

Jack in the Box Inc.

GAAP to Non-GAAP Reconciliations

(\$ in 000's)

From time to time, the Company discusses financial measures which may be considered "non-GAAP" financial measures under applicable Securities and Exchange Commission rules and regulations. The Company encourages investors to rely upon GAAP numbers, but includes the non-GAAP financial measures as supplemental metrics to assist investors in analyzing the company's performance. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. In addition, the non-GAAP financial measures used by the Company may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

The differences between certain GAAP measures and non-GAAP measures discussed during the Company's first quarter fiscal 2017 earnings call on February 23, 2017, are set forth below:

Franchise Rental EBITDA	16 Weeks Ended 1/22/2017	16 Weeks Ended 1/17/2016
¹ Franchise rental revenues	\$ 71,469	\$ 69,738
² Less: Sublease rental expense	(42,223)	(42,172)
Franchise rental EBITDA	<u>\$ 29,246</u>	<u>\$ 27,566</u>
Adjusted Operating EBITDA (excludes franchise gains/losses and restructuring costs)		
	16 Weeks Ended 1/22/2017	16 Weeks Ended 1/17/2016
¹ Net earnings - GAAP	\$ 35,929	\$ 33,221
¹ Losses from discontinued operations, net of income tax benefit	1,105	676
¹ Income taxes	23,366	20,442
¹ Interest expense, net	12,717	8,175
¹ Earnings from operations	<u>73,117</u>	<u>62,514</u>
¹ Gains on the sale of company-operated restaurants	(137)	(818)
³ Restructuring costs	2,048	-
⁴ Depreciation and amortization	<u>27,987</u>	<u>28,514</u>
Adjusted EBITDA - Non-GAAP	<u>\$ 103,015</u>	<u>\$ 90,210</u>
Franchise rental EBITDA as a % of total Adjusted EBITDA	28.4%	30.6%
Refer to the Jack in the Box Inc. Quarterly Report on Form 10-Q as follows:		
¹ Condensed Consolidated Statements of Earnings		
² Management's Discussion and Analysis of Financial Condition and Results of Operations related to Franchise Operations		
³ Footnote 6, Impairment and Other Charges, net		
⁴ Condensed Consolidated Statements of Cash Flows		