Q4 and Fiscal Year 2020 Financial Results

March 3, 2021

Disclaimer

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934. These statements include, but are not limited to, statements contained under “Fiscal 2021 Outlook” as well as other statements related to our current beliefs and expectations regarding the performance of our industry, the Company's strategic direction, market position, prospects and future results. You can identify these forward-looking statements by the use of words such as “outlook,” “guidance,” “believes,” “expects,” “potential,” “continues,” “may,” “will,” “should,” “could,” “seeks,” “projects,” “predicts,” “intends,” “plans,” “estimates,” “anticipates” or the negative version of these words or other comparable words. Caution should be taken not to place undue reliance on any forward-looking statement as such statements speak only as of the date when made. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

Forward-looking statements are not guarantees and are subject to various risks and uncertainties, which may cause actual results to differ materially from those implied in forward-looking statements. Such factors include, but are not limited to, the COVID-19 pandemic and its resurgence, and the impact of evolving federal, state, and local governmental actions in response thereto; customer behavior in response to the continuing pandemic and its resurgence, including the impact of such behavior on in-store traffic and sales; our ability to keep our reopened stores open in a safe and cost-effective manner, or at all, in light of the continuing COVID-19 pandemic and its resurgence; our ability to recruit and retain vision care professionals for our stores in general and in light of the pandemic; our ability to develop, maintain and extend relationships with managed vision care companies, vision insurance providers and other third-party payors; our ability to maintain the performance of our host and legacy brands and our current operating relationships with our host and legacy partners; our ability to adhere to extensive state, local and federal vision care and healthcare laws and regulations; our compliance with managed vision care laws and regulations; our ability to maintain sufficient levels of cash flow from our operations to execute or sustain our growth strategy or obtain additional financing at satisfactory terms or at all; the loss of, or disruption in the operations of, one or more of our distribution centers and/or optical laboratories, resulting in the inability to fulfill customer orders and deliver our products in a timely manner; risks associated with vendors from whom our products are sourced, including our dependence on a limited number of suppliers; our ability to compete successfully; our ability to effectively operate our information technology systems and prevent interruption or security breach; our growth strategy straining our existing resources and causing the performance of our existing stores to suffer; the impact of wage rate increases, inflation, cost increases and increases in raw material prices and energy prices; our ability to successfully implement our marketing, advertising and promotional efforts; risks associated with leasing substantial amounts of space, including future increases in occupancy costs; the impact of certain technological advances, and the greater availability of, or increased consumer preferences for, vision correction alternatives to prescription eyeglasses or contact lenses, and future drug development for the correction of vision-related problems; our ability to retain our existing senior management team and attract qualified new personnel; overall decline in the health of the economy and other factors impacting consumer spending; our ability to manage our inventory; seasonal fluctuations in our operating results and inventory levels; our reliance on third-party coverage and reimbursement, including government programs, for an increasing portion of our revenues; risks associated with our e-commerce and omni-channel business; product liability, product recall or personal injury issues; our failure to comply with, or changes in, laws, regulations, enforcement activities and other requirements; the impact of any adverse litigation judgments or settlements resulting from legal proceedings relating to our business operations; risk of losses arising from our investments in technological innovators in the optical retail industry; our ability to adequately protect our intellectual property; our significant amount of indebtedness and our ability to generate sufficient cash flow to satisfy our debt obligations; a change in interest rates as well as changes in benchmark rates and uncertainty related to the foregoing; restrictions in our credit agreement that limits our flexibility in operating our business; potential dilution to existing stockholders upon the conversion of our convertible notes; and risks related to owning our common stock, including our ability to comply with requirements to design and implement and maintain effective internal controls. Additional information about these and other factors that could cause National Vision’s results to differ materially from those described in the forward-looking statements can be found in filings by National Vision with the Securities and Exchange Commission ("SEC"), including our latest Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, which are accessible on the SEC’s website at *www.sec.gov*. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this presentation and in our filings with the SEC.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures designed to supplement, and not substitute, the financial information presented in accordance with generally accepted accounting principles in the United States of America ("GAAP") because management believes such measures are useful to investors. Additional information about these measures and a reconciliation to the nearest GAAP financial measures is provided in the appendix to this presentation and detailed in National Vision’s press release for the fourth quarter of 2020, which is available at www.nationalvision.com/investors, together with this presentation.

Agenda

Topic	Presenter
2020 Highlights and Business Update	Reade Fahs, CEO
Fourth Quarter and Fiscal Year 2020 Financial Update	Patrick Moore, CFO
Moment of Mission	Reade Fahs, CEO
Q&A	

Reade Fahs
CEO

Patrick Moore
CFO

2020 Reflections

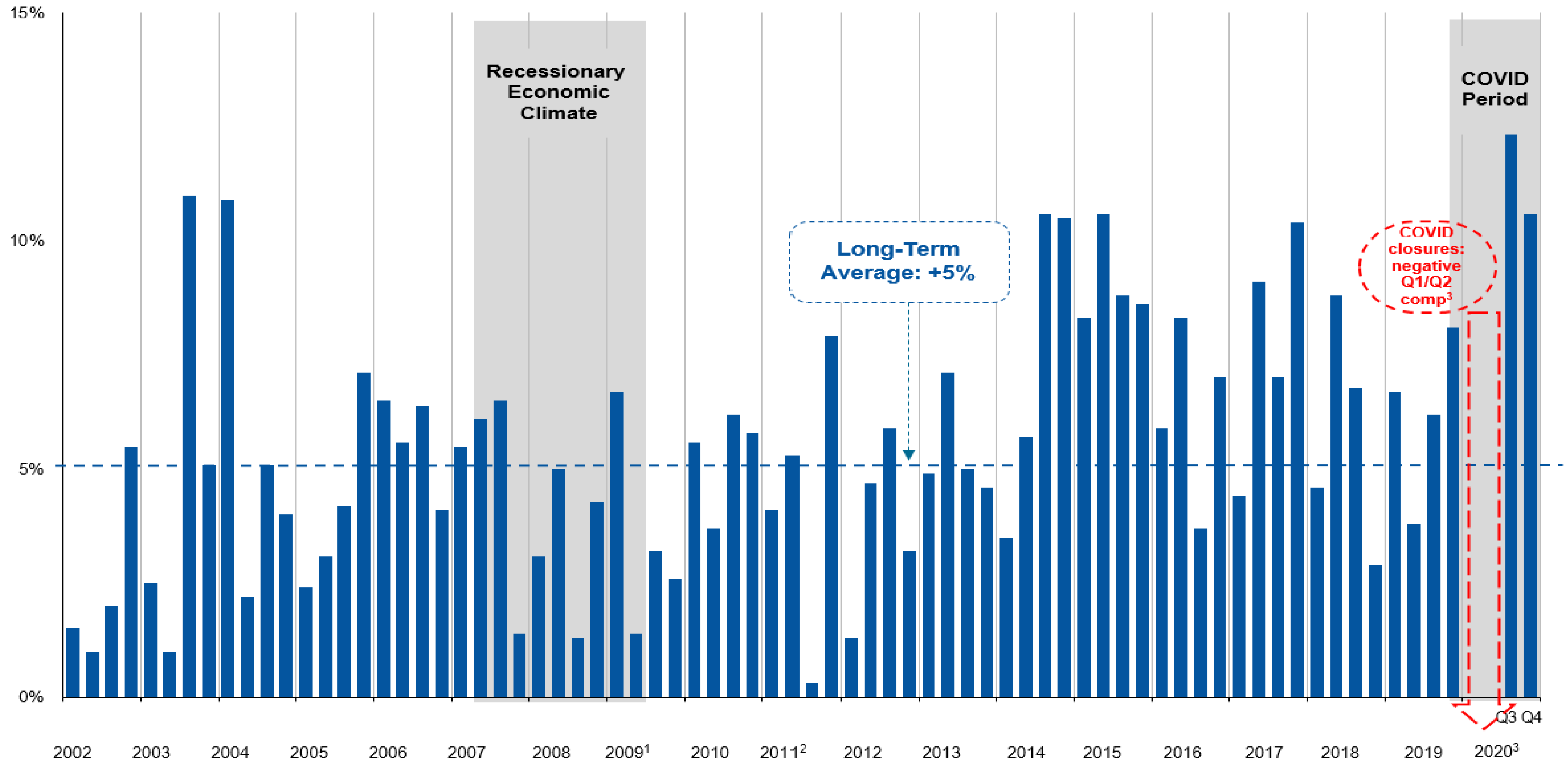
- Successful reopening of stores with "Safety-First" approach
  - 12.6% comps from June - December 2020
- Walmart contract renewal and 5 more stores added to Walmart relationship
- Opened our 1,200th store
- Board development
  - Added three independent directors - Naomi Kelman, Susan Somersille Johnson and Jose Armario (February 2021)
  - Independent Board Chair succession
- Strengthened financial position
  - Convertible note issuance
  - Record operating cash flow as public company
  - Moody's upgrade to pre-COVID rating (February 2021)
- Initiated ESG journey
  - Published first philanthropic impact report
  - DEI council and senior leadership position
  - Completed materiality assessment
- NVI's people-first culture continued during COVID-19

