UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTIONS 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

(Mark One)
[x] Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 For the fiscal year ended August 1, 2003

[ ] Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from ---------- to ----------

Commission file number
000-25225

CBRL GROUP, INC.
(Exact name of registrant as specified in its charter)

Tennessee (State or other jurisdiction of incorporation or organization)	62-1749513 (I.R.S. Employer Identification Number)
Hartmann Drive, P.O. Box 787 Lebanon, Tennessee (Address of principal executive offices)	37088-0787 (Zip code)

Registrant's telephone number, including area code: (615)444-5533

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock
(Par Value $.01)

Common Stock Purchase Rights
(No Par Value)

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 preceding 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 X No _

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. X

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

The aggregate market value of voting stock held by nonaffiliates of the registrant, by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the quarter ended January 31, 2003, was $1,548,719,735. For purposes of this computation, all directors, executive officers and 10% beneficial owners of the registrant are assumed to be affiliates. This assumption is not a conclusive determination for purposes other than this calculation.

As of September 26, 2003, there were 48,001,226 shares of common stock outstanding.

Documents Incorporated by Reference

Document from which Portions are Incorporated by Reference	Part of Form 10-K into which incorporated
1. Annual Report to Shareholders for the fiscal year ended August 1, 2003 (the "2003 Annual Report")	Part II
2. Proxy Statement for Annual Meeting of Shareholders to be held November 25, 2003 (the "2003 Proxy Statement")	Part III

PART I

PART II

PART III

PART IV

Except for specific historical information, the matters discussed in this Form 10-K, as well as the 2003 Annual Report that is incorporated herein by reference, are forward-looking statements that involve risks, uncertainties and other factors which may cause actual results and performance of CBRL Group, Inc. to differ materially from those expressed or implied by those statements. All forward-looking information is provided by the Company pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "assumptions", "target", "guidance", "outlook", "plans", "projection", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "potential" or "continue" (or the negative or other derivatives of each of these terms) or similar terminology. Factors which could materially affect actual results include, but are not limited to: the effects of uncertain consumer confidence or general or regional economic weakness on sales and customer travel activity; practical or psychological effects of terrorist acts or war and military or government responses; consumer behavior based on concerns over nutritional aspects of the Company's products or restaurant food in general; competitive marketing and operational initiatives; commodity, workers' compensation, group health and utility price changes; the effects of plans intended to improve operational execution and performance; the effects of increased competition at Company locations on sales and on labor recruiting, cost, and retention; the ability of and cost to the Company to recruit, train, and retain qualified restaurant hourly and management employees; the ability of the Company to identify and acquire successful new lines of retail merchandise; changes in foreign exchange rates affecting the Company's future retail inventory purchases; the availability and cost of acceptable sites for development and the Company's ability to identify such sites; changes in accounting principles generally accepted in the United States of America or changes in capital market conditions that could affect valuations of restaurant companies in general or the Company's goodwill in particular; changes in interest rates affecting the Company's financing costs; increases in construction costs; changes in or implementation of additional governmental or regulatory rules, regulations and interpretations affecting accounting, tax, wage and hour matters, health and safety, pensions and insurance; the actual results of pending or threatened litigation or governmental investigations and the costs and effects of negative publicity associated with these activities; other undeterminable areas of government or regulatory actions or regulations; and other factors described from time to time in the Company's filings with the Securities and Exchange Commission ("SEC"), press releases, and other communications.

PART I

ITEM 1. BUSINESS

OVERVIEW

CBRL Group, Inc. (the "Company") is a holding company that, through certain subsidiaries, is engaged in the operation and development of the Cracker Barrel Old Country Store(R) and Logan's Roadhouse(R) restaurant and retail concepts. The Company was organized under the laws of the state of Tennessee in August 1998. We maintain an internet website at http://www.cbrlgroup.com. We make available free of charge on or through our internet website our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities and Exchange Act of 1934 (the "Exchange Act") as soon as reasonably practicable after we file such material with, or furnish it to, the SEC.

CONCEPTS

Cracker Barrel Old Country Store

Cracker Barrel Old Country Store, Inc. ("Cracker Barrel"), headquartered in Lebanon, Tennessee, through its various affiliates, as of October 15, 2003, operates 484 full service "country store" restaurants and gift shops, which are located in 41 states. Stores primarily are located along interstate highways; however, 59 stores are located near "tourist destinations" or are considered "off-interstate" stores. These "off-interstate" stores represent a significant part of Cracker Barrel's expected future efforts to expand the brand. However, in fiscal 2004 Cracker Barrel intends to open up to

75% of its new stores along interstate highways as compared to approximately half in fiscal 2003. The Company believes that it should focus primarily on available interstate locations where Cracker Barrel generates the greatest brand awareness. The restaurants serve breakfast, lunch and dinner daily between the hours of 6:00 a.m. and 10:00 p.m. (11:00 p.m. on Fridays and Saturdays) and feature home style country cooking from Cracker Barrel's own recipes using quality ingredients and emphasizing authenticity. Menu items are moderately priced and include country ham, chicken, fish, roast beef, beans, turnip greens, vegetable plates, salads, sandwiches, pancakes, eggs, bacon, sausage and grits among other items. The restaurants do not serve alcoholic beverages. The stores are constructed in a trademarked rustic, old country store design and feature a separate retail area offering a wide variety of decorative and functional items specializing in rocking chairs, holiday and seasonal gifts and toys, apparel, cookware and foods, including various old fashioned candies and jellies among other things. Cracker Barrel sometimes offers items for sale in the retail store that are also featured on the restaurant menu, such as pies or cornbread mix. The Company believes that Cracker Barrel achieves high retail sales per square foot (over $425 annually) both by offering interesting merchandise and by having a significant source of retail customers from the high volume of restaurant customers, an average of over 8,000 per week in a typical store. Cracker Barrel stores are intended to appeal to both the traveler and the local customer and consistently have been a consumer favorite. Cracker Barrel was ranked as the top family dining chain for the thirteenth consecutive year in the 2003 Restaurants & Institutions magazine "Choice in Chains" annual consumer survey. Additionally, Cracker Barrel was named "Chain of the Year" by Restaurant Hospitality magazine in its August 2003 issue.

Logan's Roadhouse
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Logan's Roadhouse, Inc. ("Logan's"), headquartered in Nashville, Tennessee, through its various affiliates, as of October 15, 2003, in 17 states operates 101 Logan's Roadhouse restaurants and franchises an additional 16 Logan's restaurants. Logan's restaurants feature steaks, ribs, chicken and seafood dishes and combinations among other items served in a distinctive atmosphere reminiscent of an American roadhouse of the 1930s and 1940s. The restaurants are open seven days a week for lunch and dinner and offer full bar service. Logan's serves lunch and dinner between the hours of 11:00 a.m. and 10:00 p.m. (11:00 p.m. on Fridays and Saturdays). The Logan's concept is designed to appeal to a broad range of customers by offering generous portions of moderately-priced, high quality food in a very casual, relaxed dining environment that is lively and entertaining. The fun atmosphere is enhanced by display cooking of grilled items and buckets of complimentary peanuts on every table, which the guests are encouraged to enjoy and let the shells fall on the floor. Alcoholic beverages represented less than 9% of Logan's net sales in fiscal 2003. The Logan's menu is designed to appeal to a wide variety of tastes, and emphasizes extra-aged, hand-cut on premises USDA choice steaks and signature dishes such as baked sweet potatoes and made-from-scratch yeast rolls.

OPERATIONS

Cracker Barrel Old Country Store
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Store Format: The format of Cracker Barrel stores consists of a trademarked rustic, old country-store style building. All stores are freestanding buildings. Store interiors are subdivided into a dining room consisting of approximately 30% of the total interior store space, and a retail shop consisting of approximately 22% of such space, with the balance primarily consisting of kitchen, storage and training areas. All stores have stone fireplaces, which burn wood where permitted. All are decorated with antique-style furnishings and other authentic and nostalgic items, reminiscent of and similar to those found and sold in the past in original old country stores. The front porch of each store features a row of the signature Cracker Barrel rocking chairs that are used by guests waiting for a table and are sold in the retail shop. The kitchens contain modern food preparation and storage equipment allowing for flexibility in menu variety and development.

Products: Cracker Barrel's restaurant operations, which generated approximately 77% of Cracker Barrel's total revenue in fiscal 2003, offer home-style country cooking featuring Cracker Barrel's own recipes emphasizing authenticity and quality. The restaurants offer breakfast, lunch and dinner from a moderately-priced menu. Breakfast items can be ordered at any time throughout the day and include juices, eggs, pancakes, bacon, country ham, sausage, grits, and a variety of biscuit specialties, including gravy and biscuits and country ham and biscuits. Prices for a breakfast meal range from $1.99 to $7.99. Lunch and dinner items include country ham, chicken and dumplings, chicken fried chicken, meatloaf, country fried steak, pork chops, fish, steak, roast beef, vegetable plates, salads, sandwiches, soups and specialty items such as pinto beans and turnip greens. The Company also periodically features new items as off-menu specials to enhance customer interest and identify potential future additions to the menu. Lunches and dinners range in price from $2.99 to $12.99. The average check per customer for fiscal 2003 was $7.54. Cracker Barrel from time to time adjusts its prices. A price increase of less than 1% was instituted in November 2002.

The retail operations, which generated approximately 23% of Cracker Barrel's total revenue in fiscal 2003, offer a wide variety of decorative and functional items such as rocking chairs, holiday gifts and toys, apparel, cast iron cookware, old-fashioned crockery, handcrafted figurines, a book-on-audio sale and exchange program and various other gift items, as well as various candies, preserves, smoked sausage, syrups and other food items. Many of the candy items, smoked bacon, jellies and jams, along with other high quality products, are sold under the "Cracker Barrel Old Country Store" brand name. Cracker Barrel sometimes offers items for sale in the retail store that are also featured on the restaurant menu, such as pies or cornbread mix. The Company believes that Cracker Barrel achieves high retail sales per square foot (over $425 annually) both by offering interesting merchandise and by having a significant source of retail customers from the high volume of restaurant customers, an average of over 8,000 per week in a typical store.

Product Development and Merchandising: Cracker Barrel maintains a product development department, which develops new and improved menu items in response either to shifts in customer preferences or to create customer interest. Cracker Barrel merchandising specialists are involved on a continuing basis in selecting and positioning merchandise in the retail shop with an overall nostalgic theme targeted to appeal to travelers. Cracker Barrel recently introduced the first editions of proprietary "Heritage Music" CDs featuring various styles of traditional American music from bluegrass, to blues, to Cajun, to gospel and to other styles. Management believes that Cracker Barrel has adequate flexibility to meet future shifts in consumer preference on a timely basis. Coordinated seasonal promotions are used regularly in the restaurants and retail shops.

Store Management and Quality Controls: Cracker Barrel store management typically consists of a general manager, four associate managers and a retail manager, who are responsible for over 100 employees on two shifts. The relative complexity of operating a Cracker Barrel requires an effective management team at the individual store level. As a motivation to store managers to improve sales and operational efficiency, Cracker Barrel maintains a bonus plan designed to provide store management with an opportunity to share in the profits of their store. Additionally, Cracker Barrel has a supplemental bonus plan, providing managers an opportunity to earn additional bonus based on achieving specific operational targets. Cracker Barrel also offers general managers stock options. To assure that individual stores are operated at a high level of quality, Cracker Barrel emphasizes the selection and training of store managers. It also employs District Managers to support individual store managers and Regional Vice Presidents to support individual District Managers. Each District Manager's individual span of control typically is seven to eight individual restaurants, and Regional Vice Presidents support eight to ten District Managers. Each store is assigned to both a restaurant and a retail District Manager and each District is assigned to both a restaurant and a retail Regional Vice President. The various levels of restaurant and retail management work closely together.

The store management recruiting and training program begins with an evaluation and screening process. In addition to multiple interviews and background and experience verification, Cracker Barrel conducts testing which is designed to identify those applicants most likely to be best suited to manage store operations. Those candidates who successfully pass this screening process are then required to complete an 11-week training program consisting of eight weeks of in-store training and three weeks of training at Cracker Barrel's corporate facilities. This program allows new managers the opportunity to become familiar with Cracker Barrel operations, culture, management objectives, controls and evaluation criteria before assuming management responsibility. Cracker Barrel provides its managers with ongoing training through its various management development classes. Additionally, the Company is in the final stages of implementing internet-based computer-assisted instruction capability to train both hourly and, eventually, management staff consistently at all locations.

Purchasing and Distribution: Cracker Barrel negotiates directly with food vendors as to price and other material terms of most food purchases. Cracker Barrel is a party to a prime vendor contract with an unaffiliated distributor with custom distribution centers in Lebanon, Tennessee; McKinney, Texas; Gainesville, Florida; Elkton, Maryland; and Ft. Mill, South Carolina. In June 2003 this vendor's contract was renewed through fiscal 2007 with no price increase from fiscal 2002 pricing until fiscal 2005. The contract does provide for fuel cost adjustments under certain conditions. The contract will remain in effect until both parties mutually modify it in writing or until terminated by either Cracker Barrel or the distributor upon 180 days written notice to the other party. Cracker Barrel purchases the majority of its food products and restaurant supplies on a cost-plus basis through its unaffiliated distributor. The distributor is responsible for placing food orders and warehousing and delivering food products to Cracker Barrel's stores. Deliveries generally are made once per week to the individual stores. Certain perishable food items are purchased locally by Cracker Barrel stores.

Three food categories (beef, pork and poultry) account for the largest shares of Cracker Barrel's food purchasing expense at approximately 14%, 13% and 13% each, respectively, but each category does include several individual items. The single food item within these categories accounting for the largest share of Cracker Barrel's food purchasing expense is chicken tenderloin at approximately 7% of food purchases in fiscal 2003. Cracker Barrel presently purchases its beef through seven vendors, pork through eight vendors, and poultry through eleven vendors. Cracker Barrel purchases its chicken tenderloin through seven vendors. Should any food items from these vendors become unavailable, management is of the opinion that these food items could be obtained in sufficient quantities from other sources at competitive prices.

The majority of retail items (approximately 65% in fiscal 2003) are centrally purchased directly by Cracker Barrel from domestic and international retail vendors and warehoused at the Company's owned Lebanon distribution center. Approximately 25% of Cracker Barrel's retail purchases in fiscal 2003 were directly from the People's Republic of China, and the Company believes that other of its retail merchandise vendors may also make such purchases of items sold to Cracker Barrel. The distribution center fulfills retail item orders generated by Cracker Barrel's automated replenishment system and generally ships the retail orders once a week to the individual stores. Certain retail items, not centrally purchased and warehoused at the distribution center, are drop-shipped directly from Cracker Barrel's vendors to its stores. The distribution center is a 367,200 square foot warehouse facility with 36 foot ceilings and 170 bays, and includes an additional 13,800 square feet of office and maintenance space. The facility originally was built in 1993 and expanded in 1996.

Cost and Inventory Controls: Cracker Barrel's computer systems and various analysis tools are used to evaluate store operating information and provide management with reports to determine if any material variances in food costs, labor costs or operating expenses have occurred. Management also monitors individual store restaurant and retail sales on a daily basis and closely monitors sales mix, sales trends, operational costs and inventory levels. The information generated by the computer systems, analysis tools and monitoring processes are used to manage the operations of the store, replenish retail inventory levels and to facilitate retail purchasing decisions. These systems and processes also are used in the development of forecasts, budget analyses, and planning.

Guest Satisfaction: Cracker Barrel is committed to providing its guests a home-style, country-cooked meal, and a variety of retail merchandise served and sold with genuine hospitality in a comfortable environment, in a way that evokes memories of the past. Cracker Barrel's commitment to offering guests a quality experience begins with its employees. Its mission statement, "Pleasing People", means all people, guests and employees alike, and the Company's employees are trained and reinforced on the importance in a culture of mutual respect. Cracker Barrel also is committed to staffing each store with an experienced management team to ensure attentive customer service and consistent food quality. Through the regular use of guest surveys and store visits by its District Managers and Regional Vice Presidents, management receives valuable feedback, which it uses in its ongoing efforts to improve the stores and to demonstrate Cracker Barrel's continuing commitment to pleasing its guests. Cracker Barrel also has for many years had a guest relations call center that takes comments and suggestions from guests and forwards them to operations or other management for information and follow up.

Marketing: Outdoor advertising (i.e., billboards, state department of transportation signs) is the primary advertising medium utilized to reach consumers in the primary trade area for each Cracker Barrel store and also to reach interstate travelers and tourists. Outdoor advertising accounted for approximately 60% of advertising expenditures in fiscal 2003. In recent years Cracker Barrel has utilized other types of media, such as radio and print, in its core markets to maintain customer awareness, and outside of its core markets to increase name awareness and to build brand loyalty. Cracker Barrel defines its core markets based on geographic location, longevity in the market and name awareness in each market. Cracker Barrel plans to maintain its overall advertising spending at approximately 2% of Cracker Barrel's net sales in fiscal 2004, as it has since fiscal 2000. Outdoor advertising should continue to represent approximately 60% of advertising expenditures in fiscal 2004. New store locations generally are not advertised in the media until several weeks after they have been opened in order to give the staff time to adjust to local customer habits and traffic volume, after which time a full marketing plan may be implemented.

Logan's Roadhouse

Store Format: Logan's restaurants generally are constructed of rough-hewn cedar siding in combination with bands of corrugated metal outlined in red neon. Interiors are decorated with murals and other artifacts depicting scenes or billboard advertisements reminiscent of American roadhouses of the 1930s and 1940s, concrete and wooden planked floors and neon signs. The lively, upbeat, friendly, relaxed atmosphere seeks to appeal to families, couples, single adults and business persons. The restaurants feature display cooking and an old-fashioned meat counter displaying ribs and hand-cut USDA choice steaks, and also include a spacious, comfortable bar area. While dining or waiting for a table, guests may eat complimentary roasted in-shell peanuts and toss the shells on the floor. In the waiting area they also may watch as cooks prepare steaks and other entrees on gas-fired mesquite grills. Many of the restaurants feature a complimentary Wurlitzer(R) jukebox in the waiting or bar area. All of these features are intended to emphasize a relaxed, roadhouse-type environment.

Products: Logan's restaurants offer a wide variety of items designed to appeal to a broad range of consumer tastes. Specialty appetizers include hot wings "roadhouse-style", baby back rib baskets and "roadhouse" nachos. The Logan's dinner menu features an assortment of specially seasoned USDA choice steaks, extra-aged, and cut by hand on premises. Guests also may choose from slow-cooked baby back ribs, seafood, mesquite grilled shrimp, mesquite grilled pork chops, grilled chicken and an assortment of hamburgers, salads and sandwiches. All dinner entrees include dinner salad, made-from-scratch yeast rolls and a choice of brown sugar and cinnamon sweet potato, baked potato, mashed potatoes, steamed vegetables, fries or rice pilaf at no additional cost. Logan's express lunch menu provides specially priced items to be served in less than 15 minutes. All lunch salads are served with made-from-scratch yeast rolls, and all lunch sandwiches are served with home-style potato chips at no additional cost. Prices range from $4.79 to $8.79 for lunch items and from $4.99 to $17.99 for dinner entrees. Logan's generally targets to achieve value parity or advantage relative to key competitors, especially on comparable menu items. The average check per customer for fiscal 2003 was $11.61. Logan's adjusts its prices from time to time, but had no menu price increases in fiscal 2003. Less than 9% of Logan's net sales in fiscal 2003 were from alcoholic beverages.

Product Development and Merchandising: Logan's strives to obtain consistent quality items at competitive prices from reliable sources. Logan's tests various new products in an effort to obtain the highest quality products possible and to be responsive to changing customer tastes. In order to maximize operating efficiencies and provide the freshest ingredients for its food products, purchasing decisions are made by Logan's corporate management. Management believes that Logan's has adequate flexibility to meet future shifts in consumer preference on a timely basis.

Restaurant Management and Quality Controls: Logan's restaurant management typically consists of a general manager, one kitchen manager and four assistant managers who are responsible for approximately 78 hourly employees. Each restaurant employs a skilled meat-cutter to cut steaks from USDA choice beef. The general manager of each restaurant is responsible for the day-to-day operations of the restaurant, including maintaining the standards of quality and performance established by Logan's corporate management. The relative complexity of operating a Logan's restaurant requires an effective management team at the individual restaurant level. As a motivation to restaurant managers to increase revenues and operational efficiency, Logan's maintains a bonus plan that rewards managers for improving sales and hourly turnover, achieving Logan's standard of guest satisfaction as measured through a secret shopper program, and achieving key operating cost targets. Management believes that having five to six managers in its restaurants contributes to the attentive service and high quality food. Logan's restaurant management teams typically are comprised of two persons who were promoted into management positions from non-management positions and, therefore fully understand the Logan's concept, and three to four managers with high levels of previous management experience. To assure that individual restaurants are operated at a high level of quality, Logan's has Regional Managers to support individual restaurant managers, four Directors of Operations and one Vice President of Operations to support individual Regional Managers. Each Regional Manager supports 4 to 5 individual restaurants, and each Director of Operations supports 7 to 8 Regional Managers. Through regular visits to the restaurants, the Vice President of Operations, the Directors of Operations and the Regional Managers ensure that the Logan's concept, strategy and standards of quality are being adhered to in all aspects of restaurant operations.

Logan's requires that its restaurant managers have significant experience in the full-service restaurant industry. All new managers are required to complete a comprehensive ten-week training course. This course is comprised of eight weeks of training at a Logan's restaurant and two weeks of classroom training conducted at the Logan's training facility in Nashville. The entire course emphasizes the Logan's operating strategy, procedures and standards. Logan's also has a specialized training program required for managers and hourly service employees on responsible alcohol service.

Purchasing and Distribution: Logan's negotiates directly with food vendors as to price and other material terms of most food purchases. Logan's purchases the majority of its food products and restaurant supplies on a cost-plus basis through the same unaffiliated distributor that is used by Cracker Barrel. The distributor is responsible for placing food orders and warehousing and delivering food products for Logan's restaurants. Certain perishable food items are purchased locally by the restaurants.

The single food item accounting for the largest share (approximately 34%) of Logan's food costs is beef. Steaks are hand-cut on the premises. Logan's presently purchases its beef through one supply contract. Should any beef items from this supplier become unavailable for any reason, management believes that such items could be obtained in sufficient quantities from other sources at competitive prices.

Cost and Inventory Controls: Management closely monitors sales, product costs and labor at each of its restaurants. Weekly restaurant operating results are analyzed by management to detect trends at each location, and negative trends are promptly addressed. Financial controls are maintained through management of an accounting and information management system that is implemented at the restaurant level. Administrative and management staff prepare daily reports of sales, labor and customer counts. On a weekly basis, condensed operating statements are compiled by the accounting department and provide management a detailed analysis of sales, product and labor costs, with a comparison to budget and prior year performance. These systems also are used in the development of budget analyses and planning.

Guest Satisfaction: Logan's is committed to providing its guests prompt, friendly, efficient service, keeping table-to-server ratios low and staffing each restaurant with an experienced management team to ensure attentive guest service and consistent food quality. Through the regular use of marketing research, guest feedback to the managers while in the restaurant and an outsourced "secret shoppers" program, management receives valuable feedback, which it uses to improve restaurants and demonstrate a continuing interest in guest satisfaction.

Marketing: Logan's employs an advertising and marketing strategy designed to establish and maintain a high level of name recognition and to attract new customers. Logan's primarily uses radio advertising in selected markets. Management's goal is to develop a sufficient number of restaurants in certain markets to permit the cost-efficient use of television, radio and outdoor advertising. Logan's currently spends approximately 1.3% to 1.4% of its net sales on advertising. Logan's also engages in a variety of promotional activities, such as contributing time, money and complimentary meals to charitable, civic and cultural programs, in order to increase public awareness of Logan's restaurants. Logan's also has certain tie-ins with the National Football League's Tennessee Titans, including two concession facilities (named "Logan's Landing") inside Nashville, Tennessee's Coliseum and various promotions during and around the games as well as other events, such as home football games for Tennessee State University. Additionally, Logan's peanuts are sold at the Gaylord Entertainment Center, home of the Nashville Predators of the National Hockey League.

Franchising: Prior to the Company acquiring Logan's Roadhouse, Inc., Logan's entered into three area development agreements and accompanying franchise agreements. Subsequent to the acquisition, Logan's terminated one of the area development agreements. Franchisees operate 16 Logan's restaurants in 4 states, and they have rights under the existing agreements, subject to development terms, conditions and timing requirements, to open up to 11 additional locations in those same states plus parts of Oregon. Certain of the agreements provide for the possible acquisition of the franchise locations by Logan's under specified terms. Management currently is not planning any other future franchising opportunities beyond the current development agreements.

EXPANSION

Cracker Barrel opened the following 23 new stores in fiscal 2003:

	Interstate	Off-Interstate
Florida	1	6
Georgia	1	3
Ohio	2	-
Tennessee	1	1
Kentucky	1	-
Michigan	1	-
New Jersey	1	-
North Carolina	1	-
Pennsylvania	1	1
Virginia	-	1
West Virginia	1	-

Cracker Barrel plans to open 24 new stores during fiscal 2004, of which four of those stores are already open as of October 15, 2003:

	Interstate	Off-Interstate
Florida	-	1
Kentucky	1	-
Ohio	1	-
Pennsylvania	1	-

Logan's opened the following 12 new company-operated restaurants and 4 franchised restaurants in fiscal 2003:

	Company-Operated	Franchised
Indiana	3	-
North Carolina	-	2
Tennessee	3	-
Alabama	2	-
Texas	2	-
California	-	1
Georgia	1	-
Michigan	1	-
South Carolina	-	1

Logan's plans to open 11 new company-operated restaurants and four franchised restaurants during fiscal 2004, of which five company-operated restaurants are already open as of October 15, 2003:

Michigan	2
Alabama	1
Mississippi	1
Texas	1

Prior to committing to a new location, Cracker Barrel and Logan's perform extensive reviews of various available sites, gathering cost, demographic, traffic and other data. This information is analyzed by computer models to help with the decision on building at a new location. Cracker Barrel and Logan's utilize in-house engineers to consult on architectural plans, develop engineering plans and oversee new construction. Both Cracker Barrel and Logan's currently are engaged in the process of seeking and selecting new sites, negotiating purchase or lease terms and developing chosen sites.

