Dave & Buster's Entertainment, Inc.
Form S-1/A
September 29, 2015
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As filed with the Securities and Exchange Commission on September 29, 2015

Registration No. 333-207031

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

AMENDMENT NO. 1 TO

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Dave & Buster s Entertainment, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**5812**	**35-2382255**
(State or other jurisdiction of	**(Primary Standard Industrial**	**(I.R.S. Employer**

incorporation or organization)	Classification Code Number)	Identification Number)

2481 Mañana Drive

Dallas, Texas 75220

(214) 357-9588

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Stephen M. King

Chief Executive Officer

Dave & Buster s Entertainment, Inc.

2481 Mañana Drive

Dallas, Texas 75220

(214) 357-9588

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer ¨ Accelerated filer ¨ Non-accelerated filer x Smaller reporting company ¨

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Information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY PROSPECTUS

SUBJECT TO COMPLETION, DATED SEPTEMBER 29, 2015

6,000,000 Shares

Dave & Buster s Entertainment, Inc.

Common Stock

The selling stockholders named in this prospectus are offering 6,000,000 shares of our common stock. We will not receive any proceeds from the sale of common stock to be offered by the selling stockholders. See Use of Proceeds. Our common stock is listed on The NASDAQ Stock Market LLC (NASDAQ) under the symbol PLAY. On September 28, 2015, the last sale price of our common stock as reported on NASDAQ was $39.87 per share.

Dave & Buster s Entertainment, Inc. is an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012 (the JOBS Act).

Investing in our common stock involves a high degree of risk. See Risk Factors beginning on page 19 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	PER SHARE	TOTAL
Public offering price	$	$
Underwriting discounts and commissions [1]	$	$
Proceeds to the selling stockholders, before expenses	$	$

(1) We refer to you to Underwriting beginning on page 116 of this prospectus for additional information regarding total underwriter compensation.

Delivery of the shares of common stock is expected to be made on or about , 2015. The selling stockholders named in this prospectus have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase an additional 900,000 shares of our common stock.

Jefferies **Piper Jaffray**

William Blair **Raymond James** **Stifel**

BMO Capital Markets

Prospectus dated , 2015.

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You should rely only on the information contained in this prospectus or in any free writing prospectus we have prepared. Neither we, the selling stockholders nor the underwriters have authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. Neither we, the selling stockholders nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is only accurate as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so.

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BASIS OF PRESENTATION

Dave & Buster s Entertainment, Inc. (D&B Entertainment) owns no significant assets or operations other than all the common stock of Dave & Buster s Holdings, Inc, (D&B Holdings). D&B Holdings owns no significant assets or operations other than the ownership of all the common stock of Dave & Buster s, Inc. (D&B Inc). References to the Company , we , us , and our refer to D&B Entertainment and its subsidiaries and any predecessor companies. All material intercompany accounts and transactions have been eliminated in consolidation. The Company s activities are conducted through D&B Inc. D&B Inc owns and operates high-volume venues in North America that combine dining and entertainment for both adults and families.

We operate on a 52 or 53 week fiscal year that ends on the Sunday after the Saturday closest to January 31. Each quarterly period has 13 weeks, except in a 53 week year when the fourth quarter has 14 weeks. All fiscal years presented herein consist of 52 weeks, except fiscal year 2012, which consisted of 53 weeks. All references to 2015, fiscal 2015, fiscal year 2015 or similar references relate to the 52 week period ending January 31, 2016. All references to 2014, fiscal 2014, fiscal year 2014 or similar references relate to the 52 week period ended February 1, 2015. All references to 2013, fiscal 2013, fiscal year 2013 or similar references relate to the 52 week period ended February 2, 2014. All references to 2012, fiscal 2012, fiscal year 2012 or similar references relate to the 53 week period ended February 3, 2013. All references to 2011, fiscal 2011, fiscal year 2011 or similar references relate to the 52 week period ended January 29, 2012. All references to 2010, fiscal 2010, fiscal year 2010 or similar references relate to the combined results of the 244 day period ended January 30, 2011 and the 120 day period ended May 31, 2010.

On June 1, 2010, D&B Entertainment, a newly-formed Delaware corporation owned by Oak Hill Capital Partners III, L.P. and Oak Hill Capital Management Partners III, L.P. (collectively, the Oak Hill Funds) acquired all of the outstanding common stock of D&B Holdings. Generally accepted accounting principles in the United States (GAAP) require operating results prior to the acquisition to be presented or referred to as Predecessor s results in the historical financial statements. Operating results subsequent to the acquisition are presented or referred to as Successor s results in the historical financial statements. The presentation of combined Predecessor and Successor operating results (which is simply the arithmetic sum of the Predecessor and Successor amounts) is a non-GAAP presentation, which is provided as a convenience solely for the purpose of facilitating comparisons of the combined results with other annual periods presented.

In October 2014, we amended and restated our certificate of incorporation to increase our authorized share capital to 450,000,000 shares of stock, including 400,000,000 shares of common stock and 50,000,000 shares of preferred stock, each with a par value of $0.01 per share and to split our common stock 224.9835679 for 1. Additionally, we completed our initial public offering (the IPO) of 6,764,705 shares of common stock at a price of $16.00 per share. Unless otherwise noted herein, historic share data has been adjusted to give effect to the stock split.

In February 2015, we completed a follow-on offering of 7,590,000 shares of our common stock (including the full exercise of the underwriters overallotment option to purchase an additional 990,000 shares) at a price of $29.50 per share. All of these shares were offered by the selling stockholders. In connection with the offering, 300,151 options were exercised at a weighted average price of $4.49. We issued new shares in satisfaction of this exercise. We received $1.3 million upon the exercise of options which were sold as part of such offering.