Q4 Highlights

- Net Revenue: $496.7 million, 23.6% over Q4 2019
- Opened 5 new stores and ended the year with 1,205 stores
- Adjusted Comparable Store Sales Growth[1] of 10.6%
    - 2nd consecutive quarter of double-digit comps
- Adjusted Operating Income[1]: $62.8 million, 281% above Q4 2019
- Q4 Adjusted Diluted EPS[1]: $0.45 versus $0.09 in Q4 2019
- Q4 Adjusted EBITDA[1]: $83.5 million, 118% over Q4 2019
- Cash balance of $374 million

1-Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measure.

Long History of Consistent Comparable Store Sales Growth ('02 - '20)



1-2009 comparable store sales exclude sales from the Eyeglass World stores for the first six month "transition" period following our acquisition of Eyeglass World

2-Comparable store sales growth in the third quarter of fiscal year 2011 was impacted by the near U.S. federal government debt default/shutdown and the subsequent adverse impact on the consumer environment

3-Adjusted Comparable Store Sales Growth for Q1 and Q2 2020 was -10.3% and -36.5%, respectively, due to COVID-19 related store closures; See Appendix for reconciliation of specific Q1 and Q2 2020 non-GAAP financial measures to GAAP financial measures

Multiple Drivers to Continue Our Growth Following COVID-19

Grow Store Base Across Our Owned Brands

Continue to Drive Comparable Store Sales Growth

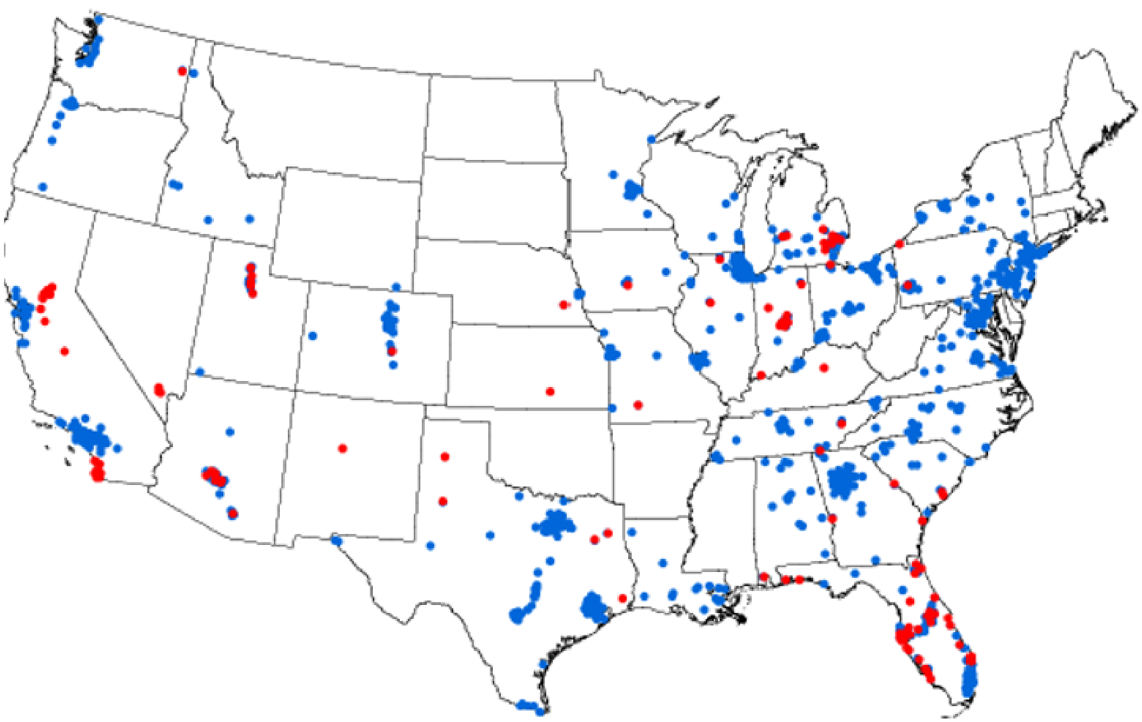
Improve Operating Productivity

Leverage Technology

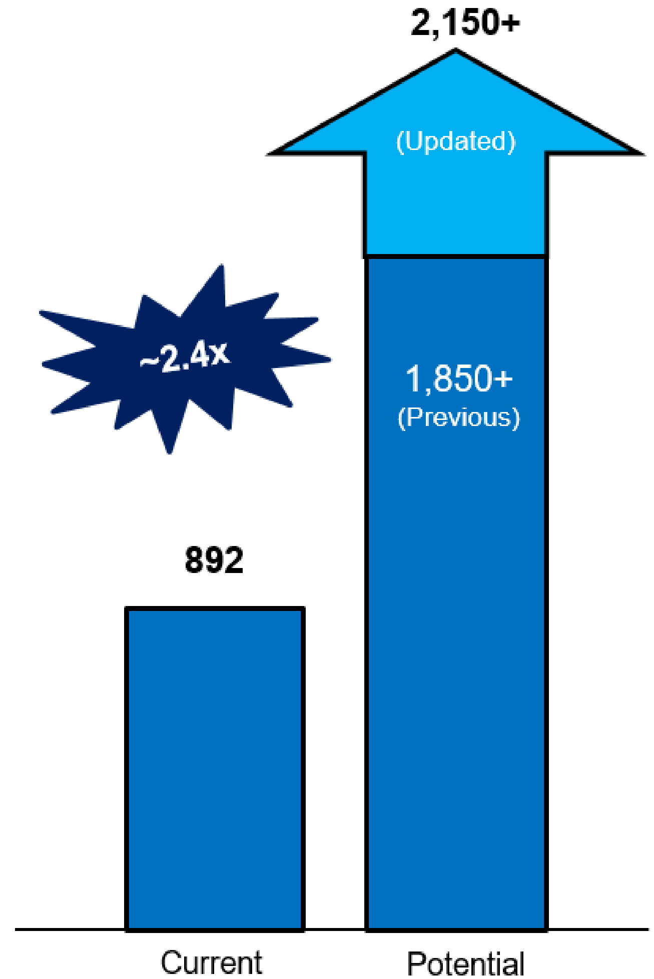
Growth Brands' Whitespace Opportunity Increased to 2,150+

CURRENT STORE FOOTPRINT OF AMERICA'S BEST AND EYEGLASS WORLD…

Brand	# of Stores	# of States
America's Best	773	32
Eyeglass World	119	23



…SUPPORTED BY STRONG FUTURE STORE POTENTIAL



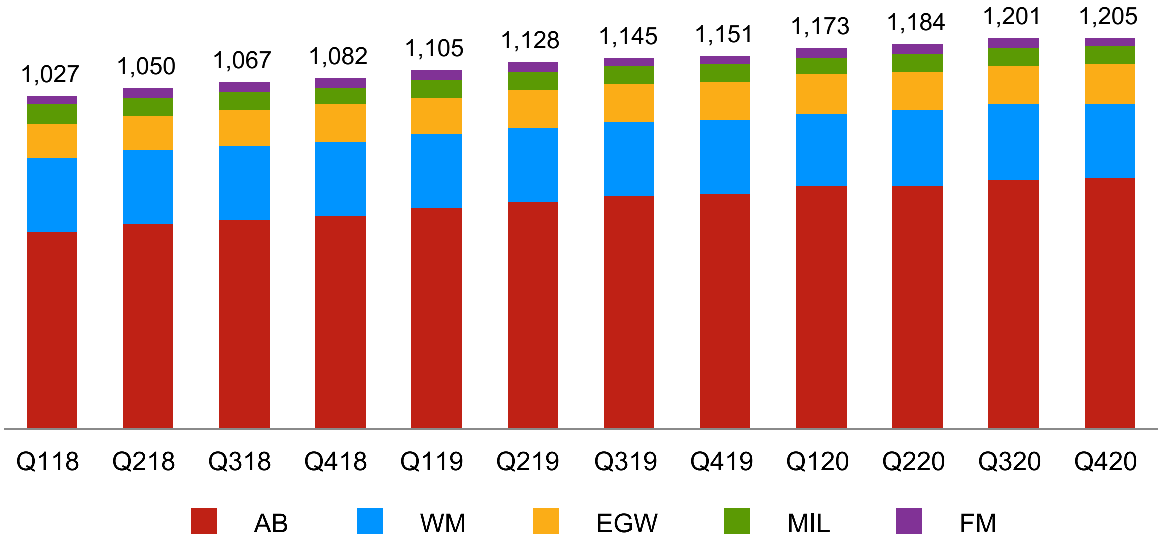
Significant whitespace opportunity

Note: Store count as of January 2, 2021

Fourth Quarter and Fiscal Year 2020 Financial Update

Revenue Drivers

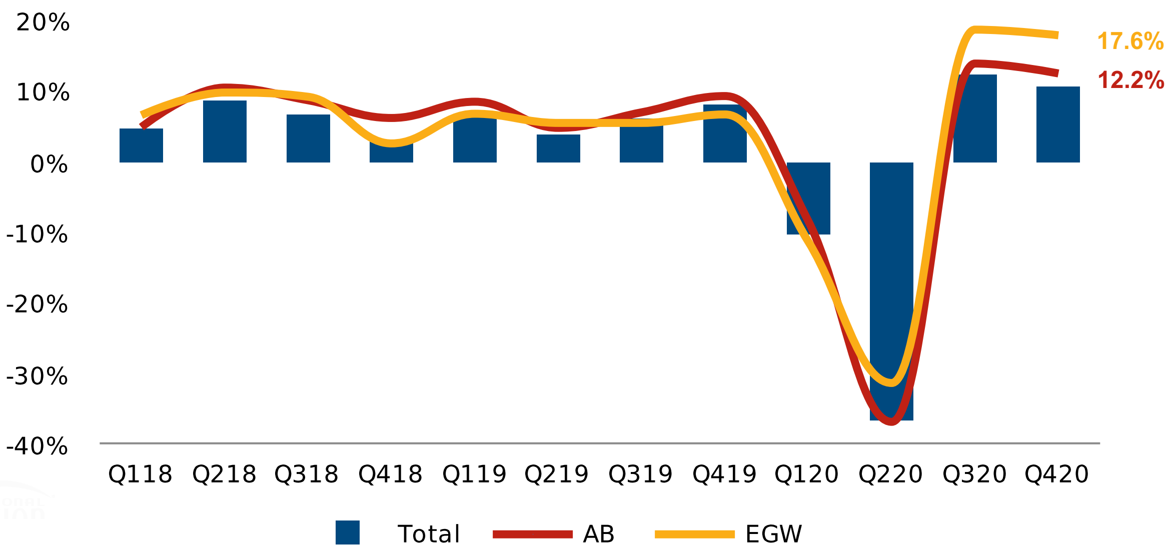
Total Store Count Growth[1]



Commentary

- 4 net new stores in the quarter (5 new stores and 1 closed store)
- 54 net new stores in FY 2020 (62 new stores and 8 closings)
- Focused store growth on America's Best (5 new stores in the quarter and 55 in FY 2020) and Eyeglass World (2 new stores in FY 2020), and added 5 WM locations

Adjusted Comparable Store Sales Growth[2]



