

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)
of the Securities Exchange Act of 1934Filed by the Registrant ☒Filed by a Party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ Confidential for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- ☒ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material Pursuant to Rule 14a-11(c) or Rule 14a-12

Dave & Buster's, Inc.

(Name of Registrant as Specified In Its Charter)-----
(Name of Person Filing Proxy Statement)

Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
- ☐ Fee computed on the table below per Exchange Act Rule 14a-6(i)(4) and 0-11 ("Rule 0-11").

- (1) Title of each class of securities to which transaction applies
- (2) Aggregate number of securities to which transaction applies
- (3) Per unit price or other underlying value of transaction computed pursuant to Rule 0-11
- (4) Proposed maximum aggregate value of transaction
- (5) Total fee paid

☐ Fee paid previously with preliminary materials.☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid
- (2) Form, Schedule or Registration Statement No.:
- (3) Filing Party
- (4) Date Filed

DAVE & BUSTER'S, INC.
2481 MANANA DRIVE
DALLAS, TEXAS 75220

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 9, 1998

To the holders of Common Stock of
Dave & Buster's, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Dave & Buster's, Inc. (the "Company") will be held in The Show Room at Dave & Buster's, 10727 Composite Drive, Dallas, Texas, on June 9, 1998, at 1:00 p.m. local time, for the following purposes:

(a) To elect one class of directors (consisting of three directors) of the Company for a three year term, or until their successors have been elected and qualified;

(b) To consider and vote upon a proposed amendment to the Dave & Buster's, Inc. 1995 Stock Option Plan to increase the number of shares of the Company's common stock issuable upon exercise of stock options under the plan from 675,000 shares to 1,350,000 shares; and

(c) To transact such other business as may properly come before the meeting or any adjournment thereof.

Only stockholders of record at the close of business on April 24, 1998 are entitled to notice of, and to vote at, the meeting or any adjournment thereof.

Whether or not you plan to attend the Annual Meeting and regardless of the number of shares you own, please date, sign and return the enclosed proxy card in the enclosed envelope (which requires no postage if mailed in the United States).

By Order of the Board of Directors

Alan L. Murray
Secretary

Dallas, Texas
May 11, 1998

DAVE & BUSTER'S, INC.
2481 MANANA DRIVE
DALLAS, TEXAS 75220

PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 9, 1998

This Proxy Statement is furnished to stockholders of Dave & Buster's Inc., a Missouri corporation (the "Company"), in connection with the solicitation of proxies by the Board of Directors of the Company for use at the Annual Meeting of Stockholders to be held on June 9, 1998, and at any and all adjournments or postponements thereof. Proxies in the form enclosed will be voted at the meeting, if properly executed, returned to the Company prior to the meeting and not revoked. The proxy may be revoked at any time before it is voted by giving written notice to the Secretary of the Company.

This Proxy Statement and accompanying form of proxy are being mailed to the Company's stockholders on or about May 11, 1998. The Company's Annual Report, covering the Company's 1997 fiscal year, is enclosed herewith but does not form any part of the materials for solicitation of proxies.

ACTION TO BE TAKEN AT THE MEETING

Only holders of record of common stock at the close of business on April 24, 1998 (the "Record Date") are entitled to notice of, and to vote at, the Annual Meeting. At the close of business on the Record Date, the Company had issued and outstanding, and entitled to vote at the Annual Meeting, approximately 13,045,450 shares of common stock. The presence, either in person or by properly executed proxy, of the holders of record of a majority of the common stock outstanding on the Record Date is necessary to constitute a quorum at the Annual Meeting.

At the Annual Meeting, holders of the Company's common stock will consider and vote for the election of Allen J. Bernstein, Walter S. Henrion and Bruce H. Hallett to a three year term as directors of the Company. Should any nominee become unable or unwilling to accept nomination or election, the proxy holders may vote the proxies for the election in his stead of any other person the Board of Directors may recommend. Each nominee has expressed his intention to serve the entire term of three years for which election is sought.

Holders of record of common stock are entitled to one vote per share. The election as a director of each nominee requires the affirmative vote of the holders of record of a plurality of the outstanding voting power of the shares of common stock represented, in person or by proxy, at the Annual Meeting.

The accompanying proxy, unless the stockholder otherwise specifies in the proxy, will be voted (i) FOR the election to a three year term as directors of the Company of the three nominees set forth above; (ii) FOR the approval and adoption of an amendment to the Dave & Buster's, Inc. 1995 Stock Option Plan to increase the number of shares of the Company's common stock issuable upon exercise of stock options under the plan from 675,000 shares to 1,350,000 shares; and (iii) at the discretion of the proxy holders on any other matter that may properly come before the meeting or any adjournment thereof. Where stockholders have appropriately specified how their proxies are to be voted, they will be voted accordingly. Abstentions will be included in vote totals and, as such, will have the same effect on any proposal other than the election of directors as a negative vote. Broker non-votes will not count for or against the matters to be voted on at the Annual Meeting.

