

CRACKER BARREL OLD COUNTRY STORE, INC  
Form DEFA14A  
April 04, 2014

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

**SCHEDULE 14A**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No. )**

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Cracker Barrel Old Country Store, Inc.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

- x No fee required.
- .. Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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  - (3) Filing Party:

(4) Date Filed:

*Cracker Barrel Old Country Store, Inc. (the Company ) used the following investor presentation in meetings with investors beginning on April 4, 2014. This investor presentation was also posted to the Proxy Contest section of the Company s Investor Relations website, investor.crakerbarrel.com.*

Generating Shareholder Value By Continuing to  
Deliver an Outstanding Guest Experience  
Spring 2014  
Investor Presentation

Cracker Barrel, its directors and certain of its executive officers may be deemed to be participants in the solicitation of proxies from Cracker Barrel shareholders in connection with the matters to be considered at the special meeting of Cracker Barrel's shareholders to be held on April 23, 2014. On March 21, 2014, Cracker Barrel filed a definitive proxy statement (the "Proxy Statement") with the U.S. Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies from Cracker Barrel shareholders. INVESTORS AND SHAREHOLDERS ARE STRONGLY

ENCOURAGED TO READ THE PROXY STATEMENT AND ACCOMPANYING WHITE PROXY CARD AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.

Shareholders may obtain the Proxy Statement, any amendments or supplements to the Proxy Statement and other documents filed by Cracker Barrel with the SEC for no charge at the SEC's website at [www.sec.gov](http://www.sec.gov). Copies are also available at no charge at the Investor Relations section of our corporate website at [www.crackerbarrel.com](http://www.crackerbarrel.com).

Important Additional Information

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1

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2



I. Situation Overview and Why We Urge You to Vote Against Both Proposals

Despite Biglari's Overwhelming Proxy Losses and the  
Company's Continued Strong Business Performance  
We Are  
Here, Again  
Generating  
superior  
returns

for  
shareholders

Delivered  
~24%  
in  
Total  
Shareholder  
Return  
in  
the  
last  
twelve  
months  
and  
~160%  
since  
the  
initial  
announcement  
of  
its  
six  
strategic  
priorities  
in  
September  
2011  
Returning  
~\$104mm  
in  
cash  
dividends  
to  
its  
shareholders  
since  
the  
beginning  
of  
fiscal  
year  
2012  
and  
tripling  
the  
quarterly  
dividend  
since  
September

2011  
4  
Returning  
~\$31mm  
in  
cash  
through  
share  
repurchases  
since  
the  
beginning  
of  
fiscal  
year  
2012  
4  
Nine  
consecutive  
quarters  
of  
outperforming  
the  
Knapp-Track  
casual  
dining  
index  
Leader  
in  
nine  
of  
ten  
categories  
according  
to  
2013  
Technomic  
Consumer  
Restaurant  
Brand  
Metrics  
Study

Source: Public filings, Technomic, and Bloomberg as of 28-Mar-2014

Note: See appendix for additional details on Technomic Consumer Restaurant Brand Metrics Study and other industry recognition

- (1) Percentages based on number of shares voted excluding shares controlled by Biglari.
- (2) Total Shareholder Return calculated by share price appreciation and dividends paid (assumes dividends paid are re-invested).
- (3) 12-Sep-2011 represents the day prior to announcement of Strategic Priorities on 13-Sep-2011.
- (4) Figures through CBRL's fiscal Q2 2014.

2011

2012

2013

\$20 Special

Dividend Vote:

~90% Against

~8% For

~ 2% Abstentions

Despite Being Rejected by a Significant Margin of Votes Cast by CBRL Shareholders in Each of the Last Three Years,

Sardar

Biglari

Remains

Insistent

in

His

Campaign

Against

Cracker

Barrel

While CBRL Continues to Deliver Strong Performance for Shareholders

Biglari

Nominees

~26%

Cracker

Barrel

Nominees

~74%

Cracker

Barrel

Nominees

~90%

Biglari

Nominees

~10%

Biglari

Nominees

~8%

Cracker

Barrel

Nominees

~92%

1

1

1

TM

3

2

4

And Biglari's Recent Public Statements Show a Questionable  
Shift in Narrative  
What Biglari Said Before  
2011  
2013  
Source: Public filings  
What Biglari Says Now

2014

Our intention was that even if we were to purchase additional stock, we would keep ownership well under 20%.

