



**Luby's**  
.....  
Culinary Services

**Investor Presentation  
July 8, 2016**

**Luby's**

# Safe Harbor Statement



Statements made in this presentation and on the conference call, including statements made during the question-and-answer session, regarding Luby's future financial and operating results, as well as plans for expansion of the Company's business, including the expected financial performance of the Company's prototype restaurants and future openings, are forward-looking statements. These statements include risks and uncertainties, including but not limited to, general business conditions, the impact of competition, success of operating initiatives, changes in the constant cost and supply of food and labor and seasonality of the Company's business, taxes, inflation, governmental regulations, and availability of credit, as well as other risks and uncertainties disclosed in the Company's periodic reports on Forms 10-K and Forms 10-Q.

# Forward Looking Statements



Some of the statements in this presentation constitute “forward looking statements” about Luby’s, Inc. and its subsidiaries that involve risks, uncertainties and assumptions, including without limitation, our discussion and analysis of our financial condition and results of operations. These forward looking statements generally can be identified by use of phrases such as “believe,” “plan,” “expect,” “anticipate,” “intend,” “forecast” or other similar words or phrases in conjunction with a discussion of future operating or financial performance. Descriptions of our objectives, goals, targets, plans, strategies, costs, anticipated capital expenditures, expected cost savings, costs of our store rebranding initiatives, expansion of our foodservice offerings, potential acquisitions, and potential new store openings and dealer locations, are also forward looking statements. These statements represent our present expectations or beliefs concerning future events and are not guarantees. Such statements speak only as of the date they are made, and we do not undertake any obligation to update any forward looking statement.

Acceptance of the Management Presentation further constitutes your acknowledgement and agreement that neither Luby’s, Inc. (“Luby’s”) nor any of its directors, employees, controlling persons, agent or advisers (collectively, the “Representatives”) makes any express or implied representation or warranty as to the accuracy or completeness of the information contained herein and shall have no liability to the recipient or its Representatives relating to or arising from the use of the information contained herein or any omissions there from.

We caution that forward looking statements involve risks and uncertainties and are qualified by important factors that could cause actual events or results to differ materially from those expressed or implied in any such forward looking statements. For a discussion of these factors and other risks and uncertainties, please refer to our filings with the Securities and Exchange Commission (“the SEC”). We intend for the forward looking statements to be covered by the Safe Harbor provisions for forward looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purpose of complying with these Safe Harbor provisions.

# Non-GAAP Measures



We evaluate segment performance based on store level profit, which excludes selling, general and administrative expense, depreciation expense, opening costs, net interest expense and other non-operating income and expense. The Company has three reportable segments: Company-owned restaurants, Franchise operations and Culinary contract services

This Non-GAAP measure, store level profit or segment level profit, is defined for each business segment below, is not intended to replace or provide for more prominence over any GAAP measurement. We do believe the presentation of store level profit or segment level profit is useful to investors in understanding our restaurant level operational performance compared to previous periods and to other competitors.

- Company-owned restaurant segment: Restaurant sales plus vending income less Cost of food less Payroll and related costs less Other operating expenses less Occupancy costs without allocation of Selling, general, and administration (SG&A), depreciation, interest or other expenses
- Franchise operations segment: Franchise revenue less Cost of franchise operations (including direct SG&A), without allocation of other SG&A, depreciation, interest or other expenses
- Culinary contract services segment: Culinary contract service sales less Cost of culinary contract services (including direct SG&A) without allocation of other SG&A, depreciation, interest or other expenses

We evaluate total company performance on EBITDA. This Non-GAAP measure is defined as income from continuing operations before interest, income taxes, depreciation and amortization. It is also before asset impairment charges and gains and losses on dispositions. EBITDA does not include net other income. EBITDA was presented because it is frequently used by security analysts, investors, and other interested parties, in addition to and not in lieu of Generally Accepted Accounting Principles (GAAP). EBITDA is not a measurement of financial performance under GAAP and should not be considered an alternative to income from continuing operations. A reconciliation of income from continuing operations to EBITDA for each period presented is provided.

# Appealing Brands



## Luby's Culinary Services

launched in 2006 with a mission to redefine the food contract service industry. To be the best, not necessarily the biggest, is the daily mantra across this growing brand that is designed to serve the corporate, hospital and higher education market.

## Luby's Cafeterias

was founded in 1947 in San Antonio, TX with a mission to be the most successful cafeteria company in America. By serving customers convenient, great-tasting, home-style meals at an excellent value in a friendly environment.

**Fuddruckers** has been delivering uncompromised quality and in-your-face freshness while inspiring guests to build their own World's Greatest Hamburger® since 1980. Fuddruckers Hamburgers is known for its lively atmosphere, premium-cut, grilled-to-order beef, scratch-made buns and market fresh produce.

