



Citigroup Restaurant Seminar

April 5, 2016

Michael Ansley, Chairman & CEO
David Burke, CFO



Safe Harbor Statement



The information made available in this presentation contains forward-looking statements which reflect the Company's current view of future events, results of operations, cash flows, performance, business prospects and opportunities. Wherever used, the words "anticipate," "believe," "expect," "intend," "plan," "project," "will continue," "will likely result," "may," and similar expressions identify forward-looking statements as such term is defined in the Securities Exchange Act of 1934. Any such forward-looking statements are subject to risks and uncertainties and the Company's actual growth, results of operations, financial condition, cash flows, performance, business prospects and opportunities could differ materially from historical results or current expectations. Some of these risks include, without limitation, the impact of economic and industry conditions, competition, food and drug safety issues, store expansion and remodeling, labor relations issues, costs of providing employee benefits, regulatory matters, legal and administrative proceedings, information technology, security, severe weather, natural disasters, accounting matters, other risk factors relating to our business or industry and other risks detailed from time to time in the Securities and Exchange Commission filings of DRH. Forward-looking statements contained herein speak only as of the date made and, thus, DRH undertakes no obligation to update or publicly announce the revision of any of the forward-looking statements contained herein to reflect new information, future events, developments or changed circumstances or for any other reason.

Who We Are



Largest Buffalo Wild Wings (BWW) Franchisee & Operator of Bagger Dave's Burger Tavern

- ✓ Defining the Ultra-Casual segment
- ✓ Compelling unit economics
- ✓ Track record of accretive BWW acquisitions

Founded: 2006















NASDAQ: SAUC

Total Restaurants	80	Additional Planned Openings in 2016	3
Market Capitalization (millions)	\$49.8	2015 Revenue (millions)	\$172.5
Recent Price	\$1.89	Avg. Vol. (3 months, thousands)	48.9
52 wk. Price Range	\$1.26- \$4.79	Shares Outstanding (millions)	26.3
Insider Ownership	48%	Institutional Ownership	22%

Market Data as of March 30, 2016 [Source: Bloomberg LP]; Ownership as of most recent filing

