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 NOVEMBER 2, 1997.

___ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934 FOR THE TRANSACTION PERIOD FROM ____________ T0 _____________.

COMMISSION FILE NUMBER: 0-25858

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

MISSOURI	43-1532756
(State of Incorporation)	(I.R.S. Employer Identification No.)
2751 ELECTRONIC LANE DALLAS, TEXAS	75220
(Address of Principal Executive Offices)	(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 December 15, 1997 was 13,017,534 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		39 Weeks Ended	
	November 2, 1997	November 3, 1996	November 2, 1997	November 3, 1996
Food and beverage revenues	$15,458	$11,086	$44,891	$33,635
Amusement and other revenues	15,382	9,010	44,252	27,823
Total revenues	30,840	20,096	89,143	61,458
Cost of revenues	6,109	4,187	17,402	12,678
Operating payroll and benefits	8,997	5,668	25,385	17,761
Other restaurant operating expenses	7,893	4,523	22,630	13,999
General and administrative expenses	2,115	1,216	5,948	3,888
Depreciation and amortization expense	2,238	1,381	6,103	3,992
Preopening cost amortization	833	767	2,328	1,983
Total costs and expenses	28,185	17,742	79,796	54,301
Operating income	2,655	2,354	9,347	7,157
Interest (income) expense, net	138	(11)	618	(52)
Income before provision for income taxes	2,517	2,365	8,729	7,209
Provision for income taxes	982	946	3,404	2,953
Net income	$ 1,535	$ 1,419	$ 5,325	$ 4,256
Earnings per common share	$ 0.14	$ 0.13	$ 0.48	$ 0.39
Weighted average number of common shares outstanding	11,300	10,902	11,036	10,901

See accompanying notes to consolidated financial statements.

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

ASSETS

	November 2, 1997 (unaudited)	February 2, 1997
Current assets:		
Cash and cash equivalents	$ 35,575	$ 358
Inventories	5,491	3,890
Prepaid expenses	1,551	881
Preopening costs	2,802	1,947
Other current assets	1,966	1,019
Total current assets	47,385	8,095
Property and equipment, net	104,024	82,037
Goodwill, net of accumulated amortization of $1,026 and $741	8,682	8,920
Other assets	803	384
Total assets	$ 160,894	$ 99,436

LIABILITIES AND STOCKHOLDERS' EQUITY

	November 2, 1997 (unaudited)	February 2, 1997
Current liabilities:		
Accounts payable	$ 4,484	$ 3,174
Accrued liabilities	3,125	1,747
Income taxes payable	0	924
Deferred income taxes	1,416	1,173
Total current liabilities	9,025	7,018
Deferred income taxes	3,202	2,075
Other liabilities	849	727
Long-term debt	18,000	14,250
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; 13,017,534 and 10,902,084 shares issued and outstanding as of November 2, 1997 and February 2, 1997, respectively	130	109
Paid in capital	116,115	66,999
Retained earnings	13,573	8,258
Total stockholders' equity	129,818	75,366
	$ 160,894	$ 99,436

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, February 2, 1997	10,902	$109	$ 66,999	$ 8,258	$ 75,366
Stock options exercised	16	0	215	0	215
Tax benefit related to Options exercised	0	0	37	0	37
Purchase of fractional shares From three-for-two stock split	0	0	0	(10)	(10)
Issuance of common stock, net of offering costs	2,100	21	48,864	0	48,885
Net income	0	0	0	5,325	5,325
Balance, November 2, 1997	13,018	$130	$116,115	$13,573	$129,818

See accompanying notes to consolidated financial statements.

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

	39 Weeks Ended	
	November 2, 1997	November 3, 1996
Cash flows from operating activities		
Net income	$ 5,325	$ 4,256
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	8,431	5,975
Provision for deferred income taxes	1,370	333
Changes in assets and liabilities		
Inventories	(1,601)	(891)
Prepaid expenses	(670)	(272)
Preopening costs	(3,183)	(1,680)
Other assets	(1,385)	625
Accounts payable	1,310	27
Accrued liabilities	1,378	(452)
Other liabilities	(802)	279
Net cash provided by operating activities	10,173	8,200
Cash flows from investing activities		
Capital expenditures	(27,796)	(20,828)
Cash flows from financing activities		
Proceeds from issuance of common stock	48,885	0
Proceeds from options exercised	215	18
Purchase of fractional shares	(10)	0
Borrowings under long-term debt	36,411	9,700
Repayments of long-term debt	(32,661)	(1,300)
Net cash provided by financing activities	52,840	8,418
Cash provided (used)	35,217	(4,210)
Beginning cash and cash equivalents	358	4,325
Ending cash and cash equivalents	$ 35,575	$ 115

See accompanying notes to consolidated financial statements.

