PEAKSTONE

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Restaurant Industry Insight
Spotlight on Fast Casual & Quick Service

November 2018

Restaurant M&A Update

For announced transactions, Restaurant multiples saw a modest increase from 9.6x EBITDA in 2016 to 10.8x EBITDA in 2017.

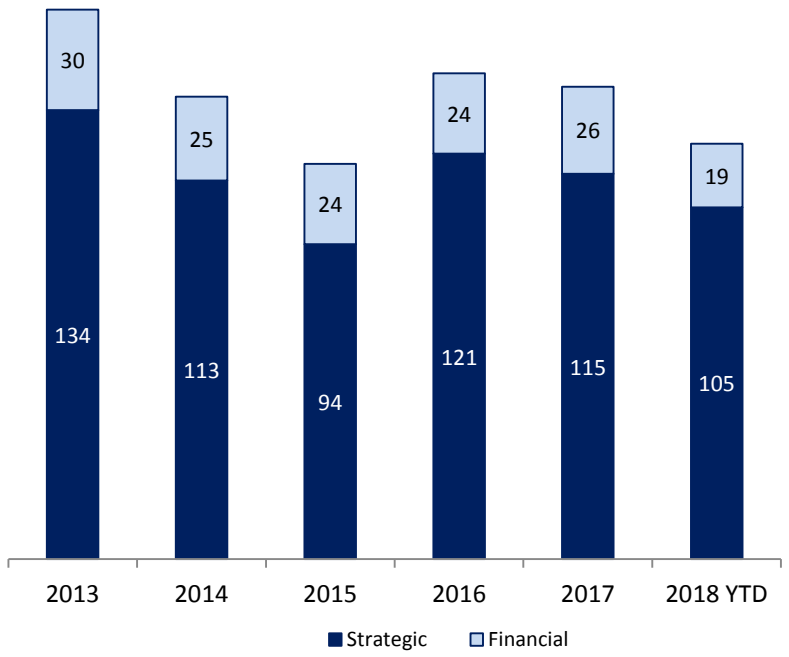
Select Recent Notable Publicly Announced U.S. M&A Transactions

Date	Status	Target	Transaction Size	Buyer
Nov-2018	Announced	Bojangles'	$770 million	Durational Capital Partners / The Jordan Company
Sep-2018	Announced	Sonic	$2.3 billion	Inspire Brands
Aug-2018	Announced	Zoës Kitchen	$300 million	CAVA
Aug-2018	Announced	Jamba Juice	$213 million	Focus Brands
May-2018	Announced	Barteca	$330 million	Del Frisco's Restaurant Group
Mar-2018	Closed	Bravo Brio Restaurant Group	$100 million	Spice Private Equity

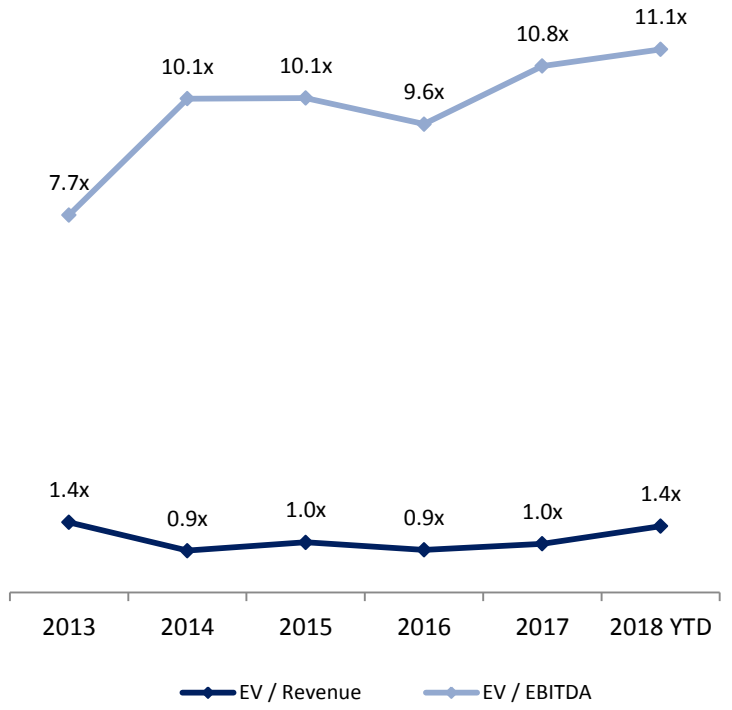
U.S. Restaurant - M&A Market Overview

U.S. Restaurant industry transaction activity has been strong

U.S. Restaurant Transactions by Buyer Type



U.S. Restaurant Transaction Multiples

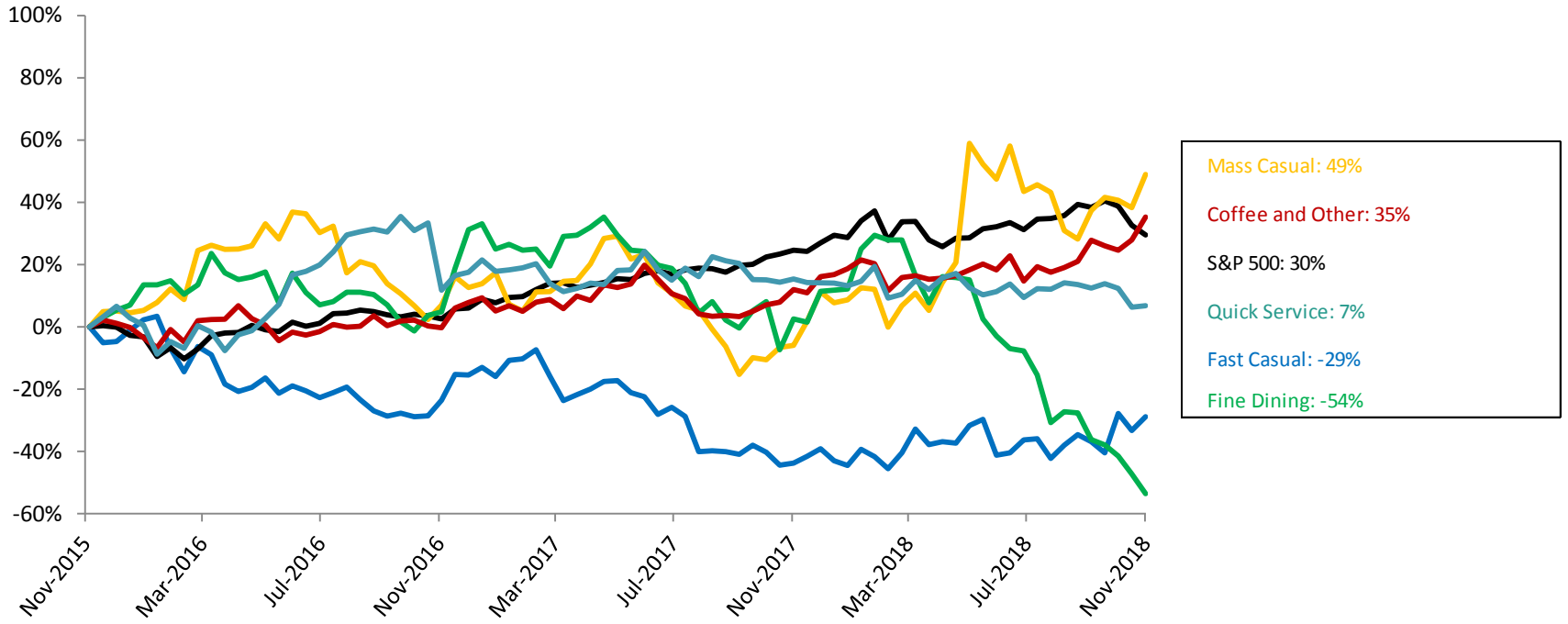


Source: Peakstone & Capital IQ.