In May 2015, we completed another follow-on offering of 9,775,000 shares of our common stock (including the full exercise of the underwriters overallotment option to purchase an additional 1,275,000 shares) at a price of $31.50 per share. All of these shares were offered by the selling stockholders. In connection with the offering, 853,155 options were exercised at a weighted average price of $4.46. We issued 604,743 new shares and utilized 248,412 treasury shares in satisfaction of this exercise. We received $3.8 million upon the exercise of options which were sold as part of such offering.

Comparable store data presented in this prospectus represents the year-over-year change in sales at company-operated stores open at the end of the period which have been open at least 18 months as of the beginning of each of the relevant fiscal years. Fiscal 2014 comparable store and count data excludes our location in Kensington/Bethesda, Maryland (Bethesda), which permanently closed on August 12, 2014. Our Farmingdale (Long Island), New York (Farmingdale) store which closed on February 8, 2015, subsequent to our fiscal 2014 year end, is included in comparable store and count data for periods prior to February 2, 2015. See Management s Discussion and Analysis of Financial Condition and Results of Operations.

Certain financial measures presented in this prospectus, such as Adjusted EBITDA, Adjusted EBITDA Margin, Store-level EBITDA and Store-level EBITDA margin, are not recognized terms under GAAP. These measures exclude a number of significant items, including our interest expense and depreciation and amortization expense. For a discussion of the use of these measures and a reconciliation to the most directly comparable GAAP measures, see Prospectus Summary Summary Historical Financial and Other Data. We define high-volume dining and entertainment venues as those open for at least one full year and with average store revenues in excess of $5.0 million and define year one cash-on-cash return as year one Store-level EBITDA exclusive of allocated national marketing costs divided by net development costs. Net development costs include equipment, building, leasehold and site costs, net of tenant improvement allowances received or receivable from landlords, and exclude pre-opening costs and capitalized interest.

This prospectus also contains information regarding customer feedback, customer satisfaction, customer demographics and other similar items. This information is based upon data collected by us during the periods presented. This information is reported voluntarily by our customers and thus represents responses from only a portion of the total number of our customers. We have not independently verified any of the demographic information collected from our customers. Over the periods presented, we have changed the form of reward for completing a survey, which resulted in an increase in the percentage of completed surveys, but we do not believe this has materially impacted the results. In addition, over the periods presented, we have added and deleted questions from the questionnaires, but have not made any changes to questions eliciting responses relating to the results presented in the prospectus. We use the information collected as one measure of the performance of our stores and use it to assess the success of our initiatives to improve the quality of the product we offer.

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TRADEMARKS, SERVICE MARKS AND TRADE NAMES

Our registered trademarks include Dave & Buster's®, Power Card®, Eat Drink Play®, Eat Drink Play Watch® and Eat & Play Combo®. Other trademarks, service marks and trade names used in this prospectus are the property of their respective owners.

Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus are listed without the ® and symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights (or the rights of the applicable licensors) to these trademarks, service marks and trade names.

INDUSTRY AND MARKET DATA

This prospectus includes industry and market data that we derived from internal company records, publicly available information and industry publications and surveys such as reports from KNAPP-TRACK. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. We believe this data is accurate in all material respects as of the date of this prospectus. You should carefully consider the inherent risks and uncertainties associated with the industry and market data contained in this prospectus.

KNAPP-TRACK is a monthly sales and customer count tracking service for the full-service restaurant industry in the United States, which tracks over 10,400 restaurants with over $32.1 billion in total sales. Each monthly KNAPP-TRACK report aggregates the change in comparable restaurant sales and customer counts compared to the same month in the preceding year from the competitive set of participants in the full service restaurant industry. We, as well as other restaurants, use the data included in the monthly KNAPP-TRACK report as one way of benchmarking our performance.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and may not contain all of the information that may be important to you. Before making an investment decision, you should read this entire prospectus, including our consolidated financial statements and the related notes included elsewhere herein. You should also carefully consider the information set forth under Risk Factors. In addition, certain statements include forward-looking information that is subject to risks and uncertainties. See Cautionary Statement Regarding Forward-Looking Statements.

Company Overview

We are a leading owner and operator of high-volume venues in North America that combine dining and entertainment for both adults and families. The core of our concept is to offer our customers the opportunity to *Eat Drink Play and Watch* all in one location. *Eat and Drink* are offered through a full menu of *Fun American New Gourmet* entrées and appetizers and a full selection of non-alcoholic and alcoholic beverages. Our *Play and Watch* offerings provide an extensive assortment of entertainment attractions centered around playing games and watching live sports and other televised events. Our customer mix skews moderately to males, primarily between the ages of 21 and 39, and we believe we also serve as an attractive venue for families with children and teenagers. We believe we appeal to a diverse customer base by providing a highly customizable experience in a dynamic and fun setting.

As of September 15, 2015, we owned and operated 77 stores in 30 states and Canada. For the fiscal year ended February 1, 2015, we generated total revenues of $746.8 million, Adjusted EBITDA of $165.1 million (representing an Adjusted EBITDA margin of 22.1%) and net income of $7.6 million. For the twenty-six weeks ended August 2, 2015 and August 3, 2014, we generated total revenues of $440.0 million and $376.2 million, respectively, Adjusted EBITDA of $114.6 million and $89.1 million, respectively, and net income of $32.1 million and net loss of $2.4 million, respectively. For fiscal 2013 and fiscal 2012, we generated total revenues of $635.6 million and $608.1 million, respectively, Adjusted EBITDA of $134.8 million and $120.5 million, respectively, and net income of $2.2 million and $8.8 million, respectively. From fiscal 2012 to fiscal 2014, total revenues and Adjusted EBITDA grew at a compound annual growth rate (CAGR) of 10.8% and 17.1%, respectively. We generated comparable store sales increases of 10.4%, 7.3%, 1.0% and 3.0% in the twenty-six weeks ended August 2, 2015 and in fiscal 2014, 2013 and 2012, respectively.

