Q3 and YTD 2017 Financial Results

December 7, 2017

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 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; the impact our leverage has on our ability to raise additional capital to fund our operations; 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; risks related to our debt agreements; legal regulatory risks, including adverse judgments or settlements from legal proceedings; our ability to protect our intellectual property; our ability to comply with requirements to design and implement and maintain effective internal controls; and risks related to being a controlled company. Additional factors that could cause National Vision’s results to differ materially from those described in the forward-looking statements can be found under the heading entitled “Risk Factors” in our prospectus dated October 25, 2017, filed with the Securities and Exchange Commission (“SEC”) pursuant to Rule 424(b) of the Securities Act on October 27, 2017, as such factors may be updated from time to time in our periodic filings with the SEC, including our quarterly report on Form 10-Q for the quarterly period ended September 30, 2017, 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 revise 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 third 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
Third Quarter and Year-to-Date Financial Update	Patrick Moore, CFO
Q&A	Reade Fahs, CEO Patrick Moore, CFO
Appendix	

Reade Fahs

Patrick Moore

Highlights

- 63 consecutive quarters of positive comparable store sales growth
- Adjusted comparable store sales growth[1] of 7.0% driven primarily by increases in customer transactions
- Opened 19 new stores in Q3 and 59 new stores YTD; Opened 1,000th store in October 2017
- Net promoter scores improved year-over-year across America's Best, Fred Meyer and Legacy brands
- Q3 revenue: $346.1 million
  - 14.9% over Q3 2016
- Q3 Adjusted EBITDA[1]: $36.2 million
  - 17.6% over Q3 2016
- Closed IPO on October 30, 2017 (listing day was October 26, 2017)

Opened our 1,000th store in October 2017
America's Best in Los Angeles, California

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

Company Overview

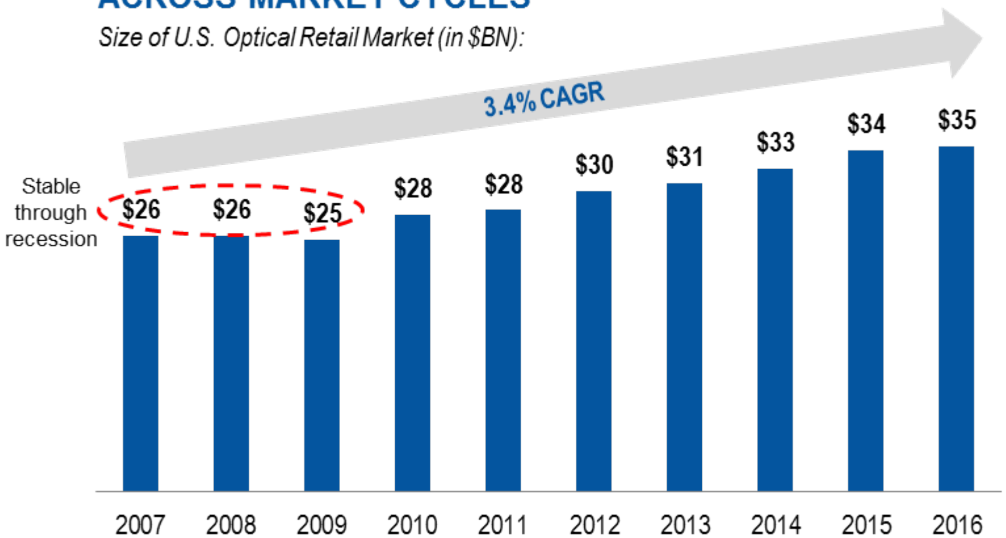
Investment Highlights

1. **Compelling Industry with Favorable Growth Trends and Barriers to Entry**
2. **Differentiated and Disruptive Value Proposition Gaining Market Share**
3. **Multiple Growth Drivers and Extensive Whitespace Opportunity**
4. **Attractive Store-Level Economics Coupled with Highly Consistent Predictability**
5. **Deeply Experienced, Long-Serving Management Team with Proven Track Record of Success**
6. **Culture of Philanthropy that Influences Optometrists, Associates and Customers**

Leader in an Attractive and Growing Industry

~$35 BILLION RESILIENT AND GROWING INDUSTRY, ACROSS MARKET CYCLES

Size of U.S. Optical Retail Market (in $BN):



Source: Vision Monday

TOP OPTICAL RETAILERS

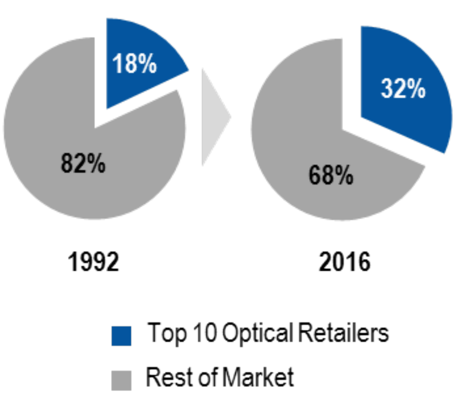
(2016 sales dollars in $MM):

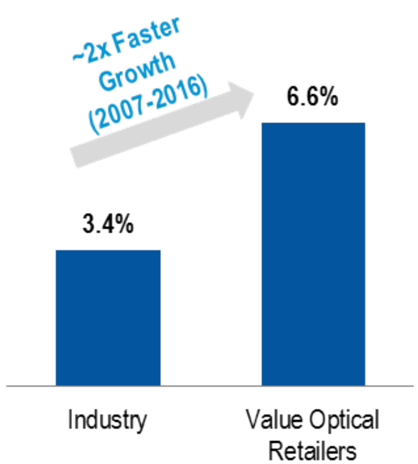
1. Vision Source (an Essilor-owned buying group) (1)	$2,632
2. Luxottica (LensCrafters, Pearle Vision, Target & Sears)	$2,400
3. Walmart Stores & Sam's Club	$1,733
4. National Vision	**$1,150**
5. Costco Wholesale	$961
6. Visionworks	$918
11. Warby Parker	$220

Source: Vision Monday.

