Q2 2021 Financial Results

August 12, 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 variants, and the impact of evolving federal, state, and local governmental actions in response thereto; customer behavior in response to the continuing pandemic and its more recent outbreaks of variants; 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 and variants; 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 subsequently filed reports, 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 second quarter of 2021, which is available at www.nationalvision.com/investors, together with this presentation.

Agenda

Topic	Presenter
Second Quarter 2021 Highlights	Reade Fahs, CEO
Second Quarter 2021 Financial Update	Patrick Moore, CFO
Moments of Mission / Corporate Responsibility	Reade Fahs, CEO
Q&A	

Reade Fahs
CEO

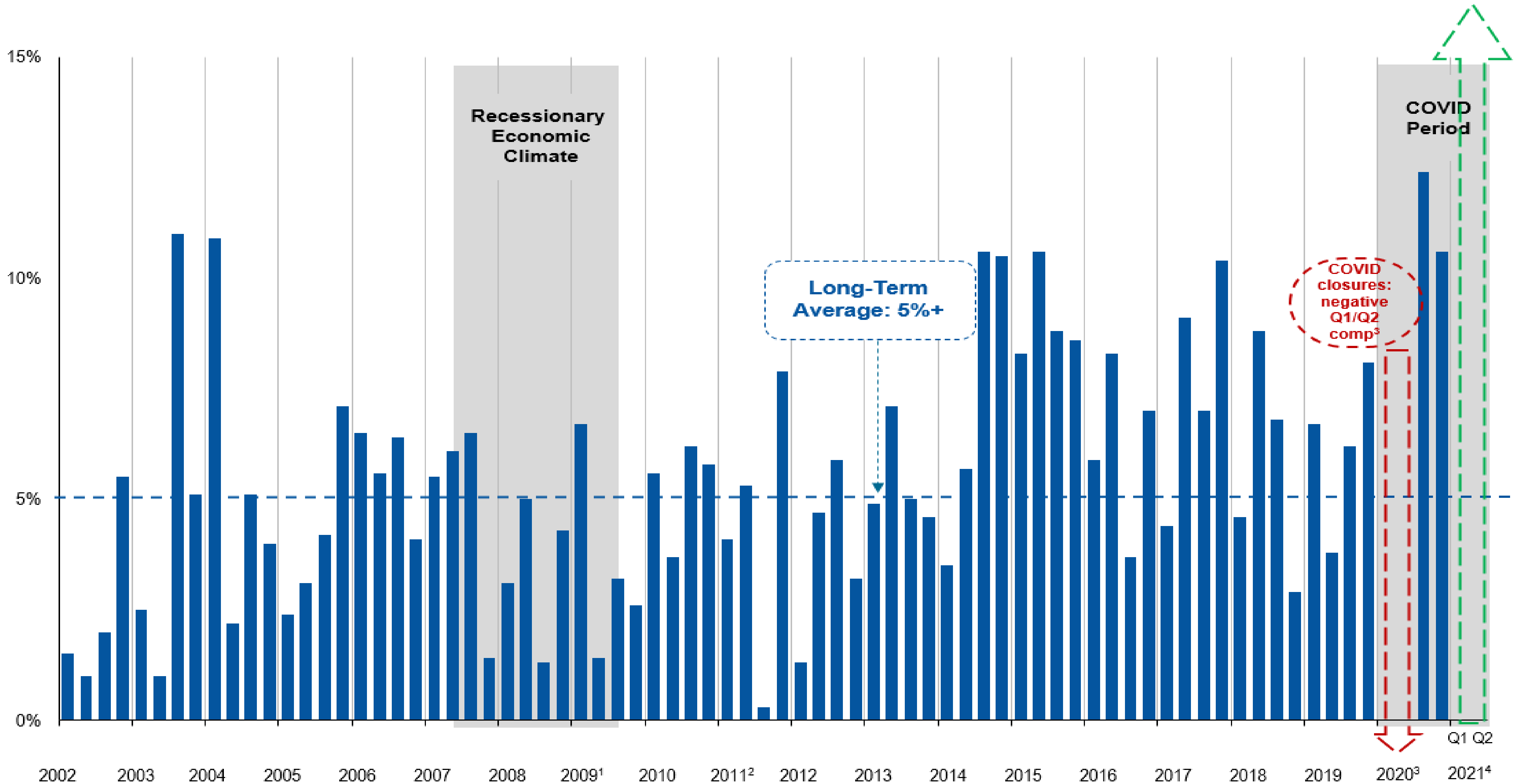
Patrick Moore
CFO

Q2 Highlights

- Net revenue: $549.5 million, 28.0% over Q2 2019 (111% over Q2 2020)
  - TTM net revenue surpassed $2 billion
- Opened 20 new stores and ended the quarter with 1,249 stores
- Adjusted Comparable Store Sales Growth[1]: 23.5% over Q2 2019 (76.7% over Q2 2020)
- Adjusted Operating Income[1]: $65.6 million, 125% over Q2 2019 (290% over Q2 2020)
- Adjusted Diluted EPS[1]: $0.48, 163% over Q2 2019 (217% over Q2 2020)
- Record Q2 profit as a public company
- Cash balance of $408.3 million
- Completed Greenhouse Gas (GHG) inventory
- Raises 2021 Outlook

1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures of total comparable store sales growth over 2019 and 2020 of 22.5% and 99.1%; net income of $37.6 million in 2021, $(43.8) million in 2020 and $10.3 million in 2019; and diluted EPS of $0.42 in 2021, $(0.55) in 2020 and $0.13 in 2019, respectively

Long History of Consistent Comparable Store Sales Growth ('02 - '21)