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Total Revenues ($mm)		Adjusted EBITDA & Margin ($mm)	
Twenty-six weeks ended August 3, 2014	Twenty-six weeks ended August 2, 2015	Twenty-six weeks ended August 3, 2014	Twenty-six weeks ended August 2, 2015

Stores: 69 76

As a key feature of our business model, 51.9% of our total revenues for fiscal 2014 were from our amusement offerings, which have a relatively low variable cost component and contributed a gross margin of 86.0%. Combined with our food and beverage revenues, which comprised 48.1% of our total revenues and contributed a gross margin of 74.3% for fiscal 2014, we generated a total gross margin of 80.4%.

The formats and square footage of our stores are flexible, which we believe allows us to size new stores appropriately for each market as we grow. Our stores average 44,000 square feet and range in size between 16,000 and 66,000 square feet. We believe we have an attractive store economic model that enables us to generate high average store revenues and Store-level EBITDA. For our 57 comparable stores in fiscal 2014, our average revenues per store were $10.8 million, average Store-level EBITDA was $3.0 million and average Store-level EBITDA margin was 27.8%. Furthermore, for that same period, all of our comparable stores had positive Store-level EBITDA, with 91.2% of our stores generating more than $1.0 million of Store-level EBITDA each and 70.2% of our stores generating more than $2.0 million of Store-level EBITDA each.

Eat Drink Play and Watch All Under One Roof

When our founders opened our first location in Dallas, Texas in 1982, they sought to create a brand with a fun, upbeat atmosphere providing interactive entertainment options for adults and families, while serving high-quality food and beverages. Since then we have followed the same principle for each new store, and in doing so we believe we have developed a distinctive brand based on our customer value proposition: *Eat Drink Play and Watch*. The interaction between playing games, watching sports, dining and enjoying our full-service bar areas is the defining feature of the Dave & Buster s customer experience, and the layout of each store is

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designed to promote crossover between these activities. We believe this combination creates an experience that cannot be easily replicated at home or elsewhere without having to visit multiple destinations. Our locations are also designed to accommodate private parties, business functions and other corporate-sponsored events.

Eat

We seek to distinguish our food menu from other casual dining concepts with our strategy of offering *Fun American New Gourmet* entrées and appetizers. Our *Fun American New Gourmet* menu is intended to appeal to a broad spectrum of customers and include classic American offerings with a fun twist. We believe we offer high-quality meals, including gourmet pastas, choice-grade steaks, premium sandwiches, decadent desserts and health-conscious entrée options that compare favorably to those of other higher end casual dining operators. We believe our broad menu offers something for everyone and captures full meal, snacking and sports-viewing occasions. We plan to introduce new menu items three times per year that we believe reinforce the fun of the Dave & Buster s brand. Our food revenues, which include non-alcoholic beverages, accounted for 67.6% of our food and beverage revenues and 32.5% of our total revenues during fiscal 2014.

Drink

Each of our locations also offers full bar service, including a variety of beers, signature cocktails, and premium spirits. We continually strive to innovate our beverage offering, adding new beverages three times per year, including the introduction of fun beverage platforms such as our adult Snow Cones, CoronaRitas and Berry Blocks cocktails. Beverage service is typically available throughout the entire store, allowing for multiple sales opportunities. We believe that our high margin beverage offering is complementary to each of the *Eat, Play and Watch* aspects of our brand. Our alcoholic beverage revenues accounted for 32.4% of our total food and beverage revenues and 15.6% of our total revenues during fiscal 2014.

Play

The games in our Midway are a key aspect of the Dave & Buster s entertainment experience, which we believe is the core differentiating feature of our brand. The Midway in each of our stores is an area where we offer a wide array of amusement and entertainment options, typically with over 150 redemption and simulation games. Our amusement and other revenues accounted for 51.9% of our total revenues during fiscal 2014. Redemption games, which represented 79.7% of our amusement and other revenues in fiscal 2014, offer our customers the opportunity to win tickets that are redeemable at our Winner s Circle, a retail-style space in our stores where customers can redeem the tickets won through play of our redemption games for prizes ranging from branded novelty items to high-end electronics. We believe this opportunity to win creates a fun and highly energized social experience that is an important aspect of the Dave & Buster s in-store experience and cannot be easily replicated at home. Our video and simulation games, many of which can be played by multiple customers simultaneously and include some of the latest high-tech games commercially available, represented 16.3% of our amusement and other revenues in fiscal 2014. Other traditional amusements represented the remainder of our amusement and other revenues in fiscal 2014.

Watch

Sports-viewing is another key component of the entertainment experience at Dave & Buster s. All of our stores have multiple large screen televisions and high quality audio systems providing customers with a venue for watching live sports and other televised events. In fiscal 2010, we initiated a program that evolved into D&B Sports, which is a more immersive viewing environment that provides customers with an average of 40 televisions, including 100+ inch high definition televisions, to watch televised events and enjoy our full bar and extensive food menu. We believe that we have created an attractive and comfortable environment that includes a differentiated and interactive viewing experience that offers a new reason for customers to visit Dave & Buster s. Through continued development of the D&B Sports concept in new stores and additional renovations of existing stores, our goal is to build awareness of D&B Sports as the best place to watch sports and the only place to watch the games and play the games.