Peakstone Restaurant Index - Trading Statistics

Some Restaurant categories have performed well compared to the S&P 500

Relative Stock Performance



Peakstone Restaurant Index:

Fast Casual:	BOJA, CMG, FRGI, HABT, LOCO, NDLS, PBPB, SHAK, TACO, WING, ZOES
Mass Casual:	BH.A, BJRI, BLMN, CAKE, CBRL, CHUY, DAVE, DENN, DIN, DRI, EAT, KONA, LUB, RRGB, TXRH
Fine Dining:	DFRG, RUTH, STKS
Coffee & Other:	DNKN, SBUX
Quick Service:	DPZ, JACK, MCD, PZZA, QSR, TAST, WEN, YUM

Source: Capital IQ, data as of 9/15/2018.

Peakstone Restaurant Index - Trading Statistics

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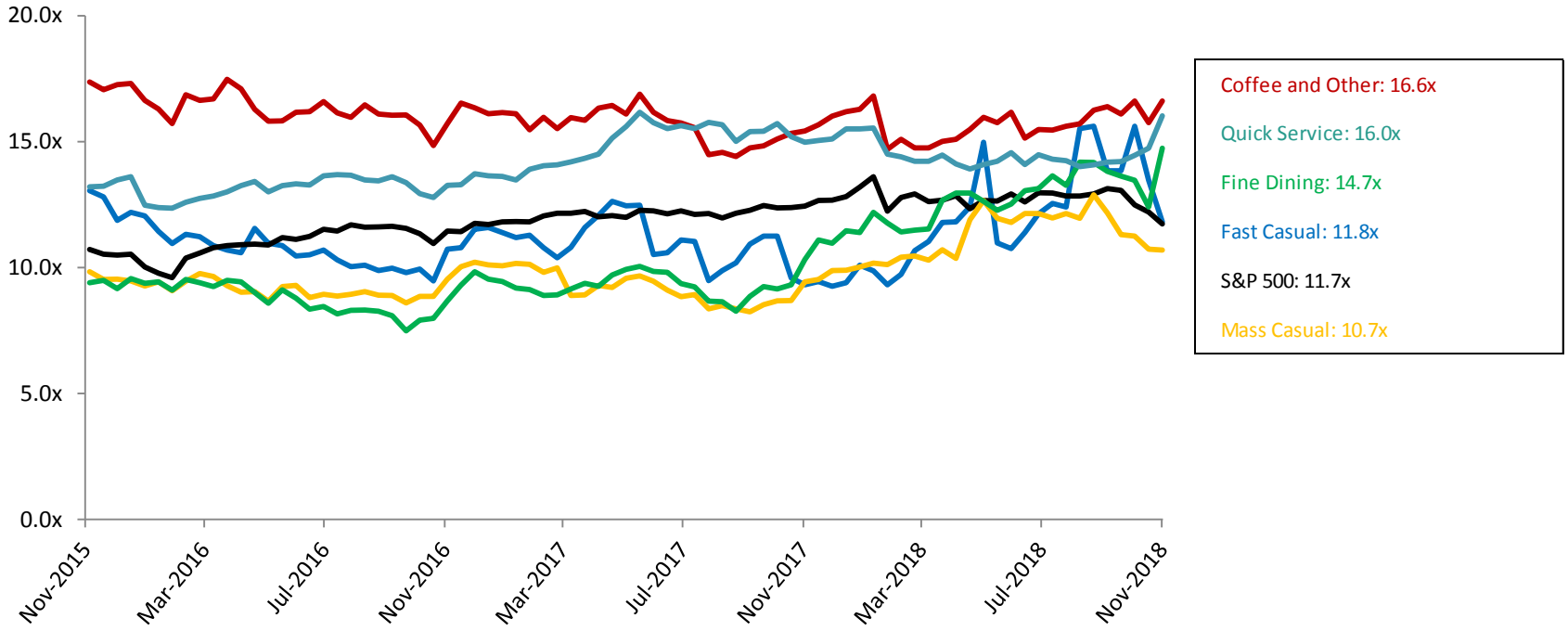
Comparable Valuation Trends – Enterprise Value / EBITDA



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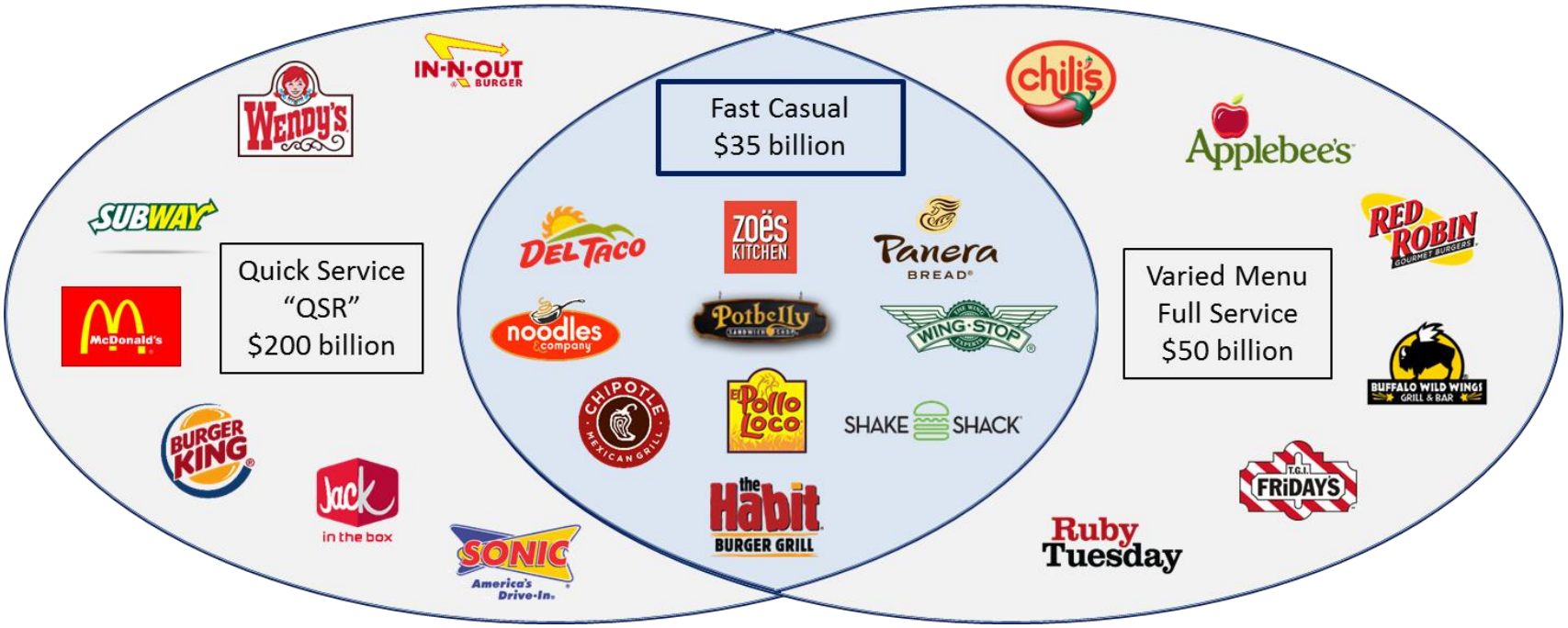
Source: Capital IQ, data as of 9/15/2018.