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 to GAAP financial measures Q1 and Q2 2020 total comparable store sales growth of (2.9)% and (44.7)%, respectively
4-Adjusted Comparable Store Sales Growth for Q1 and Q2 2021 was 35.8% and 76.7% respectively; see Appendix for reconciliation to GAAP financial measure Q1 and Q2 2021 total comparable store sales growth of 18.2% and 99.1%, respectively

Multiple Drivers to Continue Our Growth

Grow Store Base Across Our Owned Brands

Continue to Drive Comparable Store Sales Growth

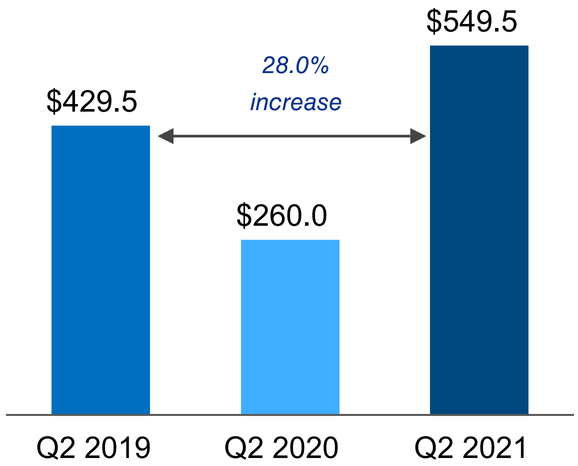
Improve Operating Productivity

Leverage Technology

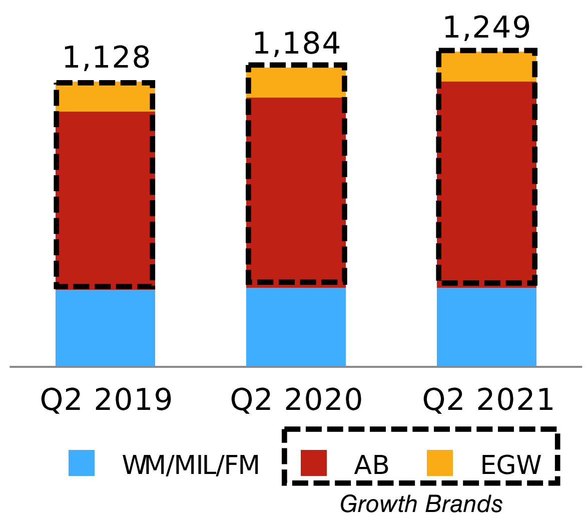
Second Quarter 2021 Financial Update

Revenue Drivers

Net Revenue ($M)



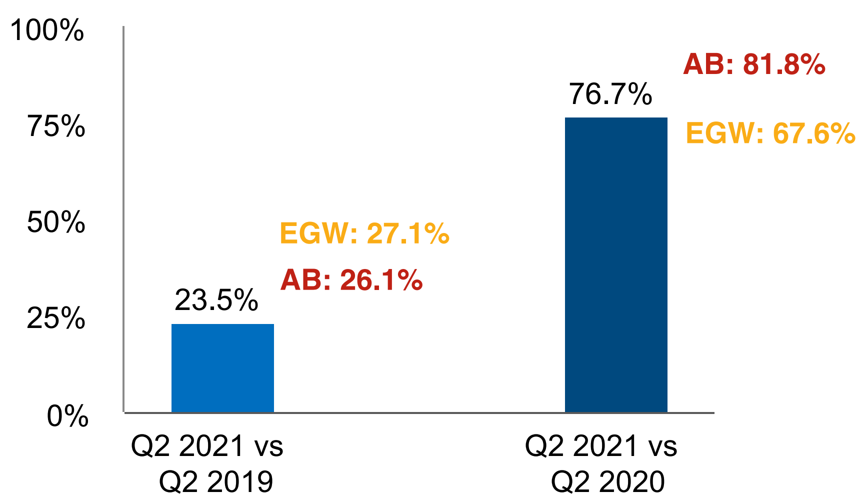
Total Store Count[1]



Commentary

- Net revenue increased 28.0% over Q2 2019
  - Immaterial unearned revenue impact
- 5.5% increase in store count over Q2 2020
  - Opened 20 stores (18 AB and 2 EGW) and closed 1 store (AB) in the quarter
  - 10.7% increase over Q2 2019
- 7.6% increase in store count at growth brands over Q2 2020

Adjusted Comparable Store Sales Growth[2]



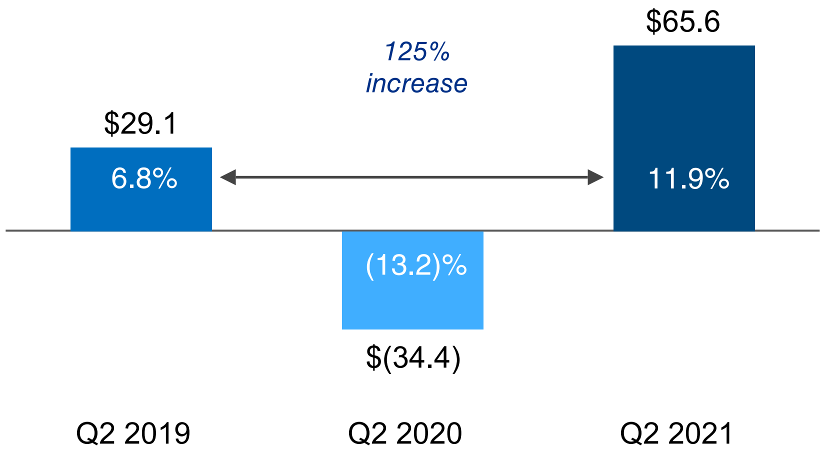
Commentary

- Adjusted Comparable Store Sales Growth[2] of 23.5% over 2019 and 76.7% over 2020
  - Comp strength led by growth brands
- Adjusted Comparable Store Sales Growth[2] driven by an increase in transactions, including June
  - Positive comps in eyeglass and contact lens categories
  - Eyeglass comps driven by increases in customer transactions

