
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 13, 2007

Bob Evans Farms, Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-1667

31-4421866

(State or other jurisdiction
of incorporation)

(Commission File Number)

(IRS Employer Identification No.)

3776 South High Street, Columbus, Ohio

43207

(Address of principal executive offices)

(Zip Code)

(614) 491-2225

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into Material Definitive Agreement.

On August 10, 2007, the Board of Directors of Bob Evans Farms, Inc. (the “Company”) approved several amendments to the Company’s Compensation Program for Directors. As revised, the Compensation Program for Directors provides that:

- Each non-employee director shall receive a retainer of \$3,000 per month (\$36,000 annually);
- Each non-employee director shall receive a fee of \$2,000 for each meeting of the Board of Directors attended and a fee of \$1,750 for each meeting of a Board committee attended;
- Each non-employee director who serves as the chair of a committee of the Board of Directors shall receive a retainer of \$625 per month (\$7,500 annually);
- The Lead Independent Director shall receive an annual retainer of \$20,000; and
- Each non-employee director shall receive an annual award of the Company’s common stock with a grant date value of \$100,000.

A copy of the amended Compensation Program for Directors is filed as Exhibit 10 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 2.02. Results of Operations and Financial Condition .

On August 13, 2007, the Company issued a news release announcing financial results for the first fiscal quarter ended July 27, 2007. A copy of this news release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The Company made available as part of the news release a reconciliation between the Company’s guidance for fiscal 2008 diluted earnings per share with and without the impact of gains associated with restaurant asset sales. The Company’s management believes that the disclosure of estimated fiscal 2008 diluted earnings per share excluding the anticipated impact of gains on real asset sales provides useful information to investors or other users of the financial statements because the non-GAAP financial measure reflects the anticipated results of the Company’s core business operations without the impact of the special item.

The Company also made available in conjunction with the news release additional quarterly financial information as of and for the quarter ended July 27, 2007. The additional quarterly information is furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Current Report on Form 8-K, including the information contained in Exhibit 99.1 and Exhibit 99.2, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liability of that Section, nor shall such information be deemed to be incorporated by reference in any registration statement or other document filed under the Securities Act of 1933 or the Exchange Act, except as otherwise explicitly stated in such filing.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers .

On August 9, 2007, upon the recommendation of the Nominating and Corporate Governance Committee, the Board of Directors of the Company elected Paul S. Williams as a director to fill the

vacancy created by the death of Robert E.H. Rabold. Mr. Williams will serve with the class of directors who will hold office until the Company's 2009 annual meeting of stockholders and until their successors are duly elected and qualified. The Board of Directors has not yet appointed Mr. Williams to any committees of the Board of Directors.

Mr. Williams will participate in the Company's Compensation Program for Directors described in Item 1.01 of this Current Report on Form 8-K and attached as Exhibit 10 to this Current Report on Form 8-K. In connection with his appointment to the Board, Mr. Williams will receive an award of the Company's restricted stock with a grant date value of \$8,333 (representing a prorated portion of the annual stock grant awarded to non-employee directors under the Company's Compensation Program for Directors).

The Company issued a news release on August 13, 2007, announcing Mr. Williams' election to the Board. A copy of the news release is filed as Exhibit 99.1 to this Form 8-K, and the portion of the news release pertaining to Mr. Williams' election is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits .

(a) Financial Statements of Business Acquired — Not Applicable

(b) Pro Forma Financial Information — Not applicable

(c) Shell Company Transactions — Not Applicable

(d) Exhibits:

The following exhibits are included with this Current Report on Form 8-K:

Exhibit No.	Description
10	Bob Evans Farms, Inc. Compensation Program for Directors (Revised August 10, 2007)
99.1	News release issued by Bob Evans Farms, Inc. on August 13, 2007 announcing financial results for the first fiscal quarter ended July 27, 2007 and the election of Paul S. Williams to the Board of Directors
99.2	Additional quarterly financial information made available by Bob Evans Farms, Inc. in conjunction with the news release issued on August 13, 2007

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BOB EVANS FARMS, INC.

