

1990 CHAIN RESTAURANT MERGER & ACQUISITION CENSUS

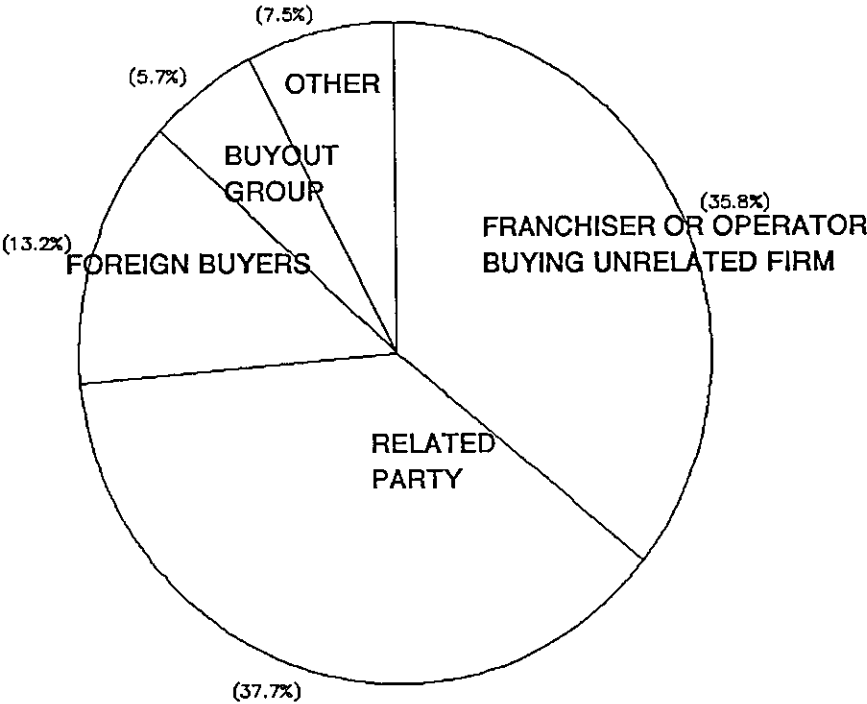
SUMMARY REPORT

Prepared by: David L. Epstein
Principal
J.H. Chapman Group, Ltd.
9700 Higgins Road
Rosemont, IL 60018
312-693-4800
312-693-6255

© Copyright 1991

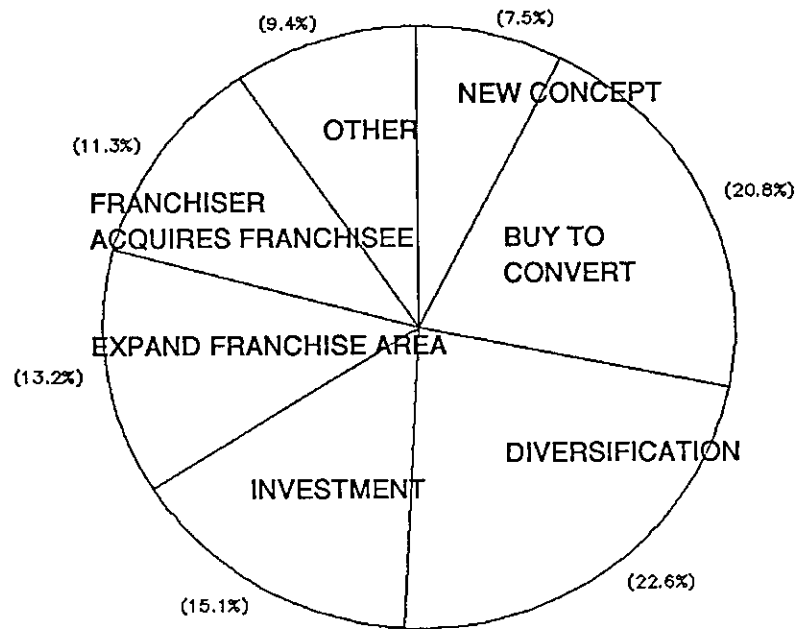
1990 RESTAURANT MERGER & ACQUISITION CENSUS

