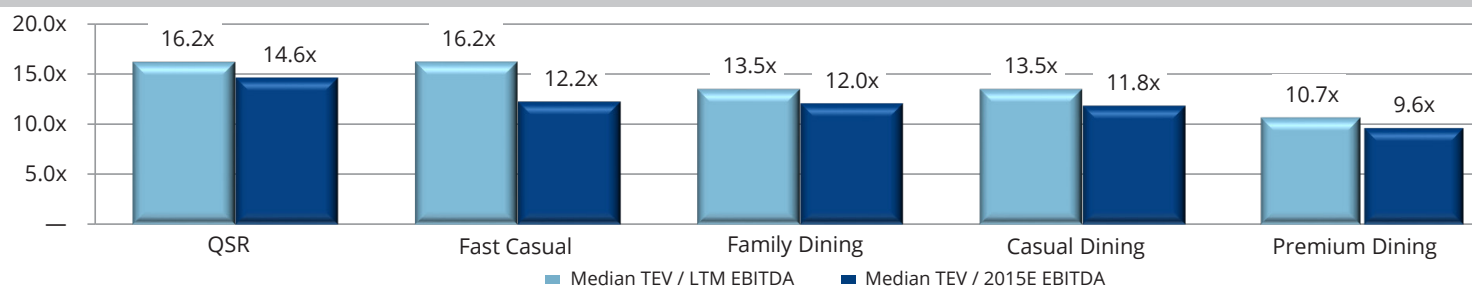




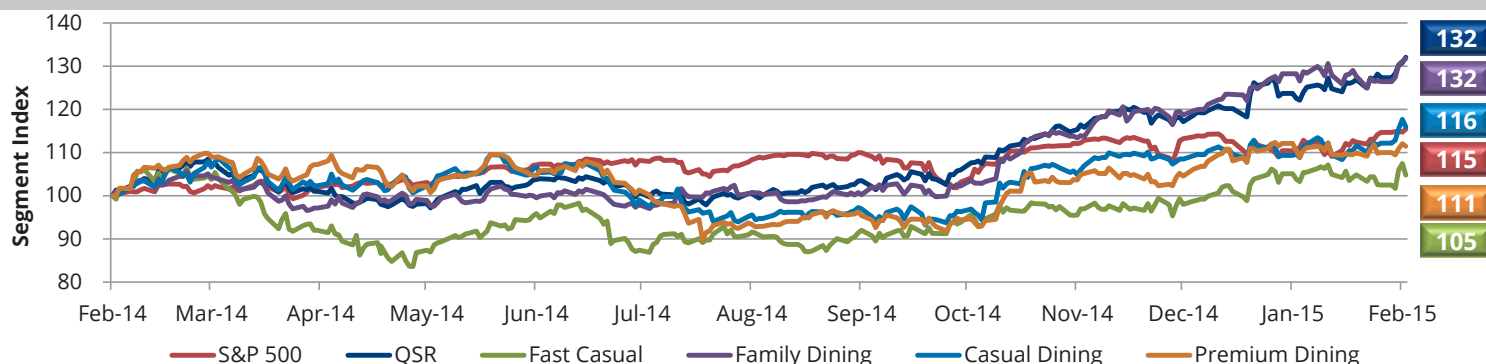
## Restaurant Industry Commentary

In January, the restaurant industry generated its best comparable sales performance in over six years, with same-store sales and comparable traffic increases of 6.1% and 2.4%, respectively, according to Blackbox Intelligence. In fact, every industry subsector in the TM Capital Same Store Sales Index demonstrated positive—and improving—comparable performance for the fourth calendar quarter of 2014. While continued sales upticks can be attributed largely to improving consumer sentiment and a mild winter relative to 2013, the industry's continued success in implementing loyalty programs, enhancing store level technology, and expanding menu offerings have no doubt affected performance. While no headline transactions hit the press in January, the M&A landscape displayed a continuation of recent trends. **Wendy's** announced plans to rebrand an additional 500 restaurants and **Altamont Capital** purchased **Cotton Patch Café**, a high-growth, 45-unit Texas-based restaurant chain. The publicly traded universe of restaurant companies continues to trade at peak valuations, led by value-oriented, limited service and lower price point segments.

