



Red Robin

Elevating the Brand

November 20, 2013 Analyst Event



Forward-Looking Statements



Forward-looking statements in this presentation regarding our future expectations, plans and objectives, including statements about our expected restaurant sales growth, new restaurant openings, brand transformation initiative, future economic performance, costs and capital expenditures, certain statements under the headings “Runway for Growth”, “Investing in our Growth”, “... While Getting Back to Peak Performance” and all other statements that are not historical facts, are made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements are based on assumptions believed by the Company to be reasonable and speak only as of the date on which such statements are made. We undertake no obligation to update such statements to reflect events or circumstances arising after such date, and we caution investors not to place undue reliance on any such forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those described in the statements based on a number of factors, including but not limited to the following: the effectiveness of the Company’s marketing strategies, loyalty program and guest count initiatives to achieve restaurant sales growth; the ability to fulfill planned expansion; the cost and availability of key food

products, labor and energy; the ability to achieve anticipated revenue and cost savings from our anticipated new technology systems and other initiatives; competition in the casual dining market and discounting by competitors; availability of capital or credit facility borrowings; the adequacy of cash flows or available debt resources to fund operations and growth opportunities; federal, state and local regulation of our business; and other risk factors described from time to time in the Company’s Form 10-K, Form 10-Q and Form 8-K reports (including all amendments to those reports) filed with the U.S. Securities and Exchange Commission.

This presentation may also contain non-GAAP financial information. Management uses this information in its internal analysis of results and believes that this information may be informative to investors in gauging the quality of our financial performance, identifying trends in our results and providing meaningful period-to-period comparisons. For a reconciliation of non-GAAP measures presented in this document, see the Appendix of this presentation.





Agenda

Quick Look Back

Strategy Overview

Expanding Our Brand

Creating Efficiencies

Team Member Engagement

Transforming the Brand

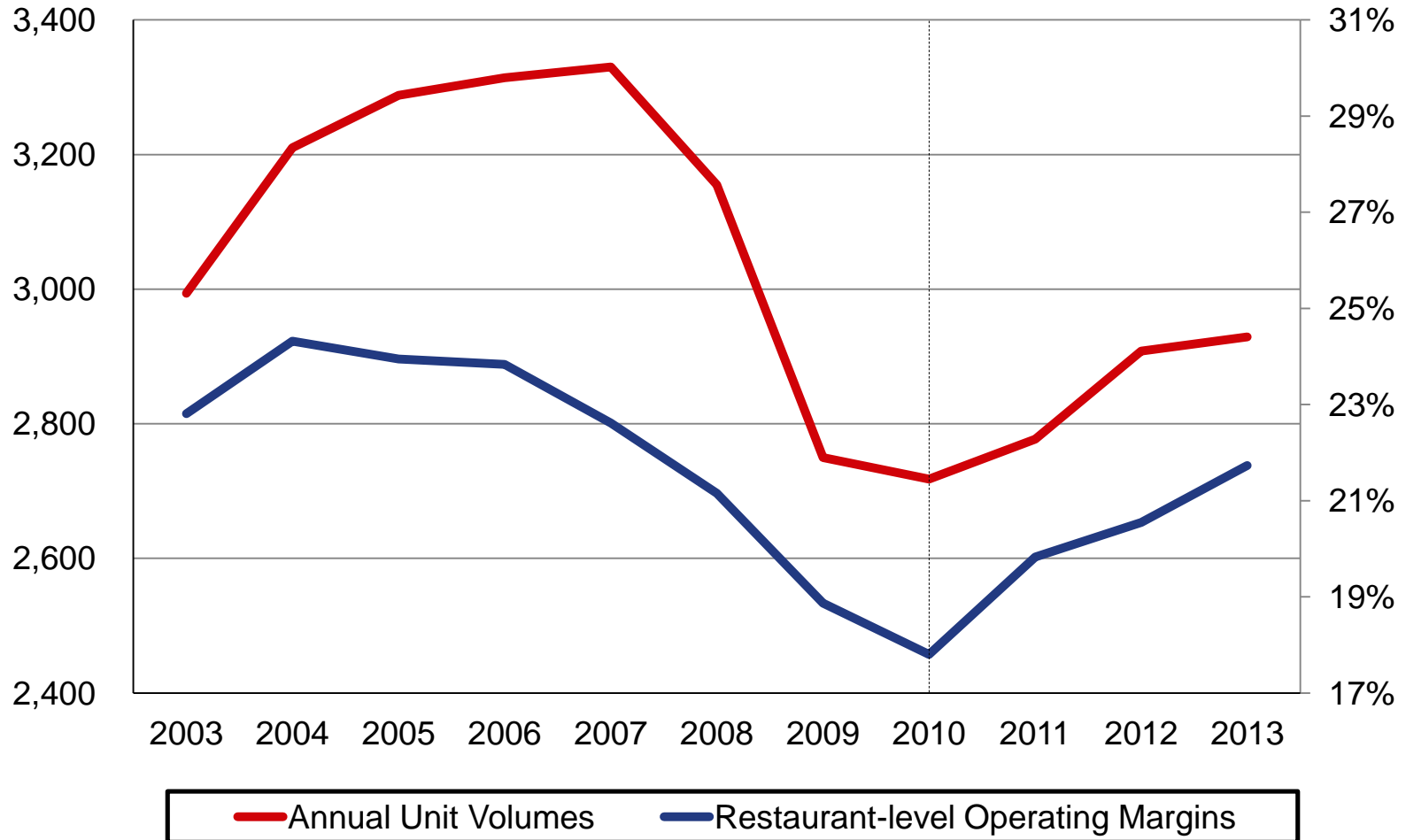
Our Future



Improving Performance

AUV 000s

RLOP Margin



Note: Data based on 52 weeks; 2013 YTD Q3 results (AUV annualized)



Recent Accomplishments

Red Robin[®]

Labor Management
RESTAURANT TRAINING
Food Truck Experiment
MARKETING AND MENU TEAM
Financial Systems
Licensing Kick-off
Menu Innovation
TEAM MEMBER LEARNING AND DEVELOPMENT TOOLS
BRAND TRANSFORMATION REMODEL PHASE 1
Project RED
PROJECT BLUEPRINT EXPENSE REDUCTION
Yummm U Innovation Center and Test Kitchen
AUDIO-VISUAL UPGRADES
Culinary and Beverage Teams
Burger Works Phase I