Industry Landscape

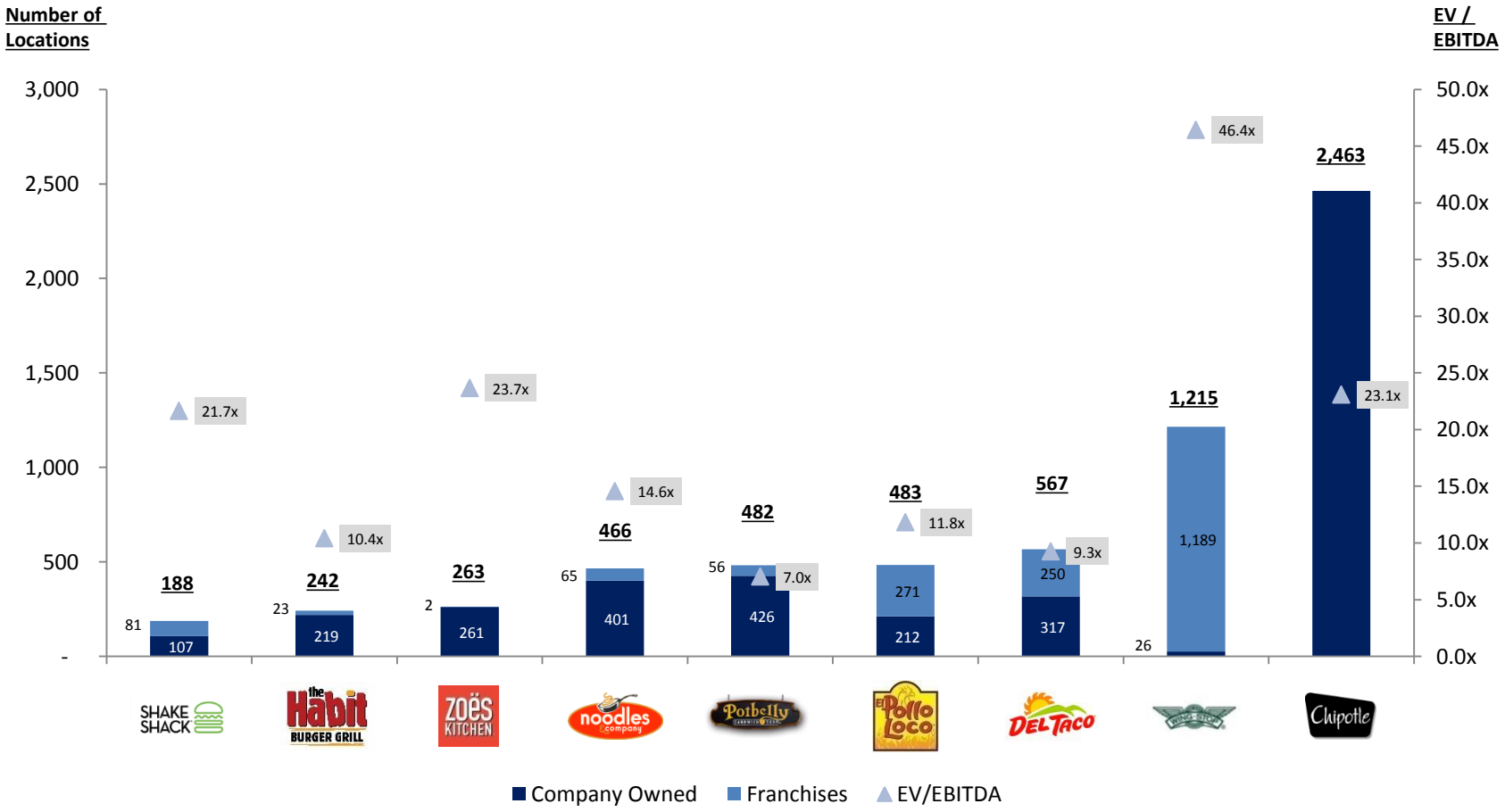
Fast Casual concepts have been growing rapidly in the restaurant industry

- Fast casual concepts attract customers away from other restaurant segments and, accordingly, are generating faster growth than the overall restaurant industry and increasing market share relative to other segments.



Fast Casual Snapshot

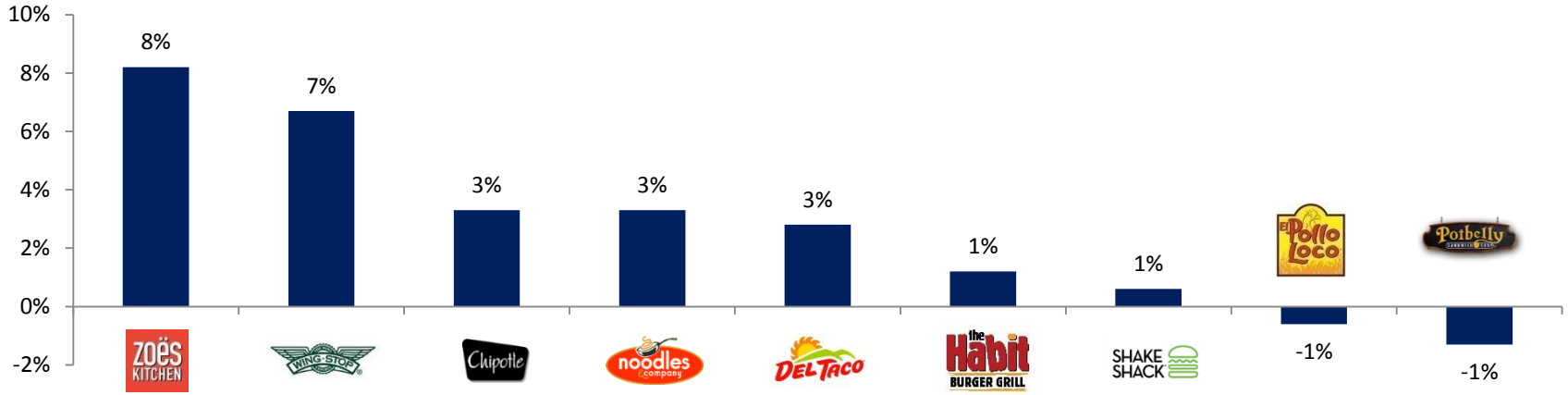
Company-Owned / Franchise Locations



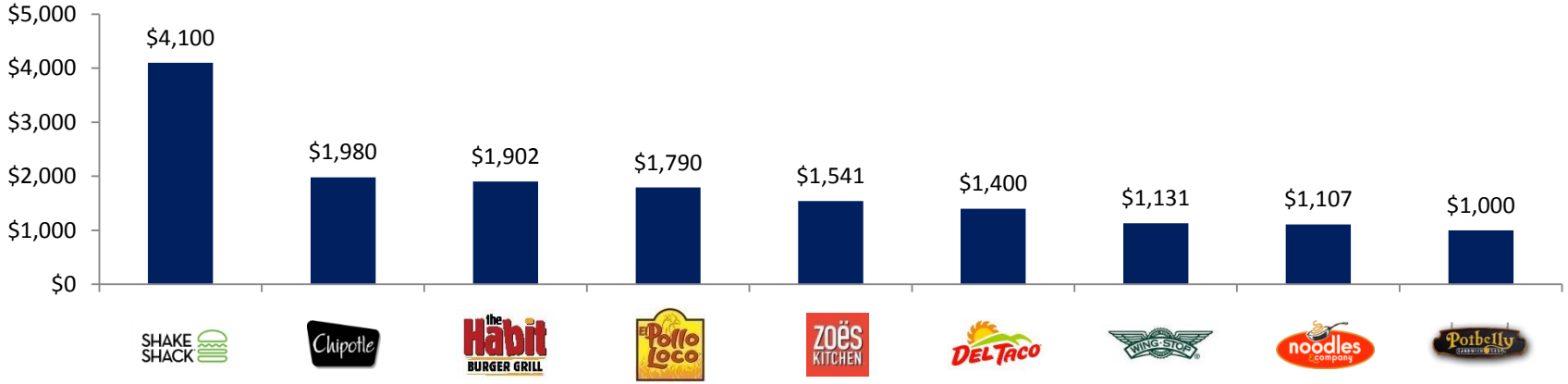
Source: Public Company Filings.
As of Q3 2018.

