

Inventory turnover ratio can be defined as a ratio showing how many times a company's inventory is sold and replaced over a period. Saying this we can notice that in year 2016 was the year when the inventory was sales over 37 days approximately, even though doesn't have a material variation during the last three years.

Flanigan's

Inventory turnover ratio can be defined as a ratio showing how many times a company's inventory is sold and replaced over a period. Saying this we can notice that in year 2016 and 2017 were the years when the inventory were sales over 15 days approximately, even though doesn't have a material variation during the last three years

Accounts Receivable Turnover

Receivable turnover from 2016 to 2018 prove that both companies are effective in extending credit as well as collecting debts.

Days of Receivable

Ruth's

Flanigan's has the lower of days sales in receivables from 2016 to 2018. Days sales in receivables can be defined as the average number of days it takes to collect outstanding receivable amounts from customers which is between 2 and 1 days. Although Ruth's has between 19 and 15 days.

VI. Solvency ratios

Debt ratio

The ratios aren't greater than 1 showing that the debt isn't funded by assets. In other words, the companies has more assets than liabilities.

A high ratio also indicates that a company may be putting itself at a risk of default on its loans if interest rates were to rise suddenly. A lower the debt ratio, the less leverages a company is, implying greater financial risk. At the same time, leverage is an important tool that companies use to grow, and many businesses find sustainable uses for debt.

In this case during the three years Flanigan's has the lower ratio.

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VII. Probability ratios

Gross profit margin are used to measure a company's profitability at various cost levels, including gross margin, operating margin, pretax margin, and net profit margin. The margins shrink as layers of additional costs are taken into consideration, such as the cost of goods sold (COGS), operating and nonoperating expenses, and taxes paid.

Gross margin measures how much a company can mark up sales above COGS. Operating margin is the percentage of sales left after covering additional operating expenses. The pretax margin shows a company's profitability after further accounting for non-operating expenses. Net profit margin concerns a company's ability to generate earnings after taxes.

Flanigan's has the best ^{better} gross profit margin between both company current profit margin of 59%

2nd sentence for FF

Return on total assets Profitability is assessed relative to costs and expenses, and it is analyzed in comparison to assets to see how effective a company is in deploying assets to generate sales and eventually profits. The term return in the ROA ratio customarily refers to net profit or net income, the amount of earnings from sales after all costs, expenses, and taxes.

The more assets a company has amassed, the more sales and potentially more profits the company may generate. As economies of scale help lower costs and improve margins, returns may grow at a faster rate than assets, ultimately increasing return on assets.

Every dollar that Flanigan's has invested in assets generates 8.01 cents of net income. Flanigan's is better at converting its investment into profits, compared with Ruth's.

2 sentences per FF

VIII. Horizontal and vertical analysis

Ruth's

Fiscal Year 2018 Compared to Fiscal Year 2017

Restaurant sales increased \$37.0 million, or 9.5%, to \$427.4 million during fiscal year 2018 from fiscal year 2017. The increase was attributable to a \$41.1 million increase in new or relocated restaurants offset by a \$4.1 million decrease from comparable Company-owned restaurants.

Not linked to patterns

Excluding discontinued operations, total operating weeks during fiscal year 2018 increased to 4,027 from 3,715 during fiscal year 2017. The 53rd week contributed \$12.4 million in sales in fiscal year 2017. Comparable Company-owned restaurant sales increased 1.4% on a comparable 52-week basis, which consisted of an average check increase of 1.7%, and 0.3% decrease in traffic counts. Comparable restaurant sales and traffic were negatively affected by approximately 50 basis points due to the shift of the New Year's Eve holiday into fiscal year 2019. New restaurant sales primarily increased in fiscal year 2018 due to an increase in 294 operating weeks from the acquisition of the Hawaiian Restaurants in December 2017.

