



INVESTOR PRESENTATION

January 2019



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this presentation are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. These statements may be preceded by, followed by or include the words “may,” “might,” “will,” “objective,” “intend,” “should,” “could,” “can,” “would,” “expect,” “believe,” “design,” “estimate,” “predict,” “potential,” “plan” or the negatives thereof and other words and terms of similar meaning. These statements are not guarantees of future performance and involve a number of known and unknown risks, assumptions, trends, uncertainties and factors that are beyond our control, including without limitation, those identified in our annual report on Form 10-K for the fiscal year ended January 2, 2018 filed on March 15, 2018 and our quarterly reports on Form 10-Q, under the sections titled “Risk Factors,” “Cautionary Note Regarding Forward-Looking Statements,” and “Management's Discussion and Analysis of Financial Condition and Results of Operations.” Should one or more of these risks or uncertainties materialize or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. You should not place undue reliance on these statements. We have based these forward-looking statements on our current expectations and projections about future events. Although Noodles & Company (“we” or the “Company”) believes that our assumptions made in connection with the forward-looking statements are reasonable, we cannot assure you that the assumptions and expectations will prove to be correct. All forward-looking statements speak only as of the date of this document. We undertake no obligations to update or revise publicly any forward-looking statements in this presentation, whether as a result of new information, future events or otherwise other than as required under the federal securities laws.

Note Regarding Non-GAAP Measures

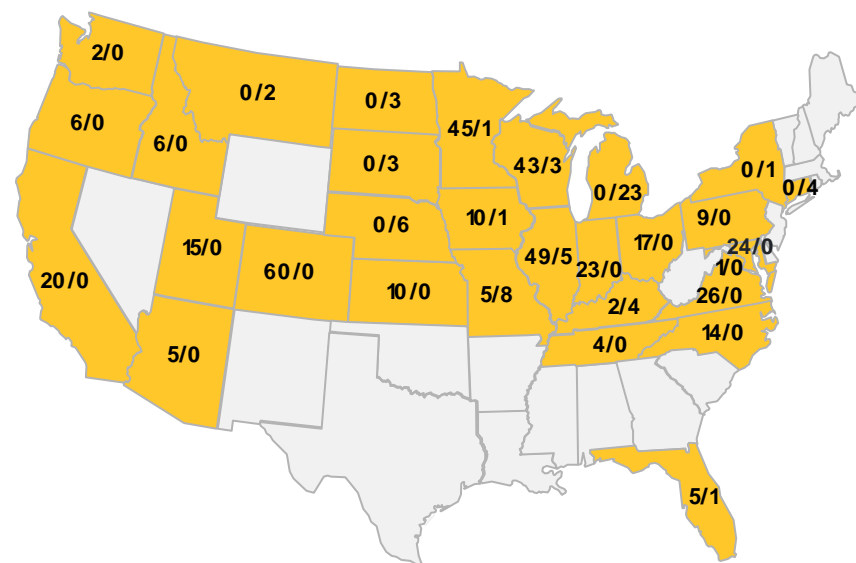
In this presentation, we include certain supplemental financial measures, including EBITDA, Adjusted EBITDA, restaurant contribution, and restaurant contribution margin, which are neither required by nor presented in accordance with generally accepted accounting principles in the U.S. (“GAAP”). The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with GAAP. We use these non-GAAP financial measures for financial and operational decision making and as a means to evaluate period-to-period comparisons. We believe that they provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. You are cautioned, however, that these measures, as we calculate them, are not necessarily comparable to similarly titled measures reported by other companies. In addition, these measures have limitations as analytical tools and should be considered only in conjunction with our financial results reported under GAAP, and not in isolation. See the Appendix for a reconciliation of each non-GAAP financial measure included in this presentation to its directly comparable GAAP measurement. For more information on why management considers these non-GAAP financial measures to be important indicators of our operational strength and performance, as well as the limitations on these measures as an analytical tool, please see our annual report on Form 10-K for the fiscal year ended January 2, 2018 filed on March 15, 2018 and our quarterly reports on Form 10-Q, under the sections titled “Key Measures We Use to Evaluate Our Performance.”



BRAND OVERVIEW

466 RESTAURANTS, ACROSS 30 STATES ⁽¹⁾

Founded:	1995
Headquarters:	Broomfield, Colorado
LTM Total Revenue ⁽¹⁾:	\$457 million
LTM Adjusted EBITDA ⁽¹⁾⁽²⁾:	\$34 million
Systemwide Restaurants ⁽¹⁾:	466 fast casual restaurants across 30 states <ul style="list-style-type: none"> – 401 Company-owned (86%) – 65 franchised (14%)
Per Person Spend ⁽³⁾:	\$8.81
Channel Mix ⁽⁴⁾:	53% off-premise, 47% dine-in
Average Unit Volume ⁽¹⁾:	\$1.1 million



Company-Operated / Franchised

(1) As of LTM period ending October 2, 2018. States includes D.C.
 (2) See appendix for Adjusted EBITDA calculation and reconciliation to GAAP metric.
 (3) As of fiscal year ended January 2, 2018.
 (4) As of the last period of the quarter ended October 2, 2018.

1

Unique, Differentiated Fast
Casual Brand

4

Growth Opportunities

2

Attractive, Growing Target
Market

5

Several Levers to Drive Significant
Earnings Growth

3

Sales Momentum Creates Base
for Future Growth

6

Disciplined Unit Growth
Supported by Strong Balance
Sheet

INVESTMENT HIGHLIGHTS

ONLY NATIONAL RESTAURANT FOCUSED ON NOODLES & PASTA FEATURING FLAVORS FROM THROUGHOUT THE WORLD



PICK YOUR SIZE REG • SM

CHOOSE YOUR MEAT OR TOFU

GRILLED CHICKEN BREAST 150 CAL
OVEN-ROASTED MEATBALLS 360 CAL
SEASONED TOFU 210 CAL
PARMESAN-CRUSTED
CHICKEN BREAST 190 CAL
NATURALLY RAISED PORK 120 CAL
MARINATED STEAK 120 CAL
SAUTÉED SHRIMP 70 CAL

ADD YOUR SIDE OR EXTRA VEGGIE

WISCONSIN MAC & CHEESE 270 CAL
TOMATO BASIL BISQUE 140 CAL
THAI CHICKEN SOUP 120 CAL
CHICKEN NOODLE SOUP 120 CAL
TOSSED GREEN SALAD 30-110 CAL
CAESAR SALAD 80 CAL

Double the Meat or Tofu
Substitute Gluten-Free Pasta



MEDITERRANEAN



PENNE ROSA 360 • 720 CAL
Spicy tomato cream sauce,
penne pasta, mushrooms, tomato,
spinach and parmesan
TRY WITH PARMESAN-CRUSTED CHICKEN



PESTO CAVATAPPI 380 • 750 CAL
Curly pasta, basil pesto,
garlic, mushrooms, tomato,
cream and parmesan
TRY WITH PORK



ALFREDO MONTMORE 800 • 1410 CAL
Spaghetti noodles, four-cheese
blend Alfredo, roasted mushrooms,
tomato, spinach and parmesan
chicken, topped with Montmore
cheese and cracked pepper



PASTA FRESCA 440 • 880 CAL
Penne with balsamic vinaigrette,
olive oil and roasted garlic, red onion,
tomato, spinach and parmesan
TRY WITH GRILLED CHICKEN

ASIA



JAPANESE PAN NOODLES 330 • 660 CAL
Caramelized udon noodles in a
sweet soy sauce, broccoli, carrots,
shitake mushrooms, black sesame
seeds and cilantro
TRY WITH STEAK



PAD THAI 620 • 1240 CAL
Rice noodle stir-fry with scrambled
egg, napa and red cabbage, citrus,
peanuts, green onions and cilantro
TRY WITH SHRIMP



**THAI GREEN CURRY
WITH SHRIMP** 460 • 840 CAL
Shrimp with a sweet coconut green
curry sauce, rice noodles, pineapple,
broccoli, red onion, snap peas, lime,
black sesame seeds and cilantro



SPICY KOREAN BEEF NOODLES 560 • 1000 CAL
Ramen noodles tossed with a sweet
and spicy Korean-style Gochujang BBQ sauce,
marinated steak, napa and red cabbage,
spinach, topped with cucumber, green
onions and cilantro

