

AMERICAN COMMUNITY BANCSHARES INC
Form 10-Q
November 10, 2005
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U. S. SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q

x **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended September 30, 2005

.. **Transition Report Under Section 13 or 15(d) of the Exchange Act**

For the transition period ended _____

Commission File Number 000-30517

AMERICAN COMMUNITY BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

NORTH CAROLINA
(State or other jurisdiction of
incorporation or organization)

56-2179531
(IRS Employer
Identification Number)

4500 Cameron Valley Parkway, Suite 150, Charlotte, NC 28211

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(Address of principal office)

(704) 225-8444

(Registrant's Telephone Number, Including Area Code)

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 past 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** **No**

Indicate by check mark whether the registrant is an accelerated filer (as defined in Exchange Act Rule 12b-2). **Yes** **No**

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). **Yes** **No**

As of October 17, 2005, 4,553,733 shares of the issuer's common stock, \$1.00 par value, were outstanding.

This report contains 22 pages.

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Table of Contents**PART I. FINANCIAL INFORMATION****Item 1 - Financial Statements***AMERICAN COMMUNITY BANCSHARES, INC.**CONSOLIDATED BALANCE SHEETS*

	September 30, 2005 (Unaudited)	December 31, 2004*
	(In Thousands)	
ASSETS		
Cash and due from banks	\$ 16,226	\$ 9,511
Interest-earning deposits with banks	10,920	6,521
Investment securities available for sale at fair value	58,453	51,833
Investment securities held to maturity at cost	2,182	2,186
Loans	332,447	307,988
Allowance for loan losses	(3,968)	(3,488)
NET LOANS	328,479	304,500
Accrued interest receivable	2,187	1,697
Bank premises and equipment	9,812	8,741
Foreclosed real estate	112	311
Non-marketable equity securities	1,996	2,040
Goodwill	9,838	9,838
Other assets	3,023	2,280
TOTAL ASSETS	\$ 443,228	\$ 399,458
LIABILITIES AND STOCKHOLDERS EQUITY		
Deposits		
Demand non-interest bearing	\$ 52,735	\$ 45,501
Savings	11,442	11,501
Money market and NOW	81,560	69,169
Time	208,980	180,494
TOTAL DEPOSITS	354,717	306,665
Borrowings	12,278	12,778
Securities sold under agreements to repurchase	8,630	25,763
Capital lease obligation	1,705	1,710
Accrued expenses and other liabilities	1,840	1,652
Junior subordinated deferrable interest debentures	13,918	13,918
TOTAL LIABILITIES	393,088	362,486
Stockholders Equity		

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Preferred stock, no par value, 1,000,000 shares authorized; none issued

Common stock, \$1 par value, 9,000,000 shares authorized; 4,541,733 and 3,489,249 issued and outstanding, respectively	4,542	3,489
Additional paid-in capital	38,751	29,054
Retained earnings	7,197	4,532
Accumulated other comprehensive loss	(350)	(103)

TOTAL STOCKHOLDERS EQUITY	50,140	36,972
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Commitments (Note B)

TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 443,228	\$ 399,458
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* Derived from audited consolidated financial statements.

See accompanying notes.

Table of Contents**AMERICAN COMMUNITY BANCSHARES, INC.****CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)****Three and Nine Months Ended September 30, 2005 and 2004**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2005	2004	2005	2004
(In thousands, except share and per share data)				
INTEREST INCOME				
Loans	\$ 6,142	\$ 4,501	\$ 16,743	\$ 11,576
Investments	567	465	1,561	1,342
Interest-earning deposits with banks	88	11	168	26
TOTAL INTEREST INCOME	6,797	4,977	18,472	12,944
INTEREST EXPENSE				
Money market, NOW and savings deposits	303	112	742	245
Time deposits	1,705	1,062	4,405	2,928
Borrowings	460	434	1,418	1,285
TOTAL INTEREST EXPENSE	2,468	1,608	6,565	4,458
NET INTEREST INCOME	4,329	3,369	11,907	8,486
PROVISION FOR LOAN LOSSES	224	157	515	415
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	4,105	3,212	11,392	8,071
NON-INTEREST INCOME				
Service charges on deposit accounts	598	628	1,696	1,678
Mortgage operations	87	71	308	245
Gain on sale of investment securities		41	10	99
Other	144	129	442	431
TOTAL NON-INTEREST INCOME	829	869	2,456	2,453
NON-INTEREST EXPENSE				
Salaries and employee benefits	1,523	1,278	4,273	3,605
Occupancy and equipment	569	474	1,581	1,283
Professional fees	213	182	745	617
Other	758	654	2,008	1,727
TOTAL NON-INTEREST EXPENSE	3,063	2,588	8,607	7,232
INCOME BEFORE INCOME TAXES	1,871	1,493	5,241	3,292
INCOME TAXES	686	556	1,942	1,225