Franchise income increased \$374 thousand, or 2.1%, to \$17.9 million during fiscal year 2018 from fiscal year 2017. The increase is primarily attributable to the reclassification of \$1.5 million in franchisee advertising fees due to the adoption of Topic 606 and an increase in comparable franchisee-owned restaurant sales of 1.0%. This was offset by the acquisition of the Hawaii Restaurants which decreased sales-based royalty income by \$1.6 million during fiscal year 2018.

Other operating income increased \$138 thousand, or 2.0%, to \$7.0 million during fiscal year 2018 from fiscal year 2017. Other operating income includes their share of income from managed restaurants, gift card breakage revenue and miscellaneous restaurant income. The increase in other operating income was primarily due to an increase of \$106 thousand in income from restaurants operating under contractual agreements, including the new location in Reno, NV.

Food and beverage costs increased \$3.8 million, or 3.2%, to \$120.1 million during fiscal year 2018 from fiscal year 2017. Food and beverage costs, as a percentage of restaurant sales, decreased 170 basis points to 28.1% compared to fiscal year 2017 largely due to a decrease of 8.4% in total beef costs and an increase in average check of 1.7%.

Restaurant operating expenses increased \$20.8 million, or 11.2%, to \$206.3 million during fiscal year 2018 from fiscal year 2017. Restaurant operating expenses, as a percentage of restaurant sales, increased 75 basis points to 48.3% compared to fiscal year 2017 primarily due to an increase in occupancy expenses.

Marketing and advertising expenses increased \$3.9 million, or 30.8% to \$16.6 million during fiscal year 2018 from fiscal year 2017. Marketing and advertising, as a percent of

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total revenue, increased 60 basis points to 3.7% compared to fiscal year 2017. The increase in marketing and advertising expenses during fiscal year 2018 was attributable to a planned increase in advertising in addition to the reclassification of \$1.7 million in certain administrative support costs that have been historically charged to general and administrative costs.

General and administrative expenses increased \$4.6 million or 13.9% to \$37.3 million during fiscal year 2018 from fiscal year 2017. The increase in general and administrative costs was primarily attributable to \$3.5 million in incentive-based compensation costs and \$906 thousand in Hawaii Restaurants acquisition and integration costs.

Depreciation and amortization expense increased \$3.5 million to \$18.5 million during fiscal year 2018, primarily due to property additions related to new restaurants and remodel projects placed in service within the last twelve months including \$2.5 million of depreciation and amortization related to the Hawaii Restaurants.

Pre-opening costs remained relatively unchanged at \$1.9 million in fiscal year 2018 compared to \$2.0 million in fiscal year 2017.

During fiscal year 2018 we incurred no loss on impairment charges, compared to fiscal year 2017, during which we recognized a \$3.9 million loss on impairment of long-lived assets at a Ruth's Chris Steak House restaurant.

Interest expense increased \$918 thousand to \$1.7 million during fiscal year 2018 from fiscal year 2017. The increase in expense was primarily due to higher average debt balances during fiscal year 2018 compared to fiscal year 2017.

During fiscal year 2018 we recognized \$73 thousand of other expense. During fiscal year 2017 we recognized \$53 thousand of other income.

During fiscal year 2018 we recognized \$8.2 million in income tax expense. The effective tax rate, including the impact of discrete items, decreased to 16.5% during fiscal

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year 2018 compared to 34.1% during fiscal year 2017. The effective tax rate decreased during fiscal year 2018 primarily due to the passage of the 2017 Tax Act, which was signed into law on December 22, 2017. The 2017 Tax Act significantly revised U.S. tax law, and included many changes that impacted the Company, most notably a reduction of the statutory corporate tax rate from 35% to 21%.

Income from continuing operations of \$41.6 million during fiscal year 2018 increased by \$11.4 million compared to fiscal year 2017 due to the factors noted above. *2nd sentence?*

Income (loss) from discontinued operations, net of income taxes during fiscal year 2018 was income of \$80 thousand compared to a loss of \$108 thousand during fiscal year 2017. Discontinued operations includes the recurring revenues and expenses of closed restaurants and related income taxes.

