



Restaurants

M&A Market Snapshot

MERIDIAN CAPITAL'S CONSUMER INDUSTRY TEAM

- SUMMER 2025 -



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Overview

Meridian Capital's Consumer practice has been a core focus area of the firm since its founding in 1995. Several of Meridian's founding partners have built household-name brands and run large consumer product companies as entrepreneurs and operators. Their knowledge and appreciation for the sector is a key pillar of the practice and continues to benefit our clients today.

The Consumer team possesses deep industry relationships with leading investors and acquirers across the sector and stays in front of the latest trends and considerations.



At A Glance

Industry Overview & Trends

- Amid the threat of tariffs, investors continue to prioritize domestic service businesses, like restaurants, bars, and entertainment venues
- The last 2 quarters saw an uptick in transaction volume and value as investors continued to prioritize resilient and profitable domestic companies
- Private equity firms are showing renewed and strong interest in the restaurant sector, indicating they are seeing long-term growth potential and are actively deploying capital

By The Numbers

Last 3 Years

181

Average Yearly
Transaction Volume

Last 4 Quarters (Q2 2024 – Q1 2025)

196

Average Yearly
Transaction Volume



\$16M

Median Deal Size

\$11M

Median Deal Size



5.8x

Median Transaction EV
/ EBITDA Multiple

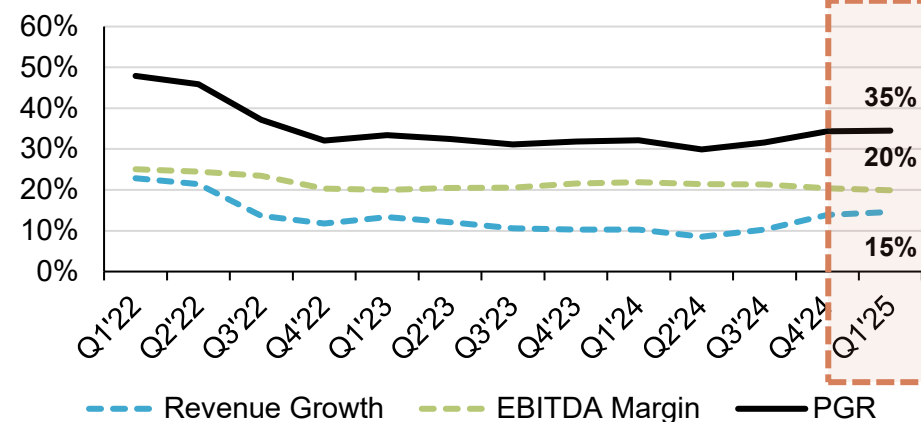
7.6x

Median Transaction EV
