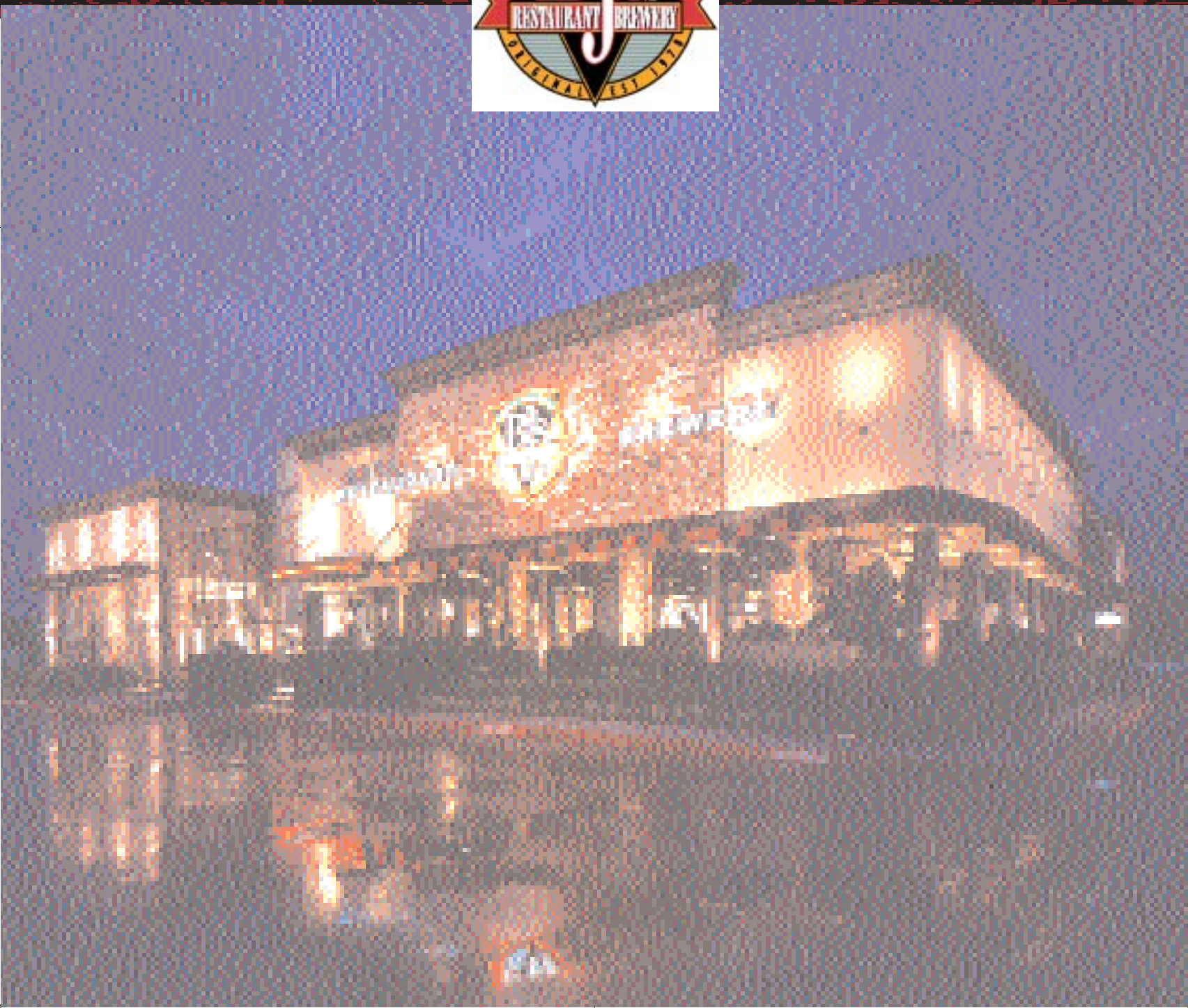


CHICAGO PIZZA & BREWERY, INC.





CHICAGO PIZZA & BREWERY, INC. COMPANY PROFILE

BJ'S RESTAURANT & BREWERY BJ'S RESTAURANT & BREWHOUSE BJ'S PIZZA & GRILL PIETRO'S

Chicago Pizza & Brewery, Inc. owns and operates a group of casual dining restaurants under the BJ's Restaurant & Brewery, BJ's Restaurant & Brewhouse, BJ's Pizza & Grill and Pietro's brand names. BJ's restaurants offer innovative menus and concept variations which feature our award-winning deep dish pizza complemented by generously portioned salads, soups, pasta, sandwiches, entrees and desserts. Quality, flavor, value, moderate prices and sincere service remain the distinct attributes of the BJ's experience.

