

Annual RR Databook 2020-2021

Benchmarking for \$1B+ Chains and Other Select Concepts

Unit Sales & Margins, Build Costs, Valuations, System Stats, Units by State

| | |
|-----------------------|----------------------|
| Casual | Five Guys |
| Applebee's | Hardee's |
| BJ's Restaurants | Jack in the Box |
| Buffalo Wild Wings | McDonald's |
| Cheesecake Factory | Sonic Drive-In |
| Chili's Grill & Bar | Taco Bell |
| Long Horn | Wendy's |
| Olive Garden | Whataburger |
| Outback | Zaxby's |
| Red Robin | Sub-sandwich |
| Texas Roadhouse | Firehouse Subs |
| TGI Friday's | Jersey Mike's |
| Family | Jimmy John's |
| Cracker Barrel | Subway |
| Denny's | Pizza |
| Golden Corral | Domino's |
| IHOP | Little Caesar's |
| Perkin's | Papa John's |
| Fast Casual | Pizza Hut |
| Chipotle | Chicken |
| Moe's Southwest Grill | Bojangles' |
| Panera Bread | Church's |
| Qdoba | KFC |
| Sandwich | Popeyes |
| Arby's | Wingstop |
| Burger King | Coffee/Bakery |
| Carl's Jr. | Dunkin Donuts |
| Checkers/Rally's | Krispy Kreme |
| Chick-fil-A | Starbucks |
| Culver's | Tim Horton's |
| Dairy Queen | |

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Texas Roadhouse

Casual

RR Dashboard - Domestic System

| | Chain | Segment Avg./Total | | Chain | Segment Avg./Total |
|--|-------------|-----------------------|------------------------------------|-------------|-----------------------|
| System Scale | | | Store Level Labor Structure | | |
| System Sales (\$'000) | \$3,020,000 | \$31,113,000 | Total Hourly/Crew Employees | 170 - 200 | 50 - 200 |
| Market Share by Sales | 9.7% | | Average Employees @ Peak Shift | | 25 - 40 |
| System Units | 553 | 8,788 | Unit Economics | | |
| Market Share by Units | 6.3% | | | Dec-19 | FYE '19E |
| Growth | | | Average Unit Volume "AUV" | \$5,495,000 | \$4,495,125 |
| System Sales 2 Yr. Avg. | 10.4% | 1.1% | COGs | 32.3% | 26.8% |
| System Sales 10 Yr. Avg. | 9.8% | 2.4% | Labor | 33.1% | 33.6% |
| | | | EBITDAR (Pre G&A) | 15.0% | 16.8% |
| Gross New Units 2 Yr. Avg. | 4.1% | 1.1% | Unit Level M&A Multiple | | |
| Gross New Units 10 Yr. Avg. | 5.3% | 2.4% | | 4.00 | 4.11 |
| Same-Store-Sales (Systemwide Calendar Year) | | | Unit Transfers | | |
| 2 Yr. Avg. | 5.0% | 1.5% | 2 Yr. Avg. (2018-2019) | 0.0% | 1.8% |
| 10 Yr. Avg. | 4.5% | 0.9% | 10 Yr. Avg. (2010-2019) | 0.1% | 2.6% |
| RR SSS Index (Base Yr. 2009) | 133.8 | 92.4 | New Build Economics | | |
| Unit Closures | | | New Build AUV | \$4,700,000 | \$3,650,000 |
| 2 Yr. Avg. | 0.0% | 1.6% | New Build Costs (Ex. Land) | \$4,208,750 | \$3,331,450 |
| 10 Yr. Avg. | 0.0% | 1.3% | Building Size (Sq. Ft.) | 7,400 | 5,979 |
| Marketing | | | Sales-to-Investment Ratio | 1.12 | 1.10 |
| Gross Local Contribution | 0.70% | 0.7% | Sales/Sq. Ft. | \$635.1 | \$610.5 |
| Gross National Contribution | 0.30% | 3.2% | Investment/Sq. Ft. | \$568.8 | \$557.2 |
| Total Media Ad Spend (\$ MM) | \$27 | \$930 | New Build Cost/Acquisition Cost | 2.12 | |
| Segment Market Share | 2.9% | | Unlevered New Build ROI | 12.2% | 13.4% |
| Menu, Marketing & Promotions | | | System Condition | | |
| Menu Size | 55 | 74 | % of System New &/or Remodeled | 76.1% | 57.6% |
| # New Products 2019 | 0 | 12 | % of System Built in Last 7 Years | 29.8% | 17.4% |
| # New Products YTD 2020 | 0 | 6 | Franchise Summary | | |
| Average check | \$17.57 | \$18.98 | Total # Franchised Units | 69 | 3,030 |
| Daypart sales | | | % of System Franchised | 12.5% | 34.5% |
| Breakfast | | N/a | Total Franchisees | 16 | 221 |
| Lunch | | N/a | Avg. # Units/Franchisee | 4.3 | 13.7 |
| Dinner | | N/a | Initial & Development Fees (Net) | \$40,000 | \$39,286 |
| Afternoon & Late Night | | | Royalty Fee | 4.0% | 4.1% |
| | | | Minimum Net Worth Requirement | N/a | \$2,500,000 |
| | | | Franchisor Condition | | |
| | | | S&P Debt Rating | Not Rated | |
| | | | Stock Performance LTM | 30.9% | 7.3% |
| | | | Leverage (Net Debt/EBITDA) | 1.44 | 6.14 |