TAKING BACK THE BAR
Red Robin Royalty™
Reinvigorated Growth
Guest Engagement
New Plating
Mid-Size Prototype
Reduced Expenses
New Menu Format
Executive Team Changes



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Strategy Overview



More Guests, More Often and More Delighted

Red Robin

Guest Engagement

- Create Unique Connection With Our Guests
- Customize Guest Experiences
- Deliver Total Value Proposition
- Continually Elevate Burger Authority

Footprint Expansion

- Grow Market Share to Exploit Brand Strengths
- Add New Trade Areas in Growth Markets
- Fill-in Mature Markets with Flexible Prototypes

Operating Efficiency

- Cultivate Operational Excellence to Better Leverage Operating Costs



Key Initiatives: Delighting Our Guests

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Service & Presentation



Building Transformation



Menu Transformation



Red Robin Royalty™



Triple-R Service



New Restaurant Openings



Burger Works Expansion



Key Initiatives: Behind the Scenes



Business Intelligence



CRM



iQube Supply Chain



Labor Management



Innovation Center



Team Member Foundations



Management Foundations

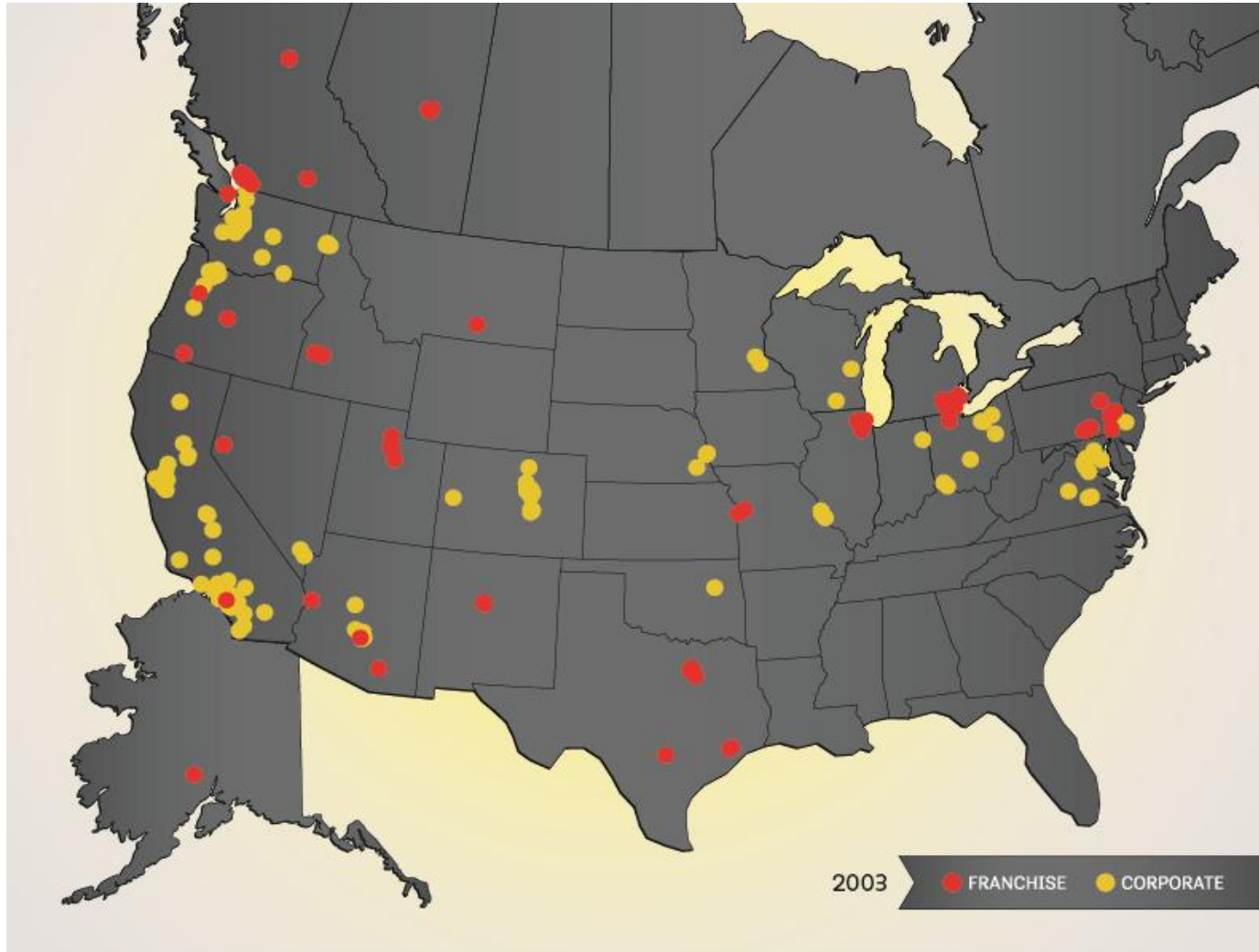


Blueprint



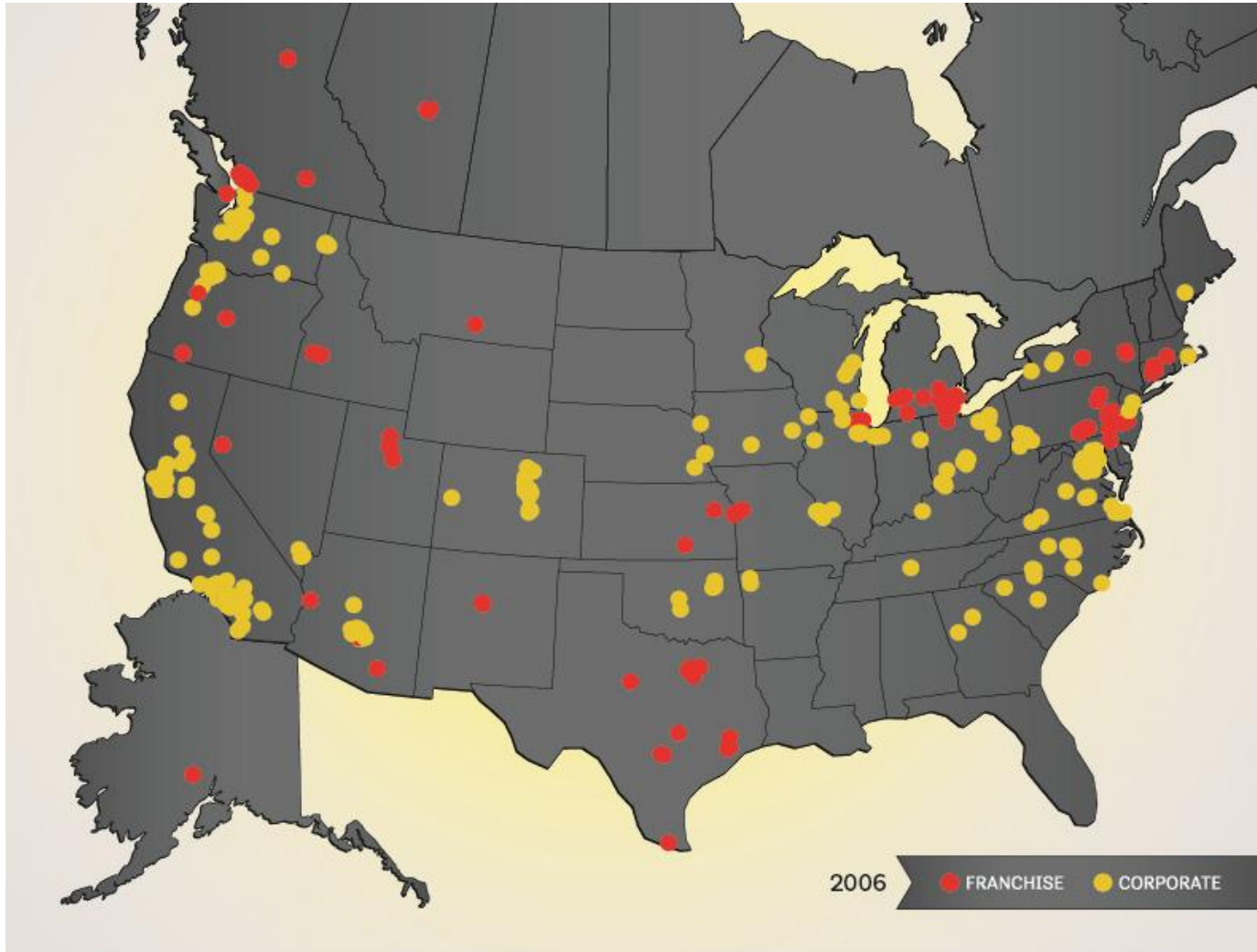
Building Market Positions – 10 years ago

