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): July 9, 2015

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

Delaware	**000-52651**	**14-1961545**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(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))

Item 7.01 Regulation FD Disclosure

On July 9, 2015, the Company issued a press release announcing that the Company entered into definitive agreements with SBEEG to purchase the Katsuya and Cleo restaurant brands and establish a strategic relationship to open Katsuya, Cleo and other The ONE Group restaurants at new SLS, Redbury and Hyde hotels. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein. The information in the press release attached as Exhibit 99.1 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

In addition, the Company has prepared supplemental information regarding the proposed transactions in a slide presentation that is being made available to investors. The slide presentation is furnished as Exhibit 99.2 to this report and incorporated herein by reference. The information in the presentation attached as Exhibit 99.2 shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

Cautionary Statements Regarding Forward-looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risks and uncertainties, including, without limitation, statements regarding the timing and closing of the proposed acquisition (if at all), the terms of the Company’s contemplated debt and equity financing, and the Company’s ability to consummate any such debt and equity financing. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements, including but not limited to, (1) the ability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition, our ability to open new restaurants and food and beverage locations in current and additional markets, grow and manage growth profitably, maintain relationships with suppliers and obtain adequate supply of products and retain our key employees; (2) factors beyond our control that affect the number and timing of new restaurant openings, including weather conditions and factors under the control of landlords, contractors and regulatory and/or licensing authorities; (3) changes in applicable laws or regulations; (4) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; and (5) other risks and uncertainties indicated from time to time in our filings with the SEC, including our Annual Report on Form 10-K/A filed on April 1, 2015. Investors are referred to the most recent reports filed with the SEC by the Company. Investors are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events, or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press Release, dated July 9, 2015
99.2	Investor Slide Presentation

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: July 9, 2015	THE ONE GROUP HOSPITALITY, INC.
	By: /s/ Samuel Goldfinger
	Name: Samuel Goldfinger
	Title: Chief Financial Officer

Exhibit 99.1

The ONE Group Hospitality Announces Agreement with a Subsidiary of SBE Entertainment to Purchase the Katsuya and Cleo Restaurant Brands and Establish Strategic Relationship

Adding 12 owned and managed/licensed restaurants globally

SBE expected to provide opportunity for at least 10 additional restaurants at SLS, Redbury or Hyde hotels over the next 5 years

Pro Forma Adjusted EBITDA of approximately $14.9 million for 2014

NEW YORK – July 9, 2015 – The ONE Group Hospitality, Inc. ("The ONE Group") (Nasdaq:STKS) today announced that it has entered into an agreement with SBEEG Holdings, LLC ("SBE"), holding company of the SLS, Redbury and Hyde hotel brands, to purchase the Katsuya and Cleo restaurant brands and establish a strategic relationship to seek to open Katsuya, Cleo and other The ONE Group restaurants at new SLS, Redbury and Hyde hotels. By the end of 2015, it is anticipated that there will be up to 12 owned and managed/licensed Katsuya and Cleo locations globally. Total consideration includes $75 million in cash and 200,000 warrants at an exercise price of $5.00 per share. The closing of the acquisition is subject to certain customary closing conditions.

Transaction highlights include:

- Brands anticipated to add approximately $28 million in 2014 annualized GAAP revenues to The ONE Group revenues and approximately $55 million in 2014 annualized total food and beverage sales in owned, managed and licensed units*. Adjusted EBITDA on a pro forma basis of approximately $14.9 million in 2014, up from $7.8 million as originally reported by the Company.
- Acquisition includes four Katsuya locations in Los Angeles that are company-owned and operated. The ONE Group will receive license fees from the two managed Katsuya locations in SLS Hotels in Las Vegas and Miami and from two additional managed locations, one expected to open in the SLS Lux at Baha Mar in the Bahamas and the other expected to open in the SLS Lux Brickell in Miami.
- Licensing agreement with Alshaya for the Middle East which includes three Katsuya restaurants in the Middle East with a commitment by Alshaya to open an additional 14 locations in the region over the next 5 years.
- The ONE Group will receive license fees from three managed Cleo locations in Los Angeles (Redbury Hotel), Las Vegas (SLS Hotel) and Miami (Redbury Hotel), and one additional managed location expected to open in the Bahamas (SLS Lux at Baha Mar).
- The new restaurant brands will increase our portfolio of one, two and three meal a day restaurants for our hotel partners to choose from as part of our hotel food and beverage program.
- An agreement providing the opportunity to open additional The ONE Group restaurants at new SLS, Redbury and Hyde hotels, under which SBE is expected to provide opportunity for at least 10 additional restaurants at SLS, Redbury or Hyde hotels over the next 5 years.