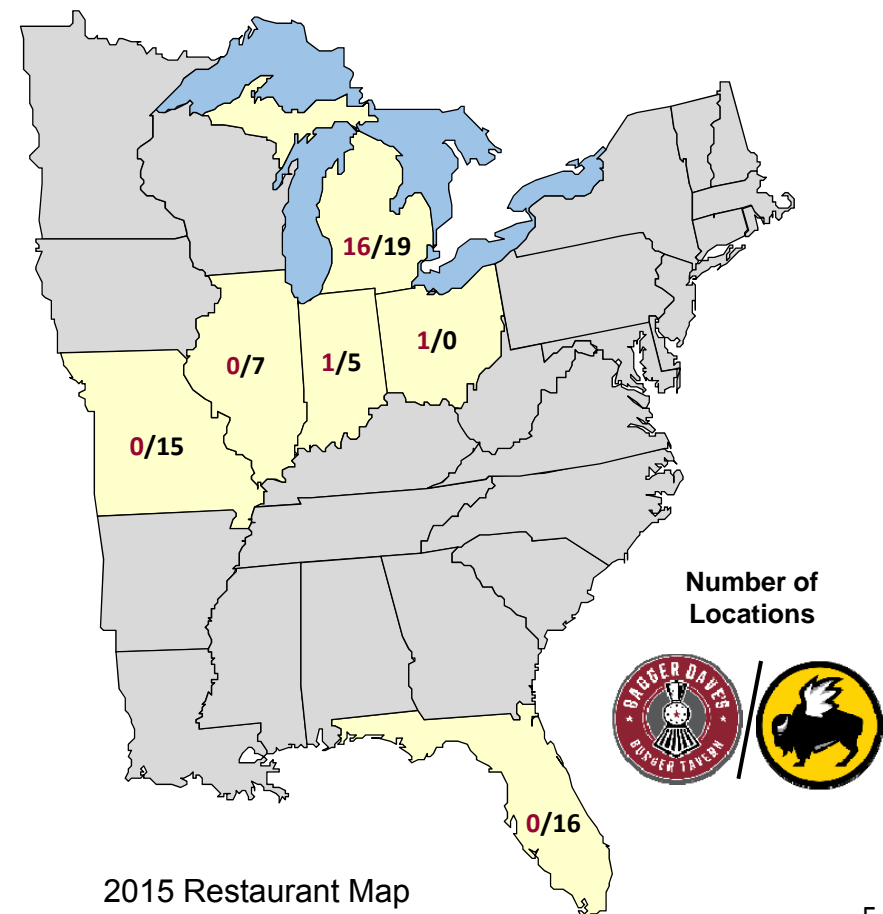
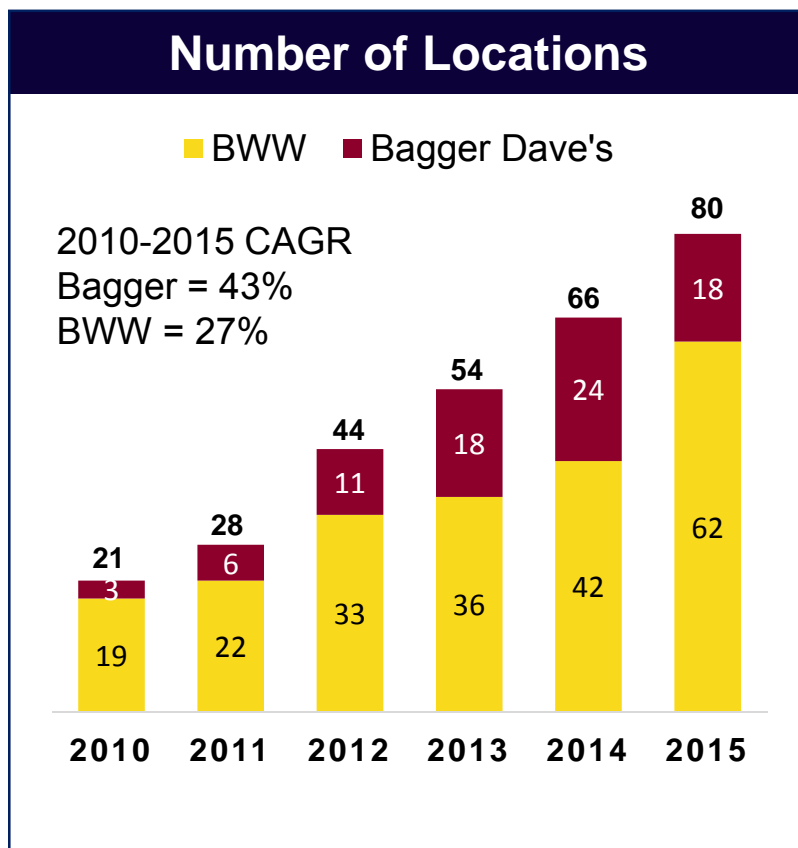
What is Ultra-Casual?

- We target the “white space” between fast-casual and traditional casual dining
- Millennial average age is ~25; Higher millennial incomes and demand for full-service

Fast-Casual	Ultra-Casual	Casual Dining
<p>Attractive Price Point</p> <p>Focused Menu</p>	<p>Bridging the gap as the newly defined “Ultra-Casual” concepts</p>	<p>Full Service</p> <p>Bar Experience</p>
     	 <ul style="list-style-type: none"> • Sports atmosphere • 40-100 televisions • Guests move tables to accommodate their party  <ul style="list-style-type: none"> • Fresh food • No walk-in freezers • 4,000-4,800 sq-ft. footprint • Fully customizable meal 	     

Strong Unit Expansion

- Impressive organic and acquisitive growth
- Disciplined site identification and design flexibility maximizes profitability of each site
- Target cash-on-cash returns: 30% (BWW) and 25% (Bagger Dave's)
- Target store footprint: 6,500 sf (BWW) and 4,200 sf (Bagger Dave's)



Successful Acquisition Integration



- Demonstrated ability to leverage operational expertise, G&A infrastructure, and systems to drive stronger profitability and unit volumes

