Texas Roadhouse, Inc. Form 10-Q May 08, 2006

## **UNITED STATES**

## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

# **FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 28, 2006

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE

SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 000-50972

# Texas Roadhouse, Inc.

(Exact name of registrant specified in its charter)

**Delaware** 

(State or other jurisdiction of incorporation or organization)

20-1083890

(IRS Employer Identification Number)

6040 Dutchmans Lane, Suite 200

Louisville, Kentucky 40205

(Address of principal executive offices) (Zip Code)

(502) 426-9984

### Edgar Filing: Texas Roadhouse, Inc. - Form 10-Q

(Registrant s telephone number, including area code)

Indicate by check mark whether registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  $x \, \text{No} \, \text{o}$ .

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x.

The number of shares of Class A and Class B common stock outstanding were 68,580,147 and 5,265,376, respectively, on April 28, 2006.

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#### PART I FINANCIAL INFORMATION

### ITEM 1 FINANCIAL STATEMENTS

Texas Roadhouse, Inc. and Subsidiaries Condensed Consolidated Balance Sheets (in thousands, except share and per share data)

Assets           Carban dash equivalents         \$ 23,819         \$ 28,987           Receivables, net of allowance for doubtful accounts of 569         9,464         9,913           Inventories         5,859         5,893           Prepaid income taxes         1,866         2,279           Prepaid income taxes         2,058         2,279           Deferred tax assets         40         40           Other current assets         41,766         49,279           Total current assets         41,766         49,279           Froperty and equipment, net         29,912         1,869           Goodwill         87,935         51,003           Intangible asset, net         5,147         1           Other assets         2,079         1,869           Total assets         9,76,399         \$ 312,593           Labilities and Stockholders Equity           Current maturities of loing-term debt         \$ 498           Current maturities of loing-term debt         \$ 1,746         1,741           Current maturities of obligations under capital leases         99         40         49           Current maturities of obligations under capital leases         11,770         19,355 <th></th> <th>March 28, 2006</th> <th>December 27, 2005</th>		March 28, 2006	December 27, 2005
Cash and cash equivalents         \$ 2,3819         \$ 2,987           Receivables, net of allowance for doubtful accounts of \$699         4,944         9,613           Inventories         5,859         5,893           Prepaid income taxes         2,058         2,299           Deferred tax assets         20         621           Defered tax assets         40         40           Total current assets         41,766         49,279           Property and equipment, net         239,472         210,382           Goodwill         5,147         1           Intangible asset, net         5,147         1           Other assets         2,079         1,869           Total assets         8,76,399         \$ 312,593           *** Total assets	Assets		
Receivables, net of allowance for doubtful accounts of \$69	Current assets:		
Inventories   5,859   5,893     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866     1,866   1,866     1,866     1,866     1,866     1,866     1,866     1,866	Cash and cash equivalents	\$ 23,819	\$ 28,987
Pepaid income taxes   1,866     Prepaid expenses   2,058   2,259     Deferred tax assets   526   621     Other current assets   40   40     Total current assets   41,766   49,279     Property and equipment, net   239,472   210,382     Goodwill   87,935   51,063     Intangible asset, net   5,147     Other assets   2,079   1,869     Total assets   3,16,399   \$ 312,593     Total assets   3,16,399   \$	Receivables, net of allowance for doubtful accounts of \$69	9,464	9,613
Prepaid expenses         2,05%         2,25%           Deferred tax assets         40         40           Total current assets         41,766         49,279           Property and equipment, net         239,472         210,382           Goodwill         87,935         51,063           Intangible asset, net         2,079         1,869           Other assets         2,079         1,869           Total assets         5,376,399         \$ 312,593           Liabilities and Stockholders Equity           Current maturities of long-term debt         \$ 546         \$ 498           Current maturities of obligations under capital leases         99         140           Accounts payable         11,770         19,355           Current revenue gift certificates         11,770         19,355           Current revenue gift certificates         11,770         19,355           Current revenue gift certificates         5,442         3,646           Current revenue gift certificates         6,891         5,695           Current revenue gift certificates         11,770         19,355           Current revenue gift certificates         3,410         5,695 <td>Inventories</td> <td>5,859</td> <td>5,893</td>	Inventories	5,859	5,893
Deferend tax assets         40         40           Other current assets         41,766         49,279           Property and equipment, net         239,472         210,382           Goodwill         87,935         51,063           Intangible asset, net         5,147         100           Other assets         2,079         1,869           Total assets         \$ 376,399         \$ 312,593           Liabilities:           Current maturities of long-term debt         \$ \$46         \$ 498           Current maturities of long-term debt         \$ \$46         \$ 498           Current maturities of long-term debt         \$ \$46         \$ 498           Current maturities of long-term debt         \$ \$498         \$ 498           Current maturities of long-term debt         \$ \$498         \$ \$498           Current maturities of long-term debt         \$ \$498         \$ \$498           Current maturities of long-term debt         \$ \$498         \$ \$498           Current maturities of long-term debt         \$ \$498         \$ \$498           Current maturities of long-term debt (activation properties and properties and properties and liabilities (activation properties and liabilities (activation properties and liabilities	Prepaid income taxes		1,866
Other current assets         40         40         40         70         40         70 </td <td>Prepaid expenses</td> <td>2,058</td> <td>2,259</td>	Prepaid expenses	2,058	2,259
Total current assets	Deferred tax assets	526	621
