FAMOUS DAVES OF AMERICA INC

NASDAQ: **DAVE**
Industry: **Hotels Restaurants & Leisure**

SABRIENT
HOLD
RATING

Stock Fundamentals as of April 16, 2007

Sabrient Rating	**Hold**
Ticker	**DAVE**
Market Cap Designation	**Small-cap**
Market Capitalization (Millions)	**$180.2**
Price	**$17.75**
52-Week High/Low	**$19.33/12.17**
EPS (TTM)	**$0.46**
P/E Ratio (TTM)	**38.6**
Dividend Yield	**N/A**
S&P 500 P/E Ratio	**21.9**
Price/Book Ratio	**5.0**
Price/Sales Ratio	**1.5**
30-Day Average Volume (Thousands)	**27.9**
Beta	**0.60**
Current Ratio	**1.0**
Short Interest Ratio	**3.5**
Shares Outstanding (Millions)	**10.2**
Institutional Holdings	**48.1%**

Sabrient Ratings

Sabrient's Buy/Hold/Sell ratings are based on a combination of dynamic filters that determine which attributes of a stock are most predictive in the prevailing market and which stocks best reflect those attributes but are not yet rewarded.

Sabrient starts with an "extraction" process that uses the best performing filters to identify stocks having certain compelling attributes currently sought by the market. Then, a composite scoring process uses a weighted average of several key scores to quantify the relative likelihood of upside or downside price action. As a result, the Buy/Hold/Sell rating may, in certain cases, seem inconsistent with a simple average of the scores cited in this analysis.

A BUY rating means the stock is expected to outperform its relevant benchmark substantially over the next 6 months. A SELL rating means the stock is expected to underperform its relevant benchmark substantially over the next 6 months. A HOLD rating means the stock is expected to perform in line with its relevant benchmark over the next 6 months.

If a stock is rated HOLD, the investor should review the stock's history of Sabrient ratings to see if it has recently changed to HOLD from BUY or SELL. If so, this indicates one of the following: (1) there has been a significant change in the stock's fundamentals, (2) the stock is already appropriately rewarded or punished by the market, or (3) there simply has been some recent price consolidation that warrants attention. A reading of Sabrient's analysis should identify which it is.

More about Sabrient on Page 4.

Sabrient's Market Cap Designations

Large Cap	> $5.0 Billion
Mid Cap	$1.0 - $5.0 Billion
Small Cap	$150 Million - $1.0 Billion
Micro Cap	< $150.0 Million

FAMOUS DAVES OF AMERICA INC

Average Daily Volume in Thousands — 50-Day Moving Average

Company Profile

Possessed, as of Jan. 1, 2006, a network of 126 Famous Dave's restaurants in 32 states, including 38 company-owned restaurants and 88 franchise-operated restaurants. An additional 196 franchise restaurants were committed to be developed through signed area development agreements at Jan. 1, 2006.

Earnings and Revenue Update: For the quarter ended December 31, 2006, Famous Dave's reported earnings of $1.1 million or $0.10 per share compared with $1.6 million or $0.15 per share for the prior quarter and $0.8 million or $0.07 per share for the same quarter one year ago. Revenues were $28.0 million for the quarter ended December 31, 2006 compared with $30.8 million for the prior quarter and $24.5 million for the same quarter one year ago. Last twelve months' earnings were $0.46 per share compared with $0.39 per share a year ago. Last twelve months' revenues were $116.6 million compared with $102.4 million a year ago.

Sabrient Analysis

Sabrient rates DAVE a Hold rating because it misses the mark for Sabrient's dynamic filtering process.

- **Momentum:** A Sabrient Momentum Score of 73.4 implies a favorable accumulation trend for DAVE. The score reflects price, earnings, and group momentum.

- **Growth:** A Sabrient Growth Score of 68.2 suggests the stock has good potential as a growth stock.

- **Value:** A rank of 49.3 for the Sabrient Value Score implies that historical and projected earnings are already priced into shares of Famous Dave's.

- **Timeliness:** DAVE has a Sabrient Timeliness Score of 71.0. This measures technical strength based on short-term and long-term price performance and long-term group strength.

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FAMOUS DAVES OF AMERICA INC

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Current Sabrient Scores Compared with Industry and Relevant Benchmark

These Sabrient scores compare various aspects of FAMOUS DAVES OF AMERICA INC with its industry and relevant benchmarks. The scores are percentile rankings from 0 to 99.9. Higher scores are better. We use a weighted average of several key scores to quantify the relative likelihood of upside or downside price action. Therefore, the Sabrient rating may seem inconsistent with a simple average of the scores cited in this analysis.

