SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D. C. 20549

FORM 10-Q

[X] QUARTERLY REPORT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT FOR THE QUARTER ENDED MAY 2, 1999.

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934 FOR THE TRANSACTION PERIOD FROM _______ TO _______.

COMMISSION FILE NUMBER: 0-25858

DAVE & BUSTER'S, INC.
(Exact Name of Registrant as Specified in Its Charter)

MISSOURI (State of Incorporation)	43-1532756 (I.R.S. Employer Identification No.)
2481 MANANA DRIVE DALLAS, TEXAS (Address of Principal Executive Offices)	75220 (Zip Code)

Registrant's telephone number, including area code:
(214) 357-9588

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 [ ]

The number of shares of the Registrant's common stock, $.01 par value, outstanding as of June 9, 1999 was 13,100,750 shares.

PART I. FINANCIAL INFORMATION

ITEM 1. CONSOLIDATED FINANCIAL STATEMENTS

DAVE & BUSTER'S, INC.
CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	13 Weeks Ended	
	May 2, 1999	May 3, 1998
Food and beverage revenues	$ 28,701	$ 19,192
Amusement and other revenues	30,999	19,725
Total revenues	59,700	38,917
Cost of revenues	11,038	7,630
Operating payroll and benefits	17,767	10,893
Other restaurant operating expenses	15,055	10,246
General and administrative expenses	3,441	2,407
Depreciation and amortization expense	4,158	2,448
Preopening costs	1,696	975
Total costs and expenses	53,155	34,599
Operating income	6,545	4,318
Interest (income) expense, net	493	(291)
Income before provision for income taxes and cumulative effect of a change in an accounting principle	6,052	4,609
Provision for income taxes	2,239	1,743
Income before cumulative effect of a change in an accounting principle	3,813	2,866
Cumulative effect of a change in an accounting principle, net of income tax benefit of $2,928	4,687	--
Net income (loss)	$ (874)	$ 2,866
Net income (loss) per share - basic		
Before cumulative effect of a change in an accounting principle	$ 0.29	$ 0.22
Cumulative effect of a change in an accounting principle	(0.36)	--
	$ (0.07)	$ 0.22
Net income (loss) per share - dilutive		
Before cumulative effect of a change in an accounting principle	$ 0.29	$ 0.22
Cumulative effect of a change in an accounting principle	(0.36)	--
	$ (0.07)	$ 0.22
Weighted average shares outstanding:		
Basic	13,072	13,031
Diluted	13,276	13,274

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S, INC.
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)

ASSETS

	May 2, 1999 (unaudited)	January 31, 1999
Current assets:		
Cash and cash equivalents	$ 5,426	$ 4,509
Inventories	12,175	10,811
Prepaid expenses	2,211	1,743
Preopening costs	--	7,369
Other current assets	2,601	5,286
Total current assets	22,413	29,718
Property and equipment, net	190,766	177,910
Goodwill, net of accumulated amortization of $1,597 and $1,502	8,111	8,206
Other assets	1,174	758
Total assets	$ 222,464	$ 216,592

LIABILITIES AND STOCKHOLDERS' EQUITY

	May 2, 1999 (unaudited)	January 31, 1999
Current liabilities:		
Accounts payable	$ 13,465	$ 13,695
Accrued liabilities	4,557	3,785
Deferred income taxes	4,165	4,018
Total current liabilities	22,187	21,498
Deferred income taxes	2,751	5,638
Other liabilities	1,761	1,454
Long-term debt	51,000	42,500
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, 10,000,000 authorized; none issued	0	0
Common stock, $0.01 par value, 50,000,000 authorized; 13,077,450 and 13,069,050 shares issued and outstanding as of May 2, 1999 and January 31, 1999, respectively	131	131
Paid in capital	114,758	114,621
Retained earnings	29,876	30,750
Total stockholders' equity	144,765	145,502
	$ 222,464	$ 216,592

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S, INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
(IN THOUSANDS)
(UNAUDITED)

	Common Stock				
	Shares	Amount	Paid in Capital	Retained Earnings	Total
Balance, January 31, 1999	13,069	$ 131	$ 114,621	$ 30,750	$ 145,502
Proceeds from exercising stock options	8	0	113	0	113
Tax benefit related to stock option exercises	0	0	24	0	24
Net loss	0	0	0	(874)	(874)
Balance, May 2, 1999	13,077	$ 131	$ 114,758	$ 29,876	$ 144,765

