



## What makes us Famous



Ask Dave what he's learned about barbeque, and you'd better have a comfy chair and plenty of time. Because what he knows includes over 25 years of searching and a desire to create the best BBQ folks have ever tasted.

It all started when Dave was a young boy in Chicago. See, his dad would come home from work with his lunch pail brimming with slow-cooked spareribs made by street vendors. They were ribs. Real ribs. Smoked in 55-gallon drums over smoldering hickory, just like the ones the champion pitmasters made in the Deep South.



**DAD'S LUNCH PAIL WAS AWAY FILLED WITH SLOW-COOKED RIBS**

It was those bar-b-que ribs, in that lunch pail, that led Dave to realize that there must be as many ways to make barbeque as there are to spell it. So he spent 25 years searching the country, feasting on BBQ from every joint, shack, smokehouse and mesquite pit he could find. And after traveling to Memphis, Kansas City, Chicago, Austin, St. Louis and beyond, he figured it was time to start

experimenting. So he did. He smoked ribs in garbage cans. Ate dry spices. Seasoned, sauced, oiled and rubbed. And when he was absolutely sure that he had barbeque recipes that honored those champion pitmasters of his youth, he let us all have a taste.



**GARBAGE CAN SMOKER**

Now we have more than 180 restaurants. But we don't consider ourselves a "chain". Sure we have more than one location, but we are not some generic concept concocted in some corporate boardroom. We are a family of restaurants featuring the best made-from-scratch, down-home style cooking- we are the real deal.

Over 500 awards and countless new recipes later, Dave's story is long from being finished. So, enjoy your slow-cooked 'que. After all, it's taken 25 years and counting to make.



**OVER 500 BBQ AWARDS!**



**DAVE TRAVELED 25 YEARS TO BBQ CITIES LIKE...  
MEMPHIS  
KANSAS CITY  
CHICAGO  
AUSTIN  
ST. LOUIS**

## FINANCIAL HIGHLIGHTS

FISCAL YEAR	2010	2009 <sup>(1)</sup>	2008	2007	2006
(\$'s in 000's, except per share data, and average weekly sales)					
<b>STATEMENT OF OPERATIONS DATA</b>					
Revenue	\$ 148,268	\$ 136,018	\$ 140,382	\$ 125,873	\$ 116,621
Asset impairment and estimated lease termination and other closing costs <sup>(2)</sup>	\$ (74)	\$ (218)	\$ (6,912)	\$ (596)	\$ (1,136)
Income from operations	\$ 11,983	\$ 10,514	\$ 2,030	\$ 10,436	\$ 9,243
Income tax (expense) benefit	\$ (3,796)	\$ (2,989)	\$ 119	\$ (3,100)	\$ (2,737)
Net income	\$ 7,218	\$ 5,701	\$ 389	\$ 6,070	\$ 4,954
Basic net income per common share	\$ 0.84 <sup>(3)</sup>	\$ 0.63	\$ 0.04	\$ 0.61	\$ 0.47
Diluted net income per common share	\$ 0.82 <sup>(3)</sup>	\$ 0.62	\$ 0.04	\$ 0.59	\$ 0.46
<b>BALANCE SHEET DATA (at year end)</b>					
Cash and cash equivalents	\$ 2,654	\$ 2,996	\$ 1,687	\$ 1,538	\$ 1,455
Total assets	\$ 76,129	\$ 68,381	\$ 73,401	\$ 73,942	\$ 65,859
Long-term debt less current maturities <sup>(4)</sup>	\$ 23,497	\$ 17,990	\$ 29,252	\$ 11,693	\$ 13,025
Total shareholders' equity	\$ 32,904	\$ 32,944	\$ 26,184	\$ 30,400	\$ 36,171
<b>OTHER DATA</b>					
Restaurant Sales:					
Company-owned	\$ 131,154	\$ 117,934	\$ 122,016	\$ 107,820	\$ 100,026
Franchise-operated	\$ 340,454	\$ 358,696	\$ 355,946	\$ 320,750	\$ 282,160
Number of restaurants open at year end:					
Company-owned restaurants	52	45	47	44	41
Franchise-operated restaurants	<u>130</u>	<u>132</u>	<u>123</u>	<u>120</u>	<u>104</u>
Total restaurants	182	177	170	164	145
Company-owned comparable sales increase (decrease) <sup>(5)</sup>	0.7%	(6.3)% <sup>(6)</sup>	(2.0)%	2.1%	2.9%
Average weekly sales:					
Company-owned restaurants	\$ 49,187	\$ 48,197	\$ 50,685	\$ 50,385	\$ 47,894
Franchise-operated restaurants	\$ 52,631	\$ 53,016	\$ 56,535	\$ 56,729	\$ 58,334

(1) Fiscal 2009 consisted of 53 weeks. Fiscal 2010, 2008, 2007, and 2006 all consisted of 52 weeks.

