



# Earnings Call

Q4 and FY2024 Results | February 26, 2025

# Forward-Looking Statements

Certain statements contained herein, including statements regarding guidance or expected proceed 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; 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



**ICONIC BRANDS**



**EMPOWERED AND ENERGIZED  
TEAM MEMBERS**



**TALENTED FIELD LEADERSHIP**



**STRONG RIGHT TO SUCCEED IN  
ON-TREND AND LARGE CATEGORIES**



# Operating Priorities

**SIMPLIFY  
THE AGENDA**

**DELIVER A  
GREAT GUEST  
EXPERIENCE**

**TURNAROUND  
OUTBACK**

# New Leadership at Outback and Carrabba's



**Pat Hafner**

**President of Outback Steakhouse**

**29 year veteran of the brand**



**Kelia Bazile**

**President of Carrabba's Italian Grill**

**28 years at Taco Bell**

**12 years at Carrabba's**



# Capital Allocation Priorities

## Capital Expenditures

- Focused on investments in existing restaurants and infrastructure
- Will begin shifting focus from new units to remodels starting in 2026

## Debt Paydown

- Committed to long term target of 3x lease adjusted leverage
- Received 1<sup>st</sup> payment of Brazil proceeds and applied to revolver balance

## Return to Shareholders

- Confident in sustainability of our cash flows
- Focused on returning cash to shareholders

