

CHIPOTLE MEXICAN GRILL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

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

Adjusted net income is net income excluding restaurant asset impairment and gains, corporate asset impairment and gains, expenses/(reductions) related to certain legal proceedings, stock-based compensation forfeiture, stock-based compensation retention grants, and loss on investments. Adjusted general and administrative expense is general and administrative expense excluding expenses related to certain legal proceedings, stock-based compensation forfeiture and stock-based compensation retention grants. The adjusted effective income tax rate is the effective income tax rate adjusted to reflect the after tax impact of non-GAAP adjustments. Restaurant level operating margin is equal to the revenues generated by our restaurants less their direct operating costs which consist of food, beverage and packaging, labor, occupancy and other operating costs, expressed as a percent of total revenue. This performance measure primarily includes the costs that restaurant level managers can directly control and excludes other costs that are essential to conduct our business. Management uses restaurant level operating margin as a measure of restaurant performance. Management believes restaurant level operating margin is useful to investors in that it highlights trends in our core business that may not otherwise be apparent to investors when relying solely on GAAP financial measures. We present these non-GAAP measures in order to facilitate meaningful evaluation of our operating performance across periods. These adjustments are intended to provide greater transparency of underlying performance and to allow investors to evaluate our business on the same basis as our management, which uses these non-GAAP measures in evaluating the company's performance. Our adjusted net income, adjusted diluted earnings per share, adjusted general and administrative expenses, adjusted effective income tax rate and restaurant level operating margin measures may not be comparable to other companies' adjusted measures. These adjustments are not necessarily indicative of what our actual financial performance would have been during the periods presented and should be viewed in addition to, and not as an alternative to, our results prepared in accordance with GAAP. Further details regarding these adjustments are included in the tables below.

Certain non-GAAP measures presented on a forward-looking basis during our investor conference call, such as Restaurant Level Operating Margin for our first quarter 2026, were not reconciled to the comparable GAAP financial measures because the reconciliation could not be performed without unreasonable efforts. The GAAP measures are not accessible on a forward-looking basis because we are currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact GAAP measures for these periods but would not impact the non-GAAP measures. Such items may include corporate initiatives, litigation expense, impairments on long lived assets, and other items. The unavailable information could have a significant impact on our GAAP financial results.

CHIPOTLE MEXICAN GRILL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Adjusted Net Income and Adjusted Diluted Earnings per Share
(in thousands, except per share amounts)
(unaudited)

	Three months ended December 31, 2025		Year ended December 31, 2025	
	2025	2024	2025	2024
Net income	\$ 330,932	\$ 331,764	\$ 1,535,761	\$ 1,534,110
<i>Non-GAAP adjustments:</i>				
Impairment and exit costs:				
Restaurant asset impairment ⁽¹⁾	2,466	2,634	2,466	2,634
Gain on restaurant lease termination ⁽²⁾	(1,518)	-	(1,518)	-
Corporate asset impairment and other corporate (gains)/costs ⁽³⁾	-	(7,392)	(1,484)	(7,392)
Software asset impairment ⁽⁴⁾	-	-	-	6,249
Legal proceedings ⁽⁵⁾	(4,387)	4,387	(4,387)	21,437
Stock-based compensation forfeiture ⁽⁶⁾	-	-	-	(27,863)
Stock-based compensation retention grants ⁽⁷⁾	2,611	11,945	34,759	17,079
Investment unrealized loss ⁽⁸⁾	-	-	6,168	1,381
Total non-GAAP adjustments	(828)	11,574	36,004	13,525
Tax effect of non-GAAP adjustments above ⁽⁹⁾	1,235	(3,386)	(3,358)	(8,804)
After tax impact of non-GAAP adjustments	407	8,188	32,646	4,721
Adjusted net income	\$ 331,339	\$ 339,952	\$ 1,568,407	\$ 1,538,831
Diluted weighted-average number of common shares outstanding	1,319,988	1,368,923	1,342,616	1,376,555
Diluted earnings per share	\$ 0.25	\$ 0.24	\$ 1.14	\$ 1.11
Adjusted diluted earnings per share	\$ 0.25	\$ 0.25	\$ 1.17	\$ 1.12