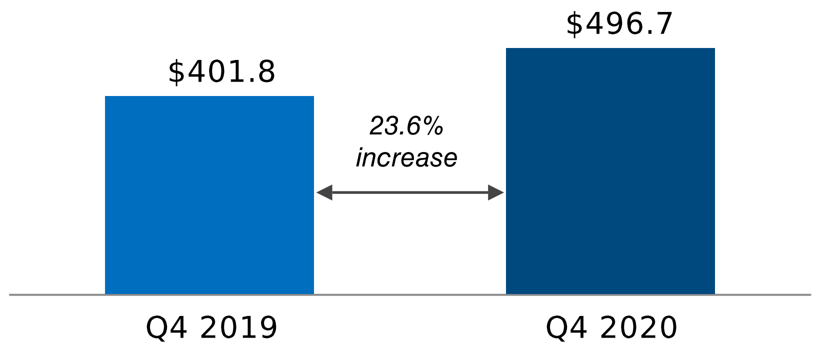
Commentary

- Eyeglass World and America's Best drove favorable comparable store sales growth for the quarter
- Adjusted Comparable Store Sales Growth[2] driven by an increase in average ticket
- Positive comps in eyeglass and contact lens categories
- Eyeglass comps driven by increases in customer transactions and average ticket

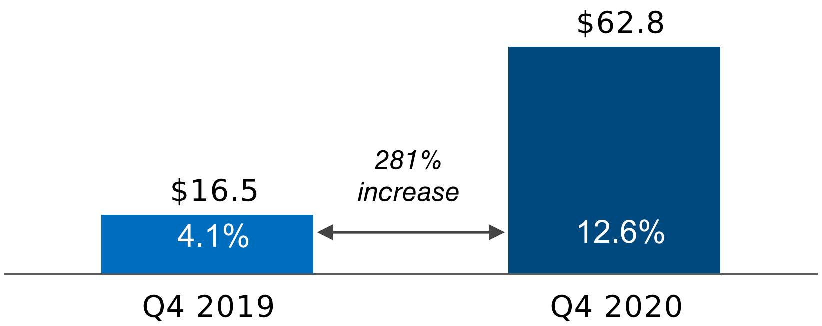
1-Q2 2020 store count updated to 1,184 stores from previously reported number.
2-Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measure.

Q4 2020 Results

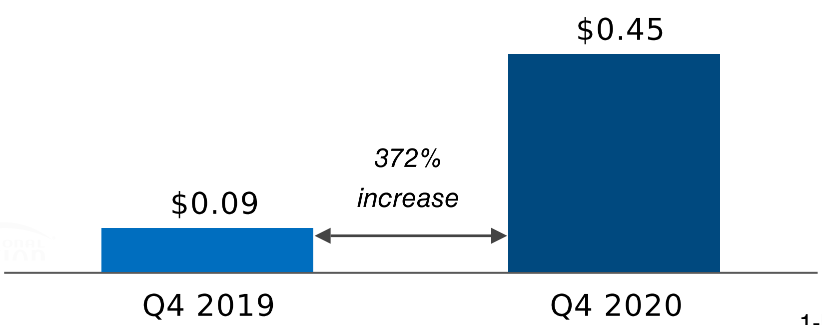
Net Revenue ($M)



Adjusted Operating Income[1] ($M)



Adjusted Diluted EPS[1]



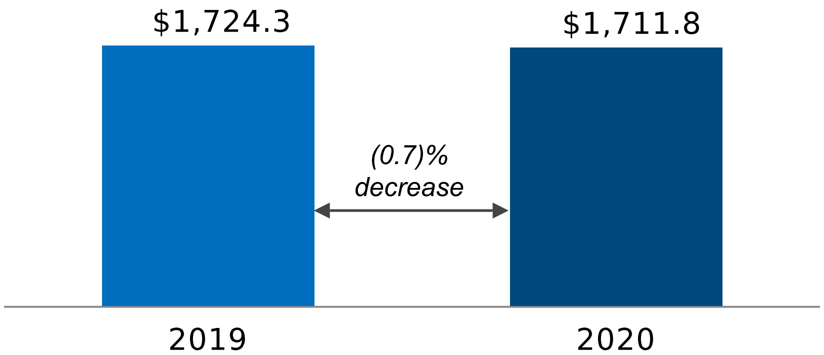
Commentary

- Net revenue increased 23.6% year-over-year
  - 14th week added $32.2 million in net revenue and approximately $0.01 in diluted EPS to Q4 and year
  - Excluding impact of 14th week, net revenue increased 15.6%
  - Timing of unearned revenue benefited net revenue growth by 2.8%
- Costs applicable to revenue as a percentage of net revenue decreased 310 bps year-over-year primarily due to:
  - Increased eyeglass mix, higher eyeglass margin and lower growth in optometrist costs
- Adjusted SG&A Percent of Net Revenue[1] decreased 370 bps year-over-year primarily due to:
  - Leverage of store and corporate payroll expense, occupancy expense, and other corporate overhead, partially offset by incremental COVID-related expenses of $0.8 million
- Adjusted EBITDA[1] increased 118% to $83.5M; Adjusted EBITDA Margin[1] increased 730 bps year-over-year due to factors noted above
- Adjusted Operating Income[1] increased 281% to $62.8 million. Adjusted Operating Margin[1] increased 850 bps year-over-year due to factors noted above and lower D&A growth
  - Net change in margin on unearned revenue benefited Adjusted EBITDA and Adjusted Operating Margin by $8.9 million
- Diluted EPS increased 779% to $0.42; Adjusted Diluted EPS[1] increased 372% to $0.45
  - Net change in margin on unearned revenue benefited Adjusted Diluted EPS by $0.07

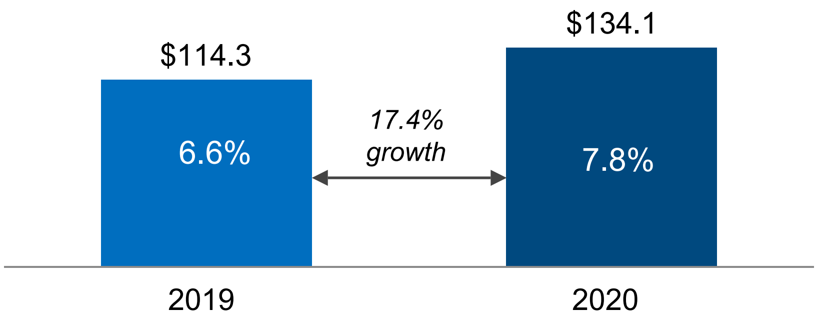
1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures.

