



Exchange Fact Sheet: Fiscal 2019

Exchange Financials (FY 2019): Revenue: **\$8.6B** ▶ Earnings: **\$369M** ▶ Dividends: Army: **\$129M** ▶ Air Force: **\$75M** Marine Corps/Navy **\$15.9M** ▶ Total: **\$217M** ▶ Dividend per active duty Airman & Soldier: **\$266**

MISSION

Since 1895, the Army & Air Force Exchange Service has gone where Warfighters and their families go to provide quality, tax-free merchandise and competitive, military-exclusive pricing on the goods and services military communities need—regardless of location, risk or challenge. Exchange earnings provide dividends to military Quality-of-Life programs. The Exchange delivers Service-specific support and is fully nested with installation commands to ensure alignment with the Army and Air Force missions. A force multiplier for Soldiers, Airmen and military communities, the Exchange improves military readiness, recruiting and retention.

STRUCTURE

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

VALUE PROPOSITION

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.

WHO WE SERVE

The Exchange serves an eligible customer base of 38 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 and family members.

DIVIDENDS

The Exchange is the 61st largest retailer in the U.S., achieving competitive earnings of 5.6% of sales in 2019. Exchange earnings support critical military Quality-of-Life programs that promote military readiness and resiliency including Child, Youth and School Services, Armed Forces Recreation Centers and more. In the past 10 years, the Exchange distributed more than \$2.2 billion to these programs. All remaining earnings are reinvested into new and renovated stores.

The Exchange self-funds its operations budget through customer revenues, except for 3% of its funding, which is paid from appropriated funds to ship goods to service members overseas, as required by law.

FOOTPRINT

The Exchange operates more than 4,000 facilities with operations in 32 countries, 50 states, four U.S. territories (Guam, Puerto Rico, Northern Mariana Islands & American Samoa) and the District of Columbia. No matter where troops go, the Exchange goes with them. The Exchange serves troops in Southwest Asia, Africa, Europe and the Pacific.

FAMILY SERVING FAMILY

The Exchange supports Warfighters at the tip of the spear, bringing products, services and a taste of home to remote locations and war zones where traditional retailers can't operate. Since 9/11, more than 4,800 Exchange associates have deployed.

The Exchange is a major employer of military families. 85% of the Exchange's 35,000 associates are connected to the military, and 45% of the Exchange's U.S. workforce is made up of Veterans, military spouses and dependents.

The Exchange is committed to hiring 50,000 Veterans and military spouses by the end of 2020. Hiring our heroes is a quality-of-life force multiplier. The Exchange gives spouses first consideration for open positions, and the continuity program lets military spouses transfer to an Exchange when their family has a permanent change of station. For military families, an Exchange career means benefit retention, retirement opportunity and stability. For more on careers with the Exchange, visit [ApplyMyExchange](#).

BUSINESS LINES AND SERVICES

- 121 department stores
- 618 convenience and specialty stores
- 250 gas stations dispensing more than 450 million gallons of fuel annually
- More than 1,700 quick-serve restaurants
- More than 3,465 mall stores and kiosks, including barbershops and wellness services
- 165 Military Clothing stores outfitting 811,000 troops with combat uniforms annually
- 77 movie theaters
- ShopMyExchange.com, which offers more than 2 million items
- The Exchange Credit Program, which operates the MILITARY STAR® card for 1.7 million cardholders
- Four bakeries producing goods under 11 national brand licenses including Wonder Bread and Krispy Kreme
- Two water-bottling plants and an ice plant to ensure overseas troops, including those in the Southwest Asia, have clean, potable water
- Mobile field Exchanges (stores on wheels) supporting military exercises and disaster support efforts (hurricanes, typhoons, forest fires, etc.)
- School meal program serving 2.6 million school lunches to Warfighters' children annually
- Cable TV, internet and cellphone service overseas
- Wellness services including optometry and dentistry
- Robust logistics network—third largest shipping operation in the Department of Defense, including 11 distribution centers worldwide and the 12th-largest private retail fleet in the U.S.
- Contingency operations including more than 400 facilities in remote locations
- Business opportunities for Veterans, military spouses and dependents

EXCHANGE CREDIT PROGRAM

The Exchange Credit Program offers affordable credit to the military community. Established by Congress in 1979 to protect service members from predatory lending, the credit program operates the MILITARY STAR® card for 1.7 million cardholders and manages a \$2.5 billion credit card receivables portfolio. Benefits include one of the lowest flat interest rates in the country among store cards, free shipping on online purchases and acceptance at all military exchanges and commissaries and online at ShopMyExchange.com, MyNavyExchange.com and ShopCGX.com.