It traditionally has been the Company's strategy to own its properties. However, on July 31, 2000, Cracker Barrel completed a sale-leaseback transaction involving 65 of its owned Cracker Barrel stores, and in recent years it has made greater use of ground leases for real estate acquisitions. The sale-leaseback transaction was for an initial term of 21 years plus options for up to 20 additional years. New leases typically have base terms of ten to fifteen years with renewal options at pre-determined rates for another fifteen to twenty years. Of the 484 Cracker Barrel stores open as of October 15, 2003, the Company owns 350, while the other 134 properties are either ground leases or ground and building leases. The current Cracker Barrel store prototype is approximately 10,000 square feet including 2,200 square feet in the retail gift shop. The prototype has 194 seats in the restaurant. Based on recent and projected new store development, the average cost for approximately 2.5 acres of land for a purchased site for a new Cracker Barrel store is expected to be between $900,000 and $1,000,000. Development costs of a new restaurant are approximately $2,400,000, including furniture, fixtures and equipment of approximately $670,000. Individual site costs, however, can vary materially from these estimates depending on local real estate, site and construction conditions. In addition, approximately $300,000 is budgeted for pre-opening expenses. The Company typically projects that a new Cracker Barrel store will generate annual sales of approximately $4,250,000 to $4,450,000. The Company's plans reflect a higher percentage of purchased stores than leased stores for the foreseeable future.

Of the 117 Logan's restaurants open as of October 15, 2003, 16 are franchised restaurants. Of the remaining 101 Logan's restaurants, 54 are owned and 47 are ground leases. The current Logan's restaurant prototype is approximately 8,060 square feet with 277 seats, including 19 seats at the bar. Based on recent and projected new store development, the average cost for 1.6-1.9 acres of land for a purchased site for a new Logan's is expected to be between $750,000 to $850,000. Development costs of a new restaurant are approximately $2,100,000, including furniture, fixtures and equipment of approximately $500,000. Individual site costs, however, can vary materially from these estimates depending on local real estate, site and construction conditions. In addition, pre-opening expenses of approximately $140,000 are budgeted. The Company typically projects annual sales for a new Logan's restaurant of approximately $2,950,000 to $3,050,000. The Logan's prototype is under review and development cost estimates could vary in future months. The Company plans a higher percentage of leased units than purchased units for the foreseeable future.

EMPLOYEES

As of August 1, 2003, CBRL Group, Inc. employed 21 people, of whom 8 were in advisory and supervisory capacities and 6 were officers of the Company. Cracker Barrel employed 57,073 people, of whom 436 were in advisory and supervisory capacities, 2,936 were in store management positions and 33 were officers. Logan's employed 8,098 people, of whom 68 were in advisory and supervisory capacities, 550 were in restaurant management positions and 4 were officers. Many of the restaurant personnel are employed on a part-time basis. Competition for and availability of qualified new employees has always been difficult, contributing to increases in store labor expenses, but general economic and labor market conditions have been relatively soft in recent quarters, contributing to less wage pressure than in prior years. None of the employees of the Company or its subsidiaries are represented by any union, and management considers its employee relations to be good.

COMPETITION

The restaurant business is highly competitive and often is affected by changes in the taste and eating habits of the public, local and national economic conditions affecting spending habits, and population and traffic patterns. Restaurant industry segments overlap and often provide competition for widely diverse restaurant concepts. In exceptionally good economic times, consumers can be expected to patronize a broader range of restaurants and the breadth of competition at different restaurant segments is likewise increased. The principal basis of competition in the industry is the quality, variety and price of the food products offered. Site selection, quality and speed of service, advertising and the attractiveness of facilities are also important.

There are many restaurant companies catering to the public, some of which are substantially larger and have greater financial and marketing resources than those of either Cracker Barrel or Logan's and which compete directly and indirectly in all areas in which either Cracker Barrel or Logan's operates.

TRADEMARKS

Cracker Barrel and Logan's deem the trademarks owned by them or their affiliates to be of substantial value Their policy is to obtain federal registration of their trademarks and other intellectual property whenever possible and to pursue vigorously any infringement of trademarks.

RESEARCH AND DEVELOPMENT

While research and development are important to the Company, these expenditures have not been material due to the nature of the restaurant and retail industry.

SEASONAL ASPECTS

Historically the profits of the Company have been lower in the first three fiscal quarters and highest in the fourth fiscal quarter, which includes much of the summer vacation and travel season. Management attributes these variations primarily to the decrease in interstate tourist traffic and propensity to dine out during the school year and winter months and the increase in interstate tourist traffic and propensity to dine out during the summer months. The Company's retail sales historically have been highest in the Company's second fiscal quarter, which includes the Christmas holiday shopping season.

SEGMENT REPORTING

The Company has one reportable segment. See Notes 2 and 8 to the consolidated financial statements contained in the 2003 Annual Report incorporated by reference in Part II of this Annual Report on Form 10-K for more information on segment reporting.

WORKING CAPITAL

In the restaurant industry, substantially all sales are either for cash or credit card. Like most other restaurant companies, the Company is able to, and may from time to time, operate with a working capital deficit. Restaurant inventories purchased through the Company's principal food distributor now are on terms of net zero days, while restaurant inventories purchased locally generally are financed through normal trade credit. Because of its retail operations, which have a lower product turnover than the restaurant business, the Company carries larger inventories than many in the restaurant industry. Retail inventories purchased domestically generally are financed from normal trade credit, while imported retail inventories generally are purchased through letters of credit and wire transfers. These various trade terms are aided by rapid product turnover of the restaurant inventory. Employee compensation and benefits payable generally may be related to weekly, bi-weekly or semi-monthly pay cycles, and many other operating expenses have normal trade terms.

ITEM 2. PROPERTIES

The Company's corporate headquarters are located on approximately 10 acres of land owned by Cracker Barrel Old Country Store, Inc. in Lebanon, Tennessee. The Company utilizes 10,000 square feet of office space for its corporate headquarters.

The Cracker Barrel corporate headquarters and warehouse facilities are located on approximately 120 acres of land owned by Cracker Barrel Old Country Store, Inc. in Lebanon, Tennessee. Cracker Barrel utilizes approximately 110,000 square feet of office space for its corporate headquarters and decorative fixtures warehouse and 367,200 square feet of warehouse facilities and an additional 13,800 square feet of office and maintenance space for its retail distribution center.

The Logan's corporate headquarters and training facility are located in approximately 31,000 square feet of office space in Nashville, Tennessee, under a lease expiring on April 1, 2010.

Cracker Barrel opened a retail-only mall store, named "The Store," in a regional mall in Nashville, Tennessee in July 1999 to test this growth opportunity to leverage the Cracker Barrel's merchandising and logistical expertise. The retail-only mall store is leased and is presently considered a research and development site.

Cracker Barrel owns and operates a motel in Lebanon, Tennessee which is used for housing its management trainees when they are in the classroom portion of their training, and which also serves the general public.

In addition to the various corporate facilities, 21 properties owned or leased for future development, Cracker Barrel's retail-only mall store and motel and 9 parcels of excess real property and improvements including one leased property, which the Company intends to dispose of, Cracker Barrel and Logan's own or lease the following store properties as of October 15, 2003:

State	Cracker Barrel		Logan's		Combined	
	Owned	Leased	Owned	Leased	Owned	Leased
Tennessee	30	11	12	4	42	15
Florida	36	9	4	1	40	10
Texas	23	4	8	10	31	14
Georgia	24	8	5	3	29	11
Ohio	21	9	1	2	22	11
Alabama	14	8	6	4	20	12
Indiana	17	5	6	4	23	9
Kentucky	17	9	-	5	17	14
Michigan	13	3	2	8	15	11
North Carolina	19	6	-	-	19	6
Virginia	15	2	6	1	21	3
Illinois	21	1	-	-	21	1
Pennsylvania	8	10	-	-	8	10
South Carolina	11	6	-	-	11	6
Louisiana	7	2	3	2	10	4
Missouri	11	2	-	1	11	3
Mississippi	8	3	1	1	9	4
Arkansas	4	6	-	-	4	6
Arizona	2	7	-	-	2	7
West Virginia	3	5	-	1	3	6
New York	7	1	-	-	7	1
New Jersey	2	4	-	-	2	4
Oklahoma	4	2	-	-	4	2
Kansas	4	1	-	-	4	1
Wisconsin	5	-	-	-	5	-
Colorado	3	1	-	-	3	1
Maryland	3	1	-	-	3	1
Iowa	3	-	-	-	3	-
Massachusetts	-	3	-	-	-	3
New Mexico	2	1	-	-	2	1
Utah	3	-	-	-	3	-
Connecticut	1	1	-	-	1	1
Minnesota	2	-	-	-	2	-
Montana	2	-	-	-	2	-
Nebraska	1	1	-	-	1	1
Delaware	-	1	-	-	-	1
Idaho	1	-	-	-	1	-
New Hampshire	1	-	-	-	1	-
North Dakota	1	-	-	-	1	-
Rhode Island	-	1	-	-	-	1
South Dakota	1	-	-	-	1	-
Total	350	134	54	47	404	181

See "Business-Operations" and "Business-Expansion" for additional information on the Company's and its subsidiaries' properties.

ITEM 3. LEGAL PROCEEDINGS

Part I, Item 3 of the Company's Annual Report on Form 10-K for the fiscal year ended August 2, 2002 (filed with the Commission on October 25, 2002) is incorporated herein by this reference.

Part II, Item 1 of the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2003 (filed with the Commission on March 17, 2003) is incorporated herein by this reference.

Item 5 of the Company's Current Report on Form 8-K filed with the Commission on August 6, 2003 is incorporated herein by this reference.

Item 5 of the Company's Current Report on Form 8-K filed with the Commission on October 1, 2003 is incorporated herein by this reference.

See also Note 9 to the Company's Consolidated Financial Statements filed or incorporated by reference into in Part II, Item 8 of this Annual Report on Form 10-K, which also is incorporated herein by this reference.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Not applicable.

Pursuant to Instruction 3 to Item 401(b) of Regulation S-K and General Instruction G(3) to Form 10-K, the following information is included in Part I of this Form 10-K.

Executive Officers of the Registrant

The following table sets forth certain information concerning the executive officers of the Company, as of September 26, 2003:

Name	Age	Position with Registrant
Dan W. Evins	68	Chairman of the Board
Michael A. Woodhouse	58	President & Chief Executive Officer
Lawrence E. White	53	Senior Vice President, Finance & Chief Financial Officer
James F. Blackstock	56	Senior Vice President, General Counsel and Secretary
Norman J. Hill	61	Senior Vice President, Human Resources
Patrick A. Scruggs	39	Vice President of Accounting and Tax, Assistant Treasurer and Chief Accounting Officer
Donald M. Turner	55	President and Chief Operating Officer of Cracker Barrel Old Country Store, Inc.
David L. Gilbert	46	Chief Administrative Officer of Cracker Barrel Old Country Store, Inc.
G. Thomas Vogel	39	President and Chief Operating Officer of Logan's Roadhouse, Inc.

The following information summarizes the business experience of each executive officer of the Company for at least the past five years:

Prior to his employment with the Company in January 1999, Mr. Evins was Chairman of the Board and Chief Executive Officer ("CEO") of Cracker Barrel Old Country Store, Inc. since its founding in 1969. He continued to serve as CEO of Cracker Barrel Old Country Store, Inc. until August 2001. Mr. Evins has 34 years of experience in the restaurant and retail industries.

Prior to his employment with the Company in January 1999, Mr. Woodhouse was Senior Vice President of Finance and Chief Financial Officer of Cracker Barrel Old Country Store, Inc. since December 1995. Mr. Woodhouse served the Company as Senior Vice President of Finance and Chief Financial Officer from January 1999 to July 1999, as Executive Vice President and Chief Operating Officer from August 1999 until July 2000 and then as President and Chief Operating Officer from August 2000 until July 2001 when he assumed his current positions. Mr. Woodhouse has 19 years of experience in the restaurant industry and 11 years of experience in the retail industry.

Prior to his employment with the Company in September 1999, Mr. White was Executive Vice President and Chief Financial Officer of Boston Chicken, Inc. from 1998 to 1999. Mr. White has 16 years of experience in the restaurant industry and 4 years of experience in the retail industry.

Mr. Blackstock served the Company as Vice President, General Counsel and Secretary from January 1999 to February 2000 when he was promoted to Senior Vice President. Prior to his employment with the Company in January 1999, Mr. Blackstock was Vice President, General Counsel and Secretary of Cracker Barrel Old Country Store, Inc. from June 1997 until January 1999. Mr. Blackstock has 10 years of experience in the restaurant and retail industries.

Prior to his employment with the Company in January 2002, Mr. Hill was Senior Vice President of Human Resources for Cracker Barrel Old Country Store, Inc. from October 1996. Mr. Hill has 24 years of experience in the restaurant industry and 7 years of experience in the retail industry.

Prior to his employment with the Company in January 1999, Mr. Scruggs was employed by Cracker Barrel Old Country Store, Inc. since April 1989. Mr. Scruggs has served as Assistant Treasurer of Cracker Barrel Old Country Store, Inc. since August 1993. Mr. Scruggs has 14 years of experience in the restaurant and retail industries.

Mr. Turner returned to Cracker Barrel Old Country Store, Inc. in December 1999, serving as Executive Vice President and Chief Operations Officer until his promotion to President and Chief Operating Officer in August 2001. Prior to his return to Cracker Barrel Old Country Store, Inc. in November 1999, Mr. Turner was retired. Mr. Turner retired from Cracker Barrel Old Country Store, Inc. as Senior Vice President and Chief Operations Officer in 1993, prior to which he served in various capacities since 1976. Mr. Turner has 22 years of experience in the restaurant industry and 24 years of experience in the retail industry.

Prior to his employment with Cracker Barrel Old Country Store, Inc. in July 2001, Mr. Gilbert was with Shoney's Inc. serving as its Executive Vice President and Chief Administrative Officer from January 1999 to July 2001 and its Senior Vice President of Real Estate from January 1998 to January 1999. Mr. Gilbert has 25 years of experience in the restaurant industry and 2 years of experience in the retail industry.

Prior to his employment with Logan's Roadhouse, Inc. in August 2003, Mr. Vogel was with Darden Restaurants Inc., since August 1991 serving in various capacities for its Red Lobster concept, including Senior Vice President of Operations, West/Southeast Divisions from June 1999 to August 2003, Vice President of Food and Beverage from November 1997 to June 1999, and Concept Development Director from March 1995 to November 1997. Mr. Vogel has 17 years of experience in the restaurant industry.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

The Company's Common Stock is traded on The Nasdaq Stock Market (National Market System) ("Nasdaq") under the symbol CBRL. There were 14,777 shareholders of record as of September 26, 2003.

The table "Market Price and Dividend Information" on page 20 of the 2003 Annual Report is incorporated herein by reference. Item 12 of this Annual Report on Form 10-K is incorporated herein by reference.

ITEM 6. SELECTED FINANCIAL DATA

The table "Selected Financial Data" on page 20 of the 2003 Annual Report is incorporated herein by this reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following portions of the 2003 Annual Report are incorporated herein by this reference:

Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 21 through 25.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

The following portion of the 2003 Annual Report is incorporated herein by this reference:

Management's Discussion and Analysis of Financial Condition and Results of Operations on pages 22 and 23.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The following portions of the 2003 Annual Report are incorporated herein by this reference:

Consolidated Financial Statements and Independent Auditors' Report on pages 26 through 36.

Quarterly Financial Data (Unaudited) on page 35.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

The Chief Executive Officer and the Chief Financial Officer of the Company have carried out an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Rule 13a-14(c) promulgated under the Exchange Act). Based upon this evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that as of August 1, 2003, the Company's disclosure controls and procedures were adequate for the purposes set forth in the definition thereof in Exchange Act Rule 13a-14(c).

There have been no significant changes (including corrective actions with regard to significant deficiencies and material weaknesses) in the Company's internal controls or in other factors that could significantly affect internal controls subsequent to the date of their most recent evaluation.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information required by this item with respect to directors of the Company is incorporated herein by this reference to the section entitled "Proposal 1: Election of Directors" in the 2003 Proxy Statement. The information required by this item with respect to executive officers of the Company is set forth in Part I of this Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item is incorporated herein by this reference to the sections entitled "Board of Directors and Committees" and "Executive Compensation" in the 2003 Proxy Statement. The matters labeled "Report of the Compensation and Stock Option Committee" and "Shareholder Return Performance Graph" shall not be deemed to be incorporated by reference into this Annual Report on Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item is incorporated herein by this reference to the sections entitled "Stock Ownership of Management and Certain Beneficial Owners" and "Equity Compensation Plan Information" in the 2003 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this item is incorporated herein by this reference to the section entitled "Certain Transactions" in the 2003 Proxy Statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this item is incorporated herein by this reference to the sections entitled "Fees Paid to Auditors" and "What is the Audit Committee's pre-approval policy and procedure with respect to audit and non-audit services provided by our auditors?" in the 2003 Proxy Statement. The remainder of the section entitled "Audit Committee Report" shall not be deemed to be incorporated by reference into this Annual Report on Form 10-K.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) List of documents filed as part of this report:

1. The following Consolidated Financial Statements and the Independent Auditors' Report of Deloitte & Touche LLP on pages 26 through 36 of the 2003 Annual Report are incorporated herein by this reference:

   Independent Auditors' Report dated September 10, 2003 (September 25, 2003 as to Note 13)

   Consolidated Balance Sheet as of August 1, 2003 and August 2, 2002

   Consolidated Statement of Income for each of the three fiscal years ended August 1, 2003, August 2, 2002 and August 3, 2001

   Consolidated Statement of Changes in Shareholders' Equity for each of the three fiscal years ended August 1, 2003, August 2, 2002 and August 3, 2001

   Consolidated Statement of Cash Flows for each of the three fiscal years ended August 1, 2003, August 2, 2002 and August 3, 2001

   Notes to Consolidated Financial Statements

2. The exhibits listed in the accompanying Index to Exhibits on pages 24 through 26 are filed as part of this annual report.

(b) Reports on Form 8-K filed during the last quarter of the period covered by this Annual Report on Form 10-K:

Form 8-K dated July 17, 2003, reporting under Item 9 the issuance of a press release announcing the Company's fiscal 2003 fourth quarter-to-date earnings, sales trends and reaffirming the earnings guidance for the fourth fiscal quarter of fiscal 2003.

Form 8-K dated July 9, 2003, reporting under Item 9 the Board of Directors' authorization to repurchase up to 1 million additional shares of the Company's common stock.

Form 8-K dated June 19, 2003, reporting under Item 9 the issuance of a press release announcing the Company's fiscal 2003 fourth quarter-to-date sales and operating trends discussing the outlook for the remainder of the quarter.

Form 8-K dated May 30, 2003, reporting under Item 9 the Board of Directors' authorization to repurchase up to 1 million additional shares of the Company's common stock.

Form 8-K (as amended) dated May 22, 2003, reporting under Item 9 issuance of a press release announcing the Company's fiscal 2003 third quarter earnings, current sales trends and earnings guidance for the remainder of fiscal 2003.

Form 8-K dated May 15, 2003, reporting under Item 9 the issuance of a press release announcing the availability of the Company's third quarter fiscal 2003 conference call on the internet.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on this 15th day of October, 2003.

CBRL GROUP, INC.

By: /s/Michael A. Woodhouse
Michael A. Woodhouse
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

Name	Title	Date
/s/Dan W. Evins Dan W. Evins	Chairman of the Board and Director	October 15, 2003
/s/Michael A. Woodhouse Michael A. Woodhouse	President, Chief Executive Officer and Director	October 15, 2003
/s/Lawrence E. White Lawrence E. White	Senior Vice President, Finance and Chief Financial Officer (Principal Financial Officer)	October 15, 2003
/s/James F. Blackstock James F. Blackstock	Senior Vice President, General Counsel and Secretary	October 15, 2003
/s/Patrick A. Scruggs Patrick A. Scruggs	Assistant Treasurer and Chief Accounting Officer (Principal Accounting Officer)	October 15, 2003
/s/James D. Carreker James D. Carreker	Director	October 15, 2003
/s/Robert V. Dale Robert V. Dale	Director	October 15, 2003
/s/Robert C. Hilton Robert C. Hilton	Director	October 15, 2003
/s/Charles E. Jones, Jr. Charles E. Jones, Jr.	Director	October 15, 2003
/s/B.F. Lowery B.F. Lowery	Director	October 15, 2003
Gordon L. Miller	Director	October 15, 2003
/s/Martha M. Mitchell Martha M. Mitchell	Director	October 15, 2003

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Andrea M. Weiss Director October 15, 2003

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Jimmie D. White Director October 15, 2003

INDEX TO EXHIBITS

Exhibit	
3(I), 4(a)	Charter (1)
3(II), 4(b)	Bylaws (1)
4(c)	Shareholder Rights Agreement dated 9/7/1999 (2)
4(d)	Indenture, dated as of April 3, 2002, among the Company, the Guarantors (as defined therein) and Wachovia Bank, National Association, as trustee, relating to the Company's zero-coupon convertible senior notes (3)
4(e)	Form of Certificate for the Company's zero-coupon convertible senior notes (included in the Indenture filed as Exhibit 4(e) hereof) (3)
4(f)	Form of Guarantee of the Company's zero-coupon convertible senior notes (included in the Indenture filed as Exhibit 4(e) hereof) (3)
4(g),10(a)	Credit Agreement dated 2/21/2003, relating to the $300,000,000 Revolving Credit Facility (4)
10(b)	Lease dated 8/27/1981 for lease of Macon, Georgia, store between Cracker Barrel Old Country Store, Inc. and B. F. Lowery, a director of the Company (5)
10(c)	The Company's 1987 Stock Option Plan, as amended (6)
10(d)	The Company's Amended and Restated Stock Option Plan, as amended (7)
10(e)	The Company's 2000 Non-Executive Stock Option Plan (8)
10(f)	The Company's 1989 Non-Employee Director's Stock Option Plan, as amended (9)
10(g)	The Company's Non-Qualified Savings Plan, effective 1/1/1996, as amended (6)
10(h)	The Company's Deferred Compensation Plan, effective 1/1/1994 (5)
10(i)	The Company's 2002 Omnibus Incentive Compensation Plan
10(j)	Executive Employment Agreement executed January 15, 2002 between Dan W. Evins and the Company (3)
10(k)	Executive Employment Agreement executed July 25, 2002 between Michael A. Woodhouse and the Company (8)
10(l)	Change-in-control Agreement for Dan W. Evins dated 10/8/1999 (7)
10(m)	Change-in-control Agreement for Michael A. Woodhouse dated 10/8/1999 (7)
10(n)	Change-in-control Agreement for Lawrence E. White dated 10/8/1999 (7)
10(o)	Change-in-control Agreement for James F. Blackstock dated 10/8/1999 (7)
10(p)	Change-in-control Agreement for Norman J. Hill dated 10/13/1999 (8)
10(q)	Change-in-control Agreement for Donald M. Turner dated 12/6/1999 (10)
10(r)	Change-in-control Agreement for David L. Gilbert dated 10/3/2001 (8)

10(s)	Change-in-control Agreement for George T. Vogel dated October 3, 2003
10(t)	Change-in-control Agreement for Patrick A. Scruggs dated October 13, 1999
10(u)	Master Lease dated July 31, 2000 between Country Stores Property I, LLC ("Lessor") and Cracker Barrel Old Country Store, Inc. ("Lessee") for lease of 21 Cracker Barrel Old Country Store(R)sites (11)
10(v)	Master Lease dated July 31, 2000 between Country Stores Property I, LLC ("Lessor") and Cracker Barrel Old Country Store, Inc. ("Lessee") for lease of 9 Cracker Barrel Old Country Store(R)sites*
10(w)	Master Lease dated July 31, 2000 between Country Stores Property II, LLC ("Lessor") and Cracker Barrel Old Country Store, Inc. ("Lessee") for lease of 23 Cracker Barrel Old Country Store(R) sites*
10(x)	Master Lease dated July 31, 2000 between Country Stores Property III, LLC ("Lessor") and Cracker Barrel Old Country Store, Inc. ("Lessee") for lease of 12 Cracker Barrel Old Country Store(R) sites*
10(y)	CBRL Group, Inc. Long-Term Incentive Plan Cover Letter (3)
10(z)	CBRL Group, Inc. Long-Term Incentive Plan (3)
10(aa)	CBRL Group, Inc. Long-Term Incentive Summary Plan Description (3)
13	Pertinent portions, incorporated by reference herein, of the Company's 2003 Annual Report to Shareholders
21	Subsidiaries of the Registrant
23	Consent of Deloitte & Touche LLP
31	Rule 13a-14(a)/15d-14(a) Certifications
32	Section 1350 Certifications

*Document not filed because essentially identical in terms and conditions to Exhibit 10(u).

(1) Incorporated by reference to the Company's Registration Statement on Form S-4/A under the Securities Act of 1933 (File No. 333-62469).

(2) Incorporated by reference to the Company's Forms 8-K and 8-A under the Securities Exchange Act of 1934, filed September 21, 1999 (File No. 000-25225).

(3) Incorporated by reference to the Company's Quarterly Report on Form 10-Q under the Securities Exchange Act of 1934 for the quarterly period ended May 3, 2002 (File No. 000-25225).

(4) Incorporated by reference to the Company's Quarterly Report on Form 10-Q under the Securities Exchange Act of 1934 for the quarterly period ended January 31, 2003 (File No. 000-25225).

