

Rubio's Restaurants, Inc. Reports 2006 Fourth Quarter and Fiscal Year Results
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Net loss was \$(4,692,000) as compared to a net loss of \$(2,454,000) for the same quarter last year.

Rubio's(R) Restaurants, Inc. (NASDAQ:RUBO) today announced financial results for the 14-week fourth quarter and 53-week year ended December 31, 2006.

Fourth Quarter Results (14 weeks)

œ Net loss was \$(4,692,000) as compared to a net loss of \$(2,454,000) for the same quarter last year. Included in the 2006 net loss is a charge of \$4,832,000 (assuming an income tax benefit rate of 39.9%) related to a class action settlement we announced last week. The settlement and related costs accrual is less than we originally announced due to a better estimate of related costs.

œ Earnings per share was a loss of \$(0.48) per share as compared to a loss of \$(0.26) per share for the same quarter last year. The settlement and related costs resulted in a \$(0.49) per share charge in 2006.

œ Revenues rose 19.8% to \$41.3 million from \$34.5 million for the 13-week fourth quarter last year.

œ Comparable store sales increased 4.9% (on top of a comparable store sales increase of 4.3% for the same quarter last year). Transactions decreased 2.0% and check average increased 6.9%.

œ Five new restaurants were opened in the quarter increasing Company-owned restaurants to 162, which includes the acquisition of a Fresno, CA franchise location and its accompanying development territory. Additionally, the Company licenses three locations and franchises one location.

œ Restaurant operating cash flow margins (see definition below) were 17.7% as compared to 14.1% for the same quarter last year. The improved margins are due to the increase in comparable store sales leveraging the relatively fixed costs of labor and occupancy.

œ Adjusted EBITDA (see table below) was \$2.5 million as compared to a negative \$(1.0 million) for the same quarter last year.

2006 Results (53 weeks)

œ Net loss was \$(3,461,000) as compared to a net loss of \$(228,000) for last year. Included in the 2006 net loss is a charge of \$4,832,000 (assuming an income tax benefit rate of 39.9%) related to a class action settlement we announced last week.

œ Earnings per share was a loss of \$(0.36) per share as compared to a loss of \$(0.02) per share for last year. The settlement and related costs resulted in a \$(0.49) per share charge in 2006.

œ Revenues rose 8.2% to \$152.3 million from \$140.8 million for the 52-week 2005 fiscal year.

œ Comparable store sales increased 2.0% (versus a comparable store sales increase of 1.2% for last year). Transactions decreased 1.0% and check average increased 3.0%.

œ Average unit volumes for the trailing four quarters were \$980,000.

œ Restaurant operating cash flow margins (see definition below) were 16.7% as compared to 16.3% for last year.

œ Adjusted EBITDA (see table below) was \$10.4 million as compared to \$7.8 million for last year.

"I am encouraged to see the improvement in restaurant operating cash flow margins for the fourth quarter," said Dan Pittard, Rubio's President and CEO. "In addition, the opening of five new restaurants in the quarter reinforces our commitment to sustained and disciplined growth, and we believe our new brand-building initiatives focused on great taste rather than low price are increasing sales."

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