



**BRINKER INTERNATIONAL, INC.**  
**Consolidated Statements of Income (Unaudited)**

(In millions excepts per share amounts)	Q1 F20						Q2 F20					
	Reported	%	Special Items <sup>(a)</sup>	Discrete Tax Item <sup>(b)</sup>	Adjusted	%	Reported	%	Special Items <sup>(a)</sup>	Discrete Tax Item <sup>(b)</sup>	Adjusted	%
<b>Revenues</b>												
Company sales	\$ 763.9	97.2 %			\$ 763.9	97.2%	\$ 847.5	97.5 %			\$ 847.5	97.5 %
Franchise and other revenues <sup>(1)</sup>	22.1	2.8 %			22.1	2.8%	21.8	2.5 %			21.8	2.5 %
<b>Total revenues</b>	<b>786.0</b>	<b>100.0 %</b>			<b>786.0</b>	<b>100.0%</b>	<b>869.3</b>	<b>100.0 %</b>			<b>869.3</b>	<b>100.0 %</b>
<b>Operating costs and expenses</b>												
Food and beverage costs <sup>(2)</sup>	203.8	26.7 %			203.8	26.7%	223.1	26.3 %			223.1	26.3 %
Restaurant labor <sup>(2)</sup>	268.5	35.2 %			268.5	35.2%	291.8	34.4 %			291.8	34.4 %
Restaurant expenses <sup>(2)</sup>	207.3	27.1 %			207.3	27.1%	224.7	26.6 %			224.7	26.6 %
Depreciation and amortization <sup>(3)</sup>	38.1	4.8 %	\$ (1.5)		36.6	4.7%	39.3	4.5 %	\$ (1.5)		37.8	4.3 %
General and administrative <sup>(3)</sup>	38.0	4.8 %			38.0	4.8%	34.6	4.0 %			34.6	4.0 %
Other (gains) and charges <sup>(3)</sup>	(0.9)	(0.1)%	0.9		—	—%	12.3	1.4 %	(12.3)		—	— %
<b>Total operating costs and expenses</b>	<b>754.8</b>	<b>96.0 %</b>	<b>(0.6)</b>		<b>754.2</b>	<b>96.0%</b>	<b>825.8</b>	<b>95.0 %</b>	<b>(13.8)</b>		<b>812.0</b>	<b>93.4 %</b>
<b>Operating income</b>	<b>31.2</b>	<b>4.0 %</b>	<b>0.6</b>		<b>31.8</b>	<b>4.0%</b>	<b>43.5</b>	<b>5.0 %</b>	<b>13.8</b>		<b>57.3</b>	<b>6.6 %</b>
Interest expenses	14.9	1.9 %			14.9	1.9%	15.0	1.8 %			15.0	1.8 %
Other (income), net	(0.5)	0.0 %			(0.5)	0.0%	(0.5)	(0.1)%			(0.5)	(0.1)%
Income before income taxes	16.8	2.1 %	0.6		17.4	2.2%	29.0	3.3 %	13.8		42.8	4.9 %
Provision (benefit) for income taxes <sup>(4)</sup>	1.9	11.3 %	0.2	\$ (0.2)	1.9	10.5%	1.1	3.8 %	3.3	\$ 0.0	4.4	10.5 %
<b>Net income</b>	<b>\$ 14.9</b>	<b>1.9 %</b>	<b>\$ 0.4</b>	<b>\$ 0.2</b>	<b>\$ 15.5</b>	<b>2.0%</b>	<b>\$ 27.9</b>	<b>3.2 %</b>	<b>\$ 10.5</b>	<b>\$ 0.0</b>	<b>\$ 38.4</b>	<b>4.4 %</b>
Basic net income per share	\$ 0.40		\$ 0.01	\$ 0.00	\$ 0.41		\$ 0.75		\$ 0.28	\$ 0.00	\$ 1.03	
Diluted net income per share	\$ 0.39		\$ 0.01	\$ 0.01	\$ 0.41		\$ 0.73		\$ 0.28	\$ 0.00	\$ 1.01	
Basic weighted average shares outstanding	37.5		37.5	37.5	37.5		37.4		37.4	37.4	37.4	
Diluted weighted average shares outstanding	38.1		38.1	38.1	38.1		38.1		38.1	38.1	38.1	