If any other matter or business is brought before the meeting, the proxy holders may vote the proxies in their discretion. The directors do not know of any such other matter or business.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth certain information regarding the beneficial ownership of the Company's common stock as of March 31, 1998 for (i) each person who is known by the Company to own beneficially more than 5% of the outstanding shares of common stock, (ii) each director and nominee for director of the Company, (iii) each of the named executive officers, and (iv) all of the directors and officers of the Company as a group. Except pursuant to applicable community property laws and except as otherwise indicated, each stockholder identified in the table possesses sole voting and investment power with respect to the listed shares.

NAME -----	SHARES BENEFICIALLY OWNED(1) -----	
	NUMBER -----	PERCENT -----
5% OR MORE STOCKHOLDERS(2):		
RCM Capital Management, L.L.C..... Four Embarcadero Center San Francisco, California 94111-4189	990,000	7.5%
Putnam Investment Management..... One Post Office Square Boston, Massachusetts 02109	855,000	6.5
DIRECTORS AND EXECUTIVE OFFICERS:		
David O. Corriveau(3).....	475,974	3.6
James W. Corley(4).....	423,474	3.2
Barry N. Carter.....	9,900	*
Gary W. Duffey.....	2,700	*
Nancy J. Duricic.....	0	*
Cory J. Haynes.....	9,000	*
Charles M. Krauthamer, Jr.....	10,350	*
Kimberly M. Martinez.....	5,050	*
Charles Michel.....	14,217	*
Alan L. Murray.....	8,400	*
James M. Newberry.....	0	*
Dennis C. Paine.....	12,525	*
J. Michael Plunkett.....	18,159	*
Sterling R. Smith.....	15,300	*
Bryan L. Spain.....	4,000	*
Allen J. Bernstein.....	15,000	*
Peter A. Edison(5).....	74,092	*
Bruce H. Hallett(6).....	1,000	*
Walter S. Henrion.....	83,120	*
Mark A. Levy.....	15,000	*
Christopher C. Maguire.....	9,500	*
Andrew E. Newman(7).....	142,356	1.1
Mark B. Vittert.....	15,000	*
All directors and officers as a group (23 persons).....	1,364,117	10.3

* Indicates less than 1%.

(1) Includes shares issuable upon exercise of stock options which are vested or will be vested prior to May 31, 1998.

(2) Based upon information filed by such holders with the Securities and Exchange Commission and inquiries to such holders.

(3) Mr. Corriveau shares voting and dispositive power with respect to 74,545 shares owned of record by a family limited partnership. Mr. Corriveau disclaims beneficial ownership with respect to such shares.

- (4) Mr. Corley shares voting and dispositive power with respect to 99,559 shares owned of record by a family limited partnership. Mr. Corley disclaims beneficial ownership with respect to such shares.
- (5) Mr. Edison has shared voting and dispositive power with respect to 74,092 shares.
- (6) Nominee for director.
- (7) Mr. Newman has sole voting and dispositive power with respect to 44,236 shares and shared voting and dispositive power with respect to 98,120 shares. Mr. Newman's term as a director expires on June 9, 1998.

DIRECTORS AND EXECUTIVE OFFICERS

A brief description of each director and executive officer of the Company is provided below. Directors hold office for three year terms or until their successors are elected and qualified. All officers serve at the discretion of the Board of Directors, except as provided below.

Mr. Corriveau, 46, a co-founder of the Dave & Buster's concept in 1982, has served as Co-Chief Executive Officer and President since June 1995, and as a director of the Company since May 1995 and as Co-Chairman of the Board since February 1996. Mr. Corriveau served as President and Chief Executive Officer of D&B Holding (a predecessor of the Company) from 1989 through June 1995. From 1982 to 1989, Messrs. Corriveau and Corley operated the Company's business.

Mr. Corley, 46, a co-founder of the Dave & Buster's concept in 1982, has served as Co-Chief Executive Officer and Chief Operating Officer since June 1995, and as a director of the Company since May 1995 and as Co-Chairman of the Board since February 1996. Mr. Corley served as Executive Vice President and Chief Operating Officer of D&B Holding from 1989 through June 1995. From 1982 to 1989, Messrs. Corley and Corriveau operated the Company's business.

Mr. Carter, 50, has served as Vice President, Director of Store Support since June 1995 and as Vice President and Director of Store Support of D&B Holding from November 1994 to June 1995. From 1982 to November 1994, he served in operating positions of increasing responsibilities for the Company and its predecessors.

