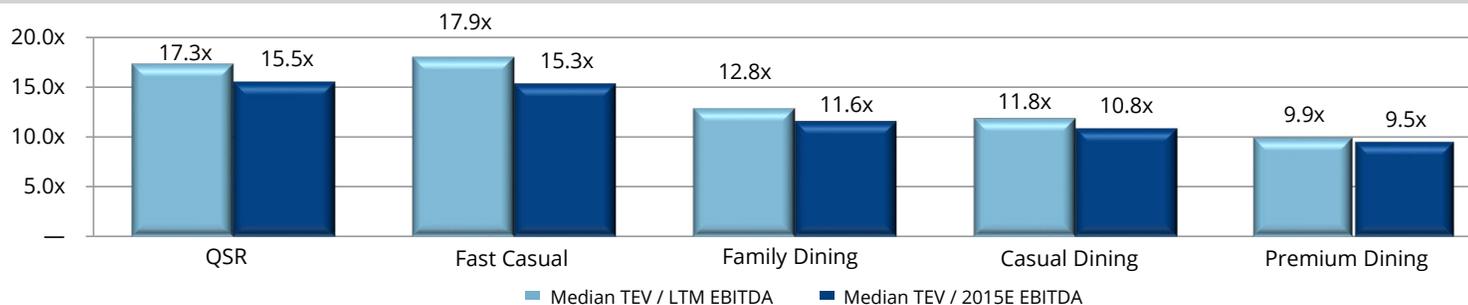




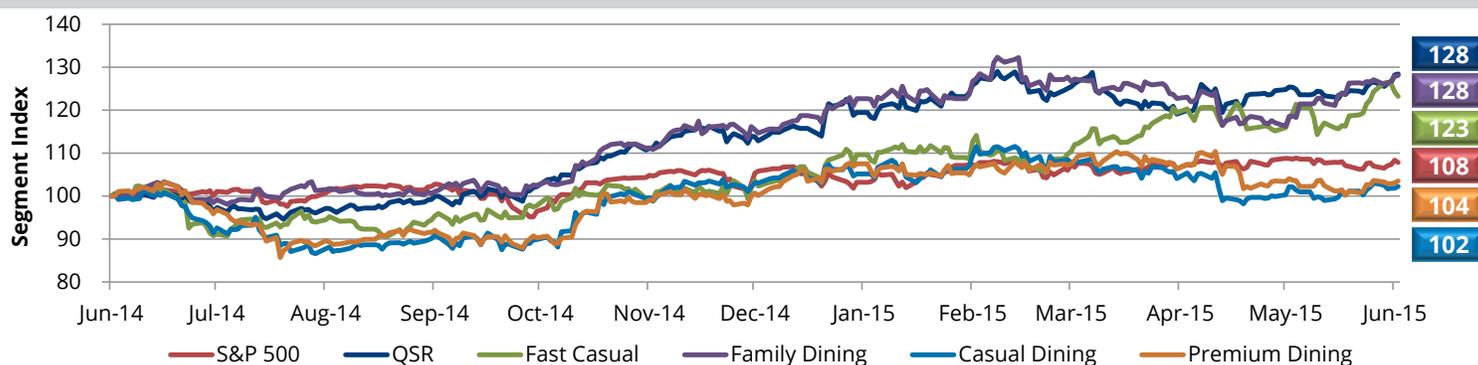
## Restaurant Industry Commentary

The restaurant industry maintained its positive comps in May, with Blackbox Intelligence reporting same store sales growth of 1.1% despite a comparable traffic decline of 2.3%. While operators are pleased with the positive sales momentum, modest traffic declines leave them scratching their heads as the icy winter moves further into the rear view mirror. Chains are combating this decline by aggressively engaging the consumer through mobile ordering, delivery, and radical improvements in store-level technology—which will become increasingly important as the rising tide of wage hikes continues to swell. May and June have been quiet from an M&A perspective, with **NRD Capital Management's** acquisition of **Frisch's Restaurants (AMEX:FRS)** and **Centre Lane Partners'** acquisition of **Saladworks** representing the period's most notable transactions. The public markets continue to display strength, with the QSR and Fast Casual spaces remaining atop the valuation spectrum. Capitalizing on the hot market in May and June, IPOs by **Bojangle's**, **Wingstop**, and **Fogo de Chao** have given investors a fresh plate of properties to chew on.

