



Earnings Call

Q1 FY2025 Results | May 7, 2025

Forward-Looking Statements

Certain statements contained herein, including statements regarding guidance or expected proceeds are not based on historical fact and are "forward-looking statements" within the meaning of applicable securities laws. Generally, these statements can be identified by the use of words such as "guidance," "believes," "estimates," "anticipates," "expects," "on track," "feels," "forecasts," "seeks," "projects," "intends," "plans," "may," "will," "should," "could," "would" and similar expressions intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

These forward-looking statements include all matters that are not historical facts. By their nature, forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the Company's forward-looking statements. These risks and uncertainties include, but are not limited to: consumer reaction to public health and food safety issues; increases in labor costs and fluctuations in the availability of and our ability to attract, train and retain employees; increases in unemployment rates and taxes; competition; interruption or breach of our systems or loss of consumer or employee information; price and availability of commodities and other impacts of inflation and tariffs; our dependence on a limited number of suppliers and distributors; political, social and legal conditions in international markets and their effects on foreign operations and foreign currency exchange rates; our ability to execute and achieve the expected benefits of our restructuring actions and other cost-saving measures; the impacts of our operations in Brazil as a minority investor and franchisor following our recent sale transaction, as well as future proceeds from that transaction, on our future results; our ability to address corporate citizenship and sustainability matters and investor expectations; local, regional, national and international economic conditions; changes in patterns of consumer traffic, consumer tastes and dietary habits; the effects of changes in tax laws; costs, diversion of management attention and reputational damage from any claims or litigation; government actions and policies; challenges associated with our remodeling, relocation and expansion plans; our ability to preserve the value of and grow our brands; consumer confidence and spending patterns; the effects of a health pandemic, weather, acts of God and other disasters and the ability or success in executing related business continuity plans; the Company's ability to sustain cash flow and make debt payments and planned investments and the Company's compliance with debt covenants; the cost and availability of credit; interest rate changes; and any impairments in the carrying value of goodwill and other assets. Further information on potential factors that could affect the financial results of the Company and its forward-looking statements is included in its most recent Form 10-K and subsequent filings with the Securities and Exchange Commission. The Company assumes no obligation to update any forward-looking statement, except as may be required by law. These forward-looking statements speak only as of the date of this presentation. All forward-looking statements are qualified in their entirety by this cautionary statement.

Non-GAAP Measures

In addition to the results provided in accordance with GAAP, this presentation includes certain non-GAAP measures, which present operating results on an adjusted basis. These are supplemental measures of performance that are not required by or presented in accordance with GAAP and include: (i) Restaurant-level operating income, adjusted restaurant-level operating income and their corresponding margins, (ii) Adjusted income from operations and the corresponding margin, (iii) Adjusted segment income from operations and the corresponding margin, (iv) Adjusted net income, (v) Adjusted diluted earnings per share, (vi) Adjusted EBITDA, and (vii) Lease Adjusted net leverage.

Restaurant-level operating margin is a non-GAAP financial measure widely regarded in the industry as a useful metric to evaluate restaurant-level operating efficiency and performance of ongoing restaurant-level operations, and we use it for these purposes.

We believe that our use of non-GAAP financial measures permits investors to assess the operating performance of our business relative to our performance based on GAAP results and relative to other companies within the restaurant industry by isolating the effects of certain items that may vary from period to period without correlation to core operating performance or that vary widely among similar companies. However, our inclusion of these adjusted measures should not be construed as an indication that our future results will be unaffected by unusual or infrequent items or that the items for which we have made adjustments are unusual or infrequent or will not recur.

We believe that the disclosure of these non-GAAP measures is useful to investors as they form part of the basis for how our management team and Board of Directors evaluate our operating performance, allocate resources and administer employee incentive plans.

These non-GAAP financial measures are not intended to replace GAAP financial measures, and they are not necessarily standardized or comparable to similarly titled measures used by other companies. We maintain internal guidelines with respect to the types of adjustments we include in our non-GAAP measures. These guidelines endeavor to differentiate between types of gains and expenses that are reflective of our core operations in a period, and those that may vary from period to period without correlation to our core performance in that period. However, implementation of these guidelines necessarily involves the application of judgment, and the treatment of any items not directly addressed by, or changes to, our guidelines will be considered by our disclosure committee. You should refer to the reconciliations of non-GAAP measures in in the "Reconciliations" section of this presentation for descriptions of the actual adjustments made in the current period and the corresponding prior period.



