Q4 and Fiscal Year 2017 Financial Results

March 8, 2018

NATIONAL VISION®

OUR MISSION

We help people by making quality eye care and eyewear more affordable and accessible.

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 2018 Outlook" as well as other statements related to our expectations regarding the performance of our industry, growth strategy, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. 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. Such forward-looking statements are subject to various risks and uncertainties, including our ability to open and operate new stores in a timely and cost-effective manner and to successfully enter new markets; our ability to maintain sufficient levels of cash flow from our operations to grow; our ability to recruit and retain vision care professionals for our stores; state, local and federal vision care and healthcare laws and regulations; our relationships with managed vision care companies, vision insurance providers and other third-party payors; our operating relationships with our host and legacy partners; the risk of loss or disruption in our distribution centers and optical laboratories; risks associated with vendors and suppliers from whom our products are sourced; competition in the optical retail industry; risks associated with information technology systems and the security of personal information and payment card data collected by us and our vendors; macroeconomic factors and other factors impacting consumer spending beyond the Company's control; our growth strategy's impact on our existing resources and performance of our existing stores; our ability to retain senior management and attract new personnel; our ability to manage costs; the success of our marketing, advertising and promotional efforts; risks associated with leasing substantial amounts of space; product liability, product recall or personal injury issues; risks associated with managed vision care laws and regulations; our increasing reliance on third-party coverage and reimbursement; issues regarding inventory management; risks related to our e-commerce business; seasonal fluctuations in our business; technological advances that may reduce demand for our products; we may incur losses arising from our investments in technological innovators in the optical retail industry; legal regulatory risks, including adverse judgments or settlements from legal proceedings; our ability to protect our intellectual property; the impact our leverage has on our ability to raise additional capital to fund our operations; our credit agreement contains restrictions that limit our flexibility in operating our business; risks related to our debt agreements; our ability to comply with requirements to design and implement and maintain effective internal controls; and risks related to being a controlled company. 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 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*. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this release and in our filings with the SEC. 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.

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 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 2017, which is available at www.nationalvision.com/investors, together with this presentation.

Agenda

Topic	Presenter
Highlights and Company Overview	Reade Fahs, CEO
Fourth Quarter and Fiscal Year 2017 Financial Update	Patrick Moore, CFO
Q&A	Reade Fahs, CEO Patrick Moore, CFO Jeff McAllister, COO
Appendix	

