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 30, 1999

Commission file number 0-7536

CBRL GROUP, INC.

A Tennessee Corporation I.R.S. EIN: 62-1749513

Hartmann Drive, P. O. Box 787
Lebanon, Tennessee 37088-0787

615-444-5533

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

58,559,820 Shares of Common Stock
Outstanding as of May 28, 1999

PART I

Item 1. Financial Statements

CBRL GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands, except share data)
(Unaudited)

	April 30, 1999	July 31, 1998*
ASSETS		
Current assets:		
Cash and cash equivalents	$ 16,375	$ 62,593
Receivables	7,345	5,192
Inventories	103,114	91,609
Prepaid expenses	6,588	5,432
Total current assets	133,422	164,826
Property and equipment, net	984,920	812,321
Other assets	121,752	14,961
Total assets	$1,240,094	$992,108
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 60,387	$ 38,212

Accrued expenses	64,329	63,110
Current portion of long-term debt	2,500	2,500
Current portion of other long-term obligations	200	200
Total current liabilities	127,416	104,022
Long-term debt	307,000	59,500
Other long-term obligations	27,088	25,212
Shareholders' equity:		
Common stock - $.50 par value, authorized 150,000,000 shares, issued 62,526,158 at April 30, 1999 and 62,480,775 at July 31, 1998	31,263	31,240
Additional paid-in capital	252,104	251,236
Retained earnings	577,836	520,898
	861,203	803,374
Less treasury stock, at cost, 3,917,500 and 0 shares, respectively	(82,613)	--
Total shareholders' equity	778,590	803,374
Total liabilities and shareholders' equity	$1,240,094	$992,108

See notes to condensed consolidated financial statements.

(*)This condensed consolidated balance sheet has been derived from the audited consolidated balance sheet as of July 31, 1998.

CBRL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENT OF INCOME
(In thousands, except per share data)
(Unaudited)

	Quarter Ended		Nine Months Ended	
	April 30, 1999	May 1, 1998	April 30, 1999	May 1, 1998
Net sales:				
Restaurant	$303,447	$248,078	$ 828,934	$722,445
Retail	81,970	69,286	275,906	229,464
Total net sales	385,417	317,364	1,104,840	951,909
Franchise fees and royalties	120	--	120	--
Revenue	385,537	317,364	1,104,960	951,909
Cost of goods sold	129,580	107,422	387,799	330,549
Gross profit	255,957	209,942	717,161	621,360
Labor & related expenses	136,369	108,015	378,866	320,729
Other store operating expenses	69,157	47,785	181,208	143,927
Store operating income	50,431	54,142	157,087	156,704
General and administrative	22,362	15,427	59,323	47,975
Amortization of goodwill	878	53	1,190	53
Operating income	27,191	38,662	96,574	108,676
Interest expense	3,589	262	5,285	2,159
Interest income	104	754	902	2,270
Pretax income	23,706	39,154	92,191	108,787
Provision for income taxes	9,014	14,409	34,283	40,034
Net income	$ 14,692	$ 24,745	$ 57,908	$ 68,753
Earnings per share:				
Basic	$ .25	$ .40	$ .95	$ 1.12
Diluted	$ .25	$ .39	$ .95	$ 1.09
Weighted average shares:				
Basic	59,619	62,037	60,902	61,641
Diluted	59,798	63,578	61,240	62,888
Dividends per share	$ .005	$ .005	$ .015	$ .015

See notes to condensed consolidated financial statements.