- (1) Operating lease asset and leasehold improvements, property, plant and equipment impairment charges and other expenses for restaurants due to closures, relocations, or underperformance.
- (2) Lease remeasurement gain at termination of restaurant lease.
- (3) Other gains for offices or other corporate assets.
- (4) Property and equipment impairment charges related to a software asset.
- (5) (Reduction)/charges for estimated settlements for distinct legal matters that exceeded or are expected to exceed typical costs for these types of legal proceedings.
- (6) Stock-based compensation expense reversal for equity awards forfeited by our former CEO.
- (7) Stock-based compensation expense for retention equity awards granted to key executives in connection with the CEO transition.
- (8) Charges for unrealized losses in long-term investments.
- (9) Adjustments related to the tax effect of non-GAAP adjustments, which were determined based on the nature of the underlying non-GAAP adjustments and their relevant jurisdictional tax rates.

CHIPOTLE MEXICAN GRILL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Adjusted General and Administrative Expenses
(in thousands)
(unaudited)

	Three months ended December 31, 2025		Year ended December 31, 2025	
	2025	2024	2025	2024
General and administrative expenses	\$ 160,341	\$ 191,216	\$ 652,017	\$ 697,483
<i>Non-GAAP adjustments:</i>				
Legal proceedings ⁽¹⁾	4,387	(4,387)	4,387	(21,437)
Stock-based compensation forfeiture ⁽²⁾	-	-	-	27,863
Stock-based compensation retention grants ⁽³⁾	(2,611)	(11,945)	(34,759)	(17,079)
Total non-GAAP adjustments	1,776	(16,332)	(30,372)	(10,653)
Adjusted general and administrative expenses	\$ 162,117	\$ 174,884	\$ 621,645	\$ 686,830

- (1) Reductions/(charges) for estimated settlements for distinct legal matters that exceeded or are expected to exceed typical costs for these types of legal proceedings.
- (2) Stock-based compensation expense reversal for equity awards forfeited by our former CEO.
- (3) Stock-based compensation expense for retention equity awards granted to key executives in connection with the CEO transition.

CHIPOTLE MEXICAN GRILL, INC.
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Adjusted Effective Income Tax Rate
(unaudited)

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Effective income tax rate	23.7 %	24.4 %	23.6 %	23.7 %
Tax impact of non-GAAP adjustments ⁽¹⁾	(0.3)	0.2	(0.3)	0.3
Adjusted effective income tax rate	23.4 %	24.6 %	23.3 %	24.0 %

(1) Adjustments related to the tax effect of non-GAAP adjustments, which were determined based on the nature of the underlying non-GAAP adjustments and their relevant jurisdictional tax rates.

CHIPOTLE MEXICAN GRILL, INC.
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Restaurant Level Operating Margin
(in thousands)
(unaudited)

	Three months ended December 31,			
	2025	Percent of total revenue	2024	Percent of total revenue
Income from operations	\$ 420,319	14.1 %	\$ 415,732	14.6 %
<i>Non-GAAP Adjustments</i>				
General and administrative expenses	160,341	5.4	191,216	6.7
Depreciation and amortization	92,702	3.1	83,876	2.9
Pre-opening costs	16,946	0.6	12,905	0.5
Impairment, closure costs, and asset disposals	8,464	0.3	532	-
Total non-GAAP Adjustments	278,453	9.3	288,529	10.1
Restaurant level operating margin	\$ 698,772	23.4 %	\$ 704,261	24.8 %

	Year ended December 31,			
	2025	Percent of total revenue	2024	Percent of total revenue
Income from operations	\$ 1,935,798	16.2 %	\$ 1,916,333	16.9 %
<i>Non-GAAP Adjustments</i>				
General and administrative expenses	652,017	5.5	697,483	6.2
Depreciation and amortization	361,382	3.0	335,030	3.0
Pre-opening costs	49,507	0.4	41,897	0.4
Impairment, closure costs, and asset disposals	27,503	0.2	26,949	0.2
Total non-GAAP Adjustments	1,090,409	9.1	1,101,359	9.7
Restaurant level operating margin	\$ 3,026,207	25.4 %	\$ 3,017,692	26.7 %