



Rick's Cabaret International, Inc.
(NASDAQ: RICK)
1Q14 Earnings Call

February 10, 2014

Forward Looking Statements

Certain statements contained in this presentation regarding Rick's Cabaret future operating results or performance or business plans or prospects and any other statements not constituting historical fact are "forward-looking statements" subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. Where possible, the words "believe," "expect," "anticipate," "intent," "would," "will," "planned," "estimated," "potential," "goal," "outlook," and similar expressions, as they relate to the company or its management have been used to identify such forward-looking statements.

All forward-looking statements reflect only current beliefs and assumptions with respect to future business plans, prospects, decisions and results, and are based on information currently available to the company.

Accordingly, the statements are subject to significant risks, uncertainties and contingencies, which could cause the company's actual operating results, performance or business plans or prospects to differ materially from those expressed in, or implied by, these statements.

Such risks, uncertainties and contingencies include, but are not limited to, risks and uncertainties associated with (i) operating and managing an adult business, (ii) the business climates in cities where the company operates, (iii) the success or lack thereof in launching and building the company's businesses, (iv) the operational and financial results of the company's adult nightclubs, (v) conditions relevant to real estate transactions, (vi) the loss of key personnel, (vii) laws governing the operation of adult entertainment businesses, and (viii) the inability to open and operate our restaurants at a profit.

Additional factors that could cause the company's results to differ materially from those described in the forward-looking statements are described in forms filed with the SEC from time to time and available at www.ricksinvestor.com or on the SEC's internet website at www.sec.gov.

Unless required by law, Rick's Cabaret does not undertake any obligation to update publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

Explanation of Non-GAAP Terms

Non-GAAP Net Income and Non-GAAP Net Income per Diluted Share (referred to as “Non-GAAP EPS” herein). We exclude from GAAP net income and GAAP net income per diluted share amortization of intangibles, patron taxes, income tax expense, impairment charges, gains and losses from asset sales, stock-based compensation, litigation, loss from discontinued operations, and other one-time legal settlements and acquisition costs, and include the Non-GAAP provision for income taxes, calculated as the tax effect at 35% effective tax rate of the pre-tax non-GAAP income before taxes less stock-based compensation, because we believe that excluding such measures helps management and investors better understand our operating activities.

Adjusted EBITDA. We exclude from GAAP net income depreciation expense, amortization of intangibles, income tax, interest expense, interest income, gains and losses from asset sales, acquisition costs, litigation and other one-time legal settlements and impairment charges because we believe that adjusting for such items helps management and investors better understand operating activities. Adjusted EBITDA provides a core operational performance measurement that compares results without the need to adjust for Federal, state and local taxes which have considerable variation between domestic jurisdictions. Also, we exclude interest cost in our calculation of Adjusted EBITDA. The results are, therefore, without consideration of financing alternatives of capital employed. We use Adjusted EBITDA as one guideline to assess our unleveraged performance return on our investments. Adjusted EBITDA is also the target benchmark for our acquisitions of nightclubs.

Our Form 10-K for the year ended September 30, 2013 and our press release dated February 10, 2014 contain additional details relative to the non-GAAP financial measures and are posted on our website at www.ricksinvestor.com.

Call Overview

Today's Speakers

- Eric Langan, Chairman, President & CEO
- Ed Anakar, Director of Operations
- Phil Marshall, CFO

- 1Q14 Review
- 12-31-13 Balance Sheet Review
- 2Q14 Update
- New Locations
- REIT: Unlocking Real Estate Value
- Company Vision
- Debt Conversion
- Reiterate FY14 Guidance
- Q&A



1Q14 Review (vs. 1Q13, \$ in millions)

Key Numbers

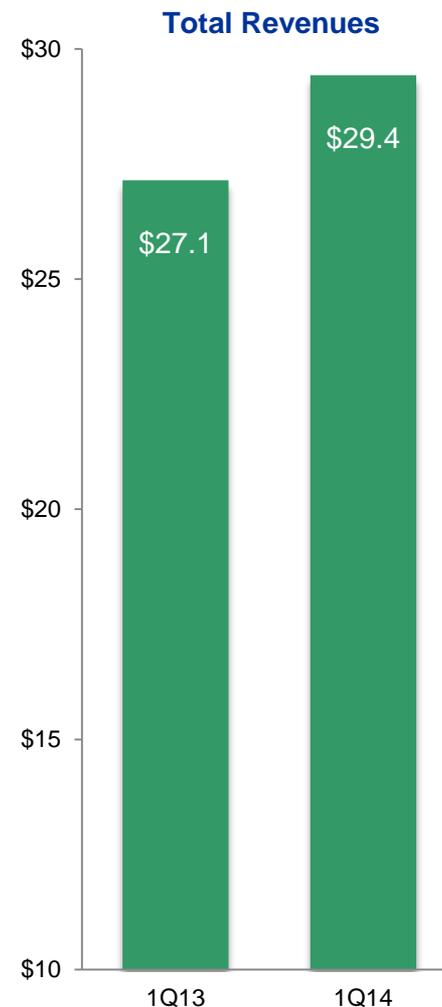
- Revenues: \$29.4, up 8.4% from \$27.1
- Net Income: \$2.4 vs. \$2.6
- EPS: \$0.25 vs. \$0.28
- Adjusted EBITDA: Approximately level at \$7.3

