

Rick's Cabaret International Board Increases Stock Buyback Authorization to \$5 Million

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The Board of Directors of Rick's Cabaret International, Inc. (NASDAQ: RICK), the nation's premier operator of upscale gentlemen's clubs, has authorized the buyback of up to \$5 million of the company's common stock.

In a special meeting the Board increased the buyback authorization from the previous level of \$500,000.

'The Board agreed that our stock is currently undervalued and that it makes sense for us to buy our own equity at these levels,' said Eric Langan, President and CEO of Rick's Cabaret. 'I have always said that when we could buy our stock at a price that was better than investing in a new acquisition we would do so. Meanwhile, we are continuing to look at potential acquisitions at the right price.'

Mr. Langan said he saw no reason other than general market conditions for the current dip in the share price of the company's stock, noting that revenues and other fundamentals remain solid for the company, which operates 19 nightclubs in seven states.

'We will announce our quarterly nightclub sales in early October and we anticipate reporting record nightclub revenues again, particularly now that the newest Rick's Cabaret in Las Vegas has begun contributing,' Mr. Langan said.

The company has completed five important acquisitions in the past year: Tootsie's Cabaret in Miami Gardens, FL, Crazy Horse II in Philadelphia now operating as Rick's Cabaret, two clubs in Dallas that now operate as Rick's Cabaret and a Club Onyx, and the former Scores-LV that now operates as Rick's Cabaret-Las Vegas. In addition the company purchased the 49% of its Rick's Cabaret- Austin it did not already own. The company also launched a Media Division with the acquisition of ED Publications and its annual convention business.

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