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): March 1, 2018

Floor & Decor Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware001-3807027-3730271(State or other jurisdiction
of incorporation)(Commission
File Number)(IRS Employer
Identification No.)

2233 Lake Park Drive Smyrna, GA

(Address of principal executive offices)

30080

(Zip Code)

(404) 471-1634

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

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 (see General Instruction A.2. below):
☐ 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))
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.

Item 2.02 Results of Operations and Financial Condition.

On March 1, 2018, Floor & Decor Holdings, Inc. issued a press release announcing its financial results for the quarter ended December 28, 2017. The text of the press release is included as Exhibit 99.1 to this Form 8-K.

The information disclosed under this Item 2.02, including Exhibit 99.1 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit Number</u> <u>Description</u>

99.1 Press Release, dated March 1, 2018

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FLOOR & DECOR HOLDINGS, INC.

Date: March 1, 2018 By: /s/ David V. Christopherson

Name: David V. Christopherson

Title: Executive Vice President, Secretary and General Counsel

Exhibit Index

Exhibit No. Description

99.1 Press Release, dated March 1, 2018

Floor & Decor Holdings, Inc. Announces Fourth Quarter and Fiscal 2017 Financial Results

- Net sales increased 40.0% from fourth quarter 2016 to \$389.5 million
- Comparable store sales increased 24.4% from fourth quarter 2016
- Diluted earnings per share ("EPS") increased 142.1% to \$0.46 from \$0.19 in the fourth quarter 2016; Adjusted diluted EPS increased 72.7% to \$0.19 from \$0.11 in the fourth quarter 2016
- Provides first quarter and full year fiscal 2018 guidance

ATLANTA--(BUSINESS WIRE)--March 1, 2018--Floor & Decor Holdings, Inc. (NYSE:FND) ("We," "Our," the "Company," or "Floor & Decor") announces its financial results for the fourth quarter of fiscal 2017, which ended December 28, 2017.

Tom Taylor, Chief Executive Officer, stated, "We are pleased to report our strongest quarter of the year as we close a successful fiscal 2017. Our investments in our people, innovative products, a connected customer experience, visual inspiration in-store and online, along with our unique large format stores and in-stock inventory model, continue to resonate with both consumers and professional customers. Fiscal 2017 marks our ninth consecutive year of double-digit comparable store sales growth, averaging 15% per year."

Mr. Taylor continued, "As we look to fiscal 2018, we remain committed to improving on the strategies that have made us successful for nearly two decades. Given the strong backdrop and the fundamental strength of our business, we are going to use the benefits from tax reform to accelerate our strategic investments, which we believe will improve our competitive advantages and drive our planned net income growth for 2018 and beyond. I want to thank all of our associates who work hard every day to serve our customers and their communities. They are the key to our success."

Unless indicated otherwise, the information in this release has been adjusted to give effect to a 321.820-for-one stock split of our common stock effected on April 24, 2017. See "Comparable Store Sales" below for information on how the Company calculates its comparable store sales growth.

For the Thirteen Weeks Ended December 28, 2017

- Net sales increased 40.0% to \$389.5 million from \$278.3 million in the fourth quarter of fiscal 2016. Comparable store sales increased 24.4%, including an estimated 800 basis point benefit from post-hurricane demand in Houston.
- The Company opened three new stores during the fourth quarter of fiscal 2017, ending the quarter with 83 warehouse format stores.
- Operating income increased 62.2% to \$32.4 million from \$20.0 million in the fourth quarter of fiscal 2016. Operating margin increased 110 basis points to 8.3%.
- Net income increased 187.2% to \$48.0 million compared to \$16.7 million in the fourth quarter of fiscal 2016. Diluted EPS was \$0.46 compared to \$0.19 in the fourth quarter of fiscal 2016.
- Adjusted net income* increased 76.9% to \$19.9 million compared to \$11.3 million in the fourth quarter of fiscal 2016. Adjusted diluted EPS* was \$0.19 compared to \$0.11 in the fourth quarter of fiscal 2016, an increase of 72.7%.
- Adjusted EBITDA* increased 54.5% to \$43.5 million compared to \$28.1 million in the fourth quarter of fiscal 2016.

For the Fiscal Year Ended December 28, 2017

- Net sales increased 31.8% to \$1,384.8 million from \$1,050.8 million in the same period of fiscal 2016. Comparable store sales increased 16.6%, including an estimated 200 basis point benefit from post-hurricane demand in Houston.
- The Company opened 14 new stores and relocated one store during the year ending December 28, 2017.
- Operating income increased 70.4% to \$117.8 million compared to \$69.1 million in the same period of fiscal 2016, which included a net \$10.5 million charge to reserve for a legal settlement.
 Operating margin increased 190 basis points to 8.5%.
- Net income increased 138.8% to \$102.8 million compared to \$43.0 million in the same period of fiscal 2016. Diluted EPS was \$1.03 compared to \$0.49 in the same period of fiscal 2016.
- Adjusted net income* increased 58.8% to \$71.0 million compared to \$44.7 million in the same period of fiscal 2016. Adjusted diluted EPS* was \$0.69 compared to \$0.45 in the same period of fiscal 2016, an increase of 53.3%.
- Adjusted EBITDA* increased 46.5% to \$158.8 million compared to \$108.4 million in the same period of fiscal 2016.
- *Non-GAAP financial measures. Please see "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures" below for more information.

