NOBLE ROMANS INC
Form 10-Q
May 07, 2007

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the quarterly period ended March 31, 2007

Commission file number: 0-11104

NOBLE ROMAN'S, INC.
(Exact name of registrant as specified in its charter)

Indiana (State or other jurisdiction of organization)	35-1281154 (I.R.S. Employer Identification No.)
One Virginia Avenue, Suite 800 Indianapolis, Indiana (Address of principal executive offices)	46204 (Zip Code)

(317) 634-3377
(Registrant's telephone number, including area code)

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 ___

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check One):

Large Accelerated Filer ___ Accelerated Filer ___ Non-Accelerated Filer X

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ___ No X

As of April 30, 2007, there were 16,775,188 shares of Common Stock, no par value, outstanding.

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

The following unaudited condensed consolidated financial statements are included herein:

Noble Roman's, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)

Assets	December 31, 2006
Current assets:	
Cash	$ 920,590
Accounts and notes receivable (net of allowances of $136,462 as of December 31, 2006 and March 31, 2007)	1,505,444
Inventories	215,557
Assets held for resale	381,768
Prepaid expenses	136,167
Current portion of long-term notes receivable	187,898
Deferred tax asset - current portion	1,971,875
Total current assets	5,319,299
Property and equipment:	
Equipment	1,183,655
Leasehold improvements	105,928
	1,289,583
Less accumulated depreciation and amortization	653,336
Net property and equipment	636,247
Deferred tax asset (net of current portion)	8,300,244

Other assets including long-term portion of notes receivable	1,882,173	
Total assets	$ 16,137,963	$
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 396,046	$
Current portion of long-term note payable	1,500,000	
Total current liabilities	1,896,046	
Long-term obligations:		
Note payable to bank (net of current portion)	5,625,000	
Total long-term liabilities	5,625,000	
Stockholders' equity:		
Common stock -no par value (25,000,000 shares authorized, 16,602,601 issued and outstanding as of December 31, 2006 and 16,742,688 issued and outstanding as of March 31, 2007)	21,393,360	
Preferred stock (5,000,000 shares authorized and 51,000 issued and outstanding as of December 31, 2006 and 43,700 issued and outstanding at March 31, 2007)	1,978,800	
Accumulated deficit	(14,755,243)	(
Total stockholders' equity	8,616,917	
Total liabilities and stockholders' equity	$ 16,137,963	$

See accompanying notes to condensed consolidated financial statements.

Noble Roman's, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended March 31, 2006	2007
Royalties and fees	$ 1,867,437	$ 2,585,407
Administrative fees and other	15,186	18,347
Restaurant revenue	412,933	251,585
Total revenue	2,295,556	2,855,339
Operating expenses:		
Salaries and wages	274,544	377,544
Trade show expense	106,730	137,786
Travel expense	95,605	79,239
Sales commissions	--	114,988
Other operating expenses	196,910	226,020

Restaurant expenses	396,000	234,407
Depreciation and amortization	20,758	21,347
General and administrative	394,805	425,032
Operating income	810,204	1,238,976
Interest and other expense	197,226	173,819
Income before income taxes	612,978	1,065,157
Income tax expense	208,413	362,154
Net income	$ 404,565	$ 703,003
Cumulative preferred dividends	41,135	41,135
Net income available to common stockholders	$ 363,430	$ 661,868
Earnings per share - basic:		
Net income	$ .02	$ .04
Weighted average number of common shares outstanding	16,322,136	16,668,018
Diluted earnings per share:		
Net income	$ .02	$ .04
Weighted average number of common shares outstanding	17,295,536	20,046,737

See accompanying notes to condensed consolidated financial statements.