CBRL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended April 30, 1999	Nine Months Ended May 1, 1998
Cash flows from operating activities:		
Net income	$ 57,908	$ 68,753
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	39,911	32,266
Loss on disposition of property and equipment	7	242
Changes in assets and liabilities, net of effects from acquisition:		
Inventories	(10,742)	(3,550)
Other assets	(2,511)	(1,060)
Accounts payable	18,363	3,800
Other current assets and liabilities	(6,322)	7,033
Net cash provided by operating activities	96,614	107,484
Cash flows from investing activities:		
Proceeds from maturities of investments	--	1,666
Purchase of property and equipment	(115,971)	(141,762)
Cash paid for acquisition, net of cash acquired	(182,392)	(1,886)
Proceeds from sale of property and equipment	2,114	2,968
Net cash used in investing activities	(296,249)	(139,014)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	330,000	--
Proceeds from exercise of stock options	891	22,868
Principal payments under long-term debt and other long-term obligations	(93,891)	(3,698)
Treasury stock purchases	(82,613)	--
Dividends on common stock	(970)	(974)
Net cash provided by financing activities	153,417	18,196
Net decrease in cash and cash equivalents	(46,218)	(13,334)
Cash and cash equivalents, beginning of period	62,593	64,933
Cash and cash equivalents, end of period	$ 16,375	$ 51,599
Supplemental disclosures of cash flow information:		
Cash paid during the nine months for:		
Interest	$ 5,415	$ 3,217
Income taxes	32,369	36,595

See notes to condensed consolidated financial statements.

CBRL GROUP, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except share and per share data)

1. Condensed Consolidated Financial Statements

The condensed consolidated balance sheet as of April 30, 1999 and the related condensed consolidated statements of income and cash flows for the quarters and nine-month periods ended April 30, 1999 and May 1, 1998, have been prepared by CBRL Group, Inc. (the "Company"), without audit; in the opinion of management, all adjustments for a fair presentation of such condensed consolidated financial statements have been made.

These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the year ended July 31, 1998.

Deloitte & Touche LLP, the Company's independent accountants, have performed a limited review of the financial information included herein. Their report on such review accompanies this filing.

2. Income Taxes

The provisions for income taxes for the quarter and nine-month period ended April 30, 1999 were 38.0% and 37.2%, respectively. Management's estimate of the tax rate for the entire fiscal year was 36.9% through the second quarter; however, the tax rate has now been computed based on management's estimate of the tax rate for the entire fiscal year of 37.4%. The increase in the estimated tax rate is the result of the acquisition of Logan's Roadhouse, Inc. and the non-deductibility of the amortization of the related goodwill. The variation between the statutory tax rate and the effective tax rate is due primarily to employer tax credits for FICA taxes paid on tip income. The Company's effective tax rate for both the quarter and nine-month period ended May 1, 1998 and for the entire fiscal year of 1998 was 36.8%.

3. Seasonality

The sales and profits of the Company are affected significantly by seasonal travel and vacation patterns because of its interstate highway locations. Historically, the Company's greatest sales and profits have occurred during the period of June through August. Early December through the last part of February, excluding the Christmas holidays, has historically been the period of lowest sales and profits. Therefore, the results of operations for the quarter and nine-month period ended April 30, 1999 cannot be considered indicative of the operating results for the full fiscal year.

4. Earnings per Share and Weighted Average Shares

In February 1997, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share," which requires presentation of basic and diluted earnings per share. Basic earnings per share is computed by dividing income available to common shareholders by the weighted average number of common shares outstanding for the reporting period. Diluted earnings per share reflects the potential dilution that could occur if securities, options or other contracts to issue common stock were exercised or converted into common stock. Outstanding stock options issued by the Company represent the only dilutive effect reflected in diluted weighted average shares. Weighted average basic shares for the quarters ended April 30, 1999 and May 1, 1998 were 59,618,515 and 62,036,562, respectively. Weighted average basic shares for the nine-month periods ended April 30, 1999 and May 1, 1998 were 60,901,559 and 61,640,687, respectively. Weighted average diluted shares for the quarters ended April 30, 1999 and May 1, 1998 were 59,797,560 and 63,577,952, respectively. Weighted average diluted shares for the nine-month periods ended April 30, 1999 and May 1, 1998 were 61,239,587 and 62,888,086, respectively.

5. Recent Accounting Pronouncements Adopted

In June 1997, SFAS No. 130, "Reporting Comprehensive Income," was issued. SFAS No. 130 specifies how to report and display comprehensive income and its components. This statement is effective for fiscal years beginning after December 15, 1997, with restatement of all prior periods shown. The Company adopted SFAS No. 130 in the first quarter of fiscal 1999. There is no difference between comprehensive income and net income as reported by the Company for all periods shown. In June 1997, SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information," was issued. SFAS No. 131 requires the disclosure of certain information about operating segments in the financial statements. The statement is effective for fiscal years beginning after December 15, 1997, with restatement of all prior periods shown if not impracticable to do so. The Company adopted SFAS No. 131 in the first quarter of fiscal 1999. SFAS No. 131 requires no disclosure in interim periods in fiscal 1999, but will require interim disclosure in fiscal 2000. SFAS No. 131 will require disclosure in the Company's financial statements in its fiscal 1999 annual report.