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NET INCOME	\$ 1,185	\$ 937	\$ 3,299	\$ 2,067
NET INCOME PER COMMON SHARE				
BASIC	\$.26	\$.27	\$.80	\$.66
DILUTED	\$.25	\$.25	\$.76	\$.59
DIVIDENDS DECLARED PER COMMON SHARE				
	\$.05	\$.15	\$.10	
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING				
BASIC	4,536,441	3,453,019	4,137,540	3,136,207
DILUTED	4,753,419	3,784,314	4,337,714	3,501,932

See accompanying notes.

Table of Contents*AMERICAN COMMUNITY BANCSHARES, INC.**CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**Nine Months Ended September 30, 2005 and 2004*

	Nine Months Ended September 30,	
	2005	2004
(In thousands)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 3,299	\$ 2,067
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	890	896
Provision for loan losses	515	416
Loss on sale of foreclosed real estate	8	7
Gain on sale of securities available for sale	(10)	(99)
Change in assets and liabilities		
Increase in accrued interest receivable	(490)	(160)
Increase (decrease) in other assets	(647)	111
Increase (decrease) in capital lease obligations	(5)	2
Increase in accrued expenses and other liabilities	188	352
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,748	3,592
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investment securities available for sale	(18,702)	(7,771)
Purchases of investment securities held to maturity		(300)
Proceeds from sale of securities available for sale	2,801	6,827
Proceeds from maturities, calls and principal repayments of investment securities available for sale	8,706	13,626
Net increase in loans from originations and repayments	(24,496)	(29,371)
Purchases of bank premises and equipment	(1,794)	(354)
Proceeds from the sale of bank premises and equipment	72	

The selling stockholders may also pledge or grant a security interest in shares, and, upon a default in the performance of the secured obligation, such pledgee or secured party may effect sales of the pledged shares pursuant to this prospectus.

In addition, any shares offered hereby that qualify for sale pursuant to Rule 144 may, at the option of the holder thereof, be sold under Rule 144 rather than pursuant to this prospectus.

Pursuant to a registration rights agreement, we are required to pay the fees and expenses incident to the registration of our common stock hereunder, which include the Securities and Exchange Commission registration fee, accounting fees and expenses, legal fees and expenses and printing costs. The selling stockholders will pay all brokerage commissions and similar selling expenses, if any, attributable to the sale of the shares.

To comply with the securities laws of certain states, if applicable, the shares must be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states, the shares may not be sold unless they have been registered or qualified for sale in such state or an exemption from such registration or qualification requirement is available and is satisfied.

The selling stockholders and other persons participating in the sale or distribution of the securities will be subject to applicable provisions of the Exchange Act, as amended, and the rules and regulations thereunder, including Regulation M. This regulation may limit the timing of purchases and sales of any of the securities by the selling stockholders and any other person. The anti-manipulation rules under the Exchange Act may apply to sales of securities in the market and to the activities of the selling stockholders and their affiliates. Furthermore, Regulation M may restrict the ability of any person engaged in the distribution of the securities to engage in market-making activities with respect to the particular securities being distributed for a period of up to five business days before the distribution. These restrictions may affect the marketability of the securities and the ability of any person or entity to engage in market-making activities

with respect to the securities.

The selling stockholders and any underwriters, brokers, dealers or agents that participate in the distribution of shares may be deemed to be underwriters within the meaning of the Securities Act of 1933, and any discounts, concessions, commissions or fees received by them and any profit on the resale of the securities sold by them may be deemed to be underwriting discounts and commissions under the Securities Act of 1933.

