<u>Exhibit A</u>

Deloitte Valuation Report

Fair Market Value of 100.0 Percent of the Invested Capital of Piccadilly Restaurants, LLC

Expert Report of Richard H. Lee, CPA/ABV, ASA
Deloitte Financial Advisory Services LLP
December 11, 2013

Contents

Engagement Overview

In conducting this fair market value study, I performed the following procedures:

Services Provided

I, and staff working under my direction, performed an analysis to develop an estimate of the fair market value of 100.0 percent of the invested capital of Piccadilly Restaurants, LLC ("Piccadilly" or the "Company") on a controlling basis (the "Business Interest") as of October 31, 2013 (the "Valuation Date") (the "Services"). Invested capital reflects the sum of the common stock, preferred stock, debt, and other long-term operating liabilities of the enterprise, plus cash ("Invested Capital"). A controlling basis reflects the value of an interest in a business having the power to direct the management and policies of that enterprise. In developing my estimate of value, I considered each applicable premium for control, discount for lack of control, or discount for lack of marketability, as well as the presence of non-operating or excess assets and liabilities.

Description of the Analysis

My analysis included, but was not necessarily limited to, the following:

- Analysis of the Company's history; the nature of its business; its competitive position, strengths, and challenges; its operating and non-operating assets, if any; its historical financial position, operating performance, and dividend-payment patterns; and historical transactions involving its debt or equity securities; and its plans for the future, including expectations regarding dividends, operating performance, and financial position.
- Analysis of the Company's historical financial data.
- Research concerning the:
  - Company, its financial and operating history, the nature of its products and/or services, and its competitive position in the marketplace.
  - Current economic conditions and outlook for the national economy, as well as applicable global economic conditions.
  - Industry in which the Company participates.
  - Company's competitors and other companies engaged in the same or similar lines of business.
- Analysis of market research reports regarding participants in the Company's industry.
- Consideration, selection, and application of valuation approaches and methods.
- Estimation of the fair market value of Piccadilly's Invested Capital as of the Valuation Date.

Standard and Premise of Value

For purposes of this engagement, the standard of value is fair market value

- For the purpose of this engagement, the type of value is fair market value. Fair market value, as defined in U.S. Treasury regulations (Reg. §20.2031-1(b)), is "the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts."
- Unless otherwise noted, the type of value reflects the highest and best use of the Business Interest.
- If the highest and best use of the Business Interest is consistent with its value as a going concern, then the value of the Business Interest reflects the continued operation of the business. If the highest and best use of a Business Interest is consistent with its liquidation value, then the value of the Business Interest reflects the estimated proceeds derived from the discontinuation of the business and the sale of its assets.
- The value of the Business Interest reflects the estimated exit price at which the Business Interest would exchange in a hypothetical transaction occurring among market participants.

Information Sources

In conducting this fair market value study, I utilized various information sources

- In the course of this analysis and valuation, I used unaudited financial data and other information provided to me by company management ("Management") or obtained from public sources I believe to be reliable.
- Following are the principal sources of information I relied upon in performing my valuation:
    - Various information from the Corporate Restructuring Group ("Deloitte CRG") of Deloitte Financial Advisory Services LLP ("Deloitte FAS") and Management concerning the history, current business environment, and future prospects of the Company.
    - Management prepared financial statements.
    - Various industry and economic information obtained from The Federal Reserve, Morningstar's Stocks, Bonds, Bills and Inflation Yearbook ("SBBI"), Capital IQ, IBISWorld, Moody's, Euromonitor International, and Economist Intelligence Unit.
    - Publicly-available financial and operating information relating to other companies in industries similar to the Company.
- The Services and this report do not constitute an audit conducted in accordance with auditing standards generally accepted in the U.S. or standards of the Public Company Accounting Oversight Board ("PCAOB"), an examination of internal controls, or other attestation or review services in accordance with standards established by the American Institute of Certified Public Accountants ("AICPA").
- I do not express an opinion or any other form of assurance with respect to (1) financial statements, (2) operating or internal controls of any entity included in the engagement for any date or period, or (3) future operations of any entity included in the engagement.
- Events and circumstances frequently do not occur as expected. There will usually be differences between prospective financial information and actual results, and those differences may be material.
- The Services and this report do not constitute (1) a recommendation regarding the acquisition or financing of any business, assets, liabilities, or securities; (2) a market or financial feasibility study; (3) a fairness or solvency opinion; or (4) an examination or compilation of, or the performance of agreed-upon procedures with respect to, prospective financial information in accordance with standards established by the AICPA or the PCAOB. The Services and this report are not intended to be and shall not be construed to be "investment advice" within the meaning of the Investment Advisers Act of 1940.

Company Overview

Piccadilly owns and operates a chain of restaurants and food service operations

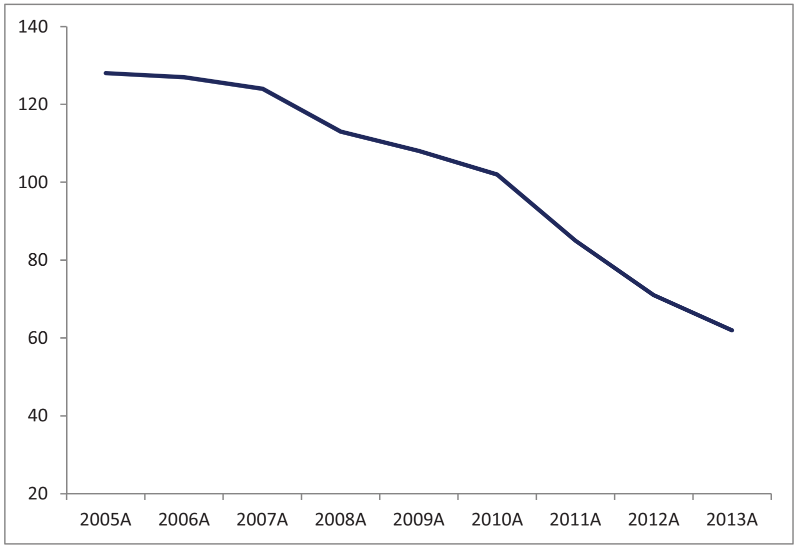
Introduction

- Headquartered in Baton Rouge, Louisiana, Piccadilly Restaurants, LLC operates a chain of cafeteria restaurants and food service operations. The Company also provides party trays, catering services, and group dining services.
  - The Company focuses on promoting itself as a family dining chain that offers good food at a good value.
  - The Company provides a moderately priced selection of home favorites in comfort foods that varies according to local and seasonal tastes. Each location offers approximately 20 entrees along with breads, soups, and salads.
- The first Piccadilly Cafeteria opened in 1932 in Baton Rouge, Louisiana.
- The Company experienced a major expansion in 1996 with the acquisition of Morrison's Cafeterias.
- Piccadilly filed a voluntary petition of reorganization under Chapter 11 in the U.S. Bankruptcy Court for the Western District of Louisiana on September 11, 2012. The Company previously filed for bankruptcy in 2003.

Locations

- Today, the Company operates 62 locations in the following states:
  - Louisiana – 20 locations
  - Georgia – 12 locations
  - Tennessee – 8 locations
  - Florida – 7 locations
  - Mississippi – 6 locations
  - Virginia – 5 locations
  - Alabama – 3 locations
  - Texas – 1 location
- Over the past seven years, the Company has closed 66 locations, declining from 128 locations in 2005 to 62 locations as of the Valuation Date.

Piccadilly Location Count

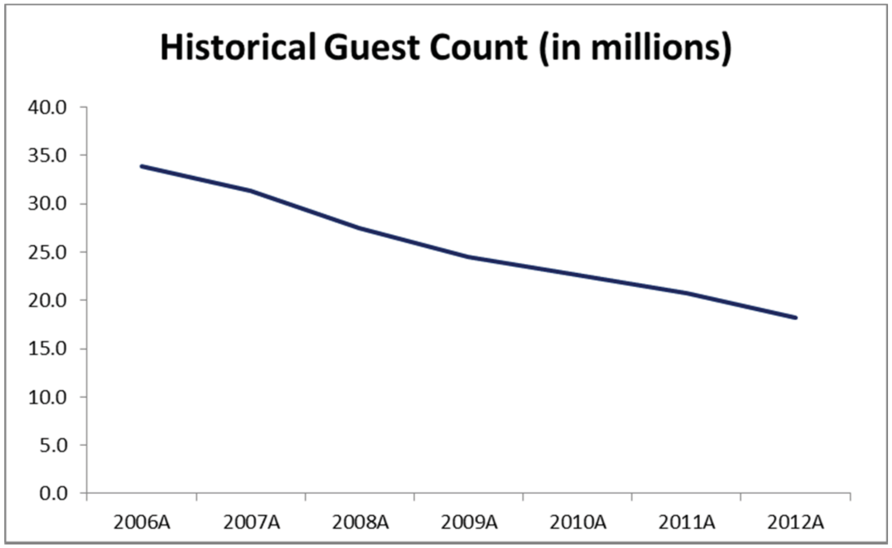


Financial Performance

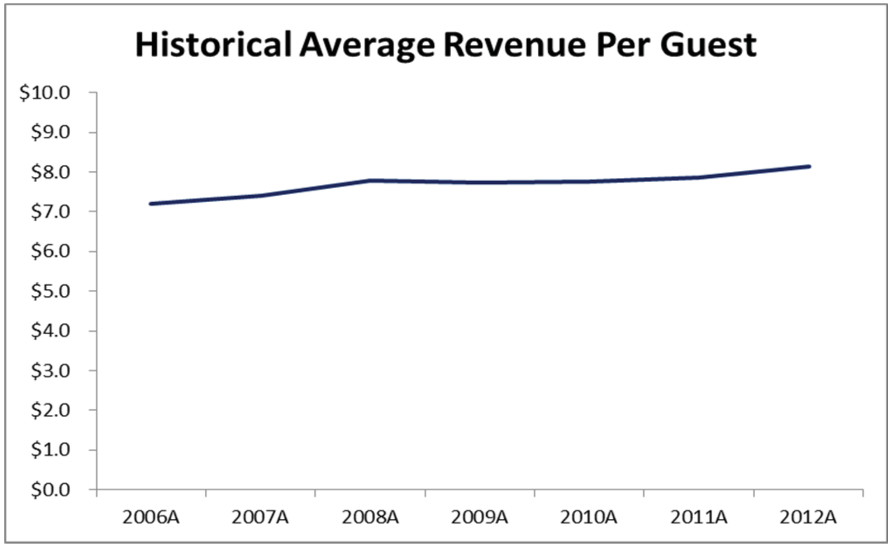
- From January 1, 2013 to October 29, 2013, Piccadilly generated $106.6 million in net revenue and $2.7 million in earnings before interest, taxes, depreciation and amortization ("EBITDA").

Company Overview – Guest Count & Average Revenue

- **Guest Count**: The Company's guest count declined historically from 33.8 million in 2006 to 18.2 million in 2012, representing a compounded annual growth rate ("CAGR") of negative 9.8 percent.
- Guest count (presented in millions) declined consistently over the past seven years, from 33.8 million guests in 2006 to 31.3 million in 2007, 27.4 million in 2008, 24.5 million in 2009, 22.7 million in 2010, 20.7 million in 2011, and 18.2 million in 2012.

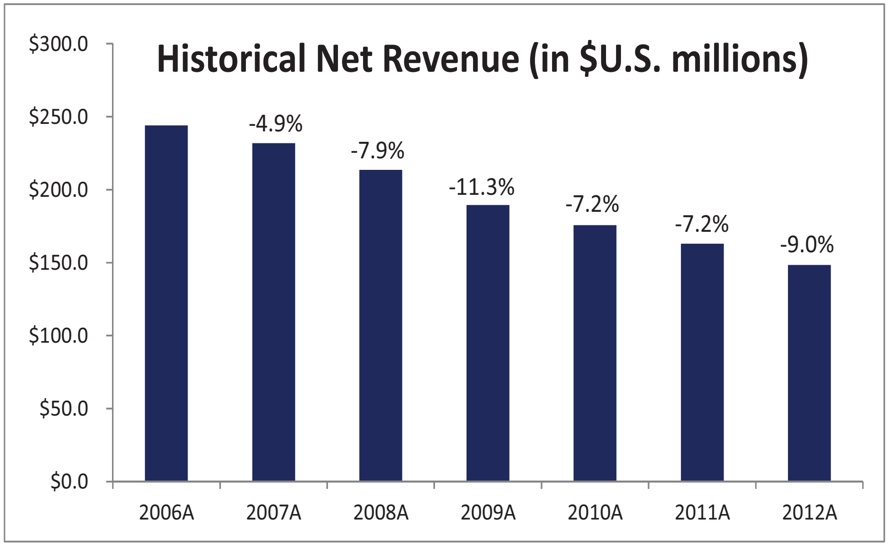


- **Average Revenue per Guest ("ARPG")**: Historical ARPG improved from $7.21 in 2006 to $8.15 in 2012, representing a CAGR of 2.1 percent.
- ARPG increased from $7.21 in 2006 to $7.40 in 2007, $7.78 in 2008, $7.72 in 2009, $7.75 in 2010, $7.87 in 2011, and $8.15 in 2012.

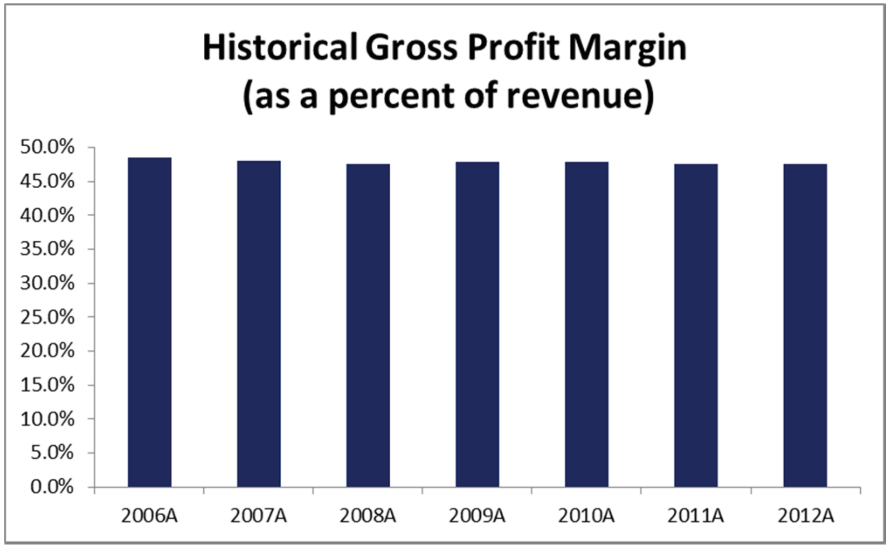


Company Overview – Net Revenue & Gross Profit Margin

- **Net Revenue**: Historical net revenue (presented in millions) declined from $243.9 in 2006 to $148.3 in 2012, representing a CAGR of negative 8.0 percent.
- Net revenue declined consistently over the past seven years from $243.9 in 2006 to $231.8 in 2007, $213.6 in 2008, $189.4 in 2009, $175.7 in 2010, $163.0 in 2011, and $148.3 in 2012.