## Cheeseburger in Paradise

offers a laid back beach party atmosphere where guests can leave the stress of everyday life behind and enjoy an ice cold beverage. A place where the food is awesome, the cocktails are hand crafted and you can enjoy a one-of-a-kind Kicked Back Vibe.

# Proven Management Team



- **Chris Pappas**
  - President, CEO, Director of Luby's Inc. since March 2001
  - More than 39 years of experience in restaurant industry
  
- **Peter Tropoli**
  - COO since 2011; General Counsel and SVP Administration since 2001
  - 18 Years in restaurant industry
  
- **Scott Gray, CPA**
  - SVP and CFO since 2007; Finance and audit roles at Luby's since 2001
  - 19 Years in restaurant industry
  
- **Todd Coutee**
  - SVP Operations since 2011
  - 25 Years in restaurant industry, including 12 years in contract services



# Investment Highlights



- Expanding margins and increasing same-store sales
- Deploying capital for growth
  - Achieving new restaurant pipeline growth objectives
  - Remodeling existing restaurant portfolio to achieve better customer sales
  - Converting/relocating existing restaurants to maximize future returns and growth
- Expanding our footprint & Growing the Company
  - Opening new restaurants - locations with tested prototypes achieving higher sales leading to higher returns
  - Growing our national and international brand Fuddrucker's franchise store count
  - Expanding Culinary Contract Services business

# Well Established Brands & Growing



- Trade on NYSE since 1982
- Approximately \$400M in Annual Revenues
- System-wide sales \$540M (including Fuddruckers Franchises)
- FY2016 Q3 Trailing EBITDA of \$19.8M
- Operate primarily 93 Luby's Cafeterias, 77 Fuddruckers restaurants, and 8 Cheeseburger in Paradise Restaurants
- Operated Luby's Cafeterias for 69+ years, Fuddruckers for 6+ Years, and Cheeseburger in Paradise over 3 years
- Support 115 Fuddruckers franchises across the United States, Canada, Mexico, Dominican Republic, Italy, Panama, Chile, Poland, and Colombia
- Providing Contract Culinary Services at 26 locations