Reade Fahs
CEO

Patrick Moore
CFO

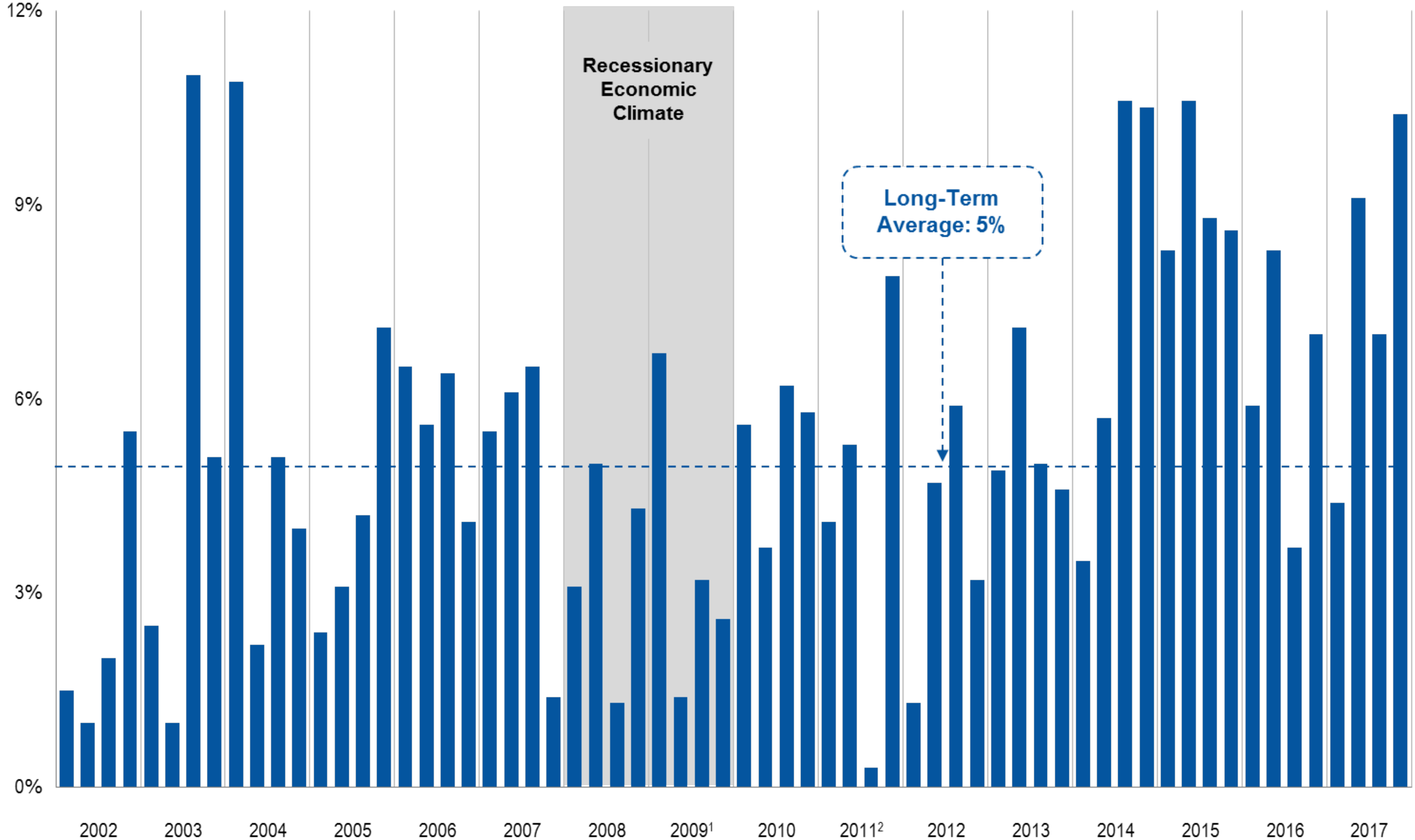
Jeff McAllister
COO

Q4 Highlights

- 64 consecutive quarters of positive comparable store sales growth
- Adjusted comparable store sales growth[1] of 10.4% driven primarily by increases in customer transactions
- All five brands posted positive adjusted comparable store sales growth
- Opened 17 new stores in Q4 and 76 new stores in the fiscal year
- Record Q4 net promoter scores in total and for America's Best
- Q4 revenue: $321.8M
  - 16.1% over Q4 2016
- Q4 Adjusted EBITDA[1]: $25.0M
  - 19.4% over Q4 2016

1-For reconciliation of total comparable store sales growth to adjusted comparable store sales growth and reconciliation of Net (Loss) Income to Adjusted EBITDA, see Appendix

64 Consecutive Quarters of Positive Comparable Store Sales Growth



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 shutdown and subsequent adverse impact on the consumer environment