** Total food and beverage sales at owned, managed and licensed units, a non-GAAP measure, represents total revenue from owned operations as well as the revenue reported to us with respect to sales at managed and licensed locations, where we earn management, license and/or incentive fees at these locations. For a reconciliation of Katsuya/Cleo unaudited 2014 GAAP revenue to 2014 Total food and beverage sales at owned, managed and licensed units, and a discussion of why we consider it useful, see Regulation G: Non-GAAP Financial Measures disclosure below.*

*** Adjusted EBITDA, a non-GAAP measure, 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, stock based compensation and losses from discontinued operations. For a reconciliation of pro forma 2014 adjusted EBITDA to the most directly comparable financial measure presented in accordance with GAAP and a discussion of why we consider it useful, see Regulation G: Non-GAAP Financial Measures disclosure below.*

"We believe the proposed acquisition will be transformative for our company. Pending the completion of the transaction, our pro forma 2014 Adjusted EBITDA** would have been approximately $14.9 million, up from $7.8 million as originally reported by us, by combining the Katsuya and Cleo brands with our restaurant and hospitality businesses, while leveraging our global infrastructure," said Jonathan Segal, CEO of The ONE Group. "This deal will be both incredibly synergistic, since the existing domestic restaurants are in markets we currently operate in, as well as additive to our growth, as it will open up geographic expansion into the Middle East. Further, the acquisition will allow us to take the Katsuya and Cleo brands into existing STK markets and gives us a great opportunity to expand all of our brands into new SLS and Redbury hotels in the future – providing additional potential avenues for the growth of our hospitality business moving forward."

"The transaction allows us to form a unique partnership with The ONE Group. While we are selling them the Katsuya and Cleo restaurant brands, we really view this as a great opportunity to grow these brands in partnership, by seeking to incorporate them at many of our planned SLS, Redbury and Hyde hotel properties in the future. We've watched The ONE Group expand globally and we believe they truly understand how to operate high-energy restaurant concepts and they share our passion for creating unique hospitality experiences. We look forward to a great working partnership with The ONE Group and the opportunity to scale these brands globally," said Founder, Chairman and CEO, Sam Nazarian of SBE.

Katsuya

Katsuya by Starck pairs Master Sushi Chef Katsuya Uechi's fresh takes on Japanese classics with design icon Philippe Starck's sleek and sultry interiors in a unique sushi restaurant. Chef Uechi skillfully evolves Japanese sushi and robata classics with inspired dishes including Crispy Rice with Spicy Tuna, Yellowtail Sashimi with Jalapeño and Miso-Marinated Black Cod. Katsuya's award-winning mixology program includes signature cocktails like the Burning Mandarin with hand-crushed serrano chili and The Dragon with yuzu and ginger.

There are currently 9 Katsuyas operating in Los Angeles (4), Middle East (3), South Beach (1) and Las Vegas (1) and one additional location is expected to open at the Baha Mar in the Bahamas. Katsuya currently owns the Los Angeles locations and manages / licenses the other operating locations.

The locations in the Middle East are licensed to Alshaya, which is headquartered in Kuwait and has a 125 year operating history. They currently are a multinational retail franchise operator with 2,800+ stores, with partnerships with over 70 consumer and retail brands across the Middle East, North Africa and Europe. Alshaya has committed to opening an additional 14 locations in the region over the next 5 years.

Cleo

From the moment you step inside Cleo, you're enveloped by the aroma of Chef Danny Elmaleh's contemporary Mediterranean cuisine, and Matthew Rolston's enlivening décor that makes you feel right at home. The restaurants feature delicious shareable plates, mezzes, flatbreads and cocktails in a warm, intimate restaurant setting that playfully marries old Hollywood glamour with relaxed Mediterranean charm.

There are currently three Cleo locations operated under management agreements in Los Angeles, Las Vegas and Miami, and one additional location is expected to open at the Baha Mar in the Bahamas.

Financing

The Company anticipates raising the financing through a combination of debt and equity. Jefferies and KeyBank are expected to provide debt financing for the transaction. There can be no assurance that we will be able to obtain the requisite amount of financing to pay the purchase price for the acquisition on acceptable terms or at all.

About The ONE Group

The ONE Group is a global hospitality company that develops and operates upscale, high-energy restaurants and lounges and provides hospitality management services for hotels, casinos and other high-end venues both nationally and internationally. The ONE Group's primary restaurant brand is STK, a modern twist on the American steakhouse concept with locations in major metropolitan cities throughout the U.S. and Europe. The ONE Group's food and beverage hospitality services business, ONE Hospitality, provides the development, management and operations for premier restaurants and turn-key food and beverage services within high-end hotels and casinos. Additional information about The ONE Group can be found at www.togrp.com.

About SBE and SLS Hotels

sbe is a global hospitality and entertainment company helmed by visionary Founder, Chairman and CEO Sam Nazarian which comprises a thriving collection of award-winning hotels, casinos, residences, restaurants and nightlife destinations. The company is founded on the core belief that hospitality is about not only enjoying impeccable service and luxurious amenities, but also having meaningful cultural experiences and meeting like-minded people in environments that match one's personal style.

SLS Hotels has created a new paradigm in the luxury hotel experience that speaks to a global, sophisticated audience. Taking service and luxury standards from traditional 5-star hotels and injecting elements of creativity and community, SLS delivers a guest experience that seamlessly delivers service, style and fun. SLS Hotels are currently open in Beverly Hills, South Beach, and Las Vegas and are coming soon to New York City, The Bahamas, Seattle, and Philadelphia.

