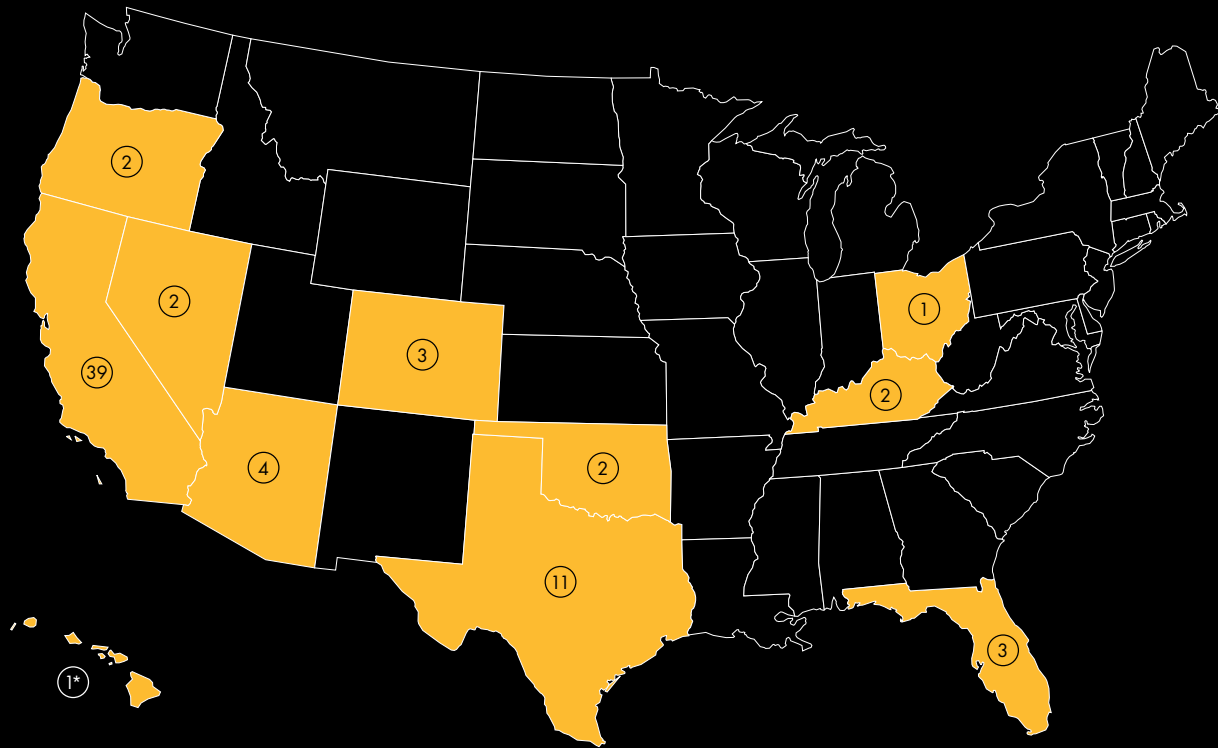


WE ARE BUILDING A QUALITY GROWTH COMPANY

BJ'S RESTAURANTS, INC.
2007 ANNUAL REPORT



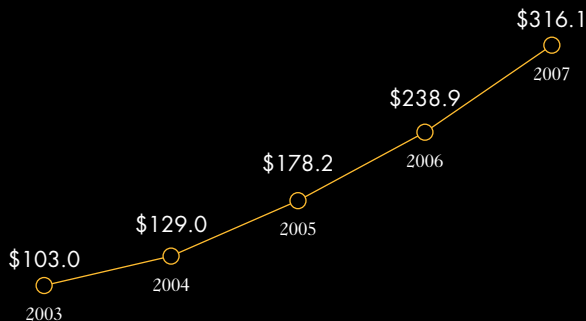


*Licensed

Number of restaurants as of April 21, 2008

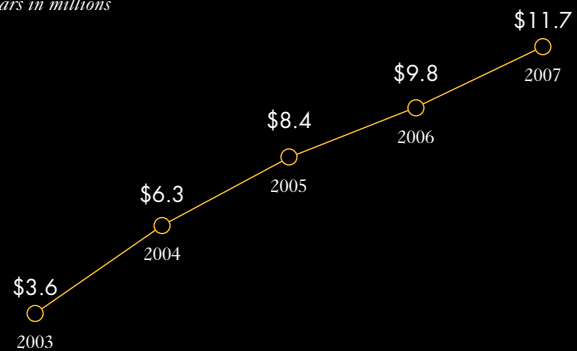
REVENUES

dollars in millions



NET INCOME

dollars in millions



SELECTED FINANCIAL HIGHLIGHTS

(dollars in thousands, except per share amounts)

	2007	2006	2005	2004	2003
Revenues	\$ 316,095	\$ 238,928	\$ 178,210	\$ 129,049	\$ 102,959
Net Income	\$ 11,705	\$ 9,845	\$ 8,351	\$ 6,265	\$ 3,593
Net Income Per Share:					
Basic	\$ 0.45	\$ 0.42	\$ 0.38	\$ 0.32	\$ 0.18
Diluted	\$ 0.44	\$ 0.41	\$ 0.36	\$ 0.30	\$ 0.18
Total Assets	\$ 285,299	\$ 249,849	\$ 163,958	\$ 100,866	\$ 83,705
Shareholders' Equity	\$ 220,523	\$ 202,862	\$ 129,899	\$ 78,780	\$ 71,051

This Annual Report contains forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those projected or anticipated. Factors that might cause such differences include, but are not limited to: (i) our ability to manage an increasing number of new restaurant openings, (ii) construction delays, (iii) labor shortages, (iv) minimum wage increases, (v) food quality and health concerns, (vi) factors that impact California, where a significant amount of our restaurants are located, (vii) restaurant and brewery industry competition, (viii) impact of certain