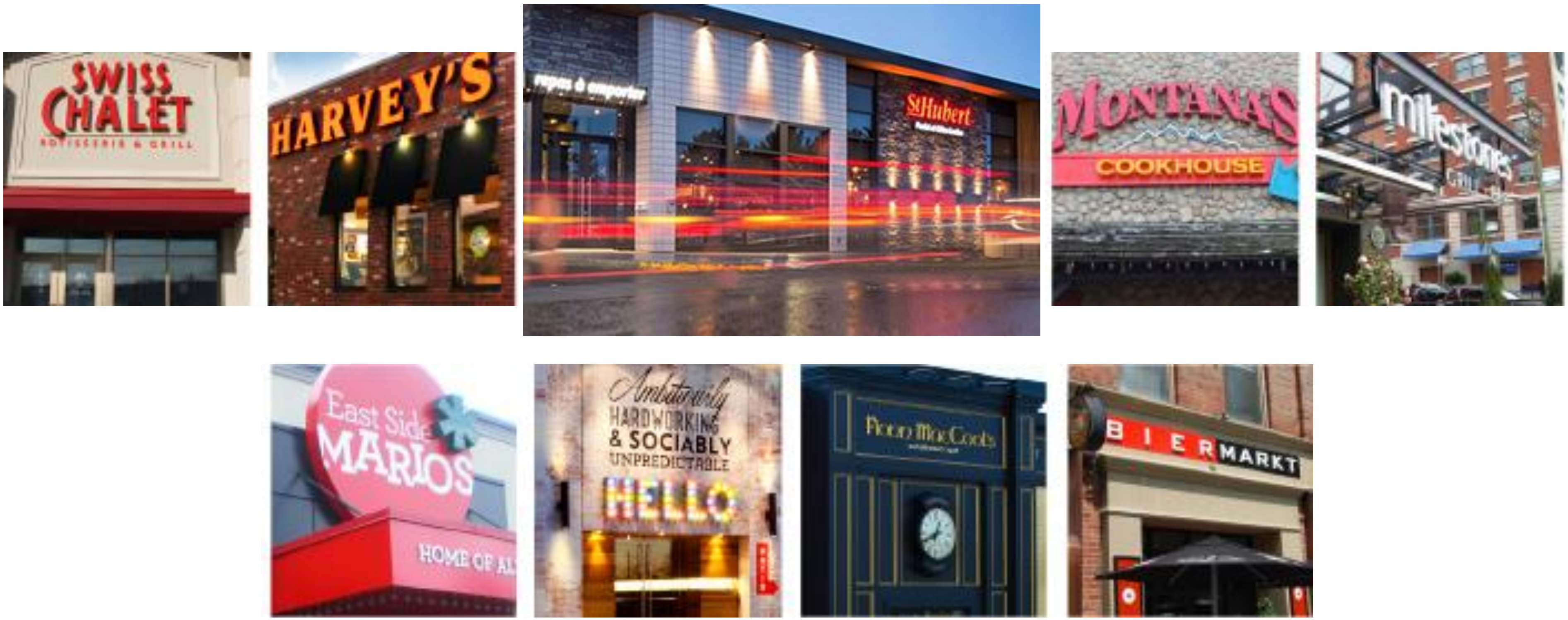
Acquisition of Groupe St-Hubert by Cara

March 2016



Disclaimers

This presentation contains "forward-looking information" within the meaning of applicable securities laws. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects", "estimates", "intends", "anticipates", "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "achieve".
These forward-looking statements include, among other things, statements relating to:

- the timing and completion of the proposed acquisition;
- final financing breakdown;
- *pro forma* capitalization of the Company;
- timing and value of expected synergies;
- the effective accretion (which may be impacted by final financing arrangements);
- growth prospects;
- future business strategy; and
- expectations regarding operations.

