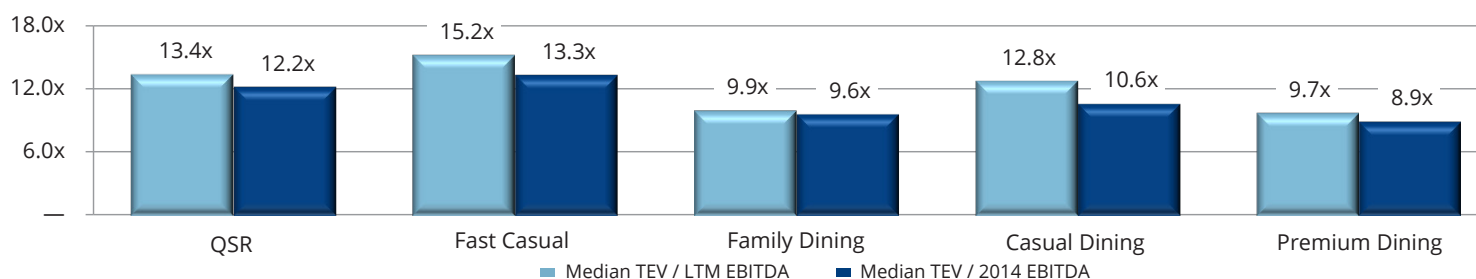




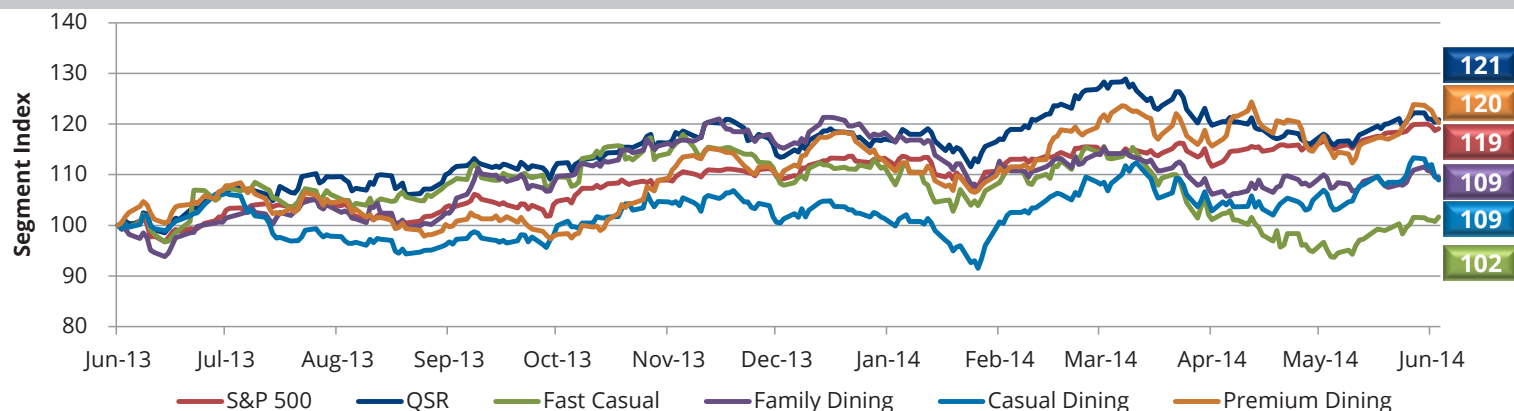
Restaurant Industry Commentary

May brought the restaurant industry its third consecutive month of positive same store sales, with Blackbox Intelligence reporting a 0.3% increase in comparable store performance. Operators have resultantly remained optimistic towards 2014 and are convinced that the industry is poised to rebound from a soft 2013 and the slower winter months earlier in the year. As consumers have continued to demand higher convenience and value, we've begun to see the distinction between QSR and Fast Casual become less apparent. Loyalty programs, updated restaurant images and higher quality menu offerings have become the focus of many QSR players after seeing significant traffic lost to their Fast Casual counterparts. Limited service chains remain atop the valuation spectrum despite some rationalization of the extraordinarily high market trading multiples for players such as **Noodles & Company** and **Potbelly** following nearly a full year of trading. M&A activity has remained steady throughout May and early June, with significant interest surrounding the Casual restaurant space in particular.