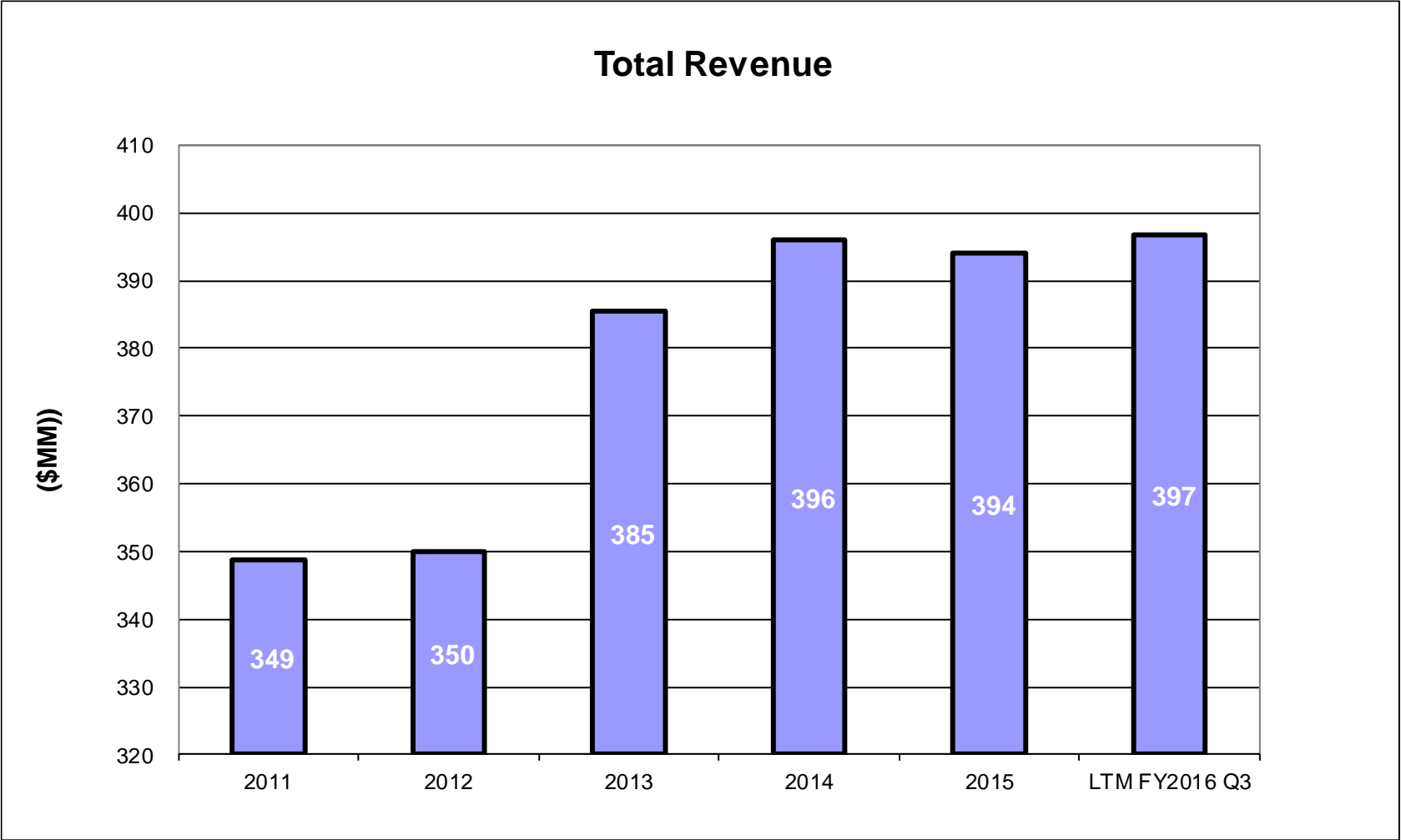


# Milestones

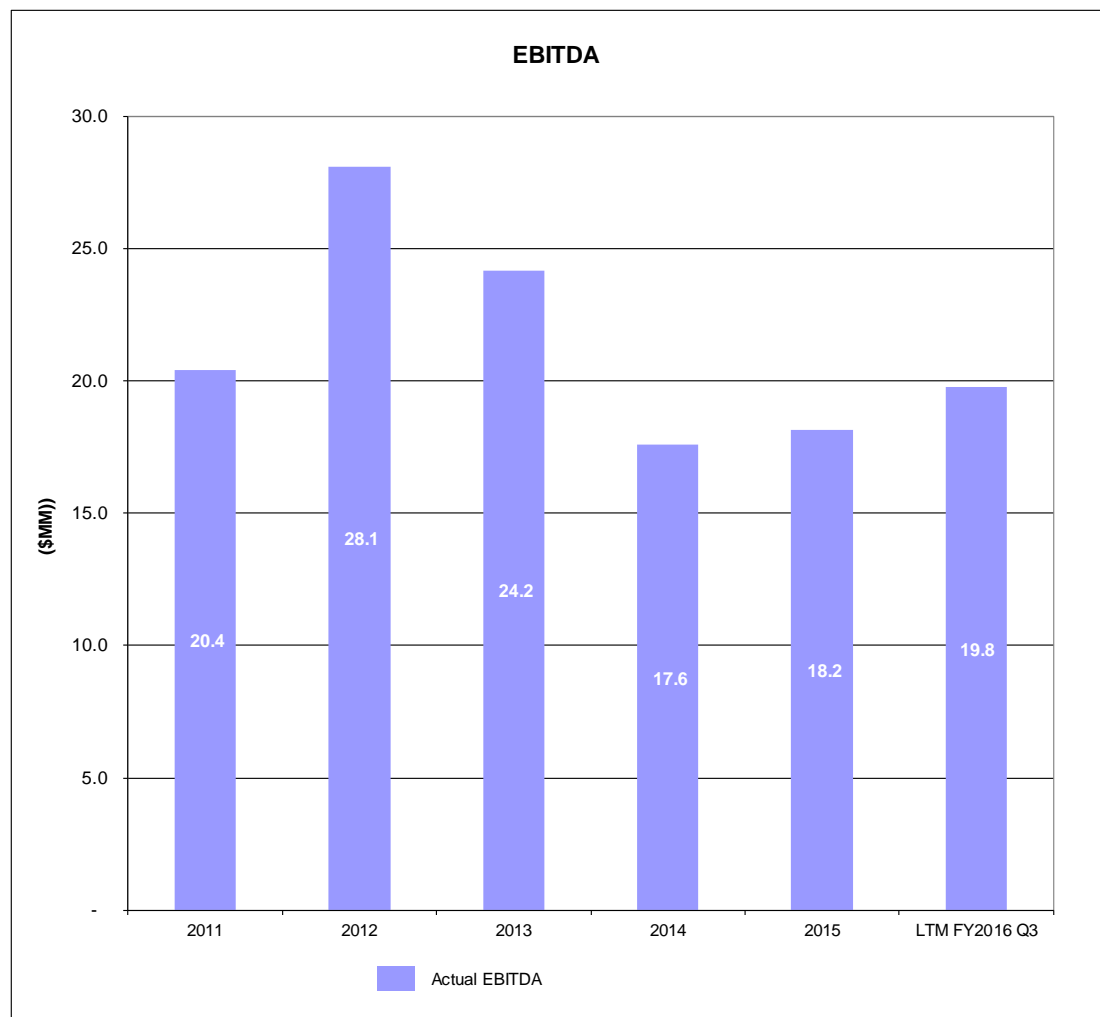


- July 2010 - Acquired (110+) Fuddruckers franchise and selected (59+) company units;
- FY 2011 - Began acquiring pipeline locations for Luby's and Fuddruckers brands for future new unit growth, began sale of domestic and international Fuddruckers franchise units; Relo new Luby's Sept 2011
- Aug 2012 - Design and open first Combo (Multi Brand) property in Pearland TX
- Dec 2012 - Acquired 23 leased locations for existing concept turn-around or sites to convert to Fuddruckers
- FY 2014 - Converted 3 Cheeseburger in Paradise units to Fuddruckers, Closed 15 locations, began planning for more conversions to Fuddruckers
- FY 2014 – 15 store openings, including 12 new restaurant locations