(1) Network of individual practitioners and not a chain.

LARGEST RETAILERS GAINING SHARE FROM INDEPENDENTS, VALUE SEGMENT GROWING FASTEST

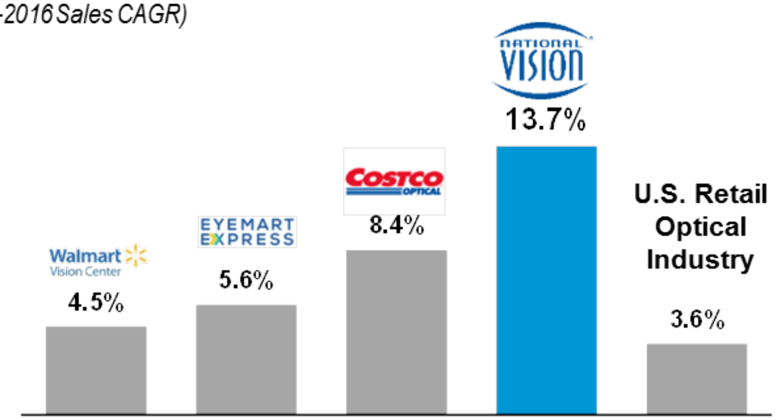




Source: 20/20 Magazine (April 1993), Vision Monday.

EYE IS THE FASTEST GROWING U.S. VALUE OPTICAL CHAIN

(2012-2016 Sales CAGR)



Source: Vision Monday, Management Team

National Vision is the Leading Optical Retailer in the Attractive Value Segment

- National Vision is America's **low-cost** provider of a **"medical necessity,"** not a discretionary purchase
- Caters to underserved low-income/cost-conscious value optical retail consumers through a diverse portfolio of **996** retail stores across **5** brands and **19** consumer websites as of September 30, 2017
- Net revenue of **$1.3BN** and Adjusted EBITDA[1] of **$156MM** for LTM Q3 2017

Owned		Host		Legacy
America's Best Contacts & Eyeglasses	Eyeglass World	Vista Optical (In Selected Fred Meyer Stores)	Vista Optical (In Select Military Exchanges)	Vision Center (Brought to you by Walmart)
Lowest Price	**Eyewear Value Superstore**	**Shop-Within-A-Shop**	**Commissary Store**	**Shop-Within-A-Shop**
2 Pairs $69.95 + free eye exam	Eyeglasses Two Pairs $78	*Great Deals Everywhere You Look*	*Fantastic Military Pricing*	*Everyday Low Price*
Employed Optometrists	Mostly Independent Optometrists	Mostly Independent Optometrists	Mostly Independent Optometrists	Mostly Independent Optometrists
577 Stores	107 Stores	29 Stores	56 Stores	227 Stores
~3,500 sq. ft	~4,500 sq. ft	~800 sq. ft	~1,000 sq. ft	~1,800 sq. ft
~1,320 SKUs	~1,935 SKUs	~600 SKUs	~700 SKUs	~800 SKUs
Centralized Lab	Lab In-Store / Centralized Lab	Centralized Lab	Centralized Lab	Centralized Lab

OMNI-CHANNEL AND E-COMMERCE (4% of LTM Q3 2017 Sales)

Sister Sites (4)	Proprietary Sites (7)	Partner Sites (8)
America's Best Contacts & Eyeglasses, Eyeglass World, Vista Optical, Military Optical.com	AC Lens, Discount Glasses, lenscatalogue, discount contactlenses	Walmart contacts, Sam's Club Contacts, CVS, Giant Eagle