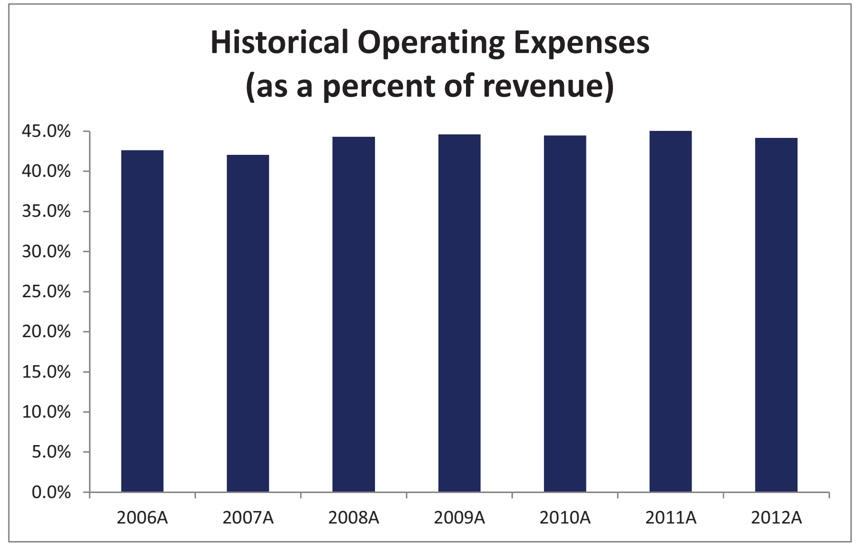


- **Gross Profit Margin**: Historical gross profit margin (as a percent of revenues) declined from 48.5 percent in 2006 to 47.6 percent in 2012.
- Gross profit margin over the past seven years trended down from 48.5 percent in 2006 to 48.0 percent in 2007, 47.5 percent in 2008, 47.8 percent in 2009, 47.9 percent in 2010, 47.5 percent in 2011, and 47.6 percent in 2012.

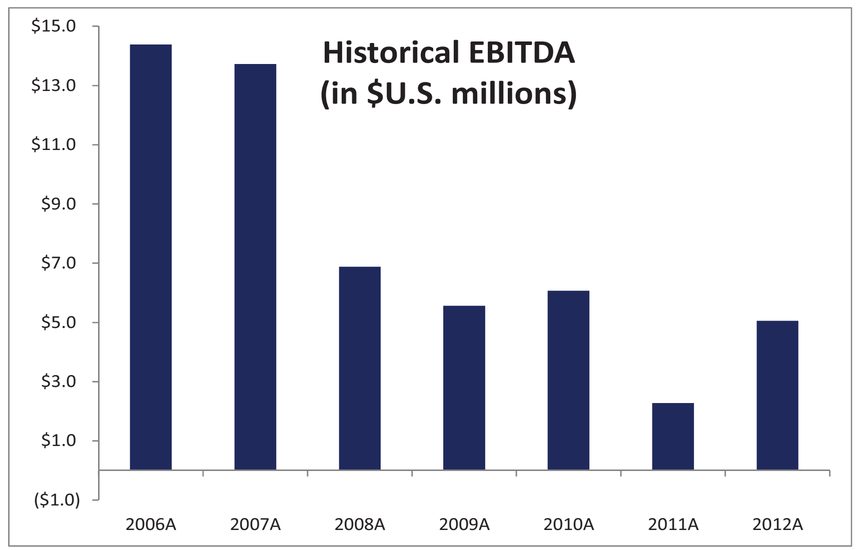


Company Overview – Operating Expenses & EBITDA

- **Operating Expenses**: Historical operating expenses (as a percent of revenue) increased from 42.6 percent in 2006 to 44.2 percent in 2012.
- Operating expenses (as a percent of revenue) generally trended up over the past seven years. Operating expenses were 42.6 percent in 2006, 42.1 percent in 2007, 44.3 percent in 2008, 44.6 percent in 2009, 44.5 percent in 2010, 46.1 percent in 2011, and 44.2 percent in 2012.



- **EBITDA**: Historical EBITDA (in millions) decreased from \$14.4 in 2006 to \$5.1 in 2012, while EBITDA (as a percent of revenue) decreased from 5.9 percent in 2006 to 3.4 percent in 2012.
- EBITDA (in millions) was \$14.4 in 2006, \$13.7 in 2007, \$6.9 in 2008, \$5.6 in 2009, \$6.1 in 2010, \$2.3 in 2011, \$5.1 in 2012.
- EBITDA (as a percent of revenue) decreased from 5.9 percent in 2006, 5.9 percent in 2007, 3.2 percent in 2008, 2.9 percent in 2009, 3.5 percent in 2010, 1.4 percent in 2011, and 3.4 percent in 2012.



Economic Overview

Improvements in the labor market and consumer confidence could positively impact Piccadilly as the economy is expected to improve

U.S. Economy[1]

- Economic factors influencing the chain restaurant industry include GDP, consumer spending, housing prices, and employment.
- According to the Economist Intelligence Unit ("EIU"), a leading economic research firm, estimated overall growth for the U.S. economy in 2013 as 1.6 percent.
- The EIU forecasts private consumption growth of 1.9 percent for 2013 and slightly higher expansion rates in the following years, given that the underlying drivers of household spending will continue to improve. Households are benefiting from low interest rates to refinance their mortgages, and jobs growth has remained moderately strong and steady. The unemployment rate will fall only gradually, however, as more workers return to the labor force.
- The U.S. housing market is recovering. However, job creation has slowed, and the recent jump in market interest rates will make borrowing costlier for consumers and businesses—acting as a brake on growth.
- The pace of job growth is slowing; an average of 207,000 jobs were added each month in the first quarter of 2013, falling to 182,000 in the second quarter and just 137,000 in the first two months of the third quarter. The unemployment rate improved to 7.3 percent. The decline, however, owed less to new jobs created and more to the fact that just over 300,000 people dropped out of the workforce.

Outlook

- Economic growth over the next five years will be driven by rising private consumption as employment and wages expand steadily, and by relatively high investment growth, especially in the residential construction sector.
- The EIU projects GDP growth of 1.6 percent for 2013, followed by 2.6 percent in 2014, and an average rate of 2.5 percent from 2015 to 2018.
- Inflation is forecasted at 1.5 percent in 2013, 2.2 percent in 2014 followed by an annual average of 2.3 percent in 2015 to 2018.
- The EIU expects the unemployment rate to average 7.3 percent in 2013, 6.9 percent in 2014, and to gradually decline to 6.0 percent by 2018.
- Policymaking will remain difficult, as the 2012 general election preserved divided control of Congress through the 2013-14 legislative term.

Economic Indicators – Historical and Forecast

1. The information in this section was excerpted directly from or based on the Economist Intelligence Unit: U.S. Country Report published in October 2013.

Restaurant Industry Overview

An increase in consumer sentiment and disposable income is expected to increase overall industry revenues over the next five years by 2.5 percent annually

Overview of Chain Restaurant Industry[1]

- The restaurant industry is comprised of the following four categories:
  - Fast food / Quick service
  - Fast casual dining
  - Casual dining
  - Fine dining
- Piccadilly owns and operates cafeterias, which can be considered a subset of the fast casual dining category.
- The chain restaurant industry experienced a slowdown during the recession due to reduced consumer spending. Consumers have also become increasingly health conscious, as they have opted for healthier eateries and home cooked meals.
- Although major restaurants have responded by expanding the number of nutritious options on their menus, the general trend toward better eating has hurt many of the less-healthy chain restaurants. As a result, industry revenue has grown at a muted average annual rate of 1.5 percent in the five years to 2013.

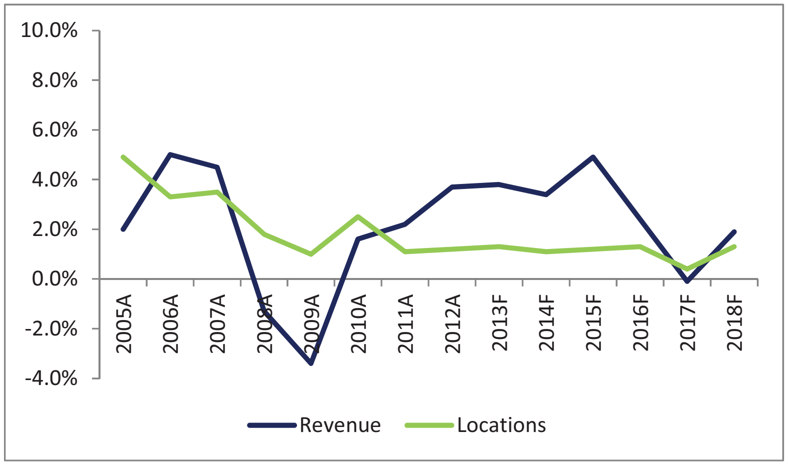
Key External Drivers

- Consumer Spending: This industry is strongly affected by the growth of personal consumption expenditures. Consumer spending is inversely related to the unemployment rate of the economy. IBISWorld expects consumer spending to increase in 2014.
- Healthy Eating Index: Over the past five years, consumers have been more aware of issues related to weight and obesity, nutrition and food safety than they were before. Therefore, as the healthy eating index rises, demand for some restaurants with fewer healthy options will decrease. Healthy eating is expected to increase slowly during 2014 and will remain a potential threat to the industry.

Outlook

- Over the next five years through 2018, IBISWorld, a leading market research firm, expects industry revenues to increase by an average annual rate of 2.5 percent. Stronger overall operating conditions are expected as consumer confidence and consumer expenditures increase.
- During the next five years, the number of establishments is forecast to increase at an average rate of only 1.1 percent per year.

Annual Restaurant Industry Change – Historical and Forecast



1. The information in this section was excerpted directly from or based on the IBISWorld Industry Report, "Chain Restaurants in the U.S." dated October 2013.

Self Service Cafeteria Industry Overview

However, the Self Service Cafeteria industry is expected to continue to decline through at least 2018

Overview of Self Service Cafeteria Industry[1]

- The industry is a regional phenomenon, concentrated in the West South Central and South Atlantic United States, a fact which places a substantial cap on expansion opportunities.
- Typically, consumers include senior citizens, families, and other high value conscious customers.
- Traditionally, menus contain southern style recipes and generous portions.
- Eating-in is the standard for Self Service Cafeterias, a category where 94.0 percent of sales are derived. This is a nature of the food preparation and presentation, in which food sits under heat lamps for hours and is not suitable for reheating at a later time. Home delivery is negligible in the industry, as the service is not offered by any of the major chains.

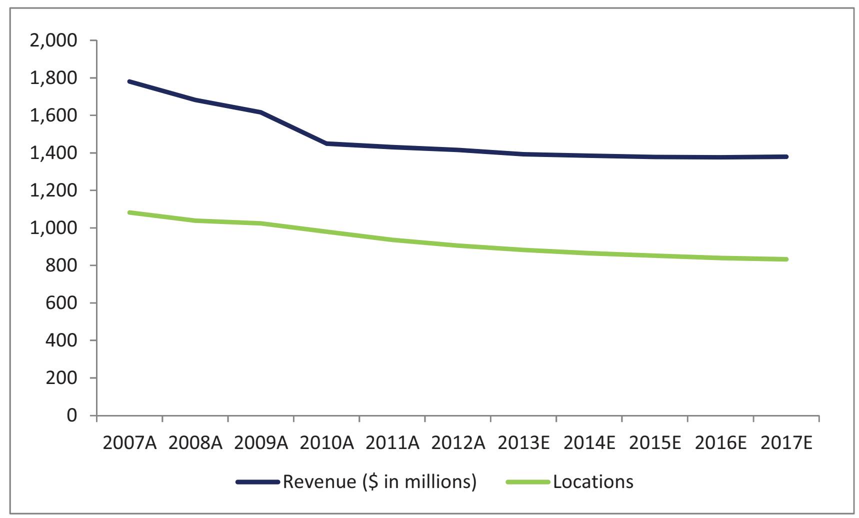
Key Industry Facts

- Self Service Cafeteria locations declined by 3.0 percent in 2012 amounting to 906 total locations.
- The industry recorded a 1.0 percent sales decline in 2012, a trend that was mirrored in 2011, falling to a total of $1.4 billion in sales. The industry recorded a total sales decline of 20.5 percent from 2007 to 2012.
- The Self Service Cafeteria industry failed to capitalize on its position as value-focused eateries over the past five years which was marked by the worst recession in the past 50 years. Self Service Cafeterias could have made use of advertisements and discounts to attract share away from those leaving full-service restaurants. Instead, these companies failed to aggressively pursue these new customers, who either traded down to fast food, or opted out of foodservice purchases entirely and began to eat more at home.
- Luby's Cafeteria remains the leading Self Service Cafeteria chain, accounting for 16.3 percent market share in 2012.
- The other major players in the industry include Piccadilly Restaurants which had 12.5 percent market share in 2012, IKEA Holdings which had a 8.5 percent market share in 2012, and Buffet Partners (which owns Furr's) which had a 5.1 percent market share in 2012.

Trends

- Self Service Cafeterias are seeing fading demand as consumers become more mindful of food quality and healthy eating habits.
- The industry is expected to record a negative 0.5 percent CAGR over the next five years.
- As consumer demand for Self Service Cafeterias continues to diminish, locations will shut down as they are no longer profitable.

Self Service Cafeteria Sales and Locations – Historical and Forecast



1. The information in this section was excerpted directly from or based on the Euromonitor International Report, "Self-Service Cafeterias in the US" dated September 2013.

Valuation Approaches

The income and market approaches were used to value the Company

Introduction

- I considered and evaluated each of the three traditional approaches to value:
  - Income Approach
  - Market Approach
  - Cost Approach
- A detailed description of the valuation approaches and methodologies are included in the following pages.
- I relied on the income and market approaches to value because in my opinion (1) each is appropriate for the valuation analysis, and (2) sufficient information was available for their use.
- I employed the Discounted Cash Flow ("DCF") Method within the income approach. In this method, the present value of cash flows reasonably expected to be produced by the Company from its operations were summed to produce an estimate of the Company's value.
- Within the market approach, I applied the Guideline Public Company Method and the Guideline Transaction Method.
  - The Guideline Public Company Method employs market multiples derived from market prices of stocks of companies that are engaged in the same or similar lines of business as the Company and that are actively traded on a free and open market.
  - The Guideline Transaction Method relies on market multiples derived from transactions of significant interests in companies engaged in the same or similar lines of business as the Company.
- I evaluated and reconciled the indicated values of invested capital to arrive at an indicated value of invested capital of the Company on a controlling, marketable basis.
- Where applicable, the indicated non-controlling, marketable value of common equity was modified through the use of a control premium to develop an estimate of controlling, marketable invested capital.