Dated: August 13, 2007

By: /s/ Donald J. Radkoski
Donald J. Radkoski
Chief Financial Officer, Treasurer and Secretary

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Current Report on Form 8-K
Dated August 13, 2007

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BOB EVANS FARMS, INC. COMPENSATION PROGRAM FOR DIRECTORS
Revised August 10, 2007

Cash Retainer

All members of the Board of Directors (the "Board") of Bob Evans Farms, Inc., a Delaware corporation (the "Company"), who are not employed by the Company or one of its subsidiaries ("Non-Employee Directors") shall be paid a cash retainer of \$3,000 per month (\$36,000 annually). The cash retainer shall be paid on or before the first of each month.

Directors who are employed by the Company or one of its subsidiaries shall not receive cash retainers or other compensation for their Board service under this Compensation Program for Directors.

Stock-Based Compensation

Each Non-Employee Director shall receive an annual award of the Company's common stock with a grant date value of \$100,000 (calculated using the closing price of the Company's common stock on the grant date). Non-Employee Directors who are eligible to retire (as determined under the Company's 2006 Equity and Cash Incentive Plan or any successor equity compensation plan) shall receive unrestricted shares of the Company's common stock while Non-Employee Directors who are not eligible to retire shall receive restricted stock. The stock awards shall be awarded as soon as practicable following each annual meeting of stockholders. If a new Non-Employee Director is elected by the directors to fill a vacancy or a new seat on the Board, the Company will award the Non-Employee Director a portion of the annual stock award as soon as practicable following the beginning of his or her Board service. The award will be prorated on an equal monthly basis, with the new Non-Employee Director receiving a whole month's award beginning with the month he or she joins the Board. All stock awards to the Non-Employee Directors shall be awarded out of and in accordance with the Company's 2006 Equity and Cash Incentive Plan or any successor equity compensation plan.

Lead Independent Director

The Lead Independent Director shall be paid a cash retainer of \$20,000 annually in addition to the Non-Employee Directors' retainer described above and any other compensation to which the Lead Independent Director may be entitled under this Director Compensation Program. The Lead Independent Director's retainer shall be paid in twelve equal monthly installments on or before the first of each month.

Board Meeting Fee

Each Non-Employee Director shall be paid \$2,000 per Board meeting attended. All Board meeting fees shall be paid on or before the first day of the month following the Board meeting.

Committee Meeting Retainers and Fees

Each Non-Employee Director who serves as a chair or member of a Board committee shall be paid \$1,750 per committee meeting attended. All committee meeting fees shall be paid on or before the first day of the month following the committee meeting.

Additionally, each Non-Employee Director who serves as the chair of a Board committee shall be paid a monthly retainer of \$625 per month (\$7,500 annually) per committee chairmanship. The committee chairmanship retainer shall be paid on or before the first of each month.

Special Assignments and Projects

Non-Employee Directors who undertake special projects and assignments at the request of the Chairman of the Board or the Lead Independent Director shall be compensated on a per diem basis at a rate of \$1,000 plus expenses.

Non-Employee Directors' Benefits

The Company shall maintain a \$50,000 life insurance policy for each Non-Employee Director.

During their tenure with the Company, Non-Employee Directors can elect to participate in the Company's group healthcare plan at employee cost levels. Upon retirement, Non-Employee Directors can continue coverage under the Company's group healthcare plan by paying the full cost of such coverage. Non-Employee Directors whose Board service ends prior to retirement can continue coverage under the Company's group healthcare plan for up to 18 months in accordance with COBRA.

Non-Employee Directors are entitled to reimbursement for out of pocket expenses associated with travel to and from meetings of the Board and its committees.

Term and Effect

This Compensation Program for Directors will be reviewed periodically by the Compensation Committee of the Board. The Compensation Committee shall recommend any changes it deems necessary to the Board. The Board may modify or terminate this Compensation Program for Directors in its discretion at any time. This Compensation Program for Directors is effective as of September 1, 2007 (except for the provisions of the Program regarding the proration of stock awards to new Non-Employee Directors, which shall be effective immediately) and supersedes all previous director compensation plans of the Company.

BOB EVANS FARMS ANNOUNCES FIRST-QUARTER FINANCIAL RESULTS**Company reaffirms guidance, declares dividend and adds new member to Board of Directors**

COLUMBUS, Ohio — Aug. 13, 2007 — Bob Evans Farms, Inc. (NASDAQ: BOBE) today announced financial results for the fiscal first quarter ended July 27, 2007. To view additional first quarter 2008 financial information, please see the Company's Current Report on Form 8-K filed in conjunction with this news release, or go to the Company's Web site at www.bobevans.com, click on Investors and then Company News and Events.