brewery business considerations, including without limitation, dependence upon suppliers and related hazards, (ix) consumer trends, (x) potential uninsured losses and liabilities, (xi) fluctuating commodity costs including food and energy, (xii) trademark and servicemark risks, (xiii) government regulations, (xiv) licensing costs, (xv) beer and liquor regulations, (xvi) loss of key personnel, (xvii) inability to secure acceptable sites, (xviii) limitations on insurance coverage, (xix) legal proceedings, (xx) other general economic and regulatory conditions and requirements and (xxi) numerous other matters discussed in the Company's filings with the Securities and Exchange Commission. BJ's Restaurants, Inc. undertakes no obligation to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.



BJ'S LEADERSHIP TEAM

Back Row: Loren Reynoso, Jeannine Loy, Nanette McWhertor, Dianne Scott, Lon Ledwith, Steve Mintzer, Jerry Deitchle Middle Row: Ame Kuyper, Bob Salessi, Don Gardner, Tom Norton, Jim Farman, Chris Pinsak, Rob DeLiema, Marc Weber, James Drake, George Perez, Roger Ortiz, Jeff Preston, John Allegretto, Jennifer DePaola, Alex Puchner Front Row: Steve Demeter, Joan Leguay, Danielle Shaw, Melanie Bruno-Carbone, Alicia Hatfield, Greg Levin, Sujit Shah, Michele Maerz, Tom Cuddyer, Greg Lynds Not Pictured: Brian Pearson, Mark Griffith, Rana Schirmer, Ray Martin

