

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K
CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 23, 2015

THE ONE GROUP HOSPITALITY, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-52651
(Commission File Number)

14-1961545
(IRS Employer
Identification No.)

411 W. 14th Street, 2nd Floor
New York, New York 10014
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (646) 624-2400

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 Regulation FD Disclosure.

Attached hereto as Exhibit 99.1 and incorporated by reference herein is an investor presentation of The ONE Group Hospitality, Inc.

The information set forth under this “Item 7.01. Regulation FD Disclosure,” including the exhibit attached hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) *Exhibits.*

99.1 Investor Presentation of The ONE Group Hospitality, Inc., dated June 23, 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: June 23, 2015

THE ONE GROUP HOSPITALITY, INC.

By: /s/ Samuel Goldfinger

Name: Samuel Goldfinger

Title: Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation of The ONE Group Hospitality, Inc., dated June 23, 2015

THE ONE GROUP

lifestyle hospitality

INVESTOR PRESENTATION

JUNE 2015



Cautionary Statements

Forward-Looking Statements

In addition to historical information, this presentation contains statements relating to the Company's future business and financial performance and future events or developments that may constitute "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. These statements are based on current expectations and assumptions that are subject to certain risks and uncertainties. These statements include forward-looking statements with respect to the Company's business and industry in general. Statements that include the words "expect," "intend," "plan," "believe," "project," "forecast," "estimate," "may," "should," "anticipate" and similar statements of a future or forward-looking nature identify forward-looking statements for purposes of the federal securities laws or otherwise. A variety of factors, many of which are beyond the Company's control, affect the Company's operations, performance, business strategies and results and there can be no assurance that the Company's actual results will not differ materially from those indicated in these statements. These factors include, but are not limited to, continued compliance with governmental regulation, the ability to manage growth, requirements or changes affecting the business in which the Company is engaged, general economic and business conditions and the Company's ability to open new restaurants and food and beverage locations in current and additional markets. More detailed information about these factors may be found in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K/A for the year ended December 31, 2014. The statements made herein speak only as of the date of this presentation. The Company undertakes no obligation to update its forward-looking statements to reflect events or circumstances after the date of this presentation.

Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flow of the Company. These measures are presented because management uses this information to monitor and evaluate financial results and trends and believes this information to also be useful for investors. The Company has both wholly-owned and partially-owned subsidiaries. Total food and beverage sales at owned and managed units represents our total revenue from our owned operations as well as the sales reported to us by the owners of locations we manage, where we earn management and incentive fees. EBITDA is defined as net income before interest expense, provision for income taxes and depreciation and amortization. Adjusted EBITDA represents net income before interest expense, provision for income taxes, depreciation and amortization, non-cash impairment loss, deferred rent, pre-opening expenses, non-recurring gains and losses and losses from discontinued operations. Adjusted Net Income represents net income before loss from discontinued operations, non-recurring gains, non-cash impairment losses, and non-recurring acceleration of depreciation. The disclosure of EBITDA, Adjusted EBITDA and Adjusted Net Income and other non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies. EBITDA, Adjusted EBITDA and Adjusted Net Income should be considered in addition to, and not as a substitute, or superior to, net income, operating income, cash flows, revenue, or other measures of financial performance prepared in accordance with GAAP. For a reconciliation of total food and beverage sales at owned and managed units, EBITDA, Adjusted EBITDA and Adjusted Net Income to the most directly comparable financial measures presented in accordance with GAAP and a discussion of why we consider them useful, see the Appendix to this presentation.

The ONE Group



We are a global hospitality company that develops and operates upscale, high-energy restaurants and turn-key food & beverage services for hospitality venues including hotels, casinos and other high end locations



The ONE Group Investment Highlights

Category Leading Restaurant Brand with Global Reach

Premier and Differentiated High-Energy Restaurant and Hospitality Concepts

Strong Performance and Industry-Leading Growth Metrics

Capital Efficient Model Drives Positive Returns

Attractive Food & Beverage Offerings Tailored for Hospitality Venues

International Platform for Future Growth

The ONE Group 2014 Highlights - Financial

2014 Results

- **Same Store Sales**
 - Increased 5.0%
- **Total Food & Beverage Sales at Owned and Managed Units**
 - Increased 4.7% to \$132.2mm
 - Excluding discontinued operations increased over 9%
- **Food and Beverage Costs**
 - Down to 25.7% versus 26.4% in 2013
- **Income from Restaurant and Hospitality Operations**
 - Increased 23.3% to \$14.6mm in 2014



The ONE Group – Development Highlights

- **2015 STK Openings** – STK Miami & STK Milan

- **4 New STKs**

- Lease Deals**

- Chicago – River North

- Orlando – Disney Springs

- Los Angeles – W West Beverly Hills

- Dallas - Uptown

- **3 New STK Rebels**

- Lease Deals**

- Denver – 16th & Market

- Austin - 3rd Avenue Downtown

- Management Deals**

- Miami – ME Hotel

- **2 Hospitality Management Agreements**

- Full service F & B operations at the ME Hotels in Milan (opened May, 2015) and Miami



The ONE Group – Infrastructure Highlights

New Team Members To Support Growth Plans & SEC Requirements

Growth (12)

