
**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): May 1, 2025

Floor & Decor Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-38070
(Commission
File Number)

27-3730271
(IRS Employer
Identification No.)

2500 Windy Ridge Parkway SE
Atlanta, Georgia
(Address of principal executive offices)

30339
(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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.001 par value per share	FND	New York Stock Exchange

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 May 1, 2025, Floor & Decor Holdings, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended March 27, 2025. 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 May 1, 2025
104	Cover Page Interactive Data File (embedded within the inline XBRL document)

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: May 1, 2025

By: /s/ David V. Christopherson
Name: David V. Christopherson
Title: Executive Vice President, Chief Administrative Officer and Chief
Legal Officer

Floor & Decor Holdings, Inc. Announces First Quarter Fiscal 2025 Financial Results

Net sales of \$1,160.7 million increased 5.8% from the first quarter of fiscal 2024

Comparable store sales decreased 1.8%

Diluted EPS of \$0.45

Opened four new warehouse stores

ATLANTA--(BUSINESS WIRE)--May 1, 2025--Floor & Decor Holdings, Inc. (NYSE: FND) (“We,” “Our,” the “Company,” or “Floor & Decor”) announces its financial results for the first quarter of fiscal 2025, which ended March 27, 2025.

Tom Taylor, Chief Executive Officer, stated, “We are pleased to deliver fiscal 2025 first quarter diluted earnings per share of \$0.45, compared to \$0.46 in the same period last year. This result exceeded the low end of our first quarter earnings expectations, even though comparable store sales were at the lower end of our forecast. These first quarter results are a testament to our focus on what we can control. Despite the macroeconomic and geopolitical uncertainty, we believe we have a proactive, flexible plan that we are implementing and executing. We successfully managed an increase in tariffs in 2018 and 2019 by pursuing strategies to grow our market share and protect our profitability. Today, we intend to employ similar strategies to achieve these goals in 2025 and beyond.”

“The uncertain macroeconomic environment has led us to prudently reduce our planned new store openings in fiscal 2025. We now intend to open 20 new stores instead of our prior expectation of 25 new stores in fiscal 2025,” said Taylor.

Please see “Comparable Store Sales” below for information on how the Company calculates period-over-period changes in comparable store sales.

For the Thirteen Weeks Ended March 27, 2025

- Net sales of \$1,160.7 million increased 5.8% from \$1,097.3 million in the first quarter of fiscal 2024.
- Comparable store sales decreased 1.8%.
- We opened four new warehouse stores and closed one warehouse store, ending the quarter with 254 warehouse stores and five design studios.
- Operating income of \$64.2 million increased 8.3% from \$59.3 million in the first quarter of fiscal 2024. Operating margin of 5.5% increased 10 basis points from the first quarter of fiscal 2024.
- Net income of \$48.9 million decreased 2.3% from \$50.0 million in the first quarter of fiscal 2024. Diluted earnings per share (“EPS”) of \$0.45 decreased 2.2% from \$0.46 in the first quarter of fiscal 2024.
- Adjusted EBITDA* of \$129.8 million increased 5.5% from \$123.0 million in the first quarter of fiscal 2024.

**Non-GAAP financial measure. Please see “Non-GAAP Financial Measures” and “Reconciliation of GAAP to Non-GAAP Financial Measures” below for more information.*

Updated Outlook for the Fiscal Year Ending December 25, 2025:

- Net sales of approximately \$4,660 million to \$4,800 million
- Comparable store sales of approximately (2.0)% to 1.0%
- Diluted EPS of approximately \$1.70 to \$2.00
- Adjusted EBITDA* of approximately \$520 million to \$560 million
- Depreciation and amortization expense of approximately \$245 million
- Interest expense, net of approximately \$5 million
- Tax rate of approximately 21% to 22%
- Diluted weighted average shares outstanding of approximately 109 million shares
- Open 20 new warehouse stores
- Capital expenditures of approximately \$310 million to \$360 million

**Non-GAAP financial measure. 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 first quarter fiscal 2025 financial results is scheduled for today, May 1, 2025, at 5:00 p.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 three 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 13752521. The replay will be available until May 8, 2025.

About Floor & Decor Holdings, Inc.

Floor & Decor is a multi-channel specialty retailer of hard surface flooring and related accessories and seller of commercial surfaces operating 254 warehouse-format stores and five design studios across 38 states as of March 27, 2025. The Company offers a broad in-stock assortment of laminate and vinyl, tile, wood, and natural stone flooring and installation materials and decorative accessories, as well as adjacent categories, at everyday low prices. The Company was founded in 2000 and is headquartered in Atlanta, Georgia.