- FY2015 – Opened eight Fuddruckers (three converted from Cheeseburger in Paradise and one converted from Koo Koo Roo) and opened first Combo location outside Texas: Jackson, MS
- FY2016 Q1 – Opened two Fuddruckers (converted from Cheeseburger in Paradise), opened six franchised Fuddruckers restaurants  
Fuddruckers brand reaches 8 countries outside U.S.
- See slide #18 and recent news releases at [www.lubysinc.com/investors](http://www.lubysinc.com/investors)

# Total Revenue

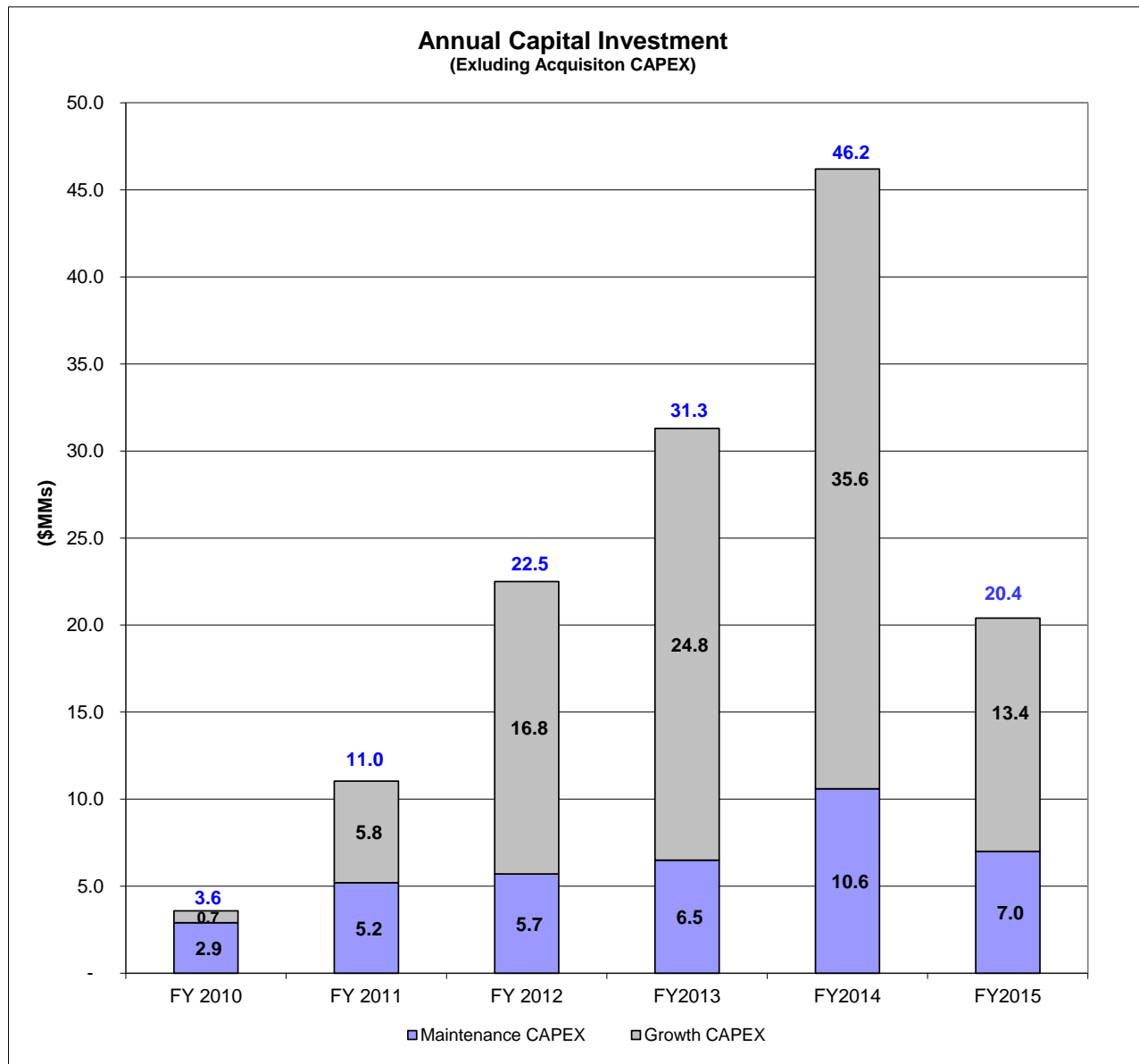


# EBITDA



EBITDA = Income from Continuing Operations + Income Taxes + Depreciation + Interest Expense + Net Loss/(Gain) on Dispositions + Asset Impairments + Non-cash compensation expense + Share based compensation expense - Other Income