- Chief Operating Officer
- VP Restaurant Operations
- Directors of Operations (4)
- Senior Managers (2)
- Operational Support Staff (4)

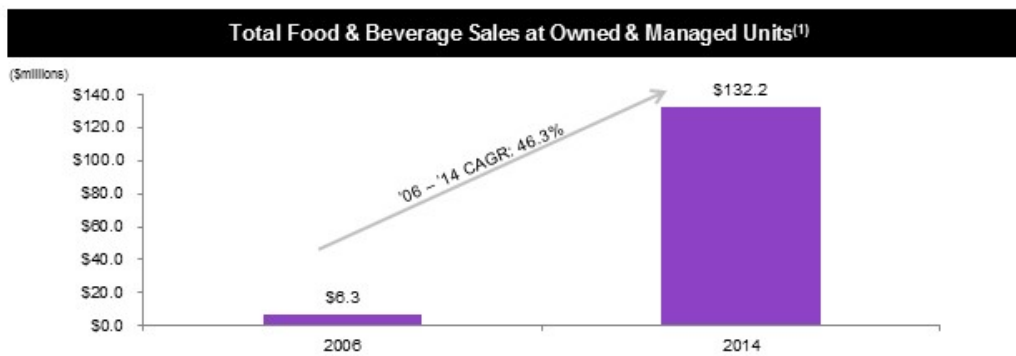
Public Company (4)

- Director of SEC Financial Reporting
- General Counsel
- Support Staff (2)



Our Company

- The ONE Group was formed in 2004
- **STK:**
 - Launched STK – Meatpacking in NYC in September 2006
 - 12 STKs currently open and/or under construction
- **F&B Hospitality Program:**
 - Launched our hospitality program in 2010
 - Currently contracted in 7 hospitality venues, 6 of which are operational
- **STK Rebel:**
 - 3 STK Rebel's currently under construction.
- Since 2006 annual food and beverage sales CAGR over 50%



(1) The One Group has both wholly-owned and partially-owned subsidiaries. Total Food & Beverage Sales at Owned & Managed Units refers to a non-GAAP measure of revenue, which represents our total revenue from owned operations as well as the revenue reported to us with respect to sales at our managed units where we earn management and incentive fees at these locations. For a reconciliation of GAAP Revenue to Total Food & Beverage Sales at Owned and Managed Units see the Appendix in this presentation.

21 Venues Opened by end of 2014

STK - Restaurants

STK – Atlanta
STK – Los Angeles
STK – Las Vegas
STK – DC
STK – Downtown NY
STK – Midtown NY
STK – London

F&B Restaurants

Asellina – NY
Cucina Asellina - Atlanta
Cucina Asellina - London
Bagatelle – New York
Bagatelle – Los Angeles
Heliot Steak – London

Roofs - Pools & Bars

Radio – London
Plunge – Midtown NY
STK Rooftop – NY
Marconi – London
Lola's Bar – London

Hospitality-F&B Services

Gansevoort – Park Ave, NY
Hippodrome Casino – UK
ME – London



32 Venues Expected to be Opened by end of 2015

A 52% increase in venues

STK - Restaurants

STK – Atlanta
STK – Los Angeles
STK – Las Vegas
STK – DC
STK – Downtown NY
STK – Midtown NY
STK – London
STK – Miami
STK – Orlando
STK – Chicago
STK – Milan
STK Rebel – Miami
STK Rebel - Denver

F&B Restaurants

Asellina – NY
Cucina Asellina - Atlanta
Cucina Asellina - London
Bagatelle – New York
Bagatelle – Los Angeles
Heliot Steak – London
The Hideout – Los Angeles

Roofs - Pools & Bars

Radio – London
Plunge – Midtown NY
STK Rooftop – NY
Marconi – London
Lola's Bar – London
Radio – Milan

Hospitality-F&B Services

Gansevoort – Park Ave, NY
Hippodrome Casino – UK
ME – London
W Hotel – Los Angeles
ME – Milan
ME – Miami





RESTAURANTS

Principal Restaurant Brand – One Brand, Two Price Points



STK®

- STK is a reinvention of the traditional steakhouse
- High-energy dining experience
- Greater emphasis on social dining by redefining the visitor profile
- Restaurants built around the bar, featuring DJ played music
- High female to male customer mix
- Designed for Primary Cities

STK®
REBEL



- Rebel is a more accessible STK
- Maintains the unique features, vibe and energy that have proven so successful for STK
- Broader menu priced to appeal to a wider market and to lunch business
- Smaller footprint, lower capital investment
- Designed for Primary & Secondary cities



HOSPITALITY FOOD & BEVERAGE SERVICES BUSINESS

F & B Hospitality Overview

- Unique opportunity to leverage restaurant and hospitality expertise
- Manage F&B for hotels, casinos and hospitality venues
- Utilize company-branded restaurants or tailored concepts
- Target high margin fee income with minimal capital expenditure
- Build long-term relationships with globally recognized hotel and casino brands
- Target opportunities generating a minimum of \$10M in food & beverage sales