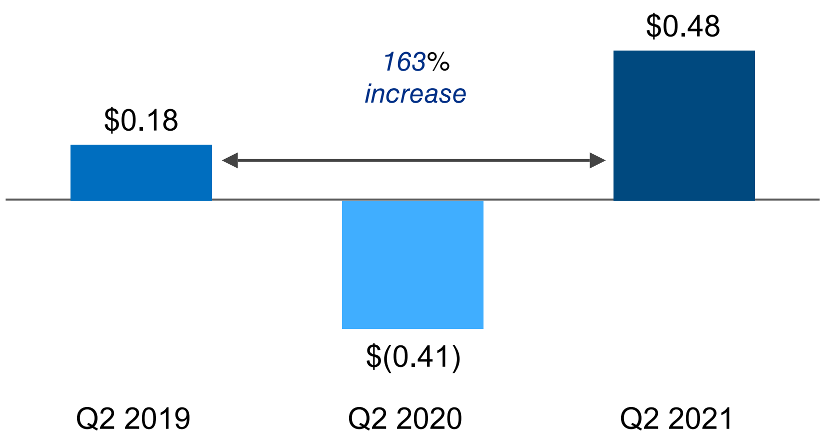
1-Q2 2020 store count updated to 1,184 stores from previously reported number
2-Non-GAAP financial measure; see Appendix for reconciliation to GAAP financial measure Q2 total comparable store sales growth over 2019 and 2020 of 22.5% and 99.1%, respectively

Q2 2021 Margin Drivers

Adjusted Operating Income[1] ($M)



Adjusted Diluted EPS[1]



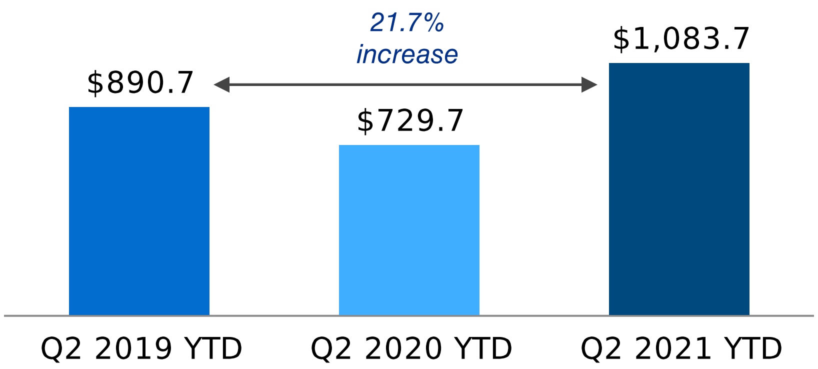
Commentary

- Costs applicable to revenue as a percentage of net revenue decreased 430 bps to 42.9% compared to Q2 2019 primarily due to:
  - Lower growth in optometrist costs, increased eyeglass mix and higher eyeglass margin
- Adjusted SG&A Percent of Net Revenue[1] decreased 60 bps to 41.1% compared to Q2 2019 primarily due to:
  - Leverage of corporate overhead and occupancy expenses, partially offset by higher performance-based incentive compensation and higher advertising investment
- Adjusted Operating Income[1] increased 125% to $65.6 million. Adjusted Operating Margin[1] increased 510 bps to 11.9% compared to Q2 2019 due to factors noted above and lower D&A growth
- Diluted EPS increased 230% to $0.42 compared to the second quarter of 2019; Adjusted Diluted EPS[1] increased 163% to $0.48 compared to the second quarter of 2019

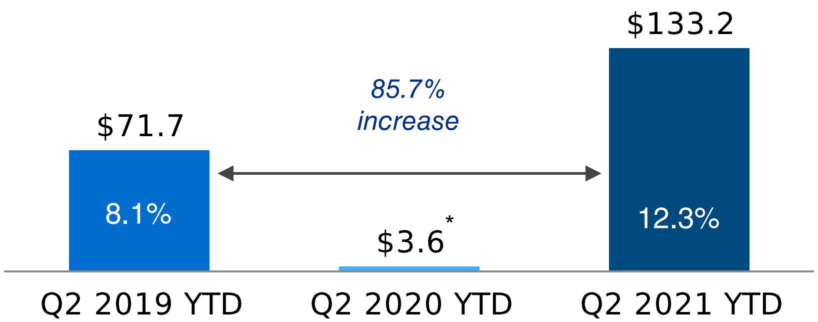
1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures of SG&A percent of net revenue of 42.4% for Q2 2019, 52.5% for Q2 2020 and 42.6% for Q2 2021, net income of $10.3 million for Q2 2019, net loss of $43.8 million for Q2 2020 and net income of $37.6 million for Q2 2021 and operating margin of 2.4% for Q2 2019, (16.9)% for Q2 2020 and 6.8% for Q2 2021

Q2 2021 Year-to-Date Results

Net Revenue ($M)

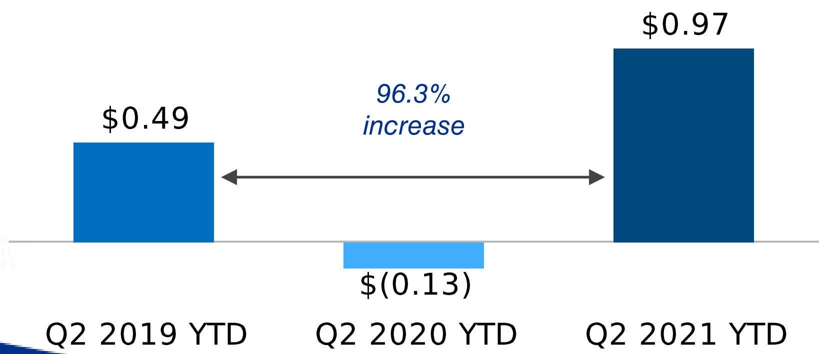


Adjusted Operating Income[1] ($M)



* Q2 2020 YTD Adjusted Operating Income was 0.5% of Net Revenue.