Forward-looking information is necessarily based on a number of assumptions and estimates that, while considered reasonable by the Company as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking information. With respect to the acquisition, these assumptions and estimates include: completion of the transaction on terms set out in the share purchase agreement and in a manner consistent with management's expectations; completion of any financing arrangements; the accuracy of management's assessment of the effects of the acquisition, including the ability to generate synergies consistent with management's expectations; and the ongoing performance of the businesses of Cara and St-Hubert. With respect to other forward-looking information, these factors and assumptions include: potential volatility of Subordinate Voting Share price; payment of dividends; financial reporting and other public company requirements; forward-looking information; significant ownership by the Principal Shareholders; dilution; limited voting rights of the Subordinate Voting Shares; quarterly operating results may fluctuate; securities analysts' research or reports could impact price of Subordinate Voting Shares; the restaurant industry; competition with other franchisors; quality control and health concerns; security breaches of confidential guest information; public safety issues; damage to the Company's reputation; availability and quality of raw materials; reliance on suppliers; growth of the Company; franchisees; franchise fees and other revenue; franchisee relations; revenue reporting risks; opening new restaurants; potential inability to consummate acquisitions; integration of acquisitions and brand expansion; retail licensing opportunities; seasonality and weather; regulations governing alcoholic beverages; laws concerning employees; dependence on key personnel; attracting and retaining quality employees; unionization activities may disrupt the Company operations; reliance on information technology; intellectual property; lawsuits; regulation; and Company's insurance may not provide adequate levels of coverage. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company. These factors and assumptions, however, should be considered carefully.

Although the Company has attempted to identify important factors and assumptions that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors and assumptions that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information contained herein, except as required by applicable securities laws.

Non-IFRS Measures

This presentation makes reference to certain non-IFRS measures. These measures are not recognized measures under International Financial Reporting Standards ("IFRS") and do not have a standardized meaning prescribed by IFRS. They are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective.

Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS measures including "System Sales", "EBITDA", "Operating EBITDA", "Operating EBITDA Margin", "Operating EBITDA Margin on System Sales", "Adjusted Net Earnings per Share", "Adjusted EBITDA", "Pro Forma System Sales", "Pro Forma Operating EBITDA" and "Pro Forma Operating EBITDA Margin on System Sales" to provide investors with supplemental measures of its operating performance and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. See "Description of Non-IFRS Measures".

The Company also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. The Company's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and to determine components of management compensation.

St-Hubert Acquisition Overview

- On March 30, 2016, Cara Operations Limited ("Cara" or the "Company") entered into a definitive agreement to acquire 100% of Groupe St-Hubert Inc. ("St-Hubert") for $537 million or 12x Adjusted EBITDA[(1)]
- St-Hubert provides Cara with:
  - Another iconic brand
  - The #1 full service restaurant chain in Quebec[(2)]
  - Restaurant operations:
    - System Sales[(1)] of $403 million from the restaurant operations
    - 117 restaurants (108 franchised) located primarily in Quebec
    - A platform from which to expand Cara's restaurant brands into Quebec
  - Food operations:
    - Total revenue of $225 million
    - 2 food manufacturing plants and 2 distribution centers in Quebec
    - A leader in extending restaurant brands into retail grocery sales, as demonstrated by the success of the St-Hubert food brand which has annual sales in excess of $100 million
    - A platform to develop a national food retail program for Cara's restaurant brands in conjunction with the St-Hubert brand, utilizing the existing St-Hubert Quebec facilities and supplier base
  - Incremental Adjusted EBITDA[(1)] of approximately $44.8 million before synergies
- Debt commitments in place to fund the $487 million cash portion of the purchase price ($537 million less $50 million equity take-back by the vendor)
- Cara may seek to opportunistically access the equity markets for approximately $200 million
- Closing targeted for summer 2016

(1) See "Non-IFRS Measures".
(2) 2015 Technomic Report

St-Hubert Acquisition Rationale

- **St-Hubert is an Iconic Restaurant Chain**
  - St-Hubert is the #1 full-service restaurant operator in Quebec and #4 in Canada, based on sales(1)
- **St-Hubert Increases Cara's Presence in Quebec**
  - Increases Cara's presence in Quebec, a region in which Cara has a limited footprint
  - A platform from which to expand Cara's restaurant brands into Quebec
- **Significant Synergy Potential**
  - Expected annual run-rate synergies of $10 million within 3 years
  - Additional EBITDA opportunities anticipated beyond 3 years as the national retail food program for the Cara brands fully develops, utilizing the existing St-Hubert Quebec facilities and supplier base
- **Accretive to Adjusted Net Earnings per Share while Maintaining Strong Financial Flexibility**
  - Expected to be immediately accretive(2) to Adjusted Net Earnings per Share(3)
  - Pro Forma Net Debt / Operating EBITDA(3, 4) of 2.2x, assuming a $200 million equity issuance
- **St-Hubert Significantly Increases Cara's System Sales and Operating EBITDA**
  - Pro Forma System Sales(3, 4) of $2.5 billion(3,4), Pro Forma Operating EBITDA(3,4) of $161 million(3,4), Pro Forma Operating EBITDA Margin on System Sales(3,4) of 6.5%(3,4)
  - The acquisition brings Cara very close to the starting point of its 5-7 year targets that were set out at IPO in April 2015
  - Management continues to believe that significant opportunities for organic and acquisition related growth remains that will enable us to exceed those targets

(1) 2015 Technomic Report
(2) See "Forward Looking Statements".
(3) See "Non-IFRS Measures".
(4) Based on management estimates. Adjusted for full-year contribution of New York Fries and pro forma for the St-Hubert acquisition.

