

**Bob Evans Farms, Inc.**  
Earnings Release Fact Sheet (unaudited)  
Fiscal 2009 – Quarter 2

Note: amounts are in thousands, except per share amounts

**Second quarter (Q2), ended October 24, 2008, compared to the corresponding period a year ago:**

	<u>Consolidated Results</u>				<u>Restaurant</u>		<u>Food Products</u>	
	Q2 <u>2009</u>	% of <u>sales</u>	Q2 <u>2008</u>	% of <u>sales</u>	Q2 <u>2009</u>	Q2 <u>2008</u>	Q2 <u>2009</u>	Q2 <u>2008</u>
Net sales	\$435,455		\$426,255		\$357,230	\$356,168	\$78,225	\$70,087
Cost of sales	137,219	31.5%	127,978	30.0%	25.3%	25.6%	59.7%	52.4%
Operating wages	150,377	34.5%	149,483	35.1%	39.7%	39.7%	11.1%	11.4%
Other operating	71,204	16.3%	69,951	16.4%	18.8%	18.5%	5.2%	5.6%
S,G & A	35,998	8.3%	33,906	8.0%	5.6%	5.8%	20.3%	19.0%
Depr. & amort.	<u>20,375</u>	<u>4.7%</u>	<u>18,973</u>	<u>4.4%</u>	<u>5.2%</u>	<u>4.8%</u>	<u>2.5%</u>	<u>2.8%</u>
Operating income	20,282	4.7%	25,964	6.1%	5.4%	5.6%	1.2%	8.8%
Interest	<u>3,434</u>	<u>0.8%</u>	<u>2,661</u>	<u>0.6%</u>				
Pre-tax income	16,848	3.9%	23,303	5.5%				
Income taxes	<u>5,509</u>	<u>1.3%</u>	<u>7,819</u>	<u>1.9%</u>				
Net income	\$11,339	2.6%	\$15,484	3.6%				
EPS – basic	\$0.37		\$0.45					
EPS – diluted	\$0.37		\$0.45					
Dividends paid per share	\$0.14		\$0.14					
Weighted average shares outstanding:								
Basic	30,822		34,091					
Dilutive stock options	<u>108</u>		<u>261</u>					
Diluted	30,930		34,352					
Shares outstanding at quarter end	30,795		33,509					

- Income taxes, as a percentage of pre-tax income, were 32.7% vs. 33.6%

**Consolidated Review:**

- Net sales increased 2.2% (\$435.5 million vs. \$426.3 million).
- Operating income decreased 21.9% (\$20.3 million vs. \$26.0 million).
- Pre-tax income decreased 27.7% (\$16.8 million vs. \$23.3 million).
- Effective tax rate was 32.7% compared to 33.6%.
- Net income decreased 26.8% (\$11.3 million vs. \$15.5 million).
- Diluted EPS was \$0.37 vs. \$0.45.
- The second quarter results include the impact of the following (dollars in thousands):
  - Consolidated and restaurant results for the second quarters of fiscal 2009 and 2008 included net pre-tax gains of \$0.7 million and \$1.0 million, respectively, on asset disposals that are reflected in S,G&A.
  - 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 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 plan are:

(amounts in thousands)

	Q2 FY 09 <u>Actual</u> *	Q2 FY 08 <u>Actual</u> *	Total FY 09 <u>Estimated</u>	Total FY 08 <u>Actual</u>
Stock options	\$ 170	\$125	\$1,253	\$ 810
New plan (excluding options)	848	613	6,482	5,470
Total	\$1,018	\$738	\$7,735	\$6,280

\* Expense is reflected in S, G & A: \$806 and \$532 in 2009 and 2008, respectively, in the restaurant segment and \$212 and \$206 in 2009 and 2008, respectively, in the food products segment.

### Restaurant Review:

- Overall restaurant sales increased 0.3% (\$357.2 million vs. \$356.2 million).
- Nominal same-store sales decreased 0.5% at Bob Evans Restaurants and decreased 8.3% at Mimi's.
- Operating income decreased 2.3% (\$19.4 million vs. \$19.8 million).
- Operating margin was 5.4% compared to 5.6%.
- Restaurants in operation at quarter end were: 570 Bob Evans Restaurants and 139 Mimi's. 579 Bob Evans Restaurants and 118 Mimi's were in operation a year ago.
  