(5) Incorporated by reference to the Company's Registration Statement on Form S-7 under the Securities Act of 1933 (File No. 2-74266).

(6) Incorporated by reference to the Company's Registration Statement on Form S-8 under the Securities Act of 1933 (File No. 33-45482).

(7) Incorporated by reference to the Company's Annual Report on Form 10-K under the Securities Exchange Act of 1934 for the fiscal year ended July 30, 1999 (File No. 000-25225).

(8) Incorporated by reference to the Company's Annual Report on Form 10-K under the Securities Exchange Act of 1934 for the fiscal year ended August 2, 2002 (File No. 000-25225).

(9) Incorporated by reference to the Company's Annual Report on Form 10-K under the Securities Exchange Act of 1934 for the fiscal year ended August 2, 1991 (File No. 0-7536).

(10) Incorporated by reference to the Company's Annual Report on Form 10-K under the Securities Exchange Act of 1934 for the fiscal year ended August 3, 2001 (File No. 000-25225).

(11) Incorporated by reference to the Company's Annual Report on Form 10-K under the Securities Exchange Act of 1934 for the fiscal year ended July 28, 2000 (File No. 000-25225).

CBRL GROUP, INC.
2002 OMNIBUS INCENTIVE COMPENSATION PLAN

1. PURPOSE.

The purpose of the CBRL Group, Inc. 2002 Omnibus Incentive Compensation Plan (the "Plan") is to provide motivation to Employees of the Company and its Subsidiaries and Affiliates to put forth maximum efforts toward the continued growth, profitability, and success of the Company and its Subsidiaries and Affiliates by providing incentives to such Employees through the ownership and performance of Common Stock of the Company. Toward this objective, the Committee may grant stock options, SAR, Stock Awards, performance shares, cash bonuses and other incentive awards to Employees of the Company and its Subsidiaries and Affiliates on the terms and subject to the conditions set forth in the Plan. In addition, this Plan is intended to enable the Company to effectively attract, retain and reward Outside Directors by providing for grants of Outside Director Options to Outside Directors.

2. DEFINITIONS.

2.1 "Affiliate" means any entity (other than the Company and any Subsidiary) that is designated by the Board as a participating employer under the Plan, provided that the Company directly or indirectly owns at least 20% of the combined voting power of all classes of stock of that entity or at least 20% of the ownership interests in that entity.

2.2 "Award" means any form of stock option, SAR, Stock Award, performance shares, cash bonus or other incentive award granted under the Plan, whether singly, in combination, or in tandem, to a Participant by the Committee pursuant to terms, conditions, restrictions and limitations, if any, as the Committee may establish by the Award Notice or otherwise.

2.3 "Award Notice" means a written notice from the Company to a Participant that establishes the terms, conditions, restrictions, and limitations applicable to an Award in addition to those established by the Plan and by the Committee's exercise of its administrative powers.

2.4 "Board" means the Board of Directors of the Company.

2.5 "Cause" means matters which, in the judgment of the Committee, constitute any one or more of the following: (i) intoxication while on the job; (ii) theft or dishonesty in the conduct of the Company's business; (iii) willful neglect or negligence in the management of the Company's business, or violation of Company race or gender anti-harassment policies; (iv) violence that results in personal injury; or (v) conviction of a crime involving moral turpitude.

2.6 "Change In Control" means the happening of any of the following:

a. any person or entity, including a "group" as defined in Section 13(d)(3) of the Exchange Act, other than the Company or a wholly-owned Subsidiary, or any employee benefit plan of the Company or any Subsidiary, becomes the beneficial owner of the Company's securities having 50% or more of the combined voting power of the then outstanding securities of the Company that may be cast for the election of directors of the Company (other than as a result of an issuance of securities initiated by the Company in the ordinary course of business); or

b. as the result of, or in connection with, any cash tender or exchange offer, merger or other business combination, sales of assets or contested election, or any combination of the foregoing transactions, after the transaction less than a majority of the combined voting power of the then outstanding securities of the Company, or any successor corporation or cooperative or entity, entitled to vote generally in the election of the directors of the Company, or other successor corporation or other entity, are held in the aggregate by the holders of the Company's securities who immediately prior to the transaction had been entitled to vote generally in the election of directors of the Company; or

c. during any period of 2 consecutive years, individuals who at the beginning of the period constitute the Board cease for any reason to constitute at least a majority of the Board, unless the election, or the nomination for election by the Company's shareholders, of each director of the Company first elected during the relevant 2-year period was approved by a vote of at least 2/3 of the directors of the Company then still in office who were directors of the Company at the beginning of that period.

2.7 "Change In Control Price" means the highest closing price (or, if the shares are not traded on an exchange, the highest last sale price or closing "asked" price) per share paid for the purchase of Common Stock in a national securities market during the 60-day period ending on the date the Change In Control occurs (or, where applicable, the occurrence of the Potential Change in Control event), as determined by the Committee.

2.8 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

2.9 "Committee" means the Compensation and Stock Option Committee of the Board, or any other committee designated by the Board, authorized to administer the Plan under Section 3 of this Plan. The Committee shall consist of not less than 2 members who shall be appointed by, and shall serve at the pleasure of, the Board. It is intended that the directors appointed to serve on the Committee shall be "independent" as defined by the Company from time to time, and that they shall be "non-employee directors" (within the meaning of Rule 16b-3 under the Exchange Act) and "outside directors" (within the meaning of Code Section 162(m) and its related regulations). However, the mere fact that a Committee member fails to qualify under any of the foregoing requirements shall not invalidate any Award made by the Committee if the Award is otherwise validly made under the Plan.

2.10 "Common Stock" means the $0.01 par value common stock of the Company.

2.11 "Company" means CBRL Group, Inc. or any successor.

2.12 "Covered Employee" means an individual who is, with respect to the Company, an individual defined in Code Section 162(m)(3).

2.13 "Disability" has the same meaning as provided in the long-term disability plan or policy maintained by the Company or if applicable, most recently maintained, by the Company or if applicable, a Subsidiary or Affiliate, for the Participant, whether or not that Participant actually receives disability benefits under the plan or policy. If no long-term disability plan or policy was ever maintained on behalf of Participant or if the determination of Disability relates to an incentive stock option (within the meaning of Section 8 of this Plan), Disability means Permanent and Total Disability as defined in Section 22(e)(3) of the Code. In a dispute, the determination whether a Participant has suffered a Disability will be made by the Committee and may be supported by the advice of a physician competent in the area to which that Disability relates.

2.14 "Effective Date" is defined in Section 6.

2.15 "Employee" means an employee of the Company, a Subsidiary or an Affiliate.

2.16 "Exchange Act" means the Securities and Exchange Act of 1934, as amended from time to time.

2.17 "Fair Market Value" with respect to the Common Stock, as of any given date, unless otherwise determined by the Committee in good faith, means the reported closing sale price of a share of Common Stock on the automated quotation system or other market or exchange that is the principal trading market for the Common Stock, or if no sale of a share of Common Stock is so reported on that date, the fair market value of a share of Common Stock as determined by the Committee in good faith.

2.18 "Immediate Family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and includes adoptive relationships.

2.19 "Outside Director" means a member of the Board who is not an officer or employee of the Company or any Subsidiary or Affiliate of the Company.

2.20 "Outside Director Option" means a stock option award to an Outside Director under Section 27.

2.21 "Participant" means any individual to whom an Award has been granted by the Committee under this Plan.

2.22 "Potential Change in Control" means the happening of any one of the following:

a. the approval by shareholders of an agreement by the Company which would result in a Change in Control of the Company whe n consummated; or

b. the acquisition of beneficial ownership, directly or indirectly, by any entity, person or group (other than the Company or a Subsidiary or any Company or Subsidiary employee benefit plan, including any trustee of the plan acting as trustee) of securities of the Company representing 25% or more of the combined voting power of the then outstanding securities of the Company (without being accompanied by a formal statement or public filing disclaiming any intention to obtain or exercise control of the Company) and the adoption by the Committee of a resolution to the effect that a Potential Change in Control of the Company has occurred for purposes of this Plan.

2.23 "Qualified Performance-Based Award" means (i) any stock option or SAR granted under the Plan, or (ii) any other Award that is intended to qualify for the Section 162(m) Exemption and is made subject to performance goals based on Qualified Performance Measures as set forth in Section 13.

2.24 "Qualified Performance Measures" means 1 or more of the performance measures listed in Section 13.2 upon which performance goals for certain Qualified Performance-Based Awards may be established by the Committee.

2.25 "SAR" is an Award that shall entitle the recipient to receive a payment equal to the appreciation in value of a stated number of shares of Common Stock from the price established in the Award to the market value of that number of shares of Common Stock on the date of exercise.

2.26 "Section 162(m) Exemption" means the exemption from the limitation on deductibility imposed by Section 162(m) of the Code that is set forth in Section 162(m)(4)(C) of the Code or any successor provision thereto.

2.27 "Section 162(m) Cash Maximum" means $1,000,000.

2.28 "Section 16 Insider" means a Participant who is subject to the reporting requirements of Section 16 of the Exchange Act with respect to the Company.

2.29 "Stock Award" means an Award granted pursuant to Section 10 in the form of shares of Common Stock, restricted shares of Common Stock or Units of Common Stock.

2.30 "Subsidiary" means a corporation or other business entity in which the Company directly or indirectly has an ownership interest of 50% or more.

2.31 "Unit" means a bookkeeping entry used by the Company to record and account for the grant of the following Awards until the Award is paid, canceled, forfeited or terminated, as the case may be: shares of Common Stock, SARs and performance shares may be expressed in terms of Units of Common Stock.

3. ADMINISTRATION.

The Plan shall be administered by the Committee. The Committee shall have the discretionary authority to: (a) interpret the Plan; (b) establish any rules and regulations it deems necessary for the proper operation and administration of the Plan; (c) select Employees to become Participants and receive Awards under the Plan; (d) determine the form of an Award, whether a stock option, SAR, Stock Award, performance share, cash bonus, or other incentive award established by the Committee, the number of shares or Units subject to the Award, all the terms, conditions, restrictions and limitations, if any, of an Award, including the time and conditions of exercise or vesting, and the terms of any Award Notice; (e) determine whether Awards should be granted singly, in combination or in tandem; (f) grant waivers of Plan terms, conditions, restrictions and limitations; (g) accelerate the vesting, exercise or payment of an Award or the performance period of an Award in the event of a Participant's termination of employment or when that action or actions would be in the best interests of the Company; (h) establish such other types of Awards, besides those specifically enumerated in Section 2.2, which the Committee determines are consistent with the Plan's purpose; and (i) take all other action it deems necessary or advisable for the proper operation or administration of the Plan. Subject to Section 24, the Committee also shall have the authority to grant Awards in replacement of Awards previously granted under the Plan or any other executive compensation plan of the Company or a Subsidiary. All determinations of the Committee shall be made by a majority of its members, and its determinations shall be final, binding and conclusive on all persons, including the Company and Participants.

The Committee, in its discretion, may delegate its authority and duties under the Plan to the Chief Executive Officer or to other senior officers of the Company under conditions and limitations the Committee may establish; however, only the Committee may select, grant, and establish the terms of Awards to Section 16 Insiders or Covered Employees.

Notwithstanding the general authority granted in this Section 3, the Committee (and any delegate of the Committee) has no authority to determine terms or conditions of awards to Outside Directors, which shall be governed solely by Section 27 of this Plan.

4. ELIGIBILITY.

Any Employee is eligible to become a Participant in the Plan. Outside Directors are eligible to receive awards only pursuant to Section 27 and not pursuant to any other provisions of this Plan.

5. NUMBER OF SHARES AVAILABLE.

The maximum number of shares of Common Stock that shall be available for grant of Awards under the Plan (including incentive stock options) during its term shall not exceed 2.5 million shares, subject to adjustment as provided in Section 19. Any shares of Common Stock related to Awards that are settled in cash in lieu of Common Stock shall be available again for grant under the Plan. Similarly, any shares of Common Stock related to Awards that terminate by expiration, forfeiture, cancellation or otherwise without the issuance of the related shares or are exchanged with the Committee's permission for Awards not involving Common Stock, shall be available again for grant under the Plan. Further, any shares of Common Stock that are used by a Participant for the full or partial payment to the Company of the purchase price of Common Stock upon exercise of a stock option, or for withholding taxes due as a result of that exercise, shall again be available for Awards under the Plan. Notwithstanding any provision in the Plan to the contrary, the maximum number of shares of Common Stock with respect to 1 or more options and/or SARs that may be granted during any 1 calendar year under the Plan to any 1 Participant shall be 300,000. For purposes of this limitation, forfeited, canceled or repriced shares granted to a Participant in any given calendar year shall continue to be counted against the maximum number of shares that may be granted to that Participant in that calendar year. The maximum fair market value of any Awards (other than options, SARs and cash bonuses) that may be received by a Participant (less any consideration paid by the Participant for that Award) during any 1 calendar year under the Plan shall be the equivalent value of 300,000 shares of Common Stock as of the first business day of such calendar year. The shares of Common Stock available for issuance under the Plan may be authorized and unissued shares.

6. EFFECTIVE DATE; TERM.

The Plan shall become effective as of the date upon which it is approved by the shareholders of the Company (the "Effective Date"). No Awards or Outside Director Options shall be exercisable or payable before the Plan becomes effective. This Plan shall remain in effect until terminated by action of the Board.

7. PARTICIPATION.

The Committee shall select, from time to time, Participants from those Employees who, in the opinion of the Committee, can further the Plan's purposes. Once a Participant is selected, the Committee shall determine the type or types of Awards to be made to the Participant and shall establish in the related Award Notices the terms, conditions, restrictions and limitations, if any, applicable to the Awards in addition to those set forth in the Plan and the administrative rules and regulations issued by the Committee.

8. STOCK OPTIONS.

8.1 Grants. Awards may be granted in the form of stock options. These stock options may be incentive stock options within the meaning of Section 422 of the Code, other tax-qualified stock options, or non-qualified stock options (i.e., stock options that are not incentive or other tax-qualified stock options), or a combination of any of those.

8.2 Terms and Conditions of Options. An option shall be exercisable in whole or in such installments and at the times determined by the Committee. The Committee also shall determine the performance or other conditions, if any, which must be satisfied before all or part of an option may be exercised. The price at which Common Stock may be purchased upon exercise of a stock option shall be established by the Committee, but such price shall not be less than 100% (or, in the case of any employee who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or of any of its Subsidiaries, not less than 110%) in the case of incentive stock options, and not less than 85% (or, in the case of a Covered Employee, not less than 100%) in the case of other stock options, of the Fair Market Value of the Common Stock on the date of the stock option grant. Each stock option shall expire not later than 10 years (or, in the case of an Employee who owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any of its Subsidiaries, not later than 5 years) from its date of grant.

8.3 Restrictions Relating to Incentive Stock Options. Stock options issued in the form of incentive stock options shall, in addition to being subject to all applicable terms, conditions, restrictions and limitations established by the Committee, comply with Section 422 of the Code. Accordingly, incentive stock options may only be granted to Employees who are employees of the Company or a Subsidiary, and the aggregate market value (determined at the time the option was granted) of the Common Stock with respect to which incentive stock options are exercisable for the first time by a Participant during any calendar year (under the Plan or any other plan of the Company or any of its Subsidiaries) shall not exceed $100,000 (or other limit required by the Code). Each incentive stock option shall expire not later than 10 years from its date of grant.

8.4 Additional Terms and Conditions. The Committee may, by way of the Award Notice or otherwise, establish other terms, conditions, restrictions and limitations, if any, on any stock option Award, provided they are not inconsistent with the Plan. Without limiting the generality of the foregoing, options may provide for the automatic granting of new options at the time of exercise.

8.5 Exercise. The Committee shall determine the methods by which the exercise price of an option may be paid, the form of payment, including, without limitation, cash, shares of Common Stock, or other property (including "cashless exercise" arrangements, so long as they do not in any way conflict with the requirements of applicable law), and the methods by which shares of Common Stock shall be delivered or deemed to be delivered by Participants; however, if shares of Common Stock are used to pay the exercise price of a stock option, those shares must have been held by the Participant for at least 6 months (or any shorter or longer period necessary to avoid a charge to the Company's earnings for financial reporting purposes).

9. STOCK APPRECIATION RIGHTS.

9.1 Grants. Awards may be granted in the form of SARs. The SAR may be granted in tandem with all or a portion of a related stock option under the Plan ("Tandem SARs"), or may be granted separately ("Freestanding SARs"). A Tandem SAR may be granted either at the time of the grant of the related stock option or at any time thereafter during the term of the stock option. In the case of SARs granted in tandem with stock options granted prior to the grant of the SARs, the appreciation in value is the difference between the option price of the related stock option and the Fair Market Value of the Common Stock on the date of exercise. The number of SARs granted may never exceed the lesser of the number of shares of Common Stock still available under the Plan at the time of the SAR grant or 625,000.

9.2 Terms and Conditions of Tandem SARs. A Tandem SAR shall be exercisable to the extent, and only to the extent, that the related stock option is exercisable, and the "exercise price" of that SAR (the base from which the value of the SAR is measured at its exercise) shall be the option price under the related stock option. If a related stock option is exercised as to some or all of the shares covered by the Award, the related Tandem SAR, if any, shall be canceled automatically to the extent of the number of shares covered by the stock option exercise. Upon exercise of a Tandem SAR as to some or all of the shares covered by the Award, the related stock option shall be canceled automatically to the extent of the number of shares covered by the exercise.

9.3 Terms and Conditions of Freestanding SARs. Freestanding SARs shall be exercisable in whole or in the installments and at the times determined by the Committee. Freestanding SARs shall have a term specified by the Committee, in no event to exceed 10 years. The exercise price of a Freestanding SAR shall also be determined by the Committee; however, that price shall not be less than 100% of the Fair Market Value of the Common Stock on the date of the Freestanding SAR grant. The Committee also shall determine the performance or other conditions, if any, that must be satisfied before all or part of a Freestanding SAR may be exercised.

9.4 Deemed Exercise. The Committee may provide that an SAR shall be deemed to be exercised at the close of business on the scheduled expiration date of the affected SAR if at that time the SAR by its terms remains exercisable and, if so exercised, would result in a payment to the holder of the SAR.

9.5 Additional Terms and Conditions. The Committee may, by way of the Award Notice or otherwise, determine such other terms, conditions, restrictions and limitations, if any, of any SAR Award, provided they are not inconsistent with the Plan.

10. STOCK AWARDS.

10.1 Grants. Awards may be granted in the form of Stock Awards. Stock Awards shall be awarded in such numbers and at such times during the term of the Plan as the Committee shall determine. Stock Awards may be actual shares of Common Stock or the economic equivalent thereof ("Stock Award Units"). The total number of Stock Award Units granted at any time may not exceed the lesser of the number of shares of Common Stock available for grant at the time of the Stock Award Unit grant or 625,000.

10.2 Award Restrictions. Stock Awards shall be subject to terms, conditions, restrictions, and limitations, if any, the Committee deems appropriate including, without limitation, restrictions on transferability and continued employment of the Participant. The Committee also shall determine the performance or other conditions, if any, that must be satisfied before all or part of the applicable restrictions lapse.

10.3 Rights as Shareholder. During the period in which any restricted shares of Common Stock are subject to restrictions imposed pursuant to Section 10.2, the Committee may, in its discretion, grant to the Participant to whom restricted shares have been awarded all or any of the rights of a shareholder with respect to those shares, including, without limitation, the right to vote those shares and to receive dividends.

10.4 Evidence of Award. Any Stock Award granted under the Plan may be evidenced in any manner the Committee deems appropriate, including, without limitation, book-entry registration or issuance of a stock certificate or certificates.

11. PERFORMANCE SHARES.

11.1 Grants. Awards may be granted in the form of performance shares. "Performance shares" in this Plan mean shares of Common Stock or Units which are expressed in terms of Common Stock and which are subject to performance criteria as discussed in Section 11.2.

11.2 Performance Criteria. The award of performance shares shall be contingent upon the attainment during a performance period of certain performance objectives. The length of the performance period, the performance objectives to be achieved during the performance period, and the measure of whether and to what degree the objectives have been attained shall be conclusively determined by the Committee in the exercise of its absolute discretion. Performance objectives may be revised by the Committee, at times it deems appropriate during the performance period, in order to take into consideration any unforeseen events or changes in circumstances.

11.3 Additional Terms and Conditions. The Committee may, by way of the Award Notice or otherwise, determine other terms, conditions, restrictions and limitations, if any, of any Award of performance shares, provided they are not inconsistent with the Plan.

12. PLAN CASH BONUSES.

While cash bonuses may be granted at any time outside this Plan, cash awards may also be granted in addition to other Awards granted under the Plan and to cash awards made outside of the Plan. Subject to the provisions of the Plan, the Committee shall have authority to determine the persons to whom cash bonuses shall be granted and the amount, terms and conditions of those cash bonuses. Notwithstanding anything to the contrary in this Plan, no Covered Employee shall be eligible to receive a cash bonus in excess of the Section 162(m) Cash Maximum in any fiscal year; and no cash bonus shall be granted pursuant to this Plan to any Covered Employee unless the cash bonus constitutes a Qualified Performance-Based Award in accordance with the provisions of Section 13.

13. PERFORMANCE GOALS FOR CERTAIN SECTION 162(m) AWARDS.

13.1 162(m) Exemption. This Plan shall be operated to ensure that all stock options and SARs granted hereunder to any Covered Employee qualify for the Section 162(m) Exemption.

13.2 Qualified Performance-Based Awards. When granting any Award other than stock options or SARs, the Committee may designate the Award as a Qualified Performance-Based Award, based upon a determination that the recipient is or may be a Covered Employee with respect to that Award, and the Committee wishes the Award to qualify for the Section 162(m) Exemption. If an Award is so designated, the Committee shall establish performance goals for the Award within the time period prescribed by Section 162(m) of the Code based on one or more of the following Qualified Performance Measures, which may be expressed in terms of Company-wide objectives or in terms of objectives that relate to the performance of a Subsidiary or a division, region, department or function within the Company or a Subsidiary:

(1) return on capital, equity, or assets (including economic value created),
(2) productivity,
(3) cost improvements,
(4) cash flow,
(5) sales revenue growth,
(6) net income, earnings per share, or earnings from operations,

(7) quality,
(8) customer satisfaction,
(9) comparable store sales, or
(10) stock price or total shareholder return.

Measurement of the Company's performance against the goals established by the Committee shall be objectively determinable, and to the extent goals are expressed in standard accounting terms, performance shall be measured according to generally accepted accounting principles as in existence on the date on which the performance goals are established and without regard to any changes in those principles after that date.

13.3 Performance Goal Conditions. Each Qualified Performance-Based Award (other than a stock option or SAR) shall be earned, vested and payable (as applicable) only upon the achievement of performance goals established by the Committee based upon one or more of the Qualified Performance Measures, together with the satisfaction of any other conditions, such as continued employment, the Committee may determine to be appropriate; however, (i) the Committee may provide, either in connection with the grant of an Award or by later amendment, that achievement of the performance goals will be waived upon the death or Disability of the Participant, and (ii) the provisions of Section 26 shall apply notwithstanding this sentence.

13.4 Certification of Goal Achievement. Any payment of a Qualified Performance-Based Award granted with performance goals shall be conditioned on the written certification of the Committee in each case that the performance goals and any other material conditions were satisfied. Except as specifically provided in Section 13.3, no Qualified Performance-Based Award may be amended, nor may the Committee exercise any discretionary authority it may otherwise have under the Plan with respect to a Qualified Performance-Based Award, in any manner to waive the achievement of the applicable performance goal based on Qualified Performance Measures or to increase the amount payable under, or the value of, the Award, or otherwise in a manner that would cause the Qualified Performance-Based Award to cease to qualify for the Section 162(m) Exemption.

14. PAYMENT OF AWARDS.

At the discretion of the Committee, payment of Awards may be made in cash, Common Stock, a combination of cash and Common Stock, or any other form of property the Committee shall determine. In addition, payment of Awards may include terms, conditions, restrictions and limitations, if any, the Committee deems appropriate, including, in the case of Awards paid in the form of Common Stock, restrictions on transfer and forfeiture provisions. Payment of Awards may be made in a lump sum, or in installments, as determined by the Committee.

15. DIVIDEND AND DIVIDEND EQUIVALENTS.

If an Award is granted in the form of a Stock Award, stock option, or performance share, or in the form of any other stock-based grant, the Committee may choose, at the time of the grant of the Award or any time thereafter up to the time of the Award's payment, subject to Section 13.1 of this Plan, to include as part of the Award in those forms an entitlement to receive dividends or dividend equivalents with respect to Stock Awards, performance shares, or options which are vested, subject to terms, conditions, restrictions and limitations, if any, the Committee may establish. Dividends and dividend equivalents shall be paid in a form and manner (i.e., lump sum or installments), and at a time or times the Committee shall determine. All dividends or dividend equivalents that are not paid currently may, at the Committee's discretion, accrue interest, be reinvested in additional shares of Common Stock or, in the case of dividends or dividend equivalents credited in connection with performance shares, be credited as additional performance shares and paid to the Participant if and when, and to the extent that, payment is made pursuant to that Award.

16. DEFERRAL OF AWARDS.

At the discretion of the Committee, payment of a Stock Award, performance share, dividend, dividend equivalent, or any portion thereof may be deferred by a Participant until a time the Committee may establish. All deferrals shall be accomplished by the delivery of a written, irrevocable request by the Participant prior to the time payment would otherwise be made, on a form provided by the Company. Further, all deferrals shall be made in accordance with administrative guidelines established by the Committee to ensure that deferrals comply with all applicable requirements of the Code and its regulations. Deferred payments shall be paid in a lump sum or installments, as determined by the Committee. The Committee also may credit interest, at rates to be determined by the Committee, on cash payments that are deferred and credit dividends or dividend equivalents on deferred payments denominated in the form of Common Stock. The Committee also may, in its discretion, require deferral of payment of any Award or portion of it, if payment of the Award would, or could in the reasonable estimation of the Committee, result in the Participant receiving compensation in excess of the maximum amount deductible by the Company under the provisions of Code Section 162(m), as amended.