St-Hubert Overview: Restaurant Operations

- 117 restaurant locations, operating under three different formats
  - Traditional St-Hubert rotisseries involve a seated dining area with service, an extensive menu and often with a children's corner
  - St-Hubert Resto-Bars: Traditional St-Hubert rotisseries and are licensed to serve alcohol without food
  - St-Hubert Express: Self-serve seating and a pared-down menu at a lower cost with no gratuity
- Franchise focused business model, with 108 locations operated by franchisees
- Significant real estate portfolio consisting of 26 owned restaurant properties

Quebec Focused, with 108 or 92% of Total Restaurants Located in Quebec

St-Hubert Overview: Food Manufacturing Operations

- Manufactures and distributes fresh, frozen and non-perishable food items under the St-Hubert and other proprietary brand names as well as under several private label brands
- St-Hubert food brands:
- St-Hubert owns and operates two manufacturing plants, owns and operates one distribution center, and leases one additional distribution center

Location	Facility Type	Square Footage
Anjou, QC	Distribution	89,410
Blainville, QC	Manufacturing	33,000
Boisbriand, QC	Distribution & Manufacturing	205,000

- Capacity to transport fresh, frozen and non perishable foods through its fleet of trucks
- 34% of sales are internal to the St-Hubert restaurant network
- 66% of sales are to external customers, including national grocery customers Sobeys, Loblaws, Costco and Metro
- Products offered include meat pies, chicken pie, chicken nuggets, ribs, sauces and gravy, soups and salads

An Iconic Restaurant Chain

CARA

- St-Hubert is the #1 full-service restaurant operator in Quebec(1) and #4 full-service restaurant operator in Canada(1)
- Reputation for great tasting rotisserie chicken, courteous service and an inviting, trendy atmosphere

Top Full-Service Chains
(By 2014 Canadian Sales) (1)

	Restaurant Chain	Sales (C$ millions)
	Cara Full-Service Combined	***$1,786***
1.	BP	$1,012
2.	SWISS CHALET ROTISSERIE & GRILL	**$545**
3.	THE KEG STEAKHOUSE + BAR	$473
4.	StHubert	**$345**(2)
5.	earls KITCHEN + BAR	$275
6.	MONTANA'S BBQ & BAR	**$234**
7.	MOXIE'S GRILL | BAR	$204
8.	JACK ASTOR'S	$203
9.	White Spot	$172
10.	milestones GRILL + BAR	**$169**
11.	East Side MARIO'S	$168
12.	JOEY RESTAURANTS	$159
13.	KELSEY'S	**$157**
	TOTAL FULL-SERVICE	**$25,087**

Top 10 Restaurant Operators
(By 2014 Canadian Sales) (1)

	Restaurant Operator	Sales (C$ millions)
1.	Tim Hortons / BURGER KING (Restaurant Brands Intl.)	$6,958
2.	McDonald's	$4,331
3.	CARA	**$2,106 (prev. $1,761)** (3)
4.	SUBWAY	$1,406
5.	Starbucks	$1,356
6.	MTY	$1,056
7.	BP	$1,012
8.	Yum!	$990
9.	A&W	$986
10	Wendy's	$656
	TOTAL INDUSTRY	**$50,419**

Source: Technomic, Statistics Canada.
(1) 2015 Technomic Report.
(2) St-Hubert sales were $403 million for the year ended Sept. 30, 2015.
(3) Excludes retail food sales for St-Hubert and limited-service (QSR) sales for Cara

Increases Cara's Presence in Quebec

- Increases Cara's presence in Quebec, a region in which the Company has a limited footprint
- Platform to expand certain Cara brands into Quebec, under the guidance of St-Hubert management

British Columbia	
5% of locations	
Milestones	17
NYF	17
Montana's	10
Swiss Chalet	9
Harvey's	1
Kelsey's	1
East Side Mario's	1
Total	**56**

