



Carrols Restaurant Group, Inc

**30th Annual Raymond James
Institutional Investors
Conference**

March 11, 2009



Safe Harbor Statement

Under the Private Securities Litigation Reform Act of 1995

Our presentation includes, and our response to various questions may include, forward-looking statements about the Company's revenues and earnings and its future plans and objectives. Any such statements are subject to risks and uncertainties that could cause the actual results and the implementation of the Company's plans and operations to vary materially. These risks are discussed in the Company's filings with the S.E.C., including, without limitation, its Annual Report on Form 10-K.



Who We Are

One of the largest US restaurant companies

- Operate three brands within QSR & fast-casual segments
 - 560 company-operated restaurants in 16 States
- Two Hispanic Brands that are well positioned to capitalize on favorable population and demographic trends
 - Pollo Tropical & Taco Cabana are the primary growth vehicles
- Largest Burger King® franchisee
 - Generates steady, reliable cash stream
 - Provides stability and support to our capital structure
- Corporate infrastructure is in place and can be leveraged with new unit growth as economic conditions improve

Investment Highlights

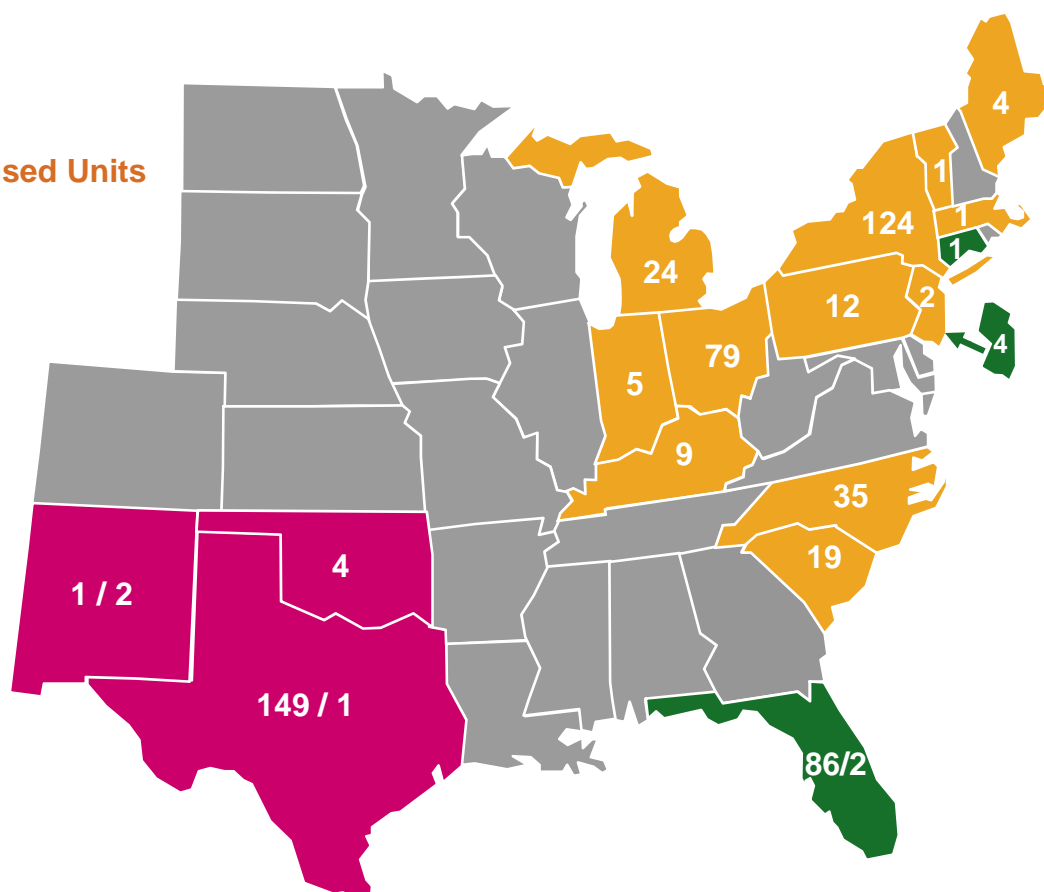
- Superior unit economics and demographic trends for our Hispanic Brands provide long-term growth opportunities
 - Development in core markets (PT - Florida, TC- Texas)
 - Expansion outside of core markets including in the Northeast
 - Pollo Tropical international expansion opportunities
- Benefiting from resurgence of Burger King Brand
 - New products with balanced focus on value and premium offerings
 - Award-winning advertising
 - 5 Years of positive comparable sales growth
- Our diversification of brands, commodities, and geographies enhances stability in a challenging restaurant environment
- Prudently managing financial leverage given current environment
- Experienced management team with significant stock ownership, long-term focus and proven ability to navigate through economic cycles



Where We Operate

560 Units in 17 States

Company/Franchised Units
560/28



- 2008 revenue of \$816 million
- 17 new units opened in 2007
- 21 new units in 2008
- Developing international franchise opportunities