# Investing to Grow



- Balance between capital allocation approaches:
  - “Capital intensive” investments with new restaurants
  - “Low/no capital requirement” investments with Culinary Contract Service and Fuddruckers Franchise Business segments
  
- Develop restaurant prototypes for growth, primarily through combo units where we build a Luby’s and Fuddruckers side-by-side
  
- Reinvest in existing restaurants to sustain and grow cash flow
  
- Maintain acceptable debt levels

- 50%/50% Owned/Leased Properties
- Owning locations offers greater flexibility when time to relocate/exit as capital can be “recycled” into another location and building. Represents a long term asset for shareholder value and site flexibility.
- Match own versus lease decision to the property purpose
  - Combo locations require larger parcel of land where “buy” economics are typically superior
  - Cafeteria locations also require larger parcel of land and a customized building where owning is typically, but not always, preferred
  - Fuddruckers units offer more flexibility in configurations and size and are often more suitable in leased locations

# FY2016 Restaurant Counts



	<b>FY2016 Year Begin</b>	FY2016 YTDQ3 Openings	FY2016 YTDQ3 Closings	<b>FY2016 Q3 End</b>
Luby's Cafeterias <sup>1</sup>	<b>93</b>		(1)	<b>92</b>
Fuddruckers <sup>1</sup>	<b>75</b>	3	(1)	<b>77</b>
Cheeseburger in Paradise	<b>8</b>			<b>8</b>
Other Restaurants <sup>2</sup>	<b>1</b>			<b>1</b>
<b>Total</b>	<b>177</b>	3	(2)	<b>178</b>

Notes

<sup>1</sup> Includes 6 Restaurants that are part of "combo" locations

<sup>2</sup> Other restaurants include one Bob Luby's Seafood



# Fuddruckers – Franchise Pipeline

(As of July 1, 2016)



Location/Country	Count	7/1/2016 Opened	Remaining in Pipeline
Omaha	3	1	2
Dominican Republic	3	1	2
Orange County	10	-	10
South Florida	7	2	5
Central Florida	8	1	7
North Dakota	5	2	3
Maine	1	1	-
Virginia	3	1	2
Panama/Aruba	10	2	8
Chile	10	1	9
Italy/Poland/Switzerland	10	5	5
Germany	10	-	10
Colombia	10	2	8
Detroit	2	1	1
Canada (Alberta/Saskatchewan)	5	-	5
Travel Centers of America	2	2	-
Mexico	5	1	4
NM/OK	8	3	5
MT	1	1	-
<b>Total</b>	<b>113</b>	<b>27</b>	<b>86</b>

Timeline of Openings Per Development Agreement	
FY 2016	13
Fy 2017	16
Fy 2018	15
FY 2019	16

Pipeline reflects collection of **\$1.8 million** of Franchisee Fees to be earned as stores open from the Pipeline.

## ➤ All Brands

- Leadership development supporting a culture of highest-level of guest service
- Remodel program to enhance guests' experience and increase guest frequency

## ➤ Cheeseburger

- Continue staging conversions for the future
- Enhance same store sales through new menu innovation and further guest engagement

## ➤ Fuddruckers

- Establishing a championship culture
- Quality / Speed of Service / Upsell = Sales and profitability growth

## ➤ Luby's Cafeteria

- Everyday value and service
- "The Luby's Way" - freshly prepared menu items from hand-crafted recipes, using locally sourced produce and ingredients where possible. "Delighted to Help" guest service

# Recent Developments

- Terra Haute, IN and Middleton, WI  
(both locations converted from Cheeseburger in Paradise restaurants)
- Opened Fuddrucker's in Northbrook, IL (near Chicago)  
Newly developed retail space



- Opened 13 Franchise Fuddrucker's in Fiscal 2016 (through July 8, 2016)
  - Domestic U.S: Michigan, Montana, Florida, Georgia, Virginia (2), Texas
  - International: Italy (2), Colombia (2), Mexico, Panama

# FINANCIAL HIGHLIGHTS

# Total Company Same-Store Sales



	Q1	Q2	Q3	Q4	Year
2013	0.2%	(0.6%)	(0.1%)	0.5%	0.0%
2014	(1.3%)	2.5%	0.3%	(1.0%)	0.0%
2015	(0.1%)	2.5%	(1.1%)	0.7%	0.5%
2016	1.4%	2.2%	(0.6%)		

\*FY2014 Q1 Calendar Shifted for Timing of Thanksgiving: Same Store Sales = 1.1%

\*\*FY2014 Q2 Calendar Shifted for Timing of Thanksgiving: Same Store Sales = 0.1%