Red Robin®



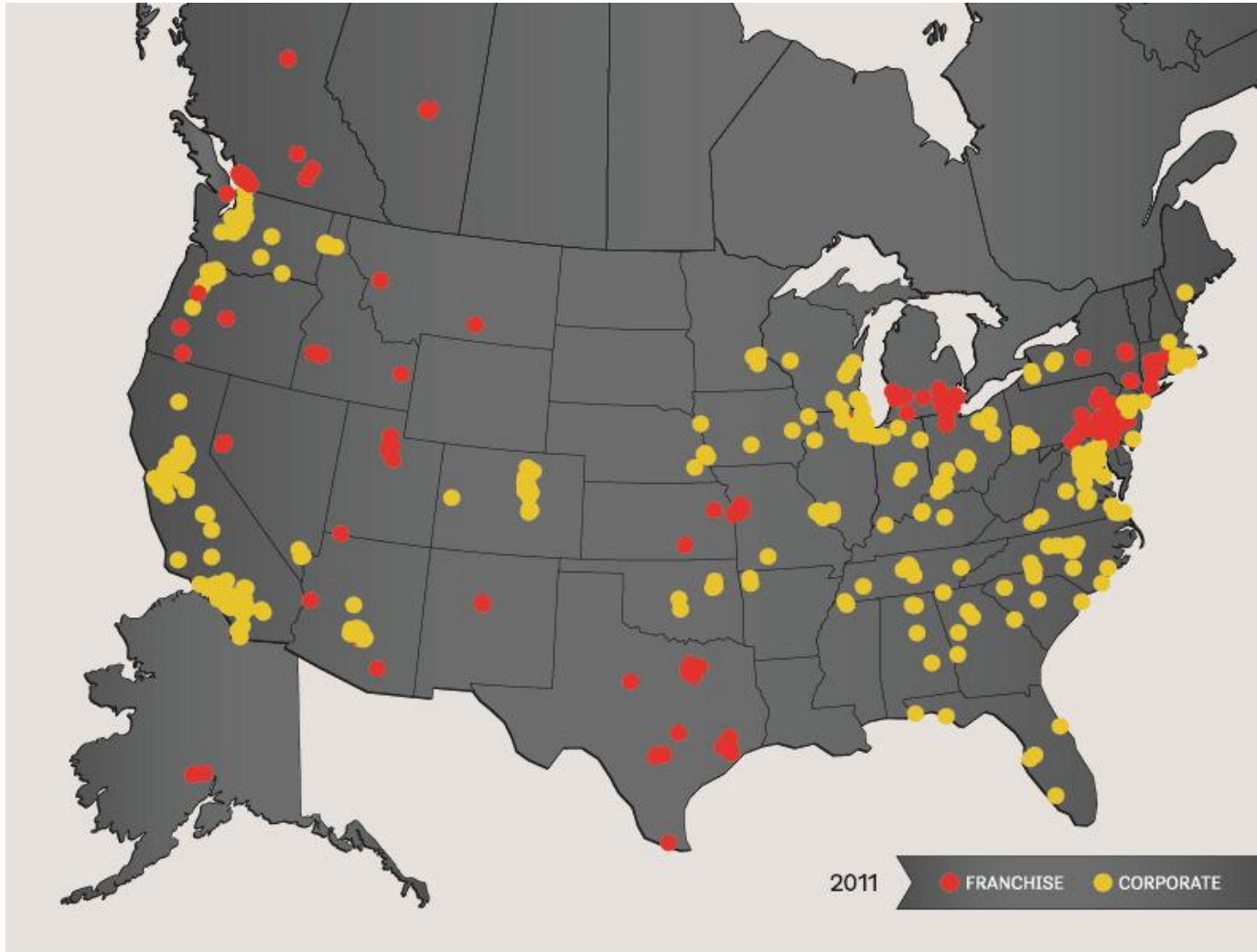
Building Market Positions – 7 years ago

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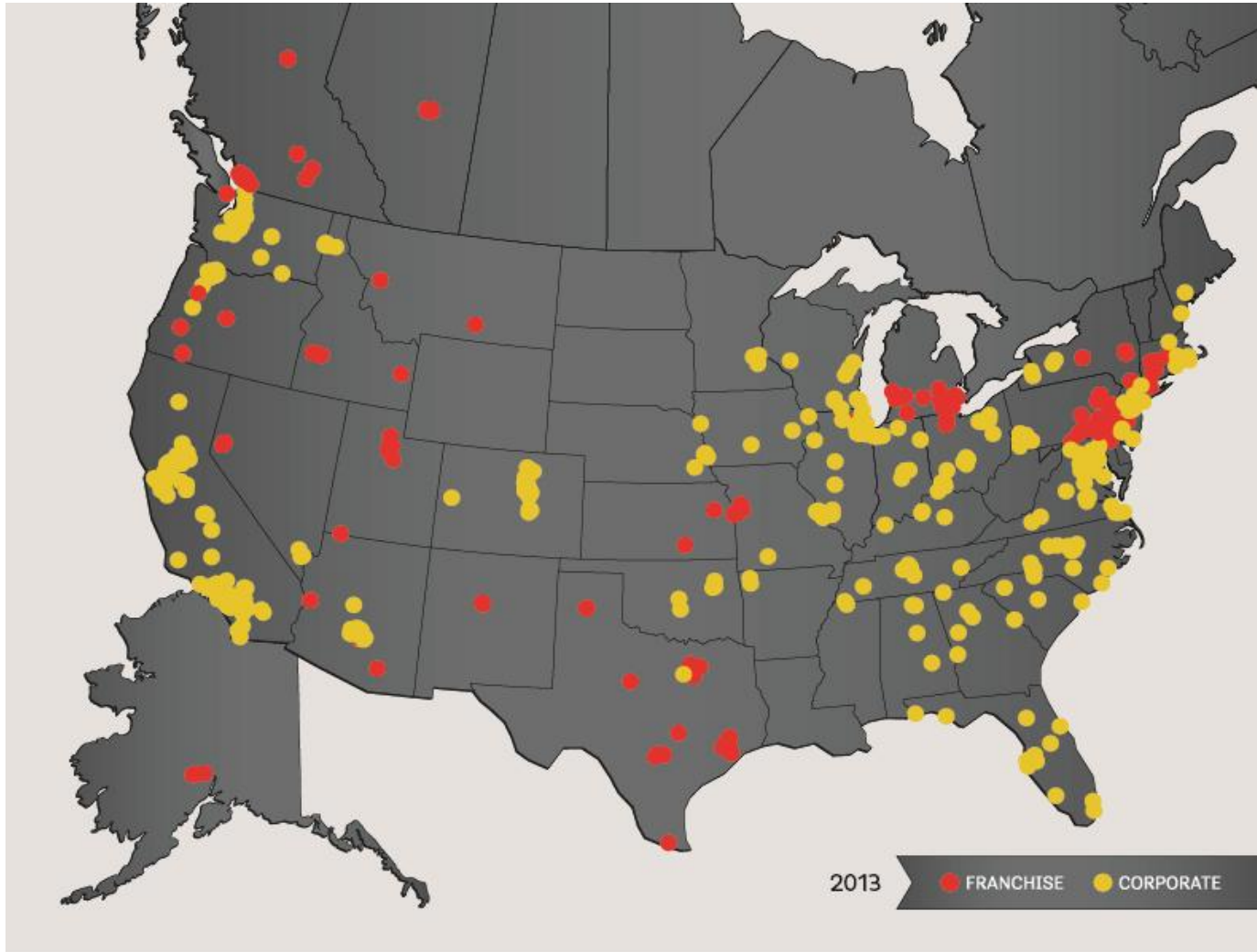
Building Market Positions – 2 years ago

