



**Biglari Holdings Inc.**



**BH NYSE**

**Restaurants**

Market Capitalization USD:

**\$424.73 mm**

**CONCERN LEVEL: LOW**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less. 
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

**CEO: Sardar Biglari**

**Age: 34 CEO Since: 2008**

	2009	2010	2011
<b>Base Salary</b>	\$467,231	\$900,000	\$900,000
<b>Discretionary Bonus</b>	\$0	\$0	\$0
<b>Annual Cash Incentive</b>	\$0	\$1,206,896	\$3,992,391
<b>Benefits and Perquisites</b>	\$48,214	\$15,660	\$30,264
<b>TOTAL ANNUAL COMPENSATION</b>	<b>\$515,445</b>	<b>\$2,122,556</b>	<b>\$4,922,655</b>
<b>Increase in Post-Retirement Benefits</b>	\$0	\$0	\$0
<b>Stock Option Awards</b>	\$0	\$0	\$0
<b>Stock Awards</b>	\$0	\$0	\$0
<b>TOTAL COMPENSATION</b>	<b>\$515,445</b>	<b>\$2,122,556</b>	<b>\$4,922,655</b>
<b>Median of Other Named Executive Officers Total Compensation</b>	\$357,006	\$371,389	\$412,830
<b>Value Realized on Exercise of Stock Option</b>	\$0	\$0	\$0
<b>Value Realized on Vesting of Stock</b>	\$0	\$0	\$0
<b>TOTAL REALIZED EQUITY COMPENSATION</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Proxy Date:** 16 Mar 2012

**Annual Meeting Date:** 19 Apr 2012

**Equity Reserves:** 2.88%

**Stock Option Run Rate:** 0.00%

# Biglari Holdings Inc.

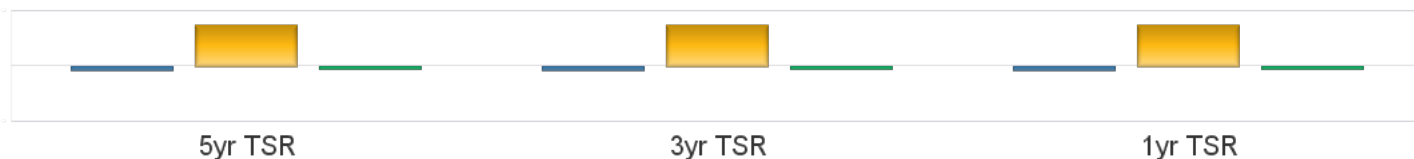
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## Performance Comparison

■ vs S&P500    ■ vs Industry    ■ BH



## Peer Comparisons (TRBC) =Restaurants

### Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
<b>BH</b>	<b>Biglari Holdings Inc.</b>	<b>\$515,445</b>	<b>\$2,122,556</b>	<b>\$4,922,655</b>	<b>\$424,732,501</b>
BJRI	BJ's Restaurants, Inc.	\$1,472,605	\$2,510,411		\$1,221,759,309
BWLD	Buffalo Wild Wings, Inc.	\$2,413,271	\$1,969,991		\$1,097,459,885
TXRH	Texas Roadhouse, Inc.	\$1,800,000	\$1,742,400		\$944,398,197
JACK	Jack in the Box Inc.	\$7,107,658	\$4,503,110	\$5,305,780	\$923,996,590
CBRL	Cracker Barrel Old Country Store, Inc.	\$4,736,509	\$6,183,455		\$915,153,130
BOBE	Bob Evans Farms, Inc.	\$3,262,198	\$3,861,593		\$865,080,019

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

### Pay Peer Group

In designing Mr. Biglari's incentive arrangement, the Committee examined carefully market data provided by Towers Watson regarding the total remuneration of chief executives in a peer group of 36 companies, which consisted of restaurants, asset managers, and diversified holding companies. These executives carried out responsibilities similar in scope to Mr. Biglari's. The peer group was composed of 18 quick-service and casual-dine restaurants and 18 asset management firms and diversified holding companies. The Committee believes both types of companies that compose the peer group are appropriate comparisons given Mr. Biglari's dual responsibilities and duties, which encompass restaurant operations and capital allocation and investment management.

### Performance Peer Group

NA

## COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Kenneth R. Cooper	Member	67	Male	2	Outside
Philip L. Coolev	Member	68	Male	4	Outside
Ruth J. Person	Member	66	Female	10	Outside Related
William L. Johnson	Member	69	Male	0	Outside