Balance Sheet Highlights as of December 28, 2017

- Total liquidity was \$146.7 million as of December 28, 2017, which was primarily from the availability on our revolving credit facility.
- Total debt was \$193.5 million as of December 28, 2017, consisting of outstanding current and long-term portions of our secured term loan and revolving credit facilities.

First Quarter and Fiscal 2018 Outlook

(In millions, except per share data and store count)

	Thirteen Weeks Ended
	3/29/2018
Net sales	\$397 - \$402
Comparable store sales	14.0% to 15.0%
Diluted EPS	\$0.22 - \$0.23
Diluted weighted average shares outstanding	105.0
Adjusted EBITDA	\$45.0 - \$46.1
Warehouse format store count	84
New warehouse format stores	1
	Year Ended
	12/27/2018
Net sales	\$1,690 - \$1,730
Comparable store sales	8.5% to 11.5%
Diluted EPS	\$0.91 - \$1.00
Diluted weighted average shares outstanding	105.3
Adjusted EBITDA	\$189.0 - \$201.3
Depreciation and amortization	Approximately \$48
Interest expense	Approximately \$10
Tax rate	23.7%
Warehouse format store count	100
New warehouse format stores	17
Capital Expenditures	\$140 - \$150

The above guidance includes certain non-GAAP financial measures (namely adjusted EBITDA). Please see "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Financial Measures" below for more information.

Conference Call Details

A conference call to discuss the fourth quarter fiscal 2017 financial results is scheduled for today, March 1, 2018, at 9:00 a.m. Eastern Time. A live audio webcast of the conference call, together with related materials, will be available online at ir.flooranddecor.com.

A recorded replay of the conference call is expected to be available approximately two hours after the conclusion of the call and can be accessed both online at ir.flooranddecor.com and by dialing 844-512-2921 (international callers please dial 412-317-6671). The pin number to access the telephone replay is 13675793. The replay will be available until March 8, 2018.

About Floor & Decor Holdings, Inc.

Floor & Decor is a multi-channel specialty retailer of hard surface flooring and related accessories, offering a broad in-stock assortment of tile, wood, laminate and natural stone flooring along with decorative and installation accessories at everyday low prices.

Comparable Store Sales

"Comparable store sales" includes net sales from the Company's stores beginning on the first day of the thirteenth full fiscal month following the store's opening. Because the Company's e-commerce sales are fulfilled by individual stores, they are included in comparable store sales only to the extent such fulfilling store meets the above mentioned store criteria. Any change in square footage of an existing comparable store, including remodels and relocations, does not eliminate that store from inclusion in the calculation of comparable store sales. Stores that are closed temporarily and relocated within their primary trade areas are included in same store sales.

Non-GAAP Financial Measures

Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA (which are shown in the reconciliations below) have been presented in this earnings release as supplemental measures of financial performance that are not required by, or presented in accordance with, accounting principles generally accepted in the United States ("GAAP"). We define Adjusted net income as net income adjusted to eliminate the impact of certain items that we do not consider indicative of our core operating performance and the tax effect related to those items. We define Adjusted diluted EPS as Adjusted net income divided by Adjusted diluted weighted average shares outstanding (i.e., the weighted average shares outstanding during the relevant period plus the weighted average impact of issuing shares in our initial public offering (our "IPO"). We define EBITDA as net income before interest, loss on early extinguishment of debt, taxes, depreciation and amortization, adjusted to eliminate the impact of certain items that we do not consider indicative of our core operating performance. Reconcilitations of these measures to the most directly comparable GAAP financial measure are set forth in the tables below.

Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA are key metrics used by management and our board of directors to assess our financial performance and enterprise value. We believe that Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA are useful measures, as they eliminate certain items that are not indicative of our core operating performance and facilitate a comparison of our core operating performance on a consistent basis from period to period. We also use Adjusted EBITDA as a basis to determine covenant compliance with respect to our credit facilities, to supplement GAAP measures of performance to evaluate the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against that of other peer companies using similar measures. Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA are also used by analysts, investors and other interested parties as performance measures to evaluate companies in our industry.

Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA are non-GAAP measures of our financial performance and should not be considered as alternatives to net income or diluted EPS as a measure of financial performance, or any other performance measure derived in accordance with GAAP and they should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Additionally, Adjusted net income, EBITDA and Adjusted EBITDA are not intended to be measures of liquidity or free cash flow for management's discretionary use. In addition, these non-GAAP measures exclude certain non-recurring and other charges. Each of these non-GAAP measures has its limitations as an analytical tool, and you should not consider them in isolation or as a substitute for analysis of our results as reported under GAAP. In evaluating Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA, you should be aware that in the future we will incur expenses that are the same as or similar to some of the items eliminated in the adjustments made to determine Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA, such as stock compensation expense, loss on asset disposal, and other adjustments. Our presentation of Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA should not be construed to imply that our future results will be unaffected by any such adjustments. Definitions and calculations of Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA differ among companies in the retail industry, and therefore Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA differ among companies in the retail industry, and therefore Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA differ among companies in the retail industry, and therefore Adjusted net income, Adjusted diluted EPS, EBITDA and Adjusted EBITDA differ among companies.