6. Acquisition of wholly-owned subsidiary

On February 16, 1999, the Company acquired all of the capital stock of Logan's Roadhouse, Inc. for cash of $24 per share or approximately $188,039, excluding transaction costs. The acquisition has been accounted for using the purchase method of accounting, and accordingly, the purchase price has been allocated to the assets purchased and the liabilities assumed based upon the fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired was $103,994 and has been recorded as goodwill, which is being amortized on a straight-line basis over 30 years. The amount of goodwill amortization in the third quarter was $721.

The net purchase price was allocated as follows:

Current assets, net of cash acquired	$ 3,329
Property and equipment	97,470
Other assets	286
Goodwill	103,994
Liabilities assumed	(22,687)
Purchase price, net of cash received	$ 182,392

The operating results of this acquired business have been included in the consolidated statement of income from the date of the acquisition. On the basis of a proforma consolidation of the results of operations as if the acquisition had taken place at the beginning of fiscal 1998 rather than at February 16, 1999, consolidated revenue, pretax income, net income and earnings per share would not have been materially different from the reported amounts for fiscal 1998 and 1999 and are shown in the table below. Such proforma amounts are not necessarily indicative of what the actual consolidated results of operations might have been if the acquisition had been effective at the beginning of fiscal 1998.

	Quarter Ended		Nine Months Ended	
	April 30, 1999	May 1, 1998	April 30, 1999	May 1, 1998
Consolidated revenue	$385,537	$344,073	$1,156,963	$1,011,411
Pretax income	23,706	38,998	91,222	106,385
Net income	14,692	24,384	56,589	66,538
Earnings per share:				
Basic	$ .25	$ .39	$ .93	$ 1.08
Diluted	$ .25	$ .38	$ .92	$ 1.06

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

All dollar amounts reported or discussed in Item 2 are shown in thousands. Except for specific historical information, many of the matters discussed in this Form 10-Q may express or imply projections of revenues or expenditures, statements of plans and objectives or future operations or statements of future economic performance. Those, and similar statements are forward-looking statements that involve risks, uncertainties and other factors which may cause the actual performance of CBRL Group, Inc. to differ materially from those expressed or implied by such statements. Factors which will affect actual results include, but are not limited to: the availability and costs of acceptable sites for development; the ability of the Company to retain qualified employees, and to recruit and train restaurant personnel in its expansion locations; the acceptance of the Cracker Barrel Old Country Store(R), Logan's Roadhouse(R) and Carmine Giardini's Gourmet Market(TM) and restaurant concepts as the Company continues to expand into new geographic regions; continued successful acquisition of additional concepts to expand; successful development of new and regional menu items; the continued success of the Company's frequency-based Cracker Barrel Old Country Store Neighborhood(R) program; changes in or implementation of additional governmental rules and regulations affecting wage and hour matters, health and safety and other areas affected by governmental actions, and other factors described from time to time in the Company's filings with the Securities and Exchange Commission, press releases and other communications. In addition, the Company discusses certain Year 2000 issues based on a "reasonably likely worst case." That discussion necessarily relies on assumptions which are not related to existing facts, and it must be expected that actual circumstances and their effects on the Company will differ.