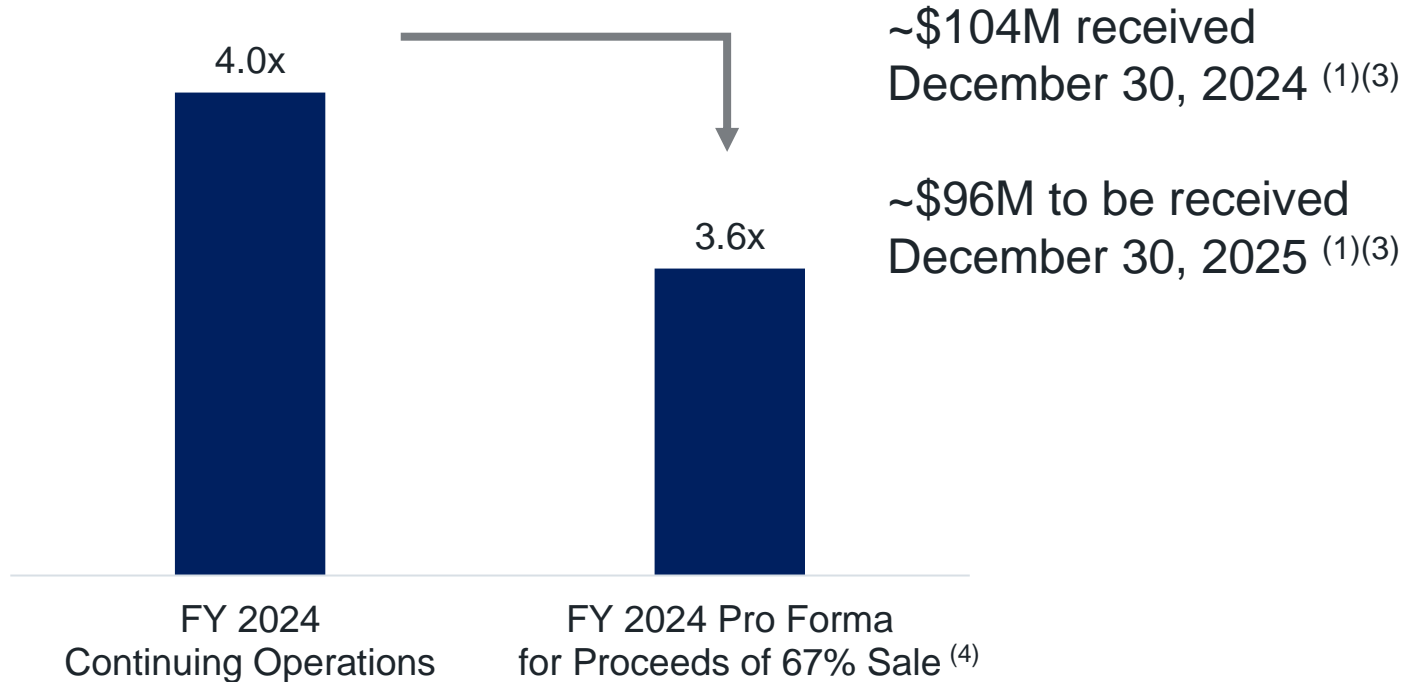
# Update on Brazil Transaction

Sold 67% for R\$1.4B / \$225M USD <sup>(1)</sup>

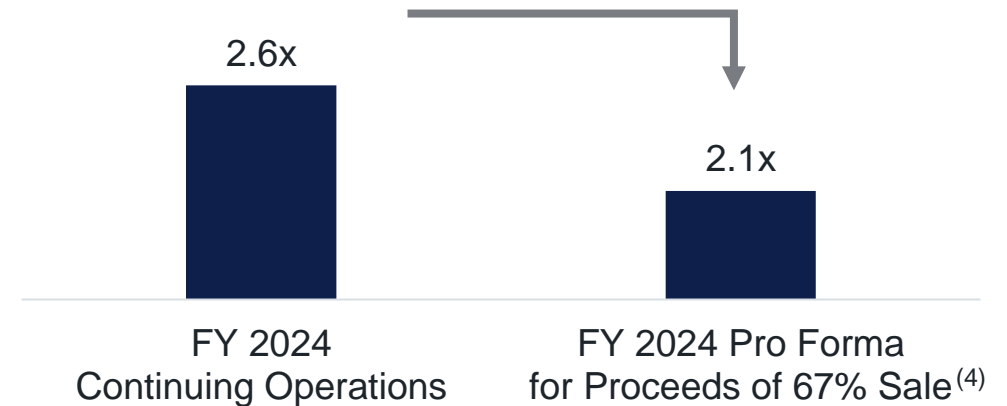
Option to sell remaining 33% in Q4 2028 *(not included in the below calculations)*

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

## Lease Adjusted Net Leverage <sup>(2)</sup>



## 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 on the 2<sup>nd</sup> payment.

(4) Pro forma is as of end of FY 2024, 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 and the remainder are payable in December 2025. 10 Fiscal Year 2024 ended on December 29, 2024 and Fiscal Year 2025 will end on December 28, 2025.



# FY 2024 – Consolidated, Discontinued and Continuing Operations

	Consolidated	Discontinued Operations	Continuing Operations
<i>(in \$ millions, except EPS)</i>			
Restaurant Sales	\$4,392	\$525	\$3,866
Franchise and Other Revenues	\$58	\$0	\$84 <sup>(1)</sup>
<b>Total Revenues</b>	<b>\$4,450</b>	<b>\$525</b>	<b>\$3,950</b>
<b>Restaurant-Level Operating Income</b>	<b>\$623</b>	<b>\$108</b>	<b>\$515</b>
<b>Adjusted Restaurant-Level Operating Income</b> <sup>(2)</sup>	<b>\$623</b>	<b>\$108</b>	<b>\$515</b>
<i>% margin</i>	14.2%		13.3%
<b>GAAP Income from Operations</b>	<b>\$101</b>	<b>(\$39)</b>	<b>\$140</b>
<b>Adjusted Income from Operations</b> <sup>(2)</sup>	<b>\$233</b>	<b>\$34</b>	<b>\$198</b>
<i>% margin</i>	5.2%		5.0%
<b>Adjusted EBITDA</b> <sup>(2)</sup>	<b>\$425</b>	<b>\$57</b>	<b>\$368</b>
<i>% margin</i>	9.6%		9.3%
<b>GAAP Diluted Earnings per Share</b>	<b>(\$1.49)</b>	<b>(\$0.88)</b>	<b>(\$0.61)</b>
<b>Adjusted Diluted Earnings per Share</b> <sup>(2)</sup>	<b>\$1.79</b>	<b>\$0.34</b>	<b>\$1.45</b>

(1) Includes intercompany royalty revenue of \$25.9M.