Fast Casual Snapshot (continued)

YTD Same-Store-Sales Growth



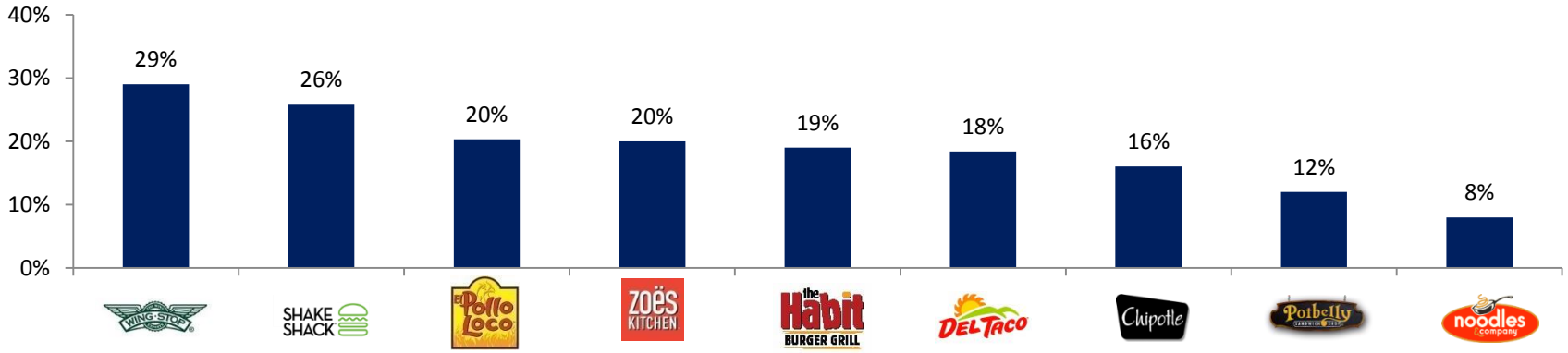
Average Unit Volume *($ in thousands)*



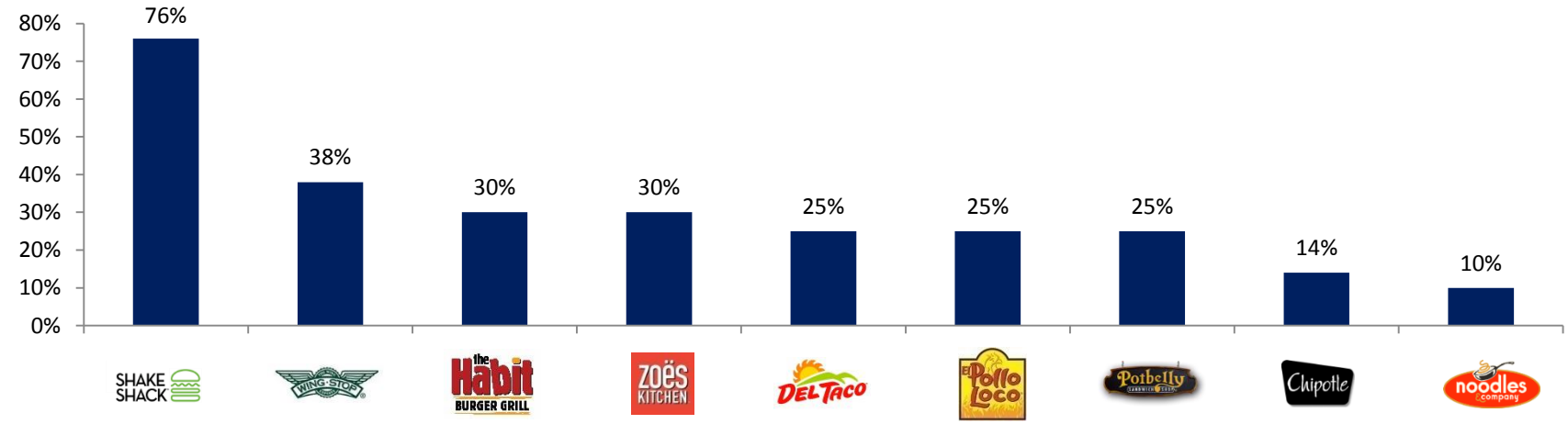
Source: Public Company Filings & Wall Street Research.
As of Q3 2018.

Fast Casual Snapshot (continued)

Restaurant-Level EBITDA Margin



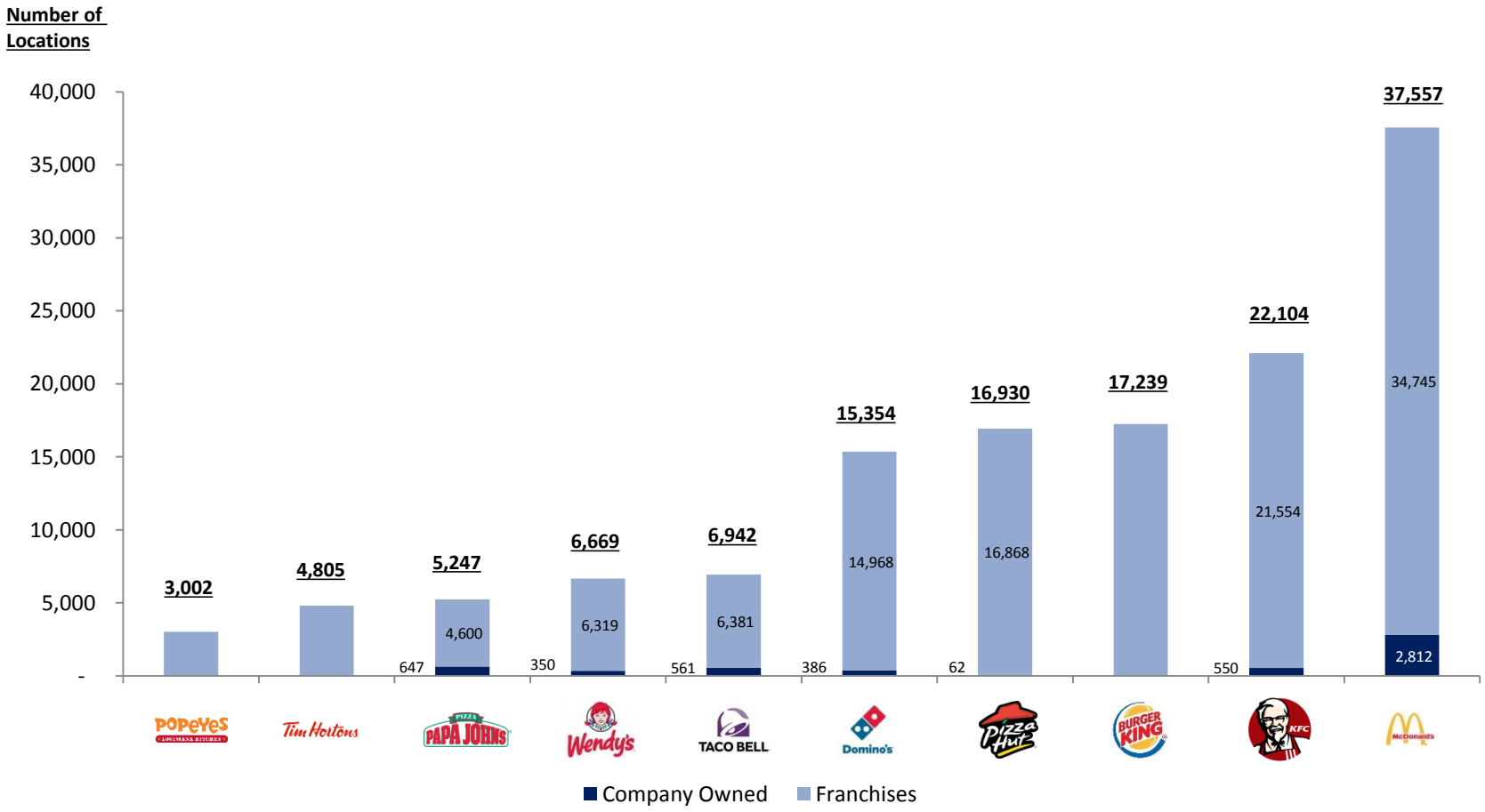
Cash-on-Cash Return



Source: Public Company Filings & Wall Street Research.
As of Q3 2018.