Property and equipment, net         239,47≥         210,38≥           Good will         87,935	Other current assets	40	40
State   Stat	Total current assets	41,766	49,279
Intangible asset, net   2,07°   1,86°   1701   1801   1	Property and equipment, net	239,472	210,382
Data passets   1,147   1,869   1,000   1,00	Goodwill	87,935	51,063
Other assets         2,079         1,869           Total assets         376,399         \$ 312,593           Liabilities and Stockholders Equity           Current liabilities:	Intangible asset, net		
Current liabilities and Stockholders   Equity		2,079	1,869
Current liabilities:         5 46         498           Current maturities of long-term debt         \$ 546         \$ 498           Current maturities of long-term debt         \$ 99         140           Accounts payable         11,746         17,415           Deferred revenue gift certificates         11,720         19,355           Accrued wages         11,928         9,220           Income taxes payable         2,288           Accrued taxes and licenses         5,142         3,646           Other accrued liabilities         6,891         5,695           Total current liabilities         6,891         5,5969           Long-term debt, excluding current maturities         17,241         6,255           Obligations under capital leases, excluding current maturities         614         626           Stock option deposits         3,350         3,404           Deferred tax liabilities         8,065         6,679           Other liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         Freferred stock (\$0.001 par value, 1,000,000 shares authorized, 68,481,677 <t< td=""><td>Total assets</td><td></td><td></td></t<>	Total assets		
Current liabilities:         5 46         498           Current maturities of long-term debt         \$ 546         \$ 498           Current maturities of long-term debt         \$ 99         140           Accounts payable         11,746         17,415           Deferred revenue gift certificates         11,720         19,355           Accrued wages         11,928         9,220           Income taxes payable         2,288           Accrued taxes and licenses         5,142         3,646           Other accrued liabilities         6,891         5,695           Total current liabilities         6,891         5,5969           Long-term debt, excluding current maturities         17,241         6,255           Obligations under capital leases, excluding current maturities         614         626           Stock option deposits         3,350         3,404           Deferred tax liabilities         8,065         6,679           Other liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         Freferred stock (\$0.001 par value, 1,000,000 shares authorized, 68,481,677 <t< td=""><td></td><td></td><td></td></t<>			
Current maturities of long-term debt         \$ 546         \$ 498           Current maturities of obligations under capital leases         99         140           Accounts payable         14,746         17,415           Deferred revenue gift certificates         11,970         19,355           Accrued wages         11,928         9,220           Income taxes payable         2,288           Accrued taxes and liceness         5,142         3,646           Other accrued liabilities         6,891         5,695           Total current liabilities         53,410         55,969           Long-term debt, excluding current maturities         614         6,255           Obligations under capital leases, excluding current maturities         614         6,26           Stock option deposits         3,350         3,404           Deferred text liabilities         8,065         6,679           Other liabilities         90,884         80,367           Other liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         67         651           Stockholders equity         68         65           Common stock, Class A, (\$0,001 par value, 1,000,000 shares authorized, 68,481,677         68         65	Liabilities and Stockholders Equity		
Current maturities of obligations under capital leases         99         140           Accounts payable         14,746         17,415           Deferred revenue gift certificates         11,770         19,355           Accrued wages         11,928         9,220           Income taxes payable         2,288           Accrued taxes and licenses         5,142         3,646           Other accrued liabilities         6,891         5,695           Total current liabilities         53,410         55,969           Long-term debt, excluding current maturities         614         6,25           Obligations under capital leases, excluding current maturities         614         6,26           Stock option deposits         3,350         3,404           Deferred rent         4,924         4,502           Deferred tax liabilities         8,065         6,679           Other liabilities         3,280         2,932           Total liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         68         65           Common stock, Class A, (\$0.001 par value, 1,000,000 shares authorized, 68,481,677         68         65           Common stock,	Current liabilities:		
Accounts payable 14,746 17,415 Deferred revenue gift certificates 11,770 19,355 Accrued wages 11,928 9,220 Income taxes payable 2.288 Accrued taxes and licenses 5,142 3,646 Other accrued liabilities 6,891 5,695 Total current liabilities 53,410 55,969 Long-term debt, excluding current maturities 17,241 6,255 Obligations under capital leases, excluding current maturities 17,241 6,255 Obligations under capital leases, excluding current maturities 614 626 Stock option deposits 3,350 3,404 Deferred tax liabilities 8,065 6,679 Other liabilities 8,065 6,679 Other liabilities 9,0884 80,367 Minority interest in consolidated subsidiaries 90,884 80,367 Minority interest in consolidated subsidiaries 674 651 Stockholders equity Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued) Common stock, Class A, (\$0.001 par value, 1,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively) 68 65 Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding) 5 5 Additional paid in capital 246,845 201,764 Retained earnings 37,920 29,738 Accumulated other comprehensive gain 75 284,841 231,575		the state of the s	\$ 498