Adjusted Diluted EPS[1]



Commentary

- Net revenue increased 21.7% compared to same period in 2019
  - Timing of unearned revenue negatively impacted revenue growth by 0.8%
- Costs applicable to revenue as a percentage of net revenue decreased 400 bps to 42.5% compared to the same period in 2019 primarily due to:
  - Higher eyeglass margin, a higher mix of exam sales, and lower growth in optometrist costs
- Adjusted SG&A Percent of Net Revenue[1] was unchanged at 41.2% compared to the same period in 2019 primarily due to:
  - The leverage of corporate overhead, occupancy and advertising expenses were offset by higher performance-based incentive compensation
- Adjusted Operating Income[1] increased 85.7% to $133.2 million compared to the same period in 2019. Adjusted Operating Margin[1] increased 420 basis points to 12.3% compared to the same period in 2019 due to factors noted above and lower D&A growth
  - Margin on unearned revenue negatively impacted Adjusted Operating Income by $5.8 million
- Diluted EPS increased 163% to $0.89 compared to the same period in 2019; Adjusted Diluted EPS[1] increased 96.3% to $0.97 compared to the same period in 2019
  - Margin on unearned revenue negatively impacted Adjusted Diluted EPS[1] by $0.04

1-Non-GAAP financial measures; see Appendix for reconciliation to GAAP financial measures of SG&A percent of net revenue of 42.2% for Q2 2019 YTD, 45.3% for Q2 2020 YTD and 42.2% for Q2 2021 YTD, net income of $27.7 million for Q2 2019 YTD, net loss of $34.1 million for Q2 2020 YTD and net income of $81.0 million for Q2 2021 YTD and operating margin of 3.1% for Q2 2019 YTD, (4.7)% for Q2 2020 YTD and 7.5% for Q2 2021 YTD

Capital Structure and Cash Flow

Q2 2021 Capital Structure ($M)

	Debt Amount	Less: Deferred Financing Costs	Amounts per Balance Sheet	% of Total	Coupon	Maturity
First Lien - Term Loan	$ 200.0	$ (1.5)	$ 198.5	32 %	L + 125	7/18/2024
First Lien - Revolving Credit Facility[1]	—	—	—	— %	L + 125	7/18/2024
Convertible senior notes	402.5	(9.2)	393.3	63 %	2.50 %	5/15/2025
Other debt[2]	28.6	—	28.6	5 %		
Total debt	$ 631.1	$ (10.7)	$ 620.4	100 %		
Cash and cash equivalents			408.3			
Net debt			$ 212.1			

Commentary

- Net debt to TTM Adjusted EBITDA[3] 0.6x
- No borrowings outstanding under our revolving credit facility ($6.4M in outstanding letters of credit)
- No debt maturities until 2024
- $702M of liquidity at end of Q2

Cash Flow ($M)

	Six Months Ended		
	July 3, 2021	June 27, 2020	June 29, 2019
Net cash provided by operating activities	$ 189.8	$ 71.4	$ 119.3
Net cash used for investing activities	(38.8)	(25.5)	(51.8)
Net cash provided by (used for) financing activities	(116.5)	171.4	(1.6)
Net change in cash, cash equivalents and restricted cash	$ 34.5	$ 217.3	$ 65.9