Please see "Reconciliation of GAAP to Non-GAAP Financial Measures" below for reconciliations of non-GAAP financial measures used in this release to their most directly comparable GAAP financial measures.

Floor & Decor Holdings, Inc. Consolidated Statements of Income (In thousands, except per share data) (Unaudited)

Thirteen	Wooks	Finded

	12/28/2	12/28/2017 12/29/2016		016	% Increase
	Actual	% of Sales	Actual	% of Sales	(Decrease)
Net sales	\$389,501	100.0%	\$278,294	100.0%	40.0%
Cost of sales	227,127	58.3	163,548	58.8	38.9
Gross profit	162,374	41.7	114,746	41.2	41.5
Operating expenses:					
Selling & store operating expenses	102,223	26.2	74,821	26.9	36.6
General & administrative expenses	25,090	6.5	17,212	6.1	45.8
Pre-opening expenses	2,660	0.7	2,743	1.0	(3.0)
Total operating expenses	129,973	33.4	94,776	34.0	37.1
Operating income	32,401	8.3	19,970	7.2	62.2
Interest expense	2,400	0.6	5,442	2.0	(55.9)
Loss on early extinguishment of debt	_	_	1,660	0.6	(100.0)
Income before income taxes	30,001	7.7	12,868	4.6	133.1
Provision for income taxes	(17,975)	(4.6)	(3,839)	(1.4)	368.2
Net income	\$47,976	12.3%	\$16,707	6.0%	187.2%
Basic weighted average shares outstanding	94,961		83,511	<u> </u>	
Diluted weighted average shares outstanding	104,238		88,542		
Basic earnings per share	\$0.51		\$0.20		155.0%
Diluted earnings per share	\$0.46		\$0.19		142.1%

Year		

		Tear End	·u		
	12/28/2	12/28/2017 12/29/2016		9/2016	% Increase
	Actual	% of Sales	Actual	% of Sales	(Decrease)
Net sales	\$1,384,767	100.0%	\$1,050,759	100.0%	31.8%
Cost of sales	812,203	58.7	621,497	59.1	30.7
Gross profit	572,564	41.3	429,262	40.9	33.4
Operating expenses:					
Selling & store operating expenses	353,647	25.5	271,876	25.9	30.1
General & administrative expenses	84,661	6.1	64,025	6.1	32.2
Pre-opening expenses	16,485	1.2	13,732	1.3	20.0
Litigation settlement	<u> </u>		10,500	1.0	(100.0)
Total operating expenses	454,793	32.8	360,133	34.3	26.3
Operating income	117,771	8.5	69,129	6.6	70.4
Interest expense	13,777	1.0	12,803	1.2	7.6
Loss on early extinguishment of debt	5,442	0.4	1,813	0.2	200.2
Income before income taxes	98,552	7.1	54,513	5.2	80.8
Provision for income taxes	(4,236)	(0.3)	11,474	1.1	(136.9)
Net income	\$102,788	7.4%	\$43,039	4.1%	138.8%
	90,951		83,432		
Basic weighted average shares outstanding					
Diluted weighted average shares outstanding	99,660		88,431		
Basic earnings per share	\$1.13		\$0.52		117.3%
Diluted earnings per share	\$1.03		\$0.49		110.2%

Consolidated Balance Sheets (In thousands, except share and per share data) (Unaudited)

	As of December 28, 2017		As of December 29, 2016	
Assets				
Current assets:				
Cash and cash equivalents	\$	556	\$	451
Income taxes receivable		12,472		_
Receivables, net		54,041		34,533
Inventories, net		427,950		293,702
Prepaid expenses and other current assets		8,193		7,529
Total current assets		503,212		336,215
Fixed assets, net		220,952		150,471
Intangible assets, net		109,362		109,394
Goodwill		227,447		227,447
Other assets		7,019		7,639
Total long-term assets		564,780		494,951
Total assets	\$	1,067,992	\$	831,166
Liabilities and stockholders' equity				
Current liabilities:				
Current portion of term loans	\$	3,500	\$	3,500
Trade accounts payable		258,730		158,466
Accrued expenses		74,547		61,505
Income taxes payable		_		5,787
Deferred revenue		22,523		14,456
Total current liabilities		359,300		243,714
Term loans		144,562		337,243
Revolving line of credit		41,000		50,000
Deferred rent		25,570		16,750
Deferred income tax liabilities, net		27,218		28,265
Tenant improvement allowances		26,779		20,319
Other liabilities		703		592
Total long-term liabilities		265,832		453,169
Total liabilities		625,132		696,883
Commitments and contingencies				
Stockholders' equity				
Capital stock:				
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 0 shares issued and outstanding at December 28, 2017 and December 29, 2016				
Common stock Class A, \$0.001 par value; 450,000,000 shares authorized; 95,509,179 shares issued and outstanding at December 28, 2017 and		_		_
76,847,116 issued and outstanding at December 29, 2016 Common stock Class B, \$0.001 par value; 10,000,000 shares authorized; 0		96		77
shares issued and outstanding at December 28, 2017 and 395,742 shares issued and outstanding at December 29, 2016		_		_
Common stock Class C, \$0.001 par value; 30,000,000 shares authorized; 0				
shares issued and outstanding at December 28, 2017 and 6,275,489 shares issued and outstanding at December 29, 2016		_		6
Additional paid-in capital		323,419		117,270
Accumulated other comprehensive income (loss), net		(205)		177,270
Retained earnings		119,550		16,754
	·	442,860		
Total stockholders' equity	•		¢	134,283
Total liabilities and stockholders' equity	\$	1,067,992	\$	831,166