Noble Roman's, Inc. and Subsidiaries
Consolidated Statement of Cash Flows
(Unaudited)

OPERATING ACTIVITIES	Three Months Ended March 31, 2006	2007
Net income	$ 404,565	$ 703,003
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	37,538	45,788
Deferred federal income taxes	208,413	362,153
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Accounts and notes receivable	120,685	(148,644)
Inventories	(12,367)	(457)
Assets held for resale	(102,096)	(19,812)
Prepaid expenses	(50,523)	(89,949)
Other assets	596	135
Decrease in:		
Accounts payable	(174,610)	(109,673)
NET CASH PROVIDED BY OPERATING		

ACTIVITIES	432,201	742,544
INVESTING ACTIVITIES		
Purchase of property and equipment	(6,708)	(51,398)
NET CASH USED BY INVESTING ACTIVITIES	(6,708)	(51,398)
FINANCING ACTIVITIES		
Payment of obligations from discontinued operations	(120,521)	(161,320)
Payment of cumulative preferred dividends	(41,135)	(41,135)
Payment of principal on outstanding debt	(375,000)	(375,000)
Payments received on long-term notes receivable	42,086	45,580
Proceeds from the exercise of stock options and warrants	--	2,920
NET CASH USED IN FINANCING ACTIVITIES	(494,570)	(528,956)
Increase (decrease) in cash	(69,077)	162,191
Cash at beginning of period	740,940	920,590
Cash at end of period	$ 671,863	$ 1,082,781

Supplemental schedule of non-cash investing and financing activities

None.

Cash paid for interest	$ 181,838	$ 159,893

See accompanying notes to condensed consolidated financial statements.

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Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1 - The interim condensed consolidated financial statements, included herein, are unaudited, but reflect all adjustments which are, in the opinion of management, necessary for a fair statement of the results of operations for the interim periods presented and the financial condition as of the dates indicated, which adjustments are of a normal recurring nature. The results for the three-month period ended March 31, 2007 are not necessarily indicative of the results to be expected for the full year ending December 31, 2007.

Note 2 - Approximately $348 thousand and $466 thousand are included in the three-month periods ended March 31, 2006 and March 31, 2007, respectively, for initial franchise fees. In addition, included in royalties and fees were approximately $360 thousand in the three-month period ended March 31, 2007 and none in the three-month period ended March 31, 2006 for the sale of Area Development Agreements. Because the Company's growth strategy is to grow its business by franchising non-traditional locations, franchising its dual-branded concept in traditional locations and selling development territories to area developers for growth of its dual-branded concept, and because the number of such locations that are available for targeted growth is large, the Company believes that its initial franchise fee revenue has the potential to be greater in the future. The Company's ongoing royalty income is primarily paid electronically by the Company initiating a draft on the franchisee's account by electronic withdrawal. As such, the Company has no material amount of past due royalties.

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

Introduction

The Company sells and services franchises for non-traditional, co-branded and stand-alone foodservice operations under the trade names "Noble Roman's Pizza" and "Tuscano's Italian Style Subs." Both concepts' hallmarks include high quality products, simple operating systems, labor minimizing operations, attractive food costs and overall affordability.

Noble Roman's Pizza

Superior quality that our customers can taste - that is the hallmark of Noble Roman's Pizza. Every ingredient and process has been designed with a view to produce superior results. Here are a few of the differences that we believe make our product unique:

- Crust made with only specially milled flour with above average protein and yeast.
- Fresh packed, uncondensed sauce made with secret spices, parmesan cheese and vine-ripened tomatoes.
- 100% real cheese blended from mozzarella and muenster, with no soy additives or extenders.
- 100% real meat toppings, again with no additives or extenders - a real departure from many pizza concepts.
- Vegetable and mushroom toppings that are sliced and delivered fresh, never canned.
- An extended product line that includes breadsticks with dip, pasta, baked sandwiches, salads, wings and a line of breakfast products.

- A fully-prepared pizza crust that captures the made-from-scratch pizzeria flavor which gets delivered to the franchise location shelf-stable so that dough handling is no longer an impediment to a consistent product.

The Company carefully developed all of its menu items to be delivered in a ready-to-use form requiring only on-site assembly and baking. These menu items are manufactured by third party vendors and distributed by unrelated distributors who deliver throughout all 48 contiguous states. This process results in products that are great tasting, quality consistent, easy to assemble, relatively low in food cost and require very low amounts of labor.

