

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 29, 2015

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-35625



BLOOMIN' BRANDS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

20-8023465

(I.R.S. Employer Identification No.)

2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607

(Address of principal executive offices) (Zip Code)

(813) 282-1225

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

As of April 30, 2015, 123,969,839 shares of common stock of the registrant were outstanding.

BLOOMIN' BRANDS, INC.

INDEX TO QUARTERLY REPORT ON FORM 10-Q
For the Quarterly Period Ended March 29, 2015
(Unaudited)

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BLOOMIN' BRANDS, INC.**PART I: FINANCIAL INFORMATION****Item 1. Financial Statements****CONSOLIDATED BALANCE SHEETS**
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA, UNAUDITED)

	MARCH 29,	DECEMBER 28,
	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 135,648	\$ 165,744
Current portion of restricted cash and cash equivalents	6,061	6,829
Inventories	73,246	80,817
Deferred income tax assets	124,626	123,866
Assets held for sale	4,416	16,667
Other current assets, net	140,338	206,628
Total current assets	484,335	600,551
Restricted cash	25,244	25,451
Property, fixtures and equipment, net	1,621,955	1,629,311
Goodwill	329,804	341,540
Intangible assets, net	574,508	585,432
Deferred income tax assets	6,540	6,038
Other assets, net	156,258	155,963
Total assets	\$ 3,198,644	\$ 3,344,286

(CONTINUED...)

BLOOMIN' BRANDS, INC.**CONSOLIDATED BALANCE SHEETS**
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA, UNAUDITED)

	MARCH 29, 2015	DECEMBER 28, 2014
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 207,149	\$ 191,207
Accrued and other current liabilities	222,517	237,844
Current portion of partner deposits and accrued partner obligations	8,189	8,399
Unearned revenue	272,117	376,696
Current portion of long-term debt, net	25,491	25,964
Total current liabilities	735,463	840,110
Partner deposits and accrued partner obligations	63,036	69,766
Deferred rent	130,126	121,819
Deferred income tax liabilities	177,898	181,125
Long-term debt, net	1,285,819	1,289,879
Other long-term liabilities, net	262,386	260,405
Total liabilities	2,654,728	2,763,104
Commitments and contingencies (Note 13)		
Mezzanine Equity		
Redeemable noncontrolling interests	25,069	24,733
Stockholders' Equity		
Bloomin' Brands Stockholders' Equity		
Preferred stock, \$0.01 par value, 25,000,000 shares authorized; no shares issued and outstanding as of March 29, 2015 and December 28, 2014	—	—
Common stock, \$0.01 par value, 475,000,000 shares authorized; 123,772,109 and 125,949,870 shares issued and outstanding as of March 29, 2015 and December 28, 2014, respectively	1,238	1,259
Additional paid-in capital	1,087,315	1,085,627
Accumulated deficit	(484,612)	(474,994)
Accumulated other comprehensive loss	(90,016)	(60,542)
Total Bloomin' Brands stockholders' equity	513,925	551,350
Noncontrolling interests	4,922	5,099
Total stockholders' equity	518,847	556,449
Total liabilities, mezzanine equity and stockholders' equity	\$ 3,198,644	\$ 3,344,286

The accompanying notes are an integral part of these consolidated financial statements.

BLOOMIN' BRANDS, INC.**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**
(IN THOUSANDS, EXCEPT PER SHARE DATA, UNAUDITED)

	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Revenues		
Restaurant sales	\$ 1,194,810	\$ 1,150,525
Other revenues	7,249	7,334
Total revenues	<u>1,202,059</u>	<u>1,157,859</u>
Costs and expenses		
Cost of sales	387,468	373,614
Labor and other related	323,986	311,418
Other restaurant operating	264,038	256,518
Depreciation and amortization	46,486	46,165
General and administrative	73,247	74,054
Provision for impaired assets and restaurant closings	9,133	6,064
Total costs and expenses	<u>1,104,358</u>	<u>1,067,833</u>
Income from operations	97,701	90,026
Other expense, net	(1,147)	(164)
Interest expense, net	(13,198)	(16,598)
Income before provision for income taxes	83,356	73,264
Provision for income taxes	21,274	18,164
Net income	62,082	55,100
Less: net income attributable to noncontrolling interests	1,494	1,367
Net income attributable to Bloomin' Brands	<u>\$ 60,588</u>	<u>\$ 53,733</u>
Net income	\$ 62,082	\$ 55,100
Other comprehensive income:		
Foreign currency translation adjustment	(25,462)	(5,365)
Unrealized losses on derivatives, net of tax	(4,012)	—
Comprehensive income	32,608	49,735
Less: comprehensive income attributable to noncontrolling interests	1,494	1,367
Comprehensive income attributable to Bloomin' Brands	<u>\$ 31,114</u>	<u>\$ 48,368</u>
Earnings per share:		
Basic	<u>\$ 0.48</u>	<u>\$ 0.43</u>
Diluted	<u>\$ 0.47</u>	<u>\$ 0.42</u>
Weighted average common shares outstanding:		
Basic	125,302	124,542
Diluted	<u>128,759</u>	<u>127,851</u>
Cash dividends declared per common share	<u>\$ 0.06</u>	<u>\$ —</u>

The accompanying notes are an integral part of these consolidated financial statements.

BLOOMIN' BRANDS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(IN THOUSANDS, UNAUDITED)

BLOOMIN' BRANDS, INC.							
	COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUM-ULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE LOSS	NON- CONTROLLING INTERESTS	TOTAL
	SHARES	AMOUNT					
Balance, December 28, 2014	125,950	\$ 1,259	\$ 1,085,627	\$ (474,994)	\$ (60,542)	\$ 5,099	\$ 556,449
Net income	—	—	—	60,588	—	1,159	61,747
Other comprehensive loss, net of tax	—	—	—	—	(29,474)	—	(29,474)
Cash dividends declared, \$0.06 per common share	—	—	(7,423)	—	—	—	(7,423)
Repurchase and retirement of common stock	(2,759)	(28)	—	(69,972)	—	—	(70,000)
Stock-based compensation	—	—	4,785	—	—	—	4,785
Excess tax benefit on stock-based compensation	—	—	1,127	—	—	—	1,127
Common stock issued under stock plans, net of forfeitures and shares withheld for employee taxes	581	7	3,199	(234)	—	—	2,972
Distributions to noncontrolling interests	—	—	—	—	—	(1,336)	(1,336)
Balance, March 29, 2015	123,772	\$ 1,238	\$ 1,087,315	\$ (484,612)	\$ (90,016)	\$ 4,922	\$ 518,847

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BLOOMIN' BRANDS, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(IN THOUSANDS, UNAUDITED)

BLOOMIN' BRANDS, INC.							
	COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUM-ULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE LOSS	NON- CONTROLLING INTERESTS	TOTAL
	SHARES	AMOUNT					
Balance, December 31, 2013	124,784	\$ 1,248	\$ 1,068,705	\$ (565,154)	\$ (26,418)	\$ 4,328	\$ 482,709
Net income	—	—	—	53,733	—	1,250	54,983
Other comprehensive loss, net of tax	—	—	—	—	(5,365)	—	(5,365)
Stock-based compensation	—	—	3,641	—	—	—	3,641
Excess tax benefit on stock-based compensation	—	—	1,221	—	—	—	1,221
Common stock issued under stock plans, net of forfeitures and shares withheld for employee taxes	765	7	5,642	(481)	—	—	5,168
Purchase of limited partnership interests, net of tax of \$6,197	—	—	(12,250)	—	—	1,236	(11,014)
Distributions to noncontrolling interests	—	—	—	—	—	(1,167)	(1,167)
Balance, March 30, 2014	125,549	\$ 1,255	\$ 1,066,959	\$ (511,902)	\$ (31,783)	\$ 5,647	\$ 530,176

The accompanying notes are an integral part of these consolidated financial statements.

BLOOMIN' BRANDS, INC.**CONSOLIDATED STATEMENTS OF CASH FLOWS**
(IN THOUSANDS, UNAUDITED)

	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Cash flows provided by operating activities:		
Net income	\$ 62,082	\$ 55,100
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	46,486	46,165
Amortization of deferred financing fees	751	848
Amortization of capitalized gift card sales commissions	9,356	8,792
Provision for impaired assets and restaurant closings	9,133	6,064
Accretion on debt discounts	557	568
Stock-based and other non-cash compensation expense	4,617	2,357
Deferred income tax expense (benefit)	210	(876)
Loss on disposal of property, fixtures and equipment	220	436
Gain on life insurance and restricted cash investments	(2,089)	(362)
Loss on disposal of business or subsidiary	1,151	—
Recognition of deferred gain on sale-leaseback transaction	(535)	(535)
Excess tax benefits from stock-based compensation	(1,127)	(1,221)
Change in assets and liabilities:		
Decrease in inventories	6,235	13,788
Decrease (increase) in other current assets	54,387	(7,463)
Decrease in other assets	3,562	2,591
Increase in accounts payable and accrued and other current liabilities	1,829	11,957
Increase in deferred rent	7,999	2,080
Decrease in unearned revenue	(104,680)	(98,214)
Decrease in other long-term liabilities	(4,182)	(2,248)
Net cash provided by operating activities	<u>95,962</u>	<u>39,827</u>
Cash flows used in investing activities:		
Purchases of life insurance policies	(2,103)	(520)
Proceeds received from life insurance policies	1,592	627
Proceeds from disposal of property, fixtures and equipment	647	105
Acquisition of business, net of cash acquired	—	(3,063)
Proceeds from sale of a business	7,798	—
Capital expenditures	(47,672)	(39,313)
Decrease in restricted cash	8,528	5,514
Increase in restricted cash	(8,268)	(5,105)
Net cash used in investing activities	<u>\$ (39,478)</u>	<u>\$ (41,755)</u>

(CONTINUED...)

BLOOMIN' BRANDS, INC.**CONSOLIDATED STATEMENTS OF CASH FLOWS**
(IN THOUSANDS, UNAUDITED)

	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Cash flows used in financing activities:		
Repayments of long-term debt	\$ (21,104)	\$ (14,578)
Proceeds from borrowings on revolving credit facilities	131,000	—
Repayments of borrowings on revolving credit facilities	(115,000)	—
Proceeds from the exercise of stock options	3,954	5,974
Distributions to noncontrolling interests	(1,336)	(1,167)
Purchase of limited partnership interests	—	(17,211)
Repayments of partner deposits and accrued partner obligations	(6,000)	(7,388)
Repurchase of common stock	(70,234)	(481)
Excess tax benefits from stock-based compensation	1,127	1,221
Tax withholding on performance-based share units	(748)	(324)
Cash dividends paid on common stock	(7,423)	—
Net cash used in financing activities	(85,764)	(33,954)
Effect of exchange rate changes on cash and cash equivalents	(816)	(1,385)
Net decrease in cash and cash equivalents	(30,096)	(37,267)
Cash and cash equivalents as of the beginning of the period	165,744	209,871
Cash and cash equivalents as of the end of the period	\$ 135,648	\$ 172,604
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 13,352	\$ 15,663
Cash paid for income taxes, net of refunds	5,597	10,622
Supplemental disclosures of non-cash investing and financing activities:		
Change in acquisition of property, fixtures and equipment included in accounts payable or capital lease liabilities	(469)	851
Deferred tax effect of purchase of noncontrolling interests	—	6,197

The accompanying notes are an integral part of these consolidated financial statements.

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)**

1. Description of the Business and Basis of Presentation

Description of the Business - The Company owns and operates casual, upscale casual and fine dining restaurants primarily in the United States. The Company's restaurant portfolio has four concepts: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. Additional Outback Steakhouse, Carrabba's Italian Grill and Bonefish Grill restaurants in which the Company has no direct investment are operated under franchise agreements. In January 2015, the Company sold its Roy's business.

Basis of Presentation - The accompanying interim unaudited consolidated financial statements have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission. Accordingly, they do not include all the information and footnotes required by generally accepted accounting principles in the United States ("U.S. GAAP") for complete financial statements. In the opinion of the Company, all adjustments necessary for the fair presentation of the Company's results of operations, financial position and cash flows for the periods presented have been included and are of a normal, recurring nature. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year. These financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 28, 2014.

Reclassifications - The Company reclassified certain items in the accompanying consolidated financial statements for prior periods to be comparable with the classification for the current period. These reclassifications had no effect on previously reported net income.

Recently Issued Financial Accounting Standards Not Yet Adopted - In April 2015, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2015-03: "Interest - Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs" ("ASU No. 2015-03"). ASU No. 2015-03 will require debt issuance costs related to a recognized debt liability to be presented in the balance sheet as a direct deduction from the carrying amount of the related debt liability. The update requires retrospective application and represents a change in accounting principle. ASU No. 2015-03 will be effective for the Company in fiscal year 2016, with early adoption permitted. The Company does not expect ASU No. 2015-03 to have a material impact on its financial position, results of operations and cash flows.

In August 2014, the FASB issued ASU No. 2014-15: "Presentation of Financial Statements-Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" ("ASU No. 2014-15"). ASU No. 2014-15 will explicitly require management to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern, and to provide related footnote disclosures in certain circumstances. The new standard is applicable for all entities and will be effective for the Company in fiscal year 2016. The Company does not expect ASU No. 2014-15 to have a material impact on its financial position, results of operations and cash flows.

In May 2014, the FASB issued ASU No. 2014-09 "Revenue Recognition (Topic 606), Revenue from Contracts with Customers" ("ASU No. 2014-09"). ASU No. 2014-09 provides a single source of guidance for revenue arising from contracts with customers and supersedes current revenue recognition standards. Under ASU No. 2014-09, revenue is recognized in an amount that reflects the consideration an entity expects to receive for the transfer of goods and services. ASU No. 2014-09 will be effective for the Company in fiscal year 2017 and is applied retrospectively to each period presented or as a cumulative effect adjustment at the date of adoption. The Company has not selected a transition method and is evaluating the impact this guidance will have on its financial position, results of operations and cash flows.

Recent accounting guidance not discussed above is not applicable, did not have, or is not expected to have a material impact to the Company.