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

	13 Weeks Ended	
	May 2, 1999	May 3, 1998
Cash flows from operating activities		
Net income (loss)	$ (874)	$ 2,866
Adjustments to reconcile net income to cash provided by operating activities:		
Cumulative effect of a change in an accounting principle	4,687	--
Depreciation and amortization	4,158	3,423
Provision for deferred income taxes	188	(1,223)
Changes in assets and liabilities		
Inventories	(1,364)	(445)
Prepaid expenses	(468)	(418)
Preopening costs	(264)	(1,941)
Other costs	2,266	724
Accounts payable	(230)	530
Accrued liabilities	772	1,032
Income taxes payable	--	2,102
Other liabilities	307	59
Net cash provided by operating activities	9,196	6,682
Cash flows from investing activities:		
Capital expenditures	(16,916)	(15,573)
Sale of short-term investments	--	4,000
Net cash used in investing activities	(16,916)	(11,573)
Cash flows from financing activities:		
Proceeds from options exercised	137	445
Borrowings under long-term debt	8,500	500
Net cash provided by financing activities	8,637	945
Increase (decrease) in cash and cash equivalents	917	(3,946)
Beginning cash and cash equivalents	4,509	14,309
Ending cash and cash equivalents	$ 5,426	$ 10,363

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MAY 2, 1999

(UNAUDITED)

NOTE 1: RESULTS OF OPERATIONS

The results of operations for the interim periods reported are not necessarily indicative of results to be expected for the year. The information furnished herein reflects all adjustments (consisting only of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the results for the interim periods.

NOTE 2: BASIS OF PRESENTATION

The consolidated financial statements include the accounts of Dave & Buster's, Inc. and all wholly-owned subsidiaries (the "Company"). All material intercompany accounts and transactions have been eliminated in consolidation. The consolidated balance sheet data presented herein for January 31, 1999 was derived from the Company's audited consolidated financial statements for the fiscal year then ended. The preparation of financial statements in accordance with generally accepted accounting principles requires the Company's management to make certain estimates and assumptions for the reporting periods covered by the financial statements. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual amounts could differ from these estimates. The Company's one industry segment is the ownership and operation of restaurant/entertainment Complexes (a "Complex" or "Store") under the name "Dave & Buster's" which are located in Texas, Georgia, Pennsylvania, Illinois, Florida, Maryland, California, Colorado, Michigan, and New York.

NOTE 3: RECENT ACCOUNTING PRONOUNCEMENTS

In April 1998, the Accounting Standards Executive Committee of the American Institute of Certified Public Accountants issued a Statement of Position ("SOP") 98-5 entitled "Reporting on the Costs of Start-Up Activities." The SOP, which is effective for fiscal years beginning December 15, 1998, requires entities to expense as incurred all start-up and preopening costs that are not otherwise capitalizable as long-lived assets. Restatement of previously issued annual financial statements is not permitted by the SOP, and entities are not permitted to report the pro forma effects of the retroactive application of the new accounting standard. The Company adopted the SOP in the first quarter of fiscal 1999 and recorded a charge for the cumulative effect of a change in an accounting principle of approximately $4,687,000, net of income tax benefits of approximately $2,928,000.

NOTE 4: CONTINGENCIES

The Company is subject to certain legal proceedings and claims that arise in the ordinary course of its business. In the opinion of management, based on discussions with and advice of legal counsel, the amount of ultimate liability with respect to all actions will not materially affect the consolidated results of operations or financial condition of the Company.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Results of Operations - 13 Weeks Ended May 2 1999 Compared to 13 Weeks Ended May 3, 1998

Total revenues increased to $59,700 for the 13 weeks ended May 2, 1999 from $38,917 for the 13 weeks ended May 3, 1998, an increase of $20,783 or 53%. The increase in revenues was primarily attributable to incremental revenues from seven complexes opened after February 1, 1998. Revenues at comparable Stores increased 2% for the 13 weeks ended May 2, 1999. Increases in revenues were also attributable to a higher average guest check. Total revenues for the 13 weeks ended May 2, 1999 from the Bass licensing agreement were $116.

Cost of revenues increased to $11,038 for the 13 weeks ended May 2, 1999 from $7,630 for the 13 weeks ended May 3, 1998, an increase of $3,408 or 45%. The increase was principally attributable to the 53% increase in revenues. As a percentage of revenues, cost of revenues decreased to 18.5% in the 13 weeks ended May 2, 1999 from 19.6% in the 13 weeks ended May 3, 1998 due to lower food, beverage and amusement costs.

Operating payroll and benefits increased to $17,767 for the 13 weeks ended May 2, 1999 from $10,893 for the 13 weeks ended May 3, 1998, an increase of $6,874 or 63%. As a percentage of revenue, operating payroll and benefits increased to 29.8% in the 13 weeks ended May 2, 1999 from 28.0% in the 13 weeks ended May 3, 1998 due to higher variable and fixed labor costs.

Other restaurant operating expenses increased to $15,055 for the 13 weeks ended May 2, 1999 from $10,246 for the 13 weeks ended May 3, 1998, an increase of $4,809 or 47%. As a percentage of revenues, other restaurant operating expenses were 25.2% of revenues in the 13 weeks ended May 2, 1999 as compared to 26.3% of revenues in the 13 weeks ended May 3, 1998. Other restaurant operating expenses were lower due to reduced repair and maintenance, facility and marketing costs at the Stores offset by higher occupancy costs.

