UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 1, 2018

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission File No. 001-35603

CHUY'S HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	**20-5717694**
(State of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
1623 TOOMEY ROAD AUSTIN, TEXAS	**78704**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (512) 473-2783

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 ☑ No ▯

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ▯

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer	▯	Accelerated filer	☑	Emerging growth company	☐
Non-accelerated filer	▯(Do not check if a smaller reporting company)	Smaller reporting company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ▯

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

The number of shares of the registrant's common stock outstanding atApril 27, 2018 was 16,926,076.

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Part I—Financial Information

Item 1. Financial Statements

Chuy's Holdings, Inc.
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)

	April 1, 2018		December 31, 2017	
Assets	(Unaudited)			
Current assets:				
Cash and cash equivalents	$	8,436	$	8,785
Accounts receivable		1,076		2,696
Lease incentives receivable		3,191		6,351
Income tax receivable		1,055		1,225
Inventories		1,435		1,605
Prepaid expenses and other current assets		6,269		5,924
Total current assets		21,462		26,586
Property and equipment, net		204,628		197,255
Other assets and intangible assets, net		2,194		2,157
Tradename		21,900		21,900
Goodwill		24,069		24,069
Total assets	$	274,253	$	271,967
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable	$	6,586	$	6,396
Accrued liabilities		15,153		16,488
Deferred lease incentives		2,840		2,773
Total current liabilities		24,579		25,657
Deferred tax liability, net		6,693		6,438
Accrued deferred rent		12,647		11,764
Deferred lease incentives, less current portion		39,724		39,146
Total liabilities		83,643		83,005
Commitments and contingencies (note 7)				
Stockholders' equity:				
Common stock, $0.01 par value; 60,000,000 shares authorized; 16,925,099 shares issued and outstanding at April 1, 2018 and 16,923,741 shares issued and outstanding at December 31, 2017		169		169
Preferred stock, $0.01 par value; 15,000,000 shares authorized and no shares issued or outstanding at April 1, 2018 and December 31, 2017		—		—
Paid-in capital		98,605		100,140
Retained earnings		91,836		88,653
Total stockholders' equity		190,610		188,962
Total liabilities and stockholders' equity	$	274,253	$	271,967

See notes to the Unaudited Condensed Consolidated Financial Statements

Chuy's Holdings, Inc.
Unaudited Condensed Consolidated Income Statements
(In thousands, except share and per share data)

	Thirteen Weeks Ended	
	April 1, 2018	March 26, 2017
Revenue	$ 93,850	$ 86,904
Costs and expenses:		
Cost of sales	23,573	21,825
Labor	33,468	29,699
Operating	13,352	12,032
Occupancy	7,097	6,121
General and administrative	5,471	4,872
Marketing	1,080	631
Restaurant pre-opening	1,421	1,102
Depreciation and amortization	4,713	4,161
Total costs and expenses	90,175	80,443
Income from operations	3,675	6,461
Interest expense, net	16	16
Income before income taxes	3,659	6,445
Income tax expense	476	1,895
Net income	$ 3,183	$ 4,550
Net income per common share:		
Basic	$ 0.19	$ 0.27
Diluted	$ 0.19	$ 0.27
Weighted-average shares outstanding:		
Basic	16,936,824	16,855,275
Diluted	17,069,140	17,002,256

See notes to the Unaudited Condensed Consolidated Financial Statements

Chuy's Holdings, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(In thousands)

	Thirteen Weeks Ended	
	April 1, 2018	March 26, 2017
Cash flows from operating activities:		
Net income	$ 3,183	$ 4,550
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,713	4,161
Amortization of loan origination costs	8	8
Stock-based compensation	736	597
Loss on disposal of property and equipment	—	5
Amortization of deferred lease incentives	(705)	(588)
Deferred income taxes	255	1,136
Changes in operating assets and liabilities:		
Accounts receivable	1,620	35
Income tax receivable	170	741
Inventories	170	250
Prepaid expenses and other current assets	(345)	17
Accounts payable	(1,901)	(2,031)
Accrued liabilities and deferred rent	(452)	(1,211)
Deferred lease incentives	4,510	565
Net cash provided by operating activities	11,962	8,235
Cash flows from investing activities:		
Purchase of property and equipment	(9,912)	(7,233)
Purchase of other assets	(77)	(125)
Net cash used in investing activities	(9,989)	(7,358)
Cash flows from financing activities:		
Repurchase of shares of common stock	(1,618)	—
Proceeds from the exercise of stock options	35	69
Indirect repurchase of shares for minimum tax withholdings	(739)	(458)
Net cash used in financing activities	(2,322)	(389)
Net (decrease) increase in cash and cash equivalents	(349)	488
Cash and cash equivalents, beginning of period	8,785	13,694
Cash and cash equivalents, end of period	$ 8,436	$ 14,182
Supplemental disclosure of non-cash investing and financing activities:		
Property and equipment and other assets acquired by accounts payable	$ 2,091	$ 2,639
Supplemental cash flow disclosures:		
Cash paid for interest	$ 8	$ 8
Cash paid for income taxes	$ 12	$ 18

See notes to the Unaudited Condensed Consolidated Financial Statements

Chuy's Holdings, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements
(Tabular dollar amounts in thousands, except share and per share data)

1. Basis of Presentation

Chuy's Holdings, Inc. (the "Company" or "Chuy's") develops and operates Chuy's restaurants throughout the United States. Chuy's is a fast-growing, full-service restaurant concept offering a distinct menu of authentic, freshly-prepared Mexican and Tex-Mex inspired food. As of April 1, 2018, the Company operated 93 restaurants in 19 states.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements and the related notes reflect all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the Company's financial position, results of operations and cash flows for the periods presented. The unaudited condensed consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), except that certain information and notes have been condensed or omitted pursuant to rules and regulations of the Securities and Exchange Commission (the "SEC"). Results for interim periods are not necessarily indicative of the results that may be expected for the full fiscal year. The unaudited condensed consolidated financial statements should be read in conjunction with consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017. The accompanying condensed consolidated balance sheet as of December 31, 2017, has been derived from our audited consolidated financial statements.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain 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 for the period. Actual results could differ from those estimates.