BLOOMIN' BRANDS, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

2. Impairments, Disposals and Exit Costs

The components of Provision for impaired assets and restaurant closings are as follows:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Impairment losses	\$ 1,295	\$ 92
Restaurant closure expenses	7,838	5,972
Provision for impaired assets and restaurant closings	\$ 9,133	\$ 6,064

Restaurant Closure Initiatives - During 2014, the Company decided to close 36 underperforming international locations, primarily in South Korea (the "International Restaurant Closure Initiative"). As of March 29, 2015, 35 of the 36 locations had been closed. In connection with the International Restaurant Closure Initiative, the Company incurred pre-tax restaurant and other closing costs of \$6.4 million during the thirteen weeks ended March 29, 2015, which were recorded within the International segment.

The Company expects to incur additional charges of approximately \$1.0 million to \$2.0 million, including costs associated with lease obligations, employee terminations and other closure related obligations, through the third quarter of 2015. Future cash expenditures of \$7.0 million to \$10.0 million, primarily related to lease liabilities, are expected to occur through August 2022.

In the fourth quarter of 2013, the Company completed an assessment of its domestic restaurant base and decided to close 22 underperforming domestic locations (the "Domestic Restaurant Closure Initiative"). Pre-tax restaurant and other closing costs of \$1.3 million and \$4.9 million were incurred during the thirteen weeks ended March 29, 2015 and March 30, 2014, respectively, in connection with the Domestic Restaurant Closure Initiative, which were recorded within the U.S. segment.

Following is a summary of restaurant closure initiative expenses recognized in the Consolidated Statement of Operations and Comprehensive Income (dollars in thousands):

DESCRIPTION	LOCATION OF CHARGE IN THE CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME	THIRTEEN WEEKS ENDED	
		MARCH 29, 2015	MARCH 30, 2014
Facility closure and other expenses	Provision for impaired assets and restaurant closings	\$ 7,741	\$ 5,972
Severance and other liabilities	General and administrative	1,327	1,035
Reversal of deferred rent liability	Other restaurant operating	(198)	(2,078)
		\$ 8,870	\$ 4,929

BLOOMIN' BRANDS, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

The following table summarizes the Company's accrual activity related to facility closure and other costs, primarily associated with the Domestic and International Restaurant Closure Initiatives, during the thirteen weeks ended March 29, 2015:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	
Beginning of the period	\$	11,000
Charges		8,220
Cash payments		(6,663)
Adjustments (1)		(479)
End of the period (2)	\$	12,078

- (1) Adjustments to facility closure and other costs represent changes in sublease assumptions and the impact of lease settlements on the Company's remaining lease obligations.
- (2) As of March 29, 2015, the Company had exit-related accruals of \$4.3 million recorded in Accrued and other current liabilities and \$7.8 million recorded in Other long-term liabilities, net.

Roy's - On January 26, 2015, the Company sold its *Roy's* business to United Ohana, LLC (the "Buyer"), for a purchase price of \$10.0 million, less certain liabilities, and recorded a loss on sale of \$1.1 million, which was recorded in Other expense, net, during the thirteen weeks ended March 29, 2015. Included in the sale agreement is a provision in which the Company will pay the buyer up to \$5.0 million, if certain lease contingencies are not resolved prior to April 2018 and the Buyer is damaged. At the time of this report, the Company believes it is probable there are no liabilities to recognize as the lease contingencies are expected to be resolved pursuant to the sale agreement.

In connection with the sale of *Roy's*, the Company continues to provide lease guarantees for certain of the *Roy's* locations. Under the guarantees, the Company will pay the rental expense over the remaining lease term in the event of default. The fair value and maximum value of the lease guarantees is nominal. The maximum amount is calculated as the fair value of the lease payments over the remaining lease term and assumes that there are subleases.

Following are the components of *Roy's* included in the Consolidated Statements of Operations and Comprehensive Income during the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Restaurant sales	\$ 5,729	\$ 18,929
(Loss) income before income taxes (1)	\$ (968)	\$ 455

- (1) Includes a loss on sale of \$1.1 million during the thirteen weeks ended March 29, 2015.

3. Earnings Per Share

The Company computes basic earnings per share based on the weighted average number of common shares that were outstanding during the period. Diluted earnings per share includes the dilutive effect of common stock equivalents consisting of stock options, restricted stock, restricted stock units and performance-based share units, using the treasury stock method. Performance-based share units are considered dilutive when the related performance criterion has been met.

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

The following table presents the computation of basic and diluted earnings per share:

(in thousands, except per share data)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Net income attributable to Bloomin' Brands	\$ 60,588	\$ 53,733
Basic weighted average common shares outstanding	125,302	124,542
Effect of diluted securities:		
Stock options	3,221	3,193
Nonvested restricted stock and restricted stock units	230	111
Nonvested performance-based share units	6	5
Diluted weighted average common shares outstanding	128,759	127,851
Basic earnings per share	\$ 0.48	\$ 0.43
Diluted earnings per share	\$ 0.47	\$ 0.42

Dilutive securities outstanding not included in the computation of earnings per share because their effect was antidilutive were as follows:

(in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Stock options	2,122	1,917
Nonvested restricted stock and restricted stock units	61	220

4. Stock-based Compensation

The Company recognized stock-based compensation expense as follows:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Stock options	\$ 2,427	\$ 2,468
Restricted stock and restricted stock units	1,409	749
Performance-based share units	749	358
	\$ 4,585	\$ 3,575

During the thirteen weeks ended March 29, 2015, the Company made grants to its employees of 1.1 million stock options, 0.4 million time-based restricted stock units and 0.2 million performance-based share units.

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

Assumptions used in the Black-Scholes option pricing model and the weighted-average fair value of option awards granted were as follows:

	THIRTEEN WEEKS ENDED MARCH 29, 2015
Assumptions:	
Weighted-average risk-free interest rate (1)	1.66%
Dividend yield (2)	1.0%
Expected term (3)	6.3 years
Weighted-average volatility (4)	43.6%
Weighted-average grant date fair value per option	\$ 10.20

- (1) Risk-free rate is the U.S. Treasury yield curve in effect as of the grant date for periods within the contractual life of the option.
(2) Dividend yield is the level of dividends expected be paid on the Company's common stock over the expected term of the option.
(3) Expected term represents the period of time that the options are expected to be outstanding. The simplified method of estimating the expected term is used since the Company does not have significant historical exercise experience for its stock options.
(4) Volatility for the thirteen weeks ended March 29, 2015 is based on the historical volatilities of the Company's stock and the stock of comparable peer companies.

The following represents unrecognized stock compensation expense and the remaining weighted-average vesting period as of March 29, 2015:

	UNRECOGNIZED COMPENSATION EXPENSE (dollars in thousands)	REMAINING WEIGHTED- AVERAGE VESTING PERIOD (in years)
Stock options	\$ 31,549	3.1
Restricted stock and restricted stock units	\$ 21,394	3.4
Performance-based share units	\$ 3,347	0.9

5. Other Current Assets, Net

Other current assets, net, consisted of the following:

(dollars in thousands)	MARCH 29, 2015	DECEMBER 28, 2014
Prepaid expenses	\$ 44,755	\$ 30,260
Accounts receivable - vendors, net	29,314	27,340
Accounts receivable - franchisees, net	1,930	1,159
Accounts receivable - other, net	31,804	107,178
Other current assets, net	32,535	40,691
	<u>\$ 140,338</u>	<u>\$ 206,628</u>

6. Goodwill

(dollars in thousands)	U.S. SEGMENT	INTERNATIONAL SEGMENT	CONSOLIDATED
Balance as of December 28, 2014	\$ 172,711	\$ 168,829	\$ 341,540
Translation adjustments	—	(11,736)	(11,736)
Balance as of March 29, 2015	<u>\$ 172,711</u>	<u>\$ 157,093</u>	<u>\$ 329,804</u>

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

7. Long-term Debt, Net

Following is a summary of outstanding long-term debt:

(dollars in thousands)	MARCH 29, 2015		DECEMBER 28, 2014	
	OUTSTANDING BALANCE	INTEREST RATE	OUTSTANDING BALANCE	INTEREST RATE
Senior Secured Credit Facility:				
Term loan A (1)	\$ 288,750	2.16%	\$ 296,250	2.16%
Term loan B (2)	215,000	3.50%	225,000	3.50%
Revolving credit facility (1) (2) (3)	341,000	2.16%	325,000	2.16%
Total Senior Secured Credit Facility	<u>844,750</u>		<u>846,250</u>	
2012 CMBS loan:				
First mortgage loan (1)	297,649	4.09%	299,765	4.08%
First mezzanine loan	84,836	9.00%	85,127	9.00%
Second mezzanine loan	85,863	11.25%	86,067	11.25%
Total 2012 CMBS Loan	<u>468,348</u>		<u>470,959</u>	
Capital lease obligations	545		634	
Other long-term debt (4)	3,183	0.72% to 7.00%	4,073	0.52% to 7.00%
	<u>\$ 1,316,826</u>		<u>\$ 1,321,916</u>	
Less: current portion of long-term debt, net	(25,491)		(25,964)	
Less: unamortized debt discount	(5,516)		(6,073)	
Long-term debt, net	<u>\$ 1,285,819</u>		<u>\$ 1,289,879</u>	

(1) Represents the weighted-average interest rate for the respective period.

(2) On March 31, 2015, the Company amended its credit agreement to effect an increase of its existing revolving credit facility in order to fully pay down its existing Term Loan B on April 2, 2015. See Note 15 - *Subsequent Events* for details regarding this amendment.

(3) Includes \$6.0 million of borrowings on the swing line loan sub-facilities at an interest rate of 4.25%.

(4) Balance is comprised of sale-leaseback obligations and uncollateralized notes payable. Interest rates presented relate to the notes payable.

Fees on letters of credit and the daily unused availability under the revolving credit facility as of March 29, 2015 were 2.13% and 0.30%, respectively. As of March 29, 2015, \$29.6 million of the revolving credit facility was committed for the issuance of letters of credit and not available for borrowing.

As of March 29, 2015 and December 28, 2014, the Company was in compliance with its debt covenants.

8. Redeemable Noncontrolling Interests

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	
Balance, beginning of period	\$	24,733
Net income attributable to Redeemable noncontrolling interests		336
Balance, end of period	<u>\$</u>	<u>25,069</u>

As of March 29, 2015, the Company allocated Net income attributable to noncontrolling interests and performed a measurement of the redemption amount for Redeemable noncontrolling interests, including a fair value assessment. Based on the fair value assessment, no adjustment was required for the thirteen weeks ended March 29, 2015.

BLOOMIN' BRANDS, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

9. Stockholders' Equity

Secondary Public Offering - In March 2015, Bain Capital sold its remaining shares of Bloomin' Brands through an underwritten secondary public offering. The selling stockholders received all of the proceeds from the offering. Pursuant to the underwriting agreement for the secondary public offering, the Company repurchased from the underwriters 2,759,164 of the shares sold by Bain Capital at a cost of \$70.0 million.

Share Repurchases - In December 2014, the Company's Board of Directors approved a share repurchase program under which the Company was authorized to repurchase up to \$100.0 million of its outstanding common stock. The authorization will expire on June 12, 2016. As of March 29, 2015, \$70.0 million of outstanding stock had been repurchased under the program as discussed above.

Shares repurchased are retired. The par value of the repurchased shares is deducted from common stock and the excess of the purchase price over the par value of the shares is recorded to Accumulated deficit.

Dividends - On February 12, 2015, the Board of Directors declared the Company's first quarterly cash dividend of \$0.06 per share, which was paid on March 18, 2015.

On April 29, 2015, the Board of Directors declared a quarterly cash dividend of \$0.06 per share, payable on May 27, 2015 to shareholders of record at the close of business on May 15, 2015.

Accumulated other comprehensive loss - Following are the components of Accumulated other comprehensive loss ("AOCL"), net of tax:

(dollars in thousands)	FOREIGN CURRENCY TRANSLATION ADJUSTMENT	UNREALIZED LOSSES ON DERIVATIVES	ACCUMULATED OTHER COMPREHENSIVE LOSS
Balances as of December 28, 2014	\$ (58,149)	\$ (2,393)	\$ (60,542)
Other comprehensive loss, net of tax	(25,462)	(4,012)	(29,474)
Balances as of March 29, 2015	<u>\$ (83,611)</u>	<u>\$ (6,405)</u>	<u>\$ (90,016)</u>

10. Derivative Instruments and Hedging Activities

The Company is exposed to certain risk arising from both its business operations and economic conditions. The Company manages economic risks, including interest rate risk, primarily by managing the amount, sources and duration of its debt funding and through the use of derivative financial instruments. The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps.

DESIGNATED HEDGES

Cash Flow Hedges of Interest Rate Risk - On September 9, 2014, the Company entered into variable-to-fixed interest rate swap agreements with eight counterparties to hedge a portion of the cash flows of the Company's variable rate debt. The swap agreements have an aggregate notional amount of \$400.0 million, a forward start date of June 30, 2015, and mature on May 16, 2019. Under the terms of the swap agreements, the Company will pay a weighted-average fixed rate of 2.02% on the \$400.0 million notional amount and receive payments from the counterparty based on the 30-day LIBOR rate.

The interest rate swaps, which have been designated and qualify as a cash flow hedge, are recognized on the Company's Consolidated Balance Sheets at fair value and are classified based on the instruments' maturity dates. Fair value changes in the interest rate swaps are recognized in AOCL for all effective portions. Balances in AOCL are subsequently

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

reclassified to earnings in the same period that the hedged interest payments affect earnings. The Company estimates \$4.8 million will be reclassified to interest expense over the next twelve months.

The following table presents the fair value and classification of the Company's interest rate swaps:

(dollars in thousands)	MARCH 29, 2015	DECEMBER 28, 2014	CONSOLIDATED BALANCE SHEET CLASSIFICATION
Interest rate swaps - liability	\$ 4,421	\$ 2,617	Accrued and other current liabilities
Interest rate swaps - liability	6,081	1,307	Other long-term liabilities, net
Total fair value of derivative instruments (1)	<u>\$ 10,502</u>	<u>\$ 3,924</u>	

(1) See Note 11 - *Fair Value Measurements* for fair value discussion of the interest rate swaps.

As of March 29, 2015, no interest expense related to the interest rate swaps is accrued in the Consolidated Balance Sheets or recognized in the Consolidated Statements of Operations and Comprehensive Income as the interest rate swaps do not commence until June 30, 2015. During the thirteen weeks ended March 29, 2015, the Company did not recognize any gain or loss as a result of hedge ineffectiveness.