Mr. Duffey, 43, has served as Vice President of Amusements since March 1997 and as Director of Amusements of the Company from January 1995 until March 1997. From November 1987 to January 1995, Mr. Duffy served as Amusement Manager for the Company.

Ms. Duricic, 43, has served as Vice President of Human Resources since December 1997. From June 1989 to June 1997, she served in human resources positions of increasing responsibilities, most recently as Vice President of Human Resources for Eljer Industries, Inc. From 1986 to June 1989, Ms. Duricic served in operating and human resources positions for ClubCorp International, Inc.

Mr. Haynes, 37, has served as Vice President, Assistant Director of Operations since September 1996. From January 1996 to September 1996, he served as Corporate Director of Management and Development. From 1982 to January 1996, he served in operating positions of increasing responsibilities for the Company and its predecessors.

Mr. Krauthamer, 44, has served as Vice President, Director of Store Openings from December 1995. From 1991 to December 1995, Mr. Krauthamer served in operating positions of increasing responsibilities for the Company and its predecessors.

Ms. Martinez, 35, has served as Vice President of Purchasing since March 1997 and as Corporate Business Manager from January 1995 until March 1997. From 1991 to 1995, Ms. Martinez served in operating positions of increasing responsibility for the Company and its predecessors.

Mr. Michel, 44, has served as Vice President and Chief Financial Officer since February 1996, as Chief Financial Officer of the Company since June 1995 and as Chief Financial Officer of D&B Holding from November 1994 to June 1995. From 1992 to October 1994, Mr. Michel served as Vice President and Chief

Financial Officer of Sfuzzi, Inc., a restaurant chain based in Dallas, Texas. Mr. Michel was with the accounting firm of KPMG Peat Marwick from 1976 to 1992, becoming a partner of such firm in 1986.

Mr. Murray, 52, has served as Vice President, Legal and Administration and Secretary since February 1996 and as Secretary and Director of Legal and Administration since June 1995. Mr. Murray served as Director of Legal and Administration of D&B Holding from November 1994 until June 1995. Mr. Murray served as Vice President, Secretary, and General Counsel of Phillips Colleges, Inc. from 1988 through 1994.

Mr. Newberry, 42, has served as Vice President of Training since December 1997. From February 1997 to November 1997, he served as Vice President of Training for Einstein Bros Bagels. Mr. Newberry served as Vice President of Show Biz Pizza Time, Inc. (d/b/a Chuck E. Cheese's Pizza) in the disciplines of Training, Recruitment, Entertainment, New Concepts and Product Licensing from September 1990 to February 1997.

Mr. Paine, 50, has served as Vice President, Communications since September 1996. From November 1994 to September 1996 he served as Director of Communications. From 1983 to 1994, Mr. Paine was President of Dennis Paine & Associates, an advertising firm based in Woodland Hills, California.

Mr. Plunkett, 46, has served as Vice President, Information Systems since November 1996, as Vice President, Director of Training from June 1995 until November 1996 and as Vice President and Director of Training of D&B Holding from November 1994 to June 1995. From 1982 to November 1994, he served in operating positions of increasing responsibilities for the Company and its predecessors.

Mr. Smith, 45, has served as Vice President, Director of Operations since June 1995 and as Vice President and Director of Operations of D&B Holding from November 1994 to June 1995. From 1983 to November 1996, Mr. Smith served in operating positions of increasing responsibilities for the Company and its predecessors.

Mr. Spain, 50, has served as Vice President, Director of Real Estate Development since March 1997. From 1993 until joining Dave & Buster's, Mr. Spain managed the Real Estate Acquisition and Development Program for the Incredible Universe and Computer City Divisions of Tandy Corporation. In addition, from 1991 to 1993, Mr. Spain served as Director of Real Estate Financing for Tandy Corporation.

Mr. Bernstein, 51, is founder of Morton's Restaurant Group, Inc., a New York Stock Exchange Company, and has been its Chairman of the Board and Chief Executive Officer since its inception in 1988. Morton's owns and operates more than 49 restaurants, comprised of two distinct restaurant companies, Morton's of Chicago Steak Houses and Bertolini's Restaurants.

Mr. Edison, 42, has been President and majority shareholder of the Weiss and Newman Shoe Company since October 1997. Weiss and Newman owns and operates 75 shoe stores and leased shoe departments. Mr. Edison has also been President and Founder of Acorn Retail Development since March 1997. He was Senior Executive Vice President of Edison Brothers Stores, Inc., a specialty retailer ("Edison Brothers"), from 1995 to February 1997 and Director, Corporate Development of Edison Brothers from 1989 until February 1997. He served as a director of Edison Brothers from 1989 until February 1997. Edison Brothers filed for protection under Chapter 11 of the Federal Bankruptcy Code in November 1995 and emerged from those proceedings in September 1997.

