

**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): **December 18, 2018**

Fiesta Restaurant Group, Inc.
(Exact name of registrant as specified in its charter)

| | | |
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| Delaware (State or other jurisdiction of incorporation) | 001-35373 (Commission File Number) | 90-0712224 (I.R.S. Employer Identification No.) |
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|---|----------------------------|
| 14800 Landmark Boulevard, Suite 500, Dallas, Texas (Address of principal executive offices) | 75254 (Zip Code) |
|---|----------------------------|

Registrant's telephone number, including area code (972) 702-9300

N/A
(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:

- 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 240.13a-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.05. COSTS ASSOCIATED WITH EXIT OR DISPOSAL ACTIVITIES.

On December 18, 2018, the Board of Directors of Fiesta Restaurant Group, Inc. (the "Company") concluded that the Company had impairment and lease and other charges as required under generally accepted accounting principles relating to the closure of fourteen (14) Company-owned Pollo Tropical restaurants, including all nine (9) Pollo Tropical restaurants in the greater Atlanta metropolitan area, and nine (9) Taco Cabana restaurants on December 20, 2018.

The Company expects to record total non-cash impairment charges of approximately \$12.0 million to \$13.0 million and related lease and other charges of approximately \$3.0 million to \$3.5 million in the fourth quarter 2018 with respect to the closed restaurants, which will result in future cash expenditures.

ITEM 2.06. MATERIAL IMPAIRMENTS.

The information required to be disclosed under this Item 2.06 is included in Item 2.05 above and incorporated by reference herein.

The Company issued a press release on December 20, 2018 announcing the closure of the Company-owned Pollo Tropical and Taco Cabana restaurants referenced above, the full text of which is attached as [Exhibit 99.1](#) and incorporated by reference into Item 2.05 and Item 2.06.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

[99.1](#) [Fiesta Restaurant Group, Inc. Press Release, dated December 20, 2018.](#)

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.

FIESTA RESTAURANT GROUP, INC.

Date: December 20, 2018

By: /s/ Lynn S. Schweinfurth

Name: Lynn S. Schweinfurth

Title: Senior Vice President, Chief Financial Officer and Treasurer

FOR IMMEDIATE RELEASE

Investor Relations Contact:

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**Fiesta Restaurant Group, Inc. Announces Completion of Strategic Renewal Plan with Comprehensive Restaurant Portfolio Review
2019 Focus Will Be on Foundational Growth Strategy**

Dallas, TX -- (Businesswire) - December 20, 2018 - Fiesta Restaurant Group, Inc. (“Fiesta” or the “Company”) (NASDAQ: FRGI), parent company of the Pollo Tropical® and Taco Cabana® fast-casual restaurant brands, today announced it will close 14 Pollo Tropical restaurants in Florida and Georgia, including all nine Pollo Tropical restaurants in the greater Atlanta metropolitan area, and nine Taco Cabana restaurants in Texas. Nearly all employees impacted by the Florida and Texas closures will be offered positions at nearby Pollo Tropical or Taco Cabana restaurant locations.

The 14 closed Pollo Tropical restaurants contributed approximately \$15.1 million in restaurant sales and \$4.6 million in restaurant level pre-tax operating losses, including \$2.0 million in depreciation expense, for the eleven months ended December 2, 2018. The nine closed Taco Cabana restaurants contributed approximately \$9.1 million in restaurant sales and \$1.5 million in restaurant level pre-tax operating losses, including \$0.7 million in depreciation expense, for the eleven months ended December 2, 2018.

As a result of these closures, the Company currently expects to recognize non-cash impairment charges of approximately \$12.0 million to \$13.0 million and related lease and other charges of approximately \$3.0 million to \$3.5 million during the fourth quarter of 2018. The actual amount of related lease and other charges will be based on the timing of restaurant closures.

Fiesta President and Chief Executive Officer Richard Stockinger said, “In completing our Strategic Renewal Plan with this comprehensive restaurant portfolio review, we will enter 2019 with a keen focus on building traffic, improving margins and rebranding Pollo Tropical for future expansion outside of South Florida. We believe that these steps will build the foundation for growth beginning in 2020.”

Mr. Stockinger concluded, “We continue to be optimistic about the future of Pollo Tropical and Taco Cabana and are pleased with recent progress made on several growth initiatives that we believe should have a meaningful impact on our business. New loyalty programs will be in place at both brands by the end of this year, we have rebranded and built an infrastructure to support Pollo Tropical catering and are in the process of doing the same at Taco Cabana, and third-party delivery is being piloted at select Pollo Tropical restaurants.”

About Fiesta Restaurant Group, Inc.

Fiesta Restaurant Group, Inc. is the parent company of the Pollo Tropical® and Taco Cabana® restaurant brands. The brands specialize in the operation of fast-casual restaurants that offer distinct and unique tropical and Mexican inspired

flavors with broad appeal at a compelling value. For more information about Fiesta Restaurant Group, Inc., visit the corporate website at www.frgi.com.

Forward-Looking Statements

Except for the historical information contained in this news release, the matters addressed are forward-looking statements. Forward-looking statements, written, oral or otherwise made, including the results of our Strategic Renewal Plan, represent Fiesta's expectation or belief concerning future events. Without limiting the foregoing, these statements are often identified by the words "may," "might," "believes," "thinks," "anticipates," "plans," "expects," "intends" or similar expressions. In addition, expressions of Fiesta's strategies, intentions or plans are also forward-looking statements. Such statements reflect management's current views with respect to future events and are subject to risks and uncertainties, both known and unknown. You are cautioned not to place undue reliance on these forward-looking statements as there are important factors that could cause actual results to differ materially from those in forward-looking statements, many of which are beyond Fiesta's control. Investors are referred to the full discussion of risks and uncertainties as included in Fiesta's filings with the Securities and Exchange Commission.