General and administrative expenses increased to $3,441 for the 13 weeks ended May 2, 1999 from $2,407 for the 13 weeks ended May 3, 1998, an increase of $1,034 or 43%. The increase over the prior comparable period resulted from increased administrative payroll and related costs for new personnel, and additional costs associated with the Company's future growth plans. As a percentage of revenues, general and administrative expenses decreased to 5.8% in the 13 weeks ended May 2, 1999 from 6.2% in the 13 weeks ended May 3, 1998.

Deprecation and amortization expense increased to $4,158 for the 13 weeks ended May 2, 1999 from $2,448 for the 13 weeks ended May 3, 1998, an increase of $1,710 or 70%. As a percentage of revenues, depreciation and amortization increased to 7.0% from 6.3% for the comparable prior period. The increase was attributable to new Stores opened after February 1, 1998.

Beginning in fiscal 1999, in accordance with the adoption of SOP 98-5 (see note 3), the Company expenses all costs incurred during start-up activities, including preopening costs, as incurred. Preopening costs incurred and recorded as expense for the 13 weeks ended May 2, 1999 were $1,696. The amount of preopening costs recorded for fiscal 1998 represents preopening costs which were amortized over the 12 months following opening. This amortization expense for the 13 weeks ended May 3, 1998 was $975. The timing of Complex openings affects the amount of such costs.

Interest expense for the 13 weeks ended May 2, 1999 was $493 versus an interest income of $291 for the 13 weeks ended May 3, 1998. The increase was primarily due to higher average debt in 1999 versus 1998.

The effective tax rate for the 13 weeks ended May 2, 1999 was 37.0% as compared to 37.8% for the 13 weeks ended May 3, 1998, and the result of a lower effective state tax rate.

Liquidity and Capital Resources

Cash flows from operations increased to $9,196 for the 13 weeks ended May 2, 1999 from $6,682 for the 13 weeks ended May 3, 1998. The increase was attributable to new Stores opened since February 1, 1998.

The Company has a secured revolving line of credit, which permits borrowing up to a maximum of $100,000. Borrowings under this facility bear interest at a floating rate based on the London Interbank Offered Rate ("LIBOR") or, at the Company's option, the bank's prime rate plus in each case a margin based upon financial performance (7.5 % at May 2, 1999) and is secured by all capital stock or equity interest in the stock of the Company and its subsidiaries. The facility, which matures in May 2001, has certain financial covenants including a minimum consolidated tangible net worth level, a maximum leverage ratio, minimum fixed charge coverage, and maximum level of capital expenditures on new Stores. At May 2, 1999, $48,600,000 was available under this facility.

The Company has entered into an agreement that expires in 1999, to fix its variable-rate debt to fixed-rate debt (6.8 % at May 2, 1999) on notional amounts aggregating $45,000. The market risks associated with the agreements are mitigated because increased interest payments under the agreement resulting from a decrease in LIBOR are effectively offset by decreased payments under the debt obligation. The Company is exposed to credit losses for periodic settlements of amounts due under the agreements. Such amounts were not material at May 2, 1999.

The Company's plan is to open six and seven complexes in fiscal 1999 and 2000, respectively. The Company estimates that its capital expenditures will be approximately $68,000 and $69,000 for 1999 and 2000, respectively. The Company intends to finance this development with cash flow from operations and the senior revolving credit facility. Through May 2, 1999, new complexes have opened in San Antonio, Texas and Atlanta, Georgia.

Impact of the Year 2000 Issues

The Company's comprehensive Year 2000 initiative is designed to ensure that there is no adverse effect on the Company's core business operations and that transactions with customers, suppliers and financial institutions are fully supported. The Company is well under way with these efforts, which are scheduled to be completed by August 31, 1999. The Company currently estimates that it will spend approximately $3.5 million on new software, which will replace existing software that may not be year 2000 compliant. Such costs are being capitalized. While the Company believes its planning efforts are adequate to address its Year 2000' concerns, there can be no guarantee that the systems of other companies on which the Company's systems and operations rely will be converted on a timely basis and will not have a material effect on the Company.

"Safe Harbor" Statement Under the Private Securities Litigation Reform Act of 1995

Certain statements in this Annual Report constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Dave & Buster's, Inc. to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following: general economic and business conditions; competition; availability, locations and terms of sites for complex development; quality of management; changes in, or the failure to comply with, government regulations; and other risks indicated in this filing.

PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

27 Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the 13 weeks ended May 2, 1999.

SIGNATURE

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.

DAVE & BUSTER'S, INC.

Dated: June 15, 1999

by: /s/ David O. Corriveau

David O. Corriveau
Co-Chairman of the Board,
Co-Chief Executive Officer
and President

Dated: June 15, 1999

by: /s/ Charles Michel

Charles Michel
Vice President,
Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
27	Financial Data Schedule

3-MOS
JAN-30-2000
MAY-02-1999
5,426
0
0
0
12,175
22,413
229,062
38,296
222,464
22,187
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131
144,634
222,464
59,700
59,700
11,038
53,155
0
0
493
6,052
2,239
3,813
0
0
4,687
(874)
(.07)
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