**Restaurant Sales Change (\$MM)  
FY2015 Comparable 12-Weeks to FY2016 Q3**



# Trailing Four Quarters Results by Segment

\$ (000's)	Trailing 4 Qtr 6/1/2016		Trailing 4 Qtr 6/3/2015	
		%		%
<b>Restaurant sales</b>	<b>\$ 373,029</b>		<b>\$ 370,513</b>	
Cost of Food	106,005	28.4%	107,777	29.1%
Payroll and Related	129,652	34.8%	128,182	34.6%
Other Operating	61,498	16.5%	63,024	17.0%
Occupancy Cost	21,913	5.9%	21,843	5.9%
Vending Revenue	(570)	(0.2%)	(528)	(0.1%)
<i>Store level profit</i>	<u>54,531</u>	<b>14.6%</b>	<u>50,216</u>	<b>13.6%</b>
<b>Culinary contract sales</b>	<b>\$ 16,069</b>	<b>100.0%</b>	<b>\$ 17,366</b>	<b>100.0%</b>
Cost of culinary	<u>14,490</u>		<u>15,662</u>	
<i>Unit level profit</i>	1,578	9.8%	1,704	9.8%
<b>Franchise Revenue</b>	<b>\$ 7,063</b>		<b>\$ 7,021</b>	
Cost of Franchise	<u>1,865</u>		<u>1,652</u>	
<i>Unit level profit</i>	5,198	73.6%	5,369	76.5%
<b>Vending</b>	<b>\$ 570</b>		<b>\$ 528</b>	
<b>Total revenue</b>	<b>\$ 396,731</b>		<b>\$ 395,429</b>	

Store Level Profit of **14.6%** for trailing 4 quarters vs. **13.6%** in prior trailing 4 quarters



# STORE-LEVEL PROFIT

FY16 Q3, FY15 Q3, FY15 Comparable Period



(\$000s)	Total Company Periods Ended		
	June 1, 2016 (12 weeks)	May 6, 2015 (12 weeks)	June 3, 2015 (12 weeks)
Restaurant sales	93.9%	94.4%	94.5%
Culinary Contract Services	4.2%	3.9%	3.6%
Franchise revenue	1.7%	1.7%	1.7%
Vending revenue	0.2%	0.1%	0.1%
<b>TOTAL SALES</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>COSTS AND EXPENSES:</b>			
(As a percentage of restaurant sales)			
Cost of food	28.0%	28.4%	28.4%
Payroll and related costs	35.6%	33.8%	33.9%
Other operating expenses	15.7%	16.1%	16.2%
Occupancy costs	5.9%	5.4%	5.5%
Vending revenue	(0.2%)	(0.1%)	(0.1%)
<b>Store level profit</b>	<b>15.0%</b>	<b>16.4%</b>	<b>16.1%</b>
(As a percentage of total sales)			
Selling, general and administrative expenses	10.0%	8.6%	8.4%
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>(0.4%)</b>	<b>3.7%</b>	<b>3.3%</b>

# Pre-Tax Income



\$ (000's)	Trailing 4 Qtr 6/1/2016		Trailing 4 Qtr 6/3/2015	
Total Revenue	396,731	100.0%	395,429	100.0%
Segment profits				
Company restaurants	54,531		50,216	
Culinary contract services	1,578		1,704	
Franchise operations	5,198		5,369	
Segment level profit	61,307		57,289	
Less:				
Opening cost	1,216		2,772	
Selling, general and administrative	41,763	10.5%	38,339	9.7%
Depreciation and amortization	22,685	5.7%	21,272	5.4%
Provision for asset impairments	456		1,396	
Gain on disposition of assets	(2,939)		(3,048)	
Interest expense, net	2,196		1,943	
Other (Income) / Expense	(219)		(539)	
<b>Pre-Tax Loss</b>	<b>(3,849)</b>	<b>(1.0%)</b>	<b>(4,846)</b>	<b>(1.2%)</b>
Exclude Asset Impairments/(Gains)	(2,483)		(1,652)	
<b>Adjusted Pre-Tax Loss</b>	<b>(6,333)</b>	<b>(1.6%)</b>	<b>(6,498)</b>	<b>(1.6%)</b>

