

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON D.C. 20549

**FORM 8-K**

**Current Report**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 28, 2026



**BRINKER INTERNATIONAL, INC.**

(Exact name of registrant as specified in its charter)

**DE**

(State or Other Jurisdiction of Incorporation)

**1-10275**

(Commission File Number)

**75-1914582**

(I.R.S. Employer Identification No.)

**3000 Olympus Blvd  
Dallas TX**

(Address of principal executive offices)

**75019**

(Zip Code)

**(972) 980-9917**

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425).
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12).
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)).
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)).

**Securities registered pursuant to Section 12(b) of the Act:**

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, \$0.10 par value	EAT	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **SECTION 2 – FINANCIAL INFORMATION**

### **Item 2.02. Results of Operations and Financial Conditions.**

The information contained under this Item 2.02 in this Current Report on Form 8-K, including the Exhibit attached hereto, is being furnished and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Furthermore, the information contained in this Current Report on Form 8-K shall not be deemed to be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended.

On January 28, 2026, Brinker International, Inc. (the “Company”) issued a Press Release announcing its second quarter of fiscal 2026 results and updated guidance for fiscal 2026. A copy of the Press Release is attached hereto as Exhibit 99.1.

## **SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS**

### **Item 9.01. Financial Statements and Exhibits.**

#### **(d) Exhibits**

[99.1](#) Press Release dated January 28, 2026.

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## BRINKER INTERNATIONAL REPORTS SECOND QUARTER OF FISCAL 2026 RESULTS AND UPDATES FISCAL 2026 GUIDANCE

DALLAS (January 28, 2026) – Brinker International, Inc. (NYSE: EAT) today announced its financial results for the second quarter ended December 24, 2025.

### Second Quarter Fiscal 2026 Financial Highlights

“Chili’s delivered another strong quarter with industry-leading growth of +9%, rolling the industry-leading growth from last year for a 2-year comp sales growth of +43%,” said Kevin Hochman, President & CEO of Brinker International. “With 19 consecutive quarters of same-store sales growth, Chili’s turnaround, led by guest experience improvements, is sustaining over the long-term.”

Company comparable restaurant sales increased 7.5% in the second quarter of fiscal 2026, including 8.6% for Chili’s. Chili’s strong performance in the quarter was the result of growth in its customer base, ongoing innovation in the business, and disciplined execution. Menu enhancements and competitive pricing, coupled with ongoing advertising initiatives, continued to strengthen the Company’s value proposition and attract new guests, while improved restaurant operations remained a driver of repeat visits. Leveraging higher sales, the Company improved margins at Chili’s, supported ongoing investments in the business and repurchased \$100.0 million of the Company’s common stock during the quarter. At Maggiano’s, the focus is executing to improve performance and operations through the Company’s Back to Maggiano’s strategy. The strategy includes in-flight initiatives across food, service, and atmosphere with the aim of revitalizing the brand’s core, serving Italian American favorites with warm and attentive service.

*Financial results for the second quarter of fiscal 2026 and fiscal 2025 were as follows:*

	Second Quarter		
	2026	2025	Variance
Company sales	\$ 1,438.8	\$ 1,346.1	\$ 92.7
Total revenues	\$ 1,452.2	\$ 1,358.2	\$ 94.0
Operating income	\$ 168.4	\$ 156.0	\$ 12.4
Operating income as a % of Total revenues	11.6 %	11.5 %	0.1 %
Restaurant operating margin, non-GAAP <sup>(1)</sup>	\$ 269.8	\$ 256.8	\$ 13.0
Restaurant operating margin as a % of Company sales, non-GAAP <sup>(1)</sup>	18.8 %	19.1 %	(0.3)%
Net income	\$ 128.5	\$ 118.5	\$ 10.0
Adjusted EBITDA, non-GAAP <sup>(1)</sup>	\$ 223.5	\$ 215.8	\$ 7.7
Net income per diluted share	\$ 2.86	\$ 2.61	\$ 0.25
Net income per diluted share, excluding special items, non-GAAP <sup>(1)</sup>	\$ 2.87	\$ 2.80	\$ 0.07

### Comparable Restaurant Sales<sup>(2)</sup>

	Q2:26 vs 25
Brinker	7.5 %
Chili’s	8.6 %
Maggiano’s	(2.4)%

<sup>(1)</sup> See Non-GAAP Information and Reconciliations section below for more details.

