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

FORM 10-Q

ý QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2016

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to
Commission file number 000-20557

THE ANDERSONS, INC.
(Exact name of the registrant as specified in its charter)

OHIO	34-1562374
(State of incorporation or organization)	(I.R.S. Employer Identification No.)
1947 Briarfield Boulevard, Maumee, Ohio	43537
(Address of principal executive offices)	(Zip Code)

(419) 893-5050
(Telephone Number)

(Former name, former address and former fiscal year, if changed since last report.)

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 ý 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 ý No ¨
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	ý	Accelerated Filer	¨
Non-accelerated filer	¨	Smaller reporting company	¨

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

The registrant had approximately 28.2 million common shares outstanding, no par value, at November 8, 2016.

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THE ANDERSONS, INC.
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Part I. Financial Information

Item 1. Financial Statements

The Andersons, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)(In thousands)

	September 30, 2016	December 31, 2015	September 30, 2015
Assets			
Current assets:			
Cash and cash equivalents	$ 78,158	$ 63,750	$ 40,658
Restricted cash	190	451	181
Accounts receivable, net	173,593	170,912	201,664
Inventories (Note 2)	427,754	747,399	527,789
Commodity derivative assets – current (Note 5)	59,837	49,826	60,965
Deferred income taxes	—	6,772	6,735
Other current assets	43,761	90,412	66,411
Total current assets	783,293	1,129,522	904,403
Other assets:			
Commodity derivative assets – noncurrent (Note 5)	1,346	412	1,584
Goodwill	63,934	63,934	116,086
Other intangible assets, net	110,155	120,240	124,943
Other assets, net	5,921	9,515	32,049
Equity method investments	225,114	242,107	223,207
	406,470	436,208	497,869
Rail Group assets leased to others, net (Note 3)	334,401	338,111	347,100
Property, plant and equipment, net (Note 3)	460,247	455,260	442,322
Total assets	$ 1,984,411	$ 2,359,101	$ 2,191,694

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The Andersons, Inc.
Condensed Consolidated Balance Sheets (continued)
(Unaudited)(In thousands)

	September 30, 2016
Liabilities and equity	
Current liabilities:	
Short-term debt (Note 4)	$
Trade and other payables	356,931
Customer prepayments and deferred revenue	15,725
Commodity derivative liabilities – current (Note 5)	59,770
Accrued expenses and other current liabilities	68,465
Current maturities of long-term debt (Note 4)	51,520
Total current liabilities	552,411
Other long-term liabilities	30,525
Commodity derivative liabilities – noncurrent (Note 5)	1,954
Employee benefit plan obligations	45,260
Long-term debt, less current maturities (Note 4)	395,559
	178,535

Deferred income taxes	
Total liabilities	1,204,244
Commitments and contingencies (Note 13)	
Shareholders' equity:	
Common shares, without par value (63,000 shares authorized; 29,430, 29,353 and 29,430 shares issued at 9/30/16, 12/31/15 and 9/30/15, respectively)	96
Preferred shares, without par value (1,000 shares authorized; none issued)	—
Additional paid-in-capital	221,326
Treasury shares, at cost (1,195, 1,397 and 1,425 shares at 9/30/16, 12/31/15 and 9/30/15, respectively)	(45,130
Accumulated other comprehensive loss	(17,305
Retained earnings	603,556
Total shareholders' equity of The Andersons, Inc.	762,543
Noncontrolling interests	17,624
Total equity	780,167

Total liabilities and equity

Tax Fees

KPMG LLP charged $55,680 in fiscal year 2010 for tax consulting services related to structuring the Company's international busi
KPMG LLP for these services and the budget for these services were pre-approved by the audit committee. KPMG LLP did not charge
services in fiscal year 2009.

All Other Fees

KPMG LLP did not bill the Company for any fees for products and services rendered in fiscal years 2010 and 2009 other than thos
paragraphs.

Pre-approval Policies and Procedures

The audit committee pre-approved all audit, audit-related and permissible non-audit services provided to the Company by KPMG I
auditors for those purposes. The policy of the committee is to review all engagement letters for accounting firms for non-audit services
into the agreements, but to specifically pre-approve all services to be provided by the firm which performs the annual audit of the Comp
internal control over financial reporting.

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CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The audit committee's charter provides that the audit committee will review and approve any transactions between us and any of ou
5% stockholders, or any members of their immediate families, in which the amount involved exceeds the threshold limits established by
reviewing a related-party transaction, the audit committee considers the material terms of the transaction, including whether the terms ar
unaffiliated third party under similar circumstances. Except as specifically noted, the transactions described below were entered into pri
contractually obligated to perform under these agreements prior to the formation of the audit committee.

Grants of Franchise or License Rights

We have licensed or franchised restaurants to companies owned in part by the executive officers, directors and 5% stockholders lis
fees paid by these companies to us range from 0.0% to 3.5% of restaurant sales.

