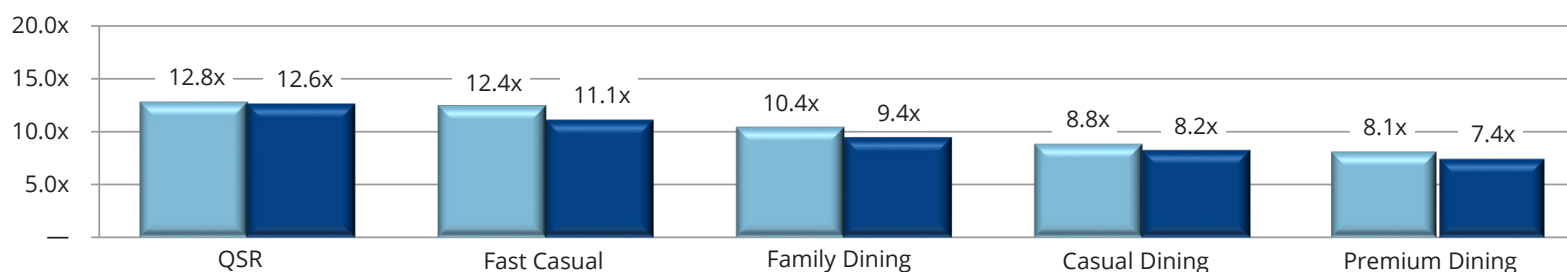




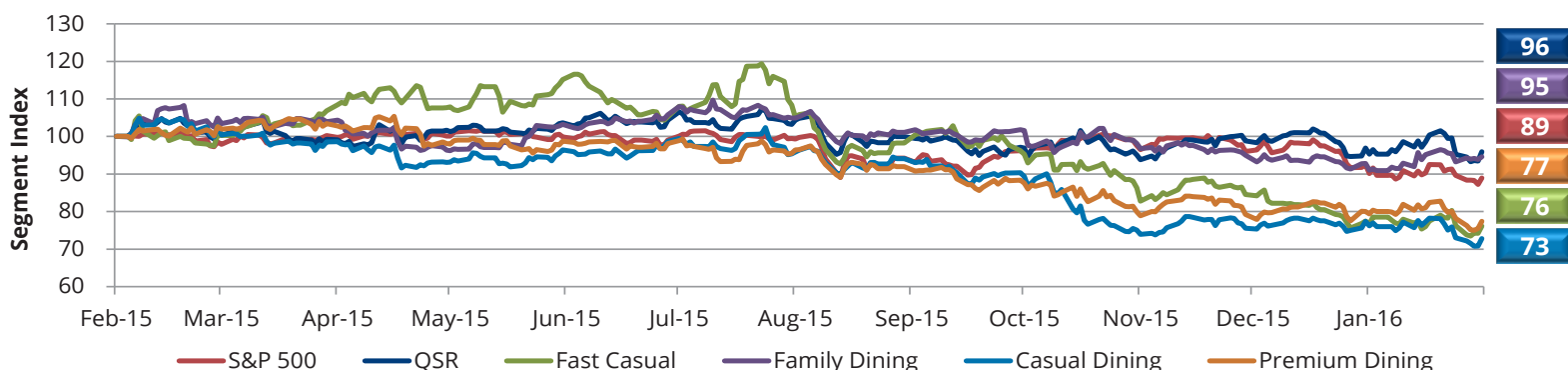
## Restaurant Industry Commentary

The year began with brutal January weather throughout much of the country—driving an industry-wide same store sales decline of 0.8%. Continuing its recent trend, foot traffic also declined 3.2%, counterbalanced by rising average checks. No doubt that Chipotle's woes also weighed heavily on the industry, reporting a 36% decline in same store sales in January! Despite this—and in the face of significant volatility in the public markets to kick off the year—every restaurant segment outperformed the S&P 500 over the past month. Additionally, M&A activity chugged along, led by **Sun Capital Partners, Inc.**'s acquisition of **HuHot Mongolian Grills, LLC**; **Cambridge Franchise Holdings, LLC**'s acquisition of 42 **Burger King Restaurants**; and **Bloomin' Brands, Inc. (NasdaqGS:BLMN)** divestiture of **Roy's Restaurants** to **SSCP Management, Inc.** We'll be very interested to watch how industry players react to Chipotle's ongoing health safety issues over the next year. While we expect many to beef up their health safety efforts in response, we wouldn't be at all surprised to see a few take shots at grabbing share via aggressive marketing campaigns.