Cautionary Statement on Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that involve risks and uncertainties, including, without limitation, statements regarding the timing and closing of the proposed acquisition (if at all), the terms of the Company's contemplated debt and equity financing, and the Company's ability to consummate any such debt and equity financing. Forward-looking statements may be identified by the use of words such as "anticipate", "believe", "expect", "estimate", "plan", "outlook", and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward-looking statements, including but not limited to, (1) the ability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition, our ability to open new restaurants and food and beverage locations in current and additional markets, grow and manage growth profitably, maintain relationships with suppliers and obtain adequate supply of products and retain our key employees; (2) factors beyond our control that affect the number and timing of new restaurant openings, including weather conditions and factors under the control of landlords, contractors and regulatory and/or licensing authorities; (3) changes in applicable laws or regulations; (4) the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors; and (5) other risks and uncertainties indicated from time to time in our filings with the SEC, including our Annual Report on Form 10-K/A filed on April 1, 2015. Investors are referred to the most recent reports filed with the SEC by the Company. Investors are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events, or otherwise.

Regulation G: Non-GAAP Financial Measures

Total food and beverage sales at owned, managed and licensed units. Total food and beverage sales at owned, managed and licensed units represents total revenue from owned operations as well as the revenue reported to us with respect to sales at managed and licensed locations, where we earn management, license and/or incentive fees at these locations. 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.

The following table includes a reconciliation of Katsuya/Cleo 2014 unaudited GAAP revenue to 2014 total food and beverage sales at owned, managed and licensed units:

TOTAL KATSUYA AND CLEO FOOD AND BEVERAGE SALES
SALES RECONCILIATION

	For the Year Ended December 31, 2014	
	(unaudited)	
Owned Unit Net Revenues (a)	$	26,870.1
Management and Incentive Fee Revenue		1,321.3
GAAP Revenues		28,191.4
Food and Beverage Sales from Managed Units (a)		29,718.2
Food and Beverage Sales from Discontinued Operations (a)		-
Total Food and Beverage sales at Owned and Managed Units	**$**	**56,588.3**

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 has been presented in this press release and 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 in this press release 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.

The following table presents a reconciliation of Pro Forma 2014 net income to Pro Forma 2014 adjusted EBITDA for the periods indicated:

THE ONE GROUP HOSPITALITY, INC
PROFORMA ADJUSTED EBITDA RECONCILIATION

	For the Year Ended December 31, 2014		
		(unaudited)	
	TOG	Katsuya/Cleo	TOTAL
PROFORMA ADJUSTED EBITDA:			
Net income attributable to TOG	$ 4,630.2	$ 5,862.0	$ 10,492.2
Net income attributable to noncontrolling interest	409.9		409.9
Net income	5,040.1	5,862.0	10,902.1
Interest	75.8	4.2	80.0
Income Taxes	817.3		817.3
Depreciation	1,438.7	1,365.5	2,804.2
Deferred Rent (1)	288.7	(85.6)	203.1
Preopening Expenses	3,890.3		3,890.3
Non-recurring gain	(1,200.0)		(1,200.0)
Loss from discontinued operations	1,492.6		1,492.6
Derivative expense	(3,854.0)		(3,854.0)
Stock based compensation	539.0		539.0
PROFORMA ADJUSTED EBITDA	8,528.3	7,146.1	15,674.4
Non-controlling PROFORMA ADJUSTED EBITDA	756.0		756.0
TOG PROFORMA ADJUSTED EBITDA	$ 7,772.4	$ 7,146.1	$ 14,918.5

Media Contact:

Sloane & Company

Dan Zacchei or Kate Traynor, 212-486-9500

Investor Contact:

ICR

Don Duffy or Michelle Epstein, 203-682-8200

Exhibit 99.2

THEONEGROUP
lifestyle hospitality

INVESTOR PRESENTATION

EXECUTIVE SUMMARY

JULY 2015




Cautionary Statements

Confidential Information

This presentation contains confidential, sensitive or proprietary information. By accepting this presentation, the recipient agrees to treat this presentation and the information contained herein or delivered in connection herewith in a confidential manner in accordance with the existing agreements between ONE Group Hospitality, Inc. (the "Company") and the recipient governing, among other things, the treatment of confidential information provided by the Company to the recipient. In the event no such existing agreement exists, the recipient agrees to use reasonable precautions in accordance with its established procedures to keep this presentation and the information contained herein or delivered in connection herewith confidential. The financial and operational results of SBE Entertainment Group included in this presentation are preliminary and subject to the completion of financial closing procedures, final adjustments and other developments which may arise between now and the time the financial results for the periods described herein are finalized. Therefore, actual results may differ materially from these estimates. Actual results and final terms of the transaction will be set forth in the prospectus supplement relating to the offering, if applicable.