The Company operates on a 52- or 53- week fiscal year that ends on the last Sunday of the calendar year. Each quarterly period has 13 weeks, except for a 53-week year when the fourth quarter has 14 weeks. Our 2018 fiscal year consists of 52 weeks and our 2017 fiscal year consisted of 53 weeks.

2. Recent Accounting Pronouncements

Leases

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, "Leases (Topic 842)." This update requires a lessee to recognize on the balance sheet the right-of-use assets and lease liabilities for leases with a lease term of more than twelve months. This update also requires additional disclosures about the amount, timing, and uncertainty of cash flows arising from leases. This ASU is effective for interim and annual periods beginning after December 15, 2018 and requires a modified retrospective approach to adoption for lessees existing at, or entered into after the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available.

We had operating leases with remaining rental payments of approximately $404.7 million as of December 31, 2017. The discounted minimum remaining rental payments will be the starting point for determining the assets and liabilities for the rights and obligations created by those leases. While the Company is still evaluating the guidance and the impact on its consolidated financial statements, we expect the adoption of this standard will have a significant impact on the Company's consolidated balance sheet as we will recognize the right-of-use assets and liabilities for current operating leases, but will likely have an insignificant impact on the consolidated statement of income or cash flows and overall liquidity. In preparation for the adoption of the guidance, the Company will implement controls and key systems changes to enable the preparation of financial information.

Revenue Recognition

In May 2014, the FASB issued ASU 2014-09, "Revenue with Contracts from Customers (Topic 606)." ASU 2014-09 supersedes the current revenue recognition guidance, including industry-specific guidance. The guidance introduces a five-step model to achieve its core principal of the entity recognizing revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This ASU is effective for interim and annual periods beginning after December 15, 2017.

The Company's revenue is mainly comprised of food and beverage sales. Proceeds from the sale of gift cards are recorded as deferred revenue at the time of sale and recognized as revenue upon redemption by the customer. ASU 2014-09 does not have an impact on revenue recognition related to food and beverage sales. However, it requires gift card breakage to be recognized as revenue proportionate to the pattern of gift card redemptions. Under the previous guidance, the Company determined breakage when the likelihood of redemption of the gift card by the customer was remote. The Company continues to record gift card breakage as a component of revenue.

We adopted this guidance in the first quarter of 2018. The comparative financial information has not been restated and continues to be reported under the accounting standards in effect for those periods. The adoption of this ASU was immaterial to the Company's consolidated financial statements.

Chuy's Holdings, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements (Continued)
(Tabular dollar amounts in thousands, except share and per share data)

The Company reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact on the Company's consolidated financial statements.

3. Net Income Per Share

The number of shares and net income per share data for all periods presented are based on the historical weighted-average shares of common stock outstanding.

Basic net income per share of the Company's common stock is computed by dividing net income by the weighted-average number of shares of common stock outstanding for the period.

Diluted net income per share of the Company's common stock is computed on the basis of the weighted-average number of shares of common stock plus the effect of dilutive potential shares of common stock equivalents outstanding during the period using the treasury stock method for dilutive options and deferred shares (these deferred shares were granted under the Chuy's Holdings, Inc. 2012 Omnibus Equity Incentive Plan (the "2012 Plan"), and are referred to herein as "restricted stock units"). For the thirteen weeks ended April 1, 2018 and March 26, 2017, there were approximately 11,500 and 8,000 shares, respectively, of common stock equivalents that were excluded from the calculation of diluted net income per share because their inclusion would have been anti-dilutive.

The computation of basic and diluted earnings per share is as follows:

	Thirteen Weeks Ended	
	April 1, 2018	March 26, 2017
BASIC		
Net income	$ 3,183	$ 4,550
Weighted-average common shares outstanding	16,936,824	16,855,275
Basic net income per common share	$ 0.19	$ 0.27
DILUTED		
Net income	$ 3,183	$ 4,550
Weighted-average common shares outstanding	16,936,824	16,855,275
Dilutive effect of stock options and restricted stock units	132,316	146,981
Weighted-average of diluted shares	17,069,140	17,002,256
Diluted net income per common share	$ 0.19	$ 0.27

4. Stock-Based Compensation

The Company has outstanding awards under the Chuy's Holdings, Inc. 2006 Stock Option Plan (the "2006 Plan") and the 2012 Plan. Options granted under these plans vest over five years from the date of grant and have a maximum term of 10 years. Restricted stock units granted under the 2012 Plan vest over four to five years from the date of grant. As of April 1, 2018, a total of 493,973 shares of common stock are reserved and remain available for issuance under the 2012 Plan.

Stock-based compensation cost recognized in the accompanying condensed consolidated income statements was approximately $736,000 and $597,000 for the thirteen weeks ended April 1, 2018 and March 26, 2017, respectively.

(Tabular dollar amounts in thousands, except share and per share data)

Stock Options

A summary of stock-based compensation activity related to stock options for the thirteen weeks ended April 1, 2018 are as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2017	274,110	$ 19.54		
Exercised	(3,587)	9.83		
Forfeited	(936)	32.02		
Outstanding at April 1, 2018	269,587	$ 19.63	3.92	$ 2,087
Exercisable at April 1, 2018	267,250	$ 19.53	3.91	$ 2,085

The aggregate intrinsic value in the table above is obtained by subtracting the exercise price from the estimated fair value of the underlying common stock as of April 1, 2018 and multiplying this result by the related number of options outstanding and exercisable at April 1, 2018. The estimated fair value of the common stock as of April 1, 2018 used in the above calculation was $26.20 per share, the closing price of the Company's common stock on March 29, 2018, the last trading day of the first quarter. The total intrinsic value of options exercised during the thirteen weeks ended April 1, 2018 was approximately $57,000. The fair value of options vested during the thirteen weeks ended April 1, 2018 was approximately $250,000.