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Our Company s Core Strengths

We believe we benefit from the following strengths:

Strong, Distinctive Brand With Broad Customer Appeal. We believe that the multi-faceted customer experience of *Eat Drink Play and Watch* at Dave & Buster s, supported by our national marketing, has helped us create a widely recognized brand with no direct national competitor that combines all four elements in the same way. In markets where we have stores, over 93% of casual dining consumers stated that they are aware of our brand as a dining and entertainment venue. Our customer research shows that our brand appeals to a relatively balanced mix of male and female adults which is moderately skewed to males, primarily between the ages of 21 and 39, as well as families and teenagers. Based on customer survey results, we also believe that the average household income of our customers is in excess of $75,000, which we believe represents an attractive demographic.

Multi-Faceted Customer Experience Highlights Our Value Proposition. We believe that our combination of interactive games, attractive television viewing areas, high-quality dining and full-service beverage offerings, delivered in a highly-energized atmosphere, provides a multi-faceted customer experience that cannot be easily replicated at home or elsewhere without having to visit multiple destinations. We aim to offer our customers a value proposition comparable or superior to many of the separately available dining and entertainment options. We are continuously working with game manufacturers and food providers to create new games and food items at compelling price points to retain and generate customer traffic and improve the customer experience. Our value proposition is enhanced by what we consider to be innovative marketing initiatives, including our Eat & Play Combo (a promotion that provides a discounted Power Card in combination with select entrées), Super Charge Power Card offerings (when purchasing or adding value to a Power Card, the customer is given the opportunity to add more chips to the Power Card at a lower cost per chip amount), Half-Price Game Play (every Wednesday, from open to close, we reduce the price of every game in the Midway by one-half), Everyone s a Winner (a limited-time offer providing a prize to every customer that purchases or adds value to a Power Card in the amount of $10 or more) and free game play promotions to feature the introduction of our new games. Power Cards are magnetic stripe cards that enable a customer to play our games. A customer purchases chips that are used to play our games and are loaded to a Power Card at an automated kiosk or by an employee. We believe these initiatives have helped increase customer visits and encourage customers to participate more fully across our broad range of food, beverage and entertainment offerings.

Vibrant, Contemporary Store Design That Integrates Entertainment and Dining. We believe we continue to benefit from enhancements to the Dave & Buster s brand through our store design and D&B Sports initiatives, which began in fiscal 2011. Our new store design provides a contemporary, engaging atmosphere for our customers that includes clearly differentiated spaces, which are typically sub-branded as *Eat at Buster s, Gamebar, Dave s Arcade*, *WIN!* and *D&B Sports*, designed to convey each component of our customer value proposition: *Eat Drink Play and Watch*. These store design changes include a modern approach to the finishes and layout of the store, which we believe encourages participation across each of the store s elements. The oversized graphics and images throughout the store are intended to communicate our brand personality by being fun, contemporary and larger-than-life. The dining room décor includes booth seating and table seating and colorful artwork, often featuring local landmarks. Our Winner s Circle provides a retail-like environment where customers can redeem their tickets for prizes. All of our new locations opened since the beginning of fiscal 2011 incorporate our new store design. We believe the introduction and continued expansion of our D&B Sports concept, currently incorporated in approximately 70% of our store base, provides an attractive opportunity to market our broader platform to new and existing customers through a year-round calendar of programming and promotions tied to popular sporting events and sport-related activities. The large television screens, comfortable seating, a full menu of food and beverages and artwork often featuring images of local sports teams and sports icons help create what we believe to be an exciting environment for watching sports programming. We have strategically invested over $65.6 million since the beginning of fiscal 2011 to introduce D&B

Sports and modernize the exteriors, front lobbies, bars, dining areas and Winner s Circles of select locations. During the twenty-six weeks ended August 2, 2015, we completed the remodel of three stores and added D&B Sports

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branding to an additional five stores. We anticipate that by the end of fiscal 2015, approximately 77% of our stores will either be new or remodeled to adopt our new store design.

History of Margin Improvement. We have a proven track record of identifying operational efficiencies and implementing cost saving initiatives and have increased our Adjusted EBITDA margins by approximately 560 basis points from fiscal 2010 to fiscal 2014. We expect our continued focus on operating margins at individual locations and the deployment of best practices across our store base to yield incremental margin improvements, although there is no guarantee that this will occur. We believe we are well-positioned to continue to increase margins and remain focused on identifying additional opportunities to reduce costs. As of September 15, 2015, we have completed the rollout of our electronic ticket initiative, which is a paperless distribution system. We leverage our investments in technology, such as our labor scheduling system and our proprietary technology linking games with Power Cards, to increase the overall performance of our stores while also enhancing the customer experience. Our business model has a relatively lower proportion of variable costs versus fixed costs compared to our competitors. We believe this creates operating leverage and gives us the potential to further improve margins and deliver greater earnings from expected future increases in comparable store sales and new store growth.

Store Model Generates Favorable Store Economics and Strong Returns. We believe our store model offering entertainment, food and beverages provides certain benefits in comparison to traditional restaurant concepts, as reflected by our average comparable store revenues of $10.8 million and average Store-level EBITDA margins of 27.8% for comparable stores in fiscal 2014. Our entertainment offerings have low variable costs and produced gross margins of 86.0% for fiscal 2014. With approximately half of our revenues from entertainment, we have less exposure than traditional restaurant concepts to food costs, which represented only 8.6% of our revenues in fiscal 2014. Our business model generates strong cash flow that we can use to execute our growth strategy. We believe the combination of our Store-level EBITDA margins, our refined new store formats and the fact that our stores typically open with high volumes that drive margins in year one will help us achieve our targeted average year one cash-on-cash returns of approximately 35% and five-year average cash-on-cash returns in excess of 25% for both our large format and small format store openings, however there is no guarantee such results will occur with future store openings. The 23 stores that we have opened since the beginning of 2008 (that have been open for more than 12 months as of September 15, 2015) have generated average year one cash-on-cash returns of 44.0%. For stores opened since 2009 that have been open for more than 12 months, we have also experienced an increase in average year one cash-on-cash returns, by full year vintage, including all of our 11 stores opened in fiscal 2011, fiscal 2012 and fiscal 2013, which have generated average year one cash-on-cash returns of 55.9%.

