



Luby's
.....
Culinary Services

**Investor Presentation
January 29, 2018**

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
 - Over 20 Years in restaurant industry

- **Scott Gray, CPA**
 - SVP and CFO since 2007; Finance and audit roles at Luby's since 2001
 - Over 20 Years in restaurant industry

- **Todd Coutee**
 - SVP Operations since 2011
 - 25 Years in restaurant industry, including 12 years in contract services

Well Established Brands



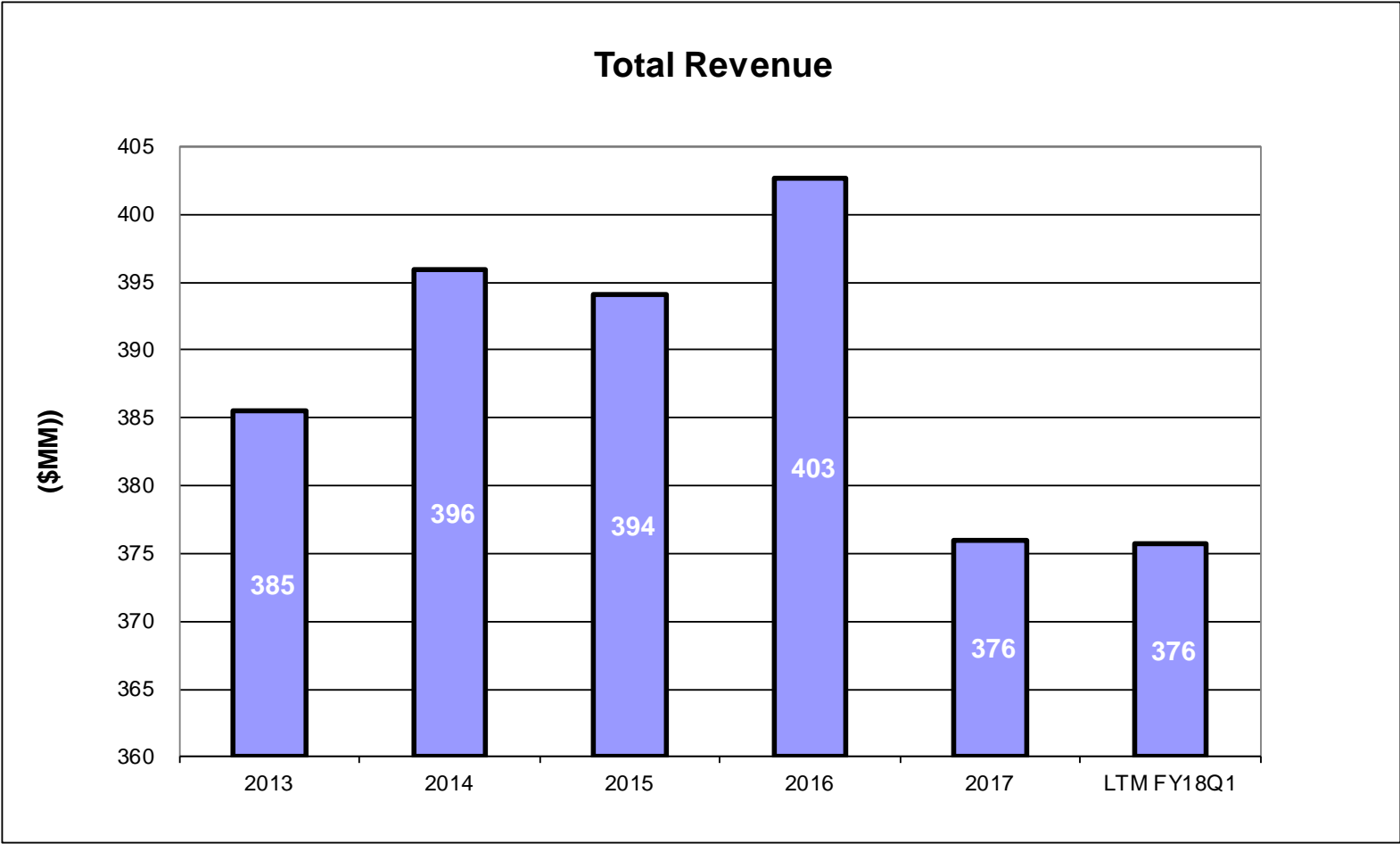
- Trade on NYSE since 1982
- \$376M in Annual Revenues Trailing 4 Quarter FY18Q1
- System-wide sales of \$540M (including Fuddruckers Franchises)
- FY2018Q1 Trailing Adjusted EBITDA of \$14.4M
- Operate primarily 88 Luby's Cafeterias, 68 Fuddruckers restaurants, and 7 Cheeseburger in Paradise Restaurants
- Operated Luby's Cafeterias for 70 years, Fuddruckers for 7 Years, and Cheeseburger in Paradise over 3 years
- Support 111 Fuddruckers franchises across the United States (including Puerto Rico), Canada, Mexico, Dominican Republic, Italy, Panama, and Colombia
- Providing Contract Culinary Services at 22 locations