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



### Public Market Performance (Latest Twelve Months)



### Recent Restaurant M&A Activity

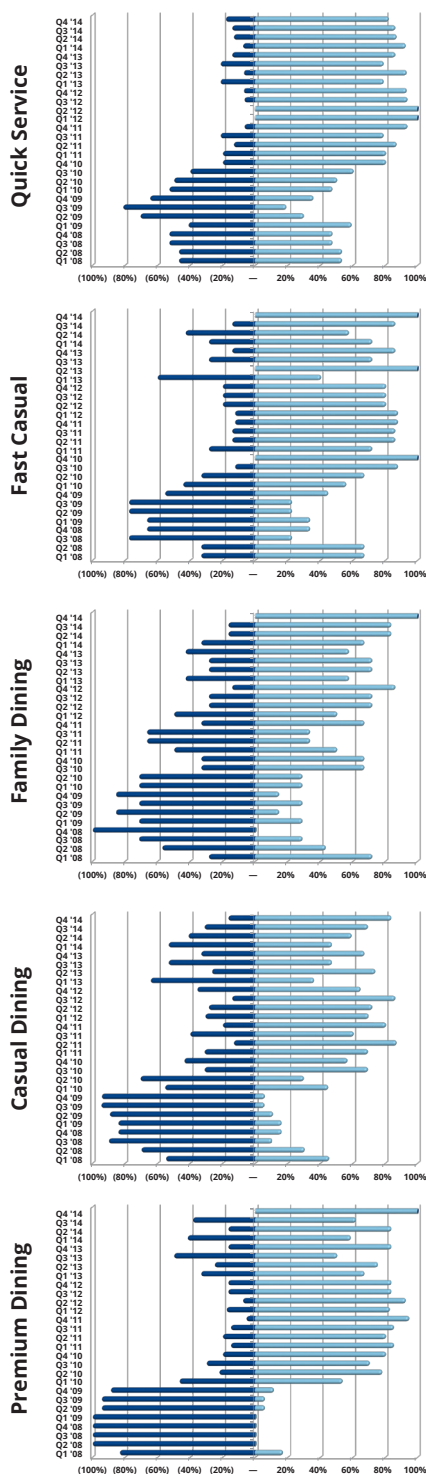
(\$ in millions)

Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
02/18/2015A	BGR Holdings	Chanticleer Holdings (NasdaqCM:HOTR)	NA	NA	/	NA	Fast 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
02/02/2015A	45 Domino's Restaurants in Indiana	RPM Pizza	NA	NA	/	NA	QSR
01/21/2015	Mitchell's Fish Market	Landry's Inc.	\$10.0	NA	/	NA	Premium
01/12/2015	The Wendy's Company, 9 Wendy's Locations	Meritage Hospitality Group	NA	NA	/	NA	QSR
12/15/2014	Tim Hortons Inc. (TSX:THI)	Burger King Worldwide, Inc. (NYSE:BKW)	\$12,046.0	\$692.3	/	17.4x	QSR
11/04/2014	Einstein Noah Restaurant Group	JAB Holding; BDT Capital	\$365.0	\$35.44	/	10.3x	Fast Casual
10/31/2014	25 TGI Friday Restaurants in Texas and Colorado	MarLu LC, Inc.	NA	NA	/	NA	Casual
10/16/2014	Peter Piper, Inc.	CEC Entertainment	NA	NA	/	NA	Family
10/08/2014	30 Burger King Restaurants in North Carolina	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	NA	NA	/	NA	QSR
09/18/2014	39 Burger King Restaurants in Ohio	GPS Hospitality	NA	NA	/	NA	QSR