Commitment to Customer Satisfaction. We aim to enhance our combination of food, beverage and entertainment offerings through our service philosophy of providing a high quality and consistent customer experience through dedicated training and development of our team members and a corporate culture that encourages employee engagement. As a result, we have experienced significant improvement in our Guest Satisfaction Survey results since we began the surveys in 2007. In 2014, 80.4% of respondents to our Guest Satisfaction Survey rated us Top Box (score of 5 out of a possible 5) in Overall Experience and 82.5% of respondents rated us Top Box in Intent to Recommend. By comparison, in 2007, 44.0% of respondents rated us Top Box in Overall Experience and 64.8% of respondents rated us Top Box in Intent to Recommend. We utilize our loyalty program to market directly to members with promotional emails and location-based marketing. Through our loyalty program, we email offers and coupons to members and notify them of new games, food, drinks and local events. In addition, members can earn game play credits based on the dollar amount of qualifying purchases at our stores. We expect that as our loyalty program grows it will be an important method of maintaining customers connection with our brand and further drive customer satisfaction.

Experienced Management Team. We believe we are led by a strong senior management team averaging over 25 years of experience with national brands in all aspects of casual dining and entertainment operations. In 2006, we hired our Chief Executive Officer, Stephen King. From fiscal 2006 to fiscal 2014, under the leadership of Mr. King, Adjusted EBITDA has grown by 134.3%, Adjusted EBITDA margins have increased by

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approximately 830 basis points and employee turnover and customer satisfaction metrics have improved significantly. We believe that our management team s prior experience in the restaurant and entertainment industries combined with its experience at Dave & Buster s provides us with insights into our customer base and enables us to create the dynamic environment that is core to our brand.

Our Growth Strategies

The operating strategy that underlies the growth of our concept is built on the following key components:

Pursue New Store Growth. We will continue to pursue what we believe to be a disciplined new store growth strategy in both new and existing markets where we feel we are capable of achieving consistently high store revenues and Store-level EBITDA margins as well as strong cash-on-cash returns. We believe that the Dave & Buster s brand is currently significantly under-penetrated, as internal studies and third-party research suggests a total store potential in the United States and Canada in excess of 200 stores (including our 77 existing stores). We believe our new store opportunity is split fairly evenly between large format and small format stores. We have opened five stores and plan to open an additional four to five stores in fiscal 2015, including the relocation of our Williamsville (Buffalo), New York store to a new site in the same market. We opened eight stores in fiscal 2014. Store openings during the past five fiscal years were primarily financed with available cash and operating cash flows. In 2016 and thereafter, we believe that we can continue opening new stores at an annual rate of approximately 10% of our then existing store base.

Our new store expansion strategy is driven by a site selection process that allows us to evaluate and select the location, size and design of our stores based on consumer research and analysis of operating data from sales in our existing stores. Our site selection process and flexible store design enable us to customize each store with the objective of maximizing return on capital given the characteristics of the market and the location. Our large format stores are 30,001 to 45,000 square feet in size and our small format stores span 25,000 to 30,000 square feet, which provides us the flexibility to enter new smaller markets and further penetrate existing markets. These formats also provide us with the ability to strategically choose between building new stores and converting existing space, which can be more cost efficient for certain locations. We are targeting average year one cash-on-cash returns of approximately 35% for both our large format and small format stores. To achieve this return for large format stores, we target average net development costs of approximately $8.3 million and first year store revenues of approximately $11.6 million. For small format stores, we target average net development costs of approximately $6.0 million and average first year store revenues of approximately $7.5 million. Additionally, we target average year one Store-level Adjusted EBITDA margins, excluding allocated national marketing costs, of approximately 28%, for both large format and small format stores.

Grow Our Comparable Store Sales. We intend to grow our comparable store sales by seeking to differentiate the Dave & Buster s brand from other food and entertainment alternatives, through the following strategies:

n *Provide our customers the latest exciting games.* We believe that our Midway games are the core differentiating feature of the Dave & Buster s brand, and staying current with the latest offerings creates new content and excitement to drive repeat visits and increase length of customer stay. We plan to continue to update approximately 10% of our games each year and seek to buy games that will resonate with our customers and drive brand relevance due to a variety of factors, including their large scale, eye-catching appearance, virtual reality features, association with recognizable brands or the fact that they cannot be easily replicated at home. We aim to leverage our investment in games by packaging our new game introductions and focusing our marketing spending to promote these events. We also plan to continually elevate the redemption experience in our Winner s Circle with prizes that we believe customers will find more attractive, which we expect will favorably impact customer visitation and game play.