Ecuador



Puerto Rico

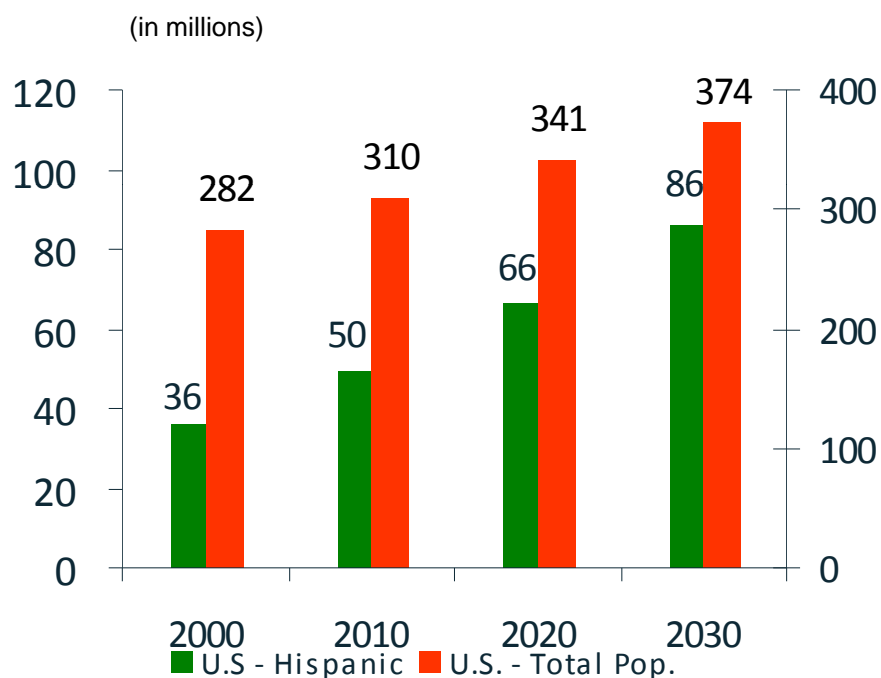


Store counts as of 12/31/08.

Where two numbers appear in a country or state, the first number is company-operated restaurants and the second number is restaurants franchised by Carrols to third parties.