Results of Operations

The following table highlights operating results by percentage relationships to total net sales for the quarter and nine-month period ended April 30, 1999 as compared to the same periods a year ago:

	Quarter Ended		Nine Months Ended	
	April 30, 1999	May 1, 1998	April 30, 1999	May 1, 1998
Net sales:				
Restaurant	78.7%	78.2%	75.0%	75.9%
Retail	21.3	21.8	25.0	24.1
Total net sales	100.0	100.0	100.0	100.0
Franchise fees and royalties	--	--	--	--
Revenue	100.0	100.0	100.0	100.0
Cost of goods sold	33.6	33.8	35.1	34.7
Gross profit	66.4	66.2	64.9	65.3
Labor & related expenses	35.4	34.0	34.3	33.7
Other store operating expenses	17.9	15.1	16.4	15.1
Store operating income	13.1	17.1	14.2	16.5
General and administrative	5.8	4.9	5.4	5.1
Amortization of goodwill	0.2	--	0.1	--
Operating income	7.1	12.2	8.7	11.4
Income expense	0.9	0.1	0.5	0.2
Interest income	--	0.2	0.1	0.2
Pretax income	6.2	12.3	8.3	11.4
Provision for income taxes	2.4	4.5	3.1	4.2
Net income	3.8%	7.8%	5.2%	7.2%

Average Same Store Sales Analysis

	Quarter Ended April 30, 1999	Quarter Ended May 1, 1998	Nine Months Ended April 30, 1999	Nine Months Ended May 1, 1998
Cracker Barrel				
(Number of same stores)	307	307	283	283
Restaurant	$717.9	$736.2	$2,191.9	$2.245.2
Retail	206.5	202.0	727.6	705.6
Restaurant & retail	$924.4	$938.2	$2,919.5	$2,950.8
Logan's Roadhouse				
(Number of same stores)	22	N/A	N/A	N/A
Restaurant	$814.8	N/A	N/A	N/A

Revenue

Revenue for the third quarter of fiscal 1999 increased 21% compared to last year's third quarter. At the Cracker Barrel concept, same store restaurant sales decreased 2.5% and same store retail sales increased 2.2%, for a total net same store sales (restaurant and retail) decrease of 1.5%. Same store restaurant sales decreased primarily due to decreases in customer traffic of approximately 4%, partially offset by an effective 1.4% menu price increase for the quarter. Same store retail sales increased primarily due to an improved assortment of retail items in the stores versus the prior year, partially offset by the decrease in restaurant customer traffic of approximately 4%. Revenue at the recently acquired Logan's Roadhouse concept and sales from new Cracker Barrel stores accounted for the balance of the third quarter revenue increase.

Revenue for the nine-month period ended April 30, 1999, increased 16% compared to the nine-month period ended May 1, 1998. At the Cracker Barrel concept, same store restaurant sales decreased 2.4% and same store retail sales increased 3.1%, for a total net same store sales (restaurant and retail) decrease of 1.1%. Same store restaurant sales decreased primarily due to decreases in customer traffic of approximately 6%, partially offset by an effective 3.0% menu price increase for the nine-month period. Same store retail sales increased primarily due to an improved assortment of retail items in the stores versus the prior year and a significant increase in the sale of marked-down seasonal merchandise after Christmas versus the prior year, partially offset by the decrease in restaurant customer traffic of approximately 6%. Revenue at the recently acquired Logan's Roadhouse concept and sales from new Cracker Barrel stores accounted for the balance of the nine-month period revenue increase.

Cost of Goods Sold
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Cost of goods sold as a percentage of revenue for the quarter ended April 30, 1999 decreased to 33.6% from 33.8% in the third quarter of last year. This decrease was primarily due to lower retail shrinkage in the third quarter of fiscal 1999 versus the same period a year ago, decreases in hog complex prices and the benefit to cost of goods sold from the inclusion of Logan's Roadhouse, which has lower cost of goods sold as a percentage of revenue than Cracker Barrel. These decreases were partially offset by an increasing mix of retail sales which have a higher cost of goods than restaurant sales and increases in dairy prices.

Cost of goods sold as a percentage of revenue for the nine-month period ended April 30, 1999 increased to 35.1% from 34.7% for the nine-month period ended May 1, 1998. This increase was primarily due to the significant increase in markdowns of seasonal merchandise after Christmas versus the prior year at Cracker Barrel, an increasing mix of retail sales, which have a higher cost of goods than restaurant sales, and increases in dairy prices. These increases were partially offset due to improved initial mark-ons for retail merchandise and decreases in hog complex prices.