ME Hotel - London



Gansevoort Park – NYC



The Cosmopolitan – LV



Hippodrome - London

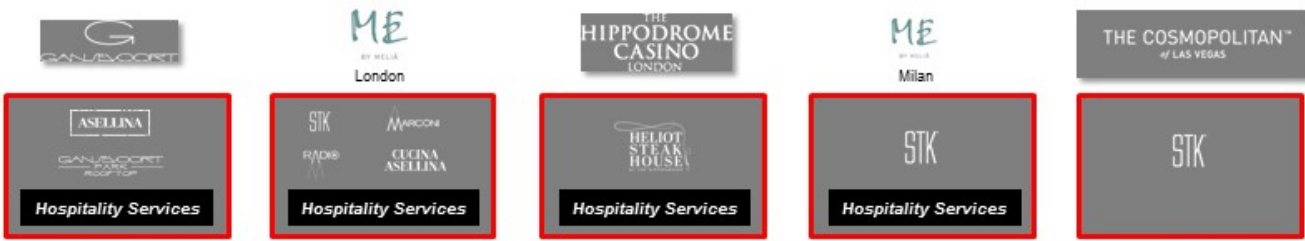


A Leading Hospitality Company – ONE Hospitality

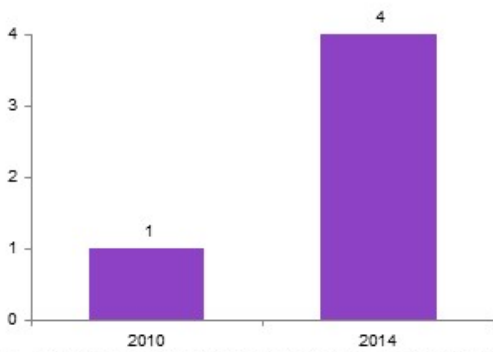


Note: Bagatelle, Gansevoort Park Rooftop, Marconi, Radio M, Asellina, Cucina Asellina and Heliot are jointly owned and/or licensed brands.

Turn-Key F & B Solutions for Hospitality Clients



Hospitality Locations Open For a Full Year⁽¹⁾

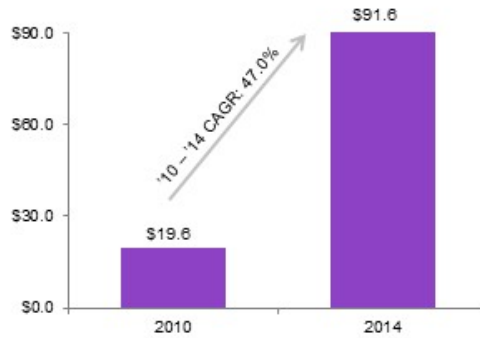


(1) Hospitality locations open for a full year include The Cosmopolitan Hotel, Gansevoort Park, ME London and The Hippodrome Casino. Does not include The Perry Hotel (temporarily closed in 2013).

(2) Total Food & Beverage Sales at Managed Units refers to a non-GAAP measure of revenue, which represents our total revenue from owned operations as well as the revenue reported to us with respect to sales at our managed units where we earn management and incentive fees at these locations. For a reconciliation of GAAP Revenue to Total Food & Beverage Sales at Owned and Managed Units see the Appendix in this presentation. The sales presented in this table are not included in our GAAP revenues.

Total Food & Beverage Sales at Managed Units⁽²⁾

(\$millions)



Growth Opportunities

- **STK:**
 - Opportunity to open up to 50 STK restaurants globally
 - Targeting 2 - 3 STK restaurants per year, short-term
- **STK Rebel:**
 - Opportunity to open at least 100 STK Rebel restaurants globally
 - Targeting 1 - 2 STK Rebel restaurants per year, short-term
- **Hospitality Management Agreements:**
 - Opportunity for at least 50 hospitality management agreements globally, 2 - 3 per city
 - Targeting 1 - 2 hospitality management agreements per year, short-term

ME Hotel - London



Gansevoort Park – NYC



The Cosmopolitan – LV



Hippodrome - London



Centralized Global Marketing

The image displays a variety of marketing assets for STK restaurants across different cities. At the top left, there are posters for 'Liquid' featuring DJ J-Felix, 'Middy Rose' with oyster specials, and 'Public Domain' with a 'plunge' event. To the right is a poster for 'Saturday Brunch Club' with a World Cup theme. Below these are posters for 'Aseellina' and 'Ganjevort Park'. In the center is a graphic titled 'CHECK OUT ALL OF THE ONE GROUP US CITIES' showing five circular images of cityscapes: Atlanta, Los Angeles, Las Vegas, New York, and Washington DC. Below this graphic are logos for STK, Cucina Aseellina, Radio Marconi, ME London, and Capas con Vistas. At the bottom are posters for 'Absinthe in Wonderland' and 'Viewz & Booze'.

