

DICK'S SPORTING GOODS, INC.
GAAP to NON-GAAP RECONCILIATIONS
(Dollars in thousands, except per share amounts)
(unaudited)

13 Weeks Ended January 28, 2017

	Cost of goods sold	Selling, general and administrative expenses	Pre-opening expenses	Income before income taxes	Net income ⁽⁵⁾	Earnings per diluted share
GAAP Basis	\$ 1,763,669	\$ 575,573	\$ 5,977	\$ 143,020	\$ 90,188	\$ 0.81
<i>% of Net Sales</i>	<i>71.02%</i>	<i>23.18%</i>	<i>0.24%</i>	<i>5.76%</i>	<i>3.63%</i>	
Inventory write-down ⁽¹⁾	(46,379)	-	-	46,379	28,755	
Non-cash impairment and store closing charge ⁽²⁾	-	(32,821)	-	32,821	20,349	
Non-operating asset impairment ⁽³⁾	-	(7,707)	-	7,707	4,778	
TSA and Golfsmith integration costs ⁽⁴⁾	-	(2,054)	(3,957)	6,011	3,727	
Non-GAAP Basis	\$ 1,717,290	\$ 532,991	\$ 2,020	\$ 235,938	\$ 147,797	\$ 1.32
<i>% of Net Sales</i>	<i>69.15%</i>	<i>21.46%</i>	<i>0.08%</i>	<i>9.50%</i>	<i>5.95%</i>	

(1) Inventory write-down to net realizable value in connection with the Company's new merchandising strategy.

(2) Includes non-cash impairment of store assets and store closing charges primarily related to ten Golf Galaxy stores in overlapping trade areas with former Golfsmith stores.

(3) Non-cash impairment charge to reduce the carrying value of a corporate aircraft held for sale to its fair market value.

(4) Costs related to converting former TSA and Golfsmith stores.

(5) The provision for income taxes for Non-GAAP adjustments was calculated at 38%, which approximates the Company's blended tax rate.

DICK'S SPORTING GOODS, INC.
GAAP to NON-GAAP RECONCILIATIONS
(Dollars in thousands, except per share amounts)
(unaudited)

52 Weeks Ended January 28, 2017

	Cost of goods sold	Selling, general and administrative expenses	Pre-opening expenses	Income before income taxes	Net income ⁽⁵⁾	Earnings per diluted share
GAAP Basis	\$ 5,556,198	\$ 1,875,643	\$ 40,286	\$ 458,422	\$ 287,396	\$ 2.56
<i>% of Net Sales</i>	<i>40.14%</i>	<i>23.68%</i>	<i>0.51%</i>	<i>5.79%</i>	<i>3.63%</i>	
Inventory write-down ⁽¹⁾	(46,379)	-	-	46,379	28,755	
Non-cash impairment and store closing charge ⁽²⁾	-	(32,821)	-	32,821	20,349	
Non-operating asset impairment ⁽³⁾	-	(7,707)	-	7,707	4,778	
TSA and Golfsmith integration costs ⁽⁴⁾	-	(8,545)	(5,102)	13,647	8,461	
Non-GAAP Basis	\$ 5,509,819	\$ 1,826,570	\$ 35,184	\$ 558,976	\$ 349,739	\$ 3.12
<i>% of Net Sales</i>	<i>69.55%</i>	<i>23.06%</i>	<i>0.44%</i>	<i>7.06%</i>	<i>4.41%</i>	

⁽¹⁾ Inventory write-down to net realizable value in connection with the Company's new merchandising strategy.

⁽²⁾ Includes non-cash impairment of store assets and store closing charges primarily related to ten Golf Galaxy stores in overlapping trade areas with former Golfsmith stores.

⁽³⁾ Non-cash impairment charge to reduce the carrying value of a corporate aircraft held for sale to its fair market value.

⁽⁴⁾ Costs related to converting former TSA and Golfsmith stores.

⁽⁵⁾ The provision for income taxes for Non-GAAP adjustments was calculated at 38%, which approximates the Company's blended tax rate.

DICK'S SPORTING GOODS, INC.
GAAP to NON-GAAP RECONCILIATIONS
(Dollars in thousands, except per share amounts)
(unaudited)

52 Weeks Ended January 30, 2016

	Selling, general and administrative expenses	Income before income taxes	Net income ⁽²⁾	Earnings per diluted share
GAAP Basis	\$ 1,613,075	\$ 530,875	\$ 330,391	\$ 2.83
<i>% of Net Sales</i>	<i>22.19%</i>	<i>7.30%</i>	<i>4.54%</i>	
Litigation settlement charge ⁽¹⁾	(7,884)	7,884	4,730	
Non-GAAP Basis	\$ 1,605,191	\$ 538,759	\$ 335,121	\$ 2.87
<i>% of Net Sales</i>	<i>22.08%</i>	<i>7.41%</i>	<i>4.61%</i>	

⁽¹⁾ The Company recorded a pre-tax litigation settlement charge of \$7.9 million.