The following table summarizes the effects of the interest rate swap on the Consolidated Statements of Operations and Comprehensive Income for the thirteen weeks ended March 29, 2015:

(dollars in thousands)	AMOUNT OF (LOSS) GAIN RECOGNIZED IN OTHER COMPREHENSIVE INCOME
Interest rate swaps	\$ (6,578)
Income tax benefit	2,566
Net of income taxes	<u>\$ (4,012)</u>

The Company records its derivatives on the Consolidated Balance Sheets on a gross balance basis. The Company's derivatives are subject to master netting arrangements. As of March 29, 2015, the Company did not have more than one derivative between the same counterparties and as such, there was no netting.

By utilizing the interest rate swaps, the Company is exposed to credit-related losses in the event that the counterparty fails to perform under the terms of the derivative contract. To mitigate this risk, the Company enters into derivative contracts with major financial institutions based upon credit ratings and other factors. The Company continually assesses the creditworthiness of its counterparties. As of March 29, 2015, all counterparties to the interest rate swaps had performed in accordance with their contractual obligations.

As of March 29, 2015, the fair value of the Company's derivatives in a net liability position, excluding any adjustment for nonperformance risk, was \$10.7 million. As of March 29, 2015, the Company has not posted any collateral related to these agreements. If the Company had breached any of these provisions as of March 29, 2015, it could have been required to settle its obligations under the agreements at their termination value of \$10.7 million.

11. Fair Value Measurements

Fair value is the price that would be received for an asset or paid to transfer a liability, or the exit price, in an orderly transaction between market participants on the measurement date. Fair value is categorized into one of following three levels based on the lowest level of significant input:

Level 1	Unadjusted quoted market prices in active markets for identical assets or liabilities
Level 2	Observable inputs available at measurement date other than quoted prices included in Level 1
Level 3	Unobservable inputs that cannot be corroborated by observable market data

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

Fair Value Measurements on a Recurring Basis - The following table summarizes the Company's financial assets and liabilities measured at fair value by hierarchy level on a recurring basis as of March 29, 2015 and December 28, 2014:

(dollars in thousands)	MARCH 29, 2015			DECEMBER 28, 2014		
	TOTAL	LEVEL 1	LEVEL 2	TOTAL	LEVEL 1	LEVEL 2
Assets:						
Cash equivalents:						
Fixed income funds	\$ 3,065	\$ 3,065	\$ —	\$ 4,602	\$ 4,602	\$ —
Money market funds	2,852	2,852	—	7,842	7,842	—
Restricted cash equivalents:						
Money market funds	3,607	3,607	—	3,360	3,360	—
Total asset recurring fair value measurements	\$ 9,524	\$ 9,524	\$ —	\$ 15,804	\$ 15,804	\$ —
Liabilities:						
Accrued and other current liabilities:						
Derivative instruments - interest rate swaps	\$ 4,421	\$ —	\$ 4,421	\$ 2,617	\$ —	\$ 2,617
Derivative instruments - commodities	637	—	637	566	—	566
Other long-term liabilities:						
Derivative instruments - interest rate swaps	6,081	—	6,081	1,307	—	1,307
Total liability recurring fair value measurements	\$ 11,139	\$ —	\$ 11,139	\$ 4,490	\$ —	\$ 4,490

Fair value of each class of financial instrument is determined based on the following:

FINANCIAL INSTRUMENT	METHODS AND ASSUMPTIONS
Fixed income funds and Money market funds	Carrying value approximates fair value because maturities are less than three months.
Derivative instruments	Derivative instruments primarily relate to the interest rate swaps. Fair value measurements are based on a discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives and uses observable market-based inputs, including interest rate curves and credit spreads. The Company incorporates credit valuation adjustments to reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. As of March 29, 2015, the Company has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives.

Fair Value Measurements on a Nonrecurring Basis - Assets and liabilities that are measured at fair value on a nonrecurring basis relate primarily to property, fixtures and equipment, goodwill and other intangible assets, which are remeasured when carrying value exceeds fair value. The following table summarizes the Company's assets measured at fair value by hierarchy level on a nonrecurring basis for the thirteen weeks ended March 29, 2015:

(dollars in thousands)	THIRTEEN WEEKS ENDED MARCH 29, 2015	
	CARRYING VALUE (1)	TOTAL IMPAIRMENT
Assets held for sale	\$ 1,564	\$ 171
Property, fixtures and equipment	950	1,124
	\$ 2,514	\$ 1,295

(1) Carrying value approximates fair value with all assets measured using Level 2 inputs. A third-party market appraisal (Level 2) and a purchase contract (Level 2) used to estimate the fair value.

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

Interim Disclosures about Fair Value of Financial Instruments - The Company's non-derivative financial instruments as of March 29, 2015 and December 28, 2014 consist of cash equivalents, restricted cash, accounts receivable, accounts payable and current and long-term debt. The fair values of cash equivalents, restricted cash, accounts receivable and accounts payable approximate their carrying amounts reported in the Consolidated Balance Sheets due to their short duration.

Debt is carried at amortized cost; however, the Company estimates the fair value of debt for disclosure purposes. The following table includes the carrying value and fair value of the Company's debt by hierarchy level as of March 29, 2015 and December 28, 2014:

(dollars in thousands)	MARCH 29, 2015			DECEMBER 28, 2014		
	CARRYING VALUE	FAIR VALUE		CARRYING VALUE	FAIR VALUE	
		LEVEL 2	LEVEL 3		LEVEL 2	LEVEL 3
Senior Secured Credit Facility:						
Term loan A	\$ 288,750	\$ 287,306	\$ —	\$ 296,250	\$ 294,769	\$ —
Term loan B	215,000	213,925	—	225,000	222,188	—
Revolving credit facility	341,000	338,443	—	325,000	322,563	—
CMBS loan:						
Mortgage loan	297,649	—	305,912	299,765	—	308,563
First mezzanine loan	84,836	—	84,895	85,127	—	85,187
Second mezzanine loan	85,863	—	86,782	86,067	—	86,988
Other notes payable	1,821	—	1,760	2,722	—	2,625

Fair value of debt is determined based on the following:

DEBT FACILITY	METHODS AND ASSUMPTIONS
Senior Secured Credit Facility	Quoted market prices in inactive markets.
CMBS loan	Assumptions derived from current conditions in the real estate and credit markets, changes in the underlying collateral and expectations of management.
Other notes payable	Discounted cash flow approach. Discounted cash flow inputs primarily include cost of debt rates which are used to derive the present value factors for the determination of fair value.

12. Income Taxes

The effective income tax rate for the thirteen weeks ended March 29, 2015 was 25.5% compared to 24.8% for the thirteen weeks ended March 30, 2014. This increase in the effective income tax rate was due to a change in the blend of taxable income across the Company's U.S. and international subsidiaries.

13. Commitments and Contingencies

Litigation and Other Matters - The matter set forth below is subject to uncertainties and outcomes that are not predictable with certainty. The Company is unable to estimate a range of reasonably possible loss for the matter described below as the proceedings are at stages where significant uncertainty exists as to the legal or factual issues. The Company provides disclosure of matters when management believes it is reasonably possible the impact may be material to the consolidated financial statements.

On October 4, 2013, two then-current employees (the "Nevada Plaintiffs") filed a purported collective action lawsuit against the Company, OSI Restaurant Partners, LLC ("OSI"), and two of its subsidiaries in the U.S. District Court for the District of Nevada (Cardoza, et al. v. Bloomin' Brands, Inc., et al., Case No.: 2:13-cv-01820-JAD-NJK). The complaint alleges violations of the Fair Labor Standards Act by requiring employees to work off the clock, complete on-line training without pay, and attend meetings in the restaurant without pay. The suit seeks to certify a nationwide

BLOOMIN' BRANDS, INC.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

collective action that all hourly employees in all Outback Steakhouse restaurants would be permitted to join. The suit seeks an unspecified amount in back pay for the employees that join the lawsuit, an equal amount in liquidated damages, costs, expenses, and attorney's fees. The Nevada Plaintiffs also filed a companion lawsuit in Nevada state court alleging that the Company violated the state break time rules. On October 27, 2014 the Court conditionally certified a class for notice purposes consisting of all employees that worked at a company-owned Outback Steakhouse between October 27, 2011 and October 27, 2014. The Company subsequently filed a Motion to Reconsider the October 27, 2014 order. On February 5, 2015, the Court denied the Company's Motion to reconsider the October 27, 2014 order granting conditional certification. The Company believes these lawsuits are without merit, and is vigorously defending all allegations.

In addition, the Company is subject to legal proceedings, claims and liabilities, such as liquor liability, sexual harassment and slip and fall cases, which arise in the ordinary course of business and are generally covered by insurance if they exceed specified retention or deductible amounts. In the opinion of management, the amount of ultimate liability with respect to those actions will not have a material adverse impact on the Company's financial position or results of operations and cash flows.

14. Segment Reporting

During the first quarter of 2015, the Company recast its segment reporting to reflect two reporting segments, U.S. and International, which matches changes made in how the Company manages its business, reviews operating performance and allocates resources. The U.S. segment includes all brands operating in the U.S. while brands operating outside the U.S. are included in the International segment. All prior period information was recast to reflect this change.

The Company's reporting segments are organized based on restaurant concept and geographic location. Resources are allocated and performance is assessed by the Company's Chief Executive Officer ("CEO"), whom the Company has determined to be its Chief Operating Decision Maker. The Company has two reporting segments: U.S. and International. Following is a summary of reporting segments:

SEGMENT	CONCEPT	GEOGRAPHIC LOCATION
U.S.	Outback Steakhouse Carrabba's Italian Grill Bonefish Grill Fleming's Prime Steakhouse & Wine Bar	United States of America, including Puerto Rico
International	Outback Steakhouse (1) Carrabba's Italian Grill (Abbraccio)	South Korea, Brazil, Hong Kong, China Brazil

(1) Includes international franchise locations in 18 countries and Guam.

Segment accounting policies are the same as those described in Note 2 - *Summary of Significant Accounting Policies* in the Company's Annual Report on Form 10-K for the year ended December 28, 2014. Revenues for all segments include only transactions with customers and include no intersegment revenues. Excluded from net income from operations for U.S. and International are legal and certain corporate costs not directly related to the performance of the segments, interest and other expenses related to the Company's credit agreements and derivative instruments, certain stock-based compensation expenses, certain insurance expenses managed centrally and certain bonus expense.

BLOOMIN' BRANDS, INC.**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED) - Continued**

The following table is a summary of Total revenue by segment:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Total revenues		
U.S.	\$ 1,062,014	\$ 1,010,626
International	140,045	147,233
Total revenues	\$ 1,202,059	\$ 1,157,859

The following table is a reconciliation of Segment income from operations to Income before provision for income taxes:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Segment income from operations		
U.S.	\$ 127,408	\$ 106,901
International	8,879	16,225
Total segment income from operations	136,287	123,126
Unallocated corporate operating expense	(38,586)	(33,100)
Total income from operations	97,701	90,026
Other expense, net	(1,147)	(164)
Interest expense, net	(13,198)	(16,598)
Income before provision for income taxes	\$ 83,356	\$ 73,264

The following table is a summary of Depreciation and amortization expense by segment:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Depreciation and amortization		
U.S.	\$ 36,716	\$ 35,773
International	6,837	6,843
Corporate	2,933	3,549
Total depreciation and amortization	\$ 46,486	\$ 46,165

15. Subsequent Events

On March 31, 2015, OSI entered into an amendment (the "Amendment") to OSI's existing credit agreement (as previously amended, the "Existing Credit Agreement") to effect an increase of OSI's revolving credit facility from \$600.0 million to \$825.0 million in order to fully pay down its existing Term Loan B on April 2, 2015 (the "Prepayment"). No other material changes were made to the terms of OSI's Existing Credit Agreement as a result of the Amendment.

Prior to the Prepayment, the Company had an outstanding balance of \$215.0 million on its Term Loan B. In connection with the Amendment, the Company made a \$216.3 million draw on the revolving credit facility to prepay its Term Loan B and to pay related accrued interest, fees and expenses. Following the Prepayment and Amendment, the Company will recognize a loss on extinguishment and modification of debt of approximately \$2.6 million, which will be recorded in the Company's Consolidated Statement of Operations and Comprehensive Income in the thirteen weeks ending June 28, 2015.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with our unaudited consolidated financial statements and the related notes. Unless the context otherwise indicates, as used in this report, the term the "Company," "we," "us," "our" and other similar terms mean Bloomin' Brands, Inc. and its subsidiaries.

Cautionary Statement

This Quarterly Report on Form 10-Q (the "Report") includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "feels," "seeks," "forecasts," "projects," "intends," "plans," "may," "will," "should," "could" or "would" or, in each case, their negative or other variations or comparable terminology, although not all forward-looking statements contain these identifying words. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and industry developments may differ materially from statements made in or suggested by the forward-looking statements contained in this Report. In addition, even if our results of operations, financial condition and liquidity, and industry developments are consistent with the forward-looking statements contained in this Report, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause actual results to differ materially from statements made or suggested by forward-looking statements include, but are not limited to, the following:

- (i) Economic conditions and their effects on consumer confidence and discretionary spending, consumer traffic, the cost and availability of credit and interest rates;
- (ii) Our ability to compete in the highly competitive restaurant industry with many well-established competitors and new market entrants;
- (iii) Our ability to preserve and grow the reputation and value of our brands;
- (iv) Our ability to acquire attractive sites on acceptable terms, obtain required permits and approvals, recruit and train necessary personnel and obtain adequate financing in order to develop new restaurants as planned, and difficulties in estimating the performance of newly opened restaurants;
- (v) The effects of international economic, political, social and legal conditions on our foreign operations and on foreign currency exchange rates;
- (vi) Our ability to effectively respond to changes in patterns of consumer traffic, consumer tastes and dietary habits;

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

- (vii) Seasonal and periodic fluctuations in our results and the effects of significant adverse weather conditions and other disasters or unforeseen events;
- (viii) Our ability to comply with governmental laws and regulations, the costs of compliance with such laws and regulations and the effects of changes to applicable laws and regulations;
- (ix) Minimum wage increases and additional mandated employee benefits;
- (x) Fluctuations in the price and availability of commodities;
- (xi) Consumer reactions to public health and food safety issues;
- (xii) Our ability to protect our information technology systems from interruption or security breach and to protect consumer data and personal employee information; and
- (xiii) The effects of our substantial leverage and restrictive covenants in our various credit facilities on our ability to raise additional capital to fund our operations, to make capital expenditures to invest in new or renovate restaurants and to react to changes in the economy or our industry, and our exposure to interest rate risk in connection with our variable-rate debt.

