

Restaurant Monthly

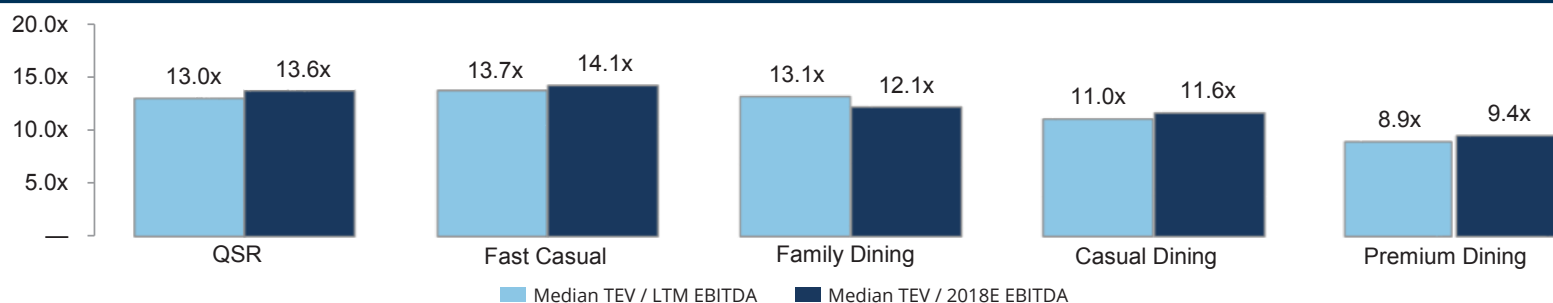
September 2018



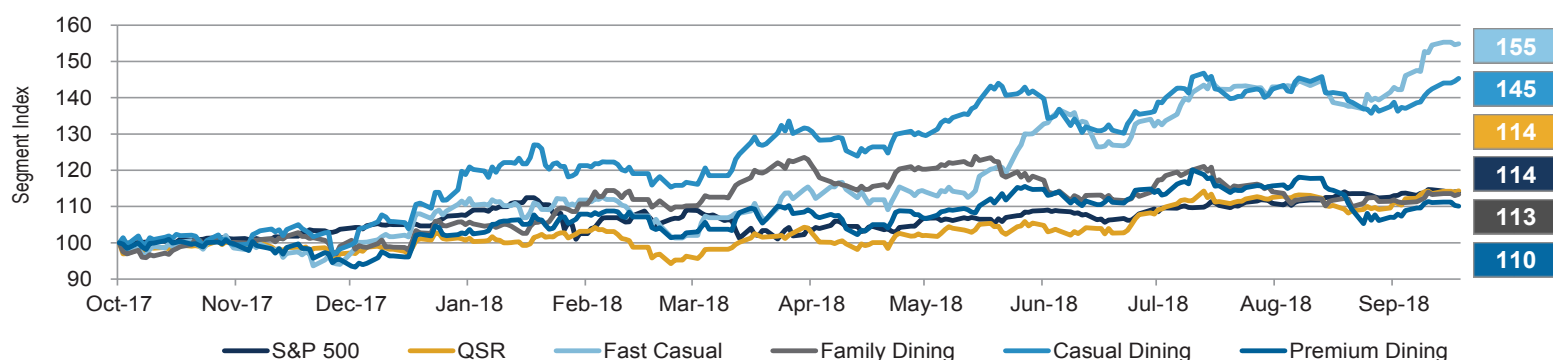
Restaurant Industry Commentary

All of TM Capital's restaurant indices, except for QSR and Family, outpaced the S&P 500 over the last 30 days, while same-store sales increased by 1.8% and same-store traffic decreased by 0.8%. On the M&A front, **Roark Capital Group** continued its buying spree, acquiring **Sonic Corp.** in a take private deal valued at \$2.3 billion through its portfolio company, **Inspire Brands**. Additionally, frozen yogurt chains were a hot commodity in September, as **Sweet Frog Enterprises** was acquired by **Jollibee Foods Corporation** and **Loving Cup** sold to **La Boulangerie**.

Restaurant Valuations by Price Point (TEV / EBITDA)



Public Market Performance (Latest Twelve Months)

