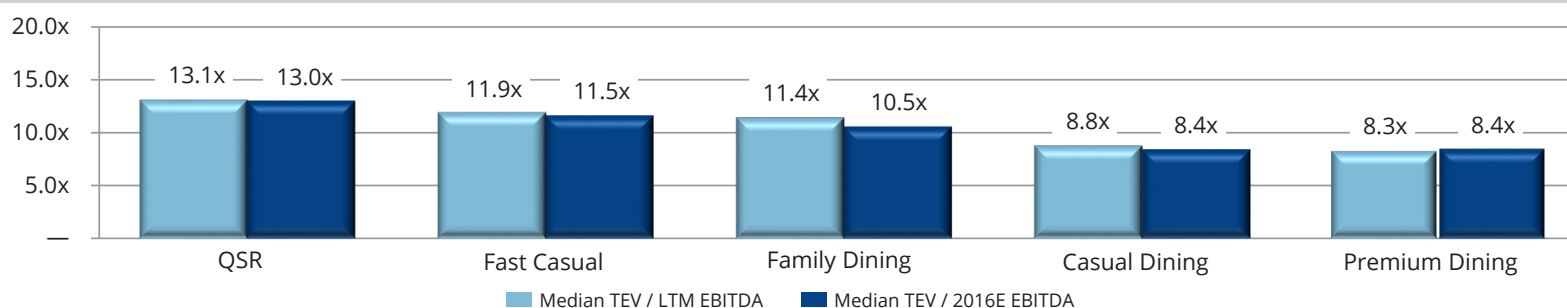




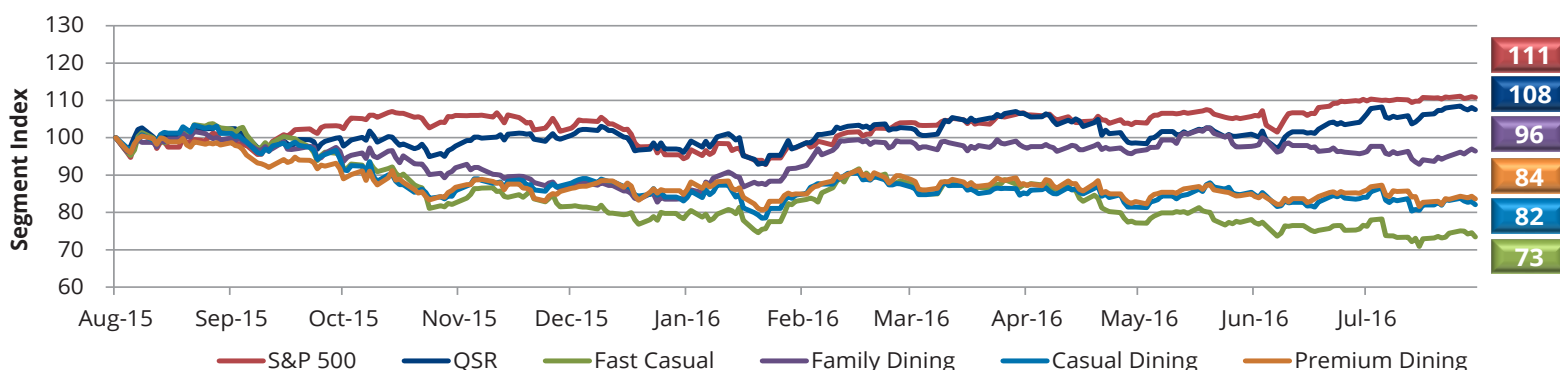
## Restaurant Industry Commentary

TM Capital's restaurant indices all traded below the S&P 500 over the last 30 days, predominantly driven by the continued downward slide in same-store sales and same-store traffic of 1.4% and 3.9%, respectively. We believe that consumer behavior is being impacted by the continued decline in grocery prices as well as typical election year uncertainty. While certain macroeconomic trends present challenges for the industry, low energy prices, strong consumer spending and a healthy labor market continue to propel differentiated restaurant concepts forward like **Dave & Buster's Entertainment, Inc. (NasdaqGS:PLAY)**, **Wingstop Inc. (NasdaqGS:WING)** and **Chuy's Holdings, Inc. (NasdaqGS:CHUY)**. Within the M&A world, **Real Mex Restaurants Inc.** announced the ambitious goal of doubling its portfolio via acquisition over the next year. Additionally, **Hargett Hunter Capital Partners** acquired a majority stake in **The Original ChopShop Co.**, an Arizona-based concept focused on fresh healthy food, juices and protein shakes.