Well Positioned to Capitalize on Growing Hispanic Trends

Hispanics Projected to be over 20% of US Population by 2030

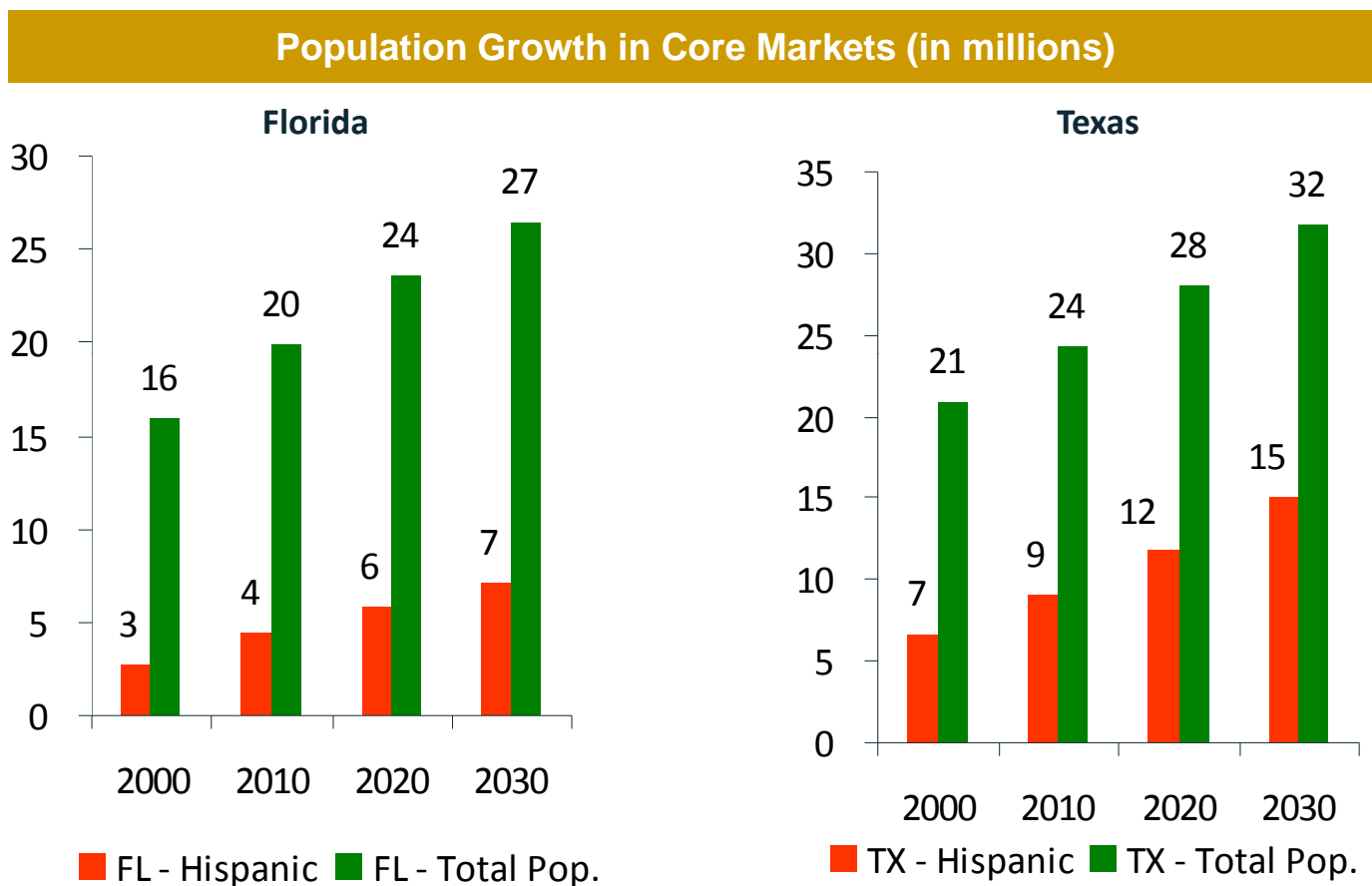


Hispanic Pop. %	12.6%	16.0%	19.4%	23.0%
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- Hispanic influence on overall US dining trends growing in tandem with population growth.
- Hispanic population grew 107% from 1990 to 2008.
- Hispanic disposable income projected to rise to \$1.4 trillion by 2013 (+8% CAGR since 1990)

Sources: U.S. Census Bureau & U.S. Bureau of Labor Statistics, Article appearing in the third quarter 2008 edition of "Georgia Business and Economic Conditions", a publication of the Terry College of Business, The University of Georgia.

Favorable Long-Term Population Trends in Core Markets



Sources: Texas State Data Center and Office of the State Demographer, Population by Race/Ethnicity in 2000 and Projections of the Population by Race/Ethnicity for Texas assuming net migration equal to one-half of 1990-2000. Demographic Estimating Conference Database, updated August 2007, Office of Economic & Demographic Research.

Industry Leading Average Unit Volumes



AUVs of Selected Quick-Service and Quick-Casual Hispanic Concepts

Pollo Tropical	\$2.0
Taco Cabana	\$1.7
Chipotle	\$1.7
El Pollo Loco	\$1.6
Taco Bell	\$1.2
Taco Bueno	\$1.2
Baja Fresh	\$1.1
Del Taco	\$1.1
Rubio's	\$1.0
Qdoba*	\$1.0
Moe's*	\$0.9
La Salsa	\$0.8



Sources: Technomic estimates and public company data.

Pollo Tropical — Brand Characteristics



Open Display Cooking



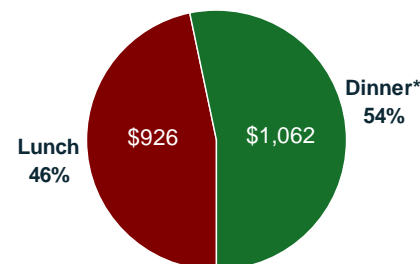
Inviting Atmosphere



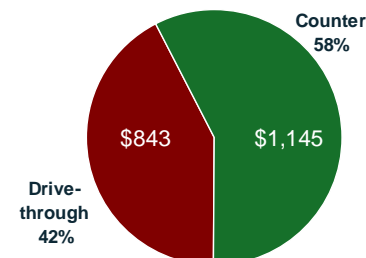
- **Broad selection of fresh, high quality food with tropical and Caribbean influences:**
 - Fresh marinated grilled chicken
 - Roast pork, TropiChops, Shrimp, Grilled Ribs
 - Sandwiches / Salads / Authentic Sides
 - Fajitas and wraps
 - Family meals
- **Attractive price/value**
- **Convenient service**
- **Strong dinner day-part including home meal replacement**
- **Average check of \$9.81**



2008 Sales by Day-Part



2008 Sales by Occasion



Taco Cabana — Brand Characteristics



Festive Mexican Theme



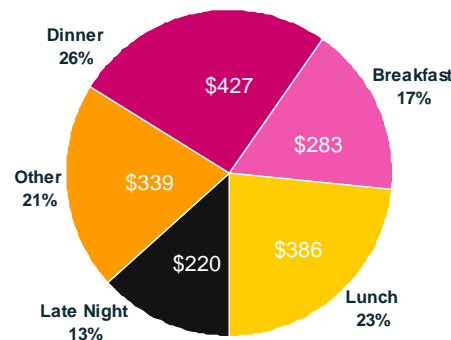
Indoor and Patio Seating



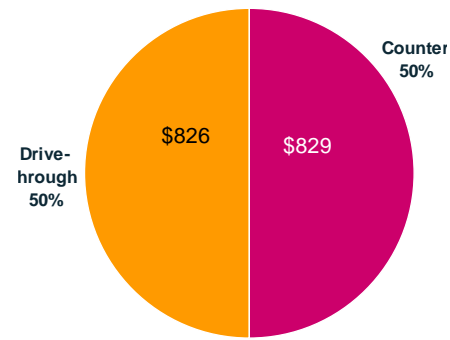
- **Fresh, high quality Tex-Mex and traditional Mexican style food and beverages:**
 - Flame-grilled beef and chicken fajitas served on sizzling iron skillet
 - Quesadillas, enchiladas, burritos, tacos, and other Tex-Mex dishes
 - Fresh-made flour tortillas
 - Frozen margaritas and beer
 - Family meals
- **Dinner represents largest sales day-part**
- **Large home meal replacement business**
- **Open display cooking**
- **Majority of restaurants open 24 hours**
- **Average check of \$7.89**