Income Approach

The indicated value of Piccadilly's Invested Capital under the income approach was $29.1 million as of the Valuation Date

Income Approach

- The income approach is a general way of developing a value indication for a business, business ownership interest, or a tangible or intangible asset using one or more methods that convert anticipated economic benefits into a present single amount. The income approach is also one of the most common approaches used in valuation.
- In estimating the value of a business or business interest, the most common measure of economic benefit is net cash flow, also referred to as "free cash flow." Net cash flow can be the free cash flow to equity holders or to all long-term stakeholders of the company.
- The discounted cash flow ("DCF") method relies upon discount rates at which to discount the income stream. This rate is defined as follows:
  - Discount rate — A rate of return used to convert a future monetary sum into present value. Also referred to as the "required rate of return" or "cost of capital".
- The discount rate represents the estimated cost of the capital generating the income stream. Free cash flow to the firm is typically discounted using the weighted average cost of capital ("WACC") consisting of the cost of equity and the cost of debt.
- When using an income approach to value an interest in a business, it is essential not only to clearly define the income stream representing the anticipated economic benefits, but also to use the discount or capitalization rate appropriate for that defined stream.

Discounted Cash Flow Method

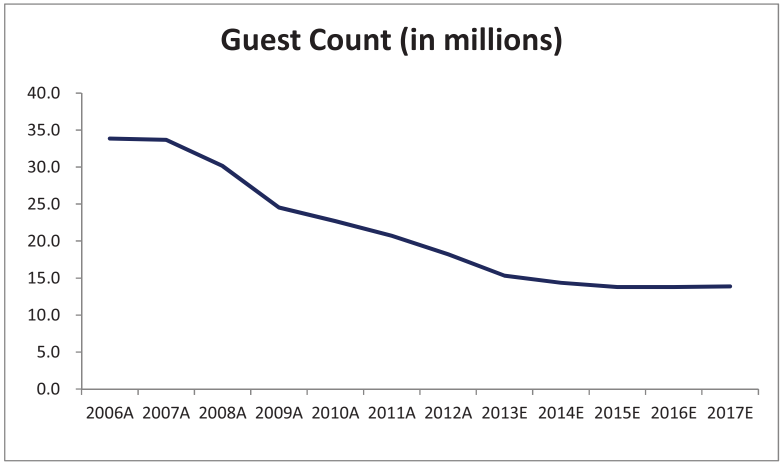
- For the purpose of this analysis, a projection of the Company's revenue, earnings, and required capital expenditures was prepared by Deloitte CRG.

Analysis

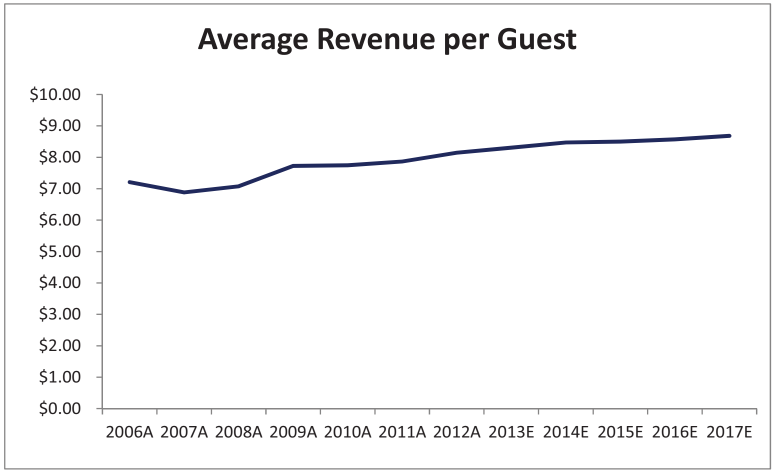
- The following provides a summary of assumptions contained in the projection:
  - **Net Revenue:** Net revenue is projected to decrease by 14.2 percent in 2013 as a result of restaurant closures, 4.5 percent in 2014, and 3.7 percent in 2015. Revenue growth is projected to turn positive in 2016 before stabilizing at 2.5 percent annually.
  - **Gross Profit Margin:** Gross profit is forecasted to be 48.2 percent of revenue in 2013, 49.1 percent in 2014, and approximately 49.2 percent thereafter.
  - **Operating Expenses:** Operating expenses are forecasted to be 45.2 percent of revenues in 2013 and are projected to gradually decline to 42.5 percent in the terminal period.
  - **Tax Rate:** A tax rate of 40.0 percent was utilized in the DCF analysis. The rate reflects the blended marginal state and federal marginal tax rate.
  - **Depreciation Expenses:** Depreciation expenses are based on current net property, plant & equipment net book value, projected capital expenditures, and a 7-year ("Modified Accelerated Cost Recovery System") MACRS calculation.
  - **Capital Expenditures:** Capital expenditures are based on Deloitte CRG projections.
  - **Working Capital:** Debt-free, cash-free net working capital is forecasted to be negative 7.3 percent of revenues based on Piccadilly's four year historical average.
- The following page provides a summary of some of the important projection estimates:

Income Approach – Guest Count & Average Revenue

- **Guest Count:** Guest count for the actual period declined from 33.8 million guests in 2006 to 18.2 million guests in 2012, representing a CAGR of negative 9.8 percent.
- Throughout the forecast period, guest count is projected to decline from 15.3 million in 2013, to 14.3 million in 2014, 13.8 million in 2015, 13.8 million in 2016, and 13.9 million guests in 2017, representing a CAGR of negative 2.5 percent.

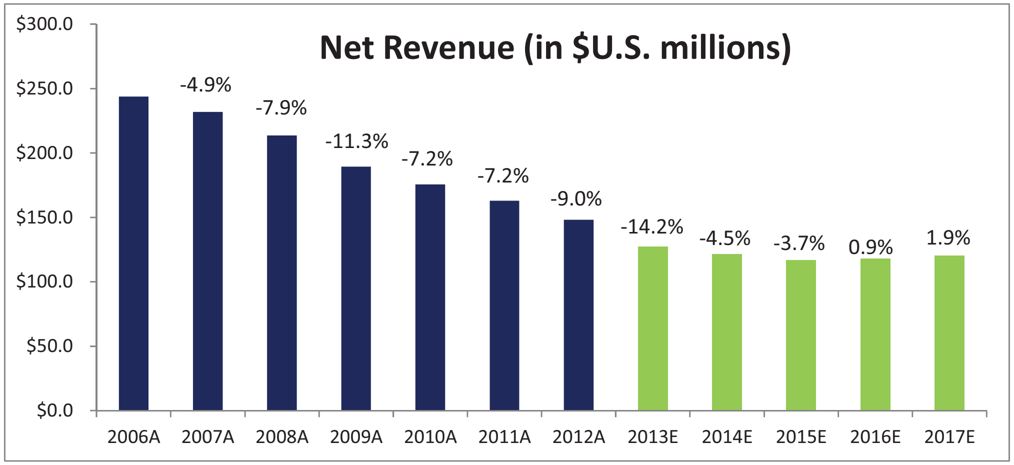


- **Average Revenue per Guest ("ARPG")**: ARPG improved from $7.21 in 2006 to $8.15 in 2012, representing a CAGR of 2.1 percent.
- ARPG is projected to grow from $8.30 in 2013 to $8.48 in 2014, $8.50 in 2015, $8.57 in 2016, and $8.69 in 2017, representing a CAGR of 1.1 percent for the forecast period.

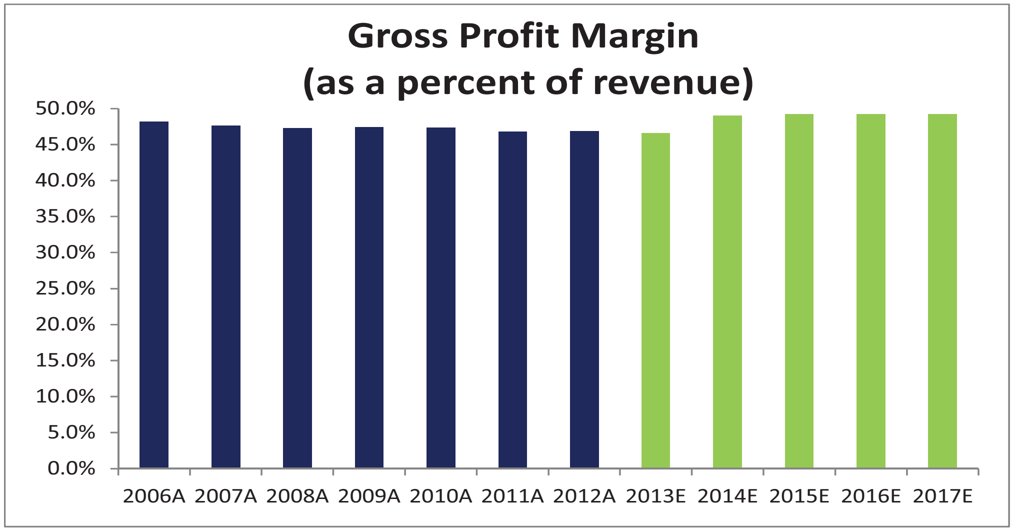


Income Approach – Net Revenue & Gross Profit Margin

- **Net Revenue**: Historical net revenue (presented in millions) declined from $243.9 in 2006 to $148.3 in 2012, representing a CAGR of negative 8.0 percent.
- Net revenue is projected to decline from $127.3 in 2013 to $121.6 in 2014, and to $117.1 in 2015. Net revenue is expected to increase slightly in 2016 to $118.2 and $120.4 in 2017.
- Net revenue is projected to have a CAGR of negative 1.4 percent between 2013 and 2017.
- Net revenues are expected to grow at a 2.5 percent annual rate in 2018 and after.

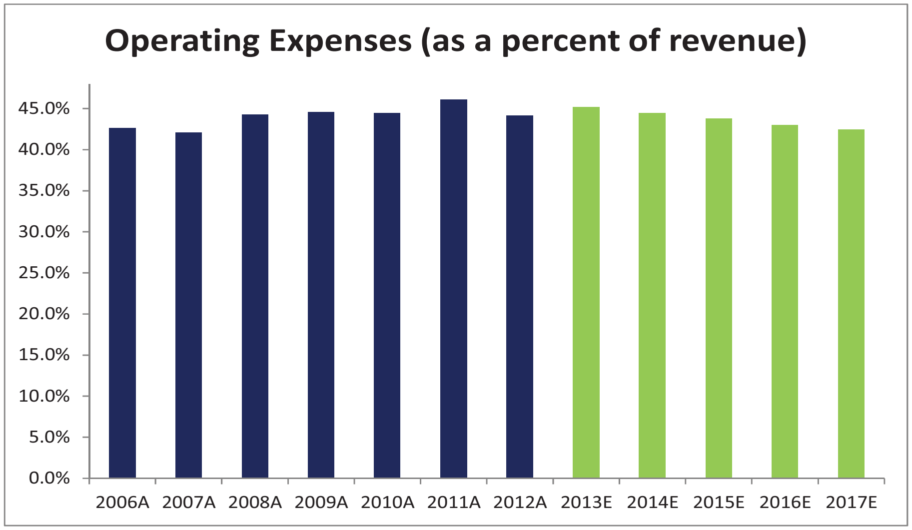


- **Gross Profit Margin**: Historical gross profit margin (as a percent of revenues) declined from 48.5 percent in 2006 to 47.6 percent in 2012.
- Gross profit margin (as a percent of revenues) increases from 48.2 percent in 2013, to 49.1 percent in 2014, before stabilizing at 49.2 in 2015 and thereafter.

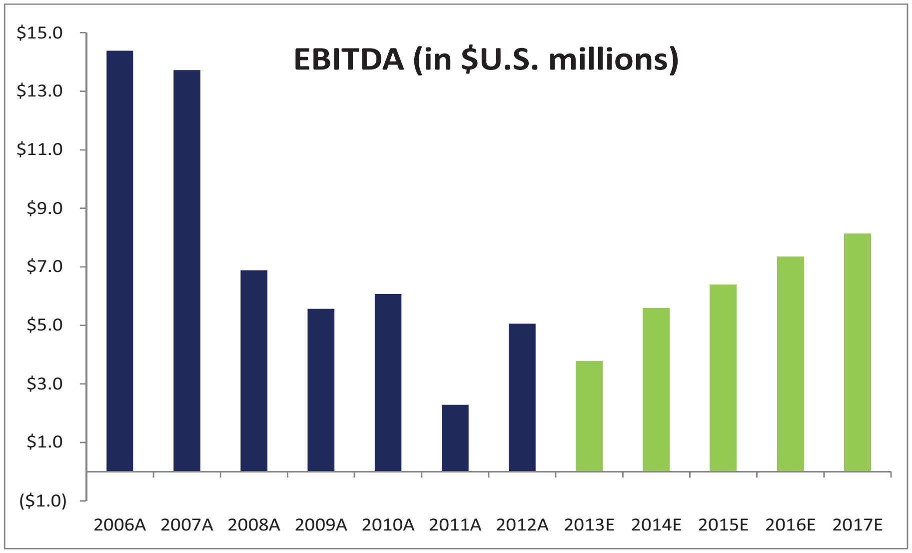


Income Approach – Operating Expenses & EBITDA

- **Operating Expenses**: Historical operating expenses (as a percent of revenue) increased from 42.6 percent in 2006 to 44.2 percent in 2012.
- Throughout the forecast period, operating expenses are expected to decrease from 45.2 percent in 2013 to 44.5 percent in 2014, 43.8 in 2015, 43.0 in 2016, and 42.5 percent in 2017.



- **EBITDA**: Historical EBITDA (in millions) decreased from $14.4 in 2006 to $5.1 in 2012, while EBITDA (as a percent of revenue) decreased from 5.9 percent in 2006 to 3.4 percent in 2012.
- For the projected period, the Company is expected to earn $3.8 in EBITDA beginning in 2013, increasing to $5.6 in 2014, $6.4 in 2015, $7.4 in 2016, and $8.1 in 2017 (all in millions).
- EBITDA (as a percent of revenue) is projected to increase from 3.0 percent in 2013 to 4.6 percent in 2014, 5.5 percent in 2015, 6.2 percent in 2016, and 6.7 percent in 2017.



Income Approach (Cont.)