Labor and Related Expenses
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Labor and related expenses include all direct and indirect labor and related costs incurred in store operations. Labor and related expenses as a percentage of revenue increased to 35.4% in the third quarter this year from 34.0% last year. This increase was primarily due to increased Cracker Barrel restaurant labor hours to improve guest service and hourly wage inflation at the Cracker Barrel stores of approximately 4%. This increase was partially offset due to lower bonus payouts under the Cracker Barrel store-level bonus program and the benefit to labor from adding Logan's Roadhouse, which has lower labor as a percentage of revenue than Cracker Barrel.

Labor and related expenses as a percentage of revenue increased to 34.3% in the nine-month period ended April 30, 1999 from 33.7% in the nine-month period ended May 1, 1998. This increase was primarily due to increased Cracker Barrel restaurant labor hours to improve guest service and hourly wage inflation at the Cracker Barrel stores of approximately 4%. This increase was partially offset due to lower bonus payouts under the Cracker Barrel store-level bonus program and the benefit to labor from adding Logan's Roadhouse, which has lower labor as a percentage of revenue than Cracker Barrel.

Other Store Operating Expenses
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Other store operating expenses include all unit-level operating costs, the major components of which are operating supplies, repairs and maintenance, advertising expenses, utilities and depreciation. Other store operating expenses as a percentage of revenue increased to 17.9% in the third quarter of fiscal 1999 from 15.1% in the third quarter of last year. This increase was primarily due to the incremental Cracker Barrel advertising expense, which resulted from increased television and radio advertising and other general advertising programs, higher Cracker Barrel store maintenance costs and the effect of lower sales volumes on fixed costs as a percentage of revenue at Cracker Barrel.

Other store operating expenses as a percentage of revenue increased to 16.4% for the nine-month period ended April 30, 1999 from 15.1% in the nine-month period ended May 1, 1998. This increase was primarily due to the incremental Cracker Barrel advertising expense, which resulted from increased television and radio advertising and other general advertising programs, higher Cracker Barrel store maintenance costs and the effect of lower sales volumes on fixed costs as a percentage of revenue at Cracker Barrel.

General and Administrative Expenses

General and administrative expenses as a percentage of revenue increased to 5.8% in the third quarter of fiscal 1999 from 4.9% in the third quarter of last year. The primary reason for the increase was higher Cracker Barrel manager trainee costs as a result of increased manager turnover in prior quarters. This increase was partially offset due to the decrease in corporate bonus accruals versus the prior year.

General and administrative expenses as a percentage of revenue increased to 5.4% for the nine-month period ended April 30, 1999 from 5.1% in the nine-month period ended May 1, 1998. The primary reasons for the increase were higher Cracker Barrel manager trainee costs, the increased general and administrative expenses from the Company's acquisition of Carmine Giardini's Gourmet Market and La Trattoria Ristorante and the costs related to the holding company formation. This increase was partially offset due to the decrease in corporate bonus accruals versus the prior year.

Interest Expense

Interest expense increased to $3,589 in the third quarter of fiscal 1999 from $262 in the third quarter of last year. The increase primarily resulted from higher average debt outstanding during the third quarter of fiscal 1999 versus the prior year. The increase in average debt outstanding primarily resulted from the Company's borrowings to acquire Logan's Roadhouse, Inc. and to repurchase shares under the Company's stock buyback programs.

Interest expense increased to $5,285 for the nine-month period ended April 30, 1999 from $2,159 in the nine-month period ended May 1, 1998. The increase primarily resulted from higher average debt outstanding during the nine-month period ended April 30, 1999 as compared to last year. The increase in average debt outstanding primarily resulted from the Company's borrowings to acquire Logan's Roadhouse, Inc. and to repurchase shares under the Company's stock buyback programs.

Interest Income

Interest income decreased to $104 in the third quarter of fiscal 1999 from $754 in the third quarter of last year. The decrease was primarily due to lower average funds available for investment.

Interest income decreased to $902 for the nine-month period ended April 30, 1999 from $2,270 in the nine-month period ended May 1, 1998. The decrease was primarily due to lower average funds available for investment.

