

Ruths Hospitality Group, Inc.  
Form 10-Q  
July 29, 2016

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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

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**FORM 10-Q**

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**(Mark One)**

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

**For the quarterly period ended June 26, 2016**

**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 000-51485**

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**Ruth's Hospitality Group, Inc.**

**(Exact name of registrant as specified in its charter)**

**Delaware** **72-1060618**  
**(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)**

**1030 W. Canton Avenue, Suite 100,**

**32789**

**Winter Park, FL**  
**(Address of principal executive offices)**

**(Zip code)**

**(407) 333-7440**

**Registrant's telephone number, including area code**

**None**

**Former name, former address and former fiscal year, if changed since last report**

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Indicate by check mark whether the 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 Regulation 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 definition of "accelerated filer," "large 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 outstanding of the registrant's common stock as of July 27, 2016 was 32,686,315, which includes 1,254,502 shares of unvested restricted stock.

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**PART I – FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****RUTH’S HOSPITALITY GROUP, INC. AND SUBSIDIARIES****Condensed Consolidated Balance Sheets—Unaudited****(Amounts in thousands, except share and per share data)**

	<b>June 26, 2016</b>	<b>December 27, 2015</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$3,553	\$ 3,095
Accounts receivable, less allowance for doubtful accounts 2016 - \$737; 2015 - \$732	9,460	18,501
Inventory	7,254	7,479
Assets held for sale	-	250
Prepaid expenses and other	2,513	1,259
<b>Total current assets</b>	<b>22,780</b>	<b>30,584</b>
Property and equipment, net of accumulated depreciation 2016 - \$130,174; 2015 - \$125,362	94,671	87,984
Goodwill	24,293	24,293
Franchise rights	32,200	32,200
Other intangibles, net of accumulated amortization 2016 - \$1,134; 2015 - \$1,090	2,939	3,011
Deferred income taxes	14,309	19,309
Other assets	987	1,216
<b>Total assets</b>	<b>\$192,179</b>	<b>\$ 198,597</b>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable	\$7,742	\$ 10,018
Accrued payroll	10,387	17,064
Accrued expenses	7,541	9,280
Deferred revenue	25,996	35,202
Current portion of long-term debt	30,000	-
Other current liabilities	6,011	6,308

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Total current liabilities	87,677	77,872
Long-term debt	-	-
Deferred rent	21,147	20,275
Other liabilities	2,429	2,548
Total liabilities	111,253	100,695
Commitments and contingencies (Note 11)	-	-
Shareholders' equity:		
Common stock, par value \$.01 per share; 100,000,000 shares authorized, 31,427,939 shares issued and outstanding at June 26, 2016; 33,145,687 shares issued and outstanding at December 27, 2015	314	331
Additional paid-in capital	105,461	135,403
Accumulated deficit	(24,849 )	(37,832 )
Treasury stock, at cost; 71,950 shares at June 26, 2016 and December 27, 2015	-	-
Total shareholders' equity	80,926	97,902
Total liabilities and shareholders' equity	\$192,179	\$198,597

See accompanying notes to condensed consolidated financial statements.

**RUTH'S HOSPITALITY GROUP, INC. AND SUBSIDIARIES**

**Condensed Consolidated Statements of Income—Unaudited**

**(Amounts in thousands, except share and per share data)**

<b>13 Weeks Ended</b>	<b>26 Weeks Ended</b>
<b>June 26,</b>	<b>June 26,</b>
<b>June 28,</b>	