Key Drivers

- Units open less than a year added 8.1% of growth
- Units open more than a year added 0.3%
- Texas units affected by severe weather in December
- Cost at least \$0.5 in sales of which ~80% would have contributed to operating income

Other Factors

- Development cost for five units
- Higher Rick's NYC rent (\$380K vs. \$180K)
- \$120K in one time legal settlement costs



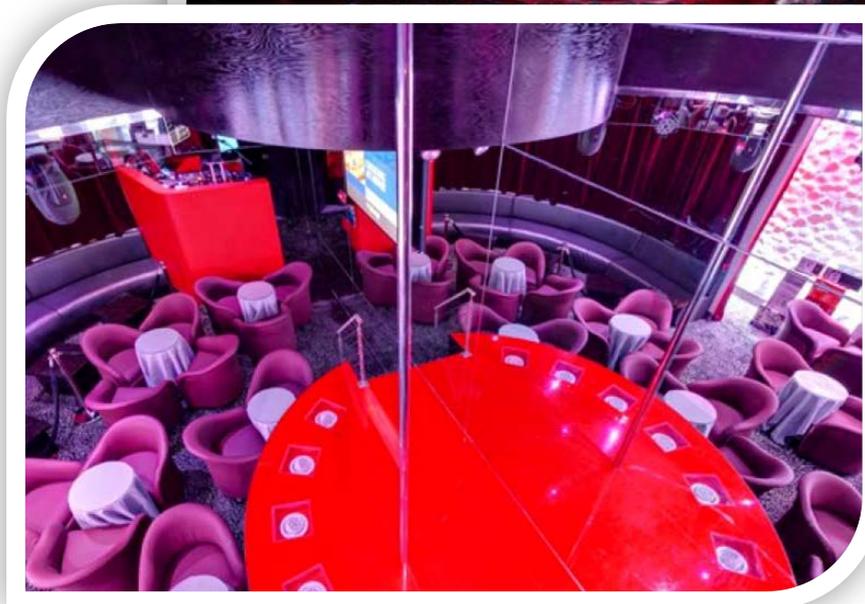
12-31-13 Balance Sheet Review (vs. 9-30-13, \$ in millions)

- \$7.0 in new long term debt
 - To buy air rights and reduce Rick's NYC rent
 - To fund final development of Vivid NYC
- \$1.7 reduction in LT debt, including \$0.8 pay down of Tootsies debt
- Only \$4.5 remaining of Tootsies debt (our highest priced debt)



2Q14 Update

- Sales up strongly to date
 - January SSS up more than 4%
 - January club/restaurant sales up high teens %
- Opening of Vivid Cabaret New York mid-January
 - Significant launch publicity
 - Developing into one of our top units
- Opening of 2nd Bombshells (Webster, TX)
- Overall beneficial effects of the Pro Football Championship, in particular on Rick's and Vivid in Manhattan
- Continued seasoning of new adult clubs and restaurant/sports bars open less than a year



OBJECTIVE
**10 Restaurants
 Open / In Active
 Development by
 12/31/14**

New Locations: More Growth Ahead

Count	2Q13	3Q13	4Q13	1Q14	2Q14 to Date	In Current Active Development
15						Rick's-Odessa
14						Bombshells-Austin
13						Bombshells-Beaumont
12						Bombshells-Houston
11					Vivid-NYC	
10					Bombshells-Webster	
9				Jaguars-Houston		
8				Black Orchid-Dallas		
7			Temptations-Beaumont			
6			Vivid-LA			
5			Ricky Bobby-Fort Worth			
4		Temptations-Sulphur, LA				
3	Jaguars-Beaumont					
2	Bombshells-Dallas					
1	Vee Lounge-Fort Worth					



REIT: Unlocking Real Estate Value

The Current Thinking

- In the process of drafting legal documents to create private REIT
 - Rick's would own 9.9%
 - Wholly owned subsidiary of Rick's would enter into a contract to manage the assets
 - Rick's expects to sell its real estate (estimated market value of ~\$85m, equity value of ~\$40m)
- Potential Benefits Could Include
 - Provide major liquidity event for Rick's and war chest to make acquisitions
 - Eliminate D&A from income statement
 - Turn Rick's into operating company, more comparable to other publicly-traded restaurant-bar chains