Mr. Hallett, 46, is a nominee for director. A partner of the Crouch & Hallett law firm, he has been engaged in the practice of corporate and securities law since 1976.

Mr. Henrion, 58, has been a director of D&B Holding and, as a partner in Sandell Investments, has served as a consultant to the Company's business since 1989, and he has been a director of the Company since 1995. He has also been a consultant to the restaurant industry since 1983. From 1972 to 1981, Mr. Henrion served as Executive Vice President and a director of TGI Friday's, Inc. Mr. Henrion is also Chairman of the Board of Colleagues, Inc. d/b/a Gershwin's Restaurant.

Mr. Levy, 51, has been Vice Chairman of the Board of Directors of The Levy Restaurants and its parent entity, The Levy Organization, since 1978. The Levy Organization is a real estate development company, and The Levy Restaurants operates more than 40 restaurants, food service and special concession operations throughout the United States. Mr. Levy has been a director of the Company since 1995.

Mr. Maguire, 36, has served as President of Staubach Retail Services, a national retail real estate consulting company, since its inception in 1994. Mr. Maguire joined The Staubach Company, a Dallas-based national real estate brokerage firm in 1986 to form its Retail Services Division. Mr. Maguire has been a director of the Company since 1997.

Mr. Vittert, 49, has been a private investor for more than five years and is a director of Premiumwear, Inc. and Lee Enterprises, Inc. Mr. Vittert has been a director of the Company since 1995.

The Board of Directors held five meetings in fiscal 1997. No director attended fewer than 75% of the meetings of the Board which they were required to attend.

COMMITTEES OF THE BOARD OF DIRECTORS

The Audit Committee, comprised of Messrs. Newman, Edison and Maguire, recommends to the Board of Directors the appointment of the Company's independent auditors, reviews and approves the scope of the annual audit of the Company's financial statements, reviews and approves any non-audit services performed by the independent auditors, reviews the findings and recommendations of the internal and independent auditors and periodically reviews and approves major accounting policies and significant internal accounting control procedures. The Audit Committee met one time during fiscal 1997.

The Compensation Committee, comprised of Messrs. Levy, Bernstein and Vittert, reviews and recommends compensation of officers and directors, administers stock option plans and reviews major personnel matters. The Compensation Committee met two times during fiscal 1997. See "Report of the Compensation Committee" included elsewhere in this Proxy Statement.

The Executive Committee, comprised of Messrs. Corriveau, Corley, Levy, Newman and Henrion, exercises all of the powers and authority of the Board of Directors in the management and affairs of the Company when the Board of Directors is not in session, except to the extent such authority is delegated to another committee.

SUMMARY OF EXECUTIVE COMPENSATION

The following table sets forth information concerning cash compensation paid or accrued by the Company during fiscal 1995, 1996 and 1997 to or for the Company's Co-Chief Executive Officers and the three other highest compensated executive officers of the Company whose total salary and bonus exceeded \$100,000.

NAME AND PRINCIPAL POSITION	YEAR	LONG-TERM COMPENSATION				
		ANNUAL COMPENSATION		RESTRICTED STOCK AWARDS	SECURITIES UNDERLYING OPTIONS/SAR'S	ALL OTHER COMPENSATION(1)
		SALARY	BONUS			
David O. Corriveau	1997	\$275,189	\$ 0	0	0	0
	1996	263,718	0	0	0	0
	1995	255,256	0(2)	0	0	0
James W. Corley	1997	275,189	0	0	0	0
	1996	263,718	0	0	0	0
	1995	255,256	0(2)	0	0	0
Charles Michel	1997	151,250	22,500	0	0	0
	1996	138,462	2,500	0	0	0
	1995	129,151	6,929	478	0	0
Alan L. Murray	1997	111,425	9,050	0	0	0
	1996	101,731	2,000	0	0	0
	1995	96,821	1,500	0	0	0
Sterling R. Smith	1997	105,192	2,500	0	0	0
	1996	99,231	17,948	0	0	0
	1995	94,151	136,100	9,000	0	0

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- (1) None of the named executive officers received perquisites and other personal benefits, securities or property in excess of the lesser of \$50,000 or 10% of such officer's total annual salary and bonus.
- (2) Excludes non-recurring bonuses paid in connection with spin-off of the Company in 1995 pursuant to 1989 employment agreements.

