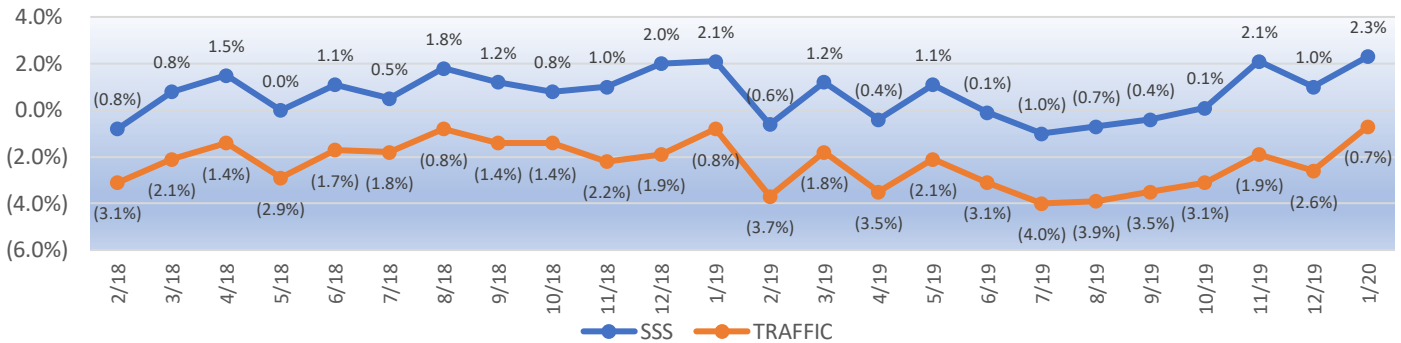


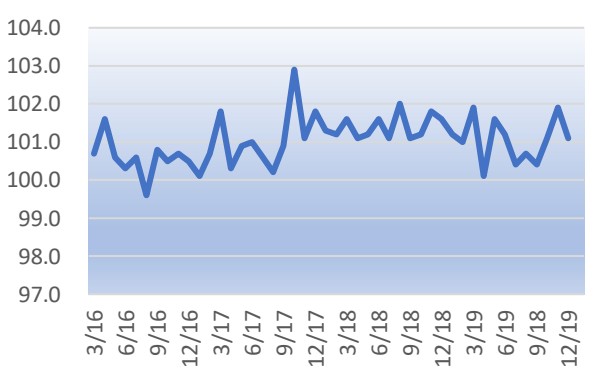
SAME STORE SALES & TRAFFIC



Source: Compass RCR and TDn2K

RESTAURANT PERFORMANCE INDEX

101.1 <0.7%>

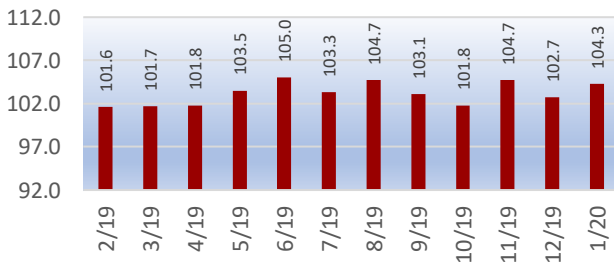


Source: National Restaurant Association and Compass RCR

<b>Current Situation Index:</b>	<b>100.5</b> ↓	<b>&lt;1.6%&gt;</b>
\$ Same Store Sales:	44%	Reported increase over December 2018
👤 Customer Traffic:	34%	Reported increase over December 2018
🏗️ Capital spending:	58%	Capital expenditures increased in last 3 months
<b>Expectations Index:</b>	<b>101.8</b> ↑	<b>0.2%</b>
\$ Sales outlook:	45%	Expect higher sales in next 6 months
🏗️ Capital spending:	63%	Plan to make capital expenditures in next 6 months
📊 Economy:	22%	Expect economic conditions to improve during next 6 months

SMALL BUSINESS OPTIMISM INDEX

104.3 \* +1.6%



Source: NFIB and Compass RCR

\*Correction for 12/19; actual was 102.7.

TOP CONCERNS:

- **Retaining and recruiting quality employees** – 98%; priority is shifting to GM position.
- **Labor and related expenses** – New pressures emerge as several States pass regulations defining salaries, employees overtime pay qualifications eligibility.
- **Declining Traffic (customer counts)** – Gap between sales growth and traffic worsening; no end in sight.

CONSUMER OPTIMISM: Current Mo: 99.1 Last Mo: 99.3 3 Mo. Trajectory: 95.1

TRENDS:

**OFF-PREMISE:** Recent Upserve Survey found: 60% of U.S. consumers order delivery or take-out once a week. 87% believe delivery makes their life easier. 70% would rather order direct from the restaurant.  
**PLANT-BASED PRODUCTS:** Burger King announced a slowing of Impossible Whopper sales in QTR-4 2019. Recent survey by Archer Daniels Midland Co. found 44% of U.S. consumers now identifying themselves as flexitarian. A group that is motivated primarily by health, wellness and sustainability.