A Clear Market Leader



“Best American Restaurant”

Open Table Diners Choice Awards 2014 - STK Washington DC



AWARDS 2013
Best in Category
CUCINA ASELLINA



“The Best New Restaurant in New York”

“A saucy spin on the steakhouse formula” – Zagat



“Best Places to Party this Summer”



Diners' Choice



HAUTE LIVING
Top 5 Steakhouse in NYC – STK New York



Diners' Choice

2014 Top 100 Hot Restaurants
STK - Atlanta
STK - Las Vegas
STK - Los Angeles
STK - New York (MPD)

“Best Steakhouse on the Strip”
– Las Vegas Review-Journal

“...You're only young once, people,
so STK while you still can”
– Blue Tomato Reviews

2013 Top 100 Hot Restaurants
STK - Miami
STK - Las Vegas
STK - Los Angeles
STK - New York (MPD)



- BEST HOTEL OF THE YEAR
- BEST NEW HOTEL OPENING
- BEST HOTEL SUITE (SUITE ME)

ME
LONDON

2013 AWARD WINNER AT THE EUROPEAN HOSPITALITY AWARDS

Seasoned Management Team with Proven Track Record

Name	Position	Previous Experience
Michael Serruya	Non-Executive Chairman	<ul style="list-style-type: none"> ▫ Co-founder, past Chairman, President, Chief Executive Officer and Director of CoolBrands ▫ Former President, Chief Executive Officer and Chairman of Yogen Früz World-Wide ▫ Director of Jamba, Inc. (parent company of Jamba Juice Company), a Director and member of the Audit Committee of Response Genetics, and Chairman and Co-CEO of Kahala Corp
Jonathan Segal	Founder, CEO	<ul style="list-style-type: none"> ▫ Over 36 years experience in hospitality industry ▫ Co-founder of The International Travel Group through a successful merger of Expotel Hotel Reservations and Room Center ▫ Developed and expanded The Modern Group, a UK based Hospitality company ▫ Ernst & Young Entrepreneur of the Year 2013 (New York)
Sam Goldfinger	CFO	<ul style="list-style-type: none"> ▫ Over 24 years experience in hospitality industry and over 3 years with The ONE Group ▫ Previously CFO of The Smith & Wollensky Restaurant Group ▫ Prior public company experience having taken Smith & Wollensky public in 2001
John Inerra	COO	<ul style="list-style-type: none"> ▫ Over 28 years experience in food and beverage operations ▫ Previously EVP of Restaurant Group of Kimpton Hotels ▫ Oversaw 60 restaurants, bars and lounges in 24 cities across the United States, managing all aspects of day-to-day restaurant operations, marketing, finance and public relations, as well as new restaurant development
Celeste Fierro	Senior Vice President	<ul style="list-style-type: none"> ▫ Over 16 years experience in hospitality industry ▫ 9 years with The ONE Group ▫ 6 years experience in events management
Sharon Segal	Corporate Director (Europe)	<ul style="list-style-type: none"> ▫ Over 18 years experience in investment markets, specializing in the hospitality & leisure industry ▫ Roles have included non-executive directorships in small private hospitality companies ▫ 3 years with The ONE Group
Quincy Fitzwater	Senior Director of Operations (Europe)	<ul style="list-style-type: none"> ▫ Over 24 years experience in hospitality industry ▫ 7 years with The ONE Group
Jon Yantin	Commercial Director (Europe)	<ul style="list-style-type: none"> ▫ Over 21 years experience in hospitality industry ▫ 4 years with The ONE Group ▫ Previous public and private company experience at Novus Leisure and Chicago Rib Shack focusing on strategy, commercial and brand development, sales and operations

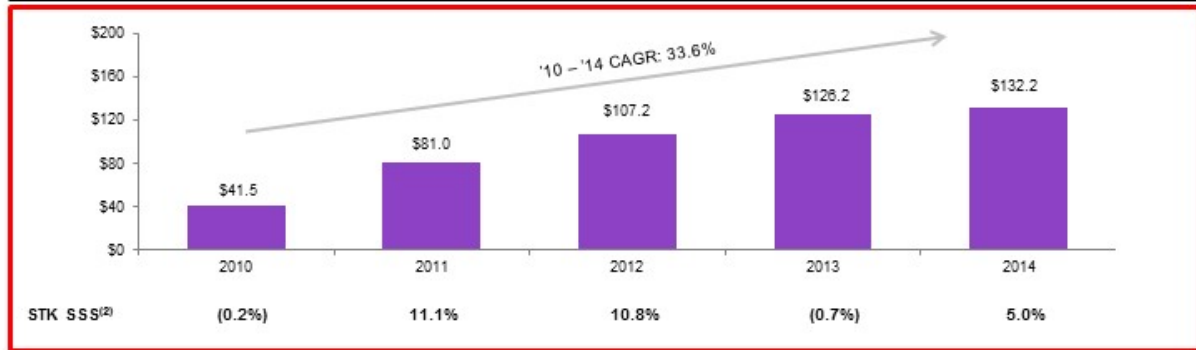


FINANCIAL PERFORMANCE

Strong Revenue Performance

(\$Millions)

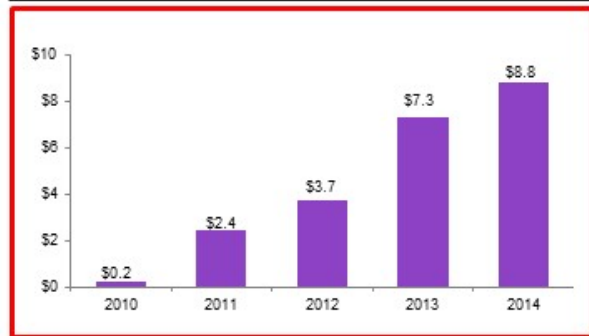
Total Food & Beverage Sales at Owned & Managed Units ⁽¹⁾



