

The Cheesecake Factory First Quarter Total Revenues Increased 10%

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The Cheesecake Factory Reports Results for First Quarter of Fiscal 2008

The Cheesecake Factory Incorporated (NASDAQ: CAKE) reported financial results for the first quarter of fiscal 2008, which ended on April 1, 2008.

Total revenues increased 10% to \$393.8 million from \$356.6 million in the first quarter of fiscal 2008. Net income and diluted net income per share were \$14.3 million and \$0.21, respectively.

Operating Results

Comparable restaurant sales decreased approximately 1.8% in the first quarter of fiscal 2008. Inclement weather in many parts of the country during the first quarter of fiscal 2008 had a net impact on comparable sales of approximately \$1.6 million. Excluding the estimated weather-related effect, comparable restaurant sales would have decreased approximately 1.2%.

By concept, comparable restaurant sales decreased an estimated 1.9% and 0.9% at The Cheesecake Factory and Grand Lux Cafe, respectively, in the first quarter of fiscal 2008. Absent any impact from weather, comparable sales would have decreased approximately 1.3% and 0.6% at The Cheesecake Factory and Grand Lux Cafe, respectively.

'We continue to be focused on execution and firmly managing our costs. Our operating margins were in-line with our expectations, despite ongoing cost headwinds and the de-leveraging effect from guest traffic that has not yet returned to normalized levels,' said David Overton, Chairman and CEO. 'We executed against our business plan for fiscal 2008 and repurchased shares during the first quarter. We firmly believe in the strength of our brands and view our stock repurchases as a good investment, as well as a means for us to deliver on our commitment to return value to shareholders.'

Stock Repurchases

The Company repurchased approximately 2.2 million shares of its common stock during the first quarter of fiscal 2008 at a total cost of \$45 million as part of its previously announced fiscal 2008 business plan, which includes estimated share repurchases of between \$150 million and \$200 million. The Company has repurchased approximately 15.7 million shares under its 31 million share authorization.

Targeted New Restaurant Openings

The Company continues to expect to open between seven and nine new restaurants in fiscal 2008, consisting of six to eight Cheesecake Factory restaurants as well as the initial unit of its newest concept, RockSugar Pan Asian Kitchen. The Company anticipates opening four Cheesecake Factory restaurants and RockSugar Pan Asian Kitchen in the second quarter of fiscal 2008, and expects the remaining new restaurants to open in the fourth quarter of fiscal 2008. The Company will maintain its focus on selecting only the premier locations for its concepts based upon their availability.

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