AMERICAS



**SPICY CHIPOTLE ADOBO
WITH PORK** 580 • 960 CAL
Slow-braised pork or grilled chicken
with cavatappi noodles in a smoky adobo
sauce, cream, red onion, mushrooms,
sour cream, lime and cilantro



SPAGHETTI & MEATBALLS 670 • 980 CAL
Five meatballs on spaghetti,
crushed tomato marinara
and parmesan



STEAK STROGANOFF 610 • 1100 CAL
Marinated steak, mushroom sherry
cream sauce, fresh herbs, cracked
pepper, roasted mushrooms, wavy
egg noodles and parmesan



BUTTERED NOODLES 380 • 760 CAL
Tender wavy egg noodles,
butter, Italian seasonings
and parmesan
TRY WITH MEATBALLS

WORLD FAMOUS MACS



**WISCONSIN
MAC & CHEESE** 490 • 980 CAL
A classic blend of cheddar and jack
cheeses, cream and elbow macaroni
TRY WITH MEATBALLS



TRUFFLE MAC 530 • 1070 CAL
Wisconsin Mac & Cheese with
black truffle, roasted mushrooms,
parmesan cheese and toasted
bread crumbs



BUFFALO CHICKEN MAC 650 • 1100 CAL
Wisconsin Mac & Cheese with
parmesan chicken, Frank's RedHot®
Buffalo Wings Sauce, parmesan
cheese and green onions



BBQ PORK MAC 690 • 1210 CAL
Wisconsin Mac & Cheese
with tender, slow-braised pork,
crispy jalapeños and tangy
barbecue sauce

FRANK'S REDHOT® is a registered trademark of
The Frank's Food Company LLC and used under
license by Noodles & Company

SALADS



THE MED SALAD WITH CHICKEN 380 • 250 CAL
Grilled chicken, romaine, mixed greens,
tomato, cucumber, red onion, Kalamata
olives, cavatappi pasta, spicy yogurt
dressing and feta



CHICKEN VERACRUZ SALAD 650 • 380 CAL
Mixed greens topped with Roma tomato, red onion,
chili-lime chicken, bacon crumbles from naturally
raised pork, fresh-cut corn, tossed with jalapeño
ranch dressing and crispy jalapeños, fresh avocados
and cilantro



GRILLED CHICKEN CAESAR 410 • 260 CAL
Grilled chicken, romaine, focaccia croutons,
traditional Caesar dressing and parmesan

SOUPS



THAI CHICKEN 370 • 250 CAL
Coconut curry chicken soup with onion, cabbage, red bell
pepper, lemongrass, lime, galangal, turmeric, shitake
mushrooms, carrots and shallots



TOMATO BASIL BISQUE 430 • 290 CAL
Rich and zesty tomato soup with cream, sherry, basil and garlic



CHICKEN NOODLE 360 • 190 CAL
Our signature soup with chicken breast, celery, carrots, onion
and wavy egg noodles

NO ARTIFICIAL* FLAVORS, COLORS, SWEETENERS AND PRESERVATIVES



EXPLORE AWAY | NOT YOUR FAVE?
WE'LL REPLACE IT.

2,000 calories a day is used for general nutrition advice, but calorie needs vary. Additional nutrition information available upon request.

SHAREABLES



POTSTICKERS 380 • 220 CAL
6 OR 3

KOREAN BBQ MEATBALLS 870 • 430 CAL
10 OR 5

CHEESY GARLIC BREAD 700 • 350 CAL
6 OR 3

DRINKS

FOUNTAIN DRINKS
REG 0-300 CAL • LG 0-450 CAL

FRESH-BREWED ICED TEA
REG 0-120 CAL • LG 0-180 CAL

DESSERTS

RICE CRISPY 540 CAL
COOKIES 450 CAL

VEGETARIAN? GLUTEN-FREE? ALLERGIES?
Ask for our Allergen Guide or visit
noodles.com/nutrition for more information.
Before placing your order, please inform your ambassador
if a person in your party has a food allergy.
*Excludes select beverages, cookies and rice crispies.

KIDS MENU

CHOOSE AN ENTRÉE

Wisconsin Mac & Cheese 490 CAL
Grilled Chicken Breast
with Marinara 130 CAL
Buttered Noodles 380 CAL
Spaghetti & Meatballs 450 CAL

CHOOSE TWO SIDES

Broccoli 15 CAL
Applesauce 70 CAL
Pineapple 45 CAL
Kids Crispy 130 CAL

CHOOSE A DRINK

Kids Fountain Drink 0-180 CAL
Organic Lowfat Milk 110-150 CAL
Organic Juice 40 CAL

1200 to 1400 calories a day is used for
general nutrition advice for children
ages 4-8 years, but calorie needs vary.



TRY YOUR FAVORITES AT HOME

ORDER. QUICK PICKUP.
NOODLES.COM/ORDER

PM 2018

EXPERIENCE A TOUR DE
NOODLES



EAT LOCAL
**TASTE
WORLDLY**



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INVESTMENT HIGHLIGHTS

OVER-INDEXED TARGET MARKET

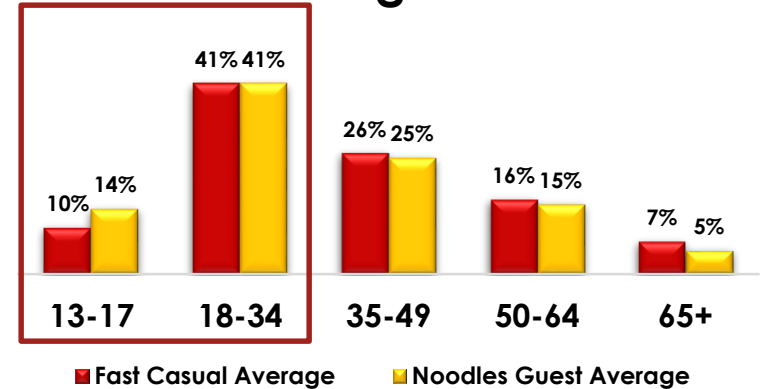


Noodles over-indexes versus fast casual on:

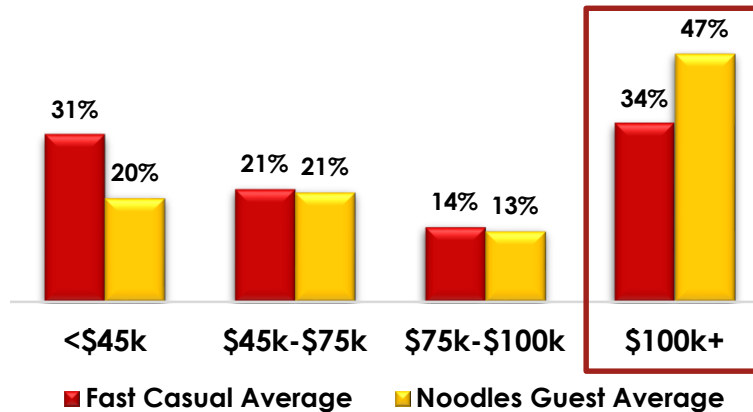
- Millennials and Generation Z
- Young families
- Females
- Higher educated, higher income