GAAP Revenue



Management & Incentive Fee Revenue

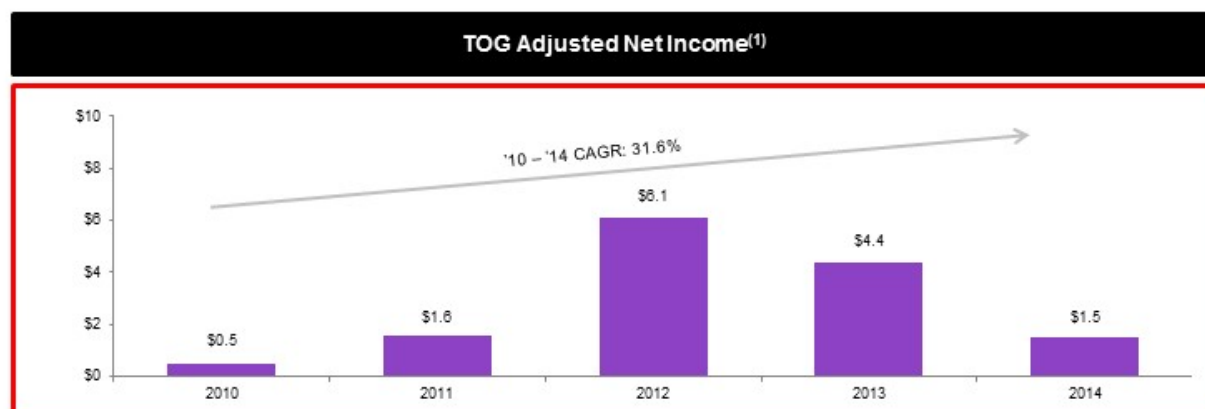
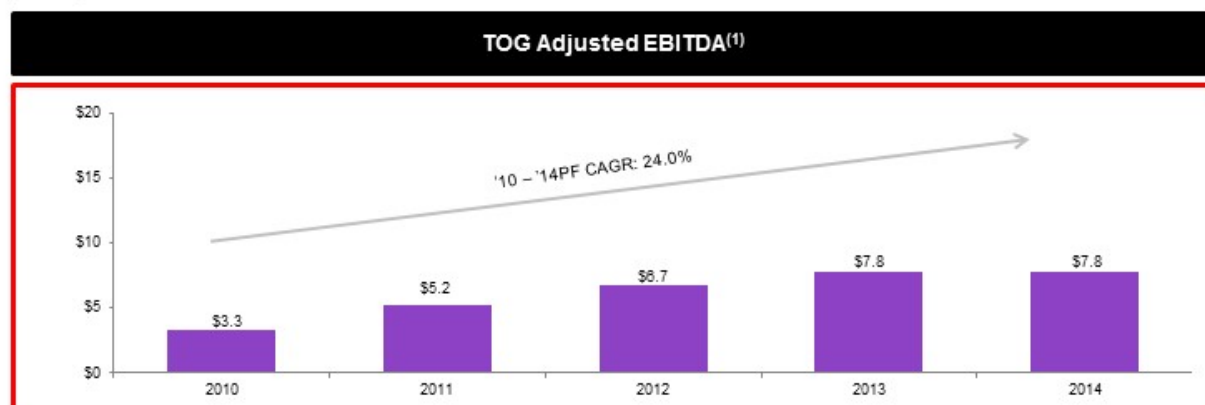


(1) See Appendix for a reconciliation of Total Food & Beverage Sales at Owned and Managed Units.

(2) STK same store sales refers to Total Food & Beverage Sales at owned and managed STK units that have been open 18 months as of that date, a non-GAAP measure, which represents our total revenue from our owned STK operations as well as the sales reported to us by the owners of STK locations we manage, where we earn our revenue from management and incentive fees.










Adjusted EBITDA and Adjusted Net Income

(\$Millions)



(1) See Appendix for definition of Adjusted EBITDA and Adjusted Net Income and for reconciliation to GAAP Net Income (Loss).

Significant Growth: Projected Timetable

2015			
Q1	Q2	Q3	Q4
			
			
			
			

Significant Growth: Company-Owned Restaurants

Targeting 2-3 New Company-Owned Leases Per Year

2013

-  NY- MPD
-  LA
-  NY-Midtown
-  Atlanta



2014

-  NY- MPD
-  LA
-  NY-Midtown
-  Atlanta
-  Wash DC



2015
(projected)

-  NY- MPD
 -  LA Westwood*
 -  NY-Midtown
 -  Atlanta
 -  Wash DC
 -  Miami
 -  Chicago
-  Orlando
 -  Denver

* STK Westwood will include a lobby lounge, pool-side restaurant and hotel food and beverage services

Significant Growth: Hospitality

Targeting 1-2 New Hospitality Management Agreements Per Year

2014

 London	
 New York	 Rooftop Pool & Bar
 Las Vegas	
 London	



2015
(projected)

