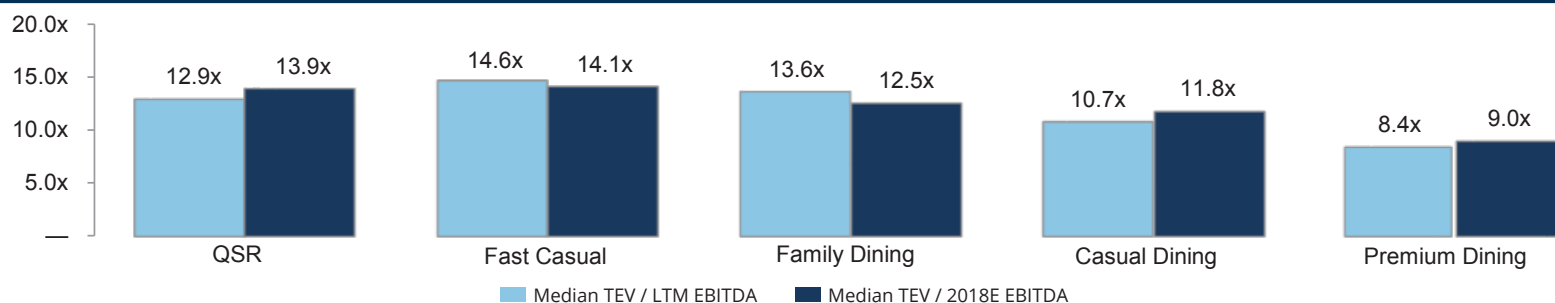


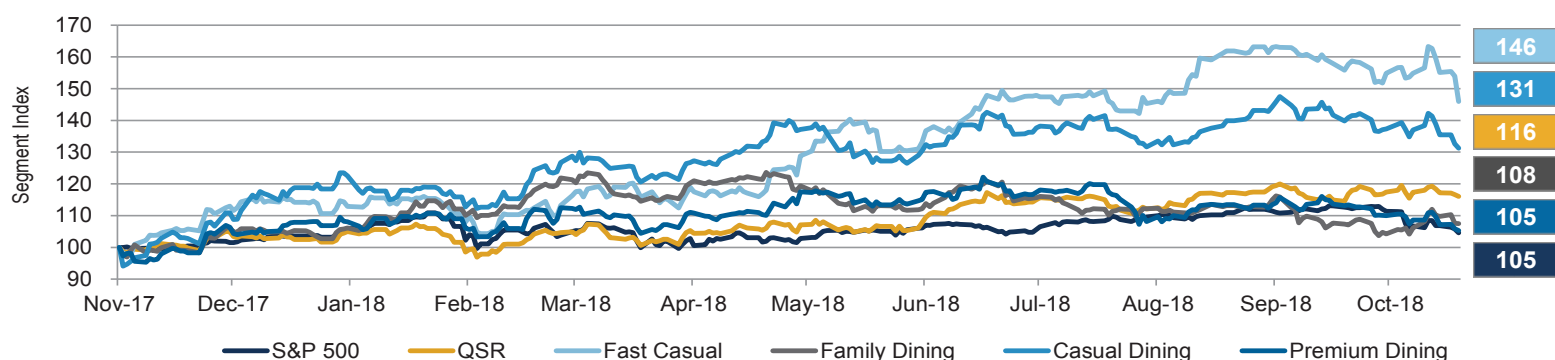
Restaurant Industry Commentary

All of TM Capital's restaurant indices outpaced the S&P 500 over the last 30 days, while same-store sales increased by 1.2% and same-store traffic decreased by 1.4%. Each of the last seven months has seen increased or flat same store sales despite a decrease in same store traffic. A key driver behind this trend has been the proliferation and continually increasing popularization of online delivery services. The strength of investment in these concepts, in the month of October, is indicative of the fact that this trend is unlikely to fall back. For instance, in October, **Kitchen United**, a shared commercial kitchen for delivery-only concepts, received investment from **Google Ventures** – and **Goldbelly**, a boutique online delivery platform, received an investment from **Enlightened Hospitality Investments**. Additionally, **Instacart** received a \$600 million investment valuing the company at \$7.6 billion and companies like **Postmates** and **Uber** (though subsidiary **Uber Eats**), are reportedly planning near-term public offerings.

