

FY 2025 EXCHANGE FINANCIALS

REVENUE **\$8.6B**
EARNINGS **\$513M**

DIVIDENDS
ARMY **\$166M**
AIR FORCE **\$120M**
MARINE CORPS/NAVY **\$21M**
TOTAL \$307M

EARNINGS

The Exchange is the 60th-largest retailer in the U.S., achieving competitive earnings of 8% of sales in 2025. 100% of Exchange earnings support our military community. In the last 10 years, the Exchange has returned \$15 billion to military communities.

MISSION SUPPORT

The Exchange supports Warfighters at the tip of the spear, bringing products, services and a taste of home to remote locations where traditional retailers can't or won't operate.

- 300 facilities in Southwest Asia and Eastern Europe
- 690,000 military uniforms outfitted at cost
- 7 bakeries and water plants
- 4.7 million baked goods produced
- 3.6 million school meals served overseas

FAMILY SERVING FAMILY

Meaningful careers for military spouses are a force multiplier for military recruiting and retention. Exchange careers are portable, improving the quality of life for military families as associates build toward retirement.

- 45% of workforce are Veterans, military spouses or dependents
- 67,403 Veterans and military spouses hired since 2013
- 80%+ of associates connected to the military
- 5,026 associates deployed to combat zones since 9/11

Find career opportunities at [ApplyMyExchange.com](https://publicaffairs-sme.com/Community/home-v3/annual-reports)

OUR MISSION

Since 1895, the Army & Air Force Exchange Service has gone where Warfighters and their families go to provide quality, tax-free merchandise and goods and services military communities need — regardless of location, risk or challenge.

WHO WE SERVE

The Exchange serves an eligible customer base of 30 million active-duty military; retirees; National Guard members; Reservists; Purple Heart recipients; former prisoners of war; Veterans with service-connected disabilities; caregivers of eligible disabled Veterans designated by the Department of Veterans Affairs as primary family caregivers; non-disabled, honorably discharged Veterans (online only); authorized Public Health Service associates; authorized National Oceanic and Atmospheric Administration associates; Coast Guard members; DoW and Coast Guard civilian employees; and military family members.

FOOTPRINT

The Exchange operates more than 5,000 facilities with operations across the U.S. and in more than 30 countries, nationwide and four U.S. territories. No matter where troops go, the Exchange goes with them, including in Southwest Asia, Africa, Europe and the Pacific.

VALUE

The Exchange is a lifetime benefit that provides goods and services to the military community worldwide, offering tax-free shopping and military-exclusive pricing. 100% of Exchange earnings support the military community.

STRUCTURE

The Exchange is fully aligned with the Army, Air Force and Space Force. A force multiplier for Soldiers, Airmen, Guardians and military communities, the Exchange improves military readiness, recruiting, retention and lethality.

The Department of War's largest retailer, the Exchange is governed by a Board of Directors responsible to the Secretaries of the Army and Air Force.

The Secretary of the Army and the Secretary of the Air Force has delegated oversight responsibility of the Army & Air Force Exchange Service to a Board of Directors. The Board of Directors comprises 13 Army, Air Force and Space Force general officers and members of the senior executive services.

The chair alternates between the Army G4 and the Air Force A1.

For a list of the current Board of Directors, visit

<https://publicaffairs-sme.com/Community/home-v3/annual-reports>



QUICK REFERENCE GUIDE

BUSINESS LINES AND SERVICES



118
PXs/BXs



527
Convenience Stores



1,500+
Restaurants



35
Movie Theaters



6.3M
Items offered at
ShopMyExchange.com



162
Military Clothing
stores



10
Distribution centers
worldwide and the
15th-largest private
retail fleet in the world



3.6M
School meals served
to Warfighters'
children overseas



1.5M
MILITARY STAR®
cardmembers. The
card is operated by the
Exchange Credit Program



4,139+
Mall stores and kiosks,
including barbershops
and wellness services
such as dentistry &
optometry



527
Gas stations dispensing
more than 367.1 million
gallons of fuel in 2024



7
Plants providing baked
goods and bottled water
to troops overseas



How is the Exchange different from other retailers? The Exchange is part of the Department of War. While other retailers have a responsibility to maximize returns to their shareholders, the Exchange maximizes the service rendered to the military community by going where other retailers can't or won't—including warzones and remote locations.

What services does the Exchange provide? The Exchange operates department stores, convenience stores, Military Clothing stores, movie theaters, restaurants, wellness services, mall stores, kiosks, ShopMyExchange.com, the Exchange Credit Program and more. Quality-of-Life support includes outfitting 690,000 uniforms at cost, serving 3.6 million school meals to Warfighters' children, producing 4.7 million baked goods and bottling 4.1 million gallons of water a year.

How do your prices compare with competitors? The Exchange offers military-exclusive pricing, and patrons mostly shop tax-free online and in our brick-and-mortar stores, which represents at least a 6%-8% savings.

Is the Exchange's "We Go Where You Go" motto still true today? Yes. The Exchange serves Warfighters in more than 30 countries, nationwide and in four territories, and provides support during conflict and natural disasters. Since World War II, the Exchange has served alongside troops in combat, providing for the needs of Warfighters. The Exchange serves at the tip of the spear—small storefronts, imprest fund activities and mobile field Exchanges deliver the "We Go Where You Go" promise. In 2025, the Exchange supported 53 exercises across Europe, North Africa and the Pacific and served 59,000 troops.

How does the MILITARY STAR® card save military shoppers money?