Restaurant	Name and Ownership	Initial Franchise Fee	Royalty Rate	Fees Paid to Us in Fiscal 2010 ($ in thousands)
Billings, MT	W. Kent Taylor (55.0%) Scott M. Colosi (2.0%)		3.5%	150.4
Bossier City, LA	Steven L. Ortiz (66.0%)		3.5%	159.7
Brownsville, TX	G.J. Hart (61.23%) Steven L. Ortiz (30.61%)		3.5%	169.2
Everett, MA	W. Kent Taylor (59.0%)		3.5%	204.4
Fargo, ND	G.J. Hart (83.84%) Scott M. Colosi (5.05%)		3.5%	148.1
Longmont, CO	Steven L. Ortiz (47.5%)		3.5%	110.0
McKinney, TX	G.J. Hart (30.0%) Steven L. Ortiz (30.0%) Scott M. Colosi (2.0%)		3.5%	141.3
Melbourne, FL(1)	W. Kent Taylor (34.0%)			92.4
Muncie, IN(2)	W. Kent Taylor (11.48%)		$50,000 per year	50.0
New Berlin, WI	G.J. Hart (30.0%) Steven L. Ortiz (30.0%) Scott M. Colosi (2.0%)		3.5%	103.8
Omaha, NE	G.J. Hart (68.68%) Scott M. Colosi (10.99%)		3.5%	158.5
Port Arthur, TX	W. Kent Taylor (30.0%) G.J. Hart (30.0%) Steven L. Ortiz (30.5%) Scott M. Colosi (3.0%)		3.5%	164.6
Temple, TX	Steven L. Ortiz (78.0%)		3.5%	124.8
Wichita, KS	W. Kent Taylor (51.1%) Scott M. Colosi (4.0%)		3.5%	226.5

(1) Licensed restaurant which opened in September 1996. In lieu of royalties, the entity pays supervision fees.

(2) Licensed restaurant which opened in November 1996.

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We have entered into a preliminary franchise agreement with a company which is 95% owned by W. Kent Taylor to develop a rest
determined. The terms of the preliminary franchise agreement provide for no initial franchise fees and royalties of 3.5% of restaurant sa
payment from this franchise restaurant, as none was due. The executive officers will not be granted any additional franchise rights.

The franchise agreements and preliminary franchise agreements that we have entered into with our executive officers, directors and
terms and conditions as those agreements that we enter into with our other domestic franchisees, with the exception of the initial franchi
are currently $40,000 and 4.0%, respectively, for our other domestic franchisees. With the exception of the Melbourne, FL and Muncie,
contractual right, but not the obligation, to acquire the restaurants owned by our executive officers, directors and 5% stockholders based
formula which is the same as the formula contained in the domestic franchise agreements that we have entered into with other franchise
preliminary agreement for a franchise may be terminated if the franchisee does not identify and obtain our approval of its restaurant man
obtain our approval of a suitable site for the restaurant or does not demonstrate to us that it has secured necessary capital and financing t
franchise agreement has been entered into, it may be terminated if the franchisee defaults in the performance of any of its obligations un
obligations to operate the restaurant in strict accordance with our standards and specifications. A franchise agreement may also be termi
insolvent, fails to make its required payments, creates a threat to the public health or safety, ceases to operate the restaurant or misuses t

Other Related Transactions

The Longview, Texas restaurant, which was acquired by us in connection with the completion of our IPO, leases the land and resta
controlled by Steven L. Ortiz, our Chief Operating Officer. The lease is for 15 years and will terminate in November 2014. The lease ca
periods of five years each. Rent is approximately $19,000 per month. The lease can be terminated if the tenant fails to pay the rent on a
insurance specified in the lease, fails to maintain the building or property or becomes insolvent. Total rent payments for 2010 were appr

The Bossier City, Louisiana restaurant, of which Steven L. Ortiz beneficially owns 66.0% and we own 5.0%, is leased from an enti
for 15 years and will terminate on March 31, 2020. The lease can be renewed for three additional periods of five years each. Rent is app
escalates 10% each five years during the term. The lease can be terminated if the tenant fails to pay rent on a timely basis, fails to maint
or becomes insolvent. The tenant's obligation to pay rent commenced in April 2005 and total rent payments for 2010 were approximatel
ratified this transaction in February 2005 after considering market rentals of comparable land and building leases and considering our li
Additionally, the audit committee requested that we attempt to purchase the land and building from Mr. Ortiz' entity in the event the res

We entered into real estate lease agreements for franchise restaurants located in Everett, MA, of which W. Kent Taylor beneficially
which Steven L. Ortiz owns 47.5%, and Fargo, ND, of which G.J. Hart owns 83.84% and Scott M. Colosi owns 5.05%, before our gran
restaurants. We have subsequently assigned the leases to the franchisees, but we remain contingently liable if a franchisee defaults unde
lease expires in May 2014, the Everett lease expires in February 2018 and the Fargo lease expires in July 2016.