▾ TO OUR SHAREHOLDERS ▾

OUR COMPANY ACHIEVED ANOTHER OUTSTANDING YEAR OF PROFITABLE GROWTH DURING FISCAL 2007, IN SPITE OF THE CONTINUING DIFFICULT OPERATING ENVIRONMENT FOR CASUAL DINING RESTAURANTS IN GENERAL. OUR REVENUES INCREASED A STRONG 32% TO \$316.1 MILLION COMPARED TO THE PRIOR FISCAL YEAR, AND OUR NET INCOME AND DILUTED NET INCOME PER SHARE INCREASED 19% AND 7% TO \$11.7 MILLION AND \$0.44, RESPECTIVELY. EXCLUDING THE IMPACT OF A NON-CASH, PRE-TAX CHARGE OF \$2.0 MILLION FOR CERTAIN ASSET DISPOSALS, OUR FISCAL 2007 NET INCOME AND NET INCOME PER SHARE ON A PRO FORMA, NON-GAAP BASIS WOULD HAVE INCREASED BY 33% AND 20% TO \$13.1 MILLION AND \$0.49, RESPECTIVELY.

WE ACHIEVED OUR CAPACITY GROWTH GOAL FOR 2007 BY OPENING THIRTEEN NEW RESTAURANTS AND THEREBY INCREASING OUR TOTAL RESTAURANT OPERATING WEEKS BY APPROXIMATELY 24% DURING THIS FISCAL YEAR.





Our comparable restaurant sales increased a strong 6.2% in 2007. That increase consisted of an approximate 4% effective menu price increase that was accepted by our guests, coupled with increased guest traffic and a slightly favorable menu mix. We were pleased that our comparable sales increase was successful in offsetting the pressures of higher commodity costs, higher minimum wages and other anticipated and unanticipated operating cost increases in our restaurant operations. After adjusting for non-cash equity compensation expense in our restaurant labor, our approximate four-wall restaurant operating cash flow margin was 20.1% for 2007, which was equal to the prior year. One of our important longer-term objectives is to preserve this metric in the 20% range as we continue to expand our restaurant operations. We will be considerably challenged to achieve that metric during the upcoming year, in light of current and anticipated pressures on our restaurant margins from reduced consumer spending on casual dining occasions and significantly higher labor and commodity costs in general. We will do our best to control what we can control, and to work even harder to further improve the productivity and efficiency of our operational execution.

In addition to generating an impressive financial performance during fiscal 2007, our Company also made significant progress in expanding its operations and making preparations for future profitable growth. We successfully opened 13 new restaurants during the year, including our first restaurants in the Eastern Time zone. As a result, we increased our total restaurant operating weeks by 24% and achieved our stated goal of increasing operating weeks by 20% to 25%. Average sales per operating week also increased a solid 6.5% to \$99,700 for 2007 compared to the prior year. Our brewery operations made considerable progress in ramping up production in our new Reno brewery and in preparing for expanded contract brewing

operations. We were also successful in recruiting over 200 high quality restaurant managers to join the BJ's team.

About three years ago, we concluded that the BJ's concept was essentially sitting on the fence with respect to its fundamental competitive positioning. It essentially had one foot in mass-market or highly commoditized casual dining and the other in premium-casual or casual-plus dining. During the past couple of years, we have worked hard to move the BJ's concept off the fence and point it clearly upward to a more de-commoditized casual-plus positioning, with greater quality, differentiation and pricing power. During 2007, we made considerable progress towards completing this evolution by introducing better quality china, silverware, glassware, linen napkins and flat screen, high-definition televisions in our restaurants and by implementing several operational changes to improve the overall dining experience for our guests. We also successfully completed the rollout of additional operational toolsets and systems—all of which contributed to our strong growth in comparable restaurant sales for the year.

During the last three fiscal years—2005, 2006 and 2007—our comparable restaurant sales increased approximately 4.6%, 5.8% and 6.2%, respectively. That represents a cumulative increase of 16.6% in comparable restaurant sales over that period, and we know of few publicly held casual dining concepts that achieved this level of performance during that timeframe, particularly in view of the difficult operating environment. We believe those strong sales comparisons are the best testament to the sustained popularity of the BJ's concept with consumers. We also believe those sales are a direct result of the successful execution of our strategy to more clearly define BJ's as a higher quality, more differentiated casual-plus concept, coupled with the favorable impacts of our operational toolset rollouts and modest menu price increases.



