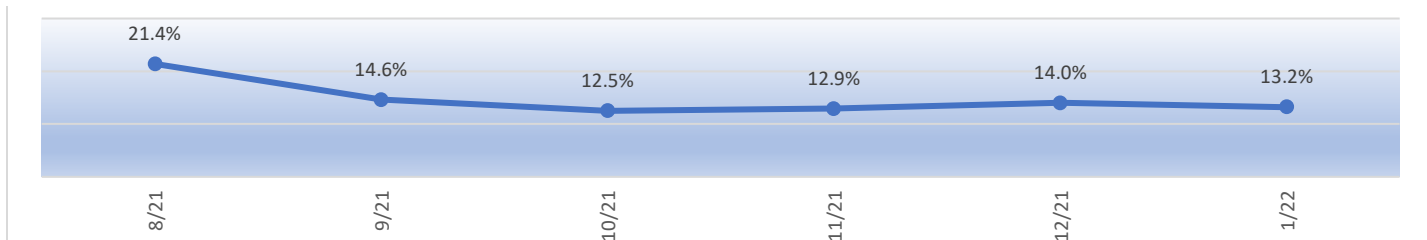


SAME STORE SALES (Source: Compass RCR)

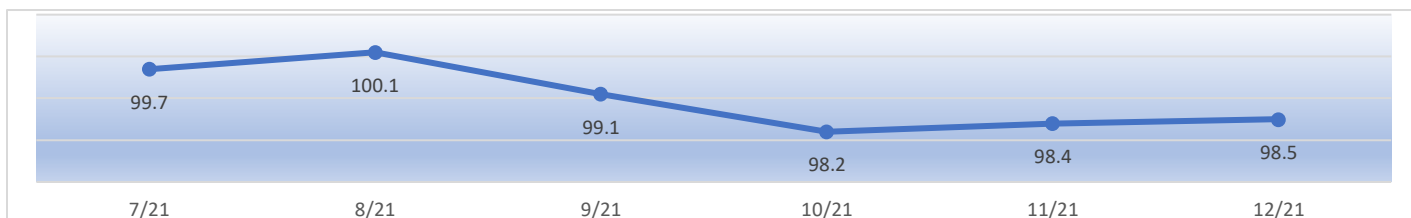


COMMENTS: Based on consensus, SSS trends declined in January primarily due to several key situations: (1) Inflation's impact on consumer spending and (2) Historically, January is the slowest month of the year. The Inflation situation should be watched very closely as it is beginning to show signs of broader impact on the economy and consumer.

RESTAURANT PERFORMANCE INDEX (Source: National Restaurant Association)

		5/21	6/21	7/21	8/21	9/21	10/21	11/21	12/21
	RESTAURANT PERFORMANCE INDEX	105.5	105.6	105.2	104.2	102.9	104.5	104.8	104.8
CURRENT SITUATIONS									
	SSS Increase/Decrease	95%/5%	84%/16%	85%/15%	73%/11%/16%	76%/24%	85%/11%	86%/7%	89%/11%
	Capital Spending	68%	72%	73%	63%	59%	62%	75%	48%
EXPECTATIONS:									
	Sales Outlook Improvement	75%	75%	71%	53%	47%	50%	59%	67%
	Economy Outlook Improvement	74%	68%	32%	36%	16%	30%	37%	40%

SMALL BUSINESS OPTIMISM INDEX (Source: NFIB and Compass RCR)



The most recent NFIB Survey findings show a slight increase in operator optimism; possibly driven by improvements in recruiting thus filling staffing gaps – all labor categories improved. Profits were down and material and labor costs increased.

CONSUMER SENTIMENT (University of Michigan-Sentiment)

As holiday bills became due in January and prices of goods and services continued to increase, consumers concerns over inflation took a significant jump. This was the primary influence in their 3.4 drop in sentiment and 4.2 drop in expectations.

	8/21	9/21	10/21	11/21	12/21	1/22
Consumer Sentiment	70.3	72.8	71.7	67.4	70.6	67.2
Current Economy	78.5	80.1	77.7	73.6	74.2	72.0
Consumer Expectations	65.1	68.1	67.9	63.5	68.3	64.1

HEADLINE NEWS

- Inflation is hitting the consumers, operators, and the menu.
- Off premise sales remain a powerful source for revenue.
- Loyalty programs emerge as restaurants' "must have."
- Sharp decline in Dine-In traffic as Omicron spreads.
- Winter storms hampered travel and business from Maine to Florida in late January.