Iconic, Founder-Inspired Brands





EST. 1988

Australian-spirited
casual dining **steak**

Known for **grilled**
steaks, chicken,
seafood & more, home
to the **Bloomin' Onion®**

Made using the **highest**
quality ingredients



EST. 1986

Authentic Italian cuisine,
handmade, cooked to
order

Lively exhibition kitchen
& contemporary
atmosphere

Signature dishes include
Chicken Bryan, Pollo
Rosa Maria, Grilled Steak



EST. 1998

Contemporary
interpretation of
American steakhouse

Elevated service,
signature style,
culinary mastery

Award-winning wines
and seasonal selections



EST. 2000

Fish from around the
world

Seasonal dishes
featuring highest-quality
ingredients

Classic & signature
hand-crafted cocktails
and a distinct list of wines

Operating Priorities

**SIMPLIFY
THE AGENDA**

**DELIVER A
GREAT GUEST
EXPERIENCE**

**TURNAROUND
OUTBACK**



Q1 Financial Results – Continuing Operations

	<u>Q1 2025</u>	<u>Q1 2024</u>
<i>(in \$ millions, except EPS)</i>		
Total Revenues	\$1,050	\$1,069
Restaurant-Level Operating Income	\$143	\$162
Adjusted Restaurant-Level Operating Income⁽¹⁾	\$143	\$162
<i>% margin</i>	<i>13.9%</i>	<i>15.5%</i>
GAAP Income from Operations	\$57	\$71
Adjusted Income from Operations⁽¹⁾	\$64	\$84
<i>% margin</i>	<i>6.1%</i>	<i>7.8%</i>
Adjusted EBITDA⁽¹⁾	\$105	\$125
<i>% margin</i>	<i>10.0%</i>	<i>11.7%</i>
GAAP Diluted Earnings per Share	\$0.50	(\$1.00)
Adjusted Diluted Earnings per Share⁽¹⁾	\$0.59	\$0.64

(1) Refer to Reconciliations at the end of this presentation for more information.