Quick Service Snapshot

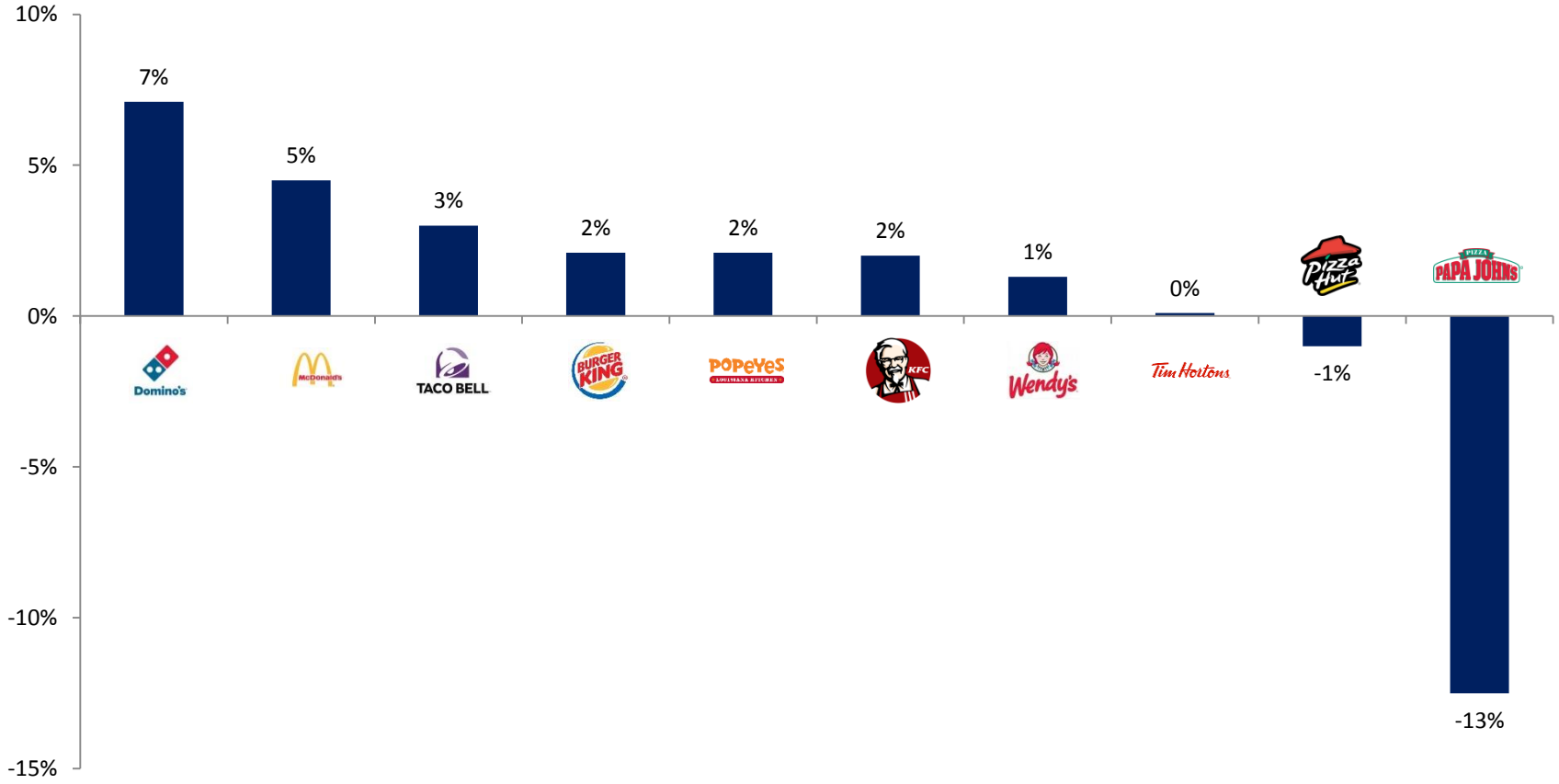
Company-Owned / Franchise Locations



Source: Public Company Filings.
As of Q3 2018.

Quick Service Snapshot (continued)

YTD Same-Store-Sales Growth



Source: Public Company Filings & Wall Street Research.
As of Q3 2018.

Selected Public Trading Comparables

Selected Public Trading Comparables

($ in millions) Company Name	Market Cap	Enterprise Value	Enterprise Value / Revenue	Enterprise Value / EBITDA	Enterprise Value / EBIT	Forward P/E Ratio	Gross Margin %	EBITDA Margin %
Fast Casual								
Chipotle Mexican Grill, Inc.	$13,319	$12,648	2.7x	23.1x	35.4x	44.0x	32%	12%
Wingstop Inc.	$1,939	$2,150	17.9x	46.4x	51.0x	78.5x	74%	39%
Shake Shack Inc.	$1,441	$1,417	3.3x	21.7x	36.9x	70.0x	39%	15%
Bojangles', Inc.	$603	$715	1.3x	10.5x	13.7x	20.1x	20%	12%
El Pollo Loco Holdings, Inc.	$636	$699	1.6x	11.8x	16.8x	20.8x	22%	14%
Fiesta Restaurant Group, Inc.	$518	$584	0.9x	10.9x	34.8x	25.4x	21%	8%
Del Taco Restaurants, Inc.	$414	$577	1.2x	9.3x	14.4x	18.5x	26%	13%
Noodles & Company	$408	$453	1.0x	14.6x	57.8x	71.1x	16%	7%
The Habit Restaurants, Inc.	$302	$315	0.8x	10.4x	44.9x	128.6x	18%	8%
Zoe's Kitchen, Inc.	$249	$294	0.9x	23.7x	NM	NM	16%	4%
Potbelly Corporation	$266	$240	0.6x	7.0x	24.6x	41.3x	30%	8%
Fast Casual Median	**$518**	**$584**	**1.2x**	**11.8x**	**35.1x**	**42.7x**	**22%**	**12%**
Mass Casual								
Darden Restaurants, Inc.	$13,890	$14,665	1.8x	13.3x	18.2x	19.7x	22%	13%
Texas Roadhouse, Inc.	$4,672	$4,537	1.9x	15.4x	23.2x	27.0x	19%	12%
Cracker Barrel Old Country Store, Inc.	$4,117	$4,403	1.5x	11.4x	15.0x	19.0x	34%	13%
Brinker International, Inc.	$2,004	$3,153	1.0x	7.8x	12.5x	13.6x	17%	13%
Bloomin' Brands, Inc.	$1,982	$3,063	0.7x	8.3x	17.1x	14.7x	16%	9%
Dine Brands Global, Inc.	$1,630	$2,931	4.8x	15.0x	17.9x	13.7x	53%	32%
The Cheesecake Factory Incorporated	$2,241	$2,374	1.0x	10.3x	17.4x	19.3x	42%	10%
BJ's Restaurants, Inc.	$1,356	$1,425	1.3x	11.1x	24.6x	26.8x	17%	12%
Denny's Corporation	$1,079	$1,385	2.3x	13.7x	18.6x	25.3x	36%	17%
Red Robin Gourmet Burgers, Inc.	$444	$654	0.5x	5.0x	18.7x	19.6x	20%	10%
Biglari Holdings Inc.	$453	$626	0.8x	37.9x	NM	NM	18%	2%
Chuy's Holdings, Inc.	$353	$342	0.9x	9.1x	18.7x	22.2x	17%	9%
Luby's, Inc.	$32	$68	0.2x	NM	NM	0.0x	27%	0%
Kona Grill, Inc.	$23	$53	0.3x	7.7x	NM	NM	13%	4%
Famous Dave's of America, Inc.	$48	$40	0.8x	6.0x	7.5x	13.5x	32%	14%
Mass Casual Median	**$1,356**	**$1,425**	**1.0x**	**10.7x**	**18.0x**	**19.3x**	**20%**	**12%**

Source: Peakstone & Capital IQ, As of 11/15/2018.