Tuscano's Italian Style Subs

Tuscano's Italian Style Subs is a separate restaurant concept that focuses on sub sandwich menu items. Tuscano's was designed to be comfortably familiar from a customer's perspective but with many distinctive features that include an Italian themed menu. The franchise fee and ongoing royalty for a Tuscano's is identical to that charged for a Noble Roman's Pizza franchise. For the most part, the Company awards Tuscano's franchises for the same facilities as Noble Roman's Pizza franchises, although Tuscano's franchises are also available for non-traditional locations that do not have a Noble Roman's Pizza franchise. However, in the traditional stand-alone locations we only sell Noble Roman's Pizza/Tuscano's Subs together as a co-brand.

With its Italian theme, Tuscano's offers a distinctive yet recognizable format. Like most other brand name sub concepts, customers select menu items at the start of the counter line then choose toppings and sauces according to their preference until they reach the check out point. Yet Tuscano's has many unique competitive features, including its Tuscan theme, the extra rich yeast content of its fresh baked bread, the thematic menu selections and serving options, high quality meats, and generous yet cost-effective quality sauces and spreads. Tuscano's was designed to be premium quality, simple to operate and cost-effective.

Business Strategy

The Company's business strategy can be summarized as follows:

Continue Focus on Sales of Non-Traditional Franchises. The Company plans to continue its focus on awarding franchise agreements for both Noble Roman's Pizza and Tuscano's Italian Style Subs in non-traditional venues such as hospitals, military bases, universities, convenience stores, attractions, entertainment facilities, casinos, airports, travel plazas, office complexes and hotels. The Company has pursued this focus for the past several years.

Growth of our Traditional Dual-Branded Concept. In order to seek more rapid growth, the Company initiated a strategy to sell dual-branded franchises and to sell development territories to Area Developers for additional growth of its dual-branded concept of Noble Roman's Pizza/Tuscano's Subs for stand-alone traditional locations. Area Developers have the exclusive right to develop the dual-branded traditional concept in their areas. Area Developers generally pay a development fee of $.05 per capita in their development area and will receive 30% of the initial franchise fee and 2/7ths of the royalty from the franchise locations developed pursuant to those Development Agreements. The Company retains all training and supervision responsibilities and must approve all franchisees and all locations. In order to maintain the rights to develop the territories, each Developer has to meet the minimum development schedule stipulated in the Area Development Agreement. As of May 4, 2007, the Company has entered into twelve Area Development Agreements requiring the development of 429

franchises over the next six years. In addition, as of May 4, 2007, the Company has entered into 70 dual-branded franchise agreements for traditional locations, 31 of which were sold through the Area Development Agreements.

Maintain Superior Product Quality. The Company believes that the quality of its products will contribute to the growth of both its non-traditional and traditional dual-branded concept. Every ingredient and process was designed with a view to producing superior results. All of its menu items were carefully developed to be delivered in a ready-to-use form requiring only on-site assembly and baking. The Company believes this process results in products that are great tasting, quality consistent, easy to assemble, relatively low in food cost and require very low amounts of labor and allows for a significant competitive advantage due to the speed at which its products can be prepared, baked and served to customers.

Financial Summary

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results may differ from those estimates. The Company evaluates the carrying values of its assets, including property, equipment and related costs, accounts receivable and deferred tax asset, periodically to assess whether any impairment indications are present due to (among other factors) recurring operating losses, significant adverse legal developments, competition, changes in demands for the Company's products or changes in the business climate that affect the recovery of recorded value. If any impairment of an individual asset is evident, a charge will be provided to reduce the carrying value to its estimated fair value.

The following table sets forth the percentage relationship to total revenue of the listed items included in Noble Roman's consolidated statements of operations for the three-month periods ended March 31, 2006 and 2007, respectively.