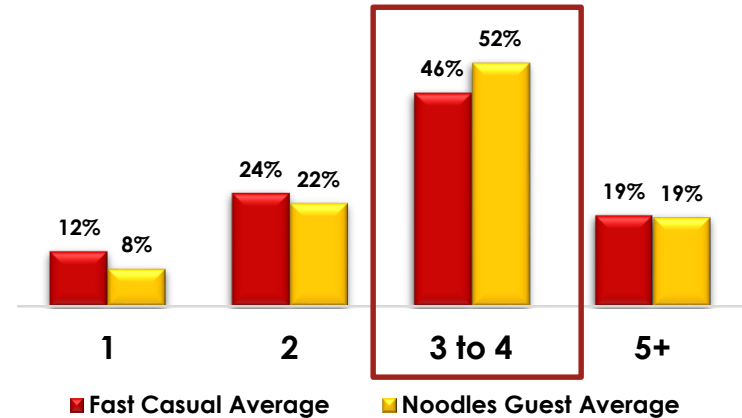
Age



Household Income



Household Size



Source: NPD Market Monitor YE May '17

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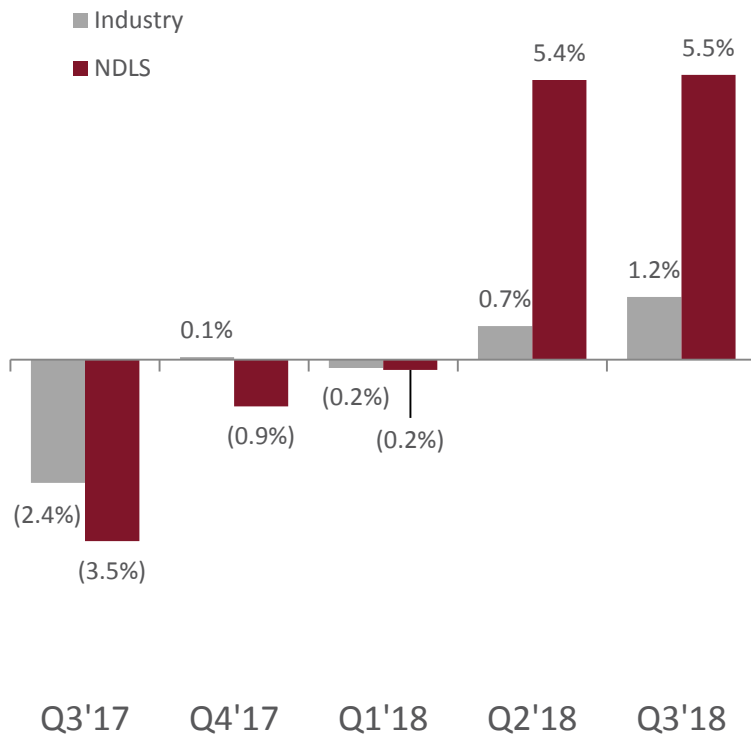
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INVESTMENT HIGHLIGHTS

SSS & TRAFFIC GROWTH AHEAD OF INDUSTRY AVERAGE

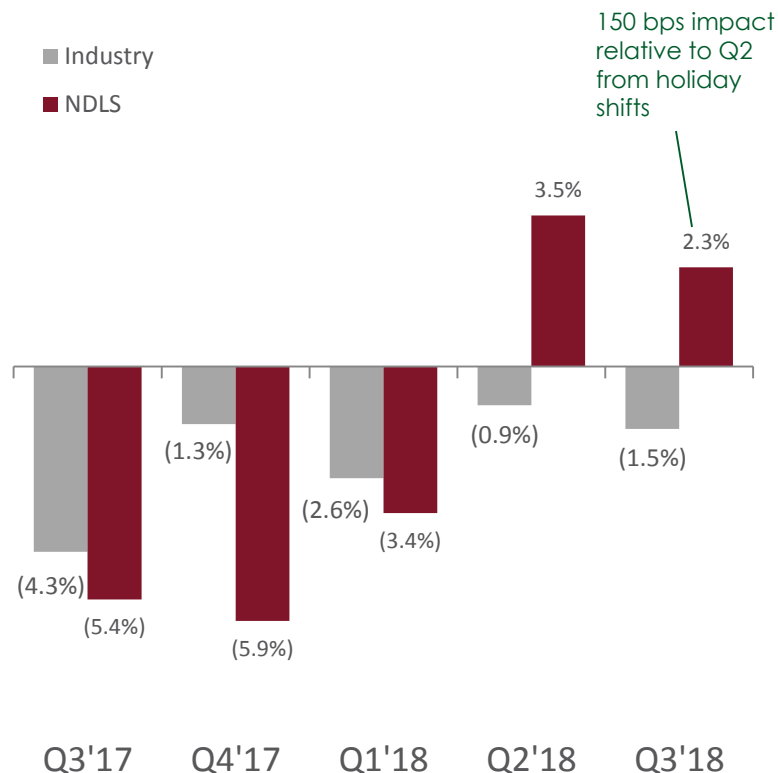


SAME STORE SALES GROWTH^(1,2)



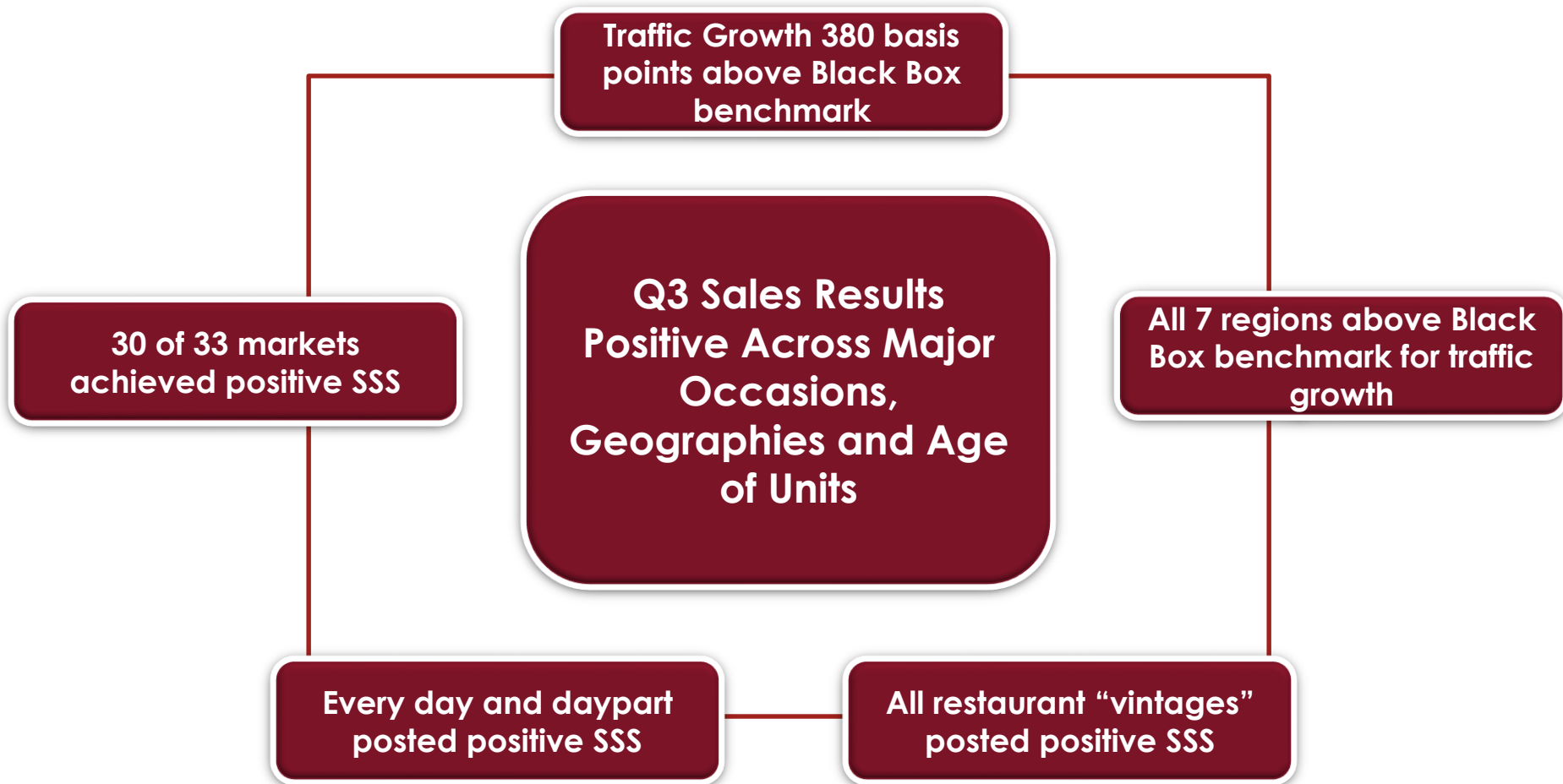
Company:	(3.8%)	(0.9%)	(0.3%)	5.0%	5.2%
Franchised:	(1.6%)	(0.9%)	0.9%	8.0%	7.6%

POSITIVE TRAFFIC TRENDS^(1,2)



