

CBRL Group Reports June Comparable Sales Down 1.2%

2008-07-01

CBRL Group Reports June Comparable Sales

CBRL Group, Inc. (Nasdaq: CBRL) today reported comparable store sales for its Cracker Barrel Old Country Store(R) restaurants and gift shops for the four-week period ending Friday, June 27, 2008. The sales are compared with the four-week period ending June 29, 2007, not the prior-year fiscal period.

Comparable store restaurant sales were down 1.2%, including the effects of an approximately 3.8% higher average check that resulted primarily from an average menu price increase of approximately 3.7%.

Comparable store retail sales were up 0.2%.

Quarter-to-date fourth quarter comparable store restaurant sales were down 0.6%, which included the effects of approximately 3.6% higher average check. Comparable store retail sales increased 1.3%.

Year-to-date fiscal 2008 comparable store restaurant sales increased 0.7%, which included the effects of an approximately 3.3% higher average check. Comparable store retail sales were down 0.4%.

Update to Fiscal 2008 Outlook

The Company urges caution in considering its current trends and the outlook disclosed in this press release. The restaurant industry is highly competitive, and trends and guidance are subject to numerous factors, risks and influences, some of which are discussed in the cautionary language set forth below in this press release and others that are described in the Company's Annual Report on Form 10-K for the fiscal year ended August 3, 2007 and subsequent Quarterly Reports on Form 10-Q, which can be found on the Securities and Exchange Commission's website, sec.gov, and the Company's website, cbrlgroup.com. The Company disclaims any obligations to update disclosed information on trends or targets.

The Company commented that its outlook for fiscal 2008 reflects many assumptions, the accuracy of which is not yet known. Based on current trends and estimates, the Company now expects fiscal 2008 income from continuing operations per diluted share to be in the range of \$2.77 to \$2.87 per share. Total revenue now is expected to increase approximately 1.5% over revenues from continuing operations in fiscal 2007 (which included a 53rd week that generated \$46.3 million of sales). On a 52-week basis, total revenue is expected to increase 3.4%, which includes full-year comparable store restaurant sales up approximately 0.5%, including approximately 3.6% of menu price increases, and full-year comparable store retail sales to be down slightly compared to fiscal 2007. As a result of this lower projected revenue, the Company also now expects fiscal 2008 operating income margin as a percent of revenues from continuing operations to be approximately 6.4% compared with 7.0% (excluding the effect of a 53rd week) in fiscal 2007.

Commenting on the outlook, Chairman, President and Chief Executive Officer Michael A. Woodhouse said, 'While our comparable store restaurant sales were below our expectations, we believe that we performed slightly better than the industry. We were also encouraged that, despite softer restaurant results and general consumer pessimism, our retail strategies are generating positive sales. Although our range of guidance represents an increase in diluted earnings per share from continuing operations of between 10% and 14% over fiscal 2007, which included a 53rd week, we will not reach the earnings level that we previously forecast for fiscal 2008 given the continuing negative pressures on consumers.'

Headquartered in Lebanon, Tennessee, CBRL Group, Inc. presently operates 577 Cracker Barrel Old Country Store restaurants and gift shops located in 41 states.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article33323.html>

© 1998 - 2008 Nevistas and the author.

Brought to you by Hotel News Resource

Distribute your news on our Network

See what all the buzz is about at:

http://www.hotelnewsresource.com/Info-news_account_info.html