	Three Months Ended March 31, 2006	2007
Royalties and fees	81.4 %	90.6 %
Administrative fees and other	.6	.6
Restaurant revenue	18.0	8.8
Total revenue	100.0 %	100.0 %
Operating expenses:		
Salaries and wages	12.0	13.2
Trade show expense	4.6	4.8
Travel expense	4.1	2.8
Sales commissions	--	4.0
Other operating expense	8.6	7.9
Restaurant expenses	17.3	8.2
Depreciation and amortization	.9	.8
General and administrative	17.2	14.9
Operating income	35.3 %	43.4 %
Interest and other expense	8.6	6.1
Income before income taxes	26.7	37.3
Income tax expense	9.1	12.7
Net income	17.6 %	24.6 %

Results of Operations

Noble Roman's, Inc. and Subsidiaries

Results of Operations - Three-Month Periods Ended March 31, 2006 and 2007

Total revenue increased from $2,295,556 to $2,855,339 for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. This increase was primarily the result of an increase in royalties and fees from the addition of new franchises. Royalties and fees increased from approximately $1,867,437 to $2,585,407 for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. Approximately $348 thousand and $466 thousand are included in the three-month periods ended March 31, 2006 and March 31, 2007, respectively, for initial franchise fees. In addition, included in royalties and fees were approximately $360 thousand in the three-month period ended March 31, 2007 and none in the corresponding period in 2006 for the sale of Area Development Agreements. Because the Company's growth strategy is to grow its business by franchising non-traditional locations, franchising its dual-branded concept in traditional locations and to sell development territories to Area Developers for growth of its dual-branded concept, and because the number of such locations that are available for targeted growth is large, the Company believes that the initial franchise fee revenue has the potential to be greater in the future. The Company has sold twelve territories to Area Developers and is in discussions with several other potential Area Developers. The twelve territories include an agreement for 49 restaurants in 15 counties surrounding the Greensboro, Winston-Salem, High Point areas of North Carolina and Virginia, an agreement for 20 restaurants in three counties near Cincinnati, Ohio, an agreement for 25 restaurants in Sacramento County, California, an agreement for an additional 40 restaurants in 21 additional counties surrounding Cincinnati, Ohio, an agreement for 30 restaurants in five counties near Atlanta, Georgia, an agreement for 70 restaurants in three additional counties in Georgia, near Atlanta, an agreement for 52 restaurants in two counties near Dallas, Texas, an agreement for 25 restaurants for Springfield, Missouri and surrounding counties, an agreement for 35 restaurants for Riverside County, California, an agreement for 38 restaurants for San Bernardino County, California, an agreement for 30 restaurants in Dayton, Ohio and surrounding counties, and another agreement for 15 restaurants in a third county near Dallas, Texas. Because of the identified growth opportunities in franchising in non-traditional locations, in traditional dual-branded locations and the units committed by the Area Development Agreements, the Company believes that franchise fee revenue will be greater in the future. If an Area Developer does not meet the required development schedule, the Developer loses its rights to the development area and its share of the franchise fee income on any units that are developed.

Restaurant revenues decreased from approximately $412,933 to $251,585 for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. The Company only intends to operate two restaurants to be used for testing and demonstration purposes but from time to time temporarily operates others until a suitable franchisee is located. Restaurant revenue decreased because the Company was operating fewer restaurants in the quarter ended March 31, 2007 than in the corresponding quarter of 2006.

Salaries and wages increased from 12.0% of total revenue to 13.2% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. The increase during the first quarter in 2007 versus 2006 was the result of adding the additional experienced staff for the growth of franchising in traditional locations. Salaries and wages decreased from 14.7% of total revenue to 13.2% of total revenue for the three-month period ended March 31, 2007 compared to the three-month period ended December 31, 2006. Salaries and wages, as a percent of total revenue, are expected to continue to

decline in the future as the revenue continues to grow from opening more traditional franchises.

Trade show expenses increased from 4.6% of total revenue to 4.8% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. The Company anticipates the actual dollar trade show expense to remain approximately the same for the balance of 2007, which is expected to result in a lower trade show expense as a percent of total revenue as revenue continues to increase as more traditional restaurants are opened.