We Have Multiple Drivers to Continue Our Growth

Grow Store Base Across Our Owned Brands

Continue to Drive Comparable Store Sales Growth

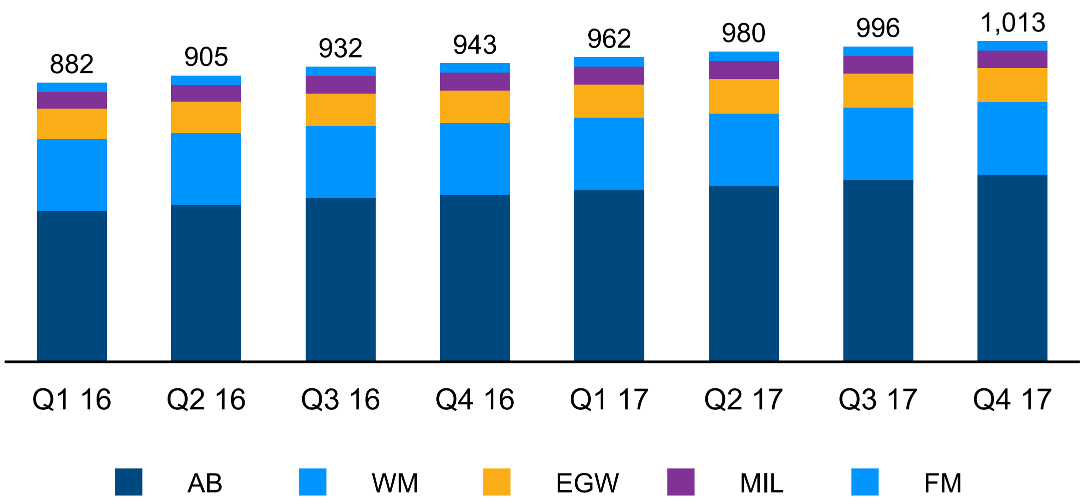
Improve Operating Productivity

Leverage Technology

Fourth Quarter and Fiscal Year 2017 Financial Update

Revenue Drivers

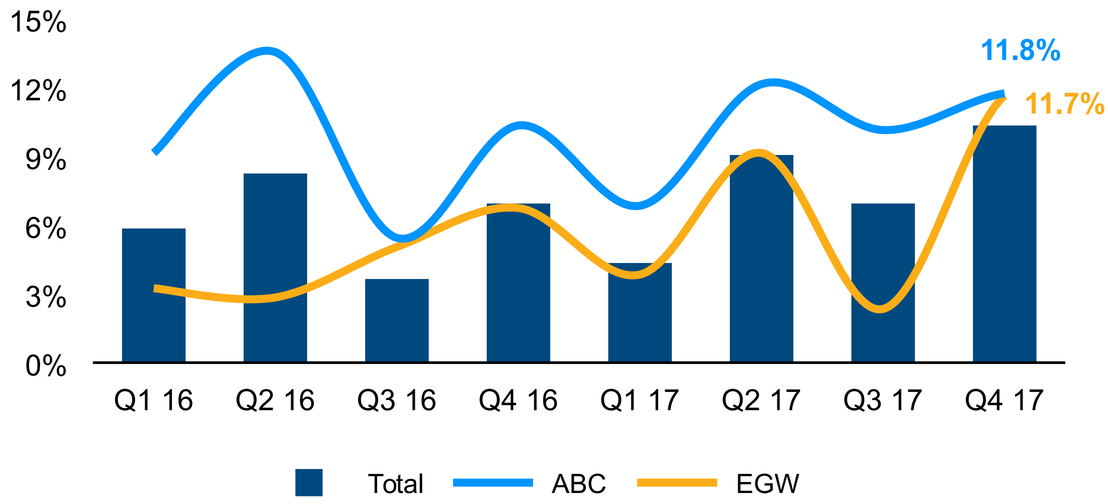
Total Store Count Growth



Commentary

- 17 net new stores in Q4 (17 new America's Best stores)
- 70 net new stores in FY 2017 (76 new stores and 6 closings)
- Focused store growth on America's Best (68 in FY 2017) and Eyeglass World (7 in FY 2017)

Adjusted Comparable Store Sales Growth[1]



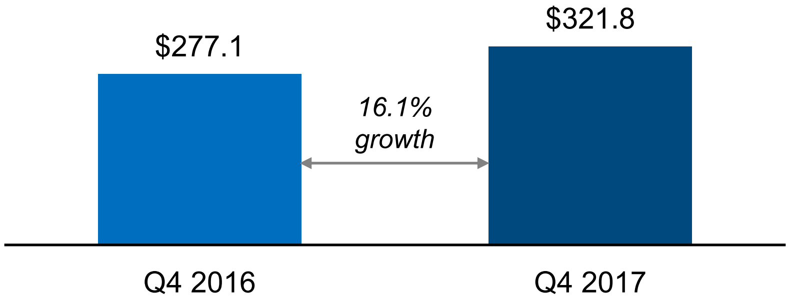
1-For reconciliation of total comparable store sales growth to adjusted comparable store sales growth, see Appendix