Selected Public Trading Comparables (continued)

Selected Public Trading Comparables

($ in millions) Company Name	Market Cap	Enterprise Value	Enterprise Value / Revenue	Enterprise Value / EBITDA	Enterprise Value / EBIT	Forward P/E Ratio	Gross Margin %	EBITDA Margin %
Fine Dining								
Ruth's Hospitality Group, Inc.	$828	$877	2.0x	12.1x	16.0x	19.4x	28%	16%
Del Frisco's Restaurant Group, Inc.	$224	$530	1.3x	14.7x	55.2x	NM	21%	9%
The ONE Group Hospitality, Inc.	$91	$100	1.2x	16.1x	32.6x	9.7x	23%	7%
Fine Dining Median	**$224**	**$530**	**1.3x**	**14.7x**	**32.6x**	**14.5x**	**23%**	**9%**
Coffee and Other								
Starbucks Corporation	$87,755	$88,264	3.6x	16.3x	21.4x	25.4x	30%	21%
Dunkin' Brands Group, Inc.	$5,976	$8,604	9.5x	17.0x	18.5x	25.2x	82%	55%
Coffee and Other Median	**$46,866**	**$48,434**	**6.6x**	**16.6x**	**19.9x**	**25.3x**	**56%**	**38%**
Quick Service								
McDonald's Corporation	$141,732	$171,081	8.1x	16.8x	19.5x	22.9x	51%	47%
YUM! Brands, Inc.	$27,851	$37,334	6.5x	20.1x	22.1x	24.7x	47%	32%
Restaurant Brands International Inc.	$13,909	$27,061	5.2x	12.5x	13.6x	20.9x	56%	41%
Domino's Pizza, Inc.	$11,068	$14,457	4.5x	24.2x	25.7x	29.5x	28%	18%
The Wendy's Company	$4,134	$6,290	5.0x	15.3x	22.2x	27.5x	50%	32%
Jack in the Box Inc.	$2,186	$3,181	2.3x	9.8x	13.2x	18.9x	28%	23%
Papa John's International, Inc.	$1,774	$2,346	1.4x	18.7x	29.7x	40.0x	19%	8%
Carrols Restaurant Group, Inc.	$412	$673	0.6x	6.9x	16.4x	28.4x	18%	8%
Quick Service Median	**$7,601**	**$10,374**	**4.7x**	**16.0x**	**20.8x**	**26.1x**	**38%**	**28%**
Restaurant Total Median	**$1,356**	**$1,425**	**1.3x**	**14.7x**	**20.8x**	**25.3x**	**23%**	**12%**

Source: Peakstone & Capital IQ, As of 11/15/2018.

Selected U.S. Restaurant Industry Transactions

Selected Restaurant Transactions

Date	Target	Size ($mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
11/06/2018	Bojangles', Inc. (NasdaqGS:BOJA)	$772	The Jordan Company, L.P.; Durational Capital Management LP	11.1x	Durational Capital Management LP and The Jordan Company LP entered into a definitive agreement to acquire Bojangles' Inc. (NASDAQ:BOJA) for approximately $770 million on November 5, 2018. Upon closing of the transaction, Bojangles' will continue to be operated as an independent, privately-held company and will remain based in Charlotte, North Carolina. The transaction is expected to be completed in the first quarter of fiscal year 2019.
11/06/2018	16 Restaurants in the Columbus, Ohio	$21	The Wendy's Company (NasdaqGS:WEN)	-	The Wendy's Company (NasdaqGS:WEN) acquired 16 Restaurants in the Columbus, Ohio for $21.4 million during the third quarter of 2018.
10/30/2018	141 Chili's Restaurant Properties	$456	-	-	An unknown buyer acquired 141 Chili's restaurant properties from Brinker International, Inc. (NYSE:EAT) for $460 million during the first quarter of fiscal 2019.
09/25/2018	Sonic Corp. (NasdaqGS:SONC)	$2,315	ARG Holding Corporation	16.0x	ARG Holding Corporation entered into a definitive agreement to acquire Sonic Corp. (NasdaqGS:SONC) for $1.6 billion on September 24, 2018. Following the completion of the transaction, Sonic will be a privately-held subsidiary of ARG and will continue to be based in Oklahoma City, as an independent brand and led by Sonic's management team. Chairman and Chief Executive Officer, Cliff Hudson, will retire and President Claudia San Pedro will lead Sonic, effective as of the closing of transaction. The deal is expected to close by December 2018.
08/17/2018	Zoe's Kitchen, Inc. (NYSE:ZOES)	$300	Cava Group, Inc.	16.7x	Cava Group, Inc. entered into a definitive agreement to acquire Zoe's Kitchen, Inc. (NYSE:ZOES) for approximately $250 million on August 16, 2018. The parties expect the merger to close in the fourth quarter of 2018.
08/02/2018	Jamba, Inc. (NasdaqGM:JMBA)	$214	FOCUS Brands Inc.	56.8x	Focus Brands Inc. ("FBI") entered into a definitive agreement to acquire Jamba Inc. (Nasdaq:JMBA) for approximately $210 million on August 1, 2018.
08/01/2018	46 Chili's Restaurant Properties in Florida, Texas and 15 Other States	$150	Four Corners Property Trust, Inc. (NYSE:FCPT)	-	Four Corners Property Trust, Inc. (NYSE:FCPT) signed a definitive agreement to acquire 48 Chili's Restaurant Properties in Florida, Texas and 15 other states from Brinker Property Corporation and Brinker Propco Florida, Inc. for approximately $160 million on August 1, 2018.
05/07/2018	Barteca Restaurant Group, LLC	$325	Del Frisco's Restaurant Group, Inc. (NasdaqGS:DFRG)	10.3x	Del Frisco's Restaurant Group, Inc. (NasdaqGS:DFRG) entered into a definitive agreement to acquire Barteca Restaurant Group, LLC for approximately $330 million on May 6, 2018.
03/08/2018	Bravo Brio Restaurant Group, Inc.	$102	Spice Private Equity AG (SWX:SPCE)	3.8x	Spice Private Equity AG (SWX:SPCE) ('Spice') entered into an agreement to acquire Bravo Brio Restaurant Group, Inc. (NasdaqGS:BBRG) ('Bravo Brio') for $63.3 million on March 7, 2018.
02/20/2018	Fogo de Chão, Inc.	$598	Rhone Capital, L.L.C.	10.6x	Rhone Capital V L.P., a fund managed by Rhone Capital, L.L.C. entered into an agreement to acquire Fogo de Chao, Inc. (NasdaqGS:FOGO) for approximately $450 million on February 20, 2018.
02/13/2018	Smashburger Master LLC	$100	Jollibee Worldwide Pte. Ltd.	-	Jollibee Worldwide Pte. Ltd. agreed to acquire additional 45% stake in SJBF LLC for $100 million on February 13, 2018. Post transaction, Jollibee Worldwide will hold 85% stake in SJBF LLC.
12/19/2017	Qdoba Restaurant Corporation	$305	Apollo Global Management, LLC	-	Apollo Global Management, LLC entered into a stock purchase agreement to acquire Qdoba Restaurant Corporation from Jack in the Box Inc. for approximately $310 million on December 19, 2017.
11/28/2017	Buffalo Wild Wings, Inc.	$2,892	Arby's Restaurant Group, Inc.	11.2x	Arby's Restaurant Group Inc. ('Arby's') entered into a definitive agreement to acquire Buffalo Wild Wings Inc. from Marcato International Master Fund Ltd, Marcato Special Opportunities Master Fund LP, funds managed by Marcato Capital Management LP and other shareholders for $2.5 billion on November 27, 2017.
11/03/2017	Six Hawaii Ruth Chris Steak House Locations in Hawaii	$35	RCSH Operations, Inc.	-	RCSH Operations, Inc. entered into an asset purchase agreement to acquire six franchised Ruth Chris Steak House restaurants in Hawaii from Desert Island Restaurants, LLC for $35 million on November 2, 2017.
10/16/2017	Ruby Tuesday, Inc. (NYSE:RT)	$362	NRD Capital Management, LLC	8.5x	A fund managed by NRD Capital Management, LLC signed an agreement to acquire Ruby Tuesday, Inc. (NYSE:RT) from BlackRock, Inc. (NYSE:BLK), Leon Capital Group LLC, Donald Smith & Co., Inc., The Vanguard Group, Inc., Dimensional Fund Advisors L.P., and others for approximately $150 million on October 16, 2017.
10/05/2017	Uncle Julio's Corporation	-	L Catterton	-	L Catterton agreed to acquire Uncle Julio's Corporation from J.H. Whitney & Co., LLC on October 5, 2017.
09/06/2017	Homestyle Dining, LLC	$11	FAT Brands Inc. (NasdaqCM:FAT)	-	FAT Brands Inc. entered into an agreement to acquire Homestyle Dining, LLC (doing business as Ponderosa Steakhouse and Bonanza Steakhouse) for $10.5 million on September 6, 2017. Once the deal has closed, Ponderosa and Bonanza will be added to FAT Brands's existing portfolio of brands that includes Fatburger, Buffalo's Cafe and Buffalo's Express.
08/21/2017	Ruby Tuesday, Inc, 21 Properties	$28	-	-	An unknown buyer entered into an contract to acquire 21 properties from Ruby Tuesday, Inc. (NYSE:RT) for $28.2 million.

