

THE CHEESECAKE FACTORY INCORPORATED

Compensation Committee Charter

(As adopted on March 16, 2004)

ARTICLE I

Formation

The Board of Directors of The Cheesecake Factory Incorporated, a Delaware corporation (the "Company") has established the Compensation Committee pursuant to Section 141(c) of the Delaware General Corporation Law and Article III, Section 15 of the Company's Bylaws.

ARTICLE II

Composition

1. *Number of Members.* The Compensation Committee (the "Committee") shall be comprised of not less than three (3) members of the Board of Directors of the Company. Subject to the foregoing, the exact number of members of the Compensation Committee shall be fixed and may be changed from time to time by resolution duly adopted by the Board of Directors.
2. *Appointment and Qualifications.* The Committee members will be appointed by the Board of Directors and may be removed by the Board in its discretion. Each member shall be "independent" as that term is defined in the listing standards of the Nasdaq Stock Market, Inc. in effect from time to time. In addition, each member of the Committee also shall satisfy all requirements necessary from time to time to be "non-employee directors" under Securities and Exchange Commission Rule 16b-3 and qualified "outside directors" under Section 162(m) of the Internal Revenue Code and related regulations, all as amended from time to time.

ARTICLE III

Purpose and Responsibilities

The purposes and responsibilities of the Compensation Committee include the following:

- Determine, or recommend to the Company's Board of Directors for determination, the compensation of the Company's Chief Executive Officer;
- Determine, or recommend to the Company's Board of Directors for determination, the compensation of all other named executive officers of the Company.
- Review and approve all employment, retention and/or severance agreements for named executive officers.
- Prepare, or cause to be prepared, and approve the disclosures required by the rules of the Securities and Exchange Commission to be included in the Company's proxy statement pursuant to Item 8 of Schedule 14A and Item 402(k) of Regulation S-K.
- Approve and administer (to the extent authorized by the Board of Directors or under the applicable plan) the Company's stock option plans.

- Subject to the terms and conditions of the Company's stock option plans, approve individual stock option grants; provided that such authority shall not be deemed to restrict the authority of the Board of Directors to authorize (subject to Section 157 of the Delaware General Corporation Law) one or more officers of the Company, or a committee of such officers, to do one or more of the following: (i) designate officers and other employees of the Company or of any of its subsidiaries to be recipients of options; or (ii) determine the number of such options to be received by such officers and employees.
- Make recommendations to the Board of Directors with respect to incentive-compensation plans and equity based plans.
- Review periodically and submit to the Board of Directors recommendations concerning existing or new executive compensation, employee benefits, stock plans or management prerequisites.
- Make regular reports to the Board of Directors and propose any necessary action to the Board.
- Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board of Directors for approval.
- Perform such other specific functions as the Company's Board of Directors may from time to time direct.

ARTICLE IV

Procedures

1. *Meetings.* The Compensation Committee shall meet at least once each year and shall keep regular minutes of its meetings. The Company's Chief Executive Officer shall not be present or voting during any deliberations with respect to his or her compensation.
2. *Chairperson.* The Committee's Chairperson shall be designated by the Board of Directors or, if it does not do so, the Committee members shall elect a Chairperson by a vote of a majority of the full Committee. The Chairperson of the Committee will preside at each meeting of the Committee and, in consultation with the other members of the Committee, shall set the frequency and length of each meeting and the agenda of items to be addressed at each meeting.
3. *Authority and Access.* The Committee is at all times authorized to have direct, independent access to the Company's other directors and management. The Committee shall have the power to hire independent legal, financial or other advisors, as they deem necessary, provided that the Committee's authority shall not be deemed to restrict management's authority to retain consultants or advisors as management shall deem necessary or appropriate. The Committee shall have the authority to delegate any of its responsibilities to subcommittees as the Committee may deem appropriate, provided the subcommittees are composed entirely of members of the Committee.