There was approximately $15,000 of total unrecognized compensation costs related to options granted under the 2006 Plan and the 2012 Plan as of April 1, 2018. These costs will be recognized ratably over the next year.

Restricted Stock Units

A summary of stock-based compensation activity related to restricted stock units for the thirteen weeks ended April 1, 2018 are as follows:

	Shares	Weighted Average Fair Value	Weighted Average Remaining Contractual Term (Year)
Outstanding at December 31, 2017	258,486	$ 29.64	
Granted	213,064	25.70	
Vested	(89,643)	31.04	
Forfeited	—	—	
Outstanding at April 1, 2018	381,907	$ 27.11	3.28

The fair value of the restricted stock units is the quoted market value of our common stock on the date of grant. As of April 1, 2018, total unrecognized stock-based compensation expense related to non-vested restricted stock units was approximately $10.0 million, which is expected to be recognized ratably over the next five years.

5. Long-Term Debt

Revolving Credit Facility

On November 30, 2012, the Company entered into a $25.0 million Revolving Credit Facility with Wells Fargo Bank, National Association. On October 30, 2015, the Company entered into an amendment to its Revolving Credit Facility to, among other things, (1) extend the maturity date of the Revolving Credit Facility to October 30, 2020 from November 30, 2017 and (2) revise the applicable margins and leverage ratios that determine the commitment fees and interest rates payable by the Company under the Revolving Credit Facility.

Under the Company's Revolving Credit Facility, the Company may request to increase the size of the Revolving Credit Facility by up to an additional $25.0 million, in minimum principal amounts of $5.0 million or the remaining amount of the $25.0 million if less than $5.0 million (the "Incremental Revolving Loan"), which Incremental Revolving Loan will be effective after 10 days written notice to the agent. In the event that any of the lenders fund the Incremental Revolving Loan, the terms and provisions of the Incremental Revolving Loan will be the same as under the Company's Revolving Credit Facility.

(Tabular dollar amounts in thousands, except share and per share data)

Borrowings under the Revolving Credit Facility generally bear interest at a variable rate based upon the Company's election, of (i) the base rate (which is the highest of prime rate, federal funds rate plus 0.5% or one month LIBOR plus 1.0%), or (ii) LIBOR, plus, in either case, an applicable margin based on the Company's consolidated total lease adjusted leverage ratio (as defined in the Revolving Credit Facility agreement). The Revolving Credit Facility also requires payment for commitment fees that accrue on the daily unused commitment of the lender at the applicable margin, which varies based on the Company's consolidated total lease adjusted leverage ratio.

The Revolving Credit Facility also requires compliance with a fixed charge coverage ratio, a lease adjusted leverage ratio and certain non-financial covenants. The Revolving Credit Facility also places certain restrictions on the payment of dividends and distributions. Under the Revolving Credit Facility, the Company may declare and make dividend payments so long as (i) no default or event of default has occurred and is continuing or would result therefrom and (ii) immediately after giving effect to any such dividend payment, on a pro forma basis, the lease adjusted leverage ratio does not exceed 3.50 to 1.00.

The obligations under the Company's Revolving Credit Facility are secured by a first priority lien on substantially all of the Company's assets. As of April 1, 2018 the Company had no borrowings under our Revolving Credit Facility.

6. Accrued Liabilities

The major classes of accrued liabilities at April 1, 2018 and December 31, 2017 are summarized as follows:

	April 1, 2018	December 31, 2017
Accrued compensation and related benefits	$ 6,981	$ 5,964
Other accruals	3,051	4,037
Sales and use tax	2,860	3,131
Deferred gift card revenue	1,470	2,098
Property tax	727	1,194
Accrued closure costs	64	64
Total accrued liabilities	$ 15,153	$ 16,488

7. Commitments and Contingencies

We are involved in various legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on our condensed consolidated financial position, results of operations, or cash flows.

8. Subsequent events

Subsequent to April 1, 2018, the Company opened two new restaurants for a total of 95 restaurants, in 19 states.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our unaudited condensed consolidated financial statements and accompanying notes. Unless otherwise specified, or the context otherwise requires, the references in this report to "Chuy's," "our Company," "the Company," "us," "we" and "our" refer to Chuy's Holdings, Inc. together with its subsidiaries.

The following discussion contains, in addition to historical information, forward-looking statements that include risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2017 (our "Annual Report") and those set forth under "Cautionary Statements Concerning Forward-Looking Statements" in this report.

Although we believe that the expectations reflected in the forward-looking statements are reasonable based on our current knowledge of our business and operations, we cannot guarantee future results, levels of activity, performance or achievements. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as may be required by law.

The following discussion summarizes the significant factors affecting the consolidated operating results, financial condition, liquidity and cash flows of our Company as of and for the periods presented below. The following discussion and analysis should be read in conjunction with our Annual Report and the unaudited condensed consolidated financial statements and the accompanying notes thereto included herein.

Overview

We are a fast-growing, full-service restaurant concept offering a distinct menu of authentic, freshly-prepared Mexican and Tex-Mex inspired food. We were founded in Austin, Texas in 1982 and, as of April 1, 2018, we operated 93 Chuy's restaurants across 19 states.

We are committed to providing value to our customers through offering generous portions of made-from-scratch, flavorful Mexican and Tex-Mex inspired dishes. We also offer a full-service bar in all of our restaurants providing our customers a wide variety of beverage offerings. We believe the Chuy's culture is one of our most valuable assets, and we are committed to preserving and continually investing in our culture and our customers' restaurant experience.

Our restaurants have a common décor, but we believe each location is unique in format, offering an "unchained" look and feel, as expressed by our motto "If you've seen one Chuy's, you've seen one Chuy's!" We believe our restaurants have an upbeat, funky, eclectic, somewhat irreverent atmosphere while still maintaining a family-friendly environment.