2002 GABF AWARDS	SECOND ONLY TO OUR PASSION TO BE GREAT
RESTAURATEURS DELIVERING TOTAL GUEST DELIGHT, IS OUR PASSION TO THE	
CRAFT OF BREWING GREAT BEERS. OUR QUEST WAS REWARDED IN 2002, NOT ONCE,	
BUT SEVEN TIMES AT THE GREAT AMERICAN BEER FESTIVAL: AMERICA'S PREMIER	
COMPETITION RECOGNIZING EXCELLENCE IN THE BREWING OF HAND-CRAFTED	
BEER. MOST NOTABLY, AND IN ADDITION TO TWO GOLD AND THREE SILVER	
MEDALS, BJ'S PORTLAND BREWING OPERATION GARNERED "LARGE BREWPUB OF	
THE YEAR" AND BJ'S BREWMASTER DAN PEDERSEN, ALSO FROM PORTLAND, WAS	
HONORED WITH "BREWMASTER OF THE YEAR / LARGE BREWPUB".	Cheers!

The Company operates nine microbreweries which produce and distribute BJ's critically acclaimed handcrafted beers throughout the chain: Chandler, Arizona; Boulder, Colorado; Jantzen Beach and Lloyd Center, Oregon; Brea, Oxnard, West Covina and Woodland Hills, California; Houston, Texas. The Company currently operates its BJ's restaurants in Arizona (1), California (19), Oregon (4), Colorado (1), Texas (3). An additional unit is operated under a licensing agreement in Lahaina Maui, Hawaii. The Company currently operates Pietro's Restaurants in Oregon (3). The common stock of Chicago Pizza & Brewery, Inc. is traded on the NASDAQ market under the symbol "CHGO".



2 0 0 2 A N N U A L R E P O R T

Letter to Our Shareholders:



In attempting to describe the year 2002 for Chicago Pizza & Brewery, Inc., one word comes to mind: transformation. We began the year with limited financial and operational resources, a fairly significant regional concentration and low visibility as a public company. During 2002, we substantially increased our financial resources from the exercise of 7.3 million warrants, recruited several extremely talented and experienced executives, successfully entered two important new markets (Dallas, Texas and Northern California) and saw our market capitalization increase by over 111%.

The most significant event of 2002 was the warrant exercise, which resulted in the infusion of \$36 million of additional capital. For the first time in the Company's history, our growth was no longer constrained by financial resources. In fact, we were in the enviable position of having substantial cash, virtually no debt, and being able to fully fund our anticipated unit development schedule.

Upon receipt of the additional capital, we immediately went to work to fill the real estate pipeline and to recruit the people necessary to implement an effective growth strategy. We were successful in both areas. Our real estate efforts led to the opening of four restaurants during the last 4-1/2 months of the year and a fifth restaurant in January 2003. These restaurants not only opened successfully, but three of them (Cupertino, Oxnard and Westlake), experienced among the highest opening revenues in our history. Additionally, three of the restaurants represented our first ground-up developments based upon our newly designed prototype. This milestone is important in that it expands the flexibility of our store development strategy, which now includes conversions, landlord shells and ground-up developments. We have recently

Selected Financial Highlights:

<i>(in thousands, except per share)</i>	<i>fiscal year</i>		
	<i>2002</i>	<i>2001</i>	<i>2000</i>
Total Revenues	\$ 75,705	\$ 64,683	\$ 52,346
Net Income	\$ 1,667	\$ 3,177	\$ 1,944
Net income per share:			
Basic	\$ 0.10	\$ 0.33	\$ 0.25
Diluted	\$ 0.09	\$ 0.30	\$ 0.25
Total Assets	\$ 77,849	\$ 40,255	\$ 29,992
Shareholders' equity	\$ 66,616	\$ 28,095	\$ 15,043





2 0 0 2 A N N U A L R E P O R T



Jerry J. Hennessy (Left), Paul A. Motenko (Right)

completed the design of a smaller prototype, at 6,500 square feet, which should provide even greater flexibility in adapting to a variety of market areas.