Reported net income was \$13.3 million, or \$0.38 per share on a diluted basis, compared with \$13.1 million, or \$0.36 per share, a year ago. Included in this year's reported results are net pretax gains of \$1.1 million (approximately \$0.02 per share) on the sale of restaurant assets in the first quarter of fiscal 2008, compared to net pretax gains of \$2.9 million (approximately \$0.05 per share) in the first quarter of fiscal 2007.

The Company's reported consolidated results include the impact of the items noted below:

- **Net sales** — Net sales were \$424.6 million in the first quarter of 2008 compared to \$403.4 million in the first quarter of 2007, a 5.3 percent increase. This improvement is primarily the result of same-store sales increases at Bob Evans Restaurants, new restaurant openings over the past year at Mimi's Café and strong sales in the Company's food products segment.
 - **Cost of sales** — Cost of sales was \$125.6 million, or 29.6 percent of net sales, in the first quarter of 2008 compared to \$114.6 million, or 28.4 percent of net sales, in the first quarter of 2007. This increase is the result of higher costs for commodities and raw materials in both operating segments in the first quarter of 2008 compared to the first quarter of 2007.
 - **Operating wages** — Operating wages were \$153.8 million, or 36.2 percent of net sales, in the first quarter of 2008 compared to \$148.8 million, or 36.9 percent of net sales, in the first quarter of 2007. This improvement as a percentage of net sales is the result of effective labor management, as well as leverage from strong same-store sales at Bob Evans Restaurants, which helped offset the impact of state minimum wage increases.
 - **SG&A** — Selling, general and administrative expenses were \$35.8 million, or 8.4 percent of net sales, in the first quarter of 2008 compared to \$33.8 million, or 8.4 percent of net sales, in the first quarter of 2007. The first quarter 2008 results include the impact of:
 - The net pretax gains noted earlier of \$1.1 million on the sale of restaurant assets in the first quarter of fiscal 2008 compared to net pretax gains of \$2.9 million in the first quarter of fiscal 2007.
 - Pretax expense for performance-based incentive compensation recorded in accordance with SFAS 123(R) of \$4.0 million in the first quarter of fiscal 2008, compared to \$2.5 million in the first quarter of fiscal 2007.
 - The Company's food products segment benefited from a \$1.3 million year-over-year reduction in advertising expense due to timing.
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- **Income Taxes** — The Company's effective tax rate was 31.0 percent in the first quarter of fiscal 2008, compared to an effective tax rate of 32.9 percent in the first quarter of fiscal 2007.
- **Diluted Average Shares Outstanding** — The Company's diluted weighted-average share count was 35.3 million shares in the first quarter of fiscal 2008, compared to a diluted weighted-average share count of 36.5 million in the first quarter of fiscal 2007.

Chairman of the Board and Chief Executive Officer Steve Davis said, "We are generally pleased with the solid improvement in our first-quarter operating performance in a challenging environment. Among the highlights of the quarter were the success of our Bob-B-Q promotion at Bob Evans Restaurants, which contributed to same-store sales increases of approximately 4 percent in both June and July, and the continued strong results in our food products segment."

Restaurant Segment Highlights

Same-store sales at Bob Evans Restaurants were up 3.2 percent for the quarter, with average menu prices up 2.4 percent. At Mimi's Café, same-store sales decreased 0.7 percent for the quarter, with average menu prices up 4.0 percent. The restaurant segment's total sales for the quarter increased 5 percent from a year ago, and its reported operating income declined 10 percent, primarily due to lower same-store sales at Mimi's Café, higher food costs, a year-over-year increase in performance-based equity compensation under SFAS 123(R) and lower gains on the sale of restaurant assets.

Davis said, "While lower same-store sales at Mimi's Café and higher food costs hurt our restaurant segment profitability, our proactive labor management efforts enabled us to reduce labor costs as a percentage of net sales, despite significant state minimum wage increases. The progress that Bob Evans Restaurants has made over the past year, including four consecutive quarters of same-store sales increases, is very encouraging. We are looking to sustain this momentum in the months ahead with additional new products and our continued focus on operations excellence. At Mimi's, the performance of new restaurants remains strong, and we are exploring various options for driving stronger same-store sales and profitability."