Net income was \$41.7 million during fiscal year 2018 compared to \$30.1 million net income during fiscal year 2017 due to the factors noted above. *2nd sentence?*

Fiscal Year 2017 Compared to Fiscal Year 2016

Restaurant sales increased \$27.3 million, or 7.5%, to \$390.4 million during fiscal year 2017 from fiscal year 2016. The increase was attributable to a \$14.5 million increase in comparable Company-owned restaurant sales and \$12.8 million from new or relocated restaurants. Excluding discontinued operations, total operating weeks during fiscal year 2017 increased to 3,715 from 3,489 during fiscal year 2016. The 53rd week contributed \$12.4 million in sales in fiscal year 2017. Comparable Company-owned restaurant sales increased 1.0% on a comparable 53-week basis, which consisted of an average check increase of 1.0%, and flat traffic.

Franchise income increased \$244 thousand, or 1.4%, to \$17.5 million during fiscal year 2017 from fiscal year 2016. The increase is primarily attributable to an increase in comparable franchisee-owned restaurant sales of 1.3% offset by a \$90 thousand decrease in fees from new or re-located locations or ownership transfers

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Other operating income increased \$1.3 million, or 24.5%, to \$6.8 million during fiscal year 2017 from fiscal year 2016. Other operating income includes their share of income from managed restaurants, gift card breakage revenue and miscellaneous restaurant income. The increase in other operating income was primarily due to an increase of \$972 thousand in income from restaurants operating under contractual agreements, including the new location in Tulsa, OK. Fiscal year 2017 gift card breakage revenue increased \$326 thousand from fiscal year 2016 due to an increase in gift card sales.

Food and beverage costs increased \$9.3 million, or 8.7%, to \$116.4 million during fiscal year 2017 from fiscal year 2016. Food and beverage costs, as a percentage of restaurant sales, increased 32 basis points to 29.8% compared to fiscal year 2016 largely due to a 4.2% increase in total beef costs.

Restaurant operating expenses increased \$12.4 million, or 7.2%, to \$185.4 million during fiscal year 2017 from fiscal year 2016. Restaurant operating expenses, as a percentage of restaurant sales, decreased 14 basis points to 47.5% compared to fiscal year 2016 primarily due to a reduction in performance-based compensation.

Marketing and advertising expenses increased \$1.3 million, or 11.6% to \$12.7 million during fiscal year 2017 from fiscal year 2016. Marketing and advertising, as a percent of total revenue, increased 11 basis points to 3.1% compared to fiscal year 2016. The increase in marketing and advertising expenses during fiscal year 2017 was attributable to a planned increase in advertising.

General and administrative expenses increased \$1.2 million or 3.8% to \$32.7 million during fiscal year 2017 from fiscal year 2016. General and administrative expenses, as a percentage of total revenue decreased from 8.2% in fiscal year 2016 to 7.9% in fiscal year 2017 primarily driven by the leverage of the 53rd week in fiscal year 2017.

Depreciation and amortization expense increased \$1.6 million to \$15.0 million during fiscal year 2017, primarily due to property additions related to new restaurants and remodel projects placed in service in fiscal years 2016 and 2017.

Patterns?

Pre-opening costs remained relatively unchanged at \$2.0 million, during both fiscal years 2017 and 2016.

During fiscal year 2017 we recognized a \$3.9 million loss on impairment related to the impairment of long-lived assets at a Ruth's Chris Steak House restaurant.

Interest expense decreased \$333 thousand to \$821 thousand during fiscal year 2017 from fiscal year 2016. The decrease in expense was primarily due to \$302 thousand in lower amortization of deferred financing costs during fiscal year 2017 compared to fiscal year 2016.

During fiscal year 2017 we recognized \$53 thousands of other income. During fiscal year 2016 we recognized \$10 thousands of other income.

