Carrols Restaurant Group, Inc.

(Nasdaq: TAST)

Raymond James 38th Annual International Investors Conference

March 8, 2017

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. Forward-looking statements, written, oral or otherwise made, represent the Company's expectation or belief concerning future events.

Without limiting the foregoing, these statements are often identified by the words "may", "might", "believes", "thinks", "anticipates", "plans", "expects", "intends" or similar expressions. In addition, expressions of our strategies, intentions or plans, are also forward-looking statements.

Such statements reflect management's current views with respect to future events and are subject to risks and uncertainties, both known and unknown.

You are cautioned not to place undue reliance on these forward-looking statements as there are important factors that could cause actual results to differ materially from those in forward-looking statements, many of which are beyond our control.

Investors are referred to the full discussion of risks and uncertainties as included in Carrols Restaurant Group, Inc.'s filings with the Securities and Exchange Commission (SEC) including, without limitation, its Annual Report on Form 10-K.

Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA and Restaurant-Level EBITDA are non-GAAP financial measures. We are presenting these financial measures because we believe they provide a more meaningful comparison of our core business operating results, as well as to those of other similar companies. We believe that these measures, when viewed with our results of operations in accordance with GAAP, provide useful information about our operating performance and permit investors to gain an understanding of the factors and trends affecting our ongoing cash earnings, from which capital investments are made and debt is serviced.

These are not measures of financial performance or liquidity under GAAP and, accordingly, should not be considered as alternatives to net income (loss) or cash flow from operating activities as indicators of operating performance or liquidity. We direct you to our filings with the SEC for a reconciliation of these non-GAAP measures to the appropriate GAAP measures.

Overview

Carrols is the largest Burger King franchisee in the United States

- 790 restaurants with geographical diversity across 16 states [1]
- 2016 sales of $943.6M; adjusted EBITDA of $89.5M
- 2016 pro forma: $984.2 in sales; $93.2M in adjusted EBITDA

Best-in-class operator with strong P&L performance

- Historical performance has generally exceeded overall Burger King system
- Positive comparable restaurant sales growth in 21 of the last 23 quarters
- Strong financial momentum with significant growth opportunities

Well Positioned for Expansion and Growth Opportunities

- Have acquired 555 Burger King restaurants since May 2012
- Carrols controls franchisor's Right of First Refusal ("ROFR") in 20 states which BKC assigned to Carrols in 2012
- BKC holds 21% equity interest in Carrols
- Preapproved for expansion in ROFR states; potential to grow beyond this
- Over 70% of restaurants have been reimaged to updated "20/20" design over the last $4^{1/2}$ years

[1] Restaurant count as of March 2, 2017

Carrols Has a Long Operating History

Established in 1960, Carrols has a 56 year operating history driven by numerous M&A and capital markets transactions, and supported by a deep and experienced management team

1960s

1960
Founded as a fast-food hamburger company

1969
IPO

1970s 1980s

1976
Became largest Burger King franchisee by converting 78 Carrols restaurants

1986
Went private in LBO

1990s

1993 – 1997
Expanded from 195 to 335 units including 142 acquired BK restaurants

1998
Acquired Pollo Tropical

2000s

2000
Acquired Taco Cabana

2006
IPO

1998 – 2011
Expanded Fiesta Restaurant Group by 65% to ~250 units

2010s

2012
Spin-off of Fiesta ("FRGI")

Acquired 278 units from BKC

2014
$71M equity offering

Acquired 123 Burger Kings

2015s

2015
$200M debt refinancing raised $35M

Acquired 55 Burger Kings

2016
Acquired 56 Burger Kings

2017
Acquired 43 Burger Kings (Feb 2017)

Today

790 Burger King Restaurants Across 16 States (1)

>21,000 Employees

(1) As of March 2, 2017.