Commentary

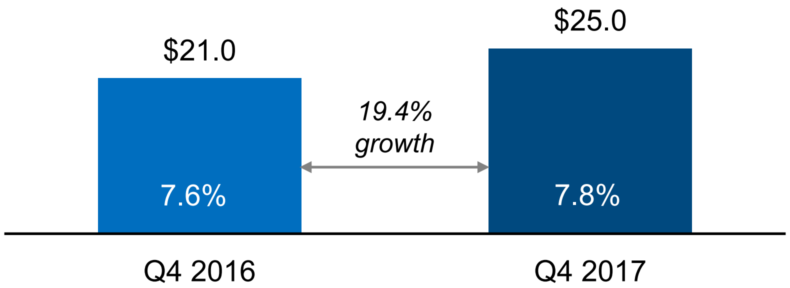
- America's Best and Eyeglass World drove favorable comp results for Q4 and FY 2017
- All store brands were positive for Q4
- Increases in customer transactions drove the majority of our adjusted comparable store sales growth
- Q4 benefited from the recovery in net revenue from Q3 temporary store closures due to Hurricanes Harvey and Irma
- Legacy comp results benefited 260 bps in Q4 from FirstSight operations changes

Q4 2017 Results

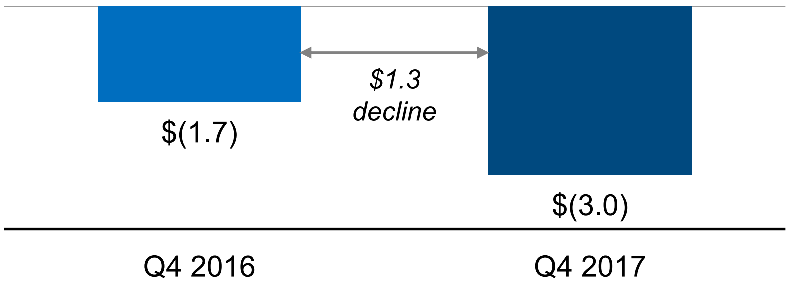
Net Revenue ($MM)



Adjusted EBITDA[1] ($MM)



Adjusted Net Loss[1] ($MM)



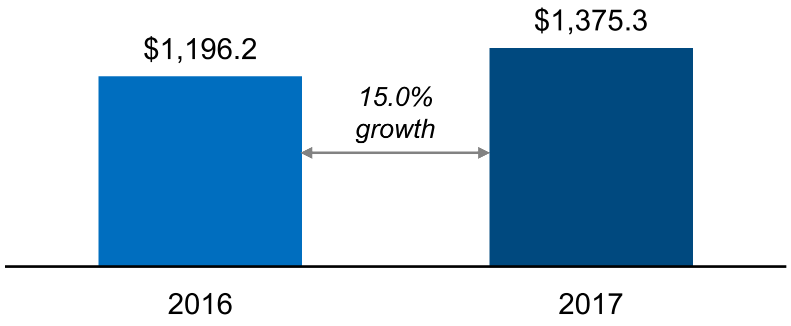
Commentary

- Net revenue of $321.8M grew 16.1% year-over-year; adjusted comparable store sales growth was 10.4%
- Adjusted EBITDA[1] of $25.0M grew 19.4% year-over-year and, as a percentage of net revenue, grew 20 bps year-over-year to 7.8%
- Costs applicable to revenue as a percentage of net revenue grew from 47.0% in Q4 2016 to 47.4% in Q4 2017
- SG&A as a percentage of net revenue increased from 46.5% in Q4 2016 to 47.3% in Q4 2017
- As a result of the Tax Cuts and Jobs Act enacted in 2017, the Company recorded a one-time tax benefit of $43.0M due to a remeasurement of deferred tax assets and liabilities
- Adjusted net loss[1] was $3.0M compared to $1.7M in the prior year affected by:
  - $2.0M discrete income tax expense items
  - $1.8M increased depreciation and amortization, net of tax
  - $1.0M in incremental interest expense, net of tax
  - Adjusted net loss excludes the one-time deferred tax benefit, partially offset by the monitoring agreement termination fee and debt issuance costs
- Net revenue and Adjusted EBITDA[1] results above do not include the Q4 2017 $2.4M net decrease in deferred revenue