Recent Accounting Pronouncements Not Yet Adopted

In June 1998, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," was issued. SFAS No. 133 specifies how to report and display derivative instruments and hedging activities. This statement is effective for fiscal years beginning after June 15, 2000. The Company will adopt SFAS No. 133 in the first quarter of fiscal 2001. The Company is currently evaluating the effect that SFAS No. 133 will have on the Company's consolidated financial statements upon adoption. In March 1998, the American Institute of Certified Public Accountants issued Statement of Position ("SOP") 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use." SOP 98-1 provides guidance on when costs incurred for internal-use computer software are capitalized or expensed and guidance on whether computer software is for internal use. SOP 98-1 is effective for fiscal years beginning after December 15, 1998 and applies to internal-use software costs incurred for all projects, including those in progress upon initial application of the SOP. The Company is currently evaluating the effect that SOP 98-1 will have on the Company's consolidated financial statements upon adoption. In April 1998, SOP 98-5, "Reporting of the Costs of Start-up Activities," was issued. SOP 98-5 requires that the Company expense start-up costs of new stores as incurred rather than when the store opens as is the Company's current practice. SOP 98-5 is effective for fiscal years beginning after December 15, 1998. The Company is currently evaluating the effect that SOP 98-5 will have on the Company's consolidated financial statements upon adoption. The Company does not expect the adoption of either SOP 98-1 or SOP 98-5 to have a material effect on the Company's consolidated financial statements.

Year 2000
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Many software applications and computer operational programs written in the past were not designed to recognize calendar dates beginning in the Year 2000. The failure of such applications or systems used by the Company or by its material suppliers to properly recognize the dates beginning in the Year 2000 could result in miscalculations or systems failures which potentially could have an adverse effect on the Company's operations.

The Company's Year 2000 preparations began in fiscal 1998. The preparations include identification, assessment, and testing of all Company software, hardware and equipment that could be affected by the Year 2000 issue and remedial action, where necessary, followed by further testing. Analysis to identify internal Year 2000 deficiencies is in process and an inventory of systems designated as critical has been developed. As the Year 2000 remediation efforts progress, the Company will first focus, wherever possible, on those systems designated critical. The Company has completed the Year 2000 analysis and has completed correction of approximately 90% of deficiencies found. Completion of the remediation efforts is anticipated by September 30, 1999. The Company's estimated total cost of analysis and remediation of the Year 2000 issues is not anticipated to have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

The Company has also contacted critical suppliers of products and services to determine the extent to which the Company may be vulnerable to such suppliers' failures to resolve their own Year 2000 compliance issues. To assess the Year 2000 risks to the Company's continuity of supply of products and services, an inventory of significant vendors has been compiled. These vendors were sent letters and questionnaires requesting information as to the status of their Year 2000 readiness and certification that their information systems are Year 2000 compliant. Based on responses received from most of these vendors, it appears that Year 2000 issues are being addressed. The Company has not verified the contents, nor is it the source, of Year 2000 statements incorporated, or relied upon by the Company, in this disclosure from persons or entities other than the Company. The Company is continuing to pursue responses from significant vendors that have not responded to date and will discuss with them any material Year 2000 concerns that are identified.

The Company anticipates timely completion of the internal Year 2000 readiness efforts. However, if new systems cannot be implemented on a timely basis, modifications to existing systems cannot be accomplished on a timely basis, information technology resources do not remain available, or other unanticipated events occur, there could be material adverse effects on the Company's consolidated financial position, results of operations and cash flows. As part of the Year 2000 readiness efforts, the Company is developing contingency plans to identify activities which will need to be performed in the event of internal systems failures. The contingency plans are expected to be completed by July 31, 1999. Although the Company has not yet been informed of material Year 2000 issues by its significant vendors, there is no assurance that these vendors will be Year 2000 compliant on a timely basis. Similarly, the Company has no reliable information concerning the expected Year 2000 effects on the nation's securities markets, banking system, utilities and other infrastructure. The Company therefore relies generally on the ability of the federal government and its agencies, such as the Internal Revenue Service and Securities and Exchange Commission to effectively address such issues on a national scale. Unanticipated failures or significant delays in furnishing products or services by significant vendors or general public infrastructure service providers could have a material adverse effect on the Company's consolidated financial position, results of operations and cash flows. Where practicable, the Company is assessing and attempting to mitigate its risks with respect to the failure of its significant vendors and public infrastructure to be Year 2000 ready as part of its contingency planning. In the worst case reasonably to be expected, assuming that the nation's financial system and overall public infrastructure continues to operate substantially as they had prior to the Year 2000, some of the Company's internal systems may fail to operate properly and some of its significant vendors may fail to perform effectively or may fail to timely or completely deliver products. In those circumstances, the Company expects to be able to conduct all of its necessary business operations manually and to obtain necessary products from alternative vendors and business operations would generally continue; however, there would be some disruption which could have a material adverse effect on the Company's consolidated financial position, results of operations and cash flows. The Company has no basis upon which to reasonably analyze the psychological or other direct or indirect effects on its guests, and consumers generally, from Year 2000 issues or experiences unrelated to the Company. The actual effect, if any, on the Company's consolidated financial position, results of operations or cash flows from the failure of its internal systems or of its significant vendors to be Year 2000 ready can not be reasonably predicted.