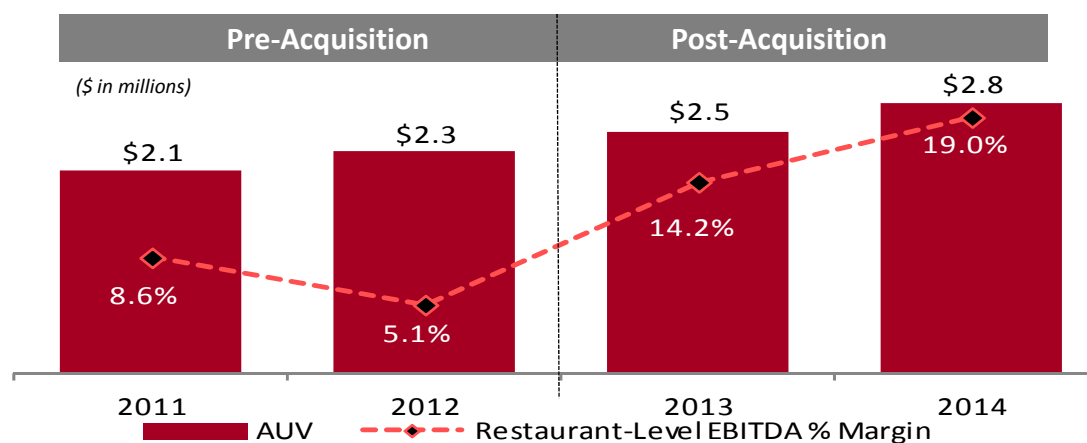
Acquisition History

Year	Location	Number of Restaurants	Total Consideration
2010	Michigan / Florida	9	\$1.3
2012	Indiana / Illinois	8	\$14.7
2014	Florida	3	\$3.2
2015	Missouri	18	\$54.0

2015 Acquisition Benefits

- Immediately accretive to earnings
- Further solidifies standing as leading BWB franchisee
- Expansion into a new market with opportunities for growth in close proximity to existing stores

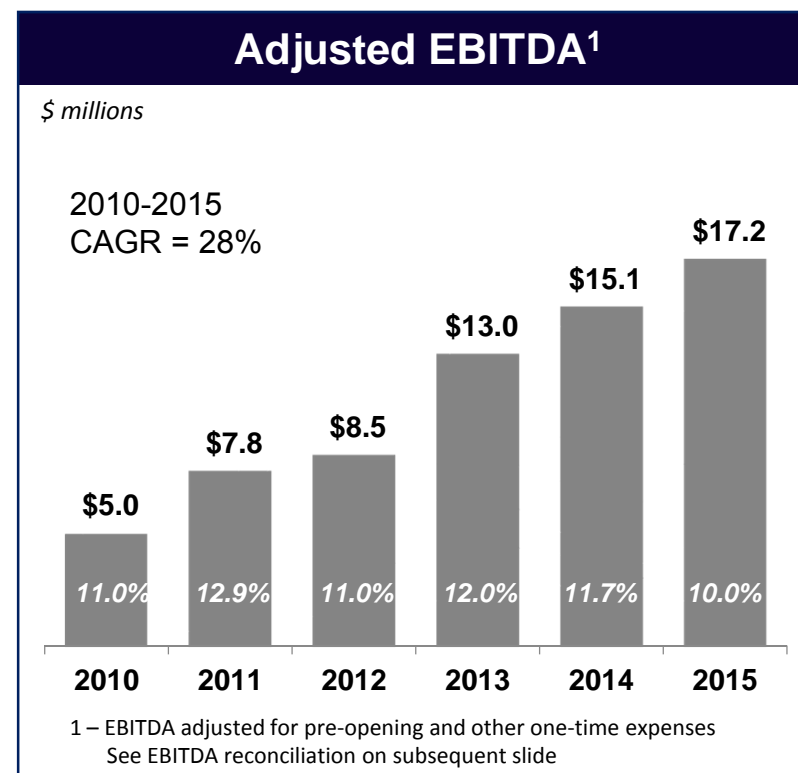
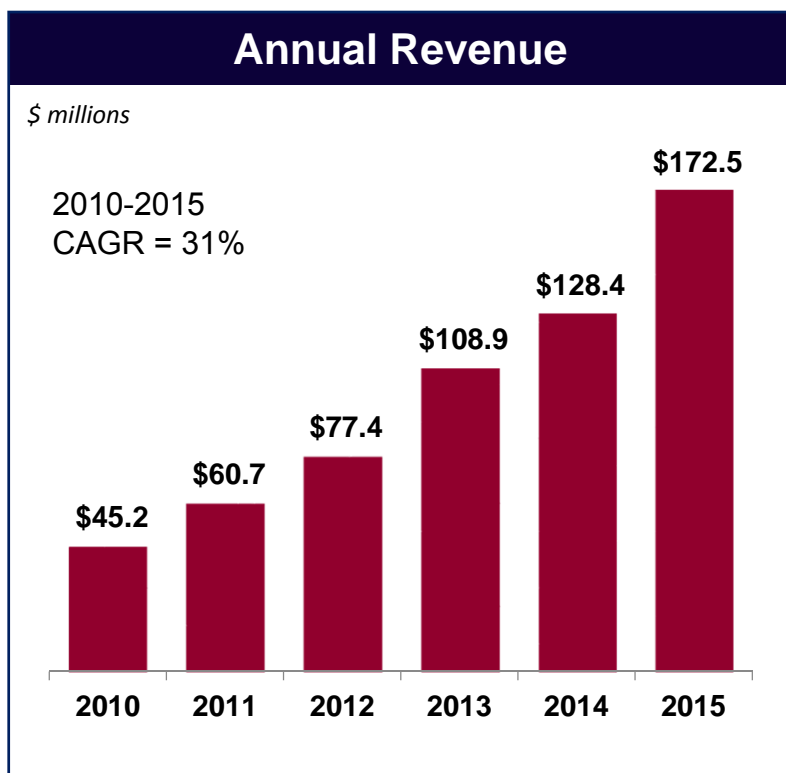
2012 Acquisition Case Study – acquired 8 BWB and significantly increased profitability