17. TERMINATION OF EMPLOYMENT.

If a Participant's employment with the Company or a Subsidiary or Affiliate terminates for Cause or for a reason other than death, Disability, retirement, or any other approved reason, all unexercised, unearned, and unpaid Awards, including without limitation, Awards earned but not yet paid, all unpaid dividends and dividend equivalents, and all interest accrued on the foregoing shall be canceled or forfeited, as the case may be, unless the Participant's Award Notice provides otherwise. The Committee shall have the authority to promulgate rules and regulations to (i) determine what events constitute Disability, retirement or termination for an approved reason for purposes of the Plan, and (ii) determine the treatment of a Participant under the Plan in the event of a Participant's death, Disability, retirement or termination for an approved reason.

18. NO ASSIGNMENT.

No Awards (other than unrestricted Stock Awards) or any other payment under the Plan shall be subject in any manner to alienation, anticipation, sale, transfer (except by will or the laws of descent and distribution), assignment, pledge, or encumbrance; however, the Committee may (but need not) permit other transfers where the Committee concludes that transferability (i) does not result in accelerated taxation, (ii) does not cause any option intended to be an incentive stock option to fail to be described in Code Section 422(b), and (iii) is otherwise appropriate and desirable, taking into account any state or federal securities laws applicable to transferable Awards. During the lifetime of the Participant no Award shall be payable to or exercisable by anyone other than the Participant to whom it was granted, other than (a) the duly appointed conservator or other lawfully designated representative of the Participant in the case of a permanent Disability involving a mental incapacity or (b) the transferee in the case of an Award transferred in accordance with the preceding sentence.

19. ADJUSTMENT OF NUMBER OF SHARES AVAILABLE.

If there is a change in the number of outstanding shares of Common Stock through the declaration of stock dividends or stock splits, the number of shares available for Awards, the shares subject to any Award, the shares underlying any Outside Director Option, and the option prices or exercise prices of Awards and Outside Director Options shall be automatically adjusted such that the value of the Awards held by the Participants immediately following the change is the same as that value immediately prior to the change. If there is a change in the number of outstanding shares of Common Stock or any change in the outstanding stock of the Company (or any successor to the Company), or any other transaction described in Section 424(a) of the Code, the Committee shall make appropriate adjustments in the number and kind of shares of stock that may be issued under the Plan, including in connection with Outside Director Options, and any adjustments and modifications to outstanding Awards and Outside Director Options as it deems appropriate. In the event of any other change in the capital structure or in the Common Stock of the Company, the Committee shall also be authorized to make appropriate adjustments in the shares of stock available for issuance under the Plan, including in connection with Outside Director Options, and any adjustments and/or modifications to outstanding Awards and Outside Director Options as it deems appropriate.

20. WITHHOLDING TAXES.

The Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy Federal, state, and local taxes (including the Participant's FICA obligation) required by law to be withheld with respect to any taxable event arising as a result of this Plan. With respect to withholding required upon any taxable event, the Company may elect in its discretion, and Participants may elect, subject to the approval of the Committee, to satisfy the withholding requirement, in whole or in part, by withholding or having the Company withhold shares of Common Stock having a Fair Market Value on the date the tax is to be determined equal to the minimum statutory total tax which could be imposed on the transaction. All elections by Participants shall be irrevocable, made in writing, and signed by the Participant.

21. NONCOMPETITION; CONFIDENTIALITY.

For purposes of this Section 21, "Company" shall include any Subsidiary or Affiliate employing the Participant. A Participant will not, without the written consent of the Company, either during or after his or her employment by the Company, disclose to anyone or make use of any confidential information which he or she has acquired during his or her employment relating to any of the business of the Company, except as such disclosure or use may be required in connection with his or her work as an employee of Company, or as demanded by a subpoena issued by a court of competent jurisdiction, if the Participant gives notice of the demand to the Company as soon as reasonably possible after receipt of the subpoena. The confidential information of the Company includes, but is not limited to, all technology, recipes, business systems and styles, customer lists and all other Company proprietary information not generally known to the public. During Participant's employment by the Company, he or she will not, either as principal, agent, consultant, employee or otherwise, engage in any work or other activity in competition with the Company in the field or fields in which he or she has worked for the Company. Unless the Award Notice specifies otherwise, a Participant shall forfeit all rights under this Plan to any unexercised or unpaid Awards or to the deferral of any Award, dividend, or dividend equivalent, if, in the determination of the Committee, the Participant has violated the Agreement set forth in this Section 21, and in that event any further payment, deferral of payment, or other action with respect to any Award, dividend, or dividend equivalent shall be made or taken, if at all, in the sole discretion of the Committee.

22. REGULATORY APPROVALS AND LISTINGS.

Notwithstanding anything contained in the Plan to the contrary, the Company shall have no obligation to issue or deliver certificates of Common Stock evidencing Stock Awards or any other Award resulting in the payment of Common Stock prior to (a) the obtaining of any approval from any governmental agency which the Company shall, in its sole discretion, determine to be necessary or advisable, (b) the admission of the shares to quotation or listing on the automated quotation system or stock exchange on which the Common Stock may be listed, and (c) the completion of any registration or other qualification of the shares under any State or Federal law or ruling of any governmental body that the Company shall, in its sole discretion, determine to be necessary or advisable.

23. PLAN AMENDMENT.

Except as provided in Section 26, the Board or the Committee may, at any time and from time to time, suspend, amend, modify, or terminate the Plan without shareholder approval; however, if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, either (i) result in repricing stock options or otherwise increase the benefits accruing to Participants or Outside Directors, (ii) increase the number of shares of Common Stock issuable under the Plan, or (iii) modify the requirements for eligibility, then that amendment shall be subject to shareholder approval; and, the Board or Committee may condition any amendment or modification on the approval of shareholders of the Company if that approval is necessary or deemed advisable to (i) permit Awards to be exempt from liability under Section 16(b) of the Exchange Act, (ii) to comply with the listing or other requirements of an automated quotation system or stock exchange, or (iii) to satisfy any other tax, securities or other applicable laws, policies or regulations.

24. AWARD AMENDMENTS.

Except as provided in Section 26, the Committee may amend, modify or terminate any outstanding Award or Outside Director Option without approval of the Participant or Outside Director, as applicable; however:

a. except as otherwise provided in Section 21, subject to the terms of the applicable Award Notice, an amendment, modification or termination shall not, without the Participant's or Outside Director's consent, as applicable, reduce or diminish the value of the Award or Outside Director Option determined as if the Award or Outside Director Option had been exercised, vested, cashed in (at the spread value in the case of stock options or SARs) or otherwise settled on the date of that amendment or termination;

b. the original term of any stock option or SAR may not be extended without the prior approval of the shareholders of the Company;

c. except as otherwise provided in Section 19, the exercise price of any stock option or SAR may not be reduced, directly or indirectly, without the prior approval of the shareholders of the Company; and

d. no termination, amendment, or modification of the Plan shall adversely affect any Award or Outside Director Options previously granted under the Plan, without the written consent of the affected Participant or Outside Director.

25. GOVERNING LAW.

This Plan shall be governed by and construed in accordance with the laws of the State of Tennessee, except as superseded by applicable Federal law.

26. CHANGE IN CONTROL.

Subject to the limitations set forth in this Section 26, but only if and to the extent determined by the Committee or the Board at or after the affected award or grant and subject to any right of approval expressly reserved by the Committee or the Board at the time of the determination, in case of a Change in Control or a Potential Change in Control, the following provisions shall apply to any Award which has not previously terminated or expired:

a. any SAR and any stock option or Outside Director Option awarded under this Plan that is not previously vested and exercisable shall become fully vested and exercisable;

b. the restrictions applicable to any Award which are not already vested under the Plan shall lapse, and those existing shares and awards shall be deemed fully vested;

c. unless otherwise determined by the Board or by the Committee in its sole discretion prior to any Change in Control, the value of all vested outstanding stock options, SARs, Outside Director Options and other Awards, shall be cashed out on the basis of the Change in Control Price as of the date the Change in Control or Potential Change in Control is determined to have occurred (or other date determined by the Board or Committee prior to the Change in Control);

d. the Board or the Committee may impose additional conditions on the acceleration or valuation of any Award in the applicable Award Notice; and

e. for purposes of making payment to Participants in connection with performance shares, each performance period for which the Committee has granted performance shares (a "current performance period") shall be treated as terminating upon the date the Change in Control or Potential Change in Control is determined to have occurred (or other date determined by the Board or Committee prior to the Change in Control), and for each current performance period and each completed performance period for which the Committee has not on or before that date made a determination as to whether and what degree the performance objectives for the period have been attained (a "completed performance period"), it shall be assumed that the performance objectives have been attained at a level of 100% or the equivalent. If the Participant is participating in one or more current performance periods, he or she shall be considered to have earned and, therefore, be entitled to receive that prorated portion of the Awards previously granted for each of those performance periods. The prorated portion shall be determined by multiplying the number of performance shares granted to the Participant by a fraction, the numerator of which is the total number of whole and partial years (with each partial year being treated as a whole year) that have elapsed since the beginning of the performance period, and the denominator of which is the total number of years in the performance period. A Participant in one or more completed performance periods shall be considered to have earned and, therefore, be entitled to receive all the performance shares previously granted during each performance period.

27. AWARDS TO OUTSIDE DIRECTORS.

27.1 Application. The provisions of this Section 27 apply only to awards to Outside Directors made in accordance with this Section. The Committee shall have no authority to determine the timing of or the terms or conditions of any award under this Section 27.

27.2 Awards, Restrictions and Conditions.

a. At the Effective Date, each person elected to serve as an Outside Director on that date will receive a non-qualified stock option (within the meaning of Section 8.1) to purchase 5,000 shares of Common Stock. The date on which the election occurs is the date of this grant. The exercise price per share of each option granted pursuant to this Section 27.2a. shall equal the Fair Market Value per share of Common Stock on the last business day immediately prior to the date of this grant. These options shall vest and become exercisable in 3 equal annual installments, with the first 1/3 vesting on the first anniversary of the date of this grant.

b. On the date of each Annual Meeting of Shareholders of the Company following the Annual Meeting of Shareholders in 2002, unless this Plan has been previously terminated, each Outside Director who will continue as a director following the meeting will receive a non-qualified stock option (within the meaning of Section 8.1) to purchase 5,000 shares of Common Stock. The date on which the Annual Meeting of Shareholders occurs is the date of this grant. The exercise price per share of each option granted pursuant to this Section 27.2.b. shall equal the Fair Market Value per share of Common Stock on the last business day immediately prior to the date of the grant. These options shall vest and become exercisable in 3 equal annual installments with the first 1/3 vesting on the first anniversary of the date of the grant.

c. If any person who was not previously a member of the Board is elected or appointed an Outside Director following the Effective Date, but prior to the July 31 immediately preceding the first annual meeting of shareholders following his or her election of appointment, that Outside Director will receive a non-qualified stock option (within the meaning of Section 8.1) to purchase 5,000 shares of Common Stock. The date prior to July 31 on which the election or appointment occurs is the date of this grant. The exercise price per share of each option granted pursuant to this Section 27.2.c. shall equal the Fair Market Value per share of Common Stock on the last business day immediately prior to the date of this grant. These options shall vest and become exercisable in 3 equal annual installments, with the first 1/3 vesting on the first anniversary of the date of this grant.

d. No Outside Director Option shall be exercisable prior to vesting. Each unexercised Outside Director Option shall expire on the 10th anniversary of the date of grant.

e. The exercise price may be paid in cash or in shares of Common Stock which have been owned for at least 6 months (or any shorter or longer period necessary to avoid a charge to the Company's earnings for financial reporting purposes), and including shares of Common Stock subject to an Outside Director Option.

f. Outside Director Options shall not be transferable without the prior written consent of the Board other than transfers by the Outside Director (i) to a member of his or her Immediate Family or a to trust for the benefit of the Outside Director or a member of his or her Immediate Family, directly or by will or by the laws of descent and distribution, or (ii) to a fund affiliated with him or her.

g. Grantees of Outside Director Options shall enter into a stock option agreement with the Company setting forth the exercise price and other terms and restrictions as provided in this Plan.

h. Upon termination of an Outside Director's service as a Company director, (i) all Outside Director Options that are vested and exercisable and held by that Outside Director will remain vested and exercisable through their expiration dates and (ii) all remaining Outside Director Options held by that Outside Director will become exercisable and vested to the extent of any shares that would have become exercisable and vested within a 12-month period ending on the anniversary date of termination of service. The options which vest under this provision must be exercised, if at all, within that same 12-month period, until a director qualifies for retirement from the Board after reaching at least 50 years of age and 7 years of Board service as a director. After reaching retirement status, a director whose Board service ends will be permitted to exercise all options vested pursuant to these provisions until the stated expiration date of the options. Any unvested Outside Director Options held by the Outside Director on the date of termination of service will be forfeited to the extent of any shares that would not have become vested and exercisable on or before that same anniversary date. The Board may, in its sole discretion, elect to accelerate the vesting of any Outside Director Options in connection with the termination of service of any individual Outside Director.

i. Outside Director Options shall be subject to Section 26. The number of shares and the exercise price per share of each existing Outside Director Option shall be adjusted automatically when, and in the same manner as, the number of shares and the exercise price of Stock Options under Section 19 are adjusted pursuant to Section 19. The number of shares underlying potential future Outside Director Options shall be adjusted automatically when, and in the same manner as, the number of shares underlying outstanding Stock Options are adjusted pursuant to Section 19.

j. The Board, in its sole discretion (and absent other express action, without affecting the size of future option grants), may reduce the size of any Outside Director Option prior to grant or to postpone the vesting and exercisability of any Outside Director Option prior to grant.

28. NO RIGHT TO EMPLOYMENT OR PARTICIPATION.

Participation in the Plan shall not give any Participant any right to remain in the employ, or to serve as a director, of the Company or any Subsidiary or Affiliate. The Company or, in the case of employment with a Subsidiary or Affiliate, the Subsidiary or Affiliate, reserves the right to terminate the employment of any Participant at any time. Further, the adoption of this Plan shall not be deemed to give any Employee or any other individual any right to be selected as a Participant or to be granted an Award.

29. NO RIGHT, TITLE OR INTEREST IN COMPANY ASSETS.

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. No Participant shall have any rights as a shareholder as a result of participation in the Plan until the date of issuance of a stock certificate in the Participant's name, and, in the case of restricted shares of Common Stock, such rights are granted to the Participant under Section 10.3 hereof. To the extent any person acquires a right to receive payments from the Company under the Plan, those rights shall be no greater than the rights of an unsecured creditor of the Company. In its sole discretion, the Committee may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver Common Stock or to make payments in lieu of, or with respect to, Plan awards. However, unless the Committee determines otherwise with the express consent of the affected Participant, the existence of any such trusts or other arrangements is consistent with this "unfunded" status of the Plan.

30. SECURITIES LAWS.

With respect to Section 16 Insiders, transactions under this Plan are intended to comply with all applicable conditions of Rule 16b-3 or its successors under the Exchange Act. To the extent any provision of the Plan or action by the Committee fails so to comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Committee.

31. REQUIRED WRITTEN REPRESENTATIONS.

The Committee may require each person purchasing shares pursuant to a stock option or other award under the Plan to represent to and agree with the Company in writing that the optionee or Participant is acquiring any shares of Common Stock without a view to their distribution. The certificates for shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer. All certificates for shares of Common Stock or other securities delivered under the Plan shall be subject to stop transfer orders and other restrictions the Committee deems advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Common Stock is then listed, and any applicable Federal or state securities laws, and the Committee may cause a legend or legends to be put on any certificates to make appropriate reference to the applicable restrictions. Each Participant is responsible for fully complying with all applicable state and federal securities laws and rules and the Company assumes no responsibility for compliance with any such laws or rules pertaining to a Participant's resale of any shares of Common Stock acquired pursuant to this Plan.

32. NON-EXCLUSIVE ARRANGEMENT.

Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, subject to shareholder approval if required; and those arrangements may be either generally applicable or applicable only in specific cases.

33. LIMITS ON LIABILITY AND INDEMNIFICATION.

The members of the Committee and the Board shall not be liable to any employee or other person with respect to any determination made under the Plan in a manner that is not inconsistent with their legal obligations as members of the Board. In addition to all other rights of indemnification they may have as directors or as members of the Committee, the members of the Committee shall be indemnified by the Company against reasonable expenses, including attorneys' fees actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party because of any action taken or failure to act under or in connection with the Plan or any Award granted under it, and against all amounts paid by them in settlement (provided the settlement is approved by independent legal counsel selected by the Company) or paid to them in satisfaction of a judgment in that action, suit or proceeding, except in relation to matters as to which it shall be adjudged in the action, suit or proceeding that the Committee member is liable for negligence or misconduct in the performance of his or her duties. Within 60 days after institution of any action, suit or proceeding covered by this Section, the Committee member must inform the Company in writing of the claim and offer the Company the opportunity, at its own expense, to handle and defend the matter.

October 3, 2003

Mr. Tom Vogel
17107 Crown Brook Circle
Franklin, TN 37067

Re: Employee Retention Agreement

Dear Tom:

The Board of Directors of the CBRL Group, Inc. recognizes the contribution that you have made to CBRL Group, Inc. or one of its direct or indirect subsidiaries (collectively, the "Company") and wishes to ensure your continuing commitment to the Company and its business operations. Accordingly, in exchange for your continuing commitment to the Company, and your energetic focus on continually improving operations, the Company promises you the following benefits if your employment with the Company is terminated in certain circumstances:

1. DEFINITIONS. As used in this Agreement, the following terms have the following meanings which are equally applicable to both the singular and plural forms of the terms defined:

1.1 "Cause" means any one of the following:

(a) personal dishonesty;
(b) willful misconduct;
(c) breach of fiduciary duty; or
(d) conviction of any felony or crime involving moral turpitude.

1.2 "Change in Control" means: (a) that after the date of this Agreement, a person becomes the beneficial owner, directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding voting securities, unless that acquisition was approved by a vote of at least 2/3 of the directors in office immediately prior to the acquisition; (b) that during any period of 2 consecutive years following the date of this Agreement, individuals who at the beginning of the period constitute members of the Board of Directors of the Company cease for any reason to constitute a majority of the Board unless the election, or the nomination for election by the Company's shareholders, of each new director was approved by a vote of at least 2/3 of the directors then still in office who were directors at the beginning of the 2-year period; (c) a merger, consolidation or reorganization of the Company (but this provision does not apply to a recapitalization or similar financial restructuring which does not involve a material change in ownership of equity of the Company and which does not result in a change in membership of the Board of Directors); or (d) a sale of all or substantially all of the Company's assets.

1.3 "Change in Control Period" means a 2-year year period beginning the day after a Change in Control occurs.

1.4 "Change in Duties or Compensation" means any one of: (a) a material change in your duties and responsibilities for the Company (without your consent) from those duties and responsibilities for the Company in effect at the time a Change in Control occurs, which change results in the assignment of duties and responsibilities inferior to your duties and responsibilities at the time such Change in Control occurs (it being understood and acknowledged by you that a Change in Control that results in two persons of which you are one having similar or sharing duties and responsibilities shall not be a material change in your duties and responsibilities); (b) a reduction in your salary or a material change in benefits (excluding discretionary bonuses), from the salary and benefits in effect at the time a Change in Control occurs; or (c) a change in the location of your work assignment from your location at the time a Change in Control occurs to any other city or geographical location that is located further than 50 miles from that location.

2. TERMINATION OF EMPLOYMENT; SEVERANCE. Your immediate supervisor or the Company's Board of Directors may terminate your employment, with or without cause, at any time by giving you written notice of your termination, such termination of employment to be effective on the date specified in the notice. You also may terminate your employment with the Company at any time. The effective date of termination (the "Effective Date") shall be the last day of

your employment with the Company, as specified in a notice by you, or if you are terminated by the Company, the date that is specified by the Company in its notice to you. The following subsections set forth your rights to severance in the event of the termination of your employment in certain circumstances by either the Company or you. Section 5 also sets forth certain restrictions on your activities if your employment with the Company is terminated, whether by the Company or you. That section shall survive any termination of this Agreement or your employment with the Company.

2.1 Termination by the Company for Cause. If you are terminated for Cause, the Company shall have no further obligation to you, and your participation in all of the Company's benefit plans and programs shall cease as of the Effective Date. In the event of a termination for Cause, you shall not be entitled to receive severance benefits described in Section 3.

2.2 Termination by the Company Without Cause Other Than During a Change in Control Period. If your employment with the Company is terminated by the Company without Cause at a time other than during a Change in Control Period, you shall be entitled to only those severance benefits provided by the Company's severance policy or policies then in effect. You shall not be entitled to receive benefits pursuant to Section 3 of this Agreement.

2.3 Termination by the Company Without Cause During a Change in Control Period. If your employment with the Company is terminated by the Company without Cause during a Change in Control Period, you shall be entitled to receive Benefits pursuant to Section 3. A termination within 90 days prior to a Change in Control which occurs solely in order to make you ineligible for the benefits of this Agreement shall be considered a termination without Cause during a Change in Control Period.

2.4 Termination By You For Change in Duties or Compensation During a Change in Control Period. If during a Change in Control Period there occurs a Change in Duties or Compensation you may terminate your employment with the Company at any time within 30 days after the occurrence of the Change in Duties or Compensation, by giving to the Company not less than 120 nor more than 180 days notice of termination. During the notice period that you continue to work, any reduction in your Compensation will be restored. At the option of the Company, following receipt of this notice, it may: (a) change or cure, within 15 days, the condition that you claim has caused the Change in Duties or Compensation, in which case, your rights to terminate your employment with the Company pursuant to this Section 2.4 shall cease (unless there occurs thereafter another Change in Duties or Compensation) and you shall continue in the employment of the Company notwithstanding the notice that you have given; (b) allow you to continue your employment through the date that you have specified in your notice; or (c) immediately terminate your employment pursuant to Section 2.3. If you terminate your employment with the Company pursuant to this Section 2.4, you shall be entitled to receive Benefits pursuant to Section 3. Your failure to provide the notice required by this Section 2.4 shall result in you having no right to receive any further compensation from the Company except for any base salary or vacation earned but not paid, plus any bonus earned and accrued by the Company through the Effective Date.

3. SEVERANCE BENEFITS. If your employment with the Company is terminated as described in Section 2.3 or 2.4, you shall be entitled to the benefits specified in subsections 3.1, 3.2, and 3.3 (the "Benefits") for the period of time set forth in the applicable section.

3.1 Salary Payment or Continuance. You will be paid a single lump sum payment in an amount equal to 2.99 times the average of your annual base salary and any bonus payments for the 3 years immediately preceding the Effective Date. The determination of the amount of this payment shall be made by the Company's actuaries and benefit consultants and, absent manifest error, shall be final, binding and conclusive upon you and the Company.

3.2 Continuation of Benefits. During the 2 years following the Effective Date (the "Severance Period") that results in benefits under this Article 3, you shall continue to receive the medical, prescription, dental, employee life and group life insurance benefits at the levels to which you were entitled on the day preceding the Effective Date, or reasonably equivalent benefits, to the extent continuation is not prohibited or limited by applicable law. In no event shall substitute plans, practices, policies and programs provide you with benefits which are less favorable, in the aggregate, than the most favorable of those plans, practices, policies and programs in effect for you at any time during the 120-day period immediately preceding the Effective Date. However, if you become reemployed with another employer and are eligible to receive medical or other welfare benefits under another employer-provided plan, Company payments for these medical and other welfare benefits shall cease.

4. EFFECT OF TERMINATION ON STOCK OPTIONS AND RESTRICTED STOCK. In the event of any termination of your employment, all stock options and restricted stock held by you that are vested prior to the Effective Date shall be owned or exercisable in accordance with their terms; all stock options held by you that are not vested prior to the Effective Date shall lapse and be void; however, if your employment with the Company is terminated as described in Sections 2.3 or 2.4, then, if your option or restricted stock grants provide for immediate vesting in the event of a Change in Control, the terms of your option or restricted stock agreement shall control. If your option or restricted stock agreement does not provide for immediate vesting, you shall receive, within 30 days after the Effective Date, a lump sum cash distribution equal to: (a) the number of shares of the Company's ordinary shares that are subject to options or restricted stock grants held by you that are not vested as of the Effective Date multiplied by (b) the difference between: (i) the closing price of a share of the Company's ordinary shares on the NASDAQ National Market System as reported by The Wall Street Journal as of the day prior to the Effective Date (or, if the market is closed on that date, on the last preceding date on which the market was open for trading), and (ii) the applicable exercise prices or stock grant values of those non-vested shares.

5. DISCLOSURE OF INFORMATION. You recognize and acknowledge that, as a result of your employment by the Company, you have or will become familiar with and acquire knowledge of confidential information and certain trade secrets that are valuable, special, and unique assets of the Company. You agree that all that confidential information and trade secrets are the property of the Company. Therefore, you agree that, for and during your employment with the Company and continuing following the termination of your employment for any reason, all confidential information and trade secrets shall be considered to be proprietary to the Company and kept as the private records of the Company and will not be divulged to any firm, individual, or institution, or used to the detriment of the Company. The parties agree that nothing in this Section 6 shall be construed as prohibiting the Company from pursuing any remedies available to it for any breach or threatened breach of this Section 6, including, without limitation, the recovery of damages from you or any person or entity acting in concert with you.

6. GENERAL PROVISIONS.

6.1 Other Plans. Nothing in this Agreement shall affect your rights during your employment to receive increases in compensation, responsibilities or duties or to participate in and receive benefits from any pension plan, benefit plan or profit sharing plans except plans which specifically address benefits of the type addressed in Sections 3 and 4 of this Agreement.