- (2) Comparable Restaurant Sales include restaurants that have been in operation for more than 18 full months. Restaurants temporarily closed for 14 days or more are excluded from comparable restaurant sales. Percentage amounts are calculated based on the comparable periods year-over-year.

### Full Year Fiscal 2026 Guidance, including impact of Winter Storm Fern

We are raising our guidance to reflect a stronger sales and profit outlook for Chili's through the end of the fiscal year. This upward revision includes the negative impact from closures and reduced operating hours caused by Winter Storm Fern – which includes approximately \$20.0 million in reduced revenues and a decrease of \$0.15 in Net income per diluted share, excluding special items, non-GAAP, as of January 27, 2026. The risks outlined in the Forward-Looking Statements paragraph of this press release, among other risks, could cause actual results to differ materially from forecasted results.

The following table provides select financial guidance for fiscal 2026:

	Updated Fiscal 2026 Guidance	Previous Fiscal 2026 Guidance
Total revenues	\$5.76 billion - \$5.83 billion	\$5.60 billion - \$5.70 billion
Net income per diluted share, excluding special items, non-GAAP	\$10.45 - \$10.85	\$9.90 - \$10.50
Capital expenditures	\$250.0 million - \$260.0 million	\$270.0 million - \$290.0 million
Weighted average shares	44.7 million - 45.2 million	45.0 million - 46.0 million

We are unable to reliably forecast special items without unreasonable effort. As such, we do not present a reconciliation of forecasted non-GAAP measures to the corresponding GAAP measures.

### Second Quarter of Fiscal 2026 Operating Performance

#### Segment Performance

The table below presents selected financial information (in millions, except as noted) related to our segments' operational performance for the thirteen week periods ended December 24, 2025 and December 25, 2024:

	Chili's			Maggiano's		
	Second Quarter		Variance	Second Quarter		Variance
	2026	2025		2026	2025	
Company sales	\$ 1,304.1	\$ 1,196.9	\$ 107.2	\$ 134.7	\$ 149.2	\$ (14.5)
Franchise revenues	13.2	11.9	1.3	0.2	0.2	—
Total revenues	\$ 1,317.3	\$ 1,208.8	\$ 108.5	\$ 134.9	\$ 149.4	\$ (14.5)
Company restaurant expenses <sup>(1)</sup>	\$ 1,055.6	\$ 973.5	\$ 82.1	\$ 113.2	\$ 115.4	\$ (2.2)
Company restaurant expenses as a % of Company sales	80.9 %	81.3 %	(0.4)%	84.0 %	77.3 %	6.7 %
Operating income - GAAP	\$ 200.0	\$ 175.1	\$ 24.9	\$ 15.0	\$ 28.2	\$ (13.2)
Operating income (loss) as a % of Total revenues	15.2 %	14.5 %	0.7 %	11.1 %	18.9 %	(7.8)%
Restaurant operating margin, non-GAAP <sup>(2)</sup>	\$ 248.5	\$ 223.4	\$ 25.1	\$ 21.5	\$ 33.8	\$ (12.3)
Restaurant operating margin as a % of Company sales, non-GAAP <sup>(2)</sup>	19.1 %	18.7 %	0.4 %	16.0 %	22.7 %	(6.7)%

- (1) Company restaurant expenses includes Food and beverage costs, Restaurant labor and Restaurant expenses, and excludes Depreciation and amortization, General and administrative and Other (gains) and charges.

- (2) See Non-GAAP Information and Reconciliations section below for more details.