EMPLOYMENT AGREEMENTS

In June 1995, Edison Brothers consummated a spin-off (the "Spin-Off") to its stockholders of its ownership position in the Company. In connection with the Spin-Off, the Company entered into employment agreements with each of Messrs. Corriveau and Corley (the "Employment Agreements") to supersede the employment agreements entered in 1989. The Employment Agreements provide for employment by the Company of Messrs. Corriveau and Corley at salaries at least equal to their present salaries for a period of five years after the Spin-Off and contain a covenant not to compete during such employment and for a period of two years after such Employment Agreements' termination prior to expiration. After the termination of an Employment Agreement by expiration, the two year covenant not to compete remains in effect if the Company elects to pay the employee the full amount of his then current salary for a period of one year after such date of expiration. The Employment Agreements may be terminated upon death, disability, for "cause" (as defined therein) or for a material breach of such Employment Agreement. Pursuant to the terms of each Employment Agreement, if either Mr. Corriveau's or Mr. Corley's employment is terminated prior to the expiration of their respective Employment Agreement other than because of death, certain disabilities, certain unlawful or dishonest acts or a breach of the terms of such Employment Agreement, the Company will be obligated to continue to provide such employee's current salary and benefits until the later of (i) one year after the date of such termination or (ii) the earlier of (x) the expiration date of the respective Employment Agreement or (y) three years from the date of such termination. If, at any time during the term of either Employment Agreement, the respective employee is removed from the Board of Directors of the Company or at the expiration of his term as a director is not nominated to serve as a director of the Company, and the cause of such removal or failure to nominate is not the result of employee's unwillingness to serve as a director of the Company or certain actions by the employee, then such employee may elect to terminate his employment and treat such removal or failure to nominate as a termination without cause.

1995 STOCK OPTION PLAN

See "Approval of Amendment to the 1995 Stock Option Plan" contained elsewhere in this proxy statement for a description of the material terms of the Dave & Buster's, Inc. 1995 Stock Option Plan (the "Option Plan"). The following table sets forth information regarding the grant of stock options during fiscal 1997 under the Option Plan to the executive officers named in the above executive compensation table:

NAME	INDIVIDUAL GRANTS				POTENTIAL REALIZABLE	
	OPTIONS/ SARS GRANTED (#)	PERCENT OF TOTAL OPTIONS/ SARS GRANTED TO EMPLOYEES IN FISCAL YEAR	EXERCISE OR BASE PRICE (\$/SH)	EXPIRATION DATE	VALUE AT ASSUMED ANNUAL RATES OF STOCK PRICE APPRECIATION FOR OPTION TERM(1)	
					5%(\$)	10%(\$)
David O. Corriveau.....	50,000	11.55%	\$24.75	10/09/07	\$778,500	\$1,972,500
James W. Corley.....	50,000	11.55%	24.75	10/09/07	778,500	1,972,500
Charles Michel.....	27,500	6.35%	21.84	10/09/07	377,775	957,300
Alan L. Murray.....	10,500	2.43%	21.70	10/09/07	143,325	363,195
Sterling R. Smith.....	3,000	.69%	14.08	04/01/06	26,550	67,320

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(1) The 5% and 10% assumed annual rates of appreciation are mandated by the rules of the Securities and Exchange Commission and do not reflect the Company's estimates or projections of future prices of the shares of the Company's common stock. There can be no assurance that the amounts reflected in this table will be achieved.

The following table sets forth certain information with respect to the options held by the executive officers named in the above executive compensation table at February 1, 1998 and options exercised during the fiscal year then ended:

NAME	SHARES EXERCISED	VALUE REALIZED	NUMBER OF UNEXERCISED OPTIONS AT FEBRUARY 1, 1998		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FEBRUARY 1, 1998(1)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
David O. Corriveau.....	0	0	26,506	89,757	\$296,549	\$444,801
James W. Corley.....	0	0	26,506	89,757	296,549	444,801
Charles Michel.....	0	0	11,250	46,250	102,330	225,908
Alan L. Murray.....	0	0	7,050	22,950	64,454	137,108
Sterling R. Smith.....	3,000	\$25,250	4,500	20,250	41,985	182,501

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(1) Based upon the closing price of the Common Stock of the Company on February 1, 1998, of \$21.19 per share.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee is empowered to review, and to recommend to the full Board of Directors, the annual compensation, long-term incentive compensation and compensation procedures for all executive officers of the Company. The Compensation Committee, composed solely of non-employee directors, also administers the Option Plan.