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PROPOSAL 3
ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Board of Directors requests stockholder approval of the compensation of the Company's Named Executive Officers as describ and Analysis, the Executive Compensation section and the other related executive compensation tables and related discussions in this pr the outcome of the voting on this proposal is not binding upon the Company; however, the compensation committee, which is responsib the Company's executive compensation program, values the opinions expressed by stockholders on this proposal and will consider the o future compensation decisions for Named Executive Officers.

The objective of the compensation committee in setting and evaluating the compensation of our Named Executive Officers is to pr that is competitive with comparable positions in similar industries and which, in total, promotes the profitability of the Company by tyi officer's compensation to the overall performance of the Company. As a result, compensation for the Named Executive Officers is divid (1) base salary, which provides a secure base of compensation and serves to motivate and retain our Named Executive Officers; (2) an i Named Executive Officers for the success of the Company as measured by growth in the Company's earnings per diluted share, and for to that success; and (3) grants of restricted stock units, which offer the Named Executive Officers a financial interest in the long-term su interests with those of our stockholders.

This structure, along with the culture and values of our Company, allows the Company to attract and retain top talent, while also e focus on key strategic financial and operational goals. Therefore, the Board requests approval of the compensation packages of our Nam

Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE EXECUTIVE COMPE PROXY STATEMENT.

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PROPOSAL 4
ADVISORY VOTE ON FREQUENCY OF ADVISORY VOTE ON EXECUTIVE COMPENSAT

This Proposal 4 provides stockholders the opportunity to cast an advisory vote on how frequently they would like to cast advisory "say-on-pay" vote). Under this Proposal 4, stockholders may vote to conduct a say-on-pay vote every year, every two years or every thr outcome of the voting on this proposal is not binding upon the Company; however, the Board values the opinions expressed by stockhol

As stated above, the compensation program for the Named Executive Officers is closely tied to the long-term achievement of the C objectives. Of the three key components of executive compensation, two are directly impacted by the Company's financial success over this structure aligns our officers' interests with those of our stockholders and keeps their focus on long-term business development, as w This structure is complemented by the fact that the employment agreements of our Named Executive Officers have historically been mu

Based on these considerations, we feel that our stockholders can most meaningfully evaluate the compensation offered to our Nam their performance relative to the performance of the Company over a period of three years. Evaluating these items annually, or even bi-a on and/or reacting to short-term results which could, in effect, cause an excessive shift in focus toward short-term goals, as opposed to a long-term brand building as well as near-term results. We believe having the opportunity to vote once every three years will allow our s accurately assess the success or failure of our compensation strategies in light of Company performance for the relevant time period.

In addition, the compensation committee believes that an advisory vote on this issue once every three years will provide the comm time to thoughtfully consider any concerns raised by the stockholders, to develop a response to those concerns and to implement change plans if necessary. Therefore, the Board recommends approval of a frequency of "every three years" for the say-on-pay vote.

Recommendation

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS SELECT "EVERY THREE YEARS" AS T SAY ON PAY VOTES WILL BE CONDUCTED.

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COMPENSATION DISCUSSION AND ANALYSIS

Compensation Overview and Philosophy

We entered into new employment agreements with G.J. Hart, Scott M. Colosi, W. Kent Taylor, Steven L. Ortiz and Sheila C. Brov January 14, 2008, which were effective as of December 26, 2007. On February 18, 2010, we amended those employment agreements to employment from January 7, 2011 until January 7, 2012 at the same annual base salary and annual base incentive bonus amount (the "A below, we refer to the employment agreements, as they have been amended, as the Employment Agreements.

Each officer's Employment Agreement establishes a base salary which is to remain constant throughout the term of the agreement. establish an incentive bonus amount based on the achievement of defined goals to be established annually by the compensation commit Mr. Taylor's employment agreement, the amount of the annual base incentive bonus may be increased 5% each year through the term, p appropriate increase in the goals to be achieved each year, as determined by the compensation committee. Except with respect to Mr. Ta officer's Employment Agreement provides for the grant of restricted stock units, the conditional right to receive shares of our common s agreed not to compete with us during the term of his or her employment and for a period of two years following his or her termination o employment is terminated without cause following a change in control, in which case the officer has agreed not to compete with us thro the officer's severance payments.

The underlying philosophy reflected in the Employment Agreements was to provide the Named Executive Officers with a compen promote the profitability of the Company and which was a pragmatic response to external market conditions; that is, compensation that positions in similar industries, including the casual dining sector of the restaurant industry, but which is reasonable and in the best intere that the overall design of the compensation packages, along with the culture and values of our Company, allows us to attract and retain t Named Executive Officers focused on both long-term business development and short-term financial growth.