6.2 Death During Severance Period. If you die during the Severance Period, any Benefits remaining to be paid to you shall be paid to the beneficiary designated by you to receive those Benefits (or in the absence of designation, to your surviving spouse or next of kin).

6.3 Notices. Any notices to be given under this Agreement may be effected by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing on the first page of this Agreement (to the attention of the Secretary in the case of notices to the Company), but each party may change the delivery address by written notice in accordance with this Section 7.3. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of the second day following deposit in the United States Mail.

6.4 Entire Agreement. This Agreement supersedes all previous oral or written agreements, understandings or arrangements between the Company and you regarding a termination of your employment with the Company or a change in your status, scope or authority and the salary, benefits or other compensation that you receive from the Company as a result of the termination of your employment with the Company (the "Subject Matter"), all of which are wholly terminated and canceled. This Agreement contains all of the covenants and agreements between the parties with respect to the Subject Matter. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made with respect to the Subject Matter by any party, or anyone acting on behalf of any party, which are not embodied in this Agreement. Any subsequent agreement relating to the Subject Matter or any modification of this Agreement will be effective only if it is in writing signed by the party against whom enforcement of the modification is sought.

6.5 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

6.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, and it shall be enforced or challenged only in the courts of the State of Tennessee.

6.7 Waiver of Jury Trial. The Company and you expressly waive any right to a trial by jury in any action or proceeding to enforce or defend any rights under this Agreement, and agree that any such action or proceeding shall be tried before a court and not a jury. You irrevocably waive, to the fullest extent permitted by law, any objection that you may have now or hereafter to the specified venue of any such action or proceeding and any claim that any such action or proceeding has been brought in an inconvenient forum.

6.8 Miscellaneous. Failure or delay of either party to insist upon compliance with any provision of this Agreement will not operate as and is not to be construed to be a waiver or amendment of the provision or the right of the aggrieved party to insist upon compliance with the provision or to take remedial steps to recover damages or other relief for noncompliance. Any express waiver of any provision of this Agreement will not operate, and is not to be construed, as a waiver of any subsequent breach, irrespective of whether occurring under similar or dissimilar circumstances. You may not assign any of your rights under this Agreement. The rights and obligations of the Company under this Agreement shall benefit and bind the successors and assigns of the Company. The Company agrees that if it assigns this Agreement to any successor company, it will ensure that its terms are continued.

6.9 Certain Additional Payments by the Company.

a. The Company will pay you an amount (the "Additional Amount") equal to the excise tax under the United States Internal Revenue Code of 1986, as amended (the "Code"), if any, incurred by you by reason of the payments under this Agreement and any other plan, agreement or understanding between you and the Company or its parent, subsidiaries or affiliates (collectively, "Separation Payments") constituting excess parachute payments under Section 280G of the Code (or any successor provision). In addition, the Company will pay an amount equal to all excise taxes and federal, state and local income taxes incurred by you with respect to receipt of the Additional Amount. All determinations required to be made under this Section 6.9 including whether an Additional Amount is required and the amount of any Additional Amount, will be made by the independent auditors engaged by the Company immediately prior to the Change in Control (the "Accounting Firm"), which will provide detailed supporting calculations to the Company and you. In computing taxes, the Accounting Firm will use the highest marginal federal, state and local income tax rates applicable to you and will assume the full deductibility of state and local income taxes for purposes of computing federal income tax liability, unless you demonstrate that you will not in fact be entitled to such a deduction for the year of payment.

b. The Additional Amount, computed assuming that all of the Separation Payments constitute excess parachute payments as defined in Section 280G of the Code (or any successor provision), will be paid to you at the time that the payments made pursuant to Section 3.1 is made unless the Company, prior to the Severance Period, provides you with an opinion of the Accounting Firm that you will not incur an excise tax on part or all of the Separation Payments. That opinion will be based upon the applicable regulations under Sections 280G and 4999 of the Code (or any successor provisions) or substantial authority within the meaning of Section 6662 of the Code. If that opinion applies only to part of the Separation Payments, the Company will pay you the Additional Amount with respect to the part of the Separation Payments not covered by the opinion.

c. The amount of the Additional Amount and the assumptions to be utilized in arriving at the determination, shall be made by the Company's Accounting Firm, whose decision shall be final and binding upon both you and the Company. You must notify the Company in writing no later than 30 days after you are informed of any claim by the Internal Revenue Service that, if successful, would require the payment by the Company of the Additional Amount. You must also cooperate fully with the Company and give the Company any information reasonably requested relating to the claim, and take all action in connection with contesting the claim as the Company reasonably requests in writing from time to time.

If all of the terms and conditions in this Agreement are agreed to by you, please signify your agreement by executing the enclosed duplicate of this letter and returning it to us. At the date of your return, this letter shall constitute a fully enforceable Agreement between us.

CBRL GROUP, INC.

By: /s/Michael A. Woodhouse
Michael A. Woodhouse
President and CEO, CBRL Group

The foregoing is fully agreed to and accepted by:

Company Employee's Signature: /s/Tom Vogel

Please Print or Type Name: Tom Vogel

Please Print or Type Title: President & COO

October 13, 1999

Patrick A. Scruggs
9354 Ansley Lane
Brentwood, TN 37027

Re: Employee Severance Benefit Agreement

Dear Pat:

The Board of Directors of CBRL Group, Inc. recognizes the contribution that you have made to CBRL Group, Inc. or one of its direct or indirect subsidiaries (collectively, the "Company") and wishes to ensure your continuing commitment to the Company and its business operations. Accordingly, in exchange for your continuing commitment to the Company, and your energetic focus on continually improving operations, the Company promises you the following severance benefits if your employment with the Company is terminated in certain circumstances:

1. DEFINITIONS. As used in this Agreement, the following terms have the following meanings:

1.1 "Cause" means any one of the following:

(a) personal dishonesty;
(b) willful misconduct;
(c) breach of fiduciary duty; or
(d) conviction of any felony or crime involving moral turpitude.

1.2 "Change in Control" means: (a) that after the date of this Agreement, a person becomes the beneficial owner, directly or indirectly, of securities of the Company representing 20% or more of the combined voting power of the Company's then outstanding voting securities, unless that acquisition was approved by a vote of at least 2/3 of the directors in office immediately prior to the acquisition; (b) that during any period of 2 consecutive years following the date of this Agreement, individuals who at the beginning of the period constitute members of the Board of Directors of the Company cease for any reason to constitute a majority of the Board unless the election, or the nomination for election by the Company's shareholders, of each new director was approved by a vote of at least 2/3 of the directors then still in office who were directors at the beginning of the 2-year period; (c) a merger, consolidation or reorganization of the Company (but this provision does not apply to a recapitalization or similar financial restructuring which does not involve a material change in ownership of equity of the Company and which does not result in a change in membership of the Board of Directors); or (d) a sale of all or substantially all of the Company's assets.

1.3 "Change in Control Period" means a 1-year year period beginning the day after a Change in Control occurs.

2. TERMINATION OF EMPLOYMENT; SEVERANCE. Your immediate supervisor or the Company's Board of Directors may terminate your employment, with or without cause, at any time by giving you written notice of your termination, such termination of employment to be effective on the date specified in the notice. You also may terminate your employment with the Company at any time. The effective date of termination (the "Effective Date") shall be the last day of your employment with the Company, as specified in a notice by you, or if you are terminated by the Company, the date that is specified by the Company in its notice to you. The following subsections set forth your rights to severance in the event of the termination of your employment in certain circumstances by either the Company or you. Section 5 also sets forth certain restrictions on your activities if your employment with the Company is terminated, whether by the Company or you. That section shall survive any termination of this Agreement or your employment with the Company.

2.1 Termination by the Company for Cause. If you are terminated for Cause, the Company shall have no further obligation to you, and your participation in all of the Company's benefit plans and programs shall cease as of the Effective Date. In the event of a termination for Cause, you shall not be entitled to receive severance benefits described in Section 3.

2.2 Termination by the Company Without Cause Other Than During a Change in Control Period. If your employment with the Company is terminated by the Company without Cause at a time other than during a Change in Control Period, you shall be entitled to only those severance benefits provided by the Company's severance policy or policies then in effect. You shall not be entitled to receive benefits pursuant to Section 3 of this Agreement.

2.3 Termination by the Company Without Cause During a Change in Control Period. If your employment with the Company is terminated by the Company without Cause during a Change in Control Period, you shall be entitled to receive Benefits pursuant to Section 3.

3. SEVERANCE BENEFITS. If your employment with the Company is terminated as described in Section 2.3, you shall be entitled to the benefits specified in subsections 3.1 and 3.2 for the period of time set forth in the applicable section.

3.1 Salary Payment. You will be paid a lump sum equal to 18 months of your base monthly salary, at the level in effect immediately preceding the Effective Date. The determination of the amount of this payment shall be made by the Company's payroll accountants and, absent manifest error, shall be final, binding and conclusive upon you and the Company.

3.2 Continuation of COBRA Benefits. For a period of 18 months, you shall continue to receive the medical, prescription and dental benefits at the levels to which you were entitled on the day preceding the Effective Date, pursuant to COBRA, and the Company will continue to pay premiums following the Effective Date for those benefits in the same amount as it did prior to the Effective Date. However, if you become reemployed with another employer and receive healthcare benefits under another employer-provided plan, these COBRA premium subsidy benefits shall cease.

4. EFFECT OF TERMINATION ON STOCK OPTIONS AND RESTRICTED STOCK. In the event of any termination of your employment, all stock options and restricted stock held by you that are vested prior to the Effective Date shall be owned or exercisable in accordance with their terms; all stock options and restricted stock held by you that are not vested prior to the Effective Date shall lapse and be void; however, if your employment with the Company is terminated as described in Sections 2.3 or 2.4, then, if your option or restricted stock grants provide for immediate vesting in the event of a Change in Control, the terms of your option or restricted stock agreement shall control. If your option or restricted stock agreement does not provide for immediate vesting, you shall receive, within 30 days after the Effective Date, a lump sum cash distribution equal to: (a) the number of shares of the Company's ordinary shares that are subject to options or restricted stock grants held by you that are not vested as of the Effective Date multiplied by (b) the difference between: (i) the closing price of a share of the Company's ordinary shares on the NASDAQ National Market System as reported by The Wall Street Journal as of the day prior to the Effective Date (or, if the market is closed on that date, on the last preceding date on which the market was open for trading), and (ii) the applicable exercise prices or stock grant value of those non-vested shares.

5. DISCLOSURE OF INFORMATION. You recognize and acknowledge that, as a result of your employment by the Company, you have or will become familiar with and acquire knowledge of confidential information and certain trade secrets that are valuable, special, and unique assets of the Company. You agree that all that confidential information and trade secrets are the property of the Company. Therefore, you agree that, for and during your employment with the Company and continuing following the termination of your employment for any reason, all confidential information and trade secrets shall be considered to be proprietary to the Company and kept as the private records of the Company and will not be divulged to any firm, individual, or institution, or used to the detriment of the Company. The parties agree that nothing in this Section 6 shall be construed as prohibiting the Company from pursuing any remedies available to it for any breach or threatened breach of this Section 6, including, without limitation, the recovery of damages from you or any person or entity acting in concert with you.

6. GENERAL PROVISIONS.

6.1 Other Plans. Nothing in this Agreement shall affect your rights during your employment to receive increases in compensation, responsibilities or duties or to participate in and receive benefits from any pension plan, benefit plan or profit sharing plans except plans which specifically address benefits of the type addressed in Sections 3 and 4 of this Agreement.

6.2 Death During Severance Period. If you die during the Severance Period, any Benefits remaining to be paid to you shall be paid to the beneficiary designated by you to receive those Benefits (or in the absence of designation, to your surviving spouse or next of kin).

6.3 Notices. Any notices to be given under this Agreement may be effected by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing on the first page of this Agreement (to the attention of the Secretary in the case of notices to the Company), but each party may change the delivery address by written notice in accordance with this Section 7.3. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of the second day following deposit in the United States Mail.

6.4 Entire Agreement. This Agreement supersedes all previous oral or written agreements, understandings or arrangements between the Company and you regarding a termination of your employment with the Company or a change in your status, scope or authority and the salary, benefits or other compensation that you receive from the Company as a result of the termination of your employment with the Company (the "Subject Matter"), all of which are wholly terminated and canceled. This Agreement contains all of the covenants and agreements between the parties with respect to the Subject Matter. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made with respect to the Subject Matter by any party, or anyone acting on behalf of any party, which are not embodied in this Agreement. Any subsequent agreement relating to the Subject Matter or any modification of this Agreement will be effective only if it is in writing signed by the party against whom enforcement of the modification is sought.

6.5 Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

6.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee, and it shall be enforced or challenged only in the courts of the State of Tennessee.

6.7 Waiver of Jury Trial. The Company and you expressly waive any right to a trial by jury in any action or proceeding to enforce or defend any rights under this Agreement, and agree that any such action or proceeding shall be tried before a court and not a jury. You irrevocably waive, to the fullest extent permitted by law, any objection that you may have now or hereafter to the specified venue of any such action or proceeding and any claim that any such action or proceeding has been brought in an inconvenient forum.

6.8 Miscellaneous. Failure or delay of either party to insist upon compliance with any provision of this Agreement will not operate as and is not to be construed to be a waiver or amendment of the provision or the right of the aggrieved party to insist upon compliance with the provision or to take remedial steps to recover damages or other relief for noncompliance. Any express waiver of any provision of this Agreement will not operate, and is not to be construed, as a waiver of any subsequent breach, irrespective of whether occurring under similar or dissimilar circumstances. You may not assign any of your rights under this Agreement. The rights and obligations of the Company under this Agreement shall benefit and bind the successors and assigns of the Company. The Company agrees that if it assigns this Agreement to any successor company, it will ensure that its terms are continued.

If all of the terms and conditions in this Agreement are agreed to by you, please signify your agreement by executing the enclosed duplicate of this letter and returning it to us. At the date of your return, this letter shall constitute a fully enforceable agreement between us.

CBRL GROUP, INC.

By: /s/Dan W. Evins
Dan W. Evins
Chairman and Chief Executive Officer

The foregoing is fully agreed to and accepted by:

Company Employee's Signature: /s/Patrick A. Scruggs

Please Print or Type Name: Patrick A. Scruggs

Please Print or Type Title: Assistant Treasurer

SELECTED FINANCIAL DATA

(In thousands except per share data)
For each of the fiscal years ended

	August 1, 2003	August 2, 2002	August 3, 2001(b)(c)(d)	July 28, 2000(e)	July 30, 1999(f)
OPERATING RESULTS					
Total revenue	$2,198,182	$2,071,784	$1,967,998	$1,777,119	$1,535,994
Cost of goods sold	703,915	677,738	664,332	614,472	538,051
Gross profit	1,494,267	1,394,046	1,303,666	1,162,647	997,943
Labor & other related expenses	819,957	777,617	732,419	645,976	538,348
Other store operating expenses	378,343	351,977	357,640	298,419	252,577
Store operating income	295,967	264,452	213,607	218,252	207,018
General and administrative	121,886	115,152	102,541	95,289	82,006
Amortization of goodwill	--	--	14,370	3,994	2,169
Operating income	174,081	149,300	96,696	118,969	122,843
Interest expense	8,892	6,769	12,316	24,616	11,324
Interest income	73	--	84	352	1,319
Income before income taxes	165,262	142,531	84,464	94,705	112,838
Provision for income taxes	58,733	50,742	35,283	35,707	42,653
Net income	$ 106,529	$ 91,789	$ 49,181	$ 58,998	$ 70,185
SHARE DATA Net income per share:					
Basic	$2.16	$1.69	$ .88	$1.02	$1.16
Diluted	2.09	1.64	.87	1.02	1.16
Dividends per share(a)	$.02	$.02	$ .02	$ .01	$ .02
Weighted average shares outstanding:					
Basic	49,274	54,199	56,129	57,960	60,329
Diluted	50,998	56,091	56,799	58,041	60,610
FINANCIAL POSITION					
Working capital	$ (70,655)	$ (54,245)	$ (37,049)	$ (25,079)	$ (2,806)
Total assets	1,326,323	1,263,831	1,212,955	1,335,101	1,277,872
Property and equipment-net	1,040,315	984,817	955,028	1,075,134	1,020,055
Long-term debt	186,730	194,476	125,000	292,000	312,000
Other long-term obligations	20,303	18,044	13,839	6,226	3,899
Shareholders' equity	794,896	782,994	846,108	828,970	791,007

(a)On November 24, 1999, CBRL Group, Inc.'s ("Company") Board of Directors adopted a policy to consider and pay dividends, if declared, on an annual basis each January in the future. This policy was intended to reduce administrative and mailing costs related to dividends. On September 25, 2003, the Company's Board of Directors adopted a new policy to consider and pay dividends, if declared, on a quarterly basis, declared at $0.11 per share for the initial quarter.

(b)Includes charges of $33,063 before taxes principally as a result of exiting the Carmine Giardini's Gourmet Market(TM) business and closing four Cracker Barrel Old Country Store(R) units and three Logan's Roadhouse(R) restaurants, as well as an accrual for a settlement proposal for a collective action under the Fair Labor Standards Act. See Management's Discussion and Analysis of Financial Condition and Results of Operations. (See Notes 2 and 9 to the Company's Consolidated Financial Statements.)

(c)The Company's fiscal year ended August 3, 2001 consisted of 53 weeks. As a result, comparisons to fiscal 2002 and fiscal 2000 also reflect the impact of having one more week in fiscal 2001 than in fiscal 2002 and fiscal 2000. See Management's Discussion and Analysis of Financial Condition and Results of Operations.

(d)Includes a sale-leaseback transaction under which $138,300 of long-term debt was paid down. (See Note 11 to the Company's Consolidated Financial Statements.)

(e)Includes charges of $8,592 before taxes, principally as a result of management changes and the resulting refocused operating priorities.

(f)The Company acquired Logan's Roadhouse, Inc. on February 16, 1999.

MARKET PRICE AND DIVIDEND INFORMATION

The following table indicates the high and low sales prices of the Company's common stock, as reported by The Nasdaq Stock Market (National Market), and dividends paid.

	Fiscal Year 2003			Fiscal Year 2002		
	Prices			Prices		
Quarter	High	Low	Dividends Paid	High	Low	Dividends Paid
First	$27.95	$19.54	--	$25.96	$18.31	--
Second	32.85	22.35	$.02	31.88	23.55	$.02
Third	32.99	24.86	--	32.75	26.25	--
Fourth	39.95	31.31	--	34.10	24.85	--

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of the Company's consolidated results of operations and financial condition. The discussion should be read in conjunction with the Consolidated Financial Statements and notes thereto. Except for specific historical information, the matters discussed in this Annual Report to Shareholders, as well as the Company's Form 10-K filed with the Securities and Exchange Commission for the year ended August 1, 2003, contain forward-looking statements that involve risks, uncertainties and other factors which may cause actual results and performance of the Company to differ materially from those expressed or implied by these statements. All forward-looking information is provided by the Company pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "assumptions", "target", "guidance", "outlook", "plans", "projection", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "potential" or "continue" (or the negative or other derivatives of each of these terms) or similar terminology. Factors which could materially affect actual results include, but are not limited to: the effects of uncertain consumer confidence or general or regional economic weakness on sales and customer travel activity; practical or psychological effects of terrorist acts or war and military or government responses; consumer behavior based on concerns over nutritional aspects of the Company's products or restaurant food in general; competitive marketing and operational initiatives; commodity, workers' compensation, group health and utility price changes; the effects of plans intended to improve operational execution and performance; the effects of increased competition at Company locations on sales and on labor recruiting, cost, and retention; the ability of and cost to the Company to recruit, train, and retain qualified restaurant hourly and management employees; the ability of the Company to identify and acquire successful new lines of retail merchandise; changes in foreign exchange rates affecting the Company's future retail inventory purchases; the availability and cost of acceptable sites for development and the Company's ability to identify such sites; changes in accounting principles generally accepted in the United States of America or changes in capital market conditions that could affect valuations of restaurant companies in general or the Company's goodwill in particular; other undeterminable areas of government or regulatory actions or regulations; changes in interest rates affecting the Company's financing costs; increases in construction costs; changes in or implementation of additional governmental or regulatory rules, regulations and interpretations affecting accounting, tax, wage and hour matters, health and safety, pensions and insurance; the actual results of pending or threatened litigation or governmental investigations and the costs and effects of negative publicity associated with these activities; and other factors described from time to time in the Company's filings with the Securities and Exchange Commission, press releases, and other communications.

All dollar amounts reported or discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations are shown in thousands. References in Management's Discussion and Analysis of Financial Condition and Results of Operations to a year are to the Company's fiscal year unless otherwise noted.

The following table highlights operating results over the past three years (immediately following the table are details of the impact of certain charges taken in 2001 on the amounts shown in the table):

	Relationship to Total Revenue			Period to Period Increase(Decrease)	
	2003	2002	2001	2003 vs 2002	2002 vs 2001
Total revenue	100.0%	100.0%	100.0%	6%	5%
Cost of goods sold	32.0	32.7	33.8	4	2
Gross profit	68.0	67.3	66.2	7	7
Labor & other related expenses	37.3	37.5	37.2	5	6
Other store operating expenses	17.2	17.0	18.2	7	(2)
Store operating income	13.5	12.8	10.8	12	24
General & administrative	5.6	5.6	5.2	6	12
Amortization of goodwill	--	--	0.7	-	(100)
Operating income	7.9	7.2	4.9	17	54
Interest expense	0.4	0.3	0.6	31	(45)

Interest income	--	--	--	-	(100)
Income before income taxes	7.5	6.9	4.3	16	69
Provision for income taxes	2.7	2.5	1.8	16	44
Net income	4.8	4.4	2.5	16	87

The Company recorded charges of $33,063 before taxes during the quarter ended August 3, 2001, principally as a result of exiting the Carmine Giardini's Gourmet Market(TM) ("Carmine's") business and the closing of four Cracker Barrel Old Country Store(R) ("Cracker Barrel") units and three Logan's Roadhouse(R) ("Logan's") restaurants, as well as an accrual for a settlement proposal for a certain collective action under the Fair Labor Standards Act. These charges consisted primarily of $10,428 for the write-off of goodwill related to the acquisition of Carmine's and $14,003 for the write-down of fixed assets of all three Carmine's units, four Cracker Barrel units and three Logan's units in accordance with Statement of Financial Accounting Standards ("SFAS") No. 121 (see Note 2 to the Company's Consolidated Financial Statements). These charges also consisted of $1,234 for severance and related expenses for approximately 1,000 employees, consisting primarily of store personnel, and $3,898 for other charges primarily consisting of lease termination costs, inventory write-downs related to the closed units and other unit closing costs. Additionally, the Company accrued $3,500 for a settlement proposal for a certain collective action under the Fair Labor Standards Act (see Note 9 to the Company's Consolidated Financial Statements). These charges affect line items in the Company's Consolidated Statement of Income in dollars and as a percent of total revenue for the year ended August 3, 2001, respectively, as follows: Cost of goods sold $669, 0.0%; Labor and other related expenses $924, 0.0%; Other store operating expenses $20,552, 1.1%; General and administrative $490, 0.0%; and Amortization of goodwill $10,428, 0.6%. As of August 3, 2001, approximately $285 of the severance costs and $620 of the other charges had been paid with no changes from the original estimate. The Company paid substantially all of the remaining severance in the first quarter of 2002 with no changes from the original estimates. After taking into effect the property and equipment write-downs, the Company's carrying value of the property and equipment associated with the charges is approximately $457 as of August 1, 2003. As of August 1, 2003, substantially all of the amounts previously recorded had been paid or settled except for $1,179 accrued for certain lease termination costs.

The Company's year ended August 3, 2001 consisted of 53 weeks. As a result, comparisons to 2002 and 2000 also reflect the impact of having one more week in 2001 than in 2002 and 2000. The estimated impact of the additional week was to increase consolidated 2001 results as follows: total revenue, $40,485; store operating income, $9,006; operating income, $8,056; net income, $4,954; and diluted net income per share, $0.09.

The following table highlights the components of total revenue by percentage relationships to total revenue for the past three years:

	2003	2002	2001
Net sales:			
Restaurant	79.7%	79.4%	78.5%
Retail	20.2	20.5	21.5
Total net sales	99.9	99.9	100.0
Franchise fees and royalties	0.1	0.1	--
Total revenue	100.0%	100.0%	100.0%

The following table highlights comparable store sales* results over the past two years:

	Cracker Barrel Old Country Store Period to Period Increase(Decrease)		Logan's Roadhouse Period to Period Increase	
	2003 vs 2002 (430 Stores)	2002 vs 2001 (414 Stores)	2003 vs 2002 (71 Stores)	2002 vs 2001 (59 Stores)
Restaurant	0.5%	5.3%	0.0%	2.4%
Retail	(0.4)	2.3	--	--
Restaurant & retail	0.3	4.6	0.0	2.4

*Comparable store sales consist of sales of stores open six full quarters at the beginning of the year; and are measured on comparable calendar weeks.

Cracker Barrel comparable store restaurant sales increased 0.5% for 2003 versus 2002. Comparable store restaurant sales increased 5.3% in 2002 versus the comparable 52-weeks of 2001. The increase in comparable store restaurant sales from 2002 to 2003 was due primarily to an increase in average check of 1.9%, including 1.1% of menu pricing and 0.8% of product mix, and a decrease in guest traffic of 1.4%.

Cracker Barrel comparable store retail sales decreased 0.4% for 2003 versus 2002. Comparable store retail sales increased 2.3% in 2002 versus the comparable 52-weeks of 2001. The comparable store retail sales decrease from 2002 to 2003 was primarily due to the restaurant guest traffic decrease.

In 2003 total net sales (restaurant and retail) in the 430 Cracker Barrel comparable stores averaged $4,096. Restaurant sales were 77.1% of total net sales in the comparable 430 stores in 2003 and 76.9% in 2002.