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

Our clients and partners are leading entertainment and hospitality companies, including Disney, Starwood and Melia Hotels



Our Company

Key Points

- Founded in 2004 and headquartered in New York City, with additional office in London
- Diverse portfolio of global restaurant brands that have strong presences in markets that amplify brand globally
- We also offer turn-key food and beverage services that can be scaled and implemented by us at a particular hospitality venue that are customized to suit our clients' needs

Owned Restaurants

- Primary restaurant brand is STK
  - Launched in NYC in 2006
  - Upscale, high-energy steakhouse concept
  - 11 locations in operation or under construction in the US and Europe
- Created an under brand, STK Rebel, utilizing same successful concept with a broader menu priced to appeal to a wider market and to lunch business
- Other high-energy restaurant brands we utilize for our owned restaurant venues include Cucina Asellina, offering Italian cuisine and Bagatelle, a French bistro

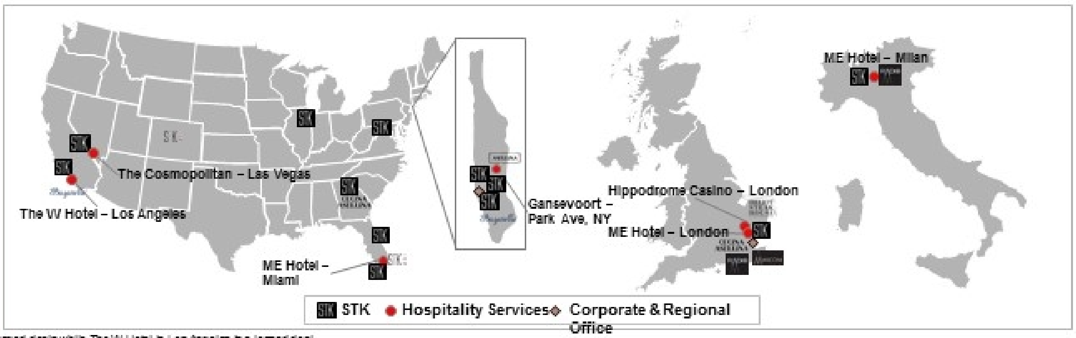
Hospitality Services

- Unique opportunity to leverage restaurant and hospitality expertise
- Manage F&B for hotels, casinos, hospitality venues
- Utilize company-branded restaurants or tailored concepts
- Target high margin management and incentive fee income with minimal capital expenditure
- Build long-term relationships with globally recognized hotel and casino brands
- Target opportunities generating a minimum of $10 million in food & beverage sales
- Seven[(1)] hospitality venues in operation or under construction

Financial Snapshot

- Sales at owned and managed units: $132.2mm
- GAAP Revenue: $49.3mm
  - Owned unit revenue: $40.5mm
  - Management and incentive fees: $8.8mm
- EBITDA: $7.8mm
- STK Unit Economics:
  - $11.6mm AUV
  - 24% restaurant level EBITDA margins
  - 50+% cash on cash returns

Our International Footprint



(1) Six F&B hospitality programs are under managed deals while The W Hotel in Los Angeles is a leased deal.

32 Venues Expected to be Opened by end of 2015

Owned Venues

STK

STK – Atlanta

STK – DC

STK – Downtown NY

STK – Midtown NY

STK – Rooftop NY

STK – Miami

STK – Disney World

STK – Chicago

STK Rebel – Denver

F&B Restaurants

Cucina Asellina – Atlanta

Bagatelle – New York

Bagatelle – Los Angeles

W Hotel - Los Angeles

STK

The Hideout

Hospitality Services

Managed Venues

ME London

STK

Radio

Marconi

Cucina Asellina

Hospitality Services

ME Milan

STK

Radio

Hospitality Services

ME Miami

STK Rebel

Hospitality Services

Hippodrome Casino

Heliot Steak

Lola's Bar & Casino

Hospitality Services

Gansevoort

Asellina

Plunge

Hospitality Services

The Cosmopolitan of Las Vegas

STK



Transaction Overview

- The ONE Group Hospitality, Inc. (“TOG” or the “Company”) is in negotiations to acquire the Katsuya and Cleo restaurant assets from SBE Entertainment Group, the holding company of SLS Hotels, for a proposed cash purchase price of $75 million
- Katsuya and Cleo are upscale casual, full-service high-energy restaurant concepts with a focus on Sushi / Asian Fusion and Mediterranean cuisines, respectively - Complementary to TOG’s leading high energy steakhouse concept, STK
- The proposed acquisition will provide the Company with a meaningful increase in scale and geographic diversity, complementary restaurant brands to expand independently in major worldwide cities as well as the ability to offer an increased portfolio of internationally recognized brands to its hospitality partners
- We believe the transaction will enhance profitability by leveraging recent G&A investments and providing significant EPS accretion
- On a Pro Forma basis for the transaction for the year ending December 31, 2014, TOG would have generated ~$77.7* million in GAAP revenue(1) and ~$15.0* million in Adjusted EBITDA(2)
- The transaction will be financed with debt and equity capital, which we expect will be comprised of:
  - $50 million of common equity
  - $37 million 1st Lien Term Loan Credit Facility
  - $10 million Revolving Credit Facility (undrawn at close)
- Pro Forma for the transaction, the Company’s total leverage will be ~3.0x on ~$15.0* million of 2014 Adjusted EBITDA




(1) GAAP revenue comprised of owned net unit revenues, management and incentive fee revenue and licensing fees.
(2) Adjusted EBITDA, a non-GAAP measure, 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, stock based compensation and losses from discontinued operations.
* Indicates all or portion of number is from SBE internal financials and is in the process of being audited.