Above Average

Below Average

Texas Roadhouse

Domestic System Statistics ^(*)

| FYE December | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 Outlook | 10 yr. Average ('10-'19) |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------------------|
| Systemwide Sales (\$'000) | | | | | | | | | | | | |
| Systemwide Sales | \$1,255,000 | \$1,350,000 | \$1,525,000 | \$1,660,000 | \$1,850,000 | \$2,125,000 | \$2,300,000 | \$2,480,000 | \$2,720,000 | \$3,020,000 | | |
| % Growth | 5.6% | 7.6% | 13.0% | 8.9% | 11.4% | 14.9% | 8.2% | 7.8% | 9.7% | 11.0% | | 9.8% |
| Segment % Growth | 0.3% | 4.5% | 5.0% | 2.9% | 3.4% | 4.6% | 0.5% | 0.4% | 1.8% | 0.4% | | 2.4% |
| Segment Market Share | 5.1% | 5.2% | 5.6% | 5.9% | 6.4% | 7.0% | 7.6% | 8.1% | 8.8% | 9.7% | | |
| Market Share Change | 0.3% | 0.1% | 0.4% | 0.3% | 0.5% | 0.6% | 0.5% | 0.6% | 0.6% | 0.9% | | 0.5% |
| Same Store Sales | | | | | | | | | | | | |
| Franchised | 2.5% | 4.3% | 5.3% | 4.3% | 4.9% | 6.5% | 3.3% | 4.2% | 4.3% | 3.8% | N/a | 3.7% |
| Company | 2.4% | 4.7% | 4.7% | 3.4% | 4.7% | 7.2% | 3.6% | 4.5% | 5.4% | 4.7% | N/a | 3.8% |
| Total System | 2.4% | 4.6% | 4.8% | 3.6% | 4.7% | 7.1% | 3.6% | 4.5% | 5.3% | 4.6% | N/a | 4.5% |
| Segment SSS | -0.1% | 2.2% | 1.9% | 0.2% | 1.8% | 2.1% | -1.4% | -0.6% | 1.9% | 1.1% | | 0.9% |
| Unit Counts | | | | | | | | | | | | |
| Franchised | 71 | 71 | 70 | 70 | 70 | 72 | 73 | 70 | 69 | 69 | | |
| Company | <u>271</u> | <u>291</u> | <u>318</u> | <u>345</u> | <u>368</u> | <u>392</u> | <u>413</u> | <u>440</u> | <u>464</u> | <u>484</u> | | |
| Total | 342 | 362 | 388 | 415 | 438 | 464 | 486 | 510 | 533 | 553 | | |
| % Net Growth | 3.6% | 5.8% | 7.2% | 7.0% | 5.5% | 5.9% | 4.7% | 4.9% | 4.5% | 3.8% | | 5.3% |
| Segment % Net Growth | 1.6% | 2.4% | 2.2% | 2.3% | 1.7% | 1.9% | 1.0% | -0.6% | -0.5% | -0.5% | | 1.2% |
| Gross New Unit Development | | | | | | | | | | | | |
| Franchised | 1 | 0 | 1 | 2 | 1 | 2 | 1 | 1 | 0 | 1 | 2 | |
| Company | <u>12</u> | <u>20</u> | <u>25</u> | <u>25</u> | <u>22</u> | <u>24</u> | <u>21</u> | <u>23</u> | <u>23</u> | <u>19</u> | <u>23</u> | |
| Total | 13 | 20 | 26 | 27 | 23 | 26 | 22 | 24 | 23 | 20 | 25 | |
| % Growth | 3.9% | 5.8% | 7.2% | 7.0% | 5.5% | 5.9% | 4.7% | 4.9% | 4.5% | 3.8% | 4.5% | 5.3% |
| Segment % Growth | 2.8% | 3.2% | 3.1% | 3.4% | 2.9% | 2.8% | 2.2% | 1.4% | 1.2% | 1.0% | 1.3% | 2.4% |
| Transfers & Closure Rates | | | | | | | | | | | | |
| Franchised Transfers | 0.0% | 1.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.1% |
| Segment Transfers | 0.6% | 2.5% | 8.5% | 4.7% | 0.9% | 3.3% | 0.7% | 1.7% | 2.2% | 1.4% | | 2.6% |
| Franchised Closings | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% |
| Company Closings | <u>0.4%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | <u>0.0%</u> | | 0.0% |
| System Closings | 0.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | | 0.0% |
| Segment Closings | 1.2% | 0.7% | 0.9% | 1.2% | 1.2% | 0.9% | 1.2% | 2.0% | 1.8% | 1.5% | | 1.3% |

