

Non-GAAP Financial Measures

Free Cash Flow

Our measure of “Free cash flow” meets the definition of a non-GAAP financial measure. Free cash flow is used in addition to and in conjunction with results presented in accordance with GAAP and free cash flow should not be relied upon to the exclusion of GAAP financial measures. Management strongly encourages investors to review our financial statements and publicly-filed reports in their entirety and to not rely on any single financial measure. Free cash flow, which we reconcile to “Net cash provided by operating activities,” is cash flow from operations reduced by “Expenditures for property, plant and equipment”. We believe that free cash flow, although similar to cash flow from operations, is a useful additional measure since capital expenditures are a necessary component of ongoing operations. Management also views free cash flow, as a measure of the Company’s ability to reduce debt, add to cash balances, pay dividends, and repurchase stock. Free cash flow has limitations due to the fact that it does not represent the residual cash flow available for discretionary expenditures. For example, free cash flow does not incorporate payments made on capital lease obligations or required debt service payments. In addition, different companies define free cash flow differently. Therefore, we believe it is important to view free cash flow as a complement to our entire consolidated statements of cash flows. A reconciliation of cash provided by operating activities to free cash flow for the thirteen and twenty-six week periods ended March 4, 2017 and February 27, 2016, respectively is shown below.

	Thirteen Weeks Ended	
	March 4, 2017	February 27, 2016
	(in millions)	(in millions)
Net cash provided by operating activities	\$ 20.7	\$ 60.9
Expenditures for property, plant and equipment	(13.0)	(11.2)
Free cash flow	<u>\$ 7.7</u>	<u>\$ 49.7</u>

	Twenty-Six Weeks Ended	
	March 4, 2017	February 27, 2016
	(in millions)	(in millions)
Net cash provided by operating activities	\$ 96.7	\$ 183.0
Expenditures for property, plant and equipment	(25.5)	(26.8)
Free cash flow	<u>\$ 71.2</u>	<u>\$ 156.2</u>