# LUBY'S CAFETERIAS

## SAME-STORE SALES



### Luby's Cafeterias - Same Store Sales YOY

Quarter	Sales	Traffic	PPA
<b>Q1 (Mid December)</b>			
2014*	2.4%	1.6%	0.7%
2015	0.2%	0.1%	0.1%
2016	1.2%	0.8%	0.4%
<b>3-Year Comp</b>	<b>3.8%</b>	<b>2.5%</b>	<b>1.2%</b>
<b>Q2 (Early March)</b>			
2014	1.2%	1.0%	0.2%
2015	3.1%	2.2%	0.9%
2016	3.1%	4.7%	(1.5%)
<b>3-Year Comp</b>	<b>7.5%</b>	<b>8.0%</b>	<b>(0.4%)</b>
<b>Q3 (Early June)</b>			
2014	2.0%	2.0%	0.0%
2015	(1.0%)	(2.7%)	1.7%
<b>2016</b>	<b>(0.2%)</b>	<b>3.7%</b>	<b>(3.9%)</b>
<b>3-Year Comp</b>	<b>0.7%</b>	<b>2.8%</b>	<b>5.8%</b>
<b>Q4 (Last Wednesday in August)</b>			
2013	1.0%	0.5%	0.4%
2014	0.4%	1.6%	(1.2%)
2015	0.2%	(2.6%)	2.8%
<b>3-Year Comp</b>	<b>1.6%</b>	<b>(0.5%)</b>	<b>2.0%</b>

\*2014 Q1 & Q2 Calendar Shifted for Timing of Thanksgiving

# FUDDRUCKERS BRAND

## SAME-STORE SALES



### Fuddruckers - Same Store Sales YOY

Quarter	Sales	Traffic	PPA
<b>Q1 (mid-December)</b>			
2014	(2.3%)	(4.8%)	2.7%
2015	0.2%	1.9%	(1.7%)
2016	1.3%	(3.2%)	4.5%
<b>3-Year Comp</b>	<b>(0.9%)</b>	<b>(6.1%)</b>	<b>5.5%</b>
<b>Q2 (Mid February)</b>			
2014	(2.7%)	(3.8%)	1.2%
2015	2.1%	1.8%	0.3%
2016	0.0%	(3.0%)	3.0%
<b>3-Year Comp</b>	<b>(0.6%)</b>	<b>(5.0%)</b>	<b>4.6%</b>
<b>Q3 (Early May)</b>			
2014	(3.9%)	(3.5%)	(0.4%)
2015	0.2%	(1.3%)	1.5%
2016	(1.0%)	(1.9%)	0.9%
<b>3-Year Comp</b>	<b>(4.7%)</b>	<b>(6.7%)</b>	<b>2.1%</b>
<b>Q4 (Last Wednesday in August)</b>			
2013	(0.4%)	(2.9%)	2.2%
2014	(4.5%)	(3.1%)	(1.4%)
2015	1.7%	(1.6%)	3.3%
<b>3-Year Comp</b>	<b>(3.3%)</b>	<b>(7.4%)</b>	<b>4.1%</b>

# FY16Q3 Sales Volumes by Unit (\$000's)



## Quarter 3 (16Q3) Restaurant Segment Highlights (\$000's)

	Units Reporting Sales in 16Q3	16Q3 Restaurant Sales	16Q3 % Sales	16Q3 Operating Weeks	16Q3 Average Weekly Sales
<b>New Growth Stores</b>					
+ Luby's	6	\$ 3,483		60	\$ 58.0
+ Fuddruckers	6	\$ 1,797		60	\$ 30.0
New Combos (restaurant count)	12	\$ 5,280	6.1%	60	\$ 88.0
New Lubys	3	\$ 2,457	2.8%	36	\$ 68.3
2nd Gen Space/Unit Converted to Fuddruckers	14	\$ 3,445	4.0%	144	\$ 23.9
Cheeseburger conversions to Fuddruckers	7	\$ 2,150	2.5%	84	\$ 25.6
New Fuddruckers (non free-standing)	2	\$ 549	0.6%	24	\$ 22.9
New Fuddruckers (free-standing on existing land)	1	\$ 318	0.4%	12	\$ 26.5
<b>Legacy Stores</b>					
Core Fudds	47	\$ 18,325	21.2%	564	\$ 32.5
Core Lubys (1)	84	\$ 49,350	57.1%	1008	\$ 49.0
Cheeseburger in Paradise	8	\$ 4,598	5.3%	96	\$ 47.9
<b>Total Open Operating Units</b>	<b>178</b>	<b>\$ 86,472</b>	<b>100.0%</b>	<b>2028</b>	<b>\$ 42.6</b>
Restaurants closed in FY16 Q3 or prior	1	\$ 4	0.0%		
<b>Total Company Operated Units Reporting</b>	<b>179</b>	<b>\$ 86,476</b>	<b>100.0%</b>		

