
LEVI STRAUSS & CO.

FOR IMMEDIATE RELEASE

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Levi Strauss & Co. Receives Ratings Upgrade from Fitch Ratings

SAN FRANCISCO, CA, Feb. 20, 2025 – Levi Strauss & Co. (LS&Co.) (NYSE: LEVI) today announced that Fitch Ratings has upgraded its Long-Term Issuer Default Rating (IDR) to 'BBB-' from 'BB+'. The investment grade rating accompanies an indication to the market that the company has a Stable Rating Outlook.

"The upgrade from Fitch underscores our commitment to financial discipline while driving strategic growth across regions, channels and categories," said Harmit Singh, chief financial and growth officer of Levi Strauss & Co. "We are proud of the progress we've made in strengthening our financial foundation and improving the structural economics of our business, which accelerates our momentum to become a \$10B company with 15% EBIT margins. The upgrade from Fitch Ratings validates the work we are doing to execute on our strategic initiatives and deliver value to our stakeholders."

Fitch's upgrade reflects the improvement in LS&Co.'s EBITDAR leverage following its lease criteria update. In addition, Fitch highlighted Levi's strong cash flow generation and strategic focus on direct-to-consumer channels and portfolio diversification have contributed to this positive outlook.

Key Highlights from Fitch's Rating Announcement:

- **Improved Financial Metrics:** Fitch expects LS&Co.'s EBITDAR leverage to trend below 2.0x, supported by strong cash flow and strategic growth initiatives.
- **Strategic Growth Initiatives:** LS&Co.'s focus on product innovation, direct-to-consumer expansion and portfolio diversification is expected to drive revenue growth and margin improvement.
- **Strong Liquidity:** LS&Co.'s liquidity is bolstered by \$690 million in cash and \$803 million in revolver availability as of December 1, 2024.

Levi Strauss & Co. remains committed to maintaining financial soundness and enhancing its global competitiveness. The company will continue to focus on its core businesses while exploring opportunities for growth in new markets and product categories.

For more information, read [here](#).

About Levi Strauss & Co.

Levi Strauss & Co. (LS&Co.) is one of the world's largest brand-name apparel companies and a global leader in jeanswear. The company designs and markets jeans, casual wear and related accessories for men, women and children under the Levi's®, Levi Strauss Signature™, Denizen®, Dockers® and Beyond Yoga® brands. Its products are sold in approximately 120 countries worldwide through a combination of chain retailers, department stores, online sites, and a global footprint of approximately 3,400 retail stores and shop-in-shops. Levi Strauss & Co.'s reported 2024 net revenues were \$6.4 billion. For more information, go to <http://levistrauss.com>, and for financial news and announcements go to <http://investors.levistrauss.com>.

Forward-Looking Statements

This press release contains forward-looking statements, including statements related to: progress against strategic priorities; the ongoing restructuring of our operations and our ability to achieve any anticipated cost savings associated with such restructuring; trajectory of direct-to-consumer business; macroeconomic conditions; impacts of foreign exchange; future financial results, including cash flow, net revenues, adjusted EBIT margins, return on invested capital levels, adjusted SG&A, tax rate, and adjusted diluted EPS; capital expenditures; pricing initiatives; inventory growth; new store openings; investments in high growth initiatives; future dividend payments and share repurchases; liquidity; leverage ratios; credit ratings; and efforts to diversify product categories and distribution channels, and the related revenue projections. The company has based these forward-looking statements on its current reasonable assumptions, expectations and projections about future events. Words such as, but not limited to, “believe,” “will,” “may,” “so we can,” “when,” “anticipate,” “intend,” “estimate,” “expect,” “project,” “could” and similar expressions are used to identify forward-looking statements, although not all forward-looking statements contain these words. These forward-looking statements are necessarily estimates reflecting the best judgment of our senior management and involve a number of risks and uncertainties, some of which are beyond our control, that could cause actual results to differ materially from those suggested by the forward-looking statements. Investors should consider the information contained in the company's filings with the U.S. Securities and Exchange Commission (SEC), including its Annual Report on Form 10-K for the year ended December 1, 2024, especially in the “Management's Discussion and Analysis of Financial Condition and Results of Operations”, “Summary of Risk Factors” and “Risk Factors” sections. Other unknown or unpredictable factors also could have material adverse effects on future results, performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated or, if no date is stated, as of the date of this press release. The company is not under any obligation and does not intend to update or revise any of the forward-looking statements contained in this press release to reflect circumstances existing after the date of this press release or to reflect the occurrence of future events, even if such circumstances or future events make it clear that any expected results expressed or implied by those forward-looking statements will not be realized.