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



## Public Market Performance (Latest Twelve Months)

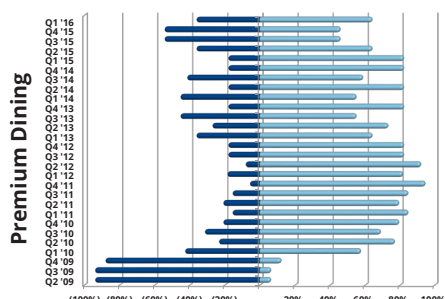
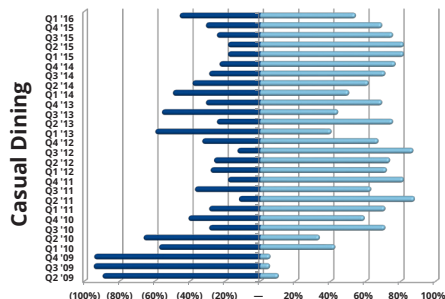
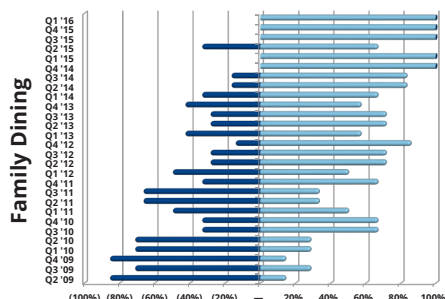
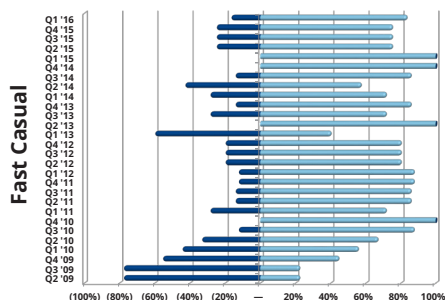
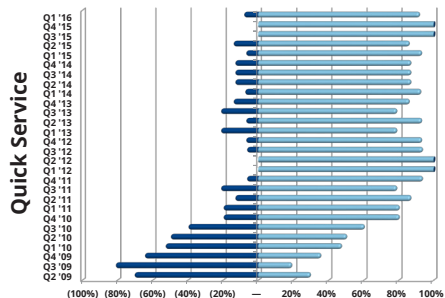


## Recent Restaurant M&A Activity

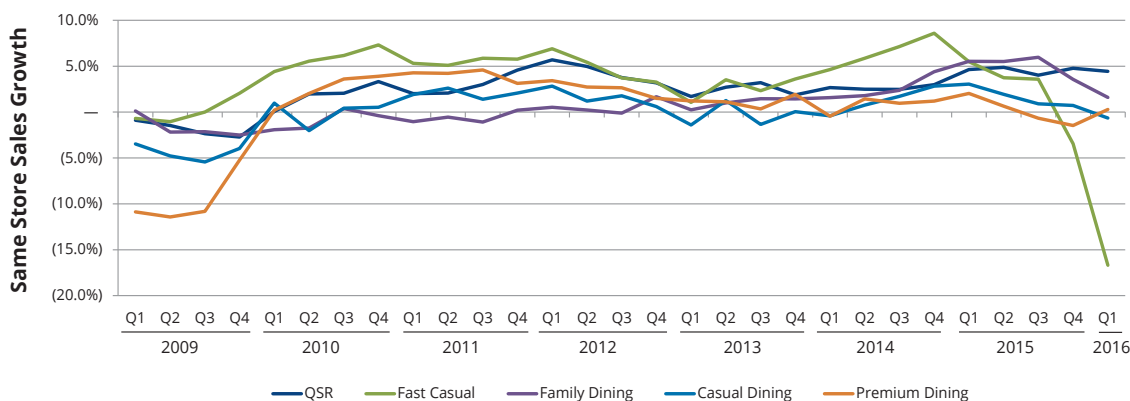
Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
07/25/2016	Original ChopShop Co.	Hargett Hunter Capital Partners	NA	NA	/	NA	Fast Casual
07/15/2016	4 Burger King Restaurants in Detroit	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	NA	NA	/	NA	QSR
07/11/2016A	Bloomin' Brands' Korea Business	Confidential Buyer	\$49.4	NA	/	NA	Casual
07/01/2016	Keenwawa, Inc.	Valor Equity Partners	NA	NA	/	NA	Fast Casual
6/29/2016A	39 Wendy's Restaurants in North Carolina	NPC Quality Burgers, Inc.	\$36.6	NA	/	NA	QSR
06/27/2016	19 Arby's Locations in Knoxville	Arby's Restaurant Group, Inc.	NA	NA	/	NA	QSR
06/23/2016A	Project Pie, LLC	Pieology Pizzeria	NA	NA	/	NA	Fast Casual
06/20/2016	Friendly's Ice Cream, LLC	Dean Foods Company (NYSE:DF)	\$155.0	NA	/	NA	Casual
06/16/2016	El Pollo Loco Holdings, Inc., Tucson Locations	PLM Restaurants L.C.	NA	NA	/	NA	QSR
06/08/2016A	18 Wendy's Restaurants in Oklahoma	Meritage Hospitality Group Inc. (OTCPK:MHGU)	NA	NA	/	NA	QSR

## 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.**

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

**BURGER KING Coldco**  
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 Coldco**  
a portfolio company of  
**EQUICORP Partners**

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

**BACK BAY RESTAURANT GROUP**  
has sold  
**Atlantic Fish MARKET, American Express, Al's Louie's, and Coach Grill**  
to  
**TAVISTOCK GROUP**

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

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

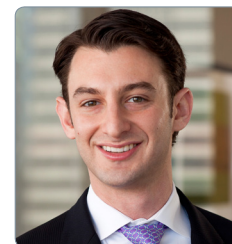
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