Investment Highlights

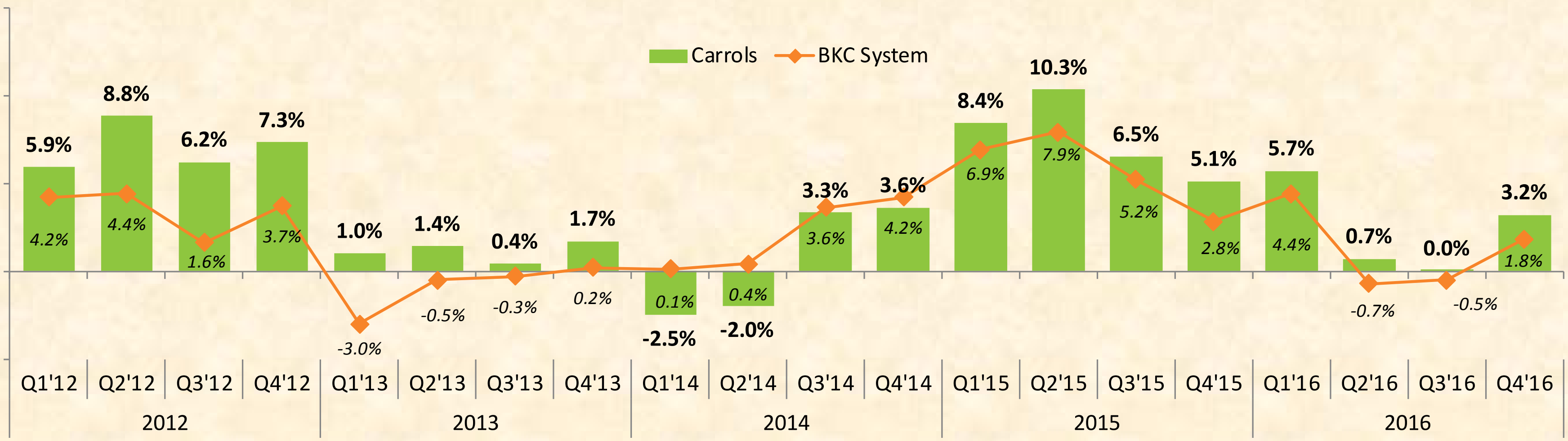
Carrols provides a potential growth opportunity with an attractive risk/reward profile

- Largest Burger King franchisee positioned for continued expansion
  - Carrols controls "ROFR" assigned by BKC in 20 states and is preapproved for expansion
  - BKC holds a 21% equity interest in Carrols
- Supported by the strength of an iconic global brand
- Effective Burger King strategic initiatives, along with Carrols' operating improvements to acquired restaurants, are driving improved financial results
- Multiple growth opportunities; acquisition focused growth strategy has a better risk/reward profile
- Leverage of best-in-class operations and strict P&L disciplines creates a compelling valuation arbitrage with respect to acquisitions
- Systems and infrastructure in place to support additional growth
- Experienced management team with a proven track record of creating shareholder value

Positive Comparable Restaurant Sales Trends

- Positive comparable restaurant sales in 21 of last 23 quarters
- Driven by effective Burger King promotions, marketing and restaurant remodeling initiatives
- Historically, Carrols' sales trends have generally outperformed the Burger King system
- Comparable sales increase of 2.3% in 2016 over a 7.4% increase in 2015

Comparable Restaurant Sales – Carrols vs. the BK System



Note: Burger King system comparable restaurant sales are for U.S. and Canadian restaurants.

Effective Burger King Menu and Marketing Strategy

Effective marketing and promotional campaigns are driving top-line sales

- Barbell pricing strategy with balanced marketing approach
  - Value promotions used to drive traffic
  - Premium products build brand and drive growth in core business
- Food-centric advertising targets broad demographic base and has expanded brand appeal
- Using differentiating products and social media to effectively appeal to BK's younger customers
- Promotional activity has increased over the past year along with other QSR competitors

Premium products + value promotions = Balanced approach to drive sales and profitable traffic

Value Promotions – Drive Traffic

(Through 12/16)

Premium – Build Brand, Check and Core Business

Remodeling Investments Contributing to Sales Growth

- Over 70% of restaurants (534) have been reimaged to updated “20/20” design
  - Completed 93 remodels in 2016; reimaged 489 restaurants since 2012
  - 45 restaurants acquired since 2014 were remodeled prior to acquisition
- Reimaged restaurants have experienced an average sales lift of ~10-12% with cash on cash returns of 12-15%
- Remodeling (including rebuilds) will slow to 25-32 in 2017 adding free cash flow available for additional acquisitions and building new restaurants

Interior Images (Before and After Reimage)

Exterior Images (Before and After Reimage)