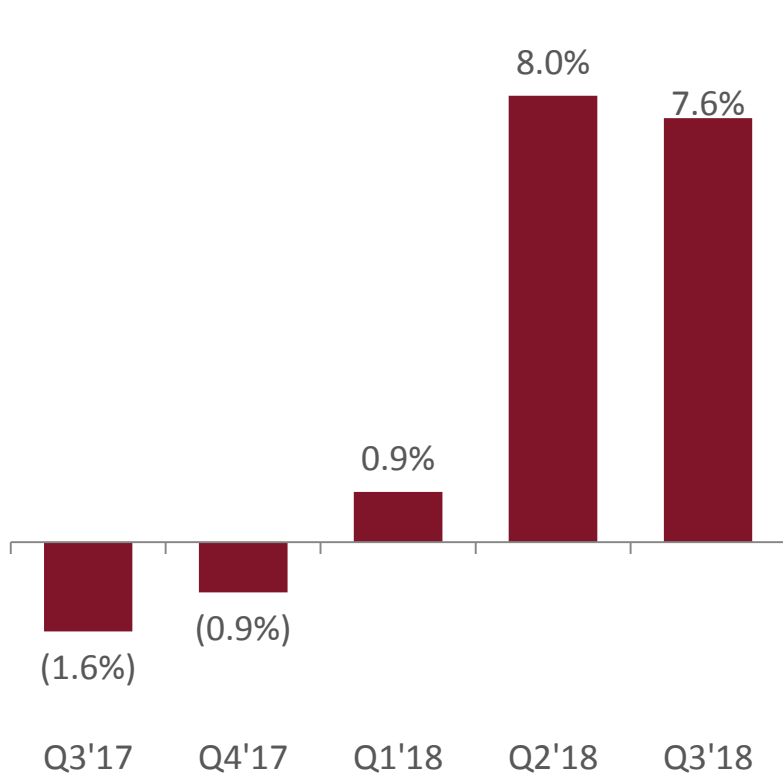
Company:	(5.7%)	(5.9%)	(3.6%)	3.1%	2.0%
Franchised:	(2.1%)	(3.4%)	(1.8%)	5.9%	5.5%

(1) Represents systemwide SSS & Traffic Growth.
 (2) Black Box Industry Benchmark

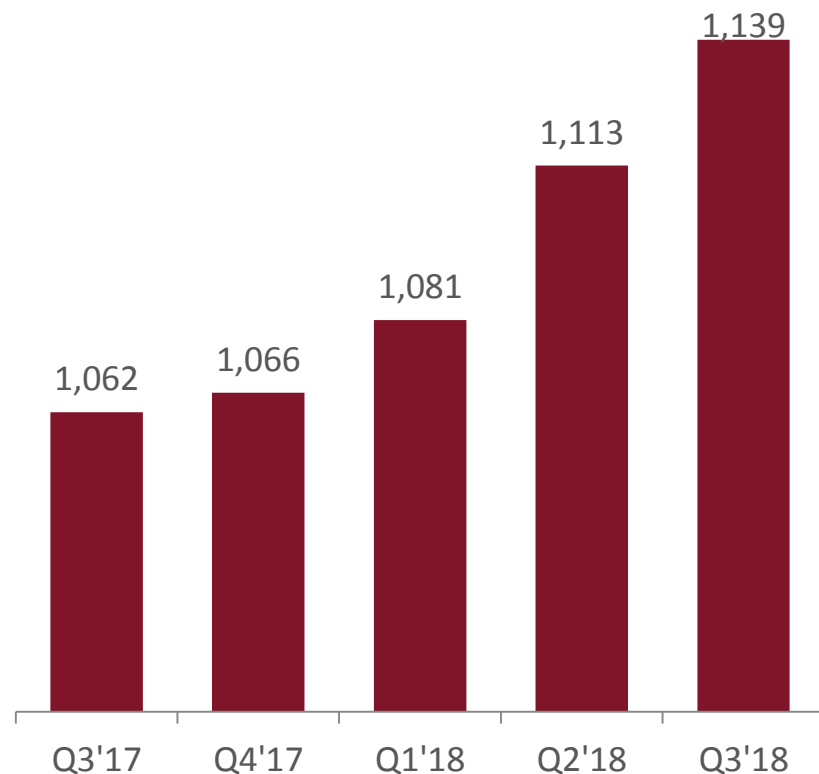




FRANCHISE SAME STORE SALES



FRANCHISE AVERAGE UNIT VOLUME (LTM, \$ IN 000S)



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INVESTMENT HIGHLIGHTS



- Innovation to establish brand as “noodle authority”
- Regular cadence of new menu items and culinary innovation
- Continued evolution of Mac & Cheese / Asian platforms
- Further development of a healthy platform (additional noodle forms)



ZUCCHINI NOODLE LAUNCH UNLOCKED LOW-CARB MARKET



SOCIAL MEDIA



rhidulous_fitness • Follow
Noodles & Company

rhidulous_fitness Nutrition is SUCH a key part of life, especially for us fitness. We NEED the right foods to refuel after tough workouts 🍌

I think most of us who've been around fitness awhile have a decent routine... when we're at home or when we have our meal prep... but let's be real going out with friends and traveling make it tough sometimes and i can only have so many protein bars on a road trip 🤔 Making healthy choices on the road/ eating out can be seriously tough!

So I'm BEYOND excited about @noodlescompany introducing doodles at ALL of their locations! Such a bomb way to stay on track and not have blow more than half my days worth of carbs on one meal! Plus budget friendly! 🍌🍌🍌

122 likes
June 28
Add a comment...



DIGITAL ADS

Noodles & Company

Same sauce, different noodle.



ONLINE



Healthiest: 8. Zucchini Romesco

Noodles & Company's menu isn't all carbs and cheese. In fact, they're trying out a new low-carb option on the menu — zucchini pasta, otherwise known as zoodles. If you don't cook them right, a bowl of noodles can taste tragic. But this chain covers them in a savory sauce and tops them with almonds so they feel a little more satisfying. There are tons of vegetables in this dish; however, if you're craving carbs, do yourself a favor and order real pasta. Zucchini just isn't going to cut it. The Zucchini Romesco dish is 370 calories if you order the regular size; you could also order the small for 280 calories and pair it with a more satisfying side. Not all vegetable-filled meals have to be sad!

Parents

THE SCOOP ON FOOD

Noodles & Company Is Offering Healthy Zoodle Alternatives to Their Pasta Menu

With summer quickly approaching, finding easy and healthy take-out that still tastes good can seem impossible—until now.

At Noodles & Company

Noodles & Company is one of those easy-going restaurants we know we would eat at every day if it didn't mean pushing on some major nutritional goals. But it seems as if our projects have been answered. The popular casual dining food chain specializing in all things pasta is now offering up the zucchini-based noodles worth a second look to accommodate those food customers who are looking to reach their fitness goals.

These new health-conscious recipes will be available May 1st, and trust us—they are extremely satisfying.

Aside from these pastas, updated in-house daily, the all-new Zucchini Romesco and Zucchini Thai Green Curry with shrimp are the perfect light solution for your pasta-loving pals. The Zucchini Romesco offers the same old (good) of a hearty red pepper sauce with almonds, sundried tomatoes, and garlic, topped with the Zucchini Thai Green Curry comes in a creamy green sauce with pineapple, broccoli, red onion, snap peas, lime, black sesame seeds, and chicken. Need we say more? These are just some of the options.



