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In May 2014, the FASB issued ASU No. 2014-09, “*Revenue from Contracts with Customers*.” The core principle of the standard is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU will replace most existing revenue recognition guidance in GAAP. New qualitative and quantitative disclosure requirements aim to enable financial statement users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The new standard is effective for annual periods beginning after December 15, 2016, including interim periods within that reporting period. We will be required to adopt this new standard in the first quarter of Fiscal 2017. Early adoption is not permitted. The ASU permits the use of either the retrospective or cumulative effect transition method. We have not yet selected a transition method or determined the effect, if any, that this ASU will have on our consolidated financial statements and related disclosures.

In August 2014, the FASB issued ASU No. 2014-15, “*Presentation of Financial Statements—Going Concern (Subtopic 205-40): Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*.” ASU 2014-15 will require management to evaluate whether there are conditions or events that raise substantial doubt about the entity’s ability to continue as a going concern for one year from the date the financial statements are issued. The new standard is effective for the annual period ending after December 15, 2016, and for annual periods and interim periods thereafter. We will be required to adopt this new standard Fiscal 2016. We do not expect the adoption of this ASU to have a material impact on our consolidated financial statements.

In February 2015, the FASB issued ASU No. 2015-2, “*Consolidation (Topic 820): Amendments to the Consolidation Analysis*.” ASU 2015-2 provides a revised consolidation model for all reporting entities to use in evaluating whether they should consolidate certain legal entities. All legal entities will be subject to reevaluation under this revised consolidation model. The revised consolidation model, among other things, (i) modifies the evaluation of whether limited partnerships and similar legal entities are VIEs or voting interest entities, (ii) eliminates the presumption that a general partner should consolidate a limited partnership, and (iii) modifies the consolidation analysis of reporting entities that are involved with VIEs through fee arrangements and related party relationships. ASU 2015-2 is effective for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. We will be required to adopt this new standard Fiscal 2016. We are currently in the process of evaluating what impact, if any, the adoption of this ASU will have on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, “*Simplifying the Presentation of Debt Issuance Costs*,” which changes the presentation of debt issuance costs in financial statements. ASU 2015-03 requires an entity to present such costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset. Amortization of the costs will continue to be reported as interest expense. It is effective for fiscal years, and interim reporting periods within those fiscal years, beginning after December 15, 2015. We will be required to adopt this new standard in the first quarter of Fiscal 2016. The new guidance will be applied retrospectively to each prior period presented. We are currently in the process of evaluating the impact of adoption of the ASU on our consolidated balance sheets.

Quantitative and Qualitative Disclosures About Market Risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates and foreign currency exchange rates. We do not hold or issue financial instruments for trading purposes.

Foreign Currency Exchange Risk

The reporting currency for our consolidated financial statements is the US dollar. However, during the thirteen weeks ended March 29, 2015 and the fiscal year ended December 28, 2014 we generated approximately 15.8% and 23.7%, respectively, of our revenue in Brazil. As a result, we have been impacted by changes in exchange rates and may be impacted materially for the foreseeable future. For example, if the US dollar strengthens it would have a negative impact on our Brazilian operating results upon translation of those results into US dollars for the purposes of consolidation. The exchange rate of the Brazilian *real* against the US dollar is currently near a multi-year high. Any hypothetical loss in revenue could be partially or completely offset by lower food and beverage costs and lower selling, general and administrative costs that are generated in Brazilian *reais*. A 10% appreciation in the relative value of the US dollar compared to the Brazilian *real* would have resulted in lost income from operations of approximately \$0.9 million in Fiscal 2013, approximately \$1.2 million in Fiscal 2014 and approximately \$0.1 million in the thirteen weeks ended March 29, 2015. To the extent the ratio between our revenue generated in Brazilian *reais* increases as compared