### *Chili's*

- Chili's Company sales increased primarily due to favorable comparable restaurant sales driven by menu pricing, higher traffic, and favorable sales mix.
- Chili's Company restaurant expenses, as a percentage of Company sales, decreased primarily due to sales leverage, partially offset by unfavorable menu item mix, higher hourly labor and manager salaries, advertising, repairs and maintenance, and other restaurant expense.
- Chili's franchisees generated sales of approximately \$271.9 million for the second quarter of fiscal 2026 compared to \$232.3 million for the second quarter of fiscal 2025.

### *Maggiano's*

- Maggiano's Company sales decreased primarily due to unfavorable comparable restaurant sales driven by lower traffic, partially offset by menu pricing.
- Maggiano's Company restaurant expenses, as a percentage of Company sales, increased primarily due to unfavorable menu item mix and commodity costs, sales deleverage, higher delivery fees and to-go supplies, worker's compensation and general liability insurance, and other restaurant expenses, partially offset by lower manager bonus.

### *Corporate*

- On a GAAP basis, the effective income tax rate was 18.7% in the second quarter of fiscal 2026. The effective income tax rate is lower than the statutory rate of 21.0% primarily due to leverage of the FICA tip credit. Excluding the impact of special items, the effective income tax rate was an expense of 18.8% in the second quarter of fiscal 2026.

### **Webcast Information**

Investors and interested parties are invited to listen to today's conference call, as management will provide further details of the quarter and business updates. A real-time audio webcast of the presentation can be accessed via the Events and Presentations section of the Brinker Investor Relations page. The call will be broadcast live today, January 28, 2026 at 9 a.m. CDT:

<https://investors.brinker.com/events-and-presentations/>

For those who are unable to listen to the live broadcast, a replay of the call will be available shortly thereafter.

Additional financial information, including statements of income which detail operations excluding special items, and comparable restaurant sales trends by brand, is also available on Brinker's website under the Financial Information section of the Investor tab.

### **Forward Calendar**

- SEC Form 10-Q for the second quarter of fiscal 2026 filing on or before February 2, 2026
- Earnings release call for the third quarter of fiscal 2026 on April 29, 2026

### **Non-GAAP Measures**

Brinker management uses certain non-GAAP measures in analyzing operating performance and believes that the presentation of these measures in this release provides investors with information that is beneficial to gaining an understanding of the Company's financial results. Non-GAAP disclosures should not be viewed as a substitute for financial results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Reconciliations of these non-GAAP measures are included in the tables below.

## **About Brinker**

Brinker International, Inc. is one of the world's leading casual dining restaurant companies and home of Chili's® Grill & Bar, and Maggiano's Little Italy.® Founded in 1975 in Dallas, Texas, we've ventured far from home, but stayed true to our roots. Brinker owns, operates or franchises more than 1,600 restaurants in the United States, 27 other countries and two U.S. territories. Our passion is making everyone feel special, and we hope you feel that passion each time you visit one of our restaurants or invite us into your home through takeout or delivery. Learn more about Brinker and its brands at [brinker.com](http://brinker.com).