Our Growth Strategies and Outlook

Our growth is based primarily on the following strategies:

- Pursue new restaurant development in major markets;
- Backfill smaller existing markets to build brand awareness;
- Deliver consistent same store sales through providing high-quality food and service; and
- Leverage our infrastructure.

During the 13-week period ended April 1, 2018, we opened two new restaurants and we also opened two additional restaurants subsequent to April 1, 2018. We have an established presence in Texas, the Southeast and the Midwest, with restaurants in multiple large markets in these regions. Our growth plan over the next five years focuses on developing additional locations in our existing core markets and major markets while continuing to "backfill" our existing markets in order to build our brand awareness.

Performance Indicators

We use the following performance indicators in evaluating our performance:

- *Number of Restaurant Openings*. Number of restaurant openings reflects the number of restaurants opened during a particular fiscal period. For restaurant openings we incur pre-opening costs, which are defined below, before the restaurant opens. Typically, new restaurants open with an initial start-up period of higher than normalized sales volumes, which decrease to a steady level approximately six to twelve months after opening. However, operating costs during this initial six to twelve month period are also higher than normal, resulting in restaurant operating margins that are generally lower during the start-up period of operation and increase to a steady level approximately nine to twelve months after opening.
- *Comparable Restaurant Sales*. We consider a restaurant to be comparable in the first full quarter following the 18th month of operations. Changes in comparable restaurant sales reflect changes in sales for the comparable group of restaurants over a specified period of time. Changes in comparable sales reflect changes in average weekly customer trends as well

as changes in average check. Our comparable restaurant base consisted of74 and 62 restaurants at April 1, 2018 and March 26, 2017, respectively.

- *Average Check*. Average check is calculated by dividing revenue by total entrées sold for a given time period. Average check reflects menu price increases as well as changes in menu mix. Our management team uses this indicator to analyze trends in customers' preferences, effectiveness of menu changes and price increases and per customer expenditures.
- *Average Weekly Customers*. Average weekly customers is measured by the number of entrées sold per week. Our management team uses this metric to measure changes in customer traffic.
- *Average Unit Volume*. Average unit volume consists of the average sales of our comparable restaurants over a certain period of time. This measure is calculated by dividing total comparable restaurant sales within a period of time by the total number of comparable restaurants within the relevant period. This indicator assists management in measuring changes in customer traffic, pricing and development of our brand.
- *Operating Margin*. Operating margin represents income from operations as a percentage of our revenue. By monitoring and controlling our operating margins, we can gauge the overall profitability of our Company.

The following table presents operating data for the periods indicated:

	Thirteen Weeks Ended	
	April 1, 2018	March 26, 2017
Total restaurants (at end of period)	93	82
Total comparable restaurants (at end of period)	74	62
Average comparable unit volumes (in thousands)	$ 1,055	$ 1,122
Change in comparable restaurant sales [1]	(0.6)%	(0.7)%
Average check	$ 15.01	$ 14.66

(1) We consider a restaurant to be comparable in the first full quarter following the eighteenth month of operations. Change in comparable restaurant sales reflect changes in sales for the comparable group of restaurants over a specified period of time. Due to the inclusion of a 53rd week in fiscal 2017, there is a one-week calendar shift in the comparison of the first fiscal quarter of 2018 ended April 1, 2018, to the first fiscal quarter of 2017 ended March 26, 2017. As a result, our comparable restaurant sales calculation is based on comparing sales in the first fiscal quarter of 2018 to sales in the corresponding calendar period of 2017. Sales for the same 74 restaurants in the comparable restaurant base in the fiscal first quarter ended April 1, 2018 decreased 1.5% compared to the first fiscal quarter of 2017 ended March 26, 2017.

Our Fiscal Year

We operate on a 52- or 53-week fiscal year that ends on the last Sunday of the calendar year. Each quarterly period has 13 weeks, except for a 53-week year when the fourth quarter has 14 weeks. Our 2018 fiscal year consists of 52 weeks and our 2017 fiscal year consisted of 53 weeks.

Key Financial Definitions

Revenue. Revenue primarily consists of food and beverage sales and also includes sales of our merchandise. Revenue is presented net of discounts associated with each sale. Revenue in a given period is directly influenced by the number of operating weeks in such period, the number of restaurants we operate and comparable restaurant sales growth.

Cost of Sales. Cost of sales consists of food, beverage and merchandise related costs. The components of cost of sales are variable in nature, change with sales volume and are subject to increases or decreases based on fluctuations in commodity costs.

Labor Costs. Labor costs include restaurant management salaries, front-and back-of-house hourly wages, restaurant-level manager bonus expense and payroll taxes.

Operating Costs. Operating costs consist primarily of restaurant-related operating expenses, such as supplies, utilities, repairs and maintenance, property insurance, travel, insurance, employee benefits, credit card fees, recruiting, delivery service and security. These costs generally increase with sales volume but decline as a percentage of revenue.

Occupancy Costs. Occupancy costs include rent charges, both fixed and variable, as well as common area maintenance costs, property taxes, the amortization of tenant allowances and the adjustment to straight-line rent. These costs are generally fixed but a portion may vary with an increase in sales when the lease contains percentage rent.

General and Administrative Expenses. General and administrative expenses include costs associated with corporate and administrative functions that support our operations, including senior and supervisory management and staff compensation (including stock-based compensation) and benefits, travel, legal and professional fees, information systems, corporate office rent and other related corporate costs.

Marketing. Marketing costs include costs associated with our local restaurant marketing programs, community service and sponsorship activities, our menus and other promotional activities.

Restaurant Pre-opening Costs. Restaurant pre-opening costs consist of costs incurred before opening a restaurant, including manager salaries, relocation costs, supplies, recruiting expenses, initial new market public relations costs, pre-opening activities, employee payroll and related training costs for new employees. Restaurant pre-opening costs also include rent recorded during the period between date of possession and the restaurant opening date.

Depreciation and Amortization. Depreciation and amortization principally include depreciation on fixed assets, including equipment and leasehold improvements, and amortization of certain intangible assets for our restaurants.