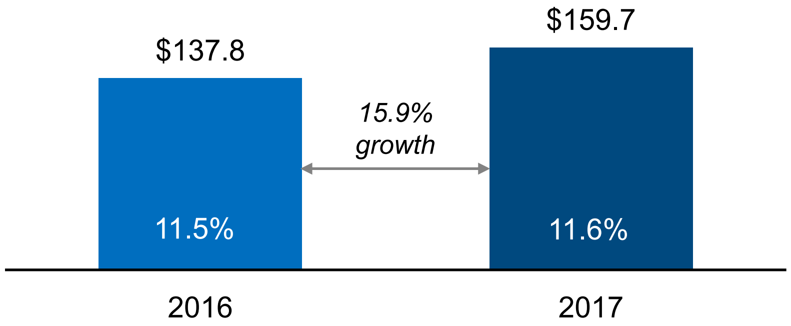
1-For reconciliation of Net Income (Loss) to Adjusted EBITDA and Net Income (Loss) to Adjusted Net (Loss) Income, see Appendix

Fiscal Year 2017 Results

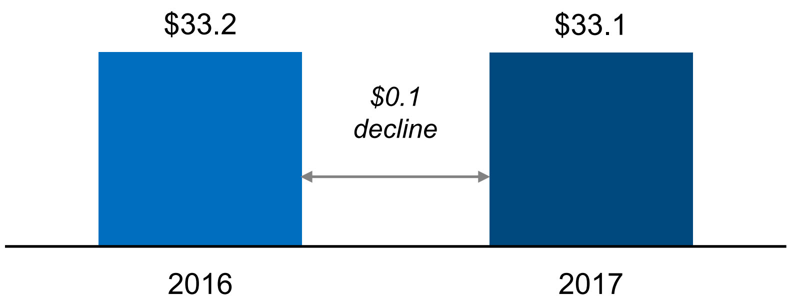
Net Revenue ($MM)



Adjusted EBITDA[1] ($MM)



Adjusted Net Income[1] ($MM)



Commentary

- Net revenue of $1,375.3M grew 15.0% year-over-year; adjusted comparable store sales growth was 7.5%
- Adjusted EBITDA[1] of $159.7M grew 15.9% year-over-year and, as a percentage of net revenue, grew 10 bps year-over-year to 11.6%
- Costs applicable to revenue as a percentage of net revenue increased from 45.5% in FY 2016 to 46.3% in FY 2017
- SG&A as a percentage of net revenue decreased from 43.8% in FY 2016 to 43.5% in FY 2017
- Adjusted net income[1] was $33.1M compared to $33.2M in FY 2016 and excluded the one-time deferred tax benefit, the litigation settlement, management fees including the monitoring agreement termination fee, debt issuance costs and non-cash inventory write-offs
- Net revenue and Adjusted EBITDA[1] results above do not include the FY 2017 $6.8M net increase in deferred revenue

1-For reconciliation of Net Income (Loss) to Adjusted EBITDA and Net Income (Loss) to Adjusted Net (Loss) Income, see Appendix

Capital Structure and Cash Flow

Year-end 2017 Capital Structure

(in $MM)	Debt Amount	Less: Deferred Financing Costs	Amounts per Balance Sheet	% of Total	Coupon	Maturity
Revolving Loan Facility[1]	$ —	$ (0.6)	$ (0.6)	— %	L + 275	10/15/2022
Consolidated First Lien Secured Debt	568.6	(7.1)	561.4	99 %	L + 275	11/20/2024
Other debt[2]	8.4	—	8.4	1 %		
Total debt	**$ 577.0**	**$ (7.7)**	**$ 569.2**	**100 %**		
Cash and cash equivalents			4.2			
Net debt			**$ 565.0**			

Commentary

- Repaid $235M of our first lien loans and the entire $125M of second lien loans with IPO proceeds in Q4
- Revolving loan facility increased from $75M to $100M and extended maturity to 2022
- Refinanced $570M of remaining first lien loans, lowered interest rate to L + 275, extended maturity to 2024
- No borrowings outstanding under our Revolving Loan Facility ($11M in outstanding letters of credit)

Cash Flow

(in $MM)	Fiscal Year 2017	Fiscal Year 2016	Var
Net cash provided by operating activities	$ 90.3	$ 97.6	$ (7.3)
Net cash used for investing activities	(94.8)	(91.7)	(3.1)
Net cash provided by (used for) financing activities	3.8	(6.6)	10.4
Net change in cash and cash equivalents	$ (0.7)	$ (0.7)	$ —