Fiscal Year 2020 Results

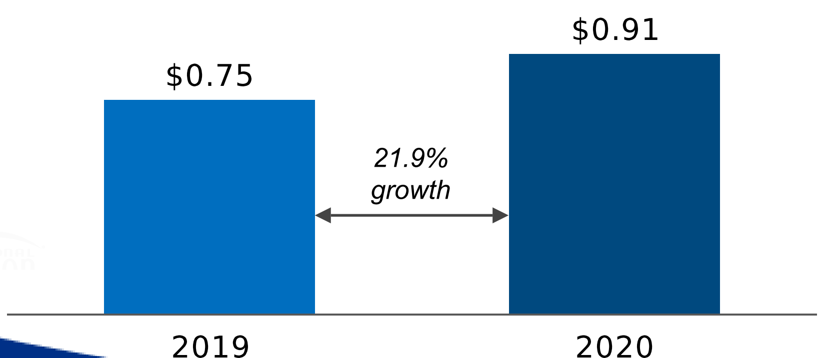
Net Revenue ($M)



Adjusted Operating Income[1] ($M)



Adjusted Diluted EPS[1]



Commentary

- Net revenue decreased (0.7)% year-over-year; Net revenue growth was impacted by:
  - COVID-19 related store closures
  - Timing of unearned revenue reduced revenue growth by 0.2%
- Costs applicable to revenue as a percentage of net revenue decreased 80 bps year-over-year primarily due to:
  - Higher eyeglass margin, partially offset by increased contact lens mix as well as optometrist costs incurred during the temporary closure of stores due to COVID-19
- Adjusted SG&A Percent of Net Revenue[1] decreased 60 bps year-over-year primarily due to:
  - Lower advertising investment, partially offset by store and corporate payroll and occupancy expenses incurred during the temporary closure of stores due to COVID-19
  - Incremental COVID-related expense of $8.6 million
- Adjusted EBITDA[1] increased 12.4% to $218.3 million; Adjusted EBITDA Margin[1] increased 150 basis points year-over-year due to factors noted above
- Adjusted Operating Income[1] increased 17.4% to $134.1 million; Adjusted Operating Margin[1] increased 120 basis points year-over-year due to factors noted above and D&A growth
  - Margin on unearned revenue impacted both Adjusted EBITDA and Adjusted Operating Income by $(2.8) million
- Diluted EPS increased 9.1% to $0.44; Adjusted Diluted EPS[1] increased 21.9% to $0.91
  - Margin on unearned revenue reduced Adjusted Diluted EPS[1] by $0.02

1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures.

Capital Structure and Cash Flow

Year-end 2020 Capital Structure ($M)

	Debt Amount	Less: Conversion feature	Less: Deferred Financing Costs	Amounts per Balance Sheet	% of Total	Coupon	Maturity
First Lien - Term Loan	$ 317.4	$ —	$ (2.1)	$ 315.3	48 %	L + 175	7/18/2024
First Lien - Revolving Credit Facility[1]	—	—	—	—	— %	L + 175	7/18/2024
Convertible senior notes	402.5	(85.3)	(7.9)	309.3	47 %	2.50 %	5/15/2025
Other debt[2]	30.8	—	—	30.8	5 %		
Total debt	$ 750.7	$ (85.3)	$ (10.0)	$ 655.4	100 %		
Cash and cash equivalents				373.9			
Net debt				$ 281.5			

Commentary

- Net debt to TTM Adjusted EBITDA[3] 1.3x
- No borrowings outstanding under our $300M revolving credit facility ($6.4M in outstanding letters of credit)
- No debt maturities until 2024
- $668M of liquidity at year end

Cash Flow ($M)

	Fiscal Year		
	2020	2019	Variance
Net cash provided by operating activities	$ 235.0	$ 165.1	$ 69.9
Net cash used for investing activities	(76.4)	(100.6)	24.2
Net cash provided by (used for) financing activities	176.3	(42.1)	218.4
Net change in cash, cash equivalents and restricted cash	$ 334.9	$ 22.4	$ 312.5

Note: Some of the totals in the table above do not foot due to rounding differences
1- $300.0M facility; $293.6M available
2- Finance lease obligations
3- Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measure.

Commentary

- $69.9M increase in operating cash flow due to improvement in working capital
- $24.2M decrease in net cash used for investing activities primarily due to reduced store openings
- $218.4M increase in net cash provided by financing activities due to convertible senior note issuance, partially offset by paydown of long-term debt and revolver

2021 Considerations

- Assumes no material deterioration due to COVID-19 impacts / variants
- Expect comps to normalize as pent-up demand moderates
- 53rd week impact: $32 million in net revenue, ~$0.01 benefit to diluted EPS
- First half / Second half factors
  - Sales comparisons
  - Product mix
  - Advertising - Investment closer to historical % of net revenue
- Timing and magnitude of tax refunds
- Incremental minimum wage pressure
- Higher share count from convertible notes dilution
- Unearned revenue

Fiscal 2021 Outlook

	Fiscal 2021 Outlook
New Stores	~ 75
Adjusted Comparable Store Sales Growth[1]	13% - 16%
Net Revenue	$1.93 - $1.98 billion
Adjusted Operating Income	$130 - $137 million
Adjusted Diluted EPS[2]	$0.88 - $0.93
Depreciation and Amortization[3]	$97 - $98 million
Interest[4]	~ $28 million
Tax Rate[5]	~ 26%
Capital Expenditures	$100 - $105 million

(1) For the 52 weeks ending January 1, 2022
(2) Assumes approximately 96 million shares, including 12.9 million shares for the convertible notes under the if-converted method
(3) Includes amortization of acquisition intangibles of approximately $7.5 million, which is excluded in the definition of Adjusted Operating Income
(4) Before the impact of gains or losses related to hedge ineffectiveness and charges related to amortization of debt discounts and deferred financing costs
(5) Excluding the impact of stock option exercises

The fiscal 2021 outlook information provided above includes Adjusted Operating Income and Adjusted Diluted EPS guidance, which are non-GAAP financial measures management uses in measuring performance. The Company is not able to reconcile these forward-looking non-GAAP measures to GAAP without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact of certain items and unanticipated events, including taxes and non-recurring items, which would be included in GAAP results. The impact of such items and unanticipated events could be potentially significant.

The fiscal 2021 outlook is forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the Company and its management, and based upon assumptions with respect to future decisions, which are subject to change. Actual results may vary and those variations may be material. As such, the Company's results may not fall within the ranges contained in its fiscal 2021 outlook. The Company uses these forward looking metrics internally to assess and benchmark its results and strategic plans.

DOING OUR PART TO BUILD A WORLD WORTH SEEING

National Vision's Environmental, Social & Governance (ESG) journey is a natural extension of our mission. Beginning from our core values, we are mapping a strategy to do our best work for our people, our world, and our business.

2020

Conducted ESG "Materiality Assessment"

The materiality assessment will be our compass as we begin the process of defining our ESG strategic framework and internal governance structure

Donated glasses will go to Grace for Impact's new free clinic in Nigeria

2021

As we define our core ESG focus areas, National Vision will continue to expand our commitment to positive social impact and formalize and extend our environmental programs.

Philanthropy – Vision Council Scholarship · Grace for Impact donation

Diversity – "Majority-Minority" Company · Continuing to add diversity to Board composition

Environment – Manage our energy and climate impact

As our ESG journey progresses in 2021, we look forward to sharing more details about our strategy and commitments.