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



# Guidance Targets

# Full Year 2025 Guidance

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

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

(2) Includes company-owned restaurant openings.

# Capital Expenditures

## \$190M – \$210M FY 2025 Guidance

### FIX THE BASE BUSINESS

Remodels  
Maintenance

**~45%**

### OPEN U.S. NEW UNITS

*18 - 20*  
New U.S. Locations

**~35%**

### INVEST IN INFRASTRUCTURE

Network Capabilities  
IT Foundation

**~20%**



# Q1 2025 Guidance

## Q1 2025

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**U.S. Comparable Sales Growth**

(1.5%) to (0.5%)

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**GAAP Diluted EPS**

\$0.48 to \$0.53

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**Adjusted Diluted EPS <sup>(1)</sup>**

\$0.55 to \$0.60

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



# Question & Answer Session



# Reconciliations

# Restaurant Level Margin

(dollars in thousands)

	THIRTEEN	FOURTEEN	FISCAL YEAR	
	WEEKS ENDED	WEEKS ENDED	DEC 29	DEC 31
Consolidated	DEC 29	DEC 31	DEC 29	DEC 31
	2024	2023	2024	2023
<b>Income from continuing operations</b>	<b>16,197</b>	<b>49,600</b>	<b>139,808</b>	<b>282,769</b>
<i>Operating income margin, continuing operations</i>	<i>1.7%</i>	<i>4.6%</i>	<i>3.5%</i>	<i>6.8%</i>
Less:				
Franchise and other revenues	19,929	23,124	84,131	90,371
Plus:				
Depreciation and amortization	45,146	42,936	175,580	169,266
General and administrative	43,723	62,784	219,383	233,559
Provision for impaired assets and restaurant closings	33,137	34,431	64,291	33,574
<b>Restaurant-level operating income (1)</b>	<b>118,274</b>	<b>166,627</b>	<b>514,931</b>	<b>628,797</b>
<i>Restaurant-level operating margin</i>	<i>12.4%</i>	<i>15.9%</i>	<i>13.3%</i>	<i>15.4%</i>
Adjustments:				
Legal and other matters (2)	-	(3,650)	-	(3,650)
Asset impairments and closure-related charges (3)	-	(2,450)	434	(2,450)
Partner compensation (4)	-	-	-	1,894
<b>Total restaurant-level operating income adjustments</b>	<b>-</b>	<b>(6,100)</b>	<b>434</b>	<b>(4,206)</b>
<b>Adjusted restaurant-level operating income from continuing operations</b>	<b>118,274</b>	<b>160,527</b>	<b>515,365</b>	<b>624,591</b>
<i>Adjusted restaurant-level operating margin, continuing operations</i>	<i>12.4%</i>	<i>15.3%</i>	<i>13.3%</i>	<i>15.3%</i>
Restaurant-level operating income from discontinued operations (5)	30,948	26,255	108,062	117,500
<b>Adjusted restaurant-level operating income, consolidated</b>	<b>149,222</b>	<b>186,782</b>	<b>623,427</b>	<b>742,091</b>
<i>Adjusted restaurant-level operating margin</i>	<i>13.8%</i>	<i>15.9%</i>	<i>14.2%</i>	<i>16.1%</i>

(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:

- 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.
- 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.
- General and administrative expense, which includes primarily non-restaurant-level costs associated with support of the restaurants and other activities at our corporate offices.
- Asset impairment charges and restaurant closing costs, which are not reflective of ongoing restaurant performance in a period.

(2) Reflects changes in legal reserves in connection with certain collective action wage and hour lawsuits.

(3) Lease remeasurement gain within the U.S. segment in connection with closure of three U.S. and two Hong Kong Aussie Grill restaurants and the decision to close 36 predominantly older, underperforming U.S. restaurants (the "2023 Restaurant Closures").