In light of these risks and uncertainties, we caution you not to place undue reliance on these forward-looking statements. Any forward-looking statement that we make in this Report speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statement or to publicly announce the results of any revision to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

Note: Numerical figures included in this Report have been subject to rounding adjustments.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

Overview

We are one of the largest casual dining restaurant companies in the world with a portfolio of leading, differentiated restaurant concepts. As of March 29, 2015, we owned and operated 1,312 restaurants and franchised 169 restaurants across 48 states, Puerto Rico, Guam and 22 countries. We have four founder-inspired concepts: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar.

The casual dining restaurant industry is a highly competitive and fragmented industry and is sensitive to changes in the economy, trends in lifestyles, seasonality and fluctuating costs. Operating margins for restaurants can vary due to competitive pricing strategies, labor costs and fluctuations in prices of commodities and other necessities to operate a restaurant, such as natural gas or other energy supplies. Restaurant companies tend to be focused on increasing market share, comparable restaurant sales growth and new unit growth. Our industry is characterized by high initial capital investment, coupled with high labor costs. As a result, we focus on driving increased sales at existing restaurants in order to raise margins and profits, because the incremental contribution to profits from every additional dollar of sales above the minimum costs required to open, staff and operate a restaurant is relatively high. Historically, we have focused on restaurant growth with strong unit level economics.

Executive Summary

Our financial results for the thirteen weeks ended March 29, 2015 ("first quarter 2015") include the following:

- An increase in total revenues of 3.8% to \$1.2 billion in the first quarter of 2015, as compared to the first quarter of 2014, primarily due to the growth of blended U.S. comparable restaurant sales of 3.6%.
- Income from operations of \$97.7 million in first quarter of 2015 as compared to \$90.0 million in the first quarter of 2014, which was primarily due to an increase in operating margin at the restaurant-level and lower general and administrative expense, partially offset by higher restaurant closing costs from our International Restaurant Closure Initiative.

Following is a summary of significant actions we have taken and other factors that impacted our operating results and liquidity to date in 2015:

Dividend and Share Repurchase Programs - On February 12, 2015, the Board of Directors declared our first quarterly cash dividend of \$0.06 per share. In the first quarter of 2015, we repurchased \$70.0 million of our common stock held by Bain Capital, as part of the secondary public offering, under a repurchase program authorized by our Board of Directors. The remaining \$30.0 million authorization will expire on June 12, 2016.

Roy's - In January 2015, we sold our Roy's business and recognized a loss on sale of \$1.1 million.

Key Performance Indicators

Key measures that we use in evaluating our restaurants and assessing our business include the following:

- *Average restaurant unit volumes*—average sales per restaurant to measure changes in customer traffic, pricing and development of the brand;
- *Comparable restaurant sales*—year-over-year comparison of sales volumes for Company-owned restaurants that are open 18 months or more in order to remove the impact of new restaurant openings in comparing the operations of existing restaurants;

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

- *System-wide sales*—total restaurant sales volume for all Company-owned and franchise restaurants and, in historical periods, unconsolidated joint venture restaurants, regardless of ownership, to interpret the overall health of our brands;
- *Adjusted restaurant-level operating margin, Adjusted income from operations, Adjusted net income and Adjusted diluted earnings per share*—non-GAAP financial measures utilized to evaluate our operating performance, and for which definitions, usefulness and reconciliations are described in more detail in the “Non-GAAP Financial Measures” section below; and
- *Customer satisfaction scores*—measurement of our customers’ experiences in a variety of key attributes.

Selected Operating Data

The table below presents the number of our restaurants in operation at the end of the periods indicated:

	MARCH 29, 2015	MARCH 30, 2014
Number of restaurants (at end of the period):		
U.S.		
Outback Steakhouse		
Company-owned	649	650
Franchised	105	104
Total	<u>754</u>	<u>754</u>
Carrabba's Italian Grill		
Company-owned	244	240
Franchised	2	1
Total	<u>246</u>	<u>241</u>
Bonefish Grill		
Company-owned	204	192
Franchised	5	5
Total	<u>209</u>	<u>197</u>
Fleming's Prime Steakhouse & Wine Bar		
Company-owned	66	66
Roy's (1)		
Company-owned	—	20
International		
Outback Steakhouse		
Company-owned - South Korea	75	108
Company-owned - Brazil (2)	64	51
Company-owned - Other	10	12
Franchised	57	51
Total	<u>206</u>	<u>222</u>
System-wide total	<u><u>1,481</u></u>	<u><u>1,500</u></u>

(1) On January 26, 2015, we sold our Roy's business.

(2) The restaurant counts for Brazil are reported as of February 2015 and 2014, respectively, to correspond with the balance sheet dates of this subsidiary.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

Results of Operations

The following table sets forth, for the periods indicated, the percentages of certain items in our Consolidated Statements of Operations and Comprehensive Income in relation to Total revenues or Restaurant sales, as indicated:

	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Revenues		
Restaurant sales	99.4 %	99.4 %
Other revenues	0.6	0.6
Total revenues	100.0	100.0
Costs and expenses		
Cost of sales (1)	32.4	32.5
Labor and other related (1)	27.1	27.1
Other restaurant operating (1)	22.1	22.3
Depreciation and amortization	3.9	4.0
General and administrative	6.1	6.4
Provision for impaired assets and restaurant closings	0.8	0.5
Total costs and expenses	91.9	92.2
Income from operations	8.1	7.8
Other expense, net	(0.1)	(*)
Interest expense, net	(1.1)	(1.4)
Income before provision for income taxes	6.9	6.4
Provision for income taxes	1.7	1.6
Net income	5.2	4.8
Less: net income attributable to noncontrolling interests	0.2	0.2
Net income attributable to Bloomin' Brands	5.0 %	4.6 %

(1) As a percentage of Restaurant sales.

* Less than 1/10th of one percent of Total revenues.

RESTAURANT SALES

Following is a summary of the change in restaurant sales for the thirteen weeks ended March 29, 2015 as compared to last year:

(dollars in millions)	THIRTEEN WEEKS ENDED
For the period ended March 30, 2014	\$ 1,150.5
Change from:	
Restaurant openings	38.6
Comparable restaurant sales	37.2
Change in fiscal year	24.3
Restaurant closings	(29.8)
Divestiture of Roy's	(13.6)
Effect of foreign currency translation	(12.4)
For the period ended March 29, 2015	\$ 1,194.8

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

The increase in Restaurant sales in the thirteen weeks ended March 29, 2015 was primarily attributable to: (i) the opening of 86 new restaurants not included in our comparable restaurant sales base, (ii) an increase in comparable restaurant sales at our existing restaurants and (iii) two additional operating days during the thirteen weeks ended March 29, 2015 due to a change in our fiscal year-end in 2014. The increase in restaurant sales was partially offset by: (i) the closing of 73 restaurants since December 31, 2013, (ii) the sale of 20 Roy's restaurants and (iii) the effect of foreign currency translation, primarily due to the depreciation of the Brazilian Real.

Comparable Restaurant Sales and Menu Price Increases (Decreases)

Following is a summary of comparable restaurant sales and general menu price increases:

	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Comparable restaurant sales (stores open 18 months or more) (1) (2):		
U.S.		
Outback Steakhouse	5.0 %	0.8 %
Carrabba's Italian Grill	1.9 %	(1.8)%
Bonefish Grill	0.9 %	(1.5)%
Fleming's Prime Steakhouse & Wine Bar	3.0 %	1.7 %
Combined U.S.	3.6 %	— %
International		
Outback Steakhouse - South Korea	(3.0)%	(18.8)%
Outback Steakhouse - Brazil	6.2 %	6.8 %
Year over year percentage change:		
Menu price increases (decreases) (3):		
U.S.		
Outback Steakhouse	3.6 %	2.5 %
Carrabba's Italian Grill	2.2 %	2.8 %
Bonefish Grill	2.1 %	2.5 %
Fleming's Prime Steakhouse & Wine Bar	2.6 %	4.4 %
International		
Outback Steakhouse - South Korea	2.1 %	(0.1)%
Outback Steakhouse - Brazil	6.1 %	6.6 %

(1) Comparable restaurant sales exclude the effect of fluctuations in foreign currency rates. Relocated international restaurants closed more than 30 days and relocated U.S. restaurants closed more than 60 days are excluded from comparable restaurant sales until at least 18 months after reopening.

(2) Due to our conversion to a 52-53 week fiscal year in 2014, there were two more days in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014. These additional days increased total revenues by \$24.3 million and have been excluded from our comparable restaurant sales calculation.

(3) The stated menu price changes exclude the impact of product mix shifts to new menu offerings.

Our comparable restaurant sales represent the growth from restaurants opened 18 months or more. For the thirteen weeks ended March 29, 2015, combined U.S. comparable restaurant sales increased due to increases in general menu prices, product mix and traffic. Customer traffic increases were driven primarily by lunch expansion, remodels and promotions.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

Comparable restaurant sales for South Korea decreased for the thirteen weeks ended March 29, 2015 due to decreases in traffic, offset by increases from product mix and general menu prices. For the thirteen weeks ended March 29, 2015, comparable restaurant sales for Brazil increased due to increases in general menu prices and traffic, offset by decreases from product mix.

Average Restaurant Unit Volumes and Operating Weeks

Following is a summary of the average restaurant unit volumes and operating weeks:

	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Average restaurant unit volumes (weekly):		
U.S.		
Outback Steakhouse	\$ 71,644	\$ 67,721
Carrabba's Italian Grill	\$ 62,912	\$ 61,363
Bonefish Grill	\$ 64,709	\$ 65,277
Fleming's Prime Steakhouse & Wine Bar	\$ 88,865	\$ 86,776
International		
Outback Steakhouse - South Korea (1)	\$ 49,773	\$ 48,102
Outback Steakhouse - Brazil (2)	\$ 97,749	\$ 111,261
Operating weeks:		
U.S.		
Outback Steakhouse	8,433	8,373
Carrabba's Italian Grill	3,162	3,055
Bonefish Grill	2,637	2,427
Fleming's Prime Steakhouse & Wine Bar	858	837
International		
Outback Steakhouse - South Korea	1,007	1,386
Outback Steakhouse - Brazil	823	638

(1) Translated at an average exchange rate of 1,099.20 and 1,069.41 for the thirteen weeks ended March 29, 2015 and March 30, 2014, respectively.

(2) Translated at an average exchange rate of 2.69 and 2.37 for the thirteen weeks ended March 29, 2015 and March 30, 2014, respectively.

COSTS AND EXPENSES

Cost of sales

(dollars in millions)	THIRTEEN WEEKS ENDED		Change
	MARCH 29, 2015	MARCH 30, 2014	
Cost of sales	\$ 387.5	\$ 373.6	
% of Restaurant sales	32.4%	32.5%	(0.1)%

Cost of sales, consisting of food and beverage costs, decreased as a percentage of Restaurant sales in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014. The decrease as a percentage of Restaurant sales was primarily due to: (i) 1.0% from the impact of certain cost savings initiatives and (ii) 0.5% from menu price increases. These decreases were partially offset by increases as a percentage of Restaurant sales due to: (i) 1.3% higher commodity costs, primarily beef and seafood, and (ii) 0.1% from product mix.

BLOOMIN' BRANDS, INC.
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**
Labor and other related expenses

(dollars in millions)	THIRTEEN WEEKS ENDED		Change
	MARCH 29, 2015	MARCH 30, 2014	
Labor and other related	\$ 324.0	\$ 311.4	
% of Restaurant sales	27.1%	27.1%	—%

Labor and other related expenses include all direct and indirect labor costs incurred in operations, including distribution expense to managing partners, costs related to deferred compensation plans and other incentive compensation expenses. Labor and other related expenses was flat as a percentage of Restaurant sales in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014. Decreases as a percentage of Restaurant sales were primarily attributable to the following: (i) 0.7% higher U.S. average unit volumes and (ii) 0.4% from the impact of certain cost savings initiatives. These decreases were offset by increases as a percentage of Restaurant sales primarily attributable to: (i) 0.8% of higher kitchen and service labor costs due to higher wage rates and lunch expansion across certain concepts, (ii) 0.2% due to higher health insurance and workers' compensation expense and (iii) 0.1% of higher field management bonuses based on individual restaurant performance.

Other restaurant operating expenses

(dollars in millions)	THIRTEEN WEEKS ENDED		Change
	MARCH 29, 2015	MARCH 30, 2014	
Other restaurant operating	\$ 264.0	\$ 256.5	
% of Restaurant sales	22.1%	22.3%	(0.2)%

Other restaurant operating expenses include certain unit-level operating costs such as operating supplies, rent, repairs and maintenance, advertising expenses, utilities, pre-opening costs and other occupancy costs. The decrease as a percentage of Restaurant sales in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014 was primarily due to: (i) 0.7% higher U.S. average unit volumes, (ii) 0.4% decrease in marketing due to timing of expense and lower television advertising and (iii) 0.2% from the impact of certain cost savings initiatives. The decreases were partially offset by increases as a percentage of Restaurant sales primarily due to: (i) 0.3% due to higher restaurant occupancy costs related to rent escalations from existing leases and the write-off of deferred rent liabilities, (ii) 0.2% increase in operating supplies primarily due to new menu items, (iii) 0.2% from the timing of repairs and maintenance, (iv) 0.2% increase in general liability insurance expense and (v) 0.1% of lunch rollout expense.