Discount Rate

- The discount rate utilized in my analysis represents an estimate of the WACC. The WACC represents the blended required return of both debt and equity stakeholders.
- The Company's cost of equity was estimated based on the application of the capital asset pricing model ("CAPM"). The CAPM measures the estimated return required by investors given a particular risk profile. The model is expressed arithmetically by the following equation:

$$Ke = Rf + (\beta \times Rpm) + Rps + Rpc$$

Where:

- Ke = Required Rate of Return for Equity.
- Rf = Risk-Free Rate. The selected risk-free rate of return of 3.3 percent represents the current 20-year yield to maturity of long-term U.S. Treasury bonds as of the Valuation Date as reported in the Federal Reserve Statistical Release.
- β = Beta. A beta of 0.88 was estimated from the unlevered equity betas of guideline public companies by comparing the monthly returns of each stock to those of the S&P 500 for the 60-month period preceding the Valuation Date. The unlevered beta was relevered using the Company's marginal tax rate and estimated market participant capital structure.
- Rpm = Market Equity Risk Premium is the extra return that the overall stock market has historically provided over the risk-free rate as compensation for market risk. Data provided by the Morningstar SBBI Yearbook for 2013 was considered in estimating the market equity risk premium. The SBBI calculates the market equity risk premium by reducing large-company stock returns by the risk-free rate of return over the period from 1926 to 2012. Further adjustments were made to the SBBI equity risk premium in order to account for the inflation in the market price to earnings ratio as well as recent declines in the risk-free rate. In addition to the data provided by the SBBI Yearbook, consideration was also given to the equity risk premium implied by the dividend discount model for a broad market index such as the S&P 500. I applied a 6.75 percent market equity risk premium.
- Rps = A Size Premium is added to the cost of equity to compensate investors for assuming additional risk. SBBI's Size Premium Study is a well-known source for estimating size premiums in the calculation of cost of equity. Accordingly, I selected a size premium of 3.8 percent based on the 9th-10th deciles small stock premium.
- Rpc = Company-Specific Risk Premium corresponds to risk related to company-specific factors that are not already accounted for. Factors considered include business risk and financial risk that are specific to the Company and not pervasive to the industry. I did not include a company-specific risk premium in my calculation of the WACC.

Income Approach (Cont.)

- The Company's cost of debt was estimated based on the 5.2 percent yield of Baa-rated corporate debt as of the Valuation Date. The yield was adjusted by the Company's tax rate of 40.0 percent to estimate the after-tax cost of debt.

WACC Conclusion

- Based on my analysis, I estimated the discount rate at 11.5 percent. The WACC for the Company is presented in the table below. Please refer to **Exhibit 6** for a detailed presentation of this analysis.

Cost of Equity	After-Tax Cost of Debt	Debt/ Capital	WACC
13.1%	3.1%	15.0%	11.5%

Capitalization Process

The capitalization of earnings method is based on the Gordon Growth Model, in which a projected level of stabilized cash flow available for distribution is divided by a capitalization rate. The stabilized cash flow is assumed to grow at a constant rate into perpetuity. The capitalization rate is equal to the difference between the WACC and the selected growth rate. As applied to the capitalization of earnings method, the Gordon Growth Model is shown arithmetically as follows:

$$V = CF^S / (K - g)$$

Where:

V = Estimated Value

CF^S = Stabilized Cash Flow

K = WACC

g = Long-Term Growth Rate

The Company's long-term growth rate was estimated at 2.5 percent based on expectations for long-term inflation.

DCF Conclusion

- The application of the DCF method yielded an indicated business enterprise value ("BEV") of $28.4 million for the Company. Adding cash results in a **$29.1 million** value.
- **Exhibit 5** presents the detailed application of the DCF method, which produced an indicated value of invested capital of **$29.1 million** as of the Valuation Date on a controlling, marketable basis.

Market Approach

The indicated value of Piccadilly's Invested Capital was $29.3 million under the Guideline Public Company Method as of the Valuation Date

Market Approach

- When applied to value an interest in a business, the market approach includes consideration of the financial condition and the historical and expected operating performance of the company being valued relative to those of publicly traded companies or to those of companies acquired in a single transaction that (1) operate in the same or similar lines of business; (2) are potentially subject to corresponding economic, environmental, and political factors; and (3) could reasonably be considered investment alternatives. These two methods are further described as follows:
  - Guideline Public Company Method – This method employs market multiples derived from market prices of stocks of companies that are engaged in the same or similar lines of business and that are actively traded on a free and open market. The application of the selected multiples to the corresponding measure of financial performance for the subject company produces estimates of value at the marketable, non-controlling level.
  - Guideline Transaction Method – Also referred to as the "transaction method" or "merger and acquisition method," this method relies on pricing multiples derived from transactions of significant interests in companies engaged in the same or similar lines of business. The application of the selected multiples to the corresponding measure of financial performance for the subject company produces estimates of value at the marketable, controlling level.

Guideline Public Company Method

- I performed a search of publicly-traded companies based on the following factors :
  - Companies in the Cafeteria or Full Service Restaurant industry as classified by Capital IQ, a leading financial data provider
  - Headquartered in the United States
- This resulted in 45 companies. I reviewed each company for comparability to Piccadilly's based on:
  - Size: annual revenues less than $2.7 billion (approximately 20 times the Company's revenue)
  - Company owned and operated restaurant business model
  - Exclusion of pink sheet companies traded over the counter
  - Exclusion of restaurants categorized as fine dining
- This screening process yielded the following nine companies, which I consider to be reasonably comparable to the Company (see **Appendix 1** for background on each company):

BJ's Restaurants, Inc.

Bob Evans Farms, Inc.

Bravo Brio Restaurant Group, Inc.

Chuy's Holdings, Inc.

Cracker Barrel Old Country Store, Inc.

Granite City Food & Brewery Ltd.

Ignite Restaurant Group, Inc.

Kona Grill Inc.

Luby's, Inc.

Market Approach (Cont.)

Analysis

As summarized in the tables below, the Company's financial performance trails the performance of the guideline public companies:

LTM Revenue		
Rank	**Company**	**Metric**
1	Cracker Barrel Old Country Store, Inc.	2,645
2	Bob Evans Farms, Inc.	1,615
3	BJ's Restaurants, Inc.	747
4	Ignite Restaurant Group, Inc.	588
5	Bravo Brio Restaurant Group, Inc.	417
6	Luby's, Inc.	372
7	Chuy's Holdings, Inc.	192
8	Granite City Food & Brewery Ltd.	131
9	**Piccadilly's**	131
10	Kona Grill Inc.	97
Median (excl. Subject)		**417**

Total Assets		
Rank	**Company**	**Metric**
1	Cracker Barrel Old Country Store, Inc.	1,388
2	Bob Evans Farms, Inc.	1,024
3	BJ's Restaurants, Inc.	588
4	Ignite Restaurant Group, Inc.	330
5	Bravo Brio Restaurant Group, Inc.	255
6	Luby's, Inc.	242
7	Chuy's Holdings, Inc.	141
8	Granite City Food & Brewery Ltd.	72
9	Kona Grill Inc.	44
10	**Piccadilly's**	34
Median (excl. Subject)		**255**

LTM EBITDA		
Rank	**Company**	**Metric**
1	Cracker Barrel Old Country Store, Inc.	268
2	Bob Evans Farms, Inc.	182
3	BJ's Restaurants, Inc.	86
4	Bravo Brio Restaurant Group, Inc.	46
5	Ignite Restaurant Group, Inc.	42
6	Luby's, Inc.	25
7	Chuy's Holdings, Inc.	24
8	Granite City Food & Brewery Ltd.	11
9	Kona Grill Inc.	10
10	**Piccadilly's**	4
Median (excl. Subject)		**42**

LTM EBIT		
Rank	**Company**	**Metric**
1	Cracker Barrel Old Country Store, Inc.	202
2	Bob Evans Farms, Inc.	101
3	BJ's Restaurants, Inc.	41
4	Bravo Brio Restaurant Group, Inc.	26
5	Ignite Restaurant Group, Inc.	19
6	Chuy's Holdings, Inc.	16
7	Luby's, Inc.	7
8	Kona Grill Inc.	5
9	Granite City Food & Brewery Ltd.	3
10	**Piccadilly's**	(3)
Median (excl. Subject)		**19**

Market Approach (Cont.)

LTM EBITDA Margin		
Rank	**Company**	**Metric**
1	Chuy's Holdings, Inc.	12.5%
2	BJ's Restaurants, Inc.	11.5%
3	Bob Evans Farms, Inc.	11.3%
4	Bravo Brio Restaurant Group, Inc.	11.0%
5	Kona Grill Inc.	10.5%
6	Cracker Barrel Old Country Store, Inc.	10.1%
7	Granite City Food & Brewery Ltd.	8.3%
8	Ignite Restaurant Group, Inc.	7.1%
9	Luby's, Inc.	6.9%
10	**Piccadilly's**	3.2%
Median (excl. Subject)		**10.5%**

LTM EBIT Margin		
Rank	**Company**	**Metric**
1	Chuy's Holdings, Inc.	8.5%
2	Cracker Barrel Old Country Store, Inc.	7.6%
3	Bob Evans Farms, Inc.	6.2%
4	Bravo Brio Restaurant Group, Inc.	6.2%
5	BJ's Restaurants, Inc.	5.5%
6	Kona Grill Inc.	4.7%
7	Ignite Restaurant Group, Inc.	3.2%
8	Granite City Food & Brewery Ltd.	2.3%
9	Luby's, Inc.	2.0%
10	**Piccadilly's**	(2.1%)
Median (excl. Subject)		**5.5%**

3-Year Historical Revenue Growth		
Rank	**Company**	**Metric**
1	Chuy's Holdings, Inc.	26.4%
2	Ignite Restaurant Group, Inc.	18.7%
3	Luby's, Inc.	14.9%
4	Granite City Food & Brewery Ltd.	13.6%
5	BJ's Restaurants, Inc.	13.3%
6	Bravo Brio Restaurant Group, Inc.	6.7%
7	Kona Grill Inc.	5.4%
8	Cracker Barrel Old Country Store, Inc.	3.2%
9	Bob Evans Farms, Inc.	(2.3%)
10	**Piccadilly's**	(25.6%)
Median (excl. Subject)		**13.3%**

5-Year Historical Revenue Growth		
Rank	**Company**	**Metric**
1	BJ's Restaurants, Inc.	136.4%
2	Granite City Food & Brewery Ltd.	72.5%
3	Bravo Brio Restaurant Group, Inc.	57.0%
4	Kona Grill Inc.	39.2%
5	Luby's, Inc.	16.0%
6	Cracker Barrel Old Country Store, Inc.	10.9%
7	Bob Evans Farms, Inc.	(7.0%)
8	**Piccadilly's**	(38.8%)
Median (excl. Subject)		**39.2%**

Market Approach (Cont.)

Analysis (Cont.)

- Given the history and nature of the Company and the industry in which the Company operates, a BEV/EBITDA multiple would be used by a likely buyer of this business.
- I calculated BEV/EBITDA multiples using both LTM and 2014 forecasted EBITDA. 2014 forecasted EBITDA is based on investment bank equity analyst consensus estimates as published by Capital IQ.
- A summary of the guideline company LTM BEV/EBITDA multiples are included in the table below:

	LTM BEV/EBITDA
Max	26.3x
Median	9.7x
Average	11.3x
Low	6.1x

- As shown in the previous tables and in **Exhibit 8**, the Company lags behind the guideline public companies in nearly every important financial metric. In particular, declines in the Company's revenue and EBITDA over an extended time period coupled with more than 39.2 percent of its locations closing in the last three years would significantly impact the Company's value to any potential buyer.
- As a result, a willing buyer would pay no more than the low end of the guideline public company range, or 6.1x LTM EBITDA for the Company.
- In analyzing the 2014 BEV/EBITDA multiples of the public companies compared to the LTM BEV/EBITDA multiples, the smallest decline was 8.9 percent. If the 8.9 percent decline is applied to the selected multiple of 6.1x LTM EBITDA, a 5.6x multiple would be applied to the Company's 2014 projected EBITDA.

Guideline Public Company Method Conclusion

- The selected multiples were applied to the LTM EBITDA and projected 2014 EBITDA of the Company to arrive at indications of its BEV.
- I weighted each of the two multiple calculations equally at 50.0 percent.
- I considered the application of a control premium, but determined that a control premium was not appropriate since the Company's invested capital value was less than its interest-bearing debt as of the Valuation Date.
- A marketability discount of 0.0 to 10.0 percent is typically applied in a valuation of 100.0 percent of the invested capital in a business. I have applied a 0.0 percent marketability discount.
- Finally, I added cash to arrive at an indication of value for invested capital on a marketable, controlling basis.
- **Exhibit 7** and **Exhibit 8** present the detailed application of the guideline public company method, which produced an indicated value for the invested capital of the Company of **$29.3 million** on a marketable, controlling basis as of the Valuation Date.

Guideline Transaction Method

- In order to identify transactions involving target companies that are similar to the Company, I performed a search focusing on the following:
  - Companies in the Cafeteria or Full Service Restaurant industry as classified by Capital IQ
  - Headquartered in the United States
  - Mergers and Acquisitions involving a majority stake
  - Announcement and Closing date within the last three years
  - Details regarding the transaction BEV/EBITDA were published
- This resulted in 14 transactions. I reviewed each company for comparability to the Company based on:
  - Franchises accounting for less than 20 percent of locations
  - Exclusion of locations categorized as fine dining
- This screening process yielded the following three transactions, which I considered to be potentially comparable to the Company (See **Appendix 2** for background on each target):

Target	Buyer
J. Alexander's Corp.	American Blue Ribbon Holdings, LLC.
Real Mex Restaurants, Inc.	Tennenbaum Capital Partners, LLC; JP Morgan Investment Management Inc.; Z Capital Management
O'Charley's Inc.	Fidelity National Financial, Inc.

Analysis

- Given the history and nature of the Company and the industry in which the Company operates, a BEV/EBITDA multiple would be used by a likely buyer of this business.
- One of the weaknesses of the guideline transaction method is that there is often limited information available about the financial performance of the business acquired in the transaction. As a result of the limited information available, assessing the comparability of the transaction to the company being valued is difficult.
- All three of the transactions were completed in 2012, more than a year prior to the Valuation Date.
- I determined that J. Alexander's is an upscale formal restaurant that serves a different customer demographic than the Company. There is little financial information about J. Alexander's publicly available. As a result of these factors, I do not believe the transaction can be used in a valuation of the Company.
- Real Mex Restaurants owns a number of Mexican restaurant brands including El Torito, El Torito Grill, Chevys Fresh Mex, and Acapulco. Approximately 15.0 percent of Real Mex Restaurants locations are franchised as of the latest available data in 2010. There is little financial information about Real Mex publicly available. As a result of these factors, I do not believe the transaction can be used in a valuation of the Company.

Guideline Transaction Method Conclusion

- In my analysis, I determined that the O'Charley's transaction was the most comparable based on an analysis of the company's business model, restaurant concept, and limited financial data available. However, because of the lack of detailed financial information available, in my opinion it is not as reliable as the DCF and Guideline Public Company Methods.
- However, if the O'Charley's transaction 5.3x BEV/EBITDA multiple was applied to Piccadilly's LTM EBITDA of $4.2 million, the BEV is approximately $22.5 million. Adding cash of $772,000 results in an indicated value of invested capital for the Company of $23.2 million on a marketable, controlling basis as of the Valuation Date (see **Exhibit 9**).