Biglari Holdings is not seeking to acquire control of Cracker Barrel.

Furthermore, under Tennessee law, there are strict antitakeover laws.

[W]e have been clear about our agenda: We are interested in making money, not controlling the Company.

If a sale of Cracker Barrel were approved by the Board, we would also be willing to submit a bid to purchase the

Company  
under  
a  
structure  
that  
would allow current shareholders the  
opportunity to participate in the  
Company's future performance.

we  
have  
stated  
our  
willingness  
to  
enter  
into  
discussions  
to  
acquire  
the  
Company  
in  
a  
transaction  
that  
we  
give  
credit to as in the best interests of all  
shareholders.

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Proposal #1: Why You Should Vote Against Pursuing All  
Potential Extraordinary Transactions

Background

The

Board

Recommends

That

You  
Vote  
AGAINST

This  
Proposal

As shown on Slide 4, at each of the last three annual meetings of the Company's shareholders, Biglari nominees have been defeated by significant and increasing margins

Moreover, just months ago, at the 2013 Annual Meeting in November 2013, the Company's shareholders also voted, by a wide margin, against a non-binding proposal publicly made by Biglari recommending that the Board approve the payment of a \$20 per share cash special dividend to all shareholders

Yet, despite Biglari's history of repeated, significant losses in its proxy contests at the Company's annual meetings, Biglari seems bound and determined to force yet another meeting on the Company

**The Company has delivered strong operational performance and shareholder returns that the Board believes are exceptional relative to the Company's peers over the last two and a half fiscal years**

**The Board believes that Biglari's demand for a special meeting may be motivated by Biglari's self-interest in seeking to achieve full liquidity of its investment through a single extraordinary transaction rather than the long-term interests of all shareholders**

**The Board believes that the interests of all shareholders are best served by the management team continuing to focus on the execution of the Company's current operational and strategic plan**

Since the Company's announcement of its strategic priorities in September 2011, the Company has delivered total shareholder return of approximately

160%,

which

consisted

of

approximately

144%

growth

in

the

Company's

stock

price

and

approximately

16%

in

quarterly

dividends paid

The Board believes that the interests of a single shareholder should not take priority over the long-term interests of ALL shareholders

Publicly undertaking a sale process at this time would disrupt the Company's progress, which could damage the long-term value of the Company

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Why

You

Should

Vote

AGAINST

This

Proposal

Proposal #2: Why You Should Vote Against the Proposal for the Company to "Take Any Action Necessary" to Amend the Tennessee Business Corporation Act

The provision of Tennessee law that Biglari desires to amend restricts shareholders holding 10% or more of the voting securities of a publicly traded Tennessee corporation from engaging in business combinations with that corporation for a period of five years following the date on which the shareholder acquired the securities crossing the 10% threshold. Biglari crossed the 10% threshold with its CBRL share purchases in January 2012.

In  
a  
letter  
to  
the  
Company's  
Chairman,  
Biglari  
requested  
that  
the  
Board  
support  
its  
efforts  
to  
seek  
to  
amend  
applicable  
Tennessee  
law  
to  
allow  
Biglari  
to  
seek  
to  
acquire  
the  
Company  
as  
part  
of  
a  
sale  
process  
Why  
You  
Should  
Vote  
AGAINST  
This  
Proposal

Before acquiring a 10% stake in the Company's common stock, Biglari had the opportunity either to make an offer directly to the Company's shareholders or to approach the Board about a possible business combination transaction, but chose not to do either

In all three proxy contests, Biglari has vehemently denied any intent to acquire control of the Company and, in fact, repeatedly cited the Tennessee law's prohibition as evidence to try to refute the Board's concerns about Biglari's intentions

The Board does not have the power to amend Tennessee law

The Board believes that the interests of all shareholders are best served by the management team continuing to focus upon the execution of the Company's current operational and strategic plan, rather than engaging in a time consuming and potentially expensive lobbying effort

Moreover, there appears to be no evidence to suggest that Biglari has taken any steps of its own to seek an amendment; given the Tennessee legislative calendar, we believe at this point any proposed amendment could not be considered by the Tennessee legislature until 2015 at the earliest

Background

The

Board

Recommends

That

You

Vote

AGAINST

This

Proposal

7

## II. Delivering Strong Shareholder Performance Through Focused Execution

Since Initial Announcement of Strategic Priorities In 2011,  
CBRL's Share Price Is Up 144%...