Logan's comparable store sales were flat for 2003 versus 2002 at an average of $2,915 per store. Comparable store sales increased 2.4% for 2002 versus the comparable 52 weeks of 2001. The unchanged comparable store sales from 2002 to 2003 was primarily due to an increase in average check of 1.7%, including 1.0% of menu pricing and 0.7% of product mix (which reflected lower alcohol mix and increased food and non-alcoholic beverage mix), offset by a decrease in guest traffic of 1.7%.

Total revenue, which increased approximately 6% and 5% in 2003 and 2002, respectively, benefited from the opening of 23, 20 and 15 new Cracker Barrel stores in 2003, 2002 and 2001, respectively, and the opening of 12, 9 and 13 new company-operated Logan's restaurants in 2003, 2002 and 2001, respectively. Additionally, 2001 revenues benefited from a 53rd week, which accounted for approximately 2% of total revenue. Average unit volumes, based on weeks of operation, were approximately $60.9 per week for Cracker Barrel restaurants in 2003 (compared with $60.6 in 2002 and $57.5 in 2001), $18.2 for Cracker Barrel retail (compared with $18.3 for 2002 and $17.9 for 2001), and $57.0 for Logan's (compared with $56.6 for 2002 and $54.9 for 2001).

Cost of goods sold as a percentage of total revenue decreased in 2003 to 32.0% from 32.7% in 2002. Cracker Barrel has had various focused initiatives aimed at improving cost of product from vendors. This decrease was due primarily to lower commodity costs for orange juice and certain pork and dairy products versus the prior year, higher menu pricing, higher initial mark-ons of retail merchandise, lower retail shrink and in-store damages, a lower mix of retail sales as a percent of total revenues (retail has a higher product cost than restaurant) and improvements in restaurant-level execution. These decreases were offset partially by higher markdowns of retail merchandise and higher commodity costs for beef, eggs and butter versus the prior year. Food cost as a percentage of net restaurant sales in 2003 decreased from 2002 primarily for reasons described above.

Cost of goods sold as a percentage of total revenue decreased in 2002 to 32.7% from 33.8% in 2001. This decrease was primarily due to a higher average check, an increased mix of restaurant sales, which have a lower cost of goods than retail sales, improvements in store-level food cost execution, lower beef and rib prices, higher initial mark-ons and lower markdowns of retail merchandise, lower retail shrinkage and lower retail freight. These decreases were partially offset by higher potato prices. Food cost as a percentage of net restaurant sales in 2002 decreased from 2001 primarily for the reasons described above.

Labor and other related expenses include all direct and indirect labor and related costs incurred in store operations. Labor expenses as a percentage of total revenue were 37.3%, 37.5% and 37.2% in 2003, 2002 and 2001, respectively. The year to year decrease from 2002 to 2003 was due primarily to higher menu pricing, lower hourly labor, including wage rates, decreased compensation under unit-level bonus programs and decreased workers' compensation costs offset partially by increases in manager wages and increased group health costs versus the prior year. The year to year increase in labor and other related expenses in 2002 versus 2001 was due primarily to increases in wages, increases under the store-level bonus programs and increases in workers' compensation costs. These increased workers' compensation costs reflected higher than expected claims cost development (as determined annually by an independent actuarial evaluation) from claims incurred in prior years. These increases were partially offset by lower group health costs, higher average check and improved volume.

Other store operating expenses include all unit-level operating costs, the major components of which are operating supplies, utilities, repairs and maintenance, advertising, rent, depreciation and amortization. Other store operating expenses as a percentage of total revenue were 17.2%, 17.0% and 18.2% in 2003, 2002 and 2001, respectively. The increase from 2002 to 2003 was due primarily to higher maintenance versus the prior year offset partially by higher menu pricing versus the prior year. The year to year decrease in 2002 versus 2001 was due primarily to the non-recurrence of the charges in the fourth quarter of 2001 of $20,552, which totaled 1.0% of total revenue, consisting primarily of impairment losses of $14,003 (See Note 2 to the Company's Consolidated Financial Statements). This decrease was also due to lower utility costs, lower advertising spending, higher average check and improved volume partially offset by higher general liability insurance costs and credit card fees.

General and administrative expenses as a percentage of total revenue were 5.6%, 5.6% and 5.2% in 2003, 2002 and 2001, respectively. Higher professional fees, higher costs for store manager conferences and higher corporate bonuses reflective of performance improvements versus a year ago were offset by higher revenues from menu pricing and new stores versus the prior year. General and administrative expenses as a percentage of total revenue increased from 2001 to 2002 primarily due to bonus accruals reflective of performance improvements, higher professional fees, and various staffing and infrastructure changes. These increases were partially offset by a higher average check, improved volume and the non-recurrence of the $490 in charges related to management's decision during the fourth quarter of 2001 to exit the Carmine's business and to close four Cracker Barrel units and three Logan's units (see Note 2 to the Company's Consolidated Financial Statements).

Interest expense increased to $8,892 in 2003 from $6,769 in 2002 and decreased from $12,316 in 2001. The increase from 2002 to 2003 resulted primarily from higher average outstanding debt as compared to the prior year offset partially by lower average interest rates as compared to the prior year. The decrease from 2001 to 2002 was primarily due to lower interest rates (see Note 4 to the Company's Consolidated Financial Statements).

Interest income increased to $73 in 2003 from $0 in 2002 and decreased from $84 in 2001. The increase from 2002 to 2003 was due primarily to higher average funds available for investment as compared to the prior year. The primary reason for the decrease from 2001 to 2002 was lower average funds available for investment.

Provision for income taxes as a percent of pretax income was 35.5% for 2003, 35.6% for 2002 and 41.8% for 2001. The primary reason for the decrease in the tax rate from 2002 to 2003 was a decrease in effective state tax rates. The primary reason for the decrease in the tax rate from 2001 to 2002 was the non-deductibility of the $10,428 write-off of goodwill related to Carmine's in 2001. (See Note 2 to the Company's Consolidated Financial Statements.)

Impact of Recent Accounting Pronouncements Not Yet Adopted

In May 2003, The Financial Accounting Standards Board ("FASB") issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". SFAS No. 150 establishes standards for how a Company classifies and measures certain financial instruments with characteristics of both liabilities and equity. It requires that a company classify a financial instrument that is within its scope as a liability (or an asset in some circumstances) because that freestanding financial instrument embodies an obligation of the Company. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The Company does not expect the adoption of this standard to have a material effect on the Company's consolidated financial statements or its financial position.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk. With certain instruments entered into for other than trading purposes, the Company is subject to market risk exposure related to changes in interest rates. As of October 15, 2003, the Company has in place a $300,000 revolving credit facility, which matures February 21, 2008. The facility bears interest, at the Company's election, either at the prime rate or a percentage point spread from LIBOR based on certain financial ratios set forth in the loan agreement. As of August 1, 2003, the Company had $7,000 outstanding under the revolving credit facility at an interest rate of 2.36%. While changes in the prime rate or LIBOR would affect the cost of funds borrowed in the future, the Company believes that the effect, if any, of reasonably possible near-term changes in interest rates on the Company's consolidated financial position, results of operations or cash flows would not be material. The impact on the Company's annual results of operations of a one-point interest rate change on the $7,000 outstanding under the Company's revolving credit facility as of August 1, 2003 would be approximately $70. Based on discounted cash flows of future payment streams, assuming rates equivalent to the Company's incremental borrowing rate on similar liabilities, the fair value of the $7,000 outstanding under the revolving credit facility approximates carrying value as of August 1, 2003.

Commodity Price Risk. Many of the food products purchased by the Company are affected by commodity pricing and are, therefore, subject to price volatility caused by weather, production problems, delivery difficulties and other factors which are outside the control of the Company and which are generally unpredictable. Three food categories (beef, pork and poultry) account for the largest shares of the Company's food purchases at approximately 17%, 11% and 11%, respectively. Other items affected by the commodities markets, such as dairy, produce and coffee, may each account for as much as 10% of the Company's food purchases. While the Company has some of its food items prepared to its specifications, the Company's food items are based on generally available products, and if any existing suppliers fail, or are unable to deliver in quantities required by the Company, the Company believes that there are sufficient other quality suppliers in the marketplace that its sources of supply can be replaced as necessary. The Company also recognizes, however, that commodity pricing is extremely volatile and can change unpredictably and over short periods of time. Changes in commodity prices would affect the Company and its competitors generally and often simultaneously. The Company also enters into supply contracts for certain of its products in an effort to minimize volatility of supply and pricing. In many cases, the Company believes it will be able to pass through any increased commodity costs by adjusting its menu pricing. From time to time, competitive circumstances may limit menu price flexibility, and in those circumstances increases in commodity prices can result in lower margins for the Company. Some of the Company's purchase contracts are used to hedge commodity prices and may contain features that could be classified as derivative financial instruments under SFAS Nos. 133, 137, 138 and 149. However, these features that could be classified as derivative financial instruments are exempt from fair value accounting based on the normal purchases exemption. Additionally, the Company believes that any changes in commodity pricing which cannot be adjusted for by changes in menu pricing or other product delivery strategies would not be material.

Liquidity and Capital Resources

The following table presents a summary of the Company's cash flows for the last three years:

	2003	2002	2001
Net cash provided by operating activities	$ 240,586	$ 196,277	$ 147,859
Net cash (used in)/provided by investing activities	(118,953)	(90,879)	49,844
Net cash (used in) financing activities	(122,318)	(102,131)	(199,761)
Net (decrease) increase in cash and cash equivalents	$ (685)	$ 3,267	$ (2,058)

The Company's cash generated from operating activities was $240,586 in 2003. Most of this cash was provided by net income adjusted by depreciation and amortization, accretion on zero-coupon contingently convertible senior notes and the tax benefit realized upon exercise of stock options. Decreases in prepaid expenses and increases in accounts payable, taxes withheld and accrued, accrued employee compensation, accrued employee benefits, other accrued expenses, other long-term obligations and deferred income taxes were partially offset by increases in receivables, inventories and other assets and decreases in income taxes payable.

The sale-leaseback transaction that the Company entered into at the beginning of 2001 generated cash of $138,280 from the sale of 65 Cracker Barrel units that was used to reduce the Company's borrowings under its revolving credit facility. This transaction caused the change from net cash used in investing activities to change to net cash provided by investing activities and caused the significant increase from 2000 in net cash used in financing activities. (See Note 11 to the Company's Consolidated Financial Statements.)

The Company had negative working capital of $70,655 at August 1, 2003 versus negative working capital of $54,245 at August 2, 2002. In the restaurant industry, substantially all sales are either for cash or credit card. Like many other restaurant companies, the Company is able to, and may from time to time, operate with negative working capital. Restaurant inventories purchased through the Company's principal food distributor are on terms of net zero days, while restaurant inventories purchased locally generally are financed from normal trade credit. Retail inventories purchased domestically generally are financed from normal trade credit, while imported retail inventories generally are purchased through letters of credit and wire transfers. These various trade terms are aided by rapid turnover of the restaurant inventory. Employees generally are paid on weekly, bi-weekly or semi-monthly schedules in arrears for hours worked, and certain expenses such as certain taxes and some benefits are deferred for longer periods of time.

Capital expenditures (purchase of property and equipment) were $120,921, $96,692 and $91,439 in 2003, 2002 and 2001, respectively. Costs of new locations accounted for substantially all of these expenditures.

The Company's internally generated cash, along with cash at August 2, 2002, the Company's new operating leases, proceeds from stock option exercises and the Company's available revolver, were sufficient to finance all of its growth, share repurchases and other cash payment obligations in 2003.

In April 2002, the Company issued $422,050 face value at maturity of zero coupon convertible senior notes (the "Notes"), maturing on April 2, 2032, and received proceeds totaling approximately $172,756 prior to debt issuance costs. The Notes require no cash interest payments and were issued at a discount representing a yield to maturity of 3.00% per annum. The Notes are redeemable at the Company's option on or after April 3, 2007, and the holders of the Notes may require the Company to redeem the Notes on April 3, 2005, 2007, 2012, 2017, 2022 or 2027, and in certain other circumstances. In addition, each $1 Note is convertible into 10.8584 shares of the Company's common stock (approximately 4.6 million shares in the aggregate) under the following conditions: 1) If the stock's market price exceeds a specified price (initially, 120% of the accreted conversion price, and declining .08474% per quarter thereafter to approximately 110% of the accreted conversion price on the last day of the quarter ending January 30, 2032); 2) If the Company exercises its option to redeem the Notes; 3) If the credit rating of the Notes is reduced by Moody's and Standard and Poor's to or below both Ba3 and BB-, respectively; or 4) Upon the occurrence of certain specified corporate transactions. The accreted conversion price is equal to the issue price of the Note plus accrued original issue discount divided by 10.8584 shares. All subsidiaries of the Company have fully and unconditionally guaranteed on a joint and several basis the obligations under the Notes. Each guarantor directly or indirectly is a wholly-owned affiliate of the parent company, CBRL Group, Inc., which has no independent assets or operations.

On February 21, 2003, the Company entered into a new five-year $300,000 revolving credit facility and terminated its existing $250,000 revolving credit facility, which was set to expire on December 31, 2003. The new facility has substantially the same terms as the prior facility; however, there is a slightly more favorable credit spread grid, as well as certain less restrictive covenants. The new $300,000 revolving credit facility will expire on February 21, 2008.

During 2003, the Company's Board of Directors authorized the repurchase of up to 6 million shares of the Company's common stock under four separate repurchase authorizations. The purchases are to be made from time to time in the open market at prevailing market prices. The Company completed the 5 million shares in the first three repurchase authorizations and 338,700 shares of the fourth repurchase authorization during 2003 for total consideration of $166,632 or $31.21 per share. The Company presently expects to complete the remaining 661,300 shares of this fourth repurchase authorization during 2004, although there can be no assurance that such repurchase actually will be completed in that period of time.

During 2003 the Company received proceeds of $59,649 from the exercise of stock options on 2,922,783 shares of its common stock and tax benefit upon exercise of stock options of $13,399. During the second quarter of 2003, the Company declared and paid a dividend of $.02 per share.

On September 25, 2003 the Company's Board of Directors approved a new quarterly dividend policy, declaring the first such quarterly dividend of $0.11 per common share payable on November 10, 2003 to shareholders of record on October 17, 2003.

The Company estimates that its capital expenditures (purchase of property and equipment) for 2004 will be approximately $140,000 to $145,000, substantially all of which will be related to the construction of 24 new Cracker Barrel stores and 11 new Logan's restaurants.

Management believes that cash at August 1, 2003, along with cash generated from the Company's operating activities, stock option exercises and its available revolving credit facility, will be sufficient to finance its continued operations, its remaining share repurchase authorization, its continued expansion plans and its dividend payments through 2004. At August 1, 2003, the Company had $293,000 available under its revolving credit facility. The Company estimates that its net cash provided by operating activities in 2004 (most comparable measure under generally accepted principles in the United States of America) less capital expenditures will generate excess cash of approximately $55,000 to $60,000. The Company intends to use this excess cash along with proceeds from the exercise of stock options in 2004 to apply toward completing its remaining 661,300 share repurchase authorization, possible future share repurchase authorizations, dividend payments, and possible debt reduction or other purposes. The Company's principal criteria for share repurchases are that they be accretive to earnings per share and that they do not unfavorably affect the Company's investment grade debt rating and target capital structure.

Material Commitments

The Company's contractual cash obligations and commitments as of August 1, 2003, are summarized in the tables below:

		Payments due by Year			
	Total	2004	2005-2006	2007-2008	After 2008
Convertible debt (a)	$179,730	--	--	--	$179,730
Revolving credit facility	7,000	--	--	$7,000	--
Long-term Debt	186,730	--	--	7,000	179,730
Operating leases - excluding billboards	446,068	$28,744	$56,532	55,629	305,163
Operating leases for billboards	33,611	17,993	15,443	175	--
Capital leases	451	100	247	104	--
Total contractual cash obligations	$666,860	$46,837	$72,222	$62,908	$484,893

		Amount of Commitment Expirations by Year			
	Total	2004	2005-2006	2007-2008	After 2008
Revolving credit facility	$300,000	--	--	$300,000	--
Standby letters of credit	13,725	$13,725	--	--	--
Trade letters of credit	4,871	4,871	--	--	--
Guarantees (b)	4,924	451	$913	913	$2,647
Total commitments	$323,520	$19,047	$913	$300,913	$2,647

(a) The convertible debt was issued at a discount representing a yield to maturity of 3.00% per annum. The $179,730 balance is the accreted carrying value of the debt at August 1, 2003. The convertible debt will continue to accrete at 3.00% per annum and if held to maturity on April 2, 2032 the obligation will total $422,050.

(b) Consists solely of guarantees associated with properties that have been subleased or assigned. The Company is not aware of any non-performance under these arrangements that would result in the Company having to perform in accordance with the terms of those guarantees

Critical Accounting Policies

The Company prepares its Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period (see Note 2 to the Company's Consolidated Financial Statements). Actual results could differ from those estimates. Critical accounting policies are those that management believes are both most important to the portrayal of the Company's financial condition and operating results, and require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. The Company bases its estimates on historical experience, outside advice from parties believed to be experts in such matters, and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Judgments and uncertainties affecting the application of those policies may result in materially different amounts being reported under different conditions or using different assumptions. The Company considers the following policies to be most critical in understanding the judgments that are involved in preparing its Consolidated Financial Statements.

Impairment of Long-Lived Assets and Provision for Asset Dispositions

The Company assesses the impairment of identifiable intangibles, long-lived assets and goodwill whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverability of assets is measured by comparing the carrying value of the asset to the future cash flows expected to be generated by the asset. If the total expected future cash flows were less than the carrying amount of the asset, the carrying amount is written down to the estimated fair value, and a loss resulting from impairment is recognized by a charge to earnings. Judgments and estimates made by the Company related to the expected useful lives of long-lived assets are affected by factors such as changes in economic conditions and changes in operating performance. As the Company assesses the ongoing expected cash flows and carrying amounts of its long-lived assets, these factors could cause the Company to realize a material impairment charge. From time to time the Company has decided to exit from or dispose of certain operating units. Typically such decisions are made based on operating performance or strategic considerations and must be made before the actual costs of proceeds of disposition are known, and management must make estimates of these outcomes. Such outcomes could include the sale of a property or leasehold, mitigating costs through a tenant or subtenant, or negotiating a buyout of a remaining lease term. In these instances management evaluates possible outcomes, frequently using outside real estate and legal advice, and records in the financial statements provisions for the effect of such outcomes. The accuracy of such provisions can vary materially from original estimates, and management regularly monitors the adequacy of the provisions until final disposition occurs. In addition, at least annually the Company assesses the recoverability of goodwill and other intangible assets related to its restaurant concepts with assistance from an outside expert. The impairment tests require the Company to estimate fair values of its restaurant concepts by making assumptions regarding future cash flows and other factors. This valuation may reflect, among other things, such external factors as capital market valuation for public companies comparable to the operating unit. If these assumptions change in the future, the Company may be required to record impairment charges for these assets and such charges could be material.

Insurance Reserves

The Company self-insures a significant portion of expected losses under its workers' compensation, general liability and health insurance programs. The Company has purchased insurance for individual claims that exceed $250 for workers' compensation and general liability insurance prior to 2003, but has now increased this amount to $500 for 2003 and to $1,000 for certain coverages for 2004 going forward. The Company has decided not to purchase such insurance for its primary group health program, but its offered benefits are limited to not more than $1,000 during the lifetime of any employee (including dependents) in the program. The Company records a liability for workers' compensation and general liability for all unresolved claims and for an estimate of incurred but not reported claims at the anticipated cost to the Company based upon an actuarially determined reserve as of the end of the Company's third quarter and adjusting it by the actuarially determined losses and actual claims payments for the fourth quarter. Those reserves and these losses are determined actuarially from a range of possible outcomes within which no given estimate is more likely than any other estimate. In accordance with SFAS No. 5, "Accounting for Contingencies", the Company records the losses at the low end of that range and discounts them to present value using a risk-free interest rate based on actuarially projected timing of payments. The Company records a liability for its group health program for all unpaid claims based primarily upon a loss development analysis derived from actual group health claims payment experience provided by the Company's third party administrator. The Company's accounting policies regarding insurance reserves include certain actuarial assumptions or management judgments regarding economic conditions, the frequency and severity of claims and claim development history and settlement practices. Unanticipated changes in these factors may produce materially different amounts of expense that would be reported under these insurance programs.

Tax Provision

The Company must make estimates of certain items that comprise its income tax provision. These estimates include employer tax credits for items such as FICA taxes paid on employee tip income, Work Opportunity and Welfare to Work, as well as estimates related to certain depreciation and capitalization policies. These estimates are made based on the best available information at the time of the provision and historical experience. The Company files its income tax returns many months after its year end. These returns are subject to audit by various federal and state governments years after the returns are filed and could be subject to differing interpretations of the tax laws. The Company then must assess the likelihood of successful legal proceedings or reach a settlement, either of which could result in material adjustments to the Company's Consolidated Financial Statements and its consolidated financial position. The Internal Revenue Service has examined the Company's federal income tax returns for 1997 through 2001. On August 1, 2002 the Company reached a settlement with the Internal Revenue Service for these tax periods. Adjustments related primarily to temporary or timing differences. The settlement had no material effect on the Company's Consolidated Financial Statements. Additionally, the Internal Revenue Service has examined the Company's federal payroll tax filings for the calendar years ended December 31, 1997 through December 31, 2001. This examination was completed on July 21, 2003 resulting in no adjustment to the payroll taxes originally reported by the Company. See Note 7 to the Company's Consolidated Financial Statements.

Legal Proceedings

As more fully discussed in Note 9 to the Consolidated Financial Statements, the Company's principal subsidiary, Cracker Barrel Old Country Store, Inc., is a defendant in certain lawsuits, several of which have been brought by the same plaintiffs' attorneys. Of the existing cases discussed in Note 9, three are recent cases that appear to be directly related to one of the previously existing cases, one is provisionally certified as a collective action, and motions for decertification and other matters are pending, in one the plaintiffs' attorneys never moved for class certification, and in two cases the Court has issued its ruling denying class certification. With respect to the cases in which class certification has been denied, the time to appeal the court's ruling has expired in one case, and in the other case, the 11th Circuit Court of Appeals has refused the plaintiffs' appeal. The Company believes that its subsidiary has substantial defenses in these actions and it continues to defend each of them vigorously. Nevertheless, the Company made offers totaling $3,500 to resolve one of the cases, but those offers were not accepted by the plaintiffs' attorneys. As a result, the Company recorded an accrual of this amount in the fourth quarter of 2001 in accordance with SFAS No. 5. Except for that accrual, there currently is no provision for any potential liability with respect to these lawsuits in the Consolidated Financial Statements. If there were to be an unfavorable outcome in any of these cases, beyond amounts covered under the various insurance policies of the Company and its subsidiaries, if applicable, the Company's results of operations, financial position and liquidity could be materially and adversely affected.