Consolidated Statements of Cash Flows (In thousands) (Unaudited)

Operation School in the control in the cont		Year Ended December 28, 2017		Year Ended December 29, 2016	
Adjustments to reconcile retinement on techniquosite interment to reconcile retinement on techniquosite in the concile of the concile	Operating activities				
Dependention al matorization 5,866 2,806 Los on asset disposatis 5,142 1,813 Los on asset disposatis 1,231 6,251 Amortization of tenant tampromeent allowances (3,511) 5,251 Stock based compensation expense 4,959 3,229 The promoting seeds and liabilities: 1,050 1,050 Receivables, net (1,042) 4,017 Microparticis, seed 1,050 4,017 Microparticis, seed 1,050 4,018 Account popularity and seed and liabilities: 1,019 4,018 Account popularity and seed and liabilities: 1,029 2,018 Account popularity and seed and liabilities: 1,029 2,018 Account popularity and seed and liabilities: 1,029 2,029 Deferred receives 1,029 2,029 2,029	Net income	\$ 102,	788	\$	43,039
Los on aerly extinguishment of ebh 1,84 4,81 Los on and ethogoush 1,28 4,51 Amortization of tenant improvement allowances (5,5) 5,53 Deferred income taxes (5,5) 3,20 Stock based compensation expense 4,50 2,00 Receivable, and (1,50) (1,00) Investories, per (1,50) (1,00) Notes (1,50) (1,00) Tradia accounts payable (1,00) (1,00) Accrued expense 9,24 3,80 Deferred revense 8,06 2,01 Deferred revense 1,00 2,00 Other 1,00 3,00 Recal provided by openating activities 1,00 2,00 Recard active	Adjustments to reconcile net income to net cash provided by operating activities:				
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Amortization of feant improvement allowances (3.51) (5.56) (5.50)	Loss on early extinguishment of debt	5,	442		1,813
Deferred income taxes (55) (5,85) Skock based compensation expense 4.95 2.29 Changer in operating ausets and liabilities: 4.95 (1,078) Receivables, net (19,508) (10,703) Inventiors, net (10,151) (24,137) Other asets (10,191) (24,137) Thad accounts payable (10,182) 2,274 Income taxes (18,067) 2,271 Deferred revenue 8,067 2,211 Deferred revenue 8,067 2,211 Deferred revenue 9,075 7,52 Tenati miprovement allowances 10,022 7,52 Tenati miprovement allowances 10,022 7,52 Tenating activities 10,022 7,52 Net cash provided by operating activities 10,022 7,52 Net cash provided by operating activities 10,022 7,52 Process actives active section 2,025 7,52 Processed from term loans 2,025 7,52 Propagating processing inside of credit 2,025	Loss on asset disposals		128		451
Shock based compensation expense 4,929 3,292 Changes in operating assets and liabilities: (19,508) (10,708) Receivables, net (13,428) (21,133) Other sections. (10,509) (4,817) Take accounts payable 100,64 11,145 Accrued expenses (18,259) 8,271 Deferred revense 9,243 3,870 Deferred revense 9,243 3,870 Team improvement allowances 10,209 7,874 Act as provided by operating activities 10,209 7,845 Net cash such investing activities 10,209 7,464 Provinces of fixed assets 10,225 7,464 Net cash used in investing activities 20,20 7,464 Provinces or revolving ince of credit 20,20 7,464 Payments or revolving ince of credit 2,00 1,20 Provinces from term loans 1,00 1,20 Payments penalty on term loans 1,00 1,20 Payments penalty on term loans 1,00 1,20 Debt issuance o	Amortization of tenant improvement allowances	(3,3	11)		(2,561)
Recivables, net (19.50) (19.50) (20.13) Recivables, net (19.43) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.13) (21.14)	Deferred income taxes	(5	57)		(5,536)