As we begin 2008, the volatile economic environment has not made it any easier for consumers or casual dining restaurants. The “credit crunch” that started in the housing sector has now spilled over to many other segments of our economy, and many experts are predicting a slowdown of economic growth in the United States this year. This expected economic slowdown, coupled with rising food and fuel prices, will continue to impact the discretionary spending of most consumers who frequent casual dining restaurants. BJ’s is not immune from these uncontrollable pressures, as evidenced by the slight traffic decline in our comparable restaurants during the fourth quarter and softer sales trends during the first quarter of 2008, particularly in our “home court” market of California where 33 of our 50 comparable restaurants are located, as well as in our Arizona restaurants. As a result, we believe that it is prudent to anticipate that our consolidated comparable sales for the full year of 2008 will likely be less than our 2007 level. Comparable sales will likely remain softer during the first half of the year, since our key sales-building initiatives are not anticipated to hit their full stride until the second half of the year.

While no one can accurately predict how the consumer will react in a volatile economy, our leadership team has never felt better about the factors in BJ’s business that we can control. We are well positioned to execute our 2008 restaurant expansion plan, which calls for the opening of as many as 15 new restaurants in high quality locations with increased levels of landlord construction contributions. Our targeted 20% to 25% increase in total restaurant operating weeks during 2008 represents the most significant component of our expected growth in total revenues for the year.

Our key sales-building initiatives for 2008 are both tactical and strategic. From a tactical standpoint, we intend to be more

aggressive with external print media to drive top-of-mind awareness and to promote many of our sales-building initiatives, including new menu items and our recently improved to-go program. From a strategic standpoint, we believe that we have the opportunity to drive additional sales by making it easier and more convenient for guests to choose BJ’s. To accomplish this, we intend to combine our web-based, on-line ordering platform with our car-side cashiering to-go program which should give us a competitive advantage over most mass-market casual dining curbside programs. Currently, off-premises sales only represent about 4% to 5% of our total sales, and we believe that we have the opportunity to gradually increase these sales to the 8% to 10% level during the next several years.

We have also rolled out a call-ahead seating program for the convenience of our guests. This program is managed within our new computerized table management system, thus providing a competitive advantage over similar programs offered by competitors. On the menu front, initiatives are being executed to introduce new high quality, signature entrées; upgraded bar offerings, including new wine and specialty drinks; and a new lunch specials program that will feature some of BJ’s signature menu items. Additionally, we are moving forward with the expansion of third-party delivery service in more of our restaurants. Today, only about half of our restaurants offer delivery service.

Our restaurant expansion plan for 2008 remains solidly in place, and we are well underway with its execution. During the first quarter of 2008, we opened two new restaurants in Cincinnati, OH and Louisville, KY. We intend to carefully balance the geographical locations of our new restaurants to minimize the impact of risks associated with any overexpansion into new markets where the BJ’s concept is not well known and where

OUR OUTSTANDING FINANCIAL RESULTS FOR 2007 WERE ACHIEVED
IN SPITE OF ONE OF THE MOST CHALLENGING OPERATING
ENVIRONMENTS IN GENERAL FOR CASUAL DINING RESTAURANTS
DURING THE LAST 15 YEARS.



A photograph of a restaurant interior. In the background, a bar is visible with several televisions mounted on the wall displaying various sports and news programs. The bar area is well-lit with yellow and white lights. In the foreground, there are several tables and chairs. The tables are light-colored, and the chairs are dark wood. The walls are dark wood, and the ceiling has a grid of lights. The overall atmosphere is warm and inviting.

