

Cara Operations Limited Declares Dividend and Increases Fourth Quarter Dividend by 5%

VAUGHAN, ON, March 9, 2018 /CNW/ - The Board of Directors of Cara Operations Limited (TSX: CARA.TO) ("Cara" or the "Company") has declared a quarterly dividend of 10.68 cents per share, an increase of 5%, on its outstanding Subordinate Voting Shares and Multiple Voting Shares, or approximately \$6.7 million in the aggregate.

With Cara's strong balance sheet and growing cash flows, Management will continue to pursue strategic acquisitions and will explore alternatives to return more capital to its shareholders including continuation of its Normal Course Issuer Bid (NCIB) and increases to its dividend rate.

Payment of the dividend will be made on April 16, 2018 to shareholders of record at the close of business on March 31, 2018. Cara has designated this dividend as an eligible dividend within the meaning the Income Tax Act (Canada) and all provisions of provincial laws applicable to eligible dividends.

Dividend Reinvestment Plan

On May 5, 2016, the Company suspended the Dividend Reinvestment Plan which provided holders of Subordinate Voting Shares of Cara and Multiple Voting Shares of Cara, to acquire additional Subordinate Voting Shares by reinvesting all of their cash dividends at a purchase price discount of 3%.

The Company will continue to review its Dividend Policy on a quarterly basis and may reinstate the Dividend Reinvestment Plan in the future.

About CARA

Founded in 1883, Cara is Canada's oldest and largest full-service restaurant company. The Company franchises and/or operates some of the most recognized brands in the country including Swiss Chalet, Harvey's, St-Hubert, Milestones, Montana's, Kelsey's, East Side Mario's, New York Fries, Prime Pubs, Bier Markt, Landing, Original Joe's, State & Main, Elephant & Castle, Burger's Priest, Pickle Barrel, Taverne Moderne and The Keg. Cara's iconic brands have established Cara as a nationally recognized franchisor of choice. As at December 31, 2017, Cara had 1,272 restaurants, 1,221 of which were located in Canada and the remaining 51 locations were located internationally. 87% of Cara's restaurants are operated by franchisees and joint venture partners and 55% of Cara's locations are based in Ontario. Cara's shares trade on the Toronto Stock Exchange under the ticker symbol CARA.TO. More information about the Company is available at www.cara.com.

SOURCE Cara Operations Limited

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