Cost Approach

Cost Approach

- The cost approach is a way of estimating value using one or more methods based on the value of the operating assets net of operating liabilities of the subject business.
- The most commonly used methodology within the cost approach is the adjusted book value method. Under this method, all operating assets and liabilities (including off-balance sheet, intangible, and contingent) are adjusted to reflect the applicable standard or type of value. After all of the operating assets and liabilities of a business are defined and valued, the difference between the value of the total assets and total liabilities provides an estimate of value for the equity of the business.
- This method is also referred to as the "adjusted net asset value method," the "adjusted balance sheet method," the "asset build-up method," or the "asset accumulation method."

Valuation Methods Applied

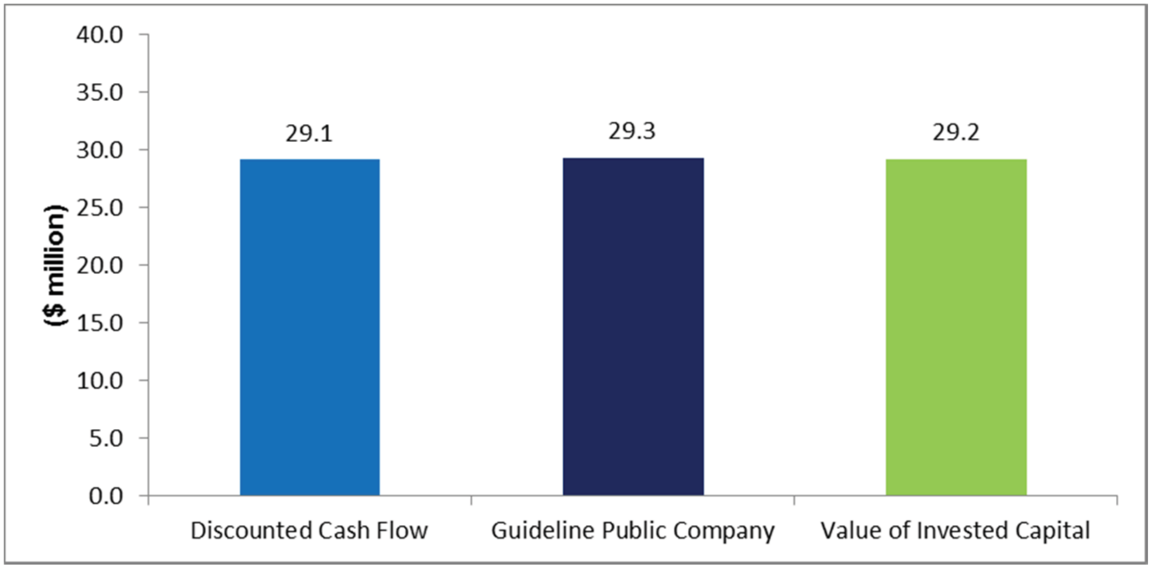
- As discussed earlier, I relied on the income and market approaches to value, because in my opinion (1) each is appropriate for the valuation analysis, and (2) sufficient information was available for their use.
- Based on my analysis of Piccadilly's balance sheet as of the Valuation Date, the fair market value of the Company using the cost approach would produce a lower value than either the income or market approaches.

Summary

The fair market value of Piccadilly's Invested Capital was $29.2 million as of the Valuation Date

Concluded Value of Invested Capital

- To estimate the fair market value of invested capital for the Company, I applied 50.0 percent weighting to the DCF Method under the Income Approach and 50.0 percent weighting to the Guideline Public Company Method under the Market Approach. This resulted in a **$29.2 million** valuation conclusion as of the Valuation Date.
- The chart below and **Exhibit 1** present summaries of my concluded value.



Appendices

Appendix 1 – Market Approach – Guideline Public Company Summaries

- **Company**:[1] BJ's Restaurants, Inc. ("BJ's")
- **Restaurant Brands**: BJ's Restaurant & Brewery, BJ's Restaurant & Brewhouse, BJ's Pizza & Grill, or BJ's Grill
- **Theme**: Full service, high energy casual dining restaurant with a broad menu including appetizers, specialty salads, soups, pizza, pastas, sandwiches, entrees and desserts.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	BJ's Restaurants
2009	93
2010	103
2011	116
2012	130
2013E	147

- **Recent Activity Notes**: During 2013, BJ's plans to open as many as 17 new restaurants. Based on information currently available, during 2013 BJ's expects to open as many as five restaurants during the first half of the year and as many as 12 restaurants in the second half of the year.

- **Company**:[2] Bob Evans Farms, Inc. ("Bob Evans")
- **Restaurant Brands**: Bob Evans Restaurants, Mimi's Cafes, BEF Foods
- **Theme**: Serving a variety of high-quality, reasonably priced breakfast, lunch and dinner items in family-friendly settings.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	Owned Locations – Bob Evans/Mimi's	Bob Evans	Mimi's Cafes
2009	714	570	144
2010	715	569	146
2011	708	563	145
2012	710	565	145
2013	560	560	-

- **Recent Activity Notes**: Effective February 15, 2013, Bob Evans completed the sale of the Mimi's Café restaurant chain to Le Duff America, Inc., a U.S.- based subsidiary of Groupe Le Duff, a global bakery and restaurant company headquartered in France.

1. The information in this section was excerpted directly from or based on the BJ's Restaurant Inc. Form 10-K, for the fiscal year ended January 1, 2013, January 3, 2012, December 28, 2010, December 29, 2009. Fiscal year end location counts as of date of 10-K filing.
2. The information in this section was excerpted directly from or based on the Bob Evans Farms, Inc. Form 10-K, for the fiscal year ended April 26, 2013, April 27, 2012, April 29, 2011, April 30, 2010, April 24, 2009. Fiscal year end location counts as of date of 10-K filing.

Appendix 1 – Market Approach – Guideline Public Company Summaries (Cont.)

- **Company**:[1] Bravo Brio Restaurant Group, Inc.
- **Restaurant Brands**: BRAVO! Cucina Italiana, BRIO Tuscan Grille
- **Theme**:
  - BRAVO! Cucina Italiana is a full-service, upscale affordable Italian restaurant offering a broad menu of freshly-prepared classic Italian food served in a lively, high- energy environment with attentive service.
  - BRIO Tuscan Grille is an upscale affordable Italian chophouse restaurant serving freshly-prepared, authentic northern Italian food, with an emphasis on steaks, chops, fresh seafood, and made-to-order pastas in a Tuscan Villa atmosphere.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	Owned Locations – BRAVO!/BRIO	BRAVO!	BRIO
2009	81	45	36
2010	86	47	39
2011	93	47	46
2012	103	48	55
2013E	110/111	N/A	N/A

- **Recent Activity Notes**: Bravo Brio Restaurant Group plans on opening seven to eight new restaurants in 2013 and anticipates spending approximately $4.0 million to $4.5 million in pre-opening costs in 2013.

- **Company**:[2] Chuy's Holdings, Inc.
- **Restaurant Brands**: Chuy's
- **Theme**: Full-service restaurant concept offering a distinct menu of authentic, freshly-prepared Mexican and Tex Mex inspired food with an upbeat and eclectic atmosphere while still maintaining a family-friendly environment.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	Chuy's Locations
2009	17
2010	23
2011	31
2012	39
2013E	47/48

- **Recent Activity Notes**: Chuy's has added 22 locations during the three years ended December 30, 2012, more than doubling the number of locations (from 17 locations in 2009 to 39 locations at the end of 2012). Additionally, Chuy's management expects to open a total of 59 to 64 new restaurants from January 1, 2013 through the end of 2017.

1. The information in this section was excerpted directly from or based on the Bravo Brio Restaurant Group, Inc. Form 10-K, for the fiscal year ended December 30, 2012, December 25, 2011, December 26, 2010. Fiscal year end location counts as of date of 10-K filing.
2. The information in this section was excerpted directly from or based on the Chuy's Holdings, Inc. Form 10-K, for the fiscal year ended December 30, 2012,

Appendix 1 – Market Approach – Guideline Public Company Summaries (Cont.)

- **Company**:[1] Cracker Barrel Old Country Location, Inc.
- **Restaurant Brands**: Cracker Barrel
- **Theme**: Restaurants consist of a trademarked rustic, old country-location design offering a full-service restaurant menu featuring home-style country food and a wide variety of decorative and functional items featuring rocking chairs, holiday and seasonal gifts and toys, apparel, cookware and foods.
- **Franchised vs. Company Owned**: Company-owned
- **Location count**:

Year	Cracker Barrel Locations
2009	591
2010	595
2011	604
2012	620
2013	624
2014E	631/632

- **Recent Activity Notes**: Plans to open seven or eight new locations during 2014. Cracker Barrel believes it should pursue development of both interstate locations and off-interstate locations to capitalize on the strength of the brand associated with travelers on the interstate highway system and by locating in certain local markets where guests live and work.

- **Company**:[2] Granite City Food & Brewery LTD
- **Restaurant Brands**: Granite City Food & Brewery ("Granite City") and Cadillac Ranch All American Bar & Grill ("Cadillac Ranch")
- **Theme**:
  - Granite City restaurant theme is upscale casual dining with a wide variety of menu items that are prepared fresh daily, including Granite City's award-winning signature line of hand-crafted beers finished on-site. The extensive menu features moderately priced favorites served in generous portions.
  - Cadillac Ranch restaurants feature freshly prepared, authentic, All-American cuisine in a fun, dynamic environment. Patrons enjoy a warm, Rock N' Roll inspired atmosphere, with plenty of room for friends, music and dancing. The Cadillac Ranch menu is diverse with offerings ranging from homemade meatloaf to pasta dishes, all freshly prepared using quality ingredients.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	Total Locations	Granite City	Cadillac Ranch
2009	26	26	0
2010	26	26	0
2011	31	26	5
2012	34	28	6
2013E	36	30	6

1. The information in this section was excerpted directly from or based on the Cracker Barrel Old Country Location, Inc. Form 10-K, for the fiscal year ended August 2, 2013, August 3, 2012, July 29, 2011, July 30, 2010, July 31, 2009. Fiscal year end location counts as of date of 10-K filing.
2. The information in this section was excerpted directly from or based on the Granite City Food & Brewery LTD Form 10-K, for the fiscal year ended December 25, 2012, December 27, 2011, December 28, 2010, December 9, 2009. Fiscal year end location counts as of date of 10-K filing.

Appendix 1 – Market Approach – Guideline Public Company Summaries (Cont.)

- **Company**:[1] Ignite Restaurant Group, Inc. ("Ignite")
- **Restaurant Brands**: Joe's Crab Shack and Brick House Tavern + Tap
- **Theme**: Restaurant brands offer a variety of high-quality food and beverages in a distinctive, casual, high-energy atmosphere
- **Franchised vs. Company-Owned**: Company-owned and Franchised (two franchised locations were closed by Landry's in 2013 and 24 Macaroni Grill locations are franchised)
- **Location count**:

Year	Locations	Joe's	Brick House	Macaroni Grill
2009	119	114	5	N/A
2010	126	113	13	N/A
2011	135	119	16	N/A
2012	144	129	15	N/A
2013E	368	143	15	210

- **Recent Activity**: Ignite acquired Mac Grill LLC ("Mac Grill"), which owns and franchises Romano's Macaroni Grill ("Macaroni Grill"), for $54.1 million in an all-cash transaction, which was completed in April 2013. Mac Grill currently owns and operates 186 units and franchises five domestic and 19 international units across 36 states and nine U.S. territories and foreign countries.

- **Company**:[2] Kona Grill, Inc.
- **Restaurant Brands**: Kona Grill
- **Theme**: Restaurants offer freshly prepared food, attentive service, and an upscale contemporary ambiance that create an exceptional, yet affordable dining experience. The high-volume polished casual restaurants feature a diverse selection of flavorful American food, internationally influenced appetizers and entrees and an extensive selection of sushi.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	Kona Grill Locations
2009	24
2010	25
2011	23
2012	23
2013E	25

- **Recent Activity Notes**: Kona Grill's primary growth objective is to strategically expand the Kona Grill concept in selected markets over the next several years with the intend goal of developing Kona Grill restaurants in high quality, densely populated areas in both new and existing markets. The growth potential is believed to be over 100 restaurants nationwide.

1. The information in this section was excerpted directly from or based on the Ignite Restaurant Group, Inc. Form 10-K, for the fiscal year ended December 31, 2012. Fiscal year end location counts as of date of 10-K filing.
2. The information in this section was excerpted directly from or based on the Kona Grill, Inc. Form 10-K, for the fiscal years ended December 31, 2012, 2011, 2010, 2009. Fiscal year end location counts as of date of 10-K filing.

Appendix 1 – Market Approach – Guideline Public Company Summaries (Cont.)

- **Company**:[1] Luby's, Inc.
- **Restaurant Brands**: Luby's, Cheeseburger in Paradise, Fuddruckers, Bob Luby's Seafood, Koo Koo Roo Chicken Bistro
- **Theme**:
    - Luby's Cafeteria restaurants are cafeteria-style restaurants which allows customers to select freshly prepared items from the serving line including entrées, vegetables, salads, desserts, breads and beverages before transporting their selected items on serving trays to a table or booth of their.
    - Fuddruckers restaurants feature an open kitchen where guests can see burgers freshly prepared from scratch all day. Guests can customize their meal with fresh veggies and signature Fuddruckers condiments.
- **Franchised vs. Company-Owned**: Company-owned and franchised (Fuddruckers brand)
- **Location count**:

Year	Owned Locations	Luby's Cafeteria	Other Brands	Franchises (Fuddruckers)
2009	96	N/A	N/A	0
2010	155	96	59	130
2011	157	96	61	122
2012	153	92	61	125
2013	180	93	87	116

- **Recent Activity Notes:**

- On December 6, 2012, Luby's completed the acquisition of all of the Membership Units of Paradise Restaurant Group, LLC and certain of their affiliates, collectively known as Cheeseburger in Paradise, and became the owners of 23 full service Cheeseburger in Paradise restaurants, for approximately $10.3 million in cash plus customary working capital adjustments.
- In fiscal year 2014, Luby's anticipates making capital investments of between $35 million and $40 million, primarily for construction of new restaurants with opening dates in fiscal year 2014 and early fiscal year 2015, maintaining and remodeling of existing units, and purchases of property for restaurant development.

1. The information in this section was excerpted directly from or based on the Luby's, Inc. Form 10-K, for the fiscal year ended August 28, 2013, August 29, 2012, August 31, 2011, August 25, 2010, August 26, 2009. Fiscal year end location counts as of date of 10-K filing.

Appendix 2 – Market Approach – Guideline Transaction Background

- **Target**:[1] J. Alexander's, Inc.
- **Restaurant Brands**: J. Alexander's
- **Theme:** J. Alexander's is a quality casual dining restaurant with a contemporary American menu. J. Alexander's strategy is to provide a broad range of high-quality menu items that are intended to appeal to a wide range of consumer tastes and which are served by a courteous, friendly and well-trained service staff.
- **Franchised vs. Company-Owned**: Company-owned
- **Location count**:

Year	J. Alexander's Locations
2009	33
2010	33
2011	33

- **Recent Activity**: Management does not plan to open any new restaurants in 2012 and remains cautious about future development. J. Alexander's, Inc. was purchased on June 25, 2012 by American Blue Ribbon Holdings, LLC.