**BRINKER INTERNATIONAL, INC.**  
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(In millions excepts per share amounts)	Q3 F20 <sup>(c)</sup>						Q4 F20 <sup>(c)</sup>					
	Reported	%	Special Items <sup>(a)</sup>	Discrete Tax Item <sup>(b)</sup>	Adjusted	%	Reported	%	Special Items <sup>(a)</sup>	Discrete Tax Item <sup>(b)</sup>	Adjusted	%
<b>Revenues</b>												
Company sales	\$ 840.4	97.7 %			\$ 840.4	97.7 %	\$ 553.1	98.2 %			\$ 553.1	98.2 %
Franchise and other revenues <sup>(1)</sup>	19.6	2.3 %			19.6	2.3 %	10.1	1.8 %			10.1	1.8 %
<b>Total revenues</b>	<b>860.0</b>	<b>100.0 %</b>			<b>860.0</b>	<b>100.0 %</b>	<b>563.2</b>	<b>100.0 %</b>			<b>563.2</b>	<b>100.0 %</b>
<b>Operating costs and expenses</b>												
Food and beverage costs <sup>(2)</sup>	226.7	27.0 %			226.7	27.0 %	145.0	26.2 %			145.0	26.2 %
Restaurant labor <sup>(2)</sup>	285.9	34.0 %			285.9	34.0 %	199.3	36.0 %			199.3	36.0 %
Restaurant expenses <sup>(2)</sup>	220.2	26.2 %			220.2	26.2 %	173.6	31.4 %			173.6	31.4 %
Depreciation and amortization <sup>(3)</sup>	43.5	5.1 %	\$ (4.4)		39.1	4.5 %	41.4	7.4 %	\$ (2.4)		39.0	6.9 %
General and administrative <sup>(3)</sup>	23.3	2.7 %			23.3	2.7 %	40.4	7.2 %			40.4	7.2 %
Other (gains) and charges <sup>(3)</sup>	19.3	2.2 %	(19.3)		—	— %	16.7	3.0 %	(16.7)		—	— %
<b>Total operating costs and expenses</b>	<b>818.9</b>	<b>95.2 %</b>	<b>(23.7)</b>		<b>795.2</b>	<b>92.5 %</b>	<b>616.4</b>	<b>109.4 %</b>	<b>(19.1)</b>		<b>597.3</b>	<b>106.1 %</b>
<b>Operating income (loss)</b>	<b>41.1</b>	<b>4.8 %</b>	<b>23.7</b>		<b>64.8</b>	<b>7.5 %</b>	<b>(53.2)</b>	<b>(9.4)%</b>	<b>19.1</b>		<b>(34.1)</b>	<b>(6.1)%</b>
<b>Interest expenses</b>	<b>14.3</b>	<b>1.7 %</b>			<b>14.3</b>	<b>1.7 %</b>	<b>15.4</b>	<b>2.8 %</b>			<b>15.4</b>	<b>2.8 %</b>
<b>Other (income), net</b>	<b>(0.4)</b>	<b>(0.1)%</b>			<b>(0.4)</b>	<b>(0.1)%</b>	<b>(0.5)</b>	<b>(0.1)%</b>			<b>(0.5)</b>	<b>(0.1)%</b>
<b>Income (loss) before income taxes</b>	<b>27.2</b>	<b>3.2 %</b>	<b>23.7</b>		<b>50.9</b>	<b>5.9 %</b>	<b>(68.1)</b>	<b>(12.1)%</b>	<b>19.1</b>		<b>(49.0)</b>	<b>(8.7)%</b>
<b>Provision (benefit) for income taxes <sup>(4)</sup></b>	<b>(3.6)</b>	<b>(13.2)%</b>	<b>6.0</b>	<b>\$ —</b>	<b>2.4</b>	<b>4.7 %</b>	<b>(18.9)</b>	<b>27.8 %</b>	<b>4.8</b>	<b>\$ 0.9</b>	<b>(13.2)</b>	<b>26.9 %</b>
<b>Net income (loss)</b>	<b>\$ 30.8</b>	<b>3.6 %</b>	<b>\$ 17.7</b>	<b>\$ —</b>	<b>\$ 48.5</b>	<b>5.6 %</b>	<b>\$ (49.2)</b>	<b>(8.7)%</b>	<b>\$ 14.3</b>	<b>\$ (0.9)</b>	<b>\$ (35.8)</b>	<b>(6.4)%</b>
<b>Basic net income (loss) per share</b>	<b>\$ 0.83</b>		<b>\$ 0.47</b>	<b>\$ —</b>	<b>\$ 1.30</b>		<b>\$ (1.20)</b>		<b>\$ 0.34</b>	<b>\$ (0.02)</b>	<b>\$ (0.88)</b>	
<b>Diluted net income (loss) per share</b>	<b>\$ 0.81</b>		<b>\$ 0.47</b>	<b>\$ —</b>	<b>\$ 1.28</b>		<b>\$ (1.20)</b>		<b>\$ 0.34</b>	<b>\$ (0.02)</b>	<b>\$ (0.88)</b>	
<b>Basic weighted average shares outstanding</b>	<b>37.2</b>		<b>37.2</b>	<b>37.2</b>	<b>37.2</b>		<b>40.9</b>		<b>40.9</b>	<b>40.9</b>	<b>40.9</b>	
<b>Diluted weighted average shares outstanding</b>	<b>37.8</b>		<b>37.8</b>	<b>37.8</b>	<b>37.8</b>		<b>40.9</b>		<b>40.9</b>	<b>40.9</b>	<b>40.9</b>	