TELEVISION



2019 LAUNCH OF NEW MENU/PRICING STRUCTURE



Highlight high sales / high margin items

Individual item pricing

Bundle Test

A Fresh Way to Zoodle

Zucchini Romesco LC GF V
280 Cal \$5.75 \$7.00 Cal \$7.00

Zucchini Spicy Peanut Sauté with Grilled Chicken LC
380 Cal \$8.25 \$10.00 Cal \$10.00

Signature Flavors

Penne Rosa with Parmesan-Crusted Chicken S
Reg \$9.00 \$10.00 Cal 910 Cal

The Med Salad with Chicken S LC
Reg \$9.25 \$10.00 Cal 390 Cal

Pesto Cavatappi with Grilled Chicken
Reg \$9.25 \$10.00 Cal 450 Cal

Buffalo Chicken Mac S
Reg \$9.25 \$10.00 Cal 1100 Cal

Japanese Pan Noodles with Marinated Steak S
Reg \$9.50 \$10.00 Cal 780 Cal

Classic Noodles

Penne Rosa S LC V
Reg \$6.25 \$m \$5.00
720 - 560 Cal

Butterfied Noodles LC V
Reg \$6.25 \$m \$5.00
750 - 580 Cal

Steak Stroganoff
Reg \$9.75 \$m \$8.50
1100 - 810 Cal

Spicy Chipotle Adobo with Pork S+
Reg \$9.00 \$m \$7.75
990 - 580 Cal

Spaghetti & Meatballs
Reg \$9.00 \$m \$7.75
980 - 670 Cal

Alfredo Montanaro* with Parmesan-Crusted Chicken
1400 - 800 Cal

Pesto Cavatappi LC V
Reg \$6.50 \$m \$5.25
750 - 580 Cal

Pasta Fresca LC V
Reg \$6.25 \$m \$5.00
880 - 440 Cal

Zoodles and Other Noodles

Zucchini Romesco LC GF V
Reg \$7.00 \$m \$5.75
570 - 280 Cal

Zucchini Pasta with Pork LC
Reg \$10.00 \$m \$8.75
520 - 340 Cal

Zucchini Spicy Peanut Sauté with Grilled Chicken S LC
Reg \$9.50 \$m \$8.25
610 - 380 Cal

Gluten-Free Fusilli Rosa with Grilled Chicken S GF
Reg \$10.50 \$m \$9.25
870 - 510 Cal

World Famous Macs

Wisconsin Mac & Cheese LC V
Reg \$6.50 \$m \$5.00
980 - 490 Cal

Zucchini Truffle Mac LC V
Reg \$8.25 \$m \$6.75
540 - 370 Cal

Buffalo Chicken Mac S
Reg \$9.25 \$m \$7.75
1100 - 650 Cal

BBQ Pork Mac S
Reg \$9.50 \$m \$8.00
1210 - 690 Cal

Asian Noodles

Japanese Pan Noodles S LC V
Reg \$6.25 \$m \$5.00
650 - 350 Cal

Pad Thai GF
Reg \$6.50 \$m \$5.25
1240 - 620 Cal

Thai Green Curry with Shrimp S+ LC GF
Reg \$9.75 \$m \$8.50
840 - 460 Cal

Spicy Korean Beef Noodles S+
Reg \$9.50 \$m \$8.25
1000 - 560 Cal

Salads

The Med Salad with Chicken S LC
Reg \$9.25 \$m \$8.00
590 - 250 Cal

Chicken Veracruz Salad S LC
Reg \$9.25 \$m \$8.00
650 - 380 Cal

Grilled Chicken Caesar LC
Reg \$9.00 \$m \$7.75
410 - 260 Cal

Make It a Meal

Add a Side & Reg Drink
\$3.25
30-570 Cal

Drinks

Fountain Drink
Reg \$2.25 0-300 Cal
Lg \$2.50 0-450 Cal

Fresh-Brewed Iced Tea
Reg \$2.25 0-120 Cal
Lg \$2.50 0-180 Cal

Sides +\$1.75

Wisconsin Mac & Cheese 270 Cal

Toasted Green Salad 30 - 110 Cal

Cheese Salad 161 Cal

Tomato Basil Bique 140 Cal

Thai Chicken Soup 120 Cal

Chicken Noodle 120 Cal

Soups

Reg \$6.00 \$m \$5.00

Thai Chicken LC GF
370 - 250 Cal

Tomato Basil Bique LC GF V
430 - 290 Cal

Chicken Noodle LC
360 - 190 Cal

Explore Bold Flavor

Spicy Korean Beef Noodles S+

Add or Substitute

Noodles
Any Noodle 250-390 Cal
Zucchini Noodles +\$5.75 30 - 60 Cal
Gluten-Free Fusilli +\$1.50 230 - 450 Cal

Meat or Tofu +\$2.75
Grilled Chicken 150 Cal
Parmesan-Crusted Chicken 190 Cal
Oven-Roasted Meatballs 360 Cal
Seasoned Tofu 210 Cal
Naturally Raised Pork 160 Cal

Premium +\$3.25
Marinated Steak 120 Cal
Sautéed Shrimp 70 Cal

S Spicy
LC Low Calorie available (+\$5.00)
GF Gluten-Free
V Vegetarian Excludes meat & fish

Vegetarian? Allergies?
Ask us for our Nutrition and Allergen Guide
2,000 calories a day is used for general nutrition advice, but calorie needs vary. Additional nutrition information available upon request.

Shareables

Reg \$5.00
Just For You \$m \$3.00

Potstickers
[8] \$8.00 [12] \$12.00 Cal

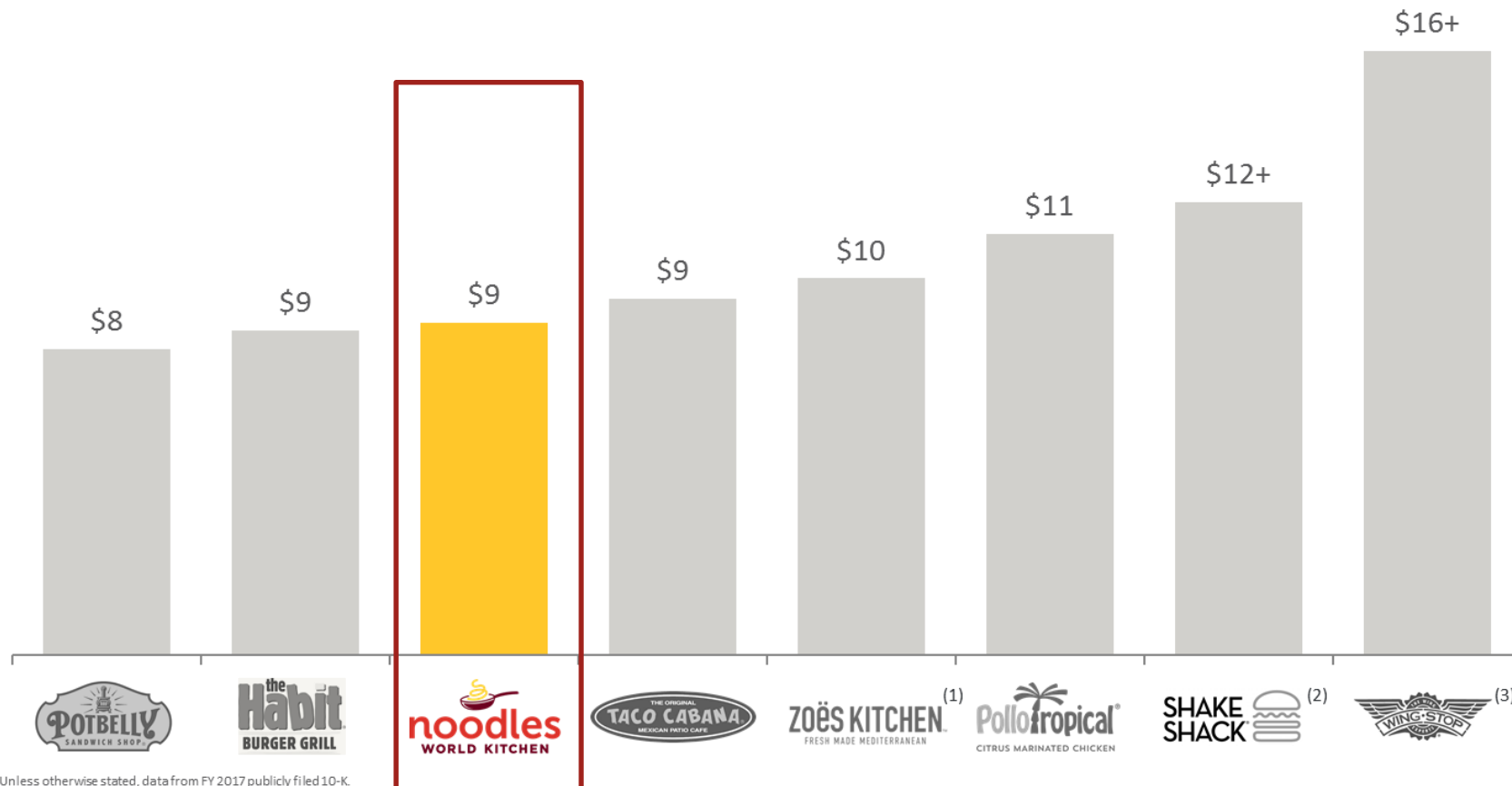
Cheesy Garlic Bread V
[6] 200 [12] 350 Cal

Korean BBQ Meatballs S
[10] 470 [12] 430 Cal

MODEST PRICING INCREASES HISTORICALLY RESULT IN PRICING POWER



AVERAGE PER PERSON SPEND



Note: Unless otherwise stated, data from FY 2017 publicly filed 10-K.

