

1-800-FLOWERS.COM, Inc. and Subsidiaries
Free Cash Flow
(in thousands)

	Years ended		
	June 28, 2020	June 30, 2019	July 1, 2018
Operating activities:			
Net income	\$ 58,998	\$ 34,766	\$ 40,791
Reconciliation of net income to net cash provided by operating activities, net of dispositions:			
Depreciation and amortization	32,513	29,965	32,469
Amortization of deferred financing costs	646	969	953
Deferred income taxes	(266)	2,698	(7,668)
Bad debt expense	4,143	1,383	1,068
Stock-based compensation	8,434	6,310	3,726
Other non-cash items	1,032	(16)	565
Changes in operating items:			
Trade receivables	(6,947)	(822)	70
Inventories	(4,371)	(3,536)	(12,963)
Prepaid and other	(726)	(2,313)	(6,286)
Accounts payable and accrued expenses	44,359	8,846	5,249
Other assets and other liabilities	1,602	(150)	367
Net cash provided by operating activities	139,417	78,100	58,341
Less: Capital expenditures, net of non-cash expenditures	34,703	32,560	33,306
Free Cash Flow	\$ 104,714	\$ 45,540	\$ 25,035