



August 3, 2016

Second Quarter 2016 GAAP Reconciliation

Non-GAAP Financial Measures

Adjusted information is non-GAAP financial information. These supplemental non-GAAP measures should not be considered superior to, or a substitute for, and should be considered in conjunction with the GAAP financial measures presented. We believe such non-GAAP financial information provides additional perspective regarding how we evaluate our financial results and what we consider to be the core operating performance of our business. Accordingly, we believe this supplemental information will enhance the understanding of readers of trends in our historical results. The Company provides a reconciliation of adjusted financial information to the most directly comparable financial measures calculated and presented in accordance with GAAP in Tables 1 and 2 on the following pages.

TABLE 1
VITAMIN SHOPPE, INC. AND SUBSIDIARY
SUPPLEMENTAL OPERATING DATA
(Unaudited)

Amounts in millions except per share data
Figures may not sum due to rounding

	<u>Gross Profit</u>	<u>SG&A</u>	<u>Operating Income</u>	<u>Net Income</u>	<u>Diluted EPS</u>
<u>Three months ended June 25, 2016:</u>					
As Reported	\$ 107.8	\$ 87.1	\$ 20.7	\$ 10.4	\$ 0.44
Canada stores closing costs (1)	-	(1.9)	1.9	1.9	0.08
Cost reduction project (2)	-	(1.5)	1.5	0.9	0.04
As Adjusted	<u>\$ 107.8</u>	<u>\$ 83.7</u>	<u>\$ 24.1</u>	<u>\$ 13.2</u>	<u>\$ 0.55</u>
<u>Three months ended June 27, 2015:</u>					
As Reported	\$ 108.3	\$ 84.7	\$ 23.6	\$ 14.2	\$ 0.48
Management realignment charges (3)	-	(2.2)	2.2	1.3	0.05
Account receivable bad debt reserve charge (4)	-	(1.4)	1.4	0.8	0.03
Integration costs (5)	-	(0.4)	0.4	0.3	0.01
As Adjusted	<u>\$ 108.3</u>	<u>\$ 80.7</u>	<u>\$ 27.5</u>	<u>\$ 16.7</u>	<u>\$ 0.57</u>
<u>Six months ended June 25, 2016:</u>					
As Reported	\$ 224.1	\$ 176.1	\$ 48.0	\$ 25.2	\$ 1.03
Canada stores closing costs (1)	(0.2)	(3.0)	2.8	2.8	0.11
Cost reduction project (2)	-	(1.5)	1.5	0.9	0.04
Super Supplements conversion costs (6)	(0.2)	(1.3)	1.0	0.6	0.03
Reinvention strategy costs (7)	-	(0.5)	0.5	0.3	0.01
As Adjusted	<u>\$ 223.7</u>	<u>\$ 169.8</u>	<u>\$ 53.9</u>	<u>\$ 29.9</u>	<u>\$ 1.22</u>
<u>Six months ended June 27, 2015:</u>					
As Reported	\$ 222.9	\$ 168.4	\$ 54.5	\$ 32.9	\$ 1.11
Management realignment charges (3)	-	(2.2)	2.2	1.3	0.05
Account receivable bad debt reserve charge (4)	-	(1.4)	1.4	0.8	0.03
Integration costs (5)	-	(0.8)	0.8	0.5	0.02
As Adjusted	<u>\$ 222.9</u>	<u>\$ 164.1</u>	<u>\$ 58.8</u>	<u>\$ 35.6</u>	<u>\$ 1.20</u>

(1) Costs primarily include lease termination charges.

(2) Outside consulting costs relating to a project to identify and implement cost reduction opportunities.

(3) Management realignment charges primarily consist of severance, sign-on bonuses, recruiting and relocation costs.

(4) Charge for accounts receivable for one wholesale customer which were deemed uncollectible.

(5) Represents integration costs related to the acquisition of Nutri-Force, consisting primarily of professional fees.

(6) Costs primarily related to the closure of the Seattle distribution center.