(1) FY 2014 publicly filed 10-K.

(2) Shake Shack at Morgan Stanley Consumer Conference, November 15, 2017.

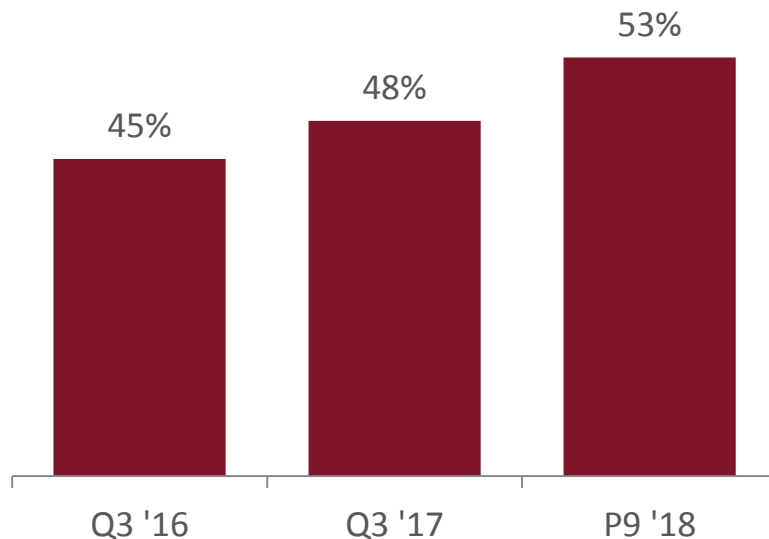
(3) Wingstop Inc. at Morgan Stanley Consumer Conference, November 15, 2016.

OFF-PREMISE SALES

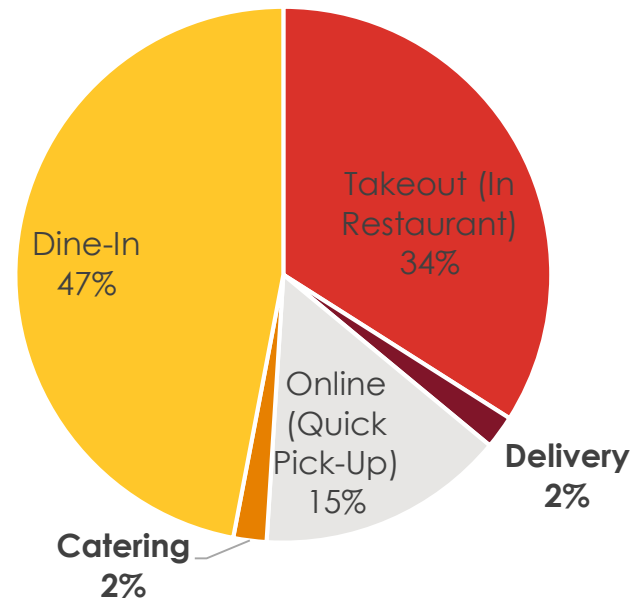


- Uniquely positioned to grow off-premise sales as offering meets guest needs
- Currently over 50% of sales off-premise and growing
 - Large opportunity to expand delivery and catering (both <2% of sales)
- Noodles' menu items travel better than most other fast casual forms
- Price point and speed meets guest needs
- Particular strength with families, large groups
- Variety inherent in menu reduces potential for "veto vote"

OFF-PREMISE % OF SALES



P9 2018 SALES BY ORDER METHOD





As of September 2018, 3rd Party Delivery Offered in 80% of Company Locations

- Expanded from 15% in Q2 '18
- Significant opportunity to expand delivery sales (<2% in Q3 2018)
- Disciplined approach focused on seamless integration with operations systems
- Non-exclusive partnerships to retain flexibility
 - Recently launched locations with Amazon





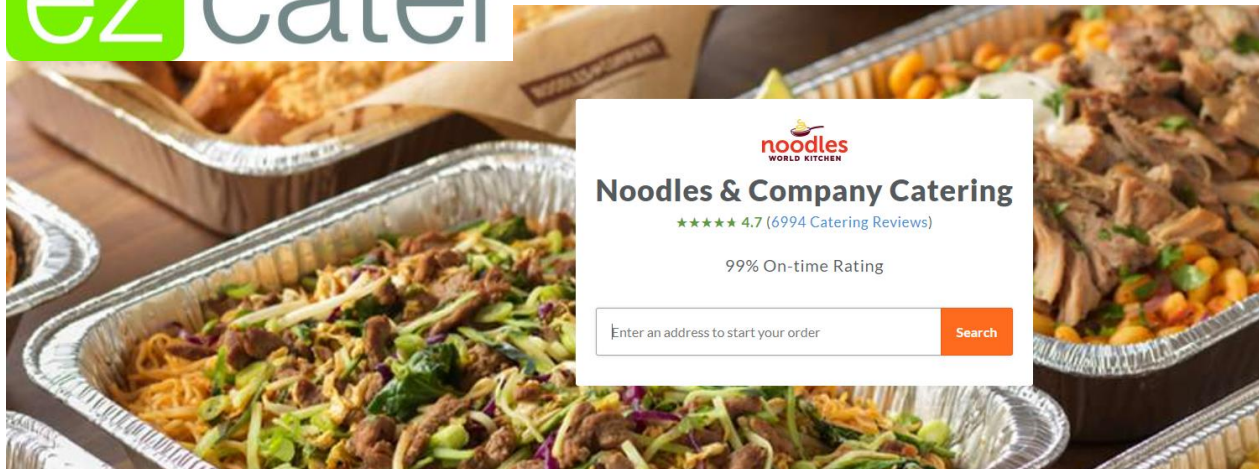
Anticipated Relaunch in 2020

- Large high margin sales growth opportunity
- Currently <2% of sales

Recently expanded partnership with ez cater

Differentiated offering with variety to meet large group requirements

ez cater



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INVESTMENT HIGHLIGHTS

IMPROVED EARNINGS AND MARGIN PROFILE



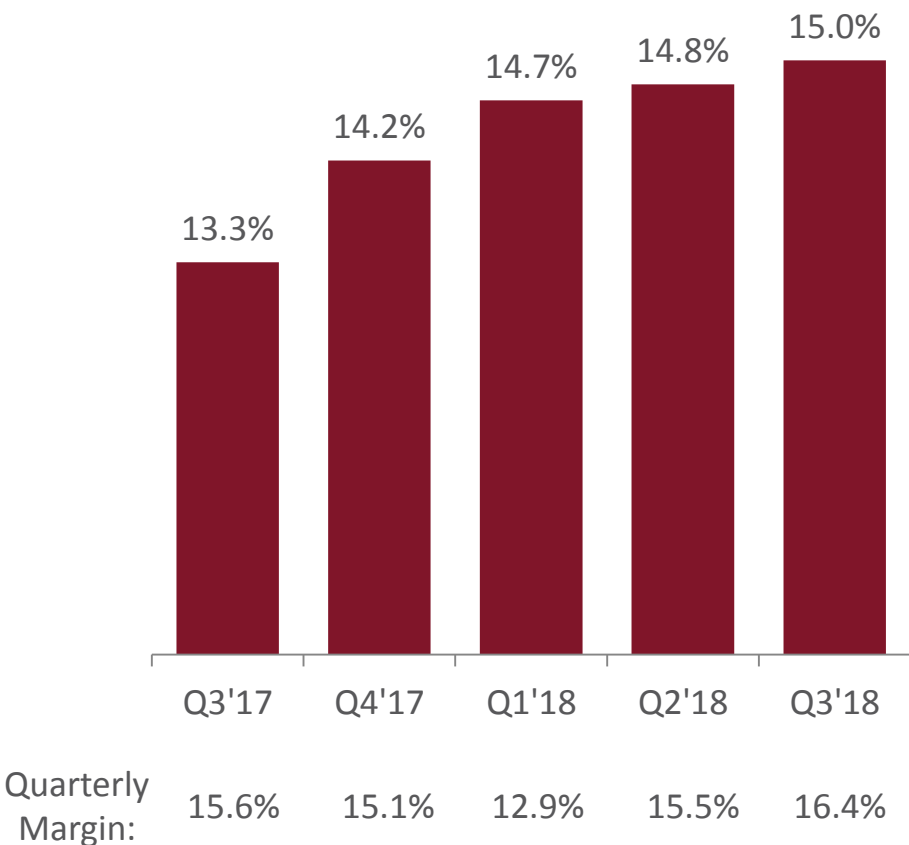
110 basis point improvement in restaurant level margin YTD Q3 2017 to YTD Q3 2018

- Leverage on sales growth
- Streamlined labor processes
- Supply Chain initiatives
- Eliminated overhang of underperforming units

Significant opportunity to further expand margins

- Supply Chain & food cost management
- Actively addressing labor inflation

LTM RESTAURANT-LEVEL MARGIN EXPANSION⁽¹⁾



(1) Represents rolling LTM restaurant-level contribution margin.