- **Target**:[2] Real Mex Restaurants, Inc.
- **Restaurant Brands**: El Torito, El Torito Grill, Chevy's, Acapulco
- **Theme**:
  - El Torito restaurants are modeled after a traditional Mexican hacienda and dedicated to fresh, quality ingredients and authentic, made-from-scratch Mexican cuisine.
  - Chevy's is a comfortable yet high-energy restaurant concept that offers guests an array of freshly prepared Mexican dishes in an ultra-casual atmosphere.
  - Acapulco is a casual, neighborhood Mexican restaurant featuring simple, value oriented, hearty Mexican fare and drinks with a focus on Latin hospitality.
- **Franchised vs. Company-Owned**: Both
- **Location count**:

Year	Total Owned Locations	El Torito	Chevy's	Other	Franchise
2009	187	81	66	40	34
2010	181	77	65	39	31

- **Recent Activity**: Real Mex Restaurants, Inc. was purchased on February 7, 2012 by various Tennenbaum Capital Partners, J.P. Morgan Investment Management, and Z Capital Management.

1. The information in this section was excerpted directly from or based on the J. Alexander's, Inc. Form 10-K, for the fiscal year ended, January 1, 2012. Location count as of Form 10-K filing date.
2. The information in this section was excerpted directly from or based on the Real Mex Restaurants, Inc. Form 10-K, for the fiscal year ended December 26, 2010, December 27, 2009. Location count as of Form 10-K filing date.

Appendix 2 – Market Approach – Guideline Transaction Background (Cont.)

- **Target**:[1] O' Charley's Inc.
- **Restaurant Brands**: O' Charley's, Ninety Nine, Stoney River Legendary Steaks ("Stoney River")
- **Theme**:
  - O' Charley's is a casual-dining restaurant concept whose strategy is to differentiate its restaurants by serving high-quality, freshly prepared food at moderate prices and with genuinely friendly and attentive guest service.
  - Ninety Nine restaurants are casual-dining restaurants that serve as friendly, comfortable places to gather and enjoy great American food and drink at a reasonable price.
  - Stoney River restaurants are steakhouses that appeal to both upscale casual-dining and fine-dining guests by offering the high-quality food and attentive guest service typical of high-end steakhouses at more moderate prices.
- **Franchised vs. Company-Owned**: Primarily company-owned (6 franchised O' Charley's in 2011 and 9 O' Charley's in 2010)
- **Location count**:

Year	Owned Locations	O' Charley's	Ninety Nine	Stoney River
2010	338	221	106	11
2011	336	221	105	10

- **Recent Activity**: O'Charley's was purchased on February 6, 2012 by Fidelity National Financial, Inc.

1. The information in this section was excerpted directly from or based on the O' Charley's Inc. Form 10-K, for the fiscal year ended December 25, 2011, December 26, 2010. Location count as of Form 10-K filing date.

Deloitte.

Financial Advisory Services

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Profile

Richard Lee is a Partner with Deloitte Financial Advisory Services LLP. He has over 16 years of experience providing forensic accounting, valuation, and financial consulting services in connection with litigation and dispute, business valuation, and corporate development projects. Mr. Lee also has deep experience in buy-sell disputes working in a variety of roles, including serving as an arbitrator. He has served as an expert in disputes involving financial and economic analysis, economic damages, forensic accounting, and business and intangible asset valuation. Mr. Lee has conducted damage analyses in hundreds of matters, including breach of contract, intellectual property, employment, shareholder litigation, bankruptcy, merger & acquisitions, and other business disputes. Mr. Lee has performed projects in a wide range of industries. He has served as a consulting and testifying expert and provided expert reports in U.S. federal and state court cases as well as ICC, AAA, and JAMS arbitrations.

In addition, much of Mr. Lee's practice focuses on the valuation of businesses and intangible assets including, but not limited to, patents, trademarks, trade secrets, customer relationships, contracts, non-compete agreements, in-process research & development, copyrights, and assembled workforce. Mr. Lee has valued businesses and intangible assets in a variety of circumstances including dispute, buy-side due diligence, sell-side advisory, financial reporting, tax compliance, and strategic management reviews.

Experience

The following are a representative sample of the economic damages and valuation matters in which he has been involved:

Economic Damages/Dispute Related Valuation Engagements

- *Technology/Breach of Contract* – Calculated the lost profits incurred by a computer hardware and software distributor as a result of a breach of contract by a large state governmental entity. Performed an analysis to rebut opposing expert's damage calculations.

- *Technology/Breach of Contract* – Prepared lost profits and rescission damage calculations on a breach of contract matter related to the direct broadcast satellite industry. Performed an analysis to rebut opposing expert's damage calculations.

- *Financial Services/Breach of Contract* – Determined the lost profits and diminution in business value of a financial services franchise as a result of an alleged breach of contract with a major bank. Performed an analysis to rebut opposing expert's calculations.

- *Manufacturing/Breach of Contract* – Calculated lost profits in a breach of contract and libel matter involving a variety of products. Performed an analysis to rebut opposing expert's damage calculations.

- *Automobile Dealership/Breach of Contract* – Calculated lost profit damages in a breach of contract matter involving an automobile dealership with multiple locations.

- *Technology/Breach of Contract* – Determined the value of a computer hardware and software distributor as part of a breach of contract dispute with one of the distributor's largest customers.

- *Healthcare/Breach of Contract* – Calculated the lost profits incurred by a regional hospital as a result of a physician's breach of contract. Performed an analysis to rebut opposing expert's damage calculations.

- *Healthcare/Breach of Contract* – Determined lost profits in a dispute between a regional hospital chain and a physician group. Performed forensic accounting related to patient referrals and where services were performed.

- *Healthcare/Breach of Contract* – Calculated the lost profits incurred by a regional hospital as a result of an alleged deficient enterprise software implementation. Performed an analysis to rebut opposing expert's damage calculations.

- *Healthcare/Breach of Contract* – Determined the lost profits in a dispute between a home health franchisor and franchisee as a result of an alleged breach of a franchise agreement.

- *Healthcare/Breach of Contract* – Calculated the lost profits incurred by an imaging business in a dispute with a regional hospital related to a right of first refusal provision in a contract. Performed an analysis to rebut opposing expert's damage calculations.

- *Entertainment/Breach of Contract* – Performed an economic damage analysis for a large national cable sports network related to a breach of contract matter involving a regional cable sports network. Damages analysis included lost profits associated with lost subscribers, lost affiliate revenue, and lost advertising revenue. Performed an analysis to rebut opposing expert's damage calculations.

- *Entertainment/Breach of Contract* – Calculated the lost profits incurred by a national sports radio station as a result of an alleged breach of contract by a company that agreed to sell advertising for the station. Performed an analysis to rebut opposing expert's calculations.

- *Entertainment/Breach of Contract* – Calculated the lost profits and diminution in business value involving a breach of contract matter related to Spanish-language television stations in a number of U.S. metropolitan areas. Performed an analysis to rebut opposing expert's calculations.

- *Entertainment/Breach of Contract* – Determined the value of regional television and radio broadcasting rights for a professional baseball team. Calculated lost profits damages related to a breach of contract associated with the broadcasting rights.

- *Investment Funds/Breach of Contract* – Performed a fair market value analysis of a minority interest in a hedge fund related to an ownership dispute.

- *Manufacturing/Breach of Non-Competition Agreement* – Calculated the lost profits and diminution in business value incurred by a manufacturer as a result of a breach in a non-compete agreement with a former company owner.

- *Healthcare/Breach of Non-Competition Agreement* – Computed damages in a healthcare matter involving a physician who breached a non-compete agreement and became employed by a competitor. Other claims included theft of trade secrets and tortuous interference.

- *Retail/Breach of Non-Competition Agreement* – Performed a business valuation of an early stage international retailer and analyzed *Wrotham Park* damages to determine the appropriate license fee in a hypothetical negotiation between parties of a non-competition agreement.

- *Automotive Repair/Breach of Non-Competition Agreement* – Calculated damages in a matter involving a former employee of an automotive repair franchise operation. Claims included breach of non-compete agreement and theft of trade secrets.

- *Equipment Leasing/Breach of Fiduciary Duty* - Analyzed the potential economic damages incurred by a company in a breach of fiduciary duty matter involving the equipment leasing industry.

- *Technology/Breach of Fiduciary Duty* – Performed a business valuation at several dates for a large public technology company involved in a breach of fiduciary duty and preference payment dispute.

- *Technology/Breach of Fiduciary Duty* – Analyzed the potential economic damages incurred by a company in a breach of fiduciary duty matter involving a cable system limited partnership.

- *Healthcare/Partnership Dispute* – Performed forensic accounting and damages quantification related to a partnership dispute involving a regional imaging business. Calculated lost profits related to decreased revenues and increased expenses as a result of management's actions.

- *Professional Services/Shareholder Dispute* – Performed a valuation of an Indian information-technology outsourcing company at multiple dates as part of a shareholder dispute.

- *Publishing/Shareholder Dispute* – Performed business valuations of a large magazine publisher at various points in time related to a shareholder dispute. Performed an analysis to critique the opposing expert's analysis.

- *Insurance/Partnership Dispute* – Determined the value of an insurance brokerage related to a partnership dispute.

- *Automobile Dealer/Partnership Dispute* – Performed forensic accounting and calculated economic damages in an automobile dealership partnership dispute.

- *Automobile Dealer/Shareholder Dispute* – Performed a valuation of a minority interest in a large regional automobile dealership related to a shareholder oppression matter.

- *Investment Funds/Partnership Dispute* – Performed a valuation of a private equity firm related to a dispute between numerous managing directors of the firm.

- *Real Estate/Partnership Dispute* – Calculated economic damages and diminution in business value in a partnership dispute involving a large oceanfront resort including several hotels, golf courses, residential units and a commercial center.

- *Publishing/Dissolution of Marriage* – Valued the intellectual property rights to a book author's name as part of a dissolution of marriage dispute.

- *Healthcare/Partnership Dispute* – Performed a business valuation of a healthcare insurance brokerage as a result of a purchase price dispute.

- *Healthcare/Partnership Dispute* – Analyzed the methodology and assumptions used to repurchase partnership units in a regional hospital related to a dispute between the hospital and a limited partner.

- *Real Estate/Wrongful Termination* – Performed a valuation of ownership interests in a private real estate investment trust focusing on multifamily housing as part of a wrongful termination dispute.

- *Chemical Sales/Wrongful Termination* – Analyzed the potential damages of a former sales manager of a chemical sales company as a result of alleged wrongful termination. Performed an analysis to rebut opposing expert's calculations.

- *Manufacturing/Wrongful Termination* – Analyzed the potential damages of a former chief executive officer of a manufacturing company as a result of alleged wrongful termination.

- *Technology/Wrongful Termination* – Analyzed the potential damages of a former executive in a technology company as a result of alleged wrongful termination. Analysis included lost wages, bonus, benefits, and stock options. Performed an analysis to rebut opposing expert's calculations.

- *Biotechnology/Wrongful Termination* – Performed a damages analysis of employee stock options as part of a wrongful termination matter.

- *Restaurant/Class Action Employee* – Calculated the damages to a large number of employees involving overtime compensation claims.

- *Automobile Manufacturer/Employment* – Determined the amount of employee severance payments based on a settlement agreement between company employees and an automobile manufacturer.

- *Retail/Fraudulent Conveyance* – Performed a solvency analysis at various points in time for a major retailer related to fraudulent conveyance and breach of fiduciary duty actions. The subject company was a publicly traded company with over 500 stores at the time of its bankruptcy. Determined economic damages caused by a number of parties in the matter.

- *Financial Services/Fraudulent Conveyance* – Performed a rebuttal analysis of an expert's solvency analysis of a financial services firm at multiple points in time. The work included analysis of the balance sheet, cash flow and adequate capital tests.

- *Gaming/Equitable Subordination* – Developed a solvency analysis related to an equitable subordination claim by the unsecured creditors committee of a bankrupt gaming company as a result a large secured debt obligation.

- *Technology/Breach of Fiduciary Duty* – Performed a solvency analysis at various points in time for a publicly traded technology company. The subject company made a large number of acquisitions prior to and after the March 2000 tech bubble and filed for Chapter 11 in 2003. Engaged to perform a forensic accounting and solvency analysis at various points in time related to possible equitable subordination, fraudulent conveyance and breach of fiduciary duty claims. Determined economic damages caused by a number of parties in the matter.

- *Law Firm/Fraudulent Conveyance* – Performed a solvency analysis for a large law firm related to its bankruptcy filing. Claims were made by the unsecured creditors committee against law firm's partners for alleged fraudulent transfers prior to bankruptcy filing.

- *Retail/Fraudulent Conveyance* – Performed a solvency analysis and economic damages analysis of a bankrupt furniture retailer involving a fraudulent conveyance claim.

- *Financial Services/Auditor Malpractice* – Performed a damage analysis related to a financial services firm bankruptcy and associated auditor malpractice claim. Damage analysis included a solvency analysis of the bankrupt entity at various points in time.

- *Shopping Center/Business Interruption* – Analyzed the business losses incurred by a major owner of U.S. shopping centers related to the destruction of one of its shopping centers.

- *Restaurant/Landlord-Tenant* – Calculated the lost profits incurred by a restaurant related to a landlord-tenant dispute in which the tenant claimed it had exclusive rights in a large retail shopping mall. Performed an analysis to rebut opposing expert's calculations.

- *Environmental/Toxic Tort* – Developed a database to calculate economic damages for thousands of claimants in a large toxic tort environmental litigation against a large defense contractor.

- *Entertainment/Intentional Misrepresentation Damages* – Calculated the lost profits associated with alleged fraud/intentional misrepresentation involving the sale of a cable network. Lost profit analysis included analysis of lost subscribers, lost affiliate revenue, lost advertising revenue and diminution in business value.

- *Consumer Products/Patent Infringement* – Prepared lost profits and reasonable royalty damage calculations in a matter that involved alleged patent infringement in the camera industry. Performed an analysis to rebut opposing expert's damage calculations.

- *Restaurant/Patent Infringement* – Performed a lost profits and reasonable royalty calculation involving a patent infringement case in the restaurant and food products industries.

- *Computer Hardware/Patent Infringement* – Performed a lost profits and reasonable royalty analysis on a patent infringement matter related to computer hardware components.

- *Apparel/Trademark Infringement* - Analyzed lost profits and reasonable royalty damages in a trademark infringement matter involving a popular clothing trademark.

- *Internet/Trademark Infringement* - Determined trademark infringement damages associated with the unauthorized use of a trademark as an internet domain name. Analysis included lost profit and reasonable royalty calculations.