To assist them in the determination of the compensation packages under the Employment Agreements, in 2007 the compensation c resources consulting firm to provide services. Mercer was asked to gather actual data for positions the same as or similar to those of the compensation committee requested that data be presented for the following companies: Applebee's International; Benihana; BJ's Restau California Pizza Kitchen; Cheesecake Factory; Bob Evans Farms; IHOP; Morton's Restaurant; O'Charley's; Panera Bread; Rare Hospita Gourmet Burgers; Ruby Tuesday; and Ruth's Chris Steak House. These companies were selected on the basis of their size, complexity, restaurant industry relative to the Company.

The compensation committee did not strive to target any specified percentile of any element of the peer companies' compensation. applied the business judgment of the committee members to design compensation packages for the Named Executive Officers based on below taking into account all surrounding facts and circumstances.

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Elements of Compensation

Base Salary

Base salaries for our Named Executive Officers are designed to provide a secure base of compensation which will be effective in n executives. The actual amounts paid to each Named Executive Officer during the fiscal year 2010 are more fully described in "Executiv

Each officer's Employment Agreement established an annual salary as shown in the table below which is to remain constant throug

	Annual Salary ($)
G.J. Hart President, Chief Executive Officer	600,000
Scott M. Colosi Chief Financial Officer	300,000
W. Kent Taylor Chairman	300,000
Steven L. Ortiz Chief Operating Officer	460,000
Sheila C. Brown General Counsel, Corporate Secretary	225,000

Incentive Bonus

Incentive bonuses are designed to reward our Named Executive Officers for the success of the Company, as measured by growth in share ("EPS"), and for each officer's individual contribution to that success. It is our belief that a significant amount of each officer's co performance of the Company.

Each year, the compensation committee establishes a new annual target for the Named Executive Officers under the existing incen February 2010, an EPS target of $0.705 to $0.735 was approved. The annual target represented management's estimate of EPS for the fi growth of five to ten percent over the actual results achieved during fiscal year 2009. Management's estimate was primarily driven by th environment and the impact on the restaurant industry and the Company, offset by anticipated food cost deflation. Depending on the lev each year, the bonus may be reduced to a minimum of $0 or increased to a maximum of two times the base amount. The base, minimum each officer are shown in the table below. Each $0.005 change from the EPS target results in an increase or decrease of 7% to the base b specified. For example, if we achieved $0.74 of EPS, the bonus payable would have been 107% of the base bonus amount. Conversely, payable would have been 93% of the base bonus amount. The annual target can be adjusted for acquisitions or divestitures, accounting c events as noted by the compensation committee. No such adjustments were made to the 2010 annual target, and in February 2011, the c to the officers at 191% of the base amount, based on actual EPS achieved during fiscal year 2010. The actual amounts earned by each N year 2010 are more fully described in "Executive Compensation."

We pay bonuses on a quarterly basis, based upon achievement of quarterly targets that equal, in the aggregate, the annual target.

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Executive Incentive Compensation for the Fiscal Year 2010

Name	Base Bonus $	Minimum Bonus $	Maximum Bonus $
G.J. Hart	600,000		1,200,000
Scott M. Colosi	250,000		500,000
W. Kent Taylor	200,000		400,000
Steven L. Ortiz	400,000		800,000
Sheila C. Brown	100,000		200,000

Stock Awards

Prior to fiscal year 2008, we had historically granted stock options to approximately 1,000 employees, including our Named Execu
Under our 2004 Equity Incentive Plan, the exercise price of stock options is the closing price of our stock on the trading day immediatel
was our practice to grant options quarterly on the day that follows the third full trading day after the public release of the Company's ear

Beginning with fiscal year 2008, we have awarded restricted stock units in lieu of stock options to those employees who had been e
Each restricted stock unit represents the conditional right to receive one share of our common stock upon satisfaction of the vesting requ
practice of granting these awards quarterly on the day that follows the third full trading day after the public release of the Company's ea

Except with respect to Mr. Taylor's employment agreement, the Employment Agreements provide for the granting of restricted sto
stock units, like stock options, offer the Named Executive Officers a financial interest in the Company and align their interests with thos
stock options, the value of a restricted stock unit is dependent upon the price of our common stock on the date of vesting. Therefore, a re
motivated to improve the Company's performance in the hope that the performance will be reflected by the stock price. Restricted stock
Executive Officers as they vest over a period of time. The number of restricted stock units granted to each officer reflects each officer's
contribution to the success of the Company. The number of restricted stock units granted in 2008 are shown in the table below. Each of
each January 7 over a four-year period. Mr. Taylor requested that he not be granted any restricted stock units, and the compensation con

	Restricted Stock Units granted pursuant to 2008 Employment Agreements
G.J. Hart	240,000
Scott M. Colosi	125,000
W. Kent Taylor	
Steven L. Ortiz	175,000
Sheila C. Brown	75,000

There were no grants of stock awards to the Named Executive Officers during fiscal year 2010. Except with respect to Mr. Taylor's
Amendments provided for a grant to

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each officer of restricted stock units in the amounts set forth below on January 8, 2011, which stock will vest on January 7, 2013.