 Miami	
 Milan	 Rooftop Restaurant & Bar
 London	
 New York	 Rooftop Pool & Bar
 Las Vegas	
 London	

Targeted Unit Economics

CURRENT

Same Store Sales Growth ⁽¹⁾

Food & Beverage Costs

Unit Operating Expense

Comp Store Base (Owned Units)	
Same Store Sales Growth ⁽¹⁾	2% to 3%
Food & Beverage Costs	26.0% to 26.5%
Unit Operating Expense	57% to 58%

TARGETED

Revenue

EBITDA

Average Cash Investment ⁽²⁾

ROI

Management Fees

Incentive Fees

Management & Incentive Fee Revenues

	STK	Rebel	F&B Hospitality
	Owned Units	Owned Units	Managed Units
Revenue	\$9.0 mil	\$5.0 mil	--
EBITDA	\$2.0 mil	\$1.0 mil	--
Average Cash Investment ⁽²⁾	\$3.8 mil	\$2.5 mil	<\$500,000
ROI	53%	40%	--
Management Fees	--	--	5.0% to 6.5%
Incentive Fees	--	--	>15%
Management & Incentive Fee Revenues	--	--	>\$500,000

⁽¹⁾ Represents sales growth at owned units that have been open for 18 months (and excludes units closed for significant periods).
⁽²⁾ Excludes preopening expenses and net of tenant improvement allowances.

Delivering Potential Value For Shareholders







APPENDIX

Historical GAAP Income Statement

(\$Millions)

	FYE December 31,			
	2011A	2012A	2013A	2014A
Revenues:				
Owned unit net revenues	\$ 43.7	\$ 56.4	\$ 36.6	\$ 40.5
Management and incentive fee revenue	2.4	3.7	7.3	8.8
Total revenue	\$ 46.1	\$ 60.1	\$ 43.9	\$ 49.3
Cost and expenses:				
Owned operating expenses:				
Food and beverage costs	10.5	14.3	9.7	10.4
Unit operating expenses	26.9	32.6	22.4	24.3
General and administrative	1.9	2.2	10.8	8.7
Depreciation and amortization	1.7	7.4	1.5	1.4
Management and royalty fees	0.4	0.3	0.1	0.1
Pre-opening expenses	1.2	0.1	0.8	3.9
Transaction costs			4.6	-
Equity in (income) loss of investee companies	0.1	0.1	(0.9)	(1.1)
Derivative expense			10.1	(3.9)
Interest expense, net of interest income	0.4	0.7	0.8	0.1
Other expense (income)	0.1	(4.8)	(0.6)	(2.0)
Total costs and expenses	\$ 43.1	\$ 52.9	\$ 59.1	\$ 42.0
Income (loss) from continuing operations before provision for income taxes	\$ 3.0	\$ 7.2	\$ (15.2)	\$ 7.4
Provision for income taxes	0.2	0.0	0.5	0.8
Income (loss) from continuing operations	\$ 2.8	\$ 7.2	\$ (15.7)	\$ 6.5
Loss from discontinued operations, net of taxes	0.9	10.0	6.1	1.5
Net (loss) income	\$ 1.9	\$ (2.8)	\$ (21.9)	\$ 5.0
Less: net (loss) attributable to non-controlling interest	0.9	(0.4)	(0.4)	0.4
Net (loss) income attributable to THE ONE GROUP	\$ 1.0	\$ (2.3)	\$ (21.5)	\$ 4.6
Other comprehensive income (loss)				
Currency translation adjustment	0.0	(0.0)	0.1	(0.3)
Comprehensive (loss) income	\$ 1.0	\$ (2.4)	\$ (21.4)	\$ 4.4

Historical GAAP Balance Sheet

(\$Millions)

	FYE December 31,			
	2011A	2012A	2013A	2014A
Assets:				
Cash and cash equivalents	\$ 1.7	\$ 1.0	\$ 11.7	\$ 7.9
Accounts receivable, net	2.3	3.4	2.9	4.4
Inventory	1.2	1.4	1.0	1.1
Other current assets	0.1	0.3	0.8	1.9
Due from related parties	0.2	0.1	0.2	1.2
Total Current Assets	\$ 5.5	\$ 6.2	\$ 16.7	\$ 16.5
Property, plant & equipment, net	19.0	13.8	13.4	18.8
Investments	1.8	1.9	2.5	2.8
Deferred tax assets	0.1	0.3	0.2	0.0
Other assets	0.3	0.9	1.3	0.8
Security deposits	0.8	1.0	1.0	2.4
Total Assets	\$ 27.6	\$ 24.0	\$ 35.2	\$ 41.4
Liabilities & Equity:				
Cash overdraft	0.1	0.8	0.3	0.1
Member loans, current portion	0.0	5.0	-	-
Notes payable, current portion	0.3	0.3	0.0	-
Term Loan, current portion	-	-	-	1.5
Line of Credit	1.3	2.5	4.3	-
Accounts payable	3.3	4.4	2.7	3.4
Accrued expenses	2.2	2.4	3.1	2.0
Debt to related parties	0.0	0.5	0.0	0.0
Deferred revenue	0.1	0.0	0.0	0.1
Total Current Liabilities	\$ 7.4	\$ 15.8	\$ 10.5	\$ 7.2
Capital leases, net of current portion	0.0	-	-	-
Notes payable, net of current portion	0.0	0.0	-	-
Member loans, net of current portion	4.5	-	-	-
Other long-term liabilities	0.0	0.0	0.0	0.1
Derivative liability	-	-	10.1	6.2
Term Loan	-	-	-	6.0
Deferred rent payable	6.7	5.7	6.3	9.4
Total Liabilities	\$ 18.7	\$ 21.5	\$ 27.0	\$ 28.9
Member's Equity:				
THE ONE GROUP, LLC and Subsidiaries and Members' Equity	1.8	(1.1)	7.9	12.7
Non-controlling interest	7.1	3.5	0.3	(0.3)
Total Members' Equity	\$ 8.9	\$ 2.5	\$ 8.2	\$ 12.5
Total Liabilities and Members' Equity	\$ 27.6	\$ 24.0	\$ 35.2	\$ 41.4