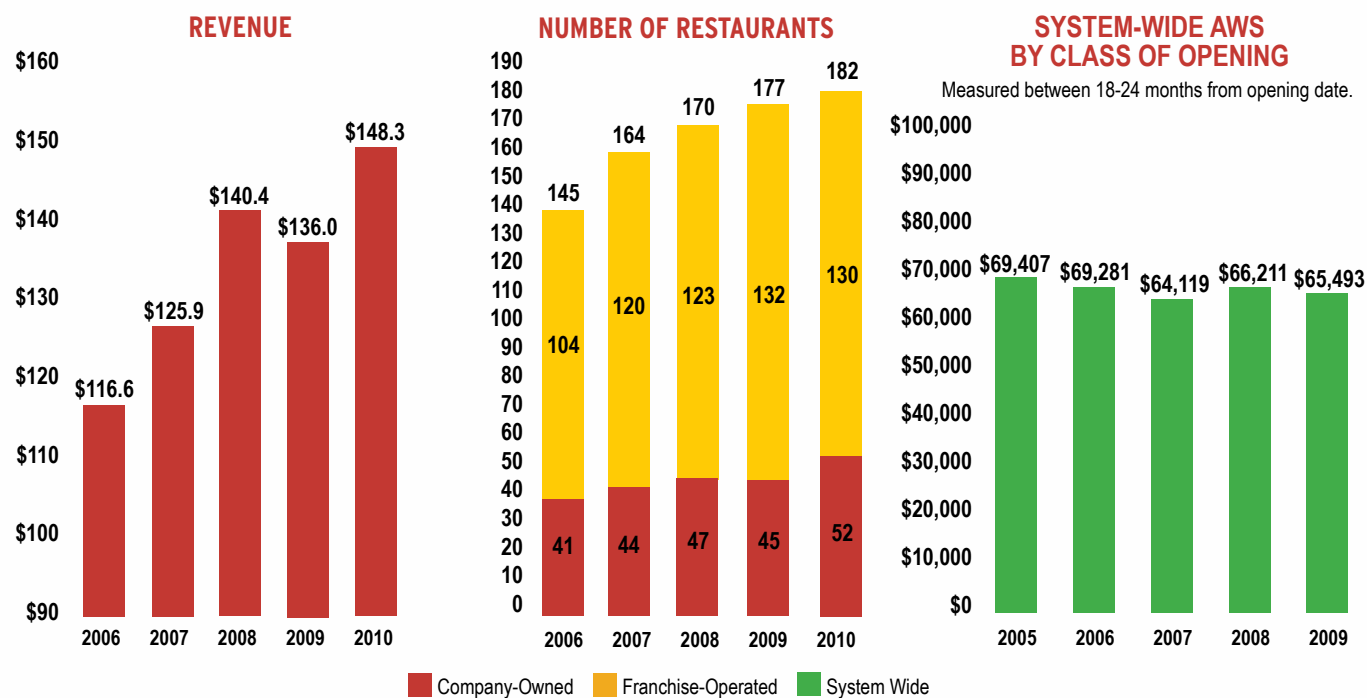
(2) Fiscal 2009 primarily reflects closing costs for two company-owned restaurants. Fiscal 2008 reflects impairment charges for eight restaurants. Five of these have closed and three are still operating. Fiscal 2007 reflects impairment charges associated with one restaurant that was subsequently closed. Fiscal 2006 reflects impairment charges associated with one restaurant and land held for sale: one which was subsequently sold, the other which was subsequently closed.

(3) Reflects gain on acquisition of New York and New Jersey restaurants in March 2010, of \$0.15 per share.