Deferred revenue gift certificates         11,770         19,355           Accrued wages         11,928         9,220           Income taxes payable         2,288           Accrued taxes and licenses         5,142         3,646           Other accrued liabilities         6,891         5,695           Total current liabilities         53,410         55,969           Long-term debt, excluding current maturities         17,241         6,255           Obligations under capital leases, excluding current maturities         614         626           Stock option deposits         3,350         3,404           Deferred rent         4,924         4,502           Deferred tax liabilities         8,065         6,679           Other liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         8         65           Preferred stock (\$0,001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         68         65           Common stock, Class A, (\$0,001 par value, 8,000,000 shares authorized, 68,481,677         68         65           Common stock, Class B, (\$0,001 par value, 8,000,000 shares authorized, 5,265,376         5         5           shares issued an		99	140
Accrued wages       11,928       9,220         Income taxes payable       2,288         Accrued taxes and licenses       5,142       3,646         Other accrued liabilities       6,891       5,695         Total current liabilities       53,410       55,969         Long-term debt, excluding current maturities       17,241       6,255         Obligations under capital leases, excluding current maturities       614       626         Stock option deposits       3,350       3,404         Deferred rent       4,924       4,502         Deferred axt liabilities       8,065       6,679         Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       Freferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)       68       65         Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27,       68       65         Solos, respectively)       68       65         Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376       5       5         shares i		14,746	17,415
Income taxes payable	Deferred revenue gift certificates	11,770	19,355
Accrued taxes and licenses       5,142       3,646         Other accrued liabilities       6,891       5,695         Total current liabilities       53,410       55,969         Long-term debt, excluding current maturities       17,241       6,255         Obligations under capital leases, excluding current maturities       614       626         Stock option deposits       3,350       3,404         Deferred rent       4,924       4,502         Deferred tax liabilities       8,065       6,679         Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       8       651         Preferred stock (\$0,001 par value, 1,000,000 shares authorized; no shares outstanding or issued)       8       65         Common stock, Class A, (\$0,001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, and 55,267,655 shares issued and outstanding at March 28, 2006 and December 27, and 55,267,655 shares issued and outstanding at March 28, 2006 and December 27, and 52,267,655 shares issued and outstanding at March 28, 2006 and December 27, and 52,267,655 shares issued and outstanding at March 28, 2006 and December 27, and 52,267,655 shares issued and outstanding at March 28, 2006 and December 27, and 52,267,655 shares issued an	Accrued wages	11,928	9,220
Other accrued liabilities         6,891         5,695           Total current liabilities         53,410         55,969           Long-term debt, excluding current maturities         17,241         6,255           Obligations under capital leases, excluding current maturities         614         626           Stock option deposits         3,350         3,404           Deferred rent         4,924         4,502           Deferred tax liabilities         8,065         6,679           Other liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         Freferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         5         5           Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27,         68         65           Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376         5         5           shares issued and outstanding)         5         5           Additional paid in capital         246,845         201,764           Retained earnings         37,920         29,738           Accumulated other comprehensive gain         3         3	Income taxes payable	2,288	
Total current liabilities         53,410         55,969           Long-term debt, excluding current maturities         17,241         6,255           Obligations under capital leases, excluding current maturities         614         626           Stock option deposits         3,350         3,404           Deferred rent         4,924         4,502           Deferred tax liabilities         8,065         6,679           Other liabilities         3,280         2,932           Total liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         Freferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         5         5           Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27,         68         65           Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376         5         5           shares issued and outstanding)         5         5           Additional paid in capital         246,845         201,764           Retained earnings         37,920         29,738           Accumulated other comprehensive gain         3         3 <td>Accrued taxes and licenses</td> <td>5,142</td> <td>3,646</td>	Accrued taxes and licenses	5,142	3,646
Long-term debt, excluding current maturities       17,241       6,255         Obligations under capital leases, excluding current maturities       614       626         Stock option deposits       3,350       3,404         Deferred rent       4,924       4,502         Deferred tax liabilities       8,065       6,679         Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       674       651         Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)       68       65         Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27,       68       65         Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)       5       5         Additional paid in capital       246,845       201,764         Retained earnings       37,920       29,738         Accumulated other comprehensive gain       3       3         Total stockholders equity       284,841       231,575	Other accrued liabilities	6,891	5,695
Obligations under capital leases, excluding current maturities         614         626           Stock option deposits         3,350         3,404           Deferred rent         4,924         4,502           Deferred tax liabilities         8,065         6,679           Other liabilities         3,280         2,932           Total liabilities         90,884         80,367           Minority interest in consolidated subsidiaries         674         651           Stockholders equity         Freferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         5           Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)         68         65           Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376         shares issued and outstanding)         5         5           Additional paid in capital         246,845         201,764           Retained earnings         37,920         29,738           Accumulated other comprehensive gain         3         3           Total stockholders equity         284,841         231,575	Total current liabilities	53,410	55,969