Growth Score: 68.2

|	
DAVE	68.2
Industry	55.5
sp600	55.9

Very Low | Low | Average | High | Very High
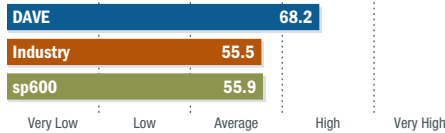
The Sabrient Growth Score reflects a company's historical and projected earnings growth, revenue and sales growth, projected cash flow, analyst activity, and changes in earnings estimates, each over various time periods. The higher the score, the better the combined performance of these key measures. With a Sabrient Growth Score of 68.2, Famous Dave's is moderately higher than the average of its industry group, which has a Sabrient Growth Score of 55.5.

Value Score: 49.3

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DAVE	49.3
Industry	34.5
sp600	45.9

Very Low | Low | Average | High | Very High
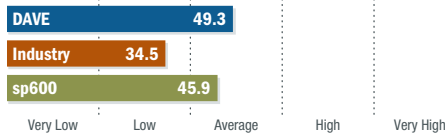
The Sabrient Value Score measures the relationship between a company's stock price and its intrinsic value, as indicated by earnings and balance sheet attributes, with an emphasis on earnings. Also considered are cash flow measures and fundamental valuation ratios. With a Sabrient Value Score of 49.3, Famous Dave's is moderately higher than the average of its industry group, which has a Sabrient Value Score of 34.5.

Momentum Score: 73.4

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DAVE	73.4
Industry	67.6
sp600	64.9

Very Low | Low | Average | High | Very High
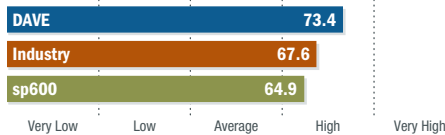
The Sabrient Momentum Score measures a company's earnings and price momentum, evenly weighted, and augmented by group strength, money flow, and relative volume. Core technical factors include current price relative to periodic highs and moving averages. With a Sabrient Momentum Score of 73.4, Famous Dave's is marginally higher than the average of its industry group, which carries a Sabrient Momentum Score of 67.6.

Earnings Score: 79.5

DAVE	79.5
Industry	59.3
sp600	57.9

Very Low | Low | Average | High | Very High
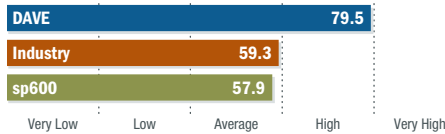
The Sabrient Earnings Score assesses a company's overall earnings performance and projected outlook. Time periods include an average look-back of three years with an emphasis on the past four quarters and a forward look of one to five years. With a Sabrient Earnings Score of 79.5, Famous Dave's is considerably higher than the average of its industry group, which has a Sabrient Earnings Score of 59.3.

Balance Sheet Score: 42.6

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DAVE	42.6
Industry	68.9
sp600	67.9

Very Low | Low | Average | High | Very High
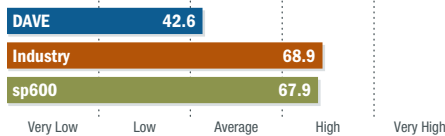
The Sabrient Balance Sheet Score measures a company's liquidity and debt issues, as well as receivables and inventory quality. This score is used to assess relative risk associated with a stock: the lower the score, most likely the higher the inherent risk. With a Sabrient Balance Sheet Score of 42.6, Famous Dave's is considerably lower than the average of its industry group, which carries a Sabrient Balance Sheet Score of 68.9.

Fundamental Score: 49.0

DAVE	49.0
Industry	56.7
sp600	60.0

Very Low | Low | Average | High | Very High
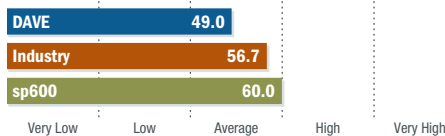
The Sabrient Fundamental Score is the broad measure of a company's financial health, including its balance sheet, cash flow, revenue, and earnings quality. With a Sabrient Fundamental Score of 49.0, Famous Dave's is marginally lower than the average of its industry group, which carries a Sabrient Fundamental Score of 56.7.

Timeliness Score: 71.0

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DAVE	71.0
Industry	80.2
sp600	76.8

Very Low | Low | Average | High | Very High
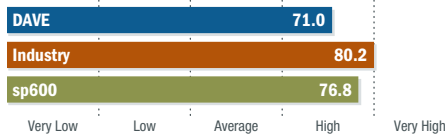
The Sabrient Timeliness Score is an assessment of a stock's short and long-term price strength as determined by various chart-based indicators and measures of group momentum and relative price performance. With a Sabrient Timeliness Score of 71.0, Famous Dave's is marginally lower than the average of its industry group, which carries a Sabrient Timeliness Score of 80.2.