⁽²⁾ The provision for income taxes for Non-GAAP adjustments was calculated at 40%, which approximated the Company's blended tax rate.

CORRECTED - On March 7, 2017, the Company provided a "GAAP to non-GAAP Reconciliation - Adjusted EBITDA" which contained a computation error. The Company corrected the computation error through a Form 8-K/A filed with the Securities and Exchange Commission on May 12, 2017. The corrected tables are shown below.

Adjusted EBITDA

Adjusted EBITDA should not be considered as an alternative to net income or any other generally accepted accounting principles measure of performance or liquidity. Adjusted EBITDA, as the Company has calculated it, may not be comparable to similarly titled measures reported by other companies. Adjusted EBITDA is a key metric used by the Company that provides a measurement of profitability that eliminates the effect of changes resulting from financing decisions, tax regulations, capital investments and certain non-recurring, infrequent or unusual items.

	13 Weeks Ended	
	January 28, 2017	January 30, 2016
	(dollars in thousands)	
Net income	\$ 90,188	\$ 128,993
Provision for income taxes	52,832	76,223
Interest expense	1,843	1,462
Depreciation and amortization	84,703	56,911
EBITDA	<u>\$ 229,566</u>	<u>\$ 263,589</u>
Add: Inventory write-down	46,379	-
Add: Store closing charge	9,434	-
Add: TSA and Golfsmith integration costs	6,011	-
Adjusted EBITDA, as defined	<u>\$ 291,390</u>	<u>\$ 263,589</u>
% increase in adjusted EBITDA	11%	

	52 Weeks Ended	
	January 28, 2017	January 30, 2016
	(dollars in thousands)	
Net income	\$ 287,396	\$ 330,391
Provision for income taxes	171,026	200,484
Interest expense	5,856	4,012
Depreciation and amortization	233,834	193,594
EBITDA	<u>\$ 698,112</u>	<u>\$ 728,481</u>
Add: Inventory write-down	46,379	-
Add: Store closing charge	9,434	-
Add: TSA and Golfsmith integration costs	13,647	-
Add: Litigation settlement charge	-	7,884
Adjusted EBITDA, as defined	<u>\$ 767,572</u>	<u>\$ 736,365</u>
% increase in adjusted EBITDA	4%	

Reconciliation of Gross Capital Expenditures to Net Capital Expenditures

The following table represents a reconciliation of the Company's gross capital expenditures to its capital expenditures, net of tenant allowances.

	Fiscal Year Ended	
	January 28, 2017	January 30, 2016
	(dollars in thousands)	
Gross capital expenditures	\$ (421,920)	\$ (370,028)
Proceeds from sale-leaseback transactions	-	-
Deferred construction allowances	179,864	165,616
Construction allowance receipts	-	-
Net capital expenditures	<u>\$ (242,056)</u>	<u>\$ (204,412)</u>

Reconciliation of Non-GAAP Consolidated Net Income and Earnings Per Diluted Share Guidance

	<u>13 Weeks Ended April 29, 2017</u>				<u>53 Weeks Ended February 3, 2018</u>			
	<u>Low-End</u>		<u>High-End</u>		<u>Low-End</u>		<u>High-End</u>	
	<u>Amount</u>	<u>EPS</u>	<u>Amount</u>	<u>EPS</u>	<u>Amount</u>	<u>EPS</u>	<u>Amount</u>	<u>EPS</u>
GAAP consolidated net income and earnings per diluted share	\$ 54,000	\$ 0.48	\$ 59,500	\$ 0.53	\$ 405,000	\$ 3.63	\$ 416,000	\$ 3.73
Costs to convert former TSA stores	3,200		3,200		3,200		3,200	
Tax effect of the above item	1,216		1,216		1,216		1,216	
Non-GAAP consolidated net income and earnings per diluted share	<u>\$ 55,984</u>	<u>\$ 0.50</u>	<u>\$ 61,484</u>	<u>\$ 0.55</u>	<u>\$ 406,984</u>	<u>\$ 3.65</u>	<u>\$ 417,984</u>	<u>\$ 3.75</u>