Comparable Store Sales

Comparable store sales refer to period-over-period comparisons of our net sales at the time of sale among the comparable store base. A store is included in the comparable store sales calculation on the first day of the thirteenth full fiscal month following a store's opening, which is when we believe comparability has been achieved. Changes in our comparable store sales between two periods are based on net sales at the time of sale for stores that were in operation during both of the two periods. Any change in the square footage of an existing comparable store, including for remodels and relocations within the same primary trade area of the existing store being relocated, does not eliminate that store from inclusion in the calculation of comparable store sales. Stores that are closed for a full fiscal month or longer are excluded from the comparable store sales calculation for each full fiscal month that they are closed. Since our e-commerce, regional account manager, and design studio sales are fulfilled by individual stores, they are included in comparable store sales only to the extent the fulfilling store meets the above mentioned store criteria. Sales through our Spartan Surfaces, LLC ("Spartan") subsidiary do not involve our stores and are therefore excluded from the comparable store sales calculation.

Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA (which are shown in the reconciliation below) are presented 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 EBITDA as net income before interest, taxes, and depreciation and amortization. We define Adjusted EBITDA as net income before interest, taxes, and depreciation and amortization adjusted to eliminate the impact of non-cash stock-based compensation expense and certain items that we do not consider indicative of our core operating performance. Reconciliations of these measures to the most directly comparable GAAP financial measure are set forth in the table below.

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 EBITDA and Adjusted EBITDA are useful measures, as they eliminate certain items that are not indicative of our core operating performance and facilitate comparisons 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. EBITDA and Adjusted EBITDA are also frequently used by analysts, investors and other interested parties to evaluate companies in our industry.

EBITDA and Adjusted EBITDA are non-GAAP measures of our financial performance and should not be considered as alternatives to net income 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, 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 EBITDA and Adjusted EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the items eliminated in the adjustments made to determine EBITDA and Adjusted EBITDA, such as stock-based compensation expense, fair value adjustments related to contingent earn-out liabilities, and other adjustments. Definitions and calculations of EBITDA and Adjusted EBITDA differ among companies in the retail industry, and therefore EBITDA and Adjusted EBITDA disclosed by us may not be comparable to the metrics disclosed by other 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. The Company does not provide a reconciliation of forward-looking measures where it believes such a reconciliation would imply a degree of precision and certainty that could be confusing to investors and the Company is unable to reasonably predict certain items contained in these measures without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing or amount of various items that have not yet occurred and are out of the Company's control or cannot be reasonably predicted. For the same reasons, the Company is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

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

	Thirteen Weeks Ended				% Increase (Decrease)
	March 27, 2025		March 28, 2024		
	Amount	% of Net Sales	Amount	% of Net Sales	
Net sales	\$ 1,160,740	100.0 %	\$ 1,097,289	100.0 %	5.8 %
Cost of sales	652,572	56.2	627,263	57.2	4.0 %
Gross profit	508,168	43.8	470,026	42.8	8.1 %
Operating expenses:					
Selling and store operating	368,805	31.8	334,345	30.5	10.3 %
General and administrative	69,141	6.0	66,777	6.1	3.5 %
Pre-opening	5,993	0.5	9,593	0.8	(37.5)%
Total operating expenses	443,939	38.3	410,715	37.4	8.1 %
Operating income	64,229	5.5	59,311	5.4	8.3 %
Interest expense, net	1,548	0.1	1,955	0.2	(20.8)%
Income before income taxes	62,681	5.4	57,356	5.2	9.3 %
Income tax expense	13,803	1.2	7,324	0.6	88.5 %
Net income	\$ 48,878	4.2 %	\$ 50,032	4.6 %	(2.3)%
Basic weighted average shares outstanding	107,455		106,770		
Diluted weighted average shares outstanding	108,442		108,255		
Basic earnings per share	\$ 0.45		\$ 0.47		(4.3)%
Diluted earnings per share	\$ 0.45		\$ 0.46		(2.2)%

Condensed Consolidated Balance Sheets

(In thousands, except for share and per share data)

(Unaudited)

