



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

**Investor Presentation  
April 19, 2017**

**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

# Well Established Brands & Growing



- Trade on NYSE since 1982
- Approximately \$400M in Annual Revenues
- System-wide sales \$540M (including Fuddrucker's Franchises)
- FY201YQ2 Trailing Adjusted EBITDA of \$16.1M
- Operate primarily 90 Luby's Cafeterias, 73 Fuddrucker's restaurants, and 8 Cheeseburger in Paradise Restaurants
- Operated Luby's Cafeterias for 69+ years, Fuddrucker's for 6+ Years, and Cheeseburger in Paradise over 3 years
- Support 113 Fuddrucker's franchises across the United States (including Puerto Rico), Canada, Mexico, Dominican Republic, Italy, Panama, and Colombia
- Providing Contract Culinary Services at 23 locations

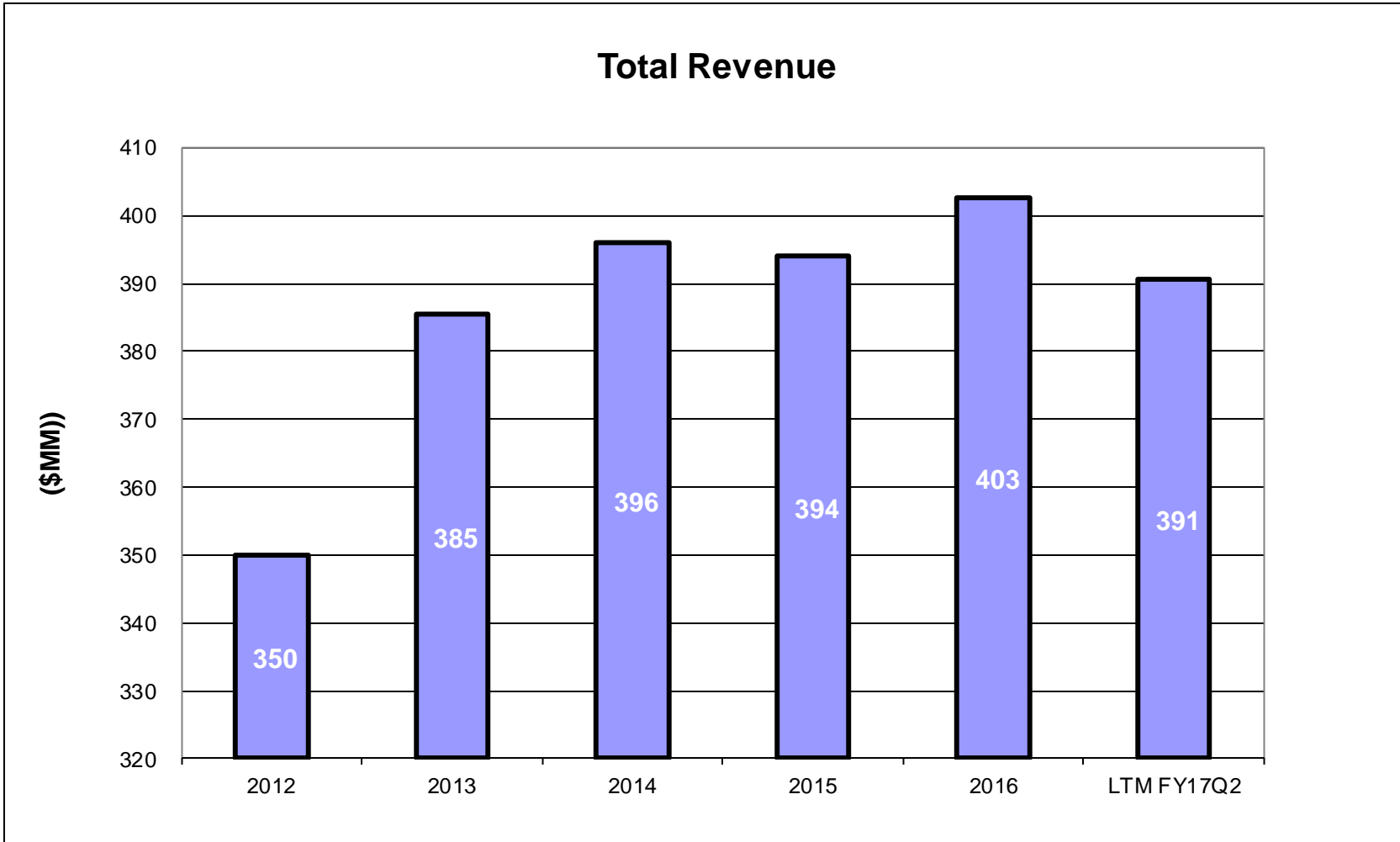
# Milestones



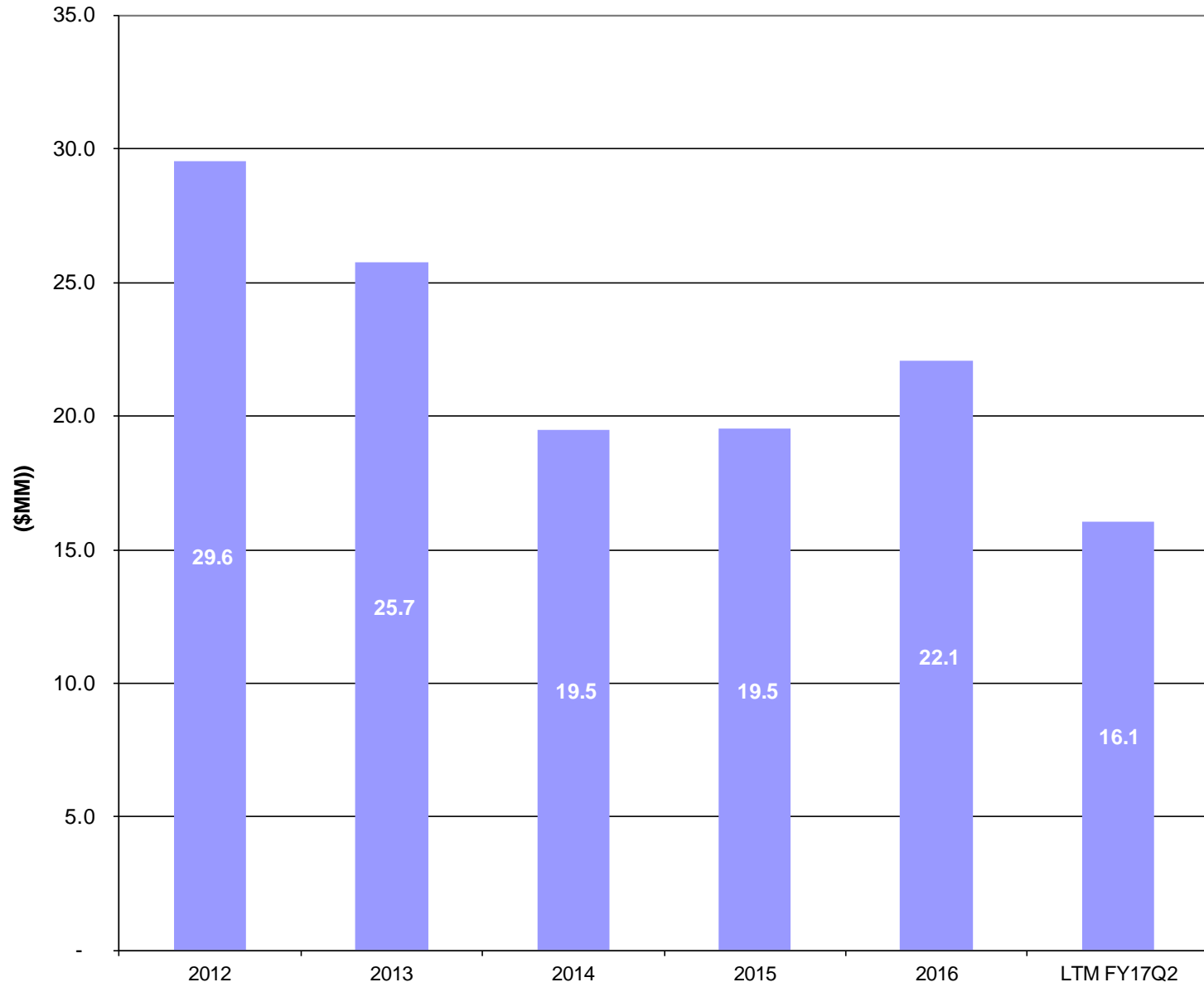
- July 2010 - Acquired (110+) Fuddruckers franchise and selected (59+) company units;
- FY 2011 - Began acquiring pipeline locations for Luby's and Fuddruckers brands for future new unit growth, began sale of domestic and international Fuddruckers franchise units; Relo new Luby's Sept 2011
- Aug 2012 - 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 – Opened three Fuddruckers (two converted from Cheeseburger in Paradise), opened 13 franchised Fuddruckers restaurants (most in any single year) Fuddruckers brand reaches 8 countries outside U.S.
- See recent news releases at [www.lubysinc.com/investors](http://www.lubysinc.com/investors)