Growth Track Record

Key changes in 2015 to drive profitability:

- Leverage scale: Acquired 18 highly profitable BWB in St. Louis
- Right-sized and rationalized organization: Closed 12 locations (11 Bagger Dave's)



2016: A Transition Year



BWW will be our primary focus of growth strategy

- Focused CapEx of \$14MM to \$16MM (about half of 2015 level)
 - Open two BWW and complete eight Stadia design projects
 - Open one Bagger Dave's
 - No further development planned; focus on improving existing locations
- Achieve \$4.0 million in savings associated with recent closures and other efficiency initiatives
- Generate cash, pay down debt and strengthen balance sheet
 - Net debt/Adjusted EBITDA: Targeting 3.0x or lower over next three years

2016 Outlook

- | | |
|--|------|
| ▪ Revenue: \$194MM and \$200MM | +14% |
| ▪ Adjusted EBITDA: \$24MM to \$26MM | +45% |
| ▪ Adjusted Restaurant-level EBITDA: \$36MM to \$38MM | +27% |

Guidance provided as of March 10, 2016; growth percentage based on guidance mid-point compared with 2015 results

Unit Economics



Estimated Cash Investment	\$2.0MM	\$1.3MM
Target Revenue per Store	\$3.0MM	\$1.7MM
<i>Target Restaurant-Level Margin</i>	<i>20.0%</i>	<i>20.0%</i>
Target Restaurant-Level EBITDA	\$600,000	\$320,000
<i>Target Cash on Cash Return</i>	<i>30.0%</i>	<i>25.6%</i>
Estimated Average Check	\$26.10	\$25.40
¹ Target Square Footage	6,400	4,300
Target Revenue / Sq-ft	\$469	\$395
¹ Target Number of Seats	225	160
<i>Estimated Incremental Margin %</i>	<i>>35%</i>	<i>>45%</i>

1-usable square footage with all-season patio

BWW Brand Snapshot



Wings. Beer. Sports.®

- In every U.S. State: ~1,100 locations (~600 franchised)
 - International presence: Canada, Mexico, Saudi Arabia, the United Arab Emirates, and the Philippines
- “Stadia” restaurant design and exclusive sports channel package partnership with DIRECTV
 - Extensive multimedia social environment
 - Sound system, Buzztime Trivia
- New technology to locate restaurants, wait for a table, order, and pay
- Flexible menu options: Chicken wings spun in one of 16 signature sauces or 5 signature seasonings
- 24 to 30 domestic, imported, and craft beers on tap as well as bottled beers, wine, and liquor

Key Initiatives

- Buffalo Wild Wings Citrus Bowl
- Key partnership with Pepsi / Dr. Pepper
- NCAA sponsorship of all 89 championships including a Bracket Challenge promotion