(4) Long-term debt includes our line of credit beginning in fiscal 2008. Prior to fiscal 2008, the line of credit was included in current liabilities.

(5) Our comparable store sales base includes company-owned restaurants that are open year round and have been open more than 24 months.

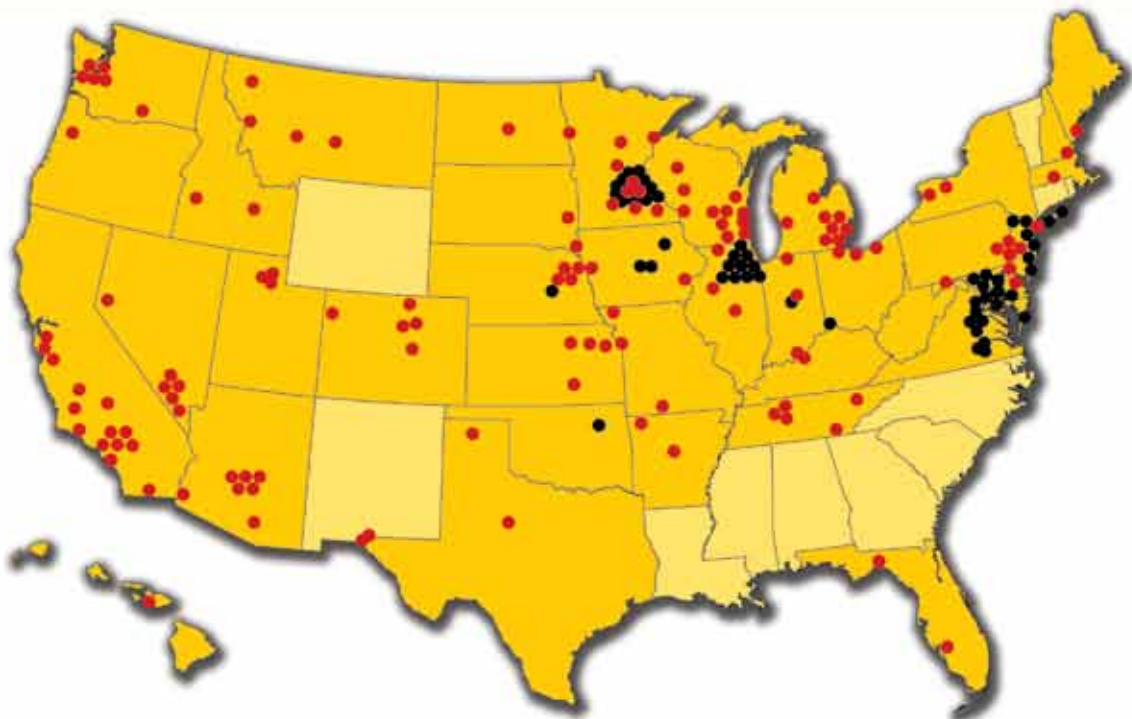
(6) For purposes of computing comparable store sales, this computation assumes fiscal 2009 was a 52-week year.





## Restaurant Locations

At the end of 2010, Famous Dave's had a total of 180 restaurants open in 37 states including 52 company-owned and 128 franchise-operated restaurants.



- 52 COMPANY RESTAURANTS
- 128 FRANCHISE RESTAURANTS



## Guest Profile



### Median Household Income

The typical Famous Dave's guest is middle income or higher with an average median household income of \$60,000. The median household income distribution is as follows:

\$75,000 and above	35%
\$35,000 to \$75,000	35%
\$35,000 and below	30%

### Education Level

The typical Famous Dave's guest is highly educated, with almost 85% having High School and/or College education.

High School Diploma	30%
Some College, Degree, or Advanced Degree	55%

### Age

Famous Dave's appeals to both families and adults 25 to 55 years old.

24 and younger	35%
25 to 55	42%
55 and older	23%

### Work Base

The typical Famous Dave's guest is white-collar, and upper-end blue-collar, employed in professional, clerical, and service positions. A Famous Dave's restaurant should have a daytime population of at least 50,000 within a 3-mile radius.

White-Collar	61%
Clerical/Professional	35%

### Population

A Famous Dave's restaurant location should have a minimum residential population of 75,000 with 30,000 households within a 3-mile radius.