TYPE OF BUYER



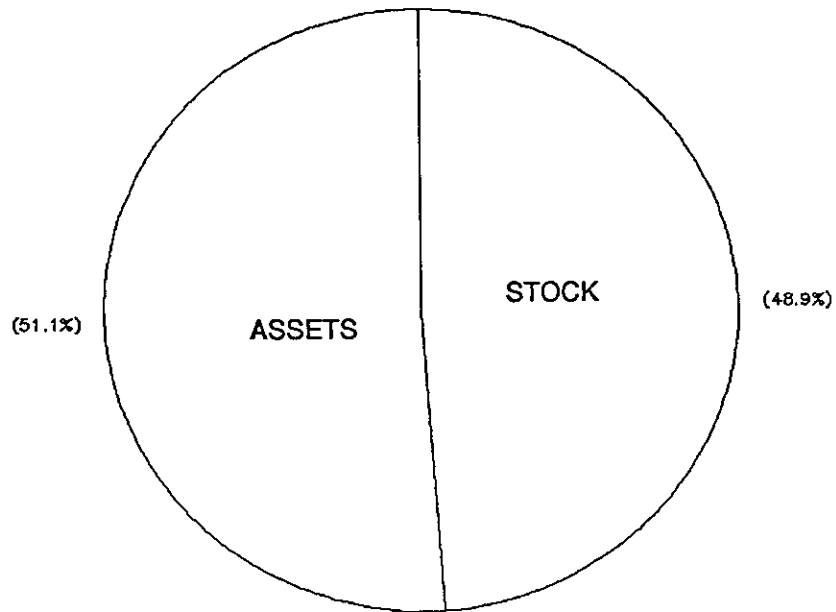
<u>TYPE OF BUYER</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>
RELATED PARTIES	20	37.7	17	24.6
FRANCHISER OR OPERATOR BUYING UNRELATED FIRM	19	35.8	24	34.8
FOREIGN BUYERS	7	13.2	4	5.8
BUYOUT GROUP	3	5.7	18	26.1
OTHER	4	7.5	6	8.7
TOTAL	53	100.0	69	100.0

1990 RESTAURANT MERGER & ACQUISITION CENSUS REASON FOR PURCHASE



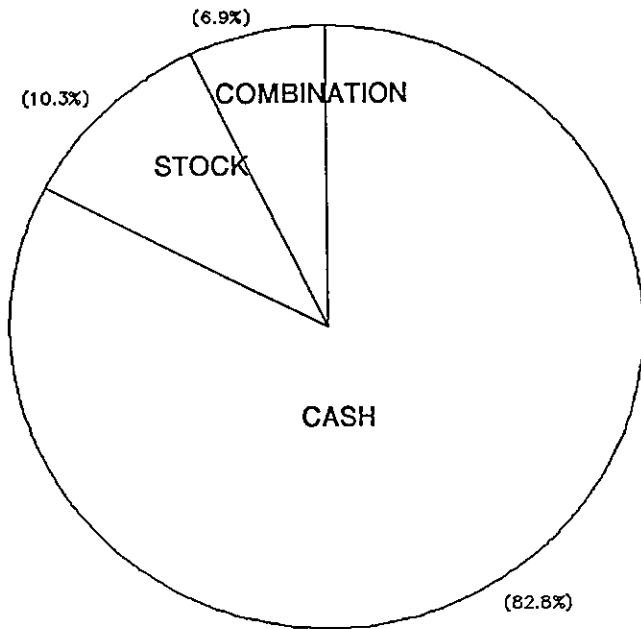
<u>REASON FOR PURCHASE</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>
DIVERSIFICATION	12	22.6	20	29.0
BUY TO CONVERT	11	20.8	8	11.6
INVESTMENT	8	15.1	10	14.5
EXPAND FRANCHISE AREA	7	13.2	6	8.7
FRANCHISER ACQUIRES FRANCHISEE	6	11.3	5	7.2
NEW CONCEPT	4	7.5	3	4.3
OTHER	5	9.4	17	24.6
TOTAL	53	100.0	69	100.0