Bagger Dave's Brand Snapshot



- Full-service restaurant and bar, operating in the “better-burger” ultra-casual space
- Fast-casual attributes: *Fresh, Specialized, and Customizable Food*
- Seasonal local craft beers on tap and unique signature craft cocktails
- Hometown feel featuring local décor
- Eclectic, hip depot themed atmosphere
 - Electric train runs throughout the restaurant
 - 10-12 50” high-definition flat screen televisions

Newly innovated interior bar design emphasizes liquor and draft beer offerings



Key Initiatives

- Redesigned menu emphasizing freshness and high-quality ingredients
- Strong new marketing message
- Interior design remodeling with emphasis on a 10-tap full bar
- Strong site selection:
 - \$60,000 - \$100,000 median income
 - 50,000 population within 3 miles
 - Over 20,000 daytime population
- Implemented Bagger Bucks Loyalty Program

Updated exterior design for rejuvenated, welcoming look



Grand Blanc, MI

Our Restaurants



More bar-focused design



Train depot roof and sleek exterior design



Eclectic and unique interior fixtures



Outdoor patio seating

Redesigned Menu/Enhanced Offerings



We might wave to you,
but we don't make waves, and we
**CERTAINLY DON'T
MICROWAVE.**
WE'RE COOL
but not frozen, so
**NO WALK-IN
FREEZERS.**
100% USDA 
BEEF 
Not to sound snooty,
but our burger is a
**PRIME RIB
RECIPE!**
OUR **TURKEY**
BURGERS ARE
— **FARM** —
RAISED
(the turkeys, not the burgers).
THEY'RE LEAN,
SO YOU WILL BE, TOO.
FRESH-CUT FRIES
IT'S ALL ABOUT THE POTATO.
SWEET POTATO
CHIPS
THE "WHY-DIDNT-SOMEONE-
THINK-OF-THIS-BEFORE" CHIP.
LOCAL CRAFT
BEERS, O
but for super local, we make
OUR OWN
SODAS.

- **Fresh, diverse menu offerings**

- Proprietary beef blend, locally sourced
- Farm-raised grilled chicken breast
- Gluten-free menu

- **Unique differentiator:
Premium craft soda**

- Exceedingly better margins than Coca-Cola or Pepsi
- 50-year supply agreement

- **Targeted messaging**



Latin Chicken



Korean BBQ Burger



Blackened Mahi-Mahi Burger



Millennial Alignment



Attribute	How Bagger Dave's Meets Millennials' Specific Needs
Natural	<ul style="list-style-type: none">▪ Natural beef, turkey, chicken and produce
Fresh	<ul style="list-style-type: none">▪ No walk-in freezers (see how many concepts can say this)
Value	<ul style="list-style-type: none">▪ Fresh, cooked to order burgers + hand cut fries and full service at a price points competitive with fast casual concepts
Technology	<ul style="list-style-type: none">▪ Mobile payment, Fresh Rewards app, hand-held POS, music controlled by phone app
Customization	<ul style="list-style-type: none">▪ Create-your-own burger or meal with COY menu sheets
Convenience	<ul style="list-style-type: none">▪ Order online or from mobile app, charge you computers or mobile device at your table with power and USB outlets, WiFi
Entertainment	<ul style="list-style-type: none">▪ Large flat-screen televisions throughout, energizing atmosphere



Citigroup Restaurant Seminar

April 5, 2016





Supplemental Slides



Management Team



Michael Ansley
*Chief Executive
Officer, President*

- Served as the President, Chief Executive Officer, and Chairman of the Board since DRH's inception
- Became a BWLD franchisee in 1996, opened DRH's first Buffalo Wild Wings location in 1999, and opened the first Bagger Dave's location in 2008
- Currently serves on the Board of Directors of the Michigan Restaurant Association

David Burke
*Chief Financial
Officer*

- Appointed the Chief Financial Officer in 2010 but has been a member of the board since inception
- Served as Secretary from inception to 2010 and as a member of the Audit Committee and Audit Committee Chairman from 2007-2010, prior to being named Chief Financial Officer
- Prior to DRH, employed by Federal-Mogul with roles in finance and corporate development

Jason Curtis
*Chief Operating
Officer*

- Held the Chief Operating Officer position since 2002
- Named to the BWLD Leadership Council to serve as a liaison between franchisees and the BWLD corporate office
- Certified by the National Restaurant Association as a Foodservice Management Professional