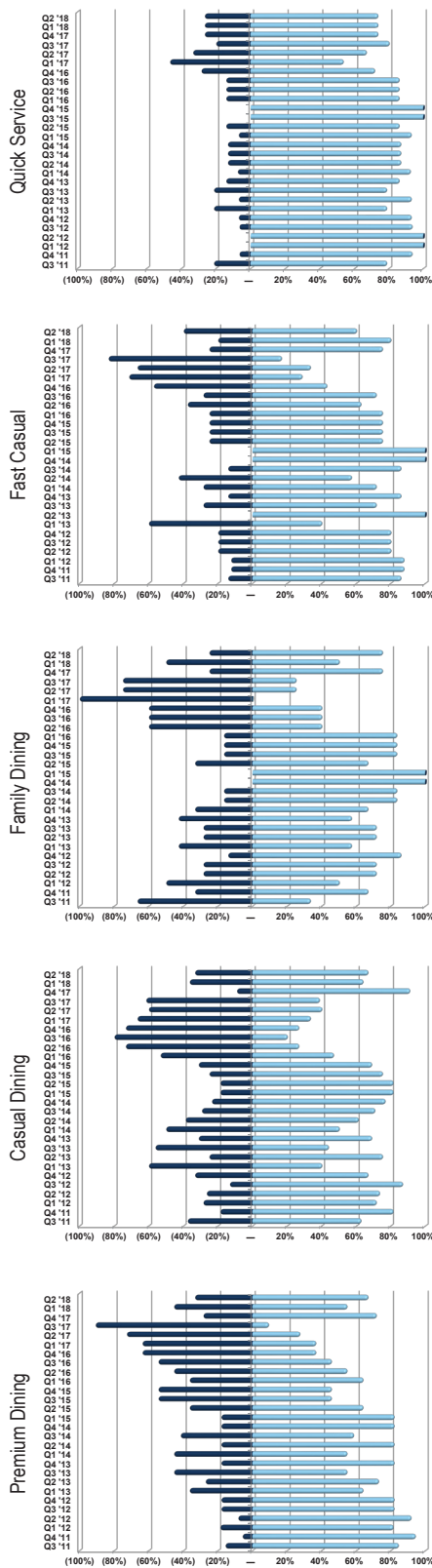


Recent Restaurant M&A Activity

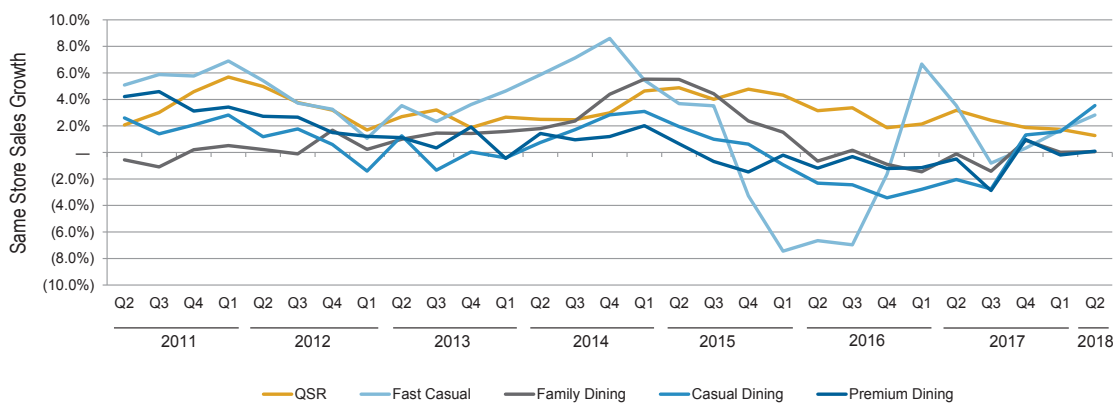
(\$ in millions)							
Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
09/27/2018	Loving Cup	La Boulangerie	NA	NA	/	NA	QSR
9/26/2018A	Patxi's Pizza	Elite Restaurant Group	NA	NA	/	NA	Fast Casual
09/25/2018	Sonic Corp. (NasdaqGS:SONC)	Inspire Brands (Roark Capital)	\$2,314.8	\$145.9	/	15.6x	QSR
09/21/2018	LYFE Kitchen	L3 Hospitality Group	NA	NA	/	NA	Fast Casual
09/18/2018	Sullivan's Steakhouse	Romano's Macaroni Grill	\$32.0	NA	/	NA	Casual
09/13/2018	Coco's Bakery and Carrows Restaurants	Shari's Management Corp.	NA	NA	/	NA	Casual
09/08/2018	Tortas Frontera LLC	Jollibee Foods Corporation (PSE:JFC)	\$12.4	NA	/	NA	Fast Casual
09/04/2018	Sweet Frog Enterprises, LLC	MTY Food Group Inc. (TSX:MTY)	\$35.0	NA	/	NA	QSR
09/04/2018A	Costa Limited	The Coca-Cola Company (NYSE: KO)	\$5,100.0	\$312.0	/	16.4x	Casual
08/27/2018A	Fat Patty's	ARC Group, Inc. (OTCPK:ARCK)	\$12.3	NA	/	NA	Casual

Quarterly Gainers & Decliners 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.	 Goldco A PORTFOLIO COMPANY OF PNC RIVERARCH CAPITAL HAS SOLD A PORTFOLIO OF RESTAURANTS TO Burger Gulf Coast, LLC	 Goldco 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 Goldco A PORTFOLIO COMPANY OF EQUICORP Partners
 Smith & Wollensky HAS BEEN ACQUIRED BY BUNKER HILL CAPITAL AND PATINA RESTAURANT GROUP	 BACK BAY RESTAURANT GROUP HAS SOLD Atlantic Fish , AMERICAN BURGERS & SHAKES , Alto's , and Coach Grill TO TAVISTOCK GROUP	 BACK BAY RESTAURANT GROUP HAS SOLD PAPA RAZZI TRATTORIA BAR TO NHC	 A SUBSIDIARY OF TRIARC HAS ACQUIRED RTM RESTAURANT GROUP

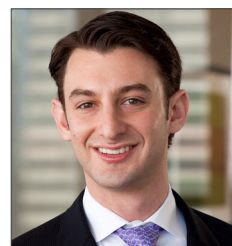
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