	<u>March 27, 2025</u>	<u>December 26, 2024</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 186,930	\$ 187,669
Income taxes receivable	5,082	21,735
Receivables, net	100,419	101,486
Inventories, net	1,189,318	1,132,599
Prepaid expenses and other current assets	49,749	48,896
Total current assets	<u>1,531,498</u>	<u>1,492,385</u>
Fixed assets, net	1,797,356	1,786,587
Right-of-use assets	1,595,344	1,331,238
Intangible assets, net	149,286	150,203
Goodwill	257,940	257,940
Deferred income tax assets, net	17,252	17,082
Other assets	19,588	15,043
Total long-term assets	<u>3,836,766</u>	<u>3,558,093</u>
Total assets	<u>\$ 5,368,264</u>	<u>\$ 5,050,478</u>
Liabilities and stockholders' equity		
Current liabilities:		
Current portion of term loan	\$ 2,103	\$ 2,103
Current portion of lease liabilities	145,088	138,646
Trade accounts payable	814,418	794,855
Accrued expenses and other current liabilities	277,299	295,425
Deferred revenue	14,596	13,163
Total current liabilities	<u>1,253,504</u>	<u>1,244,192</u>
Term loan	194,424	194,527
Lease liabilities	1,611,851	1,351,282
Deferred income tax liabilities, net	62,803	67,832
Other liabilities	23,919	22,487
Total long-term liabilities	<u>1,892,997</u>	<u>1,636,128</u>
Total liabilities	<u>3,146,501</u>	<u>2,880,320</u>
Stockholders' equity		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 0 shares issued and outstanding at March 27, 2025 and December 26, 2024	—	—
Common stock Class A, \$0.001 par value; 450,000,000 shares authorized; 107,605,986 shares issued and outstanding at March 27, 2025 and 107,356,999 issued and outstanding at December 26, 2024	108	107
Additional paid-in capital	550,554	547,818
Accumulated other comprehensive income (loss), net	(50)	(40)
Retained earnings	1,671,151	1,622,273
Total stockholders' equity	<u>2,221,763</u>	<u>2,170,158</u>
Total liabilities and stockholders' equity	<u>\$ 5,368,264</u>	<u>\$ 5,050,478</u>

Condensed Consolidated Statements of Cash Flows

(In thousands)

(Unaudited)

	Thirteen Weeks Ended	
	March 27, 2025	March 28, 2024
Operating activities		
Net income	\$ 48,878	\$ 50,032
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	59,965	56,423
Stock-based compensation expense	6,580	7,232
Deferred income taxes	(5,188)	(7,530)
Change in fair value of contingent earn-out liabilities	(375)	576
Loss on asset impairments and disposals, net	32	37
Changes in operating assets and liabilities:		
Receivables, net	1,067	(1,438)
Inventories, net	(56,719)	74,020
Trade accounts payable	20,668	(35,079)
Accrued expenses and other current liabilities	(19,969)	(7,905)
Income taxes	18,125	13,186
Deferred revenue	1,433	2,918
Other, net	(3,333)	(4,962)
Net cash provided by operating activities	<u>71,164</u>	<u>147,510</u>
Investing activities		
Purchases of fixed assets	(66,728)	(111,688)
Net cash used in investing activities	<u>(66,728)</u>	<u>(111,688)</u>
Financing activities		
Payments on term loan	(526)	(526)
Borrowings on revolving line of credit	—	258,600
Payments on revolving line of credit	—	(258,600)
Payments of contingent earn-out liabilities	(806)	(5,769)
Proceeds from exercise of stock options	1,288	3,854
Proceeds from employee stock purchase plan	3,081	2,720
Tax payments for stock-based compensation awards	(8,212)	(13,057)
Net cash used in financing activities	<u>(5,175)</u>	<u>(12,778)</u>
Net (decrease) increase in cash and cash equivalents	(739)	23,044
Cash and cash equivalents, beginning of the period	187,669	34,382
Cash and cash equivalents, end of the period	<u>\$ 186,930</u>	<u>\$ 57,426</u>
Supplemental disclosures of cash flow information		
Buildings and equipment acquired under operating leases	\$ 303,474	\$ 68,360
Cash paid for interest, net of capitalized interest	\$ 2,595	\$ 1,195
Cash paid for income taxes, net of refunds	\$ 773	\$ 1,665
Fixed assets accrued at the end of the period	\$ 65,635	\$ 100,091

Reconciliation of GAAP to Non-GAAP Financial Measures

(In thousands)

(Unaudited)

EBITDA and Adjusted EBITDA

	Thirteen Weeks Ended	
	March 27, 2025	March 28, 2024
Net income (GAAP):	\$ 48,878	\$ 50,032
Depreciation and amortization (1)	59,387	55,879
Interest expense, net	1,548	1,955
Income tax expense	13,803	7,324
EBITDA	123,616	115,190
Stock-based compensation expense (2)	6,580	7,232
Other (3)	(375)	576
Adjusted EBITDA	\$ 129,821	\$ 122,998

(1) Excludes amortization of deferred financing costs, which is included as part of interest expense, net.