With our historical concentration in Southern California, we were anxious to see how the BJ's concept would travel to several new, and very competitive markets. We were extremely satisfied with our initial reception in Lewisville, Texas and Cupertino, California in November and December of 2002, respectively. We were also very pleased with our opening in Clear Lake, Texas in January 2003. The implications of these strong openings are significant as we continue to pursue sites outside of Southern California.

Other accomplishments during 2002 include an increase in revenues of 17.0% for the year and 25.5% for the fourth quarter. Same-store sales for BJ's restaurants open more than 18 months were up 3.0% for the year, a continuation of our uninterrupted history of yearly increases since going public in 1996.

In addition to our successes, the Company experienced several challenges during 2002. The impact of our investment in infrastructure and the pre-opening costs associated with the opening of four restaurants at the end of the year, put a great deal of pressure on earnings. We anticipate that this investment, and the costs incurred in the restaurant openings, will reap great rewards during 2003 and into the future.

Our expectation for 2003 is that we will achieve a significant increase in revenues with the openings of additional restaurants in Southern California, Northern California and Texas. Our objective is to translate this increase in revenues to an even more significant increase in profitability as we begin to leverage our general and administrative expenses.

While we remain focused on profitability, we do so with the understanding that our success is dependent upon our consistent ability to provide our guests with a great dining experience. We are confident that the passion and talent of our more than 2,600 employees will ensure that we will continue to deliver a level of excellence that our guests demand and deserve. We thank each one of them for their talent and dedication as we renew our commitment to our shareholders to continue the transformation of Chicago Pizza & Brewery, Inc. into one of the nation's premier restaurant companies.

Paul A. Motenko

CHAIRMAN OF THE BOARD
CO-CHIEF EXECUTIVE OFFICER

Jerry J. Hennessy

CO-CHIEF EXECUTIVE OFFICER
PRESIDENT

B A L A N C E D

Appeal
Flexibility
Infrastructure

Growth

Our belief that the BJ's brand can expand across the country was given considerable credibility



in 2002 with the successful establishment of our Texas and Northern California markets.



With unwavering focus on the basics, we continued to steadily and effectively execute our



concept's key attributes: broad appeal, a flexible design and development strategy, and the continued



transformation into the world-class infrastructure we feel is necessary to sustain profitable growth.-

[AVOCADO EGG ROLLS, CILANTRO PESTO AND FRESH BASIL & SAUSAGE CRISPY THIN-CRUST PIZZA APPETIZERS]





Growth

Spread:

BJ's Restaurant & Brewhouse
in Cupertino, California - one

of three new prototype units

opened in 2002.

Appeal The tremendous appeal of the BJ's experience remains the core driver of our growth plan and is fueling our transformation into a national brand. It is purposely broad in scope and reach, carefully orchestrated so as not to disenfranchise any group. Our extensive, value-driven menu, paired with award-winning handcrafted beers, offers a favorite for virtually any dining preference. Plus, our core deep-dish pizza continues to attract and delight all generations.

The ambience – lively bars, unexpected decor and loft-like architecture – is inviting and fun. Most importantly, our enthusiastic people – guided by strong corporate values – execute the experience through a culture of sincere service focused on complete guest delight. The result is a feeling that both the soul and the appetite have been nourished.

We find more and more that the spirit of BJ's appeal is infectious: it attracts superior people to work on our team and we are enjoying a unique type of guest loyalty that embraces our success. As we continue to infuse the experience with resonance and relevance, our brand-building strategy will focus on change that is both open-ended and inclusive.

Site Development Flexibility Just as the BJ's experience offers great appeal to our Guests, our highly flexible site development strategy and outstanding store economics are equally attractive to developers. From the outset, we bring tremendous value to landlords' "mix", enabling greater leverage to negotiate leases and achieve significant landlord contributions.

Our site selection process has always been highly disciplined and discriminating. Happily, our strong balance sheet and increased awareness by developers and landlords is allowing us to steadily fill the real estate pipeline with superior site opportunities. As a result, we can apply a national growth strategy that many other concepts are unable to execute.



Because each BJ's environment is the result of a customized design process, we are able to evaluate myriad site possibilities; from shells in entertainment centers and shopping malls to renovations of existing restaurants. Often, after renovating and customizing a location, guests remark, "Amazing! I can't believe it is the same place".