During the first quarter, the Company opened one new Mimi's Café. For the full fiscal year, the Company's plans now call for the opening of 17 new Mimi's Cafés, two new Bob Evans restaurants and the rebuilding of eight Bob Evans restaurants.

Food Products Segment Highlights

First-quarter results in the food products segment reflected continued strong sales momentum. Pounds sold from comparable products (principally sausage and refrigerated potatoes) were up 4 percent, with overall segment net sales up 8 percent. Operating income increased 88 percent, despite average hog costs of \$42.00 per hundredweight compared to \$37.00 a year ago. This improvement resulted primarily from the sales increase, as well as the shift in timing of advertising expense.

Davis said, "We achieved the 4 percent increase in comparable pounds sold for the quarter on top of a 13 percent increase a year ago. The quality, convenience and value we provide with our food products, especially our newer refrigerated side dishes, are clearly striking a responsive chord with many consumers. We see many opportunities to continue growing this business through additional line extensions and expanded distribution."

Fiscal Year 2008 Outlook

The Company reaffirmed its guidance for fiscal 2008 diluted earnings per share of \$1.68 to \$1.75, excluding the anticipated impact of gains on real estate asset sales of approximately \$4 million to \$5 million. This equates to reported earnings per share of \$1.77 to \$1.84. This guidance is based on a number of important assumptions, including same-store sales estimates, and may be impacted by any of the risk factors discussed in the Company's securities filings.

Company Repurchases 1 Million Shares in Quarter; Declares Dividend

During the first quarter, the Company repurchased approximately 1 million shares of Bob Evans Farms, Inc. common stock. Management is authorized to repurchase up to approximately 2 million additional shares over the remainder of fiscal 2008.

The Board of Directors declared a quarterly dividend of 14 cents per share on the Company's outstanding common stock on Aug. 10, 2007. The dividend is payable Sept. 4, 2007, to stockholders of record at the close of business on Aug. 20, 2007.

Company adds Paul S. Williams to Board of Directors

The Company also announced that Paul S. Williams has been elected to fill a vacant seat on its Board of Directors, serving a term that expires in 2009. Williams is currently managing director and director of global diversity search at Major, Lindsey and Africa, the nation's largest legal executive search firm. He has also been a member of the Board of Directors of State Auto Financial since 2003, where he chairs the compensation committee and serves on the audit and nominating and corporate governance committees. He previously held positions from 1995 to 2005 as senior vice president, deputy general counsel; assistant general counsel; and vice president, general counsel at Cardinal Health. From 1994 to 1995, he served as vice president, general counsel of Information Dimensions, Inc. Williams graduated cum laude with a Bachelor of Arts degree from Harvard in 1981 and earned his law degree from Yale in 1984.

"Paul Williams is a welcome addition to our Board of Directors," Davis said. "We are impressed with his experience, particularly in the area of corporate governance and compensation."

Company to Host Conference Call at 10 a.m. on Tuesday, Aug. 14

Company executives will discuss these results during a conference call at 10 a.m. ET on Tuesday, Aug. 14, 2007. To listen, call (800) 690-3108 (access code 9096487) or log in to the webcast at www.bobevans.com and then click on "Investors." The call will be available for replay for 48 hours, beginning Tuesday, Aug. 14, 2007, immediately following the call by calling toll free (877) 519-4471 (access code 9096487). The webcast version will also be archived on the Company's Web site.

About Bob Evans Farms, Inc.

Bob Evans Farms, Inc. owns and operates full-service restaurants under the Bob Evans and Mimi's Café brand names. As of July 27, 2007, Bob Evans owned and operated 579 family restaurants in 18 states, primarily in the Midwest, mid-Atlantic and Southeast regions of the United States, while Mimi's Café owned and operated 116 casual restaurants located in 20 states, primarily in California and other western states. Bob Evans Farms, Inc. is also a leading producer and distributor of pork sausage and a variety of complementary homestyle convenience food items under the Bob Evans and Owens brand names. For more information about Bob Evans Farms, Inc., visit the Company's Web site at <http://www.bobevans.com>.