(7) The costs represent outside consultants fees in connection with the Company's "reinvention strategy".

TABLE 2
VITAMIN SHOPPE, INC. AND SUBSIDIARY
ADJUSTED EARNINGS PER SHARE GUIDANCE
(Unaudited)

Figures may not sum due to rounding

	Fiscal Year Ended December 31, 2016 <u>(Projected)</u>
Diluted EPS - GAAP basis	\$ 1.83 to \$ 2.03
Canada stores closing costs	0.11
Cost reduction project	0.11
Super Supplements conversion costs	0.03
Reinvention strategy costs	<u>0.01</u>
Diluted EPS - Non-GAAP basis*	<u><u>\$ 2.10 to \$ 2.30</u></u>

* *The adjustments to GAAP basis EPS represent the full year impact of the amounts referenced in Table 1 for the six months ended June 25, 2016 and \$3.0 million (pre-tax) in costs estimated to be incurred during the balance of fiscal year 2016 for the Cost Reduction Project.*

About the Vitamin Shoppe, Inc. (NYSE:VSI)

Vitamin Shoppe is a multi-channel, specialty retailer and contract manufacturer of nutritional products based in Secaucus, New Jersey. In its stores and on its website, the Company carries a comprehensive retail assortment including: vitamins, minerals, specialty supplements, herbs, sports nutrition, homeopathic remedies, green living products, and beauty aids. In addition to offering products from approximately 850 national brands, the Vitamin Shoppe also carries products under The Vitamin Shoppe®, BodyTech®, True Athlete®, MyTriton®, plnt®, ProBioCare®, Next Step® and Betancourt Nutrition® brands. The Vitamin Shoppe conducts business through more than 750 company-operated retail stores under The Vitamin Shoppe and Super Supplements retail banners, and primarily through its website, www.vitaminshoppe.com. Follow the Vitamin Shoppe on Facebook at <http://www.facebook.com/THEVITAMINSHOPPE> and on Twitter at <http://twitter.com/VitaminShoppe>.

Forward Looking Statements

This press release contains "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including without limitation, statements under the caption "2016 Outlook", statements regarding future financial results and performance, share repurchases, future business prospects, revenue, new stores, product offerings, integration of acquisitions, working capital, liquidity, capital expenditures, capital needs and interest costs, industry based factors, including the level of competition in the vitamin, mineral and supplement industry, continued demand from the primary markets the Company serves, consumer perception of the Company's products, the availability of raw materials, as well as economic conditions generally and factors more specific to the Company such as compliance with manufacturing regulations, certifications and practices and restrictions imposed by the Company's revolving credit facility, including financial covenants and limitations on the Company's ability to incur additional indebtedness and the Company's future capital requirements, and other risks, uncertainties and factors set forth under Item 1A., entitled "Risk Factors", in the Company's Annual Report on Form 10-K for the fiscal year ended December 26, 2015 and in the Company's other reports and documents filed with the SEC. These forward-looking statements can be identified by the use of words such as "outlook", "believes", "expects", "potential", "continues", "may", "will", "should", "seeks", "predicts", "intends", "plans", "estimates", "anticipates", "target", "could" or the negative version of these words or other comparable words. These statements are subject to various risks and uncertainties, many of which are outside the Company's control, including, among others the strength of the economy, changes in the overall level of consumer spending, the performance of the Company's products within the prevailing retail environment, trade restrictions, availability of suitable store locations at appropriate terms, the availability of raw material and other specific factors discussed herein and in other Company SEC filings (including reports on Forms 10-K and 10-Q filed with the SEC). The Company believes that all forward-looking statements are based on reasonable assumptions when made; however, it is impossible to predict actual results or outcomes or the effects of risks, uncertainties or other factors on anticipated results or outcomes with certainty and that, accordingly, one should not place undue reliance on these statements. Forward-looking statements speak only as of the date when made and the Company undertakes no obligation to update these statements in light of subsequent events or developments. Actual results may differ materially from anticipated results or outcomes discussed in any forward-looking statement.