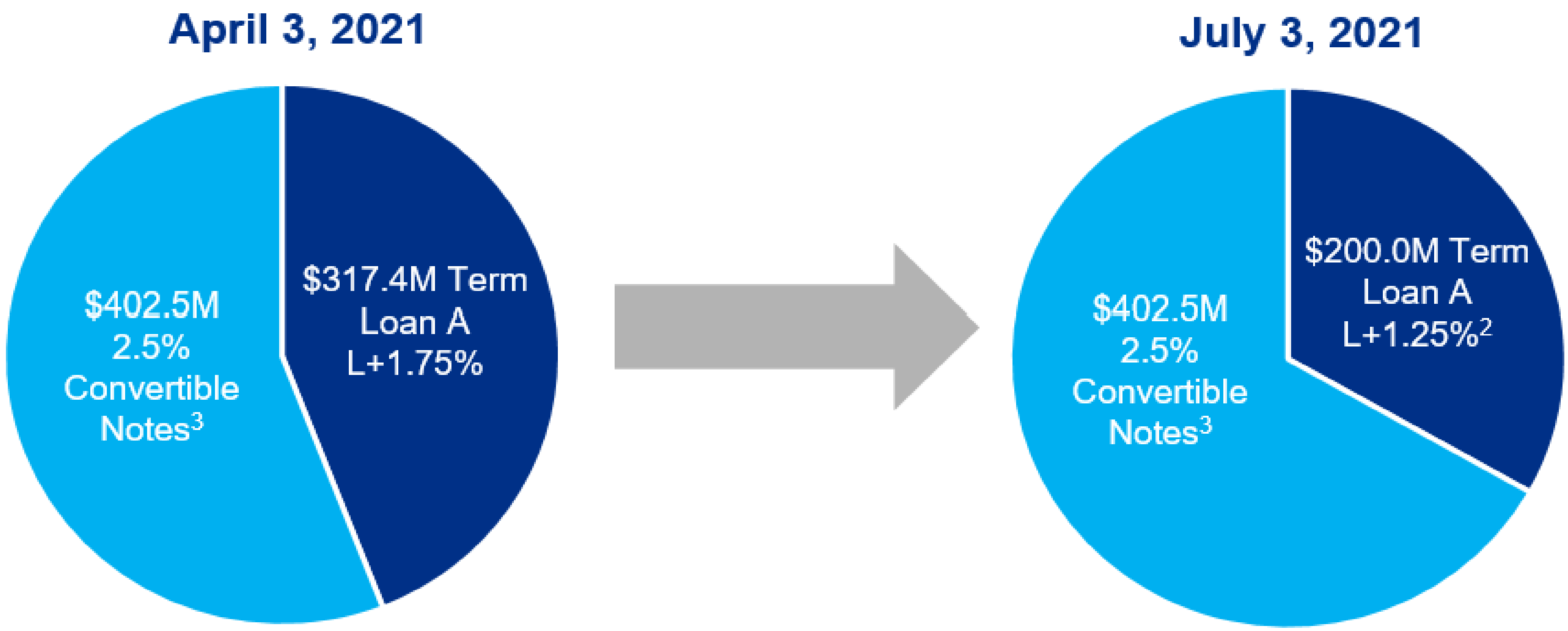
Commentary

- $118.4M increase in operating cash flow compared to 2020 primarily due to higher net income
- $13.3M increase in net cash used for investing activities compared to 2020 primarily due to increased store openings
- $288.0M decrease in net cash provided by financing activities compared to 2020 due to the 2025 convertible notes issuance, paydown of revolver borrowings and Term Loan prepayments

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 of TTM net income of $151.4 million

Credit Facility Amendment and Balance Sheet Improvement

Debt Balances[1]



- Voluntary prepayment of $117.4M of Term Loan A borrowings
- June 2021 credit agreement amendment
  - Removal of 1% LIBOR floor on facility borrowings
  - 50 basis point improvement on LIBOR margin across all credit tiers
  - Modified certain financial covenants back to pre-COVID terms
- Moody's credit rating improvement to Ba2

1- Excluding debt discounts and deferred financing costs
2- Per credit agreement amendment, LIBOR floor of 1% was removed
3- Gross amount, net proceeds of $390.9 million

2021 Considerations

- Assumes no material deterioration due to COVID-19 impacts / variants
- Expect comps to normalize as heightened demand and average ticket moderate
- 53rd week impact (2020): ~$32 million in net revenue, ~$0.01 benefit to diluted EPS
- Second half factors
  - Sales comparisons
  - Product mix
  - Advertising - Investment closer to historical % of net revenue
- Incremental wage inflation
- Unearned revenue
- Expect incrementally more margin pressure in Q4 versus Q3 due to above considerations

Fiscal 2021 Outlook

	Updated Fiscal 2021 Outlook	Prior Fiscal 2021 Outlook
New Stores	~75	~75
Adjusted Comparable Store Sales Growth[1]	19% - 22%	16% - 19%
Net Revenue	$2.01 - $2.06 billion	$1.975 - $2.025 billion
Adjusted Operating Income	$180 - $187 million	$155 - $162 million
Adjusted Diluted EPS[2]	$1.28 - $1.33	$1.07 - $1.12
Depreciation and Amortization[3]	~$98 million	$97 - $98 million
Interest[4]	~$25 million	~$28 million
Tax Rate[5]	~26%	~26%
Capital Expenditures	$100 - $105 million	$100 - $105 million

1 - For the 52 weeks ending January 1, 2022 compared to the 52 weeks ended January 2, 2021
2 - Assumes 96.3 million shares, including 12.9 million shares for the convertible notes calculated using the if-converted method
3 - Includes amortization of acquisition intangibles of approximately $7.5 million for the 52 weeks ending January 1, 2022
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

Moments of Mission – Corporate Responsibility

- Completed initial Greenhouse Gas (GHG) inventory: view here

- Aligned with best governance practices with management proposals approved at annual meeting:
  - Board declassification
  - Removal of supermajority voting provisions

Forbes 2021
THE BEST EMPLOYERS FOR WOMEN
POWERED BY STATISTA

50 WOMEN
50 ON BOARDS

Eyeglass World's "Made Locally, Given Globally" program surpassed 100,000 eyeglass donations to people in need around the globe.

Q&A

Appendix

Q2 2021 Consolidated Financial Results (Unaudited)