Interest Expense. Interest expense consists primarily of interest on our outstanding indebtedness and the amortization of our debt issuance costs reduced by capitalized interest.

Results of Operations

Potential Fluctuations in Quarterly Results and Seasonality

Our quarterly operating results may fluctuate significantly as a result of a variety of factors, including the timing of new restaurant openings and related expenses, profitability of new restaurants, weather, increases or decreases in comparable restaurant sales, general economic conditions, consumer confidence in the economy, changes in consumer preferences, competitive factors, changes in food costs, changes in labor costs and changes in gas prices. In the past, we have experienced significant variability in restaurant pre-opening costs from quarter to quarter primarily due to the timing of restaurant openings. We typically incur restaurant pre-opening costs in the five months preceding a new restaurant opening. In addition, our experience to date has been that labor and direct operating costs associated with a newly opened restaurant during the first several months of operation are often materially greater than what will be expected after that time, both in aggregate dollars and as a percentage of restaurant sales. Accordingly, the number and timing of new restaurant openings in any quarter has had, and is expected to continue to have, a significant impact on quarterly restaurant pre-opening costs, labor and direct operating costs.

Our business also is subject to fluctuations due to seasonality and adverse weather. The spring and summer months have traditionally had higher sales volume than other periods of the year. Timing of holidays, severe winter weather, hurricanes, thunderstorms and similar conditions may impact restaurant unit volumes in some of the markets where we operate and may have a greater impact should they occur during our higher volume months. As a result of these and other factors, our financial results for any given quarter may not be indicative of the results that may be achieved for a full fiscal year.

Thirteen Weeks Ended April 1, 2018 Compared to Thirteen Weeks Ended March 26, 2017

The following table presents, for the periods indicated, the condensed consolidated statement of operations (in thousands):

	Thirteen Weeks Ended					
	April 1, 2018	% of Revenue	March 26, 2017	% of Revenue	$ Change	% Change
Revenue	$ 93,850	100.0%	$ 86,904	100.0%	$ 6,946	8.0 %
Costs and expenses:						
Cost of sales	23,573	25.1%	21,825	25.1%	1,748	8.0 %
Labor	33,468	35.7%	29,699	34.2%	3,769	12.7 %
Operating	13,352	14.2%	12,032	13.9%	1,320	11.0 %
Occupancy	7,097	7.6%	6,121	7.0%	976	15.9 %
General and administrative	5,471	5.8%	4,872	5.6%	599	12.3 %
Marketing	1,080	1.2%	631	0.7%	449	71.2 %
Restaurant pre-opening	1,421	1.5%	1,102	1.3%	319	28.9 %
Depreciation and amortization	4,713	5.0%	4,161	4.8%	552	13.3 %
Total costs and expenses	90,175	96.1%	80,443	92.6%	9,732	12.1 %
Income from operations	3,675	3.9%	6,461	7.4%	(2,786)	(43.1)%
Interest expense, net	16	—%	16	—%	—	— %
Income before income taxes	3,659	3.9%	6,445	7.4%	(2,786)	(43.2)%
Income tax expense	476	0.5%	1,895	2.2%	(1,419)	(74.9)%
Net income	$ 3,183	3.4%	$ 4,550	5.2%	$ (1,367)	(30.0)%

Revenue. Revenue increased $6.9 million, or 8.0%, to $93.9 million for the thirteen weeks ended April 1, 2018 from $86.9 million for the comparable period in 2017. This increase was primarily driven by $9.4 million in incremental revenue from an additional 135 operating weeks provided by 13 new restaurants opened during and subsequent to the thirteen weeks ended March 26, 2017. This increase was partially offset by a decrease in revenue related to our comparable restaurants as well as non-comparable restaurants that are not included in the incremental revenue discussed above. Revenue for non-comparable restaurants is historically lower as the restaurants transition out of the 'honeymoon' period that follows a restaurant's initial opening.

In addition, there is a one-week calendar shift in the comparison of the fiscal first quarter of 2018 to the fiscal first quarter of 2017 due to the 53rd week in fiscal 2017. As a result of this shift, the week between Christmas and New Year's, traditionally a high-volume week for the Company's restaurants was included in the first quarter of 2017 but was replaced with an average volume week in the first quarter of 2018. This shift reduced revenue by approximately $1.4 million during the first quarter of 2018.

Adjusting for the timing of the 53rd week of 2017 and measuring performance on a comparable calendar basis, comparable restaurant sales decreased 0.6% for the thirteen weeks ended April 1, 2018 compared to the thirteen weeks ended April 2, 2017. The decrease in comparable restaurant sales was primarily driven by a 2.4% decrease in average weekly customers, partially offset by a 1.8% increase in average check. The Company estimates that comparable restaurant sales were negatively impacted by approximately 130 basis points as a result of unfavorable weather conditions, 20 basis points as a result of Easter falling in the first quarter of 2018 as compared to the second quarter of 2017, and approximately 20 basis points as a result of strategic cannibalization. Our total revenue mix attributed to bar sales was 18.5% during the thirteen weeks ended April 1, 2018 as compared to 18.3% during the comparable period in 2017.

The comparable restaurant sales calculation above is based upon comparing the sales in the first fiscal quarter of 2018 to sales in the corresponding calendar period of 2017. As a result of the 53rd week in fiscal 2017 and the one-week calendar shift, previously noted, sales for the same restaurants in the comparable restaurant base in the first fiscal quarter ended April 1, 2018 decreased 1.5% compared to the first fiscal quarter of 2017 ended March 26, 2017.

Cost of Sales. Cost of sales as a percentage of revenue remained relatively flat at 25.1% during the thirteen weeks ended April 1, 2018 as compared to the same period in 2017.

Labor Costs. Labor costs as a percentage of revenue increased to 35.7% during the thirteen weeks ended April 1, 2018 from 34.2% during the comparable period in 2017, primarily due to new store labor inefficiencies, hourly labor rate inflation on comparable stores of approximately 2.8%, and higher hourly rates in new markets.

