

LUBYS INC  
Form 10-Q  
June 15, 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 May 9, 2012

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: 001-08308

**Luby s, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**74-1335253**  
(IRS Employer  
Identification No.)

**13111 Northwest Freeway, Suite 600**

**Houston, Texas**  
(Address of principal executive offices)

**77040**  
(Zip Code)

**(713) 329-6800**  
(Registrant's telephone number, including area code)

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 (§232.405 of this chapter) 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:

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

As of June 5, 2012 there were 28,185,610 shares of the registrant's common stock outstanding.

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Quarter ended May 9, 2012

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We file reports with the Securities and Exchange Commission, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. The public may read and copy any materials we file with the SEC at its Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. We are an electronic filer, and the SEC maintains an Internet site at <http://www.sec.gov> that contains the reports, proxy and information statements, and other information that we file electronically. Our website address is <http://www.lubys.com>. Please note that our website address is provided as an inactive textual reference only. We make available free of charge through our website our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. The information provided on our website is not part of this report, and is therefore not incorporated by reference unless such information is specifically referenced elsewhere in this report.

**Table of Contents****Part I FINANCIAL INFORMATION****Item 1. Financial Statements****Luby's, Inc.****Consolidated Balance Sheets***(In thousands, except share data)*

	<b>May 9, 2012</b>	<b>August 31, 2011</b>
	<i>(Unaudited)</i>	
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 1,308	\$ 1,252
Trade accounts and other receivables, net	3,355	4,429
Food and supply inventories	5,047	4,191
Prepaid expenses	1,739	1,960
Assets related to discontinued operations	37	67
Deferred income taxes	2,875	2,865
<b>Total current assets</b>	<b>14,361</b>	<b>14,764</b>
Note receivable	187	
Property held for sale	596	1,046
Assets related to discontinued operations	5,341	7,837
Property and equipment, net	171,211	166,963
Intangible assets, net	27,115	28,098
Goodwill	195	195
Deferred incomes taxes	6,066	7,680
Other assets	1,571	1,437
<b>Total assets</b>	<b>\$ 226,643</b>	<b>\$ 228,020</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 14,412	\$ 14,226
Liabilities related to discontinued operations	521	608
Accrued expenses and other liabilities	18,490	18,588
<b>Total current liabilities</b>	<b>33,423</b>	<b>33,422</b>
Credit facility debt	14,500	21,500
Liabilities related to discontinued operations	1,287	1,220
Other liabilities	8,073	6,841
<b>Total liabilities</b>	<b>57,283</b>	<b>62,983</b>
<b>Commitments and Contingencies</b>		
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, \$0.32 par value; 100,000,000 shares authorized; Shares issued were 28,685,610 and 28,651,277, respectively; Shares outstanding were 28,185,610 and 28,151,277, respectively	9,179	9,168
Paid-in capital	24,370	23,772
Retained earnings	140,586	136,872
Less cost of treasury stock, 500,000 shares	(4,775)	(4,775)

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Total shareholders' equity	169,360	165,037
Total liabilities and shareholders' equity	\$ 226,643	\$ 228,020

The accompanying notes are an integral part of these consolidated financial statements.

**Table of Contents****Luby's, Inc.****Consolidated Statements of Operations (unaudited)***(In thousands except per share data)*

	<b>Quarter Ended</b>		<b>Three Quarters Ended</b>	
	<b>May 9, 2012</b>	<b>May 4, 2011</b>	<b>May 9, 2012</b>	<b>May 4, 2011</b>
	<i>(12 weeks)</i>	<i>(12 weeks)</i>	<i>(36 weeks)</i>	<i>(36 weeks)</i>
<b>SALES:</b>				
Restaurant sales	\$ 77,943	\$ 78,077	\$ 224,535	\$ 220,124
Culinary contract services	4,336	3,560	13,069	10,018
Franchise revenue	1,702	1,602	4,838	4,622
Vending revenue	148	160	426	445
<b>TOTAL SALES</b>	<b>84,129</b>	<b>83,399</b>	<b>242,868</b>	<b>235,209</b>
<b>COSTS AND EXPENSES:</b>				
Cost of food	21,379	22,011	62,642	64,270
Payroll and related costs	25,708	26,259	76,195	76,493
Other operating expenses	17,412	17,219	51,073	52,256
Opening costs	33	34	110	178
Cost of culinary contract services	3,979	3,316	12,222	9,180
Depreciation and amortization	4,322	3,875	12,568	12,022
General and administrative expenses	7,195	6,981	20,742	19,985
Provision for asset impairments, net			175	84
Net loss on disposition of property and equipment	124	28	205	
<b>Total costs and expenses</b>	<b>80,152</b>	<b>79,723</b>	<b>235,932</b>	<b>234,468</b>
<b>INCOME FROM OPERATIONS</b>	<b>3,977</b>	<b>3,676</b>	<b>6,936</b>	<b>741</b>
Interest income	3		6	4
Interest expense	(201)	(579)	(694)	(1,751)
Other income, net	265	356	672	870
Income (loss) before income taxes and discontinued operations	4,044	3,453	6,920	(136)
Provision for income taxes	1,535	1,393	2,464	177
Income (loss) from continuing operations	2,509	2,060	4,456	(313)
Income (loss) from discontinued operations, net of income taxes	(86)	(369)	(742)	432
<b>NET INCOME</b>	<b>\$ 2,423</b>	<b>\$ 1,691</b>	<b>\$ 3,714</b>	<b>\$ 119</b>
<b>Income (loss) per share from continuing operations:</b>				
Basic	\$ 0.09	\$ 0.07	\$ 0.16	\$ (0.01)
Assuming dilution	0.09	0.07	0.16	(0.01)
<b>Income (loss) per share from discontinued operations:</b>				
Basic	\$	\$ (0.01)	\$ (0.03)	\$ 0.01
Assuming dilution		(0.01)	(0.03)	0.01
<b>Net income per share:</b>				
Basic	\$ 0.09	\$ 0.06	\$ 0.13	\$
Assuming dilution	0.09	0.06	0.13	

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Weighted average shares outstanding:

Basic	28,377	28,257	28,344	28,224
Assuming dilution	28,445	28,304	28,396	28,224

The accompanying notes are an integral part of these consolidated financial statements.

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**Luby s, Inc.**

**Consolidated Statement of Shareholders Equity (unaudited)**

*(In thousands)*

	<b>Common Stock Issued Shares</b>	<b>Treasury</b>	<b>Paid-In Capital</b>	<b>Retained Earnings</b>	<b>Total Shareholders Equity</b>
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