Reconciliations of Non-GAAP Measures – Cautionary Statements

ADJUSTED EBITDA:

We define adjusted EBITDA as net income before interest expense, provision for income taxes, depreciation and amortization, non-cash impairment loss, deferred rent, pre-opening expenses, non-recurring gains and losses and losses from discontinued operations. Adjusted EBITDA is a supplemental measure of financial performance that is not required by, or presented in accordance with, GAAP.

We believe that adjusted EBITDA is a more appropriate measure of operating performance, as it provides a clearer picture of our operating results by eliminating certain non-cash expenses that are not reflective of the underlying business performance. We use this metric to facilitate a comparison of our operating performance on a consistent basis from period to period and to analyze the factors and trends affecting our business as well as evaluate the performance of our units. Adjusted EBITDA has limitations as an analytical tool and our calculation thereof may not be comparable to that reported by other companies; accordingly, you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Adjusted EBITDA is included because it is a key metric used by management. Additionally, adjusted EBITDA is frequently used by analysts, investors and other interested parties to evaluate companies in our industry. We use adjusted EBITDA, alongside other GAAP measures such as net income (loss), to measure profitability, as a key profitability target in our annual and other budgets, and to compare our performance against that of peer companies. We believe that adjusted EBITDA provides useful information facilitating operating performance comparisons from period to period and company to company.

ADJUSTED NET INCOME:

We define adjusted net income as net income before loss from discontinued operations, non-recurring gains, non-cash impairment losses, and non-recurring acceleration of depreciation. Adjusted net income is a supplemental measure of financial performance that is not required by, or presented in accordance with, GAAP. Adjusted net income has limitations as an analytical tool and our calculation thereof may not be comparable to that reported by other companies; accordingly, you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP.

We believe that adjusted net income provides a clearer picture of our operating results by eliminating certain non-cash expenses that are not reflective of the underlying business performance. We use this metric to facilitate a comparison of our operating performance on a consistent basis from period to period and to analyze the factors and trends affecting our business.

TOTAL FOOD AND BEVERAGE SALES AT OWNED AND MANAGED UNITS:

Total food and beverage sales at owned and managed units represents our total revenue from our owned operations as well as the sales reported to us by the owners of locations we manage, where we earn management and incentive fees. We believe that this measure represents a useful internal measure of performance as it identifies total sales associated with our brands and hospitality services that we provide. We believe that this measure also represents a useful internal measure of performance. Accordingly, we include this non-GAAP measure so that investors can review financial data that management uses in evaluating performance, and we believe that it will assist the investment community in assessing performance of restaurants and other services we operate, whether or not the operation is owned by us. However, because this measure is not determined in accordance with GAAP, it is susceptible to varying calculations and not all companies calculate these measures in the same manner. As a result, this measure as presented may not be directly comparable to a similarly titled measure presented by other companies. This non-GAAP measure is presented as supplemental information and not as an alternative to any GAAP measurements.

Adjusted EBITDA Reconciliation

(\$Millions)

	FYE December 31,			
	2011A	2012A	2013A	2014A
Net (loss) income attributable to THE ONE GROUP	\$1.0	(\$2.3)	(\$21.5)	\$4.6
Net (loss) attributable to noncontrolling interest	\$0.9	(\$0.4)	(\$0.4)	\$0.4
Net (loss) income	\$1.9	(\$2.8)	(\$21.9)	\$5.0
Interest expense, net of interest income	\$0.4	\$0.7	\$0.8	\$0.1
Provision for income taxes	\$0.2	\$0.0	\$0.5	\$0.8
Depreciation and amortization	\$1.7	\$7.4	\$1.5	\$1.4
EBITDA	\$4.2	\$5.3	(\$19.1)	\$7.4
Deferred rent ⁽¹⁾	0.9	(1.4)	0.4	0.3
Pre-opening expenses	1.2	0.1	0.8	3.9
Non-recurring gain ⁽²⁾	0.0	(5.0)	-	(1.2)
Loss from discontinued operations	0.9	10.0	6.1	1.5
Non-consolidating investee company adjustment ⁽⁴⁾	0.3	-	-	-
Discontinued operations adjustment ⁽³⁾	0.1	-	-	-
Non-recurring transaction costs ⁽⁵⁾	-	-	4.6	-
Transaction control premium costs	-	-	5.0	-
Derivative expense	-	-	10.1	(3.9)
Transaction sign on bonuses	-	-	0.8	-
Stock based compensation	-	-	0.4	0.5
Adjusted EBITDA	7.6	9.0	9.1	8.5
Adjusted EBITDA attributable to non controlling interest	2.4	2.3	1.3	0.8
Adjusted EBITDA attributable to THE ONE GROUP	\$5.2	\$6.7	\$7.8	\$7.8

