Five-Year Financial Summary

Financial Review 2016

(Dollars in millions, except per share data)	Fiscal Year Ended May 29, 2016	May 31, 2015 (2)	May 25, 2014	May 26, 2013	May 27, 2012
Operating Results (1)					
Sales	$ 6,933.5	$ 6,764.0	$ 6,285.6	$ 5,921.0	$ 5,327.1
Costs and expenses:					
Food and beverage	2,039.7	2,085.1	1,892.2	1,743.6	1,553.7
Restaurant labor	2,189.2	2,135.6	2,017.6	1,892.6	1,683.6
Restaurant expenses	1,163.5	1,120.8	1,080.7	980.4	851.0
Marketing expenses	238.0	243.3	252.3	241.1	215.6
General and administrative	384.9	430.2	413.1	384.1	324.9
Depreciation and amortization	290.2	319.3	304.4	278.3	241.3
Impairments and disposal of assets, net	5.8	62.1	16.4	0.9	(0.2)
Total operating costs and expenses	$ 6,311.3	$ 6,396.4	$ 5,976.7	$ 5,521.0	$ 4,869.9
Operating income	622.2	367.6	308.9	400.0	457.2
Interest, net	172.5	192.3	134.3	126.0	102.1
Earnings before income taxes	449.7	175.3	174.6	274.0	355.1
Income tax expense (benefit)	90.0	(21.1)	(8.6)	36.7	75.9
Earnings from continuing operations	$ 359.7	$ 196.4	$ 183.2	$ 237.3	$ 279.2
Earnings from discontinued operations, net of tax expense of $3.4, $344.8, $32.3, $72.7 and $84.9	15.3	513.1	103.0	174.6	196.3
Net earnings	$ 375.0	$ 709.5	$ 286.2	$ 411.9	$ 475.5
Basic net earnings per share:					
Earnings from continuing operations	$ 2.82	$ 1.54	$ 1.40	$ 1.84	$ 2.15
Earnings from discontinued operations	$ 0.12	$ 4.02	$ 0.78	$ 1.35	$ 1.50
Net earnings	$ 2.94	$ 5.56	$ 2.18	$ 3.19	$ 3.65
Diluted net earnings per share:					
Earnings from continuing operations	$ 2.78	$ 1.51	$ 1.38	$ 1.80	$ 2.10
Earnings from discontinued operations	$ 0.12	$ 3.96	$ 0.77	$ 1.33	$ 1.47
Net earnings	$ 2.90	$ 5.47	$ 2.15	$ 3.13	$ 3.57
Average number of common shares outstanding:					
Basic	127.4	127.7	131.0	129.0	130.1
Diluted	129.3	129.7	133.2	131.6	133.2
Financial Position					
Total assets	$ 4,582.6	$ 5,994.7	$ 7,082.7	$ 6,917.3	$ 5,928.3
Land, buildings and equipment, net	$ 2,041.6	$ 3,215.8	$ 3,381.0	$ 4,391.1	$ 3,951.3
Working capital (deficit)	$ (366.8)	$ (140.3)	$ 357.3	$ (652.0)	$ (1,017.2)
Long-term debt, less current portion	$ 440.0	$ 1,452.3	$ 2,463.4	$ 2,476.6	$ 1,437.8
Stockholders' equity	$ 1,952.0	$ 2,333.5	$ 2,156.9	$ 2,059.5	$ 1,842.0
Stockholders' equity per outstanding share	$ 15.47	$ 18.42	$ 16.30	$ 15.81	$ 14.28

Five-Year Financial Summary (continued)

(Dollars in millions, except per share data)	Fiscal Year Ended May 29, 2016	May 31, 2015 (2)	May 25, 2014	May 26, 2013	May 27, 2012
Other Statistics					
Cash flows from operations (1)	$ 820.4	$ 874.3	$ 555.4	$ 594.4	$ 513.5
Capital expenditures (1)	$ 228.3	$ 296.5	$ 414.8	$ 510.1	$ 457.6
Dividends paid	$ 268.2	$ 278.9	$ 288.3	$ 258.2	$ 223.9
Dividends paid per share	$ 2.10	$ 2.20	$ 2.20	$ 2.00	$ 1.72
Advertising expense (1)	$ 238.0	$ 243.3	$ 252.3	$ 241.1	$ 215.6
Stock price:					
High	$ 75.60	$ 70.38	$ 55.25	$ 57.93	$ 55.84
Low	$ 53.38	$ 43.56	$ 44.78	$ 44.11	$ 40.69
Close	$ 67.48	$ 65.54	$ 49.55	$ 52.83	$ 53.06
Number of employees	150,942	148,892	206,489	206,578	181,468
Number of restaurants (1)	1,536	1,534	1,501	1,431	1,289

(1) Consistent with our consolidated financial statements, information has been presented on a continuing operations basis. Accordingly, the activities related to Red Lobster, two closed company-owned synergy restaurants, Smokey Bones, Rocky River Grillhouse and the nine Bahama Breeze restaurants closed or sold in fiscal 2007 and 2008 have been excluded.

(2) Fiscal year 2015 consisted of 53 weeks, while all other fiscal years consisted of 52 weeks.