





Safe Harbor Concerning Forward Looking Statements

Matters discussed in this presentation that relate to events or developments which are expected to occur in the future, including any discussion, expressed or implied, of anticipated growth, new store openings, operating results or earnings constitute forward-looking statements. Forward-looking statements are based on management's beliefs, assumptions and expectations of our future economic performance, taking into account the information currently available to management. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties that may cause our actual results, performance or financial condition to differ materially from the expectations of future results, performance or financial condition we express or imply in any forward-looking statements. Factors that could contribute to these differences include, but are not limited to:

- the cost of our principal food products and supply and delivery shortages and interruptions;
- labor shortages or increased labor costs;
- changes in demographic trends and consumer tastes and preferences, including changes resulting from concerns over nutritional or safety aspects of beef, poultry, or other foods or the effects of food-borne illnesses;
- expansion into new markets including foreign markets
- our ability to locate suitable restaurant sites in new and existing markets and negotiate acceptable lease terms
- competition in our markets, both in our business and in locating suitable restaurant sites;
- our operation and execution in new and existing markets;
- our ability to recruit, train and retain qualified corporate and restaurant personnel and management;
- cost effective and timely planning, design and build out of restaurants
- our ability to attract and retain qualified franchisees
- our ability to generate positive cash flow from existing and new restaurants;
- the rate of our internal growth and our ability to generate increased revenue from our existing restaurants
- the reliability of our customer and market studies
- fluctuations in our quarterly results due to seasonality;
- increased government regulation and our ability to secure required government approvals and permits
- our ability to create customer awareness of our restaurants in new markets;
- market saturation due to new restaurant openings;
- inadequate protection of our intellectual property;
- adverse weather conditions which impact customer traffic at our restaurants; and
- adverse economic conditions.

The words "believe," "may," "will," "should," "anticipate," "estimate," "expect," "intend," "objective," "seek," "plan," "strive" or similar words, or the negatives of these words, identify forward-looking statements. We qualify any forward-looking statements entirely by these cautionary factors.



Fiscal 2010 Teleconference Agenda

- Introductory Comments
- Financial Results
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 - Slide 5 – Reconciliation of Non-GAAP Measures To Net Income Q4
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- Questions and Answers



Restaurant Margin Performance – Q4

U.S. Dollars in Thousands ⁽¹⁾

	13 Weeks Ended December 27, 2010		13 Weeks Ended December 28, 2009		Margin Change ⁽¹⁾
Restaurant Net Sales	\$ 24,632	100.0%	\$ 27,708	100.0%	---
Comp Sales % ⁽²⁾	6.1%		-6.6%		
Cost of Food and Beverage	\$ 5,636	22.9%	\$ 6,418	23.2%	30 Basis Points Decrease
Gross Profit	\$ 18,996	77.1%	\$ 21,290	76.8%	30 Basis Points Increase
Labor and Related Benefits	\$ 9,182	37.3%	\$ 10,559	38.1%	80 Basis Points Decrease
Other Operating Expenses	\$ 2,806	11.4%	3,207	11.6%	20 Basis Points Decrease
Controllable Contribution	\$ 7,008	28.4%	\$ 7,524	27.1%	130 Basis Points Increase
Occupancy Costs	\$ 5,166	21.0%	5,803	20.9%	10 Basis Points Increase
Restaurant Cash Flow	\$ 1,842	7.4%	\$ 1,721	6.2%	120 Basis Points Increase

⁽¹⁾ Due to Rounding, some percentages might not foot.

⁽²⁾ As reported in public filings.



Reconciliation of Non-GAAP Measures To Net Income

	<u>13 Weeks Ended December 27, 2010</u>	<u>13 Weeks Ended December 28, 2009</u>
Restaurant Net Sales	\$ 24,632	\$ 27,708
Cost of Food and Beverage	\$ 5,636	\$ 6,418
Labor and Related Benefits	\$ 9,182	\$ 10,559
Occupancy and Other Operating Expenses	\$ 7,972	\$ 9,010
Restaurant Cash Flow	<u>\$ 1,842</u>	<u>\$ 1,721</u>
Franchise Fees and Royalties	\$ 723	\$ 530
General and Administrative Expenses	\$ 3,584	\$ 3,719
Depreciation and Amortization	\$ 1,101	\$ 1,606
Restaurant Pre-Opening Expenses	\$ -	\$ 13
Provision for Asset Impairments and Disposals	\$ 432	\$ 1,292
Lease Termination Expense and Closed Store Costs	\$ 171	\$ 119
Gain on Sale of Assets	<u>\$ 61</u>	<u>\$ (102)</u>
Operating Loss	\$ (2,784)	\$ (4,396)
Interest Income, net	\$ -	-
Other Income, net	<u>-</u>	<u>\$ (51)</u>
Net Loss	<u><u>\$ (2,784)</u></u>	<u><u>\$ (4,447)</u></u>
EPS	\$ (0.05)	\$ (0.11)



Restaurant Margin Performance - YTD

U.S. Dollars in Thousands ⁽¹⁾

	52 Weeks Ended December 27, 2010		52 Weeks Ended December 28, 2009		Margin Change ⁽¹⁾
Restaurant Net Sales	\$ 106,636	100.0%	\$ 116,375	100.0%	---
Comp Sales % ⁽²⁾	2.6%		-10.8%		
Cost of Food and Beverage	24,366	22.8%	26,429	22.7%	10 Basis Points Increase
Gross Profit	82,270	77.2%	89,946	77.3%	10 Basis Points Decrease
Labor and Related Benefits	40,161	37.7%	43,151	37.1%	60 Basis Points Increase
Other Operating Expenses	12,319	11.6%	13,296	11.4%	20 Basis Points Increase
Controllable Contribution	29,790	27.9%	33,499	28.8%	90 Basis Points Decrease
Occupancy Costs	21,658	20.3%	23,321	20.1%	20 Basis Points Increase
Restaurant Cash Flow	\$ 8,132	7.6%	\$ 10,178	8.7%	110 Basis Points Decrease

⁽¹⁾ Due to Rounding, some percentages might not foot.

⁽²⁾ As reported in public filings.



Reconciliation of Non-GAAP Measures To Net Income

	<u>52 Weeks Ended December 27, 2010</u>	<u>52 Weeks Ended December 28, 2009</u>
Restaurant Net Sales	\$ 106,636	\$ 116,375
Cost of Food and Beverage	24,366	26,429
Labor and Related Benefits	40,161	43,151
Occupancy and Other Operating Expenses	33,977	36,617
Restaurant Cash Flow	<u>8,132</u>	<u>10,178</u>
Franchise Fees and Royalties	3,063	2,198
General and Administrative Expenses	13,692	14,635
Depreciation and Amortization	4,773	7,050
Restaurant Pre-Opening Expenses	-	13
Provision for Asset Impairments and Disposals	732	1,530
Lease Termination Expense and Closed Store Costs	355	370
Gain on Sale of Assets	<u>(5,205)</u>	<u>(102)</u>
Operating Loss	(3,152)	(11,120)
Interest Income, net	(3)	(1)
Other Income, net	<u>14</u>	<u>17</u>
Net Loss	<u>\$ (3,141)</u>	<u>\$ (11,104)</u>
EPS	\$ (0.06)	\$ (0.27)