During fiscal years 2017 and 2016 we recognized \$15.7 million in income tax expense. The effective tax rate increased to 34.1% during fiscal year 2017 compared to 33.7% during fiscal year 2016. The increase in the effective tax rate in 2017 was primarily due to the \$1.1 million expense recognized related to the remeasurement of the Company's net deferred tax assets resulting from the passage of the Tax Cuts and Jobs Act (the "2017 Tax Act"), partially offset by a 160 basis point reduction in their state income taxes.

The 2017 Tax Act significantly revised many aspects of U.S. tax law, most notably reducing the statutory corporate tax rate from 35% to 21% effective January 1, 2018. Since the 2017 Tax Act was signed into law on December 22, 2017, the Company was required to remeasure its net deferred tax assets to reflect the lower tax rate at which they were expected to be realized. The revaluation of the Company's net deferred tax assets resulted in a one-time, non-cash tax charge of \$1.1 million.

Income from continuing operations of \$30.2 million during fiscal year 2017 decreased by \$510 thousand compared to fiscal year 2016 due to the factors noted above.

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Loss from discontinued operations, net of income taxes during fiscal year 2017 was a loss of \$108 thousand compared to a loss of \$290 thousand during fiscal year 2016. Discontinued operations includes the recurring revenues and expenses of closed restaurants and related income taxes. The fiscal year 2017 loss from discontinued operations is primarily attributable to expenses related to the Mitchell's Restaurants. The fiscal year 2016 loss from discontinued operations is primarily attributable to \$842 thousand of occupancy related costs from a closed Ruth's Chris Steak House restaurant partially offset by a \$466 thousand benefit from the extinguishment of a liability related to Mitchell's Restaurant gift cards and a \$186 thousand income tax benefit.

Flanigan's

Restaurant revenue generated from the sale of food, including non-alcoholic beverages, at restaurants totaled \$70,545,000 for their fiscal year 2018 as compared to \$66,917,000 for their fiscal year 2017. The increase in restaurant revenue from the sale of food at restaurants for their fiscal year 2018 as compared to their fiscal year 2017 is due to the Price Increases 2017 and increased restaurant traffic. Comparable weekly restaurant food sales (for restaurants open for all of their fiscal years 2018 and 2017, which consists of ten restaurants owned by us and eight restaurants owned by affiliated limited partnerships) was \$1,357,000 and \$1,287,000 for their fiscal years 2018 and 2017, respectively, an increase of 5.44%. Comparable weekly restaurant food sales for Company owned restaurants only was \$714,000 and \$679,000 for their fiscal years 2018 and 2017, respectively, an increase of 5.15%. Comparable weekly restaurant food sales for affiliated limited partnership owned restaurants only was \$643,000 and \$608,000 for their fiscal years 2018 and 2017, respectively, an increase of 5.76%. We anticipate that restaurant revenue from the sale of food for their fiscal year 2019 will decrease when compared to their fiscal year 2018 due to the fire at their Store #19 subsequent to the end of their fiscal year 2018, which we expect will cause this location to be closed for their entire fiscal year 2019, offset to a lesser extent by increased restaurant traffic. Fiscal year 2018 restaurant revenue from the sale of food for their Store #19 was \$3,498,000.

Restaurant revenue generated from the sale of alcoholic beverages at restaurants totaled \$21,760,000 for their fiscal year 2018 as compared to \$20,476,000 for their fiscal year 2017. The

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increase in restaurant revenue from the sale of alcoholic beverages from restaurants for their fiscal year 2018 as compared to their fiscal year 2017 is due to the Price Increases 2017 and increased traffic, but also partially due to the price discounts offered by the Company to promote its Joe's Pale Ale draft beer during the second and third quarters of their fiscal year 2017. Comparable weekly restaurant bar sales (for restaurants open for all of their fiscal years 2018 and 2017, which consists of ten restaurants owned by us and eight restaurants owned by affiliated limited partnerships) was \$418,000 and \$393,000 for their fiscal years 2018 and 2017, respectively, an increase of 6.36%. Comparable weekly restaurant bar sales for Company owned restaurants only was \$197,000 and \$188,000 for their fiscal years 2018 and 2017, respectively, an increase of 4.79%. Comparable weekly restaurant bar sales for affiliated limited partnership owned restaurants only was \$221,000 and \$205,000 for their fiscal years 2018 and 2017, respectively, an increase of 7.80%. We anticipate that restaurant revenue from the sale of alcoholic beverages at restaurants for their fiscal year 2019 will decrease when compared to their fiscal year 2018 due to the fire at their Store #19 subsequent to the end of their fiscal year 2018, which we expect will cause this location to be closed for their entire fiscal year 2019, offset to a lesser extent by increased restaurant traffic. Fiscal year 2018 restaurant revenue from the sale of alcoholic beverages at restaurants for their Store #19 was \$748,000.

