

STEAK & SHAKE CO
Form 10-Q
May 23, 2005

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 SIXTEEN WEEKS ENDED APRIL 13, 2005

OR

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

Commission file number 0-8445

THE STEAK N SHAKE COMPANY

(Exact name of registrant as specified in its charter)

INDIANA

37-0684070

(State or other jurisdiction
of incorporation or organization)

(I.R.S. Employer
Identification No.)

36 S. Pennsylvania Street, Suite 500

Indianapolis, Indiana 46204

(317) 633-4100

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

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 is an accelerated filer (as defined in Exchange Act rule 12b-2). Yes No

Number of shares of Common Stock outstanding at May 7, 2005: 27,779,723

THE STEAK N SHAKE COMPANY

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PART I. FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****Condensed Consolidated Statements of Financial Position**

The Steak n Shake Company

(Amounts in \$000s except share and per share data)

	April 13, 2005 (Unaudited)	September 29, 2004
Current Assets Cash, including cash equivalents of \$7,025 in fiscal 2005 and \$23,590 in fiscal 2004	\$ 9,889	\$ 25,150
Short-term investments	-	466
Receivables, net	4,251	4,123
Inventories	6,636	6,204
Deferred income taxes	2,591	2,755
Assets held for sale	1,756	1,756
Other current assets	4,889	4,946
Total current assets	30,312	45,400
Net Property and Equipment	426,174	385,258
Goodwill and Other Intangibles	8,571	1,195
Other Assets	3,500	4,000
Total assets	\$ 468,257	\$ 435,853
Liabilities and Shareholders' Equity:		
Current Liabilities		
Accounts payable	\$ 22,381	\$ 18,563
Accrued expenses	33,755	29,379
Current portion of long-term debt	7,145	6,775
Current portion of obligations under leases	3,965	3,887
Total current liabilities	67,246	58,604
Deferred Income Taxes	1,960	2,969
Other Long-term Liabilities	1,860	1,272
Obligations Under Leases	149,757	144,647
Long-term Debt	11,895	9,429
Commitments and Contingencies		
Shareholders' Equity:		
Common stock — \$.50 stated value, 50,000,000 shares authorized — shares issued: 30,332,839 in fiscal 2005 and in fiscal 2004	15,166	15,166
Additional paid-in capital	123,887	123,787
Retained earnings	128,788	114,993
Less: Unamortized value of restricted shares	(2,810)	(1,393)
Treasury stock — at cost: 2,553,116 shares in fiscal 2005;		

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2,846,560 shares in fiscal 2004		(29,492)		(33,621)
Total shareholders' equity		235,539		218,932
Total liabilities and shareholders' equity	\$	468,257	\$	435,853

See accompanying notes.

Condensed Consolidated Statements of Earnings

The Steak n Shake Company

(Unaudited)

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

	Sixteen Weeks Ended		Twenty-eight Weeks Ended	
	April 13,	April 7,	April 13,	April 7,
	2005	2004	2005	2004
		(as restated)		(as restated)
Revenues				
Net sales	\$ 185,746	\$ 162,484	\$ 311,250	\$ 276,000
Franchise fees	1,077	1,306	2,100	2,263
Total revenues	186,823	163,790	313,350	278,263
Costs and Expenses				
Cost of sales	43,159	37,373	72,784	63,944
Restaurant operating costs	91,476	79,299	153,999	136,433
General and administrative	14,712	13,486	25,542	22,621
Depreciation and amortization	8,128	7,439	13,863	13,026
Marketing	8,959	7,177	14,049	11,401
Interest	3,950	4,053	6,796	7,118
Rent	3,203	2,550	5,260	4,381
Pre-opening costs	705	599	1,264	979
Other income, net	(608)	(511)	(1,090)	(1,025)
Total costs and expenses	173,684	151,465	292,467	258,878
Earnings Before				
Income Taxes	13,139	12,325	20,883	19,385
Income Taxes	4,456	4,341	7,088	6,828
Net Earnings	\$ 8,683	\$ 7,984	\$ 13,795	\$ 12,557
Net Earnings Per Common and Common Equivalent Share:				
Basic	\$ 0.32	\$ 0.29	\$ 0.50	\$ 0.46
Diluted	\$ 0.31	\$ 0.29	\$ 0.49	\$ 0.45
Weighted Average Shares and Equivalents:				
Basic	27,489,116	27,401,944	27,431,265	27,311,206
Diluted	28,079,811	27,804,115	27,997,079	