Source: Public filings, Bloomberg, and IBES as of 28-Mar-2014

Note: 12-Sep-2011 represents the day prior to announcement of Strategic Priorities on 13-Sep-2011. Proxy fight related annotation indicates whether quarterly Adj. EPS beat IBES consensus median estimates. Outperforms / Underperforms Knapp-Track indicates whether Sales outperformed the Knapp-Track casual dining index.

(1)

Percentages based on number of shares voted excluding shares controlled by Biglari.

\$39.86

\$ 97.22

\$30

\$40

\$50

\$60

\$70

\$80

\$90

\$100

\$110

\$120

Sep-2011

Feb-2012

Jul-2012

Dec-2012

May-2013

Oct-2013

Mar-2014

12-Sep-2011 to 28-Mar-2014

13-Sep-2011

New CEO Sandy

Cochran announces

Strategic Priorities

22-Nov-2011

CBRL Q1 2012

Results:

Exceeds IBES

Underperforms

P

Knapp-Track

20-Dec-2011

A majority of votes cast

by shareholders (~74%

of

non-Biglari

shares)

1

are for CBRL's slate of

directors

19-Sep-2012

CBRL Q4 and FY

2012 Results:

Exceeds IBES

Outperforms

P

Knapp-Track

13-Nov-2013

A majority of votes cast by shareholders (~92% of non-



Biglari shares)<sup>1</sup> are for CBRL's slate of directors. A majority of votes cast by shareholders (~90% of non-Biglari shares)

1  
are against a \$20 per share special dividend

29-Nov-2012  
CBRL Q1 2013

Results:  
Exceeds IBES  
Outperforms  
P

26-Feb-2013  
CBRL Q2 2013

Results:  
Exceeds IBES  
Outperforms  
P

Knapp-Track  
18-Sep-2013  
CBRL Q4 and FY

2013 Results:  
Exceeds IBES  
Outperforms  
P

Knapp-Track  
15-Nov-2012  
A majority of votes cast by shareholders

(~90%  
of  
non-Biglari  
shares) are

1  
for CBRL's slate of directors, an even higher percentage than 2011

26-Nov-2013  
CBRL Q1 2014

Results:  
Exceeds IBES  
Outperforms  
P

Knapp-Track  
03-Jun-2013  
CBRL Q3 2013 Results:

Exceeds IBES  
Outperforms  
P

Knapp-Track  
21-Feb-2012

CBRL Q2 2012

Results:

Exceeds IBES

Outperforms

P

Knapp-Track

22-May-2012

CBRL Q3 2012

Results:

Exceeds IBES

Outperforms

P

Knapp-Track

25-Feb-2014

CBRL Q2 2014

Results:

Exceeds IBES

Outperforms

P

Knapp-Track

9

Knapp-Track

Cracker Barrel  
Peer Set  
S&P 500 Restaurant Index  
S&P 600 Restaurant Index  
S&P 1,500 Restaurant Index  
S&P 500 Index  
Outperforming Benchmarks



Driving Significant Shareholder Value

Source: Public filings and Bloomberg

Note: 12-Sep-2011 represents the day prior to announcement of Strategic Priorities on 13-Sep-2011. Years relate to CBRL fiscal year.  
(\$ in millions)

\$ 916

\$ 1,442

\$ 104

\$ 31  
\$ 2,492  
CBRL Equity  
Market Cap.  
Increase in  
CBRL Equity  
Market Cap.  
12-Sep-2011  
31-Jan-2014  
Total  
Shareholder  
Value  
Dividends Paid  
Shares  
Repurchased  
\$1,577  
11

CBRL's Total Shareholder Return Since Announcement of Strategic Priorities Is Almost Double The Peer Median

Source: Bloomberg as of 28-Mar-2014

Note: Total Shareholder Return calculated by share price appreciation and dividends paid (assumes dividends paid are re-invested ex-dividend date). 12-Sep-2011 represents the day prior to announcement of Strategic Priorities on 13-Sep-2011.