WE WOULD LIKE TO EXPRESS OUR DEEPEST APPRECIATION AND THANKS TO OUR LOYAL GUESTS, SHAREHOLDERS, SUPPLIER PARTNERS AND OUR ALMOST 8,000 TEAM MEMBERS ACROSS THE COUNTRY FOR YOUR CONFIDENCE AND SUPPORT THIS PAST YEAR.



our competitors have a stronger presence. Roughly one-third of our planned restaurant expansion during the next three years is currently anticipated to be in our “home court” of California. Another one-third of our planned new restaurant expansion is expected to be fill-in development in other markets west of the Mississippi River, where we already have a presence. The remaining one-third is expected to occur in the Ohio Valley and Florida, where we opened our first restaurants in 2007.

By elevating the BJ’s concept to casual-plus and by consistently achieving high sales volumes in our new restaurants, we have now attained preferred tenant status among many of the major, national mall and retail center owners/developers in America. These relationships are solidly in place and should become even stronger over the next few years. Additionally, the major developers usually offer landlord construction contributions to their preferred tenants. During 2008, we expect to receive approximately \$13 million in total landlord construction contributions to help finance the development of our new restaurants, compared to about \$3 million received in 2007. These landlord contributions reduce BJ’s net capital investment for new restaurants in return for a higher minimum rent. In many cases, we would be paying a portion of this higher rent in the form of percentage rent, regardless of whether or not we accepted the contributions. Accordingly, we believe the high quality of the retail projects that we are targeting for new restaurant development will have the best opportunity to generate high sales volumes sufficient to cover the increased rents and still yield our targeted return on investment.

As most of our longer-term investors know, we have been intentionally strengthening our field supervision and home office support infrastructures for growth during the past couple of years. The good news is—substantially all of what we would

call our “catch-up investments” has now been completed, and we expect our incremental general and administrative support investments to grow at a more normalized rate for our business model and planned expansion rate going forward.

It is absolutely essential that we continue to execute our new restaurant growth plan in a very careful and controlled manner and with the right operational talent, support infrastructure and modern toolsets in place. Accordingly, we will continue to make additional investments to recruit, train, develop, motivate and retain high quality restaurant managers. In a pure company operations model like BJ’s, building and maintaining a quality restaurant management talent pipeline is the single most critical requirement for successful future growth. We can only grow our restaurant base as fast as we can recruit, train, develop and retain the very best restaurant managers available. During 2008, we expect to recruit approximately 280 new restaurant managers to support our planned growth. The most significant challenge we face when we open new restaurants is to ensure that we have capable, talented, enthusiastic and motivated team members working in our restaurants who consistently deliver what we call “BJ’s Gold Standard of Operational Excellence” to our guests.

In regards to our brewing strategy and after several months of operational due diligence, we entered into an agreement with a large, respected contract brewing entity to produce two of our higher volume proprietary beers. Previously, BJ’s total proprietary handcrafted beer requirements were too small to attract the attention of the larger-scale contract brewers. Now that we have an annualized total beer requirement in excess of 50,000 barrels, we are able to get their attention. During 2007, about 15% of our proprietary beer was contract brewed, and we expect this percentage to gradually grow to the 35% range during 2008. The larger-scale contract brewers have greater



purchasing leverage and production economies of scale, more sophisticated quality control procedures and stronger supply chain networks. As a result, we believe that the average production cost per barrel of our larger-volume proprietary beers can be gradually reduced over time as a result of large-scale contract brewing, with a resulting improvement in the overall quality and consistency of our beer.

This strategy does not mean that BJ's intends to diminish the role of proprietary handcrafted beer in our restaurant concept or completely exit our internal brewing operations. BJ's core competency with respect to beer is the creation of unique, award-winning handcrafted beers. This core competency plays a critical role in differentiating us from other casual dining concepts and demonstrates our commitment to quality in everything we do. Accordingly, we believe that by leveraging the capabilities of larger-scale contract brewing partners to produce our higher-volume beers, we can refocus our internal brewery operations on creating even more innovative and unique beers for our guests, in addition to improving the seasonal beer rotations in our restaurants. The real opportunity for BJ's is for us to become even better creators, merchants and marketers of unique, high quality, handcrafted beer.

