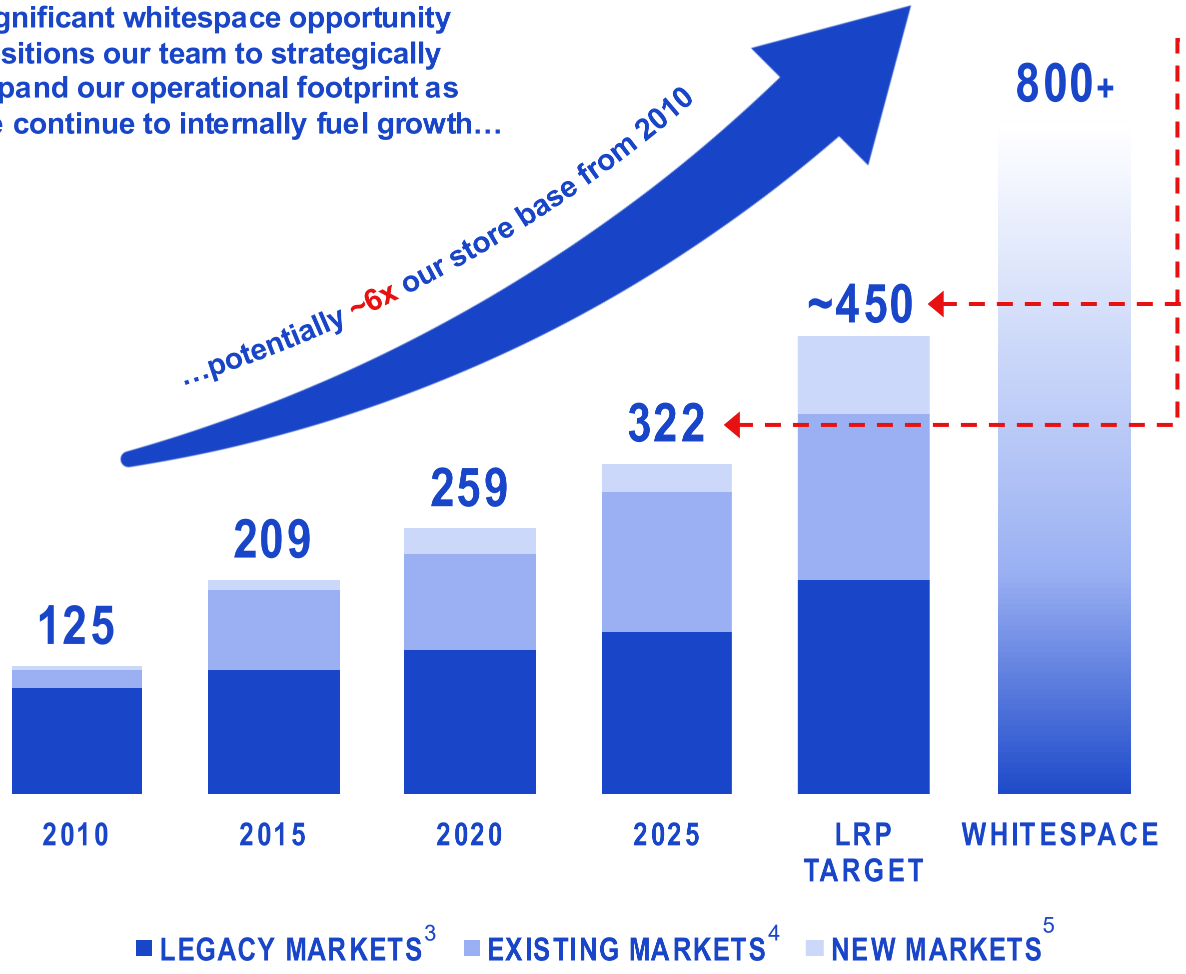
FOUNDATIONAL PRIORITIES

4. Leverage Supply Chain Network
5. Execute With Best Team in Retail

…TO BRING MORE "FUN"

NEW STORES ARE OUR CUSTOMER-ACQUISITION ENGINE

Significant whitespace opportunity positions our team to strategically expand our operational footprint as we continue to internally fuel growth…



$1.1B

TOTAL SALES

From 63 New Stores Opened Since FY22[1]

+

$1.9B

ADDTL. ANNUAL SALES

From ~125 New Stores Planned in LRP[2]