Stock option deposits       3,350       3,404         Deferred rent       4,924       4,502         Deferred tax liabilities       8,065       6,679         Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       Freferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)	Long-term debt, excluding current maturities	17,241	6,255
Deferred rent       4,924       4,502         Deferred tax liabilities       8,065       6,679         Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)       68       65         Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)       5       5         shares issued and outstanding)       5       5         Additional paid in capital       246,845       201,764         Retained earnings       37,920       29,738         Accumulated other comprehensive gain       3       3         Total stockholders equity       284,841       231,575		614	626
Deferred rent       4,924       4,502         Deferred tax liabilities       8,065       6,679         Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)       68       65         Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)       5       5         shares issued and outstanding)       5       5         Additional paid in capital       246,845       201,764         Retained earnings       37,920       29,738         Accumulated other comprehensive gain       3       3         Total stockholders equity       284,841       231,575	Stock option deposits	3,350	3,404
Other liabilities       3,280       2,932         Total liabilities       90,884       80,367         Minority interest in consolidated subsidiaries       674       651         Stockholders equity       Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)         Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)       68       65         Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)       5       5         Additional paid in capital       246,845       201,764         Retained earnings       37,920       29,738         Accumulated other comprehensive gain       3       3         Total stockholders equity       284,841       231,575		4,924	4,502
Total liabilities 90,884 80,367 Minority interest in consolidated subsidiaries 674 651 Stockholders equity Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued) Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively) 68 65 Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding) 5 5 5 Additional paid in capital 246,845 201,764 Retained earnings 37,920 29,738 Accumulated other comprehensive gain 3 3 Total stockholders equity 284,841 231,575	Deferred tax liabilities	8,065	6,679
Minority interest in consolidated subsidiaries Stockholders equity Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued) Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)  68 65 Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding) 5 5 5 Additional paid in capital 246,845 201,764 Retained earnings 37,920 29,738 Accumulated other comprehensive gain 3 Total stockholders equity 284,841 231,575	Other liabilities	3,280	2,932
Stockholders equity Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued) Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)  68 65 Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)  5 5 4dditional paid in capital  246,845 201,764 Retained earnings 37,920 29,738 Accumulated other comprehensive gain 3 Total stockholders equity 284,841 231,575	Total liabilities	90,884	80,367
Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)  Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)  68  Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)  5  Additional paid in capital  246,845  201,764  Retained earnings  37,920  29,738  Accumulated other comprehensive gain  Total stockholders equity  284,841  231,575	Minority interest in consolidated subsidiaries	674	651
Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares outstanding or issued)  Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)  68  Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)  5  Additional paid in capital  246,845  201,764  Retained earnings  37,920  29,738  Accumulated other comprehensive gain  Total stockholders equity  284,841  231,575			
Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677 and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)       68       65         Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)       5       5         Additional paid in capital       246,845       201,764         Retained earnings       37,920       29,738         Accumulated other comprehensive gain       3       3         Total stockholders equity       284,841       231,575			
and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27, 2005, respectively)  68  Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376 shares issued and outstanding)  5  Additional paid in capital  246,845  201,764  Retained earnings  37,920  29,738  Accumulated other comprehensive gain  Total stockholders equity  284,841  231,575	or issued)		
2005, respectively) 68 65 Common stock, Class B, (\$0.001 par value, \$000,000 shares authorized, 5,265,376 shares issued and outstanding) 5 5 Additional paid in capital 246,845 201,764 Retained earnings 37,920 29,738 Accumulated other comprehensive gain 3 Total stockholders equity 284,841 231,575	Common stock, Class A, (\$0.001 par value, 100,000,000 shares authorized, 68,481,677		
Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376shares issued and outstanding)5Additional paid in capital246,845Retained earnings37,920Accumulated other comprehensive gain3Total stockholders equity284,841231,575	and 65,267,655 shares issued and outstanding at March 28, 2006 and December 27,		
shares issued and outstanding)55Additional paid in capital246,845201,764Retained earnings37,92029,738Accumulated other comprehensive gain33Total stockholders equity284,841231,575	2005, respectively)	68	65
Additional paid in capital246,845201,764Retained earnings37,92029,738Accumulated other comprehensive gain33Total stockholders equity284,841231,575	Common stock, Class B, (\$0.001 par value, 8,000,000 shares authorized, 5,265,376		
Retained earnings37,92029,738Accumulated other comprehensive gain33Total stockholders equity284,841231,575		5	5
Retained earnings37,92029,738Accumulated other comprehensive gain33Total stockholders equity284,841231,575	Additional paid in capital	246,845	201,764
Accumulated other comprehensive gain 3 3 Total stockholders equity 284,841 231,575			
		3	3
	Total stockholders equity	284,841	231,575
	Total liabilities and stockholders equity	\$ 376,399	\$ 312,593