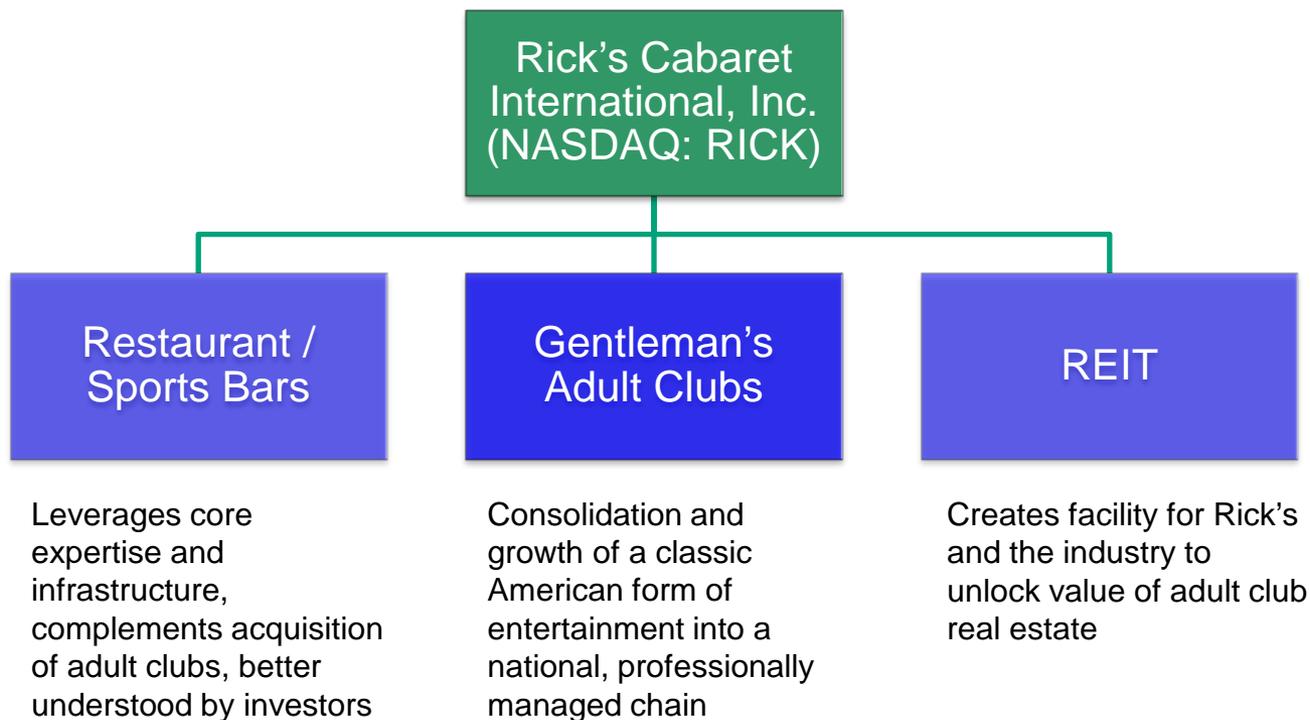


Debt Conversion

Tranche	Forced Conversion	Conversion Price	12-31-13 Principal	Additional Cash from Warrants
1	\$13.00	\$10.00	\$3,250,000	\$600,000 if called by January 2015
2	13.47	10.25	1,415,955	
3	13.33	10.25	2,500,000	499,995 if called by August 2016
4	16.25	12.50	4,525,000	905,000 if called by October 2016
			\$11,690,955	\$2,004,995

Company Vision

Continuing to find new ways to create and extract value from the high cash flow, adult-oriented restaurant/bar industry



Big Sports Events 2014

Event	Location
The Big Game (2-2)	NYC
CIAA (2/27-3/1)	Charlotte
Big East (3/12-3/15)	NYC
NCAA Regionals (3/27-3/30)	NYC
Final Four (4/5-4/7)	DFW
NHL (Full Season)	NYC DFW Minneapolis



Reiterate FY14 Guidance

Revenues

- Approximately \$130 million
- Growth from existing clubs and restaurants, and ones expected to open in 2014
- Potential upside from major sporting events

Operating Margin

- Continued expansion
- Benefit from recovery strategies at adult clubs
- Operating efficiencies through improved purchasing on larger base of clubs and restaurants

EPS

- Non-GAAP of ~\$1.70
- GAAP of ~\$1.20

Acquisitions

- Guidance does not assume any acquisitions of adult clubs, although that is part of the longer term 20% to 30% annual revenue growth target

Due Diligence Ball

- If you are in the New York area tonight, please join us at
 - Rick's Cabaret, 50 West 33rd Street, New York, NY 10001
 - 6:30 pm-8:00 pm
 - "Behind the Scenes" tour
- For more information
 - Email: gary.fishman@anreder.com

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