(*) Concept results reflect company's fiscal year. Segment results reflect an average of individual concept results based on their fiscal year end closest to December.

Texas Roadhouse

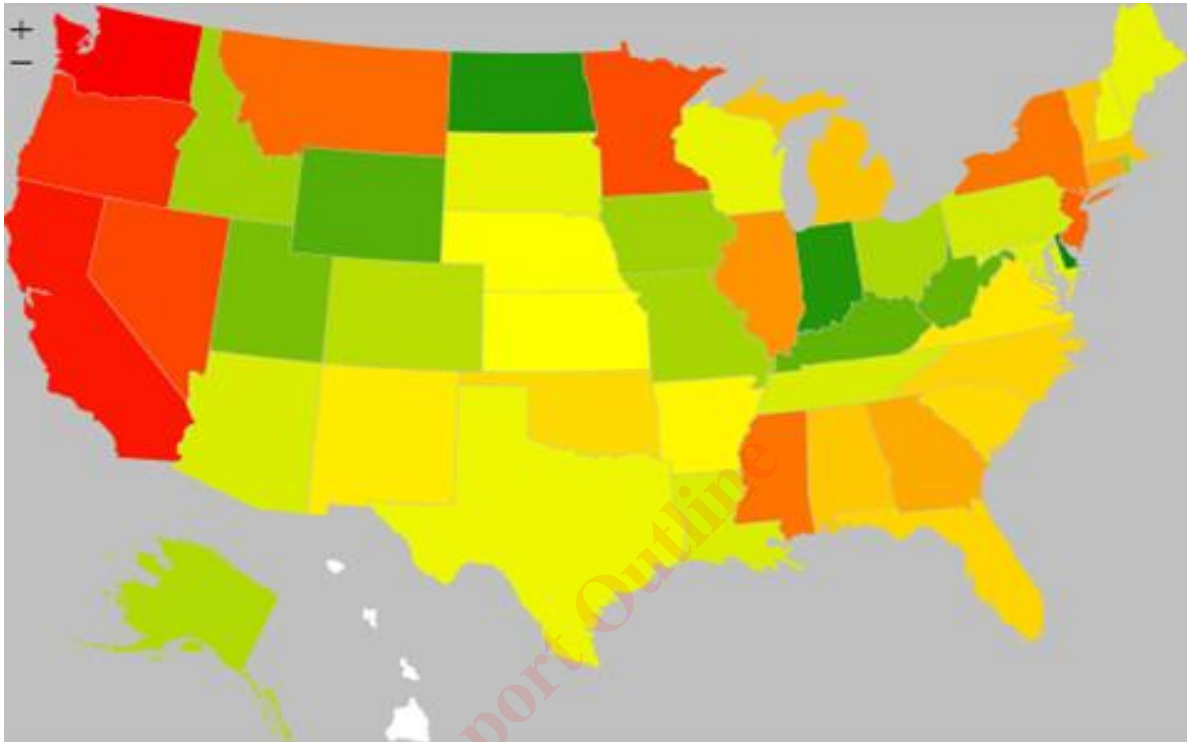
2019 State Unit Concentration (Units/Million People)

