

BUCA, Inc. Announces 4th Quarter and Full Year 2007 Financial Results

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BUCA, Inc. (NASDAQ: BUCA) today announced financial results for its fourth quarter and full year of fiscal 2007. The company reported a net loss of \$5.3 million, or (\$0.26) per share, in the fourth quarter of fiscal 2007, compared with net income of \$0.9 million, or \$0.05 per share, in the fourth quarter of fiscal 2006.

For the fiscal year 2007, the Company reported a net loss of \$16.2 million, or (\$0.79) per share, compared with a net loss of \$3.6 million, or (\$0.18) per share, in fiscal 2006.

The fourth quarter of fiscal 2007 contained 13 weeks as compared to the fourth quarter of fiscal 2006 which contained 14 weeks.

John Bettin, the company's Chief Executive Officer commented, 'The recent restaurant environment has been challenging for us and for the industry. While we are disappointed with our recent results, we did make progress on several initiatives designed to improve average unit volumes as we work toward profitability. During fiscal 2007, we continued to evolve and strengthen the Buca di Beppo brand, implementing initiatives such as catering and our single portion option called BUCA Mio, which we believe are resonating well with our guests. On the cost side, we implemented a new labor management system, which is beginning to drive improvement as shown by our year over year labor savings in the fourth quarter of fiscal 2007, and we delivered improvement in product costs on a year-over-year basis.'

Fourth Quarter Results

Total restaurant sales were \$64.1 million in the fourth quarter of fiscal 2007 as compared to \$71.5 million in the fourth quarter of fiscal 2006. The decrease in total restaurant sales was due to the fourth quarter of fiscal 2007 being a 13-week period as compared to 14-week in fiscal 2006, the closure of two underperforming restaurants in the first half of fiscal 2007, the loss of sales due to the temporary closure of the Company's San Francisco restaurant during parts of the quarter and the fact that the fourth quarter of fiscal 2007 did not include New Year's Eve. No new restaurants opened in the period.

Buca di Beppo comparable restaurant sales decreased 2.5% for the fourth quarter of fiscal 2007 as compared to the same period last year. The comparable restaurant sales numbers reported exclude the results of the Company's San Francisco restaurant for the entire fourth fiscal quarters for each of 2006 and 2007. The restaurant, one of the Company's highest sales locations, was closed for renovation beginning September 24, 2007 and reopened on November 20, 2007.

The company reported a net loss of \$5.3 million, or (\$0.26) per share, in the fourth quarter of fiscal 2007 as compared to net income of \$0.9 million, or \$0.05 per share, in the same period of the prior year. The net loss in the fourth quarter of fiscal 2007 includes a loss on disposal of assets of \$0.5 million related to repairs and renovation of the Company's San Francisco restaurant and asset impairment charges of \$4.3 million.

Total restaurant costs in the fourth quarter of fiscal 2007 were \$60.1 million, as compared to \$64.5 million in the same period of the prior year. As a percentage of restaurant sales, these costs were 93.8% for the fourth quarter of fiscal 2007, as compared to 90.1% in the fourth quarter of fiscal 2006.

Fiscal Year 2007 Results

For fiscal 2007, total restaurant sales were \$245.6 million as compared to \$253.8 million in fiscal 2006. The decrease in restaurant sales was primarily due to a shift in the Company's fiscal calendar caused by the 53rd week of fiscal 2006 which removed the relatively high sales week prior to and including New Year's Eve from the Company's first quarter of fiscal 2007 and New Year's Eve from the Company's fourth quarter of fiscal 2007. The Company's fiscal 2007 results also reflect the closure of two underperforming restaurants in the first half of 2007, the loss of sales due to the temporary closure of the Company's San Francisco restaurant during parts of the third and fourth fiscal quarters and a decrease in beverage sales.

Buca di Beppo comparable restaurant sales increased 0.7% for fiscal 2007 as compared to the same period last year. The comparable restaurant sales numbers reported exclude the results of the Company's San Francisco restaurant for the entire third and fourth fiscal quarters for each of 2006 and 2007. The reported revenue numbers include all of the Company's revenues for all periods, including those of the San Francisco restaurant.

The company reported a net loss of \$16.2 million, or (\$0.79) per share, in fiscal 2007, as compared to a net loss from continuing operations of \$4.6 million, or (\$0.23) per share, in fiscal 2006. The fiscal 2007 net loss includes a loss on disposal of assets of \$0.9 million related to repairs and renovation of the Company's San Francisco restaurant and asset impairment charges of \$5.1 million.

Total restaurant costs were \$233.4 million in fiscal 2007 as compared to \$234.7 million in fiscal 2006. As a percentage of restaurant sales, these costs were 95.1% for fiscal 2007, as compared to 92.5% in fiscal 2006.

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