- *Consumer Products/Trademark Infringement* – Performed a lost profits and reasonable royalty analysis in a trademark infringement dispute between two food product manufacturers.

- *Consumer Products/Trademark Infringement* – Calculated economic damages and performed a reasonable royalty study in a trademark infringement case involving the beverage industry.

- *Software/Copyright Infringement* – Performed economic damage calculations including lost profit, unjust enrichment and reasonable royalty calculations related to a software piracy matter. Performed an analysis to rebut opposing expert's damage calculations.

- *Apparel/Copyright Infringement* – Analyzed lost profits and reasonable royalty damages in a copyright infringement matter involving artistic creations at a large national retail chain. Performed an analysis to rebut opposing expert's damage calculations.

- *Professional Services/Copyright Infringement* – Analyzed lost profits, reasonable royalties, and disgorgement in a copyright infringement matter involving client training materials in the consulting industry. Performed an analysis to rebut opposing expert's damage calculations.

- *Publishing/Copyright Infringement* – Calculated lost profits and reasonable royalty damages in a copyright infringement matter involving a religious related pamphlet. Performed an analysis to rebut opposing expert's damage calculations.

- *Music/Copyright* – Determined the appropriate base of revenues on which to calculate royalty payments for a copyright arbitration in the music industry.

- *Manufacturing/Trade Dress Infringement* - Developed a lost profits analysis for a manufacturing company accused of trade dress infringement. Analysis included recreation of company accounting records and a detailed product cost examination. Performed an analysis to rebut opposing expert's damage calculations.

- *Consumer Products/Trade Dress Infringement* – Calculated lost profits and unjust enrichment in a matter involving alleged trade dress infringement in the furniture industry. Performed an analysis to rebut opposing expert's damage calculations.

- *Professional Services/Trade Secrets* – Performed lost profits and unjust enrichment damage calculations related to trade secret misappropriation by former employees in the temporary employment industry. Performed an analysis to rebut opposing expert's damage calculations.

- *Software/Trade Secrets* – Performed lost profits and diminution in business value claim related to trade secret misappropriation by former employees in the software industry.

- *Telecommunications/Buy-Sell Dispute* – Provided an expert report in a buy-sell dispute involving working capital and EBITDA post-closing adjustments in the mobile telecommunications industry.

- *Manufacturing/Buy-Sell Dispute* – Served as the third party neutral in a buy-sell dispute involving GAAP interpretation issues and working capital post-closing adjustments for a plumbing component manufacturer.

- *Professional Services/Buy-Sell Dispute* – Provided multiple expert reports in a buy-sell dispute involving working capital and earn-out calculations in the professional services industry.

- *Healthcare/Buy-Sell Dispute* – Provided multiple expert reports in a buy-sell dispute involving working capital and earn-out calculations in the healthcare industry.

- *Insurance/Buy-Sell Dispute* - Provided an expert report in a buy-sell dispute involving working capital and EBITDA post-closing adjustments in the insurance industry.

- *Retail/Buy-Sell Dispute* - Served as the third party neutral in a buy-sell dispute involving GAAP consistency and interpretation issues and working capital post-closing adjustments and earn-out calculations for a large retailer.

Transactional/Compliance Valuation Related Engagements

- *Technology/Entertainment* – Performed a valuation for a $17 billion merger in the interactive games industry. Intangible assets valued included trademarks, licensing agreements, internally developed franchises, developed software, game engines, non-compete agreements, favorable/unfavorable operating leases, and distribution agreements.

- *Manufacturing/Distribution* – Performed a valuation for a $1.3 billion acquisition of six different metals service center businesses. Performed intangible asset valuation of trade names, customer relationships, favorable/unfavorable operating leases, and non-compete agreements.

- *Technology* – Performed a valuation of a $1.0 billion acquisition of a hard disk drive component manufacturer. Intangible assets valued included several types of developed technology, in-process research & development, favorable/unfavorable operating leases, and customer relationships.

- *Manufacturing/Distribution* – Performed a valuation for a $1.0 billion acquisition of a publicly traded metals service center company. Performed intangible asset valuation of trade names, customer relationships, internally developed software, favorable/unfavorable operating leases, and non-compete agreements.

- *Healthcare* – Performed several valuations for the acquisition of imaging centers. Intangible assets valued included trade names, customer relationships, referral relationships, and non-compete agreements.

- *Healthcare* – Performed a valuation for the acquisition of a regional healthcare insurance company. Intangible assets valued included trade names, customer relationships, and non-compete agreements.

- *Service* – Conducted several valuations for the acquisition of reprographics businesses. Intangible assets valued included trade names, customer relationships, software licenses, and non-compete agreements.

- *Service* – Valued a major travel tour operator business. Intangible assets valued included trade name, customer relationships, supplier relationships, and non-compete agreements.

- *Aerospace/Defense* – Conducted a valuation of an aerospace/defense contractor. Intangible assets valued included trade name, customer relationships, patent portfolio, and non-compete agreements.

- *Government Contracts* – Valued a wastewater and sewage contractor. Intangible assets valued included the contracts at numerous military bases across the U.S.

- *Automotive Marketing Services* – Performed a goodwill impairment valuation for a publicly traded on-line automotive marketing services company. Work performed included both a step 1 and step 2 analysis. The step 2 analysis included valuation of the company's patent portfolio, customer relationships, websites, and trade names.

- *Automotive Marketing Services* – Performed a valuation of a publicly traded on-line automotive marketing services company's patent portfolio as part of a licensing dispute settlement.

- *Healthcare* – Valued a publicly traded healthcare insurance company for goodwill impairment purposes. Work performed included both a step 1 and step 2 analysis.

- *Manufacturing* – Performed a valuation of a Fortune 500 diversified manufacturing company. Analysis included the valuation of six reporting units in distinct business lines.

- *Restaurant* – Valued a major restaurant chain with more than 3,000 locations.

- *Construction* – Performed a goodwill impairment analysis for a major construction company. Work performed included both a step 1 and step 2 analysis. The step 2 analysis included personal property and intangible asset valuation.

- *Software* – Performed a valuation of a software company that specializes in manufacturing design products for a range of industries including automobile, aerospace, and defense.

- *Manufacturing/Distribution* – Performed a goodwill impairment analysis for a Fortune 500 company in the metals service center business. Analysis included a valuation of more than 40 separate reporting units.

- *Technology/Entertainment* – Assisted a major interactive games publisher with the acquisition of a software developer. Project management included the coordination of audit and tax due diligence services, human capital consulting, background investigation services, and valuation services. Valuation services included market research and a valuation of the software developer.

- *Manufacturing* – Performed a valuation for tax and strategic planning purposes of various subsidiaries of a U.S. automobile components manufacturer. Project management included supervision of real estate and personal property appraisal as well as a business valuation of the subsidiaries.

- *Consumer Products* – Performed a valuation for tax purposes of numerous European subsidiaries of a cosmetics company. Valuation included application of the income, market and cost approaches.

- *Consumer Products* – Valued a dietary supplements product for strategic planning purposes. Work included valuation of numerous intellectual properties including patents and trade names.

- *Consumer Products* – Performed a valuation of a canned meats business as part of a potential business acquisition. Advised management on the range of potential values of the business and the critical value drivers.

- *Consumer Products* – Valued a specialty seafood processor as part of a shareholder buy-out transaction.

- *Consumer Products* – Performed a valuation for tax purposes of a major designer apparel manufacturer.

- *Retail* – Performed a market study of Southern California shopping malls for a new company entering the high-end kitchen products market. Analyzed potential values of business based upon various scenarios.

- *Retail* – Determined the value of numerous store locations for a major retail apparel company.

- *Manufacturing* – Determined the value of numerous subsidiaries of a power components manufacturer for tax purposes.

Testimony

- *Innovative Beverage Concepts v. Ames International*, Case No. SACV04-562 CJC (ANx), Sheppard Mullin Richter & Hampton LLP
- *Sandra Arterburn v. Stephen Arterburn,* Case No. 02D010557, Knobbe Martens Olson & Bear LLP
- *Catherine Frandsen v. Pierluigi Bonvicini*, Case No. 05D010381, Minyard Morris LLP
- *Robert L. Veal, et al. v. Levon Barseghyan, et al.*, Case No. DC-08-075-78-A, Crouch & Ramey LLP
- *Talley Muery, et al. v. Inginix Systems Corporation, et al.*, Case No. 429-02183-2008, Hallett & Perrin, P.C.
- *Randy Murphy, et al. v. Broyhill Furniture Industries, Inc., et al.,* Case No. 08-13276, The Johnson Firm
- *AIG Global Emerging Markets Fund II, L.P. v. Abdulaziz Geylan Zapsu,* Case No. 16479/FM, Kirkland & Ellis International LLP
- *In the Matter of the Marriage of IC and QC*, Case No. DF-11-16417, KoonsFuller, PC

Publications/Presentations

- "Research Tools for Economic Damages Matters", California Society of CPA's, Summer 2002
- "Performing a Solvency Analysis", The Witness Chair, Fall 2003
- "Deepening Insolvency: Implications for Officers & Directors", Cooley Godward LLP, September 2004
- "Intellectual Property Issues for CPA Practitioners", California Society of CPA's, August 2005
- "Reading and Understanding Financial Statements and Accounting Concepts", Orrick, Herrington & Sutcliffe LLP, August 2005
- "Intellectual Property and Damage Calculations", Deloitte FAS LLP, March 2006
- "Financial Statements and Accounting Concepts: What In House Counsel Need to Know", Association of Corporate Counsel, June 2006
- "Reading and Understanding Financial Statements and Basic Concepts of Accounting", Arnold & Porter LLP, July 2006
- "Intellectual Property Valuation and Damages", Squire Sanders & Dempsey LLP, December 2006
- "The Gambler's Ruin: Risk, Capitalization and Casinos", ValCon Conference presented by AIRA, February 2007
- "Understanding the Four Financial Statements", Morrison & Foerster LLP, March 2007
- "Unique Challenges in Determining Damages Involving Non-Practicing Entities", Baker Botts LLP, July 2009
- "Unique Challenges in Determining Damages Involving Non-Practicing Entities", Fish & Richardson P.C., August 2009

- "Accounting for Attorneys", The University of Texas at Austin School of Law, February 2012
- "Uniloc and Subsequent Case Decisions Impact on Patent Damages", K&L Gates, June 2012

Professional Certifications

- Certified Public Accountant, Licensed in Texas and California
- Accredited Senior Appraiser, Business Valuation, American Society of Appraisers
- Accredited in Business Valuation, American Institute of Certified Public Accountants

Professional Affiliations and Involvement

- Adjunct Faculty, University of Texas at Dallas
- Member, 2012 AICPA Accreditation in Business Valuation Exam Writing Committee
- Member, Licensing Executives Society
- Member, American Institute of Certified Public Accountants
- Member, Texas Society of Certified Public Accountants

Education

- B.S., Business Administration, University of Southern California
- Masters in Business Administration, University of California, Los Angeles

Exhibits

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Summary of Value
($ '000)

Exhibit 1

Valuation Method	Weighting	Value	
Discounted Cash Flow	50%	$29,100	[1]
Guideline Public Company	50%	29,300	[2]
Guideline Transaction	0%	23,200	[3]
Value of Invested Capital		29,200	
Value of Invested Capital (Rounded)		**$29,200**	

Notes:

[1] Refer to Exhibit 5

[2] Refer to Exhibit 7

[3] Refer to Exhibit 9

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Historical Income Statement
($ '000)

Exhibit 2

	Fiscal Year Ending December 31,							LTM
	2006 [1]	**2007 [1]**	**2008 [2]**	**2009 [3]**	**2010 [3]**	**2011 [4]**	**2012 [4]**	**10/29/2013 [5]**
Revenues	$243,913	$231,847	$213,551	$189,357	$175,686	$162,977	$148,301	$130,628
Growth	*N/A*	*(4.9%)*	*(7.9%)*	*(11.3%)*	*(7.2%)*	*(7.2%)*	*(9.0%)*	*N/A*
Cost of Goods Sold w/o D&A	(125,559)	(120,594)	(112,013)	(98,750)	(91,492)	(85,578)	(77,736)	(68,971)
Gross Profit	118,354	111,253	101,538	90,607	84,194	77,399	70,565	61,657
% of Revenue	*48.5%*	*48.0%*	*47.5%*	*47.8%*	*47.9%*	*47.5%*	*47.6%*	*47.2%*
Operating Expenses	(103,969)	(97,528)	(94,654)	(85,041)	(78,120)	(75,117)	(65,506)	(57,463)
EBITDA	14,385	13,725	6,884	5,566	6,074	2,282	5,059	4,194
% of Revenue	*5.9%*	*5.9%*	*3.2%*	*2.9%*	*3.5%*	*1.4%*	*3.4%*	*3.2%*
Depreciation Expense	(8,872)	(8,945)	(8,827)	(8,398)	(8,474)	(10,748)	(8,803)	(7,006)
EBIT	5,513	4,780	(1,943)	(2,832)	(2,400)	(8,466)	(3,744)	(2,812)
% of Revenue	*2.3%*	*2.1%*	*(0.9%)*	*(1.5%)*	*(1.4%)*	*(5.2%)*	*(2.5%)*	*(2.2%)*
Net Interest Income/(Expense)	(4,195)	(3,276)	(2,779)	(3,236)	(5,274)	(3,789)	(4,665)	(5,063)
Nonoperating Income/(Expense)	557	(1,388)	998	467	(77)	144	(9)	264
Nonrecurring Income/ (Expense)	(291)	(77)	(53)	(231)	(7)	(758)	(850)	(4,878)
Pretax Income	1,584	39	(3,777)	(5,832)	(7,758)	(12,869)	(9,268)	(12,490)
% of Revenue	*0.6%*	*0.0%*	*-1.8%*	*-3.1%*	*-4.4%*	*-7.9%*	*-6.2%*	*-9.6%*

Notes:

Source: Management
[1] 2006 and 2007 financials based on 2007 reporting package
[2] 2008 based on 2008 reporting package
[3] 2009 and 2010 financials based on 2010 reporting package
[4] 2011 and 2012 financials based on 2012 reporting package
[5] LTM figures consist of two months from 2012 and ten months from 2013 financials.