Multiple Growth Opportunities with a Focus on Acquisitions

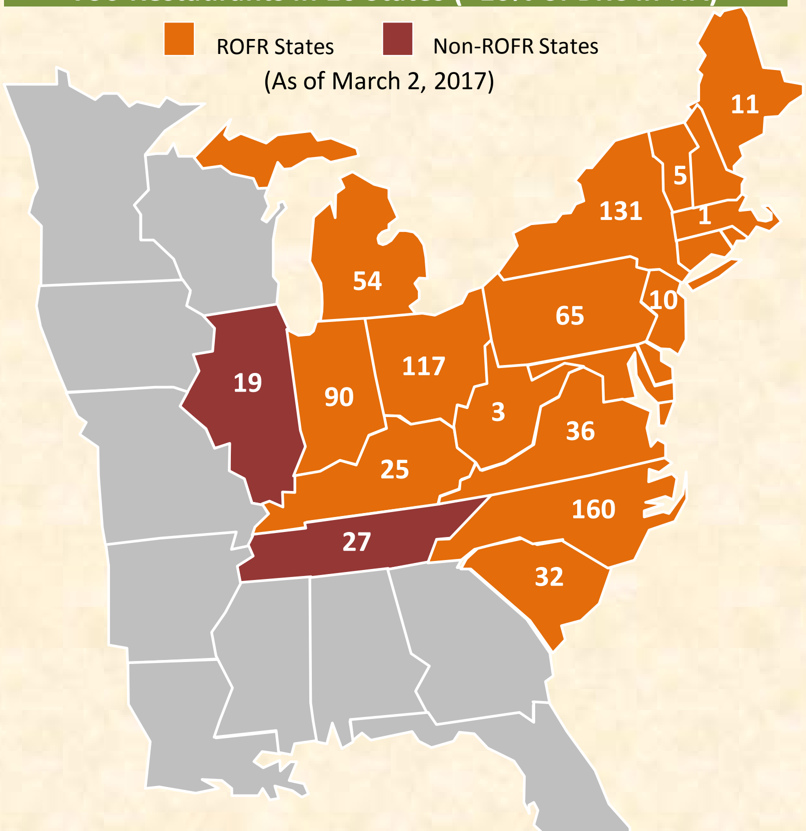
Compared to traditional company-owned business models, Carrols' growth opportunities offer a reasonably predictable risk/reward profile

- Growth through acquisition of existing restaurants is a lower risk expansion strategy as historical sales and cost structure are known for any given location
- Future EBITDA growth is much less reliant on new unit development
- Our size enables more consistent operating execution of Burger King sales and marketing initiatives in our markets
- Franchisee acquisitions provide a compelling valuation arbitrage which creates shareholder value
- Wide geographic footprint provides opportunities to fill in markets including selective new unit development

Organic Growth → Franchisee Acquisitions → New Store Development → Restaurant Remodels → **Growth with an Attractive Risk/Return Profile**

Positioned to Execute Expansion Strategy

Largest BK Franchisee -
790 Restaurants in 16 States (>10% of BKC in NA)



Positioned for Expansion

- Control Burger King's right of first refusal (ROFR) in a 20-state area [(1)]
- Preapproved to expand to 1,000 restaurants in the ROFR territory
- Ability to expand beyond this region with Burger King approval
- BKC holds 21% equity interest in Carrols
- Have acquired 555 restaurants since May 2012
- Demonstrated ability to effectively integrate acquisitions and improve operating performance

There are over 2,000 additional franchised restaurants in the 20-state ROFR area[(2)]

(1) ROFR includes Washington, D.C. and excludes specified markets (i.e., NYC, Boston and Hartford metro markets).
(2) Information based on Burger King's 2013 Franchise Disclosure Document. Includes ~300 units in non-ROFR markets in NY, CT and MA.

Acquired 277 Restaurants Over Past 3 Years

Date	# of Units	Markets	# of Fee Owned
2014 – Acquired 123 Restaurants			
4/30/14	4*	Fort Wayne, IN	
6/30/14	4*	Pittsburgh, PA market	1
7/22/14	21	Rochester, NY and Southern Tier Western NY	
10/8/14	30*	Eastern North Carolina	12
11/4/14	64	Nashville, TN; Springfield, IL; Terre Haute, IN; Evansville, IN	
2015 – Acquired 55 Restaurants			
3/31/15	4	Northern Vermont	
8/5/15	5*	Rock Hill and Fort Mill, South Carolina	
10/1/15	5*	Wheeling, WV market	1
10/20/15	1	Kalamazoo, MI	
11/17/15	8	Evansville market	5
12/1/15	23*	Detroit, MI market	10
12/8/15	9	Northern New Jersey	