- Restaurant openings, by quarter:

#### Bob Evans Restaurants:

<u>Fiscal Year</u>	<u>Beginning Total</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>	<u>Closings</u>	<u>Ending Total</u>
<b>2009</b>	<b>571</b>	<b>0</b>	<b>0</b>	<b>0e</b>	<b>1e</b>	<b>1e</b>	<b>1</b>	<b>571e</b>
2008	579	0	0	1	1	2	10	571
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

#### Mimi's Cafes:

<u>Fiscal Year</u>	<u>Beginning Total</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>	<u>Closings</u>	<u>Ending Total</u>
<b>2009</b>	<b>132</b>	<b>3</b>	<b>4</b>	<b>2e</b>	<b>3e</b>	<b>12e</b>	<b>0</b>	<b>144e</b>
2008	115	1	2	8	6	17	0	132
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:

<u>Fiscal Year</u>	<u>Beginning Total</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>	<u>Closings</u>	<u>Ending Total</u>
<b>2009</b>	<b>703</b>	<b>3</b>	<b>4</b>	<b>2e</b>	<b>4e</b>	<b>13e</b>	<b>1</b>	<b>715e</b>
2008	694	1	2	9	7	19	10	703
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>
<b>2009</b>	<b>1</b>	<b>3</b>	<b>0e</b>	<b>0e</b>	<b>4e</b>
2008	2	2	1	3	8
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; 546 restaurants):

	<u>Fiscal 2009</u>			<u>Fiscal 2008</u>			<u>Fiscal 2007</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	4.4	2.8	1.6	0.9	2.0	(1.1)	(1.2)	3.1	(4.3)
June	0.9	2.9	(2.0)	4.0	2.6	1.4	(4.1)	3.0	(7.1)
July	<u>1.1</u>	<u>2.9</u>	<u>(1.8)</u>	<u>4.4</u>	<u>2.6</u>	<u>1.8</u>	<u>(5.6)</u>	<u>3.0</u>	<u>(8.6)</u>
Q1	2.0	2.9	(0.9)	3.2	2.4	0.8	(3.9)	3.0	(6.9)
August	(0.6)	2.9	(3.5)	4.3	2.6	1.7	(4.2)	3.0	(7.2)
September	0.1	2.9	(2.8)	0.4	2.6	(2.2)	5.0	2.4	2.6
October	<u>(0.9)</u>	<u>2.9</u>	<u>(3.8)</u>	<u>(1.9)</u>	<u>1.8</u>	<u>(3.7)</u>	<u>3.0</u>	<u>2.4</u>	<u>0.6</u>
Q2	(0.5)	2.9	(3.4)	0.7	2.3	(1.6)	1.3	2.6	(1.3)
November				2.1	2.8	(0.7)	0.6	1.9	(1.3)
December				1.1	3.2	(2.1)	3.3	1.3	2.0
January				<u>1.2</u>	<u>2.3</u>	<u>(1.1)</u>	<u>2.4</u>	<u>2.3</u>	<u>0.1</u>
Q3				1.5	2.8	(1.3)	2.1	1.8	0.3
February				3.3	2.4	0.9	(0.7)	2.4	(3.1)
March				0.1	2.4	(2.3)	1.2	2.4	(1.2)
April				<u>1.7</u>	<u>2.4</u>	<u>(0.7)</u>	<u>2.1</u>	<u>1.9</u>	<u>0.2</u>
Q4				1.7	2.4	(0.7)	1.0	2.2	(1.2)
<b>Fiscal year</b>				<b>1.8</b>	<b>2.5</b>	<b>(0.7)</b>	<b>0.1</b>	<b>2.4</b>	<b>(2.3)</b>

- Mimi's Cafe same-store sales analysis (24-month core; 102 restaurants):