Peer Analysis

This table compares DAVE with other similar-sized companies in the same industry group, focusing on Sabrient's growth, momentum and value scores, which represent the three main investing styles. The Peer Analysis chart compares DAVE's price performance with these companies.
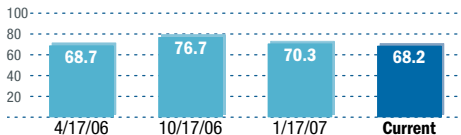
2-Year Price Performance — DAVE — Peers
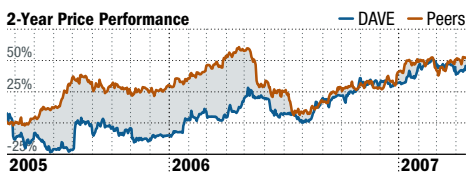
Symbol	Company	Growth Score	Momentum Score	Value Score	Market Cap.(M)
BNHNA	Benihana	21.8	31.3	42.8	$233.3
COSI	Cosi	24.1	37.4	27.1	$222.9
FRS	Frisch's	23.0	84.6	25.5	$181.0
DAVE	**FAMOUS DAVES OF AMERICA INC**	**68.2**	**73.4**	**49.3**	**$180.2**
CBOU	Caribou	25.5	34.2	17.1	$141.6
ARKR	Ark Restaurants	19.8	40.2	23.2	$125.4
FRN	Friendly Ice Cream	24.7	81.8	20.5	$120.1

Please see important disclaimer on page 4 of this report.

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FAMOUS DAVES OF AMERICA INC

NASDAQ: **DAVE**
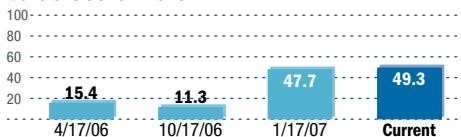Industry: **Hotels Restaurants & Leisure**

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Historical Sabrient Scores

The recent history of key Sabrient scores provide insight into the stock's trend–whether it is increasing or decreasing in strength in a particular area, or simply holding steady. The Sabrient scores are percentile rankings from 0 to 99.9, with higher scores better. Keep in mind that Sabrient ratings may seem inconsistent with a simple average of these key scores because a weighted average of several key scores is used to quantify the relative likelihood of upside or downside price action.
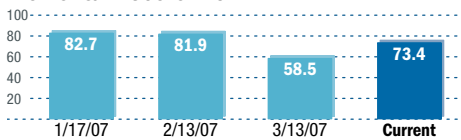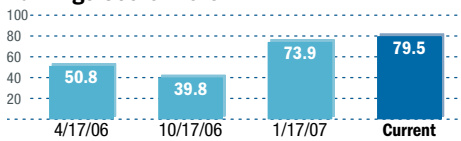
Growth Score: 68.2

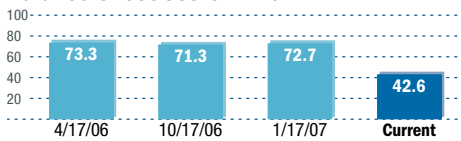| 4/17/06	10/17/06	1/17/07	Current
68.7	76.7	70.3	68.2

Value Score: 49.3

4/17/06	10/17/06	1/17/07	Current
15.4	11.3	47.7	49.3

Momentum Score: 73.4

1/17/07	2/13/07	3/13/07	Current
82.7	81.9	58.5	73.4

Earnings Score: 79.5

4/17/06	10/17/06	1/17/07	Current
50.8	39.8	73.9	79.5

Balance Sheet Score: 42.6

4/17/06	10/17/06	1/17/07	Current
73.3	71.3	72.7	42.6

Fundamental Score: 49.0

4/17/06	10/17/06	1/17/07	Current
57.4	58.8	61.7	49.0

Timeliness Score: 71.0
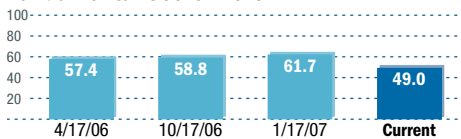
1/17/07	2/13/07	3/13/07	Current
96.3	91.9	80.0	71.0
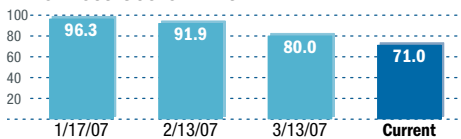
Sabrient Analysis continued from Page 1

• **Best Performing Filters:** To determine the likelihood of near-term performance, Sabrient builds and backtests "Smart Filters" to establish which caps, styles and attributes are drawing a premium in today's market. Currently, the three most predictive filters for the relevant segment are:

Financial Quality Filter: The Financial Quality Filter assesses a company's financial health, emphasizing cash flow, along with projections for bottom-line and recent top-line growth. It is currently among Sabrient's best performing filters in the small-cap market. DAVE scores 23.0 for this filter.