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Normalized Income Statement
($ '000)

Exhibit 3

	LTM 10/29/2013	Adjustments [1]	Normalized
Revenues	130,628	38	130,666
Cost of Goods Sold w/o D&A	(68,971)	-	(68,971)
Gross Profit	61,657	38	61,696
% of Revenue	*47.2%*		*47.2%*
Operating Expenses	(57,463)	4	(57,459)
EBITDA	4,194	42	4,236
% of Revenue	*3.2%*		*3.2%*

Notes:

Source: Management

[1] Adjustments based on nonrecurring hurricane related revenues and expenses

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Historical Balance Sheet
($ '000) **Exhibit 4**

	Reported as of					
	12/30/2008	**12/29/2009**	**12/28/2010**	**1/3/2012**	**1/1/2013**	**10/29/2013**
Assets	[1]	[2]	[2]	[3]	[4]	[5]
Current Assets						
Cash and Short Term Investments	5,806	3,605	3,163	2,336	2,790	772
Net Receivables	1,046	1,195	1,210	970	1,090	1,099
Inventories	5,790	5,530	5,339	4,489	3,795	3,325
Other Current Assets	2,774	2,917	2,901	2,293	2,295	2,077
Total Current Assets	15,417	13,248	12,612	10,087	9,970	7,273
Property, Plant & Equipment						
Gross Property, Plant & Equipment	83,154	82,168	82,570	75,765	69,056	65,673
Accumulated Depreciation	(33,581)	(39,566)	(45,555)	(46,003)	(44,839)	(45,538)
Net PP&E	49,573	42,602	37,015	29,762	24,218	20,135
Intangibles	6,168	6,170	6,168	6,174	6,174	6,174
Other Assets	1,372	1,061	993	638	525	535
Total Long-Term Assets	57,113	49,833	44,176	36,574	30,917	26,844
Total Assets	**72,530**	**63,081**	**56,788**	**46,661**	**40,886**	**34,117**
Liabilities and Shareholder's Equity						
Current Liabilities						
Debt in Current Liabilities	7,459	16,140	20,827	21,117	26,631	30,678
Accounts Payable	5,391	5,137	4,001	6,063	8,273	9,392
Accrued Expenses	4,658	5,052	3,418	3,793	2,566	1,961
Other Current Liabilities	10,444	10,757	10,306	10,070	7,317	7,314
Total Current Liabilitites	27,952	37,085	38,551	41,042	44,786	49,345
Long-Term Liabilities						
Long-Term Debt	12,750	-	-	-	-	-
Other Long Term Operating Liabilitites	-	-	-	-	-	-
Total Long-Term Liabilities	12,750	-	-	-	-	-
Total Liabilities	**40,702**	**37,085**	**38,551**	**41,042**	**44,786**	**49,345**
Equity						
Member's Equity	38,000	38,000	38,000	38,000	38,000	38,000
Member's Tax Distribution	(1,726)	(1,726)	(1,726)	(1,726)	(1,726)	(1,726)
PY Retained Earnings	(670)	(4,446)	(10,279)	(18,037)	(30,905)	(40,173)
Net Income (Loss)	(3,776)	(5,833)	(7,758)	(12,618)	(9,268)	(11,328)
Total Equity	**31,828**	**25,995**	**18,237**	**5,619**	**(3,900)**	**(15,228)**
Total Liabilities & Equity	**72,530**	**63,081**	**56,788**	**46,661**	**40,886**	**34,117**
Debt-Free, Cash-Free Net Working Capital	(10,882)	(11,303)	(8,276)	(12,174)	(10,975)	(12,165)

Notes:

[1] From December 2008 financial reporting package
[2] From December 2010 financial reporting package
[3] From December 2011 financial reporting package
[4] From December 2012 financial reporting package
[5] From October 2013 financial reporting package

Piccadilly Restaurants, LLC

Valuation as of October 31, 2013

Income Approach - Discounted Cash Flow Method

($ '000) **Exhibit 5**

		Fiscal Year Ending December 31,				Fiscal Year Ending December 31,					
Fiscal Year		**2010**	**2011**	**2012**	**2013**	**2013**	**2014**	**2015**	**2016**	**2017**	**Normalized**
Forecast Period					*(Ten Months)*	*(Two Months)*	*2*	*3*	*4*	*5*	
Revenues		$175,686	$162,977	$148,301	$106,599	$20,695	$121,552	$117,070	$118,178	$120,429	$123,440
% Growth			*(7.2%)*	*(9.0%)*	*N/A*	*N/A*	*(4.5%)*	*(3.7%)*	*0.9%*	*1.9%*	*2.5%*
Cost of Goods Sold without D&A		(91,492)	(85,578)	(77,736)	(55,580)	(10,395)	(61,921)	(59,420)	(59,994)	(61,158)	(62,687)
Gross Profit		84,194	77,399	70,565	51,019	10,300	59,630	57,650	58,184	59,271	60,753
% of Revenue		*47.9%*	*47.5%*	*47.6%*	*47.9%*	*49.8%*	*49.1%*	*49.2%*	*49.2%*	*49.2%*	*49.2%*
Operating Expenses		(78,120)	(75,117)	(65,506)	(48,289)	(9,257)	(54,040)	(51,259)	(50,827)	(51,143)	(52,421)
EBITDA		6,074	2,282	5,059	2,730	1,043	5,590	6,391	7,356	8,128	8,331
% of Revenue		*3.5%*	*1.4%*	*3.4%*	*2.6%*	*5.0%*	*4.6%*	*5.5%*	*6.2%*	*6.7%*	*6.7%*
Depreciation Expense	[1]	(8,474)	(10,748)	(8,803)	(5,672)	(551)	(6,164)	(5,402)	(4,858)	(4,472)	(3,588)
EBIT		(2,400)	(8,466)	(3,744)	(2,942)	492	(574)	989	2,498	3,656	4,744
Income Taxes	40.0% [2]					(197)	229	(396)	(999)	(1,463)	(1,898)
Net Operating Profit After Tax						295	(344)	593	1,499	2,194	2,846
Plus: Depreciation Expense	[1]					551	6,164	5,402	4,858	4,472	3,588
Less: Capital Expenditures	[3]					(499)	(3,500)	(3,500)	(3,500)	(3,500)	(3,588)
Less: Incremental Debt-Free Cash-Free Working Capital	[4]					(2,873)	(419)	(327)	81	164	220
Net Available Cash Flow						(2,525)	1,900	2,168	2,938	3,330	3,066
Periods Discounting						0.083	0.667	1.667	2.667	3.667	
Present Value Factor	11.5%					0.991	0.930	0.834	0.748	0.671	
Present Value of Cash Flow						(2,502)	1,767	1,809	2,198	2,234	

Present Value of Discrete Cash Flows		5,505
Present Value of Terminal Year Value		22,856
Present Value of Cash Flows		$28,362
Indicated Business Enterprise Value Before Adjustments - Marketable Control Basis		28,362
Plus: Cash	[5]	772
Indicated Value of Invested Capital - Marketable Control Basis		29,133
Indicated Value of Invested Capital (Rounded)		**$29,100**

Terminal Value Calculation	
Normalized Cash Flows	3,066
Capitalization Rate Calculation:	
Cost of Capital	11.5%
Terminal Cash Flow Growth Rate	2.5%
Terminal Value	34,068
Present Value Factor	0.671
PV of Terminal Value	22,856

Notes:

[1] Depreciation expense based on 7-year MACRS table

[2] Income tax rate based on blended federal and state tax rate.

[3] Capital expenditures based on Deloitte CRG estimates.

[4] Debt-free, cash-free net working capital based on Piccadilly's average historical working capital level over the last four years.

[5] Refer to Exhibit 4

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Income Approach - Weighted Average Cost of Capital - CAPM Method
(US $ millions)

Exhibit 6

Ticker	Guideline Companies	Total Book Value Of Debt [1]	Total Book Value Of Preferred [1]	Total Market Value Of Equity [2]	Total Market Value Of Capital [2]	Debt to Capital	Equity to Capital	Marginal Tax Rate	Levered Equity Beta	Unlevered Equity Beta
BJRI	BJ's Restaurants, Inc.	-	-	783	783	0.0%	100.0%	40.0%	0.63	0.63
BOBE	Bob Evans Farms, Inc.	215	-	1,552	1,767	12.2%	87.8%	40.0%	0.97	0.90
BBRG	Bravo Brio Restaurant Group, Inc.	16	-	305	321	5.0%	95.0%	40.0%	1.38	1.34
CHUY	Chuy's Holdings, Inc.	5	-	628	633	0.7%	99.3%	40.0%	0.98	0.97
CBRL	Cracker Barrel Old Country Store, Inc.	412	-	2,643	3,054	13.5%	86.5%	40.0%	0.79	0.72
GCFB	Granite City Food & Brewery Ltd.	56	0	11	67	84.2%	15.8%	40.0%	0.88	0.21
IRG	Ignite Restaurant Group, Inc.	105	-	412	517	20.3%	79.7%	40.0%	0.51	0.44
KONA	Kona Grill Inc.	-	-	121	121	0.0%	100.0%	40.0%	0.78	0.78
LUB	Luby's, Inc.	20	-	222	242	8.1%	91.9%	40.0%	1.08	1.02
					Average	16.0%	84.0%			0.78
					Median	8.1%	91.9%			0.78
					Selected	**15.0%**	**85.0%**			**0.80**

Unlevered Beta	0.80	Unlevered Equity Beta = Levered Equity Beta / [1 + (1-Tax Rate) × Debt-to-Equity]
Debt to Equity	17.6%	
Selected Subject Tax Rate	40.0%	
Relevered Equity Beta	0.88	Levered Equity Beta = Unlevered Equity Beta × [1 + (1-Tax Rate) × Debt-to-Equity]
Risk-Free Rate	3.3%	20-Year U.S. Treasury as of the Valuation Date. Source: Capital IQ
Equity Risk Premium	6.75%	Source: Deloitte FAS Research
Levered Equity Beta	0.88	
Cost of Equity	9.30%	Cost of Equity Capital = Risk-Free Rate + (Equity Beta × Equity Risk Premium)
Unsystematic Risk Factors		
Size Premium	3.8%	Ibbotson Associates, SBBI 2013 Valuation Yearbook. Size premium for the Micro-Cap 9th-10th deciles.
Company-Specific Risk	0.0%	Risk premium based on qualitative factors that reflect company-specific risks.
Cost of Equity Capital	**13.1%**	
Subject's Estimated Pre-Tax Cost of Debt Capital	5.2%	Yield on Baa-rated corporate debt as of the Valuation Date.
Tax Rate	40.0%	
After-Tax Cost of Debt	**3.1%**	
Debt to Capital	15.0%	
Equity to Capital	85.0%	
Conclusion	11.6%	WACC = [(Debt to Capital × Cost of Debt) × (1 - Tax Rate)] + (Equity to Capital × Cost of Equity)
Weighted Average Cost of Capital (Rounded)	**11.5%**	

Notes:
Source: Capital IQ for book value of debt, book value of preferred stock, stock price and fully diluted weighted average common shares
[1] Book Value of debt used as an approximation of market value. For purposes of calculating capital structure any preferred equity was added to debt at book value
[2] Represents current stock price times fully diluted weighted average common shares

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Market Approach - Guideline Public Company Method
($ '000)

Exhibit 7

			Weighting	BEV / EBITDA
Latest Twelve Months				
Normalized EBITDA	[1]			$4,236
Selected Multiple	[2]			6.1x
Indicated Value			50%	25,840
2014 Forward Looking				
EBITDA	[3]			5,590
Selected Multiple	[2]			5.6x
Indicated Value			50%	31,305
Indicated Value - Marketable, Minority Basis				28,573
Plus: Cash	[4]			772
Indicated Value of Invested Capital - Marketable Control Basis		[5]		29,344
Indicated Value of Invested Capital (Rounded)				**$29,300**

Notes:

[1] Refer to Exhibit 3

[2] Refer to Exhibit 8

[3] Refer to Exhibit 5

[4] Refer to Exhibit 4

[5] I considered the application of a control premium but determined that it was not appropriate given the level of outstanding debt relative to the indicated BEV

Piccadilly Restaurants, LLC

Valuation as of October 31, 2013

Market Approach - Guideline Public Company Multiples **Exhibit 8**

	[1] 3-Year Revenue Growth	[1] 3-Year EBITDA Growth	[2] 3-Year Location Growth	[3] Same Store Sales Growth	[4] BEV / EBITDA LTM	[5] BEV / EBITDA 2014	[6] % Change in Multiples
Chuy's Holdings, Inc.	26.4%	29.5%	104.3%	3.1%	26.3x	19.8x	-24.6%
Ignite Restaurant Group, Inc.	18.7%	9.6%	192.1%	0.7%	12.4x	8.8x	-28.9%
Cracker Barrel Old Country Store, Inc.	3.2%	5.4%	4.9%	3.1%	11.0x	9.6x	-12.8%
Kona Grill Inc.	5.4%	30.3%	0.0%	2.6%	10.9x	9.8x	-10.6%
Bob Evans Farms, Inc.	-2.3%	-2.1%	-21.7%	-0.6%	9.7x	8.5x	-11.9%
Luby's, Inc.	14.9%	28.2%	3.9%	-0.1%	9.4x	N/A	N/A
BJ's Restaurants, Inc.	13.3%	12.6%	42.7%	-2.2%	8.7x	7.8x	-10.0%
Bravo Brio Restaurant Group, Inc.	6.7%	1.9%	27.9%	-4.5%	6.9x	6.3x	-8.9%
Granite City Food & Brewery Ltd.	13.6%	23.9%	38.5%	-3.8%	6.1x	N/A	N/A
High	26.4%	30.3%	192.1%	3.1%	26.3x	19.8x	-28.9%
Median	13.3%	12.6%	27.9%	-0.1%	9.7x	8.8x	-11.9%
Average	11.1%	15.5%	43.6%	-0.2%	11.3x	10.1x	-15.4%
Low	-2.3%	-2.1%	-21.7%	-4.5%	6.1x	6.3x	-8.9%
Piccadilly	-25.6%	-31.0%	-39.2%	0.3%	**6.1x**	**5.6x**	-8.9%

Notes:

[1] Source: Capital IQ

[2] Location growth gathered from public filings

[3] Same store sales growth information reflects the most recently reported quarter for each guideline public company as of October 31, 2013. The data reflect same store sales information for the current fiscal year quarter compared to the same quarter in the prior fiscal year

[4] Source: Capital IQ - This multiple is defined as the BEV (as of valuation date) divided by the appropriate LTM financial metrics

[5] Source: Capital IQ - This multiple is defined as the BEV (as of valuation date) divided by the appropriate forward 2-year financial metrics

[6] This column calculates the percent change between LTM and 2014 BEV/EBITDA multiples. The low change of negative 8.9 percent is then applied to Piccadilly's LTM multiple of 6.1x to arrive at a 2014 BEV/EBITDA multiple of 5.6x

[7] Same store sales data received from Management. This figure reflects year-over-year same store sales increases for the most recent quarter (3Q13 vs. 3Q12).

Piccadilly Restaurants, LLC
Valuation as of October 31, 2013
Market Approach - Guideline Transaction Method
($ '000) **Exhibit 9**

		BEV / EBITDA
Latest Twelve Months		
Normalized EBITDA	[1]	$4,236
Selected Multiple	[2]	5.3x
Indication of Value - Marketable, Control Basis		22,451
Plus: Cash	[3]	772
Indicated Value of Invested Capital - Marketable Control Basis		23,223
Indicated Value of Invested Capital (Rounded)		**$23,200**

Notes:

[1] Refer to Exhibit 3

[2] Per Capital IQ, selected multiple garnered from guideline transaction screen

[3] Refer to Exhibit 4