## **Forward-Looking Statements**

The statements and tables contained in this release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. We intend all forward-looking statements to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All forward-looking statements are made only based on our current plans and expectations as of the date such statements are made, and we undertake no obligation to update forward-looking statements to reflect events or circumstances arising after the date such statements are made. Forward-looking statements are neither predictions nor guarantees of future events or performance and are subject to risks and uncertainties which could cause actual results to differ materially from our historical results or from those projected in forward-looking statements. Such risks and uncertainties include, among other things, the impact of general economic conditions, including inflation, on economic activity and on our operations; disruptions on our business including consumer demand, costs, product mix, our strategic initiatives, operations, technology and assets, and our financial performance; the impact of current and potential tariffs and trade barriers; the impact of competition, including competitors employing our same strategies or discounting their offerings; changes in consumer preferences, including shifts in their brand preferences; consumer perception of food safety; reduced consumer discretionary spending; governmental regulations; the effectiveness of the Company's business strategy plan; loss of key management personnel; failure to hire and retain high-quality restaurant management and team members; increasing regulation surrounding wage inflation and competitive labor markets; the impact of social media, including the potential governmental ban of platforms used by the Company in its marketing initiatives; reputational damage or unfavorable publicity for our brands, which may result from actions of franchisees not within our control; reliance on technology and third party delivery providers; failure to protect the security of data of our guests and team members; product availability and supply chain disruptions; regional business and economic conditions; volatility in consumer, commodity, transportation, labor, currency and capital markets; litigation; franchisee success; technology failures; failure to protect our intellectual property; outsourcing; impairment of goodwill or assets; failure to maintain effective internal control over financial reporting; downgrades in credit ratings; changes in estimates regarding our assets; actions of activist shareholders; our pursuit of or failure to comply with new environmental and sustainability requirements; our pursuit of or failure to achieve any goals, targets or objectives with respect to sustainability matters; adverse weather conditions; terrorist acts; cybersecurity, artificial intelligence and phishing threats; health epidemics or pandemics; tax reform; inadequate insurance coverage; and limitations imposed by our credit agreements as well as the risks and uncertainties described in "Risk Factors" in our Annual Report on Form 10-K and future filings with the Securities and Exchange Commission.

**BRINKER INTERNATIONAL, INC.**  
**Consolidated Statements of Comprehensive Income (Unaudited)**  
**(In millions, except per share amounts)**

	Thirteen Week Periods Ended		Twenty-Six Week Periods Ended	
	December 24, 2025	December 25, 2024	December 24, 2025	December 25, 2024
<b>Revenues</b>				
Company sales	\$ 1,438.8	\$ 1,346.1	\$ 2,774.2	\$ 2,473.4
Franchise revenues	13.4	12.1	27.2	23.8
Total revenues	<u>1,452.2</u>	<u>1,358.2</u>	<u>2,801.4</u>	<u>2,497.2</u>
<b>Operating costs and expenses</b>				
Food and beverage costs	370.5	343.9	715.1	628.2
Restaurant labor	446.4	421.0	877.4	798.4
Restaurant expenses	352.1	324.4	696.1	638.3
Depreciation and amortization	54.6	47.7	108.2	94.0
General and administrative	59.7	53.1	116.9	104.9
Other (gains) and charges <sup>(1)</sup>	0.5	12.1	1.4	21.0
Total operating costs and expenses	<u>1,283.8</u>	<u>1,202.2</u>	<u>2,515.1</u>	<u>2,284.8</u>
Operating income	168.4	156.0	286.3	212.4
Interest expenses	10.7	14.7	21.2	29.0
Other income, net	(0.4)	(0.4)	(0.6)	(0.6)
Income before income taxes	158.1	141.7	265.7	184.0
Provision for income taxes	29.6	23.2	37.7	27.0
Net income	<u>\$ 128.5</u>	<u>\$ 118.5</u>	<u>\$ 228.0</u>	<u>\$ 157.0</u>
Basic net income per share	<u>\$ 2.92</u>	<u>\$ 2.67</u>	<u>\$ 5.14</u>	<u>\$ 3.52</u>
Diluted net income per share	<u>\$ 2.86</u>	<u>\$ 2.61</u>	<u>\$ 5.03</u>	<u>\$ 3.44</u>
Basic weighted average shares outstanding	<u>44.0</u>	<u>44.4</u>	<u>44.4</u>	<u>44.7</u>
Diluted weighted average shares outstanding	<u>44.9</u>	<u>45.5</u>	<u>45.4</u>	<u>45.7</u>
<b>Other comprehensive income (loss)</b>				
Foreign currency translation adjustment	\$ 0.1	\$ (0.5)	\$ —	\$ (0.4)
Comprehensive income	<u>\$ 128.6</u>	<u>\$ 118.0</u>	<u>\$ 228.0</u>	<u>\$ 156.6</u>