Lowest Concentration

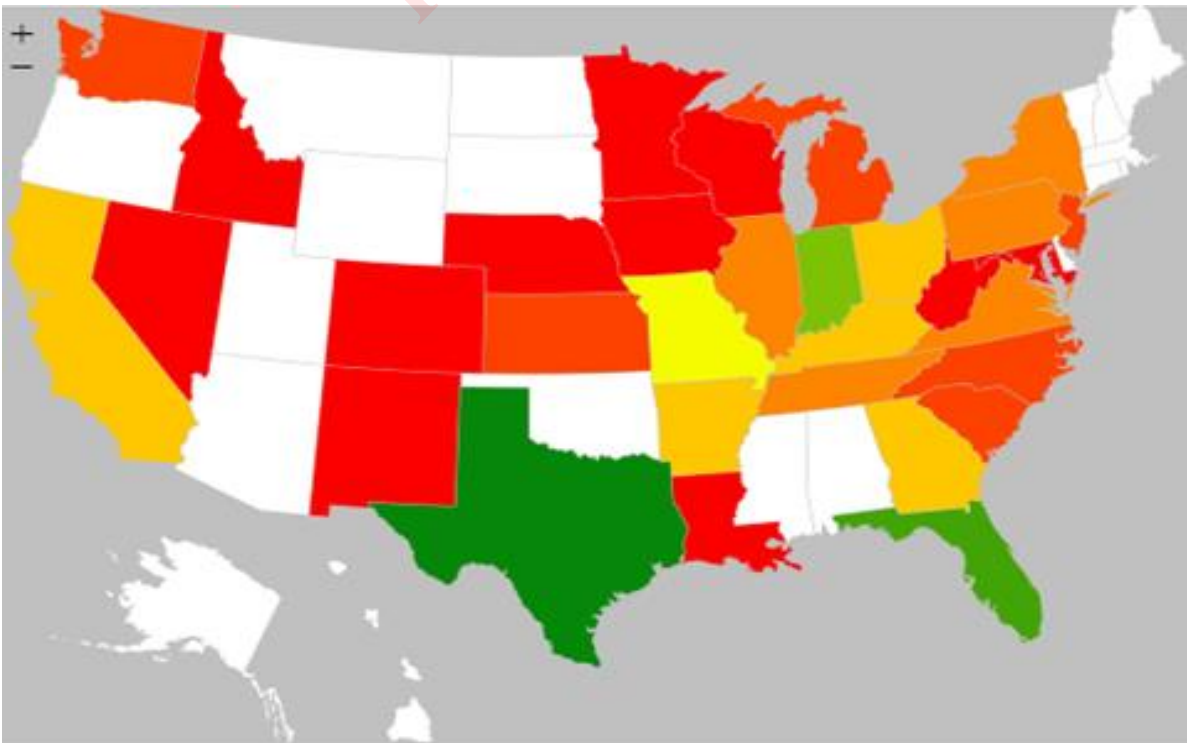
Highest Concentration

Least Development

Most Development



Total Gross New Unit Development (2018-2020P)



