

BOB EVANS FARMS

Ticker Symbol: **BOBE**

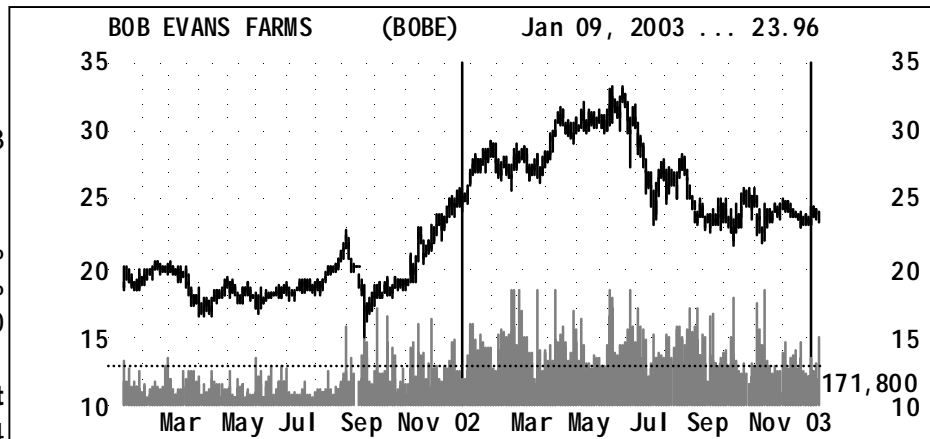
January 10, 2003

Current Data

Current Price	\$ 23.96
52-Week Range	34-21
Shares Out (Mill)	35.3
Ave Volume LTM	238,287
Market Capitalization	\$ 845.1
LTD/Tot Cap	5.0%
Institutional Holdings	61.0%
Insider Buys-Sells	0.0
Book Value	\$ 16.49

Valuation

P/E (Last FY)	16.64
P/B	1.45
Price/Sales	0.81
PEG (2003)	0.37



Operating Data

Sales Growth	2.4%
EBITDA Margin Grwt	17.8%
Net Inc. Growth	6.80%

This Qtr Annual Results (FY-October)

		1999	2000	2001	2002	10/31/01	10/31/02
Sales Growth	2.4% (\$Million)						
EBITDA Margin Grwt	17.8%						
Net Inc. Growth	6.80%						
	Sales	\$947.0	\$947.9	\$1,007.5	\$1,061.8	\$271.1	\$277.6
	Gr Margin	58.0%	57.3%	57.1%	57.0%	56%	59%
	EBITDA	13.2%	12.6%	12.0%	13.7%	19%	23%
	EPS	\$2.02	\$1.38	\$1.44	\$1.84	\$ 0.47	\$0.56
	LTD/Cap.	0.2%	0.1%	7.3%	5.8%	6.7%	6.5%
	Times Int	-	57	17.4	34.3	27.00	68.00

Company Description

Bob Evans Farms, Inc. operates full-service family restaurants and manufactures food products. The company operates about 500 restaurants in over 20 US states under the names Bob Evans Restaurants, Bob Evans Restaurant & General Stores and Owens Restaurants. In addition to home-style menu items, the restaurants offer retail items such as food products, gifts and novelties. The company's food products segment produces and distributes about 40 varieties of fresh, smoked and fully cooked pork sausage and ham products as well as side dishes and dough items under the brand names Bob Evans, Owens Country Sausage and Country Creek Farm. Bob Evans Farms also produces specialty items for its foodservice and institutional customers.

Operating Data-LTM

Company	Symbol	Sales(MM)	Sales Growth	Gross Margin	EBITDA Margin	\$ Flow /Share	LT Debt/ Total Cap	ROE
BOB EVANS FARMS	BOBE	\$1,100	4%	58.4%	14.5	\$ 3.27	5.0	14.2
Peer Group Avg*		\$2,250	9%	45.3%	13.5	\$ 3.25	19.5	15.8
Industry Average		-	8%	-	21.3	\$ 17.55	42.0	20.8
Peer Group								
DARDEN RESTAURAI DRI		\$4,500	10%	22.7%	12.5	\$ 2.38	36.0	20.9
BRINKER INT'L EAT		\$3,000	19%	17.8%	13.5	\$ 3.13	30.0	17.5
CBRL GROUP CBRL		\$2,100	5%	70.6%	9.7	\$ 3.00	21.0	10.4

