

Restaurant Research's Industry Data Report New Unit Development & Closure Update

6/26/09

Executive Summary

- The 2009 new unit development & closure update is based on 40 chains with \$1+ Billion in system-wide sales.
- New unit development continued to decelerate in 2008 (particularly in the fast casual and coffee segments) as a result of a deteriorating economic environment, declining store level margins and tighter credit markets – all of which continue to weigh on 2009 development prospects.
- The aggregate closure rate spiked to its highest level in 4 years.

Key Data Points

- Concept level detail on FYE 2008 unit development, closings and franchise transfers as well as 2009 development projections broken down by company and franchisees.
- Segment comparison charts highlighting 5 year unit development trends, closure rates and franchise transfers.
- Refer to pages 2 and 3 for sample exhibits and a list of included chains.

RR Clients

Includes major lenders, investors, major US restaurant chains, operators and industry consultants. Please check www.ChainRestaurantData.com for a partial client list and customer testimonials.

More About Us

Restaurant Research LLC leverages an extensive network of industry players as part of its annual Concept Benchmark Analysis due diligence process for 22 large US restaurant chains. Also, RR tracks store level data for all major chains with system-wide sales in excess of \$1B across all major restaurant segments in order to produce 11 key Industry Data Topic reports. For more information please contact us at info@ChainRestaurantData.com or 203-405-1901.

\$1+ Billion Dollar Restaurant Chains Unit Development & Closure Rate Segment Summary

	2004	2005	2006	2007	2008	2009P	5 Yr. Avg. (2004-2008)
Gross Unit Development (sorted by 2009 Projected growth high to low)							
<u>QSR</u>							
Coffee ⁽¹⁾							
Pizza							
Sandwich							
Chicken							
Total QSR							
<u>Sit-down</u>							
Fast Casual							
Casual							
Family							
Total Sit-down							
Grand Total Openings							
Total New Units							
Closure Rates (sorted by 2008 closures low to high)							
<u>QSR</u>							
Sandwich							
Coffee ⁽¹⁾							
Pizza							
Chicken							
Total QSR							
<u>Sit-down</u>							
Fast Casual							
Casual							
Family							
Total Sit-down							
Grand Total Closures							
Total Closed Units							

2008 Actual/2009 Projected Domestic Unit Activity Detail

Concept	New Units - 2008			Closed Units - 2008			Franchisee Transfers	Unit Count - 2008			Projected New Units - 2009		
	Total	Co.	Fran.	Total	Co.	Fran.		Total	Co.	Fran.	Total	Co.	Fran.
QSR													
Arby's													
Burger King													
Carl's Jr.													
Chick-fil-A													
Dairy Queen ⁽¹⁾													
Hardee's													
Jack in the Box													
McDonald's													
Quizno's													
Sonic Drive-In													
Subway ⁽²⁾													
Taco Bell ⁽²⁾													
Wendy's													
Sandwich													
Domino's													
Little Caesar's													
Papa John's													
Pizza Hut ⁽²⁾													
Pizza													
Churchs													
KFC ⁽²⁾													
Popeyes													
Chicken													
Dunkin Donuts ⁽³⁾													
Starbucks ⁽⁴⁾													
Coffee													
Total QSR													
Sit-Down													
Applebee's													
Buffalo Wild Wings													
Cheesecake Factory													
Chili's Grill & Bar													
Olive Garden													
Outback													
Red Lobster													
Red Robin													
Ruby Tuesday													
T.G.I. Friday's													
Texas Roadhouse													
Casual													
Bob Evan's													
Cracker Barrel													
Denny's													
IHOP													
Perkin's													
Family													
Chipotle													
Panera Bread ⁽⁵⁾													
Fast Casual													
Total Sit-Down													
Grand Total													

Source: SEC filings, company reports and Franchise Disclosure Documents