- *Leverage D&B Sports.* In 2010, we initiated a program to improve our sports-viewing as part of our strategy to enhance our entertainment offering and increase customer traffic and frequency by creating another reason to visit Dave & Buster s. This initiative evolved into the D&B Sports concept,

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which has been incorporated into all new stores opened since the beginning of fiscal 2013 and will continue to be incorporated into all new stores. In the fall of 2013, we launched a national advertising campaign for D&B Sports promoting Dave & Buster s as the only place to watch the games and play the games. We intend to continue leveraging our investments in D&B Sports by building awareness of Dave & Buster s as the best place to watch sports through national cable advertising. In addition, we are strategically expanding our year-round sporting and pay-per-view content to drive increased traffic and capture a higher share of the sports-viewing customer base.

n *Serve food and beverage offerings with broad appeal.* Our menu has a variety of items, from hamburgers to steaks to seafood, that represent our *Fun American New Gourmet* strategy. We aim to ensure a pipeline for three new product launches each year, aligning with the timing of our new game launches. This strategy has been well received by our customers as the percentage of customers rating our food quality as Excellent was 78.0% in fiscal 2014, an increase of 320 basis points compared to fiscal 2011, and an increase of 4,010 basis points since fiscal 2007. Similarly, the percentage of customers rating our beverage quality as Excellent in fiscal 2014 was 81.3%, an increase of 390 basis points compared to fiscal 2011, and an increase of 4,150 basis points since fiscal 2007.

n *Grow our special events usage.* The special events portion of our business represented 11.7% of our total revenues in fiscal 2014. We believe our special events business is an important sampling and promotional opportunity for our customers because many customers are experiencing Dave & Buster s for the first time. We plan to leverage our existing special events sales force and call center to attract new corporate customers. In addition, we introduced online booking for social parties in order to provide additional convenience in booking events for our customers and look to expand its functionality over time.

n *Enhance brand awareness and generate additional visits to our stores through marketing and promotions.* We believe offering new items from each of the *Eat Drink Play and Watch* pillars will keep the brand relevant to customers and drive traffic and frequency. We have identified five key promotional periods throughout the year when we feature this New News in national advertising. To increase national awareness of our brand, we plan to continue to invest a significant portion of our marketing expenditures in national cable television and radio advertising focused on promoting our capital investments in new games, D&B Sports and new food and beverage offerings. We also have customized local store marketing programs to increase new visits and repeat visits to individual locations. We will continue to utilize our loyalty program and digital efforts to communicate promotional offers directly to our most passionate brand fans, and we are aggressively optimizing our search engine and social marketing efforts. We also leverage our investments in technology across our marketing platform, including in-store marketing initiatives to drive incremental sales throughout the store.

n *Drive customer frequency through greater digital and mobile connectivity*. We believe that there is a significant potential to increase customer frequency by enhancing the in-store and out-of-store customer experience via digital and mobile strategic initiatives as well as through implementing enhanced technology. We intend to leverage our growing loyalty database as well as continue to invest in mobile game systems (game applications for mobile devices, such as smartphones and tablets), second screen sports-watching apps (applications for mobile devices, allowing our customers to enhance their sports-watching experience by, for example, accessing information about the live sporting event being watched or by playing along with the live sporting event) and social games (game applications that allow our customers to play online together, whether competitively or cooperatively) to create customer connections and drive recurring customer visitation.

Expand the Dave & Buster s Brand Internationally. We believe that in addition to the growth potential that exists in North America, the Dave & Buster s brand can also have significant appeal in certain international markets. We are currently assessing these opportunities while maintaining a conservative and disciplined approach towards the execution of our international development strategy. As such, we have retained the services of a third-party consultant to assist in identifying and prioritizing potential markets for expansion as well as potential franchise or joint venture partners. Thus far, we have identified our international market priorities and begun the process of identifying potential international partners within select markets. The

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market priorities were developed based on a specific set of criteria to ensure we expand our brand into the most attractive markets. Our goal is to sign an agreement with our first international partner in fiscal 2015 and we are targeting our first international opening outside of Canada in 2017.

Our Refinancings

On July 25, 2014, we entered into a senior secured credit facility that provided a $530.0 million term loan facility and a $50.0 million revolving credit facility. The proceeds of the senior secured credit facility were used to refinance in whole the prior senior secured credit facility (of which $143.5 million was outstanding as of July 25, 2014), repay in full $200 million aggregate principal amount of the 11.0% senior notes due June 1, 2018, repay all outstanding 12.25% senior discount notes due February 15, 2016 ($150.2 million accreted value as of July 25, 2014) and pay related premiums, interest and expenses. We refer to these transactions collectively as the 2014 Refinancing.

On May 15, 2015, we entered into a senior secured credit facility that provides a $150.0 million term loan facility and a $350.0 million revolving credit facility. The proceeds of the senior secured credit facility were used to refinance in full the prior senior secured credit facility (of which $430.0 million was outstanding) and pay related interest and expenses. Additionally, we utilized $45.0 million of available cash on hand to pay down a portion of the new revolving credit facility that was outstanding after payment in full of the senior secured credit facility from the 2014 Refinancing. We refer to these transactions collectively as the 2015 Refinancing. After completion of the 2015 Refinancing on May 15, 2015, we had total debt and letters of credit outstanding of $389.0 million and $5.2 million, respectively, and $105.8 million of borrowing availability under our senior secured credit facility. Between May 15, 2015 and August 2, 2015, we utilized an additional $28.0 million of available cash on hand to pay down a portion of the outstanding revolving credit facility. As of August 2, 2015, we had total debt and letters of credit outstanding of $361.0 million and $5.2 million, respectively, and $133.8 million of borrowing availability under our senior secured credit facility.

Our Initial Public Offering and Follow-on Offerings

In October 2014, we amended and restated our certificate of incorporation to increase our authorized share count to 450,000,000 shares of stock, including 400,000,000 shares of common stock and 50,000,000 shares of preferred stock, each with a par value $0.01 per share and to split our common stock 224.9835679 for 1. Additionally, we completed our initial public offering (the IPO) of 6,764,705 shares of common stock at a price of $16.00 per share. Unless otherwise noted herein, historic share data has been adjusted to give effect to the stock split.