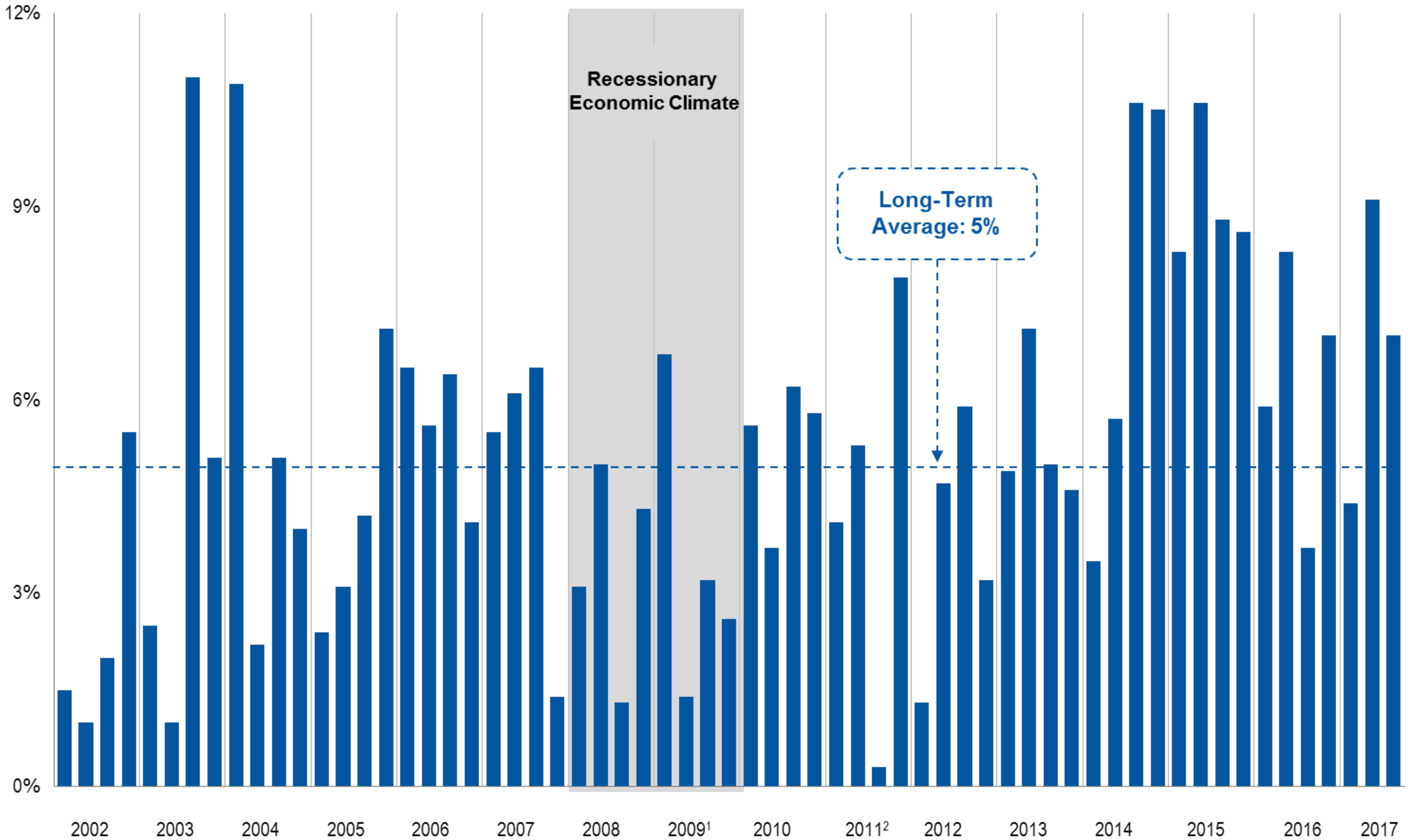
1-For reconciliation of Net Income to Adjusted EBITDA, see Appendix

Note: Store count as of September 30, 2017. SKU figures refer to eyeglass frame SKUs

Our Two Differentiated Growth Brands Catering to the Value Segment

	America's Best Contacts & Eyeglasses	Eyeglass World
Value Proposition	✓ Extreme value ✓ Free eye exams ✓ Private label	✓ Value ✓ Broad selection / designer brands ✓ Convenience / same-day service
The Model	• Employed optometrists enable key signature bundled offerings (eye exam + glasses / contacts) • High margin private label eyeglasses and contact lenses • Latest eye exam technology	• Big box eyeglass superstore • Broader assortment of designer frames • Mostly independent optometrists
Cost Structure	• High-traffic strip centers • Highly efficient centralized labs (no labs in stores)	• "At the corner of main-and-main" near major shopping hubs • In-store labs that provide quick turnaround times
Typical Customer Profile	• Age 35 – 64; high school graduate • Blue collar job • Household income of $35K - $100K	• Age 35 – 79; college degree or higher • Professional or technical job
Q3 YTD Net Revenue Contribution	62% of total	11% of total