Several opportunities to drive significant savings throughout Supply Chain

- Increased focus on contract renewal process / RFP's
- Improved back of house food management system
- Implementation of supply chain visibility software to reduce waste
- Benefits will be realized over time as contracts and systems implemented



Produce
Distribution



Cleaning
Supplies



BOH Food
System



Ingredient
Contracting



SC Visibility
Software



Aggressively pursue efficiency through systems, technology, equipment



Project initiated to improve back of house efficiency

- Engaged third party industrial engineering firm specializing in restaurant efficiency
- Refinement of labor model, equipment, processes and flow
- Prototype as well as retrofit into existing units
- Anticipate “small wins” in 2019 and larger opportunity in 2020 & beyond

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THOUGHTFUL APPROACH TO UNIT GROWTH



More Disciplined Approach than Last Period of Rapid Expansion

- **Initial focus on infill versus new market expansion**
- **Modest unit growth rate in near future (~5%)**
 - Allows development of people pipeline
 - Ensures appropriate level of organizational focus
- **Strict adherence to site characteristics and economics**

Target of 25%+ Cash-On-Cash Return

- **Opportunity to reduce development costs**
 - Smaller square footage; more disciplined bidding process
- **Strict discipline on financial targets**
 - Occupancy benefitted by reduced square footage

Development of More Efficient Units to Facilitate Off-Premise Execution

- **Designed for off-premise occasion**
 - Target 75% with pick-up windows
- **Capitalize on findings for more efficient back of house layout**

Build off Success of Class of 2017

- **Class of 2017 AUV 14% higher than Classes of 2013-2016⁽¹⁾**
- **Class of 2017 Restaurant-Level Margin 650 bps higher than Class of 2016⁽¹⁾**



(1) As of period ending October 2, 2018; Annualized after 18 months of operation

IMPROVED PEOPLE CAPABILITIES TO SUPPORT GROWTH



- Strengthened hiring and training programs
- Reduced turnover through targeted initiatives
- Introduced equipment and processes to improve execution
- Values-driven formal recognition and service programs
- Millennial-friendly benefits programs



◆◆◆◆ TO ALWAYS ◆◆◆◆

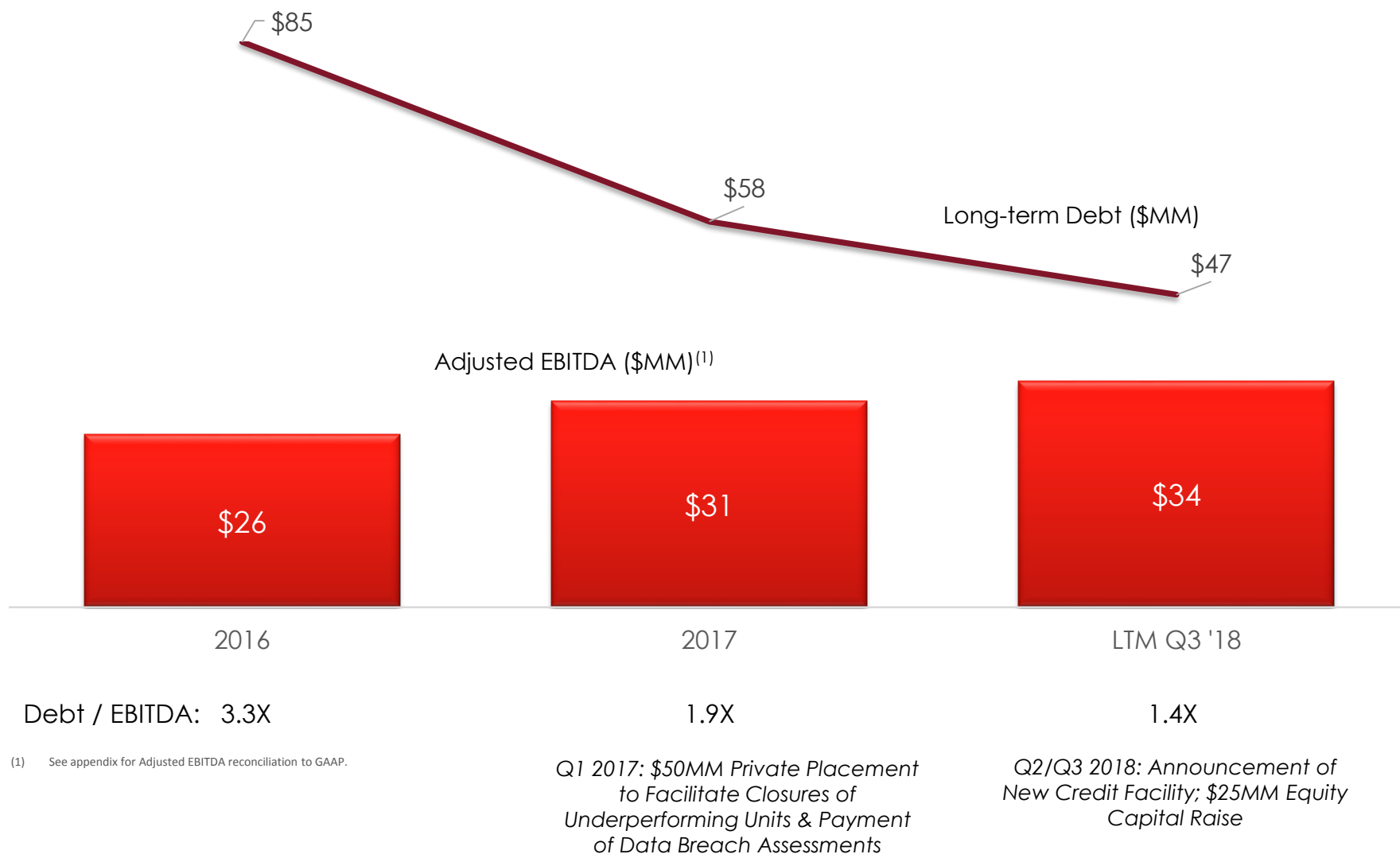
NOURISH & INSPIRE

EVERY TEAM MEMBER, GUEST AND COMMUNITY WE SERVE

WE CARE For Our Team Members, Guests and Communities.	WE ARE PASSIONATE About Serving Great Food.	WE SHOW PRIDE In Who We Are and What We Do.	WE LOVE LIFE



IMPROVED PERFORMANCE SUPPORTED BY BALANCE SHEET POSITIONED FOR GROWTH



(1) See appendix for Adjusted EBITDA reconciliation to GAAP.