Current Restaurant Valuations by Price Point (TEV / EBITDA)



Public Market Performance (Latest Twelve Months)



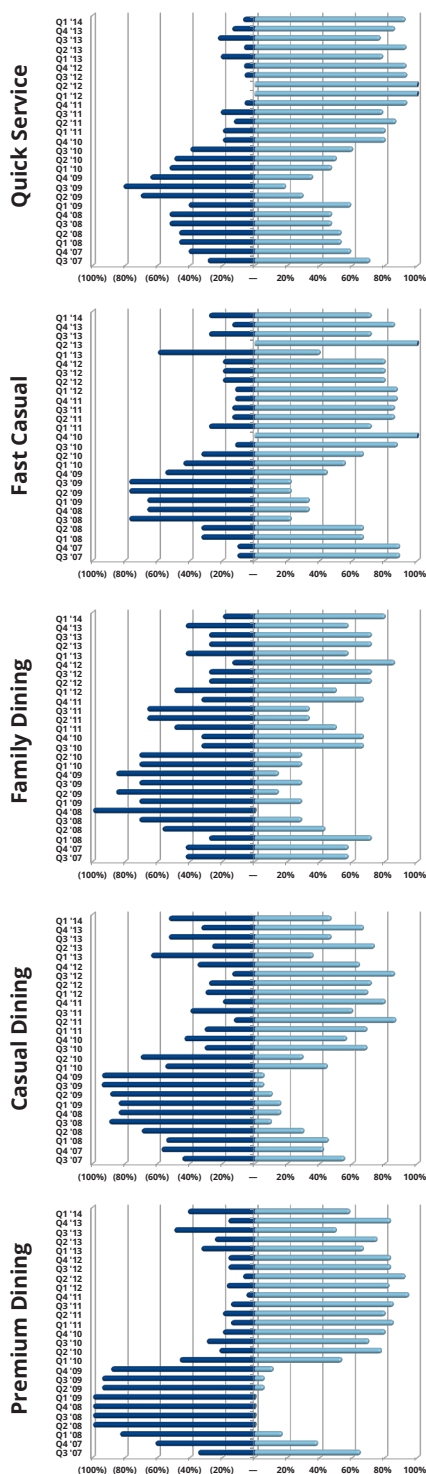
Recent Restaurant M&A Activity

| (\$ in millions) | | | | | | |
|--------------------|--|--|------------------|-------------------------|--------|------------------|
| Closed / Announced | Target | Acquiror | Enterprise Value | EBITDA / Value Multiple | | Industry Segment |
| 06/13/2014A | Carlisle Corporation, 56 Wendy's Restaurants | NPC International Inc. | NA | NA | / NA | QSR |
| 05/27/2014A | 16 Noodles & Company Restaurants | Noodles & Company (NasdaqGS:NDLS) | NA | NA | / NA | Fast Casual |
| 05/20/2014A | TGI Friday's | Sentinel Capital Partners; Tri-Artisan Capital | NA | NA | / NA | Casual |
| 05/16/2014A | Red Lobster, Inc. | Golden Gate Capital | \$2,113.0 | \$229.7 | / 9.2x | Casual |
| 04/01/2014A | The Wendy's Company, 25 Wendy's Locations | J.A. International Investments | NA | NA | / NA | QSR |
| 03/19/2014A | Mexican Restaurants, Inc. | Williston Holding Company (OTC:WHCA) | \$16.0 | \$3.4 | / 4.7x | Casual |
| 01/24/2014A | Checkers Drive-In Restaurants, Inc. | Sentinel Capital Partners | NA | NA | / NA | QSR |
| 06/03/2014 | OTB Acquisition, LLC | Fortress Investment Group; Argonne Capital | NA | NA | / NA | Casual |
| 05/27/2014 | Flynn Restaurant Group LLC | Teachers' Private Capital | NA | NA | / NA | Casual |
| 05/27/2014 | Morgan's Foods, Inc. (OTCPK:MRFD) | Apex Restaurant Management | \$49.2 | NA | / NA | QSR |
| 05/09/2014 | Patina Restaurant Group, LLC | Delaware North Companies | NA | NA | / NA | QSR |