Texas Roadhouse

Unit Activity by State

| State | 2019 Unit Count | | | | Gross Openings | | | | | Closings | | | | Net Openings | | | | Transfers | | | |
|-------------------|-----------------|------------|------------|---------------|----------------|-----------|-----------|-----------|-----------|----------|----------|----------|----------|--------------|-----------|-----------|-----------|-----------|----------|----------|----------|
| | Total | Franchised | Company | % Total | 2016 | 2017 | 2018 | 2019 | 2020E | 2016 | 2017 | 2018 | 2019 | 2016 | 2017 | 2018 | 2019 | 2016 | 2017 | 2018 | 2019 |
| Alabama | 8 | | 8 | 1.4% | | | | | | | | | | | | | | | | | |
| Alaska | 2 | | 2 | 0.4% | | | | | | | | | | | | | | | | | |
| Arizona | 17 | | 17 | 3.1% | 2 | | | | | | | | | 2 | | | | | | | |
| Arkansas | 6 | | 6 | 1.1% | | 1 | 1 | 1 | 2 | | | | | | 1 | 1 | 1 | | | | |
| California | 12 | 8 | 4 | 2.2% | 1 | | 1 | 1 | 2 | | | | | 1 | | 1 | 1 | | | | |
| Colorado | 15 | 1 | 14 | 2.7% | | | | | 1 | | | | | | | | | | | | |
| Connecticut | 5 | | 5 | 0.9% | | 1 | | | | | | | | | 1 | | | | | | |
| Delaware | 4 | 2 | 2 | 0.7% | | | | | | | | | | | | | | | | | |
| Dist. of Columbia | | | | | | | | | | | | | | | | | | | | | |
| Florida | 37 | | 37 | 6.7% | 3 | 4 | 2 | 4 | 2 | | | | | 3 | 4 | 2 | 4 | | | | |
| Georgia | 15 | 5 | 10 | 2.7% | | 1 | 2 | | 2 | | | | | | 1 | 2 | | | | | |
| Hawaii | | | | | | | | | | | | | | | | | | | | | |
| Idaho | 5 | | 5 | 0.9% | | | | | 1 | | | | | | | | | | | | |
| Illinois | 16 | | 16 | 2.9% | | | | 1 | 2 | | | | | | | | | | | | 1 |
| Indiana | 26 | 8 | 18 | 4.7% | | | 2 | 3 | 2 | | | | | | | 2 | 3 | | | | |
| Iowa | 9 | | 9 | 1.6% | | | | | 1 | | | | | | | | | | | | |
| Kansas | 6 | 1 | 5 | 1.1% | 1 | | 1 | | 1 | | | | | 1 | | 1 | | | | | |
| Kentucky | 15 | 2 | 13 | 2.7% | | | 1 | 1 | 2 | | | | | | | 1 | 1 | | | | |
| Louisiana | 11 | 1 | 10 | 2.0% | | | | 1 | | | | | | | | | 1 | | | | |
| Maine | 3 | | 3 | 0.5% | | | | | | | | | | | | | | | | | |
| Maryland | 14 | 6 | 8 | 2.5% | 2 | 2 | 1 | | | | | 2 | | 2 | 2 | 1 | (2) | | | | |
| Massachusetts | 11 | 1 | 10 | 2.0% | 1 | 1 | | | | | | | | 1 | 1 | | | | | | |
| Michigan | 16 | 3 | 13 | 2.9% | 2 | | | | 2 | | | | | 2 | | | | | | | |
| Minnesota | 4 | | 4 | 0.7% | | | | | 1 | | | | | | | | | | | | |
| Mississippi | 3 | | 3 | 0.5% | | 2 | | | | | | | | | 2 | | | | | | |
| Missouri | 17 | | 17 | 3.1% | 1 | 2 | 2 | 1 | 2 | | | | | 1 | 2 | 2 | 1 | | | | |
| Montana | 1 | 1 | | 0.2% | | | | | | | | | | | | | | | | | |
| Nebraska | 4 | 1 | 3 | 0.7% | | | | | 1 | | | | | | | | | | | | |
| Nevada | 2 | | 2 | 0.4% | | | 1 | | | | | | | | | 1 | | | | | |
| New Hampshire | 3 | | 3 | 0.5% | | | | | | | | | | | | | | | | | |
| New Jersey | 8 | | 8 | 1.4% | | 1 | 1 | | 1 | | | | | | 1 | 1 | | | | | |