Travel expenses decreased from 4.1% of total revenue to 2.8% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. The decrease was the result of the actual dollar expense showing a slight decrease while the revenue increased as a result of selling more Area Development Agreements and opening more traditional restaurants.

Sales commissions were 4.0% of total revenue for the three-month period ended March 31, 2007 compared to no sales commissions in the corresponding period in 2006. The sales commissions are the result of commissions earned by the Area Developers and internal sales staff designed to increase the Company's revenue growth by expanding franchising activity for traditional locations.

Other operating expenses decreased from 8.6% of total revenue to 7.9% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. This decrease was primarily the result of actual operating expenses only slightly increasing in dollar amount while total revenue increased from the growth of more franchises for traditional locations. The Company anticipates that other operating expenses, as a percentage of revenue, will continue to decline as a result of anticipated additional growth in 2007 while maintaining operating expenses at approximately the same dollar amount.

Restaurant expenses decreased from 17.3% of total revenue to 8.2% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. This decrease was the result of the decrease in number of restaurants operated by the Company while the revenues increased as a result of the growth in the number of franchises for traditional locations. The Company only intends to operate two restaurants to be used for testing and demonstration purposes but from time to time temporarily operates others until a suitable franchisee is located.

General and administrative expenses decreased from 17.2% of total revenue to 14.9% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. This decrease was the result of only a small increase in the dollar amount of administrative expense which was more than offset by the growth in revenue as a result of new franchising activity. The Company anticipates that general and administrative expenses, as a percentage of revenue, will continue to decline as a result of anticipated additional growth in revenue.

Operating income increased from 35.3% of total revenue to 43.4% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. The primary reason for the increase in operating income was the growth in royalties and fees as a result of new franchising activity, which more than offset the small growth in operating expenses. Operating income, as a percent of total revenue, is anticipated to continue to increase as the anticipated growth in the amount of franchising activity continues with operating expenses increasing at a substantially lower rate.

Interest expense decreased from 8.6% of total revenue to 6.1% of total revenue for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. This decrease was the result of a decrease in the dollar amount

of interest paid due to the reduction in the amount of debt outstanding and the increase in revenue as a result of the growth from franchising. Since the Company does not anticipate the need to borrow any additional funds and plans to continue to reduce its debt, interest expense should continue to decline in future periods.

Net income increased from $404,566 to $703,003 for the three-month period ended March 31, 2007 compared to the corresponding period in 2006. The 74.0% increase in net income for the three-month period ended March 31, 2007, compared to the corresponding period in 2006, was the result of the growth in royalty and fee income as a result of the sale of additional Area Development Agreements and the growth in the number of franchises for traditional locations, only slightly offset by increased operating expenses.

Liquidity and Capital Resources

The Company's strategy is to grow its business by continuing to focus on franchising non-traditional locations and by franchising in traditional locations partially through the use of Area Developers. This strategy does not require significant capital.

As a result of the Company's strategy, cash flow generated from operations, the Company's current rate of entering into new franchises and the anticipated growth in Franchise Agreements and Area Development Agreements in the future, the Company believes it will have sufficient cash flow to meet its obligations and to carry out its current business plan.

The Company does not anticipate that any of the recently issued Statement of Financial Accounting Standards will have a material impact on its Statement of Operations or its Balance Sheet.

ITEM 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's current borrowings are at a monthly variable rate tied to LIBOR. However, the Company elected to purchase a swap contract fixing the rate on 50% of the principal balance for the first two years and then $3 million of the principal amount for the following two years at an annual interest rate of 8.83% per annum.

The Company has concluded that there is no material market risk exposure and, therefore, no quantitative tabular disclosures are required.

ITEM 4. Controls and Procedures

Based on his evaluation as of the end of the period covered by this report, Paul W. Mobley, the Company's Chief Executive Officer and Chief Financial Officer, has concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) are effective. There have been no changes in internal controls over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. Legal Proceedings.

The Company, from time to time, is involved in various litigation relating to claims arising out of its normal business operations.