| 04/11/2014 | 14 KFC Locations | JAHA Chicken, Inc. | NA | NA | / NA | QSR |
| 04/01/2014 | Ricksim, Inc., 21 Taco Bell Restaurants | K-MAC Enterprises | NA | NA | / NA | QSR |
| 03/24/2014 | The Wendy's Company, 38 Wendy's Locations | Richard Holland | NA | NA | / NA | QSR |
| 03/24/2014 | The Wendy's Company, 39 Wendy's Locations | Cotti Foods Corporation | NA | NA | / NA | QSR |
| 03/24/2014 | The Wendy's Company, 25 Wendy's Locations | JAAB Restaurant Holdings | NA | NA | / NA | QSR |

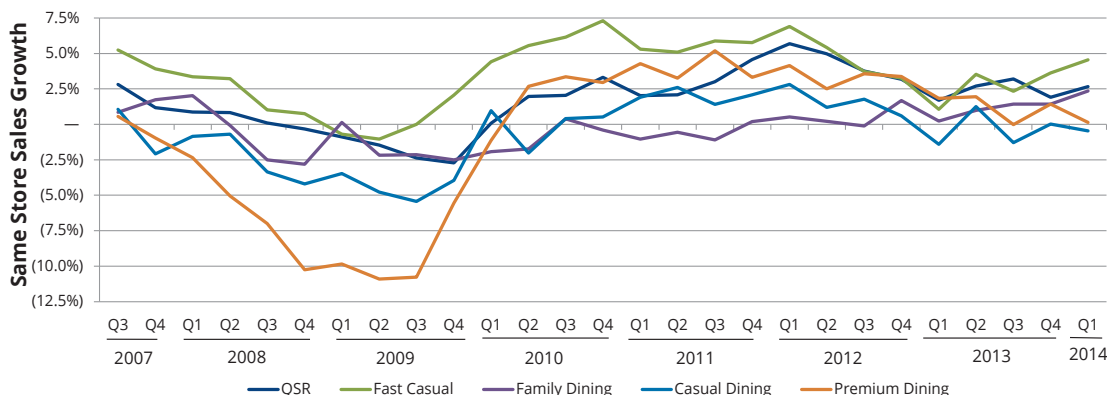
Indices consist of all publicly-available information for restaurant operators in their respective price points. For full listing, please contact the TM Capital Restaurant Practice.

Quarterly Gainers & Losers by Price Point

Decliners / Gainers



Same Store Sales by Price Point



Recent TM Capital Restaurant Experience

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

BACK BAY RESTAURANT GROUP
has sold
Atlantic Fish, Joe's, and Coach Grill
to
TAVISTOCK GROUP

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

Arbys
a subsidiary of
TRIARC
has acquired
RTM RESTAURANT GROUP

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

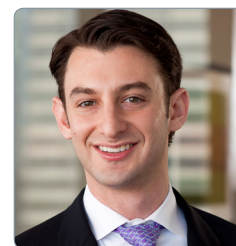
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About TM Capital

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 \$14 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 40 countries. Members have closed over 1,300 transactions totaling more than \$75 billion in value over the past five years. For more information, visit www.tmcapital.com.

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