2008 Sales by Day-Part



2008 Sales by Occasion



Largest Burger King Franchisee



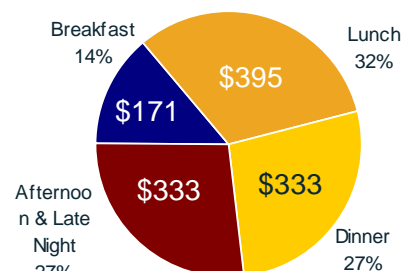
Regaining Core Customer



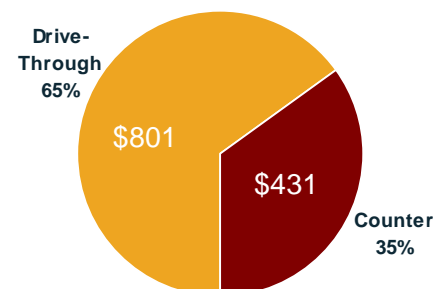
- We operate 4% of the ~7,500 North American system
- Average check of \$5.51 and AUV of \$1.23 million are comparable to BKC system-wide averages
- 5 years of positive comparable unit sales growth
- Benefit from marketing power and product pipeline of BKC's global multi-billion \$ brand
- Contributes \$31 million in segment EBITDA
- Diversifies revenues and cash flows
- Supports infrastructure for expansion of our Hispanic Brands



2008 Sales by Day-Part



2008 Sales by Occasion



Current State of the Business

- **Consumer spending has been under increasing pressure since Q4 2007**
 - Weakness in Florida markets is affecting Pollo Tropical particularly in Orlando
 - Competitive pressures from QSR have affected Taco Cabana somewhat
 - Burger King comparable sales have remained solid
- **Commodity cost increases have pressured margins but are moderating for 2009**
 - 8-10% overall increase in 2008
 - Taco Cabana estimated flat to less than 1% increase in 2009
 - Pollo Tropical increase estimated a 4% to 4.5%
 - Burger King expected to be up 4.0% to 4.5%
- **Labor cost increases have moderated as economic conditions have helped reduce turnover and wage pressures.**

We have differentiated brands that are relatively well positioned with a compelling price-value proposition.

Tactical Initiatives in Tougher Times

- **Increased focus on value** with new products and compelling messages
 - New products and combo offerings at attractive prices; added menu variety
 - New media campaign at Taco Cabana in mid-2008
 - Increased advertising for Pollo Tropical including TV in 2009
- **Price increases** taken in 2008 in response to cost pressures should stabilize margins in 2009 as commodities moderate
- Have **reduced labor costs** with focus on lower turnover and improving productivity.
- Have **reduced G&A** by \$2.0-\$3.0M going into 2009
- Leveraging costs across the P&L with increased focus on controlling and **reducing operating costs**
- Actively taking steps to reduce debt and to **lower financial leverage**
 - Slow new unit development near-term given uncertain economic climate
 - Free cash flow to be used to reduce debt

We have a long operating history of successfully navigating through economic cycles.

Long-Term Business Strategy

- **Improve comparable unit sales**
 - Capitalize on favorable attributes of Hispanic Brands and consumer trends
 - Freshly prepared food, Competitive prices, Convenience and Value
 - Drive sales by ongoing development of new menu offerings
 - Enhance effectiveness of advertising and promotions
 - Benefit from BKC's marketing and product initiatives
- **Improve operating income and leverage infrastructure**
 - Economies of scale
 - Sophisticated information and operating systems
 - Proven operating disciplines
- **Develop new Hispanic Brand restaurants in core markets, contiguous markets and new geographies longer-term**
- **International development of Pollo Tropical**