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Cracker Barrel vs. Knapp-Track  
Consistent Outperformance of Peers in Comparable Store  
Restaurant Sales is an Important Driver of Our Business  
Momentum  
Cracker Barrel Comparable  
Restaurant Sales  
(1.6)%



3.5%  
3.1%  
3.8%  
3.3%  
3.3%  
3.1%  
2.6%  
2.8%  
(0.6)%  
Knapp-Track™  
Casual Dining  
Index Comparable Sales  
0.9%  
2.2%  
1.0%  
0.3%  
(0.3)%  
(0.9)%  
0.0%  
(1.9)%  
(1.3)%  
(2.6)%  
(2.5)%  
1.3 %  
2.1 %  
3.5 %  
3.6 %  
4.2 %  
3.1 %  
4.5 %  
4.1 %  
2.0 %  
Q1  
Q2  
Q3  
Q4  
Q1  
Q2  
Q3  
Q4  
Q1  
Q2  
2012  
2013  
2014  
Outperformed  
Knapp-Track  
Casual  
Dining  
Index

For  
The  
Last  
Nine  
Quarters

Source: Public filings and Knapp-Track™

Note:

Knapp-Track™

Casual Dining Index Comparable Sales figure is an approximation based on respective weekly averages. Quarters relate to Cr

TM

TM

13

We Are Keenly Focused on Our Updated Business Priorities to  
Continue Driving Performance  
Focus on Better-For-You menu  
additions and reinforce everyday  
value  
Introduced Better-For-You menu items with our  
Wholesome Fixin's program launch

Increase value proposition with menu and process adjustments designed to increase overall guest satisfaction while maintaining our affordable price points

Continue messaging in support of the brand, menu and merchandise

Continue

Handcrafted marketing campaign with

additional national television during the first quarter to support the Wholesome Fixin's launch

Drive retail sales with quality, depth and breadth of the merchandise assortment

Increase the quality and number of themes

Create consistency with promotions and inventory pipeline to smooth the sales curve

Focus on improving operations and margins by applying technology and process improvements

Evolve the employee and guest experiences

Implement technology to improve through-put, efficiencies and food quality

Streamline processes to increase labor productivity

Maximize long-term total shareholder value

Grow the sustainable quarterly dividend over time

Reinvest capital in the business to support existing stores and expand the footprint with modest new unit growth

Extend the brand outside the four walls

14

While Staying True To Our Core Mission Since 1969  
An Outstanding  
Employee Experience  
An Outstanding  
Guest Experience  
Improved  
Sales & Traffic

Grow same store sales  
with **menu**  
development and  
retail **merchandise**  
that meet  
guests  
evolving needs and  
reinforce the brand  
Maintain our marketing  
message  
of quality and value  
and deliver a consistent guest  
experience while improving  
margin  
Evolve the store prototype to increase  
new unit profitability  
Moderate new store growth with a  
continued focus on **best locations** and  
consistent execution  
Create **long-term value**  
through new  
revenue streams  
Extend the **power of the Cracker**  
Barrel  
brand beyond the physical  
stores  
Pleasing People  
15

**We Believe You Should Vote Against These Proposals**

We have accomplished a great deal over two and a half years and have the right Board and management team in place to continue executing against our stated priorities

The Company has delivered strong operational performance and shareholder returns that the Board believes are exceptional relative to the Company's peers

We believe that Biglari's recent demand for a special meeting may be motivated by the self-interest of Biglari in seeking to achieve full liquidity of its investment through a single

extraordinary  
transaction

and  
we  
believe  
that  
the  
interest  
of  
a  
single  
shareholder  
should  
not

take priority over the long-term interests of ALL shareholders

The Board believes that the interests of all shareholders are best served by the management team continuing to focus upon the execution of the Company's current operational and strategic plan