| New Mexico | 4 | | 4 | 0.7% | 1 | | | | 1 | | | | | 1 | | | | | | | |
| New York | 20 | | 20 | 3.6% | 3 | 1 | 1 | 1 | 1 | | | | | 3 | 1 | 1 | 1 | | | | |
| North Carolina | 18 | | 18 | 3.2% | | 1 | 1 | | 1 | | | | | | 1 | 1 | | | | | |
| North Dakota | 3 | 1 | 2 | 0.5% | | | | | | | | | | | | | | | | | |
| Ohio | 32 | 2 | 30 | 5.8% | 1 | 2 | | 1 | 3 | | | | | 1 | 2 | | | | | 1 | |
| Oklahoma | 7 | | 7 | 1.3% | 1 | | | | | | | | | 1 | | | | | | | |
| Oregon | 2 | | 2 | 0.4% | | | | | | | | | | | | | | | | | |
| Pennsylvania | 31 | 6 | 25 | 5.6% | 1 | 2 | 1 | 1 | 1 | | | | | 1 | 2 | 1 | 1 | | | | |
| Rhode Island | 3 | | 3 | 0.5% | | | | | | | | | | | | | | | | | |
| South Carolina | 9 | 6 | 3 | 1.6% | | | | 1 | 1 | | | | | | | | | | | | 1 |
| South Dakota | 2 | | 2 | 0.4% | | | | | | | | | | | | | | | | | |
| Tennessee | 16 | 2 | 14 | 2.9% | | 2 | 1 | | 2 | | | | | | 2 | 1 | | | | | |
| Texas | 63 | 5 | 58 | 11.4% | | | 4 | 2 | 3 | | | | | | | 4 | 2 | | | | |
| Utah | 10 | 1 | 9 | 1.8% | | | | | | | | | | | | | | | | | |
| Vermont | 1 | | 1 | 0.2% | | | | | | | | | | | | | | | | | |
| Virginia | 16 | | 16 | 2.9% | 2 | 1 | | 1 | 2 | | | | | 2 | 1 | | | | | 1 | |
| Washington | 1 | | 1 | 0.2% | | | | | 2 | | | | | | | | | | | | |
| West Virginia | 6 | 3 | 3 | 1.1% | 1 | 1 | | 1 | | | | | | 1 | 1 | | | | | 1 | |
| Wisconsin | 13 | 3 | 10 | 2.3% | | | | | 1 | | | | | | | | | | | | |
| Wyoming | 2 | | 2 | 0.4% | | | | | | | | | | | | | | | | | |
| Total | 554 | 69 | 485 | 100.0% | 23 | 25 | 23 | 21 | 43 | 0 | 0 | 0 | 2 | 23 | 25 | 23 | 19 | 0 | 0 | 0 | 0 |
| % YOY Growth | 3.6% | -2.8% | 4.5% | | 5.0% | 5.1% | 4.5% | 3.9% | 7.8% | | | | 0.4% | 5.0% | 5.1% | 4.5% | 3.6% | | | | |

Please note state unit data is derived from FDDs and may vary from figures reported in 10-Ks and annual reports.

All Inclusive Subscription Package

Value-Added Data & Insight for \$1B+ Chains

Concept Benchmarking Reports

| | | | |
|--------------|----------|----------------------------|------------|
| Applebee's | Arby's | Burger King | Carl's Jr. |
| Chili's | Church's | Denny's | Domino's |
| Hardee's | IHOP | Jack in the Box | KFC |
| McDonald's | Panera | Papa John's | Pizza Hut |
| Popeyes | Sonic | Subway | Taco Bell |
| TGI Friday's | Wendy's | Quarterly Concept Updates* | |

Industry Benchmarking (50+ Chains)

| Store Level | Systemwide | Finance |
|---------------------|------------------------------|-------------------|
| New Unit Investment | Quarterly Same Store Sales* | Unit Valuations |
| Remodeling | Annual RR Databook* | Franchise Finance |
| Unit Economics | Unit & Sales Growth Analysis | |
| Marketing Spend | Menu & Promotions | |
| | Commodities Database* | |

* Only available as part of subscription.

FDD library for 40+ Chains

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