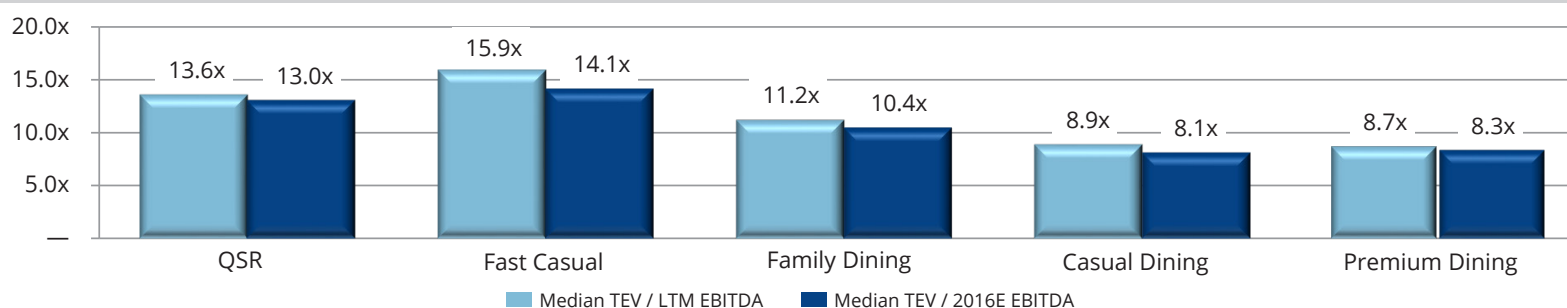




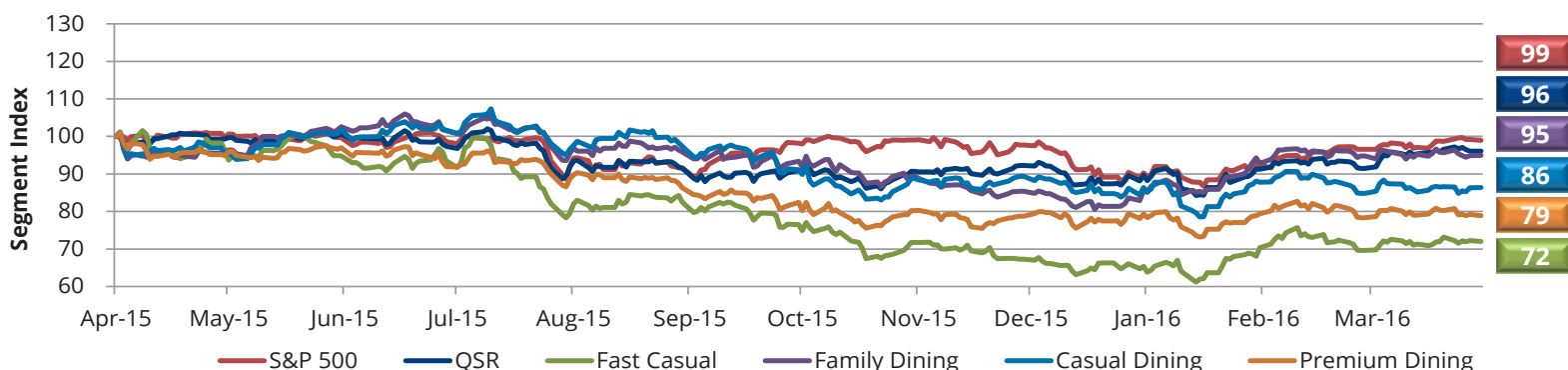
## Restaurant Industry Commentary

The end of March was unkind to the restaurant industry as same store sales fell 0.7% and comparable foot traffic continued to decline by 2.7%. March represented the second worst month for chain restaurants since February 2014, resulting in the first quarter of negative growth in two years. **Chipotle Mexican Grill, Inc. (NYSE:CMG)** continued to lead the pack on the downside, reporting its first quarterly loss as a public company following multiple months of stunning same store sales declines. All of these headwinds continue to be priced into the public markets with every segment index trading below the S&P 500. Potentially foreshadowing some optimism, Human Capital Intelligence reported eight consecutive months of industry job growth, averaging 4.2%. M&A activity in April was resilient as **Z Capital Management** acquired **Pink Taco**; **Growler USA** acquired **Smiling Moose Rocky Mountain Deli**; and **Covelli Enterprises, Inc.** acquired **21 Panera Bread** cafes. Additionally, **Brentwood Associates** made a meaningful investment in polished-casual seafood chain, **Pacific Catch**, with plans to significantly grow the brand along the West Coast. With spring weather and market optimism on the horizon, we'll be interested to see how consumers respond with their wallets.