Milestones

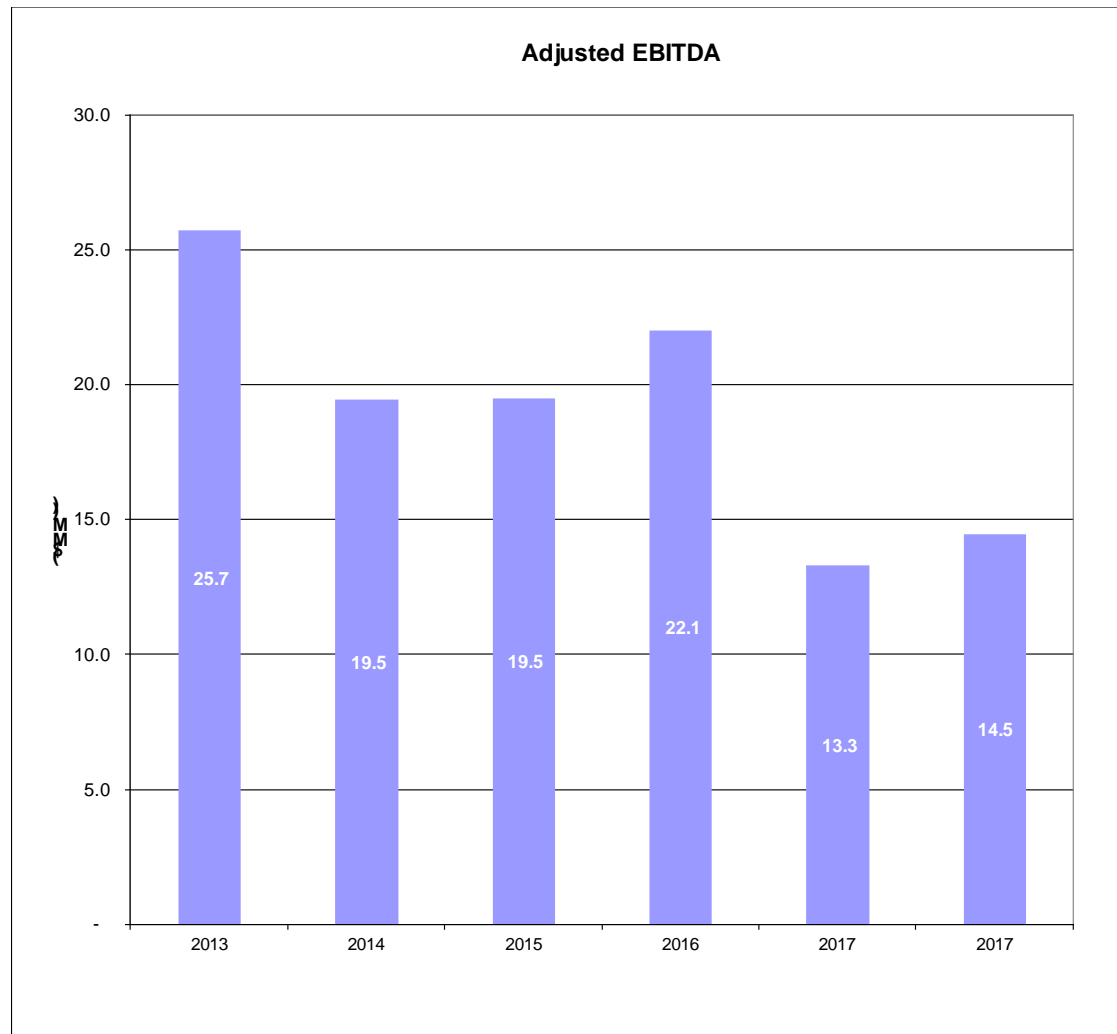


- July 2010 - Acquired (110+) Fuddrucker's franchise and selected (59+) company units;
- FY 2011 - Began acquiring pipeline locations for Luby's and Fuddrucker's brands for future new unit growth, began sale of domestic and international Fuddrucker's franchise units; Relo new Luby's Sept 2011
- Aug 2012 - 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 Fuddrucker's
- FY 2014 - Converted 3 Cheeseburger in Paradise units to Fuddrucker's, Closed 15 locations, began planning for more conversions to Fuddrucker's
- FY 2014 – 15 store openings, including 12 new restaurant locations
- FY2015 – Opened eight Fuddrucker's (three converted from Cheeseburger in Paradise and one converted from Koo Koo Roo) and opened first Combo location outside Texas: Jackson, MS
- FY2016 – Opened three Fuddrucker's (two converted from Cheeseburger in Paradise), opened 13 franchised Fuddrucker's restaurants (most in any single year) Fuddrucker's brand reaches 8 countries outside U.S.
- FY2017 – Opened one Fuddrucker's and deployed first self-order stations
- See recent news releases at www.lubysinc.com/investors