Red Robin

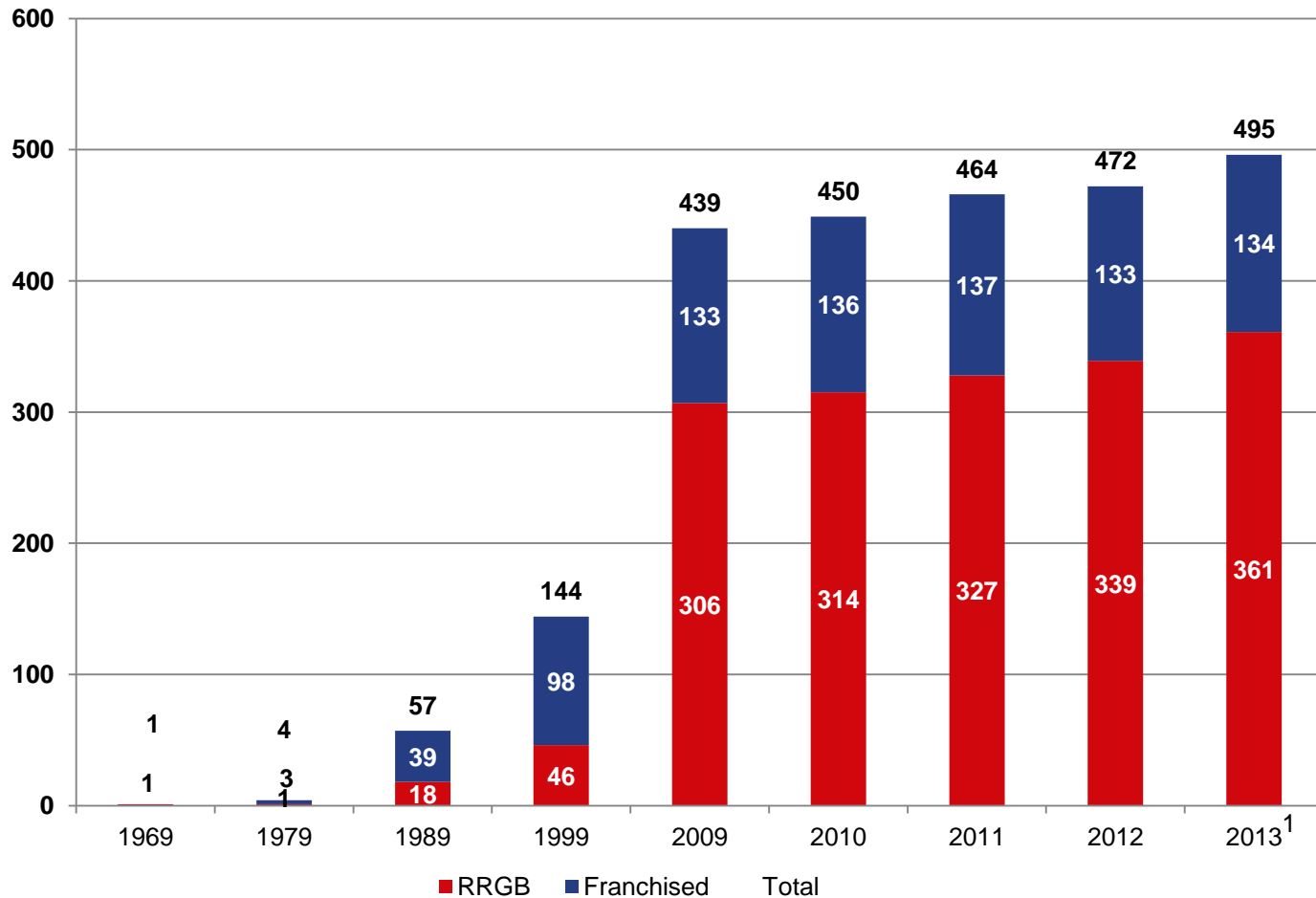


Building Market Positions – Today

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Development History



¹ Estimated restaurant count at the end of fiscal 2013



Significant Room to Grow



Locations That Meet Guests' Needs

	Trade Areas	Size (SF)	Seats	Build Costs (M)	Annual Sales (M)	Cash-on-Cash Return
Full-size	Primary Retail	5,800	200+	\$1.9 - \$2.2	\$2.8 - \$3.1	30%+
Mid-size	Retail and Suburban	4,025*	140	\$1.4 - \$1.7	\$2.3 - \$2.6	30%+
Burger Works	Urban and alternative	2,000	70	\$0.5 - \$0.6	\$1.0 - \$1.2	30%+



* With expansion rights where possible



Our Demographics and Site Characteristics

Trade area attributes

- Average population of 72,000
- Median household income is \$69,000 within 3 miles

Strong office/employment base within a 5-10 minute drive of the new location

Conversions vs. New Construction - Running about 50/50, with freestanding locations and mall conversion locations being the primary driver of our development schedule

Great relationships with developers, landlords and retailers which allows us to pick “A” locations



Florida Market Study



The Red Robin logo, featuring the brand name in a white, serif font with a registered trademark symbol, set against a dark red background.

Expanding our Brand New Restaurant Openings

NRO Openings - 2013

QUARTER 1

Deptford, NJ	2/4
South Puyallup, WA	3/18
Gainesville, FL	3/25

QUARTER 3

Crofton, MD	7/15
White Oak, IL	8/5
Nyack, NY	8/19
Hulen Mall, TX*	8/26
East Peoria, IL	9/2
Canton Crossing, MD	9/30

QUARTER 2

Lacey, WA	6/10
Oakbrook, IL	6/24

QUARTER 4

Tyrone Mall, FL	10/7
Norridge, IL	10/7
Paramus, NJ	10/7
Monroeville, PA	10/14
Staten Island, NY	10/21
Hagerstown, MD	10/28
Danbury, CT	11/11
Secaucus, NJ	11/18
Kenwood, OH	11/25
Cherry Hill, NJ	12/2
Fort Collins, CO	12/16

- Burger Works

- Mid-Size Locations

*From Hulen Mall on, all NROs will include BTI




Objective

Cash-on-cash return of 30% or better

Strategy	Tactics
Sales	<ul style="list-style-type: none">• Better shift execution from opening day by improving training• Slow opening week's sales volume• Over the first 30 days, ensure guest facing execution metrics are consistently achieved:<ul style="list-style-type: none">◦ Ticket times◦ Reduction of errors◦ Guest satisfaction surveys◦ Mystery shopper scores• Integrate Brand Transformation
People	<ul style="list-style-type: none">• NRO/Ops partnership on succession planning team 6 months in advance• Future NRO managers provide on the ground support for NROs prior to their own• Improve discipline around Ops and NRO department partnership months 2-6 post-open:<ul style="list-style-type: none">◦ Normalization of financial and execution metrics◦ Improve new Team Member selection
Profit	<ul style="list-style-type: none">• "Blueprint" approach for Pre-opening expenses• Labor Management integrated
Process	<ul style="list-style-type: none">• Continuous improvement, scalability in tools and processes for NRO roles and training



2013 NRO Key Metrics

 Empathica Guest overall satisfaction goal of 80%; at 79%

 Assuring sales retention

 Pre-opening costs goal of \$205K

 Installing seasoned leadership teams





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Expanding our Brand

Red Robin's Burger Works®







— WHAT DOES —
40 YEARS
TASTE LIKE?

YOU TELL US.

— *Because* —
IN YOUR HANDS

IS A GOURMET BURGER THAT'S BEEN RE-MASTERED AND REFINED

////// *since 1969* ////


And while we'll never change our unconventional *spin* on
DELICIOUSNESS,
NOR OUR UNCANNY WAY OF MAKING YOU SMILE, TODAY, WE'VE REINVENTED

— *our experience* —

JUST FOR YOU

THE RED ROBIN BURGER WORKS GUEST.