Katsuya / Cleo Acquisition Rationale

Additional Avenues for Future Growth for Standalone & Hospitality Contracts

Complementary Leading Brands and Hospitality Concepts

Diversifies F&B Hospitality Offering

Established High Volume & Profitable Brands

Significantly Increases Venue Base with No Incremental Development Required

Provides Additional Global Opportunities to Expand ONE Group Brands

Increases Footprint in Existing Cities and Provides Operational Economies of Scale

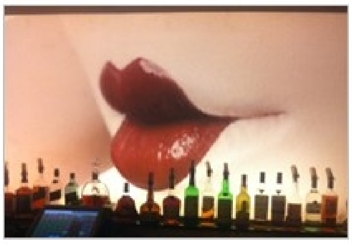
Ability to Leverage Existing G&A and Enhance Profitability

Internationally Recognized Restaurant Brands

STK

KATSUYA by S+ARCK

Cleo



Established Globally	Complementary Offerings	High-Energy Restaurants	High Quality	High Volume	High Margin

STK: Differentiated Steakhouse with High-Energy & Great Atmosphere

Key Points

- STK is a reinvention of the traditional steakhouse
- High-energy dining experience
- Restaurants built around the bar, featuring DJ played music
- High female to male customer mix
- Destination location where guests can utilize our restaurant in multiple ways
  - Main and private dining rooms, bars, lounges, rooftops
- Superior quality of a traditional steakhouse while featuring an innovative menu
- Designed for Primary Cities
- STK Rebel
  - STK under brand that maintains unique features, atmosphere and energy
  - Broader menu priced to appeal to a wider market
  - Open for lunch and dinner
  - Designed for Primary & Secondary cities

Katsuya: Japanese Cuisine - American Palate. International Appeal.

Key Points

- An "upscale casual", full-service restaurant that offers a uniquely stylish Japanese dining experience
- Restaurant concept by master sushi chef Katsuya Uechi, founded in Hollywood, CA
  - Distinguished by Philippe Starck design, a premier mixology program and a loyal celebrity clientele
  - Four dining concepts: sushi kitchen, hot kitchen, robata grill and liquid kitchen (bar)
- Targets upper-middle to upper class singles and couples who are well traveled food sophisticates
- Experience driven by music
- Fun, innovative menu offering with established signature dishes
- Currently has 9 operating locations: Los Angeles (4), Middle East (3), South Beach (1) and Las Vegas (1)
  - Baha Mar projected to open in 2Q15
  - Katsuya currently owns the Los Angeles locations and manages / licenses the other operating locations

Cleo Overview: Energized Ambience, People and Food

Key Points

- Cleo is an "upscale casual", full-service restaurant that offers a uniquely stylish Mediterranean dining experience
- Created for stand alone and hotel operations
- Three meal a day dining concept
- Created by award winning Chef Danny Elmaleh
- Lively atmosphere, with its flagship location at the Redbury Hotel, one of the most coveted hotels in Hollywood
- Currently has 3 operating locations: South Beach, Hollywood and Las Vegas
  - – Baha Mar projected to open in 2Q15

46 Venues Expected to be Opened by end of 2015

Owned Venues

STK

STK – Atlanta

STK – DC

STK – Downtown NY

STK – Midtown NY

STK – Rooftop NY

STK – Miami

STK – Disney World

STK – Chicago

STK Rebel – Denver

Katsuya

Brentwood, LA

Downtown, LA

Hollywood, LA

Glendale, LA

F&B Restaurants

Cucina Asellina – Atlanta

Bagatelle – New York

Bagatelle – Los Angeles

W Hotel - Los Angeles

STK

The Hideout

Hospitality Services

Managed / Licensed Venues

ME - London

STK

Cucina Asellina

Radio

Hospitality Services

Marconi

ME - Milan

STK

Radio

Hospitality Services

ME - Miami

STK Rebel

Hospitality Services

Hippodrome

Heliot Steak

Lola's Bar & Casino

Hospitality Services

Gansevoort

Asellina

Plunge

Hospitality Services

Cosmopolitan

STK

Redbury - Hollywood

Cleo

Redbury - South Beach

Cleo

SLS - Las Vegas

Cleo

Katsuya

SLS - South Beach

Cleo

Katsuya - Alshaya License

Middle East
(Arabella, Dubai, Kuwait)

SLS - Baha Mar

Katsuya
Cleo

Note: Hospitality F&B refers to F&B restaurants, rooftops, pools, bars and hospitality F&B services.

A Leading Hospitality Company – ONE Hospitality™

Comprehensive Portfolio of Internationally Recognized Brands

STK

KATSUYA by S+ARCK

Cleo

ASELLINA

CUCINA ASELLINA

STK REBEL

HELIOT STEAK HOUSE AT THE HIPPODROME

RADIO

MARCONI

Bagatelle

Growing List of Global Hospitality Clients

W HOTELS

SLS HOTELS

THE COSMOPOLITAN™ of LAS VEGAS

THE HIPPODROME CASINO

The Redbury

BAHA MAR THE BAHAMIAN RIVIERA

ME BY MELIÃ

starwood Hotels and Resorts

pebblebrook HOTEL TRUST

GANSEVOORT

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

Alshaya Partnership

Alshaya

- Headquartered in Kuwait with 125 year operating history
- Multinational retail franchise operator with 2,800+ stores
- Proven ability to activate brands globally with partnerships with over 70 consumer and retail brands across the Middle East, North Africa and Europe
  - Sectors of focus are: Fashion & Footwear, Food, Health & Beauty, Pharmacy, Optics, Home Furnishings and Leisure & Entertainment
- Alshaya's reach and reputation provide a leading partner to further expand our brands internationally