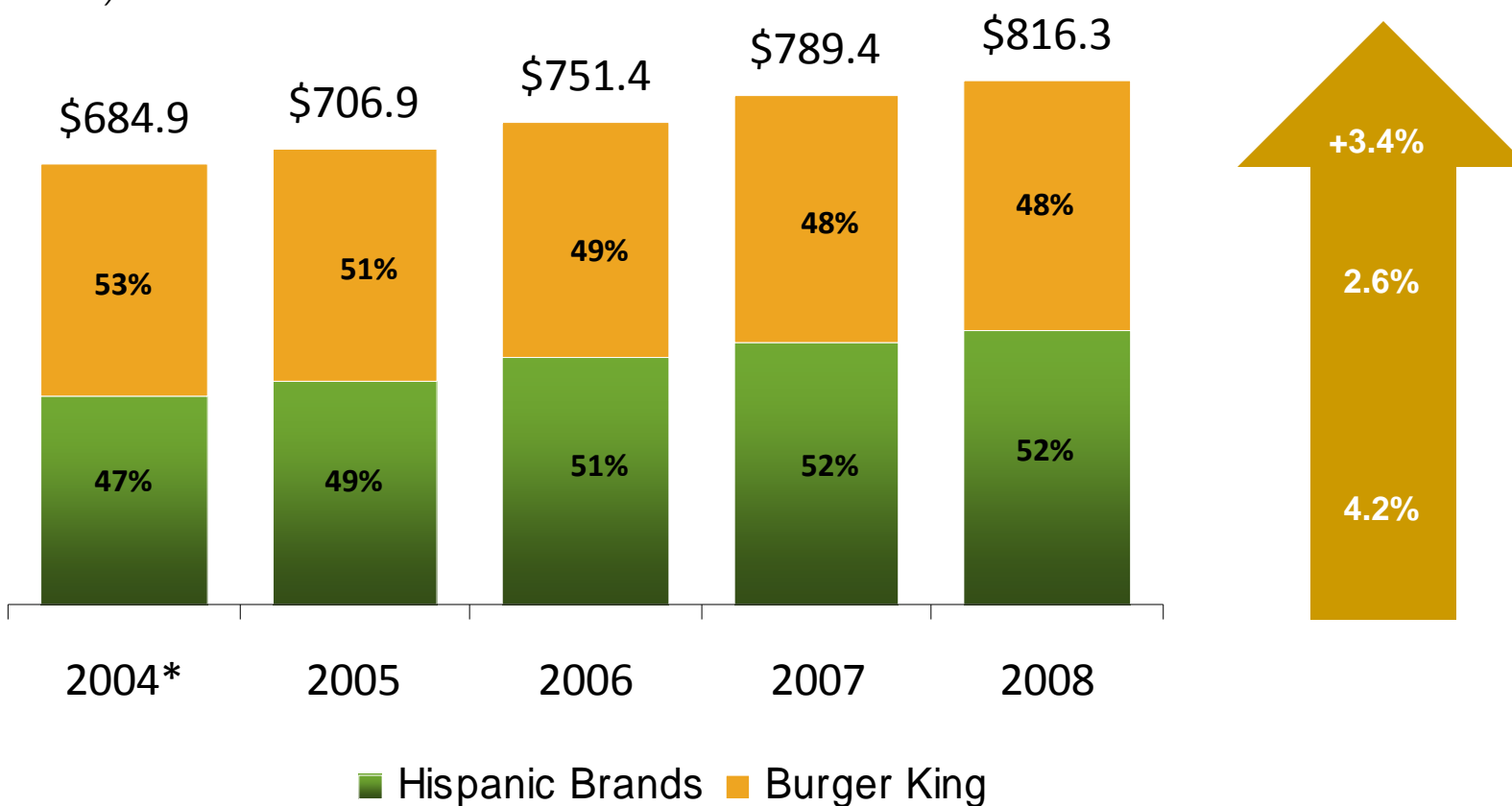
Carrols Restaurant Group, Inc



Financial Highlights

Total Revenue Growth

(\$ in millions)

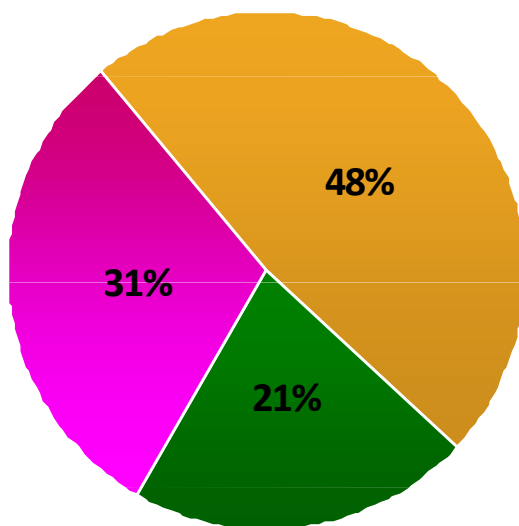


* 2004 excludes the impact of one extra (53rd) week.