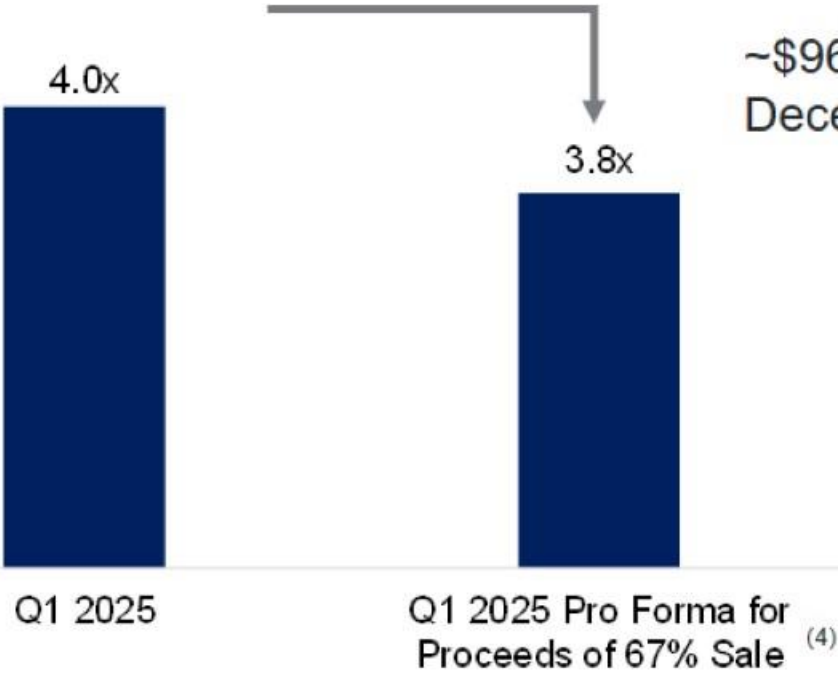
Update on Brazil Transaction

Sold 67% for R\$1.4B / \$225M USD ⁽¹⁾

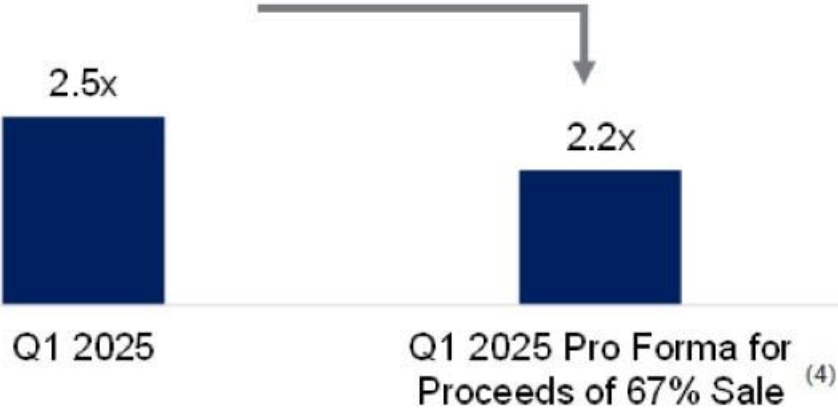
Option to sell remaining 33% in Q4 2028 *(not included in the below calculations)*

Proceeds will contribute to achieving our target 3.0x Lease Adjusted Leverage Ratio

Lease Adjusted Net Leverage ⁽²⁾



Net Debt / Adjusted EBITDA



(1) Using FX rate of 6.12 on December 30, 2024.
 (2) Lease Adjusted Net Leverage defined as Net Debt + Operating Lease Liabilities divided by (Adjusted EBITDA + Rent Expense). Lease Adjusted Net Leverage is a non-GAAP measure. Refer to Reconciliations at the end of this presentation for more information.
 (3) Net of transaction fees, expenses and withholding taxes. Excludes interest income.
 (4) Pro forma is as of end of Q1 2025, but gives effect to receipt of full proceeds from sale of 67% of the Brazil business that closed after year end. Half of the proceeds were received at closing in Q1 2025 and the remainder are payable in December 2025. Q1 2025 ended on March 30, 2025 and Fiscal Year 2025 will end on December 28, 2025.



Guidance Targets

Full Year 2025 Guidance

U.S. Comparable Sales Growth	(2%) to 0%
Adjusted Diluted EPS ⁽¹⁾	\$1.20 to \$1.40
Commodity Inflation	2.5% to 3.5%
Labor Wage Inflation	4% to 5%
Adjusted Effective Tax Rate	Near 0%
U.S. New Unit Growth ⁽²⁾	18-20 units
Capital Expenditures	\$190M to \$210M

(1) Includes adjustments related to the workforce reduction announced on February 20, 2025 and the estimated cost of executing the foreign currency forward contracts entered into as part of the Brazil transaction.

(2) Includes company-owned restaurant openings.

Q2 2025 Guidance

Q2 2025

U.S. Comparable Sales Growth	(2.5%) to (1.5%)
GAAP Diluted EPS	\$0.20 to \$0.25
Adjusted Diluted EPS ⁽¹⁾	\$0.22 to \$0.27

(1) Includes estimated adjustments associated with the cost of executing the foreign currency forward contracts entered into as part of the Brazil transaction.



Question & Answer Session



Reconciliations

Adjusted Restaurant Level Margin

Consolidated (dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 30, 2025	MARCH 31, 2024
Income from continuing operations	\$ 57,231	\$ 70,917
<i>Operating income margin, continuing operations</i>	5.5%	6.6%
Less:		
Franchise and other revenues	20,077	22,383
Plus:		
Depreciation and amortization	43,947	42,700
General and administrative	61,377	59,476
Provision for impaired assets and restaurant closings	350	10,873
Restaurant-level operating income from continuing operations (1)	\$ 142,828	\$ 161,583
<i>Restaurant-level operating margin, continuing operations</i>	13.9%	15.4%
Adjustments:		
Closure-related charges	—	434
Total restaurant-level operating income adjustments	—	434
Adjusted restaurant-level operating income from continuing operations	\$ 142,828	\$ 162,017
<i>Adjusted restaurant-level operating margin, continuing operations</i>	13.9%	15.5%

(1) The following categories of revenue and operating expenses are not included in restaurant-level operating income and the corresponding margin because we do not consider them reflective of operating performance at the restaurant-level within a period:

- (a) Franchise and other revenues, which are earned primarily from franchise royalties and other non-food and beverage revenue streams, such as rental and sublease income.
- (b) Depreciation and amortization, which, although substantially all of which is related to restaurant-level assets, represent historical sunk costs rather than cash outlays for the restaurants.
- (c) General and administrative expense, which includes primarily non-restaurant-level costs associated with support of the restaurants and other activities at our corporate offices.
- (d) Asset impairment charges and restaurant closing costs, which are not reflective of ongoing restaurant performance in a period.