Consolidated Financial Results (unaudited)
(Thousands, except per share data)

	Three Months Ended	
	July 27, 2007	July 28, 2006
Net Sales		
Restaurant Segment	\$ 360,189	\$ 343,508
Food Products Segment	64,435	59,865
Total	\$ 424,624	\$ 403,373
Operating Income		
Restaurant Segment	\$ 18,110	\$ 20,168
Food Products Segment	3,415	1,818
Total	\$ 21,525	\$ 21,986
Net Interest Expense	\$ 2,217	\$ 2,483
Income Before Income Taxes	\$ 19,308	\$ 19,503
Provisions for Income Taxes	\$ 5,985	\$ 6,417
Net Income	\$ 13,323	\$ 13,086
Earnings Per Share		
Basic	\$ 0.38	\$ 0.36
Diluted	\$ 0.38	\$ 0.36
Average Shares Outstanding		
Basic	34,910	36,200
Diluted	35,328	36,467

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Certain statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements involve various important assumptions, risks and uncertainties. Actual results may differ materially from those predicted by the forward-looking statements because of various factors and possible events, including, without limitation:

- Negative publicity or litigation regarding allegations of food-related illness,
- Failure to achieve and maintain positive same-store sales,
- Changing business and/or economic conditions, including energy costs,
- Competition in the restaurant and food products industries,
- Ability to control restaurant operating costs, which are impacted by market changes in the cost or availability of labor and food, minimum wage and other employment laws, fuel and utility costs,
- Changes in the cost or availability of acceptable new restaurant sites,
- Accurately assessing the value, future growth potential, strengths, weaknesses, contingent and other liabilities and potential profitability of Mimi's,
- Adverse weather conditions in locations where we operate our restaurants,
- Consumer acceptance of changes in menu offerings, price, atmosphere and/or service procedures,
- Consumer acceptance of our restaurant concepts in new geographic areas, and
- Changes in hog and other commodity costs.

There is also the risk that we may incorrectly analyze these risks or that the strategies developed by us to address them will be unsuccessful.

Certain risks, uncertainties and assumptions are discussed under the heading "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended April 27, 2007. We note these factors for investors as contemplated by the Private Securities Litigation Reform Act of 1995. It is impossible to predict or identify all such risk factors. Consequently, you should not consider any such list to be a complete set of all potential risks and uncertainties. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to update any forward-looking statement to reflect circumstances or events that occur after the date on which the statement is made to reflect unanticipated events. Any further disclosures in our filings with the Securities and Exchange Commission should also be consulted. All subsequent written and oral forward-looking statements attributable to us or any person acting on behalf of the company are qualified by the cautionary statements in this section.

Contact: Donald J. Radkoski (614) 492-4901
David D. Poplar (614) 492-4954

Bob Evans Farms, Inc.

Earnings Release Fact Sheet (unaudited)

Fiscal 2008 — Quarter 1

Note: amounts are in thousands, except per share amounts

First quarter (Q1), ended July 27, 2007, compared to the corresponding period a year ago:

	Consolidated Results				Restaurant		Food Products	
	<u>Q1 2008</u>	<u>% of sales</u>	<u>Q1 2007</u>	<u>% of sales</u>	<u>Q1 2008</u>	<u>Q1 2007</u>	<u>Q1 2008</u>	<u>Q1 2007</u>
Net sales	\$424,624		\$403,373		\$360,189	\$343,508	\$64,435	\$59,865
Cost of sales	125,568	29.6%	114,623	28.4%	25.5%	24.7%	52.5%	49.9%
Operating wages	153,785	36.2%	148,792	36.9%	40.5%	41.1%	12.2%	12.8%
Other operating	68,849	16.2%	65,892	16.3%	18.1%	18.2%	5.7%	5.7%
S,G & A	35,814	8.4%	33,778	8.4%	6.1%	5.4%	21.3%	25.3%
Depr. & amort.	<u>19,083</u>	<u>4.5%</u>	<u>18,302</u>	<u>4.5%</u>	<u>4.8%</u>	<u>4.7%</u>	<u>3.0%</u>	<u>3.3%</u>
Operating income	21,525	5.1%	21,986	5.5%	5.0%	5.9%	5.3%	3.0%
Interest	<u>2,217</u>	<u>0.6%</u>	<u>2,483</u>	<u>0.7%</u>				
Pre-tax income	19,308	4.5%	19,503	4.8%				
Income taxes	<u>5,985</u>	<u>1.4%</u>	<u>6,417</u>	<u>1.6%</u>				
Net income	\$ 13,323	3.1%	\$ 13,086	3.2%				
EPS — basic	\$ 0.38		\$ 0.36					
EPS — diluted	\$ 0.38		\$ 0.36					
Dividends paid per share	\$ 0.14		\$ 0.12					
Weighted average shares outstanding:								
Basic	34,910		36,200					
Dilutive stock options	<u>418</u>		<u>267</u>					
Diluted	35,328		36,467					
Shares outstanding at quarter end								
	34,466		36,433					