★ SO SIT DOWN OR TAKE OUT. ★

— EAT UP AND *revel in.* —

— **YUMMM**® —

ONLY GETS BETTER WITH AGE.



Recap

- 🚩 Fast casual/quick casual guest more inclined towards QSR guest needs vs. casual dining guest needs -- speed, takeout, impulse buy, etc
- 🚩 Guests enjoy customization, but want Red Robin's Burger Works® to customize for them, in the form of signature Red Robin burger builds
- 🚩 Opportunities to strengthen ties to strong Red Robin brand
- 🚩 Need to excel in service factors that count: speed, make connections with guests
- 🚩 Year round locations (downtown central business district, power/lifestyle centers, etc.) should be the focus of development (plus airports)
- 🚩 Ideal size approximately 2,000 square feet
- 🚩 Leverage differentiation:
 - Successfully enter markets leveraging strength of Red Robin brand and infrastructure
 - Continue selecting future sites to serve a "Quick Fix of Yummm®"

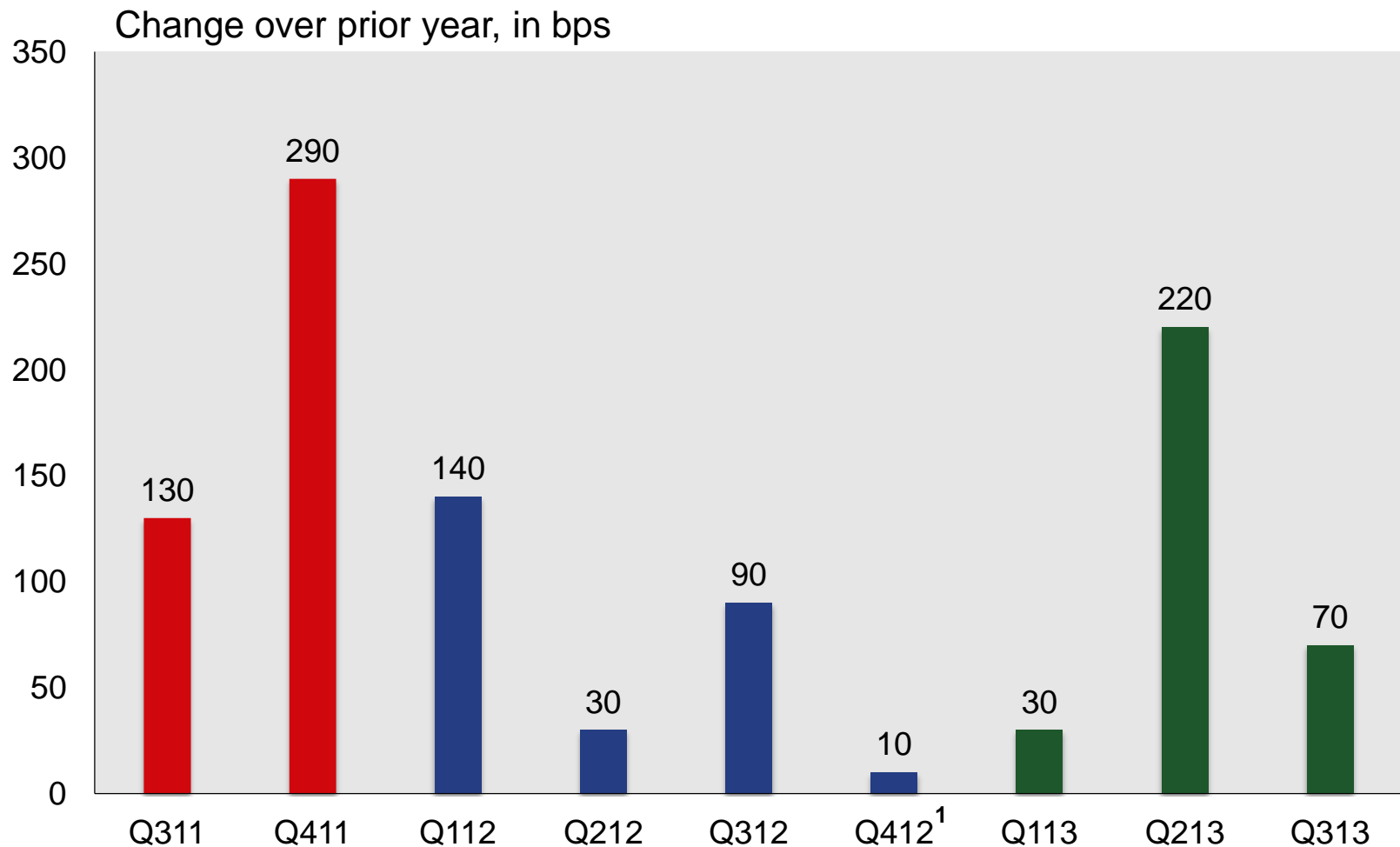


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Creating Efficiencies









RLOP Margin Improvement



¹ Adjusted to exclude the effect of the 53rd week.



Cost Management Examples

-  Pro*Act produce contract
-  Safe maintenance fee
-  Voids, comps and discounts
-  Training materials
-  In 2013: 18 initiatives completed, 9 in progress, 13 in queue
-  Future efficiencies
 - Labor management optimization
 - Supply chain technology
 - Table management



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Team Member Engagement



Engaging the Millennials

- 🗽 Large portion of Red Robin's Team Members are "Millennials"
- 🗽 Strategy to reach Millennials where they are – social & mobile
- 🗽 Learning & Development platforms leverage mobile and social tools – includes Team Members and Managers
- 🗽 Streamlined content; feedback loop





Yummm U.