16



Appendix A: Supplemental Information

Technomic Consumer Brand Metrics Study

1

40<sup>1</sup>

42<sup>1</sup>

39<sup>1</sup>

40<sup>1</sup>

44<sup>1</sup>

Pleasant, Friendly Service

78

67<sup>1</sup>

74<sup>1</sup>

68<sup>1</sup>

63<sup>1</sup>

66<sup>1</sup>

73<sup>1</sup>

76

75

67<sup>1</sup>

Food Taste & Flavor

73

60<sup>1</sup>

65<sup>1</sup>

61<sup>1</sup>

54<sup>1</sup>

60<sup>1</sup>

69<sup>1</sup>

72

74

62<sup>1</sup>

Brands

A

B

C

D

E

F

G

H

I

Rank

%

%

%

%

%

%

%

%

%

%

Food Quality

73

59<sup>1</sup>

64<sup>1</sup>

58<sup>1</sup>

52<sup>1</sup>

58<sup>1</sup>

68<sup>1</sup>

69<sup>1</sup>

71

59<sup>1</sup>

Menu Variety

65

51<sup>1</sup>

56<sup>1</sup>

50<sup>1</sup>

53<sup>1</sup>

57<sup>1</sup>

57<sup>1</sup>

54<sup>1</sup>

63

52<sup>1</sup>

Availability of Healthy Options

53

46<sup>1</sup>

49<sup>1</sup>

39<sup>1</sup>

40<sup>1</sup>

44<sup>1</sup>

47<sup>1</sup>

42<sup>1</sup>

48<sup>1</sup>

29<sup>1</sup>

Welcoming, Comfortable Atmosphere

72

56<sup>1</sup>

60<sup>1</sup>

54<sup>1</sup>

45<sup>1</sup>

50<sup>1</sup>

62<sup>1</sup>

64<sup>1</sup>

63<sup>1</sup>

50<sup>1</sup>

Kid -

Friendly

62

45<sup>1</sup>

53<sup>1</sup>

43<sup>1</sup>

47<sup>1</sup>

51<sup>1</sup>

46<sup>1</sup>

41<sup>1</sup>

43<sup>1</sup>

51<sup>1</sup>

Portion for Price Paid

66

53<sup>1</sup>

57<sup>1</sup>

51<sup>1</sup>

51<sup>1</sup>

53<sup>1</sup>

59<sup>1</sup>

54<sup>1</sup>

56<sup>1</sup>

51<sup>1</sup>

Ability to Provide Value Through High -  
Quality Menu Items

58

43<sup>1</sup>

50<sup>1</sup>

43<sup>1</sup>

40<sup>1</sup>

43<sup>1</sup>

49<sup>1</sup>

50<sup>1</sup>

51<sup>1</sup>

46<sup>1</sup>

Prices Relative to Other, Similar  
Restaurants

56

41<sup>1</sup>

44<sup>1</sup>

39<sup>1</sup>

41

Leader in Nine of  
Ten Categories

Source: Technomic Consumer Restaurant Brand Metrics Study Q1 2011 - Q4 2013

Note: Brands include: Applebee's, Bob Evans, Chili's, Denny's, IHOP, Olive Garden, Outback, Red Lobster, and Steak 'n Shake

(1) Rating significantly lower than Cracker Barrel at the 95 level of confidence (Base: approx. 1440 respondents per chain).

2

nd

18

Selected Industry Recognitions  
Winner  
in  
Food  
and  
Beverage  
category

among  
all full  
service  
chains

Technomic's  
2013  
Inaugural  
Chain  
Restaurant  
Consumers  
Choice  
Awards  
Top  
of  
the  
Full-Service  
Restaurants  
in  
Casual  
and  
Family  
Dining

Consumer  
Brand  
Metrics Program, Technomic, Inc.  
Best  
Breakfast  
among  
Family  
Dining  
Chains

Zagat's  
2010  
&  
2011  
Consumer  
Surveys  
Named  
one  
of  
Forbes  
America's  
100  
Most  
Trustworthy  
Companies  
in