Commentary

- Decline in operating cash flow primarily due to one-time items ($7.0M litigation settlement and $4.4M monitoring agreement termination fee)
- $10.4M increase in net cash provided by (used for) financing activities driven by IPO-related proceeds

1-$100M facility; $89M available
2-Includes capitalized lease debt and original issue discount

Fiscal 2018 Outlook

	Fiscal 2018 Outlook
New Stores	~75 New Stores
Adjusted Comparable Store Sales Growth	3 - 5%
Net Revenue	$1.485 - $1.515 billion
Adjusted EBITDA	$172 - $177 million
Adjusted Net Income	$52 - $56 million
Depreciation and Amortization	$72 - $73 million
Interest	$37 - $38 million
Tax Rate	~26.0%
Capital Expenditures	$100 - $105 million

The fiscal 2018 outlook information provided above includes Adjusted EBITDA and Adjusted Net Income 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 2018 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 2018 outlook. The Company uses these forward looking metrics internally to assess and benchmark its results and strategic plans.

Q&A

Appendix

Q4 2017 Consolidated Financial Results

In thousands	Three Months Ended December 30, 2017 (Unaudited)	Three Months Ended December 31, 2016 (Unaudited)	Fiscal Year 2017	Fiscal Year 2016
Revenue:				
Net product sales	$ 262,121	$ 224,166	$ 1,129,313	$ 980,953
Net sales of services and plans	59,698	52,948	245,995	215,242
Total net revenue	321,819	277,114	1,375,308	1,196,195
Costs applicable to revenue (exclusive of depreciation and amortization):				
Products	106,979	90,949	456,078	390,369
Services and plans	45,414	39,379	180,888	154,412
Total costs applicable to revenue	152,393	130,328	636,966	544,781
Operating expenses:				
Selling, general and administrative expenses	152,210	128,853	597,924	524,238
Depreciation and amortization	16,711	13,756	61,115	51,993
Asset impairment	3,117	7,080	4,117	7,132
Litigation settlement	—	—	7,000	—
Other expense, net	206	450	950	1,667
Total operating expenses	172,244	150,139	671,106	585,030
(Loss) earnings from operations	(2,818)	(3,353)	67,236	66,384
Interest expense, net	14,571	9,715	55,536	39,092
Debt issuance costs	1,825	—	4,527	—
(Loss) earnings before income taxes	(19,214)	(13,068)	7,173	27,292
Income tax (benefit) provision	(47,914)	(3,359)	(38,647)	12,534
Net income (loss)	$ 28,700	$ (9,709)	$ 45,820	$ 14,758

Reconciliation of Adjusted Comparable Store Sales Growth (Unaudited)

	Comparable store sales growth[a]				
	Three Months Ended December 30, 2017	Three Months Ended December 31, 2016	Fiscal Year 2017	Fiscal Year 2016	2018 Outlook
Owned & host segment					
America's Best	11.8%	10.4%	10.1%	9.5%	
Eyeglass World	11.7%	6.8%	6.5%	4.5%	
Military	2.6%	(8.6)%	(6.4)%	1.6%	
Fred Meyer	10.0%	(2.6)%	0.6%	(1.7)%	
Legacy segment	5.5%	(0.5)%	1.0%	(2.2)%	
Total comparable store sales growth	11.5%	7.0%	8.4%	6.9%	3.5 - 5.5%
Adjusted comparable store sales growth[b]	10.4%	7.0%	7.5%	6.1%	3 - 5%

(a) We calculate total comparable store sales based on consolidated net revenue excluding the impact of (i) Corporate/Other segment net revenue, (ii) sales from stores opened less than 12 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 14. "Segment Reporting" in our consolidated financial statements, with the exception of the legacy segment, which is adjusted as noted in clause (ii) of footnote (b) 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 a decrease of 1.0% and an increase of 0.3% from total comparable store sales growth based on consolidated net revenue for the three months ended December 30, 2017 and December 31, 2016, respectively, and a decrease of 0.7% and 0.4% from total comparable store sales growth based on consolidated net revenue for fiscal year 2017 and fiscal year 2016, respectively, (ii) adjusted comparable store sales growth includes retail sales to the legacy partner's customers (rather than the revenues recognized consistent with the management and services agreement), resulting in a decrease of 0.1% and 0.2% from total comparable store sales growth based on consolidated net revenue for the three months ended December 30, 2017 and December 31, 2016, respectively, and a decrease of 0.2% and 0.4% from total comparable store sales growth based on consolidated net revenue for fiscal year 2017 and fiscal year 2016, respectively, and (iii) with respect to the Company's 2018 Outlook, adjusted comparable store sales growth includes an estimated 0.5% 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 and services agreement).