The shares of common stock covered by this prospectus also may be sold in one or more of the following transactions: (i) block transactions in which a broker-dealer may sell all or a portion of such shares as agent but may position and resell all or a portion of the block as principal to facilitate the transaction; (ii) purchases by any such broker-dealer as principal and resale by such broker-dealer for its own account pursuant to a prospectus supplement; (iii) ordinary brokerage transactions and transactions in which any such broker-dealer solicits purchasers; (iv) sales at the market to or through a market maker or into an existing trading market for such shares; and (v) sales in other ways not involving market makers or established trading markets, including direct sales to purchasers. In effecting sales, broker-dealers engaged by the selling stockholders may arrange for other broker-dealers to participate. Broker-dealers will receive commissions or other compensation in the form of discounts or concessions from the selling stockholders in amounts to be negotiated immediately prior to the sale. Broker-dealers may also receive compensation from the purchasers of the shares.

Red Robin has agreed to indemnify in certain circumstances the selling stockholders and any underwriters, brokers, dealers or agents who may be deemed to be underwriters of the securities, if any, covered by the registration statement, against certain liabilities, including liabilities under the Securities Act of 1933. The selling stockholders have agreed to indemnify Red Robin in certain circumstances against certain liabilities, including liabilities under the Securities Act of 1933. Such underwriters, brokers, dealers and agents may be customers of, engage in transactions with, or perform services for Red Robin or the selling stockholders in the ordinary course of business.

If so indicated in the applicable prospectus supplement, the underwriters, dealers, broker-dealers or other persons acting as agents may be authorized to solicit offers by certain institutions to purchase shares pursuant to contracts providing for payment and delivery on a future date. Such contracts may be made with commercial and savings banks, insurance companies, pension funds, investment companies, educational and charitable institutions, and other institutions, but in all cases such institutions must be approved by the selling stockholders. The obligations of any purchaser under any such contract will not be subject to any conditions except that (a) the purchase of the shares shall not at the time of delivery be prohibited under the laws of the jurisdiction to which such purchaser is subject and (b) if the shares are also being sold to underwriters, the selling stockholders shall have sold to such underwriters the shares not sold for delayed delivery. The underwriters, dealers, broker-dealers and other persons acting as agents will not have any responsibility in respect of the validity or performance of such contracts.

We will make copies of this prospectus available to the selling stockholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act of 1933, which may include delivery through the facilities of The Nasdaq Stock Market's National Market pursuant to Rule 153 under the Securities Act of 1933.

LEGAL MATTERS

The validity of the shares of our common stock offered in this prospectus will be passed upon for us by John W. Grant, our Vice President and General Counsel. As of the date of this prospectus, Mr.

Grant owns 3,167 shares of our common stock and options to purchase an additional 23,241 shares of our common stock, of which 19,116 have fully vested as of May 12, 2004.

EXPERTS

The financial statements incorporated in this prospectus by reference from the Company's Annual Report on Form 10-K for the year ended December 28, 2003 have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report (which report expresses an unqualified opinion and includes an explanatory paragraph referring to the change in the method of accounting for goodwill and intangible assets in 2002), which is incorporated herein by reference, and has been so incorporated in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-3 under the Securities Act of 1933 with respect to the shares of common stock offered by this prospectus.

We are subject to the informational requirements of the Exchange Act and are required to file annual and quarterly reports, proxy statements and other information with the SEC.

You can inspect and copy reports and other information filed by us with the SEC at the SEC's Public Reference Room at 450 Fifth Street, N.W., Washington, D.C. 20549. You may also obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0300. The SEC also maintains an Internet site at <http://www.sec.gov> that contains reports, proxy and information statements regarding issuers, including us, that file electronically with the SEC.

We are incorporating by reference into this prospectus certain information we file with the SEC, which means that we are disclosing important information to you by referring you to those documents.