In conclusion, in this difficult operating environment, where consumer spending for casual dining occasions and the prime costs of doing business will likely continue to be under significant pressure for the foreseeable future, we believe the more successful casual dining concepts will be those that protect their overall consumer approachability and offer even greater

quality, differentiation and overall value to the consumer. These have always been the competitive strengths of the BJ's concept. We will also continue our unwavering focus on improving the overall quality of our concept and company. "Quality attracts quality" in any business, especially the casual dining business. The higher quality concepts have the ability to attract higher quality locations and management talent that, in turn, enable higher quality execution and financial performance over the long run. It is a principal difference between "good restaurant companies that grow" and "restaurant growth companies." We aspire to be the latter.

BJ's cannot save its way to success. Nor can BJ's price its way to success. We can only grow our way to success, in a highly productive and efficient manner. At the end of fiscal 2007, we only had 68 restaurants open, which is not even a quarter of the way to our estimated current domestic capacity of 300 restaurants. We believe that we have a comprehensive strategic and tactical expansion plan in place. Our principal challenge remains to continue to correctly and consistently execute our plan, and keep our unwavering focus on the longer-term growth and success of BJ's.

We would like to express our sincere thanks and appreciation to all of the members of the BJ's family—our guests, our team members, our supplier partners and our shareholders—for all of your support as partners in our growth.

BJ'S LEADERSHIP TEAM

April 21, 2008

CORPORATE & SHAREHOLDER INFORMATION

BOARD OF DIRECTORS

Paul A. Motenko

Co-Chairman of the Board, Vice President & Secretary of BJ's Restaurants, Inc.

Jeremiah J. Hennessy

Co-Chairman of the Board of BJ's Restaurants, Inc.

Gerald W. Deitchle

President & Chief Executive Officer of BJ's Restaurants, Inc.

Peter A. Bassi

Retired; Former Chairman & President of Yum! Restaurants International

Larry D. Bouts

Investor/Business Advisor; Former Chairman & Chief Executive Officer of Six Flags Theme Parks

Shann M. Brassfield

President of Golden Resorts, Inc.

James A. Dal Pozzo

President of The Jacmar Companies

John F. Grundhofer

Retired; Former Chairman, Chief Executive Officer & President of U.S. Bancorp

J. Roger King

Retired; Former Senior Vice President, Human Resources of PepsiCo, Inc.

SENIOR LEADERSHIP TEAM

Gerald W. Deitchle

President & Chief Executive Officer

Gregory S. Levin

Executive Vice President & Chief Financial Officer

Gregory S. Lynds

Executive Vice President & Chief Development Officer

John D. Allegretto

Chief Supply Chain Officer

Thomas F. Norton

Chief Human Resources Officer

Lon F. Ledwith

Senior Vice President, Restaurant Operations

Alexander M. Puchner

Senior Vice President, Brewing Operations

Melanie R. Bruno-Carbone

Vice President, Marketing

Stephen J. Demeter

Vice President, Construction

James A. Drake

Vice President, Kitchen Operations

Donald M. Gardner, Jr.

Vice President, Facilities

Mark R. Griffith

Vice President, Restaurant Design & Plan Development

Raymond G. Martin

Vice President, Culinary Development

Nanette McWhertor

Vice President, Operational Support & Restaurant Openings

Brian W. Pearson

Vice President, Information Services

Jeffrey R. Preston

Vice President, Purchasing

Rana G. Schirmer

Vice President, Accounting & Controller

Christopher P. Pinsak

Regional Vice President, Restaurant Operations

Michele M. Maerz

Regional Vice President, Restaurant Operations

Steven M. Mintzer

Regional Vice President, Restaurant Operations

CORPORATE OFFICES

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www.bjsrestaurants.com

COMMON STOCK

The Company's common stock is traded on the NASDAQ stock market under the symbol "BJRI."

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Los Angeles, California

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP

Irvine, California

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