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See accompanying notes to condensed consolidated financial statements.

#### Texas Roadhouse, Inc. and Subsidiaries Condensed Consolidated Statements of Income (in thousands, except per share data)

	13 Weeks Ended March 28, 2006		Mar	March 29,2005	
Revenue:					
Restaurant sales	\$	146,874	\$	108,607	
Franchise royalties and fees	2,52	5	2,46	0	
Total revenue	149,	399	111,	067	
Costs and expenses:					
Restaurant operating costs:					
Cost of sales	51,63		38,0		
Labor	39,8		29,243		
Rent	2,370		2,037		
Other operating	23,59		17,383		
Pre-opening Pre-opening	2,582		1,364		
Depreciation and amortization	4,906		3,248		
General and administrative	10,355		5,98	1	
Total costs and expenses	135,	302	97,2	90	
Income from operations	14,09	97	13,7	77	
Interest expense (income), net	344		(43	)	
Minority interest	207		27		
Equity income from investments in unconsolidated affiliates	88		52		
•					
Income before taxes	\$	13,634	\$	13,845	
Provision for income taxes	5,45		4,88		
Net income	\$	8,182	\$	8,958	
	•	-, -		- ,	
Net income per common share:					
Basic	\$	0.11	\$	0.13	
Diluted	\$	0.11	\$	0.12	
	Ψ	0.11	, T	0.12	
Weighted average shares outstanding:					
Basic	73,30	63	67,3	48	
	, 5,5		07,5		
Diluted	76.40	60	72,7	00	
Diluca	70,40	00	12,1	00	

See accompanying notes to condensed consolidated financial statements.

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#### Texas Roadhouse, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows (in thousands)