As a matter of policy, the Compensation Committee believes that the annual compensation of the executive officers should consist of both a base salary component and bonus component. The base salary component should be based on generally subjective factors and include the contribution the executive officer made and is anticipated to make to the success of the Company, the level of experience and responsibility of the executive officer, the competitive position of the Company's executive compensation and the Company's historical levels of compensation for executive officers. The Compensation Committee does not expect to assign quantitative relative weights, however, to any of these factors. The

compensation of the executive officers should provide executive officers with the opportunity to earn a significant portion of their base salary in the form of incentive compensation, which therefore puts a significant portion of their total compensation "at risk." This incentive compensation is distributed upon the achievement of certain predetermined earnings targets.

The annual base salary for the co-chief executive officers of the Company has been established pursuant to arms length negotiations between the co-chief executive officers and Edison Brothers as a part of the 1995 spin-off of the Company from Edison Brothers and in recognition of the 1989 agreements entered into in connection with the original acquisition of the Company's business by Edison Brothers in 1989. Accordingly, the Compensation Committee did not separately review the cash compensation of the co-chief executive officers during fiscal 1997.

The Company does not provide for any long-term compensation for executive officers other than through the granting of stock options. Option grants are made in the discretion of the Compensation Committee. Options to purchase 50,000 shares of Common Stock were granted to each of the Company's co-chief executive officers in fiscal 1997. In recommending this grant, the Compensation Committee reviewed the participation in stock option plans of the chief executive officer of comparable companies. The Compensation Committee also took into account the absence of any grants to the co-chief executive officers in the prior two fiscal years.

Mark A. Levy, Chairman
Mark B. Vittert
Allen J. Bernstein

DIRECTOR COMPENSATION

Directors who are employees of the Company receive no additional compensation for their attendance at meetings of the Board or any of its committees of which they are members.

Directors who are not employees of the Company receive \$8,000 as an annual retainer, \$1,000 for participation in each Board meeting and \$800 for participation in each committee meeting. When participation in a Board or committee meeting is by telephone, the fee paid is one-half of the amount reported above.

In February 1996, the Company adopted a stock option plan for outside directors (the "Directors Plan") to provide independent, outside directors (excluding those directors who were stockholders prior to February 1996) with an incentive for serving as a director by providing a proprietary interest in the Company through the granting of options. Directors who are not employees are entitled to participate in the Directors Plan. A total of 150,000 shares of common stock are subject to the Directors Plan. Upon election to the Board of Directors of the Company, each eligible director is granted an option to purchase 22,500 shares effective as of the date of such election and vesting over a three year period. The options granted under the Directors Plan are not entitled to "incentive stock option" treatment for federal income tax purposes. Accordingly, under federal income tax laws, an optionee upon exercise of an option under the Directors Plan will recognize ordinary income equal to the fair market value of the stock on the date of exercise minus the exercise price.

CERTAIN FILINGS BY EXECUTIVE OFFICERS AND DIRECTORS

Under the securities laws of the United States, the Company's directors, executive officers and persons who own more than 10% of the Company's common stock are required to report their initial ownership of the Company's common stock and any subsequent changes in that ownership to the Securities and Exchange Commission. Specific due dates have been established for these reports, and the Company is required to disclose in this proxy statement any failure to file by these dates. Messrs. Corriveau and Corley each filed late reports (in February 1998) for their sales of 150,000 shares in the Company's secondary offering of October 9, 1997. Mr. Smith filed a report in July 1997 for the sale of 750 shares in February 1997, Mr. Carter filed a report in August 1997 for the sale of an aggregate of 3,000 shares during the March to May period of 1997 and Mr. Spain filed a report in February 1998 for the purchase of 1,500 shares in September 1997. Additionally, Mr. Maguire filed his initial ownership report on Form 3 (due April 1997) in February 1998.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

No executive officer of the Company serves as member of the board of directors or compensation committee of any entity which has one or more executive officers serving as a member of the Company's Board of Directors or Compensation Committee.

CERTAIN TRANSACTIONS

Pursuant to a consulting agreement between the Company and Sandell Investments, the Company pays consulting fees to Sandell Investments for advisory services relating to expansion and site selection, market analysis, improvement and enhancement of the Company's business and other similar activities. Mr. Henrion, a partner of Sandell Investments, is a director of the Company. The Company paid Sandell Investments the amount of \$125,000 in fiscal 1997 and will continue to pay such amount through 1999 when the consulting agreement expires.

Crouch & Hallett provides legal services to the Company from time to time. Mr. Hallett, a partner of Crouch & Hallett, is a nominee for election as director.

STOCK PRICE PERFORMANCE

The Company's common stock has been traded publicly since June 26, 1995. Prior to such date, there was no established market for its common stock. Set forth below is a line graph indicating a comparison of cumulative total returns (change in stock price plus reinvested dividends) for the Company's common stock from June 26, 1995 (the first day which the common stock was publicly traded) through February 1, 1998 as contrasted with (i) the Standard & Poor's 500 Stock Index and (ii) the Standard & Poor's Restaurant Stock Composite Index. Each index assumes \$100 invested at June 26, 1995 and is calculated assuming reinvestment of dividends.