Liquidity and Capital Resources

The Company's operating activities provided net cash of $96,614 for the nine-month period ended April 30, 1999. All of this cash was provided by net income adjusted for depreciation and amortization. Such cash provided was reduced by increases in inventories, increases in other current assets, increases in other assets and decreases in other current liabilities partially offset by increases in accounts payable.

Capital expenditures were $115,971 for the nine-month period ended April 30, 1999. Land purchases and the construction of new stores accounted for substantially all of these expenditures. Capitalized interest was $400 and $1,261 for the quarter and nine-month period ended April 30, 1999 as compared to $563 and $1,549 for the quarter and nine-month period ended May 1, 1998, respectively. This decrease was primarily due to the decrease in the number of stores under construction in the third quarter of fiscal 1999 versus the prior year. The decrease in stores under construction resulted from the Company's decision to slow its expansion to 40 new Cracker Barrel stores opened in fiscal 1999 as compared to 50 new Cracker Barrel stores opened in fiscal 1998. This decrease in capitalized interest was partially offset due to acquisition of Logan's Roadhouse, Inc. during the third quarter and the related capitalized interest on its new stores under construction.

The Company's internally generated cash along with cash at July 31, 1998 and its available revolver were not sufficient to finance all of its stock buyback programs, the acquisition of Logan's Roadhouse, Inc. and new store growth of its Cracker Barrel and Logan's Roadhouse concepts in the first nine months of fiscal 1999. As planned, the Company increased its bank facility from $125 million to $350 million during the third quarter.

On September 9, 1998, the Company announced that the Board of Directors authorized the repurchase of up to 3 million shares of the Company's common stock which allowed the Company to repurchase approximately 5% of the approximately 62 million shares then outstanding. One effect of the share repurchase will be to minimize dilution to existing shareholders as shares are issued under the Company's Stock Option Plan. During March 1999, the Company completed the purchase of all of the 3 million shares authorized by the Board of Directors on September 9, 1998.

On February 26, 1999, the Company announced that the Board of Directors had authorized the repurchase of up to an additional 3 million shares of the Company's common stock. This authorization increases the Company's stock buyback program to a total of approximately 10% of the approximately 60 million shares then outstanding. The purchases are to be made from time to time in the open market at prevailing market prices. The Company began repurchases under this second authorization upon completion of the first 3 million share buyback program. As of April 30, 1999, the Company has purchased a total of 917,500 shares under the second stock buyback program. The Company expects to complete the purchase of substantially all of the remaining 2,082,500 shares authorized by the Board of Directors by the end of the first quarter of fiscal 2000.

The Company estimates that its capital expenditures for fiscal 1999 will be approximately $165,000, substantially all of which will be land purchases and the construction of new stores.

