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Bagger Dave's Legendary Burger Tavern® Named Berkley, Michigan Business of the Year

SOUTHFIELD, MI, October 28, 2010 – Bagger Dave's Legendary Burger Tavern, the popular full-service, ultra-casual restaurant and bar that opened in Berkley, Michigan in 2008, has been selected *2010 Business of the Year* by the Berkley Area Chamber of Commerce. Diversified Restaurant Holdings, Inc. ("DRH" or the "Company"), headquartered in Southfield, launched the highly successful Bagger Dave's concept with the opening of the award-winning store at 2972 Coolidge Highway in January 2008. Representatives from the Company accepted the award at the Chamber's 10th Annual State of the City Luncheon held earlier today at Farina's Banquet Center in Berkley.

Michael Ansley, President and Chief Executive Officer of DRH, commented, "We recognized early on that site selection would be critical to the success of our Bagger Dave's concept. We found, in Berkley, an economically strong area with favorable demographics and, most importantly, a true neighborhood feel that would complement the warm, at-home atmosphere captured by our concept. We also found a community that welcomed our new business and worked with us in making our concept the success it is today. We thank the Chamber for this honor and look forward to continued success at our Berkley location."

Bagger Dave's fresh, never-frozen premium beef blend burgers have earned rave reviews since they were first served in Berkley. Also offering turkey burgers, which are always fresh and moist, guests can choose from more than 30 toppings to build their own burger and create their own "legend." The menu features house-made sauces with bold flavors, fresh-cut fries, Dave's Sweet Potato Chips™, Amazingly Delicious Turkey Black Bean Chili®, Michigan craft beers, liquor, and wine. People of all ages enjoy the warm, inviting, and entertaining atmosphere from the friendly and memorable guest service to the historical community photos and electric train that runs above the dining room and bar areas.

Julie Melrose, Executive Director of the Berkley Chamber of Commerce, stated, "Since their opening in 2008, Bagger Dave's has proven to be a warm, inviting, family-friendly restaurant that has been well received by the Berkley community because of their delicious food and great service. They actively support the Chamber of Commerce, area schools, sports teams, and non-profit organizations through sponsorships, food donations, fundraising programs, and volunteering efforts. Bagger Dave's truly makes Berkley a great place to live, work, and play."

In addition to the Berkley location, DRH owns and operates Bagger Dave's restaurants in Novi, at 26054 Novi Road, and in Ann Arbor, at 859 West Eisenhower Parkway. A fourth Bagger Dave's restaurant is scheduled to open in Brighton in early 2011.

The Company also operates 18 Buffalo Wild Wings restaurants, 13 in Michigan and five in Florida, and plans to open its 19th restaurant, in Fort Myers, Florida, on November 7, 2010, and its 20th and 21st restaurants, in Traverse City, Michigan, and Lakeland, Florida, in early 2011. The Company has an Area Development Agreement with Buffalo Wild Wings, Inc. which requires a total of 38 BWW restaurants in Michigan and Florida by 2017.

About Diversified Restaurant Holdings

DRH owns and operates its own unique, full-service, ultra-casual restaurant and bar concept,

Bagger Dave's Legendary Burger Tavern®, which was launched in January 2008. The concept focuses on local flair with the interior showcasing historic photos of the city in which it resides. Bagger Dave's offers a full-service, family-friendly restaurant and bar with a casual, comfortable atmosphere. The menu features freshly made burgers (never frozen), accompanied by more than 30 toppings from which to choose, fresh-cut fries, hand-dipped milkshakes, and a selection of craft beer and wine. Signature items include Sloppy Dave's BBQ®, Train Wreck Burger®, and Bagger Dave's Amazingly Delicious Turkey Black Bean Chili®. There's also an electric train that runs above the dining room and bar areas. All current and future locations will be smoke-free. Currently, there are three locations in the State of Michigan, with the fourth scheduled to open in the first quarter of 2011. DRH has filed for rights, and has been approved, to franchise Bagger Dave's in the States of Michigan, Indiana, Ohio, and Illinois. For more information, please visit www.baggerdaves.com.

The Company is also a leading BWW franchisee and currently operates 18 BWW restaurants (five in Florida and 13 in Michigan). The 19th restaurant is scheduled to open on November 7, 2010 and the 20th and 21st are scheduled to open in the first quarter of 2011. DRH is also the recipient of many franchise awards, including an award for the Highest Annual Restaurant Sales.

DRH routinely posts news and other important information on its Web site at www.diversifiedrestaurantholdings.com.

Safe Harbor Regarding Forward Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended.

Forward-looking statements are subject to risks, uncertainties and assumptions and are identified by words such as "expects," "estimates," "projects," "anticipates," "believes," "could," and other similar words. Forward-looking statements are based upon the current beliefs and expectations of management. All statements addressing operating performance, events, or developments that DRH expects or anticipates will occur in the future, including but not limited to franchise sales, restaurant openings, financial performance, and adverse developments with respect to litigation or increased litigation costs, the operation or performance of the Company's business units, or the market price of its common stock are forward-looking statements. Because they are forward-looking, they should be evaluated in light of important risk factors and uncertainties. Actual results may vary materially from those contained in forward-looking statements based on a number of risk factors and uncertainties including, without limitation, our ability to operate in new markets, the cost of commodities, the success of our marketing and other initiatives to attract customers, customer preferences, operating costs, economic conditions, competition, the availability of financing for franchisees and the Company, and the impact of applicable regulations. These and other risk factors and uncertainties are more fully described in the Company's most recent Annual and Quarterly Reports filed with the Securities and Exchange Commission. Undue reliance should not be placed on the Company's forward-looking statements. Except as required by law, DRH disclaims any obligation to update or publicly announce any revisions to any of the forward-looking statements contained in this press release.

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