In February 2015, we completed a follow-on offering of 7,590,000 shares of our common stock (including the full exercise of the underwriters overallotment option to purchase an additional 990,000 shares) at a price of $29.50 per share. All of these shares were offered by the selling stockholders. In connection with the offering, 300,151 options were exercised at a weighted average price of $4.49. We issued new shares in satisfaction of this exercise. We received $1.3 million upon the exercise of options which were sold as part of such offering.

In May 2015, we completed another follow-on offering of 9,775,000 shares of our common stock (including the full exercise of the underwriters overallotment option to purchase an additional 1,275,000 shares) at a price of $31.50 per share. All of these shares were offered by the selling stockholders. In connection with the offering, 853,155 options were exercised at a weighted average price of $4.46. We issued 604,743 new shares and utilized 248,412 treasury shares in satisfaction of this exercise. We received $3.8 million upon the exercise of options which were sold as part of such offering.

Corporate History

We opened our first store in Dallas, Texas in 1982 and since then we have expanded our portfolio nationally to 77 stores across 30 states and Canada as of September 15, 2015.

From 1997 to early 2006, we operated as a public company under the leadership of our founders, David Dave Corriveau and James Buster Corley. In March 2006, D&B Inc was acquired by D&B Holdings, a holding company controlled by affiliates of Wellspring Capital Partners III, L.P. (Wellspring) and HBK Main Street Investors L.P. (HBK). In connection with the acquisition of D&B Inc by Wellspring and HBK, D&B Inc s common stock was delisted from the New York Stock Exchange. In addition, since 2006, our management team has been led by our Chief Executive Officer, Stephen King.

On June 1, 2010, D&B Entertainment, a newly-formed Delaware corporation owned by the Oak Hill Funds acquired all of the outstanding common stock (the Acquisition) of D&B Holdings from Wellspring and HBK. In connection therewith, Games Merger Corp., a newly-formed Missouri corporation and an indirect wholly owned subsidiary of D&B Entertainment, merged with and into D&B Holdings wholly owned, direct subsidiary, D&B Inc (with D&B Inc being the surviving corporation in the merger).

Prior to this offering, the Oak Hill Funds beneficially own 40.1% of our outstanding common stock and have the right to appoint certain members of our Board of Directors. Certain members of our Board of Directors and management control approximately 1.1% of our outstanding common stock. The remaining 58.8% is owned by the public.

Upon completion of this offering, the Oak Hill Funds will beneficially own approximately 26.2% of our outstanding common stock, or 24.1% if the underwriters exercise their option to purchase additional shares in full, and certain members of our Board of Directors and our management will beneficially own approximately 0.9% of our common stock, and 0.9% if the underwriters exercise their option to purchase additional shares in full.

Ownership Structure

The following chart gives effect to our ownership structure after this offering:

Oak Hill Capital Management, LLC

Oak Hill Capital Management, LLC (Oak Hill) is a private equity firm managing funds with more than $8 billion of initial capital commitments from leading entrepreneurs, endowments, foundations, corporations, pension funds and global financial institutions. Since its inception 28 years ago, the professionals at Oak Hill

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and its predecessors have invested in over 75 significant private equity transactions across broad segments of the U.S. and global economies. Oak Hill applies an industry-focused, theme-based approach to investing across four core sectors: Consumer, Retail & Distribution; Industrials; Media & Communications; and Services. Oak Hill works actively in partnership with management teams to implement strategic and operational initiatives to create franchise value. Dave & Buster s represents a core investment theme of the firm s Consumer, Retail & Distribution team, which has experience investing in the restaurant and specialty retail sectors, including prior investments in Duane Reade, Caribbean Restaurants, The Container Store, NSA International and TravelCenters of America, and a current investment in Earth Fare.

After completion of this offering, the Oak Hill Funds will own 26.2% of our outstanding common stock. Under the stockholders agreement with the Oak Hill Funds, the Oak Hill Funds are entitled to designate directors to serve on the Board of Directors proportionate to the Oak Hill Funds (or one or more of their affiliates, to the extent assigned thereto) aggregate ownership of the outstanding shares of our common stock, at any meeting of stockholders at which directors are to be elected to the extent that the Oak Hill Funds do not have such proportionate number of director designees then serving on the Board of Directors; provided that for so long as the Oak Hill Funds (or one or more of their affiliates, to the extent assigned thereto), individually or in the aggregate, own 5% or more of the voting power of the outstanding shares of our common stock, the Oak Hill Funds are entitled to designate one director designee to serve on the Board of Directors at any meeting of stockholders at which directors are to be elected to the extent that the Oak Hill Funds do not have a director designee then serving on the Board of Directors. Such proportionate number of director designees is determined by taking the product of the Oak Hill Funds (or one or more of their affiliates, to the extent assigned thereto) aggregate ownership interest in our Company multiplied by the then current number of directors on our Board of Directors (rounded up to the next whole number to the extent the product does not equal a whole number). The Oak Hill Funds director designees are currently J. Taylor Crandall, Kevin M. Mailender and Tyler J. Wolfram. Subject to applicable law and applicable NASDAQ rules, the stockholders agreement also provides that the Oak Hill Funds are entitled to nominate the members of the Nominating and Corporate Governance Committee up to a number of nominees not to exceed the number of directors designated by the Oak Hill Funds on the Board of Directors, and the remaining members are to be nominated by the Board of Directors. For so long as the Oak Hill Funds (or one or more of their affiliates, to the extent assigned thereto) own 20% or more of the voting power of the outstanding shares of our common stock, the Nominating and Corporate Governance Committee shall consist of no more than three members. In addition, subject to applicable law and applicable NASDAQ rules, each other committee of our Board of Directors, other than the Audit Committee, consists of at least one member designated by the Oak Hill Funds. When conflicts arise between the interests of the Oak Hill Funds or their affiliates and the interests of our stockholders, these directors may not be disinterested. The representatives of the Oak Hill Funds on our Board of Directors, by the terms of our amended and restated certificate of incorporation and stockholders agreement, are not required to offer us any transaction opportunity of which they become aware and could take any such opportunity for themselves or offer it to other companies in which they have an investment, unless such opportunity is expressly offered to them solely in their capacity as our directors (and therefore may be free to compete with us in the same business or similar business). Pursuant to the stockholders agreement, the Oak Hill Funds and their affiliates will be reimbursed for certain costs and expenses. See Principal and Selling Stockholders, Certain Relationships and Related Transactions Stockholders Agreement and Risk Factors Risks Related to our Capital Structure Conflicts of interest may arise because some of our directors are principals of our principal stockholder.

