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Date: May 9, 2005

By: /s/ Edward B. Alexander
Edward B. Alexander, President/
Chief Operating Officer

EXHIBIT INDEX

Exhibit No.

99.1 Press Release dated March 2, 2005 issued by EACO Corporation.

Exhibit 99.1

Contact:

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FOR IMMEDIATE RELEASE

March 2, 2005

EACO Corporation Reports Improved Fourth Quarter Results

NEPTUNE BEACH, FLORIDA - EACO Corporation (OTCBB:EACO), today reported operating results and revenues for the fourth quarter and year-to-date periods ended December 29, 2004.

Fourth quarter 2004 sales increased to \$8,656,300 from \$8,529,500 for the same period in 2003. Same store sales increased 5.5% for the fourth quarter of 2004 compared to the same period in 2003. Net loss for the fourth quarter was \$588,000 compared to \$1,182,700 for the same period in 2003. Loss per share for the fourth quarter of 2004 was 15 cents compared to 32 cents for the fourth quarter of 2003.

Net loss for the year ended December 29, 2004 was \$2,031,600 compared to \$2,401,000 for the same period in 2003. Loss per share for this period was 53 cents compared to loss per share of 65 cents for the same period in 2003.

Loss from operations and net loss for the twelve months ended December 29, 2004 and December 31, 2003 were impacted by asset valuation charges of \$594,200 and \$63,100, respectively. These charges were non-cash adjustments to the value of certain restaurant assets, made in accordance with Statement of Accounting Standards No. 144, "Accounting for the Impairment of or Disposal of Long-Lived Assets." In addition, the Company recorded expenses of \$199,600 and \$274,000 in the fourth quarters of 2004 and 2003 to adjust its expected workers' compensation liability, based on the results of actuarial reviews in both years.

Edward Alexander, President and Chief Operating Officer of the Company, remarked, "We continue to be excited about the results of and future potential of our new Whistle Junction concept. Whistle Junction has created tremendous excitement, resulting in the

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recently-announced offer from Banner Buffet to buy sixteen of the Company's restaurants and develop the concept. Regardless of the outcome of this pending transaction, we think Whistle Junction has a very bright future."

EACO Corporation

Condensed Consolidated Results of Operations

| | For The Quarters Ended | | For The Twelve Months Ended | |
|--|------------------------|----------------------|-----------------------------|----------------------|
| | December 29, 2004 | December 31, 2003 | December 29, 2004 | December 31, 2003 |
| Revenues: | | | | |
| Sales | \$8,656,300 | \$8,529,500 | \$37,585,600 | \$37,384,000 |
| Vending revenue | 55,500 | 51,000 | 213,900 | 212,200 |
| Total revenues | 8,711,800 | 8,580,500 | 37,799,500 | 37,596,200 |
| Cost and expenses: | | | | |
| Food and beverage | 3,260,800 | 3,262,200 | 14,249,100 | 14,251,900 |
| Payroll and benefits | 2,906,000 | 2,922,400 | 11,741,900 | 11,678,100 |
| Depreciation and amortization | 499,500 | 478,600 | 1,975,700 | 1,990,500 |
| Other operating expenses | 1,431,800 | 1,417,800 | 6,208,200 | 6,148,700 |
| General and administrative expenses | 561,400 | 607,900 | 2,197,300 | 2,317,300 |
| Franchise fees | 199,900 | 341,000 | 1,112,000 | 1,494,400 |
| Asset valuation charge | --- | 63,100 | 594,200 | 63,100 |
| (Gain) loss on store closings and disposition of equipment | (57,300) | 45,200 | 76,700 | 133,100 |
| | 8,802,100 | 9,138,200 | 38,155,100 | 38,077,100 |
| (Loss) from operations | (90,300) | (557,700) | (355,600) | (480,900) |
| Investment (loss) gain | 0 | (224,800) | 12,400 | (330,600) |
| Interest and other income | 42,000 | 25,600 | 115,700 | 146,200 |
| Interest expense | (478,900) | (425,900) | (1,741,300) | (1,735,800) |
| Loss before income taxes | (527,200) | (1,182,800) | (1,968,800) | (2,401,100) |
| Provision for income taxes | -- | -- | -- | -- |
| Net loss | (\$527,200) | (\$1,182,800) | (\$1,968,800) | (\$2,401,100) |
| Basic loss per share | (\$0.14) | (\$0.32) | (\$0.52) | (\$0.65) |
| Basic weighted average common shares outstanding | 3,882,000 | 3,706,200 | 3,813,000 | 3,706,200 |
| Diluted loss per share | (\$0.14) | (\$0.32) | (\$0.52) | (\$0.65) |
| Diluted weighted average common shares outstanding | 3,882,000 | 3,706,200 | 3,813,000 | 3,706,200 |