# Total Revenue



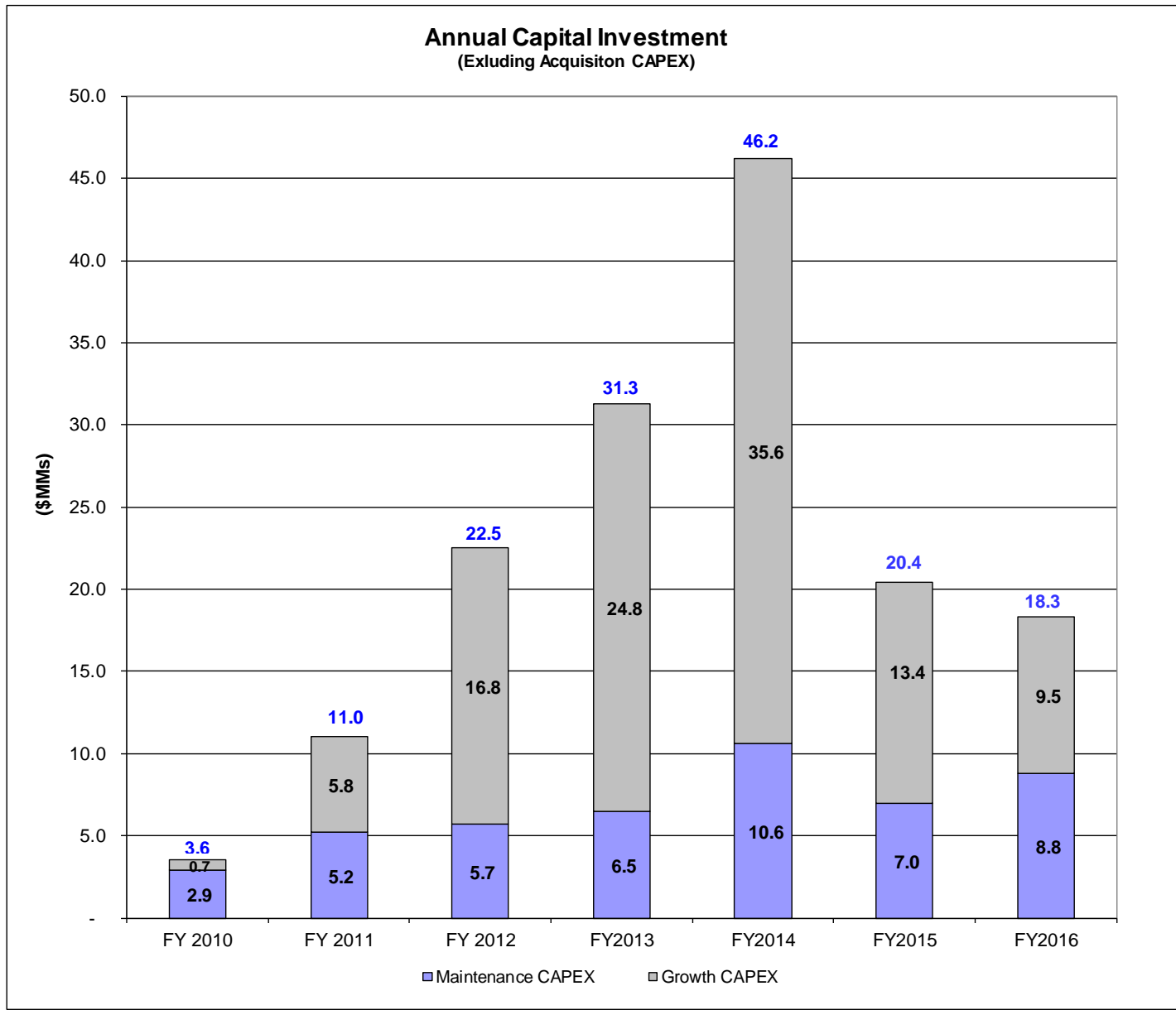
# Adjusted EBITDA



EBI  
Im

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# Annual Capital Investment



FY17  
Projected  
CapEx  
\$14m

- 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.
- 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