(4) Costs incurred in connection with the transition to a new partner compensation program, with in the U.S. segment.

(5) Does not include any adjustments for the periods presented. Excludes intercompany royalty expense of \$6.5 million, \$6.4 million, \$25.9 million and \$26.4 million for the thirteen weeks ended December 29, 2024 and fourteen weeks ended December 31, 2023 and fiscal years 2024 and 2023, respectively, since the corresponding intercompany royalty revenue is included within Franchise and other revenues from continuing operations and is therefore already excluded from the calculation of restaurant-level operating income.

# Adjusted Operating Income

(dollars in thousands)

	THIRTEEN	FOURTEEN	FISCAL YEAR	
	WEEKS ENDED	WEEKS ENDED	DEC 29	DEC 31
<i>Consolidated</i>	DEC 29	DEC 31	DEC 29	DEC 31
	2024	2023	2024	2023
<b>Income from continuing operations</b>	<b>16,197</b>	<b>49,600</b>	<b>139,808</b>	<b>282,769</b>
<i>Operating income margin, continuing operations</i>	1.7%	4.6%	3.5%	6.8%
Adjustments:				
Total restaurant-level operating income adjustments (1)	-	(6,100)	434	(4,206)
Asset impairments and closure-related charges (2)	30,602	34,822	63,009	28,236
Executive transition costs (3)	-	-	4,121	-
Strategic initiative fees (4)	2,500	-	6,500	-
Foreign currency hedge gains (5)	(15,728)	-	(15,728)	-
Other (6)	-	4,110	-	7,546
<b>Total income from operations adjustments</b>	<b>17,374</b>	<b>32,832</b>	<b>58,336</b>	<b>31,576</b>
<b>Adjusted income from operations, continuing operations</b>	<b>33,571</b>	<b>82,432</b>	<b>198,144</b>	<b>314,345</b>
<i>Adjusted operating income margin, continuing operations</i>	3.5%	7.7%	5.0%	7.5%
Adjusted income from operations, discontinued operations (7)	14,667	7,249	34,446	42,375
<b>Adjusted income from operations, consolidated</b>	<b>48,238</b>	<b>89,681</b>	<b>232,590</b>	<b>356,720</b>
<i>Adjusted operating income margin</i>	4.4%	7.5%	5.2%	7.6%

(1) See Restaurant Level Margins non-GAAP reconciliations for details regarding restaurant-level operating income adjustments.

(2) The thirteen weeks and fiscal year ended December 29, 2024, include asset impairment related to 41 older, underperforming restaurants, within the U.S. segment. Fiscal year 2024, includes asset impairment, closure costs and severance primarily related to the 2023 Restaurant Closures, within the U.S. segment and the closure of nine restaurants in Hong Kong. The fourteen weeks and fiscal year ended December 31, 2023, include asset impairment, closure costs and severance primarily related to the 2023 Restaurant Closures, primarily within the U.S. segment.

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

(4) 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.

(5) Gains in connection with the foreign currency forward contracts to partially offset the risk associated with the payments from the sale of our Brazil operations.

(6) Primarily includes professional fees, severance and other costs not correlated to our core operating performance during the period.

(7) Includes operating income from our Brazil operations for the periods presented, including intercompany royalty expense. For 2024, includes non-GAAP adjustments of \$68.3 million for impairment of assets held for sale, \$3.3 million of transaction related professional fees and \$1.5 million of other impairment.

