



NEWS RELEASE

Five Below Announces Additional Actions in Response to COVID-19

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PHILADELPHIA, PA, April 13, 2020 (GLOBE NEWSWIRE) -- Five Below, Inc. (NASDAQ:FIVE), the trend-right, high-quality extreme-value retailer for tweens, teens and beyond, today announced additional measures it is taking in response to the current business environment created by COVID-19.

"As we navigate this difficult time, we remain grounded in a set of unshakable values, including 'Hold the Penny Hostage,' which takes on even greater significance in this moment," said CEO Joel Anderson. "We are confident about our capacity to weather this storm and will continue to take strategic measures – including reducing our expenses and tightly managing our cash spend and liquidity – designed to safeguard our future. We look forward to welcoming our crew and customers back to our stores as soon as we can do so safely."

As previously announced on March 31, 2020, Five Below extended the temporary closures of its stores and will reopen stores as soon as federal, state and local authorities allow, targeting May 1, 2020. The Company's ecommerce website remains open. A majority of the store and distribution center associates were furloughed in connection with the extended closures. The Company will cover health benefit costs for furloughed employees through April.

Today the Company announced additional actions taken to mitigate the financial impact of this current situation:

- A voluntary temporary base salary reduction of 50% for Joel Anderson, Chief Executive Officer, and a 25% base salary reduction for the remainder of the executive leadership team that report into Mr. Anderson.
- The Board of Directors elected to forgo its quarterly cash retainers for the first quarter of 2020.
- Delayed annual salary increases for corporate associates.
- Significant non-payroll expense reductions including advertising, occupancy and other store operating expenses, distribution and corporate office operating expenses, as well as professional and consulting fees.
- Cancellation of orders and receipt delays to manage inventory levels, as well as extending payment terms for product and non-product vendors.
- Significant reduction in the 2020 capital expenditure budget, including delaying purchase and construction of

a new Midwest distribution center.

Customers can continue to find Five Below's amazing products online at www.fivebelow.com.

Forward-Looking Statements:

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 as contained in Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which reflect management's current views and estimates regarding the Company's industry, business strategy, goals and expectations concerning its market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. Investors can identify these statements by the fact that they use words such as "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "future" and similar terms and phrases. The Company cannot assure investors that future developments affecting the Company will be those that it has anticipated. Actual results may differ materially from these expectations due to risks and uncertainties associated with the COVID-19 or coronavirus pandemic (including store closures and effects on customer demand or on our supply chain, our ability to keep our distribution centers and ecommerce fulfillment operational, and our ability to reopen and effectively operate some or all of our stores when conditions allow), risks related to the Company's strategy and expansion plans, risks related to the inability to successfully implement our expansion into online retail, risks related to our ability to select, obtain, distribute and market merchandise profitably, risks related to our reliance on merchandise manufactured outside of the United States, risks related to any legal proceedings that we may become subject to, the availability of suitable new store locations and the dependence on the volume of traffic to our stores, risks related to the Company's continued retention of its executive officers, senior management and other key personnel, risks related to changes in consumer preferences and economic conditions, risks related to increased operating costs, including wage rates, risks related to extreme weather, risks related to leasing, owning or building distribution centers, risks related to our ability to successfully manage inventory balance and inventory shrinkage, quality or safety concerns about the Company's merchandise, increased competition from other retailers including online retailers, risks related to the seasonality of our business, risks related to cyber security, risks related to our ability to protect our brand name and other intellectual property, risks related to customers' payment methods, risks related to domestic and foreign trade restrictions including duties and tariffs affecting our domestic and foreign suppliers and increasing our costs, including, among others, the direct and indirect impact of recent and potential tariffs imposed and proposed by the United States on foreign imports, risks associated with the restrictions imposed by our indebtedness on our current and future operations, the impact of changes in tax legislation and accounting standards and risks associated with leasing substantial amounts of space. For further details and a discussion of these risks and uncertainties, see the Company's periodic reports, including the annual report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, filed with or furnished to the Securities and Exchange Commission and available at www.sec.gov. If one or more of these risks or uncertainties materialize, or if any of the Company's assumptions prove incorrect, the Company's actual results may vary in material respects from those projected in these forward-looking statements. Any forward-looking statement made by the Company in this news release speaks only as of the date on which the Company makes it.

Factors or events that could cause the Company's actual results to differ may emerge from time to time, and it is not possible for the Company to predict all of them. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws.

About Five Below:

Five Below is a leading high-growth value retailer offering trend-right, high-quality products loved by tweens, teens and beyond. We know life is way better when you're free to "let go & have fun" in an amazing experience filled with unlimited possibilities. With most items priced \$1-\$5, and some extreme value items priced up to just \$10, we make it easy to say YES! to the newest, coolest stuff across 8 awesome Five Below worlds: Style, Room, Sports, Tech, Create, Party, Candy and Now. Founded in 2002 and headquartered in Philadelphia, Pennsylvania, Five Below today has over 900 stores in 36 states. For more information, please visit www.fivebelow.com!

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Source: Five Below, Inc.