Depreciation and amortization

(dollars in millions)	THIRTEEN WEEKS ENDED		Change
	MARCH 29, 2015	MARCH 30, 2014	
Depreciation and amortization	\$ 46.5	\$ 46.2	
% of Total revenues	3.9%	4.0%	(0.1)%

Depreciation and amortization expense decreased as a percentage of Total revenues in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014. The decrease as a percentage of Total revenues was primarily due to less depreciation for certain information technology assets that fully depreciated in the fourth quarter of 2014 and lower depreciation for South Korea assets due to impairments related to the International Restaurant Closure Initiative. These decreases were partially offset by increases as a percentage of Total revenues primarily due to additional depreciation expense related to the opening of new restaurants and the remodel of existing restaurants.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

General and administrative

General and administrative expense includes salaries and benefits, management incentive programs, related payroll tax and benefits, other employee-related costs and professional services. Following is a summary of the changes in general and administrative expenses:

(dollars in millions)	THIRTEEN WEEKS ENDED MARCH 29, 2015
For the thirteen weeks ended March 30, 2014	\$ 74.1
Change from:	
Compensation, benefits and payroll tax	(2.3)
Employee stock-based compensation	1.0
Other	0.4
For thirteen weeks ended March 29, 2015	\$ 73.2

During the thirteen weeks ended March 29, 2015, general and administrative expense decreased primarily from the following items:

- Employee compensation, benefits and payroll tax was lower primarily due to our organizational realignment in the second half of fiscal 2014; and
- Employee stock-based compensation increased due to additional grants.

Provision for impaired assets and restaurant closings

(dollars in millions)	THIRTEEN WEEKS ENDED		
	MARCH 29, 2015	MARCH 30, 2014	Change
Provision for impaired assets and restaurant closings	\$ 9.1	\$ 6.1	\$ 3.0

In fiscal 2014, we decided to close 36 underperforming international locations, primarily in South Korea. In connection with the International Restaurant Closure Initiative, we incurred pre-tax restaurant closing costs of approximately \$6.4 million during the thirteen weeks ended March 29, 2015. As a result of the International Restaurant Closure Initiative, we expect to incur additional pre-tax restaurant closing costs of approximately \$1.0 million to \$2.0 million, including costs associated with lease obligations and employee terminations, through the third quarter of 2015.

In the fourth quarter of 2013, we completed an assessment of our domestic restaurant base and decided to close 22 underperforming domestic locations. Approximately \$1.3 million and \$4.9 million of pre-tax restaurant closing costs were incurred during the thirteen weeks ended March 29, 2015 and March 30, 2014, respectively, in connection with the Domestic Restaurant Closure Initiative.

Restaurant impairment charges resulted from the carrying value of a restaurant's assets exceeding its estimated fair market value, primarily due to locations identified for relocation.

See Note 2 - *Impairments, Disposals and Exit Costs* of the Notes to Consolidated Financial Statements for further information.

BLOOMIN' BRANDS, INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued***Income from operations*

(dollars in millions)	THIRTEEN WEEKS ENDED		
	MARCH 29, 2015	MARCH 30, 2014	Change
Income from operations	\$ 97.7	\$ 90.0	\$ 7.7
% of Total revenues	8.1%	7.8%	0.3%

The increase in income from operations generated in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014 was primarily due to an increase in operating margin at the restaurant-level and lower general and administrative expense, partially offset by higher restaurant closing costs from our International Restaurant Closure Initiative.

Interest expense, net

(dollars in millions)	THIRTEEN WEEKS ENDED		
	MARCH 29, 2015	MARCH 30, 2014	Change
Interest expense, net	\$ 13.2	\$ 16.6	\$ (3.4)

The decrease in net interest expense in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014 was primarily attributable to the refinancing of the Senior Secured Credit Facilities in May 2014 and the repayment of long-term debt during fiscal year 2014.

Provision for income taxes

	THIRTEEN WEEKS ENDED		
	MARCH 29, 2015	MARCH 30, 2014	Change
Effective income tax rate	25.5%	24.8%	0.7%

The increase in the effective income tax rate was due to a change in the blend of taxable income across our U.S. and international subsidiaries.

SEGMENT PERFORMANCE

During the first quarter of 2015, we recast our segment reporting to reflect two reporting segments, U.S. and International, which matches changes made in how we manage our business, review operating performance and allocate resources. Our U.S. segment includes all brands operating in the U.S. while brands operating outside the U.S. are included in the International segment. All prior period information was recast to reflect this change.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

Our reporting segments are organized based on restaurant concept and geographic location. Resources are allocated and performance is assessed by our CEO, whom we have determined to be our Chief Operating Decision Maker. We have two reporting segments: U.S. and International. Following is a summary of reporting segments:

SEGMENT	CONCEPT	GEOGRAPHIC LOCATION
U.S.	Outback Steakhouse Carrabba's Italian Grill Bonefish Grill Fleming's Prime Steakhouse & Wine Bar	United States of America, including Puerto Rico
International	Outback Steakhouse (1) Carrabba's Italian Grill (Abbraccio)	South Korea, Brazil, Hong Kong, China Brazil

(1) Includes international franchise locations in 18 countries and Guam.

Revenues for all segments include only transactions with customers and include no intersegment revenues. Excluded from net income from operations for U.S. and International are legal and certain corporate costs not directly related to the performance of the segments, interest and other expenses related to our credit agreements and derivative instruments, certain stock-based compensation expenses, certain insurance expenses managed centrally and certain bonus expense.

Following is a reconciliation of segment income from operations to the consolidated operating results:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Segment income from operations		
U.S.	\$ 127,408	\$ 106,901
International	8,879	16,225
Total segment income from operations	136,287	123,126
Unallocated corporate operating expense - Cost of sales, Labor and other related and Other restaurant operating	(288)	4,594
Unallocated corporate operating expense - Depreciation and amortization and General and administrative	(38,298)	(37,694)
Unallocated corporate operating expense	(38,586)	(33,100)
Total income from operations	97,701	90,026
Other expense, net	(1,147)	(164)
Interest expense, net	(13,198)	(16,598)
Income before provision for income taxes	\$ 83,356	\$ 73,264

U.S. Segment

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Revenues		
Restaurant Sales	\$ 1,056,104	\$ 1,004,875
Other Revenues	5,910	5,751
Total revenues	\$ 1,062,014	\$ 1,010,626
Restaurant-level operating margin	17.9%	17.4%
Income from operations	\$ 127,408	\$ 106,901
Operating income margin	12.0%	10.6%

BLOOMIN' BRANDS, INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued***Restaurant sales*

Following is a summary of the change in U.S. segment restaurant sales for the thirteen weeks ended March 29, 2015:

(dollars in millions)	THIRTEEN WEEKS ENDED
For the period ended March 30, 2014	\$ 1,004.9
Change from:	
Comparable restaurant sales	33.8
Change in fiscal year	22.8
Restaurant openings	17.0
Divestiture of Roy's	(13.6)
Restaurant closings	(8.8)
For the period ended March 29, 2015	<u>\$ 1,056.1</u>

The increase in U.S. Restaurant sales in the thirteen weeks ended March 29, 2015 was primarily attributable to: (i) an increase in comparable restaurant sales at our existing restaurants, (ii) two additional operating days during the thirteen weeks ended March 29, 2015 due to a change in our fiscal year-end in 2014 and (iii) the opening of 52 new restaurants not included in our comparable restaurant sales base. The increase in U.S. Restaurant sales was partially offset by the sale of 20 Roy's restaurants in January 2015 and the closing of 25 restaurants since December 31, 2013.

Restaurant-level operating margin

The increase in U.S. restaurant-level operating margin in the thirteen weeks ended March 29, 2015, was primarily due to higher average unit volumes and the impact of certain cost saving initiatives. This increase was partially offset by commodity and labor inflation.

Income from operations

The increase in U.S. income from operations generated in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014 was primarily due to higher restaurant-level operating margin and a decrease in restaurant closing costs related to the Domestic Restaurant Closure Initiative and lower General and administrative expense. General and administrative expense for the U.S. segment decreased primarily due to: (i) lower compensation and benefits driven by our organizational realignment in the second half of fiscal 2014, (ii) higher severance in the thirteen weeks ended March 30, 2014 due to the Domestic Restaurant Closure Initiative and (iii) lower professional fees. The decrease in General and administrative expense was partially offset by higher employee stock-based compensation due to new grants.

International Segment

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Revenues		
Restaurant sales	\$ 138,706	\$ 145,650
Other revenues	1,339	1,583
Total revenues	<u>\$ 140,045</u>	<u>\$ 147,233</u>
Restaurant-level operating margin	21.7%	20.0%
Income from operations	\$ 8,879	\$ 16,225
Operating income margin	6.3%	11.0%

BLOOMIN' BRANDS, INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued***Restaurant sales*

Following is a summary of the changes in International segment restaurant sales for the thirteen weeks ended March 29, 2015:

(dollars in millions)	THIRTEEN WEEKS ENDED
For the period ended March 30, 2014	\$ 145.7
Change from:	
Restaurant closings	(21.0)
Effect of foreign currency translation	(12.4)
Restaurant openings	21.5
Comparable restaurant sales	3.4
Change in fiscal year	1.5
For the period ended March 29, 2015	<u>\$ 138.7</u>

The decrease in Restaurant sales in the thirteen weeks ended March 29, 2015 was primarily attributable to: (i) the closing of 48 restaurants since December 31, 2013, (ii) the effect of foreign currency translation of the Brazil Real relative to the U.S. dollar and (iii) lower comparable restaurant sales in South Korea. The decrease in restaurant sales was partially offset by: (i) the opening of 34 new restaurants not included in our comparable restaurant sales base, (ii) an increase in comparable restaurant sales in Brazil and (iii) two additional operating days during the thirteen weeks ended March 29, 2015 due to a change in our fiscal year-end in 2014.

Restaurant-level operating margin

The increase in International restaurant-level operating margin in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014 was primarily due to the opening of new restaurants. This increase was partially offset by commodity and labor inflation.

Income from operations

The decrease in International income from operations in the thirteen weeks ended March 29, 2015 as compared to the thirteen weeks ended March 30, 2014 was primarily due to restaurant closing costs and higher general and administrative expense related to the International Restaurant Closure Initiative, partially offset by higher restaurant-level operating margin.

Non-GAAP Financial Measures

In addition to the results provided in accordance with U.S. GAAP, we provide non-GAAP measures which present operating results on an adjusted basis. These are supplemental measures of performance that are not required by or presented in accordance with U.S. GAAP and include the following: (i) system-wide sales, (ii) Adjusted restaurant-level operating margins, (iii) Adjusted income from operations and the corresponding margins, (iv) Adjusted net income and (v) Adjusted diluted earnings per share.

Although we believe these non-GAAP measures enhance investors' understanding of our business and performance, these non-GAAP financial measures are not intended to replace accompanying U.S. GAAP financial measures. These metrics are not necessarily comparable to similarly titled measures used by other companies.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

System-Wide Sales

System-wide sales is a non-GAAP financial measure that includes sales of all restaurants operating under our brand names, whether we own them or not. Management uses this information to make decisions about future plans for the development of additional restaurants and new concepts, as well as evaluation of current operations. System-wide sales comprise sales of Company-owned and franchised restaurants. Following is a summary of sales of Company-owned restaurants:

COMPANY-OWNED RESTAURANT SALES (dollars in millions)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Outback Steakhouse		
U.S.	\$ 604	\$ 567
International		
Brazil	81	71
South Korea	50	67
Other	8	8
Total	743	713
Carrabba's Italian Grill	199	187
Bonefish Grill	171	158
Fleming's Prime Steakhouse & Wine Bar	76	73
Other	6	20
Total Company-owned restaurant sales	\$ 1,195	\$ 1,151

The following table provides a summary of sales of franchised restaurants, which are not included in our consolidated financial results, and our income from the royalties and/or service fees that franchisees pay us based generally on a percentage of sales. The following table does not represent our sales and is presented only as an indicator of changes in the restaurant system, which management believes is important information regarding the health of our restaurant concepts and in determining our royalties and/or service fees.

FRANCHISE SALES (dollars in millions) (1)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Outback Steakhouse		
U.S.	\$ 88	\$ 84
International	29	29
Total	117	113
Carrabba's Italian Grill	1	1
Bonefish Grill	3	4
Total franchise sales (1)	\$ 121	\$ 118
Income from franchise sales (2)	\$ 5	\$ 5

(1) Franchise sales are not included in Total revenues in the Consolidated Statements of Operations and Comprehensive Income.

(2) Represents the franchise royalty and the portion of total income related to restaurant operations included in the Consolidated Statements of Operations and Comprehensive Income in Other revenues.

BLOOMIN' BRANDS, INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued***Other Non-GAAP Financial Measures*

The following information provides a reconciliation of a non-GAAP financial measure to the most comparable financial measure calculated and presented in accordance with GAAP. The use of other non-GAAP financial measures permits investors to assess the operating performance of our business relative to our performance based on U.S. GAAP results and relative to other companies within the restaurant industry by isolating the effects of certain items that vary from period to period without correlation to core operating performance or that vary widely among similar companies. However, our inclusion of these adjusted measures should not be construed as an indication that our future results will be unaffected by unusual or infrequent items or that the items for which we have made adjustments are unusual or infrequent. We believe that the disclosure of these non-GAAP measures is useful to investors as they form the basis for how our management team and Board of Directors evaluate our operating performance, allocate resources and establish employee incentive plans.

Adjusted restaurant-level operating margin

Restaurant-level operating margin is calculated as Restaurant sales after deduction of the main restaurant-level operating costs, which includes Cost of sales, Labor and other related and Other restaurant operating. The following table shows the percentages of certain operating cost financial statement line items in relation to Restaurant sales:

	THIRTEEN WEEKS ENDED			
	MARCH 29, 2015		MARCH 30, 2014	
	U.S. GAAP	ADJUSTED (1)	U.S. GAAP	ADJUSTED (2)
Restaurant sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	32.4%	32.4%	32.5%	32.5%
Labor and other related	27.1%	27.1%	27.1%	27.1%
Other restaurant operating	22.1%	22.1%	22.3%	22.5%
Restaurant-level operating margin	18.4%	18.3%	18.2%	18.0%

- (1) Includes adjustments of \$0.2 million of expenses from the International Restaurant Closure Initiative, partially offset by \$0.1 million of non-cash intangible amortization recorded as a result of the acquisition of our Brazil operations. All adjustments were recorded in Other restaurant operating.
- (2) Includes adjustments related to the write-off of deferred rent liabilities of \$2.1 million associated with the Domestic Restaurant Closure Initiative, partially offset by \$0.1 million of non-cash intangible amortization recorded as a result of the acquisition of our Brazil operations. All adjustments were recorded in Other restaurant operating.

