BIGLARI HOLDINGS INC.

NEWS RELEASE

SAN ANTONIO, TX, February 8, 2011 — Biglari Holdings Inc. (NYSE: BH) today announced that its Board of Directors has approved a 1-for-15 reverse stock split. The Company will issue a release to announce the effective date of the reverse stock split. No fractional shares will be issued in connection with the reverse stock split. Shareholders will receive a cash payment in lieu of fractional shares based upon the average of the high and low trading prices on the effective date.

The rationale prompting the decision to initiate the reverse stock split is for the Company to continue to attract long-term owners whose purpose is to prosper in concert with the Company's progress. The reverse stock split does not change the Company's intrinsic value. At the upcoming shareholders meeting, a second class of stock will be presented for the approval of the shareholders. Subject to approval of the shareholders and the New York Stock Exchange, the economic value of the class B stock would be 1/50 of the current common stock.

About Biglari Holdings Inc.

Biglari Holdings Inc. is a holding company engaged in a number of diverse business activities. The most important operating subsidiaries are involved in investment management and the franchising/operating of restaurants. All major operating, investment, and capital allocation decisions are made by Sardar Biglari, Chairman and Chief Executive Officer, on behalf of the Company and its main operating subsidiaries.

Risks Associated with Forward-Looking Statements

This news release may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These statements which may concern anticipated future results are based on current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ markedly from those projected or discussed here. Biglari Holdings cautions readers not to place undue reliance upon any such forward-looking statements, for actual results may differ materially from expectations. Biglari Holdings does not update publicly or revise any forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized. Further information on the types of factors that could affect Biglari Holdings and its business can be found in the company's filings with the SEC.

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