63 Consecutive Quarters of Positive Comparable Store Sales Growth

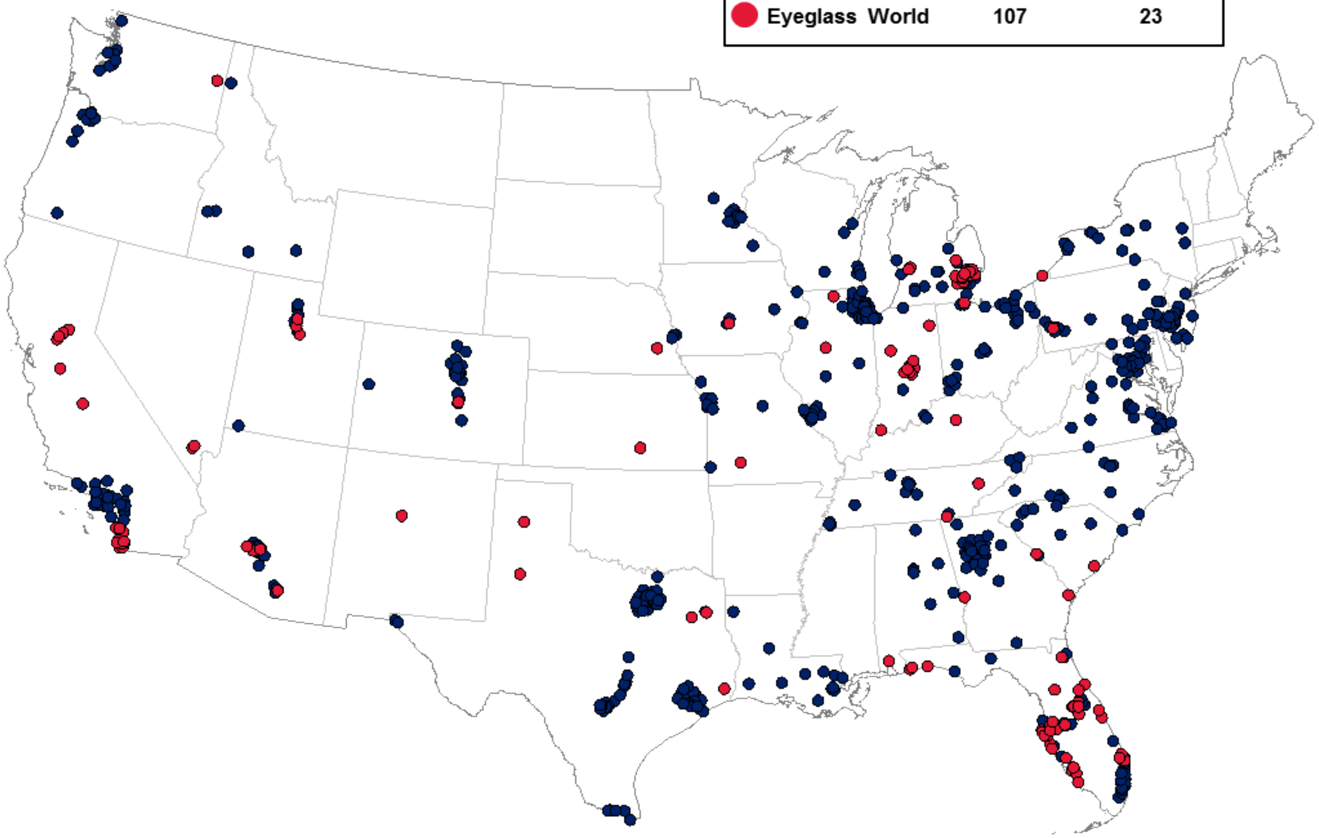


1-2009 comparable store sales exclude sales from the Eyeglass World stores for the first six month "transition" period following our acquisition of Eyeglass World
2-Comparable store sales growth in the third quarter of fiscal year 2011 was impacted by the near U.S. federal government shutdown and subsequent adverse impact on the consumer environment

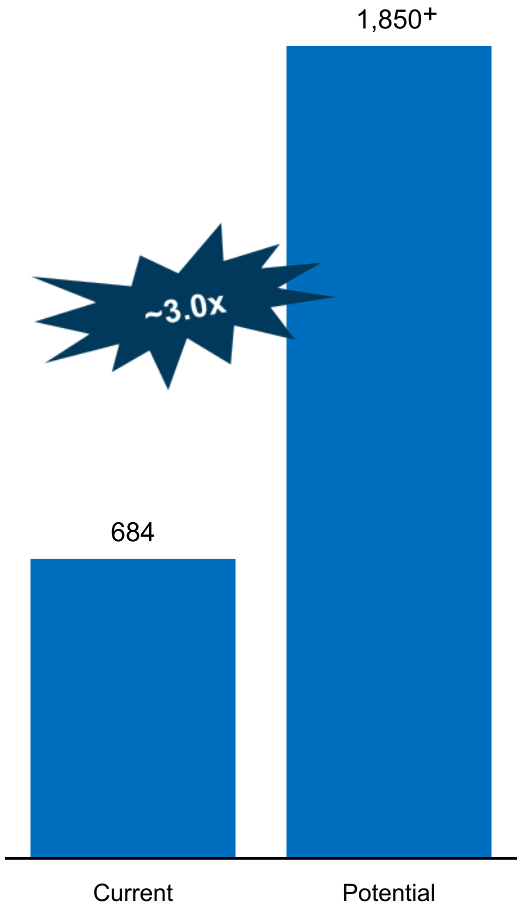
Already at Scale, but Long Runway for Continued Growth

CURRENT STORE FOOTPRINT OF AMERICA'S BEST AND EYEGLASS WORLD DEMONSTRATES SIGNIFICANT WHITESPACE OPPORTUNITY…

Brand	# of Stores	# of States
America's Best	577	31
Eyeglass World	107	23



…SUPPORTED BY STRONG FUTURE STORE POTENTIAL



15+ years of whitespace growth

Note: Store count as of September 30, 2017

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

Third Quarter and Year-to-Date Financial Update

Our Strong Platform of Growth and Consistency

Recurring revenue stream – service-based clinically-assisted sale

Complementary mix of high growth and stable cash flow generating brands

Consistent and predictable store performance

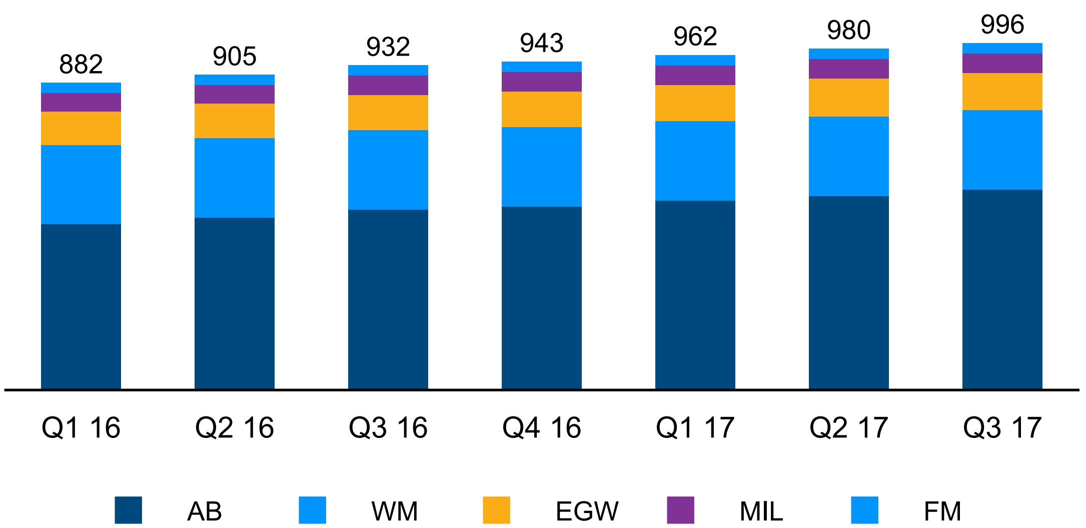
63 consecutive quarters of positive comparable store sales growth

