



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

(In millions excepts per share amounts)	Q1 F21 ^(c)						Q2 F21 ^(c)					
	Reported	%	Special Items ^(a)	Discrete Tax Item ^(b)	Adjusted	%	Reported	%	Special Items ^(a)	Discrete Tax Item	Adjusted	%
Revenues												
Company sales	\$ 728.2	98.4 %			\$ 728.2	98.4 %	\$ 746.2	98.1 %			\$ 746.2	98.1 %
Franchise and other revenues ⁽¹⁾	11.9	1.6 %			11.9	1.6 %	14.5	1.9 %			14.5	1.9 %
Total revenues	740.1	100.0 %			740.1	100.0 %	760.7	100.0 %			760.7	100.0 %
Operating costs and expenses												
Food and beverage costs ⁽²⁾	193.5	26.6 %			193.5	26.6 %	198.9	26.7 %			198.9	26.7 %
Restaurant labor ⁽²⁾	248.0	34.0 %			248.0	34.0 %	255.8	34.3 %			255.8	34.3 %
Restaurant expenses ⁽²⁾	202.5	27.8 %			202.5	27.8 %	211.3	28.3 %			211.3	28.3 %
Depreciation and amortization ⁽³⁾	37.4	5.1 %	\$ (0.2)		37.2	5.0 %	37.2	4.9 %	\$ (0.1)		37.1	4.9 %
General and administrative ⁽³⁾	30.5	4.1 %			30.5	4.1 %	30.0	3.9 %			30.0	3.9 %
Other (gains) and charges ⁽³⁾	3.8	0.5 %	(3.8)		—	— %	5.4	0.7 %	(5.4)		—	— %
Total operating costs and expenses	715.7	96.7 %	(4.0)		711.7	96.2 %	738.6	97.1 %	(5.5)		733.1	96.4 %
Operating income	24.4	3.3 %	4.0		28.4	3.8 %	22.1	2.9 %	5.5		27.6	3.6 %
Interest expenses	14.6	2.0 %			14.6	2.0 %	14.4	1.9 %			14.4	1.9 %
Other income, net	(0.4)	(0.1)%			(0.4)	(0.1)%	(0.5)	(0.1)%			(0.5)	(0.1)%
Income before income taxes	10.2	1.4 %	4.0		14.2	1.9 %	8.2	1.1 %	5.5		13.7	1.8 %
Provision (benefit) for income taxes ⁽⁴⁾	(0.5)	(4.9)%	1.0	\$ 0.8	1.3	9.0 %	(3.8)	(46.3)%	1.4	\$ 0.0	(2.4)	(17.6)%
Net income	\$ 10.7	1.4 %	\$ 3.0	\$ (0.8)	\$ 12.9	1.7 %	\$ 12.0	1.6 %	\$ 4.1	\$ 0.0	\$ 16.1	2.1 %
Basic net income per share	\$ 0.24		\$ 0.07	\$ (0.02)	\$ 0.29		\$ 0.26		\$ 0.09	\$ 0.00	\$ 0.35	
Diluted net income per share	\$ 0.23		\$ 0.07	\$ (0.02)	\$ 0.28		\$ 0.26		\$ 0.09	\$ 0.00	\$ 0.35	
Basic weighted average shares outstanding	45.1		45.1	45.1	45.1		45.3		45.3	45.3	45.3	
Diluted weighted average shares outstanding	45.7		45.7	45.7	45.7		46.1		46.1	46.1	46.1	