# Adjusted EBITDA

(dollars in thousands)

	THIRTEEN	FOURTEEN	FISCAL YEAR	
	WEEKS ENDED	WEEKS ENDED	DEC 29	DEC 31
	DEC 29	DEC 31	DEC 29	DEC 31
	2024	2023	2024	2023
<b>Adjusted income from operations, continuing operations</b>	<b>33,571</b>	<b>82,432</b>	<b>198,144</b>	<b>314,345</b>
<i>Adjusted operating income margin, continuing operations</i>	<i>3.5%</i>	<i>7.7%</i>	<i>5.0%</i>	<i>7.5%</i>
Plus:				
Depreciation and amortization	45,146	42,936	175,580	169,266
Less:				
Noncontrolling Interest from minority partnerships	1,924	2,283	5,363	7,028
<b>Adjusted EBITDA, continuing operations</b>	<b>76,793</b>	<b>123,085</b>	<b>368,361</b>	<b>476,583</b>
Adjusted EBITDA, discontinued operations	18,278	13,619	56,637	64,280
<b>Adjusted EBITDA, consolidated</b>	<b>95,071</b>	<b>136,704</b>	<b>424,998</b>	<b>540,863</b>

# 2024 Quarterly Adjusted Net Income & EPS

(dollars in thousands)

	THIRTEEN WEEKS ENDED	THIRTEEN WEEKS ENDED	THIRTEEN WEEKS ENDED	THIRTEEN WEEKS ENDED	FIFTY-TWO WEEKS ENDED
	MAR 31	JUN 30	SEP 29	DEC 29	DEC 29
	2024	2024	2024	2024	2024
<b>Net (loss) income attributable to Bloomin' Brands</b>	<b>(83,872)</b>	<b>28,403</b>	<b>6,912</b>	<b>(79,461)</b>	<b>(128,018)</b>
Net (loss) income from discontinued operations, net of tax	2,908	3,655	7,577	(90,122)	(75,982)
Net (loss) income attributable to Bloomin' Brands from continuing operations (1)	(86,780)	24,748	(665)	10,661	(52,036)
Adjustments:					
Asset impairments and closure-related charges (2)	12,955	14,759	5,127	30,602	63,443
Executive transition costs (3)	-	-	4,121	-	4,121
Strategic initiative fees (4)	-	1,000	3,000	2,500	6,500
Foreign currency hedge gains (5)	-	-	-	(15,728)	(15,728)
Income from operations adjustments	12,955	15,759	12,248	17,374	58,336
Loss on extinguishment of debt (6)	135,797	-	-	-	135,797
<b>Total adjustments, before income taxes</b>	<b>148,752</b>	<b>15,759</b>	<b>12,248</b>	<b>17,374</b>	<b>194,133</b>
Adjustment to provision for income taxes (7)	(1,044)	(752)	(2,098)	(9,107)	(13,001)
<b>Net adjustments, continuing operations</b>	<b>147,708</b>	<b>15,007</b>	<b>10,150</b>	<b>8,267</b>	<b>181,132</b>
<b>Adjusted net income, continuing operations</b>	<b>60,928</b>	<b>39,755</b>	<b>9,485</b>	<b>18,928</b>	<b>129,096</b>
Adjusted net income, discontinued operations (8)	2,584	5,272	8,667	13,723	30,246
<b>Adjusted net income</b>	<b>63,512</b>	<b>45,027</b>	<b>18,152</b>	<b>32,651</b>	<b>159,342</b>
Diluted (loss) earnings per share					
Continuing operations	(1.00)	0.28	(0.01)	0.12	(0.61)
Discontinued operations	0.03	0.04	0.09	(1.05)	(0.88)
<b>Diluted (loss) earnings per share</b>	<b>(\$0.96)</b>	<b>\$0.32</b>	<b>\$0.08</b>	<b>(\$0.93)</b>	<b>(\$1.49)</b>
Adjusted diluted earnings per share					
Continuing operations	0.64	0.45	0.11	0.22	1.45
Discontinued operations	0.03	0.06	0.10	0.16	0.34
<b>Adjusted diluted earnings per share (9)(10)</b>	<b>\$0.67</b>	<b>\$0.51</b>	<b>\$0.21</b>	<b>\$0.38</b>	<b>\$1.79</b>
Diluted weighted average common shares outstanding	87,024	88,632	85,063	85,428	85,905
Adjusted diluted weighted average common shares outstanding (9)(10)	95,376	88,632	86,164	85,428	88,900

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

(2) Includes asset impairment, closure costs and severance primarily in connection with: (i) the closure of 36 older, predominately underperforming restaurants during Q1 2024, (ii) the Q2 2024 decision to close of nine restaurants in Hong Kong and (iii) 41 older, underperforming restaurants during Q4 2024.

