

## Frisch's Reports Results for Fiscal 2008

2008-07-29

---

Frisch's Restaurants, Inc. (AMEX:FRS) reported record sales of \$299,562,346 for the fiscal year ended June 3, 2008.

Revenues rose \$9,627,979, or 3.3%. The current year included a 53rd week that accounted for \$5,760,624 of the revenue increase. Net earnings for the year declined 35.8% to \$5,946,211 compared to \$9,267,556 last year. Diluted earnings per share declined to \$1.14 per share, from \$1.78 per share last year. As previously reported, included in the final quarter of the current year was a non-cash, pretax impairment charge of \$4,660,093. Without the impairment charge, diluted earnings per share would have been \$1.75 per share.

For the fourth quarter of fiscal 2008, revenue rose 9.2% (including the extra week's sales) to a record \$74,204,098 from \$67,965,988 for the fourth quarter of last year. The Company reported a loss of \$737,666 compared to net earnings of \$2,272,333 in last year's fourth quarter. The diluted loss per share was  $-.14$  compared to earnings per share of  $$.43$  last year. Excluding the impairment charge, but including the impact of the extra week, diluted earnings per share would have been  $$.48$  for the quarter.

Craig F. Maier, President and Chief Executive Officer, said, "Same store sales at our Big Boy Restaurants rose for the eleventh consecutive year, increasing a modest 0.1% over last year. Even though record high gasoline prices have limited our customers' ability to dine out as often as they have in the past, we were still able to extend our streak for another year."

Maier added, "Our Golden Corral restaurants posted a same store sales decline of 1.4% during the year. However, sales at our Golden Corrals have shown significant increases for the last ten weeks, and we are encouraged about the prospect of reversing the past same store sales declines in Golden Corral."

Aside from the impairment charge, higher food cost in both Big Boy and Golden Corral operations was the main cause for the decline in annual earnings. The cost of many of the important items offered by both concepts, such as beef, pork and fish, rose significantly during the year.

During the year, the Company opened two new Big Boy restaurants and re-built an older unit that had been demolished late in fiscal 2007. Three older Big Boys closed during the year. Construction of one Golden Corral was completed early in fiscal 2008. As of June 3, 2008, Frisch's operated 35 Golden Corral restaurants and 87 company-owned Big Boy restaurants, and there were an additional 28 franchised Big Boy restaurants operated by licensees.

Frisch's Restaurants, Inc. is a regional company that operates full service family-style restaurants under the name "Frisch's Big Boy." The Company also operates grill buffet style restaurants under the name "Golden Corral" pursuant to certain licensing agreements. All Big Boy restaurants are currently located in various regions of Ohio, Kentucky and Indiana. Golden Corral restaurants currently operate primarily in the greater metropolitan areas of Cincinnati, Cleveland, Columbus, Dayton and Toledo, Ohio, Louisville, Kentucky and Pittsburgh, Pennsylvania.

The Company owns the trademark "Frisch's" and has exclusive, irrevocable ownership of the rights to the "Big Boy" trademark, trade name and service marks in the states of Kentucky and Indiana, and in most of Ohio and Tennessee. All of the Frisch's Big Boy restaurants also offer "drive-thru" service. The Company also licenses Big Boy restaurants to other operators, currently in certain parts of Ohio, Kentucky and Indiana.

The Company has reported a profit every year since going public in 1960, and paid cash dividends to shareholders every quarter over the same period.

This article comes from Hotel News Resource

<http://www.hotelnewsresource.com>

The URL for this story is:

<http://www.hotelnewsresource.com/article33767.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](http://www.hotelnewsresource.com/Info-news_account_info.html)