New Store Avg. Y1 Sales Volume

~$16M	~$14M	~$12M
LEGACY MARKETS	EXISTING MARKETS	NEW MARKETS

New store capital investment of $2.5M - $3.5M

Note(1): As of end of FY25
Note(2): "LRP" denotes the Long Range Plan
Note(3): Legacy Markets - Highest Awareness Markets (Texas/Oklahoma/Louisiana/Arkansas)
Note(4): Existing Markets (Mississippi/Alabama/Georgia/Florida/Kansas/Missouri/Tennessee/Kentucky/North Carolina/South Carolina)
Note(5): New Markets - Lowest Awareness Markets (Pennsylvania/Ohio/Indiana/Illinois/West Virginia/ Maryland/Virginia)

OUR DIVERSE + EVOLVING ASSORTMENT OF BRANDS HELPS US FUEL THE FUN FOR OUR CUSTOMERS

	SPORTING GOODS	HUNTING + FISHING (1)	WORK + OUTDOOR RECREATION (2)	OUTDOOR + WESTERN LIFESTYLE
NATIONAL (78%)[1]	Nike, Jordan, adidas, Brooks, L101, Titleist, Under Armour, Callaway, CAP, Rawlings, Easton, Centr, lifepro, HYROX, Chicknlegs	Abu Garcia, Bubba, Ruger, Hornady, 6th Sense, Strike King, Shimano, Smith & Wesson, Glock Perfection, Winchester Repeating Arms, Silencer Shop	Blackstone, Carhartt, Pit Boss Grills, owala, Ray-Ban, Wolverine, Turtlebox, First Lite, Brunt	Ariat, Burlebo, chubbies, Skechers, crocs, YETI, Levi's, Justin Boots, Duck Camp, Hey Dude, Columbia, Wrangler, Hooey, NEBO
PRIVATE / EXCLUSIVE (22%)[1]	Freely, bcg, R.O.W., Brava Soccer	H2OX, Monarch, Redfield	Brazos, Outdoor Gourmet, Ozone 500, Academy Sports + Outdoors	Magellan Outdoors, Magellan Outdoors Pro

ONE-STOP SHOP

Illustrative Value Ladder

Note(1): As of 12/31/25.

CAPTURING CUSTOMER LOYALTY VIA INTEGRATED PROGRAM

COMPREHENSIVE LOYALTY PROGRAM

	myAcademy REWARDS BASE LOYALTY	PRIVATE LABEL CREDIT CARD	CO-BRANDED CREDIT CARD
WELCOME OFFER	✓	✓	✓
$15 OFF BIRTHDAY REWARD	✓	✓	✓
FREE SHIPPING AT ACADEMY.COM	✓ $25 MINIMUM	✓ NO MINIMUM	✓ NO MINIMUM
$25 MEMBER REWARD AFTER $500 ANNUAL SPEND AT ACADEMY	✓	✓	✓
$30 OFF FIRST PURCHASE OF $30.01 AT ACADEMY	—	✓	✓
5% OFF EVERY PURCHASE AT ACADEMY	—	✓	✓
2% BACK ON ALL PURCHASES OUTSIDE ACADEMY	—	—	✓
$50 REWARD AFTER $500 SPEND OUTSIDE ACADEMY WITHIN 90 DAYS OF ACCOUNT OPENING	—	—	✓

REWARD EVERYDAY SPEND

DRIVE HIGHER ENGAGEMENT

INCREASE LOYALTY + FREQUENCY

Q2 FY 2026 Results

- Sales growth of 3.0%
- Comp sales (0.4)%
- Adjusted EPS growth of 19.1%
- Opened 3 new stores

$1.6B **Net Sales** 3.0% year-over-year	**(0.4)%** **Sales Comp**
40.4%[1] **Gross Margin**	**3** **New Store Openings**
$2.17[2] **GAAP EPS** **+ 17.3% v Q2 LY**	**$2.31[2*]** **Adjusted EPS** **+ 19.1% v Q2 LY**

1) 440 bps net impact from tariff refunds
2) $0.06 net impact from tariff refunds
* Adjusted net earnings per common share (EPS), diluted is a non-GAAP measure. See appendix for “GAAP to Non-GAAP Reconciliations.
Source: The Company’s Q2 FY 2026 earnings release and 10-Q filed on September 9, 2026.