Measurement Period (Fiscal Year Covered)	Dave & Buster's	S&P 500	S&P Restaurants
06/26/95	100.00	100.00	100.00
02/04/96	132.95	116.85	127.12
02/02/97	192.04	148.51	118.93
02/01/98	288.92	188.48	124.47

APPROVAL OF AMENDMENT TO 1995 STOCK OPTION PLAN

The proposed amendment to the Option Plan would increase the number of shares of the Company's common stock subject to the plan from 675,000 shares to 1,350,000 shares. Approval of this amendment requires the affirmative vote of the holders of a majority of the shares of the Company's common stock represented at the Annual Meeting. THE COMPANY'S BOARD OF DIRECTORS RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENT OF THE OPTION PLAN.

The Company's Board of Directors adopted the Option Plan in order to encourage ownership of the Company's common stock by key employees of the Company and its subsidiaries as well as other persons providing services to the Company. The Board of Directors believes that the Option Plan will enable the Company to attract and retain the services of outstanding employees in competition with other employers. Approximately 150 employees of the Company are eligible to receive options under the Option Plan. Administration of the Option Plan is vested in the Compensation Committee of the Company's Board of Directors (the "Committee").

The Company's Board of Directors has approved an amendment to the Option Plan to increase the number of shares of the Company's common stock reserved for issuance upon exercise of options granted under the plan from 675,000 shares to 1,350,000 shares.

As of March 31, 1998, and after giving effect to the assumed approval of the amendment of the Option Plan, options to purchase an aggregate of 858,962 shares of the Company's common stock (net of options canceled or expired) have been granted pursuant to the Option Plan, options to purchase 21,900 shares have been exercised, options to purchase 837,062 shares remain outstanding, and 512,938 shares remain available for future grant. As of March 31, 1998, the market value of all shares of the Company's common stock (i) subject to outstanding options under the Option Plan and (ii) remaining available for future grant was approximately \$22,705,000 and \$13,913,000, respectively (based on the closing sale price of the Company's common stock as reported on the Nasdaq National Market on such date).

During the 1997 fiscal year, options covering 410,250 shares of the Company's common stock were granted to the Company's employees. See, also, "1995 Stock Option Plan" for disclosure of grants made in the 1997 fiscal year to the executive officers named in the executive compensation table.

Since adoption of the Option Plan, all current executive officers, as a group, have been granted options under the Option Plan covering 502,776 shares of the Company's common stock which represents approximately 58.5% of the total number of options granted pursuant to the Option Plan. In addition, all current directors who are not executive officers, as a group, have been granted options covering 90,000 shares (100%) of the total options granted. Messrs. Corriveau, Corley and Michel have received options covering 5% or more of those available under the Option Plan. All employees of the Company as a group (including all officers who are not executive officers) received options covering 356,186 shares (41.5%) of the total options granted.

If an option expires or terminates before it has been exercised in full, the shares of common stock allocable to the unexercised portion of such option will again be available for the grant of options under the Option Plan. The maximum number of shares with respect to which the options may be granted to any individual during any calendar year is 67,500.

The purchase price of the shares under each incentive stock option may not be less than 100% of the fair market value of the common stock at the time of grant. The purchase price under each non-qualified stock option may not be less than 85% of the fair market value of the common stock at the time of grant. The aggregate fair market value, determined at the time of grant, of the common stock with respect to which incentive stock options (granted under the Option Plan and any other stock option plan of the Company) first become exercisable by an optionee in any calendar year may not exceed \$100,000. The term of an option may not be more than ten years from the date of grant. The Option Plan will terminate on May 25, 2005; however, options outstanding at the termination of the Option Plan will not be affected by such termination.

The Committee, in its sole discretion, may grant tax-offset bonus rights ("TOBRs") with respect to non-qualified options. A TOBR entitles the optionee to receive from the Company, upon exercise of the related

non-qualified options, an amount in cash equal to (1) the excess, if any, of the aggregate market price over the aggregate purchase price of the shares acquired by such exercise, multiplied by (2) a percentage determined solely by the Committee. The Committee is charged with determining all other terms and provisions of any TOBR.