Significant International Footprint

With Leading Global Brands

The Cheesecake Factory
BHS
SHAKE SHACK
TEXAS ROADHOUSE
Le Pain Quotidien
POTBELLY SANDWICH SHOP
STARBUCKS COFFEE
KATSUYA by S+ARCK
EXPRESS
H&M
ESTĒE LAUDER COMPANIES
VICTORIA'S SECRET
POTTERY BARN
WILLIAMS-SONOMA
THE BODY SHOP
AMERICAN EAGLE OUTFITTERS

Multiple Avenues for Future Growth

Owned

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

Katsuya:

- Ability to put Katsuya in any STK city
- Targeting 1-2 Katsuya restaurants per year, short-term

Hospitality

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
- ***SLS Hotels to provide opportunities for inclusion of at least 10 ONE Group restaurant concepts in its hotels over the next 5 years***

Licensed

Licensing Deals:

- Contracted with Alshaya in the Middle East for 10 years for multiple restaurants
- Currently three Katsuya restaurants operating in the Middle East
- Development Agreement to open 14 additional Middle East locations over the next 5 years
- Exploring additional licenses for other ONE Group brands in the Middle East

~$67* million Pro Forma Sales at Owned Units

~$106* million Pro Forma Sales at Managed Units

~$15* million Pro Forma Sales at Licensed Units

Note: Sales at owned and managed units pro forma FYE 12/31/2014 and include sales at licensed units, as applicable.
* Indicates all or portion of number is from SBE internal financials and is in the process of being audited.

Purchase of Katsuya / Cleo

($Millions)

Key Proposed Deal Terms

- Cash purchase price of $75 million
  - Additional 200,000 TOG warrants exercise price of $5.00 per share
- Acquiring 14 restaurants (12 operating, 2 under construction - fully funded)
  - 9 Katsuya restaurants operating (4 owned, 2 managed, 3 licensed)
  - Alshaya Development Agreement to produce 14 more licensed Middle East locations over the next 5 years
  - 3 managed Cleo restaurants operating
  - Katsuya and Cleo restaurants in SLS Baha Mar, projected to open in 2Q 2015
- SLS Hotels to provide opportunities for inclusion of at least 10 ONE Group restaurant concepts in its hotels over the next 5 years
  - TOG receives 2/3 of all fees for new restaurants in hotels

Key Economic Terms for Managed Units(1)

- Existing
  - Katsuya: 100% to TOG
  - Cleo: 2/3 to TOG
- Future
  - Katsuya: 100% to TOG
  - Cleo: 60% to TOG
  - Katsuya SLS Lux Brickell: 50% to TOG
- Katsuya Baha Mar economic terms yet to be agreed upon

Pro Forma Sources and Uses

Sources	
Equity Proceeds	$50.0
Debt Proceeds	45.0
Total Sources	**$95.0**
Uses	
Purchase of Katsuya / Cleo	$75.0
Growth Capital	7.9
Repay Existing Debt	7.1
Fees and Expenses	5.0
Total Uses	**$95.0**

Pro Forma Capitalization

	3/31/2015	Pro Forma
Cash and Cash Equivalents	$4.5	$12.4
Debt		
Existing Term Loan	7.1	-
New Revolving Credit Facility	-	-
New Term Loan	-	45.0
Total Debt	**$7.1**	**$45.0**
LTM 12/31/14 Adjusted EBITDA	$7.8	* $15.0
Total Leverage	0.9x	3.0x

Note: Sources and Uses and Pro Forma Capitalization subject to post-closing adjustments.
(1) Economic share of management, incentive and other fees.
* Indicates all or portion of number is from SBE internal financials and is in the process of being audited.

Ability to Leverage G&A and Enhance Profitability

Recent G&A Investments

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 Reporting
- General Counsel
- Support Staff (2)

Acquisition is Highly Margin & EPS Accretive

- Acquire highly profitable restaurant brands
- Ability to leverage existing infrastructure with minimal incremental G&A required
- Katsuya and Cleo profitability accrues to bottom line

TOG Pro Forma P&L

	FY 2014A		
	STKS	Katsuya / Cleo	Pro Forma
Adjusted EBITDA to TOG	**$7.8**	**$7.2***	**$15.0***
% Margin	*15.8%*	*25.5%*	*19.3%*
D&A	(1.4)	(1.4)	(2.8)
Net Interest Expense	(0.1)	(2.7)	(2.8)
Provision from Taxes	(0.8)	(0.9)	(1.8)
Adj. Net Income (Loss) from Continuing Ops	2.0	2.2	4.2
Less: NCI	(0.5)		(0.5)
Adj. Net Income (Loss) to The ONE Group	**$1.5**		**$3.7**
Diluted Shares Outstanding	24.9	10.0	34.9
EPS	**$0.06**		**$0.11**
Accretion / (Dilution)			**$0.05**
% Accretion / (Dilution)			***76.0%***




* Indicates all or portion of number is from SBE internal financials and is in the process of being audited.