**1990 RESTAURANT MERGER & ACQUISITION CENSUS
TYPE OF SECURITY OR ASSET ACQUIRED**



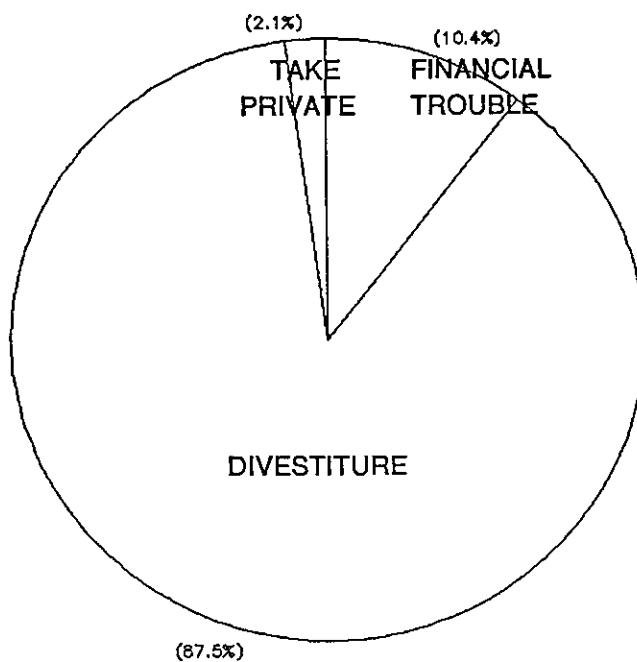
<u>TYPE OF SECURITY OR ASSET ACQUIRED</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>
ASSETS	23	51.1	21	61.8
STOCK	22	48.9	13	38.2
TOTAL	45	100.0	34	100.0

1990 RESTAURANT MERGER & ACQUISITION CENSUS METHOD OF PAYMENT



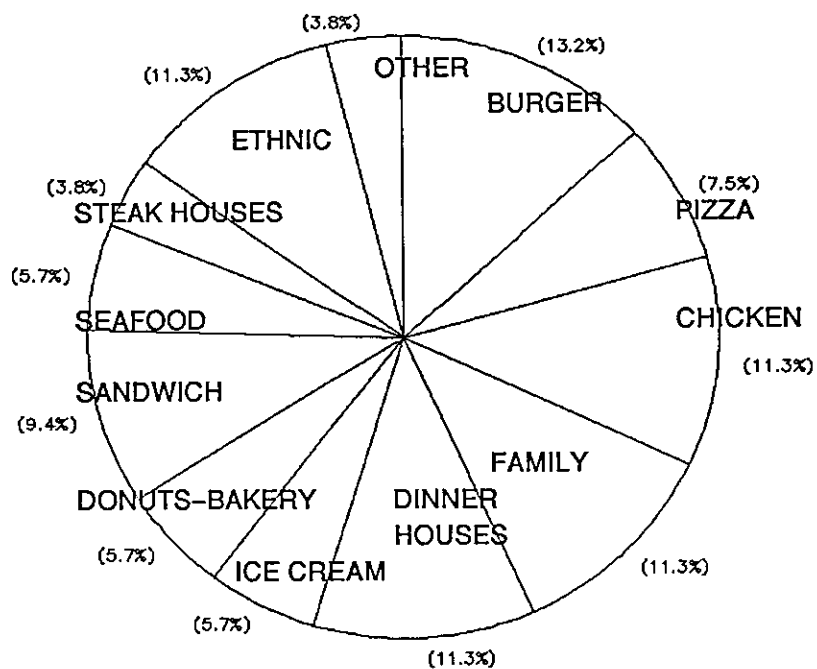
<u>METHOD OF PAYMENT</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>
CASH	24	82.8	35	81.4
STOCK	3	10.3	2	4.7
SELLER TAKEBACKS			1	2.3
COMBINATION	2	6.9	5	11.6
TOTAL	29	100.0	43	100.0

1990 RESTAURANT MERGER & ACQUISITION CENSUS REASON FOR SALE



<u>REASON FOR SALE</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>
DIVESTITURE	42	87.5	26	46.4
FINANCIAL TROUBLE	5	10.4	20	35.7
TAKE PRIVATE	1	2.1	5	8.9
MANAGEMENT SUCCESSION			4	7.1
END HOSTILE OFFER			1	1.8
TOTAL	48	100.0	56	100.0

1990 RESTAURANT MERGER & ACQUISITION CENSUS INDUSTRY SEGMENTS



<u>INDUSTRY SEGMENTS</u>	<u>1990</u>	<u>%</u>	<u>1989</u>	<u>%</u>
BURGER	7	13.2	4	5.8
FAMILY	6	11.3	11	15.9
DINNER HOUSES	6	11.3	8	11.6
ETHNIC	6	11.3	7	10.1
CHICKEN	6	11.3	4	5.8
SANDWICH	5	9.4	3	4.3
PIZZA	4	7.5	5	7.2
ICE CREAM	3	5.7	5	7.2
DONUTS-BAKERY	3	5.7	6	8.7
SEAFOOD	3	5.7	4	5.8
STEAK HOUSES	2	3.8	3	4.3
OTHER	2	3.8	9	13.0
TOTAL	53	100.0	69	100.0