Receivables, net (19,50%) (10,730) Inventories, net (134,248) (21,130) Other socists (1,50%) (4,817) True accounts payable (0,48%) 22,724 Accrued expenses (8,62%) 8,271 Income taxes (8,62%) 2,311 Deferred retm (8,66%) 2,311 Tennat improvement allowances 19,948 4,244 Other 19,924 8,675 Net ash provided by operating activities 19,209 7,5 Net cash sprovided by operating activities 10,225 7,5 Net cash such investing activities 10,225 7,64,648 Net cash such investing activities 10,225 7,64,648 Serrowings on revolving line of credit 235,070 117,850 Portugation activities 235,070 21,175 Propects from term loans 225,000 21,175 Propects from term loans 1,175 1,175 Poperation perality on term loans 1,175 1,175 Supting term loans 1,175	Stock based compensation expense	4,	959		3,229
Defense of the comment of the comm	Changes in operating assets and liabilities:				
Other assets (1,591) (4,817) Trade accounts payable 100,264 11,145 Accrued expenses 9,485 2,72,14 Income taxes (8,067) 2,311 Deferred revenue 8,067 2,311 Deferred rem 9,243 3,870 Team improvement allowances 7,984 4,244 Other 109,207 7,875 Ne tasp provided by operating activities 109,207 7,876 Ne tasp provided by operating activities 100,203 7,4648 Ne task used in investing activities 100,223 7,4648 Ne task used in investing activities 100,223 7,4648 Ne task used in investing activities 2,36,700 1,175,90 Provincing on revolving line of credit 2,36,700 1,175,90 Payments on term loans 1,175,90 1,175,90 Proposeds from term loans 1,175,90 1,175,90 Proposence from constringuishment 1,175,90 1,175,90 Debt stance costs 1,175,90 1,175,90 Sch advision from cost f	Receivables, net	(19,5	08)		(10,793)
Ober sases (1,50) (4,817) Trade accounts payable 100,624 11,145 Accrued expenses 9,485 2,724 Income taxes (8,05) 2,817 Deferred revenue 8,067 2,811 Deferred retrol 9,243 3,876 Teant improvement allowances 19,243 3,876 Ober act sprovided by operating activities 10,202 75 Ne cash provided by operating activities 100,225 74,648 Ne cash used in investing activities 100,225 74,648 Ne cash used in investing activities 100,253 74,648 Ne cash used in investing activities 20,20 74,648 Ne cash used in investing activities 23,00 11,818 Payments on transpartified 25,00 12,187 Payments on transpartified for credit 245,70 92,187 Payments on transpartify on trem loans critiquishment 19,20 92,20 Proprenent partify on trem loans critiquishment 19,23 1,21 Rota dividence costs 1,25 1,21 1,2	Inventories, net	(134,2	48)		(21,133)
Trade accounts payable 10,026 11,145 Accorded expenses 9,485 27,244 Income taxes (18,25) 8,271 Defered revenue 9,243 3,870 Defered revenue 9,243 3,870 Team improvement allowances 7,984 4,244 Other 109,207 8,945 Net cash provided by operating activities 109,207 76,464 Net seash send investing activities (102,25) 76,464 Net cash used in investing activities (102,25) 76,464 Net cash used in investing activities 236,70 76,464 Borrowing on revolving line of credit 236,70 71,856 Payments on revolving line of credit 245,70 (21,700) Payment penalty on term loans 197,50 98,336 Pepayment penalty on term loans 197,50 98,336 Pepayment penalty on term loans citinguishment 197,50 98,336 Sch divides 2,874 98,24 Proceeds from initial public offering 8,874 28,24 Sch in	Other assets				(4,817)
Accumed expenses 9,485 27,244 Income taxes (18,259) 8,271 Defered revenue 8,067 2,311 Defered rett 9,243 3,870 Tenant improvement allowances 19,203 7,5 Note as provided by operating activities 100,207 8,65 Investing activities (102,253) 74,648 Net cash used in investing activities (102,253) 74,648 Net cash used in investing activities 225,70 74,648 Powences for fixed active 225,70 74,648 Powners on revolving line of credit 225,70 72,17 Powners on revolving line of credit 197,50 92,17 Powners on revolving line of credit 197,50 92,10 Powners on term board 197,50 92,10 Powners on term board 19,50 10,50	Trade accounts payable				
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	Fixed assets acquired as part of lease - paid for by lessor	\$ 1,	786 5	\$	2,290