Fiscal 2026 Guidance

(in millions, except per share amounts)	Fiscal 2026 Guidance June 9		Updated Fiscal 2026 Guidance			change (at midpoint)
	Low end	High end	Low end	High end	2025 Actuals	vs. 2025
Net sales	$6,230	$6,355	$6,230	$6,355	$6,053	4.0 %
Sales Growth	3.0 %	5.0 %	3.0 %	5.0 %	2.0 %	100.0 %
Comparable sales (1)	— %	2.0 %	— %	2.0 %	(1.5)%	166.7 %
Gross margin rate	34.5 %	35.0 %	35.5 %	36.0 %	34.8 %	3.0 %
GAAP net income	$390	$415	$390	$415	$377	6.8 %
Adjusted net income (2)	$420	$445	$420	$445	$393	10.1 %
GAAP earnings per common share, diluted	$5.95	$6.35	$6.05	$6.45	$5.54	12.8 %
Adjusted earnings per common share, diluted (2)	$6.40	$6.80	$6.50	$6.90	$5.78	15.9 %
Diluted weighted average common shares	66	66	64.5	64.5	~68	(5.2)%
Capital Expenditures	$200	$240	$200	$240	$213	3.3 %
Adjusted free cash flow (2), (3)	$250	$300	$300	$350	$263	23.6 %

The earnings per share estimates do not include any potential future share repurchases and assume a tax rate of approximately 22.0%.

(1) Comparable sales include stores open after thirteen full fiscal months, all e-commerce sales, and credit card revenue.

(2) Adjusted net income, adjusted earnings per common share (EPS), diluted, and adjusted free cash flow are non-GAAP measures. See "Non-GAAP Measures" and "Reconciliations of GAAP to Non-GAAP Financial Measures" below for reconciliations of non-GAAP financial measures to their most direcdy comparable GAAP financial measures.

(3) We have not reconciled guidance for adjusted free cash flow to the most comparable GAAP measure because it is not possible to do so without unreasonable efforts given the uncertainty and potential variability of reconciling items, which are dependent on future events and often outside of management's control and could be significant; therefore, we are unable to provide an estimate of the most closely comparable GAAP measure at this time.

Tariff Refund Reconciliation

Q2 FY26 Recognized IEEPA Tariffs Refund Impact		
Metric	**$ impact (M)**	**Bps Impact**
Q2 Tariff Refund	**$83.7**	**510bps**
Investments in strategic pricing (GM impact)	($10.9)	
Gross Margin Benefit from Tariffs	**$72.8**	**440 bps**
Payment to Third-Party	($72.2)	Flows through Other Expense
Recognition of Third-Party Proceeds Collected in FY25	$10.5	Flows through Other Expense
Net Tariff Benefit	**$11.1**	**70 bps**
Investments in customer experience (SG&A impact)	($5.8)	
Net Tariff Impact Recognized in Q2	**$5.3**	**30 bps**
Tax-Effected Diluted EPS Impact from Net Tariff	**+$0.06**	

DISCIPLINED CAPITAL ALLOCATION PHILOSOPHY…

Generate Strong Cash Flow from Operations

Invest in Strategic Initiatives

Remaining Free Cash Flow

Share Repurchase Program

Steady Dividend Growth

Amended & Extended ABL
Refinanced LT Debt @5.875%; Maturity 2031
Estimated Interest Savings of ~$2.5M/year

…EQUALS HIGH RETURN FINANCIAL GOVERNANCE

20%	FY25 Return on Invested Capital[1]
0.2X	FY25 Net Leverage Ratio[2]
$1.8B	Total Cash Returned to Shareholders[3]

Note(1):ROIC is defined as Adjusted EBITDA before lease expense less income tax expense divided by average invested capital on a trailing thirteen-month basis, inclusive of year-end total lease liabilities. This is a non-GAAP measure, see appendix for reconciliation of non-GAAP measures
Note(2): Net Debt is defined as long-term debt, net plus current maturities of long-term debt, less cash and cash equivalents. We define "Net Leverage" as Net Debt divided by Adjusted EBITDA. This is a non-GAAP measure, see appendix for reconciliation of non-GAAP measures
Note(3): Includes $1.7B in share repurchases and $0.1B in dividend payouts from IPO in Oct. 2020 to end of FY25.