2014

Top

Family

Dining

Chain

for

19

Consecutive

Years

in

Choice

in

Chains

Annual

Consumer

Survey

Restaurants

&

Institutions

Magazine

Best

National Restaurant

Chain

in

Readers

Choice

awards

Packaged

Travel

Insider

Gold

Award

Courier

Magazines

Favorite

Group

Friendly

Restaurant

NTA

Tour

Operators

19



Ticker  
Company Name  
Logo  
BH  
Biglari Holdings  
BOBE  
Bob Evans Farms

EAT

Brinker International

CAKE

The Cheesecake Factory

DRI

Darden Restaurants

DENN

Denny's Corporation

RT

Ruby Tuesday

TXRH

Texas Roadhouse

For purposes of consistency, we are using the same peer set as previously shown in 2012 and 2013 Annual Meeting related investor presentations. We believe this subset of casual and family dining restaurants represents the most comparable set of companies to benchmark Cracker Barrel's operational performance.

Leading casual / family dining concepts

Operational comparability

Similar scale

Geographical proximity

A Note on Peer Set Used for Benchmarking

Peer Set

Rationale for Inclusion

20

S&P Restaurant Indices Composition

Ticker

Company Name

Logo

S&P

500

S&P

600  
S&P  
1,500  
BJRI  
BJ's Restaurants  
BH  
Biglari Holdings  
BOBE  
Bob Evans Farms  
BWLD  
Buffalo Wild Wings  
CAKE  
The Cheesecake Factory  
CBRL  
Cracker Barrel Old Country Store  
CEC  
CEC Entertainment  
CMG  
Chipotle Mexican Grill  
DIN  
DineEquity  
DPZ  
Domino's Pizza  
DRI  
Darden Restaurants  
EAT  
Brinker International  
Ticker  
Company Name  
Logo  
S&P  
500  
S&P  
600  
S&P  
1,500  
JACK  
Jack in the Box  
MCD  
McDonald's  
PNRA  
Panera Bread Company  
PZZA  
Papa John's International  
RRGB  
Red Robin Gourmet Burgers  
RT  
Ruby Tuesday  
RUTH  
Ruth's Hospitality Group

SBUX

Starbucks

SONC

Sonic

TXRH

Texas Roadhouse

WEN

The Wendy's Company

YUM

Yum! Brands

Source: Standard & Poor's

Respective S&P Restaurant Index Constituents

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*Cracker Barrel Old Country Store, Inc. (the Company ) used the following addendum to its investor presentation in meetings with investors beginning on April 4, 2014. This addendum was also posted to the Proxy Contest section of the Company s Investor Relations website, investor.crakerbarrel.com.*

Addendum To Spring 2014 Investor Presentation

Cracker Barrel Comparable

Restaurant Traffic

(3.8)%

1.1%

0.6%

1.4%

0.8%



0.2%

0.7%

0.6%

(0.1)%

(2.9)%

Knapp-Track™

Casual Dining

Index Guest Traffic

(0.8)%

(0.2)%

(1.7)%

(2.0)%

(2.4)%

(2.5)%

(1.2)%

(3.2)%

(3.0)%

(4.3)%

Cracker Barrel Relative to Knapp-Track

Traffic

Outperformed Knapp-Track

TM

Guest Traffic For The Last Nine Quarters

TM

(3.0)%

1.3 %

2.3 %

3.4 %

3.2 %

2.7 %

1.9 %

3.8 %

2.9 %

1.4 %

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

2012

2013

2014

TM

Source: Public filings and Knapp-Track™

Note: Knapp-Track™

Casual Dining Index Weekly Guest Traffic figures are an approximation based on respective weekly averages. Quarters relate

YOY Growth

3.9 %

4.6 %

0.7 %

Margin Improvement

50bps

31bps

(10)bps  
Store  
Operating  
Performance

Key  
Metrics  
Source: Public filings  
Margin Improvement

52bps  
40bps  
(13)bps

EPS  
\$ 3.81  
\$ 4.34  
\$ 4.97  
\$ 5.22

EPS  
Growth  
5.2 %  
13.9 %  
14.5 %  
5.0 %

(\$ in thousands)  
Revenue  
Adj. EBITDAR  
Adj. Operating Income  
Adj. Net Income

Revenue CAGR Since Strategic Priorities  
Operating Profit CAGR Since Strategic Priorities  
Operating Profit Margin  
Store  
Operating  
Performance

Benchmarking

Source: Public filings

Note: Revenue and Operating Profit CAGR reflects compounded annual growth rate over the last 10 quarters. Operating Profit announced in Sep-2011.

