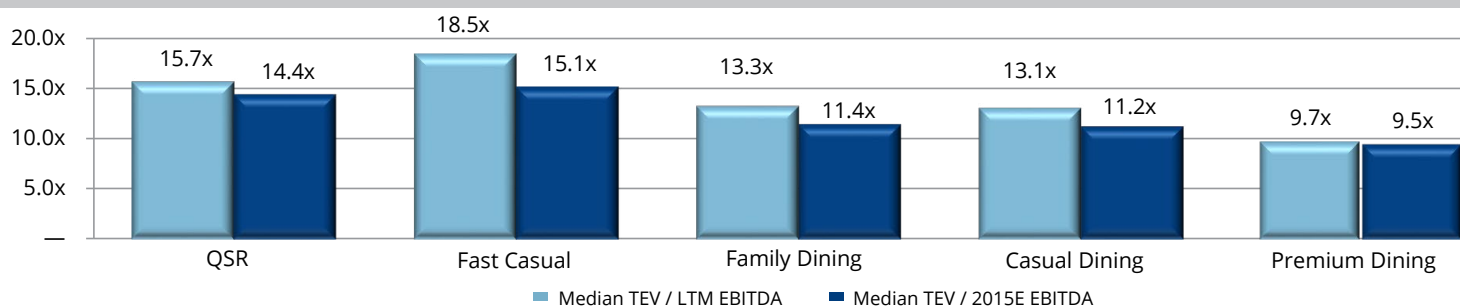




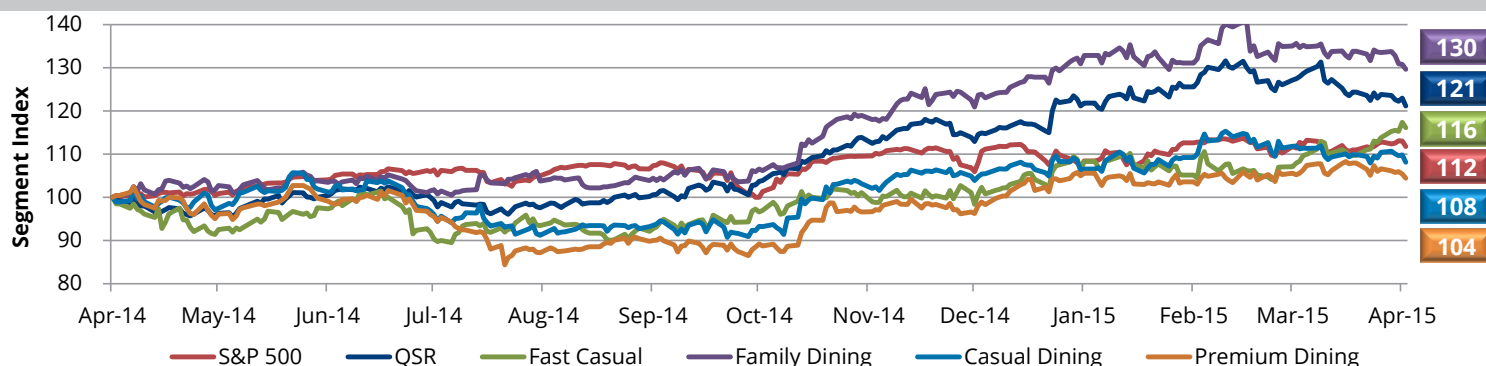
## Restaurant Industry Commentary

The restaurant industry continued its trend of positive momentum through March, generating positive same store sales of 0.8% for the month and 2.8% for the quarter, according to Blackbox Intelligence. Although comparable traffic for the quarter declined slightly (0.6%), operators are confident that spring—and a departure from the nasty weather that plagued the country in January and February—will flip this trend and serve as an additional tailwind to same store sales growth. Entropy is the major theme in QSR these days, particularly as the segment seeks to find its place against the rising tide of Fast Casual competitors. Long time king, McDonalds, will be detailing its turnaround plans in May after new CEO, Steve Easterbrook, shuttered 350 “heavy loss maker” stores in the first quarter. YUM! Brands is doubling down on KFC’s comeback, investing \$185 million in a deal to take control of the brand’s marketing from its franchisees. Burger King has also been on a tear—recently announcing its best same store sales results in seven years. M&A activity maintained a steady pace throughout March and into the first half of April. **Jamba Juice’s** divestiture of 100 units to existing franchisee, **Vitaligent, LLC**, marks the beginning of the company’s refranchising efforts. Public markets remain strong, as Quick Service biscuit concept **Bojangle’s** and Upscale-Casual Brazilian steakhouse **Fogo de Chao** both consider IPO’s.