Revenue generated from sales of liquor and related items at package liquor stores totaled \$18,559,000 for their fiscal year 2018 as compared to \$16,842,000 for their fiscal year 2017, an increase of \$1,717,000 or 10.19%. This increase was primarily due to increased package liquor store traffic. The weekly average of same store package liquor store sales, which includes all nine (9) Company owned package liquor stores, was \$357,000 and \$324,000 for their fiscal years 2018 and 2017, respectively. We anticipate that revenue generated from the sale of liquor and related items at package liquor stores for their fiscal year 2019 will increase when compared to their fiscal year 2018, but that the increase will be offset by a loss of revenue due to the fire at their Store #19 subsequent to the end of their fiscal year 2018, which we expect will cause this location to be closed for their entire fiscal year 2019, offset to a lesser extent by increased package liquor store traffic. Fiscal year 2018 revenue from sales of liquor and related items at package liquor stores at their Store #19 was \$1,087,000.

Operating costs and expenses, (consisting of cost of merchandise sold, payroll and related costs, occupancy costs and selling, general and administrative expenses), for their fiscal year 2018

increased \$5,489,000 or 5.46% to \$106,053,000 from \$100,564,000 for their fiscal year 2017. The increase was primarily due to an expected general increase in food costs, offset by actions taken by management to reduce and/or control costs and expenses. We anticipate that their operating costs and expenses will increase through their fiscal year 2019 due to an expected general increase in food costs, offset by the elimination of most operating costs and expenses at their Store #19 due to the fire subsequent to the end of their fiscal year 2018, which will cause this location to be closed for their entire fiscal year 2019. Fiscal year 2018 operating costs and expenses at their Store #19 was \$2,211,000. Operating costs and expenses decreased as a percentage of total sales to approximately 93.44% in their fiscal year 2018 from 94.14% in their fiscal year 2017.

Gross profit for food and bar sales for their fiscal year 2018 increased to \$60,172,000 from \$55,786,000 for their fiscal year 2017. Their gross profit margin for restaurant food and bar sales (calculated as gross profit reflected as a percentage of restaurant food and bar sales), was 65.19% for their fiscal year 2018 and 63.83% for their fiscal year 2017. The increase in gross profit margin for food sales and bar sales was due primarily to the Price Increases 2017. We anticipate that their gross profit for restaurant food and bar sales will decrease during their fiscal year 2019 primarily to higher food costs.

Gross profit for package liquor store sales for their fiscal year 2018 increased to \$5,180,000 from \$4,808,000 for their fiscal year 2017. Their gross profit margin (calculated as gross profit reflected as a percentage of package liquor store sales) for package liquor store sales was 27.91% for their fiscal year 2018 and 28.55% for their fiscal year 2017. We anticipate that their gross profit margin for package liquor store sales will decrease during their fiscal year 2019 due to price adjustments to remain competitive with local competitors.

Payroll and related costs for their fiscal year 2018 increased \$2,073,000 or 6.32% to \$34,868,000 from \$32,795,000 for their fiscal year 2017 due partially to payroll and related costs associated with higher restaurant sales which require additional payroll and related costs for employees such as cooks and bartenders and higher pay rates. Payroll and related costs as a percentage of total sales was 30.72% for their fiscal year 2018 as compared to 30.70% for their fiscal year 2017. We anticipate that their payroll and related costs will decrease through their fiscal year 2019 due to the elimination of most payroll and related costs at their Store #19 due to the fire

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subsequent to the end of their fiscal year 2018, which will cause this location to be closed for their entire fiscal year 2019. Fiscal year 2018 payroll and related costs at their Store#19 was \$1,494,000.