Provision for doubtful accounts		13 Weeks Ended				
Net income				March 29, 2005		
Adjustments to reconcile net income to net cash provided by operating activities:	• 5					
Depreciation and amortization         4,906         3,248           Descripted income taxes         (709         )           Loss on disposal of assets         127         Minority interest         207         2.7           Equity income from investments in unconsolidated affiliates         (88         (52           Distributions received from investments in unconsolidated affiliates         18         59           Provision for doubtful accounts         1,841         1           Share-based compensation expense         1,841         1           Changes in operating working capital:         1         1           Receivables         195         (1,000           Inventories         302         (563           Prepaid expenses and other current assets         (225         679           Other assets         (168         23           Accounts payable         (2,669         )         2,364           Deferred revene giff certificates         (9,344         (6,565           Accrued taxes abenefits from share-based compensation         (1,528         )           Prepaid income taxes and income taxes payable         5,682         4,520           Accrued taxes and income taxes and in		\$ 8,182		\$ 8,958		
Deferred income taxes						
Loss on disposal of assets         127           Minority interest         207         27           Equity income from investments in unconsolidated affiliates         (88         ) (52           Distributions received from investments in unconsolidated affiliates         73           Provision for doubtful accounts         (73           Share-based compensation expense         1,841           Changes in operating working capital:         195         (1,000           Receivables         195         (1,000           Inventories         302         (563           Prepaid expenses and other current assets         225         679           Other assets         (168         ) 23           Accounts payable         (2,669         (2,264           Deferred revenue gift certificates         (3,344         ) (6,555           Accrued waspaste         1,555         (2,927           Excess tax benefits from share-based compensation         (1,528         )           Prepaid income taxes and income taxes payable         5,682         4,520           Accrued wasper         1,295         634           Other accrued liabilities         (607         444           Deferred rent         272         178           Other laabi				3,248		
Minority interest   207   27   27   27   27   27   27   2			)			
Eguity income from investments in unconsolidated affiliates         (88         (52)           Distributions received from investments in unconsolidated affiliates         1         59           Provision for doubtful accounts         (73)           Share-based compensation expense         1.84           Changes in operating working capital:         195         (1,000)           Receivables         195         (1,000)           Inventories         302         (563)           Prepaid expenses and other current assets         225         679           Other assets         (168         23           Accounts payable         (2,669         (2,364)           Deferred revenue gift certificates         (9,344         (6,655)           Accrued wages         1,555         (2,927)           Excess tax benefits from share-based compensation         (1,528)         4,520           Deferred revenue gift certificates         (607         444           Octher accrued liabilities         (607         444           Other accrued liabilities         (607         444           Other accrued liabilities         (607         444           Other iabilities         (10,000)         5,537           Cash flows from investing activities         (2						
Distributions received from investments in unconsolidated affiliates   1,841		207				
Provision for doubtful accounts   1,841	Equity income from investments in unconsolidated affiliates	(88	)	(52		
Share-based compensation expense   1,841	Distributions received from investments in unconsolidated affiliates	51		59		
Changes in operating working capital:   Receivables	Provision for doubtful accounts			(73		
Receivables         195         (1,000           Inventories         302         (563           Prepaid expenses and other current assets         225         679           Other assets         (168         ) 23           Accounts payable         (2,669         ) (2,364           Deferred revenue gift certificates         (9,344         ) (6,565           Account wages         1,555         (2,927           Excess tax benefits from share-based compensation         (1,528         )           Prepaid income taxes and income taxes payable         5,682         4,520           Accrued taxes and licenses         1,295         634           Other accrued liabilities         (607         ) 444           Deferred rent         272         178           Other liabilities         10,075         5,537            10,075         5,537            (14,722         ) (10,843           Capital expenditures property and equipment         786           Acquisitions of franchise restaurants, net of cash acquired         (13,608         )           Net cash flows from financing activities         (27,544         ) (10,843	Share-based compensation expense	1,841				
Inventories   302   558   589   79	Changes in operating working capital:					
Prepaid expenses and other current assets	Receivables	195		(1,000		
Other assets       (168       23         Accounts payable       (2,669       ) (2,364         Deferred revenue gift certificates       (9,344       ) (6,565         Accrued wages       1,555       (2,927         Excess tax benefits from share-based compensation       (1,528       )         Prepaid income taxes and income taxes payable       5,682       4,520         Accrued taxes and licenses       1,295       634         Other accrued liabilities       (607       ) 444         Deferred rent       272       178         Other liabilities       348       311         Net cash provided by operating activities       10,075       5,537         Cash flows from investing activities       (14,722       ) (10,843         Proceeds from sale of property and equipment       76       76         Acquisitions of franchise restaurants, net of cash acquired       (13,608       )         Net cash used in investing activities       (27,544       ) (10,843         Proceeds from revolving credit facility, net       12,000       70         Proceeds from revolving credit facility, net       12,000       70         Proceeds from stock option deposits       (120       (25         Proceeds from stock option deposits <td< td=""><td>Inventories</td><td>302</td><td></td><td>(563</td></td<>	Inventories	302		(563		
Other assets         (168         23           Accounts payable         (2669         )         (2,364           Deferred revenue gift certificates         (9,344         )         (6,565           Accrued wages         1,555         (2,927           Excress tax benefits from share-based compensation         (1,528         )           Prepaid income taxes and income taxes payable         5,682         4,520           Accrued taxes and licenses         1,295         634           Other accrued liabilities         (607         )         444           Deferred rent         272         178           Other liabilities         348         311           Net cash provided by operating activities         10,075         5,537           Cash flows from investing activities         (14,722         )         (10,843           Proceeds from sine sproperty and equipment         786         (10,843         1           Acquisitions of franchise restaurants, net of cash acquired         (13,608         )         1           Net cash used in investing activities         (27,544         )         (10,843           Cash flows from financing activities         (27,544         )         (10,843           Cash flow from financing activities	Prepaid expenses and other current assets	225		679		