Source: Capital IQ & Wall Street Research.

Selected U.S. Restaurant Industry Transactions (continued)

Selected Restaurant Transactions

Date	Target	Size ($mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
08/04/2017	Ninety Nine Restaurant, Inc.	$199	J. Alexander's LLC	6.6x	J. Alexander's LLC entered into a definitive agreement to acquire Ninety Nine Restaurant, Inc. from O'Charley's Inc. for approximately $200 million on August 4, 2017. On completion, Ninety Nine Restaurant will become a wholly-owned subsidiary of J. Alexander's Holdings, LLC.
06/06/2017	Ignite Restaurant Group Inc., Substantially all Assets	$168	Kelly Companies of Southern California, LLC	-	Kelly Companies of Southern California, LLC signed an agreement to acquire substantially all of the assets from Ignite Restaurant Group, Inc. (OTCPK:IRGT) for $168 million on June 5, 2017.
05/01/2017	16 Bob Evans Restaurant Properties	$35	Four Corners Property Trust, Inc. (NYSE:FCPT)	-	Four Corners Property Trust, Inc. (NYSE:FCPT) acquired 16 Bob Evans Restaurants properties in a sale-leaseback transaction for $35.1 million on May 1, 2017.
04/05/2017	Panera Bread Company (NasdaqGS:PNRA)	$7,699	JAB Holdings B.V.	18.7x	JAB Holdings B.V. entered into a definitive merger agreement to acquire Panera Bread Company (NasdaqGS:PNRA) from Ron Shaich and other shareholders for $7.3 billion on April 5, 2017. Post-closing, Panera Bread will be privately held and continue to be operated independently by the Panera Bread's management team. The deal is expected to close during the third quarter of 2017.
04/04/2017	Guckenheimer Services, LLC	$225	ISS A/S (CPSE:ISS)	-	ISS A/S (CPSE:ISS) reached an agreement to acquire Guckenheimer Services, LLC from Jeanie Ritchie and others for approximately $230 million, on a debt and cash free basis, on April 3, 2017.
03/27/2017	Cheddar's Casual Cafe, Inc.	$780	Darden Restaurants, Inc. (NYSE:DRI)	10.4x	Darden Restaurants, Inc. (NYSE:DRI) entered into an agreement and plan of merger to acquire Cheddar's Casual Cafe, Inc. from Oak Investment Partners and L Catterton for $780 million on a cash-free and debt-free basis on March 27, 2017.
03/23/2017	Checkers Drive-In Restaurants, Inc.	$525	Oak Hill Capital Partners	-	Oak Hill Capital Partners along with the management of Checkers Drive-In Restaurants, Inc. entered into a definitive agreement to acquire Checkers Drive-In Restaurants, Inc. from Sentinel Capital Partners for approximately $530 million on March 23, 2017.
03/09/2017	Valenti Mid-Atlantic Management LLC, 62 Wendy's Restaurants	$53	NPC Quality Burgers, Inc.	-	NPC Quality Burgers, Inc. ('NPC') entered into an agreement to acquire 62 Wendy's restaurants from Valenti Mid-Atlantic Management, LLC for $52.6 million on March 9, 2017. The units to be acquired are located in Pennsylvania. The transaction, which is subject to approval of The Wendy's Company, is expected to close in late April 2017.
02/21/2017	Popeyes Louisiana Kitchen, Inc.	$1,827	Restaurant Brands International Inc. (NYSE:QSR)	20.5x	Restaurant Brands International Inc. (NYSE:QSR) signed a definitive agreement to acquire Popeyes Louisiana Kitchen, Inc. (NasdaqGS:PLKI) for $1.7 billion on February 21, 2017. Following the closing of the transaction, Popeyes will continue to be managed independently in the United States, while benefitting from the global scale and resources of RBI.
02/01/2017	TAO Group LLC	$206	The Madison Square Garden Company (NYSE:MSG)	-	The Madison Square Garden Company (NYSE:MSG) acquired 62.5% stake in TAO Group from Marc Packer, Rich Wolf, Noah Tepperberg, Jason Strauss and others for approximately $210 million on January 31, 2017.
01/24/2017	Bob Evans Farms, LLC	$565	Golden Gate Capital	-	Golden Gate Capital signed a definitive agreement to acquire Bob Evans Restaurants from Bob Evans Farms, Inc. (NasdaqGS:BOBE) for approximately $570 million on January 24, 2017.
12/20/2016	Garden Fresh Restaurant Corp.	$98	Cortland Capital Market Services LLC	-	Cortland Capital Market Services LLC along with other lenders entered in an agreement to acquire Garden Fresh Restaurant Corp. for $97.9 million on December 20, 2016.
11/25/2016	Reins International (USA) Co. Ltd.	$87	REINS international inc.	-	REINS international inc. agreed to acquire Reins International (USA) Co Ltd for $87 million on November 25, 2016. REINS international inc. will acquire 13.5 million shares of Reins International (USA) Co Ltd.
11/10/2016	Portfolio of Sixteen KFC Restaurant Properties	$21	Four Corners Property Trust, Inc. (NYSE:FCPT)	-	Four Corners Property Trust, Inc. (NYSE:FCPT) acquired Portfolio of Sixteen KFC Restaurant Properties for $21.1 million on November 10, 2016.
10/26/2016	Pacific Island Restaurants, Inc.	$105	Restaurant Brands New Zealand Limited (NZSE:RBD)	5.5x	Restaurant Brands New Zealand Ltd. (NZSE:RBD) entered into an agreement to acquire Pacific Island Restaurants, Inc. from Nimes Capital, LLC for approximately $110 million on October 26, 2016.
10/24/2016	Two Darden-Leased Restaurant Properties	$25	-	-	Four Corners Property Trust, Inc. (NYSE:FCPT) sold Two Darden-Leased Restaurant Properties for $24.8 million on October 24, 2016. Four Corners Property sold an Olive Garden restaurant property in Pembroke Pines, Florida and a Bahama Breeze restaurant property in Tampa, Florida.
10/10/2016	Red Lobster Master Holdings, L.P.	$575	Thai Union Group Public Company Limited (SET:TU)	8.8x	Thai Union Group Public Company Limited (SET:TU) entered into securities purchase agreement to acquire 25% stake in Red Lobster Master Holdings, L.P from funds managed by Golden Gate Private Equity, Inc. and others for approximately $580 million on October 10, 2016.
09/27/2016	Last Call Guarantor, LLC	$30	Fun Eats and Drinks LLC	-	Fun Eats and Drinks LLC entered into an agreement to acquire substantially all assets of Last Call Guarantor on September 29, 2016.
09/21/2016	Lou Malnati's	-	BDT Capital Partners, LLC	-	BDT Capital Partners has agreed to take a significant stake in Chicago pizza restaurant chain Lou Malnati's in a deal that's expected to close in early October.
09/08/2016	Jimmy John's Franchise, LLC	-	Roark Capital Group	-	Roark Capital Group acquired majority stake in Jimmy John's Franchise, LLC from Weston Presidio and others on September 8, 2016. Jimmy John Liautaud founder of Jimmy John's Franchise, LLC will remain chairman, and James North will remain president and CEO.

Source: Capital IQ & Wall Street Research.