Q&A

Appendix

Q4 and FY 2020 Consolidated Financial Results

Dollars and shares in thousands, except Earnings per Share	Three Months Ended January 2, 2021 (Unaudited)	Three Months Ended December 28, 2019 (Unaudited)	Fiscal Year 2020	Fiscal Year 2019
Revenue:				
Net product sales	$ 412,399	$ 329,654	$ 1,418,283	$ 1,426,136
Net sales of services and plans	84,297	72,109	293,477	298,195
Total net revenue	496,696	401,763	1,711,760	1,724,331
Costs applicable to revenue (exclusive of depreciation and amortization):				
Products	149,504	130,175	551,783	574,351
Services and plans	66,977	57,367	234,841	232,168
Total costs applicable to revenue	216,481	187,542	786,624	806,519
Operating expenses:				
Selling, general and administrative expenses	199,750	178,044	720,590	744,488
Depreciation and amortization	22,614	23,674	91,585	87,244
Asset impairment	1,089	1,506	22,004	8,894
Litigation settlement	—	—	4,395	—
Other expense (income), net	(133)	2,636	(445)	3,611
Total operating expenses	223,320	205,860	838,129	844,237
Income from operations	56,895	8,361	87,007	73,575
Interest expense, net	12,739	7,397	48,171	33,300
Debt issuance costs	20	—	156	—
Loss on extinguishment of debt	—	—	—	9,786
Earnings before income taxes	44,136	964	38,680	30,489
Income tax provision (benefit)	9,058	(2,956)	2,403	(2,309)
Net income	$ 35,078	$ 3,920	$ 36,277	$ 32,798
Earnings per share - basic	$ 0.43	$ 0.05	$ 0.45	$ 0.42
Earnings per share - diluted	$ 0.42	$ 0.05	$ 0.44	$ 0.40
Weighted average shares outstanding - basic	81,126	79,271	80,565	78,608
Weighted average shares outstanding - diluted	95,925	81,785	82,793	81,683

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2,2021 include 14 weeks. Three months ended December 28, 2019 include 13 weeks.
Fourth quarter 2020 diluted EPS is calculated using the if-converted method for the 2025 Notes adding back $5.3 million of interest expense (after tax) related to the 2025 Notes, and assuming conversion of the 2025 Notes at the beginning of the fourth quarter of 2020.

Reconciliation of Adjusted Comparable Store Sales Growth (Unaudited)

	Comparable store sales growth [a]				
	Three Months Ended January 2, 2021	Three Months Ended December 28, 2019	Fiscal Year 2020	Fiscal Year 2019	2021 Outlook
Owned & Host segment					
America's Best	12.2%	9.0%	(5.2)%	7.1%	
Eyeglass World	17.6%	6.4%	(2.7)%	5.8%	
Military	1.5%	9.9%	(15.5)%	1.4%	
Fred Meyer	(12.5)%	1.1%	(21.6)%	(4.4)%	
Legacy segment	(1.8)%	5.1%	(12.3)%	3.1%	
Total comparable store sales growth	14.3%	10.1%	(5.6)%	6.5%	12% - 15%
Adjusted Comparable Store Sales Growth [b]	10.6%	8.1%	(6.1)%	6.2%	13% - 16%

Additional Comparable Store Sales Growth information for 2020	Three Months Ended March 28, 2020	Three Months Ended June 27, 2020	Seven Months Ended January 2, 2021
Total comparable store sales growth	(2.9)%	(44.7)%	13.1%
Adjusted Comparable Store Sales Growth [b]	(10.3)%	(36.5)%	12.6%

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.

(a) Total comparable store sales is calculated based on consolidated net revenue excluding the impact of (i) Corporate/Other segment net revenue, (ii) sales from stores opened less than 13 months, (iii) stores closed in the periods presented, (iv) sales from partial months of operation when stores do not open or close on the first day of the month, and (v) if applicable, the impact of a 53rd week in a fiscal year. Brand-level comparable store sales growth is calculated based on cash basis revenues consistent with what the Chief Operating Decision Maker reviews, and consistent with reportable segment revenues presented in Note 16. "Segment Reporting" in our consolidated financial statements, with the exception of the Legacy segment, which is adjusted as noted in (b) (ii) below.

(b) There are two differences between total comparable store sales growth based on consolidated net revenue and Adjusted Comparable Store Sales Growth: (i) Adjusted Comparable Store Sales Growth includes the effect of deferred and unearned revenue as if such revenues were earned at the point of sale, resulting in the following changes from total comparable store sales growth based on consolidated net revenue: a decrease of 3.3% and a decrease of 1.9% for the three months ended January 2, 2021 and December 28, 2019, respectively, and a decrease of 0.4% and a decrease of 0.1% for fiscal year 2020 and fiscal year 2019, respectively, a decrease of 7.5% for the three months ended March 28, 2020, an increase of 8.1% for the three months ended June 27, 2020, and a decrease of 0.2% for the seven months ended January 2, 2021, respectfully (ii) Adjusted Comparable Store Sales Growth includes retail sales to the Legacy partner's customers (rather than the revenues recognized consistent with the management & services agreement with the legacy partner), resulting in the following changes from total comparable store sales growth based on consolidated net revenue: a decrease of 0.4% and a decrease of 0.1% for the three months ended January 2, 2021 and December 28, 2019, respectively, and a decrease of 0.1% and a decrease of 0.2% for the fiscal year 2020 and and fiscal year 2019, respectively, an increase of 0.1% for the three months ended March 28, 2020, and an increase of 0.1% for the three months ended June 27, 2020, and a decrease of 0.3% for the seven months ended January 2, 2021, respectively; and (iii) with respect to the Company's fiscal 2021 outlook, Adjusted Comparable Store Sales Growth includes an estimated 1.0% impact for the effect of deferred and unearned income as if such revenues were earned at the point of sale and retail sales to the Legacy partner's customers (rather than the revenues recognized consistent with the management & services agreement).

Reconciliation of Adjusted Operating Income to Net Income (Unaudited)

Dollars in thousands	Three Months Ended January 2, 2021		Three Months Ended December 28, 2019		Fiscal Year 2020		Fiscal Year 2019	
Net income	$ 35,078	7.1 %	$ 3,920	1.0 %	$ 36,277	2.1 %	$ 32,798	1.9 %
Interest expense	12,739	2.6 %	7,397	1.8 %	48,171	2.8 %	33,300	1.9 %
Income tax provision (benefit)	9,058	1.8 %	(2,956)	(0.7)%	2,403	0.1 %	(2,309)	(0.1)%
Stock compensation expense [a]	2,405	0.5 %	1,830	0.5 %	10,740	0.6 %	12,670	0.7 %
Loss on extinguishment of debt [b]	—	— %	—	— %	—	— %	9,786	0.6 %
Asset impairment [c]	1,088	0.2 %	1,506	0.4 %	22,004	1.3 %	8,894	0.5 %
Litigation settlement [d]	—	— %	—	— %	4,395	0.3 %	—	— %
Secondary offering expenses [e]	—	— %	—	— %	—	— %	401	— %
Management realignment expenses [f]	—	— %	—	— %	—	— %	2,155	0.1 %
Long-term incentive plan [g]	—	— %	941	0.2 %	—	— %	2,830	0.2 %
Amortization of acquisition intangibles [h]	1,872	0.4 %	1,852	0.5 %	7,426	0.4 %	7,405	0.4 %
Other [k]	526	0.1 %	1,999	0.5 %	2,732	0.2 %	6,370	0.4 %
Adjusted Operating Income / Adjusted Operating Margin	$ 62,766	12.6 %	$ 16,489	4.1 %	$ 134,148	7.8 %	$ 114,300	6.6 %