/ EBITDA Multiple



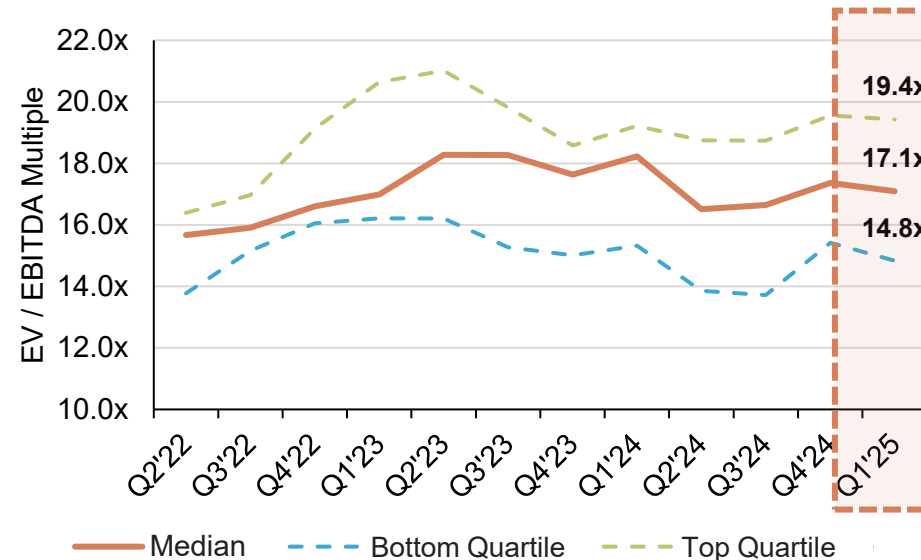
Performance Metrics Over Time

Profit Growth Ratio (PGR) – Public Companies



Note: Profit Growth Ratio = EBITDA Margin + Revenue Growth

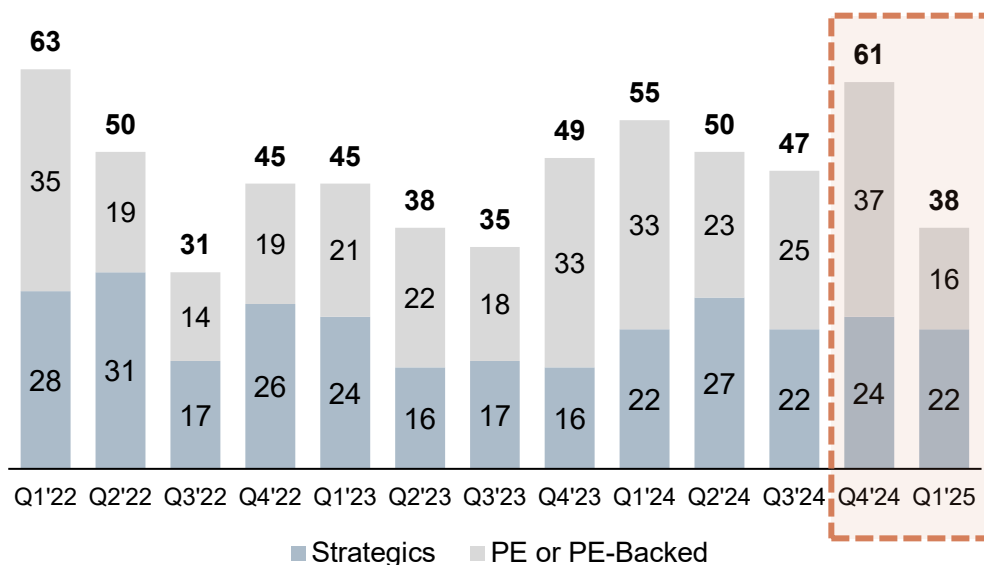
EV / EBITDA Multiple – Public Companies





Restaurants M&A Trends

Breakdown of M&A Deals by Quarter



Highly Acquisitive Players



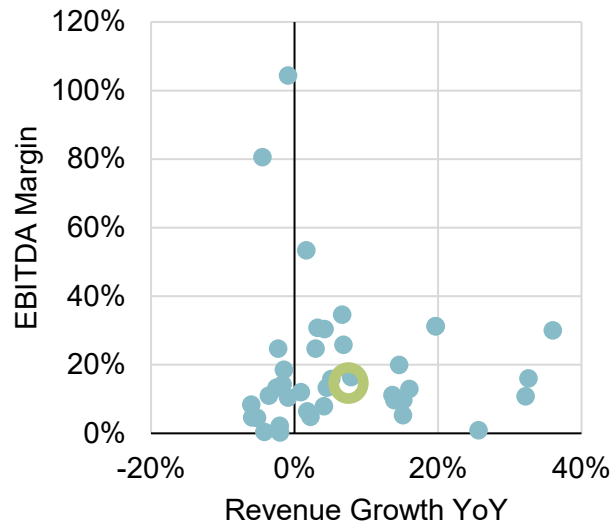
Recent M&A Transactions

Date	Target	Acquirer	Target Description
May-25	U.S. Pizza Company	FoxDen Capital	Regional pizza restaurant
Mar-25	45 Pizza Hut Locations	Flynn Group	Pizza franchise
Mar-25	Tavern in the Square	Authentic Restaurant Brands	Restaurant chain
Feb-25	Jersey Mike's Subs	Blackstone	Sub sandwich franchise
Jan-25	Pizza Factory	Wonder	Pizza restaurant franchise
Jan-25	Kelly's Roast Beef	AAM 15 Management	Roast beef sandwich chain
Dec-24	Hickory Tavern	Artistry Restaurants	Casual dining chain
Dec-24	Uncle Julio's	Sun Holdings	Mexican restaurant chain
Dec-24	Rock Bottom Restaurants	Kelly Companies	Casual dining chain
Dec-24	Wings 'N More	Goode Partners	Casual dining chain
Nov-24	32 Wendy's Locations	Flynn Group	Fast food franchise
Nov-24	Fresh Brothers	Craveworthy Brands	Casual dining chain
Nov-24	Rita's	Maple Park Capital Partners	Italian dessert chain
Nov-24	Buca di Beppo	Main Street Capital	Italian restaurant chain
Oct-24	Tender Greens	Breakwater Management	Casual dining chain
Oct-24	Mo' Bettahs	Trive Capital	Hawaiian BBQ chain
Oct-24	Chuy's Holdings	Darden Restaurants	Mexican restaurant chain