BLOOMIN' BRANDS, INC.
**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**
Adjusted income from operations, Adjusted net income and Adjusted diluted earnings per share

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Income from operations	\$ 97,701	\$ 90,026
Operating income margin	8.1%	7.8%
Adjustments:		
Restaurant impairments and closing costs (1)	8,870	4,929
Purchased intangibles amortization (2)	1,283	1,458
Restaurant relocations and related costs (3)	1,169	—
Transaction-related expenses (4)	275	1,118
Total income from operations adjustments	11,597	7,505
Adjusted income from operations	\$ 109,298	\$ 97,531
Adjusted operating income margin	9.1%	8.4%
Net income attributable to Bloomin' Brands	\$ 60,588	\$ 53,733
Adjustments:		
Income from operations adjustments	11,597	7,505
Loss on disposal of business (5)	1,151	—
Total adjustments, before income taxes	12,748	7,505
Adjustment to provision for income taxes (6)	(3,627)	(2,695)
Net adjustments	9,121	4,810
Adjusted net income	\$ 69,709	\$ 58,543
Diluted earnings per share	\$ 0.47	\$ 0.42
Adjusted diluted earnings per share	\$ 0.54	\$ 0.46
Diluted weighted average common shares outstanding	128,759	127,851

- (1) Represents expenses incurred in the thirteen weeks ended March 29, 2015 for the International and Domestic Restaurant Closure Initiatives and expenses incurred for the Domestic Restaurant Closure Initiative during the thirteen weeks ended March 30, 2014.
- (2) Represents non-cash intangible amortization recorded as a result of the acquisition of our Brazil operations.
- (3) Represents asset impairment charges and accelerated depreciation incurred in connection with our relocation program.
- (4) Relates primarily to costs incurred with the secondary offerings of our common stock in March 2015 and March 2014, respectively, and other transaction costs.
- (5) Represents loss on sale of the Roy's business.
- (6) Income tax effect of adjustments for the thirteen weeks ended March 29, 2015 and March 30, 2014, respectively, are calculated based on the statutory rate applicable to jurisdictions in which the above non-GAAP adjustments relate.

Liquidity and Capital Resources
LIQUIDITY

Our liquidity sources consist of cash flow from our operations, cash and cash equivalents and credit capacity under our credit facilities. We expect to use cash primarily for general operating expenses, principal and interest payments on our debt, the development of new restaurants and new markets, share repurchases and dividend payments, remodeling or relocating older restaurants, obligations related to our deferred compensation plans and investments in technology.

We believe that our expected liquidity sources are adequate to fund our anticipated cash usages, as described above, for the next 12 months. However, our ability to continue to meet these requirements and obligations will depend on,

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

among other things, our ability to achieve anticipated levels of revenue and cash flow and our ability to manage costs and working capital successfully.

Cash and Cash Equivalents - As of March 29, 2015 and December 28, 2014, we had \$135.6 million and \$165.7 million, respectively, in cash and cash equivalents, of which \$79.2 million and \$89.7 million, respectively, was held by foreign affiliates, a portion of which would be subject to additional taxes if repatriated to the United States. We consider the undistributed earnings related to our foreign affiliates as of March 29, 2015 to be permanently reinvested and are expected to continue to be permanently reinvested. Accordingly, no provision for United States income and additional foreign taxes has been recorded on aggregate undistributed earnings of \$154.0 million as of March 29, 2015. If we identify an exception to our reinvestment policy of undistributed earnings, additional tax liabilities will be recorded. The international jurisdictions in which we have significant cash do not have any known restrictions that would prohibit the repatriation of cash and cash equivalents.

During fiscal year 2014, we decided to close 36 underperforming international locations, primarily in South Korea. In connection with the International Restaurant Closure Initiative, we expect future cash expenditures of \$7.0 million to \$10.0 million, primarily related to lease liabilities, through August 2022. We believe our South Korea subsidiary has sufficient cash to meet these obligations and support ongoing operations.

Credit Facilities - Our credit facilities consist of the Senior Secured Credit Facility and the CMBS Loan. See Note 7 - *Long-term Debt, Net* of the Notes to Consolidated Financial Statements for further information. Following is a summary of principal payments and debt issuance from December 31, 2013 to March 29, 2015:

(dollars in thousands)	SENIOR SECURED CREDIT FACILITY (1)			2012 CMBS LOAN			TOTAL CREDIT FACILITIES
	TERM LOAN A	TERM LOAN B	REVOLVING FACILITY	FIRST MORTGAGE LOAN	FIRST MEZZANINE LOAN	SECOND MEZZANINE LOAN	
Balance as of December 31, 2013	\$ —	\$ 935,000	\$ —	\$ 311,644	\$ 86,131	\$ 86,704	\$ 1,419,479
2014 new debt issued (1)	300,000	—	400,000	—	—	—	700,000
2014 payments (1)	(3,750)	(710,000)	(75,000)	(11,879)	(1,004)	(637)	(802,270)
Balance as of December 28, 2014	296,250	225,000	325,000	299,765	85,127	86,067	1,317,209
2015 new debt issued	—	—	16,000	—	—	—	16,000
2015 payments	(7,500)	(10,000)	—	(2,116)	(291)	(204)	(20,111)
Balance as of March 29, 2015	\$ 288,750	\$ 215,000	\$ 341,000	\$ 297,649	\$ 84,836	\$ 85,863	\$ 1,313,098

(1) \$700.0 million relates to the refinancing of our Senior Secured Credit Facility, which did not increase total indebtedness.

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

We continue to evaluate whether we will make further payments of our outstanding debt ahead of scheduled maturities. Following is a summary of our outstanding credit facilities as of March 29, 2015:

(dollars in thousands)	INTEREST RATE MARCH 29, 2015	ORIGINAL FACILITY	PRINCIPAL MATURITY DATE	OUTSTANDING	
				MARCH 29, 2015	DECEMBER 28, 2014
Term loan A, net of discount of \$2.9 million (1)	2.16%	\$ 300,000	May 2019	\$ 288,750	\$ 296,250
Term loan B, net of discount of \$10.0 million	3.50%	225,000	October 2019	215,000	225,000
Revolving credit facility (1) (2)	2.16%	600,000	May 2019	341,000	325,000
Total Senior Secured Credit Facility		1,125,000		844,750	846,250
First mortgage loan (1)	4.09%	324,800	April 2017	297,649	299,765
First mezzanine loan	9.00%	87,600	April 2017	84,836	85,127
Second mezzanine loan	11.25%	87,600	April 2017	85,863	86,067
Total 2012 CMBS loan		500,000		468,348	470,959
Total credit facilities		\$ 1,625,000		\$ 1,313,098	\$ 1,317,209

(1) Represents the weighted-average interest rate for the respective period.

(2) Includes \$6.0 million of borrowings on the swing line loan sub-facilities at an interest rate of 4.25%.

As of March 29, 2015, we had \$229.4 million in available unused borrowing capacity under our revolving credit facility, net of letters of credit of \$29.6 million. On March 31, 2015, we amended our credit agreement to effect an increase of our existing revolving credit facility in order to fully pay down our existing Term Loan B on April 2, 2015. See Note 15 - *Subsequent Events* for details regarding this amendment.

The Amended Credit Agreement contains mandatory prepayment requirements for Term loan A and Term loan B. We are required to prepay outstanding amounts under our term loans with 50% of our annual excess cash flow, as defined in the Amended Credit Agreement. The amount of outstanding term loans required to be prepaid may vary based on our leverage ratio and year-end results. Other than the required minimum amortization premiums of \$15.0 million, we do not anticipate any other payments will be required through March 27, 2016.

The 2012 CMBS Loan requires annual amortization payments ranging from approximately \$10.5 million to \$11.1 million, payable in scheduled monthly installments through March 2017, with the remaining balance due upon maturity in April 2017.

Our Amended Credit Agreement and 2012 CMBS Loan contain various financial and non-financial covenants. A violation of these covenants could negatively impact our liquidity by restricting our ability to borrow under the revolving credit facility and cause an acceleration of the amounts due under the credit facilities. See our Annual Report on Form 10-K for further information about our debt covenants.

As of March 29, 2015 and December 28, 2014, we were in compliance with these debt covenants.

Cash Flow Hedges of Interest Rate Risk - In September 2014, we entered into variable-to-fixed interest rate swap agreements with eight counterparties to hedge a portion of the cash flows of our variable rate debt. The swap agreements have an aggregate notional amount of \$400.0 million, a forward start date of June 30, 2015, and mature on May 16, 2019. Under the terms of the swap agreements, we will pay a weighted-average fixed rate of 2.02% on the \$400.0 million notional amount and receive payments from the counterparty based on the 30-day LIBOR rate. See Note 10 - *Derivative Instruments and Hedging Activities* of the Notes to Consolidated Financial Statements for further information.

BLOOMIN' BRANDS, INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued****SUMMARY OF CASH FLOWS**

The following table presents a summary of our cash flows provided by (used in) operating, investing and financing activities for the periods indicated:

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Net cash provided by operating activities	\$ 95,962	\$ 39,827
Net cash used in investing activities	(39,478)	(41,755)
Net cash used in financing activities	(85,764)	(33,954)
Effect of exchange rate changes on cash and cash equivalents	(816)	(1,385)
Net decrease in cash and cash equivalents	\$ (30,096)	\$ (37,267)

Operating activities - Net cash provided by operating activities increased during the thirteen weeks ended March 29, 2015, as compared to the thirteen weeks ended March 30, 2014 primarily due to: (i) timing of collections of gift card receivables, (ii) lower income tax payments and (iii) lower cash interest payments. These increases were partially offset by: (i) timing of payments on accounts payable, (ii) increased purchases of inventory and (iii) an increase in the redemption of gift cards.

Investing activities

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Capital expenditures	\$ (47,672)	\$ (39,313)
Purchases of life insurance policies	(2,103)	(520)
Acquisition of business, net of cash acquired	—	(3,063)
Proceeds from sale of a business	7,798	—
Proceeds received from life insurance policies	1,592	627
Proceeds from disposal of property, fixtures and equipment	647	105
Net change in restricted cash, net	260	409
Net cash used in investing activities	\$ (39,478)	\$ (41,755)

Net cash used in investing activities for the thirteen weeks ended March 29, 2015 consisted primarily of capital expenditures and net cash paid for life insurance policies partially offset by proceeds from the sale of Roy's. Net cash used in investing activities for the thirteen weeks ended March 30, 2014 consisted primarily of capital expenditures and net cash paid to acquire certain franchise restaurants.

BLOOMIN' BRANDS, INC.**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued***Financing activities*

(dollars in thousands)	THIRTEEN WEEKS ENDED	
	MARCH 29, 2015	MARCH 30, 2014
Repayments of debt	\$ (136,104)	\$ (14,578)
Repurchase of common stock	(70,234)	(481)
Cash dividends paid on common stock	(7,423)	—
Purchase of limited partnership interests	—	(17,211)
Repayments of partner deposits and accrued partner obligations	(6,000)	(7,388)
Distributions to noncontrolling interests	(1,336)	(1,167)
Proceeds from borrowings	131,000	—
Proceeds from exercise of stock options, net of shares withheld for employee taxes	3,206	5,650
Excess tax benefits from stock-based compensation	1,127	1,221
Net cash used in financing activities	\$ (85,764)	\$ (33,954)

Net cash used in financing activities for the thirteen weeks ended March 29, 2015 was primarily attributable to the following: (i) repayments of borrowings on revolving credit facilities and voluntary prepayments, (ii) the repurchase of common stock, (iii) payment of cash dividends on our common stock and (iv) repayments of partner deposits and accrued partner obligations. Net cash used in financing activities was partially offset by proceeds from revolving credit facilities and proceeds from the exercise of stock options.

Net cash used in financing activities for the thirteen weeks ended March 30, 2014 was primarily attributable to the following: (i) the purchase of outstanding limited partnership interests in certain restaurants, (ii) repayments of long-term debt and (iii) repayments of partner deposits and accrued partner obligations. This was partially offset by the receipt of proceeds from the exercise of stock options.

FINANCIAL CONDITION

Following is a summary of our current assets, current liabilities and working capital:

(dollars in thousands)	MARCH 29,	DECEMBER 28,
	2015	2014
Current assets	\$ 484,335	\$ 600,551
Current liabilities	735,463	840,110
Working capital (deficit)	\$ (251,128)	\$ (239,559)

Working capital (deficit) totaled (\$251.1) million and (\$239.6) million as of March 29, 2015 and December 28, 2014, respectively, and included Unearned revenue from unredeemed gift cards of \$272.1 million and \$376.7 million as of March 29, 2015 and December 28, 2014, respectively. We have, and in the future may continue to have, negative working capital balances (as is common for many restaurant companies). We operate successfully with negative working capital because cash collected on restaurant sales is typically received before payment is due on our current liabilities, and our inventory turnover rates require relatively low investment in inventories. Additionally, ongoing cash flows from restaurant operations and gift card sales are used to service debt obligations and to make capital expenditures.

Deferred Compensation Programs

The deferred compensation obligation due managing and chef partners was \$155.3 million and \$155.6 million at March 29, 2015 and December 28, 2014, respectively. We invest in various corporate-owned life insurance policies, which are held within an irrevocable grantor or "rabbi" trust account for settlement of our obligations under the deferred

BLOOMIN' BRANDS, INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued**

compensation plans. The rabbi trust is funded through our voluntary contributions. The unfunded obligation for managing and chef partners' deferred compensation is \$80.0 million at March 29, 2015.

We use capital to fund the deferred compensation plans and currently expect annual cash funding of \$18.0 million to \$22.0 million. Actual funding of the deferred compensation obligations and future funding requirements may vary significantly depending on the actual performance compared to targets, timing of deferred payments of partner contracts, forfeiture rates, number of partner participants, growth of partner investments and our funding strategy.

