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For Immediate Release

CIRCLE PEAK CAPITAL ACQUIRES SHARI'S RESTAURANTS

New York, NY, December 30, 2005 – Circle Peak Capital, a private equity firm based in New York City, announced today the acquisition of Shari's Management Corp. (aka "Shari's Restaurants"), the largest full-service family restaurant chain in the Pacific Northwest. Circle Peak, its co-investors, and management will own 100% of the company at the close. Terms of the deal were not disclosed.

The investment, which was made in conjunction with leading private equity industry players, adds to Circle Peak's existing consumer portfolio, which also includes Hill & Valley, LLC, The Steak-Umm Company, Cole Water Company LLC and Chomp Inc.

Circle Peak was led in the transaction by Managing Partner, R. Adam Smith, Principal, John J. Poerink, and Senior Associate, Holbrook M. Forusz. "Shari's is unbelievably well-positioned as a strong regional player in the family dining sector. Great hospitality and compelling value proposition, prime store locations and strong tenured managers at all levels are among the company's advantages," said Smith.

Circle Peak is committed to keeping Shari's experienced management team in place, including CEO Larry Curtis, who has a stellar track record in the restaurant business. "We look forward to working with the Circle Peak investment group and are pleased with its aggressive growth goals and commitment to the Shari's mission," said Curtis, who joined the company in 1985.

Circle Peak partnered with junior capital partners Carlyle Mezzanine Partners LP, Falcon Investment Advisors LLC, and Sankaty Advisors LLC on the transaction. The transaction also involved senior capital providers and industry leaders Capital Source Finance LLC, Magnetar Capital, LLC and Wells Fargo Foothill.



Deal advisors included Daniel J. Eisner and Nigel Austin of Akin Gump Strauss Hauer & Feld LLP, and Kerry Kramp, a Circle Peak operating advisor who has more than 30 years of family dining restaurant experience, most recently as CEO of Buffets, Inc., and who will be a senior operating advisor to, and non-executive board member of, Shari's.

“We plan to expand Shari's depth and dominance in the family dining segment, and intend to grow and augment the business through its strong management team, which Larry Curtis and his team have done a great job of building and managing over the years,” said Kramp. Additional advisors on the Shari's acquisition included KPMG, Marsh, Gaiatech, Foster Pepper, The Hale Group, and Mount Vernon Strategies.

About Shari's Management:

Shari's Management Corporation (aka Shari's Restaurants) is the leading family-style dining chain in the Pacific Northwest operating approximately 100 units in Oregon, Washington and surrounding states. The Company has established itself as the regional leader by combining quality food and pleasant surroundings with good value, efficient service and 24-hour accessibility. Shari's serves more than 20 million customers annually, and approximately half of its client base dines at the chain at least once a week.

Circle Peak Capital LLC:

Circle Peak Capital LLC (“Circle Peak”) is a private equity investment firm based in New York, NY that invests in established small- and mid-cap private companies in the consumer sectors. Circle Peak's principals and advisors are experienced in investing in, managing, operating and advising companies with between \$10 million and \$500 million in sales. The Company is dedicated to partnering with proven management, and supplementing management teams where necessary, building profitable and sustainable businesses, and realizing significant returns on capital for its principals, management teams and investors. For more information, go to www.circlepeakcapital.com or call 646-230-8812.