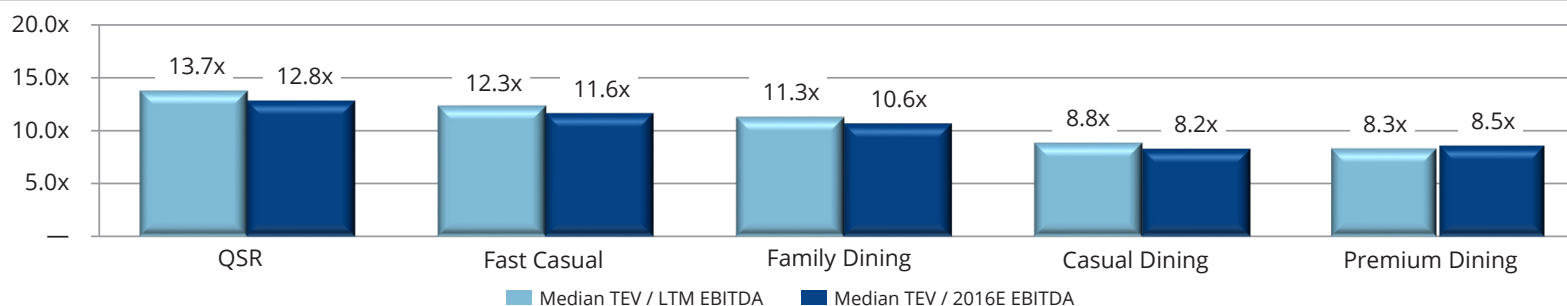




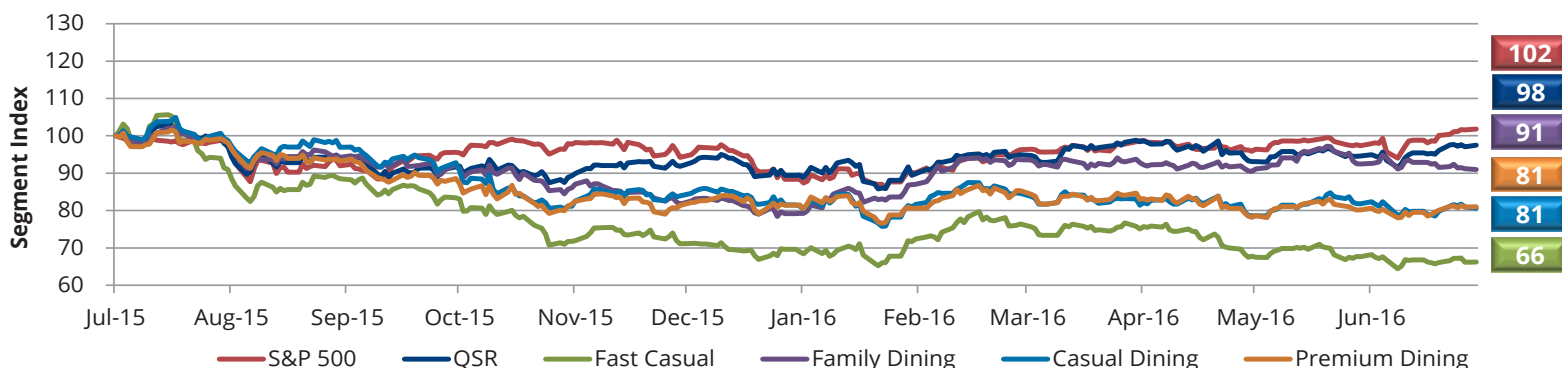
Restaurant Industry Commentary

TM Capital's restaurant indices traded below the S&P 500 over the last 30 days, with Casual Dining trailing by 8% and Family Dining trailing by over 10%, driven much by June declines in same-store sales and same-store traffic of 1.1% and 3.5%, respectively. The decline in the Casual Dining segment was further exemplified by **Fired Up Inc.**, operator of the casual dining chain Johnny Carino's, filing for its second bankruptcy in three years. Despite these perceived headwinds, higher than expected job-creation figures and increased consumer spending continue to propel a subset of industry players forward. While some concepts are beginning to reach the end of the price elasticity rope, affecting their same store sales performance, certain more experiential concepts—like **Chuy's Holdings, Inc.**—are continuing to thrive. We think that particularly with grocery prices trending down, altering the "cook vs. eat out" equation, concepts that offer unique experiences (i.e. those for which grocery purchases aren't a substitute) are well positioned to buck the trend and grab share from their more commoditized competitors.