DAVE & BUSTER'S, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOVEMBER 2, 1997

(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. (the "Company") and all wholly- owned subsidiaries. all material intercompany accounts and transactions have been eliminated in consolidation. The primary business of the Company is the ownership and operation of restaurant/entertainment complexes (a "Complex") under the name "Dave & Buster's" which are located in Texas, Georgia, Pennsylvania, Illinois, Florida, Maryland, California and Ohio.

NOTE 3: EARNINGS PER COMMON SHARE

Earnings per common share are computed by dividing net income by the weighted average number of shares of common stock and dilutive options outstanding during the period. Primary and fully diluted earnings per share are not materially different for the interim periods presented.

On August 14, 1997, the Company declared a three-for-two split in the form of a stock dividend to stockholders of record as of August 25, 1997. The stock dividend was distributed September 15, 1997. All share and per share information has been adjusted to give effect to the three-for-two split in the form of a stock dividend.

The Financial Accounting Standards Board ("FASB") has issued Statement of Financial Accounting Standards ("SFAS") no. 128, "earnings per share". The Company does not believe that the adoption of this statement in the fourth quarter of fiscal 1997 will have a significant impact on the Company.

NOTE 4: STOCK OFFERING

On October 16, 1997, the Company completed a public offering of common stock for the sale of 1,800,000 shares at $24.75 per share for net proceeds of $41,887,000, after deducting related offering costs. On October 22, 1997, an additional 300,000 shares of common stock were sold as a result of the Company's underwriters exercising an option granted by the Company in connection with the public offering. These shares were sold at $24.75 per share for net proceeds of $6,998,000, after deducting related offering costs.

NOTE 5: CONTINGENCIES

In October 1997, an entity owned by the creditors of Edison Brothers filed a lawsuit against multiple parties, including former Edison Brothers shareholders, Edison family members and the Company, seeking recovery in connection with the Spin-Off and certain related transactions. Although no assurance can be made with respect to the results of the litigation, the Company believes that the claims asserted against the Company are without merit, and the Company intends to vigorously defend itself.

In addition, from time to time, 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 these 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 November 2, 1997 Compared to 13 Weeks Ended November 3, 1996

Total revenues for the 13 weeks ended November 2, 1997 increased by 53% over the 13 weeks ended November 3, 1996. The increase in revenues was primarily attributable to the North Bethesda, Maryland, Ontario, California and Cincinnati, Ohio locations, which opened in the fourth quarter of fiscal 1996, the first quarter of fiscal 1997 and the third quarter of fiscal 1997, respectively. Increased revenues at comparable stores and the addition of the Power Card also contributed to the increase in total revenues. Total revenues also increased due to the opening of the first store under the Bass licensing agreement. Total revenues for the third quarter of fiscal 1997 from the Bass agreement were $50,000.

Cost of revenues, as a percentage of revenues, decreased to 19.8% from 20.8% in the prior comparable period. The decrease in cost of revenues was a result of lower costs associated with beverage revenues and a shift in the revenue mix towards more amusement revenues offset by increased costs associated with food revenues primarily in meat and produce. Operating payroll and benefits increased to 29.2% from 28.2% in the prior comparable period due to increased minimum wage and higher variable payroll costs. Other operating expenses increased to 25.6% compared to 22.5% in the prior comparable period. Other operating expenses were higher due to increased occupancy costs associated with the addition of the North Bethesda, Maryland, Ontario, California and Cincinnati, Ohio locations as well as higher fixed costs at the stores.

General and administrative costs increased $899,000 over the prior comparable period as a result of 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 increased to 6.9% compared to 6.1% for the comparable prior period.

Depreciation and amortization expense increased $857,000 over the prior comparable period as a result of the opening of the North Bethesda, Maryland, Ontario, California and Cincinnati, Ohio locations. Power Card installations completed in the fourth quarter of 1996 and the first quarter of 1997 also contributed to this increase. As a percentage of revenues, depreciation and amortization increased to 7.3% from 6.9% for the comparable prior period. Preopening cost amortization decreased to 2.7% compared to 3.8% in the prior comparable period. The percentage decrease is attributable to the leverage from increased revenues.

The effective tax rate for the third quarter of 1997 was 39.0% as compared to 40.0% for the comparable period last year and was the result of a lower effective state tax rate.