(2) Represents non-cash charges related to stock-based compensation programs, which vary from period to period depending on the timing of awards and forfeitures.

(3) Other adjustments include amounts management does not consider indicative of our core operating performance. Amounts for both the thirteen weeks ended March 27, 2025 and March 28, 2024 relate to changes in the fair value of contingent earn-out liabilities.

Forward-Looking Statements

This release and the associated webcast/conference call contain forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical fact contained in this release and the associated webcast/conference call, 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. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "seeks," "intends," "targets," "projects," "contemplates," "believes," "estimates," "predicts," "budget," "potential," or "continue" or the negative of these terms or other similar expressions.

The forward-looking statements contained in this release and the associated webcast/conference call are based on our current expectations, assumptions, estimates, and projections regarding the Company's business, the economy, and other future conditions. 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.

Although the Company believes that the expectations reflected in the forward-looking statements in this release and the associated webcast/conference call 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, (1) an overall decline in the health of the economy, the hard surface flooring industry, consumer confidence and discretionary spending, and the housing market, including as a result of persistently high or rising inflation or interest rates, geopolitical events or uncertainty, or tariffs, (2) our failure to successfully manage the challenges that our planned new store growth poses or the impact of unexpected difficulties or higher costs during our expansion, (3) our inability to lease or acquire new store locations on acceptable terms, renew or replace our current store leases, or make payments under our leases, (4) our failure to maintain and enhance our brand image and awareness, (5) our failure to successfully anticipate and manage trends, consumer preferences, and demand, (6) our inability to successfully manage increased competition, (7) geopolitical risks, policies related to global trade and tariffs in the U.S. and other countries, and any antidumping and countervailing duties, any of which could impact our ability to import from foreign suppliers or raise our costs, (8) our inability to manage our inventory, including the impact of inventory obsolescence, shrink, and damage, (9) any disruption in our distribution capabilities, supply chain, and our related planning and control processes, including carrier capacity constraints, port congestion, strike, or shut down, and other supply chain costs or product shortages, (10) any increases in wholesale prices of products, materials, and transportation costs beyond our control, including increases in costs due to inflation or tariffs, (11) the resignation, incapacitation, or death of any key personnel, including our executive officers, (12) our inability to attract, hire, train, and retain highly qualified managers and staff, (13) the impact of any labor activities, (14) our dependence on foreign imports for the products we sell, including risks associated with obtaining products from abroad, (15) any failure by any of our suppliers to supply us with quality products on attractive terms and prices or to adhere to the quality standards that we set for our products, (16) our inability to locate sufficient suitable natural products, (17) the effects of weather conditions, natural disasters, or other unexpected events, including public health crises, that may disrupt our operations, (18) restrictions imposed by our indebtedness on our current and future operations, including risks related to our variable rate debt, (19) any allegations, investigations, lawsuits, or violations of laws and regulations applicable to us, our products, or our suppliers, (20) our inability to adequately protect the privacy and security of information related to our customers, us, our associates, our suppliers, and other third parties, (21) any material disruption in our information systems, including our website, (22) our ability to manage our comparable store sales, (23) our inability to maintain sufficient levels of cash flow or liquidity to fund our expanding business and service our existing indebtedness, (24) new or changing laws or regulations, including tax laws and trade policies and regulations, (25) any failure to protect our intellectual property rights or disputes regarding our intellectual property or the intellectual property of third parties, (26) the impact of any future strategic transactions, and (27) our ability to manage risks related to corporate social responsibility. Additional information concerning these and other factors are described in "Forward-Looking Statements," Item 1, "Business," Item 1A, "Risk Factors," and Item 1C, "Cybersecurity" of Part I and Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Item 9A, "Controls and Procedures" of Part II of the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 2024, filed with the Securities and Exchange Commission (the "SEC") on February 20, 2025 (the "Annual Report") and elsewhere in the Annual Report, as well as those described in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 27, 2025 (the "10-Q") and elsewhere in the 10-Q, and those described in the Company's other filings with the SEC.

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.

Contacts

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