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

(4) 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 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.

(5) Gains in connection with the foreign exchange forward contracts entered into to partially offset foreign currency exchange risk associated with installment payments from the sale of our business in Brazil.

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

(7) 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. For Q1 2024 and fiscal year 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.

(8) Includes net (loss) income from our Brazil operations for the periods presented. For Q4 and fiscal year 2024, includes and adjustments of \$68.3 million for impairment of assets held for sale, \$33.8 million of deferred income tax expense resulting from the Brazil sale, \$3.3 million of transaction related professional fees, \$1.5 million of other impairment and the tax effects of non-GAAP adjustments.

(9) Adjusted diluted weighted average common shares outstanding for the thirteen weeks ended March 31, 2024, June 30, 2024, September 29, 2024 and December 29, 2024 and fiscal year 2024 of 4.3 million, 1.0 million, 0.7 million, 0.5 million and 1.6 million dilutive securities, respectively, for outstanding 2025 Notes and the effect of 3.1 million, 0.6 million, 0.3 million, zero and 1.0 million dilutive securities, respectively, for the Warrant Transactions, as defined below. In connection with the offering of the 2025 Notes, we entered into convertible note hedge transactions (the "Convertible Note Hedge Transactions") and concurrently entered into warrant transactions relating to the same number of shares of our common stock (the "Warrant Transactions"). If our stock price is in excess of the conversion price of the 2025 Notes, the Convertible Note Hedge Transactions deliver shares to offset dilution from the 2025 Notes, which, in combination with the Warrant Transactions, effectively offset dilution from the 2025 Notes up to the strike price of the Warrant Transactions). Adjusted diluted earnings per share and adjusted diluted weighted average common shares outstanding for the thirteen weeks ended March 31, 2024 has been recast to remove the 4.3 million share benefit of the Convertible Note Hedge Transactions which was previously included as a non-GAAP share adjustment.

(10) Due to a GAAP net loss from continuing operations for the thirteen weeks ended March 31, 2024 and September 29, 2024 and fiscal year 2024, antidilutive securities are excluded from diluted weighted average common shares outstanding for the fiscal year 2024. However, considering the adjusted net income position, adjusted diluted weighted average common shares outstanding incorporates securities that would have been dilutive for GAAP.

# Net Leverage Reconciliations – Adjusted and Pro Forma

(dollars in thousands)

	<b>FY 2024 Continuing Operations</b>	<b>Brazil Proceeds from 67% Sale</b>	<b>FY 2024 Pro Forma for Proceeds of 67% Sale</b>
Long-term debt, net	1,027,398		1,027,398
Cash	(70,056)	(199,702) <sup>(1)</sup>	(269,758)
<b>Net Debt</b>	<b>957,342</b>		<b>757,640</b>
Current operating lease liabilities	158,806		158,806
Non-current operating lease liabilities	1,088,518		1,088,518
<b>Total operating lease liabilities</b>	<b>1,247,324</b>		<b>1,247,324</b>
<b>Total Net Debt and Operating Lease Liabilities</b>	<b>2,204,666</b>		<b>2,004,964</b>
<b>Adjusted EBITDA</b> <sup>(2)</sup>	<b>368,361</b>		<b>368,361</b>
Rent Expense	187,844		187,844
<b>Adjusted EBITDAR</b>	<b>556,205</b>		<b>556,205</b>
<b>Lease Adjusted Net Leverage</b>	<b>4.0x</b>		<b>3.6x</b>
<b>Net Debt / Adjusted EBITDA</b>	<b>2.6x</b>		<b>2.1x</b>

(1) Net of transaction fees, expenses and withholding taxes.  
(2) Refer to Adjusted EBITDA reconciliation earlier in this presentation