Total Revenue

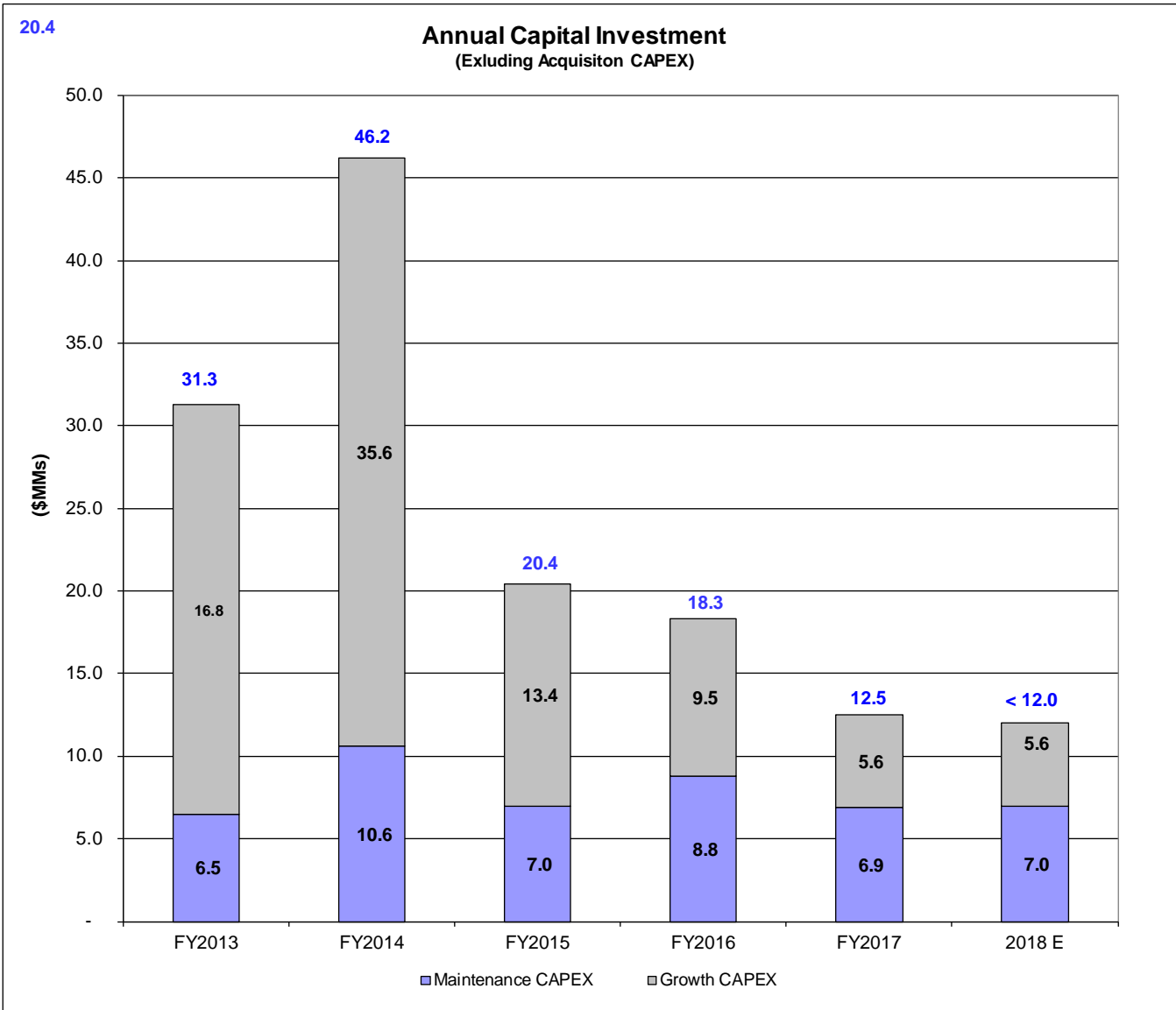


Adjusted EBITDA



EBITDA = Income (loss) from Continuing Operations + Income Taxes + Depreciation + Interest Expense + Net Loss/(Gain) on Dispositions + Asset Impairments + Non-cash compensation expense + Franchise taxes + Change in fair value of derivatives

Annual Capital Investment



- Balance between capital allocation approaches:
 - “Capital intensive” investments with new restaurants
 - “Low/no capital requirement” investments with Culinary Contract Service and Fuddrucker's Franchise Business segments

- Reinvest in existing restaurants to sustain and grow cash flow

- New innovations in digital technologies

- 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.
 - Sold five property locations in FY2017 generating \$8.0 million in proceeds
- 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