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(In millions excepts per share amounts)	Q3 F21 ^(c)						Q4 F21					
	Reported	%	Special Items ^(a)	Discrete Tax Item ^(b)	Adjusted	%	Reported	%	Special Items ^(a)	Discrete Tax Item ^(b)	Adjusted	%
Revenues												
Company sales	\$ 813.7	98.2 %			\$ 813.7	98.2 %	\$ 990.9	98.2 %			\$ 990.9	98.2 %
Franchise and other revenues ⁽¹⁾	14.7	1.8 %			14.7	1.8 %	17.7	1.8 %			17.7	1.8 %
Total revenues	828.4	100.0 %			828.4	100.0 %	1,008.6	100.0 %			1,008.6	100.0 %
Operating costs and expenses												
Food and beverage costs ⁽²⁾	213.9	26.3 %			213.9	26.3 %	261.5	26.4 %			261.5	26.4 %
Restaurant labor ⁽²⁾	270.8	33.3 %			270.8	33.3 %	333.6	33.6 %			333.6	33.6 %
Restaurant expenses ⁽²⁾	216.1	26.5 %			216.1	26.5 %	228.6	23.1 %			228.6	23.1 %
Depreciation and amortization ⁽³⁾	37.4	4.5 %	\$ (0.1)		37.3	4.5 %	38.2	3.8 %	\$ (0.2)		38.0	3.8 %
General and administrative ⁽³⁾	33.7	4.1 %			33.7	4.1 %	40.6	4.0 %			40.6	4.0 %
Other (gains) and charges ⁽³⁾	4.3	0.5 %	(4.3)		—	— %	5.5	0.5 %	(5.5)		—	— %
Total operating costs and expenses	776.2	93.7 %	(4.4)		771.8	93.2 %	908.0	90.0 %	(5.7)		902.3	89.5 %
Operating income	52.2	6.3 %	4.4		56.6	6.8 %	100.6	10.0 %	5.7		106.3	10.5 %
Interest expenses	14.1	1.7 %			14.1	1.7 %	13.1	1.3 %			13.1	1.3 %
Other income, net	(0.3)	0.0 %			(0.3)	0.0 %	(0.9)	(0.1)%			(0.9)	(0.1)%
Income before income taxes	38.4	4.6 %	4.4		42.8	5.2 %	88.4	8.8 %	5.7		94.1	9.3 %
Provision for income taxes ⁽⁴⁾	4.5	11.7 %	1.1	\$ 0.8	6.4	15.0 %	13.4	15.2 %	1.4	\$ (0.7)	14.1	15.0 %
Net income	\$ 33.9	4.1 %	\$ 3.3	\$ (0.8)	\$ 36.4	4.4 %	\$ 75.0	7.4 %	\$ 4.3	\$ 0.7	\$ 80.0	7.9 %
Basic net income per share	\$ 0.74		\$ 0.08	\$ (0.02)	\$ 0.80		\$ 1.64		\$ 0.09	\$ 0.02	\$ 1.75	
Diluted net income per share	\$ 0.73		\$ 0.07	\$ (0.02)	\$ 0.78		\$ 1.58		\$ 0.09	\$ 0.01	\$ 1.68	
Basic weighted average shares outstanding	45.5		45.5	45.5	45.5		45.8		45.8	45.8	45.8	
Diluted weighted average shares outstanding	46.7		46.7	46.7	46.7		47.6		47.6	47.6	47.6	



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	YTD F21 ^(c)					
	Reported	%	Special Items ^(a)	Discrete Tax Item ^(b)	Adjusted	%
(In millions excepts per share amounts)						
Revenues						
Company sales	\$ 3,279.0	98.2 %			\$ 3,279.0	98.2 %
Franchise and other revenues ⁽¹⁾	58.8	1.8 %			58.8	1.8 %
Total revenues	3,337.8	100.0 %			3,337.8	100.0 %
Operating costs and expenses						
Food and beverage costs ⁽²⁾	867.8	26.4 %			867.8	26.4 %
Restaurant labor ⁽²⁾	1,108.2	33.8 %			1,108.2	33.8 %
Restaurant expenses ⁽²⁾	858.5	26.2 %			858.5	26.2 %
Depreciation and amortization ⁽³⁾	150.2	4.5 %	\$ (0.6)		149.6	4.5 %
General and administrative ⁽³⁾	134.8	4.0 %			134.8	4.0 %
Other (gains) and charges ⁽³⁾	19.0	0.6 %	(19.0)		—	— %
Total operating costs and expenses	3,138.5	94.0 %	(19.6)		3,118.9	93.4 %
Operating income	199.3	6.0 %	19.6		218.9	6.6 %
Interest expenses	56.2	1.7 %			56.2	1.7 %
Other income, net	(2.1)	(0.1)%			(2.1)	(0.1)%
Income before income taxes	145.2	4.4 %	19.6		164.8	4.9 %
Provision for income taxes ⁽⁴⁾	13.6	9.4 %	4.9	\$ 0.9	19.4	11.8 %
Net income	\$ 131.6	3.9 %	\$ 14.7	\$ (0.9)	\$ 145.4	4.4 %
Basic net income per share	\$ 2.89		\$ 0.32	\$ (0.01)	\$ 3.20	
Diluted net income per share	\$ 2.83		\$ 0.31	\$ (0.02)	\$ 3.12	
Basic weighted average shares outstanding	45.5		45.5	45.5	45.5	
Diluted weighted average shares outstanding	46.6		46.6	46.6	46.6	



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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 2021 consists of net charges of \$3.8 million, \$5.4 million, \$4.3 million and \$5.5 million, respectively, totaling \$19.0 million in the year-to-date period associated with Other (gains) and charges and incremental depreciation expense of \$0.2 million, \$0.1 million, \$0.1 million and \$0.2 million, respectively, totaling \$0.6 million in the year-to-date period associated with a change in estimated useful life of certain restaurant-level long-lived assets. Please refer to the F21 Form 10-K for further details.
- (b) Discrete tax items in the first and third quarters primarily relate to the excess tax windfalls associated with stock-based compensation. In the fourth quarter, discrete tax items primarily relate to an increase in unrecognized tax benefits, partially offset by excess tax windfalls associated with stock-based compensation.
- (c) Q1 - Q3 and YTD F21 results include the impacts of the COVID-19 pandemic. Please refer to our F21 Form 10-K for further details.
- (1) Franchise and other revenues include royalties, delivery service income, gift card breakage, digital entertainment revenue, Maggiano's banquet service charge income, franchise advertising fees, franchise and development fees, gift card equalization, merchandise income, 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 income taxes.