(1) Other (gains) and charges included in the Consolidated Statements of Comprehensive Income (Unaudited):

	Thirteen Week Periods Ended		Twenty-Six Week Periods Ended	
	December 24, 2025	December 25, 2024	December 24, 2025	December 25, 2024
Restaurant closure asset write-offs and charges	\$ 1.5	\$ 0.8	\$ 2.1	\$ 1.5
Litigation & claims, net	0.8	6.1	1.5	8.6
Severance and other benefit charges	0.2	—	1.7	0.3
Loss from natural disasters, net (of insurance recoveries)	—	0.7	(2.3)	0.7
Enterprise system implementation costs	—	5.2	—	9.6
Lease modification gain, net	(2.5)	(0.7)	(2.5)	(1.0)
Other	0.5	—	0.9	1.3
Total other (gains) and charges	<u>\$ 0.5</u>	<u>\$ 12.1</u>	<u>\$ 1.4</u>	<u>\$ 21.0</u>

**BRINKER INTERNATIONAL, INC.**  
**Condensed Consolidated Balance Sheets (Unaudited)**  
(In millions)

	December 24, 2025	June 25, 2025
<b>ASSETS</b>		
Total current assets	\$ 240.9	\$ 207.0
Net property and equipment	971.7	952.7
Operating lease assets	1,183.4	1,149.1
Deferred income taxes, net	88.6	101.4
Other assets	264.6	268.4
Total assets	<u>\$ 2,749.2</u>	<u>\$ 2,678.6</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Total current liabilities	\$ 669.7	\$ 675.6
Long-term debt and finance leases, less current installments	451.3	426.0
Long-term operating lease liabilities, less current portion	1,172.8	1,135.3
Other liabilities	76.1	70.8
Total shareholders' equity	379.3	370.9
Total liabilities and shareholders' equity	<u>\$ 2,749.2</u>	<u>\$ 2,678.6</u>

**BRINKER INTERNATIONAL, INC.**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**  
(In millions)

	Twenty-Six Week Periods Ended	
	December 24, 2025	December 25, 2024
Cash flows from operating activities		
Net income	\$ 228.0	\$ 157.0
Adjustments to reconcile Net income to Net cash provided by operating activities:		
Depreciation and amortization	108.2	94.0
Stock-based compensation	16.0	14.3
Deferred income taxes, net	12.8	8.3
Non-cash other (gains) and charges	2.2	7.9
Net loss on disposal of assets	4.2	6.1
Other	0.9	1.3
Changes in assets and liabilities	(32.6)	(7.9)
Net cash provided by operating activities	<u>339.7</u>	<u>281.0</u>
Cash flows from investing activities		
Payments for property and equipment	(122.3)	(105.8)
Proceeds from sale of assets	0.2	—
Insurance recoveries	0.5	—
Net cash used in investing activities	<u>(121.6)</u>	<u>(105.8)</u>
Cash flows from financing activities		
Borrowings on revolving credit facility	475.0	515.0
Payments on revolving credit facility	(455.0)	(300.0)
Payments on long-term debt	(7.2)	(362.1)
Purchases of treasury stock	(235.0)	(85.2)
Proceeds from issuance of treasury stock	0.2	7.4
Payments for debt issuance costs	—	(0.1)
Net cash used in financing activities	<u>(222.0)</u>	<u>(225.0)</u>
Net change in cash and cash equivalents	(3.9)	(49.8)
Cash and cash equivalents at beginning of period	18.9	64.6
Cash and cash equivalents at end of period	<u>\$ 15.0</u>	<u>\$ 14.8</u>