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



## Public Market Performance (Latest Twelve Months)

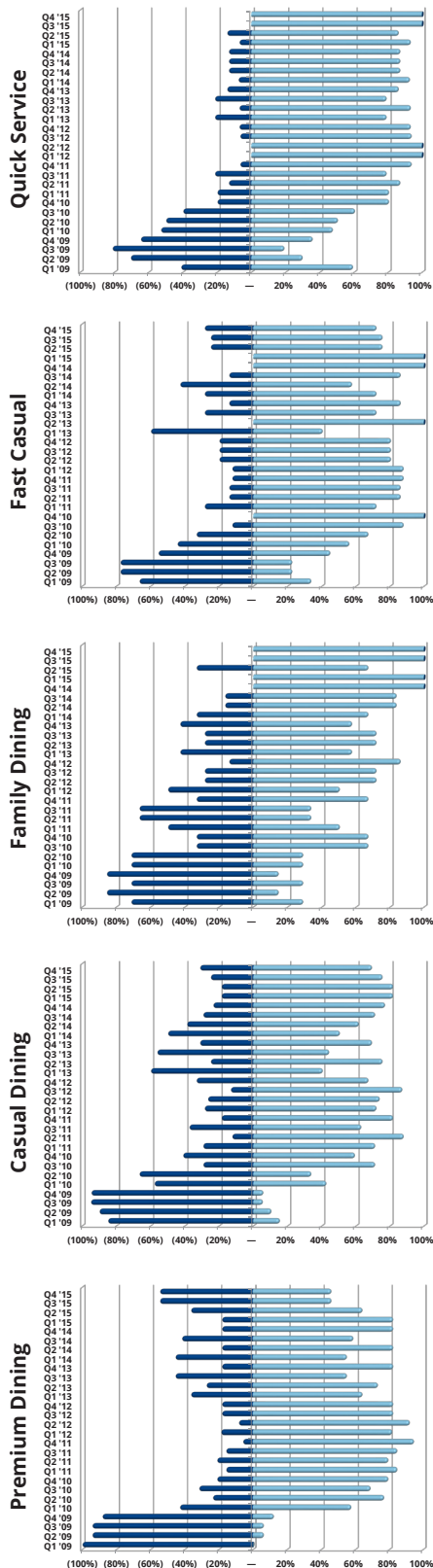


## Recent Restaurant M&A Activity

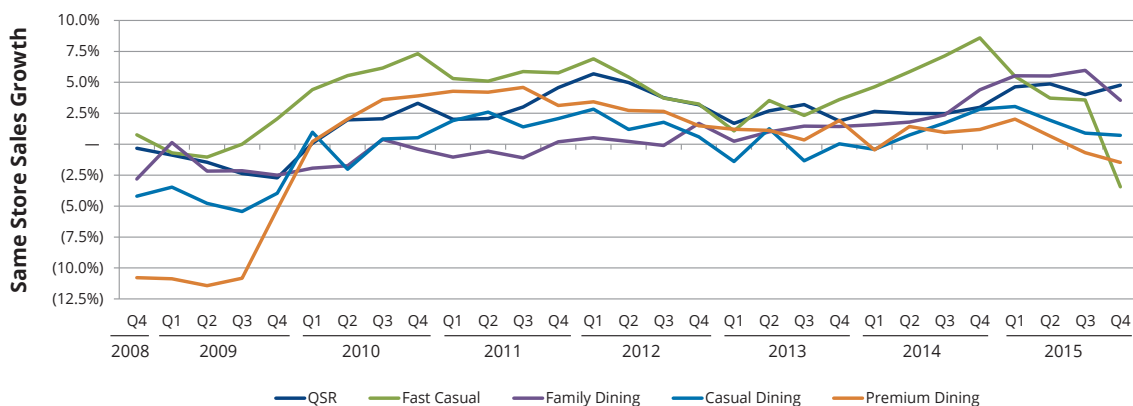
Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
04/21/2016A	30 Wendy's Restaurants In St. Louis	Confidential Buyer	NA	NA	/	NA	QSR
04/20/2016	Pinnacle Restaurant Group, Inc.	Growler USA	NA	NA	/	NA	Casual
04/14/2016	21 Panera Bread bakery-cafes	Covelli Enterprises, Inc.	NA	NA	/	NA	Fast Casual
04/11/2016A	Pink Taco LLC	Z Capital Management LLC	NA	NA	/	NA	Premium
04/07/2016	Four Dunkin' Donuts Restaurants	Hyde Park Ventures, LLC	NA	NA	/	NA	QSR
04/07/2016	R & L Enterprises, LLC; 19 Papa John's Pizza Franchises	Confidential Buyer	NA	NA	/	NA	QSR
04/07/2016	NCounter	Pacific Restaurant Partners, Co., Ltd.	NA	NA	/	NA	Casual
03/31/2016A	Groupe St-Hubert Inc.	Cara Operations Limited (TSX:CAO)	\$537.0	NA	/	NA	QSR
03/21/2016	13 Red Robin Franchised Restaurants in Texas	Red Robin Gourmet Burgers Inc. (NasdaqGS:RRGB)	NA	NA	/	NA	QSR
03/21/2016	Smith & Wollensky Restaurant Group, Inc.	Danu Investment Partners Limited	NA	NA	/	NA	Premium

## Quarterly Gainers & Losers by Price Point


### Decliners / Gainers



## Same Store Sales by Price Point





## Selected TM Capital Restaurant Experience

  
**STARBUCKS®**  
has sold the exclusive rights to operate  
**Starbucks Puerto Rico**  
to  
**Baristas Del Caribe, LLC**  
an affiliate of  
**Empresas Fonalledas Inc.**

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

  
**Goldco**  
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  
  
**Goldco**  
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  
  
  
  
  
to  
**TAVISTOCK GROUP**

  
**BACK BAY RESTAURANT GROUP**  
has sold  
  
**PAPA JOHN'S TRATTORIA BAR**  
to  
  
**NHC**

  
a subsidiary of  
**TRIARC**  
has acquired  
  
**RTM RESTAURANT GROUP**

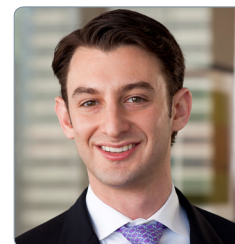
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