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



### Public Market Performance (Latest Twelve Months)



### Recent Restaurant M&A Activity

(\$ in millions)

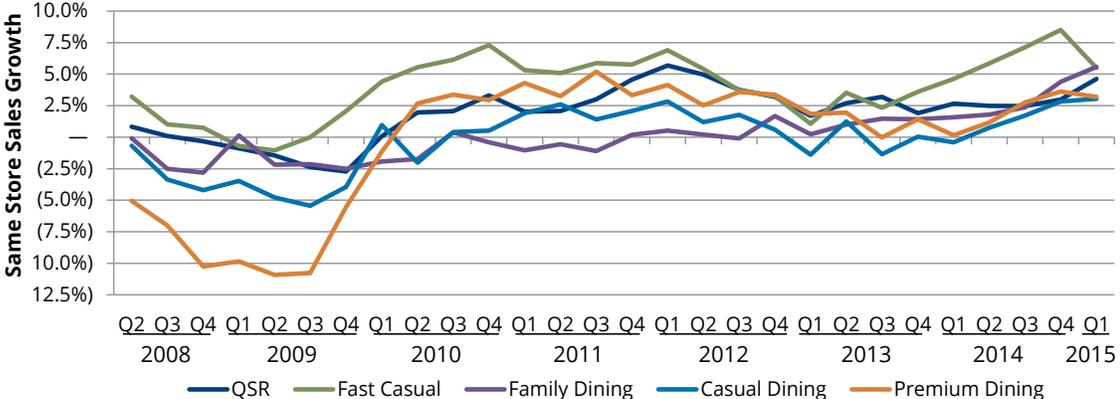
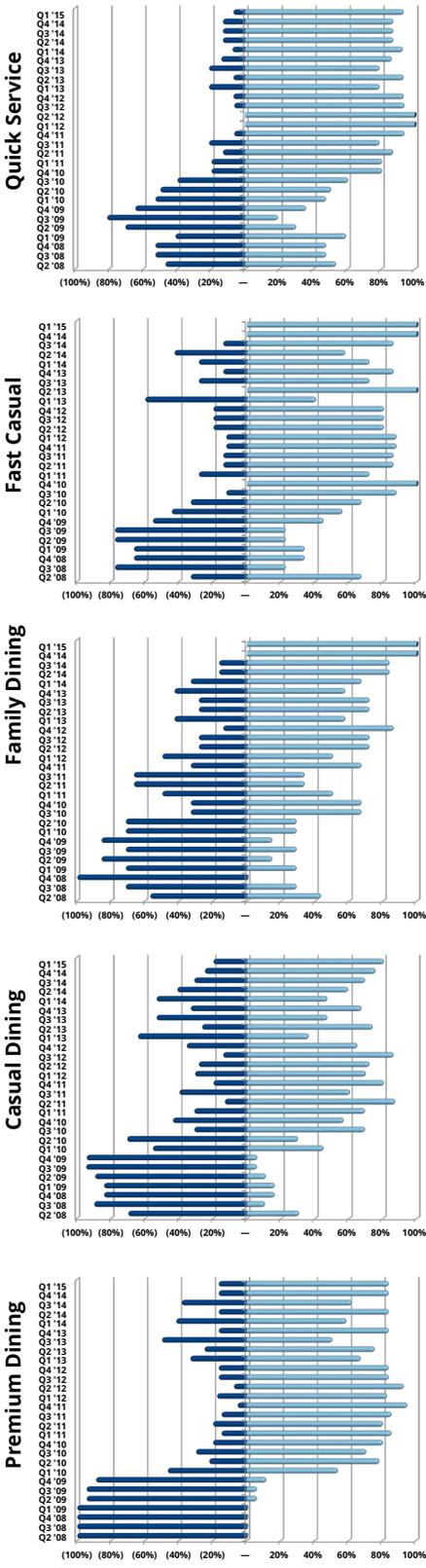
Closed / Announced	Target	Acquirer	Enterprise Value	EBITDA / Value Multiple	Industry Segment
06/15/2015	Saladworks, LLC	Centre Lane Partners	NA	NA / NA	Fast Casual
06/11/2015	6 Buffalo Wild Wings Restaurants	Buffalo Wild Wings Inc. (NasdaqGS:BWLD)	NA	NA / NA	Casual
05/27/2015	18 TGI Friday's in Miami and Charlotte	Jackmont Hospitality	NA	NA / NA	Casual
05/22/2015A	Frisch's Restaurants, Inc. (AMEX:FRS)	NRD Capital Management	\$170.0	\$23.60 / 7.2x	QSR
05/07/2015	Bad Daddy's International	Good Times Restaurants ( NasdaqCM:GTIM)	\$21.0	NA / NA	QSR
05/07/2015	3 Buffalo Wild Wings Restaurants in Florida	Diversified Restaurant Holdings (NasdaqCM: BAGR)	NA	NA / NA	Casual
04/23/2015	King's Country Shoppes	Kelly Capital Investments	NA	NA / NA	Family
04/17/2015	Macaroni Grill	RedRock Partners	\$8.0	NA / NA	Casual
04/15/2015	4 Burger King Restaurants in Vermont	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	NA	NA / NA	QSR
04/15/2015	Ridge Runner Fast Foods	Carolina Quality	NA	NA / NA	QSR
04/02/2015	Catalina Restaurant Group	Food Management Partners	NA	NA / NA	Casual
04/01/2015	100 Jamba Juice Store	Vitaligent, LLC	\$36.0	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

# Same Store Sales by Price Point

## Decliners / Gainers



## Selected 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 LLP</b> A FRANCHISE OF THE BURGER KING CORPORATION	 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

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