# FY2017 Restaurant Counts



	<b>FY2017 Year Begin</b>	<b>FY17 YTDQ2 Openings</b>	<b>FY17 YTDQ2 Closings</b>	<b>FY2017 Year End</b>
Luby's Cafeterias <sup>1</sup>	<b>91</b>			<b>91</b>
Fuddruckers <sup>1</sup>	<b>75</b>		(2)	<b>73</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>175</b>	-	(2)	<b>173</b>

Notes

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

2 Other restaurants include one Bob Luby's Seafood

# Fuddruckers – Franchise Pipeline

(As of March 15, 2017)



Location/Country	Count	3/15/2017 Opened	Remaining in Pipeline
Omaha	3	1	2
Dominican Republic	3	1	2
Dominican Republic	1	1	-
Orange County	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	3	7
Chile	10	1	-
Italy/Poland/Switzerland	10	5	5
Germany	10	-	10
Colombia	10	3	7
Detroit	2	1	1
Canada (Alberta/Saskatchewan)	5	1	4
Travel Centers of America	2	2	-
Mexico	5	1	4
NM/OK	8	3	5
MT	1	1	-
Travel Centers of America	10	1	9
Manheim PA	1	1	-
Duncan SC	1	1	-
<b>Total</b>	<b>126</b>	<b>34</b>	<b>73</b>

Timeline of Openings Per Development Agreement	
Fy 2017	13
Fy 2018	17
FY 2019	18

Pipeline reflects collection of \$1.4 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

## ➤ 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
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%)	(0.5%)	0.7%
2017	(2.3%)	(3.8%)			

# Trailing Four Quarters Results by Segment

\$ (000's)	Trailing 4 Qtr 3/15/2017		Trailing 4 Qtr 3/9/2016	
		%		%
<b>Restaurant sales</b>	<b>\$ 367,398</b>		<b>\$ 374,358</b>	
Cost of Food	103,378	28.1%	106,719	28.5%
Payroll and Related	131,669	35.8%	128,686	34.4%
Other Operating	62,215	16.9%	62,141	16.6%
Occupancy Cost	21,994	6.0%	21,667	5.8%
Vending Revenue	(572)	(0.2%)	(543)	(0.1%)
<i>Store level profit</i>	<u>48,714</u>	<b>13.3%</b>	<u>55,689</u>	<b>14.9%</b>
<b>Culinary contract sales</b>	<b>\$ 15,464</b>	<b>100.0%</b>	<b>\$ 15,519</b>	<b>100.0%</b>
Cost of culinary	<u>13,785</u>		<u>14,020</u>	
<i>Unit level profit</i>	1,679	10.9%	1,499	9.7%
<b>Franchise Revenue</b>	<b>\$ 7,116</b>		<b>\$ 7,082</b>	
Cost of Franchise	<u>1,854</u>		<u>1,827</u>	
<i>Unit level profit</i>	5,262	73.9%	5,255	74.2%
<b>Vending</b>	<b>\$ 572</b>		<b>\$ 543</b>	
<b>Total revenue</b>	<b>\$ 390,550</b>		<b>\$ 397,503</b>	

Store Level Profit of **13.3%** for trailing 4 quarters vs. **14.9%** in prior trailing 4 quarters