The information incorporated by reference is deemed to be part of this prospectus, except for any information superseded by information contained directly in this prospectus or any accompanying prospectus. These documents contain important information about us and our finances. This prospectus incorporates by reference the following documents (File No. 0-49916):

Our annual report on Form 10-K for the year ended December 28,

2003, filed with the SEC on March 12, 2004;

The Stock Ownership, Board of Directors, Executive Compensation, Stock Performance Graph, Related Party Transactions, Equity Compensation Plan Information, and Independent Auditors sections included in our definitive proxy statement for our 2004 annual meeting of stockholders, filed with the SEC on April 16, 2004;

Our quarterly report on Form 10-Q for the period ended April 18, 2004, filed with the SEC on May 21, 2004; and

The description of our common stock contained in our Registration Statement on Form 8-A, filed with the SEC on July 16, 2002.

All documents we file with the SEC pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act from the date of this prospectus to the end of the offering of the common stock shall also be deemed to be incorporated herein by reference and will automatically update information in this prospectus. A statement contained herein, in a prospectus supplement or in a document incorporated or deemed to be incorporated by reference herein, shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in a prospectus supplement or in any subsequently filed document which is incorporated by reference herein, modifies or supersedes the statement. Any statements so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

As permitted by the rules and regulations of the SEC, this

prospectus, which is a part of the registration statement, omits various information, exhibits, schedules and undertakings included in the registration statement. For further information pertaining to Red Robin and the common stock offered under this prospectus and any accompanying prospectus supplement, reference is made to the registration statement and the attached exhibits and schedules.

Although required material information has been presented in this prospectus, statements contained in this prospectus as to the contents or provisions of any contract or other document referred to in this prospectus may be summary in nature, and in each instance reference is made to the copy of the contract or other document filed as an exhibit to the registration statement, and each statement is qualified in all respects by this reference.

We will provide to you, at no cost, upon your written or oral request, a copy of any or all of the documents that we incorporate by reference, including exhibits. Please direct your request to: Red Robin Gourmet Burgers, Inc., Legal and Shareholder Services, 6312 S. Fiddler's Green Circle, Suite 200N, Greenwood Village, CO 80111, (303) 846-6000.

Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference in this prospectus.

**PART II. INFORMATION NOT
REQUIRED IN PROSPECTUS**
**Item 14. Other Expenses of
Issuance and Distribution.**

The following table sets forth estimated expenses in connection with the issuance and distribution of the securities being registered, all of which will be paid by the registrant. Other than the SEC registration fee, the amounts stated are estimates.

Registration fee Securities and Exchange Commission	\$ 6,749
Accounting fees and expenses	10,000
Legal fees and expenses	10,000
Printing	2,000
Miscellaneous	1,000
Total	\$ 29,749

**Item 15. Indemnification of
Directors and Officers**

Under Section 145 of the Delaware General Corporation Law, the registrant has broad powers to indemnify its directors and officers against liabilities they may incur in such capacities, including liabilities under the Securities Act of 1933.

The registrant's Amended and Restated Certificate of Incorporation, as amended, and Amended and Restated Bylaws include provisions to (i) eliminate the personal liability of its directors and officers for monetary damages resulting from breaches of their fiduciary duty to the extent permitted

by Section 102(b)(7) of the General Corporation Law of Delaware (the Delaware Law) and (ii) require the registrant to indemnify its directors and officers to the fullest extent permitted by Section 145 of the Delaware Law, including circumstances in which indemnification is otherwise discretionary. Pursuant to Section 145 of the Delaware Law, a corporation generally has the power to indemnify its present and former directors, officers, employees and agents against expenses incurred by them in connection with any suit to which they are or are threatened to be made, a party by reason of their serving in such positions so long as they acted in good faith and in a manner they reasonably believed to be in or not opposed to, the best interests of the corporation and with respect to any criminal action, they had no reasonable cause to believe their conduct was unlawful. The registrant believes that these provisions are necessary to attract and retain qualified persons as directors and officers. These provisions do not eliminate the directors' duty of care, and, in appropriate circumstances, equitable remedies such as injunctive or other forms of non-monetary relief will remain available under Delaware Law. In addition, each director will continue to be subject to liability for breach of the director's duty of loyalty to the registrant, for acts or omissions not in good faith or involving intentional misconduct, for knowing violations of law, for acts or omissions that the director believes to be contrary to the best interests of the registrant or its stockholders, for any transaction from which the director derived an improper personal benefit, for acts or omissions involving a reckless disregard for the director's duty to the registrant or its stockholders when the director was aware or should have been aware of a risk of serious injury to the registrant or its stockholders, for acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the director's duty to the registrant or its stockholders, for improper transactions between the director and the registrant and for

improper distributions to stockholders and loans to directors and officers. The provision also does not affect a director's responsibilities under any other law, such as the federal securities law or state or federal environmental laws.