(1) Deferred rent is included in occupancy expense on the statement of income.

(2) Non-recurring gain is included in other income on the statement of income.

(3) For the purposes of calculating Adjusted EBITDA, only those units that were either closed, or a determination was made by us to close those units as of December 31st of the respective year, should be included in Loss from Discontinued Operations, which we have added back to EBITDA in our calculation. However, if certain units were still in operation at the end of the year and no determination had been made to close such units as of the end of that year, then that portion of the Loss from Discontinued Operations attributable to such units should not be added back. Accordingly, the "discontinued operations adjustment" for Adjusted EBITDA reflects the deduction of such portion of Net (Loss) income attributable to those operations in order to be more truly reflective of our operating performance for all of our existing operations as of the end of the period. In our calculation of Adjusted EBITDA we have added back the preopening expenses, deferred rent, interest expense, income taxes and depreciation attributable to the Net (Loss) income for those same units that were still in operation at the end of the year and no determination had been made to close such units as of the end of such year.

(4) For the purpose of calculating Adjusted EBITDA, we add back depreciation and amortization, taxes, deferred rent and preopening expenses for non-consolidating investee companies. We add back these expense items of our non-consolidated investee companies in order to eliminate certain non-cash items and to properly reflect the underlying business performance and our portion of these items. We calculate our effective share of these costs by taking the sum of depreciation, interest, taxes, deferred rent and pre-opening costs and multiplying it by our ownership percentage.

(5) Transaction costs incurred relating to the merger

Adjusted Net Income Reconciliation

(\$Millions)

	FYE December 31,			
	2011A	2012A	2013A	2014A
Net (loss) income attributable to THE ONE GROUP	\$1.0	(\$2.3)	(\$21.5)	\$4.6
Net (loss) attributable to noncontrolling interest	\$0.9	(\$0.4)	(\$0.4)	\$0.4
Net (loss) income	\$1.9	(\$2.8)	(\$21.9)	\$5.0
Non-recurring gain ⁽¹⁾	\$0.0	(\$5.0)	-	(\$1.2)
Non-recurring acceleration of depreciation	\$0.0	\$5.2	-	-
Loss from discontinued operations, net of taxes	\$0.9	\$10.0	\$6.1	\$1.5
Discontinued operations adjustment ⁽²⁾	(\$0.2)	-	-	-
Non-recurring transaction costs ⁽³⁾	-	-	\$4.6	-
Transaction control premium cost	-	-	\$5.0	-
Derivative expense	-	-	\$10.1	(\$3.9)
Transaction sign on bonuses	-	-	\$0.8	-
Stock based compensation	-	-	\$0.4	\$0.5
Adjusted Net income	\$2.5	\$7.5	\$5.1	\$2.0
Adjusted Net (loss) income attributable to non-controlling interest	1.0	1.3	0.7	0.5
Adjusted Net income attributable to THE ONE GROUP	\$1.6	\$6.1	\$4.4	\$1.5

(1) Non-recurring gain is included in other income on the statement of income.

(2) For the purposes of calculating Adjusted Net Income (Loss), only those units that were either closed, or a determination was made by us to close those units as of December 31st of the respective year should be included in Loss from Discontinued Operations. As such, we have provided for an adjustment so that Adjusted Net Income (Loss) reflects losses or income from operations for units open and for which no determination was made to close as of December 31st of that year. We use this metric to help understand operating performance reflecting all operations as of year end.

(3) Transaction costs incurred relating to the merger.

Total F&B Sales at Owned and Managed Units Reconciliation

(\$Millions)

	FYE December 31,			
	2011A	2012A	2013A	2014A
Owned Unit Net Revenue (a)	\$43.7	\$56.4	\$36.6	\$40.5
Management and Incentive Fee Revenue	<u>2.4</u>	<u>3.7</u>	<u>7.3</u>	<u>8.8</u>
GAAP Revenue	<u>46.1</u>	<u>60.1</u>	<u>43.9</u>	<u>49.3</u>
Food & Beverage Sales at Managed Units (a)	37.3	49.8	84.4	91.6
Net Revenue from Discontinued Operations (a)	<u>0.0</u>	<u>1.0</u>	<u>5.2</u>	<u>0.1</u>
Total Food & Beverage Sales at Owned and Managed Units	<u>\$81.0</u>	<u>\$107.2</u>	<u>\$126.2</u>	<u>\$132.2</u>

(a) Components of Total Food & Beverage Sales at Owned and Managed Units