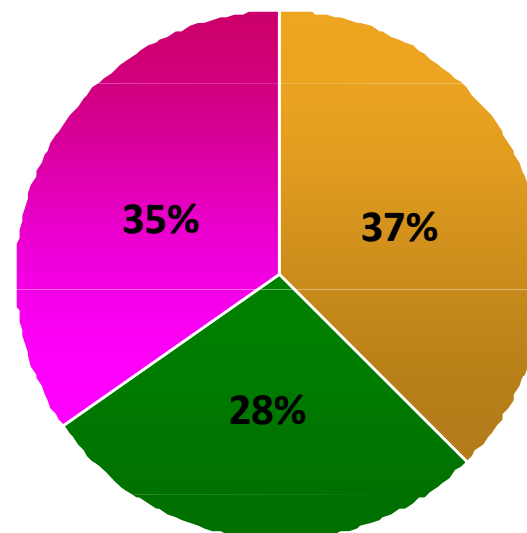
Revenue & EBITDA Contributions

- ✓ Hispanic Brands represent 52% of revenues and contribute 63% of EBITDA

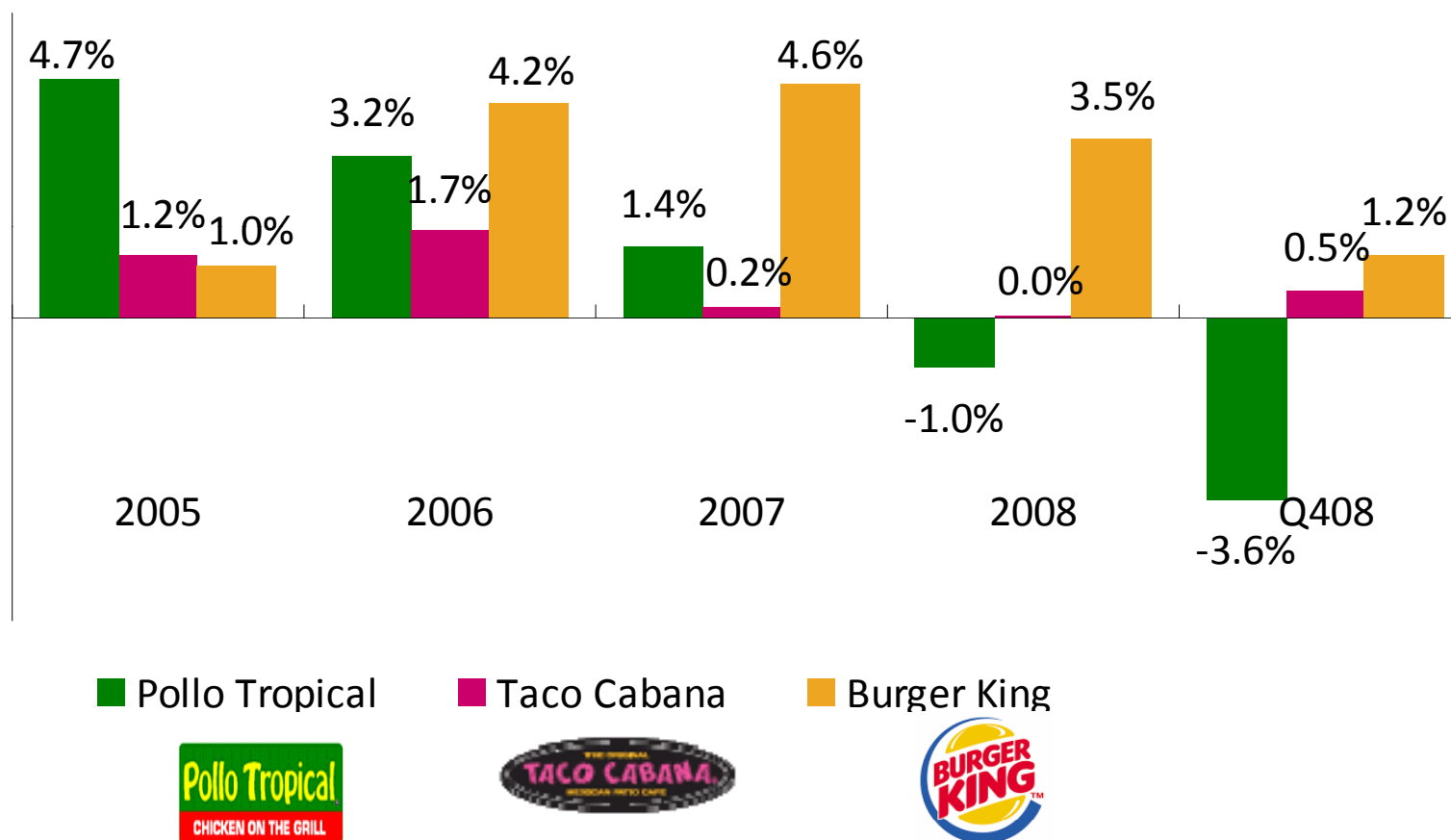
Revenue Mix



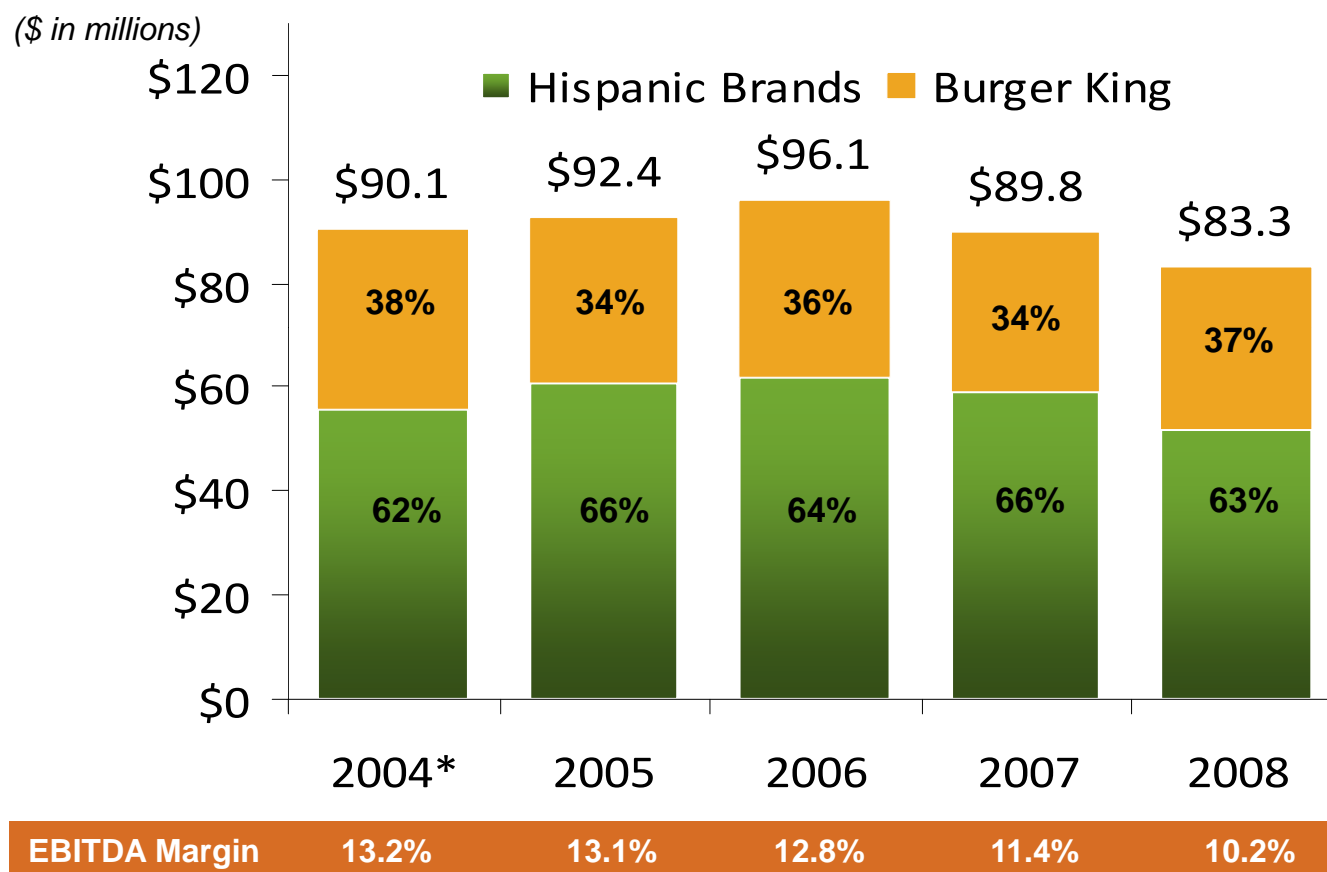
EBITDA Mix



Comparable Restaurant Sales



Historical EBITDA



- 2004 excludes the impact of one extra (53rd) week.

Consolidated Statement of Operations

	2006	2007	2008
Revenue	\$ 751.4	\$ 789.4	816.3
% Increase		5.1%	3.4%
Cost of Sales	210.3	225.9	244.8
	28.0%	28.6%	30.0%
Restaurant Wages	218.8	231.7	236.2
	29.1%	29.4%	28.9%
Income from operations	61.5	57.1	48.8
	8.2%	7.2%	6.0%
Interest expense	44.3	31.4	28.0
Non-recurring gain (loss)	2.8	(3.1)	(0.5)
Income (loss) before taxes	20.0	22.5	20.3
Provision for income taxes	6.6	7.5	7.5
Net income (loss)	\$ 13.4	\$ 15.1	12.8
EPS (as reported)	\$ 0.83	\$ 0.70	\$ 0.59
Proforma EPS	\$ 0.54	\$ 0.79	\$ 0.61