- Income taxes, as a percentage of pre-tax income, were 31.0% vs. 32.9%

Consolidated Review:

- Net sales increased 5.3% (\$424.6 million vs. \$403.4 million).
- Operating income decreased 2.1% (\$21.5 million vs. \$22.0 million).
- Pre-tax income decreased 1.0% (\$19.3 million vs. \$19.5 million).
- Effective tax rate was 31.0% compared to 32.9%.
- Net income increased 1.8% (\$13.3 million vs. \$13.1 million).
- Diluted EPS was \$0.38 vs. \$0.36.
- Repurchased approximately 1,060,000 shares in the quarter.
- The first quarter results include the impact of the following (dollars in thousands):
 - Consolidated and restaurant results for the first quarters of fiscal 2008 and 2007 included a net pre-tax gain of \$1,068 and \$2,887, respectively, on asset disposals.
 - The company adopted SFAS 123(R), which requires the expensing of stock options, in the first quarter of FY07. The company significantly reduced the issuance of stock options and implemented a new performance incentive plan which predominantly uses restricted stock as the award. The pre-tax expenses of adopting SFAS 123(R) and issuing awards under the new plan are:

	Q1 FY 08 Actual	Q1 FY 07 Actual	Total FY 08 Estimated	Total FY 07 Actual
Stock options	\$ 435	\$ 737	\$ 854	\$ 2,257
New plan (excluding options)	3,534	1,802	5,741	3,428
Total	\$ 3,969*	\$ 2,539	\$ 6,595	\$ 5,685

* Expense is reflected in S, G & A: \$3,070 and \$998 in 2008 and 2007, respectively, in the restaurant segment and \$899 and \$1,541 in 2008 and 2007, respectively, in the food products segment.

- Food Products first quarter 2008 results included a \$1.3 million year-over-year reduction in advertising expense due to timing.
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Restaurant Review:

- Overall restaurant sales increased 4.9% (\$360.2 million vs. \$343.5 million).
- Nominal same-store sales increased 3.2% at Bob Evans Restaurants and decreased 0.7% at Mimi's.
- Operating income decreased 10.2% (\$18.1 million vs. \$20.2 million).
- Operating margin was 5.0% compared to 5.9%.
- Restaurants in operation at quarter end were: 579 Bob Evans Restaurants and 116 Mimi's. 590 Bob Evans Restaurants and 104 Mimi's were in operation a year ago.
- Restaurant openings, by quarter:

Bob Evans Restaurants:

Fiscal Year	Beginning Total	Q1	Q2	Q3	Q4	Full Year	Closings	Ending Total
2008	579	0	0e	0e	2e	2e	0	581e
2007	587	4	1	3	2	10	18	579
2006	591	6	6	3	5	20	24	587
2005	558	11	12	10	4	37	4	591
2004	523	3	11	12	11	37	2	558
2003	495	0	4	8	17	29	1	523

Mimi's Cafes:

Fiscal Year	Beginning Total	Q1	Q2	Q3	Q4	Full Year	Closings	Ending Total
2008	115	1	1e	7e	8e	17e	0	132e
2007	102	2	1	3	7	13	0	115
2006	92	1	2	1	6	10	0	102
2005	81	0	3	4	4	11	0	92

Consolidated Restaurants:

Fiscal Year	Beginning Total	Q1	Q2	Q3	Q4	Full Year	Closings	Ending Total
2008	694	1	1e	7e	10e	19e	0	713e
2007	689	6	2	6	9	23	18	694
2006	683	7	8	4	11	30	24	689
2005	639	11	15	14	8	48	4	683

- Rebuilt restaurant openings, by quarter:

<u>Fiscal Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>
2008	2	2e	3e	1e	8e
2007	1	1	1	1	4
2006	6	4	3	1	14
2005	3	5	0	2	10

- Bob Evans Restaurants same-store sales analysis (24-month core; 541 restaurants):

	<u>Fiscal 2008</u>			<u>Fiscal 2007</u>			<u>Fiscal 2006</u>		
	<u>Nominal</u>	<u>Menu</u>	<u>Real</u>	<u>Nominal</u>	<u>Menu</u>	<u>Real</u>	<u>Nominal</u>	<u>Menu</u>	<u>Real</u>
May	0.9	2.0	(1.1)	(1.2)	3.1	(4.3)	(2.4)	(1.5)	(0.9)
June	4.0	2.6	1.4	(4.1)	3.0	(7.1)	(3.1)	0.5	(3.6)
July	4.4	2.6	1.8	(5.6)	3.0	(8.6)	(0.7)	0.5	(1.2)
Q1	3.2	2.4	0.8	(3.9)	3.0	(6.9)	(1.9)	(0.1)	(1.8)
August				(4.2)	3.0	(7.2)	(1.5)	0.5	(2.0)
September				5.0	2.4	2.6	(4.4)	1.0	(5.4)
October				3.0	2.4	0.6	(3.5)	1.5	(5.0)
Q2				1.3	2.6	(1.3)	(3.1)	1.0	(4.1)
November				0.6	1.9	(1.3)	(2.2)	2.0	(4.2)
December				3.3	1.3	2.0	(2.2)	2.6	(4.8)
January				2.4	2.3	0.1	4.1	2.6	1.5
Q3				2.1	1.8	0.3	(0.4)	2.4	(2.8)
February				(0.7)	2.4	(3.1)	(1.5)	2.6	(4.1)
March				1.2	2.4	(1.2)	(0.5)	2.6	(3.1)
April				2.1	1.9	0.2	(0.6)	3.2	(3.8)
Q4				1.0	2.2	(1.2)	(0.9)	2.8	(3.7)
Fiscal year				0.1	2.4	(2.3)	(1.6)	1.5	(3.1)

- Mimi's Cafe same-store sales analysis (24-month core; 92 restaurants):

	Fiscal 2008			Fiscal 2007			Fiscal 2006		
	<u>Nominal</u>	<u>Menu</u>	<u>Real</u>	<u>Nominal</u>	<u>Menu</u>	<u>Real</u>	<u>Nominal</u>	<u>Menu</u>	<u>Real</u>
May	(0.4)	4.0	(4.4)	0.3	2.5	(2.2)	4.8	2.6	2.2
June	(0.1)	4.0	(4.1)	(1.0)	2.5	(3.5)	3.0	2.6	0.4
July	(1.5)	3.9	(5.4)	1.9	2.6	(0.7)	1.6	2.0	(0.4)
Q1	(0.7)	4.0	(4.7)	0.4	2.5	(2.1)	3.0	2.3	0.7
August				0.5	2.6	(2.1)	3.8	1.3	2.5
September				3.3	2.4	0.9	0.1	1.3	(1.2)
October				2.2	2.7	(0.5)	1.4	1.6	(0.2)
Q2				2.0	2.6	(0.6)	1.8	1.5	0.3
November				2.2	2.9	(0.7)	(0.5)	2.3	(2.8)
December				2.7	3.4	(0.7)	(0.3)	2.3	(2.6)
January				2.8	4.7	(1.9)	2.2	2.3	(0.1)
Q3				2.6	3.6	(1.0)	0.4	2.3	(1.9)
February				2.6	4.6	(2.0)	0.2	2.4	(2.2)
March				(0.2)	5.0	(5.2)	1.3	2.4	(1.1)
April				1.3	5.0	(3.7)	1.8	2.4	(0.6)
Q4				1.2	4.9	(3.7)	1.1	2.4	(1.3)
Fiscal year				1.6	3.4	(1.8)	1.6	2.2	(0.6)

- Key restaurant sales data (core restaurants only):

	<u>Bob Evans Restaurants</u>	<u>Mimi's</u>
Average annual store sales (\$) — FY07	\$1,755,000	\$3,472,000
Q1 FY08 day part mix (%):		
Breakfast	32%	20%
Lunch	36%	39%
Dinner	32%	41%
Q1 FY08 check average (\$)	\$ 7.69	\$ 10.47