## Famous Dave's Restaurant Development Options

At Famous Dave's, we're real fussy about our site selection. We only look at the best real estate in the best trade areas. We won't compromise on real estate, but we can be flexible on the type of Famous Dave's Restaurant we'll build. Our development options include the following:

- Ground Up freestanding 5,000 & 6,000 sq. ft. prototypes
- Prominent 4,000 - 6,000 sq. ft. end-caps with great visibility and adequate parking
- Conversion of existing restaurant or retail buildings 4,000 to 6,000 sq. ft.

### Conversions



**Before...**

Former Chicago Uno Grill



**Bel Air, MD  
After**



**Before...**

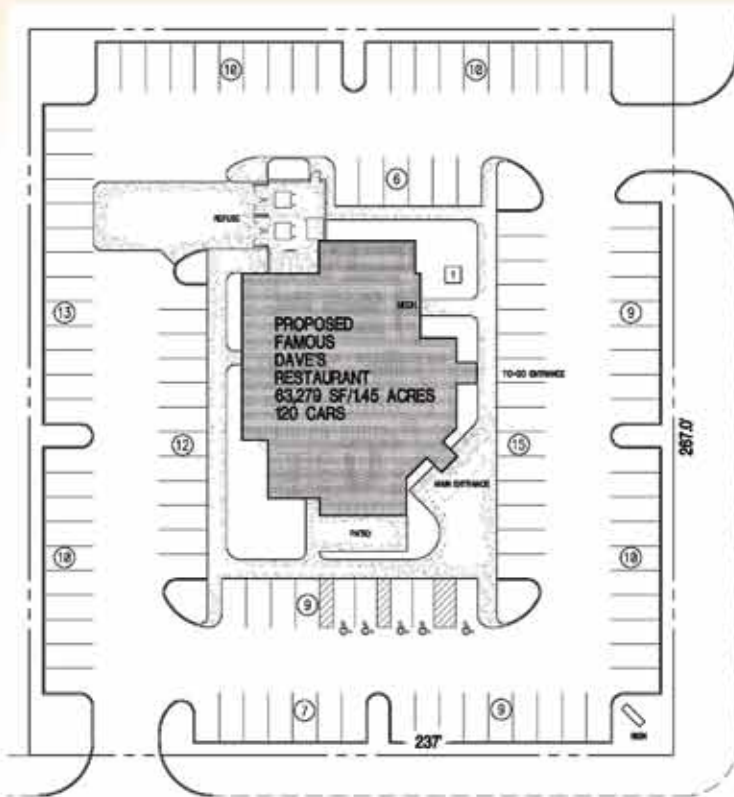
Former Baker's Squqre



**Peoria, IL  
After**



## Freestanding 6,000 SQ. FT. Prototype



ANY STREET

### General Building Notes

Area: 6,100 sf without Cooler/Freezer, 6,500 sf including the Cooler/Freezer.  
 Seats: 215 Dining/Bar

### General Property Notes

Average Site Area: 1.5 Acres (Depending on local requirements/property configuration)  
 Dedicated Parking: 125 stalls

### Utility Requirements

Electric Service: 1000-1200 Amp, 120/208V.  
 3 Phase / 4 Wire  
 Natural Gas: 3 Million BTU's  
 Water/Domestic: 2" Line - 90 GPM  
 Water/Sprinkler: 6" Line - 60 PSI  
 Sanitary Sewer: 6" Line - 400 GPM  
 60" Deep  
 Telephone: 2" Conduit



## Freestanding 5,000 SQ. FT. Prototype



### General Building Notes

Building Area: 4,900 sq. ft.  
 Cooler/Freezer: 300 sq. ft.  
 Total Area: 5,200 sq. ft.  
 Indoor Seating: 193

### General Property Notes

Average Site Area: 1.3 Acres  
 (Depending on local requirements/property configuration)  
 Dedicated Parking: 110 stalls

### Utility Requirements

Electric Service: 1000 Amp,  
 120/208V.  
 3 Phase / 4 Wire  
 Natural Gas: 3 Million BTU's  
 Water/Domestic: 2" Line - 90 GPM  
 Water/Sprinkler: 6" Line - 60 PSI  
 Sanitary Sewer: 6" Line - 400 GPM  
 60" Deep  
 Telephone: 2" Conduit