- 2008 pro forma EPS excludes gains from repurchase of subordinated debt (\$0.12 per share), insurance gain on Galveston, Texas unit (\$0.01 per share) and impairment charges (\$0.15 per share).
- 2007 pro forma EPS excludes write-off of deferred financing costs from refinancing of Company's senior credit facility (\$0.04 per share) and the write-down for a closed Pollo Tropical (\$0.05 per share).
- 2006 pro forma EPS excludes non-recurring gains in 2006 (\$0.09 per share) for reversal of closed store reserves and sale of a Pollo Tropical leasehold. Also gives effect for additional shares issued in December 2006 IPO.

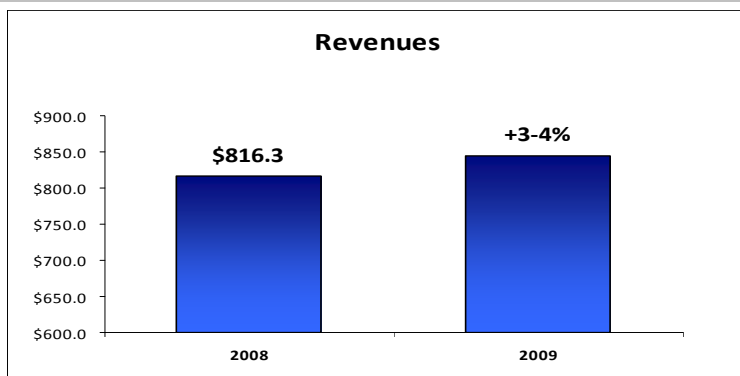
Debt Balances

- ✓ Long history managing leverage
- ✓ Capital structure is in place; low amortization, no near-term financing needs
 - ✓ 9% Senior Sub Notes due 2013
 - ✓ Favorable senior credit facility (March 2007); Libor +1.25%
- ✓ 2008 debt reduction of \$40.7 million
 - ✓ Repurchased \$15M of senior sub notes (\$10.5M)
 - ✓ Amendment or refinancing of leases reduced LFO's by \$46.6M
 - ✓ \$15M of sale/leasebacks in 2008