## Current Restaurant Valuations by Price Point (TEV / EBITDA)



## Public Market Performance (Latest Twelve Months)



## Recent Restaurant M&A Activity

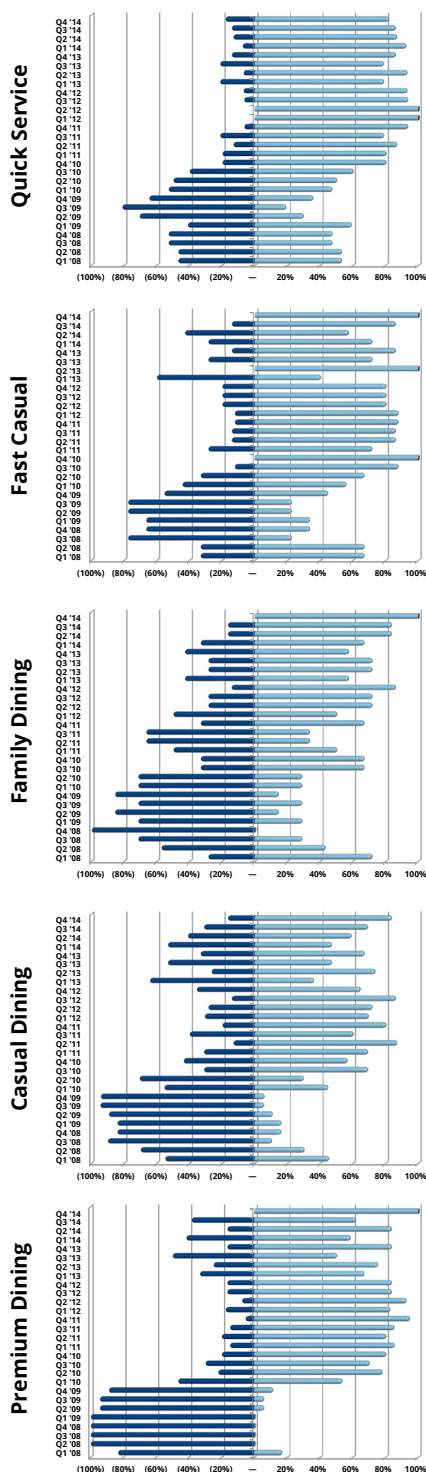
(\$ in millions)

Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
04/17/2015	Macaroni Grill	RedRock Partners	\$8.0	NA	/	NA	Casual
04/02/2015	Catalina Restaurant Group	Food Management Partners	NA	NA	/	NA	Casual
04/01/2015	100 Jamba Juice Store	Vitaligent, LLC	\$36.0	NA	/	NA	QSR
03/18/2015	BGR Holdings	Chanticleer Holdings (NasdaqCM:HOTR)	NA	NA	/	NA	Fast Casual
03/10/2015	Hamburger Mary's	Phoenix Investors	NA	NA	/	NA	Casual
03/12/2015A	Del Taco Holdings	Levy Acquisition Corp.	\$500.0	NA	/	NA	Casual
03/12/2015A	26 Denny's Restaurants	RJC, LLC	NA	NA	/	NA	Family
03/12/2015	23 Jamba Juice Stores	Jamba, Inc. (NasdaqGM:J MBA)	NA	NA	/	NA	QSR
03/11/2015	KBP	Boathouse, Victory Park, OFS	NA	NA	/	NA	QSR
03/06/2015	T-Bird Restaurant Group	H.I.G. Capital	NA	NA	/	NA	Casual
02/13/2015	Cotton Patch Cafe	Altamont Capital Partners	NA	NA	/	NA	Fast Casual
02/06/2015	5 Wendy's Restaurants in New Jersey	The Briad Group	NA	NA	/	NA	QSR