Operating Costs. Operating costs as a percentage of revenue increased to 14.2% during the thirteen weeks ended April 1, 2018 from 13.9% during the comparable period in 2017 primarily due to deleverage resulting from the loss of the high volume week, previously discussed, as well as higher utility costs of approximately 15 basis points and higher repairs and maintenance costs of approximately 15 basis points.

Occupancy Costs. Occupancy costs as a percentage of revenue increased to 7.6% during the thirteen weeks ended April 1, 2018 from 7.0% during the comparable period in 2017, primarily as a result of higher rental expense at certain newly opened restaurants as we continue our expansion into larger markets and increases in rents on extended lease terms of some existing restaurants.

General and Administrative Expenses. General and administrative expenses increased $0.6 million, or 12.3%, to $5.5 million for the thirteen weeks ended April 1, 2018 as compared to the same period in 2017. This increase was primarily driven by a $0.4 million increase in management salaries and equity compensation due to additional headcount to support our growth, $0.1 million increase in professional fees as well as $0.1 million increase in various other costs.

Restaurant Pre-opening Costs. Restaurant pre-opening costs increased $0.3 million or 28.9% to $1.4 million during the thirteen weeks ended April 1, 2018 as compared to the same period in 2017. This increase is primarily the result of differences in the timing of our development schedule and the related construction payments.

Marketing. Marketing expense increased $0.4 million or 71.2% to $1.1 million during the thirteen weeks ended April 1, 2018 as compared to the same period in 2017. This increase was a result of our new national-level marketing initiatives.

Depreciation and Amortization. Depreciation and amortization costs increased $0.5 million to $4.7 million during the thirteen weeks ended April 1, 2018 from $4.2 million during the comparable period in 2017, primarily as the result of an increase in equipment and leasehold improvement costs associated with our new restaurants.

Income Tax Expense. For the thirteen weeks ended April 1, 2018 our effective tax rate decreased to approximately 13.0% from approximately 29.4% during the comparable period in 2017. The decrease in our effective tax rate is primarily related to a decrease in the federal statutory tax rate from 35% to 21% effective January 1, 2018 and an increase in employee tax credits in proportion to our taxable income.

Net Income. As a result of the foregoing, net income decreased 30.0% to $3.2 million during the thirteen weeks ended April 1, 2018 from $4.6 million during the comparable period in 2017.

Liquidity

Our principal sources of cash are net cash provided by operating activities, which includes tenant improvement allowances from our landlords, and borrowings under our $25.0 million Revolving Credit Facility. Our need for capital resources is driven by our restaurant expansion plans, ongoing maintenance of our restaurants, investment in our corporate and information technology infrastructure and obligations under our operating leases. Based on our current growth plans, we believe our expected cash flows from operations, expected tenant improvement allowances and available borrowings under our Revolving Credit Facility will be sufficient to finance our planned capital expenditures and other operating activities for at least the next twelve months.

Consistent with many other restaurant and retail chain store operations, we use operating lease arrangements for our restaurants. We believe that these operating lease arrangements provide appropriate leverage of our capital structure in a financially efficient manner. We have entered into operating leases with certain related parties with respect to six of our restaurants and our corporate headquarters. In 2017, we also subleased additional office space from certain related parties to expand our corporate headquarters.

On October 26, 2017, the Company's board of directors approved a share repurchase program under which it authorized the Company, at its discretion, to repurchase up to $30.0 million of its common shares outstanding through December 31, 2019. Repurchases of the Company's outstanding common stock will be made in accordance with applicable laws and may be made at management's discretion from time to time in the open market, through privately negotiated transactions or otherwise, including pursuant to Rule 10b5-1 trading plans. There is no guarantee as to the exact number of shares to be repurchased by the Company. The timing and extent of repurchases will depend upon several factors, including market and business conditions, regulatory requirements and other corporate considerations, and repurchases may be discontinued at any time. As of April 1, 2018, we have $28.4 million yet to be repurchased under this plan.

Our liquidity may be adversely affected by a number of factors, including a decrease in customer traffic or average check per customer due to changes in economic conditions.

Cash Flows for Thirteen Weeks Ended April 1, 2018 and March 26, 2017

The following table summarizes the statement of cash flows for the thirteen weeks ended April 1, 2018 and March 26, 2017 (in thousands):

	Thirteen Weeks Ended	
	April 1, 2018	March 26, 2017
Net cash provided by operating activities	$ 11,962	$ 8,235
Net cash used in investing activities	(9,989)	(7,358)
Net cash used in financing activities	(2,322)	(389)
Net (decrease) increase in cash and cash equivalents	(349)	488
Cash and cash equivalents at beginning of year	8,785	13,694
Cash and cash equivalents at end of period	$ 8,436	$ 14,182

Operating Activities. Net cash provided by operating activities increased $3.8 million to $12.0 million for the thirteen weeks ended April 1, 2018 from $8.2 million during the comparable period in 2017. Our business is almost exclusively a cash business. Almost all of our receipts come in the form of cash and cash equivalents and a large majority of our expenditures are paid within a 30 day period. The increase in net cash provided by operating activities was primarily due to a $3.9 million increase in deferred lease incentives, a $1.6 decrease in accounts receivable mainly driven by a collection of an insurance settlement accrued as of the end of the fourth quarter of 2017, a $0.2 million increase in other changes to net cash provided by operating activities, partially offset by a $1.4 million decrease in net income and a $0.6 million decrease in cash related to income tax receivable.

Investing Activities. Net cash used in investing activities increased $2.6 million to $10.0 million for the thirteen weeks ended April 1, 2018 from $7.4 million during the comparable period in 2017. The increase was primarily due to the timing of our construction schedule and the related construction payments associated with our two new restaurants that opened during the thirteen weeks ended April 1, 2018, as well as expenditures related to future restaurant openings, maintaining our existing restaurants and other projects.