Dollars and shares in thousands, except Earnings Per Share	Three Months Ended July 3, 2021	Three Months Ended June 27, 2020	Three Months Ended June 29, 2019	Six Months Ended July 3, 2021	Six Months Ended June 27, 2020	Six Months Ended June 27, 2019
Revenue:						
Net product sales	$ 458,206	$ 209,707	$ 357,533	$ 901,273	$ 602,548	$ 740,693
Net sales of services and plans	91,283	50,300	71,918	182,396	127,163	149,973
Total net revenue	549,489	260,007	429,451	1,083,669	729,711	890,666
Costs applicable to revenue (exclusive of depreciation and amortization):						
Products	167,028	97,635	145,654	326,719	254,005	299,658
Services and plans	68,918	43,145	56,852	133,917	105,329	114,817
Total costs applicable to revenue	235,946	140,780	202,506	460,636	359,334	414,475
Operating expenses:						
Selling, general and administrative expenses	234,235	136,582	182,278	457,828	330,323	376,154
Depreciation and amortization	24,025	21,924	20,819	47,580	46,734	41,234
Asset impairment	519	2,411	1,790	1,478	13,766	3,872
Litigation settlement	—	—	—	—	4,395	—
Other expense (income), net	(65)	(92)	356	(130)	(158)	829
Total operating expenses	258,714	160,825	205,243	506,756	395,060	422,089
Income (loss) from operations	54,829	(41,598)	21,702	116,277	(24,683)	54,102
Interest expense, net	10,096	15,502	8,968	16,426	22,957	18,029
Debt issuance costs	92	136	—	92	136	—
Earnings (loss) before income taxes	44,641	(57,236)	12,734	99,759	(47,776)	36,073
Income tax provision (benefit)	7,040	(13,403)	2,477	18,726	(13,685)	8,387
Net income (loss)	$ 37,601	$ (43,833)	$ 10,257	$ 81,033	$ (34,091)	$ 27,686
Earnings (loss) per share - basic	$ 0.46	$ (0.55)	$ 0.13	$ 0.99	$ (0.42)	$ 0.35
Earnings (loss) per share - diluted	$ 0.42	$ (0.55)	$ 0.13	$ 0.89	$ (0.42)	$ 0.34
Weighted average shares outstanding - basic	81,601	80,325	78,318	81,457	80,226	78,262
Weighted average shares outstanding - diluted	96,082	80,325	81,424	96,044	80,226	81,437

Note: The three and six-months ended July 3, 2021 diluted EPS is calculated using the if-converted method for the 2025 Notes adding back $2.4 million and $4.7 million of interest expense (after tax) related to the 2025 Notes, respectively, and assuming conversion of the 2025 Notes at the beginning of 2021.

Reconciliation of Adjusted Comparable Stores Sales Growth (Unaudited)

	Comparable store sales growth[a]			
	Second Quarter		Year to Date	
	2021 vs. 2019	2021 vs. 2020	2021 vs. 2019	2021 vs. 2020
Owned & Host segment				
America's Best	26.1%	81.8%	18.4%	54.9%
Eyeglass World	27.1%	67.6%	22.3%	57.1%
Military	(0.2)%	65.0%	(1.6)%	38.1%
Fred Meyer	(8.7)%	61.1%	(10.3)%	36.1%
Legacy segment	11.4%	58.2%	6.1%	42.6%
Total comparable store sales growth	22.5%	99.1%	15.5%	48.9%
Adjusted Comparable Store Sales Growth [b]	23.5%	76.7%	16.7%	53.3%

Additional comparable store sales growth information for 2020 and 2021 (compared to the prior year period)	Three Months Ended April 3, 2021	Three Months Ended March 28, 2020
Total comparable store sales growth	18.2%	(2.9)%
Adjusted Comparable Store Sales Growth [b]	35.8%	(10.3)%

(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 10. "Segment Reporting" in our unaudited condensed consolidated financial statements included in Part I. Item 1. in our Quarterly Report on Form 10-Q for the period ended July 3, 2021, with the exception of the Legacy segment, which is adjusted as noted in clause (b) (ii) below.

(b) The differences between total comparable store sales growth based on consolidated net revenue and Adjusted Comparable Store Sales Growth are: (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: an increase of 1.2% for second quarter 2021 vs. 2019, a decrease of 21.6% for second quarter 2021 vs. 2020, an increase of 1.2% for year to date 2021 vs. 2019 and an increase of 4.4% for year to date 2021 vs. 2020; an increase of 17.3% and a decrease of 7.5% for the three months ended April 3, 2021 and March 28, 2020, respectively; and (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 0.2% for second quarter 2021 vs. 2019, a decrease of 0.8% for second quarter 2021 vs. 2020, an increase of 0.3% and an increase of 0.1% for the three months ended April 3, 2021 and March 28, 2020, respectively. The differences between total comparable store sales growth based on consolidated net revenue and Adjusted Comparable Store Sales Growth for the three months ended April 3, 2021 have been updated from previously reported numbers, with no change to total comparable store sales growth based on consolidated net revenue and Adjusted Comparable Store Sales Growth.

Reconciliation of Adjusted Operating Income to Net Income (Unaudited)

Dollars in thousands	Three Months Ended July 3, 2021	Three Months Ended June 27, 2020	Three Months Ended June 29, 2019	Six Months Ended July 3, 2021	Six Months Ended June 27, 2020	Six Months Ended June 29, 2019
Net income (loss)	$ 37,601	$ (43,833)	$ 10,257	$ 81,033	$ (34,091)	$ 27,686
Interest expense	10,096	15,502	8,968	16,426	22,957	18,029
Income tax provision (benefit)	7,040	(13,403)	2,477	18,726	(13,685)	8,387
Stock compensation expense [a]	7,213	3,352	1,741	10,201	5,445	4,717
Asset impairment [b]	519	2,411	1,790	1,478	13,766	3,872
Litigation settlement [c]	—	—	—	—	4,395	—
Management realignment expenses [d]	—	—	—	—	—	2,155
Long-term incentive plan [e]	—	—	781	—	—	722
Amortization of acquisition intangibles [f]	1,871	1,851	1,851	3,744	3,702	3,702
Other [i]	1,241	(307)	1,223	1,641	1,149	2,467
Adjusted Operating Income	$ 65,581	$ (34,427)	$ 29,088	$ 133,249	$ 3,638	$ 71,737
Net income (loss) margin	6.8%	(16.9)%	2.4%	7.5%	(4.7)%	3.1%
Adjusted Operating Margin	11.9%	(13.2)%	6.8%	12.3%	0.5%	8.1%

Note: Percentages reflect line item as a percentage of net revenue, adjusted for rounding

Reconciliation of Adjusted EBITDA to Net Income (Unaudited)