Occupancy costs (consisting of rent, common area maintenance, repairs, real property taxes and amortization of leasehold interests) for their fiscal year 2018 increased \$294,000 or 5.41% to \$5,726,000 from \$5,432,000 for their fiscal year 2017. We anticipate that their occupancy costs will remain stable throughout their fiscal year 2019.

Selling, general and administrative expenses (consisting of general corporate expenses, including but not limited to advertising, insurance, professional costs, clerical and administrative overhead) for their fiscal year 2018 increased \$1,251,000 or 6.69% to \$19,947,000 from \$18,696,000 for their fiscal year 2017. Selling, general and administrative expenses increased as a percentage of total sales in their fiscal year 2018 to 17.57% as compared to 17.50% in their fiscal year 2017. We anticipate that their selling, general and administrative expenses will increase throughout their fiscal year 2019 due primarily to increases across all categories.

Depreciation and amortization for their fiscal year 2018, which is included in selling, general and administrative expenses, increased \$136,000 or 5.10% to \$2,803,000 from \$2,667,000 for their fiscal year 2017. As a percentage of revenue, depreciation and amortization expense was 2.47% of revenue for their fiscal year 2018 and 2.50% of revenue for their fiscal year 2017.

Interest expense for their fiscal year 2018 increased \$153,000 to \$753,000 from \$600,000 for their fiscal year 2017. The increase in interest expense, net, is due to their borrowing the available balance on their Credit Line (\$3.5 million for a total amount borrowed on the Credit Line of \$5.5 million) during the first quarter of their fiscal year 2018. We anticipate that interest expense will remain stable throughout their fiscal year 2019.

Income taxes for their fiscal year 2018 was \$1,371,000 and \$1,370,000 for their fiscal year 2017. Income taxes during their fiscal year 2018 were approximately equal to their fiscal year 2017 due to a reduction of \$336,000 to their deferred tax asset due to the corporate tax rate reduction, which reduction was a part of their current tax expense during the thirteen weeks ended December 31, 2017.

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Net income for their fiscal year 2018 increased \$1,000,000 or 22.78% to \$5,390,000 from \$4,390,000 for their fiscal year 2017. Net income for their fiscal year 2018 increased when compared to their fiscal year 2017 primarily due higher revenue and the Price Increases 2017, offset by increased food costs and overall expenses. As a percentage of sales, net income for their fiscal year 2018 is 4.75%, as compared to 4.11% for their fiscal year 2017.

Net income attributable to stockholders for their fiscal year 2018 increased \$657,000 or 21.75% to \$3,677,000 from \$3,020,000 for their fiscal year 2017. Net income attributable to stockholders for their fiscal year 2018 increased when compared to their fiscal year 2017 primarily due to the Price increases 2017, offset by increased food costs and overall expenses. As a percentage of sales, net income for their fiscal year 2018 is 3.24%, as compared to 2.83% for their fiscal year 2017.

Liquidity and Capital Resources

We fund their day to day operations through cash generated from operations. As of September 29, 2018, we had cash of approximately \$13,414,000, an increase of \$3,529,000 from their cash balance of \$9,885,000 as of September 30, 2017. Their cash increased during the first quarter of their fiscal year 2018, because we borrowed \$3.50 million from their Credit Line just prior to its conversion to the Term Loan on December 28, 2017. During the second quarter of their fiscal year 2018, we paid on March 30, 2018 a dividend of \$.25 per share and during the fourth quarter of their fiscal year 2018, we also purchased the real property and improvements which are contiguous to the real property we own where their franchised restaurant located at 1479 E. Commercial Boulevard, Fort Lauderdale, Florida (Store #15) operates for \$550,000 cash at closing. We believe that their current cash availability from their cash on hand, positive cash flow from operations and borrowed funds will be sufficient to fund their operations and planned capital expenditures for at least the next twelve months. (source?)