	Restricted Stock Units granted pursuant to Amendments
G.J. Hart	80,000
Scott M. Colosi	41,667
W. Kent Taylor	
Steven L. Ortiz	58,333
Sheila C. Brown	25,000

Separation and Change in Control Arrangements

The Employment Agreements provide that, except in the event of a change in control, no severance will be paid to Messrs. Hart, T
employment, but each is entitled to receive a crisp $100 bill if his employment is terminated by us without cause before the end of the te
in control, the Employment Agreements with Mr. Colosi and Ms. Brown provide that if we terminate either of their employment withou
and if the officer signs a release of all claims against us, we will pay a severance payment equal to the officer's base salary for a period o
incentive bonus earned by the officer during the last four full fiscal quarters immediately preceding the fiscal quarter in which the termi
component of the severance payments is subject to deductions and withholdings and is to be paid to the officers in periodic installments
payroll practices. The bonus component of the severance payments to the officers is to be paid on the same date as the payment would h
employment not been terminated.

The Employment Agreements with each of the officers also provide that if the officer's employment is terminated other than for ca
if the officer resigns for good reason following a change in control because he or she is required to move, the Company's successor does
agreement, or the officer's duties, pay or total benefits are reduced, such officer will receive severance payments in an amount equal to t
bonus for a period which is the longer of through the end of the term of the agreement or one year. In addition, the officer's unvested sto
any, will become vested as of the date of termination. The payments and acceleration of vesting of the stock options or other stock awar
signing a full release of claims against us. The salary component of the severance payments is subject to deductions and withholdings an
periodic installments in accordance with our normal payroll practices. The bonus component of the severance payments to the officers i
payment would have been made had his or her employment not been terminated.

The estimated amounts that would have been payable to a Named Executive Officer under these arrangements are more fully descr
Control and Change of Responsibility Payments."

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COMPENSATION COMMITTEE REPORT

The compensation committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of R
Based on such review and discussions, the compensation committee recommended to the Board that the Compensation Discussion and A
statement and incorporated by reference into the Company's Annual Report on Form 10-K for the year ended December 28, 2010.

All members of the compensation committee concur in this report.

James F. Parker, Chair
Martin T. Hart
Gregory N. Moore
James R. Ramsey
James R. Zarley

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The compensation committee of the Board is comprised of Messrs. Martin Hart, Moore, Parker, Ramsey and Zarley, each a non-em
None of our executive officers serve on the compensation committee or board of directors of any other company of which any members
any of our directors is an executive officer.

EXECUTIVE COMPENSATION

The following table sets forth the total compensation paid or accrued for the fiscal years 2010, 2009 and 2008 for G.J. Hart, our Pr
Scott M. Colosi, our Chief Financial Officer, and each of our three other most highly compensated executive officers, each of whom we
fiscal year 2010.

Summary Compensation Table

Name and Principal Position (a)	Year (b)	Salary ($) (c)	Bonus ($)(1) (d)	Grant Date Fair Value of Stock Awards ($)(2) (e)	Non-equity Incentive Plan Compensation ($) (f)	T
G.J. Hart	2010	600,000			1,142,400	1,
President, Chief Executive Officer	2009	600,000			1,200,000	1,
	2008	600,000		2,344,800	324,000	3,
Scott M. Colosi	2010	300,000	200		476,000	
Chief Financial Officer	2009	300,000	200		500,000	
	2008	300,000	200	1,221,250	135,000	1,
W. Kent Taylor	2010	300,000			380,800	
Chairman of the Company	2009	300,000			400,000	
	2009	300,000			108,000	
Steven L. Ortiz	2010	460,000			761,600	1,
Chief Operating Officer	2009	460,000			800,000	1,
	2008	460,000	200	1,709,750	216,000	2,
Sheila C. Brown	2010	225,000	200		190,400	
General Counsel, Corporate Secretary	2009	225,000	200		200,000	
	2008	225,000	200	732,750	54,000	1,

(1)
This column represents holiday bonus awards paid to the Named Executive Officers for the fiscal years ended December 28, 2
December 30, 2008.

(2)
For restricted stock units, fair value is equal to the closing price of the Company's common stock on the trading day immediat
which was $9.77. No option awards were granted during the period of time covered by this table.

The Company cautions that the amounts reported in the Summary Compensation Table for these awards may not represent th
Officers will actually realize from the awards. Whether, and to what extent, a Named Executive Officer realizes value will de
operating performance, stock price fluctuations and the Named Executive Officer's continued service with the Company. Add
stock and option awards is reflected in the "Grants of Plan-Based Awards Table" and the "Outstanding Equity Awards at Fisc

Grants of Plan-Based Awards in Fiscal Year 2010

There were no grants of stock awards to the Named Executive Officers during fiscal year 2010.