The federal income tax consequences with respect to awards under the Option Plan differ depending on the form of stock options granted and certain other circumstances. Grants and exercises of incentive stock options are not taxable events although the excess of the fair market value of the shares on the date of exercise over the option price is an item of tax preference for purposes of computing alternative minimum taxable income. However, upon the subsequent disposition of shares acquired upon exercise, the optionee generally will realize, as long-term capital gain or loss, the difference between the sale price and the option price, provided the shares are held by the optionee for at least one year after the date of exercise and two years after the date of grant; however, if the shares are disposed of before the expiration of the one-year and two-year holding periods, the optionee generally will realize ordinary compensation income at the time of the disposition limited to the lesser of (a) the gain, if any, or (b) the excess of the fair market value of the shares at the time the option was exercised over the option price. The Company generally will be entitled to a deduction equal to the ordinary compensation income realized by the optionee. Grants of non-qualified stock options are not taxable events. However, upon exercise, the optionee generally will realize ordinary compensation income equal to the excess of the fair market value of the shares so acquired over the option price. The Company generally will be entitled to a deduction equal to the ordinary compensation income realized by the optionee.

The preceding discussion summarizes the material terms of the Option Plan. The full text of the Option Plan is available upon written request to the Company.

STOCKHOLDERS' PROPOSALS

Any proposals that stockholders of the Company desire to have presented at the 1998 annual meeting of stockholders must be received by the Company at its principal executive offices no later than February 28, 1999.

MISCELLANEOUS

The accompanying proxy is being solicited on behalf of the Board of Directors of the Company. The expense of preparing, printing and mailing the form of proxy and the material used in the solicitation thereof will be borne by the Company. In addition to the use of the mails, proxies may be solicited by personal interview, telephone and telegram by directors and regular officers and employees of the Company. Arrangements may also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation material to the beneficial owners of stock held of record by such persons, and the Company may reimburse them for reasonable out-of-pocket expenses incurred by them in connection therewith.

Representatives of Ernst & Young LLP, the Company's independent auditors, are expected to be present at the Annual Meeting with the opportunity to make a statement if they desire and to be available to respond to appropriate questions.

By Order of the Board of Directors

Alan L. Murray
Secretary

Dallas, Texas
May 11, 1998

DAVE & BUSTER'S, INC.

(Detach proxy form below)

PROXY
DAVE & BUSTER'S, INC.

The undersigned hereby (a) acknowledges receipt of the Notice of Annual Meeting of Stockholders of Dave & Buster's, Inc. (the "Company") to be held on June 9, 1998, at 1:00 p.m., local time, and the Proxy Statement in connection therewith, and (b) appoints David O. Corriveau and James W. Corley, or each of them, his proxies, with full power of substitution and revocation, for and in the name, place and stead of the undersigned, to vote upon and act with respect to all of the shares of Common Stock of the Company standing in the name of the undersigned or with respect to which the undersigned is entitled to vote and act at said meeting or at any adjournment or postponement thereof, and the undersigned directs that his proxy be voted as follows:

1. ELECTION OF DIRECTORS ☐ FOR nominees listed below except as marked to the contrary below
- ☐ WITHHOLD AUTHORITY to vote for all nominees listed below

Allen J. Bernstein, Walter S. Henrion and Bruce H. Hallett

INSTRUCTION: To withhold authority to vote for any individual nominee, write that nominee's name in the space below.

2. PROPOSAL TO AMEND THE COMPANY'S 1995 STOCK OPTION PLAN TO INCREASE THE NUMBER OF SHARES OF THE COMPANY'S COMMON STOCK ISSUABLE UPON EXERCISE OF STOCK OPTIONS UNDER THE PLAN FROM 675,000 SHARES TO 1,350,000 SHARES:

☐ FOR ☐ AGAINST ☐ ABSTAIN

3. To vote upon other such matters that may legally come before the meeting or any adjournment or postponement thereof.

If more than one of the proxies listed on the reverse side shall be present in person or by substitute at the meeting or any adjournment thereof, the majority of said proxies so present and voting, either in person or by substitute, shall exercise all of the powers hereby given.

THIS PROXY WILL BE VOTED AS SPECIFIED ON THE REVERSE SIDE. IF NO SPECIFICATION IS MADE, THIS PROXY WILL BE VOTED FOR ALL NOMINEES FOR DIRECTORS AND FOR THE APPROVAL TO AMEND THE COMPANY'S 1995 STOCK OPTION PLAN.

The undersigned hereby revokes any proxy or proxies heretofore given to vote upon or act with respect to such stock and hereby ratifies and confirms all that said proxies, their substitutes, or any of them, may lawfully do by virtue hereof.

Dated: _____

Signature

(Signature if held jointly)

Please date the proxy and sign your name exactly as it appears hereon. Where there is more than one owner, each should sign. When signing as an attorney, administrator, executor, guardian or trustee, please add your title as such. If executed by a corporation, the proxy should be signed by a duly authorized officer. Please sign the proxy and return it promptly whether or not you expect to attend the meeting. If you do attend, you may revoke your proxy and vote in person if you so desire.