Corporate Information

Our corporate headquarters is located at 2481 Mañana Drive, Dallas, Texas, and our telephone number is (214) 357-9588. Our website is www.daveandbusters.com. Information contained on our website does not constitute a part of this prospectus.

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THE OFFERING

Shares of Common Stock Offered by the Selling Stockholders	6,000,000 shares (6,900,000 shares if the underwriters option to purchase additional shares is exercised in full).
Option to Purchase Additional Shares	The underwriters have an option to purchase from the selling stockholders up to a maximum of 900,000 additional shares of our common stock. The underwriters can exercise this option at any time within 30 days from the date of this prospectus.
Common Stock to be Outstanding After This Offering	41,450,014 shares (after giving effect to the completion of the Concurrent Option Exercise (as defined below) under the 2010 Management Incentive Plan (the 2010 Stock Incentive Plan) to be sold in this offering).
Use of Proceeds	We will not receive any proceeds from the sale of shares of common stock by the selling stockholders. However, we will receive approximately $1.4 million in proceeds from the Concurrent Option Exercise, which we will use for general corporate purposes ($1.6 million if the underwriters option to purchase additional shares is exercised in full). See Use of Proceeds.
Dividend Policy	We do not anticipate paying any dividends on our common stock, however, we may change this policy in the future. See Dividend Policy.
NASDAQ Symbol	PLAY
Risk Factors	You should carefully read and consider the information set forth under Risk Factors beginning on page 19 of this prospectus and all other information set forth in this prospectus before investing in our common stock.

Unless otherwise indicated, the number of shares of common stock outstanding:

n excludes 2,826,156 shares of our common stock issuable upon exercise of outstanding stock options under the 2010 Stock Incentive Plan (including up to 315,412 shares to be issued upon exercise of vested stock options by certain directors, officers and employees sold in this offering (the Concurrent Option Exercise));

- excludes 3,100,000 shares of our common stock reserved for issuances under our 2014 Omnibus Incentive Plan (the 2014 Stock Incentive Plan), including 703,678 shares issuable upon the exercise of options that have been granted to certain directors, officers and employees. As of September 15, 2015, none of the options issued under the 2014 Stock Incentive Plan are vested and, therefore, cannot be exercised; and

- excludes 71,741 shares of our common stock reserved for time-based and performance-based compensation under our 2014 Stock Incentive Plan.

Unless otherwise noted, the information in this prospectus assumes no exercise of the underwriters option to purchase from the selling stockholders up to 900,000 additional shares.

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Risks Associated With Our Business

Our business is subject to numerous risks, which are highlighted in the section entitled Risk Factors. These risks represent challenges to the successful implementation of our strategy and the growth of our business. Some of these risks are:

- our ability to open new stores and operate them profitably;
- changes in discretionary spending by consumers and general economic conditions;
- our ability to compete favorably in the out-of-home and home-based entertainment and restaurant markets;
- unauthorized use of our intellectual property;
- potential claims for infringing the intellectual property right of others and the costs related to such claims;
- damage to our brand or reputation;
- failure or destruction of our information systems and other technology that support our business;
- seasonality of our business and the timing of new openings and other events;
- availability and cost of food and other supplies; and
- our ability to operate our stores and obtain and maintain licenses and permits necessary for such operation in compliance with applicable laws and regulations.

For a discussion of these and other risks you should consider before making an investment in our common stock, see the section entitled Risk Factors.

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SUMMARY HISTORICAL FINANCIAL AND OTHER DATA

Set forth below are our summary consolidated historical and as adjusted financial and other data for the periods ending on and as of the dates indicated.

D&B Entertainment has no material assets or operations other than the ownership of all of the outstanding common stock of D&B Holdings. D&B Holdings has no material assets or operations other than the ownership of all of the outstanding common stock of D&B Inc.

The statement of operations and cash flows data for each of the fiscal years ended February 1, 2015, February 2, 2014 and February 3, 2013 were derived from our audited consolidated financial statements included elsewhere in this prospectus. The statement of operations and cash flows data for each of the twenty-six week periods ended August 2, 2015 and August 3, 2014, and the balance sheet data as of August 2, 2015, was derived from our unaudited consolidated financial statements included elsewhere in this prospectus. In the opinion of management, the unaudited consolidated financial statements include all normal recurring adjustments necessary to present fairly the data for such periods and as of such dates.

We operate on a 52 or 53 week fiscal year that ends on the Sunday after the Saturday closest to January 31. Each quarterly period has 13 weeks, except in a 53 week year when the fourth quarter has 14 weeks. All fiscal years presented herein consist of 52 weeks, except fiscal year 2012, which consisted of 53 weeks.

Our historical results are not necessarily indicative of future results of operations. The summary of historical financial and other data should be read in conjunction with Selected Consolidated Financial Data, Management s Discussion and Analysis of Financial Condition and Results of Operations and our historical consolidated financial statements and the notes related thereto, included elsewhere in this prospectus. All dollar amounts are presented in thousands except share and per share amounts.

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