**BRINKER INTERNATIONAL, INC.**  
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(In millions excepts per share amounts)	YTD F20 <sup>(c)</sup>					
	Reported	%	Special Items <sup>(a)</sup>	Discrete Tax Item <sup>(b)</sup>	Adjusted	%
<b>Revenues</b>						
Company sales	\$ 3,004.9	97.6 %			\$ 3,004.9	97.6 %
Franchise and other revenues <sup>(1)</sup>	73.6	2.4 %			73.6	2.4 %
<b>Total revenues</b>	<b>3,078.5</b>	<b>100.0 %</b>			<b>3,078.5</b>	<b>100.0 %</b>
<b>Operating costs and expenses</b>						
Food and beverage costs <sup>(2)</sup>	798.6	26.6 %			798.6	26.6 %
Restaurant labor <sup>(2)</sup>	1,045.5	34.8 %			1,045.5	34.8 %
Restaurant expenses <sup>(2)</sup>	825.8	27.5 %			825.8	27.5 %
Depreciation and amortization <sup>(3)</sup>	162.3	5.3 %	\$ (9.8)		152.5	5.0 %
General and administrative <sup>(3)</sup>	136.3	4.4 %			136.3	4.4 %
Other (gains) and charges <sup>(3)</sup>	47.4	1.5 %	(47.4)		—	— %
<b>Total operating costs and expenses</b>	<b>3,015.9</b>	<b>98.0 %</b>	<b>(57.2)</b>		<b>2,958.7</b>	<b>96.1 %</b>
<b>Operating income</b>	<b>62.6</b>	<b>2.0 %</b>	<b>57.2</b>		<b>119.8</b>	<b>3.9 %</b>
Interest expenses	59.6	1.9 %			59.6	1.9 %
Other (income), net	(1.9)	(0.1)%			(1.9)	(0.1)%
Income before income taxes	4.9	0.2 %	57.2		62.1	2.1 %
Provision (benefit) for income taxes <sup>(4)</sup>	(19.5)	(398.0)%	14.3	\$ 0.7	(4.5)	(7.3)%
<b>Net income</b>	<b>\$ 24.4</b>	<b>0.8 %</b>	<b>\$ 42.9</b>	<b>\$ (0.7)</b>	<b>\$ 66.6</b>	<b>2.2 %</b>
Basic net income per share	\$ 0.64		\$ 1.12	\$ (0.02)	\$ 1.74	
Diluted net income per share	\$ 0.63		\$ 1.10	\$ (0.02)	\$ 1.71	
Basic weighted average shares outstanding	38.2		38.2	38.2	38.2	
Diluted weighted average shares outstanding	38.9		38.9	38.9	38.9	



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**Footnotes:**

- (a) Non-GAAP information excluding the impact of Special Items is provided to allow the reader to gain insight into the Company's ongoing operations. Special Items in the first, second, third and fourth quarters of fiscal 2020 consists of incremental depreciation expense of \$1.5 million, \$1.5 million, \$4.4 million, and \$2.4 million, respectively, totaling \$9.8 million in the year-to-date period associated with a change in estimated useful life of certain restaurant-level long-lived assets, and a net gain of \$0.9 million, net charges of \$12.3 million, \$19.3 million, and \$16.7 million, respectively, totaling \$47.4 million in the year-to-date period associated with Other (gains) and charges. Please refer to the Form 10-K for further details.
- (b) Discrete tax items in the first quarter primarily related to the statute expiration of liabilities established for uncertain tax positions and the tax impact of excess tax shortfalls associated with stock-based compensation. In the second and third quarters discrete tax items were de minimus. Discrete tax items in the fourth quarter primarily related to additional tax benefit of prior year return claim amendments as allowed by the CARES Act.
- (c) Q3, Q4 and YTD F20 results included the impact from COVID-19 related traffic declines and temporary closures. Please refer to our F'20 Form 10-K for further details.
- (1) Franchise and other revenues include royalties, gift card breakage, Maggiano's banquet service charge income, advertising fees, delivery fee income, digital entertainment revenue, gift card equalization, franchise and development fees, merchandise income, retail royalty revenues, and gift card discount costs from third party gift card sales.
- (2) As a percentage of Company sales.
- (3) As a percentage of Total revenues.
- (4) As a percentage of Income before provision for income taxes.