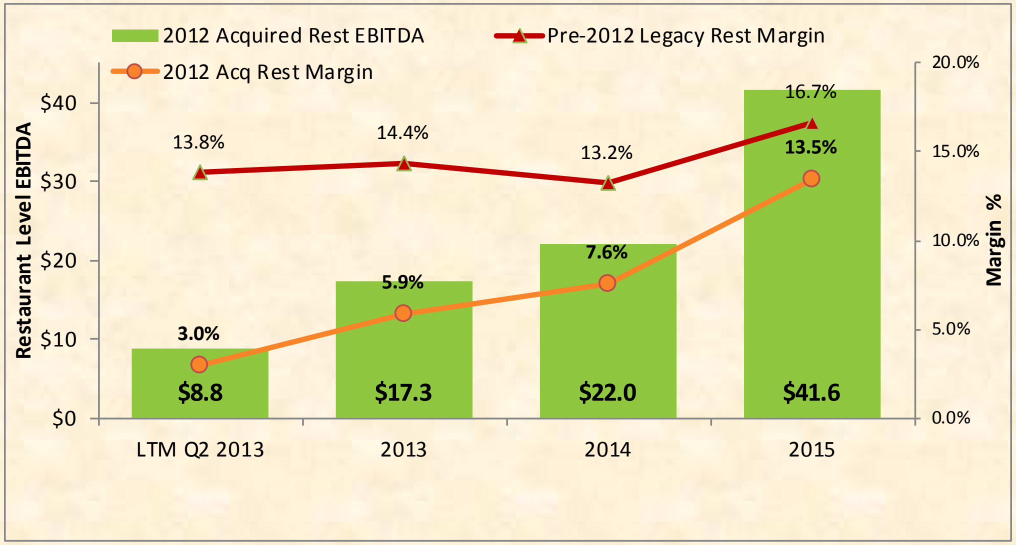
Date	# of Units	Markets	# of Fee Owned
2016 – Acquired 56 Restaurants			
2/23/16	12*	Central Pennsylvania	
5/25/16	6*	Detroit, MI	5
7/14/16	4*	Detroit, MI	3
8/23/16	7	Portland, ME	6
10/4/16	3	Raleigh, NC	
11/8/16	7	Columbus, OH	6
11/15/16	17	Pittsburgh & Johnstown , PA	
2017 – Acquired 43 Restaurants			
2/28/17	43	Cincinnati, OH	

* Acquisition made following exercise of right of first refusal.

Performance Improvements Create Valuation Arbitrage

- Best-in-class operator with strong operating culture, robust technology and strict P&L disciplines
- Have improved the operating and financial performance of the restaurants acquired since 2012
- Restaurant level EBTIDA margins for restaurants acquired in 2012 (278 acquired from BKC) improved over 1000 bps in the three years following first year of ownership(1)
- Margins at restaurants acquired in 2014 have increased ~270 bps from sellers' prior LTM cash flow

EBITDA and Restaurant Margin Improvements (2012 Acquisition)



(1) FY 2015 vs. Q2 2013 LTM.

Carrols believes its margins to generally be 200-400 bps higher than many smaller franchisees creating a valuation arbitrage for acquisitions.

2014-2016 acquisition multiples of ~3.5-4.0x restaurant EBITDA are anticipated to be 2.5x-3.0x post integration (within 18 months)

Infrastructure and Team to Support Future Growth

Robust and scalable infrastructure with capacity to support continued growth

- Strong management team with deep bench strength and broad functional expertise
- Our size affords us the ability to optimize technology and ensure consistent application of operating controls across all of our restaurants

Tenured Personnel + **Robust and Scalable Technology** + **Broad Capabilities**

Tenured Personnel

- Deeply tenured operating management
- Regional structure with capacity to grow (9 Region Directors)
- District Manager span of control of 7-8 units

Robust and Scalable Technology

- State of the art point-of-sale system
- Inventory and production control systems
- Scheduling and labor management systems
- HR and financial back office support
- Centralized standard cost system for both labor and cost of sales
- Robust management reporting at all levels

Broad Capabilities

- Training, marketing, construction management
- Broad real estate and site development experience
- Extensive expertise integrating and managing acquisitions
- Strict P&L controls
- Strong transactional and capital markets expertise

Carrols has the people, systems and in-house expertise to support a larger organization