Strong self-funded growth of store base and sales

Consistent cadence of new store openings – ~75 per year

Revenue Drivers

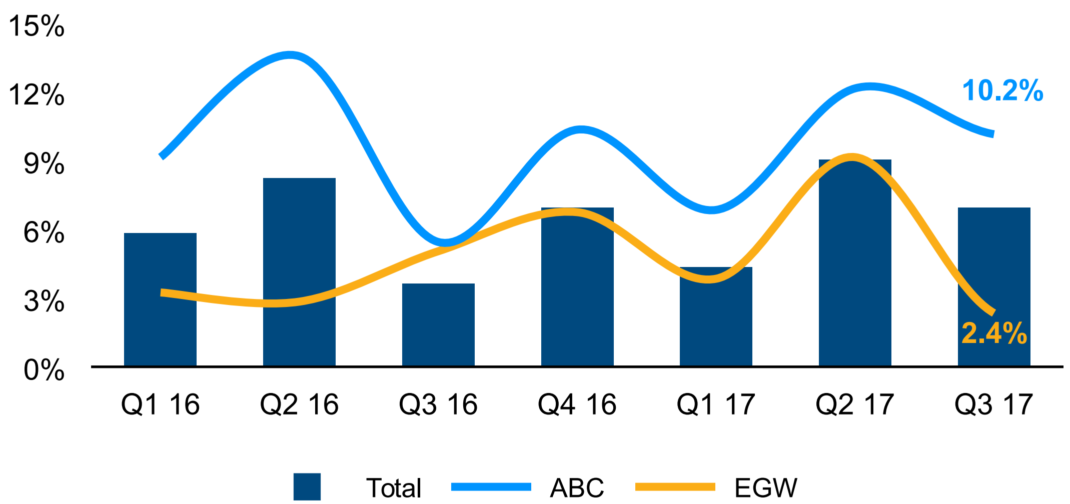
Total Store Count Growth



Commentary

- 16 net new stores in the quarter (19 new stores and 3 closed stores)
- 64 net new stores in the last 12 months (71 new stores and 7 closed stores)
- Focused store growth on America's Best (18 new stores in the quarter and 51 year-to-date) and Eyeglass World (1 new store in the quarter and 7 year-to-date)

Adjusted Comparable Store Sales Growth[1]



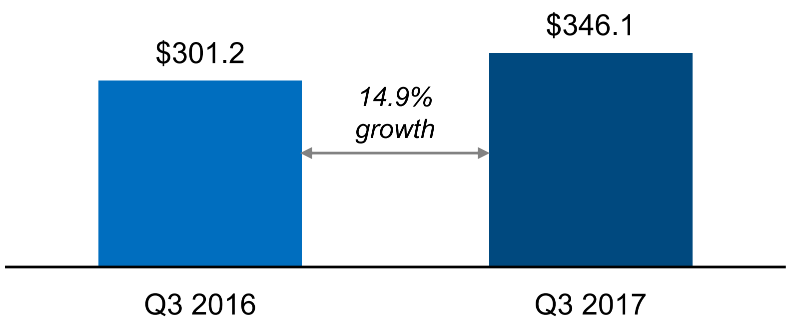
Commentary

- America's Best drove favorable comp results for the quarter and year-to-date
- Increases in customer transactions drove the majority of our adjusted comparable store sales growth
- EGW was significantly affected by Hurricane Irma due to store concentration in Florida
- Total storm unfavorable impact on adjusted comparable store sales growth estimated at 1.5% to 1.7%

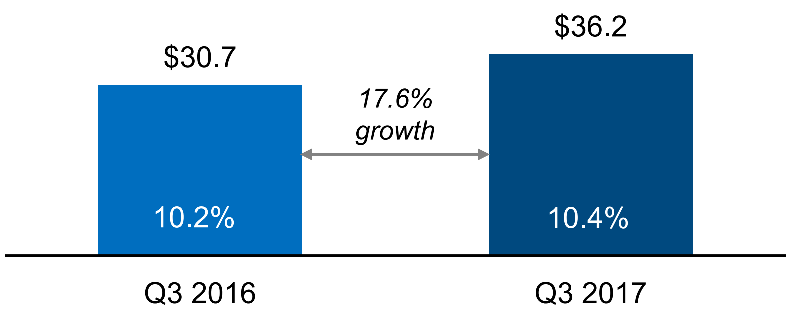
1-For reconciliation of total comparable store sales growth to adjusted comparable store sales growth, see Appendix

Q3 2017 Results

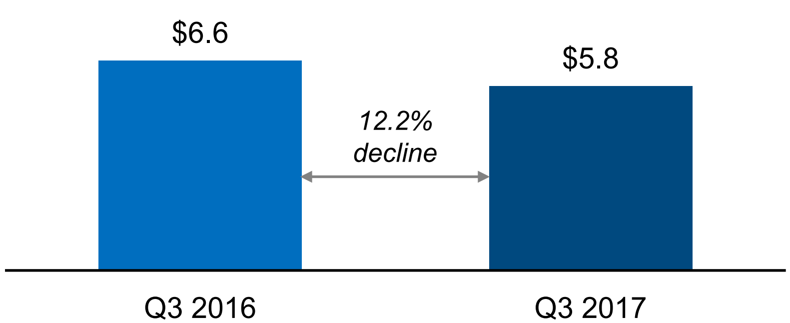
Net Revenue (in $MM)



