



Famous Dave's Submits "Stalking Horse" bid for Franchisee North Country Barbeque Restaurants

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MINNEAPOLIS, Dec 18, 2009 (BUSINESS WIRE) -- Famous Dave's of America, Inc. (NASDAQ: DAVE) today announced that it has entered into a "stalking horse" asset purchase agreement pursuant to which it has agreed to pay cash consideration of \$5.0 million to acquire up to nine Famous Dave's franchise restaurants owned by North Country BBQ Ventures, LLC. The agreement does not require the Company to assume North Country's liabilities. The asset purchase agreement constitutes a stalking horse bid in a sale process being conducted under Section 363 of Chapter 11 of the U.S. Bankruptcy Code. As such, the Company's acquisition of the North Country restaurants remains subject to approval by United States Bankruptcy Court for the District of New Jersey and a subsequent auction process in which other interested buyers may submit competing bids for North Country's assets. It is expected that the sale process will be completed during the first quarter of 2010 and the restaurants are expected to remain open throughout the process. Based in New Providence, New Jersey, North Country is one of the Company's largest franchisees with restaurants located in New Jersey, New Hampshire and New York.

Christopher O'Donnell, chief executive officer of Famous Dave's stated: "When these types of opportunities become available, we owe it to our shareholders to take a hard look at the ones that make sense." O'Donnell continued, "The operations at these restaurants are good, and they have a loyal base of guests that love our concept. We want Famous Dave's to continue to thrive and grow in this region, and believe that if we are the successful bidder, our purchase of these assets, at an appropriate price would represent a terrific opportunity to perpetuate our brand and deliver shareholder value."

"During 2009, Famous Dave's strengthened its balance sheet by retiring debt in excess of \$10 million, and protected its profitability in order to position the Company for continued growth," said K. Jeffrey Dahlberg, chairman of the board of Famous Dave's. "We continue to look for ways to generate value for our shareholders. The acquisition of these restaurants should allow us to do just that, potentially adding more than \$20.0 million in top line sales for the nine restaurants, and more importantly, contributing to improved profitability."

About Famous Dave's

Famous Dave's of America, Inc. develops, owns, operates and franchises barbeque restaurants. As of today, the company owns 45 locations and franchises 132 additional restaurants in 37 states. Its menu features award-winning barbequed and grilled meats, an ample selection of salads, side items and sandwiches, and unique desserts.

Statements in this press release that are not strictly historical, including but not limited to statements regarding the timing of our restaurant openings and the timing or success of our expansion plans, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, which may cause the company's actual results to differ materially from expected results. Although Famous Dave's of America, Inc. believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that its expectation will be attained. Factors that could cause actual results to differ materially from Famous Dave's expectation include financial performance, restaurant industry conditions, execution of restaurant development and construction programs, franchisee performance, changes in local or national economic conditions, availability of financing, governmental approvals and other risks detailed from time to time in the company's SEC reports.

SOURCE: Famous Dave's

Famous Dave's of America, Inc.

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