DIVIDENDS AND SHARE REPURCHASES

In December 2014, the Board of Directors adopted a dividend policy under which it intends to declare quarterly cash dividends on shares of our common stock. On February 12, 2015, the Board of Directors declared our first quarterly cash dividend of \$0.06 per share, which was paid on March 18, 2015. On April 29, 2015, the Board of Directors declared a quarterly cash dividend of \$0.06 per share, payable on May 27, 2015 to shareholders of record at the close of business on May 15, 2015. Future dividend payments are dependent on our earnings, financial condition, capital expenditure requirements and other factors that our Board of Directors considers relevant.

In December 2014, our Board of Directors approved a share repurchase program under which we were authorized to repurchase up to \$100.0 million of our outstanding common stock. The authorization will expire on June 12, 2016. As of March 29, 2015, \$70.0 million of outstanding stock had been repurchased under the program in connection with the secondary public offering by Bain Capital.

Recently Issued Financial Accounting Standards

For a description of recently issued Financial Accounting Standards, see Note 1 - *Description of the Business and Basis of Presentation* of the Notes to the Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

BLOOMIN' BRANDS, INC.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk from changes in interest rates, changes in foreign currency exchange rates and changes in commodity prices. We believe that there have been no material changes in our market risk since December 28, 2014, except as set forth below. For further information on market risk, refer to Part II, Item 7A., “Quantitative and Qualitative Disclosures about Market Risk,” in our Annual Report on Form 10-K for the year ended December 28, 2014 (the “2014 Form 10-K”).

Foreign Currency Exchange Risk

We are subject to foreign currency exchange risk for our restaurants operating in foreign countries. Our exposures to foreign currency exchange risk are primarily related to fluctuations in the Brazil Real and the South Korea Won relative to the U.S. dollar. Our operations in other markets consist of Company-owned restaurants on a smaller scale than the markets identified above and franchised locations, from which we collect royalties in local currency. If foreign currency exchange rates depreciate in the countries in which we operate, we may experience declines in our operating results. For the thirteen weeks ended March 29, 2015, a 10% change in average foreign currency rates against the U.S. dollar would have increased or decreased our Total revenues and Net income for our consolidated foreign entities by \$15.4 million and \$0.2 million, respectively. Currently, we do not enter into currency forward exchange or option contracts to hedge foreign currency exposures.

BLOOMIN' BRANDS, INC.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have established and maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial and Administrative Officer, as appropriate to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial and Administrative Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial and Administrative Officer concluded that our disclosure controls and procedures were effective as of March 29, 2015.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the thirteen weeks ended March 29, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

BLOOMIN' BRANDS, INC.**PART II: OTHER INFORMATION****Item 1. Legal Proceedings**

For a description of our legal proceedings, see Note 13 - *Commitments and Contingencies*, of the Notes to the Consolidated Financial Statements of this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

In addition to the other information discussed in this report, please consider the factors described in Part I, Item 1A., "Risk Factors" in our 2014 Form 10-K which could materially affect our business, financial condition or future results. There have not been any material changes to the risk factors described in our 2014 Form 10-K, but these are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may adversely affect our business, financial condition or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no sales of equity securities during the first quarter of 2015 that were not registered under the Securities Act of 1933.

The following table provides information regarding our purchases of common stock during the thirteen weeks ended March 29, 2015:

REPORTING PERIOD	TOTAL NUMBER OF SHARES PURCHASED (1)	AVERAGE PRICE PAID PER SHARE	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	APPROXIMATE DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS
December 29, 2014 through January 25, 2015	—	\$ —	—	\$ 100,000,000
January 26, 2015 through February 22, 2015	—	\$ —	—	\$ 100,000,000
February 23, 2015 through March 29, 2015	2,771,793	\$ 25.37	2,759,164	\$ 30,000,000
Total	2,771,793		2,759,164	

- (1) The Board of Directors authorized the repurchase of \$100.0 million of our outstanding common stock as announced publicly in our press release issued on December 16, 2014. This authorization will expire on June 12, 2016. Common stock purchased during the thirteen weeks ended March 29, 2015 represented shares repurchased under this program as part of the secondary public offering by Bain Capital and 12,629 shares withheld for tax payments due upon the vesting of employee restricted stock awards.

BLOOMIN' BRANDS, INC.**Item 6. Exhibits**

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
10.1	Fourth Amendment to Credit Agreement and Incremental Amendment dated as of March 31, 2015, among OSI Restaurant Partners, LLC, OSI Holdco, Inc., the Subsidiary Guarantors party thereto, the lenders party thereto, and Wells Fargo Bank, National Association, as administrative agent	Filed herewith
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Chief Financial and Administrative Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 ¹	Filed herewith
32.2	Certification of Chief Financial and Administrative Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 ¹	Filed herewith
101.INS	XBRL Instance Document	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith

¹ These certifications are not deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. These certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates them by reference.

BLOOMIN' BRANDS, INC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 5, 2015

BLOOMIN' BRANDS, INC.

(Registrant)

By: /s/ David J. Deno

David J. Deno
Executive Vice President and Chief Financial and
Administrative Officer
(Principal Financial Officer)

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FOURTH AMENDMENT TO CREDIT AGREEMENT AND INCREMENTAL AMENDMENT

FOURTH AMENDMENT TO CREDIT AGREEMENT AND INCREMENTAL AMENDMENT (this “Amendment”), dated as of March 31, 2015, among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company (the “Borrower”), OSI HOLDCO, INC., a Delaware corporation (“Holdings”), the Subsidiary Guarantors (as defined in the Credit Agreement referred to below) party hereto, each of the Lenders party hereto (collectively, the “Consenting Lenders”) and WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent (the “Administrative Agent”). Unless otherwise indicated, all capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided such terms in the Credit Agreement referred to below.

WITNESSETH:

WHEREAS, the Borrower, Holdings, the lenders party thereto, the Administrative Agent (as successor administrative agent to Deutsche Bank Trust Company Americas) and the other parties thereto have entered into that certain Credit Agreement, dated as of October 26, 2012 (as amended prior to the date hereof, the “Credit Agreement”);

WHEREAS, the Borrower hereby requests a Revolving Commitment Increase in an aggregate principal amount of \$225,000,000, in accordance with Section 2.16(a) of the Credit Agreement (the “Revolving Commitment Increase”);

WHEREAS, \$216,300,000 of the Revolving Commitment Increase are anticipated to be used by the Borrower to repay \$215,000,000 of the outstanding Term B Loans and to pay fees and expenses in connection with this Fourth Amendment;

WHEREAS, subject to the terms of this Amendment, each of the Revolving Credit Lenders party hereto (each an “Incremental Revolving Credit Lender”) is severally willing to provide a portion of the Revolving Commitment Increase;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

SECTION 1. Amendments to Credit Agreement. Effective as of the Fourth Amendment Effective Date and subject to the terms and conditions set forth herein and in reliance upon representations and warranties set forth herein, the Credit Agreement is hereby amended as follows:

(a) the definition of “Fourth Amendment Effective Date” is hereby added to Section 1.01 of the Credit Agreement in appropriate alphabetical order to read in its entirety as follows:

“Fourth Amendment Effective Date” means March 31, 2015.

(b) the definition of “Revolving Credit Commitment” is hereby amended by replacing the last sentence of such definition with the following sentence:

“The aggregate Revolving Credit Commitments of all Revolving Credit Lenders on the Fourth Amendment Effective Date shall be \$825,000,000, as such amount may be adjusted from time to time in accordance with the terms of this Agreement.”

(c) Section 3.01 of the Credit Agreement is hereby amended by inserting the following new clause (j) at the end of such Section:

“For purposes of determining withholding Taxes imposed under FATCA, from and after the Fourth Amendment Effective Date, the Borrower and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) the Loans as not qualifying as a ‘grandfathered obligation’ within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i) solely for purposes of determining whether withholding taxes apply under FATCA and regardless of whether the Fourth Amendment to Credit Agreement and Incremental Agreement dated as of March 31, 2015 constitutes a ‘significant modification’ under Treasury Regulations Section 1.1001-3.”

(d) Schedule 2.01 to the Credit Agreement is hereby amended by replacing the column entitled “Revolving Credit Commitment” in its entirety as set forth on the Schedule attached hereto.

SECTION 2. Revolving Commitment Increase.

(a) The Administrative Agent and each Incremental Revolving Credit Lender hereby agrees that this Amendment constitutes an Incremental Loan Request pursuant to Section 2.16(a) of the Credit Agreement.

(b) Each Incremental Revolving Credit Lender agrees that, effective as of the Fourth Amendment Effective Date, its respective Revolving Credit Commitment shall be increased by its share of the Revolving Commitment Increase as set forth on Schedule 2.01 hereto.

(c) On and as of the Fourth Amendment Effective Date, each Incremental Revolving Credit Lender shall be deemed to be a “Incremental Revolving Credit Lender” as defined in the Credit Agreement with a “Revolving Credit Commitment” as defined in the Credit Agreement.

SECTION 3. Acknowledgement and Confirmation. Each of the Loan Parties party hereto hereby agrees that with respect to each Loan Document to which it is a party, after giving effect to the Amendment and the transactions contemplated hereunder:

(a) all of its obligations, liabilities and indebtedness under such Loan Document, including guarantee obligations, shall, except as expressly set forth herein or in the Credit Agreement, remain in full force and effect on a continuous basis; and

(b) all of the Liens and security interests created and arising under such Loan Document remain in full force and effect on a continuous basis, and the perfected status and priority to the extent provided for in Section 5.19 of the Credit Agreement of each such Lien and security interest continues in full force and effect on a continuous basis, unimpaired, uninterrupted and undischarged as collateral security for the Obligations, to the extent provided in such Loan Documents.

SECTION 4. Conditions of Effectiveness of this Amendment. This Amendment shall become effective on the date when the following conditions shall have been satisfied or waived (such date, the “Fourth Amendment Effective Date”):

(a) The Administrative Agent’s receipt of the following, each of which shall be originals or facsimiles (followed promptly by originals) unless otherwise specified, each properly executed by a

Responsible Officer of the signing Loan Party, each in form and substance reasonably satisfactory to the Administrative Agent and its legal counsel:

(i) this Amendment, duly executed by Holdings, the Borrower, the Subsidiary Guarantors existing as of the Fourth Amendment Effective Date, the Administrative Agent, and the Incremental Revolving Credit Lenders;

(ii) a replacement Note executed by the Borrower in favor of each Incremental Revolving Credit Lender that has requested a replacement Note at least two (2) Business Days in advance of the Fourth Amendment Effective Date;

(iii) a certificate of a Responsible Officer of each Loan Party certifying as to the incumbency and genuineness of the signature of each officer of such Loan Party executing Loan Documents to which it is a party and certifying that (A) the articles or certificate of incorporation or formation (or equivalent), as applicable, of such Loan Party have not been amended since the date of the last delivered certificate, or if they have been amended, attached thereto are true, correct and complete copies of the same, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, (B) the bylaws or other governing document of such Loan Party have not been amended since the date of the last delivered certificate, or if they have been amended, attached thereto are true, correct and complete copies of the same, (C) attached thereto is a true, correct and complete copy of resolutions duly adopted by the board of directors (or other governing body) of Loan Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Amendment and (D) attached thereto is a true, correct and complete copy of such certificates of good standing (including bring down certificates) from the applicable secretary of state of the state of incorporation, organization or formation (or equivalent), as applicable, of each Loan Party; and

(iv) opinion from Ropes & Gray LLP, New York counsel to the Loan Parties substantially in form and substance reasonably satisfactory to the Administrative Agent.

(b) Payment of all fees and expenses of the Administrative Agent and Wells Fargo Securities, LLC, and in the case of expenses, to the extent invoiced at least three (3) Business Days prior to the Fourth Amendment Effective Date (except as otherwise reasonably agreed to by the Borrower), required to be paid on the Fourth Amendment Effective Date.

(c) Payment of all fees to the Lenders required to be paid on the Fourth Amendment Effective Date.

(d) The representations and warranties in Section 7 of this Amendment shall be true and correct as of the Fourth Amendment Effective Date.

For purposes of determining compliance with the conditions specified in this Section 4, each Lender that has signed this Amendment shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Fourth Amendment Effective Date specifying its objection thereto.

SECTION 5. Costs and Expenses. The Borrower hereby reconfirms its obligations pursuant to Section 10.04 of the Credit Agreement to pay and reimburse the Administrative Agent in accordance with the terms thereof.

SECTION 6. Remedies. This Amendment shall (a) be deemed to be an “Incremental Amendment” in accordance with Section 2.16(a) of the Credit Agreement and (b) constitute a “Loan Document” for all purposes of the Credit Agreement and the other Loan Documents.

SECTION 7. Representations and Warranties. To induce the Administrative Agent and the other Lenders to enter into this Amendment, each Loan Party represents and warrants to the Administrative Agent and the other Lenders on and as of the Fourth Amendment Effective Date that, in each case:

(a) the representations and warranties of each Loan Party set forth in Article V of the Credit Agreement and in each other Loan Document are true and correct in all material respects on and as of the Fourth Amendment Effective Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date; provided that any representation and warranty that is qualified as to “materiality,” “Material Adverse Effect” or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates; and

(b) no Default or Event of Default exists and is continuing.

SECTION 8. Reference to and Effect on the Credit Agreement and the Loan Documents.

(a) On and after the Fourth Amendment Effective Date, each reference in the Credit Agreement to “this Agreement,” “herein,” “hereto”, “hereof” and “hereunder” or words of like import referring to the Credit Agreement, and each reference in the Notes and each of the other Loan Documents to “the Credit Agreement”, “thereunder”, “thereof” or words of like import referring to the Credit Agreement, shall mean and be a reference to the Credit Agreement, as amended by this Amendment.

(b) The Credit Agreement and each of the other Loan Documents, as specifically amended by this Amendment, are and shall continue to be in full force and effect and are hereby in all respects ratified and confirmed.

(c) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of any Lender or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents. Without limiting the generality of the foregoing, the Collateral Documents in effect immediately prior to the date hereof and all of the Collateral described therein in existence immediately prior to the date hereof do and shall continue to secure the payment of all Obligations of the Loan Parties under the Loan Documents, in each case, as amended by this Amendment.

SECTION 9. Governing Law. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 10. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which counterparts when executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Delivery by facsimile or electronic transmission of an executed counterpart of a signature page to this Amendment shall be effective as delivery of an original executed counterpart of this Amendment.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Amendment as of the date first above written.