 - Fuddrucker's units offer more flexibility in configurations and size and are often more suitable in leased locations

FY2018 Restaurant Counts



	FY2018 Year Begin	FY17 Q1 Openings	FY17 Q1 Closings	FY2018 Q1 End
Luby's Cafeterias ¹	88		-	88
Fuddruckers ¹	71		(3)	68
Cheeseburger in Paradise	8		(1)	7
Total	167	-	(4)	163

Notes

¹ Includes 6 Restaurants that are part of "combo" locations

Fuddruckers – Franchise Pipeline

(As of January 26, 2018)



Location/Country	Development Agreement Count	As of 01/26/18		Remaining in Pipeline
		Currently Open	Previously Closed	
Omaha	1	1		-
Dominican Republic	3	1	1	1
South Florida	7	2		5
Central Florida	8	1		7
North Dakota	5	1	1	3
Maine	1	1		-
Virginia	3	2		1
Panama/Aruba	10	3		7
Italy/Poland/Germany	20	1	4	15
Colombia	10	3		7
Detroit	2	1		1
Canada (Alberta/Saskatchewan)	5	1	1	3
Mexico	5	3		2
New Mexico / Oklahoma	8	3		5
Travel Centers of America	10	3		7
Manheim PA	1	1		-
Duncan SC	1	1		-
Naples, FL	3			3
Total	103	29	7	67