Adjusted EBITDA[1] (in $MM)



Adjusted Net Income[1] (in $MM)



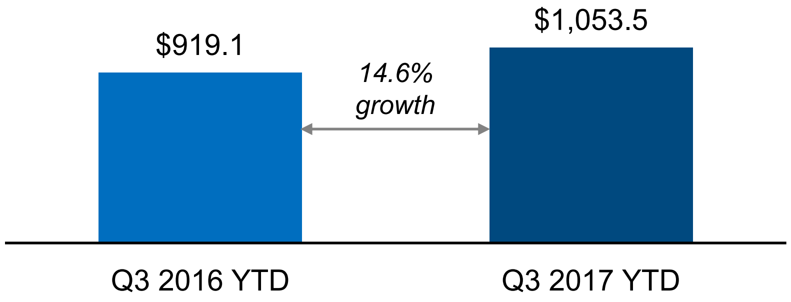
Commentary

- Net revenue of $346.1M grew 14.9% year-over-year; adjusted comparable store sales grew 7.0%
- In August and September of 2017, certain stores in Houston, Texas area and in Alabama, Florida and Georgia were closed due to Hurricanes Harvey and Irma, respectively. These storms negatively impacted:
  - 203 stores
  - Comparable store sales growth and adjusted comparable store sales growth by ~1.5% to 1.7%
  - Consolidated net revenue by ~$3.5M to $4.1M
- Adjusted EBITDA[1] of $36.2M grew 17.6% year-over-year and, as a percentage of net revenue, grew 24 bps year-over-year to 10.4%
- Costs applicable to revenue as a percentage of net revenue grew from 46.0% in Q3 2016 to 46.9% in Q3 2017
- SG&A as a percentage of net revenue decreased from 44.6% in Q3 2016 to 43.7% in Q3 2017
- Adjusted net income[1] was $5.8M (compared to $6.6M in the prior year) due to incremental interest expense associated with our derivatives and increased debt following the February 2017 dividend recapitalization
- Net revenue and Adjusted EBITDA[1] results above do not include the $1.7M net increase in deferred revenue in Q3 2017

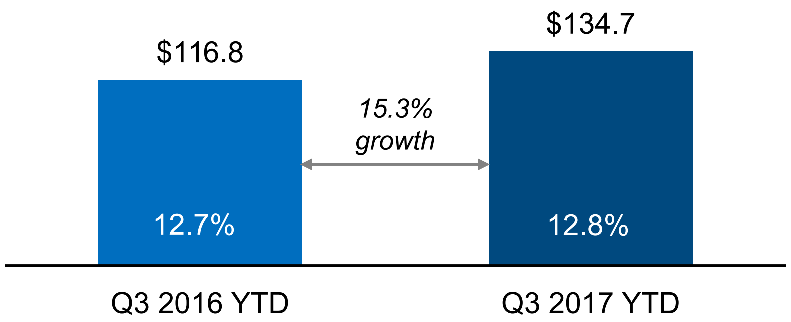
1-For reconciliation of Net Income to Adjusted EBITDA and Net Income to Adjusted Net Income, see Appendix

Year-to-Date 2017 Results

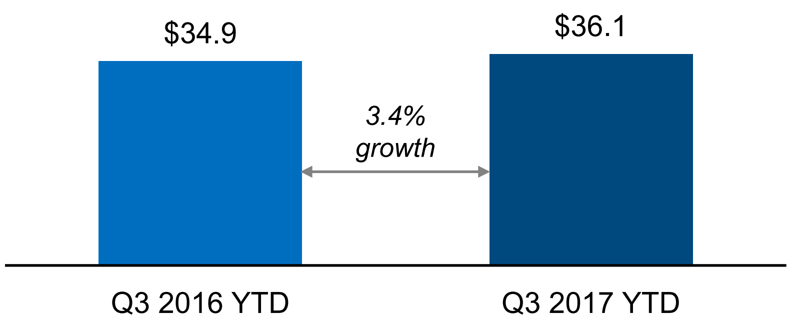
Net Revenue (in $MM)



Adjusted EBITDA[1] (in $MM)



Adjusted Net Income[1] (in $MM)



Commentary

- Net revenue of $1,053.5M grew 14.6% year-over-year; adjusted comparable store sales grew 6.7%
- Hurricanes Harvey and Irma negatively impacted:
  - 203 stores
  - Comparable store sales growth and adjusted comparable store sales growth by approximately 0.4% and 0.5%
- Adjusted EBITDA[1] of $134.7M grew 15.3% year-over-year and, as a percentage of net revenue, grew 8 bps year-over-year to 12.8%
- Costs applicable to revenue as a percentage of net revenue increased from 45.1% in 2016 year-to-date to 46.0% in 2017 year-to-date
- SG&A as a percentage of net revenue decreased from 43.0% in 2016 year-to-date to 42.3% in 2017 year-to-date
- Adjusted net income[1] was $36.1M (compared to $34.9M in the prior year), affected by $11.6M in 2017 year-to-date incremental interest expense associated with our derivatives and increased debt following the February 2017 dividend recapitalization
- Net revenue and Adjusted EBITDA[1] results above do not include the $9.2M net increase in deferred revenue year-to-date