LONG RANGE FINANCIAL OUTLOOK

OUR STRATEGIC PILLARS ARE ALIGNED TO OUR CHALLENGING LONG RANGE GOALS

LONG RANGE GOALS[1]:	$8B+ Sales
125+ New Stores	15%+ eCom Penetration
7% Net Income Margin	$9 GAAP EPS

1. GROW NEW STORES
2. DRIVE EXISTING BUSINESS
3. MORE POWERFUL OMNI-CHANNEL
4. LEVERAGE SUPPLY CHAIN
5. BEST TEAM IN RETAIL

Note(1): These goals are aspirational or otherwise forward-looking statements and actual performance may differ, possibly materially, and no guarantees are made that these goals will be met. See slide 2 for additional important information about forward-looking statements.

Q2 2026 FINANCIALS

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(Amounts in thousands, except per share data)

	Thirteen Weeks Ended			
	August 1, 2026	Percentage of Sales [1]	August 2, 2025	Percentage of Sales [1]
Net sales	$ 1,647,285	100.0 %	$ 1,599,838	100.0 %
Cost of goods sold	981,383	59.6 %	1,023,105	64.0 %
Gross margin	665,902	40.4 %	576,733	36.0 %
Selling, general and administrative expenses	419,539	25.5 %	404,352	25.3 %
Operating income	246,363	15.0 %	172,381	10.8 %
Interest expense, net	8,056	0.5 %	9,028	0.6 %
Loss on early retirement of debt	1,902	0.1 %	—	— %
Other expense (income), net	58,006	3.5 %	(1,480)	(0.1)%
Income before income taxes	178,399	10.8 %	164,833	10.3 %
Income tax expense	40,502	2.5 %	39,399	2.5 %
Net income	$ 137,897	8.4 %	$ 125,434	7.8 %
Earnings Per Common Share:				
Basic	$ 2.21		$ 1.89	
Diluted	$ 2.17		$ 1.85	
Weighted Average Common Shares Outstanding:				
Basic	62,292		66,539	
Diluted	63,551		67,689	

[1] Column may not add due to rounding

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(Amounts in thousands, except per share data)

	Twenty-Six Weeks Ended			
	August 1, 2026	Percentage of Sales [1]	August 2, 2025	Percentage of Sales [1]
Net sales	$ 3,089,288	100.0 %	$ 2,951,247	100.0 %
Cost of goods sold	1,944,038	62.9 %	1,915,645	64.9 %
Gross margin	1,145,250	37.1 %	1,035,602	35.1 %
Selling, general and administrative expenses	824,232	26.7 %	793,956	26.9 %
Operating income	321,018	10.4 %	241,646	8.2 %
Interest expense, net	17,043	0.6 %	18,072	0.6 %
Loss on early retirement of debt	1,902	0.1 %	—	— %
Other expense (income), net	54,785	1.8 %	(4,287)	(0.1)%
Income before income taxes	247,288	8.0 %	227,861	7.7 %
Income tax expense	56,688	1.8 %	56,343	1.9 %
Net income	$ 190,600	6.2 %	$ 171,518	5.8 %
Earnings Per Common Share:				
Basic	$ 3.01		$ 2.57	
Diluted	$ 2.94		$ 2.52	
Weighted Average Common Shares Outstanding:				
Basic	63,362		66,831	
Diluted	64,892		68,043	

[1] Column may not add due to rounding

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Amounts in thousands, except per share data)