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Outstanding Equity Awards

The following table presents information with respect to outstanding stock option and stock awards as of December 28, 2010 by th

Outstanding Equity Awards at Fiscal Year End Table

	Option Awards				Stock Awards	
Name (a)	**Number of Securities Underlying Unexercised Options Exercisable (#) (b)**	**Number of Securities Underlying Unexercised Options Unexercisable (#) (c)**	**Option Exercise Price ($) (d)**	**Option Expiration Date(1) (e)**	**Number of Shares or Units of Stock That Have Not Vested (#)(2) (f)**	**Market Valu of Shares or Units of Stock That Have Not Vested ($)(3) (g)**
G.J. Hart	175,000		8.75	10/08/2014(i)	120,000(i)	2,077,20
Scott M. Colosi	35		3.45	09/09/2012(ii)	62,500(ii)	1,081,87
	35		3.45	09/09/2012(iii)		
	35		3.45	09/09/2012(iv)		
	3,480		3.45	09/09/2012(ii)		
	18,750		8.75	10/08/2014(v)		
	95,000		8.75	10/08/2014(vi)		
W. Kent Taylor			NA	NA		NA
Steven L. Ortiz	7,402		8.75	10/04/2014(vii)	87,500(iii)	1,514,62
	28,160		8.75	10/04/2014(vii)		
	57,000		8.75	10/08/2014(viii)		
	57,000		8.75	10/08/2014(v)		
	171,000		8.75	10/08/2014(vi)		
Sheila C. Brown			NA	NA	37,500(iv)	649,12

(1) The option vesting dates are as follows:

(i) 10/08/2007

(ii) 09/09/2006

(iii) 09/09/2007

(iv) 09/09/2008

(v) 10/08/2006

(vi) 10/08/2007

(vii)
10/04/2005

(viii)
10/08/2005

See the "Compensation Discussion and Analysis" for the conditions of accelerated vesting upon termination of employment o

(2)
The vesting schedule is as follows:

(i)
60,000 shares on each of January 7, 2011 and January 7, 2012

(ii)
31,250 shares on each of January 7, 2011 and January 7, 2012

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(iii)

43,750 shares on each of January 7, 2011 and January 7, 2012

(iv)

18,750 shares on each of January 7, 2011 and January 7, 2012

See the Compensation Discussion and Analysis for the conditions of accelerated vesting upon termination of employment oth

(3)

Market value was computed using the Company's closing stock price on December 28, 2010 of $17.31 per share.

Option Exercises

The following table presents information with respect to stock options exercised during the fiscal year ended December 28, 2010 b

Option Exercises and Stock Vested Table

	Option Awards		Stock Awards	
Name (a)	**Number of Shares Acquired on Exercise (#) (b)**	**Value Realized on Exercise ($)(1) (c)**	**Number of Shares Acquired on Vesting (#) (d)**	**Value Realized on Vesting ($)(2) (e)**
G.J. Hart	205,448	986,614	60,000	669,000
Scott M. Colosi	221,415	2,586,426	31,250	348,438
W. Kent Taylor		NA		NA
Steven L. Ortiz		NA	43,750	487,812
Sheila C. Brown	114,264	425,191	18,750	209,063

(1)

The value realized upon exercise of options represents the difference between the market value of the underlying securities at options.

(2)

The value realized upon vesting of restricted stock units represents the market value of the underlying shares on the vesting da

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Termination, Change of Control and Change of Responsibility Payments

The following table lists the estimated amounts payable to a Named Executive Officer if his or her employment had been terminat
change of control on December 28, 2010, the last day of our fiscal year, provided that each officer signed a full release of all claims aga

Termination Payments Table

Name (a)	Estimated Payments ($)(1) (b)	Estimated Value of Newly Vested Stock Awards ($)(2) (c)	Total ($) (d)
G.J. Hart	100	2,077,200	2,077,300
Scott M. Colosi	397,945	1,081,875	1,479,820
W. Kent Taylor	100	NA	100
Steven L. Ortiz	100	1,514,625	1,514,725
Sheila C. Brown	210,959	649,125	860,084

(1) Messrs. Hart, Taylor and Ortiz were each entitled to a crisp $100 bill upon the termination of their employment without cause
had been terminated under those circumstances, he would have received the amount of his annual base salary then in effect ($
the bonus he earned ($500,000) during the four quarters preceding the fourth quarter of the fiscal year 2010. If the employmen
under those circumstances, she would have received the amount of her annual base salary then in effect ($225,000) for 180 da
($200,000) during the four quarters preceding the fourth quarter of the fiscal year 2010.

(2) Except with respect to Mr. Taylor, who has no restricted stock units, each officer's restricted stock units would have become i
termination of his or her employment without cause. The amounts shown in this column represent the value of the restricted s
common stock on December 28, 2010, which was $17.31. The number of restricted stock units which would have vested on t
Equity Awards." None of the Named Executive Officers had unvested stock options as of December 28, 2010.