# STORE-LEVEL PROFIT

## FY17 Q2 and YTDQ2 Year Year-over-Year



(\$000s)	Total Company Quarter Ended		Total Company Two Quarters Ended	
	03/15/17	03/09/16	03/15/17	03/09/16
	(12 weeks)	(12 weeks)	(28 weeks)	(28 weeks)
Restaurant Sales	93.9%	93.7%	94.2%	93.9%
Culinary contract services	3.8%	4.3%	3.8%	4.2%
Franchise revenue	2.1%	1.8%	1.8%	1.8%
Vending revenue	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>
<b>TOTAL SALES</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>COSTS AND EXPENSES:</b>				
<i>(As a percentage of restaurant sales)</i>				
Cost of food	27.9%	28.5%	28.2%	28.5%
Payroll and related costs	36.1%	34.6%	35.9%	34.7%
Other operating expenses	17.0%	15.9%	17.7%	16.1%
Occupancy	6.6%	6.4%	6.2%	6.1%
Vending revenue	<u>(0.2%)</u>	<u>(0.2%)</u>	<u>(0.1%)</u>	<u>(0.1%)</u>
<b>Store Level Profit</b>	<b><u>12.6%</u></b>	<b><u>14.8%</u></b>	<b><u>12.1%</u></b>	<b><u>14.8%</u></b>
<i>(As a percentage of total sales)</i>				
Marketing and advertising expenses	1.7%	1.6%	1.9%	1.6%
General and administrative	<u>8.7%</u>	<u>9.1%</u>	<u>9.4%</u>	<u>9.2%</u>
Selling, general and administrative expenses	10.4%	10.7%	11.3%	10.8%
<b>LOSS FROM OPERATIONS</b>	<b>(9.6%)</b>	<b>(0.3%)</b>	<b>(7.3%)</b>	<b>(0.9%)</b>

# Pre-Tax Income



\$ (000's)	Trailing 4 Qtr 3/15/2017		Trailing 4 Qtr 3/9/2016	
Total Revenue	390,550	100.0%	397,503	100.0%
Segment profits				
Company restaurants	48,714		55,689	
Culinary contract services	1,679		1,499	
Franchise operations	5,262		5,255	
Segment level profit	55,655		62,442	
Less:				
Opening cost	514		1,565	
Selling, general and administrative	42,104	10.8%	40,382	10.2%
Depreciation and amortization	20,992	5.4%	22,213	5.6%
Provision for asset impairments	7,655		455	
Gain on disposition of assets	566		(3,757)	
Interest expense, net	2,382		2,300	
Other (Income) / Expense	(137)		(151)	
<b>Pre-Tax Loss</b>	<b>(18,420)</b>	<b>(4.7%)</b>	<b>(565)</b>	<b>(0.1%)</b>
Exclude Asset Impairments/(Gains)	8,221		(3,301)	
<b>Adjusted Pre-Tax Loss</b>	<b>(10,199)</b>	<b>(2.6%)</b>	<b>(3,866)</b>	<b>(1.0%)</b>

## Notes:

Included in Selling, general and administrative is \$6.1m and \$4.6m in marketing & advertising expense in 2017 trailing and 2016 trailing, respectively.

# LUBY'S CAFETERIAS

## SAME-STORE SALES



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

Quarter	Sales	Traffic	PPA
<b>Q1 (Mid December)</b>			
2015	0.2%	0.1%	0.1%
2016	1.2%	0.8%	0.4%
<b>2017</b>	<b>(2.2%)</b>	<b>(1.4%)</b>	<b>(0.8%)</b>
<b>3-Year Comp</b>	<b>(0.8%)</b>	<b>(0.5%)</b>	<b>(0.3%)</b>
<b>Q2 (Early March)</b>			
2015	3.1%	2.2%	0.9%
2016	3.1%	4.7%	(1.5%)
<b>2017</b>	<b>(4.4%)</b>	<b>(6.6%)</b>	<b>2.2%</b>
<b>3-Year Comp</b>	<b>1.6%</b>	<b>(0.1%)</b>	<b>1.6%</b>
<b>Q3 (Early June)</b>			
2014	2.0%	2.0%	0.0%
2015	(1.0%)	(2.7%)	1.7%
2016	(0.2%)	3.7%	(3.9%)
<b>3-Year Comp</b>	<b>0.7%</b>	<b>2.8%</b>	<b>(2.2%)</b>
<b>Q4 (Last Wednesday in August)</b>			
2014	0.4%	1.6%	(1.2%)
2015	0.2%	(2.6%)	2.8%
2016	0.0%	3.6%	(3.5%)
<b>3-Year Comp</b>	<b>0.6%</b>	<b>2.6%</b>	<b>(2.0%)</b>