- Quarterly restaurant sales by concept:

	<u>Q1 2008</u>
Bob Evans Restaurants	\$261,219,000
Mimi's Cafes	98,970,000
Total	\$360,189,000

Food Products Review:

- Net sales increased 7.6% (\$64.4 million vs. \$59.9 million).
- Comparable pounds sold increased 4%.
- Operating income increased 87.8% (\$3.4 million vs. \$1.8 million).
- Operating margin was 5.3% compared to 3.0%.
- Average hog cost increased 14% (\$42.00 per cwt vs. \$37.00 per cwt). Historical hog cost review (average cost per hundredweight):

<u>Fiscal Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Average</u>
2008	\$42.00				\$42.00
2007	\$37.00	\$41.00	\$39.00	\$36.00	\$38.00
2006	\$48.00	\$46.00	\$43.00	\$37.00	\$43.00
2005	\$52.00	\$50.00	\$52.00	\$49.00	\$51.00

- Comparable pounds sold review (principally sausage products and refrigerated potatoes):

<u>Fiscal Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Average</u>
2008	4%				4%
2007	13%	11%	4%	5%	8%
2006	6%	10%	12%	11%	10%
2005	1%	4%	8%	8%*	5%*

* Excludes the impact of the extra week (53-week year) in the fourth quarter of 2004.

- Net sales review (dollars in thousands):

	<u>Q1</u> <u>2008</u>	<u>Q1</u> <u>2007</u>
Gross sales	\$ 76,990	\$ 71,985
Less: promotions	(10,838)	(10,215)
Less: returns and allowances	<u>(1,717)</u>	<u>(1,905)</u>
Net sales	\$ 64,435	\$ 59,865

Balance Sheet Summary:

(in thousands)	<u>July 27, 2007</u>	<u>April 27, 2007</u>
Cash and equivalents	\$ 2,999	\$ 29,287
Assets held for sale	11,981	13,370
Other current assets	63,505	59,807
Net property, plant and equipment	965,814	957,549
Goodwill and other intangible assets	113,301	113,506
Other non-current assets	24,435	23,443
Total assets	\$1,182,035	\$ 1,196,962
Current portion of long-term debt	\$ 30,000	\$ 34,000
Line of credit	37,185	0
Other current liabilities	150,553	167,183
Long-term debt	160,000	172,333
Other long-term liabilities	120,647	118,215
Stockholders' equity	683,650	705,231
Total liabilities and equity	\$1,182,035	\$ 1,196,962

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

Certain statements in this report that are not historical facts are forward-looking statements. Forward-looking statements involve various important assumptions, risks and uncertainties. Actual results may differ materially from those predicted by the forward-looking statements because of various factors and possible events, including, without limitation:

- the failure to achieve and maintain positive same-store sales;
- a decline in general economic conditions;
- competition in the restaurant and food products industries;
- the company's ability to expand its restaurant base;
- consumer acceptance of changes in menu, food products, prices, atmosphere and service procedures;
- the company's ability to hire and retain a sufficient number of qualified employees;
- market concentration;
- adverse weather conditions;
- government regulation;
- allegations related to food-related illnesses and health concerns regarding certain food products;
- margin sensitivity;
- consumer acceptance of the company's restaurant concepts and food products in new markets;
- fluctuations in quarterly operating results;
- the adequacy of insurance loss estimates and reserves; and
- protection of our trademarks and other intellectual property rights.

These risks are discussed more fully under the heading "Risk Factors" in Item 1A of the company's Annual Report on Form 10-K for the fiscal year ended April 27, 2007. It is impossible to predict or identify all such risk factors. Consequently, no one should consider any such list to be a complete set of all potential risks and uncertainties. There is also the risk that the company may incorrectly analyze these risks or that the strategies developed by the company to address them will be unsuccessful. Forward-looking statements speak only as of the date on which they are made, and the company undertakes no obligation to update any forward-looking statement to reflect circumstances or events that occur after the date on which the statement is made to reflect unanticipated events. Any further disclosures in the company's filings with the Securities and Exchange Commission should also be consulted. All subsequent written and oral forward-looking statements attributable to the company or any person acting on behalf of the company are qualified by the cautionary statements in this section.