# FY15Q3 Sales Volumes by Unit (\$000's)



## Quarter 3 (15Q3) Restaurant Segment Highlights (\$000's)

	Units Reporting	15Q3	15Q3	15Q3	15Q3
	Sales in 15Q3	Restaurant Sales	% Sales	Operating Weeks	Average Weekly Sales
<b>New Growth Stores</b>					
+ Luby's	6	\$ 4,549		60	\$ 75.8
+ Fuddruckers	6	\$ 1,806		60	\$ 30.1
New Combos (restaurant count)	12	\$ 6,355	7.2%	60	\$ 105.9
New Lubys	3	\$ 2,653	3.0%	36	\$ 73.7
2nd Gen Space/Unit Converted to Fuddruckers	10	\$ 2,616	2.9%	1056	\$ 2.5
Cheeseburger conversions to Fuddruckers	3	\$ 1,107	1.2%	1284	\$ 0.9
New Fuddruckers (non free-standing)	1	\$ 415	0.5%	12	\$ 34.6
New Fuddruckers (free-standing on existing land)	1	\$ 314	0.4%	12	\$ 26.2
<b>Legacy Stores</b>					
Core Fudds	47	\$ 18,541	20.9%	564	\$ 32.9
Core Lubys (1)	84	\$ 50,190	56.5%	1008	\$ 49.8
Cheeseburger in Paradise	8	\$ 4,254	4.8%	96	\$ 44.3
<b>Total Open Operating Units</b>	<b>169</b>	<b>\$ 86,445</b>	<b>97.4%</b>	<b>4128</b>	<b>\$ 20.9</b>
Restaurants closed in FY16 Q3 or prior	7	\$ 2,344	2.6%		
<b>Total Company Operated Units Reporting</b>	<b>176</b>	<b>\$ 88,788</b>	<b>100.0%</b>		

# Balance Sheet



	June 1, 2016	August 27, 2015
Total Assets	\$ 261,772	\$ 264,258
Total Liabilities	\$ 88,440	\$ 89,599
Total Shareholders' Equity	\$ 173,332	\$ 174,659
Total Liabilities and Shareholders' Equity	\$ 261,772	\$ 264,258
Debt Outstanding (Including in Liabilities Above)	\$ 36,000	\$ 37,500
Less: Cash and cash equivalents (included in assets above):	\$ (1,409)	\$ (1,501)
Net Debt	\$ 34,591	\$ 35,999



# FY2016 Capital investments



(\$MM)	FY13 Total	FY14 Total	FY15 Year
Land	\$ 4.8	\$ 12.2	\$ 3.2
New Construction	14.7	16.9	2.5
Remodels/Conversions	5.4	6.5	7.8
Recurring/Maint.	6.4	10.6	7.0
<b>Total</b>	<b>\$ 31.3</b>	<b>\$ 46.2</b>	<b>\$ 20.4</b>

FY16 Q1	FY16 Q2	FY16	FY16 YTD
\$ -	\$ -	\$ -	\$ -
1.0	0.1	0.0	1.1
3.1	1.6	1.7	6.5
1.6	3.5	1.7	6.8
<b>\$ 5.7</b>	<b>\$ 5.2</b>	<b>\$ 3.4</b>	<b>\$ 14.4</b>

Expect FY2016 Capital Expenditures to be under \$20 million, excluding possible land purchases

# Guidance for FY2016

(As of July 8, 2016)



- Same-store sales growth at our core Luby's and Fuddruckers brands
- Improve store level profit at new restaurants and enhance profitability at our core brand legacy locations; lower general and administrative expenses
- FY2016 Capital Spend under \$20 million, excluding purchase of land
- FY2016 Franchisee openings: 13 or more locations

# Reconciliation of Store Level Profit to Income (Loss) from Continuing Operations



	Quarter Ended		Comparable Period
	June 1, 2016 (12 weeks)	May 6, 2015 (12 weeks)	June 3, 2015 (12 weeks)
Store level profit	13,013	14,609	14,170
Plus:			
Sales from culinary contract services	3,892	3,624	3,343
Sales from franchise revenue	1,586	1,578	1,605
Less:			
Opening costs	117	427	466
Cost of culinary contract services	3,534	3,232	3,064
Cost of franchise operations	441	410	403
Depreciation and amortization	5,304	4,759	4,832
Selling, general and administrative expenses	9,227	8,139	7,846
Provision for asset impairments	172	-	-
Net (gain) loss on disposition of property and equipment	42	(609)	(604)
Interest income	-	(1)	(1)
Interest expense	482	599	587
Other income (expense), net	(88)	(24)	(20)
Provision (benefit) for income taxes	(593)	395	398
Income (Loss) from continuing operations	<b>(147)</b>	<b>2,484</b>	<b>2,147</b>

# GAAP Reconciliation (\$000s)



	Periods Ended		Period
	June 1, 2016	May 6, 2015	June 3, 2015
	(12 weeks)	(12 weeks)	(12 weeks)
<b>Income / (Loss) from Continuing Operations:</b>	\$ (147)	\$ 2,484	\$ 2,147
Add: Provision (benefit) for income taxes	(593)	395	398
Add: Depreciation and amortization	5,304	4,759	4,832
Add: Interest expense, net	482	598	586
Add: Net loss/(gain) on disposition of property and equipment	42	(609)	(604)
Add: Provision for asset impairments	172	-	(0)
Add: Non-cash compensation expense	259	242	243
Less: Other income (expense)	(88)	(24)	(20)
<b>EBITDA</b>	<b>\$ 5,431</b>	<b>\$ 7,845</b>	<b>\$ 7,582</b>