1

Unique, Differentiated Fast
Casual Brand

4

Growth Opportunities

2

Attractive, Growing Target
Market

5

Several Levers to Drive Significant
Earnings Growth

3

Sales Momentum Creates Base
for Future Growth

6

Disciplined Unit Growth
Supported by Strong Balance
Sheet

INVESTMENT HIGHLIGHTS



APPENDIX

QUARTERLY RECONCILIATION TO RESTAURANT CONTRIBUTION



(dollars in thousands)	Fiscal Quarter Ended	January 3, 2017	April 4, 2017	July 4, 2017	October 3, 2017	January 2, 2018	April 3, 2018	July 3, 2018	October 2, 2018
Income (Loss) from operations	\$	(44,315)	\$ (25,646)	\$ (808)	\$ (7,883)	\$ 87	\$ (2,678)	\$ (4,162)	\$ 2,132
Less: Franchising royalties and fees		1,367	1,188	1,164	1,191	1,350	913	944	1,175
Add: General and administrative		20,526	10,666	9,393	9,807	9,880	10,268	14,813	10,399
Depreciation and amortization		7,151	6,267	6,279	6,183	5,884	5,820	5,797	5,790
Pre-opening		442	545	246	69	75	47	3	0
Restaurant impairments, closure costs and loss on disposal of assets and other (a)		32,764	22,054	2,830	10,263	2,299	1,580	2,580	1,792
Restaurant contribution	\$	15,201	\$ 12,698	\$ 16,776	\$ 17,648	\$ 16,875	\$ 14,124	\$ 18,087	\$ 18,938
Memo:									
Restaurant revenue	\$	128,033	\$ 115,527	\$ 111,628	\$ 113,020	\$ 111,424	\$ 109,613	\$ 116,451	\$ 115,552
Restaurant contribution as a % of restaurant revenue		11.9%	11.0%	15.0%	15.6%	15.1%	12.9%	15.5%	16.4%

Note: Restaurant contribution and restaurant contribution margin are non-GAAP measures that are neither required by, nor presented in accordance with GAAP. Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs. Restaurant contribution margin represents restaurant contribution as a percentage of restaurant revenue. The calculation of these measures may not be comparable to similar measures reported by other companies. The presentation of restaurant contribution and restaurant contribution margin is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with GAAP. Management believes that restaurant contribution and restaurant contribution margin are important tools for investors and other interested parties because they are widely-used metrics within the restaurant industry to evaluate restaurant-level productivity, efficiency and performance. Management also uses restaurant contribution and restaurant contribution margin as metrics to evaluate the profitability of incremental sales at our restaurants, restaurant performance across periods and restaurant financial performance compared with competitors.

(a) Restaurant impairments and closure costs in all periods presented above include amounts related to restaurants previously impaired or closed.

ANNUAL RECONCILIATION TO RESTAURANT CONTRIBUTION



(dollars in thousands)	Fiscal Year Ended				
	December 31, 2013	December 30, 2014	December 29, 2015	January 3, 2017	January 2, 2018
(Loss) income from operations	\$ 14,252	\$ 18,915	\$ (21,067)	\$ (67,528)	\$ (33,850)
Less: Franchising royalties and fees	3,784	4,748	4,969	4,930	4,893
Add: General and administrative	35,893	31,394	37,244	55,654	39,746
Depreciation and amortization	20,623	24,787	27,802	28,134	24,613
Pre-opening	3,809	4,425	4,407	3,131	935
Restaurant impairments, closure costs and loss on disposal of assets and other(a)	1,164	1,391	29,616	47,311	37,446
Restaurant contribution	\$ 71,957	\$ 76,164	\$ 73,033	\$ 61,772	\$ 63,997
Mem o :					
Restaurant revenue	\$ 347,140	\$ 398,993	\$ 450,482	\$ 482,544	\$ 451,599
Restaurant contribution as a % of restaurant revenue	20.7%	19.1%	16.2%	12.8%	14.2%

Note: Restaurant contribution and restaurant contribution margin are non-GAAP measures that are neither required by, nor presented in accordance with GAAP. Restaurant contribution represents restaurant revenue less restaurant operating costs which are cost of sales, labor, occupancy and other restaurant operating costs. Restaurant contribution margin represents restaurant contribution as a percentage of restaurant revenue. The calculation of these measures may not be comparable to similar measures reported by other companies. The presentation of restaurant contribution and restaurant contribution margin is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with GAAP. Management believes that restaurant contribution and restaurant contribution margin are important tools for investors and other interested parties because they are widely-used metrics within the restaurant industry to evaluate restaurant-level productivity, efficiency and performance. Management also uses restaurant contribution and restaurant contribution margin as metrics to evaluate the profitability of incremental sales at our restaurants, restaurant performance across periods and restaurant financial performance compared with competitors.

(a) Restaurant impairments and closure costs in all periods presented above include amounts related to restaurants previously impaired or closed.

ADJUSTED EBITDA RECONCILIATION



(dollars in thousands)	Fiscal Quarter Ended						Fiscal Year Ended		
	October 3, 2017	April 4, 2017	July 4, 2017	April 3, 2018	July 3, 2018	October 2, 2018	December 29, 2015	January 3, 2017	January 2, 2018
Net income (loss)	\$ (8,335)	\$ (26,845)	\$ (1,815)	\$ (3,575)	\$ (5,935)	\$ 10,50	\$ (13,765)	\$ (71,677)	\$ (37,482)
Depreciation and amortization	6,183	6,267	6,279	5,820	5,797	5,790	27,802	28,134	24,613
Interest expense, net	893	1,008	927	1,138	1,154	1,093	1,432	2,916	3,839
(Benefit) provision for income taxes	(41)	191	80	(241)	(7)	(11)	(8,734)	1,233	(207)
EBITDA	\$ (1,300)	\$ (19,379)	\$ 5,471	\$ 3,142	\$ 10,09	\$ 7,822	\$ 6,735	\$ (39,394)	\$ (9,237)
Restaurant impairments, closure costs and loss on disposal of assets and other(a)	10,263	22,054	2,830	1,580	2,580	1,792	29,616	47,311	37,446
Stock-based compensation expense	248	298	647	580	10,12	640	1,469	2,319	1,513
Litigation settlement(b)	-	-	(421)	-	3,796	-	200	3,000	(421)
Data breach liabilities(b)	-	-	-	-	-	-	-	10,622	20
Fees and costs related to registration statements and related transactions(c)	-	639	40	-	53	-	-	-	679
Loss on extinguishment of debt(d)	-	-	-	-	626	-	-	-	-
Severance costs(e)	248	203	129	278	-	-	-	2,034	581
Adjusted EBITDA	\$ 9,459	\$ 3,815	\$ 8,696	\$ 5,580	\$ 9,076	\$ 10,354	\$ 38,202	\$ 25,892	\$ 30,581

Note: EBITDA and adjusted EBITDA are non-GAAP measures that are neither required by, nor presented in accordance with GAAP. We define EBITDA as net income (loss) before interest expense, provision (benefit) for income taxes and depreciation and amortization. We define adjusted EBITDA as net income (loss) before interest expense, provision (benefit) for income taxes, depreciation and amortization, restaurant impairments, closure costs and asset disposals, certain litigation settlements, non-recurring registration and related transaction costs, severance costs and stock-based compensation. The calculation of these measures may not be comparable to similar measures reported by other companies. The presentation of EBITDA and adjusted EBITDA is not intended to be considered in isolation or as a substitute for, or to be superior to, the financial information prepared and presented in accordance with GAAP. Management believes EBITDA and adjusted EBITDA provide clear pictures of our operating results by eliminating certain non-recurring and non-cash expenses that may vary widely from period to period and are not reflective of the underlying business performance.

- (a) Restaurant impairments and closure costs in all periods presented above include amounts related to restaurants previously impaired or closed. Additionally, the first three quarters of 2018 includes closure costs of the 12 restaurants closed in the first three quarters of 2018, most of which were approaching the expiration of their leases, and the impairment of one restaurant, and the first three quarters of 2017 includes the closure costs related to the 55 restaurants closed in the first quarter of 2017 and the impairment of 31 restaurants. The third quarter of 2018 and the first three quarters of 2018 also include a \$0.4 million gain from insurance proceeds received for property damage in excess of the loss recognized. See Note 7, Restaurant Impairments, Closure Costs and Asset Disposals.
- (b) The first three quarters of 2018 includes a charge of \$3.4 million for the final assessment related to data breach liabilities, and a \$0.3 million charge for a litigation settlement related to the Delaware gift card matter. The first three quarters of 2017 includes a gain on an employment-related litigation settlement due to final settlement being less than what the Company had previously accrued.
- (c) The first three quarters of 2018 includes expenses related to the registration statement the Company filed in the second quarter of 2018. The first three quarters of 2017 includes expenses related to the registration statement the Company filed in the first quarter of 2017, which registration statement was later withdrawn.
- (d) The first three quarters of 2018 includes the loss on extinguishment of debt which resulted from writing off the remaining unamortized balance of debt issuance costs related to the prior credit facility when it was repaid in full in the second quarter of 2018.
- (e) The first three quarters of 2018 and 2017 include severance costs from departmental structural changes.