	August 1, 2026	January 31, 2026	August 2, 2025
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 298,213	$ 330,320	$ 300,860
Accounts receivable - less allowance for doubtful accounts of $1,592, $1,792 and $1,874, respectively	22,955	34,755	19,181
Merchandise inventories, net	1,657,442	1,503,756	1,587,624
Prepaid expenses and other current assets	89,897	82,457	78,257
Assets held for sale	2,957	2,957	—
Total current assets	2,071,464	1,954,245	1,985,922
PROPERTY AND EQUIPMENT, NET	631,834	584,103	584,045
RIGHT-OF-USE ASSETS	1,292,724	1,234,246	1,206,207
TRADE NAME	579,972	579,766	579,330
GOODWILL	861,920	861,920	861,920
OTHER NONCURRENT ASSETS	70,234	62,756	58,559
Total assets	$ 5,508,148	$ 5,277,036	$ 5,275,983
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Accounts payable	$ 751,560	$ 637,854	$ 803,309
Accrued expenses and other current liabilities	302,513	243,908	266,021
Current lease liabilities	134,390	147,491	139,678
Current maturities of long-term debt	—	3,000	3,000
Total current liabilities	1,188,463	1,032,253	1,212,008
LONG-TERM DEBT, NET	494,158	480,793	481,738
LONG-TERM LEASE LIABILITIES	1,340,337	1,261,167	1,217,217
DEFERRED TAX LIABILITIES, NET	285,589	300,654	270,502
OTHER LONG-TERM LIABILITIES	21,168	30,792	19,368
Total liabilities	3,329,715	3,105,659	3,200,833
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY :			
Preferred stock, $0.01 par value, authorized 50,000,000 shares; none issued and outstanding	—	—	—
Common stock, $0.01 par value, authorized 300,000,000 shares; 62,028,664; 64,945,953 and 66,625,266 issued and outstanding as of August 1, 2026, January 31, 2026 and August 2, 2025, respectively.	620	649	666
Additional paid-in capital	258,973	256,351	255,517
Retained earnings	1,918,840	1,914,377	1,818,967
Stockholders' equity	2,178,433	2,171,377	2,075,150
Total liabilities and stockholders' equity	$ 5,508,148	$ 5,277,036	$ 5,275,983

ACADEMY SPORTS AND OUTDOORS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Amounts in thousands)

	Twenty-Six Weeks Ended	
	August 1, 2026	August 2, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 190,600	$ 171,518
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	61,205	61,171
Non-cash lease expense	7,591	22,487
Equity compensation	20,419	15,144
Amortization of deferred loan and other costs	1,305	1,292
Deferred income texes	(15,065)	13,688
Loss on early retirement of debt	1,902	—
Loss on tariff refund monetization	61,759	—
Changes in assets and liabilities:		
Accounts receivable, net	11,799	(2,421)
Merchandise inventories, net	(153,686)	(278,784)
Prepaid expenses and other current assets	(18,995)	15,311
Other noncurrent assets	(5,205)	(7,617)
Accounts payable	116,027	178,381
Accrued expenses and other current liabilities	21,534	29,395
Income taxes payable	46,991	7,526
Other long-term liabilities	841	8,958
Net cash provided by operating activities	349,022	236,047
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(111,258)	(107,576)
Purchases of intangible assets	(206)	(323)
Net cash used in investing activities	(111,464)	(107,899)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of Term Loan	(85,750)	(1,500)
Proceeds from Senior Notes	500,000	—
Repayment of Senior Notes	(400,000)	—
Debt refinancing fees	(9,364)	—
Proceeds from exercise of stock options	805	2,646
Proceeds from issuance of common stock under employee stock purchase	2,828	2,781
Taxes paid related to net share settlement of equity awards	(6,499)	(3,748)
Repurchase of common stock for retirement	(180,505)	(99,031)
Dividends paid	(18,956)	(17,365)
Remittance of tariff refund claims	(72,224)	—
Net cash used in financing activities	(269,665)	(116,217)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(32,107)	11,931
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	330,320	288,929
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 298,213	$ 300,860

GAAP TO NON-GAAP RECONCILIATIONS

- Adjusted Net Income, Adjusted Earnings per Common Share, Adjusted EBIT and Adjusted Free Cash Flow, have been presented in this presentation as supplemental measures of financial performance that are not required by, or presented in accordance with, generally accepted accounting principles (“GAAP”). These non-GAAP measures have limitations as analytical tools. For information on these limitations, as well as information on why management believes these non-GAAP measures are useful, please see our Annual Report on Form 10-K for the fiscal year ended January 31, 2026 (the "Annual Report") filed on March 17, 2026, as such limitations and information may be updated from time to time in our periodic filings with the Securities and Exchange Commission (the "SEC"), which are accessible on the SEC's website at www.sec.gov.

- We compensate for these limitations by primarily relying on our GAAP results in addition to using these non-GAAP measures supplementally.