Dollars in thousands	Three Months Ended July 3, 2021	Three Months Ended June 27, 2020	Three Months Ended June 29, 2019	Six Months Ended July 3, 2021	Six Months Ended June 27, 2020	Six Months Ended June 29, 2019	Twelve Months Ended July 3, 2021
Net income (loss)	$ 37,601	$ (43,833)	$ 10,257	$ 81,033	$ (34,091)	$ 27,686	$ 151,401
Interest expense	10,096	15,502	8,968	16,426	22,957	18,029	41,640
Income tax provision (benefit)	7,040	(13,403)	2,477	18,726	(13,685)	8,387	34,814
Depreciation and amortization	24,025	21,924	20,819	47,580	46,734	41,234	92,431
EBITDA	78,762	(19,810)	42,521	163,765	21,915	95,336	320,286
Stock compensation expense [a]	7,213	3,352	1,741	10,201	5,445	4,717	15,496
Asset impairment [b]	519	2,411	1,790	1,478	13,766	3,872	9,716
Litigation settlement [c]	—	—	—	—	4,395	—	—
Management realignment expenses [d]	—	—	—	—	—	2,155	—
Long-term incentive plan [e]	—	—	781	—	—	722	—
Other [i]	1,241	(307)	1,223	1,641	1,149	2,467	3,224
Adjusted EBITDA	$ 87,735	$ (14,354)	$ 48,056	$ 177,085	$ 46,670	$ 109,269	$ 348,722
Net income (loss) margin	6.8%	(16.9)%	2.4%	7.5%	(4.7)%	3.1%	
Adjusted EBITDA Margin	16.0%	(5.5)%	11.2%	16.3%	6.4%	12.3%	
Net debt/Net income							1.4x
Net debt/Adjusted EBITDA							0.6x

Note: Percentages reflect line item as a percentage of net revenue, adjusted for rounding

Reconciliation of Adjusted Diluted EPS to Diluted EPS (Unaudited)

Shares in thousands	Three Months Ended July 3, 2021	Three Months Ended June 27, 2020	Three Months Ended June 29, 2019	Six Months Ended July 3, 2021	Six Months Ended June 27, 2020	Six Months Ended June 29, 2019
Diluted EPS	$ 0.42	$ (0.55)	$ 0.13	$ 0.89	$ (0.42)	$ 0.34
Stock compensation expense [a]	0.08	0.04	0.02	0.11	0.07	0.06
Asset impairment [b]	0.01	0.03	0.02	0.02	0.17	0.05
Litigation settlement [c]	—	—	—	—	0.05	—
Management realignment expenses [d]	—	—	—	—	—	0.03
Long-term incentive plan [e]	—	—	0.01	—	—	0.01
Amortization of acquisition intangibles [f]	0.02	0.02	0.02	0.04	0.05	0.05
Amortization of debt discount and deferred financing costs [g]	0.01	0.03	0.01	0.01	0.03	0.01
Losses (gains) on change in fair value of derivatives [h]	0.02	0.06	—	—	0.06	—
Other [m]	0.01	—	0.02	(0.01)	0.01	0.03
Tax benefit of stock option exercises [j]	(0.04)	—	(0.01)	(0.05)	(0.04)	(0.02)
Tax effect of total adjustments [k]	(0.04)	(0.05)	(0.02)	(0.05)	(0.12)	(0.06)
Adjusted Diluted EPS	$ 0.48	$ (0.41)	$ 0.18	$ 0.97	$ (0.13)	$ 0.49
Weighted average diluted shares outstanding	96,082	80,325	81,424	96,044	80,226	81,437

Note: Some of the totals in the table above do not foot due to rounding differences

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

Dollars in thousands	Three Months Ended			Six Months Ended		
	July 3, 2021	**June 27, 2020**	**June 29, 2019**	**July 3, 2021**	**June 27, 2020**	**June 29, 2019**
SG&A	$ 234,235	$ 136,582	$ 182,278	$ 457,828	$ 330,323	$ 376,154
Stock compensation expense (a)	7,213	3,352	1,741	10,201	5,445	4,717
Management realignment expenses (d)	—	—	—	—	—	2,155
Long-term incentive plan (e)	—	—	781	—	—	722
Other (l)	1,241	(307)	776	1,641	1,149	1,460
Adjusted SG&A	$ 225,781	$ 133,537	$ 178,980	$ 445,986	$ 323,729	$ 367,100
SG&A Percent of Net Revenue	42.6%	52.5%	42.4%	42.2%	45.3%	42.2%
Adjusted SG&A Percent of Net Revenue	41.1%	51.4%	41.7%	41.2%	44.4%	41.2%