Current Restaurant Valuations by Price Point (TEV / EBITDA)



Public Market Performance (Latest Twelve Months)

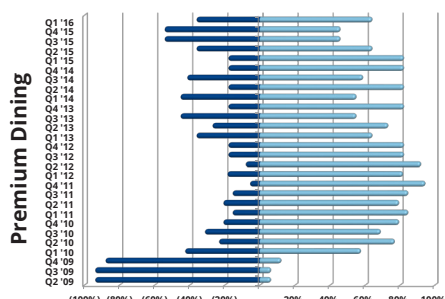
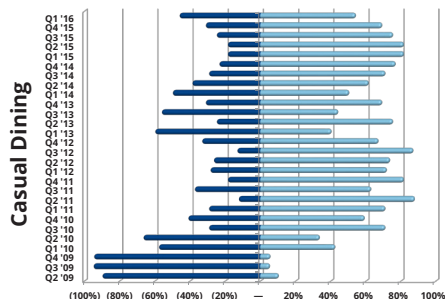
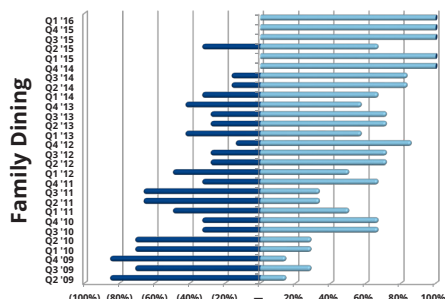
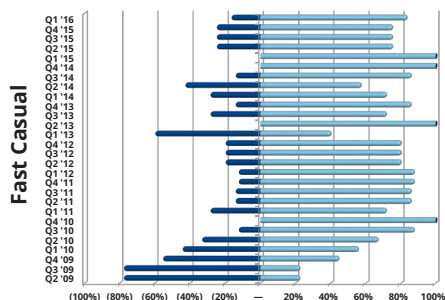
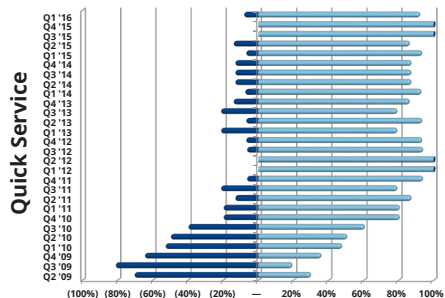


Recent Restaurant M&A Activity

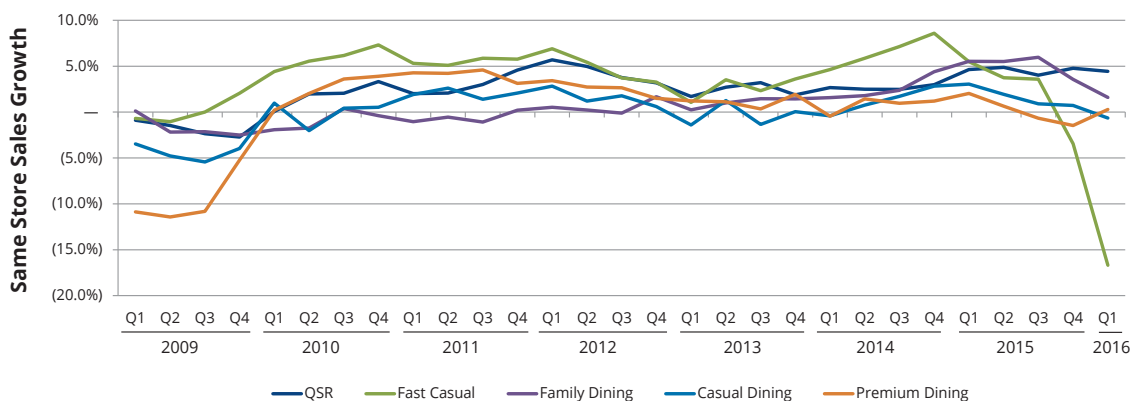
Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
07/19/2016	6 Pizza Hut Restaurants in Illinois and Indiana	Four Corners Property Trust, Inc. (NYSE:FCPT)	\$5.7	NA	/	NA	QSR
07/15/2016	4 Burger King Restaurants in Detroit	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	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

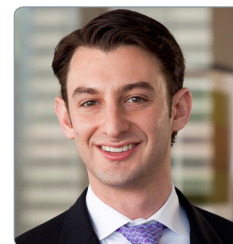
TM Capital's Restaurant Contacts



James S. Grien
Managing Director
jgrien@tmcapital.com
404-995-6235



Craig M. Gibson
Managing Director
cgibson@tmcapital.com
617-259-2204



Philip S. Krieger
Principal
pkrieger@tmcapital.com
404-995-6242

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

Boston
201 Washington Street
32nd Floor
Boston, MA 02108
Tel: 617.259.2200

Atlanta
3575 Piedmont Road NE
Suite 1010
Atlanta, GA 30305
Tel: 404.995.6230

TM capital
An M&A International Inc. firm **M&A**
www.tmcapital.com