Adjusted Income from Operations

Adjusted EBITDA

Consolidated

(dollars in thousands)

	THIRTEEN WEEKS ENDED		FISCAL YEAR	TRAILING TWELVE MONTHS
	MARCH 30, 2025	MARCH 31, 2024	DECEMBER 29, 2024	MARCH 30, 2025
Income from continuing operations	\$ 57,231	\$ 70,917	\$ 139,808	\$ 126,122
<i>Operating income margin, continuing operations</i>	5.5%	6.6%	3.5%	3.2%
Adjustments:				
Total restaurant-level operating income adjustments (1)	-	434	434	-
Severance and other transformational costs (2)	6,058	-	-	6,058
Strategic initiative fees (3)	-	-	6,500	6,500
Foreign currency forward contract costs/(gains) (4)	2,328	-	(15,728)	(13,400)
Asset impairments and closure-related charges (5)	(1,929)	12,521	63,009	48,559
Executive transition costs (6)	-	-	4,121	4,121
Total income from operations adjustments	6,457	12,955	58,336	51,838
Adjusted income from operations, continuing operations	\$ 63,688	\$ 83,872	\$ 198,144	\$ 177,960
<i>Adjusted operating income margin, continuing operations</i>	6.1%	7.8%	5.0%	4.5%
Plus:				
Depreciation and amortization	43,947	42,700	175,580	176,827
Loss from equity method investment, net of tax	(1,291)	-	-	(1,291)
Less:				
Non-controlling interest from minority partnerships	1,444	1,582	5,363	5,225
Adjusted EBITDA, continuing operations	\$ 104,900	\$ 124,990	\$ 368,361	\$ 348,271
<i>Adjusted EBITDA margin, continuing operations</i>	10.0%	11.7%	9.3%	8.9%

(1) See Restaurant-level and Adjusted Restaurant-Level Operating Income for details regarding restaurant-level operating income adjustments.

(2) Severance and other costs incurred as a result of transformational and restructuring activities.

(3) Represents fees incurred in connection with a project-based strategic initiative. The costs incurred represent third-party consulting fees related to a strategic initiative to develop revenue growth management capabilities for Outback Steakhouse and are included in General and administrative expense. Given the magnitude and scope of this initiative and that it is not expected to recur in the foreseeable future after 2024, we consider these incremental expenses to be distinct from other consulting fees that we incur in the ordinary course of business and not reflective of the ongoing costs to operate our business or operating performance in the period.

(4) Costs / (gains) in connection with the foreign currency forward contracts that mostly offset foreign currency exchange risk associated with installment payments from the sale of our Brazil operations.

(5) Primarily includes gains from certain lease terminations for the thirteen weeks ended March 30, 2025. Includes asset impairment, closure costs and severance in connection with the 2023 Restaurant Closures for the thirteen weeks ended March 31, 2024. Fiscal year 2024 includes asset impairment related to 41 older, underperforming restaurants, within the U.S. segment, asset impairment, closure costs and severance related to the 2023 Restaurant Closures, and the closure of nine restaurants in Hong Kong.

(6) Compensation costs and professional fees related to our CEO transition and severance related to other executive level changes.