In addition to the litigation described in the preceding paragraph, the Company and its subsidiaries are party to other legal proceedings incidental to their business. In the opinion of management, based upon information currently available, the ultimate liability with respect to these other actions will not materially affect the Company's Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET

(In thousands except share data)

Assets	August 1, 2003	August 2, 2002
Current Assets:		
Cash and cash equivalents	$ 14,389	$ 15,074
Receivables	9,013	8,161
Inventories	136,020	124,693
Prepaid expenses	9,069	12,022
Deferred income taxes	7,568	11,632
Total current assets	176,059	171,582
Property and Equipment:		
Land	273,831	261,857
Buildings and improvements	625,541	603,381
Buildings under capital leases	3,289	3,289
Restaurant and other equipment	331,065	321,544
Leasehold improvements	164,937	122,869
Construction in progress	19,268	16,106
Total	1,417,931	1,329,046
Less: Accumulated depreciation and amortization of capital leases	377,616	344,229
Property and equipment - net	1,040,315	984,817
Goodwill	92,882	92,882
Other Assets	17,067	14,550
Total	$1,326,323	$1,263,831

Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable	$ 82,172	$ 73,806
Current maturities of long-term debt and other long-term obligations	100	87
Taxes withheld and accrued	32,103	28,681
Income taxes payable	11,952	18,519
Accrued employee compensation	50,153	43,462
Accrued employee benefits	38,782	33,421
Other accrued expenses	31,452	27,851
Total current liabilities	246,714	225,827
Long-term Debt	186,730	194,476
Other Long-term Obligations	20,303	18,044
Deferred Income Taxes	77,680	42,490
Commitments and Contingencies (Note 9)		
Shareholders' Equity:		
Preferred stock - 100,000,000 shares of $.01 par value authorized; no shares issued	--	--
Common stock - 400,000,000 shares of $.01 par value authorized; 2003 - 47,872,542 shares issued and outstanding; 2002 - 50,272,459 shares issued and outstanding	479	503
Retained earnings	794,417	782,491
Total shareholders' equity	794,896	782,994
Total	$1,326,323	$1,263,831

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF INCOME

(In thousands except share data)
Fiscal years ended

	August 1, 2003	August 2, 2002	August 3, 2001
Total revenue	$2,198,182	$2,071,784	$1,967,998
Cost of goods sold	703,915	677,738	664,332
Gross profit	1,494,267	1,394,046	1,303,666
Labor & other related expenses	819,957	777,617	732,419
Other store operating expenses	378,343	351,977	357,640
Store operating income	295,967	264,452	213,607
General and administrative	121,886	115,152	102,541
Amortization of goodwill	--	--	14,370
Operating income	174,081	149,300	96,696
Interest expense	8,892	6,769	12,316
Interest income	73	--	84
Income before income taxes	165,262	142,531	84,464
Provision for income taxes	58,733	50,742	35,283
Net income	$ 106,529	$ 91,789	$ 49,181
Net income per share - basic	$2.16	$1.69	$.88
Net income per share - diluted	$2.09	$1.64	$.87
Basic weighted average shares outstanding	49,274,373	54,198,845	56,128,956
Diluted weighted average shares Outstanding	50,998,339	56,090,940	56,799,124

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(In thousands except per share data)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balances at July 28, 2000	$627	$284,429	$648,489	$(104,575)	$828,970
Cash dividends - $.020 per share	--	--	(1,185)	--	(1,185)
Exercise of stock options	3	5,152	--	--	5,155
Tax benefit realized upon exercise of stock options	--	431	--	--	431
Purchases and retirement of common and treasury stock	(80)	(140,939)	--	104,575	(36,444)
Net income	--	--	49,181	--	49,181
Balances at August 3, 2001	550	149,073	696,485	--	846,108
Cash dividends - $.020 per share	--	--	(1,163)	--	(1,163)
Exercise of stock options	29	53,074	--	--	53,103
Tax benefit realized upon exercise of stock options	--	9,991	--	--	9,991
Purchases and retirement of common stock	(76)	(212,138)	(4,620)	--	(216,834)
Net income	--	--	91,789	--	91,789
Balances at August 2, 2002	503	--	782,491	--	782,994
Cash dividends - $.020 per share	--	--	(1,043)	--	(1,043)
Exercise of stock options	29	59,620	--	--	59,649
Tax benefit realized upon exercise of stock options	--	13,399	--	--	13,399
Purchases and retirement of common stock	(53)	(73,019)	(93,560)	--	(166,632)
Net income	--	--	106,529	--	106,529
Balances at August 1, 2003	$479	$ --	$794,417	$ --	$794,896

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(In thousands) Fiscal years ended	August 1, 2003	August 2, 2002	August 3, 2001
Cash flows from operating activities:			
Net income	$ 106,529	$ 91,789	$ 49,181
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	64,376	62,759	64,902
Loss (gain) on disposition of property and equipment	903	(781)	671
Impairment loss	--	--	24,431
Accretion on zero-coupon contingently convertible senior notes	5,254	1,720	--
Tax benefit realized upon exercise of stock options	13,399	9,991	431
Changes in assets and liabilities:			
Receivables	(852)	2,040	1,369
Inventories	(11,327)	(8,103)	(9,213)
Prepaid expenses	2,953	(1,920)	(3,108)
Other assets	(3,136)	(813)	(1,376)
Accounts payable	8,366	17,108	1,025
Taxes withheld and accrued	3,422	(1,153)	1,456
Income taxes payable	(6,567)	(3,146)	8,230
Accrued employee compensation	6,691	7,169	3,376
Accrued employee benefits	5,361	7,871	2,221
Other accrued expenses	3,601	5,769	1,753
Other long-term obligations	2,359	4,232	7,803
Deferred income taxes	39,254	1,745	(5,293)
Net cash provided by operating activities	240,586	196,277	147,859
Cash flows from investing activities:			
Purchase of property and equipment	(120,921)	(96,692)	(91,439)
Proceeds from sale of property and equipment	1,968	5,813	141,283
Net cash (used in) provided by investing activities	(118,953)	(90,879)	49,844

Cash flows from financing activities:			
Proceeds from issuance of long-term debt	353,200	591,756	355,600
Proceeds from exercise of stock options	59,649	53,103	5,155
Principal payments under long-term debt and other long-term obligations	(366,287)	(524,140)	(522,790)
Purchases and retirement of common stock	(166,632)	(216,834)	(36,444)
Deferred financing costs	(1,205)	(4,853)	(97)
Dividends on common stock	(1,043)	(1,163)	(1,185)
Net cash used in financing activities	(122,318)	(102,131)	(199,761)
Net (decrease) increase in cash and cash equivalents	(685)	3,267	(2,058)
Cash and cash equivalents, beginning of year	15,074	11,807	13,865
Cash and cash equivalents, end of year	$ 14,389	$ 15,074	$ 11,807
Supplemental disclosures of cash flow information:			
Cash paid during the year for:			
Interest	$ 1,604	$ 4,839	$ 12,739
Income taxes	15,229	43,340	32,642

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands except share data)

1. Description Of The Business

CBRL Group, Inc. and its affiliates (collectively, in the Notes, the "Company") are principally engaged in the operation and development in the United States of the Cracker Barrel Old Country Store(R) ("Cracker Barrel") restaurant and retail concept and the Logan's Roadhouse(R) ("Logan's") restaurant concept. Logan's has two area development agreements and accompanying franchise agreements covering development of its concept in all or part of five states. The Company exited its Carmine Giardini's Gourmet Market(TM) ("Carmine's") concept at the end of fiscal 2001. (See Note 2.) CBRL Group, Inc. Common Stock is traded on The Nasdaq Stock Market (National Market) under the symbol CBRL.

2. Summary Of Significant Accounting Policies

Fiscal year - The Company's fiscal year ends on the Friday nearest July 31st and each quarter consists of thirteen weeks unless noted otherwise. The Company's fiscal year ended August 3, 2001 consisted of 53 weeks and the fourth quarter of fiscal 2001 consisted of 14 weeks. References in these Notes to a year are to the Company's fiscal year unless otherwise noted.

Principles of consolidation - The Consolidated Financial Statements include the accounts of the Company and its subsidiaries, all of which are wholly owned. All significant intercompany transactions and balances have been eliminated.

Financial instruments - The fair values of cash and cash equivalents, accounts receivable, accounts payable and amounts outstanding under the Company's revolving credit facility included in long-term debt, $7,000 as of August 1, 2003, approximate their carrying amounts due to their short duration. The carrying value and fair value of the Company's zero-coupon contingently convertible senior notes in long-term debt at August 1, 2003, were $179,730 and $201,529, respectively. The fair value of the Company's zero-coupon contingently convertible senior notes in long-term debt is determined based on market prices using the average of the bid and ask prices as of August 1, 2003.

Cash and cash equivalents - The Company's policy is to consider all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Inventories - Inventories are stated at the lower of cost or market. Cost of restaurant inventory is determined by the first-in, first-out (FIFO) method. Approximately 70% of retail inventories are valued using the retail inventory method and the remaining 30% are valued using an average cost method. Valuation provisions are included for retail inventory obsolescence, returns and amortization of certain items.

Start-up costs - Start-up costs of a new store are expensed when incurred.

Property and equipment - Property and equipment are stated at cost. For financial reporting purposes, depreciation and amortization on these assets are computed by use of the straight-line and double-declining balance methods over the estimated useful lives of the respective assets, as follows:

	Years
Buildings and improvements	30-45
Buildings under capital leases	15-25
Restaurant and other equipment	3-10
Leasehold improvements	1-35

Depreciation expense was $62,552, $61,883 and $60,657 for 2003, 2002 and 2001, respectively. Accelerated depreciation methods are generally used for income tax purposes.

Capitalized interest was $463, $364 and $851 for 2003, 2002 and 2001, respectively.

Gain or loss is recognized upon disposal of property and equipment, and the asset and related accumulated depreciation and amortization amounts are removed from the accounts.

Maintenance and repairs, including the replacement of minor items, are charged to expense, and major additions to property and equipment are capitalized.

Impairment of long-lived assets - The Company evaluates for possible impairment of long-lived assets and certain identifiable intangibles to be held and used in the business whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment is determined by comparing estimated undiscounted future operating cash flows to the carrying amounts of assets on a location by location basis. If an impairment exists, the amount of impairment is measured as the sum of the estimated discounted future operating cash flows of such asset and the expected proceeds upon sale of the asset less its carrying amount. If applicable, assets held for sale are reported at the lower of carrying amount or fair value less costs to sell. During 2001, the Company's other store operating expense included impairment losses of $14,003 and the Company's amortization of goodwill included $10,428 in accordance with Statement of Financial Accounting Standards ("SFAS") No. 121, "Accounting for the Impairment of Certain Long-Lived Assets and for Long-Lived Assets to be Disposed Of". These impairment losses consisted of $10,428 for the write-off of goodwill related to the acquisition of Carmine's and $14,003 for the write-down of fixed assets of all three Carmine's units, four Cracker Barrel units and three Logan's restaurants.

Advertising - The Company expenses the costs of producing advertising the first time the advertising takes place. Net advertising expense was $39,782, $37,423 and $38,886 for 2003, 2002 and 2001, respectively.

Insurance - The Company self-insures a significant portion of expected losses under its workers' compensation, general liability and health insurance programs. The Company has purchased insurance for individual claims that exceed $250 for workers' compensation and general liability insurance prior to 2003, but has now increased this amount to $500 for 2003 and $1,000 for certain coverages for 2004 going forward. The Company has decided not to purchase such insurance for its primary group health program, but its offered benefits are limited to not more than $1,000 during the lifetime of any employee (including dependents) in the program. The Company records a liability for workers' compensation and general liability for all unresolved claims and for an estimate of incurred but not reported claims at the anticipated cost to the Company based upon an actuarially determined reserve as of the end of the Company's third quarter and adjusting it by the actuarially determined losses and actual claims payments for the fourth quarter. Those reserves and these losses are determined actuarially from a range of possible outcomes within which no given estimate is more likely than any other estimate. In accordance with SFAS No. 5, "Accounting for Contingencies", the Company records the losses at the low end of that range and discounts them to present value using a risk-free interest rate based on actuarially projected timing of payments. The Company records a liability for its group health program for all unpaid claims based primarily upon a loss development analysis derived from actual group health claims payment experience provided by the Company's third party administrator. The Company's accounting policies regarding insurance reserves include certain actuarial assumptions or management judgments regarding economic conditions, the frequency and severity of claims and claim development history and settlement practices. Unanticipated changes in these factors may produce materially different amounts of expense that would be reported under these insurance programs.

Goodwill - Goodwill represents the excess of the cost over the net tangible and identifiable intangible assets from the Logan's acquisition. Prior to August 4, 2001, goodwill was stated at cost and was amortized, on a straight-line basis, over the estimated future periods to be benefited (20-30 years). Prior to August 4, 2001, on an annual basis the Company reviewed the recoverability of goodwill based primarily upon an analysis of undiscounted cash flows from the acquired businesses. Accumulated amortization was $8,291 at August 1, 2003, August 2, 2002 and August 3, 2001. See Impairment of long-lived assets above regarding the write-off of Carmine's goodwill. Effective August 4, 2001, the Company elected early adoption of SFAS No. 142, "Goodwill and Other Intangible Assets." SFAS No. 142 eliminates the amortization for goodwill and other intangible assets with indefinite lives. Intangible assets with lives restricted by contractual, legal, or other means will continue to be amortized over their useful lives. Goodwill and other intangible assets not subject to amortization are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. SFAS No. 142 requires a two-step process for testing impairment. First, the fair value of each reporting unit is compared to its carrying value to determine whether an indication of impairment exists. This valuation may reflect, among other things, such external factors as capital market valuation for public companies comparable to the operating unit. If an impairment is indicated, then the implied fair value of the reporting unit's goodwill is determined by allocating the unit's fair value to its assets and liabilities (including any unrecognized intangible assets) as if the reporting unit had been acquired in a business combination. The amount of impairment for goodwill and other intangible assets is measured as the excess of its carrying value over its implied fair value. The Company conducted the initial test of the carrying value of its goodwill, as required by SFAS No. 142, during the second quarter of 2002, which ended February 1, 2002, and concluded that there was no current indication of impairment to goodwill. The Company performed its annual assessment with assistance from an outside expert in the second quarter ending January 31, 2003, and concluded that there was no current indication of impairment. This annual assessment will be performed in the second quarter of each year. Additionally, an assessment will be performed between annual assessments if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount.

In accordance with SFAS No. 142, the Company discontinued amortization of goodwill effective August 4, 2001. The pro forma effects of the adoption of SFAS No. 142 on net income and basic and diluted net income per share is as follows:

	2003	2002	2001
Net income, as reported	$106,529	$91,789	$49,181
Intangible amortization, net of $0 tax	--	--	3,994
Net income, pro forma	$106,529	$91,789	$53,175
Basic net income per share:			
Net income, as reported	$2.16	$1.69	$.88
Intangible amortization, net of $0 tax	--	--	.07
Net income, pro forma	$2.16	$1.69	$.95
Diluted net income per share:			
Net income, as reported	$2.09	$1.64	$.87
Intangible amortization, net of $0 tax	--	--	.07
Net income, pro forma	$2.09	$1.64	$.94

Revenue recognition - The Company records revenue from the sale of products as they are sold. The Company provides for estimated returns based on return history and sales levels. Initial fees received from a franchisee to establish a new franchise are recognized as income when the Company has performed all of its obligations required to assist the franchisee in opening a new franchise restaurant, which is generally upon the opening of such restaurant. Continuing royalties, which are a percentage of net sales of franchised restaurants, are accrued as income when earned.

Unearned income - Unredeemed gift certificates and cards represent the Company's only liability related to unearned income and are recorded at their expected redemption value. When gift certificates and cards are redeemed, the Company recognizes revenue and reduces the liability. These liability balances were $15,635, $12,985 and $9,065 at August 1, 2003, August 2, 2002 and August 3, 2001, respectively, and were recorded in other accrued expenses.

Income taxes - Employer tax credits for FICA taxes paid on employee tip income are accounted for by the flow-through method. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. (See Note 7.)

Net income per share - Basic net income per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding for the reporting period. Diluted net income per share reflects the potential dilution that could occur if securities, options or other contracts to issue common stock were exercised or converted into common stock. The Company's zero-coupon contingently convertible senior notes ("Note") had no effect on diluted shares in either 2002 or 2003, since the contingency, relating to the price of the Company's common stock, had not been met. Each $1 Note (face value at maturity) will be convertible into 10.8584 shares of the Company's common stock (approximately 4.6 million shares in the aggregate), with an initial conversion price of $37.69 per share accreting at 3% per annum, compounded semi-annually, if certain conversion contingencies are met. Those contingencies are met under the following conditions: 1) If the closing price of the Company's stock exceeds a specified price (initially, 120% of the accreted conversion price, and declining .08474% per quarter thereafter to approximately 110% of the accreted conversion price on the last day of the quarter ending January 30, 2032); 2) If the Company exercises its option to redeem the Notes; 3) If the credit rating of the Notes is reduced by Moody's and Standard and Poor's to or below both Ba3 and BB-, respectively; or 4) Upon the occurrence of certain specified corporate transactions. Outstanding stock options issued by the Company represent the only dilutive effect reflected in diluted weighted average shares.

Comprehensive income - Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Comprehensive income for 2003, 2002 and 2001 is equal to net income as reported.

Stock-based compensation - The Company accounts for its stock based compensation under the recognition and measurement principles of Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations, and has adopted the disclosure-only provisions of SFAS No. 123, "Accounting for Stock-Based Compensation" (see Note 6) and below is providing disclosures required by SFAS No. 148, "Accounting for Stock-Based Compensation-Transition and Disclosure". Under APB Opinion No. 25, no stock-based compensation cost is reflected in net income for grants of stock options to employees because the Company grants stock options with an exercise price equal to the market value of the stock on the date of grant. The reported stock-based compensation expense, net of related tax effects, in the table represents the amortization of restricted stock grants to two executive officers of the Company.

Had the Company used the fair value based accounting method for stock compensation expense prescribed by SFAS Nos. 123 and 148, the Company's net income and earnings per share for the past three years would have been reduced to the pro-forma amounts illustrated as follows:

	2003	2002	2001
Net Income - as reported	$106,529	$91,789	$49,181
Add: Total stock-based employee compensation included in reported net income, net of related tax effects	298	397	44
Deduct: Total stock-based compensation expense determined under fair-value based method for all awards, net of tax effects	(11,496)	(12,709)	(13,099)
Pro forma, net income	$ 95,331	$79,477	$36,126
Net Income per share:			
Basic - as reported	$2.16	$1.69	$.88
Basic - pro forma	$1.93	$1.47	$.64
Diluted - as reported	$2.09	$1.64	$.87
Diluted - pro forma	$1.87	$1.42	$.64

Segment Reporting - The Company accounts for its segment in accordance with SFAS No. 131, "Disclosure About Segments of an Enterprise and Related Information." SFAS No. 131 requires that a public company report annual and interim financial and descriptive information about its reportable operating segments. Operating segments, as defined, are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. SFAS No. 131 allows aggregation of similar operating segments into a single operating segment if the businesses are considered similar under the criteria established by SFAS No. 131. The Company primarily operates restaurants under the Cracker Barrel Old Country Store(R) and Logan's Roadhouse(R) brands. These two brands have similar investment criteria, customer demographics and economic and operating characteristics. Therefore, the Company has one reportable operating segment. (See Note 8.)

Derivative instruments and hedging activities - The Company adopted SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," in the first quarter of 2000 and its subsequent amendments, SFAS Nos. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133", and 138, "Accounting for Certain Derivative Instruments and Certain Hedging Activities, an Amendment of FASB Statement No. 133", in the first quarter of 2001 and SFAS No. 149, "Amendments of Statement 133 on Derivative Instruments and Hedging Activities", in the fourth quarter of 2003. These statements specify how to report and display derivative instruments and hedging activities. The adoption of these statements did not have a material effect on the Company's Consolidated Financial Statements. Upon adoption of these statements on July 29, 2000, during 2001, 2002 and 2003 and at August 1, 2003, the Company had no derivative financial instruments that required hedge accounting.

The Company is exposed to market risk, such as changes in interest rates and commodity prices. To manage the volatility relating to these exposures, the Company nets the exposures on a consolidated basis to take advantage of natural offsets. For the residual portion, the Company may enter into various derivative financial instruments pursuant to the Company's policies in areas such as counterparty exposure and hedging practices. The Company would review these derivative financial instruments on a specific exposure basis to support hedge accounting. The changes in fair value of these hedging instruments would be offset in part or in whole by the corresponding changes in the fair value or cash flows of the underlying exposures being hedged. The Company does not hold or use derivative financial instruments for trading purposes. The Company's historical practice has been not to enter into derivative financial instruments.

The Company's policy has been to manage interest cost using a mix of fixed and variable rate debt. The Company has accomplished this objective through the use of its Revolving Credit Facility, its sale-leaseback transaction and its zero-coupon contingently convertible debt. In a sale-leaseback transaction, the Company finances its operating facilities by selling them to a third party and then leasing them back under a long-term operating lease at fixed terms. The Company's zero-coupon convertible debt is fixed-rate, long-term debt. (See Notes 4,9 and 11.)

Many of the food products purchased by the Company are affected by commodity pricing and are, therefore, subject to price volatility caused by weather, production problems, delivery difficulties and other factors which are outside the control of the Company and which are generally unpredictable. Changes in commodity prices would affect the Company and its competitors generally and often simultaneously. In many cases, the Company believes it will be able to pass through any increased commodity costs by adjusting its menu pricing. From time to time, competitive circumstances may limit menu price flexibility, and in those circumstances, increases in commodity prices can result in lower margins for the Company. Some of the Company's purchase contracts are used to hedge commodity prices and may contain features that could be classified as derivative financial instruments under SFAS Nos. 133, 137, 138 and 149. However, these features that could be classified as derivative financial instruments are exempt from fair value accounting based on the normal purchases exemption.

Use of estimates - Management of the Company has made certain estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent liabilities at the date of the Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting periods to prepare these Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

Recent accounting pronouncements not yet adopted - In May 2003, The Financial Accounting Standards Board ("FASB") issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". SFAS No. 150 establishes standards for how a Company classifies and measures certain financial instruments with characteristics of both liabilities and equity. It requires that a company classify a financial instrument that is within its scope as a liability (or an asset in some circumstances) because that freestanding financial instrument embodies an obligation of the Company. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the beginning of the first interim period beginning after June 15, 2003. The Company does not expect the adoption of this standard to have a material effect on the Company's consolidated results of operations or its financial position.

Reclassifications - Certain reclassifications have been made in the 2001 and 2002 financial statements to conform to the classifications used in 2003. Total revenues in 2001 and 2002 reflect reclassifications of $4,306 and $4,892, respectively, of net return fees for the Cracker Barrel Book-on-Audio program to net sales from other store operating expenses, where the Company historically had reported the fees as a miscellaneous income credit to other store operating expenses. This reclassification had no effect on net income. Additionally, the balance sheet at August 2, 2002 and the cash flow statement for 2002 and 2001 reflect certain other reclassifications. These certain other reclassifications caused a net increase of $94 to total current assets and total assets, while decreasing total current liabilities by $7,248 and increasing other long-term obligations by $7,342 at August 2, 2002. The increase in other long-term obligations is comprised of $5,599 for the Company's liability under its non-qualified defined contribution retirement plan (see Note 10) and $1,743 for the Company's straight-line rent liability under SFAS No. 13, "Accounting for Leases", (see Note 9). These certain other reclassifications had no net effect on the net increase in cash and cash equivalents for either 2002 or 2001, but did increase net cash provided by operating activities and decrease net cash used in financing activities in 2002 and 2001 by $4,853 and $97, respectively, related to the Company's deferred financing costs.

3. Inventories

Inventories were composed of the following at:

	August 1, 2003	August 2, 2002
Retail	$101,955	$ 93,066
Restaurant	17,091	16,799
Supplies	16,974	14,828
Total	$136,020	$124,693

4. Debt

Long-term debt consisted of the following at:

	August 1, 2003	August 2, 2002
$300,000 Revolving Credit Facility payable on or before February 21, 2008 (rate at 2.36% at August 1, 2003)	$ 7,000	--
$250,000 Revolving Credit Facility payable on or before December 31, 2003 replaced on February 21, 2003 (rates ranging from 3.06% to 4.75% at August 2, 2002)	--	$20,000
3.0% Zero-Coupon Contingently Convertible Senior Notes payable on or before April 2, 2032	179,730	174,476
Long-term debt	$186,730	$194,476

The financial covenants related to the Revolving Credit Facility require that the Company maintain an interest coverage ratio (as defined in the Revolving Credit Facility) of 2.5 to 1.0, a lease adjusted funded debt to total capitalization ratio (as defined in the Revolving Credit Facility) not to exceed 0.5 to 1.0 and a lease adjusted funded debt to EBITDAR (earnings before interest expense, income taxes, depreciation and amortization and rent expense) ratio (as defined in the Revolving Credit Facility) not to exceed 3.0 to 1.0. At August 1, 2003, the Company was in compliance with all covenants. All subsidiaries of the Company have fully and unconditionally guaranteed on a joint and several basis the obligations under the Revolving Credit Facility.

In April 2002, the Company issued $422,050 of zero coupon convertible senior notes (the "Notes"), maturing on April 2, 2032, and received proceeds totaling approximately $172,756 prior to debt issuance costs. The Notes require no cash interest payments and were issued at a discount representing a yield to maturity of 3.00% per annum. The Notes are redeemable at the Company's option on or after April 3, 2007, and the holders of the Notes may require the Company to redeem the Notes on April 3, 2005, 2007, 2012, 2017, 2022 or 2027, and in certain other circumstances. In addition, each $1 Note is convertible into 10.8584 shares of the Company's common stock (approximately 4.6 million shares in the aggregate) under the following conditions: 1) If the stock's market price exceeds a specified price (initially, 120% of the accreted conversion price, and declining .08474% per quarter thereafter to approximately 110% of the accreted conversion price on the last day of the quarter ending January 30, 2032); 2) If the Company exercises its option to redeem the Notes; 3) If the credit rating of the Notes is reduced by Moody's and Standard and Poor's to or below both Ba3 and BB-, respectively; or 4) Upon the occurrence of certain specified corporate transactions. The accreted conversion price is equal to the issue price of the Note plus accrued original issue discount divided by 10.8584 shares. All subsidiaries of the Company have fully and unconditionally guaranteed on a joint and several basis the obligations under the Notes. Each guarantor directly or indirectly is a wholly-owned affiliate of the parent company, CBRL Group, Inc., which has no independent assets or operations.

The aggregate maturities of long-term debt subsequent to August 1, 2003 are as follows:

Year	
2004	--
2005	--
2006	--
2007	--
2008	$ 7,000
2009 and thereafter	179,730
Total	$186,730

5. Common Stock

During 1999 the Board of Directors granted a certain officer 4,100 restricted shares which were to vest over three years. In 2000 two executive officers were granted a total of 39,000 restricted shares which were to vest over five years. In 2002 one executive officer was granted 48,000 restricted shares which were to vest over three years, subject to certain early vesting provisions which did occur and resulted in early vesting at the end of 2003. The officer granted 4,100 restricted shares in 1999 left the company in 2001 and forfeited 4,100 restricted shares. The executive officer granted 19,000 of the 39,000 restricted shares granted in 2000 left the company in 2003 and forfeited 9,500 restricted shares. The Company's compensation expense, net of forfeitures, for these restricted shares was $462, $616 and $69 in 2003, 2002 and 2001, respectively.

During the second quarter of 2001, the Board of Directors authorized the retirement of the Company's treasury stock and authorized the retirement of all future repurchases of the Company's Common Stock. As a result of this retirement, the Company's Treasury Stock at cost was reclassified to reduce Common Stock and Additional Paid-in Capital at January 26, 2001. In the fourth quarter of 2002, the Company reduced Retained Earnings by $4,620, since Additional Paid-In Capital already was reduced to zero due to the retirement of shares repurchased. In 2003, the Company reduced Retained Earnings by $93,559, since Additional Paid-In Capital already was reduced to zero due to the retirement of shares repurchased. These retired shares will remain as authorized, but unissued, shares.

6. Stock Compensation Plans

The Company's employee stock option plans are administered by the Compensation and Stock Option Committee (the "Committee"). Members of the Committee are appointed by the Board of Directors. The Committee is authorized to determine, at time periods within its discretion and subject to the direction of the Board, which key employees shall be granted options, the number of shares covered by the options granted to each, and within applicable limits, the terms and provisions relating to the exercise of such options.