# FUDDRUCKERS BRAND

## SAME-STORE SALES



### Fuddrucker's - Same Store Sales YOY

Quarter	Sales	Traffic	PPA
<b>Q1 (mid-December)</b>			
2015	0.2%	1.9%	(1.7%)
2016	1.3%	(3.2%)	4.5%
<b>2017</b>	<b>(1.6%)</b>	<b>(2.7%)</b>	<b>1.1%</b>
<b>3-Year Comp</b>	<b>(0.2%)</b>	<b>(4.0%)</b>	<b>3.9%</b>

<b>Q2 (Mid February)</b>			
2015	2.1%	1.8%	0.3%
2016	0.0%	(3.0%)	3.0%
<b>2017</b>	<b>(1.1%)</b>	<b>(2.8%)</b>	<b>3.9%</b>
<b>3-Year Comp</b>	<b>1.0%</b>	<b>(4.0%)</b>	<b>7.3%</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>			
2014	(4.5%)	(3.1%)	(1.4%)
2015	1.7%	(1.6%)	3.3%
2016	(0.8%)	(2.5%)	1.7%
<b>3-Year Comp</b>	<b>(3.6%)</b>	<b>(7.1%)</b>	<b>3.6%</b>

# FY17Q2 Sales Volumes by Unit (\$000's)



## Quarter 2 (17Q2) Restaurant Segment Highlights (\$000's)

	Units Reporting Sales in 17Q2	17Q2 Restaurant Sales	17Q2 % Sales	17Q2 Operating Weeks	17Q2 Average Weekly Sales
<b>New Growth Stores</b>					
+ Luby's	6	\$ 3,646		60	\$ 60.8
+ Fuddruckers	6	\$ 1,305		60	\$ 21.7
New Combos (restaurant count)	12	\$ 4,951	6.1%	60	\$ 82.5
New Lubys	3	\$ 2,337	2.9%	36	\$ 64.9
2nd Gen Space/Unit Converted to Fuddrucke	12	\$ 3,055	3.8%	144	\$ 21.2
Cheeseburger conversions to Fuddruckers	6	\$ 1,617	2.0%	72	\$ 22.5
New Fuddruckers (non free-standing)	2	\$ 454	0.6%	24	\$ 18.9
New Fuddruckers (free-standing on existing	1	\$ 304	0.4%	12	\$ 25.4
<b>Legacy Stores</b>					
Core Fudds (2)	46	\$ 17,429	21.5%	540	\$ 32.3
Core Lubys (1)	83	\$ 47,638	58.8%	996	\$ 47.8
Cheeseburger in Paradise	8	\$ 3,278	4.0%	96	\$ 34.1
<b>Total Open Operating Units</b>	<b>173</b>	<b>\$ 81,065</b>	<b>100.0%</b>	<b>4,068</b>	<b>\$ 19.9</b>
Restaurants closed in FY17 Q2 or prior	0	\$ -	0.0%		
<b>Total Company Operated Units Reporting</b>	<b>173</b>	<b>\$ 81,065</b>	<b>100.0%</b>		



# FY16Q2 Sales Volumes by Unit (\$000's)



## Quarter 2 (16Q2) Restaurant Segment Highlights (\$000's)

	Units Reporting	16Q2	16Q2	16Q2	16Q2
	Sales in 16Q2	Restaurant Sales	% Sales	Operating Weeks	Average Weekly Sales
<b>New Growth Stores</b>					
+ Luby's	6	\$ 3,918		60	\$ 65.3
+ Fuddruckers	6	\$ 1,377		60	\$ 23.0
New Combos (restaurant count)	12	\$ 5,295	6.1%	60	\$ 88.2
New Lubys	3	\$ 2,507	2.9%	36	\$ 69.6
2nd Gen Space/Unit Converted to Fuddrucke	12	\$ 3,033	3.5%	144	\$ 21.1
Cheeseburger conversions to Fuddruckers	6	\$ 2,073	2.4%	72	\$ 28.8
New Fuddruckers (non free-standing)	2	\$ 438	0.5%	24	\$ 18.2
New Fuddruckers (free-standing on existing	1	\$ 310	0.4%	12	\$ 25.9
<b>Legacy Stores</b>					
Core Fudds	46	\$ 17,763	20.6%	552	\$ 32.2
Core Lubys (1)	83	\$ 49,756	57.6%	996	\$ 50.0
Cheeseburger in Paradise	8	\$ 3,537	4.1%	96	\$ 36.8
<b>Total Open Operating Units</b>	<b>173</b>	<b>\$ 84,712</b>	<b>98.1%</b>	<b>4176</b>	<b>\$ 20.3</b>
Restaurants closed in FY17 Q2 or prior	7	\$ 1,603	1.9%		
<b>Total Company Operated Units Reporting</b>	<b>180</b>	<b>\$ 86,315</b>	<b>100.0%</b>		