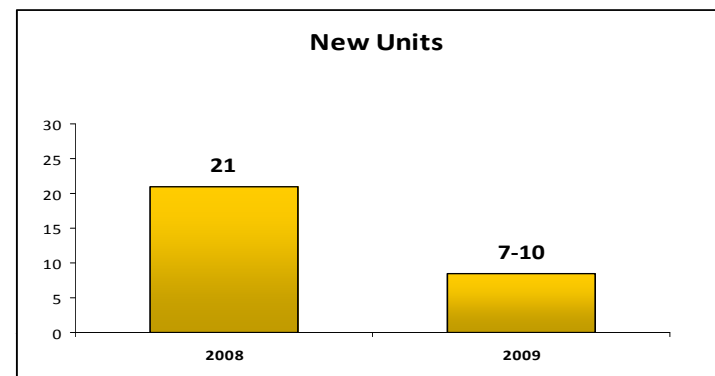
	December 31, 2006	December 31, 2007	December 31, 2008
Cash	\$3.9	\$7.4	\$3.4
Revolver	-	-	18.0
Term Loan	118.4	120.0	117.0
Lease Financing Obligations	58.6	52.7	14.9
Capital Leases	1.5	1.3	1.3
Senior Debt	178.5	174.0	151.2
Senior Subordinated Notes	180.0	180.0	165.0
Total Debt	\$358.5	\$354.0	\$316.2
Senior Debt / LTM EBITDA	1.9x	1.9x	1.8x
Total Debt / LTM EBITDA	3.7x	3.9x	3.8x

2009 Guidance

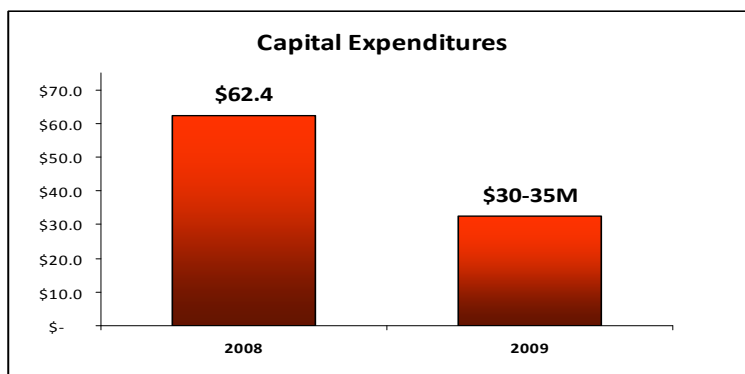
**Total revenues projected to increase 3-4%
Comps: BK 1-2%; PT (3-4%); TC flat to (1%)**



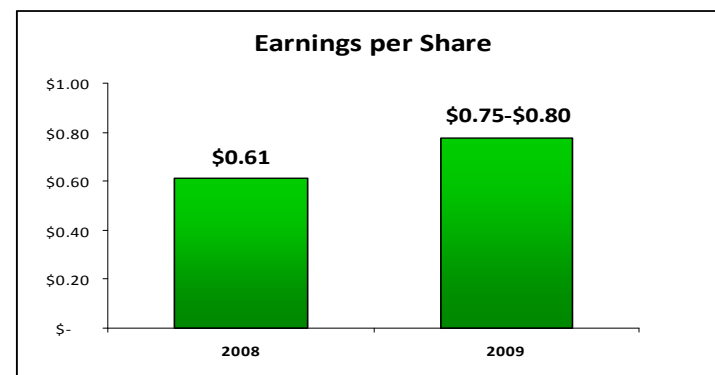
**5-7 New Units for Hispanic Brand
plus 2-3 Burger King relocations**



**Total capital spending of \$30-35M
which is 45% to 50% below 2008 levels**



**EPS of \$0.75-\$0.80 including approximately
\$0.07 from 53rd week in 2009**



Reducing near-term growth and capital spending in order to increase free cash flow,
reduce debt and reduce financial leverage

Investment Highlights

- Diversification of brands, commodities, and geographies in a challenging restaurant environment adds stability
- Significant growth opportunities for Hispanic Brands longer-term
 - Strong concepts with compelling unit economics
 - Well positioned to capitalize on demographic trends
 - Existing corporate infrastructure can be incrementally leveraged
 - Benefiting from Burger King resurgence as largest franchisee
- In near-term, managing financial leverage to maximize free cash flow and to reduce debt
- Will follow this strategy until we have more visibility to consumer spending, the economy and the capital markets as a whole
- Experienced management team with significant stock ownership and long-term focus



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