Reconciliation of GAAP to Non-GAAP Financial Measures

(In thousands, except per share data) (Unaudited)

Adjusted diluted weighted average shares outstanding

		Thirteen Weeks End	led
		12/28/2017	12/29/2016
Diluted weighted average shares outstanding (GAAP)		104,238	88,542
Adjustments for issuance of shares at IPO			10,147
Adjusted diluted weighted average shares outstanding		104,238	98,689
		Year Ended	
		12/28/2017	12/29/2016
Diluted weighted average shares outstanding (GAAP)		99,660	88,431
Adjustments for issuance of shares at IPO		3,289	10,147
Adjusted diluted weighted average shares outstanding		102,949	98,578
Adjusted net income and Adjusted diluted EPS			
		Thirteen Weeks End	
		12/28/2017	12/29/2016
Net income (GAAP):	\$	47,976 \$	16,707
Interest due to IPO (a)		_	2,730
Term loan repricing (b)		_	483
Secondary Offering costs (c)		730	_
Hurricane disaster recovery (d)		(397)	_
Loss on early extinguishment of debt (e)		_	1,660
Tax benefit of stock option exercises (f)		(10,555)	_
Tax benefit of 2016 dividend (g)		_	(8,474)
Research and development tax credits (h)		(429)	_
Deferred tax adjustment due to tax reform (i)		(17,842)	_
Tax impact of adjustments to net income (j)		428	(1,852)
Adjusted net income	\$	19,911 \$	11,254
Adjusted diluted weighted average shares outstanding		104,238	98,689
Adjusted diluted earnings per share	\$	0.19 \$	0.11
		Year Ended	
		12/28/2017	12/29/2016
Net income (GAAP):	\$	102,788 \$	43,039
Litigation settlement (k)		_	10,500
Interest due to 2016 Refinancing (1)		_	(8,784)
Interest due to IPO (a)		4,095	10,920
Term loan repricing (b)		880	1,948
Secondary Offerings costs (c)		1,712	_
Hurricane disaster expenses (d)		76	_
Loss on early extinguishment of debt (e)		5,442	1,813
Tax benefit of stock option exercises ^(f)		(21,771)	_
Tax benefit of option payments (m)		_	(8,474)
Research and development tax credits ^(h)		(429)	(0,./1)
Deferred tax adjustment due to tax reform (i)		(17,842)	
Tax impact of adjustments to net income (j)		(3,930)	(6,230)
Adjusted net income	\$	71,021 \$	44,732
Adjusted diluted weighted average shares outstanding	Ψ	102,949	98,578
Adjusted diluted weighted average shares outstanding Adjusted diluted earnings per share	\$	0.69 \$	0.45
	*	υ.υ., ψ	0.15

- (a) Adjustment to decrease interest expense due to utilizing net IPO proceeds of approximately \$192.0 million to pay down a portion of the Term Loan Facility (as described in the Company's Prospectus, dated November 15, 2017 and filed with the Securities and Exchange Commission on November 16, 2017 (the "Prospectus")).
- (b) Adjustment to reflect the decrease in interest expense due to the repricing of the Term Loan Facility (as described in the Prospectus) on March 31, 2017, to lower our interest rate by 0.75% and another 0.50% effective October 1, 2017
- (c) Reflects costs accrued in connection with a secondary public offering of the Company's common stock by certain of the Company's stockholders completed on July 25, 2017 (the "July Secondary Offering") and the November 20, 2017 Secondary Offering (the "November Secondary Offering" and, together with the July Secondary Offering, the "Secondary Offerings"). The Company did not sell any shares in the Secondary Offerings and did not receive any proceeds from the sales of shares by the selling stockholders.
- (d) Expenses and losses, net of recoveries, from hurricanes Harvey and Irma.
- (e) Reflects the use of net proceeds from the IPO of approximately \$192.0 million to repay a portion of the amounts outstanding under the Term Loan Facility, which resulted in a loss on extinguishment of debt in the amount of approximately \$5.4 million in 2017. In 2016, we recorded a \$1.8 million loss as a result of the non-cash write-off of certain deferred financing fees related to term borrowings at the time of the 2016 Refinancing (as described in the Prospectus).
- (f) Tax benefit due to new stock option accounting (Accounting Standards Update ("ASU") No. 2016-09).
- (g) Tax benefit related to the 2016 Refinancing (as defined in the Prospectus).
- (h) Research and development tax credits related to prior periods recorded as a reduction of current year tax expense.
- (i) Effect of our deferred tax rate adjustment to reflect the expected rate our deferred tax liabilities and assets will actualize at in future periods related to the 2017 tax reform act passed in December 2017.
- (j) Adjustment for taxes related to pre-tax adjustments above.
- (k) Reserve for a legal settlement recorded in second and third quarter 2016 related to a classwide settlement to resolve a class action lawsuit.
- (l) Adjustment to interest expense due to higher debt associated with the 2016 Refinancing.
- (m) Adjustment to fiscal 2016 taxes due to \$8.5 million state and federal tax benefit related to option payments.

		Thirteen Weeks Ended			
	12/28/201	12/28/2017			
Net income (GAAP):	\$	47,976	\$	16,707	
Depreciation and amortization (a)		9,227		7,151	
Interest expense		2,400		5,441	
Loss on early extinguishment of debt (b)		_		1,660	
Income tax expense		(17,975)		(3,839)	
EBITDA		41,628		27,121	
Stock compensation expense (c)		1,406		1,023	
Loss on asset disposal		128		_	
Other (d)		332		_	
Adjusted EBITDA	\$	43,494	\$	28,144	
		Year Er	ided		
	12/28/201	7	12/2	29/2016	
Net income (GAAP):	\$	102,788	\$	43,039	
Depreciation and amortization (a)		33,546		25,089	
Interest expense		13,777		12,803	
Loss on early extinguishment of debt (b)		5,442		1,813	
Income tax expense		(4,236)		11,474	
EBITDA		151,317		94,218	
Stock compensation expense (c)		4,959		3,229	
Loss on asset disposal		128		451	
Litigation settlement (e)		_		10,500	
Other (d)		2,377		_	
Adjusted EBITDA	\$	158,781	\$	108,398	