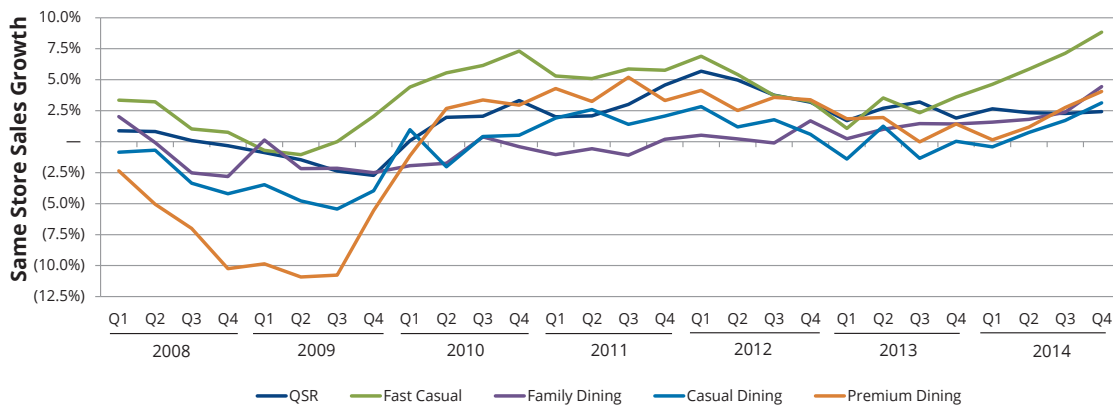
Indices consist of all publicly-available information for restaurant operators in their respective price points. For full listing, please contact the TM Capital Restaurant Practice.

## Quarterly Gainers & Losers by Price Point

### Decliners / Gainers



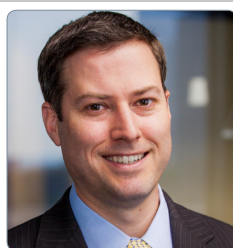
## Same Store Sales by Price Point



## Recent TM Capital Restaurant Experience

 a portfolio company of  has sold a portfolio of restaurants to <b>Burger Gulf Coast, LLC</b>	 a portfolio company of  has acquired  <b>FAST FOOD ENTERPRISES #2, LLC</b> <small>A FRANCHISE OF THE BURGER KING CORPORATION</small>	 has acquired  a portfolio company of <b>EQUICORP Partners</b>	 has been acquired by <b>BUNKER HILL CAPITAL</b> and 
 has sold  to <b>TAVISTOCK GROUP</b>	 has sold <b>PAPA RAZZI TRATTORIA BAR</b> to 	 a subsidiary of <b>TRIARC</b> has acquired <b>RTM RESTAURANT GROUP</b>	 has paid a 50% common stock dividend

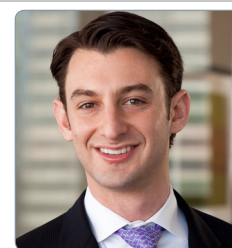
## TM Capital's Restaurant Practice



**Michael P. Locker**  
*Managing Director*  
 mlocker@tmcapital.com  
 404-995-6252



**James S. Grien**  
*President and CEO*  
 jgrien@tmcapital.com  
 404-995-6235



**Philip S. Krieger**  
*Vice President*  
 pkrieger@tmcapital.com  
 404-995-6242

## 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).

**New York**  
 641 Lexington Avenue  
 30th Floor  
 New York, NY 10022  
 Tel: 212.809.1360

**Boston**  
 200 Clarendon Street  
 25th Floor  
 Boston, MA 02116  
 Tel: 617.259.2200

**Atlanta**  
 15 Piedmont Center NE  
 Suite 1010  
 Atlanta, GA 30305  
 Tel: 404.995.6230



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[www.tmcapital.com](http://www.tmcapital.com)