

TEXAS ROADHOUSE, INC.

AUDIT COMMITTEE CHARTER

1. Designation and Membership

- 1.1 The Board of Directors (the “Board”) of Texas Roadhouse, Inc. (the “Company”) will appoint from among its members an Audit Committee (the “Committee”). Committee members may be removed by the Board at any time.
- 1.2 The Committee will consist of at least three directors. Each Committee member shall be determined by the Board to be “independent” as that term is defined under the listing standards of the NASDAQ Stock Market LLC (“NASDAQ”) and shall meet the criteria for independence under the Sarbanes-Oxley Act of 2002 and the rules adopted by the Securities and Exchange Commission (the “SEC”). Committee members shall be generally knowledgeable in financial and auditing matters, and at least one member shall be an “audit committee financial expert” as defined under the rules of the SEC and NASDAQ.
- 1.3 The Board will designate one Committee member to serve as Chairman of the Committee.

2. Purpose

The primary purpose of the Committee is to assist the Board in fulfilling its oversight responsibility relating to (i) the integrity of the company’s financial statements, (ii) the Company’s compliance with legal and regulatory requirements, (iii) the independence and performance of the Company’s internal and external auditors and (iv) the Company’s internal controls and financial reporting practices. In addition, the Committee will maintain open lines of communication among the Board, management and the Company’s independent auditors on these matters.

3. Authority

The Committee has the authority to:

- 3.1 Appoint, retain, compensate, oversee, evaluate and terminate the independent auditor and to approve all audit engagement fees and terms.
- 3.2 Consult with, retain and terminate legal, accounting and other experts as it believes are necessary in order to perform its oversight function, such authority to include the funds required to engage such advisors along with any administrative assistance to conduct the Committee’s activities.
- 3.3 Conduct or authorize investigations into any matters within the scope of its responsibility.
- 3.4 Meet with and seek any information from any Company officer, employee, outside counsel, or the independent auditor, all of whom are directed to cooperate with the Committee and its consultants.

- 3.5 Review and provide direction to management regarding the appointment, performance, and replacement of the Director of Internal Audit (or anyone of equivalent job function or responsibility without regard to title).

4. Duties and Responsibilities

- 4.1 Meet at least four times annually or more frequently as it deems necessary or advisable. The Committee shall maintain minutes or other records of its meetings and activities. Without limiting the Committee's authority under section 3.4, the Committee shall meet periodically by itself, with selected Company officers, with the internal auditors, and/or with the independent auditors in separate executive sessions.
- 4.2 Report its activities to the full Board on a regular basis.
- 4.3 Oversee the performance of the Company's internal audit function and the independent auditor.
- 4.4 Establish procedures for the receipt, retention and treatment of complaints about accounting, internal accounting controls or auditing matters, as well as for confidential, anonymous submissions by Company employees of concerns regarding questionable accounting or auditing matters.
- 4.5 Appoint, retain, compensate, evaluate and, as it deems necessary or advisable, terminate the independent auditor.
- 4.6 Approve all audit engagement fees and terms.
- 4.7 Pre-approve and adopt policies governing pre-approval of all audit and permissible non-audit services to be provided by the independent auditor.
- 4.8 Review and discuss with the independent auditor its statement delineating all relationships between it and the Company, and assess the independence of the independent auditor.
- 4.9 Discuss with the independent auditor all critical accounting policies, alternative treatments of financial information within generally accepted accounting principles discussed with management, the ramifications of the use of alternative treatments and the independent auditors' preferred treatment, and any other material written communications between the independent auditor and management.
- 4.10 Review and discuss with management and the independent auditor the Company's annual and quarterly financial statements. The Committee shall also discuss with the independent auditors its judgment about the quality, not just the acceptability, of significant accounting principles, accounting changes and underlying estimates.
- 4.11 Review and discuss with management and the independent auditors the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements.
- 4.12 Review with management and the independent auditors of any correspondence with regulators or governmental agencies and any employee complaints or

published reports which raise material issues regarding the Company's financial statements or accounting policies.

- 4.13 Review with the Company's legal counsel matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or government agencies.
- 4.14 Review the Company's earnings press releases.
- 4.15 Resolve disagreements between management and the independent auditor.
- 4.16 Review disclosures made by the Chief Executive Officer and Chief Financial Officer regarding the design or operation of internal controls and any fraud that involves management or other employees who have a significant role in the Company's internal controls.
- 4.17 Review any required management reports on internal control over financial reporting and any related attestations by the independent auditors.
- 4.18 Discuss with the independent auditor all matters required to be discussed under generally accepted auditing standards, including the scope and results of their audit of the Company's consolidated financial statements.
- 4.19 Review with the independent auditors any problems or difficulties the accountants may have encountered and any management letter provided by the accountants and the Company's response to that letter. Such review shall include (i) any difficulties encountered in the course of the audit work, including any restrictions on scope of activities or access to required information, and any disagreements with management, and (ii) any changes required in the planned scope of the internal audit.
- 4.20 Discuss with management the development and selection of any critical accounting policies, and the Company's related disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's reports filed with the SEC.
- 4.21 Prepare the report that is required to be included in the Company's annual proxy statement.
- 4.22 Annually review and assess the adequacy of this Charter and recommend to the Board any proposed changes to this Charter.
- 4.23 Review and approve any related party transactions, as defined under Regulation S-K Item 404, not otherwise approved by an independent committee of the Board.
- 4.24 Discuss risk assessment and risk management policies.
- 4.25 Review the internal audit function of the Company, including: the independence, competence, staffing adequacy, and authority of the function; the ability of the function to raise issues to the appropriate level of authority; and the reporting relationships among the internal auditor, financial management and the Committee.

- 4.26 Review the proposed internal audit plans for the coming year and the progress against such plans.
- 4.27 Review on at least an annual basis a summary of significant comments from completed internal audits.
- 4.28 Review and provide direction to management regarding the appointment, performance, and replacement of the Director of Internal Audit (or anyone of equivalent job function or responsibility without regard to title).
- 4.29 Review the Company's conformity with its Code of Conduct and review annual compliance solicitation of the Code.