On February 16, 1999, the Company completed its merger and acquisition of Logan's Roadhouse, Inc. for $24 cash per share or approximately $188,039, excluding transaction costs. (See Note 6.) In order to finance this acquisition and the Company's additional 3 million share buyback authorization, the Company refinanced its $50,000 term loan and $75,000 revolving credit facility which increased the rate on the Company's $50,000 term loan to a fixed interest rate of 7.11% based on a 75 basis point increase in the Company's credit spread, but the term loan is still due on its original maturity date of December 1, 2001. The credit spread increase is primarily due to changes in the credit markets as compared to the credit spread environment two years ago when the Company entered into the $125,000 bank credit facility. As part of the February 16, 1999 bank facility refinancing, the Company increased the total bank credit facility to $350,000 from $125,000. On February 16, 1999, the Company received net proceeds of $200,000 from its revolving credit facility at a variable rate of approximately 6%. During the third quarter, the Company received net proceeds of an additional $40,000 from its revolving credit facility to fund its expansion and continue its share buyback program. Management believes that cash at April 30, 1999, along with cash generated from the Company's operating activities and its available $50,000 revolver, will be sufficient to finance its continued operations, the completion of its second 3 million share stock buyback program and its continued expansion plans through fiscal 2000.

INDEPENDENT ACCOUNTANTS' REPORT

To the Board of Directors and Shareholders of
CBRL Group, Inc.
Lebanon, Tennessee

We have reviewed the accompanying condensed consolidated balance sheet of CBRL Group, Inc. and subsidiaries as of April 30, 1999, and the related condensed consolidated statements of income and cash flows for the quarters and nine-month periods ended April 30, 1999 and May 1, 1998. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and of making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to such condensed consolidated financial statements for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet of CBRL Group, Inc. and subsidiaries (formerly Cracker Barrel Old Country Store, Inc.) as of July 31, 1998, and the related consolidated statements of income, shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated September 9, 1998, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of July 31, 1998 is fairly stated, in all material respects, in relation to the balance sheet from which it has been derived.

DELOITTE & TOUCHE LLP

Nashville, Tennessee
June 4, 1999

PART II

Item 1. Legal Proceedings

None.

Item 2. Changes in Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

(a) The following exhibits are filed pursuant to Item 601 of Regulation S-K

(15)Letter regarding unaudited financial information.

(b) The Company filed a Current Report on Form 8-K on March 5, 1999 pursuant to Item 5 of such form to announce the completion of the purchase of all of the issued and outstanding capital stock of Logan's Roadhouse, Inc. as of February 16, 1999. The Company filed a Current Report on Form 8-K on April 26, 1999 pursuant to Item 5 of such form to announce the resignation of the Company's President, Ronald N. Magruder as of April 12, 1999.

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.

CBRL GROUP, INC.

Date: 6/4/99 By /s/Michael A. Woodhouse
Michael A. Woodhouse, Chief Financial Officer

Date: 6/4/99 By /s/Patrick A. Scruggs
Patrick A. Scruggs, Assistant Treasurer

June 4, 1999

CBRL Group, Inc.
Hartmann Drive
Lebanon, Tennessee 37088-0787

We have made a review, in accordance with standards established by the American Institute of Certified Public Accountants, of the unaudited interim financial information of CBRL Group, Inc. and subsidiaries for the quarters and nine-month periods ended April 30, 1999 and May 1, 1998, as indicated in our report dated June 4, 1999; because we did not perform an audit, we expressed no opinion on that information.

We are aware that our report referred to above, which is included in your Quarterly Report on Form 10-Q for the quarter ended April 30, 1999, is incorporated by reference in Registration Statement Nos. 2-86602, 33-15775, 33-37567, 33-45482 and 333-01465 on Form S-8 and Registration Statement Nos. 33-59582 and 333-74363 on Form S-3.

We also are aware that the aforementioned report, pursuant to Rule 436(c) under the Securities Act of 1933, is not considered a part of the Registration Statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of that Act.

DELOITTE & TOUCHE LLP

Nashville, Tennessee

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENT OF CBRL GROUP, INC. AND SUBSIDIARIES FOR THE NINE MONTHS ENDED APRIL 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH CONSOLIDATED FINANCIAL STATEMENTS.

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CBRL GROUP, INC.
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9-MOS
JUL-30-1999
AUG-1-1998
APR-30-1999
16,375
0
7,345
0
103,114
133,422
1,201,445
216,525
1,240,094
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307,000
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31,263
747,327
1,240,094
1,104,840
1,104,960
387,799
560,074
60,513
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5,285
92,191
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0
57,908
.95
.95