7.7 %

10.3 %

9.2 %

8.6 %

8.4 %

5.9 %

3.4 %

(5.2)%

(6.4)%

Median: 7.2 %

8.2 %

11.5 %

10.2 %

9.9 %

(6.5)%

(12.5)%

(14.3)%

NM

NM

Median: 1.7 %

3.6 %

12.8 %

5.6 %

4.4 %

3.6 %

1.4 %

(1.3)%

(2.4)%

(6.5)%

Median: 2.5 %

Cracker Barrel Earnings Per Store vs. Steak 'n Shake  
Steak  
n  
Shake  
Earnings  
per  
Store

Cracker  
Barrel  
Earnings  
per  
Store

Source: Public filings

Note: Time frames referenced relate to ending month of respective quarter. Quarters represent latest reported quarters per respective Store for both businesses, metrics do not use identical methodology due to lack of publicly disclosed information.

(1) Earnings per Store as measured by Steak 'n Shake's earnings before income taxes and noncontrolling interests as reported

(2) Earnings per Store as measured by Cracker Barrel's adjusted operating income as reported by CBRL over period average

We believe

operating  
income per  
store

is  
the metric  
that more  
accurately  
reflects the  
Company's  
underlying  
performance  
and long-

term  
financial  
health.

Biglari

Capital Corp.

(8-Oct-2013)

(\$ in thousands)

\$83,338

\$94,961

\$66,778

\$71,073

\$81,665

\$88,037

\$79,638

\$75,358

\$94,961

\$94,531

FY 2012

(Jan 2012)

FY 2013

(Feb 2013)

FY 2012

(Apr 2012)

FY 2013

(May 2013)

FY 2012

(Aug 2012)



FY 2013  
(Aug 2013)  
FY 2013  
(Nov 2012)  
FY 2014  
(Nov 2013)  
FY 2013  
(Feb 2013)  
FY 2014  
(Jan 2014)  
Q2  
Q3  
Q4  
Q1  
Q2  
\$27,855  
\$17,038  
\$26,565  
\$16,557  
\$18,237  
\$13,526  
\$19,909  
\$8,859  
\$17,038  
\$10,716  
FY 2012  
(Dec 2011)  
FY 2013  
(Dec 2012)  
FY 2012  
(Apr 2012)  
FY 2013  
(Apr 2013)  
FY 2012  
(Jul 2012)  
FY 2013  
(Jul 2013)  
FY 2012  
(Sep 2012)  
FY 2013  
(Sep 2013)  
FY 2013  
(Dec 2012)  
FY 2014  
(Dec 2013)  
Q1  
Q2  
Q3  
Q4  
Q1

1  
2

**Important Additional Information**

Cracker Barrel, its directors and certain of its executive officers may be deemed to be participants in the solicitation of proxies from Cracker Barrel shareholders in connection with the matters to be considered at the special meeting of Cracker Barrel's shareholders to be held on April 23, 2014. On

March

21 ,

2014,

Cracker  
Barrel  
filed  
a  
definitive  
proxy  
statement  
(the  
Proxy  
Statement )  
with  
the

U.S. Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies  
from  
Cracker  
Barrel  
shareholders.

**INVESTORS  
AND  
SHAREHOLDERS  
ARE  
STRONGLY**

**ENCOURAGED TO READ THE PROXY STATEMENT AND ACCOMPANYING WHITE PROXY  
CARD AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY  
WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.**

Shareholders may obtain the Proxy Statement, any amendments or supplements to the Proxy  
Statement and other documents filed by Cracker Barrel with the SEC for no charge at the SEC's  
website at [www.sec.gov](http://www.sec.gov). Copies are also available at no charge at the Investor Relations section of  
our corporate website at [www.crackerbarrel.com](http://www.crackerbarrel.com).

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