Reconciliation of Adjusted EBITDA (Unaudited)

In thousands	Three Months Ended December 30, 2017			Three Months Ended December 31, 2016			Fiscal Year 2017			Fiscal Year 2016		
Net income (loss)	$	28,700	8.9 %	$	(9,709)	(3.5)%	$	45,820	3.3 %	$	14,758	1.2%
Interest expense		14,571	4.5 %		9,715	3.5 %		55,536	4.0 %		39,092	3.3%
Income tax (benefit) provision		(47,914)	(14.9)%		(3,359)	(1.2)%		(38,647)	(2.8)%		12,534	1.0%
Depreciation and amortization		16,711	5.2 %		13,756	5.0 %		61,115	4.4 %		51,993	4.3%
EBITDA		12,068	3.8 %		10,403	3.8 %		123,824	9.0 %		118,377	9.9%
Stock compensation expense [a]		2,012	0.6 %		985	0.4 %		5,152	0.4 %		4,293	0.4%
Debt issuance costs [b]		1,825	0.6 %		—	— %		4,527	0.3 %		—	—%
Asset impairment [c]		3,117	1.0 %		7,080	2.6 %		4,117	0.3 %		7,132	0.6%
Non-cash inventory write-offs [d]		—	— %		—	— %		2,271	0.2 %		—	—%
Management fees [e]		4,418	1.4 %		311	0.1 %		5,263	0.4 %		1,126	0.1%
New store pre-opening expenses [f]		635	0.2 %		311	0.1 %		2,531	0.2 %		1,983	0.2%
Non-cash rent [g]		77	— %		239	0.1 %		1,112	0.1 %		1,343	0.1%
Litigation settlement [h]		—	— %		—	— %		7,000	0.5 %		—	—%
Other [i]		883	0.3 %		1,642	0.6 %		3,924	0.3 %		3,520	0.3%
Adjusted EBITDA / Adjusted EBITDA margin	$	25,035	7.8 %	$	20,971	7.6 %	$	159,721	11.6 %	$	137,774	11.5%

See footnotes

Note: Percentages reflect line item as a percentage of net revenue

Reconciliation of Adjusted Net (Loss) Income (Unaudited)

In thousands	Three Months Ended December 30, 2017	Three Months Ended December 31, 2016	Fiscal Year 2017	Fiscal Year 2016
Net income (loss)	$ 28,700	$ (9,709)	$ 45,820	$ 14,758
Stock compensation expense [a]	2,012	985	5,152	4,293
Debt issuance costs [b]	1,825	—	4,527	—
Asset impairment [c]	3,117	7,080	4,117	7,132
Non-cash inventory write-offs [d]	—	—	2,271	—
Management fees [e]	4,418	311	5,263	1,126
New store pre-opening expenses [f]	635	311	2,531	1,983
Non-cash rent [g]	77	239	1,112	1,343
Litigation settlement [h]	—	—	7,000	—
Other [i]	883	1,642	3,924	3,520
Amortization of acquisition intangibles and deferred financing costs [j]	5,853	2,811	14,481	11,311
Tax legislation adjustment [k]	(42,965)	—	(42,965)	—
Tax effect of total adjustments [l]	(7,529)	(5,352)	(20,152)	(12,283)
Adjusted Net (Loss) Income	$ (2,974)	$ (1,682)	$ 33,081	$ 33,183