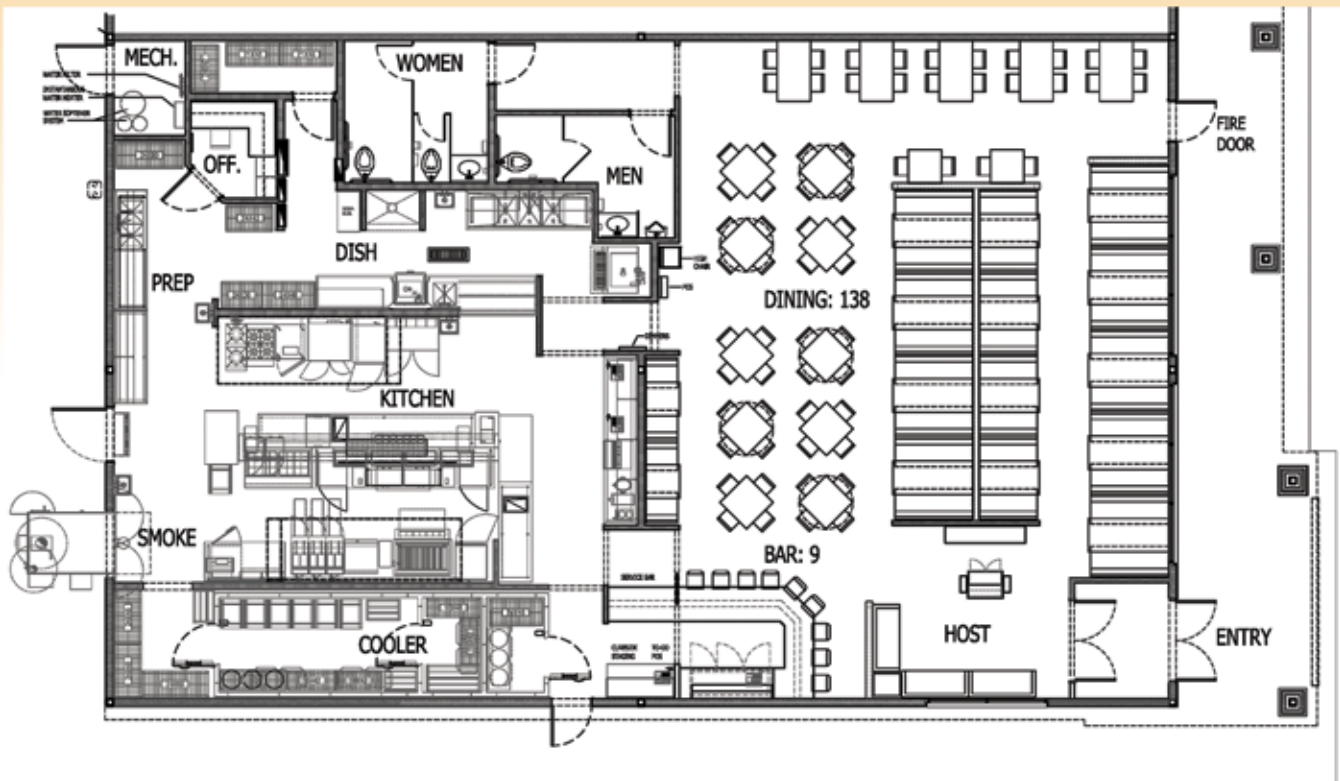


**End cap 4,000 - 6,000 SQ. FT.**



### General Building Notes

Building Area: 4,000 - 6,000 sq. ft.  
 Cooler/Freezer: 300 sq. ft.  
 Indoor Seating: 135 - 215



### Building Shell Requirements

12' Clear Ceiling Height  
 Storefront w/Famous Dave's Trade Dress  
 40 - 50 Tons of HVAC  
 Dedicated Parking: 110 stalls

### Utility Requirements

Electric Service: 800 - 1000 Amp, 120/208V.  
 3 Phase / 4 Wire  
 Natural Gas: 2.5 Million BTU's  
 Water/Domestic: 2" Line - 90 GPM  
 Water/Sprinkler: 6" Line - 60 PSI  
 Sanitary Sewer: 6" Line - 400 GPM 60" Deep  
 Telephone: 2" Conduit