Right People, Right Place, Right Time

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- 🗽 Corporate deployment of new labor management solution
- 🗽 Labor model based on time-motion studies
- 🗽 Sets labor targets and schedules based on each, unique restaurant
- 🗽 Provides mobile tools for our Team Members



Our Brand Was Past Due for an Update

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- 🗽 Tilted heavily toward kids
- 🗽 Recession exposed weakness as families stayed home
- 🗽 Seminal occasion segmentation study illuminated opportunities
 - Own Unplanned Family Dinners
 - Grow Unplanned Adult Dinners
- 🗽 Opportunity to mainstream the independent burger trend
- 🗽 New restaurant environment needed to “Take Back the Bar”

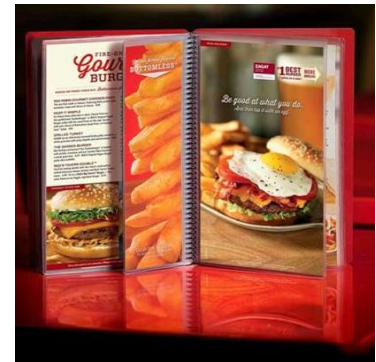


MORE Guests, MORE Often, MORE Delighted

Red Robin

- Burger Authority at the core
- Beverage and add-on innovation to complement core menu
- Customize guest experiences as much as we customize their burgers
 - Environments
 - Service time
 - Big party flexibility
 - EVERYONE leaves smiling...







Guest Response Overwhelmingly Positive

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- 🗽 “Grown up” but not old
- 🗽 Still seen as welcoming to kids and families
- 🗽 More functional for different parties and occasions
- 🗽 Significant pre/post shifts on:
 - Overall Experience
 - Bar Experience
 - Food & Beverage Quality
 - Kids Experience
 - Value
 - Up-to-date
- 🗽 Guest Voice bears it out



What's Ahead?

- Transformation is a never ending process
- Ingrain new Team Member behaviors – Triple R
- Continue to refine multiple décor packages and prototypes
- Bring entire system up to new standards
- Adding layers:
 - Signage to signal change
 - Improved exterior design
 - Kids menu and plating
 - To Go



Continue to listen to the Guest!



Investing In Our Growth ...

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- 🗽 Open 20 to 25 new Red Robin® restaurants annually
- 🗽 Building and décor transformation
- 🗽 Position Burger Works for increased market penetration
- 🗽 Continued maintenance and technology investments



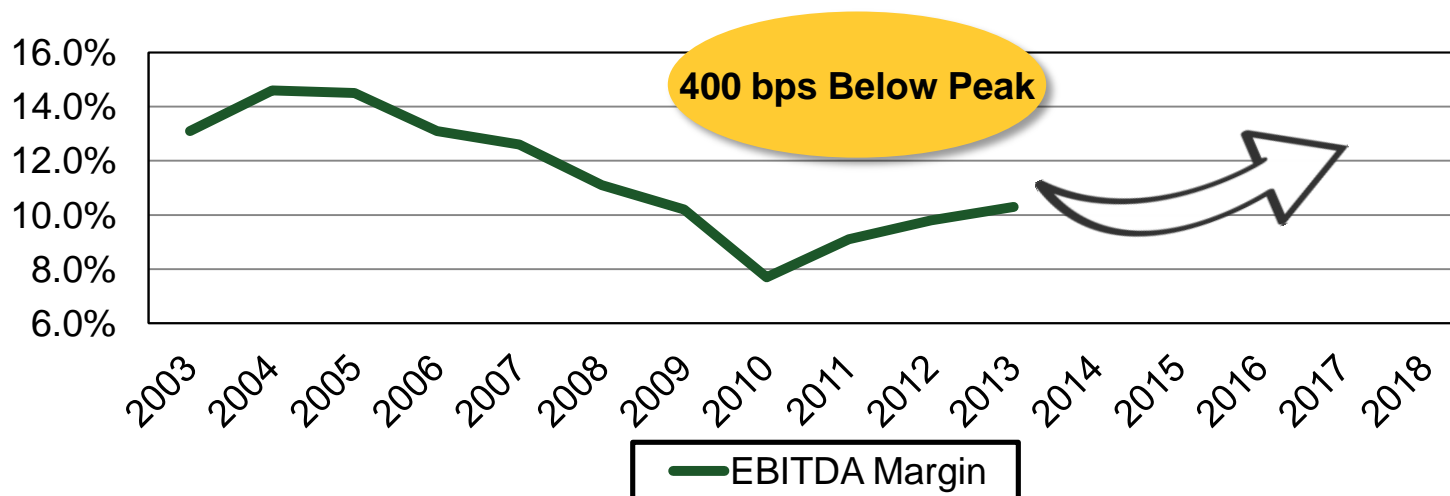
... While Getting Back to Peak Performance

Growing market share

- Continue to invest in Guest experience and total value
- Revenue growth targets in upper single digits

Increasing profitability

- Potential for EBITDA margin above 12%
- Target earnings per share growth of low to mid-teens
- Continually improving ROIC



Initiatives in the Pipeline

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Regional Pricing
Media Optimization
Premium Burger Line Extension
Labor Management Optimization
Kids Experience Licensing To Go
Brand Transformation Full Roll-out
Supply Chain Management Systems
Burger Works 2.0 CRM



Restaurant of the Future HCM AND PAYROLL SYSTEMS
International **ONLINE ORDERING**
Kitchen of the Future
Pay at the Table **KITCHEN DISPLAY SYSTEM**
Business Insight Technology
CATERING Burger Works Critical Mass
Regional Menu Items
Table Management
MERCHANDISE SALES



Elevating the Brand

- 🗽 Creating a unique connection with our Guests
- 🗽 Differentiated – environment and experience
- 🗽 Total value proposition
- 🗽 Flexible prototypes to meet all occasions
- 🗽 Initiatives for short-term results and long-term growth
 - Team Member engagement
 - Culinary innovation
 - Efficiency improvements
 - Brand Transformation



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Appendix



Reconciliation of EBITDA to Net Income

	2003	2004	2005	2006 ⁽¹⁾	2007	2008	2009	2010	2011	2012 ⁽¹⁾	2013 ⁽²⁾
Net income	\$15,446	\$23,381	\$27,386	\$27,483	\$30,651	\$27,126	\$17,599	\$7,299	\$20,577	\$25,233	\$25,280
Adjustments to net income:											
Income tax expense (benefit)	7,888	12,019	13,858	12,110	12,647	9,813	3,930	(2,569)	1,511	7,594	8,070
Interest expense, net	2,633	2,384	2,969	5,422	9,231	8,237	6,792	5,049	5,823	5,233	2,233
Depreciation and amortization	16,395	21,070	26,115	33,874	43,659	51,687	57,166	56,738	55,272	55,468	44,589
Earnings before interest, taxes, depreciation and amortization (EBITDA)	\$42,362	\$58,854	\$70,328	\$78,889	\$96,188	\$96,863	\$85,487	\$66,517	\$83,183	\$93,528	\$80,172
Total revenues	\$324,100	\$403,386	\$486,023	\$604,336	\$763,472	\$869,215	\$841,045	\$864,269	\$914,850	\$956,560	\$775,321
EBITDA Margin	13.1%	14.6%	14.5%	13.1%	12.6%	11.1%	10.2%	7.7%	9.1%	9.8%	10.3%

