

Texas Roadhouse, Inc.
Form 10-Q
November 02, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

- x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 25, 2012

OR

- o 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)

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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

(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 No .

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulations S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No .

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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

The number of shares of common stock outstanding were 70,642,037 on October 24, 2012.

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| | (unaudited) | |
|---|--------------------|-------------------|
| | September 25, 2012 | December 27, 2011 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 84,320 | \$ 73,731 |
| Receivables, net of allowance for doubtful accounts of \$25 at September 25, 2012 and \$39 at December 27, 2011 | 13,683 | 16,526 |
| Inventories, net | 9,521 | 10,730 |
| Prepaid income taxes | | 575 |
| Prepaid expenses | 5,032 | 7,045 |
| Deferred tax assets | 5,814 | 3,367 |
| Total current assets | 118,370 | 111,974 |
| Property and equipment, net of accumulated depreciation of \$260,193 at September 25, 2012 and \$232,760 at December 27, 2011 | 523,482 | 497,217 |
| Goodwill | 110,946 | 110,946 |
| Intangible assets, net | 8,235 | 9,042 |
| Other assets | 13,464 | 11,491 |
| Total assets | \$ 774,497 | \$ 740,670 |
| Liabilities and Stockholders Equity | | |
| Current liabilities: | | |
| Current maturities of long-term debt and obligations under capital leases | \$ 329 | \$ 304 |
| Accounts payable | 27,645 | 32,744 |
| Deferred revenue gift cards | 18,334 | 44,058 |
| Accrued wages | 24,470 | 23,701 |
| Income tax payable | 5,460 | |
| Accrued taxes and licenses | 13,507 | 12,381 |
| Dividends payable | 6,353 | 5,535 |
| Other accrued liabilities | 24,555 | 17,649 |
| Total current liabilities | 120,653 | 136,372 |
| Long-term debt and obligations under capital leases, excluding current maturities | 51,352 | 61,601 |
| Stock option and other deposits | 4,584 | 4,546 |
| Deferred rent | 19,380 | 17,133 |
| Deferred tax liabilities | 4,714 | 8,715 |
| Fair value of derivative financial instruments | 4,384 | 4,247 |
| Other liabilities | 14,114 | 12,234 |
| Total liabilities | 219,181 | 244,848 |
| Texas Roadhouse, Inc. and subsidiaries stockholders equity: | | |

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| | | |
|---|------------|------------|
| Preferred stock (\$0.001 par value, 1,000,000 shares authorized; no shares issued or outstanding) | | |
| Common stock, (\$0.001 par value, 100,000,000 shares authorized, 70,620,137 and 69,186,967 shares issued and outstanding at September 25, 2012 and December 27, 2011, respectively) | 71 | 69 |
| Additional paid in capital | 225,811 | 206,019 |
| Retained earnings | 326,721 | 288,425 |
| Accumulated other comprehensive loss | (2,687) | (2,609) |
| Total Texas Roadhouse, Inc. and subsidiaries stockholders' equity | 549,916 | 491,904 |
| Noncontrolling interests | 5,400 | 3,918 |
| Total equity | 555,316 | 495,822 |
| Total liabilities and equity | \$ 774,497 | \$ 740,670 |

See accompanying notes to condensed consolidated financial statements.

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Texas Roadhouse, Inc. and Subsidiaries

Condensed Consolidated Statements of Income and Comprehensive Income

(in thousands, except per share data)

(unaudited)

| | 13 Weeks Ended | | 39 Weeks Ended | |
|------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | September 25, 2012 | September 27, 2011 | September 25, 2012 | September 27, 2011 |
| Revenue: | | | | |
| Restaurant sales | \$ 306,025 | \$ 266,874 | \$ 945,583 | \$ 825,283 |
| Franchise royalties and fees | 2,631 | 2,379 | 8,217 | 7,327 |
| Total revenue | 308,656 | 269,253 | 953,800 | 832,610 |
| Costs and expenses: | | | | |
| Restaurant operating costs: | | | | |