Accounts payable         (2,669         ) (2,364           Deferred revenue gift certificates         (9,344         ) (6,565           Accrued wages         1,555         (2,927           Excess tax benefits from share-based compensation         (1,528         )           Prepaid income taxes and income taxes payable         5,682         4,520           Accrued taxes and licenses         1,295         634           Other accrued liabilities         (607         ) 444           Deferred rent         272         178           Other liabilities         348         311           Net cash provided by operating activities         10,075         5,537           Cash flows from investing activities         2         (10,843           Capital expenditures property and equipment         (14,722         ) (10,843           Proceeds from sale of property and equipment         786         (13,608         )           Net cash used in investing activities         (27,544         ) (10,843         )           Capital expenditures property and equipment         70         20         1         1         1         1         1         1         1         1         1         1         1         1         1         1         1	Other assets	(168	)	23		
Deferred revenue gift certificates	Accounts payable		)	(2,364		
Accrued wages		• •	)			
Excess tax benefits from share-based compensation			,			
Prepaid income taxes and income taxes payable         5,682         4,520           Accrued taxes and licenses         1,295         634           Other accrued liabilities         (607         ) 444           Deferred rent         272         178           Other liabilities         348         311           Net cash provided by operating activities         10,075         5,537           Cash flows from investing activities:			)	(=,= = :		
Accrued taxes and licenses			,	4 520		
Other accrued liabilities         (607 ) 444           Deferred rent         272   178           Other liabilities         348   311           Net cash provided by operating activities         10,075   5,537           Cash flows from investing activities:	• • • • • • • • • • • • • • • • • • • •					
Deferred rent         272         178           Other liabilities         348         311           Net cash provided by operating activities         10,075         5,537           Cash flows from investing activities:			)			
Other liabilities         348         311           Net cash provided by operating activities         10,075         5,537           Cash flows from investing activities:			,			
Net cash provided by operating activities   10,075   5,537						
Cash flows from investing activities:         Capital expenditures property and equipment       786         Proceeds from sale of property and equipment       786         Acquisitions of franchise restaurants, net of cash acquired       (13,608       )         Net cash used in investing activities       (27,544       ) (10,843         Cash flows from financing activities:       12,000         Proceeds from revolving credit facility, net       12,000         Proceeds from minority interest contributions and other       70         Excess tax benefits from share-based compensation       1,528         Repayment of stock option deposits       (120       ) (25         Proceeds from stock option deposits       270       343         Principal payments on long-term debt       (3,257       ) (155         Principal payments on capital lease obligations       (53       ) (36         Proceeds from exercise of stock options       2,117       941         Payment of initial public offering expenses       (41         Distributions to minority interest holders       (184       ) (55         Net cash provided by financing activities       12,301       1,042         Net decrease in cash       (5,168       ) (4,264         Cash and cash equivalents beginning of period       28,987 <td>Other natimites</td> <td>J<del>1</del>0</td> <td></td> <td>311</td>	Other natimites	J <del>1</del> 0		311		
Capital expenditures property and equipment         (14,722 ) (10,843           Proceeds from sale of property and equipment         786           Acquisitions of franchise restaurants, net of cash acquired         (13,608 )           Net cash used in investing activities         (27,544 ) (10,843           Cash flows from financing activities:         TO           Proceeds from revolving credit facility, net         12,000           Proceeds from minority interest contributions and other         70           Excess tax benefits from share-based compensation         1,528           Repayment of stock option deposits         (120 ) (25           Proceeds from stock option deposits         270 343           Principal payments on long-term debt         (3,257 ) (155           Principal payments on capital lease obligations         (53 ) (36           Proceeds from exercise of stock options         2,117 941           Payment of initial public offering expenses         (41           Distributions to minority interest holders         (184 ) (55           Net cash provided by financing activities         12,301 1,042           Net decrease in cash         (5,168 ) (4,264           Cash and cash equivalents beginning of period         28,987 46,235	Net cash provided by operating activities	10,075		5,537		
Capital expenditures property and equipment         (14,722 ) (10,843           Proceeds from sale of property and equipment         786           Acquisitions of franchise restaurants, net of cash acquired         (13,608 )           Net cash used in investing activities         (27,544 ) (10,843           Cash flows from financing activities:         TO           Proceeds from revolving credit facility, net         12,000           Proceeds from minority interest contributions and other         70           Excess tax benefits from share-based compensation         1,528           Repayment of stock option deposits         (120 ) (25           Proceeds from stock option deposits         270 343           Principal payments on long-term debt         (3,257 ) (155           Principal payments on capital lease obligations         (53 ) (36           Proceeds from exercise of stock options         2,117 941           Payment of initial public offering expenses         (41           Distributions to minority interest holders         (184 ) (55           Net cash provided by financing activities         12,301 1,042           Net decrease in cash         (5,168 ) (4,264           Cash and cash equivalents beginning of period         28,987 46,235						
Proceeds from sale of property and equipment Acquisitions of franchise restaurants, net of cash acquired  (13,608  Net cash used in investing activities  (27,544 ) (10,843  Cash flows from financing activities:  Proceeds from revolving credit facility, net Proceeds from minority interest contributions and other Froceeds from share-based compensation Excess tax benefits from share-based compensation Expreceds from stock option deposits (120 ) (25  Proceeds from stock option deposits (120 ) (25  Principal payments on long-term debt (3,257 ) (155  Principal payments on capital lease obligations (53 ) (36  Proceeds from exercise of stock options (51) Payment of initial public offering expenses (41  Distributions to minority interest holders  Net cash provided by financing activities (5,168 ) (4,264  Cash and cash equivalents beginning of period  (13,608 ) (10,843  (10						
Acquisitions of franchise restaurants, net of cash acquired  (13,608 )  Net cash used in investing activities  Cash flows from financing activities:  Proceeds from revolving credit facility, net  Proceeds from minority interest contributions and other  Excess tax benefits from share-based compensation  Repayment of stock option deposits  (120 ) (25  Proceeds from stock option deposits  270 343  Principal payments on long-term debt (3,257 ) (155  Principal payments on capital lease obligations (53 ) (36  Proceeds from exercise of stock options 2,117  Payment of initial public offering expenses  (41  Distributions to minority interest holders  Net cash provided by financing activities  12,301  1,042  Net decrease in cash (5,168 ) (4,264  Cash and cash equivalents beginning of period	Capital expenditures property and equipment	(14,722	)	(10,843		