ACADEMY SPORTS AND OUTDOORS, INC.
RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES
(Unaudited)
(Amounts in thousands)

Adjusted EBIT

We define "Adjusted EBIT" as net income (loss) before interest expense, net, income tax expense and other adjustments included in the table below. We describe these adjustments reconciling net income (loss) to Adjusted EBIT in the following table (amounts in thousands):

	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	August 1, 2026	**August 2, 2025**	**August 1, 2026**	**August 2, 2025**
Net income	**$ 137,897**	$ 125,434	**$ 190,600**	$ 171,518
Interest expense, net	**8,056**	9,028	**17,043**	18,072
Income tax expense	**40,502**	39,399	**56,688**	56,343
Equity compensation (a)	**9,319**	7,602	**20,419**	15,144
Loss on early retirement of debt	**1,902**	—	**1,902**	—
Adjusted EBIT	**$ 197,676**	$ 181,463	**$ 286,652**	$ 261,077

(a) Represents non-cash charges related to equity based compensation, which vary from period to period depending on certain factors such as the timing and valuation of awards, achievement of performance targets and equity award forfeitures.

Adjusted Net Income and Adjusted Earnings Per Common Share

We define "Adjusted Net Income" as net income (loss) plus other adjustments included in the table below, less the tax effect of these adjustments. We define "Adjusted Earnings per Common Share, Basic" as Adjusted Net Income divided by the basic weighted average common shares outstanding during the period and "Adjusted Earnings per Common Share, Diluted" as Adjusted Net Income divided by the diluted weighted average common shares outstanding during the period. We describe these adjustments reconciling net income (loss) to Adjusted Net Income, and Adjusted Earnings Per Common Share in the following table (amounts in thousands, except per share data):

	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	August 1, 2026	**August 2, 2025**	**August 1, 2026**	**August 2, 2025**
Net income	**$ 137,897**	$ 125,434	**$ 190,600**	$ 171,518
Equity compensation (a)	**9,319**	7,602	**20,419**	15,144
Loss on early retirement of debt	**1,902**	—	**1,902**	—
Tax effects of these adjustments (b)	**(2,612)**	(1,717)	**(5,196)**	(3,745)
Adjusted Net Income	**$ 146,506**	$ 131,319	**$ 207,725**	$ 182,917
Earnings per common share:				
Basic	**$ 2.21**	$ 1.89	**$ 3.01**	$ 2.57
Diluted	**$ 2.17**	$ 1.85	**$ 2.94**	$ 2.52
Adjusted earnings per common share:				
Basic	**$ 2.35**	$ 1.97	**$ 3.28**	$ 2.74
Diluted	**$ 2.31**	$ 1.94	**$ 3.20**	$ 2.69
Weighted average common shares outstanding:				
Basic	**62,292**	66,539	**63,362**	66,831
Diluted	**63,551**	67,689	**64,892**	68,043

(a) Represents non-cash charges related to equity based compensation, which vary from period to period depending on certain factors such as the timing and valuation of awards, achievement of performance targets and equity award forfeitures.

(b) Represents the estimated tax effect of the total adjustments made to arrive at Adjusted Net Income.

Adjusted Net Income and Adjusted Earnings Per Common Share, Diluted, Guidance Reconciliation (amounts in millions, except per share data)

	Low Range* Fiscal Year Ending January 31, 2027		High Range* Fiscal Year Ending January 31, 2027	
Net Income	$	390	$	415
Equity compensation (a)		30		30
Adjusted Net Income	$	420	$	445
Eamings Per Common Share, Diluted	$	6.05	$	6.45
Equity compensation (a)		0.45		0.45
Adjusted Earnings Per Common Share, Diluted	$	6.50	$	6.90

* Amounts presented have been rounded.

(a) Adjustments include non-cash charges related to equity based compensation (as defined above), which may vary from period to period. These amounts are also tax affected.

Adjusted Free Cash Flow

We define "Adjusted Free Cash Flow" as net cash provided by (used in) operating activities less net cash used in investing activities. We describe these adjustments reconciling net cash provided by operating activities to adjusted free cash flow in the following table (amounts in thousands):

	Thirteen Weeks Ended		Twenty-Six Weeks Ended	
	August 1, 2026	**August 2, 2025**	**August 1, 2026**	**August 2, 2025**
Net cash provided by operating activities	$ **188,416**	$ 78,575	$ **349,022**	$ 236,047
Net cash used in investing activities	**(72,467)**	(56,911)	**(111,464)**	(107,899)
Adjusted Free Cash Flow	$ **115,949**	$ 21,664	$ **237,558**	$ 128,148