OSI RESTAURANT PARTNERS, LLC, as Borrower

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief Legal Officer
& Secretary

OSI HOLDCO, INC., as Holdings

By: /s/ Elizabeth Smith

Name: Elizabeth Smith

Title: Director

BLOOMIN' BRANDS GIFT CARD SERVICES, LLC
OS RESTAURANT SERVICES, LLC
OUTBACK DESIGNATED PARTNER, LLC
OUTBACK KANSAS LLC

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief Legal Officer
& Secretary

BONEFISH GRILL GULF COAST OF LOUISIANA,
LLC

By: BONEFISH/GULF COAST, LIMITED
PARTNERSHIP, its managing member

By: BONEFISH GRILL, LLC, its general
partner

By: OSI RESTAURANT PARTNERS,
LLC, its managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer
& Secretary

BONEFISH OF BEL AIR, LLC
BONEFISH GRILL OF FLORIDA, LLC

By: BONEFISH GRILL, LLC, its managing member

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer
& Secretary

BONEFISH GRILL, LLC

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer & Secretary

BONEFISH KANSAS DESIGNATED PARTNER,
LLC

By: BONEFISH KANSAS LLC, its member

By: BONEFISH GRILL, LLC, its member

By: OSI RESTAURANT PARTNERS,
LLC, its managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer
& Secretary

BONEFISH/ASHEVILLE, LIMITED PARTNERSHIP
BONEFISH/CAROLINAS, LIMITED PARTNERSHIP
BONEFISH/COLUMBUS-I, LIMITED
PARTNERSHIP
BONEFISH/CRESCENT SPRINGS, LIMITED
PARTNERSHIP
BONEFISH/GREENSBORO, LIMITED
PARTNERSHIP
BONEFISH/GULF COAST, LIMITED PARTNERSHIP
BONEFISH/HYDE PARK, LIMITED PARTNERSHIP
BONEFISH/SOUTHERN, LIMITED PARTNERSHIP

By: BONEFISH GRILL, LLC, its general partner

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer & Secretary

BONEFISH/SOUTH FLORIDA-I, LIMITED
PARTNERSHIP

By: BONEFISH GRILL OF FLORIDA, LLC, its
general partner

By: BONEFISH GRILL, LLC, its managing
member

By: OSI RESTAURANT PARTNERS,
LLC, its managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer & Secretary

BONEFISH BEVERAGES, LLC
BONEFISH HOLDINGS, LLC
CIGI BEVERAGES OF TEXAS, LLC
CIGI HOLDINGS, LLC

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Manager

OUTBACK BEVERAGES OF TEXAS, LLC
OBTEX HOLDINGS, LLC

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Manager

BONEFISH BRANDYWINE, LLC
BONEFISH DESIGNATED PARTNER, LLC
BONEFISH KANSAS LLC

By: BONEFISH GRILL, LLC, its member

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief Legal Officer
& Secretary

BONEFISH GRILL OF FLORIDA DESIGNATED
PARTNER, LLC

By: BONEFISH GRILL OF FLORIDA, LLC, its
member

By: BONEFISH GRILL, LLC, its managing
member

By: OSI RESTAURANT PARTNERS,
LLC, its managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief Legal Officer
& Secretary

BFG NEBRASKA, INC.
BFG OKLAHOMA, INC.
BOOMERANG AIR, INC.
CIGI NEBRASKA, INC.
CIGI OKLAHOMA, INC.
OS MANAGEMENT, INC.
OS MORTGAGE HOLDINGS, INC.
OSF NEBRASKA, INC.
OSF OKLAHOMA, INC.
OUTBACK ALABAMA, INC.
OUTBACK CATERING, INC.
OUTBACK & CARABBA'S OF NEW MEXICO, INC.

By: /s/ David J. Deno
Name: David J. Deno
Title: CFO, Executive Vice President

OSI CO-ISSUER, INC.

By: /s/ Elizabeth Smith
Name: Elizabeth Smith
Title: Director

OS ASSET, INC.

By: /s/ Joseph J. Kadow
Name: Joseph J. Kadow
Title: Chief Legal Officer, Secretary & President

CARRABBA'S DESIGNATED PARTNER, LLC
CARRABBA'S KANSAS LLC

By: CARRABBA'S ITALIAN GRILL, LLC, its
member

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief Legal
Officer & Secretary



CARRABBA'S ITALIAN GRILL OF HOWARD
COUNTY, INC.

By: /s/ Richard Landman

Name: Richard Landman

Title: Secretary, Treasurer & President

CARRABBA'S ITALIAN GRILL, LLC
OS REALTY, LLC
OUTBACK STEAKHOUSE OF FLORIDA, LLC
PRIVATE RESTAURANT MASTER LESSEE, LLC

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief Legal Officer
& Secretary

CARRABBA'S KANSAS DESIGNATED PARTNER,
LLC

By: CARRABBA'S KANSAS LLC, its member

By: CARRABBA'S ITALIAN GRILL, LLC, its
member

By: OSI RESTAURANT PARTNERS,
LLC, its member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President ,
Chief Legal Officer
& Secretary

CARRABBA'S OF BOWIE, LLC

By: CARRABBA'S ITALIAN GRILL, LLC, its
managing member

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief Legal
Officer & Secretary

CARRABBA'S OF GERMANTOWN, INC.

CARRABBA'S OF WALDORF, INC.

By: CARRABBA'S ITALIAN GRILL, LLC, its
managing member

By: OSI RESTAURANT PARTNERS, LLC, its member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief
Legal Officer & Secretary

CARRABBA'S/BIRMINGHAM 280, LIMITED
PARTNERSHIP
CARRABBA'S/COOL SPRINGS, LIMITED
PARTNERSHIP
CARRABBA'S/DEERFIELD TOWNSHIP, LIMITED
PARTNERSHIP
CARRABBA'S/GREEN HILLS, LIMITED
PARTNERSHIP
CARRABBA'S/LEXINGTON, LIMITED
PARTNERSHIP
CARRABBA'S/LOUISVILLE, LIMITED
PARTNERSHIP
CARRABBA'S/METRO, LIMITED PARTNERSHIP
CARRABBA'S/MICHIGAN, LIMITED
PARTNERSHIP
CARRABBA'S/MONTGOMERY, LIMITED
PARTNERSHIP
CARRABBA'S/ROCKY TOP, LIMITED
PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC, its general
partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

By: CARRABBA'S DESIGNATED PARTNER, LLC,
its general partner

By: CARRABBA'S ITALIAN GRILL, LLC, its
member

By: OSI RESTAURANT PARTNERS,
LLC, its member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer
& Secretary

CARRABBA'S/DC-I, LIMITED PARTNERSHIP
CARRABBA'S/MID ATLANTIC-I, LIMITED
PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC, its general
partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

CIGI/BFG OF EAST BRUNSWICK PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC, its general
partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

By: BONEFISH GRILL, LLC, its general partner

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

OUTBACK OF ASPEN HILL, INC.
OUTBACK OF GERMANTOWN, INC.

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

FREDERICK OUTBACK, INC.

By: /s/ Stephen S. Newton

Name: Stephen S. Newton
Title: Treasurer, President & Secretary

OSF/BFG OF DEPTFORD PARTNERSHIP
OSF/BFG OF LAWRENCEVILLE PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

By: BONEFISH GRILL, LLC, its general partner

By: OSI RESTAURANT PARTNERS, LLC, its
managing member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

OSF/CIGI OF EVESHAM PARTNERSHIP
OUTBACK/CARRABBA'S PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

By: CARRABBA'S ITALIAN GRILL, LLC, its general
partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President , Chief
Legal Officer & Secretary

OUTBACK KANSAS DESIGNATED PARTNER, LLC

By: OUTBACK KANSAS LLC, its member

By: OUTBACK STEAKHOUSE OF
FLORIDA, LLC, its member

By: OSI RESTAURANT PARTNERS,
LLC, its member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow
Title: Executive Vice President ,
Chief Legal Officer & Secretary

OUTBACK STEAKHOUSE WEST VIRGINIA, INC.

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Director

OUTBACK STEAKHOUSE-NYC, LTD.

OUTBACK/DC, LIMITED PARTNERSHIP

OUTBACK/MID ATLANTIC-I, LIMITED
PARTNERSHIP

OUTBACK/STONE-II, LIMITED PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief
Legal Officer & Secretary

OUTBACK CATERING DESIGNATED PARTNER,
LLC

By: OUTBACK CATERING, INC., its member

By: /s/ David J. Deno

Name: David J. Deno

Title: CFO, Executive Vice President

OUTBACK OF LAUREL, LLC

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
the Sole Manager

By: OSI RESTAURANT PARTNERS, LLC, its
member

By: /s/ Joseph J. Kadow

Name: Joseph J. Kadow

Title: Executive Vice President , Chief
Legal Officer & Secretary

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, Swing Line Lender, Collateral
Agent and an L/C Issuer

By: /s/ Stephen A. Leon

Name: Stephen A. Leon

Title: Managing Director

OSI Restaurant Partners LLC
Fourth Amendment to Credit Agreement and Incremental Amendment
Signature Page

BANK OF AMERICA, N.A., as an Incremental
Revolving Credit Lender

By: /s/ Nicholas Cheng

Name: Nicholas Cheng

Title: Vice President

JPMORGAN CHASE BANK, N.A., as an Incremental
Revolving Credit Lender

By: /s/ Tony Yung

Name: Tony Yung

Title: Executive Director

Citizens Bank National Association,
as an Incremental Revolving Credit Lender

By: /s/ John P. Dysart
John P. Dysart
Sr. Vice President

HSBC Bank USA, National Association
as an Incremental Revolving Credit Lender

By: /s/ Rafael De Paoli
Name: Rafael De Paoli
Title: Senior Vice President

Coöperatieve Centrale Raiffeisen-Boerenleenbank
B.A., “Rabobank Nederland”, New York Branch, as
an Incremental Revolving Credit Lender

By: /s/ Chris Grimes

Name: Chris Grimes
Title: Executive Director

By: /s/ Michael T. Harder

Name: Michael T. Harder
Title: Executive Director

Regions Bank, as an Incremental Revolving Credit
Lender

By: /s/ Scott C. Tocci

Name: Scott C. Tocci

Title: Managing Director

US Bank, National Association, as an Incremental
Revolving Credit Lender

By: /s/ Steven L. Sawyer

Name: Steven L. Sawyer

Title: Senior Vice President

The Bank of Tokyo-Mitsubishi UFJ, Ltd.,
as an Incremental Revolving Credit Lender

By: /s/ Christine L. Howatt

Name: Christine L. Howatt

Title: Authorized Signatory

Fifth Third Bank, An Ohio Banking Corporation, as an
Incremental Revolving Credit Lender

By: /s/ John A. Marian
Name: John A. Marian
Title: Vice President

Sumitomo Mitsui Banking Corp.

By: /s/ David W. Kee

David W. Kee

Managing Director

Cadence Bank NA, as an Incremental Revolving Credit
Lender

By: /s/ John M. Huss

Name: John M. Huss

Title: Managing Director

PNC Bank, N.A as an Incremental Revolving Credit
Lender

By: /s/ Oluchi Chuku

Name: Oluchi Chuku

Title: Vice President/Assoc RM

TD Bank, N.A.,
as an Incremental Revolving Credit Lender

By: /s/ Alan Garson

Name: Alan Garson

Title: Senior Vice President

USAMERIBANK, a Florida banking corporation,
as an Incremental Revolving Credit Lender

By: /s/ Ronald L. Ciganek

Name: Ronald L. Ciganek

Title: Senior Vice President

Florida Community Bank, N.A.,
as an Incremental Revolving Credit Lender

By: /s/ Jonathan Simoens

Name: Jonathan Simoens

Title: SVP

[First Tennessee Bank, National Association], as an
Incremental Revolving Credit Lender

By: /s/ John R. Schmitt
Name: John R. Schmitt
Title: Senior Vice President

OSI Restaurant Partners LLC
Fourth Amendment to Credit Agreement and Incremental Amendment
Signature Page

Schedule 2.01
(as of the Fourth Amendment Effective Date)

Lender	Revolving Credit Commitment
Wells Fargo Bank, National Association	\$112,333,333.00
Bank of America, N.A.	\$85,333,333.00
JPMorgan Chase Bank, N.A.	\$68,333,333.00
Citizens Bank, N.A.	\$57,333,333.00
HSBC Bank USA, National Association	\$57,333,333.00
Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. "Rabobank Nederland", New York Branch	\$57,333,333.00
U.S. Bank, National Association	\$57,333,333.00
Regions Bank	\$56,333,333.00
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	\$37,333,333.00
Fifth Third Bank	\$37,333,333.00
Morgan Stanley Bank, N.A.	\$20,000,000.00
Raymond James Bank, N.A.	\$20,000,000.00
PNC Bank, National Association	\$18,333,334.00
Sumitomo Mitsui Banking Corporation	\$18,333,334.00
TD Bank, N.A.	\$18,333,334.00
USAmeriBank	\$18,333,334.00
Cadence Bank NA	\$15,333,334.00
Deutsche Bank AG New York Branch	\$15,000,000.00
First Tennessee Bank National Association	\$15,000,000.00
Florida Community Bank, N.A.	\$15,000,000.00
Goldman Sachs Bank USA	\$15,000,000.00
Webster Bank, National Association	\$10,000,000.00
Total	\$825,000,000.00

CERTIFICATION

I, Elizabeth A. Smith, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bloomin' Brands, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2015

/s/ Elizabeth A. Smith

Elizabeth A. Smith

Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, David J. Deno, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bloomin' Brands, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2015

/s/ David J. Deno

David J. Deno

Executive Vice President and Chief Financial and Administrative Officer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bloomin' Brands, Inc. (the "Company") on Form 10-Q for the quarter ended March 29, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Elizabeth A. Smith, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the dates and periods covered by the Report.

Date: May 5, 2015

/s/ Elizabeth A. Smith

Elizabeth A. Smith

Chief Executive Officer

(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Bloomin' Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bloomin' Brands, Inc. (the "Company") on Form 10-Q for the quarter ended March 29, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David J. Deno, Executive Vice President and Chief Financial and Administrative Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the dates and periods covered by the Report.

Date: May 5, 2015

/s/ David J. Deno

David J. Deno

Executive Vice President and Chief Financial and Administrative Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Bloomin' Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