Net cash used in investing activities (27,544 ) (10,843  Cash flows from financing activities:  Proceeds from revolving credit facility, net 12,000  Proceeds from minority interest contributions and other 70  Excess tax benefits from share-based compensation 1,528  Repayment of stock option deposits (120 ) (25  Proceeds from stock option deposits 270 343  Principal payments on long-term debt (3,257 ) (155  Principal payments on capital lease obligations (53 ) (36  Proceeds from exercise of stock options 2,117 941  Payment of initial public offering expenses (41  Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264  Cash and cash equivalents beginning of period 28,987 46,235	Proceeds from sale of property and equipment	786				
Cash flows from financing activities:  Proceeds from revolving credit facility, net Proceeds from minority interest contributions and other Excess tax benefits from share-based compensation Expayment of stock option deposits Repayment of stock option deposits (120 ) (25 Proceeds from stock option deposits 270 343 Principal payments on long-term debt (3,257 ) (155 Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options Payment of initial public offering expenses Uistributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period	Acquisitions of franchise restaurants, net of cash acquired	(13,608	)			
Cash flows from financing activities:  Proceeds from revolving credit facility, net Proceeds from minority interest contributions and other Excess tax benefits from share-based compensation Expayment of stock option deposits Repayment of stock option deposits (120 ) (25 Proceeds from stock option deposits 270 343 Principal payments on long-term debt (3,257 ) (155 Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options Payment of initial public offering expenses Uistributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period						
Proceeds from revolving credit facility, net Proceeds from minority interest contributions and other Excess tax benefits from share-based compensation Repayment of stock option deposits (120 ) (25 Proceeds from stock option deposits 270 343 Principal payments on long-term debt (3,257 ) (155 Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options 2,117 941 Payment of initial public offering expenses (41 Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235	Net cash used in investing activities	(27,544	)	(10,843		
Proceeds from revolving credit facility, net Proceeds from minority interest contributions and other Excess tax benefits from share-based compensation Repayment of stock option deposits (120 ) (25 Proceeds from stock option deposits 270 343 Principal payments on long-term debt (3,257 ) (155 Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options 2,117 941 Payment of initial public offering expenses (41 Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235						
Proceeds from revolving credit facility, net Proceeds from minority interest contributions and other Excess tax benefits from share-based compensation Repayment of stock option deposits (120 ) (25 Proceeds from stock option deposits 270 343 Principal payments on long-term debt (3,257 ) (155 Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options 2,117 941 Payment of initial public offering expenses (41 Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235	Cash flows from financing activities:					
Excess tax benefits from share-based compensation  Repayment of stock option deposits  (120 ) (25  Proceeds from stock option deposits  270 343  Principal payments on long-term debt  (3,257 ) (155  Principal payments on capital lease obligations  (53 ) (36  Proceeds from exercise of stock options  2,117 941  Payment of initial public offering expenses  (41  Distributions to minority interest holders  (184 ) (55  Net cash provided by financing activities  12,301 1,042  Net decrease in cash  (5,168 ) (4,264  Cash and cash equivalents beginning of period	Proceeds from revolving credit facility, net	12,000				
Excess tax benefits from share-based compensation  Repayment of stock option deposits  (120 ) (25  Proceeds from stock option deposits  270 343  Principal payments on long-term debt  (3,257 ) (155  Principal payments on capital lease obligations  (53 ) (36  Proceeds from exercise of stock options  2,117 941  Payment of initial public offering expenses  (41  Distributions to minority interest holders  (184 ) (55  Net cash provided by financing activities  12,301 1,042  Net decrease in cash  (5,168 ) (4,264  Cash and cash equivalents beginning of period	Proceeds from minority interest contributions and other			70		
Proceeds from stock option deposits  Principal payments on long-term debt  (3,257 ) (155  Principal payments on capital lease obligations  Proceeds from exercise of stock options  Proceeds from exercise of stock options  Payment of initial public offering expenses  (41  Distributions to minority interest holders  Net cash provided by financing activities  12,301 1,042  Net decrease in cash  (5,168 ) (4,264  Cash and cash equivalents beginning of period  28,987 46,235	Excess tax benefits from share-based compensation	1,528				
Proceeds from stock option deposits  Principal payments on long-term debt  (3,257 ) (155  Principal payments on capital lease obligations  Proceeds from exercise of stock options  Proceeds from exercise of stock options  Payment of initial public offering expenses  (41  Distributions to minority interest holders  Net cash provided by financing activities  12,301 1,042  Net decrease in cash  (5,168 ) (4,264  Cash and cash equivalents beginning of period  28,987 46,235		(120	)	(25		
Principal payments on long-term debt (3,257 ) (155 Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options 2,117 941 Payment of initial public offering expenses (41 Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235						
Principal payments on capital lease obligations (53 ) (36 Proceeds from exercise of stock options 2,117 941 Payment of initial public offering expenses (41 Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235			)			
Proceeds from exercise of stock options  Payment of initial public offering expenses  Distributions to minority interest holders  (184 ) (55  Net cash provided by financing activities  12,301 1,042  Net decrease in cash  Cash and cash equivalents beginning of period  (5,168 ) (4,264  28,987 46,235			)			
Payment of initial public offering expenses (41 Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235		•				
Distributions to minority interest holders (184 ) (55  Net cash provided by financing activities 12,301 1,042  Net decrease in cash (5,168 ) (4,264  Cash and cash equivalents beginning of period 28,987 46,235		=,117				
Net cash provided by financing activities  12,301  1,042  Net decrease in cash  (5,168 ) (4,264  Cash and cash equivalents beginning of period  28,987  46,235		(184	)			
Net decrease in cash (5,168 ) (4,264 Cash and cash equivalents beginning of period 28,987 46,235	Distributions to inmorely increast holders	(101	,	(33		
Cash and cash equivalents beginning of period 28,987 46,235	Net cash provided by financing activities	12,301		1,042		
Cash and cash equivalents beginning of period 28,987 46,235	Nat decrease in cash	(5.160	`	(4.264		
			)			
Cash and cash equivalents end of period \$ 23,819 \$ 41,971						
	Casn and casn equivalents end of period	\$ 23,819		\$ 41,9/1		

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Supplemental disclosures of cash flow information:

Supplemental discressives of easilities information.		
Interest, net of amounts capitalized	\$ 457	\$ 212
Income taxes	\$ 480	\$ 363
Supplemental schedule for noncash investing and financing activities:		
Stock acquisition of franchise restaurants	\$ 39,394	
Assumption of debt acquisitions	\$ 2,291	

See accompanying notes to condensed consolidated financial statements.

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Texas Roadhouse, Inc. and Subsidiaries Notes to Condensed Consolidated Financial Statements (Tabular dollar amounts in thousands, except per share data)

#### (1) Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of Texas Roadhouse, Inc. (the Company ), its wholly-owned subsidiaries, Texas Roadhouse Holdings LLC (Holdings ), Texas Roadhouse Development Corporation (TRDC), and Texas Roadhouse Management Corp. (Management Corp. ), for the 13 weeks ended March 28, 2006 and March 29, 2005. The Company and its wholly-owned subsidiaries operate Texas Roadhouse restaurants. Holdings also provides supervisory and administrative services for certain other franchise and license restaurants. TRDC sells franchis