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The following table lists the estimated amounts payable to a Named Executive Officer if his or her employment had been terminate of control, or if any of the officers had resigned his or her position for good reason following a change of control, on December 28, 201 provided that each officer signed a full release of all claims against us.

Change in Control, Change in Responsibilities Payments Table

Name (a)	Estimated Payments ($)(1) (b)	Estimated Value of Newly Vested Stock Awards ($)(2) (c)	Total ($) (d)
G.J. Hart	1,211,538	2,077,200	3,288,738
Scott M. Colosi	555,769	1,081,875	1,637,644
W. Kent Taylor	505,769	NA	505,769
Steven L. Ortiz	868,846	1,514,625	2,383,471
Sheila C. Brown	329,327	649,125	978,452

(1) If the employment of any of the officers had been terminated without cause following a change of control, or if any of the offi for good reason following a change of control, the officer would have received the amount of his or her then current base sala end of the term of the officer's employment agreement, but not less than one year. Had an officer's employment been so termi officer would have continued to receive payment through January 7, 2012.

The table below details the estimated payment for each officer.

Name (a)	Salary ($) (b)	Bonus ($) (c)	Total Estimated Payments ($) (d)
G.J. Hart	611,538	600,000	1,211,538
Scott M. Colosi	305,769	250,000	555,769
W. Kent Taylor	305,769	200,000	505,769
Steven L. Ortiz	468,846	400,000	868,846
Sheila C. Brown	229,327	100,000	329,327

(2) Except with respect to Mr. Taylor, who has no restricted stock units, each officer's restricted stock units would have become i termination of his or her employment without cause following a change of control, or if any of the officers had resigned his or following a change of control. The amounts shown in this column represent the value of the restricted stock units at the closin December 28, 2010, which was $17.31. The number of restricted stock units which would have vested on that date are shown None of the Named Executive Officers had unvested stock options as of December 28, 2010.

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STOCK OWNERSHIP INFORMATION

The following table sets forth as of December 28, 2010 certain information with respect to the beneficial ownership of the Compan Executive Officer, the Chief Financial Officer and the other three executive officers of the Company who earned the highest total comp (the "Named Executive Officers"), (ii) each director or nominee for director of the Company, (iii) all directors and executive officers as other than management stockholders known by the Company to be the owner of 5% or more of the Company's common stock. The Com stock outstanding. In the table below, the voting percentages reflect all the shares common stock outstanding as of December 28, 2010.

	Common Stock(1)	
Name	**Common Stock Ownership(2)**	**Percent**
Directors, Nominees and Named Executive Officers:		
W. Kent Taylor(3)(4)	8,200,008	11.35%
G.J. Hart	289,032	*
Martin T. Hart(5)	213,008	*
Gregory N. Moore	64,722	*
James F. Parker	73,560	*
James R. Ramsey	73,368	*
James R. Zarley	62,500	*
Steven L. Ortiz	595,628	*
Scott M. Colosi	203,045	*
Sheila C. Brown	68,048	*
Directors, Nominees and All Executive Officers as a Group (10 Persons)	9,842,919	13.45%
Other 5% Beneficial Owners**		
Capital Research Global Investors 333 South Hope Street Los Angeles, California 90071	4,672,200(6)	6.47%
Prudential Financial, Inc 751 Broad Street Newark, New Jersey 07102-3777	4,331,890(7)	6.00%
Blackrock, Inc. 40 East 52nd Street New York, New York 10022	4,156,333(8)	5.76%

* Represents beneficial ownership of less than 1.0% of the outstanding shares of class.

** This information is based on stock ownership reports on Schedule 13G filed by each of these stockholders with the SEC as of

(1) Based upon information furnished to the Company by the named persons and information contained in filings with the SEC. U is deemed to beneficially own shares over which the person has or shares voting or investment power or has the right to acqui 60 days, and such shares are deemed to be outstanding for the purpose of computing the percentage beneficially owned by suc not consider shares of which beneficial ownership can be acquired within 60 days to be outstanding when we calculate the pe person. "Common Stock Ownership" includes (a) stock held in joint tenancy, (b) stock owned as tenants in common, (c) stock

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held by spouse or other members of the reporting person's household and (d) stock in which the reporting person either has or
power, even though the reporting person disclaims any beneficial interest in such stock.

(2)

The following table lists the shares to which each named person has the right to acquire beneficial ownership within 60 days c
exercise of stock options or the vesting of restricted stock units granted pursuant to our equity incentive plan:

Name	**Shares which may be acquired within 60 days pursuant to stock awards**
W. Kent Taylor	
G.J. Hart	235,000
Martin T. Hart	47,500
Gregory N. Moore	47,500
James F. Parker	47,500
James R. Ramsey	20,834
James R. Zarley	47,500
Steven L. Ortiz	364,312
Scott M. Colosi	148,585
Sheila C. Brown	18,750
Directors, Nominees and All Executive Officers as a Group (10 Persons)	977,481

(3)

Mr. Taylor's address is c/o Texas Roadhouse, Inc., 6040 Dutchmans Lane, Suite 200, Louisville, Kentucky 40205.