Brad Haber
*President of
Bagger Dave's*

- Joined DRH as Senior Vice President of Team Member Relations and Training in 2015
- Prior to DRH, served as Vice President of Operations for Buffalo Wild Wings
- Over 30 years in the hospitality industry holding executive positions at Brinker International, O'Charley's, Roadhouse Grill, and Marriott

Lupita Distaso
*Vice President
of Purchasing*

- Named the Vice President of Purchasing in 2011
- Prior to DRH, served as Purchasing Director of Little Caesar Enterprises
- Extensive experience in strategic procurement and supply chain management since 1995 at numerous companies including Jabil Circuit, Ametek Aerospace, and Holcim (USA) Inc.

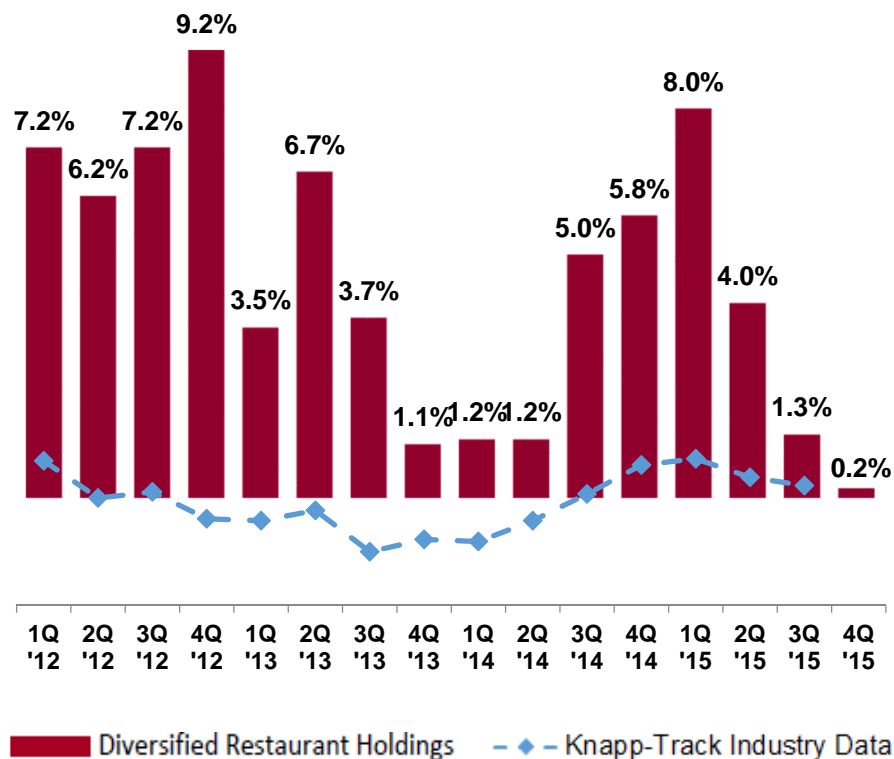
Misty Sirch
*Director of
Real Estate*

- Appointed the Director of Real Estate in 2014
- Active member of the International Council of Shopping Centers and earned Certified Shopping Center Manager qualification from the ICSC
- Previously employed by RG Properties as Director of Retail Portfolio Management

Key Financial Highlights

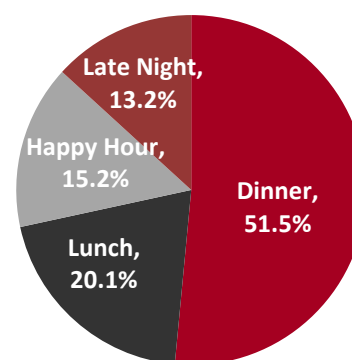
Attractive and Sustained BWW Same Store Sales Growth

- 20 consecutive quarters of same store sales growth and has consistently beaten the industry average