Selected U.S. Restaurant Industry Transactions (continued)

Selected Restaurant Transactions

Date	Target	Size ($mm)	Buyers / Investors	EV / EBITDA	Transaction Comments
09/07/2016	Cicis	-	The Arlon Group	-	The Arlon Group has acquired the pizza buffet chain Cicis on September 7, 2016. Terms of the deal were not disclosed. Senior management, led by Cicis CEO Darin Harris, will remain with the Coppell, Texas-based operator, which has 440 locations in 33 states.
09/02/2016	Wetzel's Pretzels, LLC	-	CenterOak Partners LLC	-	CenterOak Equity Fund I, L.P. managed by CenterOak Partners LLC acquired an unknown majority stake in Wetzel's Pretzels, LLC from Levine Leichtman Capital Partners on September 1, 2016. Bill Phelps will continue to be the Chief Executive Officer of Wetzel's Pretzels.
08/24/2016	Seven Burger King Restaurants in Portland, Maine	-	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	-	Carrols Restaurant Group, Inc. (NasdaqGS:TAST) acquired seven Burger King Restaurants in Portland, Maine on August 23, 2016.
06/29/2016	The Wendy's Company, 39 Wendy's Restaurants	$37	NPC Quality Burgers, Inc.	-	NPC Quality Burgers, Inc. entered into an asset purchase agreement to acquire 39 Wendy's Restaurants from Wendy's International, LLC for $36.6 million on June 24, 2016.
Q2 2016	Pepper Jax Grill	-	TA Associates	-	Pepper Jax Grill was acquired by TA Associates on [TBU] for an undisclosed sum. Peakstone acted as exclusive advisor to Pepper Jax Grill.
05/25/2016	Kahala Corp. (OTCPK:KAHL)	$302	MTY Food Group Inc. (TSX:MTY)	-	MTY Food Group Inc. (TSX:MTY) entered into an agreement to acquire Kahala Corp. (OTCPK:KAHL) from Delavaco Group, Serruya Private Equity, and others for approximately $300 million in cash and stock on May 25, 2016. The transaction is expected to be immediately accretive.
05/09/2016	Krispy Kreme Doughnuts, Inc. (NYSE:KKD)	$1,348	Cotton Parent, Inc.	18.1x	Cotton Parent, Inc. entered into a definitive merger agreement to acquire Krispy Kreme Doughnuts, Inc. (NYSE:KKD) for $1.3 billion in cash on May 8, 2016. Under the terms of agreement Cotton Parent, Inc. will pay $21 per share.Krispy Kreme may be required to pay Cotton a termination fee of $42 million. At the close of the transaction, Krispy Kreme will be privately owned and will continue to be independently operated from Krispy Kreme's current headquarters in Winston-Salem, N.C.
03/22/2016	Bellacino's Pizza & Grinders	-	Healthy & Tasty Brands Corporation (OTCPK:GRLT)	-	Healthy & Tasty Brands Corporation (OTCPK:GRLT) entered into an agreement to acquire Bellacino's Pizza & Grinders on March 22, 2016. Following the acquisition, Bellacino's Pizza & Grinders will rename as SOONER BREAD COMPANY.
03/21/2016	13 Red Robin Franchised Restaurants in Texas	-	Red Robin Gourmet Burgers Inc. (NasdaqGS:RRGB)	-	Red Robin Gourmet Burgers Inc. (NasdaqGS:RRGB) acquired 13 Red Robin Franchised Restaurants in Texas from Cowboy Red, L.C, Cowgirl Red, LLC, and Texas Red Real Estate, Ltd. and Robert Y Reynolds and Carolyn Frost Keenan on March 21, 2016.
03/09/2016	TH & I Corporation	$1	AP Company USA Inc.	-	AP Company USA Inc. acquired TH & I Corporation for $1.4 million on March 1, 2016. Purchase price will be paid on the last day of March 2016.
03/04/2016	CulinArt Inc.	-	Compass Group USA, Inc.	-	Compass Group USA, Inc. acquired CulinArt Inc. on March 4, 2016. CulinArt's management will be retained as part of the merger. CulinArt had revenues of $265 million in 2015.
03/03/2016	Twelve Restaurants Located in Central Pennsylvania	-	Carrols Restaurant Group, Inc. (NasdaqGS:TAST)	-	Carrols Restaurant Group, Inc. (NasdaqGS:TAST) acquired twelve restaurants located in central Pennsylvania on February 23, 2016.
02/22/2016	19 Casual and Polished-Casual Dining Restaurants in Midwest and Mid-Atlantic States	-	Meritage Hospitality Group Inc. (OTCPK:MHGU)	-	Meritage Hospitality Group Inc. (OTCPK:MHGU) entered into an agreement to acquire 19 Casual and Polished-Casual Dining Restaurants in Midwest and Mid-Atlantic States on February 22, 2016. The deal is subject to due diligence including debt and financing agreements and it is expected to close in summer 2016.
02/12/2016	The Fresh Diet, Inc.	$9	New Fresh Co., LLC	-	New Fresh Co., LLC signed a letter of intent to acquire 90% stake in The Fresh Diet, Inc. from Innovative Food Holdings, Inc. (OTCPK:IVFH) for $8.7 million on February 9, 2016.
02/10/2016	10 Central Ohio Restaurants	-	Long John Silver's, LLC	-	Long John Silver's, LLC acquired 10 Central Ohio restaurants on February 10, 2016. Long John Silver's, LLC will use this market for product testing and training.
01/11/2016	42 BURGER KING Restaurants and 5 All-in-One Convenience Stores in Tennessee, Arkansas, Mississippi	-	Cambridge Franchise Holdings, LLC	-	Cambridge Franchise Holdings acquired 42 BURGER KING® restaurants and 5 All-in-One convenience stores in Tennessee, Arkansas and Mississippi from Mirabile Investment Corp on January 11, 2016.
01/06/2016	Sincerely Yogurt, Inc.	-	Ablak Holdings, LLC	-	Ablak Holdings, LLC acquired the assets of Sincerely Yogurt, Inc. from Michael Mathias, Craig Cozza and Fernando Esquivel on January 1, 2016. Sincerely Yogurt generated sales of $6 million for the year ended on December 31, 2015.
01/05/2016	Airport Shoppes Corp. and International Meal Company DR S.R.L. and Inversiones Llers S.A.	$50	Management Group Investor, LLC	-	Management Group Investor, LLC agreed to acquire Airport Shoppes Corp. and International Meal Company DR S.R.L. and Inversiones Llers S.A. from International Meal Company Alimentação S.A. (BOVESPA:MEAL3) for approximately $49.3 million on January 5, 2016.
12/18/2015	$210.5 million pool of restaurants	-	Golden Gate Capital	-	Golden Gate Capital acquired $210.5 million pool of restaurants from VEREIT, Inc. (NYSE:VER) on December 18, 2015.
12/18/2015	Famous Dave's of America Inc., Seven Locations In Chicago Area	$1	Elliott Baum	-	Elliott Baum entered into an asset purchase agreement to acquire seven restaurant locations from Famous Dave's of America Inc. (NasdaqGS:DAVE) for $1.15 million on December 14, 2015.

Source: Capital IQ & Wall Street Research.

Commitment to the Restaurant Industry

Fast Casual Concept Pending	LABRIOLA	TECHNOMIC	HB JONES	Pepperjax Grill	BUONA	Pizza Hut
KFC	AMERICAN JUNKIE	GRAHAM HOLDINGS Portillo's	GRAHAM HOLDINGS DEL TACO	Arby's	TACO BELL	Applebee's
Little Caesars	's	BENNIGAN'S	T.G.I. FRIDAY'S	MORTON'S THE STEAKHOUSE	EINSTEIN BROS BAGELS	BIG BOY
pie five PIZZA CO.	ANTHONY'S COAL FIRED PIZZA PIZZA WELL DONE	Jersey Mike's SUBS	BRUEGGER'S BAGELS	MOUNTAIN MIKE'S PIZZA	forever yogurt	WHISKEY CREEK

Peakstone Momentum

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About Peakstone

Peakstone is an investment bank that specializes in mergers and acquisitions advisory and capital raising for middle market clients. Our team is comprised of senior investment banking professionals who have decades of experience and have executed hundreds of transactions totaling billions of dollars. For additional information, visit www.peakstone.com.

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