Financing Activities. Net cash used in financing activities increased by $1.9 million to $2.3 million for the thirteen weeks ended April 1, 2018 from $0.4 million during the comparable period in 2017. The increase was primarily due to $1.6 million repurchase of shares of our common stock in the open market during the thirteen weeks ended April 1, 2018 and repurchases of our common stock for tax payments of $0.7 million.

As of April 1, 2018, we lease six of our restaurant locations and our corporate offices from entities owned by our founders and one former executive officer. We had no other financing transactions, arrangements or other relationships with any unconsolidated affiliates or related parties. Additionally, we had no financing arrangements involving synthetic leases or trading activities involving commodity contracts.

Capital Resources

Long-Term Capital Requirements

Our capital requirements are primarily dependent upon the pace of our growth plan and resulting new restaurants. Our growth plan is dependent upon many factors, including economic conditions, real estate markets, restaurant locations and the nature of our lease agreements. Our capital expenditure outlays are also dependent on maintenance and remodel costs in our existing restaurants as well as information technology and other general corporate capital expenditures.

The capital resources required for a new restaurant depend on whether the restaurant is a ground-up construction or a conversion. For our new unit openings during 2018, we estimate the cost of a conversion or ground-up buildout will require a total cash investment of $2.6 million to $3.6 million (net of estimated tenant incentives of between zero and $1.0 million). In addition, we expect to spend approximately $400,000 to $475,000 per restaurant for restaurant pre-opening costs. We currently target a cash-on-cash return beginning in the third operating year of 30.0%, and a sales to investment ratio of 1.9:1 for our new restaurants.

For 2018, we currently estimate capital expenditure outlays will range between$30.0 million and $40.0 million, net of agreed upon tenant improvement allowances and excluding approximately $3.7 million to $5.5 million of restaurant pre-opening costs for new restaurants that are not capitalized. We spent$1.4 million on pre-opening costs during the thirteen weeks ended April 1, 2018. These capital expenditure estimates are based on average new restaurant capital expenditures of$2.9 million (net of estimated tenant improvement allowances) for the opening of eight to twelve new restaurants and $8.7 million to maintain and remodel our existing restaurants and for general corporate purposes.

Based on our growth plans, we believe our combined expected cash flows from operations, available borrowings under our Revolving Credit Facility and expected tenant improvement allowances will be sufficient to finance our planned capital expenditures and other operating activities in fiscal 2018.

Short-Term Capital Requirements

Our operations have not required significant working capital and, like many restaurant companies, we generally operate with negative working capital. Restaurant sales are primarily paid for in cash or by credit card, and restaurant operations do not require significant inventories or receivables. In addition, we receive trade credit for the purchase of food, beverages and supplies, therefore reducing the need for incremental working capital to support growth. We had a net working capital deficit of $3.1 million at April 1, 2018 compared to a surplus of $0.9 million at December 31, 2017.

Revolving Credit Facility

On November 30, 2012, we entered into our $25.0 million Revolving Credit Facility with Wells Fargo Bank, National Association. On October 30, 2015, we entered into an amendment to our Revolving Credit Facility to, among other things, (1) extend the maturity date of the Revolving Credit Facility to October 30, 2020 from November 30, 2017 and (2) revise the applicable margins and leverage ratios that determine the commitment fees and interest rates payable by the Company under the Revolving Credit Facility. As of April 1, 2018 we had no outstanding indebtedness under our Revolving Credit Facility.

Under our Revolving Credit Facility, we may request to increase the size of our Revolving Credit Facility by up to $25.0 million, in minimum principal amounts of $5.0 million or the remaining amount of the $25.0 million if less than $5.0 million (the "Incremental Revolving Loan"), the Incremental Revolving Loan will be effective after 10 days written notice to the agent. In the event that any of the lenders fund the Incremental Revolving Loan, the terms and provisions of the Incremental Revolving Loan will be the same as under our Revolving Credit Facility.

Borrowings under the Revolving Credit Facility generally bear interest at a variable rate based upon our election, of (i) the base rate (which is the highest of prime rate, federal funds rate plus 0.5% or one month LIBOR plus 1.0%), or (ii) LIBOR, plus, in either case, an applicable margin based on our consolidated total lease adjusted leverage ratio (as defined in the Revolving Credit Facility agreement). Our Revolving Credit Facility also requires payment for commitment fees that accrue on the daily unused commitment of the lender at the applicable margin, which varies based on our consolidated total lease adjusted leverage ratio. In addition, the Revolving Credit Facility requires compliance with a fixed charge coverage ratio, a lease adjusted leverage ratio and certain non-financial covenants as well as places certain restrictions on the payment of dividends and distributions. Under the Revolving Credit Facility, Chuy's may declare and make dividend payments so long as (i) no default or event of default has occurred and is continuing or would result therefrom and (ii) immediately after giving effect to any such dividend payment, on a pro forma basis, the lease adjusted leverage ratio does not exceed 3.50 to 1.00.

The obligations under the Company's long-term debt are secured by a first priority lien on substantially all of the Company's assets.

Contractual Obligations

There have been no material changes to our contractual obligations from what was previously disclosed in our Annual Report filed with the SEC.

Off-Balance Sheet Arrangements

As of April 1, 2018, we are not involved in any variable interest entities transactions and do not otherwise have any off-balance sheet arrangements.

Significant Accounting Policies

There have been no material changes to the significant accounting policies from what was previously disclosed in our Annual Report filed with the SEC.

Recent Accounting Pronouncements

For information regarding new accounting pronouncements, see Note 2, *Recent Accounting Pronouncements* in the notes to our unaudited condensed consolidated financial statements.