# Balance Sheet



	March 15 2017	March 9, 2016
Total Assets	\$ 238,123	\$ 252,225
Total Liabilities	\$ 90,265	\$ 86,473
Total Shareholders' Equity	\$ 147,858	\$ 165,752
Total Liabilities and Shareholders' Equity	\$ 238,123	\$ 252,225
Debt Outstanding (Included in Liabilities Above)	\$ 37,388	\$ 37,000
Less: Cash and cash equivalents (included in assets above):	\$ (1,352)	\$ (1,339)
Net Debt	\$ 36,035	\$ 35,661

# FY2017 Capital investments



(\$MM)	FY13 Total	FY14 Total	FY15 Year	FY16 YTD
Land	\$ 4.8	\$ 12.2	\$ 3.2	\$ -
New Construction	14.7	16.9	2.5	1.2
Remodels/Conversions	5.4	6.5	7.8	8.1
Recurring/Maint. *	6.4	10.6	7.0	9.0
<b>Total</b>	<b>\$ 31.3</b>	<b>\$ 46.2</b>	<b>\$ 20.4</b>	<b>\$ 18.3</b>

FY17 Q1	FY17 Q2	FY17 YTD
\$ -	\$ -	\$ -
0.1	0.9	\$ 1.0
2.0	0.8	\$ 2.8
2.9	1.3	\$ 4.2
<b>\$ 5.0</b>	<b>\$ 3.0</b>	<b>\$ 8.0</b>

Expect FY2017 Capital Expenditures to be \$14 million

# Reconciliation of Store Level Profit to Loss from Continuing Operations



(\$000s)	Quarter Ended		Four Quarters Ended	
	March 15 2017 (12 weeks)	March 9, 2016 (12 weeks)	March 15 2017 (28 weeks)	March 9, 2016 (28 weeks)
<b>Loss from continuing operations</b>	\$ (12,836)	\$ (582)	\$ (18,350)	\$ (2,321)
Depreciation and amortization	4,788	5,220	11,338	12,235
Provision (benefit) for income taxes	3,603	(185)	2,145	(845)
Interest expense	727	495	1,329	1,191
Interest income	(1)	(1)	(3)	(2)
Net loss/(gain) on disposition of property and equipment	329	(556)	414	(835)
Provision for asset impairments and restaurant closings, net	5,963	37	6,250	37
Non-cash compensation expense	689	443	1,458	1,169
Franchise Taxes	42	42	97	97
Decrease / (Increase) in Fair Value of Derivative	(46)	-	45	-
<b>Adjusted EBITDA</b>	<b>\$ 3,258</b>	<b>\$ 4,913</b>	<b>\$ 4,724</b>	<b>\$ 10,726</b>

# GAAP Reconciliation (\$000s)



(\$000s)	Quarter Ended		Two Quarters Ended	
	March 15 2017 (12 weeks)	March 9, 2016 (12 weeks)	March 15 2017 (28 weeks)	March 9, 2016 (28 weeks)
<b>Loss from continuing operations</b>	\$ (12,836)	\$ (582)	\$ (18,350)	\$ (2,321)
Depreciation and amortization	4,788	5,220	11,338	12,235
Provision (benefit) for income taxes	3,603	(185)	2,145	(845)
Interest expense	727	495	1,329	1,191
Interest income	(1)	(1)	(3)	(2)
Net loss/(gain) on disposition of property and equipment	329	(556)	414	(835)
Provision for asset impairments and restaurant closings, net	5,963	37	6,250	37
Non-cash compensation expense	689	443	1,458	1,169
Franchise Taxes	42	42	97	97
Decrease / (Increase) in Fair Value of Derivative	(46)	-	45	-
<b>Adjusted EBITDA</b>	<b>\$ 3,258</b>	<b>\$ 4,913</b>	<b>\$ 4,724</b>	<b>\$ 10,726</b>