The flexibility of our smaller Brewhouse and larger Brewery formats also allows us to consider a range of building sizes. To this end, we rolled out a flexible, ground-up prototype in 2002. Adaptable to sites ranging from 6,500 – 10,000 square feet, the prototype allows us to enter markets with appropriate strength and "wow" factor for the purpose of establishing strong brand presence. This positions us well to proceed with the build-out of these markets.





[THE TOO TALL CLUB SANDWICH & THE FIELD OF GREENS SALAD]





Growth

World-Class Infrastructure

We are a company obsessed with managing the basics, and we believe this is a formidable competitive advantage. To preserve and protect this advantage, the Company is investing carefully in infrastructure to assure balance between the implementation of a prudent growth plan by our development team and excellent restaurant performance through our outstanding operators. Indeed, the standard we seek to achieve is nothing less than "world-class".

On the development side, we have fine-tuned site identification and selection, streamlined opening teams and procedures, and strengthened area management to oversee our new market presence. On the operations side, we have expanded and enriched our training and human resources programs, initiated new menu development strategies and added support marketing functions. Additionally, we executed major accounting and information technologies systems upgrades in 2002.

In all areas, we are truly leveraging our support teams – both corporate and in the field – to assure that our culture produces excellent financial results and optimum guest satisfaction. We are confident that these investments in developing a world-class infrastructure and management team possess the flexibility and breadth to meet our high standards and pave the way for the BJ's experience to travel to new markets.



[BJ'S CLASSIC BURGER]



[BJ'S RESTAURANT & BREWERY, OXNARD, CALIFORNIA]



[BJ'S RESTAURANT & BREWHOUSE, CUPERTINO, CALIFORNIA]





C O R P O R A T E I N F O R M A T I O N

Board Of Directors

Paul A. Motenko

*Chairman of the Board,
Co-Chief Executive Officer,
Vice President and Secretary
Chicago Pizza & Brewery, Inc.*

Jeremiah J. Hennessy

*Co-Chief Executive Officer,
President
Chicago Pizza & Brewery, Inc.*

Shann M. Brassfield

*President
Golden Resorts, Inc.*

James A. Dal Pozzo

*President
The Jacmar Companies*

Steven C. Leonard

*Investment Advisor for
Pacifica Capital Investments, LLC*

John F. Grundhofer

Chairman Emeritus U.S. Bancorp

J. Roger King

*Retired; Former
Senior Vice President,
Human Resources
at PepsiCo, Inc.*

Louis M. Mucci

*Retired; Former Partner at
PricewaterhouseCoopers LLC*

Management

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Vice President and Secretary*

Jeremiah J. Hennessy

*Co-Chief Executive Officer,
President*

Michael A. Nahkunst

Chief Operating Officer

C. Douglas Mitchell

Chief Financial Officer

R. Dean Gerrie

Chief Brand Officer

Alexander M. Puchner

*Senior Vice President,
Brewing Operations*

Salvador A. Navarro

*Senior Vice President,
Food and Beverage*

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*Vice President,
Investor Relations*

Ramon A. David

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Robert B. DeLiema

*Vice President,
Marketing and Communications*

Robert P. Lombardo

*Vice President,
Development and Construction*

William Streitberger

*Vice President,
Human Resources*

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Common Stock

*The Company's common stock is
traded on the Nasdaq under the
symbol "CHGO".*

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(818) 502-1404*

Legal Counsel

*Jeffer, Mangels, Butler, &
Marmaro, LLP
Los Angeles, California*

Independent Accountants

*Ernst & Young LLP
Irvine, California*

Statements contained herein that are not historical facts are forward looking statements. Important factors which could cause the Company's actual results to differ materially from those projected in, or inferred by, forward looking statements are (but are not necessarily limited to) the following: (i) the Company's ability to manage growth and conversions, (ii) construction delays and other unforeseen events which increase the cost to develop and convert restaurants and/or delay the development and opening of new restaurants, (iii) marketing and other limitations as a result of the Company's historic concentration in Southern California and Oregon, (iv) the impact of increasing competition in the moderately priced, casual dining segment of the restaurant industry, as well as significantly increasing competition in the brewery industry, (v) impact of certain brewery business considerations, including without limitation, dependence upon suppliers and related hazards, (vi) increase in food costs, energy costs and wages, including without limitation the increase in minimum wage, (vii) changes in general economic conditions which impact consumer spending for restaurant occasions, (viii) consumer trends, (ix) potential uninsured losses and liabilities, (x) trademark and servicemark risks, and (xi) other general economic and regulatory conditions and requirements.



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