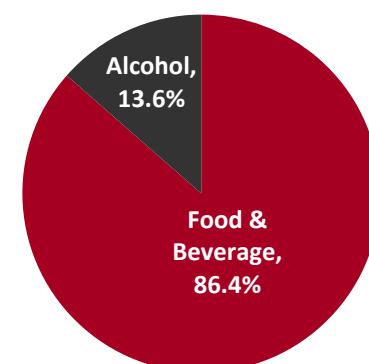
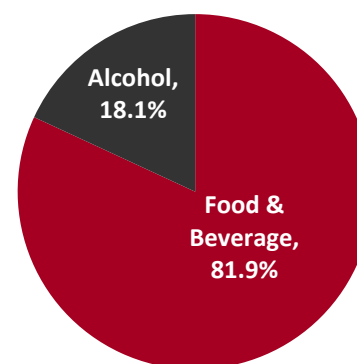
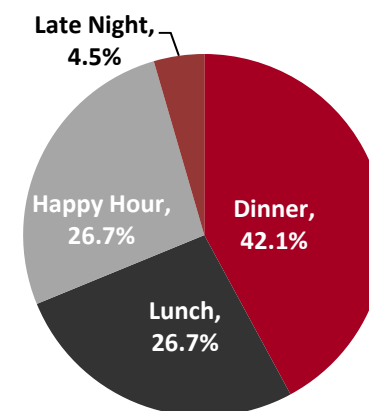


Revenue Mix⁽¹⁾

Buffalo Wild Wings



Bagger Dave's



(1) For the 2015 period and not pro forma for the Acquisition

EBITDA Reconciliation

<i>For the fiscal year ended,</i>	2010	2011	2012	2013
Net Income attributable to DRH	\$167,854	\$1,842,186	\$180,099	\$134,308
+ Income Tax Provision (Benefit)	(125,826)	586,086	(167)	(261,450)
+ Interest Expense	1,322,502	1,137,725	1,282,991	1,718,711
+ Other Income (Expense), net	(74,456)	(366,497)	(20,081)	(151,292)
+ Loss on Disposal of Property and Equipment	20,965	31,465	36,833	98,162
+ Depreciation and Amortization	2,689,584	3,479,360	4,587,310	7,974,481
EBITDA	\$4,316,912	\$7,110,988	\$6,205,386	\$9,512,920
+ Pre-opening Expense	654,764	714,330	1,792,168	3,230,122
+ Non recurring Expense	-	-	513,500	271,000
Adjusted EBITDA	\$4,971,676	\$7,825,318	\$8,511,054	\$13,014,042
<i>Adjusted EBITDA Margin (%)</i>	<i>11.0%</i>	<i>12.9%</i>	<i>11.0%</i>	<i>12.0%</i>
- Non recurring Expense				
+ Adjusted General and Administrative	3,463,831	5,023,212	6,472,408	7,139,579
Restaurant-Level EBITDA	\$8,435,507	\$12,848,530	\$14,983,462	\$20,153,639
<i>Restaurant-Level EBITDA Margin (%)</i>	<i>18.60%</i>	<i>21.20%</i>	<i>19.30%</i>	<i>18.50%</i>

EBITDA Reconciliation cont.



	Three Months Ended		Twelve Months Ended	
	December 27, 2015	December 28, 2014	December 27, 2015	December 28, 2014
Net loss	(9,555,256)	(1,353,748)	(16,192,492)	(1,268,497)
+ Income tax (benefit)	(6,526,902)	(1,526,706)	(9,986,007)	(1,706,736)
+ Interest expense	1,377,357	837,949	4,211,255	2,274,041
+ Depreciation and amortization	5,721,776	3,344,826	16,582,236	10,956,951
EBITDA	(8,983,025)	1,302,321	(5,385,008)	10,255,759
+ Other income (expense), net	(43,303)	145,338	(822,039)	58,912
+ Impairment and loss on asset disposal	11,242,115	669,811	14,242,705	1,023,144
+ Non-recurring expenses (Corporate Level)(1)	337,477	127,919	3,450,861	254,241
+ Non-recurring expenses (Restaurant Level)(1)	1,438,632	—	2,507,283	—
+ Pre-opening costs	920,478	1,409,864	3,244,157	3,473,664
Adjusted EBITDA	4,912,374	3,655,253	17,237,959	15,065,720
+ General and administrative expenses	3,152,252	2,440,710	15,351,440	8,786,520
- Non-recurring expenses (Corporate Level)	(337,477)	(58,203)	(3,450,861)	(254,241)
Adjusted Restaurant Level EBITDA	7,727,149	6,037,760	29,138,538	23,597,999

EBITDA Reconciliation cont.