- (a) Net of amortization of tenant improvement allowances and excludes deferred financing amortization, which is included as a part of interest expense in the table above.
- (b) Reflects the use of net proceeds from the IPO of approximately \$192.0 million to repay a portion of the amounts outstanding under the Term Loan Facility, which resulted in a loss on extinguishment of debt in the amount of approximately \$5.4 million. In 2016, we recorded a \$1.8 million loss recorded as a result of the non-cash write-off of certain deferred financing fees related to term borrowings outstanding at the time of the 2016 Refinancing.
- (c) Non-cash charges related to stock-based compensation programs, which vary from period to period depending on timing of awards and forfeitures.
- (d) Other adjustments include amounts management does not consider indicative of our core operating performance. Amounts for the thirteen weeks and full year ended 2017 relate to costs in connection with the IPO, Secondary Offerings, and expenses and losses, net of recoveries, from hurricanes Harvey and Irma.
- (e) Legal settlement recorded in second and third quarter 2016 related to a classwide settlement to resolve a class action lawsuit.

Guidance Reconciliation - First Quarter 2018

(In millions, except per share data) (Unaudited)

Adjusted diluted weighted average shares outstanding

	Thirteen Weeks Ended				
	3/29/20	18	3/30/2017		
	Low End	High End	Actual		
Diluted weighted average shares outstanding (GAAP)	105.0	105.0	88.6		
Adjustments for issuance of shares at IPO			10.1		
Adjusted diluted weighted average shares outstanding	105.0	105.0	98.8		

Adjusted net income and Adjusted diluted EPS

	3/29/2018			3/30/2017		
	Low End High End			Actual		
Net income (GAAP):	\$	23.4	\$	24.3	\$	11.1
Interest due to IPO (a)		_		_		2.7
Term loan repricing (b)		_		_		0.5
Tax impact of adjustments to net income (c)		_		_		(1.2)
Adjusted net income	\$	23.4	\$	24.3	\$	13.2
Adjusted weighted average shares outstanding		105.0		105.0		98.8
Adjusted diluted EPS	\$	0.22	\$	0.23	\$	0.13

Thirteen Weeks Ended

Certain numbers may not sum due to rounding

- (a) Adjustment to decrease interest expense due to utilizing net IPO proceeds of approximately \$192.0 million to pay down a portion of the Term Loan Facility.
- (b) Adjustment to reflect the decrease in interest expense due to the repricing of the Term Loan Facility on March 31, 2017, to lower our interest rate by 0.75% and another 0.50% effective October 1, 2017.
- (c) Adjustment for taxes related to pre-tax adjustments above.

EBITDA and Adjusted EBITDA

	Thirteen Weeks Ended					
	3/29/2018			3/30/2017		
	Low End		High End		Actual	
Net income (GAAP):	\$	23.4	\$	24.3	\$	11.1
Depreciation and amortization (a)		10.7		10.7		7.8
Interest expense		2.2		2.2		5.4
Income tax expense		7.3		7.5		6.1
EBITDA		43.6		44.7		30.4
Stock compensation expense (b)		1.4		1.4		0.9
Other (c)		_		_		0.6
Adjusted EBITDA	\$	45.0	\$	46.1	\$	31.9

Certain numbers may not sum due to rounding

- (a) Net of amortization of tenant improvement allowances and excludes deferred financing amortization, which is included as a part of interest expense in the table above.
- (b) Non-cash charges related to stock-based compensation programs, which vary from period to period depending on timing of awards and forfeitures.
- (c) Other adjustments include amounts management does not consider indicative of our core operating performance. Amounts for the thirteen weeks ended March 30, 2017, relate to costs in connection with the IPO.

Guidance Reconciliation - Fiscal Year 2018

(In millions, except per share data) (Unaudited)

Adjusted diluted weighted average shares outstanding

		Year Ended			
	12/27/2	12/27/2018			
	Low End	High End	Actual		
Diluted weighted average shares outstanding (GAAP)	105.3	105.3	99.7		
Adjustments for issuance of shares at IPO	<u></u>		3.3		
Adjusted diluted weighted average shares outstanding	105.3	105.3	102.9		

Year Ended

Adjusted net income and Adjusted diluted EPS

		12/27/2018				12/28/2017	
	Low	Low End		High End		Actual	
Net income (GAAP):	\$	95.8	\$	105.1	\$	102.8	
Interest due to IPO (a)		_		_		4.1	
Term loan repricing (b)		_		_		0.9	
Secondary Offering costs (c)		_		_		1.7	
Hurricane disaster expenses (d)		_		_		0.1	
Loss on early extinguishment of debt (e)		_		_		5.4	
Tax benefit of stock option exercises (f)		_		_		(21.8)	
Research and development tax credits (g)		_		_		(0.4)	
Deferred tax adjustment for tax reform (h)		_		_		(17.8)	
Tax impact of adjustments to net income (i)		_		_		(3.9)	
Adjusted net income	\$	95.8	\$	105.1	\$	71.0	
Adjusted weighted average shares outstanding		105.3		105.3		102.9	
Adjusted diluted EPS	\$	0.91	\$	1.00	\$	0.69	