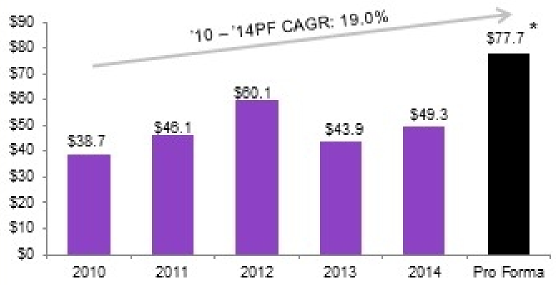
Strong Revenue Performance

($Millions)

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

	2010	2011	2012	2013	2014	Pro Forma
STK SSS(2)	(0.2%)	11.1%	10.8%	(0.7%)	5.0%	NA
Katsuya SSS(3)	(4.6%)	(1.3%)	1.2%	4.0%	1.9%	NA

GAAP Revenue



Management & Incentive Fee Revenue

Note: Pro Forma numbers also include sales at licensed locations and licensing fees.

(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.

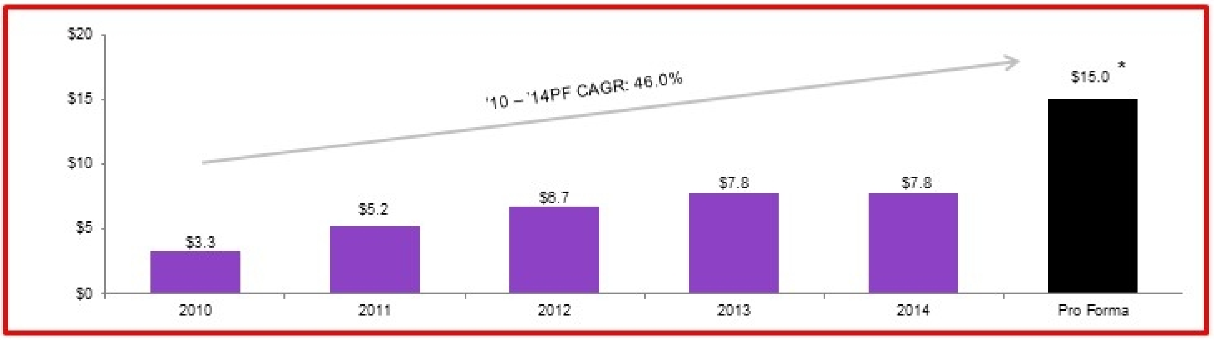
(3) Katsuya same store sales refers to Total Food & Beverage Sales at owned units that have been open 18 months as of that date.

* Indicates all or portion of number is from SBE internal financials and is in the process of being audited.

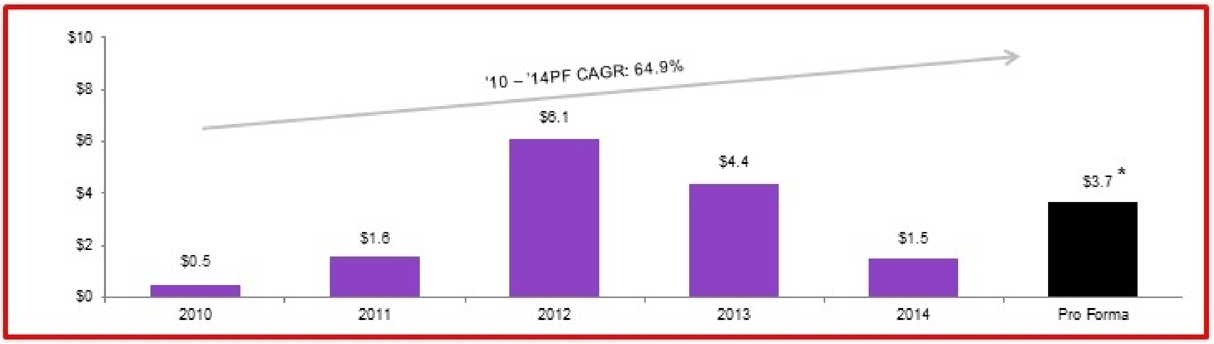
Adjusted EBITDA and Adjusted Net Income

($Millions)

TOG Adjusted EBITDA(1)



TOG Adjusted Net Income(1)



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

* Indicates all or portion of number is from SBE internal financials and is in the process of being audited.

Targeted Unit Economics

STK	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%

KATSUYA	Comp Store Base (Owned Units)
Same Store Sales Growth (1)	0% to 1%
Food & Beverage Costs	22.0% to 23.0%
Unit Operating Expense	53% to 54%

TARGETED	STK	Rebel	Katsuya	F&B Hospitality
	Owned Units	*Owned Units*	*Owned Units*	*Managed Units*
Revenue	$9.0 mil	$5.0 mil	$7.2 mil	--
EBITDA	$2.0 mil	$1.0 mil	$1.8 mil	--
Average Cash Investment	$3.8 mil(2)	$2.5 mil(2)	$5.2 mil(3)	<$500,000
ROI	**53%**	**40%**	**35%**	**--**
Management Fees	--	--	--	5.0% to 6.5%
Incentive Fees	--	--	--	>15%
Management & Incentive Fee Revenues	--	--	--	>$500,000
Average Check	$115	$55	$65	--
Square Feet	9,500	6,000	9,500	--

(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.
(3) Excludes preopening expenses.