Alberta	
9% of locations	
NYF	26
Swiss Chalet	23
Montana's	20
Harvey's	19
Prime Pubs	6
Milestones	6
East Side Mario's	5
Kelsey's	1
Total	**106**

Saskatchewan	
2% of locations	
Montana's	6
NYF	5
Swiss Chalet	2
Harvey's	2
Milestones	1
East Side Mario's	1
Total	**17**

Manitoba	
1% of locations	
NYF	5
Montana's	5
Harvey's	3
Swiss Chalet	1
Prime Pubs	1
Total	**15**

Ontario	
60% of locations	
Harvey's	185
Swiss Chalet	164
Kelsey's	68
NYF	61
East Side Mario's	59
Montana's	51
Milestones	30
Prime Pubs	26
Casey's	13
Bier Markt	6
St-Hubert	6
Landing	4
Total	**673**

Quebec	
15% of locations (6% before acquisition)	
St-Hubert	108
Harvey's	48
East Side Mario's	5
Casey's	6
Bier Markt	1
NYF	1
Total	**169**

Atlantic	
5% of locations	
Swiss Chalet	18
Harvey's	10
Montana's	7
East Side Mario's	7
NYF	7
St-Hubert	3
Kelsey's	1
Milestones	1
Total	**54**

International	
3% of locations	
NYF	37

Population[(1)] per Restaurant

British Columbia, Alberta, Saskatchewan, Manitoba	Ontario	Quebec	Atlantic
58,548	20,580	49,022 (135,814 before acquisition)	43,966

(1) Population data based on Statistics Canada as of December 31, 2015.

Opportunity for Synergies[(1)]

Summary of Synergy Opportunities	
Annual Run-Rate Synergies to be Realized within 3 Years: ($10 million)	• Expected to come from areas such as: o Purchasing o Cost reduction • Initial phase of food retail expansion • Cara will maintain an office in Quebec to fully leverage the skills and capabilities of the St-Hubert team
Additional Opportunities Beyond 3 Years:	• Fully develop the national retail food program for the Cara brands in conjunction with the St-Hubert brands • Expand Cara's restaurant brands into Quebec, under the guidance of St-Hubert management • Leverage St-Hubert's management team, existing production facilities, and supplier and customer relationships to lead this growth

(1) See "Forward Looking Statements".

St-Hubert Significantly Increases Cara's System Sales and Operating EBITDA

- Pro Forma System Sales of $2.5 billion[1, 2]
- Pro Forma Operating EBITDA of $161 million[1, 2]
- Acquisition brings Cara very close to the starting point of its 5-7 year targets that were set out at IPO in April 2015
- Management continues to believe that significant opportunities for organic and acquisition related growth remains

Metric	Fiscal 2013	Fiscal 2014	Fiscal 2015	Fiscal 2015 Pro Forma[2]	5-7 Year Targets from April 2015
System Sales[1]	$1,372	$1,696	$1,766	$2,471	**$2,500 - $3,000**
Operating EBITDA[1]	$48	$84	$111	$161	**$175 - $240**
Operating EBITDA Margin on System Sales[1]	3.5%	4.9%	6.3%	6.5%	**7% - 8%**

(1) See "Non-IFRS Measures".
(2) Based on management estimates. Adjusted for full-year contribution of New York Fries and pro forma for the St-Hubert acquisition.

Financing Overview

- Debt commitments from Scotiabank and a syndicate of lenders are in place to fund the $487 million cash portion of the purchase price ($537 million less $50 million equity take-back by the vendor)
- To increase financial flexibility, Cara may seek to opportunistically access the equity markets for approximately $200 million
  - Fairfax has committed to participate pro rata up to a price of $30 per share, has the option to participate pro rata above $30 per share and will backstop $200 million at $26.20 per share

Capitalization

	As at Dec. 27, 2015	Adjustments	Pro Forma(4) (after $50 million equity take-back by the vendor and a $200 million equity issuance)
Cash	**$19**	**-**	**$19**
Total Debt:			
Revolving Credit Facility	$65	$144(2)	$209(2)
Term Loans	-	$149(2)	$149(2)
Finance leases	$21	-	$21
Total Debt	**$86**	**$293**	**$379**
Shareholders' Equity	**$225**	**$244(3)**	**$468**
Total Capitalization	**$310**	**$537**	**$847**
Net Debt / Operating EBITDA(1)	**0.6x**		**2.2x**

(1) See "Non-IFRS" Measures".
(2) Net of deferred financing costs.
(3) Net of expected commissions and other expenses related to the equity offering.
(4) Based on management estimates. Adjusted for full-year contribution of New York Fries and pro forma for the St-Hubert acquisition.