The registrant has entered into indemnification agreements with all of its directors and executive officers. Under these agreements, the registrant will indemnify its directors and executive officers against amounts actually and reasonably incurred in connection with actual or threatened proceedings if any of them may be made a party because of their role as a director or officer.

The registrant is obligated to pay these amounts only if the officer or director acted in good faith and in a manner that he or she reasonably believed to be in or not opposed to the registrant's best interests. For any criminal proceedings, the registrant is obligated to pay these amounts only if the officer or director had no reasonable cause to believe his or her conduct was unlawful. The indemnification agreements also set forth procedures that will apply in the event of a claim for indemnification thereunder.

The registrant has obtained liability insurance coverage for its directors and executive officers with respect to actions arising out of the performance of such director's or executive officer's duty in his or her capacity as such.

At present, there is no pending litigation or proceeding involving a director or officer of the registrant as to which indemnification is being sought nor is the registrant aware of any threatened litigation that may result in claims for indemnification by any officer or director.

Item 16. Exhibits.

(a) *Exhibits*

<u>Exhibit No.</u>	<u>Item and Reference</u>
4.1	Specimen stock certificate. Incorporated by reference to Amendment No. 1 of the Company's Registration Statement on Form S-1 dated June 10, 2002 (Registration No. 333-87044).
5.1	Opinion of John W. Grant, Vice President and General Counsel of the Registrant.
23.1	Consent of Deloitte & Touche LLP, Independent Auditors.
23.2	Consent of John W. Grant, Vice President and General Counsel of the Registrant. Reference is made to Exhibit 5.1.
24.1	Power of Attorney (included on page II-4 herein).

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Item 17. Undertakings.

The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the Calculation of Registration Fee table in the effective registration statement;
 - (iii) To include any material information with respect to the plan of distribution not previously disclosed in the

registration statement or any material change to such information in the registration statement;

Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Greenwood Village, State of Colorado, on May 20, 2004.

Red Robin
Gourmet
Burgers, Inc.

(Registrant)

May 20,
2004

(Date)

By: /s/ MICHAEL J.
SNYDER

**(Michael J. Snyder,
Chairman of the Board,
President
and Chief Executive
Officer)**

We, the undersigned officers and directors of Red Robin Gourmet Burgers, Inc. hereby severally constitute Michael J. Snyder and James P. McCloskey, and each of them singly, our true and lawful attorneys with full power to them, and each of them singly, to sign for us and in our names in the capacities indicated below the Registration Statement filed herewith and any and all amendments to said Registration Statement, and generally to do all such things in our name and behalf in our capacities as officers and directors to enable Red Robin Gourmet Burgers, Inc. to comply with the provisions of the Securities Act of 1933, as amended, and all requirements of the Securities and Exchange Commission, hereby ratifying and confirming our

signatures as they may be signed by our said attorneys, or any of them, to said Registration Statement and any and all amendments thereto.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ MICHAEL J. SNYDER</u>	Chairman of the Board, President, Chief Executive Officer (Principal Executive Officer)	May 20, 2004
Michael J. Snyder		
<u>/s/ JAMES P. McCLOSKEY</u>	Chief Financial Officer (Principal Financial and Accounting Officer)	May 20, 2004
James P. McCloskey		
<u>/s/ EDWARD T. HARVEY</u>	Director	May 20, 2004
Edward T. Harvey		
<u>/s/ TERRENCE D. DANIELS</u>	Director	May 20, 2004
Terrence D. Daniels		
<u>/s/ GARY J. SINGER</u>	Director	May 20, 2004
Gary J. Singer		
<u>/s/ DENNIS B. MULLEN</u>	Director	May 20, 2004
Dennis B. Mullen		

/s/ BENJAMIN Director
D. GRAEBEL

May
20,
2004

**Benjamin D.
Graebel**

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