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

Capital Structure and Cash Flow

Q3 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 + 300	3/13/2019
Consolidated First Lien Secured Debt	802.4	(7.5)	794.9	86 %	L + 300	3/13/2021
Consolidated Second Lien Secured Debt	125.0	(3.4)	121.6	13 %	L + 575	3/13/2022
Other debt[2]	6.5	—	6.5	1 %		
Total debt	**$ 933.9**	**$ (11.5)**	**$ 922.4**	**100 %**		
Cash and cash equivalents			27.6			
Net debt			**$ 894.8**			

Commentary

- No borrowings outstanding under our Revolving Loan Facility ($6M in outstanding letters of credit)

Cash Flow

	Year-to-Date Ended		
(in $MM)	September 30, 2017	October 1, 2016	Var
Net cash provided by operating activities	$ 96.3	$ 91.1	$ 5.2
Net cash used for investing activities	(68.7)	(68.5)	(0.2)
Net cash used for financing activities	(4.8)	(4.4)	(0.4)
Net change in cash and cash equivalents	$ 22.7	$ 18.1	$ 4.6

Commentary

- $0.4M increase in net cash used for financing activities driven by principal payments on debt, partially offset by proceeds from exercise of stock options

1-$75M facility; $69M available
2-Includes capitalized lease debt and original issue discount

Recent Changes to Capital Structure

- Our IPO, which closed on October 30, 2017, generated net proceeds of $372M (after underwriter discounts, commissions and other offering expenses) which we primarily used to pay down debt under our Credit Agreement, including:
  - $235M of our First Lien outstanding balance and
  - The entire $125M of our Second Lien outstanding balance
- On October 31, 2017, we increased our Revolving Loan Facility from $75M to $100M and extended the maturity of the revolver to October 2022
- On November 20, 2017, we amended our Credit Agreement, which:
  - Refinanced the full $570M First Lien outstanding balance
  - Extended the maturity of the First Lien loans to November 2024
  - Lowered our interest rate margins by 25 bps (LIBOR loans: L+300 to L+275)
    - Additional 25 bps interest rate margin reduction with a credit rating upgrade from Moody's

Q&A

Appendix

Q3 2017 Consolidated Financial Results

In Thousands	Three Months Ended September 30, 2017	Three Months Ended October 1, 2016	Nine Months Ended September 30, 2017	Nine Months Ended October 1, 2016
Revenue:				
Net product sales	$ 283,648	$ 246,638	$ 867,192	$ 756,787
Net sales of services and plans	62,441	54,578	186,297	162,294
Total net revenue	346,089	301,216	1,053,489	919,081
Costs applicable to revenue (exclusive of depreciation and amortization):				
Products	115,752	99,096	349,099	299,420
Services and plans	46,606	39,568	135,474	115,033
Total costs applicable to revenue	162,358	138,664	484,573	414,453
Operating expenses:				
Selling, general and administrative expenses	151,251	134,457	445,714	395,385
Depreciation and amortization	15,352	13,217	44,404	38,237
Asset impairment	—	—	1,000	52
Litigation settlement	—	—	7,000	—
Other expense, net	568	563	744	1,217
Total operating expenses	167,171	148,237	498,862	434,891
Income from operations	16,560	14,315	70,054	69,737
Interest expense, net	14,851	9,728	40,965	29,377
Debt issuance costs	—	—	2,702	—
Earnings before income taxes	1,709	4,587	26,387	40,360
Income tax provision	163	1,561	9,267	15,893
Net income	$ 1,546	$ 3,026	$ 17,120	$ 24,467

Reconciliation of Adjusted Comparable Store Sales Growth

	Three Months Ended September 30, 2017	Three Months Ended October 1, 2016	Nine Months Ended September 30, 2017	Nine Months Ended October 1, 2016
Total Comparable Store Sales Growth[1]	8.3%	5.2%	7.4%	6.9%
Adjusted Comparable Store Sales Growth[2]	7.0%	3.7%	6.7%	5.9%

1- Total comparable store sales calculated 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.

2- 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 an decrease of 1.3% and1.0% from total comparable store sales growth based on consolidated net revenue for the three months ended September 30, 2017 and October 1, 2016, respectively, and a decrease of 0.5% and 0.5% from total comparable store sales growth based on consolidated net revenue for the nine months ended September 30, 2017 and October 1, 2016, 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 and services agreement), resulting in a decrease of 0.0% and 0.5% from total comparable store sales growth based on consolidated net revenue for the three months ended September 30, 2017 and October 1, 2016, respectively, and a decrease of 0.2% and 0.5% from total comparable store sales growth based on consolidated net revenue for the nine months ended September 30, 2017 and October 1, 2016, respectively.