Results of Operations - 39 Weeks Ended November 2, 1997 Compared to 39 Weeks Ended November 2, 1996

Total revenues for the 39 weeks ended November 2, 1997 increased by 45% over the 39 weeks ended November 3, 1996. The increase in revenues was primarily attributable to the Hollywood, Florida and North Bethesda, Maryland locations open for the full 39 weeks in fiscal 1997 and the inclusion of the Ontario, California and Cincinnati, Ohio locations, which opened in the first and third quarters of fiscal 1997, respectively. Increased revenues at comparable stores and the addition of the Power Card also contributed to the increase in total revenues. Total revenues also increased due to the opening of the first store under the Bass licensing agreement. Total revenues for the fiscal 1997 period from the Bass agreement were $195,000.

Cost of revenues, as a percentage of revenues, decreased to 19.5% from 20.6% in the prior comparable period. The decrease in cost of revenues was a result of lower costs associated with food and beverage revenues and a shift in revenue mix toward more amusement revenues. Operating payroll and benefits decreased to 28.5% from 28.9% in the prior comparable period. Operating payroll and benefits was lower due to cost reductions in variable labor and leverage from increased revenues. Other operating expenses increased to 25.4% compared to 22.8% in the prior comparable period. Other operating expenses were higher due to increased occupancy costs associated with a full 39 weeks of revenues in the fiscal 1997 period for the Hollywood, Florida and North Bethesda, Maryland locations and the addition of the Ontario, California and Cincinnati, Ohio locations, which opened in the first and third quarters of fiscal 1997, respectively. Higher fixed costs at the store level also contributed to the increase in other operating expenses.

General and administrative costs increased $2,060,000 over the prior comparable period as a result of 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 increased to 6.7% compared to 6.3% for the comparable prior period.

Depreciation and amortization expense, as a percentage of revenues, increased to 6.8% from 6.5% for the comparable prior period. This was due to the inclusion of the Hollywood, Florida and North Bethesda Maryland locations for the full 39 weeks in fiscal 1997 and the opening of the Ontario, California and Cincinnati, Ohio locations, which opened in the first quarter and third quarter of fiscal 1997, respectively. Power Card installations completed in the fourth quarter of 1996 and the first quarter of 1997 also contributed to this increase. As a percentage of revenues, preopening cost amortization decreased to 2.6% compared to 3.2% for the comparable prior period. The percentage decrease is attributable to the leverage from increased revenues.

The effective tax rate for the 39 weeks ended November 2, 1997 was 39.0% compared to 41.0% for the comparable period last year and was the result of a lower effective state tax rate.

Liquidity and Capital Resources

Cash flows from operations increased from $8.2 million in the first 39 weeks of fiscal 1996 to $10.2 million in the first 39 weeks of fiscal 1997. The increase was a result of the Hollywood, Florida and North Bethesda, Maryland locations being open for the full 39 week period and the Ontario, California and Cincinnati, Ohio locations opened in the first and third quarters of fiscal 1997. The increase in cash flows from operations was reduced by an increase in inventories, prepaid expenses, preopening costs and other assets related to the new openings and an increased store base.

The Company has a senior revolving credit facility which permits borrowing up to a maximum of $50,000,000 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 (8.6% at November 2, 1997). The facility, which matures in May 2000, 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 November 2, 1997, $28,300,000 was available under the senior revolving credit facility.

On October 16, 1997, the Company completed a public offering of common stock for the sale of 1,800,000 shares at $24.75 per share for net proceeds of $41,887,000, after deducting related offering costs. On October 22, 1997, an additional 300,000 shares of common stock were sold as a result of the Company's underwriters exercising an option granted by the Company in connection with the public offering. These shares were sold at $24.75 per share for net proceeds of $6,998,000, after deducting related offering costs. A portion of the net proceeds were used by the Company to reduce bank indebtedness with the remaining portion being used to open new stores and for general corporate purposes.

The Company's plan is to open three new stores in fiscal 1997. The first store opened in Ontario, California during the first quarter on March 13, 1997. The second store opened in Cincinnati, Ohio during the third quarter on September 11, 1997. The third store will open in Denver, Colorado in the fourth quarter. In fiscal 1998, the Company's goal is to open four new stores. The Company estimates that its capital expenditures will be approximately $41.1 million and $41.5 million for 1997 and 1998, respectively. The Company intends to finance this development with cash flow from operations, the proceeds received from the secondary offering and the new credit facility.

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

Certain statements in this Form 10-Q 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 with 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; development and operating costs; adverse publicity; consumer trial and frequency; availability, locations and terms of sites for complex development; quality of management; business abilities and judgment of personnel; availability of qualified personnel; food, labor and employee benefit costs; 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 39 weeks ended November 2, 1997.

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: December 17, 1997

by /s/ David O. Corriveau

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

Dated: December 17, 1997

by: /s/ Charles Michel

Charles Michel
Vice President,
Chief Financial Officer and
Treasurer

EXHIBIT INDEX

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NOV-02-1997
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