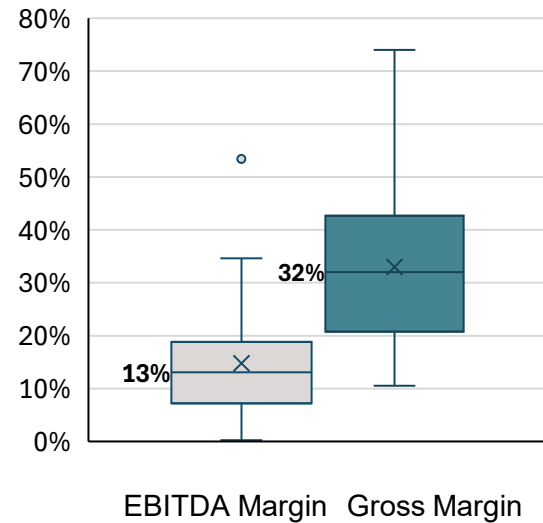


Restaurant Public & Private Trends

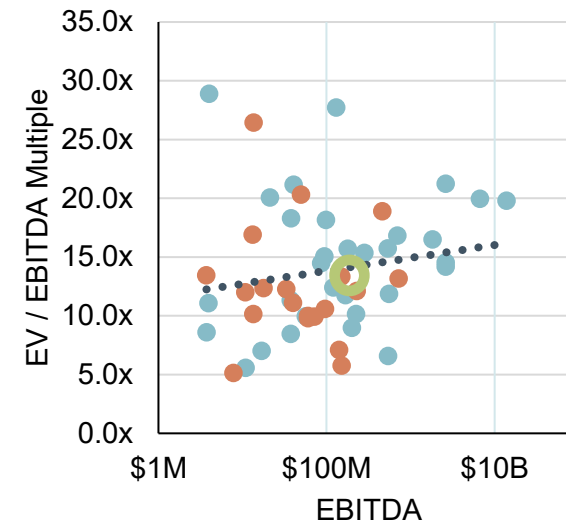
Revenue Growth & EBITDA Margin



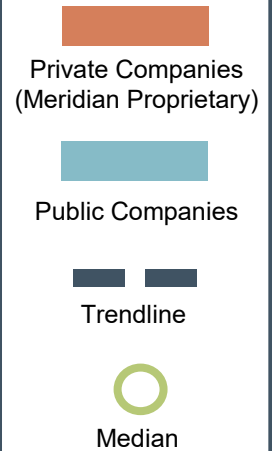
Margin Profile



Size & Valuation



Key



Select Publicly Traded Companies

(\$US in millions)

As of 5/31/25

	EV	LTM		EV/LTM		Margins		Revenue Growth	Fwd Rev Growth
		Rev	EBITDA	Rev	EBITDA	EBITDA	Gross		
McDonald's	\$275,938	\$25,213	\$13,810	10.9x	20.0x	54.8%	57.9%	-0.9%	12.1%
Starbucks	\$118,406	\$34,439	\$6,224	3.4x	19.0x	18.1%	26.4%	-0.5%	18.6%
Chipotle Mexican Grill	\$70,694	\$11,487	\$2,293	6.2x	NM	20.0%	26.4%	12.6%	23.6%
Yum! Brands	\$50,760	\$7,738	\$2,623	6.6x	19.4x	33.9%	46.8%	10.1%	11.7%
Restaurant Brands Internationa	\$40,006	\$8,776	\$2,538	4.6x	15.8x	28.9%	34.5%	22.4%	12.7%
Darden Restaurants	\$30,923	\$11,762	\$1,876	2.6x	16.5x	15.9%	21.5%	5.0%	15.6%
Texas Roadhouse	\$13,653	\$5,500	\$705	2.5x	19.4x	12.8%	17.4%	15.1%	17.6%
Cava (Restaurants and Bars)	\$9,443	\$1,037	\$114	9.1x	NM	11.0%	25.1%	32.1%	46.2%
Dutch Bros	\$10,066	\$1,361	\$210	7.4x	NM	15.4%	26.3%	30.4%	50.5%
Brinker International	\$9,375	\$5,131	\$637	1.8x	14.7x	12.4%	17.6%	19.8%	11.8%
Wingstop Restaurants	\$10,551	\$651	\$280	16.2x	NM	43.0%	47.9%	31.0%	35.8%
Wendy's International	\$5,930	\$2,235	\$554	2.7x	10.7x	24.8%	35.4%	2.2%	4.6%
Median	\$22,288	\$6,619	\$1,290	5.4x	17.8x	19.0%	26.4%	13.8%	16.6%



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