Experienced Team with a Proven Track Record

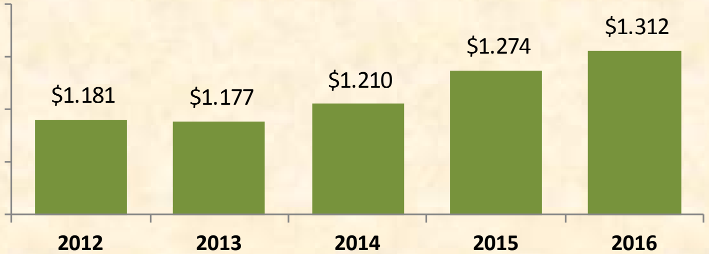
Carrols has an experienced management team with a proven track record of achieving strong operating performance

- Senior leadership has extensive operating, M&A, capital markets and integration expertise
- Strong operating culture. Deep bench includes nine Regional Directors with 28 years average tenure in the Burger King system and 107 District Managers with 17 years average tenure in the Burger King system.

Senior Leadership	Position	Age	Years with Carrols
Dan Accordino	Chairman of the Board, Chief Executive Officer, President & Director	66	44
Paul Flanders	Vice President, Chief Financial Officer	60	20
Rick Cross	Vice President, Real Estate	54	32
Jerry DiGenova	Vice President, Human Resources	59	43
Tim LaLonde	Vice President, Controller	60	19
Bill Myers	Vice President, General Counsel	61	16

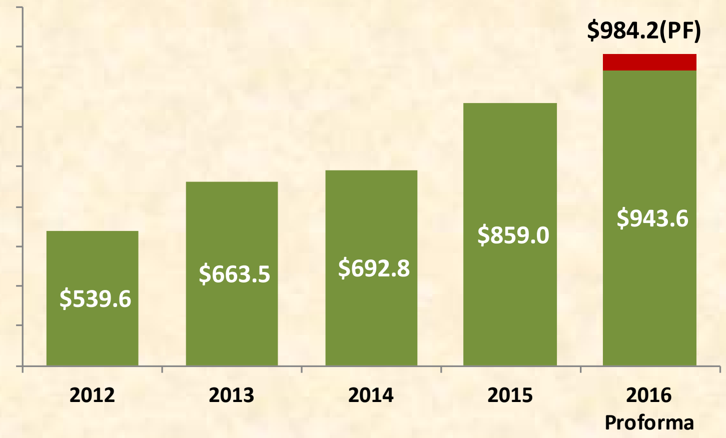
Financial Summary

Average Unit Volume

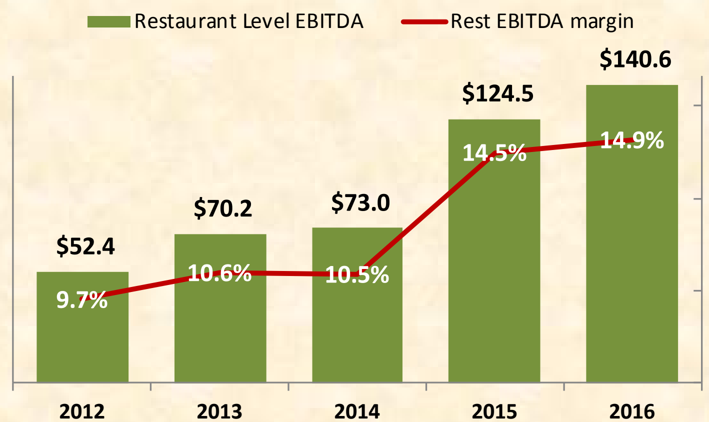


	2012	2013	2014	2015	2016
Beg Units	298	572	564	674	705
New units		2	1		4
Acquired	278	1	123	55	56
Closed	(4)	(11)	(14)	(24)	(12)
Ending Units	572	564	674	705	753

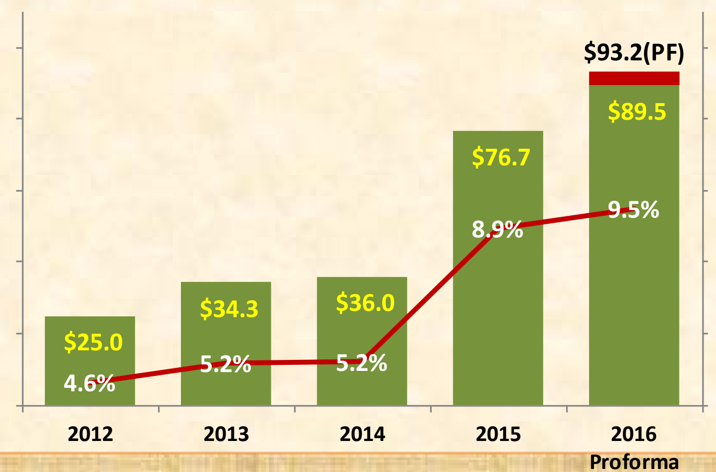
Revenues



Restaurant Level EBITDA



Adjusted EBITDA



EBITDA adjusted to exclude acquisition costs.
2015 includes one extra operating week (~$16M sales; $4M EBITDA)