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

Reconciliation of Non-GAAP to GAAP Financial Measures 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) Reflects write-off of property, equipment and lease related assets on closed or underperforming stores.
(c) Expenses associated with settlement of litigation.
(d) Expenses related to a non-recurring management realignment described in the Current Report on Form 8-K filed with the SEC on January 10, 2019.
(e) 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 acquisition of the Company by affiliates of KKR & Co. Inc. (the "KKR Acquisition").
(f) Amortization of the increase in carrying values of finite-lived intangible assets resulting from the application of purchase accounting to the KKR Acquisition.
(g) Amortization of deferred financing costs and other non-cash charges related to our long-term debt. We adjust for amortization of costs related to the 2025 Notes only when adjustment for these costs is not required in the calculation of diluted earnings per share according to U.S. GAAP. Amortization of debt discount and deferred financing costs in aggregate total $1.0 million, $2.5 million and $0.5 million for the three months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $1.2 million, $2.7 million and $0.9 million for the six months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively.
(h) Reflects losses (gains) recognized in interest expense on change in fair value of de-designated hedges of $2.4 million and $4.9 million for the three months ended July 3, 2021 and June 27, 2020, respectively, and $0.1 million and $4.9 million for the six months ended July 3, 2021 and June 27, 2020, respectively.
(i) Other adjustments include 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 $0.4 million for the three months ended June 29, 2019 and $1.0 million for the six months ended June 29, 2019; the amortization impact of adjustments related to the KKR Acquisition, (e.g., fair value of leasehold interests) of $0.1 million for each of the three months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $0.2 million for each of the six months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $0.4 million for the twelve months ended July 3, 2021; costs of severance and relocation of $0.7 million, $0.2 million and $0.6 million for the three months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $0.8 million, $0.5 million and $0.8 million for the six months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $1.6 million for the twelve months ended July 3, 2021; excess payroll taxes related to stock option exercises of $0.2 million and $0.1 million for the three months ended July 3, 2021 and June 29, 2019, respectively, and $0.3 million, $0.3 million and $0.1 million for the six months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $0.7 million for the twelve months ended July 3, 2021; incremental costs directly related to adapting the Company's operations during the COVID-19 pandemic of $0.6 million for the six months ended June 27, 2020; and other expenses and adjustments totaling $0.2 million and $(0.7) million for the three months ended July 3, 2021 and June 27, 2020, respectively, and $0.3 million, $(0.5) million and $0.3 million for the six months ended July 3, 2021, June 27, 2020 and June 29, 2019, respectively, and $0.5 million for the twelve months ended July 3, 2021.
(j) 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.
(k) Represents the income tax effect of the total adjustments at our combined statutory federal and state income tax rates.
(l) Reflects other expenses in (i) above, except for our share of losses on equity method investments of $0.4 million for the three months ended June 29, 2019 and $1.0 million for the six months ended June 29, 2019.
(m) Reflects other expenses in (i) above, including the impact of stranded tax effect of $(2.1) million for the six months ended July 3, 2021 associated with our interest rate swaps that matured in 2021.

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

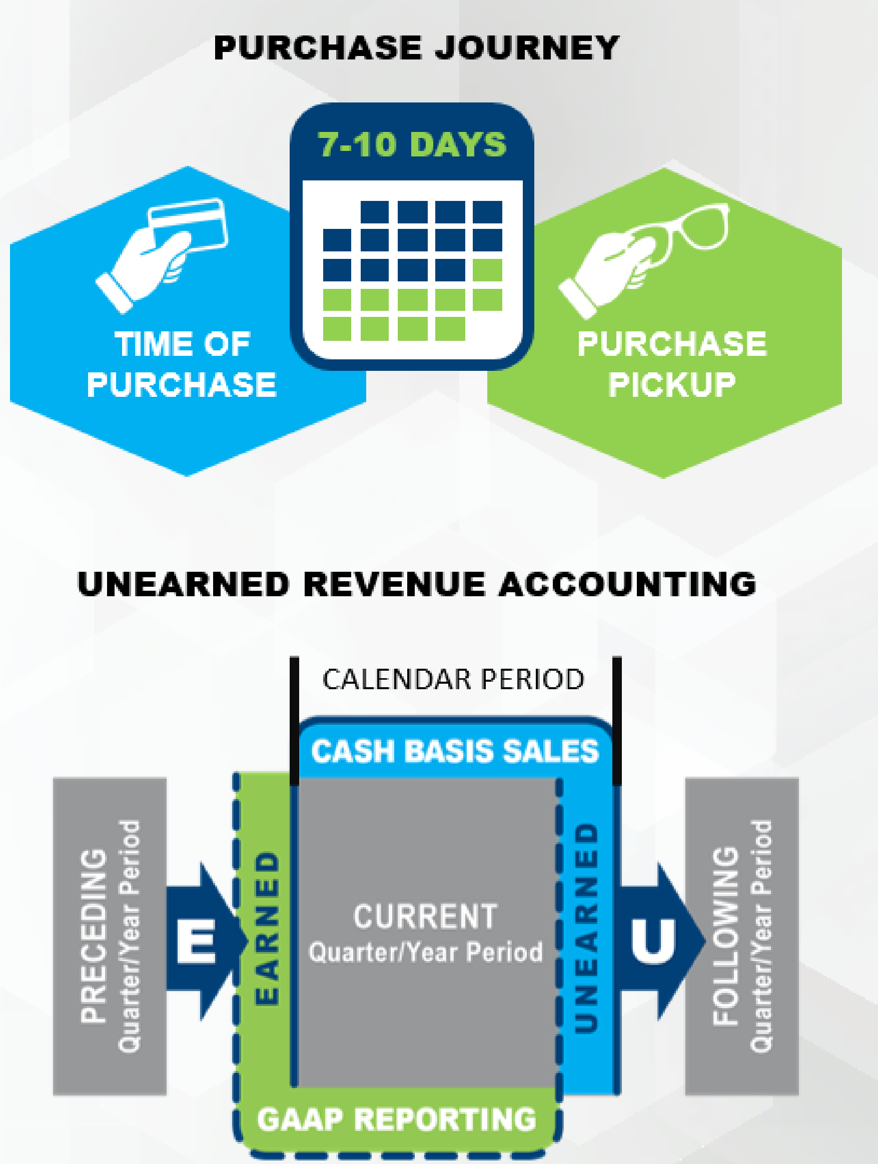
Why use Adjusted Comparable Store Sales Growth?

- 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 26)
- 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 11 of last 16 quarters due to unearned revenue
- Total comparable store sales growth based on GAAP revenue was not calculated prior to 2017 IPO

Unearned Revenue Primer



- 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