Certain numbers may not sum due to rounding

- (a) Adjustment to decrease interest expense due to utilizing net IPO proceeds of approximately \$192.0 million to pay down a portion of the Term Loan Facility.
- (b) Adjustment to reflect the decrease in interest expense due to the repricing of the Term Loan Facility on March 31, 2017, to lower our interest rate by 0.75% and another 0.50% effective October 1, 2017.
- (c) Reflects costs accrued in connection with the Secondary Offerings. The Company did not sell any shares in the Secondary Offerings and did not receive any proceeds from the sales of shares by the selling stockholders
- (d) Expenses and losses, net of recoveries from hurricanes Harvey and Irma recorded in 2017.
- (e) Reflects the use of net proceeds from the IPO of approximately \$192.0 million to repay a portion of the amounts outstanding under the Term Loan Facility, which resulted in a loss on extinguishment of debt in the amount of approximately \$5.4 million in 2017.
- (f) Tax benefit due to stock option accounting (ASU No. 2016-09).
- (g) Research and development tax credits related to prior periods recorded as a reduction of current year tax expense.
- (h) Effect of our deferred tax rate adjustment to reflect the expected rate our deferred tax liabilities and assets will actualize at in future periods related to the 2017 tax reform act passed in December 2017.
- (i) Adjustment for taxes related to pre-tax adjustments above.

EBITDA and Adjusted EBITDA

		i ear Ended				
	12/2	12/27/2018				
Net income (GAAP):	Low End	High End	Actual			
	\$ 95.8	\$ 105.1	\$ 102.8			
Depreciation and amortization (a)	47.5	47.5	33.5			
Interest expense	9.6	9.6	13.8			
Loss on early extinguishment of debt (b)	_	_	5.4			
Income tax expense	29.7	32.7	(4.2)			
EBITDA	182.6	194.9	151.3			
Stock compensation expense (c)	6.4	6.4	5.0			
Loss on asset disposal	_	_	0.1			
Other (d)	_	_	2.4			
Adjusted EBITDA	\$ 189.0	\$ 201.3	\$ 158.8			

Certain numbers may not sum due to rounding

- (a) Net of amortization of tenant improvement allowances and excludes deferred financing amortization, which is included as a part of interest expense in the table above.
- (b) Reflects the use of net proceeds from the IPO of approximately \$192.0 million to repay a portion of the amounts outstanding under the Term Loan Facility, which resulted in a loss on extinguishment of debt in the amount of approximately \$5.4 million.
- (c) Non-cash charges related to stock-based compensation programs, which vary from period to period depending on timing of awards and forfeitures.
- (d) Other adjustments include amounts management does not consider indicative of our core operating performance. Amounts for the thirteen weeks and full year ended 2017 relate to costs in connection with the IPO, Secondary Offerings, and expenses and losses, net of recoveries, from hurricanes Harvey and Irma.

Forward-Looking Statements

This release and the associated webcast/conference call contain forward-looking statements, including with respect to the Company's estimated net sales, comparable store sales growth, diluted EPS, diluted weighted average shares outstanding, Adjusted EBITDA, warehouse format store count and new warehouse format stores for both the thirteen weeks ended March 29, 2018 and all of fiscal 2018 and with respect to the Company's estimated depreciation and amortization expenses, interest expense, tax rate and capital expenditures for fiscal 2018. All statements other than statements of historical fact contained in this release, including statements regarding the Company's future operating results and financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements are based on management's current expectations and assumptions regarding the Company's business, the economy and other future conditions, including the impact of recent natural disasters on sales.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "could," "seeks," "intends," "target," "projects," "contemplates," "believes," "estimates," "budget," "potential," "focused on" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this release are only predictions. Although the Company believes that the expectations reflected in the forward-looking statements in this release are reasonable, the Company cannot guarantee future events, results, performance or achievements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements in this release or the associated webcast/conference call, including, without limitation, those factors described in "Risk Factors," "Special Note Regarding Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business" sections and elsewhere in the Prospectus.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The forward-looking statements contained in this release or the associated webcast/conference call speak only as of the date hereof. New risks and uncertainties arise over time, and it is not possible for the Company to predict those events or how they may affect the Company. If a change to the events and circumstances reflected in the Company's forward-looking statements occurs, the Company's business, financial condition and operating results may vary materially from those expressed in the Company's forward-looking statements. Except as required by applicable law, the Company does not plan to publicly update or revise any forward-looking statements contained herein or in the associated webcast/conference call, whether as a result of any new information, future events or otherwise, including the Company's estimated net sales, comparable store sales growth, diluted EPS, diluted weighted average shares outstanding, Adjusted EBITDA, warehouse format store count and new warehouse format stores for both the thirteen weeks ended March 29, 2018 and all of fiscal 2018 and with respect to the Company's estimated depreciation and amortization expenses, interest expense, tax rate and capital expenditures for fiscal 2018.

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