Financial Results and 2017 Guidance

Financial Results ($ mm)

	4th Quarter			Fiscal Year			2017
	2015	2016	Change	2015	2016	Change	Guidance
Sales	$229.1	$240.8	$11.8 5.1%	$859.0	$943.6	$84.6 9.8%	$1.02 to $1.07B
Comparable unit sales (%)	5.1%	3.2%		7.4%	2.3%		2% to 4%
Restaurant-level EBITDA	36.8	33.6	(3.2)	124.5	140.6	16.1	$144 to $156M (1)
Margin (%)	16.1%	14.0%	-2.1%	14.5%	14.9%	0.4%	14.1% to 14.6% (1)
Adjusted EBITDA (2)	23.7	20.4	(3.3)	76.7	89.5	12.8	$90 to $100M
Margin (%)	10.4%	8.5%	-1.9%	8.9%	9.5%	0.6%	8.8% to 9.3% (1)
Income from Operations	11.6	6.1	(5.5)	31.2	35.7	4.5	
Adjusted Net Income (3)	6.5	2.0	(4.5)	13.4	17.9	4.4	
Adjusted Earnings per Share (3)	$ 0.14	$ 0.04	$ (0.10)	$ 0.30	$ 0.40	$ 0.10	

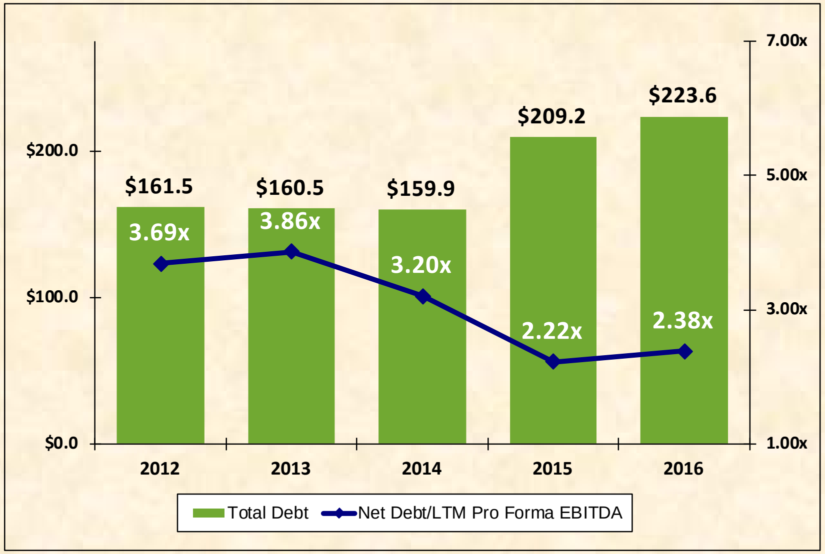
(1) Implied range based on actual guidance provided.

(2) Adjusted EBITDA includes approximately $4.0M for one extra week in 2015 ($0.06 per diluted share).

(3) Adjusted net income excludes loss on debt extinguishment in 2015 and reversal of valuation allowance for deferred taxes in 2016, among other things.

Debt and Capital Structure

Debt and Leverage (net of cash)



Capitalization Table ($ M)	1/1/17
Cash	$ 2.0
Debt:	
Revolving Credit Facility	$ 13.5
Senior Secured 2nd Lien Notes	200.0
Capital leases	7.0
Lease financing obligations	3.0
Total Debt	$ 223.6

- Long history in capital markets with demonstrated ability to prudently employ and manage leverage
- April 2014 equity offering raised $67 million
- April 2015 financing raised $35M (net):
  - $200 million senior secured 2nd lien notes (8%)
  - 7 year tenor, non-call 3 years (May 2018)
  - 325 bps reduction in interest rate
- Leverage has decreased due to strong operating performance and EBITTDA from new acquisitions
- Capital in place for additional growth:
  - Upsized revolver in early 2016 from $30M to $55M.
  - Further upsized in Jan 2017 to $73M to provide additional capital for acquisitions.
  - $13.5M outstanding on revolver at end of 2016

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