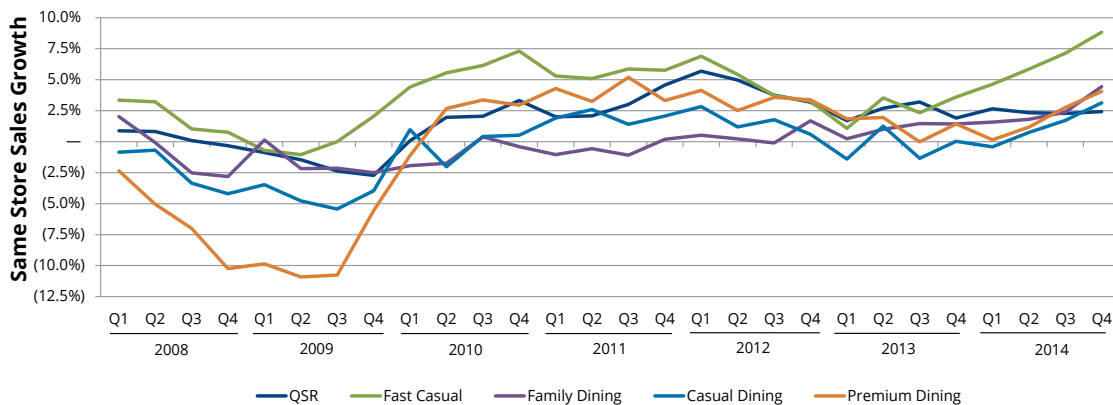
Indices consist of all publicly-available information for restaurant operators in their respective price points. For full listing, please contact the TM Capital Restaurant Practice.

## Quarterly Gainers & Losers by Price Point

### Decliners / Gainers



## Same Store Sales by Price Point



## Recent TM Capital Restaurant Experience

**Burger King** Oldco  
a portfolio company of  
**PNC RIVERARCH CAPITAL**  
has sold a portfolio of restaurants to  
**Burger Gulf Coast, LLC**

**Burger King** Oldco  
a portfolio company of  
**PNC RIVERARCH CAPITAL**  
has acquired  
**FAST FOOD ENTERPRISES #2, LLP**  
A FRANCHISE OF THE BURGER KING CORPORATION

**PNC RIVERARCH CAPITAL**  
has acquired  
**Burger King** Oldco  
a portfolio company of  
**EQUICORP Partners**

**Smith & Wollensky**  
has been acquired by  
**BUNKER HILL CAPITAL**  
and  
**PATINA RESTAURANT GROUP**

**BACK BAY RESTAURANT GROUP**  
has sold  
**Atlantic Fish**, **Joe's**, **Al's**, **Coach Grill**  
to  
**TAVISTOCK GROUP**

**BACK BAY RESTAURANT GROUP**  
has sold  
**PAPA RAZZI TRATTORIA-BAR**  
to  
**NHC**

**Arby's**  
a subsidiary of  
**TRIARC**  
has acquired  
**RTM RESTAURANT GROUP**

**BENIHANA THE JAPANESE STEAKHOUSE**  
has paid a 50% common stock dividend

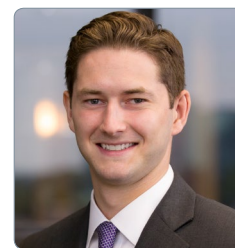
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## About TM Capital

TM Capital Corp. is a partner-owned investment banking firm based in New York, Boston and Atlanta, which has completed over 250 transactions with a combined value in excess of \$16 billion. Since 1989, we have advised clients navigating a full range of critical transactions, including complex mergers, acquisitions, debt and equity financings, minority and majority recapitalizations, restructurings, and advisory services including takeover defense, fairness and solvency opinions, valuations, as well as litigation support. We have built deep industry expertise in key sectors and our team regularly publishes research highlighting current and emerging trends in targeted industries and markets. TM Capital is a member firm of M&A International Inc., the world's leading alliance of mid-market investment banks with over 600 M&A professionals in 42 countries. For more information, visit [www.tmcapital.com](http://www.tmcapital.com).

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