Reconciliation of Adjusted EBITDA

In thousands	Three Months Ended September 30, 2017			Three Months Ended October 1, 2016			Nine Months Ended September 30, 2017			Nine Months Ended October 1, 2016			Trailing Twelve Months Ended September 30, 2017		
Net income	$	1,546	0.4%	$	3,026	1.0%	$	17,120	1.6%	$	24,467	2.7%	$	7,411	0.6%
Interest expense		14,851	4.3%		9,728	3.2%		40,965	3.9%		29,377	3.2%		50,680	3.8%
Income tax provision		163	—%		1,561	0.5%		9,267	0.9%		15,893	1.7%		5,908	0.4%
Depreciation and amortization		15,352	4.4%		13,217	4.4%		44,404	4.2%		38,237	4.2%		58,160	4.4%
EBITDA		31,912	9.2%		27,532	9.1%		111,756	10.6%		107,974	11.7%		122,159	9.2%
Stock compensation expense [a]		1,151	0.3%		854	0.3%		3,140	0.3%		3,308	0.4%		4,125	0.3%
Debt issuance costs [b]		—	—%		—	—%		2,702	0.3%		—	—%		2,702	0.2%
Asset impairment [c]		—	—%		—	—%		1,000	0.1%		52	—%		8,080	0.6%
Non-cash inventory write-offs [d]		—	—%		—	—%		2,271	0.2%		—	—%		2,271	0.2%
Management fees [e]		271	0.1%		290	0.1%		845	0.1%		815	0.1%		1,156	0.1%
New store pre-opening expenses [f]		618	0.2%		547	0.2%		1,896	0.2%		1,672	0.2%		2,207	0.2%
Non-cash rent [g]		381	0.1%		296	0.1%		1,035	0.1%		1,104	0.1%		1,274	0.1%
Litigation settlement [h]		—	—%		—	—%		7,000	0.7%		—	—%		7,000	0.5%
Other [i]		1,828	0.5%		1,219	0.4%		3,041	0.3%		1,878	0.2%		4,683	0.4%
Adjusted EBITDA / Adjusted EBITDA margin	$	36,161	10.4%	$	30,738	10.2%	$	134,686	12.8%	$	116,803	12.7%	$	155,657	11.7%

See footnotes

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

Reconciliation of Adjusted Net Income

In thousands	Three Months Ended September 30, 2017	Three Months Ended October 1, 2016	Nine Months Ended September 30, 2017	Nine Months Ended October 1, 2016
Net income	$ 1,546	$ 3,026	$ 17,120	$ 24,467
Stock compensation expense [(a)]	1,151	854	3,140	3,308
Debt issuance costs [(b)]	—	—	2,702	—
Asset impairment [(c)]	—	—	1,000	52
Non-cash inventory write-offs [(d)]	—	—	2,271	—
Management fees [(e)]	271	290	845	815
New store pre-opening expenses [(f)]	618	547	1,896	1,672
Non-cash rent [(g)]	381	296	1,035	1,104
Litigation settlement [(h)]	—	—	7,000	—
Other [(i)]	1,828	1,219	3,041	1,878
Amortization of acquisition intangibles and deferred financing costs [(j)]	2,884	2,814	8,628	8,500
Tax effect of total adjustments [(k)]	(2,853)	(2,407)	(12,623)	(6,931)
Adjusted Net Income	$ 5,826	$ 6,639	$ 36,055	$ 34,865

See footnotes

Reconciliation of Adjusted EBITDA and Adjusted Net 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) Fees associated with the borrowing of $150.0 million in additional principal under our first lien credit agreement during the second fiscal quarter of 2015 and the borrowing of $175.0 million in additional principal under our first lien credit agreement during the nine months ended September 30, 2017.
(c) Non-cash charges related to impairment of long-lived assets, primarily goodwill in our Vista Optical in Fred Meyer brand and our AC Lens business.
(d) Reflects write-offs of inventory relating to the expiration of a specific type of contact lenses that could not be sold and required disposal.
(e) Reflects management fees paid to Kohlberg Kravis Roberts & Co. L.P., or KKR Sponsor, and Berkshire Partners LLC in accordance with our monitoring agreement with them.
(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 agreements.
(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. See Note 8 in our unaudited condensed consolidated financial statements included in our Form 10-Q for further details.
(i) Other adjustments include amounts that management believes are not representative of our operating performance (amounts in brackets represent reductions in Adjusted Net Income), including our share of losses on equity method investments of $0.4 million, $0.2 million, $0.7 million and $1.0 million for the three months ended September 30, 2017 and October 1, 2016 and nine months ended September 30, 2017 and October 1, 2016, respectively; the amortization impact of the acquisition of the Company by affiliates of KKR Sponsor in March 2014 (e.g., fair value of leasehold interests) of $(0.1) million, $(0.1) million, $(0.2) million and $(0.6) million for the three months ended September 30, 2017 and October 1, 2016 and nine months ended September 30, 2017 and October 1, 2016, respectively, related to prior acquisitions; expenses related to preparation for being an SEC registrant that were not directly attributable to the initial public offering and therefore not charged to equity of $0.6 million, $0.6 million, $1.8 million and $0.9 million for the three months ended September 30, 2017 and October 1, 2016 and nine months ended September 30, 2017 and October 1, 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 September 30, 2017 and October 1, 2016, and $(0.8) million during nine months ended September 30, 2017 and October 1, 2016; costs of severance and relocation of $0.7 million, $0.4 million, $1.0 million, and $0.8 million for the three months ended September 30, 2017 and October 1, 2016 and nine months ended September 30, 2017 and October 1, 2016 respectively; and other expenses and adjustments totaling $0.4 million, $0.4 million, $0.5 million, and $0.6 million for the three months ended September 30, 2017 and October 1, 2016 and nine months ended September 30, 2017 and October 1, 2016, respectively.
(j) Amortization of acquisition intangibles related to the additional expense incurred due to the increase in the carrying values of amortizing intangible assets as a result of the KKR Acquisition of $1.9 million for the three months ended September 30, 2017 and October 1, 2016 and $5.6 million for nine months ended September 30, 2017 and October 1, 2016. Amortization of deferred financing costs is primarily associated with the March 2014 term loan borrowings in connection with the KKR Acquisition and, to a lesser extent, amortization of deferred loan discount costs associated with the May 2015 and February 2017 incremental first lien term loans of $1.0 million, $1.0 million, $3.1 million and $2.9 million for the three months ended September 30, 2017 and October 1, 2016 and nine months ended September 30, 2017 and October 1, 2016, respectively.
(k) Represents the tax effect of the total adjustments at our estimated effective tax rate.