- 5¢ OFF every gallon of fuel at the Express
- 10% OFF food purchases at participating Exchange restaurants
- 10% OFF first-day's purchases
- UNLIMITED 2% REWARDS on purchases
- FREE SHIPPING at ShopMyExchange.com
- THE LOWEST FLAT-RATE APR among store cards—rate is offered to all cardmembers upon account approval
- NO FEES no annual, late or over-limit fees
- 0% INTEREST \$1,000 Military Clothing Plan for active-duty, Guard and Reserve service members

What are other benefits of the MILITARY STAR card? With the MILITARY STAR card, the Exchange Credit Program offers affordable and responsible credit solutions to the military community. Cardmembers benefit from fair, flexible terms to help them safely and affordably build credit. No annual, late or over-limit fees are assessed. No back-interest is charged when 0% promotions expire.

How does the Exchange determine what brands and products to offer?

The Exchange operates like other retailers. What resonates with the typical American resonates with the military shopper too. Our team monitors retail and trade news to determine emerging products and evaluate demand.

Is the Exchange publicly traded, and where does the money go? The Exchange has no private shareholders—every dollar of earnings is paid as a dividend to military Quality-of-Life programs or reinvested in the Exchange's infrastructure. In the last 10 years, the Exchange has returned \$2.4 billion to military communities

How is the Exchange a valued partner in the military community?

The Exchange supports the military directly, contributing to troop readiness and resiliency. We are partners in the Services' efforts to take care of military families while strengthening recruitment, retention and lethality. 100% of earnings support Soldiers, Airmen, Guardians and families—60% support Quality-of-Life programs with the remainder reinvested in improving the shopping experience. Associates share a special bond with service members—more than 80% have a military connection. The Exchange continues to be a lifeline for Veterans and military spouses looking for careers, hiring nearly 67,000 since 2013.

What is the Exchange's connection to DoDEA's school meals? Since 1955, the Exchange has been the school feeding authority for the Army

and Air Force. The school meal program is operated for military students overseas, serving 3.6 million meals a year. Nutritional standards for DoDEA student meals are set by the Exchange's registered dietitian in accordance with U.S. Department of Agriculture guidelines.

Does the Exchange offer recognition programs for service members and families? The Exchange complements commands' awards programs at the installation level with Exchange gift cards for Soldier/Airman of the Quarter/Year; Drill Sergeant, Recruiter, First Sergeant, Senior NCO, Family Member of the Quarter and Key Spouse. For military children, the You Made the Grade program offers prizes for maintaining good grades. Students with straight As receive a \$20 gift card and an Exchange coupon sheet, while students with a B average or better earn a \$10 Exchange gift card and coupon sheet. Each student receives a chance to enter a sweepstakes for a \$2,000, \$1,500 or \$500 gift card each semester.

Can units solicit donations from the Exchange to support events?

The Exchange is a Department of War non-appropriated fund entity, and per Army Regulation 215-8/Air Force Instruction 34-211(I) paragraph 6-21(a), the Exchange is unable to make charitable contributions of funds, merchandise or services to any organization.

What is the Exchange doing to offer healthier options? The Exchange takes a holistic approach to promoting and encouraging better-for-you choices through its BE FIT 360 program. The initiative highlights health-conscious dining, grab-and-go options, wellness services and an assortment of fitness gear. All of the Exchange's 1,600+ restaurants offer better-for-you choices. PXs, BXs, Expresses, vending machines and self-serve stores carry BE FIT 360-approved items, including fresh fruit, hard-boiled eggs, trail mix and nuts, tuna, grass-fed meat snacks, plant-based chips, bottled water, fresh salads, sandwiches, fruits, vegetables and more.

How is fuel pricing determined in Europe? The Exchange sets prices based on the U.S. Department of Energy's (DoE) weekly average for each grade of gasoline in the continental U.S., plus unique incremental costs which the Exchange incurs in each overseas market. These bona fide incremental costs include expenses related to offering off-base fuel purchases (ESSO and Forax cards), incremental labor costs, excess depreciation for equipment, and other unique expenses associated with providing gasoline to customers overseas.

The only exception to our pricing is in Turkey. Fuel in Turkey is provided to the Exchange through contracts which are administered by the Defense Logistics Agency (DLA). In this case, our fuel pricing is determined by one of two calculations:

1. The DoE weekly average plus local incremental dispensing costs.
2. The DLA invoiced cost of the fuel plus a local dispensing cost. This amount is known as the floor price. The Exchange ultimately uses the higher rate to ensure the best price for the customer while maintaining a break-even to dispense, since regulations forbid the sale of fuel below cost pricing.

What role does the Exchange play in Military Clothing stores? The Exchange is the official source for government-certified authentic uniforms, outfitting 640,000 Warfighters at cost annually. Military Clothing stores belong to the Services, not the Exchange, and sell Defense Logistics Agency Troop Support (DLATS) clothing at cost. All commercial items are procured at the request of the Services.

How do I get the Military Clothing I need if the primary Service on my host installation differs from the branch I am in? If the host installation has members of another military Service assigned, the local Military Clothing store may request a Cross-Service Support Agreement (CSSA) to support those needs. Please contact your local Exchange general manager's office.

Who is my point of contact on the installation for local Exchange issues? The Exchange general manager is your main point of contact for Exchange operations on each installation. General managers provide direct oversight of facilities and support installation command. To find your general manager's contact information, visit ShopMyExchange.com and click on the "find a store" link to search by location.