Pipeline reflects collection of \$1.5 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
- Capital conservation so cash flow and property sale proceeds can be used to reduce debt balance
- Culinary Innovation

➤ 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

➤ Fuddruckers

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

➤ Cheeseburger

- Enhance same store sales through new menu innovation and further guest engagement

FINANCIAL HIGHLIGHTS

Total Company Same-Store Sales



	Q1	Q2	Q3	Q4	Year
2015	(0.1%)	2.5%	(1.1%)	0.7%	0.5%
2016	1.4%	2.2%	(0.6%)	(0.5%)	0.7%
2017	(2.3%)	(3.8%)	(2.7%)	(5.1%)	(3.4%)
2018	0.8%				

FY2017 Q4 Same Stores negatively impacted by Hurricane Harvey by approx. 3.0%

Trailing Four Quarters Results by Segment

\$ (000's)	Trailing 4 Qtr 12/20/2017		Trailing 4 Qtr 12/21/2016	
		%		%
Restaurant sales	\$ 347,318		\$ 372,648	
Cost of Food	97,618	28.1%	105,396	28.3%
Payroll and Related	125,451	36.1%	132,208	35.5%
Other Operating	61,775	17.8%	62,187	16.7%
Occupancy Cost	21,573	6.2%	22,207	6.0%
Vending Revenue	(531)	(0.2%)	(584)	(0.2%)
<i>Store level profit</i>	<u>41,432</u>	11.9%	<u>51,234</u>	13.7%
Culinary contract sales	\$ 21,166	100.0%	\$ 16,076	100.0%
Cost of culinary	<u>18,294</u>		<u>14,345</u>	
<i>Unit level profit</i>	<u>2,871</u>	13.6%	<u>1,732</u>	10.8%
Franchise Revenue	\$ 6,738		\$ 6,996	
Cost of Franchise	<u>1,640</u>		<u>1,845</u>	
<i>Unit level profit</i>	<u>5,098</u>	75.7%	<u>5,151</u>	73.6%
Vending	\$ 531		\$ 584	
Total revenue	\$ 375,753		\$ 396,305	

- Store Level Profit of **11.9%** for trailing 4 quarters vs. **13.7%** in prior trailing 4 quarters
- Trailing 4 quarters ended 12/20/2017 negatively impacted by Hurricane Harvey by approximately \$1.5 million

STORE-LEVEL PROFIT

FY18 Q1 Year-over-Year



(\$000s)	Total Company	
	Quarter Ended	
	12/20/17	12/21/16
	(16 weeks)	(16 weeks)
Restaurant Sales	91.6%	94.5%
Culinary contract services	6.6%	3.8%
Franchise revenue	1.7%	1.6%
Vending revenue	0.1%	0.1%
TOTAL SALES	100.0%	100.0%
COSTS AND EXPENSES:		
<i>(As a percentage of restaurant sales)</i>		
Cost of food	28.5%	28.5%
Payroll and related costs	36.5%	35.8%
Other operating expenses	18.6%	18.2%
Occupancy	6.0%	6.0%
Vending revenue	(0.1%)	(0.1%)
Store Level Profit	10.6%	11.7%
<i>(As a percentage of total sales)</i>		
Marketing and advertising expenses	1.3%	2.0%
General and administrative	8.8%	10.0%
Selling, general and administrative expenses	10.1%	12.0%
LOSS FROM OPERATIONS	(3.8%)	(5.7%)

LUBY'S CAFETERIAS

SAME-STORE SALES



Luby's Cafeterias - Same Store Sales YOY

Quarter	Sales	Traffic	PPA
Q1 (Mid December)			
2016	1.2%	0.8%	0.4%
2017	(2.2%)	(1.4%)	(0.8%)
2018	1.5%	(3.3%)	4.8%
3-Year Comp	0.5%	(3.9%)	4.4%
Q2 (Early March)			
2015	3.1%	2.2%	0.9%
2016	3.1%	4.7%	(1.5%)
2017	(4.4%)	(6.6%)	2.4%
3-Year Comp	1.6%	(0.1%)	1.7%
Q3 (Early June)			
2015	(1.0%)	(2.7%)	1.7%
2016	(0.2%)	3.7%	(3.8%)
2017	(2.5%)	(7.1%)	5.0%
3-Year Comp	(3.7%)	(6.3%)	2.7%
Q4 (Last Wednesday in August)			
2015	0.4%	1.6%	(1.2%)
2016	0.2%	(2.6%)	2.9%
2017	(4.5%)	(8.6%)	4.5%
3-Year Comp	(3.9%)	(9.5%)	6.2%