Cautionary Statement Concerning Forward-Looking Statements

Forward-looking statements address matters that involve risks and uncertainties. Accordingly, there are or will be important factors that could cause our actual results to differ materially from those indicated in these statements. We believe that these factors include, but are not limited to, the following:

- the success of our existing and new restaurants;
- our ability to identify appropriate sites and develop and expand our operations;
- our ability to manage our growth effectively;
- we operate most of our restaurants under long-term leases which we would be obligated to perform even if we closed our restaurants;
- we may not be able to renew leases;
- changes in economic conditions;
- damage to our reputation or lack of acceptance of our brand in existing or new markets;
- our expansion into markets that we are unfamiliar with;
- economic and other trends and developments, including adverse weather conditions, in the local or regional areas in which our restaurants are located and specifically in Texas where a large percentage of our restaurants are located;
- the impact of negative economic factors, including the availability of credit, on our landlords and surrounding tenants;
- changes in food availability and costs;
- labor shortages and increases in our labor costs, including as a result of changes in government regulation, such as the adoption of the new federal health care legislation;
- food safety and food borne illness concerns;
- increased competition in the restaurant industry and the segments in which we compete;
- the impact of legislation and regulations regarding nutritional information, and new information or attitudes regarding diet and health or adverse opinions about the health of consuming our menu offerings;
- the impact of federal, state and local beer, liquor and food service regulations;
- the impact of litigation;
- the success of our marketing programs;
- the impact of new restaurant openings, including the effect on our existing restaurants when opening new restaurants in the same markets;
- the loss of key members of our management team;

- strain on our infrastructure and resources caused by our growth;
- the inadequacy of our insurance coverage and fluctuating insurance requirements and costs;
- the impact of our indebtedness on our ability to invest in the ongoing needs of our business;
- our ability to obtain debt or other financing on favorable terms or at all;
- the impact of a potential requirement to record asset impairment charges in the future;
- the impact of security breaches of confidential customer information in connection with our electronic processing of credit and debit card transactions;
- inadequate protection of our intellectual property;
- the failure of our information technology system or the breach of our network security;
- a major natural or man-made disaster;
- our increased costs and obligations as a result of being a public company;
- the failure of our internal control over financial reporting;
- the impact of federal, state and local tax laws;
- volatility in the price of our common stock;
- the timing and amount of repurchases of our common stock, if any, changes to the Company's expected liquidity position and the possibility that the repurchase program may be suspended or discontinued;
- the impact of future sales of our common stock and the exercise of stock options and any additional capital raised by us through the sale of our common stock;
- the impact of a downgrade of our shares by securities analysts or industry analysts, the publication of negative research or reports, or lack of publication of reports about our business;
- the effect of anti-takeover provisions in our charter documents and under Delaware law;
- the effect of our decision to not pay dividends for the foreseeable future;
- the effect of changes in accounting principles applicable to us;
- our ability to raise capital in the future;
- the conflicts of interest that may arise with some of our directors; and
- the other risks discussed under "Item 1A. Risk Factors" in our Annual Report.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this report and in our Annual Report. If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Any forward-looking statements you read in this report reflect our views as of the date of this report with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to provide revisions to any forward-looking statements should circumstances change, except as may be required by law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes to our quantitative and qualitative disclosures about market risk from what was previously disclosed in our Annual Report filed with the SEC.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) as of the end of the period covered by this report. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) were effective as of the end of the period covered by this report.

The design of any system of control is based upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated objectives under all future events, no matter how remote, or that the degree of compliance with the policies or procedures may not deteriorate. Because of its inherent limitations, disclosure controls and procedures may not prevent or detect all misstatements. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that occurred during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II—Other Information

Item 1. Legal Proceedings

Occasionally, we are a party to various legal actions arising in the ordinary course of our business including claims resulting from "slip and fall" accidents, employment related claims and claims from customers or employees alleging illness, injury or other food quality, health or operational concerns. None of these types of litigation, most of which are covered by insurance, has had a material effect on us in the past. As of the date of this report, we are not a party to any material pending legal proceedings and are not aware of any claims that could have a materially adverse effect on our financial position, results of operations or cash flows.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in our most recent Annual Report filed with the Securities and Exchange Commission.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below provides information with respect to our purchase of shares of our common stock during the three months ended April 1, 2018:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions) (2)
January 1, 2018 through January 28, 2018	—	$ —	—	$ 30.0
January 29, 2018 through February 25, 2018	—	—	—	30.0
February 26, 2018 through April 1, 2018	91,872	25.64	64,757	28.4
Total	91,872	$ 25.64	64,757	

(1) To satisfy tax withholding obligations associated with the vesting of restricted stock units during the first quarter of 2018, we withheld a total of 27,115 shares that are included in the total number of shares purchased column above.

(2) On November 2, 2017, we announced that our Board of Directors authorized us to repurchase an indeterminate number of our common stock through December 31, 2019 at an aggregate market value of up to $30.0 million.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description of Exhibit
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes- Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements 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.

Date: May 9, 2018

CHUY'S HOLDINGS, INC.

By: /s/ Steven J. Hislop
Name: Steven J. Hislop
Title: President and Chief Executive Officer
(Principal Executive Officer)

By: /s/ Jon W. Howie
Name: Jon W. Howie
Title: Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)

AS ADOPTED PURSUANT TO SECTION 302 OF

THE SARBANES-OXLEY ACT OF 2002

I, Steven J. Hislop, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Chuy’s Holdings, 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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) 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

d) 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 the 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 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 the 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: May 9, 2018

/s/ Steven J. Hislop

Steven J. Hislop
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a)/15d-14(a)

AS ADOPTED PURSUANT TO SECTION 302 OF

THE SARBANES-OXLEY ACT OF 2002

I, Jon W. Howie, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Chuy's Holdings, 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 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) 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

d) 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 the 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 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 the 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: May 9, 2018

/s/ Jon W. Howie

Jon W. Howie
Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION 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 Quarterly Report on Form 10-Q of Chuy’s Holdings, Inc., a Delaware Corporation (the “Company”), for the period endingApril 1, 2018, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned, Steven J. Hislop, President and Chief Executive Officer of the Company, and Jon W. Howie, Vice President and Chief Financial Officer of the Company, each 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 Company as of the dates and for the periods indicated.

Date: May 9, 2018

/s/ Steven J. Hislop
Steven J. Hislop
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Jon W. Howie
Jon W. Howie
Vice President and Chief Financial Officer
(Principal Financial Officer)