The Company is not involved in any litigation currently, nor is any litigation currently threatened, which would have a material effect upon the Company.

ITEM 6. Exhibits.

(a) Exhibits: See Exhibit Index appearing on page 14.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NOBLE ROMAN'S, INC.

Date: May 7, 2007

By: /s/ Paul W. Mobley

Paul W. Mobley, Chairman of the Board and
Chief Financial Officer
(Authorized Officer and Principal
Financial Officer)

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Index to Exhibits

Exhibit	
3.1	Amended Articles of Incorporation of the Registrant, filed as an exhibit to the Registrant's Amendment No. 1 to the Post Effective Amendment No. 2 to Registration Statement on Form S-1 filed July 1, 1985 (SEC File No.2-84150), is incorporated herein by reference.
3.2	Amended and Restated By-Laws of the Registrant, as currently in effect, filed as an exhibit to the Registrant's Registration Statement on Form S-18 filed October 22, 1982 and ordered effective on December 14, 1982 (SEC File No. 2-79963C), is incorporated herein by reference.
3.3	Articles of Amendment of the Articles of Incorporation of the Registrant effective February 18, 1992 filed as an exhibit to the Registrant's Registration Statement on Form SB-2 (SEC File No. 33-66850), ordered effective on October 26, 1993, is incorporated herein by reference.
3.4	Articles of Amendment of the Articles of Incorporation of the Registrant effective May 11, 2000, filed as Annex A and Annex B to the Registrant's Proxy Statement on Schedule 14A filed March 28, 2000, is incorporated herein by reference.
3.5	Articles of Amendment of the Articles of Incorporation of the Registrant effective April 16, 2001 filed as Exhibit 3.4 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2005, is incorporated herein by reference.
3.6	Articles of Amendment of the Articles of Incorporation of the Registrant effective August 23, 2005, filed as Exhibit 3.1 to the Registrant's current report on Form 8-K filed August 29, 2005, is incorporated herein by reference.
4.1	Specimen Common Stock Certificates filed as an exhibit to the Registrant's Registration Statement on Form S-18 filed October

	22, 1982 and ordered effective on December 14, 1982 (SEC File No. 2-79963C), is incorporated herein by reference.
4.2	Form of Warrant Agreement filed as Exhibit 4.1 to the Registrant's current report on Form 8-K filed August 29, 2005, is incorporated herein by reference.
10.1	Employment Agreement with Paul W. Mobley dated November 15, 1994 filed as Exhibit 10.1 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2005, is incorporated herein by reference.
10.2	Employment Agreement with A. Scott Mobley dated November 15, 1994 filed as Exhibit 10.2 to Registrant's Annual Report on Form 10-K for the year ended December 31, 2005, is incorporated herein by reference.
10.3	1984 Stock Option Plan filed with the Registrant's Form S-8 filed November 29, 1994 (SEC File No. 33-86804), is incorporated herein by reference.

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10.4	Noble Roman's, Inc. Form of Stock Option Agreement filed with the Registrant's Form S-8 filed November 29, 1994 (SEC File No. 33-86804), is incorporated herein by reference.
10.5	Settlement Agreement with SummitBridge dated August 1, 2005, filed as Exhibit 99.2 to the Registrant's current report on Form 8-K filed August 5, 2005, is incorporated herein by reference.
10.6	Loan Agreement with Wells Fargo Bank, N.A. dated August 25, 2005 filed as Exhibit 10.1 to the Registrant's current report on Form 8-K filed August 29, 2005, is incorporated herein by reference.
10.7	Registration Rights Agreement dated August 1, 2005 between the Company and SummitBridge National Investments filed as Exhibit 10.7 to the Registrant's Registration Statement on Form S-1 (SEC file No. 333-133382) filed April 19, 2006, is incorporated herein by reference.
21.1	Subsidiaries of the Registrant filed in the Registrant's Registration Statement on Form SB-2 (SEC File No. 33-66850) ordered effective on October 26, 1993, is incorporated herein by reference.
31.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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