Restaurant Valuations by Price Point (TEV / EBITDA)



Public Market Performance (Latest Twelve Months)



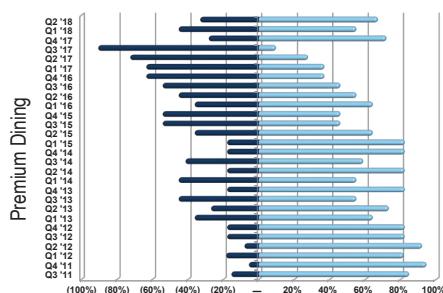
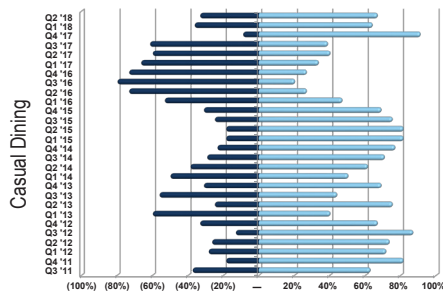
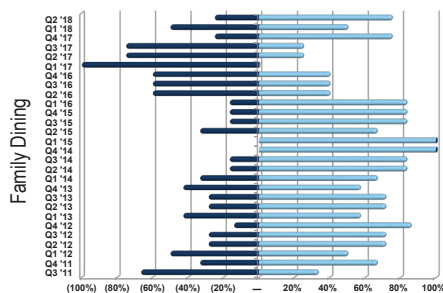
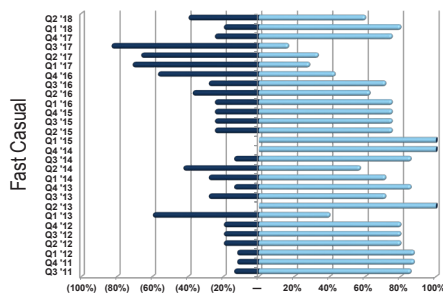
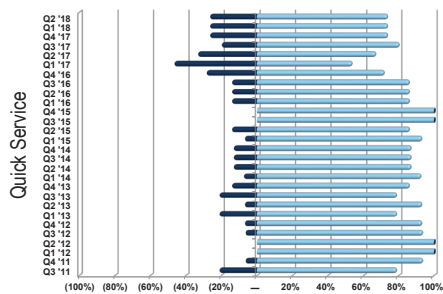
Recent Restaurant M&A Activity

(\$ in millions)

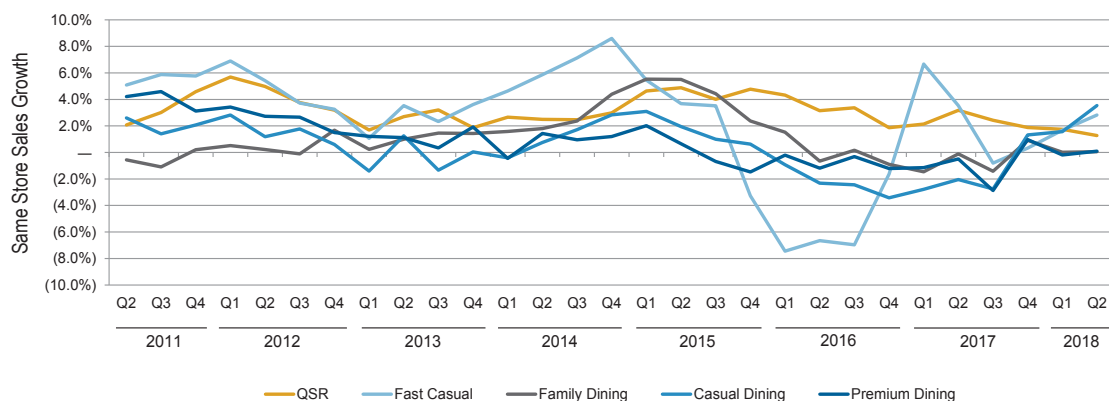
Closed / Announced	Target	Acquiror	Enterprise Value	EBITDA / Value Multiple			Industry Segment
10/17/2018	Noon Mediteranian. Inc.	Fili Enterprises	NA	NA	/	NA	Fast Casual
10/10/2018	Eegee's, Inc.	39 North Capital LLC	NA	NA	/	NA	QSR
10/08/2018	10 Burger King Restaurants in SC and GA	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	NA	NA	/	NA	QSR
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

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.

BURGER KING Oldco
A PORTFOLIO COMPANY OF
PNC RIVERARCH CAPITAL
HAS SOLD A PORTFOLIO OF RESTAURANTS TO
Burger Gulf Coast, LLC

BURGER KING Oldco
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 Oldco
A PORTFOLIO COMPANY OF
EQUICORP Partners

Smith & Wollensky
HAS BEEN ACQUIRED BY
BUNKER HILL CAPITAL
AND
PRG PATINA RESTAURANT GROUP

BACK BAY RESTAURANT GROUP
HAS SOLD
Atlantic Fish **AMERICAN BURGERS** **Alto's** **Coach Grill**
TO
TAVISTOCK GROUP

BACK BAY RESTAURANT GROUP
HAS SOLD
PAPA RAZZI TRATTORIA BAR
TO
NHC

Arby's
A SUBSIDIARY OF
TRIARC
HAS ACQUIRED
RTM RESTAURANT GROUP

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