On September 26, 2002, the Board of Directors approved a new plan for all employees and non-employee directors of the Company. That plan was subsequently approved by shareholders at the Company's 2002 Annual Shareholders Meeting on November 26, 2002. The new plan is known as the CBRL Group 2002 Omnibus Incentive Compensation Plan ("Omnibus Plan"). The Committee is authorized by the Board of Directors to grant awards for an aggregate of 2,500,000 shares of the Company's common stock under the Omnibus Plan. The Omnibus Plan authorizes the Committee to grant the following types of awards to all eligible participants other than non-employee directors: stock options, stock appreciation rights, stock awards, performance shares, cash bonuses, qualified performance-based awards or any other type of award consistent with the Omnibus Plan's purpose. Under the Omnibus Plan non-employee directors are granted annually a stock option on the day of the Annual Shareholder Meeting to purchase 5,000 shares of the Company's common stock with an option price per share at least 100% of the fair market value of a share of the Company's common stock based on the closing price on the day preceding the day the option is granted. Additionally, non-employee directors newly elected or appointed between the Annual Shareholders Meeting and July 31 of the next year receive a stock option to purchase 5,000 shares of the Company's common stock with an option price per share at least 100% of the fair market value of a share of the Company's common stock based on the closing price on the day preceding the day the option is granted. Options granted to date under the Omnibus Plan become exercisable each year on a cumulative basis at a rate of 33% of the total shares covered by the option beginning one year from the date of grant, to expire ten years from the date of grant and to be transferable. At August 1, 2003, there were 2,460,000 shares of unissued common stock reserved for issuance under the Omnibus Plan.

On May 25, 2000, the Board of Directors approved a stock option plan for employees who are not officers or directors of the Company. The new plan is known as the CBRL Group, Inc. 2000 Non-Executive Stock Option Plan ("Employee Plan"). As of August 1, 2003, the Committee is authorized by the Board of Directors to grant options to purchase an aggregate of 4,750,000 shares of the Company's common stock under the Employee Plan. The option price per share under the Employee Plan must be at least 100% of the fair market value of a share of the Company's common stock based on the closing price on the day preceding the day the option is granted. Options granted to date under the Employee Plan become exercisable each year on a cumulative basis at a rate of 33% of the total shares covered by the option beginning one year from the date of grant, to expire ten years from the date of grant and to be non-transferable. At August 1, 2003, there were 595,738 shares of unissued common stock reserved for issuance under the Employee Plan.

As of August 1, 2003, the Committee is authorized by the Company's shareholders to grant options to purchase an aggregate of 17,525,702 shares of the Company's common stock under the Company's Amended and Restated Stock Option Plan ("the Plan"). At August 1, 2003, there were 1,592,028 shares of unissued common stock reserved for issuance under the Plan. The option price per share under the Plan must be at least 100% of the fair market value of a share of the Company's common stock based on the closing price on the day preceding the day the option is granted. Options granted to date under the Plan generally have been exercisable each year on a cumulative basis at a rate of 33% of the total number of shares covered by the option beginning one year from the date of grant, expire ten years from the date of grant and are non-transferable. During 2000, a long-term incentive award was granted to certain officers, which included stock options. The options granted under this award vest at the end of five years after the grant (subject to earlier vesting upon accomplishments of specified Company performance goals) and are non-transferable. As of August 1, 2003, options to purchase 261,826 shares of the Company's common stock vested early and 181,368 are scheduled to vest on July 30, 2004 under the long-term incentive award. The options have a six-month life following confirmation of vesting by the Committee.

In 1989, the Board of Directors adopted the Cracker Barrel Old Country Store, Inc. 1989 Stock Option Plan for Non-employee Directors ("Directors Plan") for non-employee directors. The stock options were granted with an exercise price equal to the fair market value of the Company's common stock as of the date of grant and expire one year from the retirement of the director from the board. An aggregate of 1,518,750 shares of the Company's common stock were authorized by the Company's shareholders under this plan. Due to the overall plan limit, no shares have been granted under this plan since 1994.

A summary of the status of the Company's stock option plans for 2003, 2002 and 2001, and changes during those years follows:

(Shares in thousands)	2003		2002		2001	
Fixed Options	Shares	Weighted-Average Price	Shares	Weighted-Average Price	Shares	Weighted-Average Price
Outstanding at beginning of year	9,504	$20.23	10,504	$19.77	9,630	$20.89
Granted	1,907	23.85	2,506	20.13	2,481	14.76
Exercised	(2,922)	20.90	(2,869)	18.67	(357)	14.23
Forfeited or canceled	(890)	21.54	(637)	19.33	(1,250)	20.03
Outstanding at end of year	7,599	20.73	9,504	20.23	10,504	19.77
Options exercisable at year-end	3,696	20.69	5,148	22.58	5,919	23.16
Weighted-average fair value per share of options granted during the year		$10.20		$ 9.46		$ 7.16

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in 2003, 2002 and 2001: dividend yield of 0.1%; expected volatility of 41 to 45, 43 and 43 percent, respectively; risk-free interest rate ranges of 2.2% to 3.8%, 4.0% to 4.9% and 4.8% to 5.9%; and expected lives of five to eight years, six years and six years, respectively. Expected volatility has been measured based on an average of past daily fluctuations in the share price of the Company's common stock.

The following table summarizes information about fixed stock options outstanding at August 1, 2003:

(Shares in thousands)

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding at 8/01/03	Weighted-Average Remaining Contractual Life	Weighted-Average Exercise Price	Number Exercisable at 8/01/03	Weighted-verage Exercise Price
$ 5.09 - 10.00	38	2.11	$ 7.63	38	$ 7.63
10.01 - 20.00	2,403	5.53	14.76	1,649	14.81
20.01 - 30.00	4,654	7.18	22.78	1,537	24.14
30.01 - 31.75	504	4.49	31.19	472	31.00
$ 5.09 - 31.75	7,599	6.45	20.73	3,696	20.69

The Company recognizes a tax deduction upon exercise of non-qualified stock options in an amount equal to the difference between the option price and the fair market value of the common stock. These tax benefits are credited to Additional Paid-In Capital.

7. Income Taxes

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's net deferred tax liability consisted of the following at:

	August 1, 2003	August 2, 2002
Deferred tax assets:		
Financial accruals without economic performance	$20,252	$19,315
Other	8,284	5,567
Deferred tax assets	28,536	24,882
Deferred tax liabilities:		
Excess tax depreciation over book	72,846	42,591
Other	25,802	13,149
Deferred tax liabilities	98,648	55,740
Net deferred tax liability	$70,112	$30,858

The Company provided no valuation allowance against deferred tax assets recorded as of August 1, 2003 and August 2, 2002, as the "more-likely-than-not" valuation method determined all deferred assets to be fully realizable in future taxable periods.

The components of the provision for income taxes for each of the three years were as follows:

	2003	2002	2001
Current:			
Federal	$17,985	$45,955	$34,959
State	1,494	3,042	5,617
Deferred	39,254	1,745	(5,293)
Total income tax provision	$58,733	$50,742	$35,283

A reconciliation of the provision for income taxes as reported and the amount computed by multiplying the income before the provision for income taxes by the U.S. federal statutory rate of 35% was as follows:

	2003	2002	2001
Provision computed at federal			

statutory income tax rate	$57,842	$49,886	$29,562
State and local income taxes, net of federal benefit	4,410	4,635	4,169
Amortization of goodwill and acquisition costs	4	4	5,034
Employer tax credits for FICA taxes paid on employee tip income	(4,323)	(3,875)	(3,420)
Other-net	800	92	(62)
Total income tax provision	$58,733	$50,742	$35,283

The Internal Revenue Service has examined the Company's federal income tax returns for 1997 through 2001. On August 1, 2002 the Company reached a settlement with the Internal Revenue Service for these tax periods. Adjustments related primarily to temporary or timing differences. The settlement had no material effect on the Company's Consolidated Financial Statements. Additionally, the Internal Revenue Service has examined the Company's federal payroll tax filings for the calendar years ended December 31, 1997 through December 31, 2001. This examination was completed on July 21, 2003 resulting in no adjustment to the payroll taxes originally reported by the Company.

8. Segment Information

The Company operates restaurants under the Cracker Barrel Old Country Store and Logan's Roadhouse brands. These two brands have similar investment criteria and economic and operating characteristics. Accordingly, the Company has one reportable operating segment. The following data is presented in accordance with SFAS No. 131 for all periods presented.

	2003	2002	2001
Net sales in Company-Owned Stores:			
Restaurant	$1,753,361	$1,645,696	$1,543,815
Retail	443,397	424,949	423,410
Total net sales	2,196,758	2,070,645	1,967,225
Franchise fees and royalties	1,424	1,139	773
Total revenue	$2,198,182	$2,071,784	$1,967,998

9. Commitments and Contingencies

The Company's Cracker Barrel Old Country Store, Inc. subsidiary ("Cracker Barrel") is involved in certain lawsuits, four of which are filed by the same plaintiffs' attorneys, among others, and are not ordinary routine litigation incidental to its business: Serena McDermott and Jennifer Gentry v. Cracker Barrel Old Country Store, Inc., 4:99-CV-0001-HLM, a collective action under the federal Fair Labor Standards Act ("FLSA"), was served on Cracker Barrel on May 3, 1999; Kelvis Rhodes, Maria Stokes et al. v. Cracker Barrel Old Country Store, Inc., 4:99-CV-217-HLM, an action under Title VII of the Civil Rights Act of 1964 and Section 1981 of the Civil Rights Act of 1866, was served on Cracker Barrel on September 15, 1999; Flounice Stanley, Calvin Slack et al. v. Cracker Barrel Old Country Store, Inc., 4:01-CV-326-HLM, a collective action under the FLSA, was served on Cracker Barrel on April 12, 2002; and the National Association for the Advancement of Colored People ("NAACP"), Betty Thomas et al. v. Cracker Barrel Old Country Store, Inc., 4:01-CV-325-HLM, an action under Title II of the Civil Rights Act of 1964 and Section 1981 of the Civil Rights Act of 1866, was served on Cracker Barrel on April 12, 2002. All of these cases are filed, and are pending, in the United States District Court for the Northern District of Georgia, Rome Division.

The McDermott case alleges that certain tipped hourly employees were required to perform excessive non-serving duties without being paid the minimum wage or overtime compensation for that work and that certain hourly employees were required to wait "off the clock," without pay for the wait. The McDermott case seeks recovery of unpaid wages and overtime wages related to those claims. On March 17, 2000, the Court granted the plaintiffs' motion in the McDermott case to send notice to a provisional class of plaintiffs, defined as all persons employed as servers and all second-shift hourly employees at Cracker Barrel Old Country Store restaurants since January 4, 1996, and 10,838 potential plaintiffs filed "opt-in" forms to the McDermott case. The Court could subsequently amend the definition of the collective group, and if amended, the scope of the collective action could either be reduced or increased or, if appropriate, the Court could dismiss the collective aspects of the case entirely. In that last situation, each opt-in plaintiff would have to decide whether or not to pursue an independent action. Extensive discovery with respect to the merits of individual claims has been conducted in the McDermott case. Following completion of an extended period of discovery and briefing of motions, rulings on the parties' motions with respect to class certification and other issues are expected to be made in late calendar year 2003 or early calendar year 2004.

The Stanley case was initially a purported collective action, but the plaintiffs did not timely move the court for class certification. This case was filed by current and former employees asserting three claims based upon alleged violations of the FLSA: (1) that Personal Achievement Responsibility (PAR) IV level employees are routinely required to perform quasi-managerial duties or duties related to training without receiving minimum wage or overtime compensation for that work, (2) that employees classified as trainers routinely work off the clock to prepare for training sessions at home or on store premises and to conduct pre-training activities, and (3) that store opener employees were mis-classified as salaried exempt and are due overtime compensation. The individual plaintiffs in Stanley seek unpaid compensation and back pay, liquidated damages, prejudgment interest, attorneys' fees and costs, and unspecified injunctive relief. No express amount of monetary damages is claimed in the Stanley case and no substantial discovery has taken place in that case. After rulings and consents dismissing certain plaintiffs, only three individuals remain in this case.

The Rhodes case sought certification as a company-wide class action, a declaratory judgment to redress an alleged systemic pattern and practice of racial discrimination in employment opportunities, an order to effect certain hiring and promotion goals and back pay and other related monetary damages. In May 2002, the Rhodes plaintiffs filed a motion for class certification proposing a class of all current and former employees and applicants for employment who might have suffered discrimination in hiring, promotion, job assignment and cross-training. The court has denied certification of a class in the Rhodes case. The plaintiffs' appeal of this ruling was denied by the 11th Circuit Court of Appeals. There are now 13 individual plaintiffs continuing the claims asserted in the Rhodes case.

The NAACP/Thomas case is an alleged race discrimination class action filed by the NAACP and customers of Cracker Barrel alleging that Cracker Barrel has a pattern and practice of race-based discriminatory treatment of African-American customers and white customers when accompanied by African-American customers, that sought certification as a class action. Plaintiffs and their counsel have denied that they seek to recover compensatory damages, instead claiming to seek only nominal, actual and punitive damages. Plaintiffs also seek unspecified declaratory and injunctive relief and demanded an award of punitive and nominal damages in the amount of $100,000, plus reasonable attorneys' fees and costs. On October 1, 2002, the District Court granted defendant's Rule 23 (c) Motion and denied class certification. The plaintiffs did not appeal this ruling. There are now 34 individual plaintiffs continuing the claims they asserted in the Thomas case.

In addition, three lawsuits have been filed recently in Arkansas, in North Carolina and in Mississippi. It appears that these lawsuits are related to the Thomas case, because they reiterate claims made in the Thomas Case on behalf of certain individuals in those states.

In August 2002, Cracker Barrel received a letter from the Department of Justice ("DOJ") informing Cracker Barrel that it was the subject of a DOJ investigation pursuant to Title II of the Civil Rights Act of 1964. On August 20, 2002, DOJ sent a request for information to Cracker Barrel seeking basic information about locations of restaurants and broad based data about customer complaints and company policies. The DOJ is empowered to investigate matters under Title II of the Civil Rights Act of 1964, and Cracker Barrel has provided all requested information to the DOJ. Pursuant to Title II, DOJ remedies are limited to injunctive or preventive relief. Remedies for public accommodation claims typically relate to implementation or revision of policies and procedures for responding to, and methods for monitoring, customer complaints. If the Company and DOJ were not able to agree informally to resolve any concerns raised, then the DOJ could seek to intervene in the pending Title II action. It is not possible at this time to provide an opinion as to how likely it is that the DOJ will have any concerns or will pursue them in court, or as to any other likely outcome of the investigation.

The Company believes that its Cracker Barrel subsidiary has substantial defenses to the claims made in each of these cases, and each of these cases is being defended vigorously. Because discovery has not been completed in some of these cases, and none of these cases are yet ready for trial, neither the likelihood of an unfavorable outcome nor the amount of ultimate liability, if any, with respect to these cases or the investigation can be determined at this time. The Company has established a reserve of $3,500 with respect to the McDermott case based on offers of judgment to those plaintiffs. None of those offers of judgment was accepted. With the exception of that reserve, no provision for any potential liability has been made in the consolidated financial statements of the Company with respect to these lawsuits or the DOJ investigation. In the event of an unfavorable result in any of these cases or in the DOJ investigation, beyond amounts covered under various insurance policies of the Company and its subsidiaries, if applicable, the Company's consolidated results of operations and financial condition could be materially and adversely affected.

In addition to the litigation and investigation described in the preceding paragraphs, the Company and its subsidiaries are parties to other legal proceedings incidental to its business. In the opinion of management, based upon information currently available, the ultimate liability with respect to these other actions will not materially affect the Company's Consolidated Financial Statements.

The Company makes trade commitments in the course of its normal operations. As of August 1, 2003 the Company was contingently liable for approximately $4,871 under outstanding trade letters of credit issued in connection with purchase commitments. These letters of credit have terms of 3 months or less and are used to collateralize obligations to third parties for the purchase of a portion of the Company's imported retail inventories. Additionally, the Company was contingently liable pursuant to standby letters of credit as credit guarantees to insurers. As of August 1, 2003 the Company had $13,725 of standby letters of credit related to workers' compensation and commercial general liability insurance. All standby letters of credit are renewable annually.

The Company is secondarily liable for lease payments under the terms of an operating lease that has been assigned to a third party. The operating lease has a remaining life of approximately 10.2 years with annual lease payments of approximately $350. The Company's performance is only required if the assignee fails to perform his obligations as lessee. At this time, the Company has no reason to believe that the assignee will not perform and, therefore, no provision has been made in the accompanying consolidated financial statements for amounts to be paid as a result of non-performance by the assignee.

The Company also is secondarily liable for lease payments under the terms of another operating lease that has been sublet to a third party less than one year ago. The operating lease has a remaining life of approximately 13.2 years with annual lease payments of approximately $100. The Company's performance is only required if the sublessee fails to perform his obligations as lessee. The Company has a liability of approximately $500 in the accompanying consolidated financial statements for estimated amounts to be paid in case of non-performance by the sublessee.

The Company maintains insurance coverage for various aspects of its business and operations. The Company has elected, however, to retain all or a portion of losses that occur through the use of various deductibles, limits and retentions under its insurance programs. This situation may subject the Company to some future liability for which it is only partially insured, or completely uninsured. The Company intends to mitigate any such future liability by continuing to exercise prudent business judgment in negotiating the terms and conditions of its contracts. See Note 2 for a further discussion of insurance and insurance reserves.

As of August 1, 2003, the Company operated 132 Cracker Barrel stores and 44 Logan's Roadhouse restaurants from leased facilities and also leased certain land and advertising billboards. (See Note 11.) These leases have been classified as either capital or operating leases. The interest rates for capital leases vary from 10% to 17%. Amortization of capital leases is included with depreciation expense. A majority of the Company's lease agreements provide for renewal options and some of these options contain escalation clauses. Additionally, certain store leases provide for contingent lease payments based upon sales volume in excess of specified minimum levels.

The following is a schedule by year of future minimum lease payments under capital leases, together with the present value of the minimum lease payments as of August 1, 2003:

Year	
2004	$ 153
2005	153
2006	152
2007	70
2008	43
Total minimum lease payments	571
Less amount representing interest	120
Present value of minimum lease payments	451
Less current portion	100
Long-term portion of capital lease obligations	$ 351

The following is a schedule by year of the future minimum rental payments required under noncancelable operating leases, excluding leases for advertising billboards, as of August 1, 2003:

Year	
2004	$ 28,744
2005	28,557
2006	27,975
2007	27,791
2008	27,838

Later years	305,163
Total	$446,068

The following is a schedule by year of the future minimum rental payments required under operating leases for advertising billboards as of August 1, 2003:

Year	
2004	$17,993
2005	10,186
2006	5,257
2007	175
Total	$33,611

Rent expense under operating leases, excluding leases for advertising billboards, for each of the three years was:

	Minimum	Contingent	Total
2003	$28,881	$753	$29,634
2002	26,158	776	26,934
2001	25,264	592	25,856

Rent expense under operating leases for billboards for each of the three years was:

	Minimum	Contingent	Total
2003	$22,811	--	$22,811
2002	21,442	--	21,442
2001	19,565	--	19,565

The Company reclassified its straight-line rent liability under SFAS No. 13 for 2002 from other accrued expenses to agree to its 2003 presentation in other long-term liabilities. The amount of this reclassification at August 2, 2002 was $1,743.

10. Employee Savings Plans

The Company sponsors a qualified defined contribution retirement plan ("Plan I") covering salaried and hourly employees who have completed one year of service and have attained the age of twenty-one. Plan I allows eligible employees to defer receipt of up to 16% of their compensation, as defined in the plan, and contribute such amounts to various investment funds at the employee's discretion. Such contributions, including the Company matching contribution described below, may not be invested in the Company's common stock. The Company matches 25% of employee contributions for each participant up to 6% of the employee's compensation. Employee contributions vest immediately while Company contributions vest 20% annually beginning on the participant's first anniversary of employment. In 2003, 2002, and 2001, the Company contributed approximately $1,524, $1,609, and $1,545, respectively.

The Company sponsors a non-qualified defined contribution retirement plan ("Plan II") covering highly compensated employees, as defined in the plan. Plan II allows eligible employees to defer receipt of up to 50% of their base compensation and 100% of their eligible bonuses, as defined in the plan, and contribute such amounts to various investment funds at the employee's discretion. Such contributions, including the Company matching contribution described below, may not be invested in the Company's common stock. The Company matches 25% of employee contributions for each participant up to a total of 6% of the employee's compensation when combined with the employee's Plan I match. Employee contributions vest immediately while Company contributions vest 20% annually beginning on the participant's first anniversary of employment. In 2003, 2002, and 2001, the Company contributed approximately $280, $203, and $116, respectively, and this amount is included in other store operating expenses. At the inception of Plan II, the Company established a Rabbi Trust to fund Plan II obligations. The market value of the trust assets is included in other assets and the liability to Plan II participants is included in other long-term obligations. The market value of the liability to Plan II participants was reclassified in 2003 from accrued employee compensation. The amount of the reclassification was $5,599 at August 2, 2002.

11. Sale-Leaseback

On July 31, 2000, the Company, through its Cracker Barrel Old Country Store, Inc. subsidiary, completed a sale-leaseback transaction involving 65 of its owned Cracker Barrel Old Country Store units. Under the transaction, the land, buildings and building improvements at the locations were sold for net consideration of $138,325 and have been leased back for an initial term of 21 years. Equipment was not included. The leases include specified renewal options for up to 20 additional years and have certain financial covenants related to fixed charge coverage for the leased units. At August 1, 2003 and August 2, 2002, the Company was in compliance with all covenants. Net rent expense during the initial term is $14,963 annually, and the assets sold and leased back previously had depreciation expense of approximately $2,707 annually. The gain on the sale is being amortized over the initial lease term of 21 years. Net proceeds from the sale were used to reduce outstanding borrowing under the Company's revolving credit facility.

12. Quarterly Financial Data (Unaudited)

Quarterly financial data for 2003 and 2002 are summarized as follows:

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
2003				
Total revenue	$527,539	$563,119	$527,189	$580,335
Gross profit	361,574	373,007	361,811	397,875
Income before income taxes	35,635	38,181	36,277	55,169
Net income	22,985	24,626	23,399	35,519
Net income per share - basic	.46	.50	.48	.74
Net income per share - diluted	.45	.48	.46	.70
2002				
Total revenue	$496,356	$523,599	$506,127	$545,702
Gross profit	333,156	341,867	344,865	374,158
Income before income taxes	30,603	32,916	31,724	47,288
Net income	19,647	21,132	20,557	30,453
Net income per share - basic	.36	.38	.38	.59
Net income per share - diluted	.35	.37	.36	.56

13. Subsequent Event

On September 25, 2003, the Company's Board of Directors approved a new quarterly dividend policy, declaring the first such quarterly dividend of $0.11 per common share payable on November 10, 2003 to shareholders of record on October 17, 2003.

INDEPENDENT AUDITORS' REPORT

To the Shareholders of CBRL Group, Inc.:

We have audited the accompanying consolidated balance sheets of CBRL Group, Inc. and subsidiaries (the "Company") as of August 1, 2003 and August 2, 2002, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for each of the three fiscal years in the period ended August 1, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company at August 1, 2003 and August 2, 2002, and the results of its operations and its cash flows for each of the three fiscal years in the period ended August 1, 2003, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2, the Company adopted certain provisions of Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets effective August 4, 2001, which resulted in the Company changing the method in which it accounts for goodwill and other intangible assets.

\s\Deloitte & Touche LLP

Nashville, Tennessee
September 10, 2003
(September 25, 2003 as to Note 13)

EXHIBIT 21

Subsidiaries of the Registrant

The following is a list of the significant subsidiaries of the Registrant as of August 1, 2003, all of which are wholly-owned:

Parent	State of Incorporation
CBRL Group, Inc.	Tennessee

Subsidiaries	
Cracker Barrel Old Country Store, Inc.	Tennessee
Logan's Roadhouse, Inc.	Tennessee
CBOCS Distribution, Inc. (dba Cracker Barrel Old Country Store)	Colorado
CBOCS General Partnership	Michigan
CBOCS Michigan, Inc. (dba Cracker Barrel Old Country Store)	Michigan
CBOCS West, Inc. (dba Cracker Barrel Old Country Store)	Nevada
Roadhouse Promotions, Inc.	Tennessee
Rocking Chair, Inc.	Nevada

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement Nos. 2-86602, 33-15775, 33-37567, 33-45482, 333-01465, 333-63442, 333-71384 and 333-81063 of CBRL Group, Inc. on Form S-8 and Registration Statement Nos. 33-59582, 333-90996-02 and 333-90996-13 on Form S-3 of our report dated September 10, 2003 (September 25, 2003 as to Note 13), appearing in and incorporated by reference in the Annual Report on Form 10-K of CBRL Group, Inc. for the year ended August 1, 2003.

DELOITTE & TOUCHE LLP

Nashville, Tennessee
October 15, 2003

EXHIBIT 31 A CERTIFICATION

I, Michael A. Woodhouse certify that:

1. I have reviewed this Annual Report on Form 10-K of CBRL Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 15, 2003

/s/ Michael A. Woodhouse

Michael A. Woodhouse, President and
Chief Executive Officer

EXHIBIT 31 B CERTIFICATION

I, Lawrence E. White certify that:

1. I have reviewed this Annual Report on Form 10-K of CBRL Group, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 15, 2003

/s/ Lawrence E. White

Lawrence E. White, Senior Vice President, Finance and Chief Financial Officer

Exhibit 32 A

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of CBRL Group, Inc. (the "Issuer") on Form 10-K for the fiscal year ended August 1, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael A. Woodhouse, President and Chief Executive Officer of the Issuer certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Date: October 15, 2003

By: /s/ Michael A. Woodhouse
Michael A. Woodhouse,
President and Chief Executive Officer

Exhibit 32 B

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of CBRL Group, Inc. (the "Issuer") on Form 10-K for the fiscal year ended August 1, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lawrence E. White, Senior Vice President and Chief Financial Officer of the Issuer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

Date: October 15, 2003

By: /s/ Lawrence E. White
Lawrence E. White,
Senior Vice President, Finance and Chief Financial Officer