**BRINKER INTERNATIONAL, INC.**  
**Restaurant Summary**

	Total Restaurants Open at December 24, 2025	Total Restaurants Open at December 25, 2024	Fiscal 2026 New Openings		
			Second Quarter Openings	Fiscal Year Openings	Full Year Projected Openings
<b>Company-owned restaurants</b>					
Chili's domestic	1,108	1,110	1	3	6
Chili's international	4	4	—	—	—
Maggiano's domestic	48	50	—	—	—
<b>Total Company-owned</b>	<b>1,160</b>	<b>1,164</b>	<b>1</b>	<b>3</b>	<b>6</b>
<b>Franchise restaurants</b>					
Chili's domestic	98	99	—	—	2-4
Chili's international	366	358	5	10	24-28
Maggiano's domestic	3	3	—	—	—
<b>Total franchise</b>	<b>467</b>	<b>460</b>	<b>5</b>	<b>10</b>	<b>26-32</b>
<b>Total Company-owned and franchise</b>					
Chili's domestic	1,206	1,209	1	3	8-10
Chili's international	370	362	5	10	24-28
Maggiano's domestic	51	53	—	—	—
<b>Total</b>	<b>1,627</b>	<b>1,624</b>	<b>6</b>	<b>13</b>	<b>32-38</b>

**NON-GAAP INFORMATION AND RECONCILIATIONS**

**Comparable Restaurant Sales**

	Comparable Restaurant Sales <sup>(1)</sup>		Price Impact		Mix-Shift Impact <sup>(2)</sup>		Traffic Impact	
	Q2:26 vs 25	Q2:25 vs 24	Q2:26 vs 25	Q2:25 vs 24	Q2:26 vs 25	Q2:25 vs 24	Q2:26 vs 25	Q2:25 vs 24
Company-owned	7.5 %	27.4 %	4.6 %	5.0 %	1.5 %	5.9 %	1.4 %	16.5 %
Chili's	8.6 %	31.4 %	4.4 %	4.9 %	1.5 %	6.6 %	2.7 %	19.9 %
Maggiano's	(2.4)%	1.8 %	6.0 %	6.4 %	0.4 %	0.3 %	(8.8)%	(4.9)%
Franchise <sup>(3)</sup>	7.3 %	6.8 %						
U.S.	9.2 %	21.1 %						
International	6.2 %	(1.0)%						
Chili's domestic <sup>(4)</sup>	8.7 %	30.8 %						
System-wide <sup>(5)</sup>	7.5 %	24.2 %						

(1) Comparable Restaurant Sales include all restaurants that have been in operation for more than 18 full months. Restaurants temporarily closed 14 days or more are excluded from Comparable Restaurant Sales. Percentage amounts are calculated based on the comparable periods year-over-year.

(2) Mix-Shift is calculated as the year-over-year percentage change in Company sales resulting from the change in menu items ordered by guests.

(3) Franchise sales generated by franchisees are not included in Total revenues in the Consolidated Statements of Comprehensive Income (Unaudited); however, we generate royalty revenues and advertising fees based on franchisee revenues, where applicable. We believe presenting Franchise Comparable Restaurant Sales provides investors relevant information regarding total brand performance.

(4) Chili's domestic Comparable Restaurant Sales percentages are derived from sales generated by Company-owned and franchise-operated Chili's restaurants in the United States.

- (5) System-wide Comparable Restaurant Sales are derived from sales generated by Chili's and Maggiano's Company-owned and franchise-operated restaurants.

### Reconciliation of Net Income Excluding Special Items (in millions, except per share amounts)

Brinker believes excluding special items from its financial results provides investors with a clearer perspective of the Company's ongoing operating performance and a more relevant comparison to prior period results.