FUDDRUCKERS BRAND

SAME-STORE SALES



Fuddruckers - Same Store Sales YOY

Quarter	Sales	Traffic	PPA
Q1 (mid-December)			
2016	1.3%	(3.2%)	4.6%
2017	(1.6%)	(2.7%)	1.1%
2018	0.6%	(3.9%)	4.5%
3-Year Comp	0.3%	(9.5%)	10.6%
Q2 (Mid February)			
2015	2.1%	1.8%	0.3%
2016	0.0%	(3.0%)	3.1%
2017	(1.1%)	(2.8%)	1.7%
3-Year Comp	1.0%	(4.0%)	5.2%
Q3 (Early May)			
2015	0.2%	(1.3%)	1.5%
2016	(1.0%)	(1.9%)	1.0%
2017	(0.9%)	(5.6%)	5.0%
3-Year Comp	(1.7%)	(8.6%)	7.6%
Q4 (Last Wednesday in August)			
2015	(4.5%)	(3.1%)	(1.4%)
2016	1.7%	(1.6%)	3.4%
2017	(3.6%)	(7.6%)	4.3%
3-Year Comp	(6.4%)	(11.9%)	6.3%

FY18Q1 Sales Volumes by Unit (\$000's)



	Units Reporting Sales in 18Q1	18Q1 Restaurant Sales	18Q1 % Sales	18Q1 Operating Weeks	18Q1 Average Weekly Sales
New Growth Stores					
+ Luby's	6	\$ 5,074		96	\$ 52.9
+ Fuddrucker's	6	\$ 1,638		96	\$ 17.1
New Combos (restaurant count)	12	\$ 6,712	6.4%	96	\$ 69.9
New Lubys	3	\$ 3,175	3.0%	48	\$ 66.1
2nd Gen Space/Unit Converted to Fuddrucker's	11	\$ 3,745	3.6%	128	\$ 29.3
Cheeseburger conversions to Fuddrucker's	3	\$ 1,284	1.2%	48	\$ 26.8
New Fuddrucker's (non free-standing)	3	\$ 1,015	1.0%	48	\$ 21.2
New Fuddrucker's (free-standing on existing land)	1	\$ 392	0.4%	16	\$ 24.5
Legacy Stores					
Core Fudds	42	\$ 20,041	19.2%	672	\$ 29.8
Core Lubys	79	\$ 64,255	61.4%	1264	\$ 50.8
Cheeseburger in Paradise	7	\$ 3,458	3.3%	112	\$ 30.9
Total Open Operating Units	161	\$ 104,077	99.5%	2432	\$ 42.8
Restaurants closed in FY18 Q1 or prior ¹	4	\$ 506	0.5%		
Total Company Operated Units Reporting	165	\$ 104,583	100.0%		

FY17Q1 Sales Volumes by Unit (\$000's)