(4)

100,000 shares are pledged to a bank.

(5)

165,508 shares are pledged to a bank.

(6)

As reported on the Schedule 13G filed by Capital Research Group Investors with the SEC on February 10, 2011, it has sole vo
respect to these shares.

(7)

As reported on the Schedule 13G filed by Prudential Financial, Inc. with the SEC on February 8, 2011, it has sole voting and c
434,625 shares, shared voting power with respect to 1,871,826 shares, and shared dispositive power with respect to 3,897,265
indirectly owns 100% of the equity interests of Jennison Associates LLC, which filed a Schedule 13G with the SEC on Febru
Associates LLC does not file jointly with Prudential Financial, Inc., and as such, shares included in the Schedule 13G filed by
be included in the shares reported on the Schedule 13G filed by Prudential Financial, Inc. Jennison Associates LLC has sole v
3,961,455 shares and shared dispositive power with respect to 4,077,944 shares.

(8)

As reported on the Schedule 13G filed by Blackrock, Inc. with the SEC on February 9, 2011, it has sole voting and dispositive

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STOCKHOLDER PROPOSALS

Under Rule 14a-8 promulgated under the Securities Exchange Act of 1934 ("Exchange Act"), stockholders may present proposals statement for consideration at the next annual meeting of its stockholders by submitting their proposals to the Company in a timely man with Rule 14a-8.

The Company's by-laws, a copy of which is available on the Company's website, *www.texasroadhouse.com,* require stockholders consideration by stockholders at the 2012 Annual Meeting, other than stockholder proposals that are included in the proxy statement, to principal executive offices of the Company on or before December 10, 2011. This notice must include a description of the business desi meeting, the name and address of the stockholder proposing such business and of the beneficial owner, if any, on whose behalf the busi and number of shares of the Company which are beneficially owned by the stockholder and such other beneficial owner and any materi other beneficial owner in such business. Similar requirements are set forth in the Company's by-laws with respect to stockholders desiri election as director. Exchange Act rules permit management to vote proxies in its discretion in certain cases if the stockholder does not certain other cases notwithstanding the stockholder's compliance with these deadlines. If a stockholder submitting a matter to be raised meeting or a candidate for election as director desires that such matter or candidate be included in the Company's proxy statement, such submitted to the Company no later than December 10, 2011.

The rules of the SEC set forth standards for what stockholder proposals the Company is required to include in a proxy statement fo

STOCKHOLDERS' COMMUNICATIONS WITH THE BOARD

Stockholders that want to communicate in writing with the Board, or specified directors individually, may send proposed communi Secretary, Sheila C. Brown, at 6040 Dutchmans Lane, Suite 200, Louisville, Kentucky 40205. The proposed communication will be rev the General Counsel. If the communication is appropriate and serves to advance or improve the Company or its performance, contains is not unreasonable in length, and is directly applicable to the business of the Company, it is expected that the communication will recei presentation to the Board or appropriate director(s).

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Exchange Act requires the Company's directors and officers, and persons who beneficially own more than 10% Company's equity securities, to file with the SEC initial reports of stock ownership and reports of changes in stock ownership and to pro such filed forms. Based solely on its review of such copies or written representations from reporting persons, the Company believes tha basis during the fiscal year ended December 28, 2010.

FORM 10-K

The Company's Annual Report on Form 10-K for the fiscal year ended December 28, 2010, accompanies this proxy statement. Th form any part of the material for solicitation of proxies.

Any stockholder who wishes to obtain, without charge, a copy of the Company's Annual Report on Form 10-K for the fisca which includes financial statements, and is required to be filed with the SEC, may access it at *www.texasroadhouse.com* in the In written request to Sheila C. Brown, Corporate Secretary, Texas Roadhouse, Inc., 6040 Dutchmans Lane, Suite 200, Louisville, K

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OTHER BUSINESS

The Board is not aware of any other matters to be presented at the Annual Meeting other than those set forth herein and routine ma
meeting. If any other matters should properly come before the Annual Meeting or any adjournment or postponement thereof, the person
substitutes, intend to vote on such matters in accordance with their best judgment.

By Order of the Board of Directors,

Sheila C. Brown
Corporate Secretary

Louisville, Kentucky
April 8, 2011

Please vote your shares through any of the methods described on the proxy card as promptly as possible, whether or not you plan t person. If you do attend the Annual Meeting, you may still vote in person, since the proxy may be revoked at any time before its exercise the proxy to the Company's Corporate Secretary.