	<u>Fiscal 2009</u>			<u>Fiscal 2008</u>			<u>Fiscal 2007</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	(5.0)	2.6	(7.6)	(0.4)	4.0	(4.4)	0.3	2.5	(2.2)
June	(6.0)	2.7	(8.7)	(0.1)	4.0	(4.1)	(1.0)	2.5	(3.5)
July	<u>(8.1)</u>	<u>2.7</u>	<u>(10.8)</u>	<u>(1.5)</u>	<u>3.9</u>	<u>(5.4)</u>	<u>1.9</u>	<u>2.6</u>	<u>(0.7)</u>
Q1	(6.5)	2.7	(9.2)	(0.7)	4.0	(4.7)	0.4	2.5	(2.1)
August	(7.2)	2.7	(9.9)	(1.9)	3.9	(5.8)	0.5	2.6	(2.1)
September	(8.2)	2.7	(10.9)	(2.0)	3.9	(5.9)	3.3	2.4	0.9
October	<u>(9.3)</u>	<u>2.8</u>	<u>(12.1)</u>	<u>(0.8)</u>	<u>3.7</u>	<u>(4.5)</u>	<u>2.2</u>	<u>2.7</u>	<u>(0.5)</u>
Q2	(8.3)	2.7	(11.0)	(1.5)	3.8	(5.3)	2.0	2.6	(0.6)
November				(1.9)	2.8	(4.7)	2.2	2.9	(0.7)
December				(1.8)	2.8	(4.6)	2.7	3.4	(0.7)
January				<u>(2.4)</u>	<u>2.2</u>	<u>(4.6)</u>	<u>2.8</u>	<u>4.7</u>	<u>(1.9)</u>
Q3				(2.0)	2.6	(4.6)	2.6	3.6	(1.0)
February				(5.2)	2.1	(7.3)	2.6	4.6	(2.0)
March				(4.3)	2.6	(6.9)	(0.2)	5.0	(5.2)
April				<u>(6.0)</u>	<u>2.6</u>	<u>(8.6)</u>	<u>1.3</u>	<u>5.0</u>	<u>(3.7)</u>
Q4				(5.3)	2.4	(7.7)	1.2	4.9	(3.7)
<b>Fiscal year</b>				<b>(2.4)</b>	<b>3.2</b>	<b>(5.6)</b>	<b>1.6</b>	<b>3.4</b>	<b>(1.8)</b>

- Key restaurant sales data (core restaurants only):

	<u>Bob Evans Restaurants</u>	<u>Mimi's</u>
Average annual store sales (\$) – FY08	\$1,784,000	\$3,350,000
Q2 FY09 day part mix (%):		
Breakfast	32%	21%
Lunch	36%	40%
Dinner	32%	39%
Q2 FY09 check average (\$)	\$7.93	\$10.71

- Quarterly restaurant sales by concept:

	<u>Q2 2009</u>
Bob Evans Restaurants	\$257,224,000
Mimi's Cafes	<u>100,006,000</u>
Total	\$357,230,000

**Food Products Review:**

- Net sales increased 11.6% (\$78.2 million vs. \$70.1 million).
- Comparable pounds sold increased 11%.
- Operating income decreased significantly (\$0.9 million vs. \$6.1 million).
- Operating margin was 1.2% compared to 8.8%.
- Average sow cost increased 27% (\$51.00 per cwt vs. \$40.00 per cwt). Historical sow 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>
<b>2009</b>	<b>\$29.00</b>	<b>\$51.00</b>			<b>\$40.00</b>
2008	\$42.00	\$40.00	\$31.00	\$27.00	\$35.00
2007	\$37.00	\$41.00	\$39.00	\$36.00	\$38.00
2006	\$48.00	\$46.00	\$43.00	\$37.00	\$43.00

- 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>
<b>2009</b>	<b>13%</b>	<b>11%</b>			<b>13%</b>
2008	4%	2%	8%	5%	5%
2007	13%	11%	4%	5%	8%
2006	6%	10%	12%	11%	10%

- Net sales review (dollars in thousands):

	<u>Q2</u> <u>2009</u>	<u>Q2</u> <u>2008</u>
Gross sales	\$95,119	\$82,976
Less: promotions	(15,653)	(11,240)
Less: returns and allowances	<u>(1,241)</u>	<u>(1,649)</u>
Net sales	\$78,225	\$70,087

**Balance Sheet Summary:**

(in thousands)	<u>Oct. 24, 2008</u>	<u>April 25, 2008</u>
Cash and equivalents	\$ 14,596	\$ 7,669
Assets held for sale	570	1,179
Other current assets	69,334	62,635
Net property, plant and equipment	1,004,936	998,402
Goodwill and other intangible assets	112,276	112,686
Other non-current assets	<u>23,752</u>	<u>24,465</u>
Total assets	\$1,225,464	\$1,207,036
Current portion of long-term debt	\$ 26,904	\$ 26,904
Line of credit	102,700	138,500
Other current liabilities	150,337	160,800
Long-term debt	176,192	133,096
Other long-term liabilities	136,204	135,111
Stockholders' equity	<u>633,127</u>	<u>612,625</u>
Total liabilities and equity	\$1,225,464	\$1,207,036

## 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. We discuss these factors and events, along with certain other risks, uncertainties and assumptions, under the heading "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended April 25, 2008, and in our other filings with the Securities and Exchange Commission. We note these factors for investors as contemplated by the Private Securities Litigation Reform Act of 1995. Predicting or identifying all such risk factors is impossible. Consequently, investors 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. 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.