	Units Reporting Sales in 17Q1	17Q1 Restaurant Sales	17Q1 % Sales	17Q1 Operating Weeks	17Q1 Average Weekly Sales
New Growth Stores					
+ Luby's	6	\$ 4,957		96	\$ 51.6
+ Fuddruckers	6	\$ 1,669		96	\$ 17.4
New Combos (restaurant count)	12	\$ 6,626	6.1%	96	\$ 69.0
New Lubys	3	\$ 3,139	2.9%	48	\$ 65.4
2nd Gen Space/Unit Converted to Fuddruckers	11	\$ 3,773	3.5%	176	\$ 21.4
Cheeseburger conversions to Fuddruckers	3	\$ 1,237	1.1%	48	\$ 25.8
New Fuddruckers (non free-standing)	2	\$ 581	0.5%	32	\$ 18.2
New Fuddruckers (free-standing on existing land)	1	\$ 396	0.4%	16	\$ 24.7
Legacy Stores					
Core Fudds	42	\$ 19,658	18.2%	672	\$ 29.3
Core Lubys	79	\$ 63,290	58.6%	1264	\$ 50.1
Cheeseburger in Paradise	7	\$ 3,862	3.6%	112	\$ 34.5
Total Open Operating Units	160	\$ 102,562	94.9%	2464	\$ 41.6
Restaurants closed in FY18 Q1 or prior ¹	14	\$ 5,520	5.1%		
Total Company Operated Units Reporting	174	\$ 108,083	100.0%		

Balance Sheet



	December 20, 2017	December 21, 2017
Total Assets	\$ 224,652	\$ 226,457
Total Liabilities	\$ 84,635	\$ 82,406
Total Shareholders' Equity	\$ 140,017	\$ 144,051
Total Liabilities and Shareholders' Equity	\$ 224,652	\$ 226,457
Debt Outstanding (Included in Liabilities Above)	\$ 31,085	\$ 30,985
Less: Cash and cash equivalents (included in assets above):	\$ (812)	\$ (1,096)
Net Debt	\$ 30,273	\$ 29,889

FY2018 Capital investments



(\$MM)	FY13 Total	FY14 Total	FY15 Total	FY16 Total	FY17 Total
Land	\$ 4.8	\$ 12.2	\$ 3.2	\$ -	\$ -
New Construction	14.7	16.9	2.5	1.2	1.4
Remodels/Conversions/IT	5.4	6.5	7.8	8.1	3.5
Recurring/Maint*	6.4	10.6	7.0	9.0	7.6
Total	\$ 31.3	\$ 46.2	\$ 20.4	\$ 18.3	\$ 12.5

FY18 Q1	FY18 Q2	FY18 Q3	FY18 Q4	FY18 YTD
\$ -	\$ -	-	\$ -	\$ -
-				\$ -
1.4				\$ 1.4
2.9				\$ 2.9
\$ 4.3	\$ -	\$ -	\$ -	\$ 4.3

Expect FY2018 Capital Expenditures to be under \$12 million

Reconciliation of Store Level Profit to Loss from Continuing Operations



(\$000s)	Quarter Ended	
	December 20,	December 21,
	2017	2016
	(16 weeks)	(16 weeks)
Store level profit	\$ 11,087	\$ 12,595
Plus:		
Sales from culinary contract services	7,519	4,297
Sales from franchise revenue	1,887	1,871
Less:		
Opening costs	75	165
Cost of culinary contract services	6,332	3,811
Cost of franchise operations	488	580
Depreciation and amortization	5,353	6,550
Selling, general and administrative expenses	11,525	13,759
Provision for asset impairments and restaurant closings	845	287
Net loss on disposition of property and equipment	222	85
Interest income	(6)	(1)
Interest expense	649	602
Other income (expense), net	(115)	(103)
Provision (benefit) for income taxes	(9)	(1,458)
Loss from continuing operations	\$ (4,867)	\$ (5,514)

GAAP Reconciliation (\$000s)



(\$000s)	Quarter Ended	
	December 20, 2017 (16 weeks)	December 21, 2016 (16 weeks)
Loss from continuing operations	\$ (4,867)	\$ (5,514)
Depreciation and amortization	5,353	6,550
Provision (benefit) for income taxes	(9)	(1,458)
Interest expense	649	602
Interest income	(6)	(1)
Net loss/(gain) on disposition of property and equipment	222	85
Provision for asset impairments and restaurant closings	845	287
Non-cash compensation expense	558	769
Franchise taxes	59	55
Decrease in fair value of derivative	(173)	91
Adjusted EBITDA	\$ 2,631	\$ 1,466