Capital Expenditures

In addition to using cash for their operating expenses, we use cash to fund the development and construction of new restaurants and to fund capitalized property improvements for their existing restaurants. We acquired property and equipment of \$5,511,000, (of which \$81,000 was for the purchase of a vehicle for debt; \$2,486,000 was for construction in progress; and \$146,000

was deposits recorded in other assets as of September 30, 2017), during their fiscal year 2018, which amount included \$446,000 for renovations to four(4) existing Company owned restaurants. We acquired property and equipment of \$7,220,000, (of which \$24,000 was for the purchase of a vehicle for debt; \$2,419,000 was for construction in progress; and \$489,000 was deposits recorded in other assets as of October 1, 2016), during their fiscal year 2017, which amount included \$2.475 million for the purchase of real property, \$1,272,000 for construction and redevelopment of a new package store on the same, \$635,000 for the construction of a catering kitchen and \$428,000 for renovations to four (4) existing Company owned restaurant and two (2) existing Company owned package liquor stores. We anticipate the cost of this refurbishment in their fiscal year 2019 will be approximately \$450,000, which funds will be provided from operations. (Source?)

Debt

As of September 29, 2018, the end of their fiscal year 2018, we had long term debt of \$14,576,000, as compared to \$12,398,000 as of September 30, 2017. Their long term debt increased as of September 29, 2018 as compared to September 30, 2017 due to the \$3,500,000 we borrowed on their Credit Line (now included as part of the Term Loan). As of September 29, 2018, we are in compliance with the covenants of all loans with their lender.

We repaid long term debt, including auto loans, financed insurance premiums and mortgages in the amount of \$2,500,000 and \$1,793,000 in their fiscal years 2018 and 2017, respectively.

The working capital increased by 57.48% as of September 29, 2018 from September 30, 2017 primarily due to the \$3,500,000 we borrowed against their Credit Line during their fiscal year 2018 prior to the Credit Line converting to the Term Loan. During their fiscal year 2018, we used working capital of approximately \$2,157,000 towards the renovation of their restaurant located at 13205 Biscayne Boulevard, North Miami, Florida. We also used \$550,000 to fund the purchase price of their acquisition of the real property and improvements contiguous to the real property we own where their franchised restaurant located at 1479 E. Commercial Boulevard, Fort Lauderdale, Florida (Store #15) operates. During their fiscal year 2017, we used working capital of approximately \$1,272,000 to build a new building on a parcel of real property we own which is near their combination package liquor store and restaurant located at 13205 Biscayne Boulevard, North Miami, Florida, (Store #20) and re-located their package liquor store to the new building. We also used \$2,475,000, (\$2,000,000 of which was drawn on their Credit Line), to fund the

purchase price of their acquisition of the vacant real property which is contiguous to the real property we own where their new package liquor store located at 13185 Biscayne Boulevard, North Miami, Florida, (Store #20P) and their restaurant located at 13205 Biscayne Boulevard, North Miami, Florida (Store #20R) operate. We also used \$635,000 for the construction of a catering kitchen adjacent to their restaurant located at 2600 Davie Boulevard, Fort Lauderdale, Florida

(Source?)

IX. Comparative analysis

Virtually omitted

Creditworthiness is how a lender determines that you will default on your debt obligations, or how worthy you are to receive new credit. The creditworthiness is what creditors look at before they approve any new credit to you.

Creditworthiness is determined by several factors including the repayment history and credit score. Some lending institutions also consider available assets and the number of liabilities you have when they determine the probability of default.

No sub-headings

Both company ^{ies could} ~~can~~ be attractive to investors' but Flanigan's is more attractive in general.

Current developments ?

Recommendations

Summary & Conclusions

XII. Appendices

Ruth's

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Flanigan's

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