(1) Adjusted to exclude the effect of the 53rd week; (2) 2013 Q3 YTD



Reconciliation of Restaurant Level Operating Profit (RLOP) to Net Income

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	2003	2004	2005	2006 ⁽¹⁾	2007	2008	2009	2010	2011	2012 ⁽¹⁾	2013 ⁽²⁾
Restaurant revenues	\$ 314,371	\$ 391,317	\$ 471,860	\$ 589,006	\$ 747,530	\$ 854,690	\$ 828,031	\$ 846,389	\$ 898,842	\$ 940,727	\$ 762,647
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):											
Cost of sales	75,067	93,280	109,419	133,233	171,236	203,463	199,195	206,639	227,063	237,524	190,259
Labor	108,365	131,379	160,142	202,131	254,279	289,702	287,981	300,878	303,503	316,809	255,154
Other operating	37,985	46,258	59,629	76,756	106,632	123,823	122,183	125,137	124,238	123,493	95,016
Occupancy	21,248	25,242	29,669	36,496	46,340	56,908	62,420	63,055	65,785	69,576	56,484
Restaurant-level operating profit	71,706	95,158	113,001	140,390	169,043	180,794	156,252	150,680	178,253	193,325	165,734
Restaurant-level operating profit margin	22.8%	24.3%	23.9%	23.8%	22.6%	21.2%	18.9%	17.8%	19.8%	20.6%	21.7%
Add - Franchise royalties, fees and other revenue	9,729	12,069	14,163	15,330	15,942	14,525	13,014	17,880	16,008	15,833	12,674
Deduct - other operating:											
Depreciation and amortization	16,395	21,070	26,115	33,874	43,659	51,687	57,166	56,738	55,272	55,468	44,589
Selling, general and administrative	34,938	43,398	48,966	66,813	77,818	87,976	80,463	92,958	103,124	109,138	93,475
Pre-opening costs	3,891	5,143	6,250	8,301	7,463	8,109	3,696	3,015	3,527	3,456	4,607
Asset impairment and other charges	-	-	1,543	1,735	3,474	2,357	-	6,116	4,337	-	-
Total other operating	55,224	69,611	82,874	110,723	132,414	150,129	141,325	158,827	166,260	168,062	142,671
Income from operations	26,211	37,616	44,290	44,997	52,571	45,190	27,941	9,733	28,001	41,096	35,737
Interest expense, net and other	2,877	2,216	3,046	5,404	9,273	8,251	6,412	5,003	5,913	8,269	2,387
Income tax expense	7,888	12,019	13,858	12,110	12,647	9,813	3,930	(2,569)	1,511	7,594	8,070
Total other	10,765	14,235	16,904	17,514	21,920	18,064	10,342	2,434	7,424	15,863	10,457
Net income	\$ 15,446	\$ 23,381	\$ 27,386	\$ 27,483	\$ 30,651	\$ 27,126	\$ 17,599	\$ 7,299	\$ 20,577	\$ 25,233	\$ 25,280

(1) Adjusted to exclude the effect of the 53rd week; (2) 2013 Q3 YTD



Reconciliation of Restaurant Level Operating Profit (RLOP) to Net Income

	2011		2012				2013		
	Q3	Q4	Q1	Q2	Q3	Q4 (1)	Q1	Q2	Q3
Restaurant revenues	\$202,679	\$202,504	\$294,642	\$219,932	\$209,754	\$216,399	\$301,313	\$234,490	\$226,844
Restaurant operating costs (exclusive of depreciation and amortization shown separately below):									
Cost of sales	51,688	51,463	75,075	55,804	52,066	54,579	74,982	58,024	57,253
Labor	68,143	67,915	98,606	73,075	71,729	73,399	101,882	76,648	76,624
Other operating	29,226	27,270	37,405	28,877	28,374	28,837	37,090	28,463	29,463
Occupancy	15,458	15,570	21,114	15,790	16,309	16,363	22,573	16,779	17,132
Restaurant-level operating profit	38,164	40,286	62,442	46,386	41,276	43,221	64,786	54,576	46,372
Restaurant-level operating profit margin	18.8%	19.9%	21.2%	21.1%	19.7%	20.0%	21.5%	23.3%	20.4%
Add - Franchise royalties, fees and other revenue	3,565	3,477	4,817	3,745	3,563	3,708	5,036	3,809	3,829
Deduct - other operating:									
Depreciation and amortization	13,006	12,521	16,652	12,532	13,284	13,000	17,834	13,319	13,436
Selling, general and administrative	22,926	23,616	33,877	25,574	24,469	25,218	37,608	28,386	27,481
Pre-opening costs	622	728	983	602	1,250	621	834	1,291	2,482
Asset impairment and other charges	1,919	2,418	-	-	-	-	-	-	-
Total other operating	38,473	39,283	51,512	38,708	39,003	38,839	56,276	42,996	43,399
Income from operations	3,256	4,480	15,747	11,423	5,836	8,090	13,546	15,389	6,802
Interest expense, net and other	1,556	1,489	1,833	1,267	1,093	4,076	1,089	674	624
Income tax expense (benefit)	(369)	85	3,356	2,408	1,210	620	2,977	3,576	1,517
Total other	1,187	1,574	5,189	3,675	2,303	4,696	4,066	4,250	2,141
Net income	\$ 2,069	\$ 2,906	\$ 10,558	\$ 7,748	\$ 3,533	\$ 3,394	\$ 9,480	\$ 11,139	\$ 4,661

(1) Adjusted to exclude the effect of the 53rd week





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