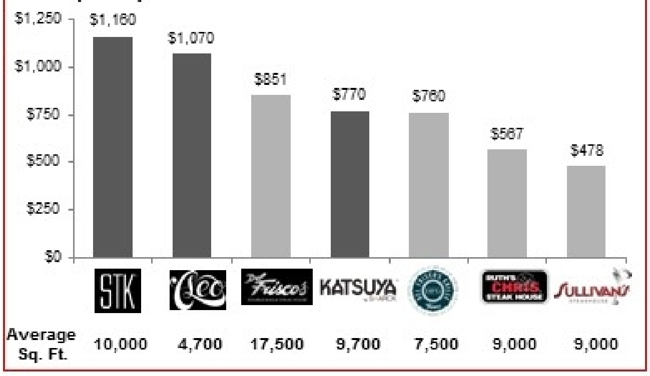

THEONEGROUP
lifestyle hospitality

APPENDIX

Unique Guest Experience Drives Strong Performance

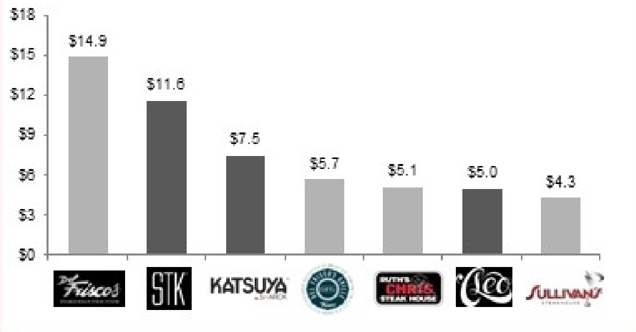
(Data as of FYE 2014)

Sales per Square Foot

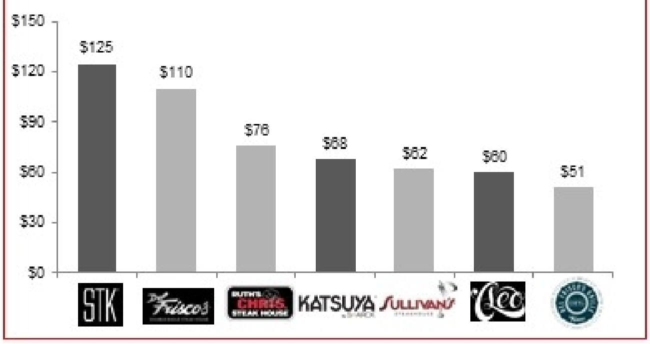


Average Unit Volume (AUV)

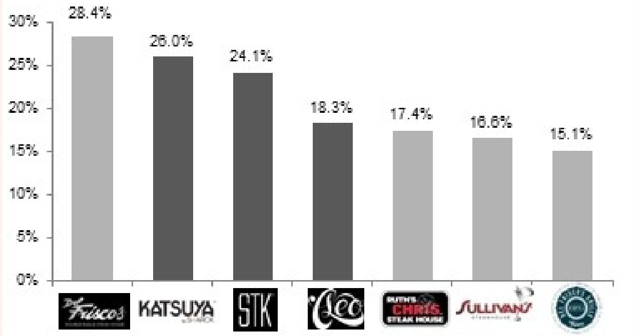
($Millions)



Average Check



2014 Restaurant-Level EBITDA Margin



Sources: Company filings, investor presentations and equity research.

Notes: STK figures represent the average results from STK's open for at least one year: STK – Downtown (including Rooftop), STK – LA, STK – Las Vegas, STK – Midtown and STK – Atlanta. 2014 STK Restaurant-Level EBITDA margin, a non-GAAP figure, excludes corporate expenses and deferred rent.

Katsuya figures represent the average results for owned restaurants: Brentwood, Hollywood and Downtown. Does not include Katsuya Glendale because location is not indicative of typical Katsuya restaurant concept.

Cleo figures represent Cleo Hollywood location, which was only location open for at least one year.

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	13.6	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	0.6	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**
Stockholders' Equity				
Total stockholders' equity	1.8	(1.1)	7.9	12.7
Noncontrolling interest	7.1	3.5	0.3	(0.3)
Total stockholders' equity including noncontrolling interest	**$ 8.9**	**$ 2.5**	**$ 8.2**	**$ 12.5**
Total Liabilities and Stockholders' 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	-
Deritvative 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 noncontrolling 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-consolibdating 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	2.4	3.7	7.3	8.8
GAAP Revenue	46.1	60.1	43.9	49.3
Food & Beverage Sales at Managed Units (a)	37.3	49.8	84.4	91.6
Net Revenue from Discontinued Operations (a)	0.0	1.0	5.2	0.1
Total Food & Beverage Sales at Owned and Managed Units	**$81.0**	**$107.2**	**$126.2**	**$132.2**

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