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Percentages reflect line item as a percentage of net revenue, adjusted for rounding
Some of the percentage totals above do not foot due to rounding differences

Reconciliation of Adjusted EBITDA to Net Income (Unaudited)

Dollars in thousands	Three Months Ended January 2, 2021		Three Months Ended December 28, 2019		Fiscal Year 2020		Fiscal Year 2019	
Net income	$ 35,078	7.1 %	$ 3,920	1.0 %	$ 36,277	2.1 %	$ 32,798	1.9 %
Interest expense	12,739	2.6 %	7,397	1.8 %	48,171	2.8 %	33,300	1.9 %
Income tax provision (benefit)	9,058	1.8 %	(2,956)	(0.7)%	2,403	0.1 %	(2,309)	(0.1)%
Depreciation and amortization	22,614	4.6 %	23,674	5.9 %	91,585	5.4 %	87,244	5.1 %
EBITDA	79,489	16.0 %	32,035	8.0 %	178,436	10.4 %	151,033	8.8 %
Stock compensation expense [a]	2,405	0.5 %	1,830	0.5 %	10,740	0.6 %	12,670	0.7 %
Loss on extinguishment of debt [b]	—	— %	—	— %	—	— %	9,786	0.6 %
Asset impairment [c]	1,088	0.2 %	1,506	0.4 %	22,004	1.3 %	8,894	0.5 %
Litigation settlement [d]	—	— %	—	— %	4,395	0.3 %	—	— %
Secondary offering expenses [e]	—	— %	—	— %	—	— %	401	— %
Management realignment expenses [f]	—	— %	—	— %	—	— %	2,155	0.1 %
Long-term incentive plan [g]	—	— %	941	0.2 %	—	— %	2,830	0.2 %
Other [k]	526	0.1 %	1,999	0.5 %	2,732	0.2 %	6,370	0.4 %
Adjusted EBITDA / Adjusted EBITDA Margin	$ 83,508	16.8 %	$ 38,311	9.5 %	$ 218,307	12.8 %	$ 194,139	11.3 %

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Percentages reflect line item as a percentage of net revenue, adjusted for rounding
Some of the percentage totals above do not foot due to rounding differences

Reconciliation of Adjusted Diluted EPS to Diluted EPS (Unaudited)

Shares in thousands	Three Months Ended January 2, 2021	Three Months Ended December 28, 2019	Fiscal Year 2020	Fiscal Year 2019
Diluted EPS	$ 0.42	$ 0.05	$ 0.44	$ 0.40
Stock compensation expense [(a)]	0.03	0.02	0.13	0.16
Loss on extinguishment of debt [(b)]	—	—	—	0.12
Asset impairment [(c)]	0.01	0.02	0.27	0.11
Litigation settlement [(d)]	—	—	0.05	—
Secondary offering expenses [(e)]	—	—	—	—
Management realignment expenses [(f)]	—	—	—	0.03
Long-term incentive plan [(g)]	—	0.01	—	0.03
Amortization of acquisition intangibles [(h)]	0.02	0.02	0.09	0.09
Amortization of debt discounts and deferred financing costs [(i)]	—	—	0.14	0.02
Losses (gains) on change in fair value of derivatives [(j)]	(0.01)	—	0.05	—
Other [(k)]	0.01	0.02	0.03	0.08
Tax benefit of stock option exercises [(l)]	(0.02)	(0.03)	(0.10)	(0.12)
Tax effect of total adjustments [(m)]	(0.01)	(0.03)	(0.19)	(0.16)
Adjusted Diluted EPS	$ 0.45	$ 0.09	$ 0.91	$ 0.75
Weighted average diluted shares outstanding	95,925	81,785	82,793	81,683

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Certain totals above do not foot due to rounding

Reconciliation of Adjusted SG&A to SG&A (Unaudited)

Dollars in thousands	Three Months Ended January 2, 2021		Three Months Ended December 28, 2019		Fiscal Year 2020		Fiscal Year 2019	
SG&A	$ 199,750	40.2 %	$ 178,044	44.3 %	$ 720,590	42.1 %	$ 744,488	43.2 %
Stock compensation expense [a]	2,405	0.5 %	1,830	0.5 %	10,740	0.6 %	12,670	0.7 %
Secondary offering expenses [e]	—	— %	—	— %	—	— %	401	— %
Management realignment expenses [f]	—	— %	—	— %	—	— %	2,155	0.1 %
Long-term incentive plan [g]	—	— %	941	0.2 %	—	— %	2,830	0.2 %
Other [n]	506	0.1 %	1,432	0.4 %	2,576	0.2 %	4,565	0.3 %
Adjusted SG&A/ Adjusted SG&A Percent of Net Revenue	$ 196,839	39.6 %	$ 173,841	43.3 %	$ 707,274	41.3 %	$ 721,867	41.9 %

Note: Fiscal year 2020 includes 53 weeks. Fiscal year 2019 include 52 weeks.
Three months ended January 2, 2021 includes 14 weeks. Three months ended December 28, 2019 includes 13 weeks.
Percentages reflect line item as a percentage of net revenue
Some of the percentage totals in the table above do not foot due to rounding differences

Reconciliation of Adjusted Operating Income, Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS and Adjusted SG&A Footnotes

