

Cara Operations Announces Pricing of Initial Public Offering

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Cara Operations Limited ("**Cara**" or the "**Company**"), Canada's largest full-service restaurant company and third largest restaurant operator based on 2013 sales, announced today that it has entered into an underwriting agreement for the initial public offering (the "**Offering**") of 8,700,000 subordinate voting shares ("**Subordinate Voting Shares**") of the Company at a price of \$23.00 per share, for total gross proceeds of approximately \$200 million. The net proceeds to the Company will be used to repay indebtedness of the Company.

The Subordinate Voting Shares will carry one vote per share. The Company's multiple voting shares (the "**Multiple Voting Shares**"), which will be directly or indirectly owned by Fairfax Financial Holdings Limited and members of the Phelan family, will carry 25 votes per share. Based on the Offering price, the Company's market capitalization will be approximately \$1.1 billion.

The Offering is being made through a syndicate of underwriters led by Scotia Capital Inc., BMO Capital Markets and RBC Capital Markets (acting as joint bookrunners) and including CIBC World Markets Inc., TD Securities Inc., National Bank Financial Inc., Canaccord Genuity Corp., GMP Securities L.P., Raymond James Ltd., Cormark Securities Inc. and Laurentian Bank Securities Inc. (the "**Underwriters**"). The Company has also granted the Underwriters an over-allotment option (the "**Over-Allotment Option**") to purchase an additional 15% of the number of Subordinate Voting Shares issued under the Offering, being 1,305,000 Subordinate Voting Shares).

Following completion of the Offering, Fairfax and members of the Phelan family will continue to hold 37,396,284 Multiple Voting Shares representing approximately 79% of the Company's total issued and outstanding shares (approximately 76% if the Over-Allotment Option is exercised in full).

The Toronto Stock Exchange (the "**TSX**") has conditionally approved the listing of the Company's Subordinate Voting Shares subject to fulfilling the customary TSX requirements. Trading of the Company's Subordinate Voting Shares under the symbol "CAO" is expected to commence on the closing of the Offering. The closing is scheduled for April 10, 2015, subject to customary closing conditions. A copy of the final prospectus will be available on SEDAR (www.sedar.com).

No securities regulatory authority has either approved or disapproved of the contents of this news release. The securities being offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold in the United States unless pursuant to an exemption therefrom. This press release is for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities of Cara Operations Limited in any jurisdiction.

For further information: Cara Public Affairs Hotline, Tel: 905-532-5100

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