Group Momentum Filter: The Group Momentum Filter measures industry group performance in multiple periods with an emphasis on the last three months and serves as a proxy for broader market sentiment toward a group or niche. Backtesting shows that the filter has earned a significant premium to its small-cap benchmark over the past three months. DAVE scores 22.4 for this filter.

Valuation Ratios Filter: The Valuation Ratios Filter is a proxy for fundamental valuation, bestowing high Sabrient scores on stocks with low, and therefore favorable, valuation ratios such as price-to-earnings and price-to-sales. This filter outperformed its small-cap benchmark by a substantial margin over the past three months. DAVE scores 19.9 for this filter.

In summary, Sabrient rates DAVE a Hold because it lacks the compelling characteristics being rewarded in today's market. This analysis should be considered in light of the recent behavior of the market, discussed below.

What the Market Wants: April 2007

[Note: 'What the Market Wants' is based on the market behavior and Sabrient's filter backtesting results for the previous month.]

RECOVERY BEGINS

The aftermath of the mini-crash in late February was relatively mild. The market meandered for the first half of March and then produced a modest gain over the last two weeks of the month. The S&P 500 gained exactly 1% for March, while the Nasdaq was up 23 basis points and the Dow Jones, up 70 basis points. So while the March market was nothing to get excited about, it could have been much worse, and indeed many thought it would be.

In the wake of the unnerving drop on February 27, it is not surprising that the value style easily outpaced growth in all four market caps. This flight to quality is not necessarily long-term, but it is the norm after such a drop. There was very little difference among market cap performance, with large-caps and small-caps gaining nearly 1%, mid-caps and micro-caps, a little more than .5% -- not much on which to base a prognosis.

This value-based market continues to favor conservatively priced, GARP-like companies with strong, stable cash flow growth and conservative accounting. This is to be expected as well.

All in all, we enter April with more positive underpinnings to the market. We have seen a small lessening of tensions in the Middle East, an easing of fears about interest rate increases, and some calming of nerves with regard to the subprime mortgage market.

Make no mistake, though; the severe February quake was induced by subprime mortgage worries, which are still rumbling beneath the surface. But if this rumbling grows into another quake, it is unlikely to shake financial stocks to the extent that this first tremor did.

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What the Market Wants: April 2007 continued from Page 3

Next update: Second week in May.

Company Description

Famous Dave's of America, Inc. engages in the development, ownership, operation, and franchising of restaurants under the name of Famous Dave's in the United States. The company operates full-service and counter-service restaurants. As of February 28, 2007, it operated 145 restaurants, including 41 company-owned and 104 franchised restaurants in 35 states. Famous Dave's of America, Inc. was founded in 1994 and is headquartered in Minnetonka, Minnesota.

About Sabrient

Sabrient Systems is an independent research firm providing statistical analysis of a company's fundamental data to investment professionals. We use a computer-driven, quantitative methodology to identify stocks that appear poised to outperform or underperform the market.

The Sabrient methodology was developed by an experienced research team led by David Brown, a former NASA scientist and retired CEO of Telescan and designer of its premier stock search program, ProSearch. The research team employs a scientific approach to the creation and testing of multi-factor filters. Each filter targets a key area of traditional stock analysis, including value, growth, momentum, fundamentals, earnings, balance sheet, and group strength. Using an adaptive process, filters are continually tested and monitored to ensure that only the best performing filters are at work.

Sabrient's ratings begin with an extraction process in which each of the few best-performing filters scans the universe of equities to identify stocks having certain compelling attributes sought, but not sufficiently rewarded, by the current market, Then, a composite scoring system employs a broader set of "weighting" filters to rank the extracted stocks. To support individual investors, Sabrient uses the same sophisticated methodology to provide individual stock reports on a universe of approximately 5,600 stocks.

Sabrient regularly tests the performance of its stock selections, using its primary list of published rankings and statistical techniques it believes appropriate. These recommendations have consistently outperformed relevant benchmarks across a broad range of investing styles, market caps, time frames and market conditions, demonstrating the robustness of Sabrient's proprietary methodology. While past performance is no guarantee of future results, Sabrient believes it can maintain its strong performance through its rigorous, scientific approach to filter construction and ongoing backtesting within a dynamic and adaptive composite scoring system.

For more information on Sabrient and its performance, go to *www.sabrient.com*

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