	Q2 26	EPS Q2 26	Q2 25	EPS Q2 25
Net income, GAAP	\$ 128.5	\$ 2.86	\$ 118.5	\$ 2.61
Special items - Other (gains) and charges <sup>(1)</sup>	0.5	0.01	12.1	0.27
Income tax effect related to special items <sup>(2)</sup>	(0.1)	—	(3.0)	(0.07)
Special items, net of taxes	0.4	0.01	9.1	0.20
Adjustment for special tax items <sup>(3)</sup>	(0.2)	—	(0.3)	(0.01)
Net income, excluding special items, non-GAAP	\$ 128.7	\$ 2.87	\$ 127.3	\$ 2.80

- (1) See footnote (1) to the Consolidated Statements of Comprehensive Income (Unaudited) for additional details on the composition of Other (gains) and charges.
- (2) Income tax effect related to special items is based on the statutory tax rate in effect at the end of each period.
- (3) Adjustment for special tax items primarily represents excess tax benefits associated with stock-based compensation.

### Reconciliation of Restaurant Operating Margin (in millions, except percentages)

	Chili's		Maggiano's		Brinker	
	Q2 26	Q2 25	Q2 26	Q2 25	Q2 26	Q2 25
Operating income - GAAP	\$ 200.0	\$ 175.1	\$ 15.0	\$ 28.2	\$ 168.4	\$ 156.0
Operating income as a % of Total revenues	15.2 %	14.5 %	11.1 %	18.9 %	11.6 %	11.5 %
Operating income - GAAP	\$ 200.0	\$ 175.1	\$ 15.0	\$ 28.2	\$ 168.4	\$ 156.0
Less: Franchise revenues	(13.2)	(11.9)	(0.2)	(0.2)	(13.4)	(12.1)
Plus: Depreciation and amortization	47.5	41.8	4.3	3.4	54.6	47.7
General and administrative	14.6	12.2	2.1	2.4	59.7	53.1
Other (gains) and charges	(0.4)	6.2	0.3	—	0.5	12.1
Restaurant operating margin, non-GAAP	\$ 248.5	\$ 223.4	\$ 21.5	\$ 33.8	\$ 269.8	\$ 256.8
Restaurant operating margin as a % of Company sales, non-GAAP	19.1 %	18.7 %	16.0 %	22.7 %	18.8 %	19.1 %

Restaurant operating margin is not a measurement determined in accordance with GAAP and should not be considered in isolation, or as an alternative to operating income as an indicator of financial performance. Restaurant operating margin is widely regarded in the restaurant industry as a useful metric by which to evaluate restaurant-level operating efficiency and performance of ongoing restaurant-level operations. This non-GAAP measure is not indicative of overall Company performance and profitability because this measure does not directly accrue benefit to the shareholders due to the nature of costs excluded.

We define Restaurant operating margin as Company sales less Food and beverage costs, Restaurant labor and Restaurant expenses. We believe this metric provides a more useful comparison between periods and enables investors to focus on the performance of restaurant-level operations by excluding revenues not related to Company-owned restaurants, corporate General and administrative expenses, Depreciation and amortization, and Other (gains) and charges. Restaurant operating margin as presented may not be comparable to other similarly titled measures of other companies in our industry.

## Reconciliation of Adjusted EBITDA (in millions)

Adjusted EBITDA is not a measurement determined in accordance with GAAP and should not be considered in isolation, or as an alternative to net income as an indicator of financial performance. Brinker believes presenting Adjusted EBITDA provides a useful measure of our operating performance, excluding the impacts of financing costs, capital expenditures and special items. We define Adjusted EBITDA as Net income before Provision for income taxes, Other income, net, Interest expenses, Depreciation and amortization and Other (gains) and charges.

	Quarter		Year-to-Date	
	Q2 26	Q2 25	Q2 26	Q2 25
Net income - GAAP	\$ 128.5	\$ 118.5	\$ 228.0	\$ 157.0
Provision for income taxes	29.6	23.2	37.7	27.0
Other income, net	(0.4)	(0.4)	(0.6)	(0.6)
Interest expenses	10.7	14.7	21.2	29.0
Depreciation and amortization	54.6	47.7	108.2	94.0
Other (gains) and charges	0.5	12.1	1.4	21.0
Adjusted EBITDA, non-GAAP	\$ 223.5	\$ 215.8	\$ 395.9	\$ 327.4

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