Valuation Data

Company	Symbol	Price	CY P/E			Price/ \$ Flow	Pr/Sales	Price/Bk
			2000	2001	2002			
BOB EVANS FARMS	BOBE	\$23.96	14.1	11.6	11.2	7.3	0.8	1.5
Peer Group Avg*		\$28.06	16.5	14.3	13.0	9.1	0.9	2.1
Industry Average		\$155.98	15.9	15.2	14.3	8.9	1.4	2.8
Peer Group								
DARDEN RESTAURAI DRI		\$22.88	20.2	16.7	14.9	9.6	0.9	3.3
BRINKER INT'L EAT		\$32.95	21.8	18.4	16.2	10.5	1.1	3.0
CBRL GROUP CBRL		\$30.49	20.9	16.8	14.6	10.2	0.7	1.9

Source: Baseline

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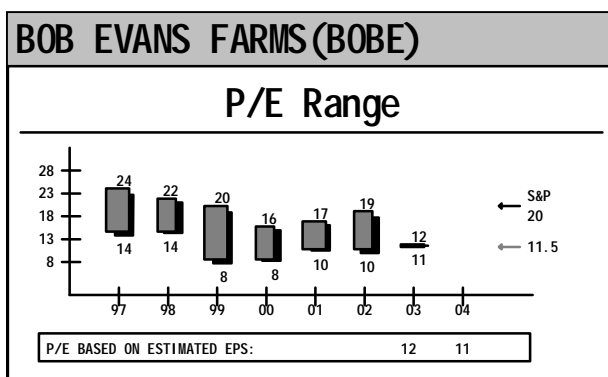
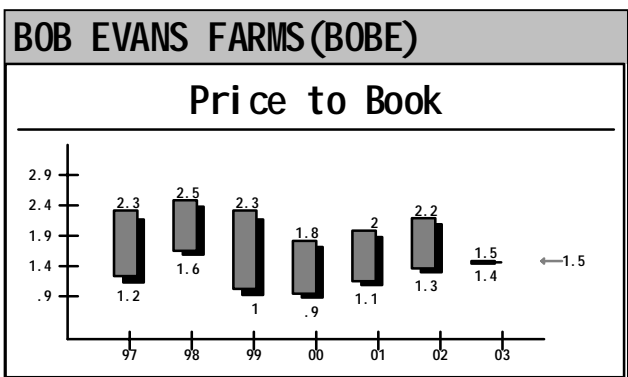
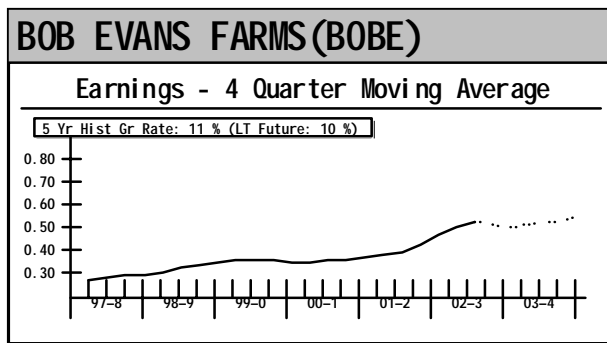
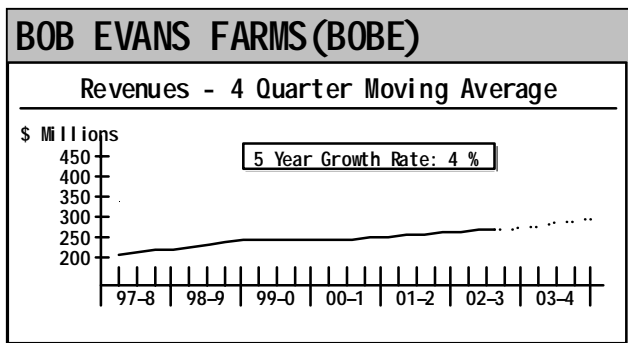
Update:

Although BOBE posted solid earnings growth in 2002, concerns about top line growth seemed to weigh on the stock. The shares started to slide mid-year when it announced a decrease in same store sales. Management has maintained EPS guidance of \$2.00 for FY03 since early 2002.

2Q03 Results

Diluted EPS rose 19% (excluding non-recurring items) on sales growth of 2%. GAAP EPS rose 4 to \$0.56. Restaurant sales increased 4% despite a 1% decline in same store sales. Food product margins improved significantly thanks to lower hog prices versus last year. Food product sales (excluding a divested business) were down 2% as the result of lower average net selling prices. But despite the top line weakness, operating income for this segment more than doubled from last year.

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