Net Leverage Reconciliations – Adjusted and Pro Forma

(dollars in thousands)	Q1 2025	Brazil Proceeds from 67% Sale	Q1 2025 Pro Forma for Proceeds of 67% Sale
Long-term debt, net	\$ 917,610		\$ 917,610
Cash	(57,691)	(95,844) ⁽¹⁾	(153,535)
Net Debt	859,919		764,075
Current operating lease liabilities	161,188		161,188
Non-current operating lease liabilities	1,095,873		1,095,873
Total operating lease liabilities	1,257,061		1,257,061
Total Net Debt and Operating Lease Liabilities	\$ 2,116,980		\$ 2,021,136
Adjusted EBITDA ⁽²⁾	348,271		348,271
Rent Expense ⁽³⁾	187,532		187,532
Adjusted EBITDAR	\$ 535,803		\$ 535,803
Lease Adjusted Net Leverage	4.0x		3.8x
Net Debt / Adjusted EBITDA	2.5x		2.2x

- (1) Net of transaction fees, expenses and withholding taxes.
(2) Refer to Adjusted EBITDA reconciliation earlier in this presentation.
(3) Rent Expense includes costs incurred over the past twelve consecutive months.

Q1 Adjusted Net Income & EPS

Consolidated (dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 30, 2025	MARCH 31, 2024
Net income (loss) attributable to Bloomin' Brands	\$ 42,152	\$ (83,872)
Net (loss) income from discontinued operations, net of tax	(254)	2,908
Net income (loss) attributable to Bloomin' Brands from continuing operations (1)	42,406	(86,780)
Adjustments:		
Income from operations adjustments (2)	6,457	12,955
Loss on extinguishment of debt (3)	—	135,797
Total adjustments, before income taxes	6,457	148,752
Adjustment to provision for income taxes (4)	1,130	(1,043)
Net adjustments, continuing operations	7,587	147,709
Adjusted net income, continuing operations	49,993	60,929
Adjusted net (loss) income, discontinued operations (5)	(254)	2,585
Adjusted net income	\$ 49,739	\$ 63,514
Diluted earnings (loss) per share:		
Continuing operations	\$ 0.50	\$ (1.00)
Discontinued operations	—	0.03
Net diluted earnings (loss) per share	\$ 0.50	\$ (0.96)
Adjusted diluted earnings per share		
Continuing operations	\$ 0.59	\$ 0.64
Discontinued operations	—	0.03
Adjusted diluted earnings per share (6)(7)	\$ 0.58	\$ 0.67
Diluted weighted average common shares outstanding (7)	85,130	87,024
Adjusted diluted weighted average common shares outstanding (6)(7)	85,130	95,376

(1) Represents net income (loss) from continuing operations less net income attributable to noncontrolling interests.

(2) See Adjusted Income from Operations Reconciliations for details regarding income from operations adjustments.

(3) Includes losses in connection with the partial repurchase of the 2025 Notes, including settlements of the related convertible senior note hedges and warrants.

(4) Includes the tax effects of non-GAAP adjustments determined based on the nature of the underlying non-GAAP adjustments and their relevant jurisdictional tax rates for all periods presented. The thirteen weeks ended March 30, 2025 include an adjustment to income tax expense related to foreign currency gains on the Brazil sale installment receivable. For the thirteen weeks ended March 31, 2024, the difference between GAAP and adjusted effective income tax rates primarily relates to nondeductible losses and other tax costs associated with the partial repurchase of the 2025 Notes.

(5) Includes net (loss) income from our Brazil operations for the periods presented.

(6) Adjusted diluted weighted average common shares outstanding for the thirteen weeks ended March 31, 2024 were calculated including the effect of 4.3 million dilutive securities for outstanding 2025 Notes and the effect of 3.1 million dilutive securities for the Warrant Transactions, as defined below. In connection with the offering of the 2025 Notes, we entered into convertible note hedge transactions and concurrently entered into warrant transactions relating to the same number of shares of our common stock (the "Warrant Transactions"). The impact of dilutive securities for the outstanding 2025 Notes and the Warrant Transactions were immaterial for the thirteen weeks ended March 30, 2025. Adjusted diluted earnings per share and adjusted diluted weighted average common shares outstanding for the thirteen weeks ended March 31, 2024 have been recast to remove the 4.3 million share benefit of the convertible note hedge transactions we issued in connection with the offering of the 2025 Notes, which was previously included as a non-GAAP share adjustment.

(7) Due to a GAAP net loss from continuing operations, antidilutive securities are excluded from diluted weighted average common shares outstanding for the fiscal year thirteen weeks ended March 31, 2024. However, considering the adjusted net income position, adjusted diluted weighted average common shares outstanding incorporates securities that would have been dilutive for GAAP.