St-Hubert Acquisition Rationale

- St-Hubert is an Iconic Restaurant Chain
- St-Hubert enables Quebec to be a growth opportunity for Cara both through increased provincial store counts and brands, and as the centre of Cara's national retail food initiative
- Significant Synergy Potential
- Accretive to Adjusted Net Earnings per Share while Maintaining Strong Financial Flexibility
- St-Hubert Significantly Increases Cara's System Sales and Operating EBITDA

Description of Non-IFRS Measures

The Company's audited financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board and accounting policies adopted by the Company in accordance with IFRS.

The Company's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and to determine components of management compensation. These measures are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS. They are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. This presentation makes reference to certain non-IFRS measures including:

"System Sales" represents top line sales received from restaurant guests at both corporate and franchise restaurants including take-out and delivery customer orders. System Sales includes sales from both established restaurants as well as new restaurants. Pro forma System Sales for the acquisition of St-Hubert include third party sales from the food division which consist of sales to franchise restaurants, grocery, industrial and food service clients net of commercial expenses. Management believes System Sales provides meaningful information to investors regarding the size of Cara's restaurant network, the total market share of the Company's brands and the overall financial performance of its brands and restaurant owner base, which ultimately impacts Cara's consolidated financial performance.

"EBITDA" is defined as net earnings (loss) from continuing operations before: (i) net interest expense and other financing charges; (ii) loss (gain) on derivative; (iii) write-off of financing fees; (iv) income taxes; (v) depreciation of property, plant and equipment; (vi) amortization of other assets; and (vii) impairment of assets, net of reversals.

"Operating EBITDA" is defined as net earnings (loss) from continuing operations before: (i) net interest expense and other financing charges; (ii) gain (loss) on derivative; (iii) write-off of financing fees; (iv) income taxes; (v) depreciation of property, plant and equipment; (vi) amortization of other assets; (vii) impairment of assets, net of reversals; (viii) losses on early buyout / cancellation of equipment rental contracts; (ix) restructuring; (x) conversion fees; (xi) net (gain) / loss on disposal of property, plant and equipment; (xii) stock based compensation; (xiii) change in onerous contract provision; and (xiv) lease costs and tenant inducement amortization.

"Operating EBITDA Margin" is defined as Operating EBITDA divided by total gross revenue from continuing operations.

"Operating EBITDA Margin on System Sales" is defined as Operating EBITDA divided by System Sales.

"Adjusted Net Earnings per Share" is defined as net earnings per share attributable to shareholders of the Company adjusted for the following: (i) gain (loss) on derivative; (ii) write-off of financing fees; (iii) impairment of assets, net of reversals; (iv) losses on early buyout / cancellation of equipment rental contracts; (v) restructuring; (vi) conversion fees; (vii) net (gain) / loss on disposal of property, plant and equipment; (viii) change in onerous contract provision; (ix) normalized interest expense, which adjusts for proceeds from the IPO and certain capital changes related to the IPO; and normalized income tax expense.

"Adjusted Net Earnings per Share" is defined as net earnings per share attributable to shareholders of the Company adjusted for the following: (i) gain (loss) on derivative; (ii) write-off of financing fees; (iii) impairment of assets, net of reversals; (iv) losses on early buyout / cancellation of equipment rental contracts; (v) restructuring; (vi) conversion fees; (vii) net (gain) / loss on disposal of property, plant and equipment; (viii) change in onerous contract provision; (ix) normalized interest expense, which adjusts for proceeds from the IPO and certain capital changes related to the IPO; and normalized income tax expense.

"Adjusted EBITDA" is defined as St-Hubert's EBITDA adjusted for certain expenses not anticipated to be incurred post-acquisition, non-recurring expenses and acquisition of certain franchisees.

"Pro Forma System Sales" is defined as System Sales adjusted for full-year contribution of New York Fries and the St-Hubert acquisition, as if the acquisitions had occurred on December 31, 2014.

"Pro Forma Operating EBITDA" is defined as Operating EBITDA adjusted for full-year contribution of New York Fries and the St-Hubert acquisition, as if the acquisitions had occurred on December 31, 2014.

"Pro Forma Operating EBITDA Margin on System Sales" is defined as Pro Forma Operating EBITDA divided by Pro Forma System Sales.

Acquisition of Groupe St-Hubert by Cara