(1) Note: There were additional one-time expenses related to the acquisition that were identified or reassigned after the close of the Third Quarter 2015 that have an impact on each quarter of 2015 and has been added to represent the true full year 2015 Adjusted Restaurant-Level EBITDA, Adjusted EBITDA, and Adjusted Net Income.

(2) Adjusted Restaurant-Level EBITDA represents net income (loss) attributable to DRH plus the sum of non-restaurant specific general and administrative expenses, restaurant pre-opening costs, loss on property and equipment disposals, the change in fair value of derivative instruments, depreciation and amortization, other income and expenses, interest, taxes, income attributable to noncontrolling interest and non-recurring expenses related to acquisitions, equity offerings or other non-recurring expenses. Adjusted EBITDA represents net income (loss) attributable to DRH plus the sum of restaurant pre-opening costs, loss on property and equipment disposals, the change in fair value of derivative instruments, depreciation and amortization, other income and expenses, interest, taxes, income attributable to noncontrolling interest, and non-recurring expenses. Adjusted Net Income represents net income (loss) attributable to DRH plus the tax adjusted sum of non-recurring expenses that exist in Adjusted Restaurant-Level EBITDA, Adjusted EBITDA, non-recurring expenses that occur outside of EBITDA, loss on property and equipment disposals, and restaurant pre-opening costs. We are presenting Adjusted Restaurant-Level EBITDA and Adjusted EBITDA, and Adjusted Net Income, which are not presented in accordance with GAAP, because we believe they provide an additional metric by which to evaluate our operations. When considered together with our GAAP results and the reconciliation to our net income, we believe they provide a more complete understanding of our business than could be obtained absent this disclosure. We use Adjusted Restaurant-Level EBITDA, Adjusted EBITDA, and Adjusted Net Income together with financial measures prepared in accordance with GAAP, such as revenue, income from operations, net income, and cash flows from operations, to assess our historical and prospective operating performance and to enhance the understanding of our core operating performance. Adjusted Restaurant-Level EBITDA, Adjusted EBITDA, and Adjusted Net Income are presented because: (i) we believe they are useful measures for investors to assess the operating performance of our business without the effect of non-cash depreciation and amortization expenses; (ii) we believe investors will find these measures useful in assessing our ability to service or incur indebtedness; and (iii) they are used internally as benchmarks to evaluate our operating performance or compare our performance to that of our competitors.

Additionally, we present Adjusted Restaurant-Level EBITDA because it excludes the impact of general and administrative expenses and restaurant pre-opening costs, which is non-recurring. The use of Adjusted Restaurant-Level EBITDA thereby enables us and our investors to compare our operating performance between periods and to compare our operating performance to the performance of our competitors. The measure is also widely used within the restaurant industry to evaluate restaurant level productivity, efficiency, and performance. The use of Adjusted Restaurant-Level EBITDA, Adjusted EBITDA, and Adjusted Net Income as performance measures permits a comparative assessment of our operating performance relative to our performance based on GAAP results, while isolating the effects of some items that vary from period to period without any correlation to core operating performance or that vary widely among similar companies. Companies within our industry exhibit significant variations with respect to capital structure and cost of capital (which affect interest expense and tax rates) and differences in book depreciation of property and equipment (which affect relative depreciation expense), including significant differences in the depreciable lives of similar assets among various companies. Our management team believes that Adjusted Restaurant-Level EBITDA and Adjusted EBITDA facilitate company-to-company comparisons within our industry by eliminating some of the foregoing variations.

Adjusted Restaurant-Level EBITDA, Adjusted EBITDA, and Adjusted Net Income are not determined in accordance with GAAP and should not be considered in isolation or as an alternative to net income, income from operations, net cash provided by operating, investing, or financing activities, or other financial statement data presented as indicators of financial performance or liquidity, each as presented in accordance with GAAP. Neither Adjusted Restaurant-Level EBITDA nor Adjusted EBITDA should be considered as a measure of discretionary cash available to us to invest in the growth of our business. Adjusted Restaurant-Level EBITDA and Adjusted EBITDA as presented may not be comparable to other similarly titled measures of other companies and our presentation of Adjusted Restaurant-Level EBITDA and Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual items. Our management recognizes that Adjusted Restaurant-Level EBITDA and Adjusted EBITDA have limitations as analytical financial measures.