

Buffalo Wild Wings, Inc. Announces Fourth Quarter 2007 Results

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Same-store sales increases of 3.4% at company-owned and 2.3% at franchised restaurants - Earnings per diluted share of \$0.34

Buffalo Wild Wings, Inc. (Nasdaq: BWLD) announced today financial results for the fourth quarter ended December 30, 2007. Highlights for the fourth quarter were:

Total revenue increased 9.7% to \$91.4 million (13 weeks) from \$83.3 million (14 weeks), excluding the additional operating week in 2006, revenue increased 18.9% over the prior year

Company-owned restaurant sales grew 9.1% to \$81.0 million (13 weeks) from \$74.2 million (14 weeks), excluding the additional operating week in 2006, company-owned restaurant sales grew 18.1% over prior year

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Same-store sales increased 3.4% at company-owned restaurants and 2.3% at franchised restaurants

Earnings per diluted share of \$0.34 (13 weeks) versus \$0.38 (14 weeks) from prior year, with the additional operating week in 2006 estimated to have contributed \$0.08 per diluted share, excluding the additional operating week in 2006, earnings per diluted share increased 13.3% over prior year

As a reminder, Buffalo Wild Wings utilizes a 52- or 53-week fiscal year. The fiscal year ended December 30, 2007 was a 52-week year, with the fourth quarter having thirteen weeks. The fiscal year ended December 31, 2006 was a 53-week year, with the fourth quarter of 2006 having fourteen weeks.

Sally Smith, President and Chief Executive Officer, commented, 'In October of 2006, we shared our 2007 annual performance goals of 15% unit growth, 20% revenue growth and 25% net income growth and I am pleased to report that we achieved them all. We ended the year with 493 locations, and the performance of newer restaurants drove increases in our average weekly sales volumes of 7.6% for company-owned and 4.4% for franchised locations for the year. Our total revenue for the fourth quarter increased 18.9% over prior year, when excluding the additional operating week in the fourth quarter last year, with same-store sales increases of 3.4% at company-owned and 2.3% at franchised restaurants. More importantly, for the full year of 2007, our revenue increased 21.3%, excluding the additional operating week in 2006, with same-store sales increases of 6.9% at company-owned and 3.9% at franchised restaurants. The fourth quarter of 2007 provided earnings per diluted share of \$0.34, which equates to a 13% increase over the prior year, when excluding the estimated \$0.08 per share benefit due to the additional operating week in 2006. For the full year of 2007, on a 52-week comparison, our earnings per diluted share increased more than 30%, to \$1.10 per share.'

Total revenue, which includes company-owned restaurant sales and franchise royalties and fees, increased 9.7% to \$91.4 million in the fourth quarter compared to \$83.3 million in the fourth quarter of 2006. Company-owned restaurant sales for the quarter increased 9.1% to \$81.0 million driven by a company-owned same-store sales increase of 3.4% and 22 more company-owned restaurants in operation at the end of fourth quarter 2007 relative to the same period in 2006. Franchise royalties and fees increased 14.8% to \$10.4 million versus \$9.1 million in the prior year. This increase was due to a franchised same-store sales increase of 2.3% and 42 more franchised restaurants at the end of the period versus a year ago.

Average weekly sales for company-owned restaurants were \$40,485 for the fourth quarter of 2007 compared to \$38,800 for the same quarter last year, a 4.3% increase. Franchised restaurants averaged \$47,293 for the period versus \$46,008 in the fourth quarter a year ago, a 2.8% increase.

For the fourth quarter, earnings per diluted share were \$0.34, as compared to fourth quarter 2006 earnings per diluted share of \$0.38. Fourth quarter 2006 benefited from an additional fourteenth week, which contributed an estimated \$0.08 per diluted share.

2008 Outlook

Ms. Smith continued, 'We thank our franchisees and team members for another great year, and believe that together we will achieve continued success in 2008. First quarter is well underway, and our same-store sales to date are 4.1% for our company-owned and 1.3% at franchised restaurants. We believe our operational attention to guest service and hospitality and a strong first-quarter marketing plan will deliver results.'

In closing, Ms. Smith stated, 'Despite an uncertain economy, we remain committed to 15% unit growth in 2008. While no one can predict how the consumer will react in a changing economy, and the extent of commodity increases is still unknown, we are focused on continuing our four-year trend of positive quarterly same-store sales and our eight-year trend of average weekly sales volume growth. We believe that with our unit growth, along with continued sales strength and an emphasis on cost controls, we can achieve our net income growth target of 25% in 2008.'

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