

Chipotle Mexican Grill, Inc.
Reconciliation of Non-GAAP Financial Measures
(in thousands, except per share amounts)

The following provides a reconciliation of non-GAAP financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP.

Adjusted Net Income and Adjusted Diluted Earnings Per Share

	Three months ended	
	March 31,	
	2019	2018
Net income	\$ 88,132	\$ 59,446
<i>Non-GAAP adjustments:</i>		
Restaurant closure costs:		
Operating lease asset impairment and other restaurant closure costs ⁽¹⁾	100	-
Accelerated depreciation ⁽²⁾	82	-
Duplicate rent expense ⁽⁴⁾	521	-
Corporate Restructuring:		
Operating lease asset impairment and other office closure costs ⁽³⁾	1,395	-
Accelerated depreciation ⁽²⁾	82	-
Duplicate rent expense ⁽⁴⁾	1,198	-
Employee related restructuring costs ⁽⁵⁾	3,223	-
Other adjustments ⁽⁶⁾	930	-
Total non-GAAP adjustments	\$ 7,531	\$ -
Tax effect of non-GAAP adjustments ⁽⁷⁾	(174)	-
After tax impact of non-GAAP adjustments	\$ 7,357	\$ -
Adjusted net income	\$ 95,489	\$ 59,446
Diluted weighted-average number of common shares outstanding	28,118	27,950
Diluted earnings per share	\$ 3.13	\$ 2.13
Adjusted diluted earnings per share	\$ 3.40	\$ 2.13

(1) Operating lease asset impairment charges, and other closure expenses for restaurant closures announced in June 2018 due to underperformance.

(2) Accelerated depreciation for restaurant and office closures announced in June 2018 due to underperformance and the corporate restructuring.

(3) Operating lease asset impairment charges and other closure expenses for the corporate headquarter relocation and office consolidation announced in May 2018.

(4) Duplicate rent expense for the corporate headquarter relocation and office consolidation announced in May 2018 and for closed restaurants.

(5) Costs for employee severance, stock modifications, transition expenses, recruitment, relocation costs, third party and other employee-related costs.

(6) For the three months ended March 31, 2019, consists of an asset impairment charge related to a reconfiguration of our human resource capital management system to support the restructured organization.

(7) For the three months ended March 31, 2019, includes a write-off of deferred tax assets related to expired stock awards of \$1,583.

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Reconciliation of Non-GAAP Financial Measures
(continued)

	Three months ended March 31, 2019
Effective income tax rate	22.2 %
Tax effect of non-GAAP adjustments	(1.2)
Adjusted income tax rate	21.0 %