See footnotes

Reconciliation of Adjusted EBITDA and Adjusted Net (Loss) Income Footnotes

(a) Non-cash charges related to stock-based compensation programs, which vary from period to period depending on the timing of awards.
(b) Includes $1.8 million of fees associated with the refinancing of our first line credit agreement during the fourth quarter of fiscal year 2017 and $2.7 million of fees associated with the borrowing of $175.0 million in additional principal under our first lien credit agreement during the first quarter of fiscal year 2017.
(c) Non-cash write-downs of capitalized software and property and equipment for the three months ended December 30, 2017 and non-cash charges related to a complete write-off of a cost-based investment during fiscal year 2017. Non-cash charges related to impairment of long-lived assets, primarily goodwill in our wholly-owned Arlington Contact Lens Service, Inc. subsidiary during three months ended December 31, 2016 and fiscal year 2016.
(d) Write-offs of inventory relating to the expiration of a specific type of contact lenses that could not be sold and required disposal.
(e) Management fees paid to Sponsors in accordance with our monitoring agreement with them in fiscal year 2017 including management termination fees paid in connection with the IPO during three months ended December 30, 2017.
(f) Pre-opening expenses, which include marketing and advertising, labor and occupancy expenses incurred prior to opening a new store, are generally higher than comparable expenses incurred once such store is open and generating revenue. We believe that such higher pre-opening expenses are specific in nature and amount to opening a new store and as such, are not indicative of ongoing core operating performance. We adjust for these costs to facilitate comparisons of store operating performance from period to period. Pre-opening costs are permitted exclusions in our calculation of Adjusted EBITDA pursuant to the terms of our existing credit agreement.
(g) Consists of the non-cash portion of rent expense, which reflects the extent to which our straight-line rent expense recognized under GAAP exceeds or is less than our cash rent payments. The adjustment can vary depending on the average age of our lease portfolio, which has been impacted by our significant growth in recent years. For newer leases, our rent expense recognized typically exceeds our cash rent payments, while for more mature leases, rent expense recognized under GAAP is typically less than our cash rent payments.
(h) Amounts accrued related to settlement of litigation.
(i) Other adjustments include amounts that management believes are not representative of our operating performance, including our share of losses on equity method investments of $0.3 million, $0.4 million, $1.0 million and $1.4 million for the three months ended December 30, 2017 and December 31, 2016 and fiscal years 2017 and 2016, respectively; the amortization impact of adjustments related to the acquisition of the Company by affiliates of KKR in March 2014 (the "KKR Acquisition") (e.g., fair value of leasehold interests) of $(0.1) million, $(0.1) million, $(0.3) million and $(0.7) million for the three months ended December 30, 2017 and December 31, 2016 and fiscal years 2017 and 2016, respectively, related to prior acquisitions; expenses related to preparation for being an SEC registrant that were not directly attributable to the IPO and therefore not charged to equity of $1.1 million, $1.8 million and $2.0 million for the three months ended December 31, 2016 and fiscal years 2017 and 2016, respectively; differences between the timing of expense versus cash payments related to contributions to charitable organizations of $(0.3) million for three months ended December 30, 2017 and December 31, 2016, and $(1.0) million during fiscal years 2017 and 2016; costs of severance and relocation of $0.4 million, $0.2 million, $1.4 million, and $1.1 million for the three months ended December 30, 2017 and December 31, 2016 and fiscal years 2017 and 2016 respectively; non-cash write-down of property and equipment of $0.4 million, $0.2 million, $0.4 million and $0.2 million for for the three months ended December 30, 2017 and December 31, 2016 and fiscal years 2017 and 2016, respectively; and other expenses and adjustments totaling $0.1 million, $0.1 million, $0.6 million, and $0.6 million for the three months ended December 30, 2017 and December 31, 2016 and fiscal years 2017 and 2016, respectively.
(j) Amortization of the increase in carrying values of definite-lived intangible assets resulting from the application of purchase accounting to the KKR Acquisition of $1.9 million for the three months ended December 30, 2017 and December 31, 2016 and $7.4 million for fiscal years 2017 and 2016; and 2) Amortization of debt discounts associated with the March 2014 term loan borrowings in connection with the KKR Acquisition and, to a lesser extent, amortization of debt discounts associated with the May 2015 and February 2017 incremental first lien term loans and the November 2017 first lien term loan refinancing, aggregating to $4.0 million, $1.0 million, $7.1 million and $3.9 million for the three months ended December 30, 2017 and December 31, 2016, and fiscal years 2017 and 2016, respectively.
(k) The adjustment represents re-measuring and reassessing the net realizability of our deferred tax assets and liabilities related to the Tax Act during fiscal year 2017.
(l) Income tax effect of the total adjustments at our estimated effective tax rate.

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