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



## Public Market Performance (Latest Twelve Months)

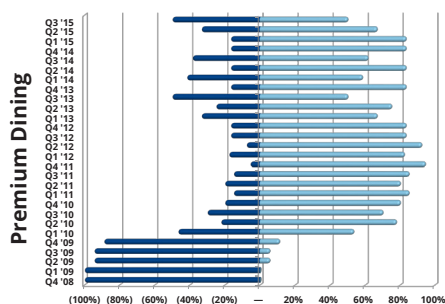
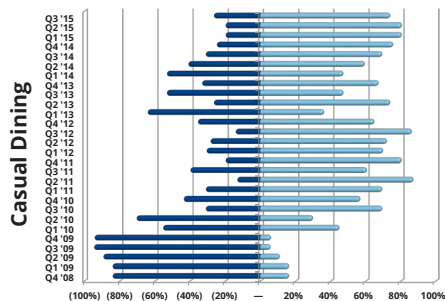
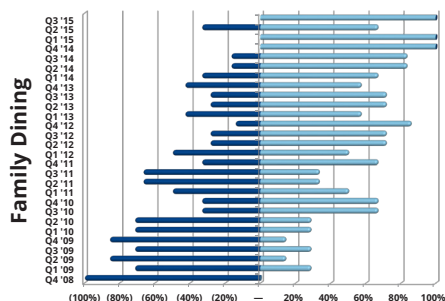
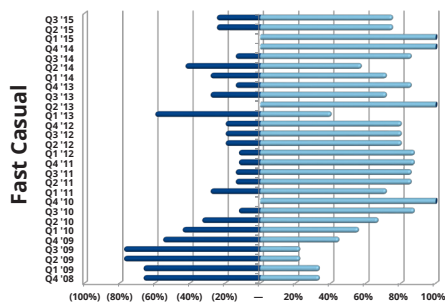
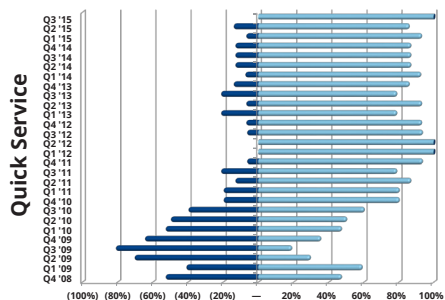


## Recent Restaurant M&A Activity

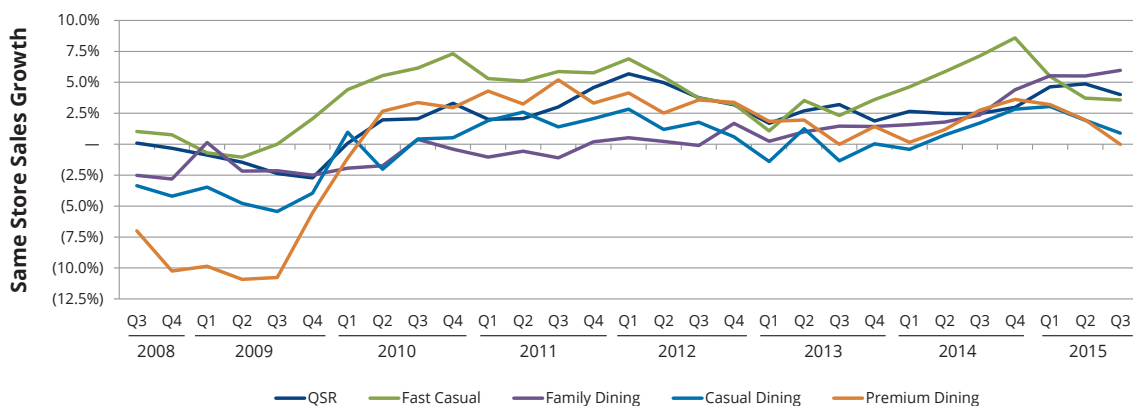
Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
02/10/2016	10 Central Ohio Restaurants	Long John Silver's, LLC	NA	NA	/	NA	QSR
02/01/2016	HuHot Mongolian Grills, LLC	Sun Capital Partners, Inc.	NA	NA	/	NA	Casual
02/01/2016	Mulligans Beach House Bar & Grill	JPB Capital Partners	NA	NA	/	NA	Casual
01/26/2016	Roy's Restaurants (Bloomin' Brands, Inc. (NasdaqGS:BLMN))	SSCP Management, Inc.	\$10.0	NA	/	NA	Premium
1/25/2016A	McDonald's System of Romania, Inc.	Premier Capital S.r.l.	\$65.3	NA	/	NA	QSR
01/11/2016	42 Burger King Restaurants and 5 All-in-One Convenience Stores	Cambridge Franchise Holdings, LLC	NA	NA	/	NA	QSR
01/06/2016	Sincerely Yogurt, Inc.	Ablak Holdings, LLC	NA	NA	/	NA	QSR
12/18/2015	Pool of Restaurants	Golden Gate Capital	\$210.0	NA	/	NA	NA
12/15/2015A	Togo's Franchised Eateries, LLC	Nimes Capital, LLC	NA	NA	/	NA	QSR
12/14/2015	Pinkberry, Inc.	Kahala Brands, Ltd.	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 BURGERS**  
**Al's Louie's**  
**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**

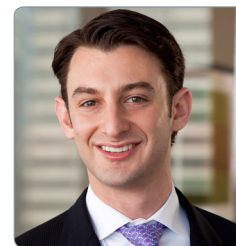
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