(a) Non-cash charges related to stock-based compensation programs, which vary from period to period depending on the timing of awards and performance vesting conditions.
(b) For fiscal year 2019, fees reflects write-off of deferred financing fees related to the extinguishment of debt.
(c) Reflects write-off of property, equipment and lease-related assets on closed or underperforming stores.
(d) Expenses associated with settlement of litigation.
(e) Expenses related to our secondary public offerings during fiscal year 2019.
(f) Expenses related to a non-recurring management realignment described on Form 8-K filed with the SEC on January 10, 2019.
(g) Expenses pursuant to a long-term incentive plan for non-executive employees who were not participants in the management equity plan for fiscal year 2019. This plan was effective in 2014 following the KKR Acquisition.
(h) Amortization of the increase in carrying values of finite-lived intangible assets resulting from the application of purchase accounting to the KKR Acquisition.
(i) Amortization of debt discounts is associated with the amortization of the conversion feature related to the convertible note and amortization of deferred financing costs related to the convertible notes, term loan and revolving credit facility borrowings. Amortization of debt discount and deferred financing costs in aggregate total of $0.3 million and $0.2 million for the three months ended January 2, 2021 and December 28, 2019 $11.9 million and $1.3 million for the fiscal years 2020 and 2019, respectively.
(j) Reflects losses (gains) recognized in interest expense on change in fair value of de-designated hedges of $(0.6) million for the three months ended January 2, 2021, and $4.0 million for fiscal year end 2020.
(k) Other adjustments include the following amounts that management believes are not representative of our operating performance (amounts in brackets represent reductions in Adjusted Operating Income, Adjusted Diluted EPS and Adjusted EBITDA) including our share of losses on equity method investments of $0.6 million for the three months ended December 28, 2019, and $1.8 million for fiscal year 2019; the amortization impact related to the KKR Acquisition (e.g., fair value of leasehold interests) of $0.1 million and $0.2 million for the three months ended January 2, 2021 and December 28, 2019, and $0.4 million and $0.5 million for fiscal years 2020 and 2019, respectively; costs of severance and relocation of $0.1 million and $0.6 million for the three months ended January 2, 2021 and December 28, 2019, and $1.3 million and $2.3 million for fiscal years 2020 and 2019, respectively; excess payroll taxes related to stock option exercises of $0.2 million for each of the three months ended January 2, 2021 and December 28, 2019, and $0.7 million and $0.8 million for fiscal years 2020 and 2019, respectively; incremental costs directly related to adapting the Company's operations during the COVID-19 pandemic of $0.6 million for fiscal year 2020; and other expenses and adjustments totaling $0.1 million and $0.4 million for the three months ended January 2, 2021 and December 28, 2019, respectively and $(0.3) million and $1.0 million for fiscal years 2020 and 2019, respectively.
(l) Tax benefit associated with accounting guidance requiring excess tax benefits related to stock option exercises to be recorded in earnings as discrete items in the reporting period in which they occur.
(m) Represents the income tax effect of the total adjustments at our combined statutory federal and state income tax rates.
(n) Reflects other expenses in (k) above, except for our share of losses on equity method investments of $0.6 million for the three months ended December 28, 2019 and $1.8 million for fiscal year 2019, and immaterial debt issuance costs for the three months ended January 2, 2021 and $0.2 million for fiscal year 2020.

New Non-GAAP Measures Framework in 2020

- Introduced new non-GAAP measures
  - Adjusted Operating Income
  - Adjusted Operating Margin
  - See Form 8-K filed on February 26, 2020 for supplemental tables that provide reconciliations from Adjusted EBITDA, Adjusted Operating Income and Adjusted Diluted EPS to Net Income for quarterly and fiscal year 2018 and 2019 periods.
- Presented new definitions of certain non-GAAP measures
  - No longer adjusted for new store pre-opening expense and non-cash rent.
  - The presentation of Adjusted EBITDA and Adjusted Diluted EPS for the three months and fiscal year ended December 29, 2019 has been recast to reflect these changes.
  - New store pre-opening expenses totaled $0.5 million for each of the three months ended January 2, 2021 and December 29, 2019; $2.6 million and $3.3 million for fiscal years 2020 and 2019, respectively; and non-cash rent totaled $0.5 million and $0.8 million for the three months ended January 2, 2021 and December 29, 2019, respectively; and $2.6 million and $3.2 million for fiscal years 2020 and 2019, respectively.
- Continued to provide Adjusted EBITDA measure

Adjusted Comparable Store Sales Growth Primer

What is Adjusted Comparable Store Sales Growth?

- Calculated using net revenue **on a cash-basis**
- Excludes the impact of unearned and deferred revenue

Why use Adjusted Comparable Store Sales Growth?

- Provides a clear view of the Company's current operating performance
  - Shifts in unearned revenue are difficult to predict and related to short-term customer behavior (see slide 28)
- Used by management to assess business performance and is the basis for store-level business performance
- Consistently applied methodology

Adjusted Comparable Store Sales Growth consistently lower than total comparable store sales growth

- Company provides total comparable store sales growth measured on GAAP revenue
- Adjusted measure has been lower than or equal to GAAP measure in 10 of last 14 quarters due to unearned revenue
- Total comparable store sales growth based on GAAP revenue was not calculated prior to 2017 IPO

Comparable Store Sales Growth

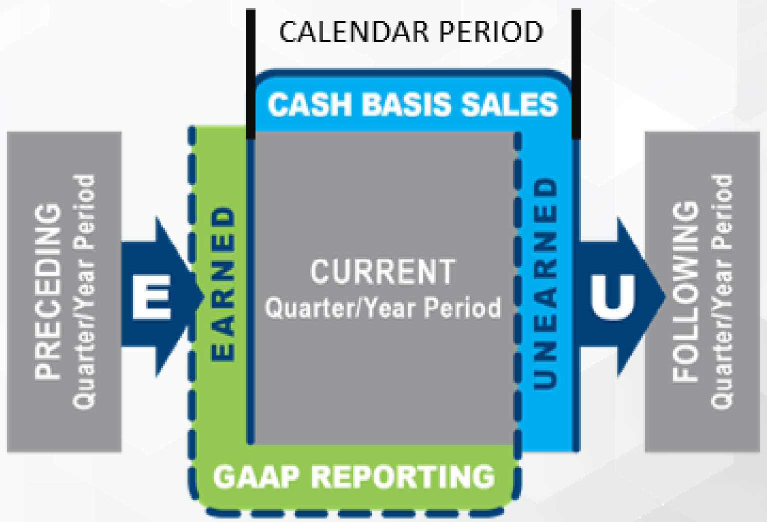
	2017		2018				2019				2020			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total comparable store sales growth (GAAP)	8.3%	11.5%	4.6%	10.4%	7.0%	4.3%	6.2%	4.4%	5.7%	10.1%	(2.9)%	(44.7)%	11.6%	14.3%
Adjusted Comparable Store Sales Growth* (non-GAAP)	7.0%	10.4%	4.6%	8.8%	6.8%	2.9%	6.7%	3.8%	6.2%	8.1%	(10.3)%	(36.5)%	12.4%	10.6%

*See Appendix for reconciliation to GAAP measure

Unearned Revenue Primer

PURCHASE JOURNEY

UNEARNED REVENUE ACCOUNTING



- Customers generally pay for products and services at time of order. Eyeglasses are picked up approximately 7 to 10 days later.
- Unearned revenue represents **CASH BASIS SALES** during approximately the last week of a reporting period. **GAAP REPORTING** requires REVENUE RECOGNITION at time of PICKUP.
- The change in unearned revenue depends on relative magnitude of sales for last week of the preceding E and current U quarters, as well as customer purchase pick-up behavior.
  - The change in activity is then compared to the same periods in the prior year.
- Typical seasonal impact on income statement:

Q1 negative (E<U)	**Q2** positive (E>U)
Q3 pos./neg. (E><U)	**Q4** negative (E<U)

- For a company with growing revenues, unearned revenue should also grow to some degree each year.

"It's a short-term timing difference between quarters"

Check out some of our latest commercials: [National Vision Commercials]