

Fiesta Restaurant Group, Inc.  
Form 10-Q  
May 07, 2013  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

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FORM 10-Q

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ý QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2013

OR

.. TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 001-35373

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FIESTA RESTAURANT GROUP, INC.  
(Exact name of Registrant as specified in its charter)

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Delaware (State or other jurisdiction of incorporation or organization) 14800 Landmark Boulevard, Suite 500 Addison, Texas (Address of principal executive office) Registrant's telephone number, including area code: (972) 702-9300	90-0712224 (I.R.S. Employer Identification No.) 75254 (Zip Code)
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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 ý No ..

Indicate by check mark whether the registrant has submitted electronically and posted on their Corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ý 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. (Check one):

Large accelerated filer .. Accelerated filer ý

Non-accelerated filer .. Smaller reporting company ..  
(Do not check if 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 ý

As of May 1, 2013, Fiesta Restaurant Group, Inc. had 23,638,746 shares of its common stock, \$.01 par value, outstanding.

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 CONSOLIDATED FINANCIAL STATEMENTS  
 QUARTER ENDED MARCH 31, 2013

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PART I—FINANCIAL INFORMATION  
 ITEM 1—INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
 FIESTA RESTAURANT GROUP, INC.  
 CONSOLIDATED BALANCE SHEETS  
 (In thousands of dollars, except share and per share amounts)  
 (unaudited)

	March 31, 2013	December 30, 2012
<b>ASSETS</b>		
Current assets:		
Cash	\$6,454	\$15,533
Trade receivables	7,306	5,935
Inventories	2,341	2,750
Prepaid rent	2,219	2,094
Prepaid expenses and other current assets	3,155	2,596
Deferred income taxes	2,171	2,049
Total current assets	23,646	30,957
Property and equipment, net	130,936	126,516
Goodwill	123,484	123,484
Intangible assets, net	182	202
Deferred income taxes	12,919	13,101
Deferred financing costs, net	5,306	5,690
Other assets	3,566	3,779
Total assets	\$300,039	\$303,729
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$58	\$60
Accounts payable	8,969	10,411
Accrued interest	2,222	6,761
Accrued income taxes	1,833	287
Accrued payroll, related taxes and benefits	11,544	14,719
Accrued real estate taxes	2,003	3,366
Other liabilities	6,491	5,674
Total current liabilities	33,120	41,278
Long-term debt, net of current portion	200,875	200,889
Lease financing obligations (Note 5)	3,031	3,029
Deferred income—sale-leaseback of real estate	35,457	36,096
Other liabilities (Note 3)	11,827	11,933
Total liabilities	284,310	293,225
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, par value \$.01; authorized 100,000,000 shares; issued 23,638,746 and 23,514,437 shares, respectively, and outstanding 22,894,633 and 22,748,241 shares, respectively	229	227
Additional paid-in capital	10,678	10,254
Retained earnings	4,822	23
Total stockholders' equity	15,729	10,504
Total liabilities and stockholders' equity	\$300,039	\$303,729

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

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FIESTA RESTAURANT GROUP, INC.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
THREE MONTHS ENDED MARCH 31, 2013 AND APRIL 1, 2012  
(In thousands of dollars, except share and per share amounts)  
(Unaudited)

	Three Months Ended	
	March 31, 2013	April 1, 2012
Revenues:		
Restaurant sales	\$ 133,090	\$ 125,566
Franchise royalty revenues and fees	534	576
Total revenues	133,624	126,142
Costs and expenses:		
Cost of sales	42,411	40,784
Restaurant wages and related expenses (including stock-based compensation expense of \$1 and \$4, respectively)	35,116	33,825
Restaurant rent expense	6,435	3,915
Other restaurant operating expenses	16,164	15,829
Advertising expense	4,549	4,292
General and administrative (including stock-based compensation expense of \$425 and \$1,046, respectively)	12,211	11,016
Depreciation and amortization	4,810	4,840
Pre-opening costs	831	119
Impairment and other lease charges (Note 2)	95	6,900
Other income	(497	) —
Total operating expenses	122,125	121,520
Income from operations	11,499	4,622
Interest expense	5,007	7,969
Income (loss) before income taxes	6,492	(3,347 )
Provision for (benefit from) income taxes (Note 6)	1,693	(1,482 )
Net income (loss)	\$	